

**Notice of Joint Meeting of
Sedona Summit II Community Facility District Board of Directors
&
Fairfield Community Facility District Board of Directors
City Council Chambers, 102 Roadrunner Drive, Sedona, AZ 86336
Wednesday, September 10, 2014, 3:00 p.m.**

Pursuant to A.R.S. § 38-431.02, notice is hereby given to the members of the Boards of Directors of the Sedona Summit II Community Facility District & Fairfield Community Facility District and to the general public that the Boards will hold a joint meeting on Wednesday, September 10, 2014 at 3:00 p.m. in the City Council Chambers, located at 102 Roadrunner Drive, Sedona, AZ 86336. During this meeting the respective governing boards of each of these community facility districts will discuss and act on business specific to each district as outlined below.

- 1. Call to order**
- 2. Roll call**
- 3. Matters before the Sedona Summit II Community Facility District Governing Board:**
 - a. Discussion/possible action** on Approval of minutes – July 9, 2014.
 - b. Public Hearing/discussion/possible action** on a resolution approving a feasibility report detailing proposed projects to be funded with Summit Community Facility District funds.
 - c. Public Hearing/discussion/possible action** regarding adoption of a resolution approving a budget for fiscal year 2014-2015 for the Sedona Summit II Community Facility District.
- 4. Matters before the Fairfield Community Facility District Governing Board:**
 - a. Discussion/possible action** on Approval of minutes – July 9, 2014.
 - b. Public Hearing/discussion/possible action** on a resolution approving a feasibility report detailing proposed projects to be funded with Fairfield Community Facility District funds.
 - c. Public Hearing/discussion/possible action** regarding adoption of a resolution approving a budget for fiscal year 2014-2015 for the Fairfield Community Facility District.
- 5. Adjournment**

Posted: _____

By: _____

Susan L. Irvine, Clerk

The City Council Chambers is accessible to people with disabilities, in compliance with the Federal "504" and "ADA" laws. Those with needs for special typeface print may request these at the City Clerk's Office (928) 282-3113. All requests should be made twenty-four hours prior to the meeting.

The boards reserve the right to adjourn into executive session when needed, A.R.S. § 38-431.03(a)(3) for legal consultation on the above agenda.

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MEMORANDUM

To: Sedona Summit II and Fairfield Community Facility Districts' Governing Boards

From: Tabatha Miller, Treasurer of Sedona Summit II and Fairfield Community Facility Districts

Re: Joint meeting of the Sedona Summit II and Fairfield Community Facility Districts' Governing Boards¹

Date: September 10, 2014

Exhibits:

Sedona Summit II Community Facility District

- A. Resolution No. 2014-3 with Feasibility Report
- B. Resolution No. 2014-4 with Fiscal Year 2014-2015 Budget

Fairfield Community Facility District

- A. Resolution No. 2014-3 with Feasibility Report
- B. Resolution No. 2014-4 with Fiscal Year 2014-2015 Budget

This memo is intended to provide guidance to the Governing Boards of the Sedona Summit II and Fairfield Community Facility Districts concerning the necessary procedures to adopt a final budget for the Community Facility Districts. This is the second joint meeting this year. A Community Facility District (CFD) is a special taxing district formed to pay for major infrastructure improvements intended to benefit a certain geographical area. The City has two CFDs. The Fairfield CFD was created in 1998 and the Sedona Summit II was created in 1999. The City Council, sitting as the Governing Board of each CFD will review and take possible action on a number of business items (detailed later in the memo). Likewise, the City Clerk, City Manager, City Attorney, Finance Director and City Engineer perform parallel duties for the CFDs.

At this second joint meeting, the Board will open a public hearing on the Feasibility Report for each CFD and possibly approve a resolution approving such report. The Feasibility Report sets forth the projects which qualify for use of CFD funds, in whole or in part. To determine whether a project is appropriate, staff looked to the General Plan for future infrastructure improvements which

¹ Sunterra was later acquired by Diamond Resorts. Fairfield was acquired by Wyndham Resorts. The obligations of the original development agreements and amendments transferred to the new entities.

were adopted when each CFD was originally formed. Not only must the projects fit within the General Plans but also benefit the Districts. Board feedback at the July 9th, 2014 meeting was to limit the projects to the planning and possible construction of the Brewer Road Park and construction of the Outdoor Performance Venue at Posse Grounds Park, commonly known as Barbara's Park.

After passing a resolution approving Feasibility Report and proposed projects, the Board will open a public hearing to review the already adopted Tentative Budget for the 2014-2015 fiscal year. The Board will then consider approving a resolution adopting a final budget for 2014-2015.

Below is a roadmap to the possible action of the Boards:

The matters requesting possible action before the CFD Governing Board are as follows:

As the Sedona Summit II Community Facility District Board:

1. **Agenda Item 3a:** Possible approval of minutes – July 9, 2014
Motion: I move to approve the minutes of the July 9, 2014 meeting.
2. **Agenda Item 3b:** Open Public Hearing regarding a resolution approving the feasibility report detailing the proposed projects to be funded with Sedona Summit II Community Facility District funds.
Motion: I move to approve Resolution No. 2014-3, of the Sedona Summit II Community Facility District approving the feasibility report.
3. **Agenda Item 3c:** Open Public Hearing regarding adoption of a resolution approving the Final Budget for fiscal year 2014-2015.
Motion: I move to approve Resolution No. 2014-4, of the Sedona Summit II Community Facility District approving the Final Budget for fiscal year 2014-2015.

As the Fairfield Community Facility District Board:

1. **Agenda Item 3a:** Possible approval of minutes – July 9, 2014
Motion: I move to approve the minutes of the July 9, 2014 meeting.
2. **Agenda Item 3b:** Open Public Hearing regarding a resolution approving the feasibility report detailing the proposed projects to be funded with Fairfield Community Facility District funds.
Motion: I move to approve Resolution No. 2014-3, of the Fairfield Community Facility District approving the feasibility report.

3. **Agenda Item 3c:** Open Public Hearing regarding adoption of a resolution approving the Final Budget for fiscal year 2014-2015.

Motion: I move to approve Resolution No. 2014-4, of the Fairfield Community Facility District approving the Final Budget for fiscal year 2014-2015.

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Action Minutes
Sedona Summit II Community Facility District Board of Directors
Vultee Conference Room, 106 Roadrunner Drive, Sedona, AZ 86336
Wednesday, July 9, 2014, 3:00 p.m.

1. **Call to order:** Chairman Adams called the meeting to order at 3:01 p.m.
2. **Roll call:** Chairman Rob Adams, Director Mark DiNunzio, Director Barbara Litrell, Director John Martinez, Director Dan McIlroy, and Director Jessica Williamson. Director Mike Ward was absent and excused.

