MARANA AZ
ESTABLISHED 1977

MARANA TOWN COUNCIL
REGULAR COUNCIL MEETING
NOTICE AND AGENDA
11555 W. Civic Center Drive, Marana, Arizona 85653
Council Chambers, June 18, 2024, at or after 6:00 PM

Ed Honea, Mayor
Jon Post, Vice Mayor
Patti Comerford, Council Member
Jackie Craig, Council Member
Herb Kai, Council Member
John Officer, Council Member
Roxanne Ziegler, Council Member

Pursuant to A.R.S. §38-431.02, notice is hereby given to the members of the Marana Town Council and to the general public that the Town Council will hold a meeting open to the public on June 18, 2024, at or after 6:00 PM located in the Council Chambers of the Marana Municipal Complex, 11555 W. Civic Center Drive, Marana, Arizona.

ACTION MAY BE TAKEN BY THE COUNCIL ON ANY ITEM LISTED ON THIS AGENDA. Revisions to the agenda can occur up to 24 hours prior to the meeting. Revised agenda items appear in *italics*.

As a courtesy to others, please turn off or put in silent mode all electronic devices.

Meeting Times

Welcome to this Marana Town Council meeting. Regular Council meetings are usually held the first and third Tuesday of each month at 6:00 PM at the Marana Municipal Complex, although the date or time may change and additional meetings may be called at other times and/or places. Contact the Town Clerk or watch for posted agendas for other meetings. This agenda may be revised up to 24 hours prior to the meeting. In such a case a new agenda will be posted in place of this agenda.

Speaking at Meetings

If you are interested in speaking to the Council during the Call to the Public or Public Hearings, you must fill out a speaker card (located in the lobby outside the Council Chambers) and deliver it to the Town Clerk prior to the convening of the meeting.

All persons attending the Council meeting, whether speaking to the Council or not, are expected to observe the Council rules, as well as the rules of politeness, propriety, decorum and good conduct. Any person interfering with the meeting in any way, or acting rudely or loudly will be removed from the meeting and will not be allowed to return.

Accessibility
To better serve the citizens of Marana and others attending our meetings, the Council Chambers are wheelchair and handicapped accessible. Persons with a disability may request a reasonable accommodation, such as a sign language interpreter, by contacting the Town Clerk at (520) 382-1999. Requests should be made as early as possible to arrange the accommodation.

Agendas
Copies of the agenda are available the day of the meeting in the lobby outside the Council Chambers or online at www.maranaaz.gov under Agendas and Minutes. For questions about the Council meetings, special services or procedures, please contact the Town Clerk, at (520) 382-1999, Monday through Friday from 8:00 AM to 5:00 PM.

This Notice and Agenda Posted no later than 24 hours prior to the meeting, at the Marana Municipal Complex, 11555 W. Civic Center Drive, the Marana Operations Center, 5100 W. Ina Road, and at www.maranaaz.gov under Agendas and Minutes.

REGULAR COUNCIL MEETING

CALL TO ORDER AND ROLL CALL

PLEDGE OF ALLEGIANCE/INVOCATION/MOMENT OF SILENCE

APPROVAL OF AGENDA

CALL TO THE PUBLIC
At this time any member of the public is allowed to address the Town Council on any issue within the jurisdiction of the Town Council, except for items scheduled for a Public Hearing at this meeting. The speaker may have up to three minutes to speak. Any persons wishing to address the Council must complete a speaker card located outside the Council Chambers and deliver it to the Town Clerk prior to the commencement of the meeting. Individuals addressing a meeting at the Call to the Public will not be provided with electronic technology capabilities beyond the existing voice amplification and recording capabilities in the facilities. Pursuant to the Arizona Open Meeting Law, at the conclusion of Call to the Public, individual members of the Council may respond to criticism made by those who have addressed the Council, and may ask staff to review the matter, or may ask that the matter be placed on a future agenda.

PROCLAMATIONS

MAYOR AND COUNCIL REPORTS: SUMMARY OF CURRENT EVENTS

MANAGER'S REPORT: SUMMARY OF CURRENT EVENTS

PRESENTATIONS

CONSENT AGENDA

The Consent Agenda contains items requiring action by the Council which are generally routine items not requiring Council discussion. A single motion and affirmative vote will approve all items on the Consent Agenda, including any resolutions or ordinances. Prior to a motion to approve the Consent Agenda, any Council member may remove any item from the Consent Agenda and that item will be discussed and voted upon separately.

C1 Resolution No. 2024-059: Relating to Municipal Court; approving and authorizing the Mayor to execute an Intergovernmental Agreement between the Town of Marana and Pima County for provision of video-court hearings of municipal prisoners for 2024-2025 (Laine McDonald)

C2 Resolution No. 2024-060: Relating to the Police Department; approving and authorizing the Mayor to execute an Intergovernmental Agreement between Pima County and the Town of Marana for payment for the incarceration of municipal prisoners for the period of July 1, 2024, through June 30, 2025 (Jeffrey Pridgett)

C3 Resolution No. 2024-061: Relating to Real Estate; accepting the offer of just compensation from Pima County for an additional easement needed for the Continental Ranch Regional Pump Station Force Main Augmentation Project and authorizing the Town Engineer to execute the Acquisition Agreement, conveyance instruments, and any and all other associated documents (George Cardieri)

C4 Resolution No. 2024-062: Relating to Water; approving and authorizing the Water Director to sign a joint funding agreement with the U.S. Department of the Interior U.S. Geological Survey for water resources investigations in the Tucson Active Management Area from July 1, 2024, through June 30, 2028 (Asia Philbin)

C5 Resolution No. 2024-066: Relating to Public Works; approving and authorizing the Mayor to execute Amendment No. One to the Intergovernmental Agreement between the State of Arizona and the Town of Marana for design, construction, and installation of a traffic signal at the intersection of Dove Mountain Boulevard and Moore Road (Fausto Burruel)

C6 Relating to Procurement; approving a change order to the contract with Psomas, Inc. in the amount of $381,786.75 for the Tangerine Road Widening Phase 2A Project (ST098); authorizing the transfer of appropriations if necessary for the change order; and authorizing the Town Manager or designee to execute the necessary documents to effectuate the change order (Fausto Burruel)

C7 Approval of Regular Council Meeting Summary Mintues of June 4, 2024 (David L. Udall)

LIQUOR LICENSES

L1 Relating to Liquor Licenses; recommendation to the Arizona Department of Liquor Licenses and Control regarding an application for a new series #012 Restaurant liquor license submitted by Brian Casey Platt on behalf of The Pasta Shop, located at 3951 West Ina Road Suite 155, Tucson, Arizona, 85741 (David L. Udall)

