

**MEETING OF THE BOARD OF DIRECTORS OF
THE VILLAGES AT VIGNETO COMMUNITY FACILITIES DISTRICT #1
HELD NOVEMBER 15, 2018 7:00 P.M. AT
THE CITY OF BENSON COMMUNITY CENTER,
705 W. UNION STREET, BENSON, ARIZONA 85602**

1. Call to order

Brad Hamilton called the meeting to order at 7:04 p.m. with the Pledge of Allegiance.

Present were: Board Directors Cindy Batten, John Davis, Celia Jenkins, and Richard Polheber. Absent was: Board Director Mark Fenn.

2. Selection of Officers (Chair and Vice Chair) of the Board of Directors

Director John Davis stated he would like to nominate himself to be the Vice Chair and Mark Fenn to be the Chair. Director Richard Polheber then moved to appoint Mark Fenn as Chair and John Davis as Vice Chair. Seconded by Director Celia Jenkins. Motion passed 4-0.

3. Authorization to enter into the Development Agreement with the City of Benson

City Attorney Paul Loucks addressed the Board and briefly explained the Development Agreement. Mr. Loucks stated the City formed the districts with a condition that the developer enter into a development agreement and by statute, the District Board is technically already a party to the agreement, adding the Board action is really a formality. Mr. Loucks then spoke about the agreement outlining the parameters of the development, including debt structure, adding the City has some control over what the debt structure looks like because the formation of the districts was conditionally granted and if the debt structure looks substantially different, the City has the ability to go back and try to take some corrective action. Mr. Loucks then stated this was not intended to be coercive, but was to ensure appropriate debt from the Mayor and Council's perspective. Mr. Loucks then stated the Council hired a separate bond counsel and while he could tell the Board that the district could issue both GO (General Obligation) bonds and assessment bonds, but more detailed information could be asked of the bond counsel. Mr. Loucks then spoke about the district being under the same laws as a county or city regarding procurement and the district has the ability to utilize the City for assistance in the procurement laws. Mr. Loucks also spoke about City staff being the staff of the district and that the Board could change that at any time. Mr. Loucks then stated he would like to ask the Board to specify which Board Director would be signing the agreement, if they chose to approve it.

Director Celia Jenkins moved to approve the Development Agreement with the City of Benson and have Director Mark Fenn execute the agreement, adding in Director Fenn's absence, Director John Davis could execute the agreement. Seconded by Director Richard Polheber. Motion passed 4-0.

4. **Discussion about a budget for Fiscal Year 2019-2020, and possible direction to the District Treasurer (currently, the City Finance Director) to prepare said budget in accordance**

City Attorney Paul Loucks spoke about the timeframe, adding there are requirements to have a draft budget, required meetings, introducing a budget to the public and adopting a budget, but the goal is to adopt a budget by July 1, which is the beginning of the fiscal year. Mr. Loucks then stated he was looking for direction to start contemplating a budget.

Director Cindy Batten moved to direct the City's Finance Director, Seth Judd, who is currently the District Treasurer, to prepare a budget for the district. Seconded by Vice Chair John Davis. Motion passed 4-0.

5. **Confirmation that the general plan (part of the formation application) is on file with the Clerk, and action to ratify an intent to conduct District activities consistent therewith**

Deputy City Clerk Denise Tapia confirmed that the General Plan is on file with the City Clerk at the City of Benson. City Attorney Paul Loucks then addressed the Board briefly reviewing the general plan for the proposed development.

Vice Chair John Davis moved to confirm that the general plan is on file with the Clerk and ratify an intent to conduct district activities consistent with it. Seconded by Director Celia Jenkins. Motion passed 4-0.

6. **Adjournment**

Director Celia Jenkins moved to adjourn at 7:33 p.m. Seconded by Director Richard Polheber. Motion passed 4-0.