Sedona City Staff present: City Manager Tim Ernster, Assistant City Manager Karen Daines, Director of Financial Services Tabatha Miller, Parks & Recreation Manager Rachel Murdoch, City Clerk Susan Irvine

3. **Presentation/discussion/possible direction regarding an overview of Community Facilities Districts (CFD) and allowable uses of CFD funds.**

Presentation by Tabatha Miller.

Questions and comments from Board members.

4. **Matters before the Sedona Summit II Community Facility District Governing Board:**

- a. **Public Hearing/discussion/possible action on a resolution approving a feasibility report detailing proposed projects to be funded with Sedona Summit II Community Facility District funds and authorizing the publication of a Notice of Public Hearing on said report.**

Presentation by Tabatha Miller.

Opened the Public Hearing at 3:29 p.m.

No comments were heard.

Closed the public hearing and brought back to the Board at 3:29 p.m.

Motion: Director Williamson moved to amend the Sedona Summit II draft feasibility report to include only the Barbara's Park and Brewer Road projects and reallocate the funds accordingly. Director Litrell seconded. Vote: Motion carried unanimously with six (6) in favor and zero (0) opposed.

Motion: Director Williamson moved to approve Resolution 2014-01 of the Sedona Summit II Community Facility District approving a feasibility report as amended detailing proposed projects to be funded with Sedona Summit II Community Facility District funds and authorizing the publication of a Notice of Public Hearing on said report. Director Litrell seconded. Vote: Motion carried unanimously with six (6) in favor and zero (0) opposed.

- b. **Public Hearing/discussion/possible action regarding adoption of a resolution approving a tentative budget for fiscal year 2014-2015 for the Sedona Summit II Community Facility District and authorizing the publication of a Notice of Public Hearing on said budget.**

Presentation by Tabatha Miller.

Opened the Public Hearing at 3:33 p.m.

No comments were heard.

Closed the public hearing and brought back to the Board at 3:33 p.m.

Motion: Chairman Adams moved to approve Resolution 2014-02 approving a tentative budget for fiscal year 2014-2015 for the Sedona Summit II Community Facility District and authorizing the publication of a Notice of Public Hearing on said budget. Director Litrell seconded. Vote: Motion carried unanimously with six (6) in favor and zero (0) opposed.

5. Matters before the Fairfield Community Facility District Governing Board:

- a. Public Hearing/discussion/possible action on a resolution approving a feasibility report detailing proposed projects to be funded with Fairfield Community Facility District funds and authorizing the publication of a Notice of Public Hearing on said report.

Item addressed in separate minutes for the Fairfield Community Facility District Governing Board.

- b. Public Hearing/discussion/possible action regarding adoption of a resolution approving a tentative budget for fiscal year 2014-2015 for the Fairfield Community Facility District and authorizing the publication of a Notice of Public Hearing on said budget.

Item addressed in separate minutes for the Fairfield Community Facility District Governing Board.

- 5. Adjournment:** Chairman Adams adjourned the Sedona Summit II Community Facility District and Fairfield Community Facility District meetings without objection at 3:38 p.m.

Respectfully submitted,

Susan L. Irvine, Clerk

RESOLUTION NO. 2014-3

Sedona Summit II Community Facilities District

A RESOLUTION OF THE DISTRICT BOARD OF THE SEDONA SUMMIT II COMMUNITY FACILITIES DISTRICT AUTHORIZING AND RATIFYING THE GIVING OF NOTICE OF HEARING WITH RESPECT TO APPROVING A FEASIBILITY REPORT WHICH INCLUDES IDENTIFYING THE PUBLIC INFRASTRUCTURE OF THE PROJECTS, THE AREAS TO BE BENEFITTED, THE EXPECTED METHOD OF FINANCING AND THE SYSTEM OF PROVIDING REVENUES TO OPERATE AND MAINTAIN THE PROJECTS, ALL AS PROVIDED IN SUCH REPORT; APPROVING SUCH FEASIBILITY REPORT AND RESOLVING THE INTENT THEREFORE.

BE IT RESOLVED BY THE DISTRICT BOARD OF THE SEDONA SUMMIT II COMMUNITY FACILITIES DISTRICT AS FOLLOWS:

1. Findings. Pursuant to Title 48, Chapter 4, Article 6, Arizona Revised Statutes (hereinafter referred to as the "Act".) the District Board caused to be prepared a study of the feasibility and benefits of the projects relating to certain public infrastructure provided for in the General Plan of the District heretofore approved by the Municipality and the District and to be financed with special homeowners assessments that have been collected. The feasibility study having included a description of certain public infrastructure to be constructed and all other information useful to understand the projects, a map showing in general, the location of the projects, an estimate of the cost to construct, acquire, operate and maintain the projects, an estimated schedule for completion of the projects, a map or description of the area to be benefitted by the projects and a plan for financing the projects (hereinafter referred to as the "Report"). A public hearing on the Report was held on the date of, but prior to, the adoption of this Resolution (hereinafter referred to as the "Report Hearing"), after provision for publication and mailing to the governing board of the Municipality of notice thereof as provided by law.
2. A. Preparation of Report. The preparation of the Report is hereby ratified and confirmed. (Upon completion of a draft of the Report, the Report, marked in conspicuous fashion "DRAFT," was submitted to the District Board for their review and comment.)
B. Approval of Report. After review of the Report and based on the Report Hearing and the mailing of the Report to the governing body of the Municipality, the Report is hereby approved in the form submitted to the District Board.
C. Resolving Intent. The District Board hereby declares (1) its intent as required by Section 48-715, Arizona Revised Statutes and, for purposes of Section 48-721(A), Arizona Revised Statutes, to take such reasonable actions as may be necessary to cause the results contemplated by and set forth in the Report, including particularly the acquisition of public infrastructure projects for the benefit of the areas described in the Report and the consummation of the expected method of financing and an appropriate system of providing revenues to maintain such projects, all as provided in the Report, and (2) that said projects shall result in proportionate, beneficial use to the residents of the surrounding area which will include the land and those residents and visitors within the geographical limits of the Assessment Area.

3. Severability; Amendment; Ratification. (1) If any section, paragraph, clause or provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Resolution. (2) All prior acts of the District Board, of the District Manager and of the District Treasurer with respect to all matters concerning application and accounting of funds and this Resolution are hereby ratified and confirmed.
4. Effective Date. This Resolution shall be effective immediately.

PASSED by the District Board of the Sedona Summit II Community Facilities District this 10th day of September, 2014.