BOARDS, COMMISSIONS AND COMMITTEES

COUNCIL ACTION

A1 PUBLIC HEARING: Ordinance No. 2024.014:Relating to Land Development; adopting revisions to Marana Town Code ("MTC") Title 17 - Land Development; revising MTC Section 17-4-2 (Use matrix) to add 'Single-family attached' as a residential land use and establish an allowance status for each of the zoning categories; revising MTC Section 17-4-2 (Use matrix) to revise the allowance status of the Duplex and Townhouse residential uses in the Neighborhood Commercial (NC) and Village Commercial (VC) zoning districts; revising MTC Section 17-4-3 (Use conditions matrix) to add appropriate conditions to the development of 'Single-family attached', Duplex, and Townhouse residential uses in the Neighborhood Commercial (NC) and Village Commercial (VC) zoning districts consisting of the requirement for compliance with the development standards for the R-3 (residential) zone; revising MTC Section 17-4-7 (Commercial zoning districts) to clarify that no minimum lot size

requirement shall apply within the Neighborhood Commercial (NC) and the Village Commercial (VC) zoning districts; revising MTC Section 17-5-3 (Subdivision requirements), subsection 17-5-3.B.15, to clarify that the requirement to underground utilities includes all new and existing utilities within or contiguous to the subdivision; and, revising MTC Section 17-5-3 (Subdivision requirements), subsection 17-5-3.C.3.a, to add an option to the general requirement for lot access to a street as, 'An access easement providing ingress and egress to a parcel over another parcel through an area dedicated for such perpetual use'; and designating an effective date (Brian D. Varney)

Resolution No. 2024-063: Relating to Land Development; declaring as a public record filed with the Town Clerk the amendment adopted by Ordinance No. 2024.014, revisions to Marana Town Code ("MTC") Title 17 - Land Development; revising MTC Section 17-4-2 (Use matrix) to add 'Single-family attached' as a residential land use and establish an allowance status for each of the zoning categories; revising MTC Section 17-4-2 (Use matrix) to revise the allowance status of the Duplex and Townhouse residential uses in the Neighborhood Commercial (NC) and Village Commercial (VC) zoning districts; revising MTC Section 17-4-3 (Use conditions matrix) to add appropriate conditions to the development of 'Single-family attached', Duplex, and Townhouse residential uses in the Neighborhood Commercial (NC) and Village Commercial (VC) zoning districts consisting of the requirement for compliance with the development standards for the R-3 (residential) zone; revising MTC Section 17-4-7 (Commercial zoning districts) to clarify that no minimum lot size requirement shall apply within the Neighborhood Commercial (NC) and the Village Commercial (VC) zoning districts; revising MTC Section 17-5-3 (Subdivision requirements), subsection 17-5-3.B.15, to clarify that the requirement to underground utilities includes all new and existing utilities within or contiguous to the subdivision; and, revising MTC Section 17-5-3 (Subdivision requirements), subsection 17-5-3.C.3.a, to add an option to the general requirement for lot access to a street as, 'An access easement providing ingress and egress to a parcel over another parcel through an area dedicated for such perpetual use' (Brian D. Varney)

A2 Resolution No. 2024-064: Relating to Marana Regional Airport; approving and authorizing the Mayor to sign the Third Amendment to the Master Development Lease Agreement for the lease of real property located at the Marana Regional Airport, 11700 West Avra Valley Road (David L. Udall)

ITEMS FOR DISCUSSION / POSSIBLE ACTION

D1 Relating to Legislation and Government Actions; discussion and possible action or direction regarding all pending state, federal, and local legislation/government actions and on recent and upcoming meetings of other governmental bodies (Terry Rozema)

D2 PUBLIC HEARING: Relating to Budget; public hearing regarding the Town of Marana's fiscal year 2024-2025 final budget (Yiannis Kalaitzidis)

EXECUTIVE SESSIONS

Pursuant to A.R.S. § 38-431.03, the Town Council may vote to go into executive session, which will not be open to the public, to discuss certain matters.

E1 Executive Session pursuant to A.R.S. §38-431.03 (A), Council may ask for discussion or consideration, or consultation with designated Town representatives, or consultation for legal advice with the Town Attorney, concerning any matter listed on this agenda for any of the reasons listed in A.R.S. §38-431.03 (A).

FUTURE AGENDA ITEMS

Notwithstanding the Mayor's discretion regarding the items to be placed on the agenda, if three or more Council members request that an item be placed on the agenda, it must be placed on the agenda for the second regular Town Council meeting after the date of the request, pursuant to Marana Town Code Section 2-4-2(B).

ADJOURNMENT

Council-Regular Meeting **C1**

Meeting Date: 06/18/2024

To: Mayor and Council

Submitted For: Laine McDonald, Town Magistrate

From: Trudi Shumate, Court Administrator

Date: June 18, 2024

Strategic Plan Focus Area:
Not Applicable

Subject: Resolution No. 2024-059: Relating to Municipal Court; approving and authorizing the Mayor to execute an Intergovernmental Agreement between the Town of Marana and Pima County for provision of video-court hearings of municipal prisoners for 2024-2025 (Laine McDonald)

Discussion:

Marana Municipal Court uses technology and staff from the Pima County Adult Detention Center to conduct video hearings for prisoners who have been arrested, held, or sentenced for their Marana Municipal Court charges. This is the most efficient way to ensure these individuals are seen by a judge in Marana in a timely manner without having to bear the cost, risk, and complications associated with transporting these defendants to the court to be seen in person. The attached IGA is substantially the same as the IGA approved by the Council for 2023-2024. This resolution approves the agreement and authorizes the Mayor to execute it on behalf of the Town. The agreement has a one-year term, from July 1, 2024 to June 30, 2025, and may be extended for an additional four years.

Financial Impact:

Fiscal Year: 2024 - 2025

Budgeted Y/N:	Y
Amount:	$15,000

Staff Recommendation:

Staff recommends approval of the IGA.

Suggested Motion:

I move to adopt Resolution No. 2024-059, approving and authorizing the Mayor to execute an intergovernmental agreement between the Town of Marana and Pima County for the provision of video-court hearings of municipal prisoners for 2024-2025.

