

**PETITION REQUESTING THE ESTABLISHMENT
OF THE PICACHO DOMESTIC WATER
IMPROVEMENT DISTRICT OF
PINAL COUNTY, ARIZONA
AND PETITION TO INCUR EXPENSES**

The real property owners herewith petition for the establishment of an improvement district pursuant to Sections §48-901 to §48-967, inclusive, of the Arizona Revised Statutes (the "County Improvement District Laws"), and all amendments and supplements thereto and the District was formed pursuant to the County Improvement District Laws. The petition signatures are attached hereto and incorporated by reference herein.

The name of the improvement district is the Picacho Domestic Water Improvement District ("District"), located in Pinal County, Arizona. The boundaries of the District shall be as follows: Halsey Street on the West, Phillips Road on the North, the Blossom Avenue alignment on the East and Shay Road on the South. The plat map and legal description is shown on Exhibit A attached hereto and incorporated by reference herein.

The necessity for the formation of the District is the need of the District's residents and landowners for an adequate potable domestic water system. The general outline of the proposed District is to acquire an existing domestic water well, storage tank and transmission lines for delivering potable water to municipal water users within the District and to make any and all other local improvements by levying special assessments and the issuance of improvement bonds as may now or may hereafter be ordered under and pursuant to the County Improvement District Laws of the State of Arizona (A.R.S. Title 48, Chapter 6, Articles 1,4 and 6). The District shall be a special purpose district and is a political subdivision of the State of Arizona with specific boundaries, and with all powers and duties of a public entity, limited to the purposes for which the district was formed. These purposes consist of, but are not limited to, the purposes prescribed in Arizona Revised Statutes §48-909(A)(6) as well as the related powers prescribed in §48-909(B) and A.R.S. §48-910.

That the public convenience, necessity or welfare will be promoted by the establishment of the District and that the property to be included within the District will be benefited.

This petition directs the District to incur the expenses of appointing and employing necessary staff, professionals and District Engineer that may be needed to assist the District.

The District is wholly within the boundaries of the Picacho Water Improvement Corporation, an existing service territory of a public service corporation that provides domestic water services as defined by a certificate of convenience and necessity issued by the Arizona Corporation Commission.

That the undersigned petitioners understand that the engineer's estimate of costs of the improvement is not yet completed nor has the assessment methodology been determined or approved by the Board of Directors, and that therefore no maximum limit on the amount of any assessment or the aggregate of all assessments has been established.

Petitioners request that the Board of Supervisors determine that the District be governed by a Board of Directors composed of three members. Petitioners recommend the following landowners to serve as the initial Board of Directors (1) Sam Mendoza; (2) Jerry Cross and (3) James Tidwell.

Election dates shall be the county wide general election date of each even numbered year, beginning November 2016 and terms of the applicable class shall expire on December 31 following the election.

General Description:

The proposed Picacho Domestic Water Improvement District contains approximately 580 acres and is generally bounded by Halsey Street on the West; Phillips Road on the North; the Blossom Avenue alignment on the East and Shay Road on the South.

Legal Description:

The proposed Picacho Domestic Water Improvement District includes:

The Northeast Quarter of Section 22 in Township eight (8) South, Range eight (8) East and

The East Half of the Southeast Quarter of Section 22 in Township Eight (8) South, Range eight (8) East
and

The West Half of Section 23 in Township Eight (8) south, Range Eight (8) East