Mark DiNunzio, Vice Chairman
Sedona Summit II Community Facilities District

ATTEST:

Susan L. Irvine, District Clerk
Sedona Summit II
Community Facilities District

APPROVED AS TO FORM:

Mike Goimarac, District Counsel
Sedona Summit II
Community Facilities District

Sedona Summit II

Community Facilities District
Feasibility Report

This Feasibility Report ("Report") has been prepared by engineers and other qualified persons for presentation to the District Board (the "Board") of the Sedona Summit II Community Facilities District (the "District") with respect to certain public infrastructure to be financed with proceeds of the special homeowners assessment tax revenues (The "Assessment Revenues") pursuant to the Community Facilities Act of 1989, Title 48, Chapter 4, Article 6 of the Arizona Revised Statutes, as amended (the "Act").

PURPOSE OF FEASIBILITY REPORT

Pursuant to A.R.S. §48-715, this Report includes (i) a description of the Projects which are to be constructed; (ii) a map showing, in general, the location of the Projects; (iii) an estimate of the cost to operate and maintain the Projects; (iv) an estimated schedule for completion of the Projects; (v) a map or description of the area to be benefited by the Projects; and (vi) a plan for financing the Projects.

PROJECTS

The projects to be constructed by the District are composed of: (1) Development of a master plan to guide future development, construction and operations of the newly acquired by the City of Sedona parcel located at 250 Brewer Road; and (2) Construction of an outdoor performance facility within the City of Sedona Posse Grounds Park.

Each of these projects fit within the District's General Plan for infrastructure improvements and benefit the District by providing new city-wide recreation amenities. Both of these projects increases the value of Sedona as a desirable tourist destination.

Construction Contracts for the Projects will be bid and awarded pursuant to the public bid process of Title 34 of the Arizona Revised Statutes and applicable City requirement and administered in conformance to applicable law and such requirements. The District shall use \$200,000 of collected Assessment Revenues to finance the Projects. Remaining funds to finance the projects will be contributed by the City of Sedona and the Fairfield Community Facilities District.

(1) Brewer Road Park Master Plan and Development

Create a Master Plan to guide future development and operations at the new City-owned property, and create a Community Focus Area (CFA) Plan for the broader Brewer Road area planning area as identified through the Sedona Community Plan. The development of a master plan and a CFA for the site would include a significant public participation component. Funding for both efforts includes consultant services to help develop and illustrate various potential concepts. Once the master plan for the City's property is in place, funds will be required for implementation and construction of the planned development.

The Brewer Road park and recreation facility will serve visitors and citizens of the entire city. The park will be a destination point and a city-wide focal point.

Shown below is a summary of the estimated construction costs of the Project. These amounts are estimated and are subject to the results of public bidding, and if such amounts are approved by the Board, cannot be exceeded. Upon completion of the Project, the District will dedicate the Project to the City of Sedona. Accordingly, it is not anticipated that there will be any operating or maintenance expenses borne by the District unless they are proposed and budgeted for in future years. Instead, the City will assume all

future operating and maintenance expenses. The dollar figure provided below for construction is an estimate and will need to be further refined in future budget years once the Master Plan is complete.

Category or Phase	FY 2015	FY 2016	FY 2017	Total
Design	\$ 130,000			\$ 130,000
Construction		\$ 300,000	\$ 280,000	\$ 580,000
Construction/Environmental	\$ 20,000			\$ 20,000
Total Project Budget	\$ 150,000	\$ 300,000	\$ 280,000	\$ 730,000

Estimated Operating Expenses	FY 2015	FY 2016	FY 2017	Total
Personnel Costs			\$ 5,000	\$ 5,000
Materials & Supplies			\$ 2,500	\$ 2,500
Contractual Services			\$ 2,500	\$ 2,500
Total Estimated Operating	\$ -	\$ -	\$ 10,000	\$ 10,000

Source of Funding	FY 2015	FY 2016	FY 2017	Total
Fairfield Community Facilities District	\$ 100,000	\$ 210,000	\$ 230,000	\$ 540,000
Sedona Summit II Community Facilities District	\$ 50,000	\$ 50,000	\$ 50,000	\$ 150,000
City of Sedona	\$ -	\$ 40,000	\$ -	\$ 40,000
Total Funding Sources	\$ 150,000	\$ 300,000	\$ 280,000	\$ 730,000

(2) Barbara Antonsen Memorial Park Outdoor Performance Venue

Design and construction of an outdoor performance facility located within the portion of the Posse Grounds Park named in honor of local citizen and volunteer Barbara Antonsen. This amphitheater would reuse as much as possible of the prior unsuccessful dome project at the same site. The new facility will build upon the existing berm and utilize that structure to minimize sound in the surrounding neighborhoods. The stage will be located in the existing flat area within the existing ring but farther away from the edge of the hill to minimize the visibility. The stage will be covered by an overhead stage canopy with acoustical treatment to help absorb sound to the east. Casual seating for up to 200 will utilize the existing grade of a sloped lawn. Pedestrian pathways will guide patrons to, from and through the venue. The new facility will include public restrooms, dressing rooms, a storage area and appropriate indoor and outdoor lighting.