Attachments

Resolution No. 2024-059

Exhibit A to Resolution

MARANA RESOLUTION NO. 2024-059

RELATING TO MUNICIPAL COURT; APPROVING AND AUTHORIZING THE MAYOR TO EXECUTE AN INTERGOVERNMENTAL AGREEMENT BETWEEN THE TOWN OF MARANA AND PIMA COUNTY FOR PROVISION OF VIDEO-COURT HEARINGS OF MUNICIPAL PRISONERS FOR 2024-2025

WHEREAS individuals who are incarcerated pursuant to charges and orders under the jurisdiction of the Marana Municipal Court are held at the Pima County Adult Detention Center; and

WHEREAS the Pima County Adult Detention Center has the staff and technology necessary for these prisoners to appear in Marana Municipal Court via video-conferencing; and

WHEREAS the Town of Marana and Pima County desire to enter into an agreement to provide video-court hearings for Marana Municipal Court prisoners; and

WHEREAS the parties may contract for services and enter into agreements with one another for joint or cooperative action pursuant to A.R.S § 11-952, *et seq.;* and

WHEREAS the Mayor and Council of the Town of Marana find it is in the best interests of its citizens to enter into this intergovernmental agreement.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE TOWN OF MARANA, ARIZONA, AS FOLLOWS:

SECTION 1. The intergovernmental agreement between the Town of Marana and Pima County for provision of video-court hearings of municipal prisoners attached as Exhibit A to and incorporated by this reference in this resolution is hereby approved, and the Mayor is hereby authorized to execute it for and on behalf of the Town of Marana.

SECTION 2. The Town's Manager and staff are hereby directed and authorized to undertake all other and further tasks required or beneficial to carry out the terms, obligations, and objectives of the intergovernmental agreement.

PASSED AND ADOPTED by the Mayor and Council of the Town of Marana, Arizona, this 18th day of June, 2024.

_____
Mayor Ed Honea

ATTEST:

_____
David Udall, Town Clerk

APPROVED AS TO FORM:

_____
Jane Fairall, Town Attorney

INTERGOVERNMENTAL AGREEMENT
BETWEEN
TOWN OF MARANA
AND
PIMA COUNTY
FOR
PROVISION OF VIDEO-COURT HEARINGS OF MUNICIPAL INMATES
CTN-SD-24*150

THIS INTERGOVERNMENTAL AGREEMENT (IGA), is entered into pursuant to ARS § 11-952 (as amended) by and between:

THE TOWN OF MARANA, a municipal corporation, (hereinafter sometimes referred to as the "Town"); and

THE COUNTY OF PIMA, a body politic and corporate, a political subdivision of the State of Arizona, (hereinafter sometimes referred to as the "County").

WHEREAS the Parties desire to enter into an agreement to provide video-court hearings for municipal inmates; and

WHEREAS the Town and County may contract for services and enter into agreements with one another for joint or cooperative action pursuant to A.R.S. § 11-952, et seq.; and

WHEREAS the provision of video-court hearings for municipal inmates will be in the best interests of the Parties and the citizens of Pima County.

NOW THEREFORE, The Town and County hereby agree as follows:

Agreement

1. **Purpose.** The purpose of this IGA is to set forth the terms and conditions for the Pima County Sheriff's Department Corrections Bureau to provide the Town of Marana Municipal Court with a video court session between Marana Municipal Court (MMC) and the Pima County Adult Detention Complex (PCADC).

2. **Obligations of the Parties.** PCADC will be responsible for pulling MMC's inmate files and preparing them for court, preparing their inmates for court, providing security in the video-court hearing, coordinating workflow support, specific to distributing court documentation from MMC to inmate and if applicable, completing electronic return (via fax or email) to MMC.

   MMC shall fax or email PCADC's Records Unit a list of inmates that they are requesting to see by 11 a.m. on the date of the video court hearing and shall fax or email copies of any court paperwork generated at the hearing immediately following the video court session.

   Each video court session will be held weekdays, beginning at 1200 hours. Both Town and

County agree that this schedule may be changed based on either party's need for more video court time, or based on other factors that could require a different schedule. MMC shall complete the video court session no later than 1300 hours. Any hearing extending past 1300 hours shall be continued at a later date.

Town will pay for up to three hours of video court weekly which will cover the cost of one Corrections Officer for one hour for security. The current salary rate for these employees is:

Corrections Officer (1 hour)	$40.08
Total for three hours:	$120.24

"Town of Marana inmate" shall mean any person who has been incarcerated as a result of a charge pending in the Town of Marana Municipal Court, as a result of an agreement between the Town of Marana and another jurisdiction to allow the person to serve his/her sentence locally, or has been sentenced pursuant to an order of the Town of Marana Municipal Court and for whom the Town of Marana has the legal obligation to provide or pay for prisoner housing (this Agreement does not create such an obligation, that obligation exists under current Arizona Law). A prisoner arrested by the Town of Marana Police Department solely on another governmental entity warrant is not a Town of Marana prisoner.

Criteria and Rules Governing Billing:

a. A "billable video-court session" is defined as that period commencing at 1200 hours and ending at 1300 hours Monday, Wednesday and Thursday, or any fractional part thereof.

b. Should a "billable video-court session" not occur in any given week, the Town will not be billed that week.

c. The Town will be billed monthly for these services. The invoice for these services will be separate from the monthly incarceration billing invoice and must be paid separately.

Criteria for Assessment of Billing:

a. The costs of a "billable video-court session" shall be based on the current rates of salary each involved class of employee currently earns. These rates are subject to increase as wages increase for the classification.

b. County will give Town a thirty (30) day notice of any salary rate increase and Town will be billed accordingly.

County will submit a statement of Town video-court session charges on a monthly basis. This statement shall provide information in chronological order as follows: billing period, dates of video court sessions, weekly costs of individual employees, weekly totals, and the monthly total bill.

Any individual video court session charge contested shall be made known to the County within 30 days after receipt of the monthly billing. If the Town notifies the County of a dispute within 30 days of receipt of the monthly billing, the Town may withhold payment on those specific video court sessions for which billing is disputed until the dispute has been resolved. No dispute will be accepted if not made within 30 days after the receipt of the monthly billing. Disputes about the billing statement shall be jointly reviewed by both parties and satisfactorily resolved within 45

days of the monthly billing. All charges shall be paid within sixty days of receipt of the monthly billing, excluding contested charges. Contested charges shall be paid within 30 days of resolution of the dispute. Charges remaining unresolved after the 60-day period may be arbitrated by a mutually acceptable third party. Town agrees to pay interest on outstanding charges beginning on the 10th day after resolution of the billing at a rate of 10% per annum until paid. Town agrees that when a check is sent to County in payment of previously disputed charge, Town will attach an invoice detailing what specific charges are being paid. Town agrees that when funds are withheld due to a disputed charge, the specific charge being disputed, and the amount of payment being withheld, will be specified on an invoice attached to the payment check for the period in which the charge disputed was included. Town agrees to attach to each check submitted to County an invoice indicating the dates for which that check is to be applied.

3. **Term**. This IGA shall be in effect from July 1, 2024 through June 30, 2025. This IGA may be extended for four (4) additional one (1) year periods or any portion thereof. Any extension shall be by written amendment executed by the governing bodies of the parties.

4. **Costs.** Neither party shall be obliged to the other party for any costs incurred pursuant to this IGA, except as herein provided.

5. **Jurisdiction.** Nothing in this IGA shall be construed as either limiting or extending the statutory jurisdiction of either of the parties.

