# - REIMBURSEMENT AGREEMENT -

This Reimbursement Agreement ("Agreement") is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_\_, 20\_\_ by and between the City of Mesa, a Municipal Corporation, hereinafter referred to as Mesa, and *DMB Mesa Proving Grounds LLC, a Delaware Limited Liability Company*, hereinafter referred to as Developer.

### RECITALS:

Whereas, Developer intends to develop certain real property known as *Eastmark* located at *5014 South Signal Butte Road*, Mesa, Arizona, as a *Residential Development*, and as more particularly described on Exhibit "A" attached hereto (the "Property"), and

Whereas, Developer is the owner of the Property, and

Whereas, Developer shall be required by Mesa to cause, in conjunction with the development of the Property, the design, installation and/or construction of certain specific offsite improvements ("Public Improvements") as identified on Mesa approved engineering drawing(s) A184025 through A184048, and

Whereas, said development of the Property creates a fundamental need for Public Improvements from which Developer's Property shall derive specific benefits, and

Whereas, said Public Improvements are also required to promote the public interest and for the purpose of ensuring that Mesa's minimum standards for utility service, and infrastructure are maintained, and

Whereas, because certain required Public Improvements are needed to meet regional as well as local demands ("Public Improvements"), Developer seeks Mesa's proportional financial participation ("City Participation") in the additional costs incurred beyond Developer's fair share, and

Whereas, Arizona law mandates that when City Participation for a single development is estimated to exceed a specific dollar amount as defined in A.R.S. §34-201(G), (the "Cost Limit"), all Public Improvements that qualify for City Participation shall be offered through the public bidding process as administered by Mesa, including

Developer's execution of a contract with the lowest qualified bidder ("Low Bidder") at unit prices as identified by Mesa, and

Whereas, if Developer declines to offer all Public Improvements that qualify for City Participation through the public bidding process as administered by Mesa, City Participation shall be limited to the Cost Limit, which Developer and Mesa agree to be One Hundred Twelve Thousand dollars (\$112,000) for purposes of this Agreement, and

Whereas, Developer's and Mesa's obligations for Public Improvements and City Participation pertaining to this Property are generally described as follows:

### DEVELOPER'S PUBLIC IMPROVEMENTS OBLIGATIONS:

Subject to Mesa's obligations as described in this Agreement and Exhibit "B" attached hereto, Developer shall be responsible for all costs associated with the design, installation and/or construction of all Public Improvements as identified on Mesa approved engineering drawing(s) A184025 through A184048 and specifically assigned to Developer as identified in Exhibit "B" (Developer's Costs).

### MESA'S CITY PARTICIPATION OBLIGATIONS:

Subject to Developer's Public Improvements obligations as described in this Agreement and Exhibit "B" attached hereto, Mesa shall reimburse Developer for specific costs relating to the design, installation and/or construction of Public Improvements as identified on Mesa approved engineering drawing(s) A184025 through A184048 and specifically assigned to Mesa as identified in Exhibit "B" (Mesa's Costs).

### AGREEMENT:

Now, therefore, in consideration of the foregoing recitals and representations and the mutual promises and covenants in this Agreement, it is agreed as follows:

- 1. The foregoing Recitals are confirmed to be true and accurate and are hereby incorporated by reference into this Agreement.
- 2. Mesa agrees:
  - 2.1 To accept financial responsibility for reimbursement to Developer only for those costs for items specifically identified as Public Improvements in this Agreement and assigned to Mesa as identified in Exhibit "B" (Mesa's costs).
    - 2.1.1 If the contract for Public Improvements is publicly bid, Mesa's costs shall be limited to only those costs identified in Exhibit "B," with quantities to be verified by Mesa in accordance with progress payment procedures, and to any additional costs approved by an authorized representative of Mesa on an executed change order pursuant to the Developer/Low Bidder Contract. All other costs and

liabilities known and unknown shall remain that of Developer.

2.1.2 If the contract for Public Improvements is <u>not</u> publicly bid, Mesa's Costs shall be limited to the unit costs incurred for only those items identified in Exhibit "B" as Mesa's Costs. There shall be no cost adjustments, and MESA shall pay for only actual quantities used for Public Improvements. In no event shall Mesa's Costs exceed the Cost Limit. All other costs and liabilities known and unknown shall remain that of Developer. Further, paragraphs 2.2 and 2.3 of this Agreement apply only to contracts that publicly bid.

2.2 To financially participate in Developer's costs for Public Improvements only as described in this Agreement and identified as Mesa's costs on Exhibit "B", by reimbursing Developer for the Public Improvements.

2.3

To process reimbursement payments through the office of Mesa's Development and Sustainability Department's Development Planning Specialist within fourteen (14) days of Mesa approval in the form of a two-party check made out to both Developer and the Low Bidder.

2.4 To assume ownership of all Public Improvements and to control and maintain same as a part of Mesa facilities, after completion and Acceptance.

3. Developer agrees:

3.1 To offer all Public Improvements that qualify for City Participation through the public bidding process as administered by Mesa, or private bidding process administered by Developer (in which case City Reimbursement shall be limited to the Cost Limit). If the contract for Public Improvements is <u>not</u> publicly bid, Sections 3.2 through 3.5 of this Agreement do not apply.

3.2 To execute a contract with Low Bidder (utilizing Mesa's contract documents as contained in the public bid package) for the exact unit costs related to said Public Improvements as identified in Low Bidder's proposal received during the public bidding process.

3.3 To provide Mesa with copies of said contract with Low Bidder, clearly identifying the unit costs of said Public Improvements, prior to issuance of the first Rights-of-Way permit to be issued in conjunction with the installation or construction of the Public Improvements.

3.4 To comply with all aspects of Mesa's policy and procedures for City

Participation in said Public Improvements as prescribed in this Agreement by making formal written progress payment requests to the office of the Development Sustainability Department's Development Planning Specialist on or before the monthly payment cycle date.

3.5 To provide Mesa with proof-of-payment to Low Bidder by Developer for Public Improvements as a part of reimbursement payment request.

3.6 To provide Mesa with copies of all invoices, lien releases, and proof-ofpayment(s) with the formal written request for final City reimbursement payment.