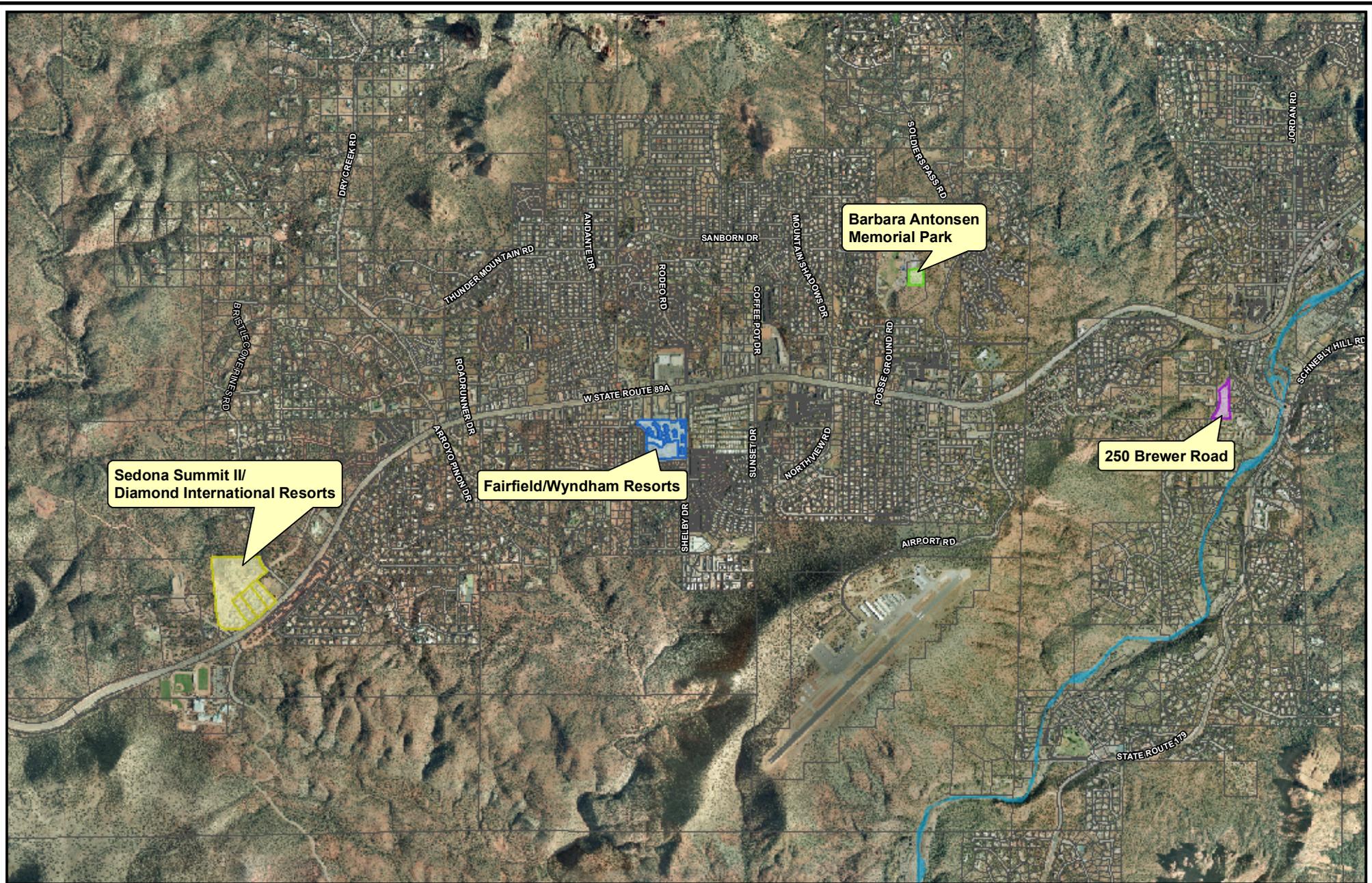
The Barbara Antonsen Amphitheater offers the City a public outdoor performance venue with good possibilities for arts and cultural performances to Sedona visitors and citizens. This new amenity to the Posse Grounds Park increases attraction and draw to this city-wide park.

Shown below is a summary of the estimated construction costs of the Project. These amounts are estimated and are subject to the results of public bidding, and if such amounts are approved by the Board, cannot be exceeded. Upon completion of the Project, the District will dedicate the Project to the City of Sedona. Accordingly, it is not anticipated that there will be any operating or maintenance expenses borne by the District unless they are proposed and budgeted for in future years. Instead, the City will assume all future operating and maintenance expenses.

Category or Phase	FY 2015	FY 2016	FY 2017	Total
Design	\$ 117,000			\$ 117,000
Construction	\$ 768,000			\$ 768,000
Stipends	\$ 15,000			\$ 15,000
Total Project Budget	\$ 900,000	\$ -	\$ -	\$ 900,000

Estimated Operating Expenses	FY 2015	FY 2016	FY 2017	Total
Personnel Costs		\$ -	\$ -	\$ -
Materials & Supplies		\$ 6,700	\$ 6,700	\$ 13,400
Contractual Services		\$ 6,900	\$ 6,900	\$ 13,800
Total Estimated Operating	\$ -	\$ 13,600	\$ 13,600	\$ 27,200

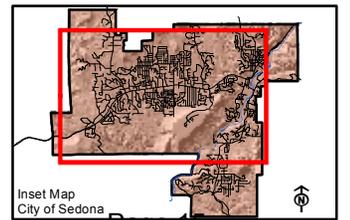
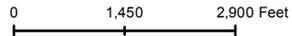
Source of Funding	FY 2015	FY 2016	FY 2017	Total
Fairfield Community Facilities District	\$ 850,000			\$ 850,000
Sedona Summit II Community Facilities District	\$ 50,000			\$ 50,000
City of Sedona	\$ -			\$ -
Total Funding Sources	\$ 900,000	\$ -	\$ -	\$ 900,000



Fairfield/Wyndham Resorts & Summit II/Diamond International Resorts

This map is designed to provide as-is information only. The data is not accurate to engineering or surveying standards. The City of Sedona is not liable or responsible for loss or damages arising from the data contained on this map.
 GIS: City of Sedona, 08/25/2014
 g/projects/finddept/staff/tabathamiller/cip_plan/mxds

-  250 Brewer Road
-  Barbara Antonsen Memorial Park
-  Fairfield/Wyndham Resorts
-  Sedona Summit II/Diamond International Resorts
-  Oak Creek
-  Parcel Boundary





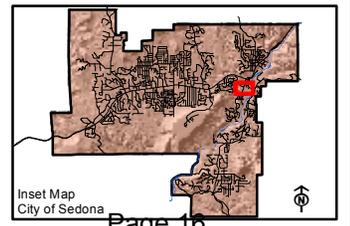
**250 Brewer Road
Parcel #401-38-013D**

Brewer Road Park Master Plan and Development



This map is designed to provide as-is information only. The data is not accurate to engineering or surveying standards. The City of Sedona is not liable or responsible for loss or damages rising from the data contained on this map.
 GIS, City of Sedona, 06/30/2014
g/projects/findept/staff/tabathamiller/cip_plan/mxds

-  250 Brewer Road Parcel #401-38-013D
-  Parcel Boundary
-  Oak Creek



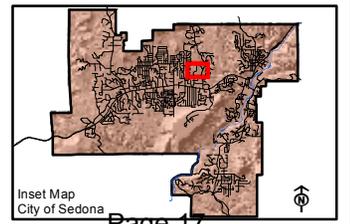


Barbara Antonsen Memorial Park Outdoor Performance Venue



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 GIS, City of Sedona, 06/30/2014
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-  Barbara Antonsen Memorial Park
-  Parcel #408-25-043A
-  Posse Grounds Park
-  Parcel Boundary



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RESOLUTION NO. 2014-4

SEDONA SUMMIT II COMMUNITY FACILITIES DISTRICT

A RESOLUTION OF THE DISTRICT BOARD OF THE SEDONA SUMMIT II FACILITIES DISTRICT, A COMMUNITY FACILITIES DISTRICT OF ARIZONA, APPROVING A FINAL BUDGET FOR FISCAL YEAR 2014-2015 PURSUANT TO A.R.S. § 48-716, AS AMENDED; FOR THE AMOUNT OF ALL EXPENDITURES FOR PUBLIC INFRASTRUCTURE AND ENHANCED MUNICIPAL SERVICES ALL OF WHICH SHALL BE PROVIDED FOR FROM THE COLLECTION OF AN ANNUAL SPECIAL TAX; AND PROVIDING THAT THIS RESOLUTION SHALL BE EFFECTIVE AFTER ITS PASSAGE AND APPROVAL ACCORDING TO LAW.