6. **Indemnification.** To the extent permitted by law, each party agrees to indemnify, defend and save harmless the other, their appointed boards and commissions, officials, employees and insurance carriers, individually and collectively from all losses, claims, suits, demands, expenses, subrogation, attorney's fees or actions of any kind resulting from all personal injury including bodily injury and death, and property damage occasioned during the term of this Agreement for acts or omissions of such party, its agents, officials, and employees.

7. **Insurance.** Each party shall obtain and maintain at its own expense, for the duration of this IGA, the following type(s) and amounts of insurance:

a) Commercial General Liability in the amount of $1,000,000.00 combined single limit Bodily Injury and Property Damage.

b) Commercial or Business automobile liability coverage for owned, non-owned and hired vehicles used in the performance of this IGA with limits in the amount of $1,000,000.00 combined single limit or $1,000,000.00 Bodily Injury, $1,000,000.00 Property Damage.

c) If this IGA involves professional services, professional liability insurance in the amount of $1,000,000.00.

d) If required by law, workers' compensation coverage includes employees' liability coverage.

The above requirements may be met through self-insurance pursuant to A.R.S. §§ 11-261 and 11-981 or participation in an insurance risk pool under A.R.S. § 11-952.01 at no less than the minimal coverage levels set forth in this article. Parties to this IGA shall provide thirty (30) days written notice to all other parties of cancellation, non-renewal or material change of coverage.

8. **Non-Appropriation.** Notwithstanding any other provision in this IGA, this IGA may be

terminated if for any reason the Pima County Board of Supervisors does not appropriate sufficient monies for the purpose of maintaining this IGA. In the event of such cancellation, the County shall have no further obligation to the Town other than for services already provided.

9. Termination. Either party may, at any time and without cause, terminate this IGA by providing ninety (90) days written notice of intent to terminate.

10. Conflict of Interest. This IGA is subject to cancellation for conflict of interest pursuant to the provisions of ARS § 38-511, the pertinent provisions of which are incorporated herein by reference.

11. Compliance with Laws. Each party to this IGA complies with all federal, state, and local laws, rules, regulations, standards, and Executive Orders, without limitation to those designated within this IGA. The laws and regulations of the State of Arizona shall govern the rights of the parties, the performance of this IGA, and any disputes hereunder. Any action relating to this IGA shall be brought in a court of the State of Arizona in Pima County. Any charges in the governing laws, rules, and regulations during the terms of this IGA shall apply, but do not require an amendment.

12. Non-Discrimination. Town and County will not discriminate against any Town or County employee, client or any other individual in any way involved with the Town or County, because of race, age, creed, color, religion, sex, disability or national origin in the course of carrying out duties pursuant to this Intergovernmental Agreement. Town and County agree to comply with the provisions of Arizona Executive Order 99-4, which are incorporated into this agreement by reference as if set forth in full.

13. ADA. Each party shall comply with all applicable provisions of the Americans with Disabilities Act (Public Law 101-336, 42 U.S.C. 12101-12213) and all applicable federal regulations under the Act, including 28 CFR Parts 35 and 36.

14. Legal Authority. Neither party warrants to the other its legal authority to enter into this IGA. If a court, at the request of a third person, should declare that either party lacks authority to enter into this IGA, or any part of it, then the IGA, or parts of it affected by such order, shall be null and void, and no recovery may be had by either party against the other for lack of performance or otherwise.

15. Workers' Compensation. Each party shall comply with the notice of A.R.S. § 23-1022(E). For purposes of A.R.S. § 23-1022, irrespective of the operations protocol in place, each party is solely responsible for the payment of Workers' Compensation benefits for its employees.

16. No Joint Venture. It is not intended by this IGA to, and nothing contained in this IGA shall be construed to, create any partnership, joint venture or employment relationship between the parties or create any employer-employee relationship between County and Town employees, or between Town and any County employees. Neither party shall be liable for any debts, accounts, obligations or other liabilities whatsoever of the other, including, without limitation, the other party's obligation to withhold Social Security and income taxes for itself or any of its employees.

17. No Third Party Beneficiaries. Nothing in the provisions of this IGA is intended to create duties or obligations to or rights in third parties not parties to this IGA or affect the legal liability of either party to the IGA by imposing any standard of care with respect to the maintenance of public

facilities different from the standard of care imposed by law.

18. Severability. If any provision of this IGA, or any application thereof to the parties or any person or circumstances, is held invalid, such invalidity shall not affect other provisions or applications of this IGA which can be given effect without the invalid provision or application and to this end the provisions of this IGA are declared to be severable.

19. Notice. Any notice required or permitted to be given under this IGA shall be in writing and shall be served by delivery or by certified mail upon the other party as follows (or at such other address as may be identified by a party in writing to the other party):

County:

Pima County Sheriff's Department
Corrections Bureau Chief
1750 E. Benson Highway
Tucson, AZ 85714

Town:

Town of Marana
11555 W. Civic Center Dr. Bldg. A.
Marana, AZ 85653

With copies to:

County Administrator
115 N. Church Ave.
2nd Floor, Suite 231
Tucson, AZ 85701

Clerk of the Board
33 N. Stone Ave., Suite 100
Tucson, AZ 85701

20. Entire Agreement. This document constitutes the entire agreement between the parties pertaining to the subject matter hereof, and all prior contemporaneous agreements and understandings, oral or written, are hereby superseded and merged herein. This IGA shall not be modified, amended, altered or extended except through a written amendment executed by the parties.

Remainder of Page Intentionally Left Blank

This agreement may be executed in counterparts, each of which, when taken together, will constitute one original agreement.

In Witness Whereof, County has caused this Intergovernmental Agreement to be executed by the Chairman of its Board of Supervisors, upon resolution of the Board and attested to by the Clerk of the Board, and Town has caused this Intergovernmental Agreement to be executed by the Mayor upon resolution of its Town Council and attested to by the Town Clerk:

ATTEST:

Town of Marana Clerk

Date

TOWN OF MARANA, a municipal corporation

Mayor

Date

ATTEST:

Clerk, Board of Supervisors

Date

PIMA COUNTY, a body politic

Chair, Board of Supervisors

Date

PIMA COUNTY, head of department

Chris Nanos, Sheriff

Date

Intergovernmental Agreement Determination

The foregoing Intergovernmental Agreement between Pima County and the Town of Marana has been reviewed pursuant to A.R.S. § 11-952 by the undersigned, who have determined that it is in proper form and is within the powers and authority granted under the laws of the State of Arizona to those parties to the Intergovernmental Agreement represented by the undersigned.

