

"Intergovernmental Agreement Act" means Title 11, Chapter 7, Article 3, Arizona Revised Statutes, as amended.

"Initial Expenses" means, prior to receipt of collections of the first levy of the O/M Tax, the reasonable expenses and costs of the operation and administration of the District including the reasonable expenses and costs incurred by the Municipality in connection with the formation of the District, its operations, its relationship with the Municipality, its issuance of the Assessment Bonds or the General Obligation Bonds or any similar matters and reasonable fees and related costs and expenses of staff of the Municipality, financial advisors, engineers, appraisers, attorneys and other consultants and including any overhead incurred by the Municipality with respect thereto and specifically allocated to the Initial Expenses.

"Land Development Agreement" means the \_\_\_\_\_ Agreement, entered into as of \_\_\_\_\_, 200\_, by and between the Municipality and \_\_\_\_\_, and recorded \_\_\_\_\_, 200\_, in Instrument No. \_\_\_\_\_, official records of Pinal County, Arizona, as amended from time to time.

"Municipality" means the Town of Florence, Arizona, a municipality incorporated and existing pursuant to the laws of the State.

"O/M Expenses" means the reasonable expenses and costs of the operation and maintenance of the Projects and for accumulating a Replacement Reserve Amount with respect to the Projects including any overhead incurred by the Municipality with respect thereto and specifically allocated to the O/M Expenses.

"O/M Tax" means an operation and maintenance tax in the amount up to \$0.30 per \$100.00 of assessed valuation for all real and personal property in the District.

"Owners" means, collectively, a corporation incorporated and existing pursuant to the laws of the State of \_\_\_\_\_.

"Owners Engineer" means any firm of professional engineers hired by the Owners after approval thereof by the District Manager to perform the services required therefrom for the purposes hereof.

"Plans and Specifications" means the plans and specifications for a Project which shall be prepared and reviewed in accordance with the requirements for plans and specifications for construction projects of the Municipality similar to the Project or the Acquisition Project, as applicable.

"Project" means each project which is a part of the Infrastructure on a project-by-project basis.

"Property" means the real property described in Exhibit "A" to this Agreement.

"Replacement Reserve Amount" means an amount calculated using reasonable accounting practices based on the useful life of the various assets composing the Projects established by the Internal Revenue Code of 1986, as amended, to be used to replace such assets.

"Report" means the study of the feasibility and benefits required by the Act for the applicable Project or Acquisition Project.

"Securities Act" means the Securities Act of 1933, as amended.