WHEREAS, on May 24, 2000, the Mayor and Council of the City of Sedona, Arizona (the "City"), adopted Resolution No. 2000-20 forming the Sedona Summit II Community Facilities District ("SSCFD"), a community facilities district in accordance with A.R.S. § 48-701 et seq., as amended; and

WHEREAS, SSCFD is a special purpose district for purposes of Article IX, § 19, Constitution of Arizona, a tax-levying public improvement district for the purposes of Article XIII, § 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, A.R.S., as amended, and [except as otherwise provided in A.R.S. § 48-708(B), as amended] is considered to be a municipal corporation and political subdivision of the State of Arizona, separate and apart from the City; and

WHEREAS, a primary purpose for creating SSCFD was to finance public improvements through assessment of a "Annual Special Tax," which tax was implemented through a development agreement between Sunterra Corporation, the primary property owner within the District and the City of Sedona; and

WHEREAS, in accordance with A.R.S. § 48-716, as amended, the District Treasurer of SSCFD has submitted to the District Board of SSCFD a proposed budget for Fiscal Year 2014-2015 which includes the costs of capital improvements to be financed by the Annual Special Tax, and the amount of all other expenditures for public infrastructure and enhanced municipal services proposed to be paid from the tax; and

WHEREAS, the District Board of SSCFD approved said tentative budget for Fiscal Year 2014-2015, and set a date (and publish a notice thereof) for a public hearing to receive comment on the tentative budget; and

WHEREAS, after said public hearing on September 10th, the District Board of SSCFD expects to adopt a final budget by resolution; and

NOW, THEREFORE, BE IT RESOLVED BY THE DISTRICT BOARD OF THE SEDONA SUMMIT II COMMUNITY FACILITIES DISTRICT, AS FOLLOWS:

1. That certain tentative budget prepared by the District Treasurer of SSCFD for Fiscal Year 2014-2015, attached hereto and expressly made a part hereof as Exhibit "A" is hereby approved as the final budget.

2. That, the costs of capital improvements to be financed by the Annual Special Tax, and the amount of all other expenditures for public infrastructure and enhanced municipal services proposed to be paid from the tax levy are set forth in Exhibit "A" attached hereto.

3. That a public hearing date of September 10, 2014, beginning at or after 3:00 p.m. at 102 Roadrunner Drive, Sedona, Arizona 86336 in the Sedona City Council Chambers, was held to consider

said tentative budget (SSCFD), and said notice was published once in the Sedona Red Rock News no later than ten (10) days prior to said hearing date.

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.

RESOLVED by the District Board of the Sedona Summit II Community Facilities District this 10th day of September, 2014.

Mark DiNunzio, Vice Chairman
Sedona Summit II Community Facilities District

ATTEST:

Susan L. Irvine, District Clerk
Sedona Summit II
Community Facilities District

Sedona Summit II Community Facilities District
 Fiscal Year 2014-2015 Budget
 Exhibit "A"

	Special Tax Revenue	Other Misc. Revenue	FY 2014-2015 Collections	Unreserved Fund Balance	2014-2015 Expenditures	Total 2014-2015 Budget
Capital Projects	\$ 35,000	\$ 500	\$ 35,500	\$ 64,500	\$ -	\$ -
Brewer Road Park					\$ 50,000	\$ 50,000
Barbara Antonsen Amphitheater					\$ 50,000	\$ 50,000
						\$ -
Totals	\$ 35,000	\$ 500	\$ 35,500	\$ 64,500	\$ 100,000	\$ 100,000

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Action Minutes
Fairfield Community Facility District Board of Directors
Vultee Conference Room, 106 Roadrunner Drive, Sedona, AZ 86336
Wednesday, July 9, 2014, 3:00 p.m.

1. **Call to order:** Chairman Adams called the meeting to order at 3:01 p.m.
2. **Roll call:** Chairman Rob Adams, Director Mark DiNunzio, Director Barbara Litrell, Director John Martinez, Director Dan McIlroy, and Director Jessica Williamson. Director Mike Ward was absent and excused.

Sedona City Staff present: City Manager Tim Ernster, Assistant City Manager Karen Daines, Director of Financial Services Tabatha Miller, Parks & Recreation Manager Rachel Murdoch, City Clerk Susan Irvine

3. **Presentation/discussion/possible direction regarding an overview of Community Facilities Districts (CFD) and allowable uses of CFD funds.**

Presentation by Tabatha Miller.

Questions and comments from Board members.

4. **Matters before the Sedona Summit II Community Facility District Governing Board:**

- a. **Public Hearing/discussion/possible action on a resolution approving a feasibility report detailing proposed projects to be funded with Sedona Summit II Community Facility District funds and authorizing the publication of a Notice of Public Hearing on said report.**

Item addressed in separate minutes for the Sedona Summit II Community Facility District Governing Board.

- b. **Public Hearing/discussion/possible action regarding adoption of a resolution approving a tentative budget for fiscal year 2014-2015 for the Sedona Summit II Community Facility District and authorizing the publication of a Notice of Public Hearing on said budget.**

Item addressed in separate minutes for the Sedona Summit II Community Facility District Governing Board.

5. **Matters before the Fairfield Community Facility District Governing Board:**

- a. **Public Hearing/discussion/possible action on a resolution approving a feasibility report detailing proposed projects to be funded with Fairfield Community Facility District funds and authorizing the publication of a Notice of Public Hearing on said report.**

Presentation by Tabatha Miller.

Opened the Public Hearing at 3:35 p.m.

No comments were heard.

Closed the public hearing and brought back to the Board at 3:35 p.m.

Motion: Director DiNunzio moved to amend the Fairfield Community Facility District draft feasibility report to include only the Barbara's Park and Brewer Road projects and reallocate the funds accordingly. Director Martinez seconded. **Vote:** Motion carried unanimously with six (6) in favor and zero (0)

opposed.

Motion: Chairman Adams moved to approve Resolution 2014-01 approving a feasibility report detailing proposed projects to be funded with Fairfield Community Facility District funds and authorizing the publication of a Notice of Public Hearing on said report. Director Martinez seconded. Vote: Motion carried unanimously with six (6) in favor and zero (0) opposed.

- b. Public Hearing/discussion/possible action regarding adoption of a resolution approving a tentative budget for fiscal year 2014-2015 for the Fairfield Community Facility District and authorizing the publication of a Notice of Public Hearing on said budget.**

Presentation by Tabatha Miller.

Opened the Public Hearing at 3:37 p.m.

No comments were heard.

Closed the public hearing and brought back to the Board at 3:37 p.m.