PIMA COUNTY:

_____
Deputy County Attorney

TOWN OF MARANA:

_____
Town of Marana Attorney

Council-Regular Meeting **C2**

Meeting Date: 06/18/2024

To: Mayor and Council

Submitted For: Jeffrey Pridgett, Police Chief

From: Jennifer Mangialardi, Executive Assistant

Date: June 18, 2024

Strategic Plan Focus Area:
Not Applicable

Subject: Resolution No. 2024-060: Relating to the Police Department; approving and authorizing the Mayor to execute an Intergovernmental Agreement between Pima County and the Town of Marana for payment for the incarceration of municipal prisoners for the period of July 1, 2024, through June 30, 2025 (Jeffrey Pridgett)

Discussion:

For many years, the Town of Marana and Pima County have had an intergovernmental agreement (IGA) that sets forth a fee schedule for the payment of the costs associated with the incarceration of Town municipal prisoners at the Pima County Jail. The IGA typically expires at the end of each fiscal year. The proposed IGA is for the time period of July 1, 2024, through June 30, 2025.

Under the IGA, the Town's costs for the first day of prisoner incarceration will increase from $396.30 to $495.94 to cover booking and intake expenditures, and the rate for each additional day thereafter will increase from $107.81 to $125.09 per day.

Financial Impact:

Funds are budgeted in the General Fund Police Department budget. The financial impact of this increase will depend on the number of people booked during the fiscal year. Based upon the trend, staff reasonably expects to have included adequate budget capacity for this IGA in the FY2025 Budget.

Staff Recommendation:

Staff recommends approval of the IGA.

Suggested Motion:

I move to adopt Resolution No. 2024-060, approving and authorizing the Mayor to execute an Intergovernmental Agreement between Pima County and the Town of Marana for payment for the incarceration of municipal prisoners for the period of July 1, 2024 through June 30, 2025.

Attachments

Resolution No. 2024-060

Exhibit A to Resolution

MARANA RESOLUTION NO. 2024-060

RELATING TO THE POLICE DEPARTMENT; APPROVING AND AUTHORIZING THE MAYOR TO EXECUTE AN INTERGOVERNMENTAL AGREEMENT BETWEEN PIMA COUNTY AND THE TOWN OF MARANA FOR PAYMENT FOR THE INCARCERATION OF MUNICIPAL PRISONERS FOR THE PERIOD OF JULY 1, 2024 THROUGH JUNE 30, 2025

WHEREAS the Town of Marana and Pima County desire to enter into an agreement to provide for payment by the Town for the costs of incarcerating Town municipal prisoners at the Pima County Adult Detention Center (PCADC); and

WHEREAS the parties may contract for services and enter into agreements with one another for joint or cooperative action pursuant to A.R.S. § 11-952, *et seq.*; and

WHEREAS the Mayor and Council of the Town of Marana find it is in the best interests of its citizens to enter into this intergovernmental agreement.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE TOWN OF MARANA, approving the intergovernmental agreement for the incarceration of municipal prisoners for the period of July 1, 2024 through June 30, 2025, attached to this resolution as Exhibit A, and authorizing the Mayor to execute it for and on behalf of the Town of Marana.

IT IS FURTHER RESOLVED that the Town Manager and staff are hereby directed and authorized to undertake all other and further tasks required or beneficial to carry out the terms, obligations, conditions and objectives of the agreement.

PASSED AND ADOPTED by the Mayor and Council of the Town of Marana, Arizona, this 18th day of June, 2024.

_____
Mayor Ed Honea

ATTEST:

_____
David L. Udall, Town Clerk

APPROVED AS TO FORM:

_____
Jane Fairall, Town Attorney

INTERGOVERNMENTAL AGREEMENT BETWEEN PIMA COUNTY AND TOWN OF MARANA FOR PAYMENT FOR THE INCARCERATION OF MUNICIPAL PRISONERS CTN-SD-24*197

This Intergovernmental Agreement (IGA) is entered into by and between Pima County, a body politic and corporate of the State of Arizona ("County") and the Town of Marana, a municipal corporation ("Town") pursuant to A.R.S. § 11-952.

Recitals

County and Town may contract for services and enter into agreements with one another for joint or cooperative action pursuant to A.R.S. § 11-951, et seq.

County and Town desire to enter into an agreement to incarcerate Town's municipal prisoners in the Pima County Adult Detention Complex ("PCADC").

NOW, THEREFORE, County and Town, pursuant to the above, mutually agree as follows:

Agreement

I. Purpose

This IGA sets forth the terms and conditions under which Town's municipal prisoners shall be incarcerated in the PCADC.

II. Scope

County shall receive and detain all Town municipal prisoners who are medically fit to be incarcerated by County. County shall provide booking services, and after booking provide for the care, feeding and medical care (via contracted medical provider) of said prisoners.

"Town municipal prisoner" shall mean any person who has been incarcerated as a result of a charge pending in the Town of Marana Court, or as a result of an agreement between the Town and another jurisdiction to allow the person to serve his sentence locally, or has been sentenced pursuant to an order of the Marana Town Court and for whom the Town has the legal

obligation to provide or pay for prisoner housing. A prisoner arrested by Town of Marana Police Department solely on another governmental entity's warrant is not a Town prisoner.

In regard to booking and related services and procedures, upon submission of the completed booking document to the PCADC Intake Support Specialist, County will immediately accept into custody all Town arrestees that present no obvious health issues that make the prisoner medically unacceptable for booking. Town agrees that such conditional acceptance will shorten the time officers spend in the booking process and benefit the Town. Within the initial ninety (90) minutes, County contracted medical providers shall make a determination as to the prisoner's medical condition. Town agrees that if the prisoner presents a serious, emergent medical problem requiring hospital examination or medical rejection for booking within ninety (90) minutes of the time of conditional acceptance, Town shall send an officer to the PCADC to transport the prisoner for such medical examination or care as may be medically required as soon as possible. If a prisoner is taken from the PCADC for medical evaluation and returned to be incarcerated, Town shall not be charged twice for the first day billing rate of $495.94. By conditionally accepting the prisoner for the initial ninety (90) minute evaluation period, County does not in any way accept responsibility for the cost of medical care to be provided to that prisoner should it be determined by County that the prisoner requires hospitalization or that the prisoner is medically unacceptable for booking.

Transportation of prisoners to Town of Marana Court or other locations, only as ordered by Town of Marana Court, shall be the responsibility of the Town. County shall be responsible for transportation of prisoners for medical care after the prisoner has been in PCADC custody for ninety (90) minutes or more.

III. Financing

Town shall pay a first day billing rate of $495.94 to cover booking and intake expenditures. For each billable day following the first day, Town shall pay $125.09 per day. The two rates are applicable to the period July 1, 2024 through June 30, 2025. The billing day as defined herein applies to each Town prisoner who is an inmate in, or under the control of the PCADC.

A. Criteria and Rules Governing Billing:

1. A "billable day" means that period commencing at 0000 hours and ending as 2359 hours that same day, or any fractional part thereof, of any day the Town prisoner is in the custody or control of the PCADC.