3.7 To accept financial responsibility for all Public Improvements, and liabilities known and unknown, other than City Participation in Public Improvements costs specifically assigned to Mesa as identified in this Agreement and Exhibit "B" (Mesa Costs).

3.8 To bear all risk of loss, damage, or failure to the Public Improvements until Acceptance.

3.9 To assign to Mesa, at Mesa's request, all of Developer's rights and privileges respecting warranty and maintenance of the Public Improvements, following Mesa's Acceptance of the Public Improvements.

3.10 To defend, indemnify, and hold harmless Mesa from any and all claims, demands, costs, expenses, damages, losses, obligations, judgments, or lawsuits that arise from or relate in any way to any act or omission by Developer or its contractors or agents undertaken in fulfillment of Developer's obligations under this Agreement.

3.11 To the extent applicable under A.R.S. § 41-4401 and 23-214, Developer represents and warrants compliance with all federal immigration laws and regulations that relate to their employees and their compliance with the E-verify requirements of A.R.S. 23-214(A). Breach of the above-mentioned warranty shall be deemed a material breach of the Agreement and may result in the termination of the Agreement by City. The City retains the legal right to randomly inspect the papers and records of any employee who works under this Agreement to ensure compliance with the above-mentioned laws.

4. Miscellaneous:

4.1 This Agreement shall be governed by and construed in accordance with the laws of the State of Arizona.

4.2 Time is of the essence with respect to the performance of each of the

obligations, covenants and agreements contained in this Agreement.

4.3 This Agreement shall automatically terminate when the first of the following three events occurs:

- 4.3.1 Satisfaction of each parties responsibilities as set forth in the Agreement.
- 4.3.2 One year after all construction required under this Agreement is accepted by City.
- 4.3.3 Five years after the date this Agreement is entered into, if neither party has materially performed under this agreement nor taken any actions to their detriment in reliance on this Agreement.

4.4 In the event that either party defaults in the performance of its obligations contained in this Agreement, the non-defaulting party shall have all remedies available at law and at equity, according to the laws of the State of Arizona.

- 4.4.1 <u>Default.</u> Failure or unreasonable delay by either party to perform or otherwise act in accordance with any term or provision hereof shall constitute a breach of this Agreement. The non-breaching party shall notify the breaching party in writing of the breach, specify the nature of the alleged breach and the manner in which said breach may be satisfactorily cured, if possible. If the breach can be, but is not, cured within thirty (30) days after written notice thereof (the "Cure Period"), the breach shall constitute a default under this Agreement.
- 4.4.2 Nothing contained in Section 4.3.1 is intended to limit Mesa's right to declare a default or terminate this Agreement immediately in the event any act or omission by Developer or its contractor in connection with this Agreement poses an unreasonable risk of harm or liability to Mesa or the public.

4.5 This Agreement shall be binding upon the parties hereto and their respective successors and assigns. Developer may not assign its interests hereunder to any successor-in-interest of all or any portion of the Property without the prior written consent of Mesa, which consent shall not be unreasonably withheld. Any such assignment shall, at a minimum, include a written agreement of the assignee to perform Developer's obligations as set forth in this Agreement.

4.6 The individuals executing this Agreement on behalf of the parties hereto represent that they have authority to execute this Agreement on behalf of such parties, and upon execution by the last party, this Agreement shall be binding. No

later than ten (10) days after Mesa and Developer have executed this Agreement it shall be recorded in its entirety in the official records of Maricopa County, Arizona.

4.7 Nothing in this Agreement shall be deemed as creating a joint venture, partnership, or any other cooperative or joint arrangement between Developer and Mesa. Until Mesa accepts ownership of the Public Improvements, Mesa's sole responsibility shall be to assist in funding the construction cost of the Public Improvements pursuant to this Agreement.

4.7.1 Developer and Mesa agree that the benefits of this contract are solely intended for Mesa and Developer. No contractor, Low Bidder or otherwise, nor anyone working for or supplying to such contractor, is intended to be a third party beneficiary of this Agreement.

4.8 Developer acknowledges that changes requested by Mesa shall only be done by formal written approval through the Development and Sustainability Department Director. Developer further acknowledges that any changes requested either by Developer or Mesa may require Developer to put all Public Improvements through the public bidding process.

<u>4.9 Attorneys' Fees.</u> In the event it becomes necessary for Mesa or Developer to employ legal counsel or to bring any action or proceeding to enforce any provisions hereof, the prevailing party shall be entitled to recover its costs and expenses incurred, including reasonable attorneys' fees.

4.10 <u>Notices.</u> All notices provided for herein shall be delivered personally or sent by certified United States Mail, postage pre-paid, return receipt requested to:

The City:	City of Mesa P.O. Box 1466 Mesa, AZ 85211-1466 Attn: Development and Sustainability Department Director
With a copy to:	City of Mesa P.O. Box 1466 Mesa, AZ 85211-1466 Attn: City Attorney
Developer:	DMB Mesa Proving Grounds LLC. 7600 East Doubletree Ranch Road, Suite 300 Scottsdale, Arizona 85258 Attn: Dea McDonald

Or to such other address or addresses as may hereafter be specified by notice given by any of the above for itself to the others. Any notice or other communication directed to a party to this Agreement shall become effective upon the earliest of the following: (a) actual receipt by that party; (b) personal delivery to the address of the party, addressed to the party; or (c) if given by certified or registered U.S. Mail, return receipt requested, 36 hours after deposit with the United States Postal Service, addressed to the party.

<u>4.11</u> <u>Good Standing; Authority.</u> Each of the parties represents and warrants to the other (a) that it is duly formed and validly existing under the laws of Arizona; (b) that it is authorized to conduct business in Arizona with respect to the Developer; and (c) that the individuals executing this Agreement on behalf of their respective parties are authorized and empowered to bind the party on whose behalf each such individual is signing.

<u>4.12</u> <u>Severability.</u> If any provision of this Agreement is declared void or unenforceable by a court of competent jurisdiction, such provision shall be severed from this Agreement, which shall otherwise remain in full force and effect if the remaining provisions permit the parties to obtain the practical benefits of this Agreement. Otherwise, either party may terminate this Agreement.