Motion: Chairman Adams moved to approve Resolution 2014-02 approving a tentative budget for fiscal year 2014-2015 for the Fairfield Community Facility District and authorizing the publication of a Notice of Public Hearing on said budget. Director Martinez seconded. Vote: Motion carried unanimously with six (6) in favor and zero (0) opposed.

- 5. Adjournment:** Chairman Adams adjourned the Sedona Summit II Community Facility District and Fairfield Community Facility District meetings without objection at 3:38 p.m.

Respectfully submitted,

Susan L. Irvine, Clerk

RESOLUTION NO. 2014-3

Fairfield Community Facilities District

A RESOLUTION OF THE DISTRICT BOARD OF THE FAIRFIELD COMMUNITY FACILITIES DISTRICT AUTHORIZING AND RATIFYING THE GIVING OF NOTICE OF HEARING WITH RESPECT TO APPROVING A FEASIBILITY REPORT WHICH INCLUDES IDENTIFYING THE PUBLIC INFRASTRUCTURE OF THE PROJECTS, THE AREAS TO BE BENEFITTED, THE EXPECTED METHOD OF FINANCING AND THE SYSTEM OF PROVIDING REVENUES TO OPERATE AND MAINTAIN THE PROJECTS, ALL AS PROVIDED IN SUCH REPORT; APPROVING SUCH FEASIBILITY REPORT AND RESOLVING THE INTENT THEREFORE.

BE IT RESOLVED BY THE DISTRICT BOARD OF THE FAIRFIELD COMMUNITY FACILITIES DISTRICT AS FOLLOWS:

1. Findings. Pursuant to Title 48, Chapter 4, Article 6, A.R.S. (hereinafter referred to as the "Act".) the District Board caused to be prepared a study of the feasibility and benefits of the projects relating to certain public infrastructure provided for in the General Plan of the District heretofore approved by the Municipality and the District and to be financed with special homeowners assessments that have been collected. The feasibility study having included a description of certain public infrastructure to be constructed and all other information useful to understand the projects, a map showing in general, the location of the projects, an estimate of the cost to construct, acquire, operate and maintain the projects, an estimated schedule for completion of the projects, a map or description of the area to be benefitted by the projects and a plan for financing the projects (hereinafter referred to as the "Report"). A public hearing on the Report was held on the date of, but prior to, the final adoption of this Resolution (hereinafter referred to as the "Report Hearing"), after provision for publication and mailing to the governing board of the Municipality of notice thereof as provided by law.
2. A. Preparation of Report. The preparation of the Report is hereby ratified and confirmed. (Upon completion of a draft of the Report, the Report, marked in conspicuous fashion "DRAFT," was submitted to the District Board for their review and comment.)
B. Approval of Report. After review of the Report and based on the Report Hearing and the mailing of the Report to the governing body of the Municipality, the Report is hereby approved in the form submitted to the District Board.
C. Resolving Intent. The District Board hereby declares (1) its intent as required by A.R.S. § 48-715 and, for purposes of A.R.S. § 48-721(A), to take such reasonable actions as may be necessary to cause the results contemplated by and set forth in the Report, including particularly the acquisition of public infrastructure projects for the benefit of the areas described in the Report and the consummation of the expected method of financing and an appropriate system of providing revenues to maintain such projects, all as provided in the Report, and (2) that said projects shall result in proportionate, beneficial use to the residents of the surrounding area which will include the land and those residents and visitors within the geographical limits of the Assessment Area.
3. Severability; Amendment; Ratification. (1) If any section, paragraph, clause or provision of this Resolution shall for any reason be held to be invalid or unenforceable, the

invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Resolution. (2) All prior acts of the District Board, of the District Manager and of the District Treasurer with respect to all matters concerning application and accounting of funds and this Resolution are hereby ratified and confirmed.

4. Effective Date. This Resolution shall be effective immediately.

PASSED by the District Board of the Fairfield Community Facilities District this 10th day of September, 2014.

Mark DiNunzio, Vice Chairman
Fairfield Community Facilities District

ATTEST:

Susan L. Irvine, District Clerk
Fairfield Community Facilities District

APPROVED AS TO FORM:

Mike Goimarac, District Counsel
Fairfield Community Facilities District

Fairfield

Community Facilities District
Feasibility Report

This Feasibility Report ("Report") has been prepared by engineers and other qualified persons for presentation to the District Board (the "Board") of the Fairfield Community Facilities District (the "District") with respect to certain public infrastructure to be financed with proceeds of the special homeowners assessment tax revenues (The "Assessment Revenues") pursuant to the Community Facilities Act of 1989, Title 48, Chapter 4, Article 6 of the Arizona Revised Statutes, as amended (the "Act").

PURPOSE OF FEASIBILITY REPORT

Pursuant to A.R.S. §48-715, this Report includes (i) a description of the Projects which are to be constructed; (ii) a map showing, in general, the location of the Projects; (iii) an estimate of the cost to operate and maintain the Projects; (iv) an estimated schedule for completion of the Projects; (v) a map or description of the area to be benefited by the Projects; and (vi) a plan for financing the Projects.

PROJECTS

The projects to be constructed by the District are composed of : (1) Development of a master plan to guide future development, construction and operations of the newly acquired by the City of Sedona parcel located at 250 Brewer Road; and (2) Construction of an outdoor performance facility within the City of Sedona Posse Grounds Park.

Each of these projects fit within the District's General Plan for infrastructure improvements and benefit the District by providing new city-wide recreation. Each of these projects increases the value of Sedona as a desirable tourist destination.

Construction Contracts for the Projects will be bid and awarded pursuant to the public bid process of Title 34 of the Arizona Revised Statutes and applicable City requirement and administered in conformance to applicable law and such requirements. The District shall use \$1,390,000 of collected Assessment Revenues to finance the Projects. Remaining funds to finance the projects will be contributed by the City of Sedona and the Sedona Summit II Community Facilities District.

(1) Brewer Road Park Master Plan and Development

Create a Master Plan to guide future development and operations at the new City-owned property, and create a Community Focus Area (CFA) Plan for the broader Brewer Road area planning area as identified through the Sedona Community Plan. The development of a master plan and a CFA for the site would include a significant public participation component. Funding for both efforts includes consultant services to help develop and illustrate various potential concepts. Once the master plan for the City's property is in place, funds will be required for implementation and construction of the planned development.

The Brewer Road park and recreation facility will serve visitors and citizens of the entire city. The park will be a destination point and a city-wide focal point.

Shown below is a summary of the estimated construction costs of the Project. These amounts are estimated and are subject to the results of public bidding, and if such amounts are approved by the Board, cannot be exceeded. Upon completion of the Project, the District will dedicate the Project to the City of Sedona. Accordingly, it is not anticipated that there will be any operating or maintenance expenses borne by the District unless they are proposed and budgeted for in future years. Instead, the City will assume all

future operating and maintenance expenses. The dollar figure provided below for construction is an estimate and will need to be further refined in future budget years once the Master Plan is complete.