2. A "modified billable day" means a billable day which is modified to reduce billing to one billable day at the first rate. "Modified billable days" are only applicable when applied to pretrial Town defendants who are booked between 1800-2359 hours one day and released on the Town charge at the first AM initial appearance the following day.

3. "Local limited jurisdiction courts" means those courts whose criminal jurisdiction is limited to misdemeanor offenses.

B. Criteria for Assessment of Billing:

1. The costs of incarceration of Town prisoners shall commence on the day the prisoner is booked or held based on a Town charge into, or sentenced by, Town of Marana Court. Costs for incarceration shall cease under the guidelines established under the definition of "billable day." For Town pretrial defendants booked between 1800 and 2400 hours one day and released on all Town charges at or by the AM initial appearance the following morning, the Town shall be billed according to the guidelines established under the definition of "modified billable day."

2. When a prisoner is in custody for a charge or sentence from more than one local limited jurisdiction court, the billing charges for days of joint custody shall be apportioned. Costs for incarceration for days of joint custody shall be apportioned evenly based on the guidelines established under the definition of "billable day" among those jurisdictions from which the joint custody arises.

3. A Town prisoner who is subsequently charged into Pima County Superior Court and held in-custody on felony charges will cease to accrue billing charges after 2359 hours on the date that custody for felony charges is established. Felony custody shall take effect on the date when charging information is received in the PCADC Records Section and the prisoner is actually being held in-custody on the felony charges.

4. In the event of an escape, billing charges will cease to accrue after 2359 hours on the day of escape. In the event of a failure to report from authorized leave, billing charges will cease after 2359 hours of the last day of custody. Billing charges will begin again on the day the prisoner is recaptured or returned to custody and is actually being held in the PCADC.

County will submit a statement of Town prisoner charges on a monthly basis. This statement shall provide information in alphabetical order as follows: name of prisoner, booking date, release date, indication of booking day billing or subsequent day billing, billing period, daily rates, total billing days, and the total bill.

Any individual prisoner charges disputed shall be made known to the County within thirty (30) days after receipt of the monthly billing. If Town notifies County of a dispute within thirty (30) days of receipt of the monthly billing, Town may withhold payment on those specific prisoners for whom billing is disputed until the dispute is resolved. No dispute will be accepted if not made within thirty (30) days after receipt of the monthly billing. Disputes about the billing statement shall be jointly reviewed by both parties and satisfactorily resolved within forty-five (45) days of the monthly billing. All charges shall be paid within sixty (60) days of receipt of the

monthly billing, excluding disputed charges. Disputed charges shall be paid within thirty (30) days of resolution of the dispute. Charges remaining unresolved after the sixty (60) day period may be arbitrated by a mutually accepted third party. Town agrees to pay interest on outstanding charges beginning on the tenth day after resolution of the billing at a rate of 10% per annum until paid. Town agrees that when a check is sent to County in payment of a previously disputed charge, Town will attach an invoice detailing what specific charges are being paid. Town agrees that when funds are withheld due to a disputed charge, the specific charge disputed and the amount of payment being withheld will be specified on an invoice attached to the payment check for the period in which the disputed charge was included. Town agrees to attach to each check submitted to County an invoice indicating the dates for which that check is to be applied.

Neither Party shall be obligated to the other for any costs incurred pursuant to this IGA except as proved herein.

IV. Term

This IGA is for the period July 1, 2024 through June 30, 2025 and shall be effective upon execution by the governing boards of the Parties. The Parties shall have the option of extending this IGA for four (4) additional one-year periods or any portion thereof. Any revisions or extensions of this IGA shall be by written amendment executed by the governing boards of the Parties.

V. Termination

Either Party may at any time and without cause terminate this IGA by providing the other Party ninety (90) days written notice of intent to terminate.

VI. Jurisdiction

Nothing in this IGA shall be construed as either limiting or extending the statutory jurisdiction of the Parties.

VII. Indemnification

To the extent permitted by law, each party (as Indemnitor) agrees to indemnify, defend and hold harmless the other party (as Indemnitee) from and against any and all claims, losses, liability, costs or expenses (including reasonable attorney's fees) (hereinafter collectively referred to as "claims") arising out of bodily injury of any person (including death) or property damage, but only to the extent that such claims which result in vicarious/derivative liability to the Indemnitee, are caused by the act, omission, negligence, misconduct, or other fault of the Indemnitor, its officers, officials, agents, employees, or volunteers.

VIII. Insurance

Each Party shall obtain and maintain at its own expense, during the entire term of this IGA the following type(s) and amounts of insurance:

a) Commercial General Liability in the amount of $2,000,000.00 combined single limit Bodily Injury and Property Damage.

b) Commercial or Business automobile liability coverage for owned, non-owned and hired vehicles used in the performance of this Contract with limits in the amount of $1,000,000.00 combined single limit or $1,000,000.00 Bodily Injury, $1,000,000.00 Property Damage.

c) If required by law, workers' compensation coverage including employees' liability coverage.

Parties to this IGA shall provide thirty (30) days written notice to all other Parties of cancellation, non-renewal or material change of coverage.

The above requirement may be alternatively met through self insurance pursuant to A.R.S. §§ 11-261 and 11-981 (or if a school district, § 15-382) or participation in an insurance risk pool under A.R.S. § 11.952.01 (if a school district, § 15-382), at no less than the minimal coverage levels set forth in this article. Parties to this agreement shall provide thirty (30) days written notice to all other Parties of cancellation, non-renewal or material change of coverage.

IX. Compliance With Laws

The Parties shall comply with all federal, state and local laws, rules, regulations, standards and Executive Orders, without limitation to those designated within this IGA. The laws and regulations of the State of Arizona shall govern the rights of the Parties, the performance of this IGA and any disputes hereunder. Any action relating to this IGA shall be brought in an Arizona court in Pima County.

X. Arbitration

The Parties agree to be bound by arbitration, as provided by in Arizona Revised Statutes § 12-1501 *et. seq.*, to resolve disputes arising out of this IGA where the sole relief sought is monetary damages not in excess of the jurisdictional limit set by the Pima County Superior Court.

XI. Non-Discrimination

The Parties shall not discriminate against any County or Town employee, client or any other individual in any way because of that person's age, race, creed, color, religion, sex, disability or national origin in the course of carrying out their duties pursuant to this IGA. The Parties shall comply with the provisions of Executive Order 75-5, as amended by Executive Order 99-4, which is incorporated into this IGA by reference, as if set forth in full herein.

XII. ADA

The Parties shall comply with all applicable provisions of the Americans with Disabilities Act (Public Law 101-336, 42 U.S.C. 12101-12213) and all applicable federal regulations under the Act, including 28 CFR Parts 35 and 36.