<u>4.13</u> Any dispute with respect to this Agreement and the rights and duties created by this Agreement shall be litigated in Superior Court of Maricopa County in the State of Arizona. The Parties shall not raise, and hereby waive, any defenses based on venue, inconvenience of forum, or lack of personal jurisdiction in any action or suit brought in accordance with this Section. The Parties acknowledge that they have read and understand this clause and agree voluntarily to its terms.

<u>4.14</u> Pursuant to ARS § 38-511, City may cancel this Agreement at any time within three years after its execution without further obligation if any person significantly involved in initiating, negotiating, securing, drafting or creating the Agreement on behalf of City is or becomes at any time while the Agreement is in effect an employee of or consultant to any other party to this Agreement. The cancellation shall be effective upon receipt of written notice of the cancellation unless the notice specifies another time.

<u>4.15</u> Pursuant to ARS § 42-17106, the City is a governmental agency which relies upon the appropriation of funds by its governing body to satisfy its obligations. City represents that it intends to pay all monies due under this Agreement if such funds have been legally appropriated. City agrees to actively request funding for future fiscal periods in order to satisfy the terms of this Agreement. However, in the event that an appropriation is not granted and operating funds are not otherwise legally available to pay the monies due or to become due under this Agreement, City shall have the right to terminate the

Agreement without penalty on the last day of the fiscal period for which funds were legally available. In the event of such termination, City agrees to provide a minimum of thirty (30) calendar days' advance written notice of its intent to terminate.

<u>4.16</u> All exhibits attached to this Agreement are incorporated into and made an integral part of this Agreement for all purposes by this reference.

SIGNATURES ON THE NEXT PAGE

In Witness Thereof, the parties have caused these presents to be executed the day and year written herein below,

Developer:

	Ву:	
	Its:	
	Date:	
STATE OF ARIZONA	)	
County of Maricopa	) )SS )	
The foregoing instrument v	was acknowledged before me this	_day of
2017, by	, as	of DMB Mesa
Proving Grounds LLC, a D	elaware Limited Liability Company on b	ehalf of the limited
liability company.		

Notary Public

My Commission Expires:

City:	City of Mesa, a Municipal Corporation
	By: Development Services Department Director
	Date:
STATE OF ARIZONA County of Maricopa	) )SS )
	ent was acknowledged before me this day of 0_, by, as Development
Services Department Dire corporation.	ector of City of Mesa, a Municipal Corporation, on behalf of the

Notary Public

My Commission Expires:

Approved as to Form

Jim Smith, City Attorney

### EXHIBIT A

### LEGAL DESCRIPTION

THAT PART OF SECTIONS 14, 22, & 23 ALL OF TOWNSHIP 1 SOUTH, RANGE 7 EAST, OF THE GILA AND SALT RIVER MERIDIAN, MARICOPA COUNTY, ARIZONA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER (SWC) OF SAID SECTION 22, MONUMENTED WITH A MARICOPA COUNTY BRASS CAP IN HAND HOLE, FROM WHICH THE SOUTH QUARTER CORNER (S1/4), MONUMENTED WITH AN ALUMINUM CAP, BEARS SOUTH 89^38'34" EAST, A DISTANCE OF 2,647.07 FEET;

THENCE SOUTH 89^38'34" EAST, ALONG THE SOUTH LINE OF THE SOUTHWEST QUARTER (SW1/4) OF SAID SECTION 22, A DISTANCE OF 50.00 FEET TO A POINT ON A LINE WHICH IS PARALLEL WITH AND 50.00 EASTERLY, AS MEASURED AT RIGHT ANGLES FROM THE WEST LINE OF SAID SOUTHWEST QUARTER (SW1/4) OF SECTION 22;

THENCE, DEPARTING SAID SOUTH LINE, NORTH 00^15'50" WEST, ALONG SAID PARALLEL LINE, A DISTANCE OF 40.00 FEET TO A POINT ON THE EASTERLY RIGHT-OF-WAY OF ELLSWORTH ROAD (PER DOC. 2006-1695606, MARICOPA COUNTY RECORDS [MCR]) AND THE POINT OF BEGINNING;

THENCE, CONTINUING, NORTH 00^15'50" WEST, ALONG SAID PARALLEL LINE AND RIGHT-OF-WAY, A DISTANCE OF 25.00 FEET TO A POINT ON A LINE WHICH IS PARALLEL WITH AND 65.00 FEET NORTHERLY, AS MEASURED AT RIGHT ANGLES, FROM SAID SOUTH LINE OF THE SOUTHWEST QUARTER (SW1/4) OF SECTION 22;

THENCE, CONTINUING ON SAID EASTERLY RIGHT-OF-WAY OF ELLSWORTH ROAD, SOUTH 89^38'34" EAST, ALONG SAID PARALLEL LINE, A DISTANCE OF 5.00 FEET TO A POINT ON A LINE WHICH IS PARALLEL WITH AND 55.00 FEET EASTERLY, AS MEASURED AT RIGHT ANGLES FROM SAID WEST LINE OF THE SOUTHWEST QUARTER (SW1/4) OF SECTION 22;

THENCE, CONTINUING ALONG SAID EASTERLY RIGHT-OF-WAY OF ELLSWORTH ROAD AND PARALLEL LINE, NORTH 00"15'50" WEST, A DISTANCE OF 2570.71 FEET TO A POINT IN THE NORTH LINE OF THE SOUTHWEST QUARTER (SW1/4) OF SAID SECTION 22;

THENCE SOUTH 89^38'07" EAST, ALONG SAID NORTH LINE, A DISTANCE OF 10.00 FEET TO A POINT ON A LINE WHICH IS PARALLEL WITH AND 65.00 FEET EASTERLY, AS MEASURED AT RIGHT ANGLES, FROM SAID WEST LINE OF THE SOUTHWEST QUARTER (SW1/4) OF SECTION 22;

THENCE SOUTH 00^15'50" EAST, DEPARTING FROM SAID NORTH LINE AND ALONG SAID PARALLEL LINE, A DISTANCE OF 1663.15 FEET;

THENCE NORTH 89^44'10" EAST, A DISTANCE OF 4.90 FEET;

THENCE SOUTH 01^24'34" EAST, A DISTANCE OF 179.94 FEET;

THENCE SOUTH 00^15'50" EAST, A DISTANCE OF 50.74 FEET:

THENCE SOUTH 45^15'50" EAST, A DISTANCE OF 24.28 FEET;

THENCE NORTH 89^44'10" EAST, A DISTANCE OF 10.00 FEET TO A POINT ON A LINE WHICH IS PARALLEL WITH AND 100.67 FEET EASTERLY, AS MEASURED AT RIGHT ANGLES, FROM SAID WEST LINE OF THE SOUTHWEST QUARTER (SW1/4) OF SECTION 22;

THENCE SOUTH 00^15'50" EAST, ALONG SAID PARALLEL LINE; A DISTANCE OF 91.00 FEET;

THENCE SOUTH 44^44'10" WEST, DEPARTING FROM SAID PARALLEL LINE, A DISTANCE OF 24.28 FEET; TO A POINT ON A LINE WHICH IS PARALLEL WITH AND 83.50 FEET EASTERLY, AS MEASURED AT RIGHT ANGLES, FROM SAID WEST LINE OF THE SOUTHWEST QUARTER (SW1/4) OF SECTION 22;

THENCE SOUTH 00^15'50" EAST, ALONG SAID PARALLEL LINE, A DISTANCE OF 240.93 FEET;

THENCE SOUTH 89^44'10" WEST, A DISTANCE OF 8.50 FEET TO A POINT ON A LINE WHICH IS PARALLEL WITH AND 75.00 FEET EASTERLY, AS MEASURED AT RIGHT ANGLES, FROM SAID WEST LINE OF THE SOUTHWEST QUARTER (SW1/4) OF SECTION 22;

THENCE SOUTH 00^15'50" EAST, ALONG SAID PARALLEL LINE, A DISTANCE OF 54.86 FEET;

THENCE SOUTH 89^44"10' WEST, A DISTANCE OF 10.00 FEET TO A POINT ON A LINE WHICH IS PARALLEL WITH AND 65.00 FEET EASTERLY, AS MEASURED AT RIGHT ANGLES, FROM SAID WEST LINE OF THE SOUTHWEST QUARTER (SW1/4) OF SECTION 22;

THENCE SOUTH 00^15' 50" EAST, ALONG SAID PARALLEL LINE, A DISTANCE OF 103.79 FEET;

THENCE SOUTH 44^57'12" EAST, A DISTANCE OF 21.33 FEET TO A POINT ON A

LINE WHICH IS PARALLEL WITH AND 202.00 FEET NORTHERLY, AS MEASUREDAT RIGHT ANGLES, FROM SAID SOUTH LINE OF THE SOUTHWEST QUARTER (SW1/4) OF SECTION 22;

THENCE SOUTH 89^38'34" EAST, ALONG SAID PARALLEL LINE, A DISTANCE OF 556.33 FEET;

THENCE SOUTH 00^21'26" WEST, A DISTANCE OF 10.00 FEET TO A POINT ON SAID LINE WHICH IS PARALLEL WITH AND 192.00 FEET NORTHERLY, AS MEASURED AT RIGHT ANGLES, FROM THE SOUTH LINE OF THE SOUTHWEST QUARTER (SW1/4) OF SECTION 22;

THENCE SOUTH 89^38'34" EAST, ALONG SAID PARALLEL LINE, A DISTANCE OF 2,012.98 FEET TO A POINT ON A LINE WHICH IS PARALLEL WITH AND 192.00 FEET NORTHERLY, AS MEASURED AT RIGHT ANGLES, FROM THE SOUTH LINE OF THE SOUTHEAST QUARTER (SE1/4) OF SAID SECTION 22;

THENCE SOUTH 89^36'12" EAST, A DISTANCE OF 2,658.25 FEET TO A POINT ON A LINE WHICH IS PARALLEL WITH AND 192.00 FEET NORTHERLY, AS MEASURED AT RIGHT ANGLES, FROM THE SOUTH LINE OF THE SOUTHWEST QUARTER (SW1/4) OF SAID SECTION 23;

THENCE SOUTH 89^38'44" EAST, ALONG SAID PARALLEL LINE, A DISTANCE OF 226.61 FEET;

THENCE NORTH 00^21'16" EAST, A DISTANCE OF 429.28 FEET TO THE BEGINNING OF A TANGENT CURVE OF 934.50 FOOT RADIUS, CONCAVE SOUTHWESTERLY;

THENCE NORTHWESTERLY, ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 20^21'24", A DISTANCE OF 332.02 FEET;

THENCE NORTH 69^59'52" EAST, A DISTANCE OF 120.00 FEET TO A POINT ON A 1,054.50 FOOT RADIUS NON-TANGENT CURVE, WHOSE CENTER BEARS SOUTH 69^59'52" WEST;

THENCE SOUTHEASTERLY, ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 20^21'24", A DISTANCE OF 374.65 FEET;

THENCE SOUTH 00^21'16" WEST, A DISTANCE OF 86.78 FEET;

THENCE SOUTH 89^17'27" EAST, A DISTANCE OF 22.32 FEET;

THENCE SOUTH 00^42'33" WEST, A DISTANCE OF 58.50 FEET;

THENCE NORTH 89^17'27" WEST, A DISTANCE OF 18.95 FEET;

THENCE SOUTH 00^20'11" WEST, A DISTANCE OF 109.98 FEET;

THENCE SOUTH 89^38'44" EAST, A DISTANCE OF 18.94 FEET;

THENCE SOUTH 00^21'16" WEST, A DISTANCE OF 58.94 FEET;

THENCE NORTH 89^38'44" WEST, A DISTANCE OF 21.56 FEET;

THENCE SOUTH 12^38'14" WEST, A DISTANCE OF 39.57 FEET;

THENCE SOUTH 00^21'16" WEST, A DISTANCE OF 56.09 FEET;

THENCE SOUTH 44^38'44" EAST, A DISTANCE OF 17.41 FEET TO A POINT ON A LINE WHICH IS PARALLEL WITH AND 200.00 FEET NORTHERLY, AS MEASURED AT RIGHT ANGLES, FROM THE SOUTH LINE OF THE SOUTHWEST QUARTER (SW1/4) OF SECTION 23;

THENCE SOUTH 89^38'44" EAST, ALONG SAID PARALLEL LINE, A DISTANCE OF 305.70 FEET;