Category or Phase	FY 2015	FY 2016	FY 2017	Total
Design	\$ 130,000			\$ 130,000
Construction		\$ 300,000	\$ 280,000	\$ 580,000
Construction/Environmental	\$ 20,000			\$ 20,000
Total Project Budget	\$ 150,000	\$ 300,000	\$ 280,000	\$ 730,000

Estimated Operating Expenses	FY 2015	FY 2016	FY 2017	Total
Personnel Costs			\$ 5,000	\$ 5,000
Materials & Supplies			\$ 2,500	\$ 2,500
Contractual Services			\$ 2,500	\$ 2,500
Total Estimated Operating	\$ -	\$ -	\$ 10,000	\$ 10,000

Source of Funding	FY 2015	FY 2016	FY 2017	Total
Fairfield Community Facilities District	\$ 100,000	\$ 210,000	\$ 230,000	\$ 540,000
Sedona Summit II Community Facilities District	\$ 50,000	\$ 50,000	\$ 50,000	\$ 150,000
City of Sedona	\$ -	\$ 40,000	\$ -	\$ 40,000
Total Funding Sources	\$ 150,000	\$ 300,000	\$ 280,000	\$ 730,000

(2) Barbara Antonsen Memorial Park Outdoor Performance Venue

Design and construction of an outdoor performance facility located within the portion of the Posse Grounds Park named in honor of local citizen and volunteer Barbara Antonsen. This amphitheater would reuse as much as possible of the prior unsuccessful dome project at the same site. The new facility will build upon the existing berm and utilize that structure to minimize sound in the surrounding neighborhoods. The stage will be located in the existing flat area within the existing ring but farther away from the edge of the hill to minimize the visibility. The stage will be covered by an overhead stage canopy with acoustical treatment to help absorb sound to the east. Casual seating for up to 200 will utilize the existing grade of a sloped lawn. Pedestrian pathways will guide patrons to, from and through the venue. The new facility will include public restrooms, dressing rooms, a storage area and appropriate indoor and outdoor lighting.

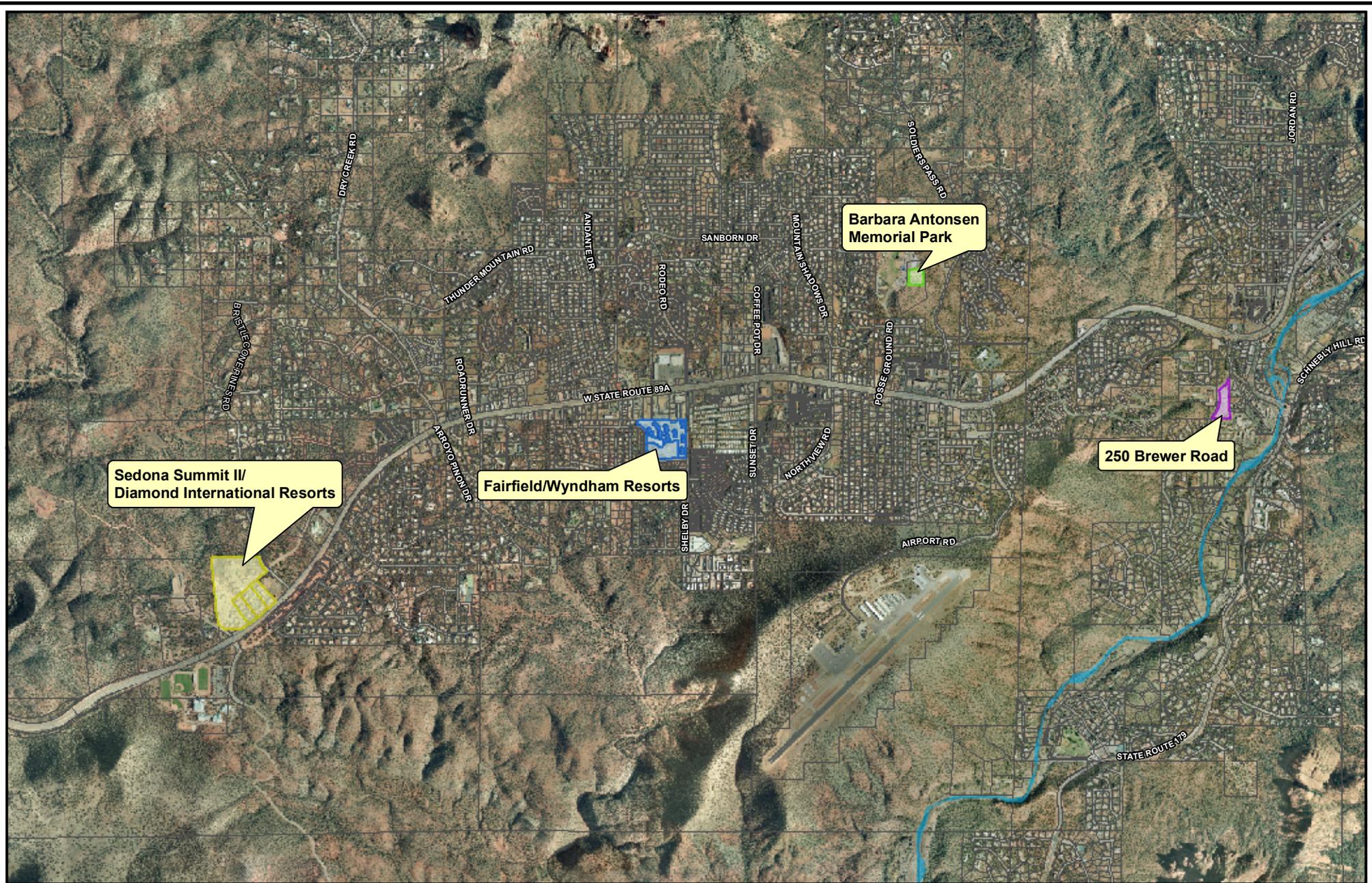
The Barbara Antonsen Amphitheater offers the City a public outdoor performance venue with good possibilities for arts and cultural performances to Sedona visitors and citizens. This new amenity to the Posse Grounds Park increases attraction and draw to this city-wide park.

Shown below is a summary of the estimated construction costs of the Project. These amounts are estimated and are subject to the results of public bidding, and if such amounts are approved by the Board, cannot be exceeded. Upon completion of the Project, the District will dedicate the Project to the City of Sedona. Accordingly, it is not anticipated that there will be any operating or maintenance expenses borne by the District unless they are proposed and budgeted for in future years. Instead, the City will assume all future operating and maintenance expenses.