XIII. Severability

If any provision of this IGA, or any application thereof to the Parties or any person or circumstances, is held invalid, such invalidity shall not affect other provisions or applications of this IGA which can be given effect, without the invalid provision or application and to this end the provisions of this IGA are declared to be severable.

XIV. Conflict of Interest

This contract is subject to cancellation for conflict of interest pursuant to A.R.S. § 38-511, the pertinent provisions of which are incorporated herein by reference.

XV. Non-Appropriation

Notwithstanding any other provision in this IGA, this IGA may be terminated if for any reason the Pima County Board of Supervisors does not appropriate sufficient monies for the purpose of maintaining this IGA. In the event of such cancellation, County shall have no further obligation to Town other than for payment for services rendered prior to cancellation.

XVI. Legal Authority

Neither Party warrants to the other its legal authority to enter into this IGA. If a court, at the request of a third person, should declare that either Party lacks authority to enter into this IGA, or any part of it, then the IGA, or parts of it affected by such order, shall be null and void, and no recovery may be had by either Party against the other for lack of performance or otherwise.

XVII. Worker's Compensation

Each Party shall comply with the notice of A.R.S. § 23-1022 (E). For purposes of A.R.S. § 23-1022, irrespective of the operations protocol in place, each Party is solely responsible for the payment of worker's compensation benefits for its employees.

XVIII. No Joint Venture

It is not intended by this IGA to, and nothing contained in this IGA shall be construed to, create any partnership, joint venture or employment relationship between the Parties or create any employer-employee relationship between County and any Town employees, or between Town and any County employees. Neither Party shall be liable for any debts, accounts, obligations or other liabilities whatsoever of the other, including (without limitation) the other party's obligation to withhold Social Security and income taxes for itself or any of its employees.

XIX. No Third Party Beneficiaries

Nothing in the provisions of this IGA is intended to create duties or obligations to or rights in third parties not parties to this IGA or affects the legal liability of either Party to the IGA by imposing any standard of care with respect to the maintenance of public facilities different from the standard of care imposed by law.

XX. Notices

Any notice required or permitted to be given under this IGA shall be in writing and shall be served by delivery or by certified mail upon the other Party as follows (or at such other address as may be identified by a party in writing to the other party):

County:

Pima County Sheriff's Department
Corrections Bureau Chief
1750 E. Benson Hwy.
Tucson, AZ 85714

Town:

TOWN OF MARANA
11555 W. Civic Center Dr. Bldg A.
Marana, AZ 85653

With copies to:

County Administrator
115 North Church Avenue
2nd Floor, Suite 231
Tucson. Arizona 85701

Clerk of the Board
33 North Stone Avenue, Suite 100
Tucson, Arizona 85701

XXI. Entire Agreement

This document constitutes the entire Agreement between the Parties pertaining to the subject matter hereof, and all prior or contemporaneous agreements and understandings, oral or written, are hereby superseded and merged herein. This IGA shall not be modified, amended, altered or extended except through a written amendment signed by the Parties.

This agreement may be executed in counterparts, each of which, when taken together, will constitute one original agreement.

In Witness Whereof, County has caused this Intergovernmental Agreement to be executed by the Chair of its Board of Supervisors, upon resolution of the Board and attested to by the Clerk of the Board, and Town has caused this Intergovernmental Agreement to be executed by the Mayor upon resolution of the Town Council and attested to by the Town Clerk:

PIMA COUNTY:

_____
Chair, Board of Supervisors

_____
Date

_____
Clerk, Board of Supervisors

_____
Date

TOWN OF MARANA

_____
Mayor

_____
Date

_____
Town of Marana Clerk

_____
Date

Intergovernmental Agreement Determination

The foregoing Intergovernmental Agreement between Pima County and the Town of Marana has been reviewed pursuant to A.R.S. § 11-952 by the undersigned, who have determined that it is in proper form and is within the powers and authority granted under the laws of the State of Arizona to those parties to the Intergovernmental Agreement represented by the undersigned.

PIMA COUNTY:

SEAN HOLGUIN
Deputy County Attorney

TOWN OF MARANA

Town of Marana Attorney

Council-Regular Meeting **C3**

Meeting Date: 06/18/2024

To: Mayor and Council

Submitted For: George Cardieri, Real Property Manager

From: George Cardieri, Real Property Manager

Date: June 18, 2024

Strategic Plan Focus Area:
Not Applicable

Subject: Resolution No. 2024-061: Relating to Real Estate; accepting the offer of just compensation from Pima County for an additional easement needed for the Continental Ranch Regional Pump Station Force Main Augmentation Project and authorizing the Town Engineer to execute the Acquisition Agreement, conveyance instruments, and any and all other associated documents (George Cardieri)

Discussion:

The Town of Marana owns and maintains the real property acquired for Crossroads at Silverbell District Park. Pima County needs to acquire an additional easement from the Town through Crossroads at Silverbell District Park property for the Continental Ranch Regional Pump Station Force Main Augmentation Project, which increases sewer conveyance capacity and adds redundancy between Pima County's Continental Ranch Regional Pump Station and Pima County's Tres Rios Wastewater Reclaimation Facility. Pima County has presented the Town an offer of just compensation in the amount of $12,300.00, based on an independent appraisal of the property rights needed for the project, and has prepared an Acquisition Agreement and conveyance document for execution by the Town.

The proposed resolution formalizes the Town's acceptance of the offer of just compensation presented by Pima County, and authorizes the Town Engineer to execute the Acquisition Agreement, conveyance instrument, and any and all other associated documents.

Financial Impact:

If approved, the sale of property rights to Pima County will generate $12,300.00 in sales proceeds to the Town.

Staff Recommendation:

Staff recommends adoption of Resolution No. 2024-061, authorizing the Town Engineer, on behalf of the Town, to execute the Acquisition Agreement, conveyance instrument, and any and all other associated documents as requested by Pima County for the Continental Ranch Regional Pump Station Force Main Augmentation Project.

Suggested Motion:

I move to adopt Resolution No. 2024-061, accepting the offer of just compensation from Pima County for an additional easement needed for the Continental Ranch Regional Pump Station Force Main Augmentation Project and authorizing the Town Engineer to execute the Acquisition Agreement, conveyance instrument, and any and all other associated documents.