THENCE NORTH 00^21'16" EAST, A DISTANCE OF 5.28 FEET;

THENCE SOUTH 89^58'49" EAST, A DISTANCE OF 49.00 FEET;

THENCE SOUTH 00^21'35" WEST, A DISTANCE OF 5.57 FEET; TO A POINT ON A LINE WHICH IS PARALLEL WITH AND 200.00 FEET NORTHERLY, AS MEASURED AT RIGHT ANGLES, FROM THE SOUTH LINE OF THE SOUTHWEST QUARTER (SW1/4) OF SECTION 23;

THENCE SOUTH 89^38'44" EAST, ALONG SAID PARALLEL LINE, A DISTANCE OF 305.70 FEET;

THENCE NORTH 00^21'16" EAST, A DISTANCE OF 117.00 FEET;

THENCE NORTH 89^38'44" WEST, A DISTANCE OF 3.69 FEET;

THENCE NORTH 00^21'16" EAST, A DISTANCE OF 20.00 FEET;

THENCE SOUTH 89^38'44" EAST, A DISTANCE OF 3.69 FEET;

THENCE NORTH 00^21'16" EAST, A DISTANCE OF 138.60 FEET;

THENCE NORTH 89^38'44" WEST, A DISTANCE OF 22.98 FEET;

THENCE NORTH 00^21'16" EAST, A DISTANCE OF 59.75 FEET;

THENCE SOUTH 89^38'44" EAST, A DISTANCE OF 24.29 FEET;

THENCE NORTH 00^21'16" EAST, A DISTANCE OF 33.84 FEET;

THENCE NORTH 89^38'44" WEST, A DISTANCE OF 5.00 FEET;

THENCE NORTH 00^21'16" EAST, A DISTANCE OF 20.00 FEET;

THENCE SOUTH 89^38'44" EAST, A DISTANCE OF 5.00 FEET;

THENCE NORTH 00^21'16" EAST, A DISTANCE OF 113.96 FEET;

THENCE NORTH 80^18'03" WEST, A DISTANCE OF 5.07 FEET;

THENCE NORTH 00^21'16" EAST, A DISTANCE OF 20.27 FEET;

THENCE SOUTH 80^18'03" EAST, A DISTANCE OF 5.07 FEET;

THENCE NORTH 00^21'16" EAST, A DISTANCE OF 16.53 FEET TO THE BEGINNING OF A

TANGENT CURVE OF 1132.29 FOOT RADIUS, CONCAVE NORTHWESTERLY;

THENCE NORTHWESTERLY, ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 05^38'27", A

DISTANCE OF 111.48 FEET;

THENCE SOUTH 87^04'02" WEST, A DISTANCE OF 22.17 FEET;

THENCE NORTH 02^55'58" WEST, A DISTANCE OF 76.14 FEET;

THENCE NORTH 84^47'46" EAST, A DISTANCE OF 24.16 FEET TO A POINT ON A 1,945.50

FOOT RADIUS NON-TANGENT CURVE, WHOSE CENTER BEARS SOUTH 84^47'46" WEST;

THENCE NORTHWESTERLY, ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 03^28'56", A

DISTANCE OF 118.24 FEET;

THENCE SOUTH 81^18'51" WEST, A DISTANCE OF 17.07 FEET;

THENCE NORTH 09^59'07" WEST, A DISTANCE OF 87.45 FEET;

THENCE NORTH 78^42'56" EAST, A DISTANCE OF 17.07 FEET TO A POINT ON A 1,945.50 FOOT RADIUS NON-TANGENT CURVE, WHOSE CENTER BEARS SOUTH 78^42'56" WEST;

THENCE NORTHWESTERLY, ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 02^06'43", A

DISTANCE OF 71.71 FEET;

THENCE SOUTH 67^21'59" WEST, A DISTANCE OF 17.44 FEET;

THENCE NORTH 22^38'01" WEST, A DISTANCE OF 69.18 FEET;

THENCE NORTH 67^21'59" EAST, A DISTANCE OF 27.42 FEET TO A POINT ON A 1,945.50

FOOT RADIUS NON-TANGENT CURVE, WHOSE CENTER BEARS SOUTH 74^32'42" WEST;

THENCE NORTHWESTERLY, ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 02^55'37", A

DISTANCE OF 99.39 FEET;

THENCE SOUTH 72^19'15" WEST, A DISTANCE OF 4.99 FEET;

THENCE NORTH 18^36'23" WEST, A DISTANCE OF 20.00 FEET;

THENCE NORTH 72^19'15" EAST, A DISTANCE OF 4.96 FEET TO A POINT ON A 1,945.50 FOOT RADIUS NON-TANGENT CURVE, WHOSE CENTER BEARS SOUTH 71^01'44" WEST;

THENCE NORTHWESTERLY, ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 7^22'22", A DISTANCE OF 250.34 FEET;

THENCE NORTH 63^39'23" EAST, A DISTANCE OF 95.00 FEET TO A POINT ON A 2,040.50 FOOT RADIUS NON-TANGENT CURVE, WHOSE CENTER BEARS SOUTH 63^39'23" WEST;

THENCE SOUTHEASTERLY, ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 26^41'54", A DISTANCE OF 950.82 FEET;

THENCE SOUTH 00^21'16" WEST, A DISTANCE OF 532.94 FEET;

THENCE SOUTH 44^38'44" EAST, A DISTANCE OF 21.21 FEET TO A POINT ON SAID LINE WHICH IS PARALLEL WITH AND 192.00 FEET NORTHERLY, AS MEASURED AT RIGHT ANGLES, FROM THE SOUTH LINE OF THE SOUTHWEST QUARTER (SW1/4) OF SECTION 23;

THENCE SOUTH 89^38'44" EAST, A DISTANCE OF 1539.06 FEET TO A POINT ON A LINE WHICH IS PARALLEL WITH AND 192.00 FEET NORTHERLY, AS MEASURED AT RIGHT ANGLES, FROM THE SOUTH LINE OF THE SOUTHEAST QUARTER (SE1/4) OF SECTION 23;

THENCE, ALONG SAID PARALLEL LINE, SOUTH 89^37'14" EAST, A DISTANCE OF 118.05 FEET;

THENCE NORTH 45^22'46" EAST, A DISTANCE OF 21.21 FEET;