Category or Phase	FY 2015	FY 2016	FY 2017	Total
Design	\$ 117,000			\$ 117,000
Construction	\$ 768,000			\$ 768,000
Stipends	\$ 15,000			\$ 15,000
Total Project Budget	\$ 900,000	\$ -	\$ -	\$ 900,000

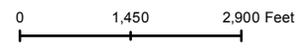
Estimated Operating Expenses	FY 2015	FY 2016	FY 2017	Total
Personnel Costs		\$ -	\$ -	\$ -
Materials & Supplies		\$ 6,700	\$ 6,700	\$ 13,400
Contractual Services		\$ 6,900	\$ 6,900	\$ 13,800
Total Estimated Operating	\$ -	\$ 13,600	\$ 13,600	\$ 27,200

Source of Funding	FY 2015	FY 2016	FY 2017	Total
Fairfield Community Facilities District	\$ 850,000			\$ 850,000
Sedona Summit II Community Facilities District	\$ 50,000			\$ 50,000
City of Sedona	\$ -			\$ -
Total Funding Sources	\$ 900,000	\$ -	\$ -	\$ 900,000

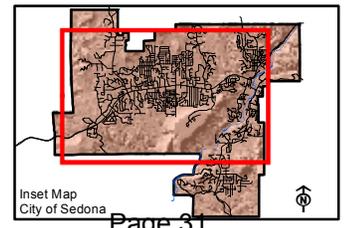


Fairfield/Wyndham Resorts & Summit II/Diamond International Resorts

This map is designed to provide as-is information only. The data is not accurate to engineering or surveying standards. The City of Sedona is not liable or responsible for loss or damages arising from the data contained on this map.
 GIS: City of Sedona, 08/25/2014
 g/projects/finddept/staff/tabathamiller/cip_plan/mxds



-  250 Brewer Road
-  Barbara Antonsen Memorial Park
-  Fairfield/Wyndham Resorts
-  Sedona Summit II/Diamond International Resorts
-  Oak Creek
-  Parcel Boundary





250 Brewer Road
Parcel #401-38-013D

Brewer Road Park Master Plan and Development



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GIS, City of Sedona, 06/30/2014
g/projects/findept/staff/tabathamiller/cip_plan/mxds

-  250 Brewer Road Parcel #401-38-013D
-  Parcel Boundary
-  Oak Creek



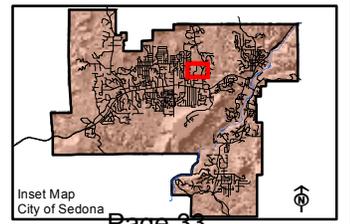


Barbara Antonsen Memorial Park Outdoor Performance Venue



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 GIS, City of Sedona, 06/30/2014
 g/projects/findep/staff/tabathamiller/cip_plan/mxds

-  Barbara Antonsen Memorial Park
-  Parcel #408-25-043A
-  Posse Grounds Park
-  Parcel Boundary



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RESOLUTION NO. 2014-4

FAIRFIELD COMMUNITY FACILITIES DISTRICT

A RESOLUTION OF THE DISTRICT BOARD OF THE FAIRFIELD COMMUNITY FACILITIES DISTRICT, A COMMUNITY FACILITIES DISTRICT OF ARIZONA, APPROVING A FINAL BUDGET FOR FISCAL YEAR 2014-2015 PURSUANT TO A.R.S. § 48-716, AS AMENDED; FOR THE AMOUNT OF ALL EXPENDITURES FOR PUBLIC INFRASTRUCTURE AND ENHANCED MUNICIPAL SERVICES ALL OF WHICH SHALL BE PROVIDED FOR FROM THE COLLECTION OF AN ANNUAL SPECIAL TAX; AND PROVIDING THAT THIS RESOLUTION SHALL BE EFFECTIVE AFTER ITS PASSAGE AND APPROVAL ACCORDING TO LAW.

WHEREAS, on May 24, 2000, the Mayor and Council of the City of Sedona, Arizona (the "City"), adopted Resolution No. 2000-20 forming the Fairfield Community Facilities District ("FCFD"), a community facilities district in accordance with A.R.S. § 48-701 et seq., as amended; and

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

WHEREAS, a primary purpose for creating FCFD was to finance public improvements through assessment of a "Annual Special Tax," which tax was implemented through a development agreement between Sunterra Corporation, the primary property owner within the District and the City of Sedona; and

WHEREAS, in accordance with A.R.S. § 48-716, as amended, the District Treasurer of FCFD has submitted to the District Board of FCFD a tentative budget for Fiscal Year 2014-2015 which includes the costs of capital improvements to be financed by the Annual Special Tax, and the amount of all other expenditures for public infrastructure and enhanced municipal services proposed to be paid from the tax and

WHEREAS, the District Board of FCFD approved said tentative budget for Fiscal Year 2014-2015, and set a date (and publish a notice thereof) for a public hearing to receive comment on the tentative budget and

WHEREAS, after said public hearing scheduled for September 10th, the District Board of FCFD expects to adopt a final budget by resolution; and

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

1. That certain final budget prepared by the District Treasurer of FCFD for Fiscal Year 2014-2015, attached hereto and expressly made a part hereof as Exhibit "A," is hereby approved.

2. That, the costs of capital improvements to be financed by the Annual Special Tax, and the amount of all other expenditures for public infrastructure and enhanced municipal services proposed to be paid from the tax levy are set forth in Exhibit "A" attached hereto.

3. That a public hearing date of September 10, 2014, beginning at or after 3:00 p.m. at 102 Roadrunner Drive, Sedona, Arizona 86336 in the Sedona City Council Chambers, was held to consider said tentative budget (FCFD, and said notice was published once in the Sedona Red Rock News no later than ten (10) days prior to said hearing date.

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.

RESOLVED by the District Board of the Fairfield Community Facilities District this 10th day of September, 2014.

Mark DiNunzio, Vice Chairman
Fairfield Community Facilities District

ATTEST:

Susan L. Irvine, District Clerk
Fairfield Community Facilities District

Fairfield Community Facilities District
 Fiscal Year 2014-2015 Budget
 Exhibit "A"

	Special Tax Revenue	Other Misc. Revenue	FY 2014-2015 Collections	Unreserved Fund Balance	2014-2015 Expenditures	Total 2014-2015 Budget
Capital Projects	\$ 135,000	\$ 7,500	\$ 142,500	\$ 807,500	\$ -	\$ -
Brewer Road Park					\$ 100,000	\$ 100,000
Barbara Antonsen Amphitheater					\$ 850,000	\$ 850,000
						\$ -
Totals	\$ 135,000	\$ 7,500	\$ 142,500	\$ 807,500	\$ 950,000	\$ 950,000