THENCE NORTH 00^22'46" EAST, A DISTANCE OF 137.57 FEET;

THENCE NORTH 04^11'44" EAST, A DISTANCE OF 90.15 FEET;

THENCE NORTH 00^22'46" EAST, A DISTANCE OF 178.80 FEET TO THE BEGINNING OF A TANGENT CURVE OF 1,512.50 FOOT RADIUS, CONCAVE SOUTHEASTERLY;

THENCE NORTHEASTERLY, ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 16^27'40", A DISTANCE OF 434.54 FEET;

THENCE NORTH 16^50'26" EAST, A DISTANCE OF 860.07 FEET TO THE BEGINNING OF A TANGENT CURVE OF 987.50 FOOT RADIUS, CONCAVE SOUTHWESTERLY;

THENCE NORTHWESTERLY, ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 58^08'34", A DISTANCE OF 1,002.10 FEET;

THENCE NORTH 41^18'09" WEST, A DISTANCE OF 152.50 FEET;

THENCE NORTH 48^41'51" EAST, A DISTANCE OF 25.00 FEET;

THENCE SOUTH 41^18'09" EAST, A DISTANCE OF 152.50 FEET TO THE BEGINNING OF A TANGENT CURVE OF 1012.50 FOOT RADIUS, CONCAVE SOUTHWESTERLY;

THENCE SOUTHEASTERLY, ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 58^08'34", A DISTANCE OF 1,027.47 FEET;

THENCE SOUTH 16^50'26" WEST, A DISTANCE OF 860.07 FEET TO THE BEGINNING OF A TANGENT CURVE OF 1,487.50 FOOT RADIUS, CONCAVE SOUTHEASTERLY;

THENCE SOUTHWESTERLY, ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 16^27'40", A DISTANCE OF 427.36 FEET;

THENCE SOUTH 00^22'46" WEST, A DISTANCE OF 178.80 FEET;

THENCE SOUTH 03^26'13" EAST, A DISTANCE OF 90.15 FEET;

THENCE SOUTH 00^22'46" WEST, A DISTANCE OF 137.57 FEET;

THENCE SOUTH 44^37'14" EAST, A DISTANCE OF 21.21 FEET TO A POINT ON SAID LINE WHICH IS PARALLEL WITH AND 192.00 FEET NORTHERLY, AS MEASURED AT RIGHT ANGLES, FROM THE SOUTH LINE OF THE SOUTHEAST QUARTER (SE1/4) OF SECTION 23;

THENCE, ALONG SAID PARALLEL LINE, SOUTH 89^37'14" EAST, A DISTANCE OF 652.93 FEET TO THE BEGINNING OF A TANGENT CURVE OF 1,935.00 FOOT RADIUS, CONCAVE NORTHWESTERLY;

THENCE NORTHEASTERLY, ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 14^24'33", A DISTANCE OF 486.62 FEET;

THENCE NORTH 75^58'13" EAST, A DISTANCE OF 226.81 FEET TO THE BEGINNING OF A TANGENT CURVE OF 2,265.00 FOOT RADIUS, CONCAVE SOUTHEASTERLY;

THENCE NORTHEASTERLY, ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 13^18'41", A DISTANCE OF 526.22 FEET;

THENCE NORTH 89^16'54" EAST, A DISTANCE OF 445.94 FEET TO A POINT ON A LINE WHICH IS PARALLEL WITH AND 153.00 FEET WESTERLY, AS MEASURED AT RIGHT ANGLES, FROM THE EAST LINE OF SAID SOUTHEAST QUARTER (SE1/4) OF SECTION 23;

THENCE NORTH 00^43'06" WEST, ALONG SAID PARALLEL LINE, A DISTANCE OF 115.31 FEET;

THENCE NORTH 45^52'09" WEST, A DISTANCE OF 21.16 FEET TO A POINT ON A LINE WHICH IS PARALLEL WITH AND 168.00 FEET WESTERLY, AS MEASURED

AT RIGHT ANGLES, FROM THE EAST LINE OF SAID SOUTHEAST QUARTER (SE1/4) OF SECTION 23;

THENCE NORTH 00^43'06" WEST, ALONG SAID PARALLEL LINE, A DISTANCE OF 287.00 FEET TO A POINT ON A 10.00 FOOT RADIUS NON-TANGENT CURVE, WHOSE CENTER BEARS NORTH 53^50'54" WEST;

THENCE NORTHEASTERLY, ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 36^52'12", A DISTANCE OF 6.44 FEET TO A POINT ON A LINE WHICH IS PARALLEL WITH AND 166.00 FEET WESTERLY, AS MEASURED AT RIGHT ANGLES, FROM THE EAST LINE OF SAID SOUTHEAST QUARTER (SE1/4) OF SECTION 23;

THENCE NORTH 00^43'06" WEST, ALONG SAID PARALLEL LINE, A DISTANCE OF 284.16 FEET TO THE BEGINNING OF A TANGENT CURVE OF 10.00 FOOT RADIUS, CONCAVE NORTHWESTERLY;

THENCE NORTHWESTERLY, ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 49^34'26", A DISTANCE OF 8.65 FEET;

THENCE NORTH 39^42'28" EAST, A DISTANCE OF 25.47 FEET TO A POINT ON A LINE WHICH IS PARALLEL WITH AND 153.00 FEET WESTERLY, AS MEASURED AT RIGHT ANGLES, FROM THE EAST LINE OF SAID SOUTHEAST QUARTER (SE1/4) OF SECTION 23;

THENCE NORTH 00^43'06" WEST, ALONG SAID PARALLEL LINE, A DISTANCE OF 221.16 FEET;

THENCE NORTH 31^11'02" WEST, A DISTANCE OF 19.72 FEET TO A POINT ON A 10.00 FOOT RADIUS NON-TANGENT CURVE, WHOSE CENTER BEARS NORTH 00^43'06" WEST;

THENCE NORTHEASTERLY, ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 90^00'00", A DISTANCE OF 15.71 FEET TO A POINT ON A LINE WHICH IS PARALLEL WITH AND 153.00 FEET WESTERLY, AS MEASURED AT RIGHT ANGLES, FROM THE EAST LINE OF SAID SOUTHEAST QUARTER (SE1/4) OF SECTION 23; THENCE NORTH 00<sup>4</sup>3'06" WEST, ALONG SAID PARALLEL LINE, A DISTANCE OF 322.00 FEET TO THE BEGINNING OF A TANGENT CURVE OF 10.00 FOOT RADIUS, CONCAVE NORTHWESTERLY;

THENCE NORTHWESTERLY, ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 90^00'00", A DISTANCE OF 15.71 FEET;

THENCE NORTH 29^44'50" EAST, A DISTANCE OF 19.72 FEET TO A POINT ON A LINE WHICH IS PARALLEL WITH AND 153.00 FEET WESTERLY, AS MEASURED AT RIGHT ANGLES, FROM THE EAST LINE OF SAID SOUTHEAST QUARTER (SE1/4) OF SECTION 23;

THENCE NORTH 00^43'06" WEST, ALONG SAID PARALLEL LINE, A DISTANCE OF 236.16 FEET;

THENCE NORTH 41^08'40" WEST, A DISTANCE OF 25.47 FEET TO A POINT ON A 10.00 FOOT RADIUS NON-TANGENT CURVE, WHOSE CENTER BEARS NORTH 41^08'40" WEST;

THENCE NORTHEASTERLY, ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 49^34'26", A DISTANCE OF 8.65 FEET TO A POINT ON A LINE WHICH IS PARALLEL WITH AND 166.00 FEET WESTERLY, AS MEASURED AT RIGHT ANGLES, FROM THE EAST LINE OF SAID SOUTHEAST QUARTER (SE1/4) OF SECTION 23;

THENCE NORTH 00<sup>4</sup>3'06" WEST, ALONG SAID PARALLEL LINE, A DISTANCE OF 320.16 FEET TO THE BEGINNING OF A TANGENT CURVE OF 10.00 FOOT RADIUS, CONCAVE NORTHWESTERLY;

THENCE NORTHWESTERLY, ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 49^34'26", A DISTANCE OF 8.65 FEET;

THENCE NORTH 39<sup>4</sup>2'28" EAST, A DISTANCE OF 25.47 FEET TO A POINT ON A LINE WHICH IS PARALLEL WITH AND 153.00 FEET WESTERLY, AS MEASURED AT RIGHT ANGLES, FROM THE EAST LINE OF SAID SOUTHEAST QUARTER (SE1/4) OF SECTION 23;

THENCE NORTH 00^43'06" WEST, ALONG SAID PARALLEL LINE, A DISTANCE OF 238.16 FEET;

THENCE NORTH 41^11'24" WEST, A DISTANCE OF 25.49 FEET TO A POINT ON A 10.00 FOOT RADIUS NON-TANGENT CURVE, WHOSE CENTER BEARS NORTH 41^11'24" WEST;

THENCE NORTHEASTERLY, ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 49^38'44", A DISTANCE OF 8.66 FEET;

THENCE NORTH 00^50'08" WEST, A DISTANCE OF 320.16 FEET TO THE BEGINNING OF A TANGENT CURVE OF 10.00 FOOT RADIUS, CONCAVE NORTHWESTERLY;

THENCE NORTHWESTERLY, ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 49^22'37", A DISTANCE OF 8.62 FEET;

THENCE NORTH 39^47'14" EAST, A DISTANCE OF 25.48 FEET TO A POINT ON A LINE WHICH IS PARALLEL WITH AND 153.00 FEET WESTERLY, AS MEASURED AT RIGHT ANGLES, FROM THE EAST LINE OF THE NORTHEAST QUARTER (NE1/4) OF SECTION 23;

THENCE NORTH 00^50'17" WEST, ALONG SAID PARALLEL LINE, A DISTANCE OF 2,289.61 FEET; TO A POINT ON A LINE WHICH IS PARALLEL WITH AND 33.50 FEET SOUTHERLY, AS MEASURED AT RIGHT ANGLES, FROM THE NORTH LINE OF SAID NORTHEAST QUARTER (NE1/4) OF SAID SECTION 23;

THENCE, DEPARTING SAID PARALLEL LINE, NORTH 00^23'56" EAST, A DISTANCE OF 33.50 FEET TO SAID NORTH LINE OF THE NORTHEAST QUARTER (NE1/4) OF SECTION 23, ALSO BEING THE SOUTH LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 14;

THENCE, DEPARTING SAID SECTION LINE, NORTH 00^23'56" EAST, A DISTANCE OF 33.50 FEET TO A LINE PARALLEL WITH AND 33.50 FEET NORTHERLY, AS MEASURED AT RIGHT ANGLES, FROM SAID SOUTH LINE OF THE SOUTHEAST QUARTER (SE1/4) OF SECTION 14;

THENCE, ALONG SAID PARALLEL LINE, SOUTH 89^36'04" EAST, A DISTANCE OF 61.70 FEET;

THENCE NORTH 44^52'57" EAST, A DISTANCE OF 21.02 FEET TO A POINT ON A LINE WHICH IS PARALLEL WITH AND 75.00 FEET WESTERLY, AS MEASURED AT RIGHT ANGLES, FROM THE EAST LINE OF SAID SOUTHEAST QUARTER (SE1/4) OF SECTION 14;

THENCE, DEPARTING SAID PARALLEL LINE, NORTH 89^21'59" EAST, A DISTANCE OF 75.00 FEET TO A POINT ON SAID EAST LINE OF THE SOUTHEAST QUARTER (SE1/4) OF SECTION 14; THENCE SOUTH 00^38'01" EAST, A DISTANCE OF 49.86 FEET TO THE SOUTHEAST CORNER (SEC) OF SAID SECTION 14, MONUMENTED WITH A HALF (1/2) INCH REBAR AND ILLEGIBLE PLASTIC CAP;

THENCE, ALONG SAID EAST LINE OF THE NORTHEAST QUARTER (NE1/4) OF SECTION 23, SOUTH 00^50'17" EAST, A DISTANCE OF 2628.60 FEET TO THE EAST QUARTER CORNER (E1/4) OF SAID SECTION 23, MONUMENTED WITH A HALF (1/2) INCH REBAR AND ILLEGIBLE PLASTIC CAP;

THENCE, ALONG SAID EAST LINE OF THE SOUTHEAST QUARTER (SE1/4), SOUTH 00^43'06" EAST, A DISTANCE OF 2597.38 FEET TO A POINT ON A LINE WHICH IS PARALLEL WITH AND 40.00 FEET NORTHERLY, AS MEASURED AT RIGHT ANGLES, FROM THE SOUTH LINE OF SAID SOUTHEAST QUARTER (SE1/4) OF SECTION 23, FROM WHICH THE SOUTHEAST CORNER (SEC) OF

SECTION 23, MONUMENTED WITH A MARICOPA COUNTY BRASS CAP SET FLUSH AND MARKED LS 36563, BEARS SOUTH 00^43'06" EAST, A DISTANCE OF 40.00 FEET;

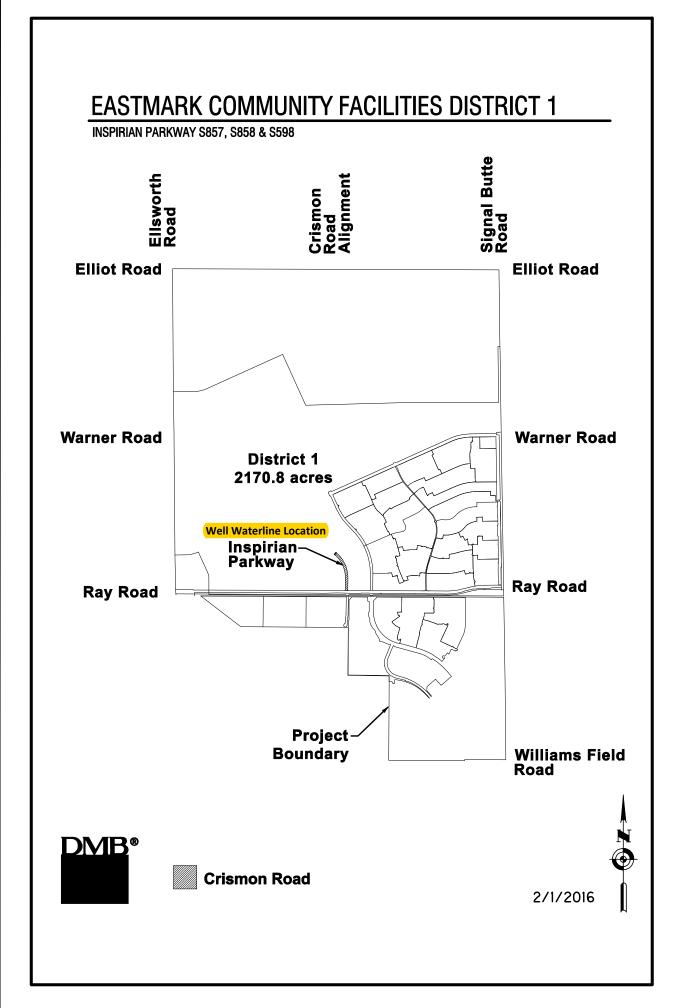
THENCE, ALONG SAID PARALLEL LINE, NORTH 89^37'14" WEST, A DISTANCE OF 2664.93 FEET TO A POINT ON A LINE WHICH IS PARALLEL WITH AND 40.00 FEET NORTHERLY, AS MEASURED AT RIGHT ANGLES, FROM SAID SOUTH LINE OF THE SOUTHWEST QUARTER (SW1/4) OF SECTION 23;

THENCE, ALONG SAID PARALLEL LINE, NORTH 89^38'44" WEST, A DISTANCE OF 2664.75 FEET TO A POINT ON A LINE WHICH IS PARALLEL WITH AND 40.00 FEET NORTHERLY, AS MEASURED AT RIGHT ANGLES, FROM SAID SOUTH LINE OF THE SOUTHEAST QUARTER (SE1/4) OF SECTION 22;

THENCE, ALONG SAID PARALLEL LINE, NORTH 89^36'12" WEST, A DISTANCE OF 2658.22 FEET TO A POINT ON A LINE WHICH IS PARALLEL WITH AND 40.00 FEET NORTHERLY, AS MEASURED AT RIGHT ANGLES, FROM SAID SOUTH LINE OF THE SOUTHWEST QUARTER (SW1/4) OF SECTION 22;

THENCE, ALONG SAID PARALLEL LINE, NORTH 89^38'34" WEST, A DISTANCE OF 2597.52 FEET TO THE POINT OF BEGINNING.

CONTAINING 68.15 ACRES, MORE OR LESS.



CITY SHARE PROJECT NO.   Project # S857. S858 & S859	Attn: Dea McDonald Attn: Dea McDonald Address: 7600 E. Doubletree Ranch Road, Suite 300 City, State, Zip: Scottsdale, AZ 85258 Phone No.: 480-367-7000 Fax No.: 602-367-9788 CITY SHARE PROJECT TITLE: Eastmark - Inspirian Parkway CITY SHARE PROJECT NO.: Project # S857, S858 & S859	DeveLOFIMENT AND SUSTAINABILITT DEFAKTIMENT isa Proving Grounds, LLC Donald Doubletree Ranch Road, Suite 300 ale, AZ 85258 -7000 -9788 -7000 -9788 -788 & S859 - 1 nspirian Parkway	E		
WATER QUANTITY UNIT PRICE	RICE ENGINEER ESTIMATE	DEVELOPER	DEVELOPER'S COSTS	CITY QUANTITIES	MESA'S COSTS
16" PR-250 Ductile Iron Pipe (DIP) and 982 LF \$63 Fittings	\$63.45 \$62,307.90	0	\$0.00	286	\$62,307.90
16" Gate Valve W/Box & Cover 2 EA \$5,600.00		0	\$0.00	2	\$11,200.00
	0.00 \$13,700.00	0	\$0.00	1	\$13,700.00
Curb Stop with Flushing Pipe (MAG 2 EA \$1,315.00 Detail 390-B)	5.00 \$2,630.00	0	\$0.00	7	\$2,630.00
SUBTOTALWATER:	TER: \$89,837.90		\$0.00		\$89,837.90
		DEVELOPER'S	\$0.00	MESA'S	\$00 037 00
	515: \$89,837.90	COSTS	\$0.00	COSTS	\$89,837.90

## EXHIBIT B

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