Attachments

Resolution No. 2024-061

Exhibit A to Resolution

Sewer Easement

Project Information

MARANA RESOLUTION NO. 2024-061

RELATING TO REAL ESTATE; ACCEPTING THE OFFER OF JUST COMPENSATION FROM PIMA COUNTY FOR AN ADDITIONAL EASEMENT NEEDED FOR THE CONTINENTAL RANCH REGIONAL PUMP STATION FORCE MAIN AUGMENTATION PROJECT AND AUTHORIZING THE TOWN ENGINEER TO EXECUTE THE ACQUISITION AGREEMENT, CONVEYANCE INSTRUMENTS, AND ANY AND ALL OTHER ASSOCIATED DOCUMENTS

WHEREAS the Town of Marana owns and maintains the real property acquired for Crossroads at Silverbell District Park, recorded on October 25, 2000, in Docket 11411, Page 1616 in the Pima County Recorder's Office; and

WHEREAS Pima County needs to acquire an additional easement from the Town for the Continental Ranch Regional Pump Station Force Main Augmentation Project, which increases sewer conveyance capacity and adds redundancy between Pima County's Continental Ranch Regional Pump Station and Pima County's Tres Rios Wastewater Reclamation Facility; and

WHEREAS Pima County has presented the Town an offer of just compensation in the amount of $12,300.00 (Twelve Thousand, Three Hundred Dollars), based on an independent appraisal of the property rights needed for the project, and has prepared an Acquisition Agreement and conveyance instruments for execution by the Town; and

WHEREAS the Mayor and Council of the Town of Marana find that the public interests are served by approving this resolution.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the Town of Marana, Arizona, accepting the offer of just compensation from Pima County for an additional easement needed for the project; approving the Acquisition Agreement prepared by Pima County, a copy of which is attached as Exhibit A to and incorporated by this reference in this resolution; and authorizing the Town Engineer, on behalf of the Town, to execute the Acquisition Agreement, conveyance instruments, and any other documentation associated with the agreement.

PASSED AND ADOPTED BY THE MAYOR AND COUNCIL OF THE TOWN OF MARANA, ARIZONA, this 18th day of June 2024.

_____
Mayor Ed Honea

ATTEST:

_____
David Udall, Town Clerk

APPROVED AS TO FORM:

_____
Jane Fairall, Town Attorney

ADV Contract Number _____

PIMA COUNTY
REAL PROPERTY

ACQUISITION AGREEMENT
FOR PERMANENT EASEMENT

1. **Defined Terms**. The following terms will be used as defined terms in this Acquisition Agreement and have the meaning set forth below ("**Agreement**"):

1.1. Seller: Town of Marana, an Arizona municipal corporation

1.2. Buyer: Pima County, a political subdivision of the State of Arizona

1.3. Purchase Price: the sum of Twelve Thousand Three Hundred Dollars ($12,300.00)

1.4. Buyer's Maximum Costs: the Buyer's share of Closing Costs, which shall not exceed Two Thousand Two Hundred Dollars ($2,200.00)

1.5. Title Company: Stewart Title & Trust of Tucson, Michelle Jolly, Escrow Officer, 3939 E. Broadway Blvd, Tucson, AZ 95711; Phone: (520) 327-7373; E-mail: Michelle.Jolly@Stewart.com

1.6. Effective Date: the date Seller and Buyer have approved and accepted this Agreement by affixing their signatures. The date Buyer executes this Agreement is the date this Agreement is signed by Buyer's Procurement Director.

1.7. Permanent Easement Area: the area within the parcel of real property described in **Exhibit A** and depicted in **Exhibit A-1.**

1.8. Exceptions to Title: **Exhibit B** lists all Reported Exceptions to Title. Item(s) 9 and 10 shall be removed from the title exceptions prior to closing with the remaining listed exceptions being "**Approved Exceptions**".

1.9. Seller's Address: Town of Marana, 11555 W. Civic Center Dr, Marana, AZ 85653

1.10. Buyer's Address: Director, Pima County Real Property Services, 201 N Stone Ave, 6th Flr, Tucson, AZ 85701-1207; E-mail: jeffrey.teplitsky@pima.gov

2. **Parties; Effective Date**. This Agreement is entered into between Seller and Buyer, and shall be effective on the Effective Date. Seller and Buyer are collectively referred to herein as the "**Parties,**" and individually as a "**Party."**

3. **Purchase of Permanent Easement; Right of Entry; Driveways**. Buyer agrees to acquire from Seller, and Seller agrees to convey to Buyer, in consideration of the Purchase Price, the following real property interests:

3.1. A Permanent Easement, in, on, over, under, across and through the Permanent Easement Area;

3.2. The right for Buyer, its agents and contractors, to enter upon the Permanent Easement Area (the **"ROE"**) prior to closing to inspect the Permanent Easement Area and to conduct other non-ground-disturbing activities, provided that such activities do not unduly disturb Seller's use of the Permanent Easement Area.

3.3. The right, if necessary, to adjust driveway grades on the Permanent Easement Area to match the grade of County improvements.

4. **Seller's Warranties**

4.1. Leases. Seller warrants that there are no oral or written leases on all or any portion of the Permanent Easement Area.

4.2. Wells and Water Rights. Seller warrants that there are no wells on or water rights associated with the Permanent Easement Area, except as specifically identified on **Exhibit C** attached.

4.3. Underground Improvements. Seller warrants that there are no septic tanks, septic or leach fields, alternative waste disposal systems, private irrigation lines, and/or other underground improvements on the Permanent Easement Area, except as specifically identified on **Exhibit D** attached.

5. **Closing Costs.**

5.1. Closing Costs. The closing costs ("**Closing Costs**") will be paid as follows:

5.1.1. All escrow fees and recording fees, if any, shall be paid by Buyer.

5.1.2. Buyer will pay for a Standard Owner's Title Insurance Policy for the Permanent Easement in the amount of the Purchase Price.

5.1.3. Buyer will pay for any necessary releases, consents to easement and/or the cost to establish free and clear marketable title to the Permanent Easement Area.

5.1.4. Buyer may, at its sole discretion, pay other reasonable fees or costs related to the Closing.

5.2. Buyer's Total Costs. Buyer's total costs at Closing shall not exceed Buyer's Maximum Cost, provided, however, that Buyer may unilaterally increase Buyer's Maximum Cost by written notice from Buyer to Seller prior to Closing.

6. **Escrow and Title.**

6.1. Escrow. Title Company will act as escrow agent. This Agreement will constitute escrow instructions in connection with the escrow established with Title Company under this Agreement (the "**Escrow**"). Title Company will make reasonably suitable arrangements with either Party, upon that Party's request, to have the Party execute any of the documents to be executed by that Party as provided in this Agreement at the office of Title Company that is most convenient for Buyer.

6.2. Title Commitment. Escrow Agent will distribute to the Parties a Commitment for Standard Owner's Title Insurance (the "**Commitment**") together with complete and legible copies of all documents that will remain as exceptions to Buyer's policy of title insurance.

6.3. Amended Commitment. In the event Title Company should issue an Amended Commitment for Title Insurance which discloses an exception(s) not previously disclosed, Buyer shall have fifteen (15) days after the receipt of the Amended Commitment and the new Exceptions (the "**Disapproval Period**") within which to notify Seller and the Escrow Agent in writing of Buyer's disapproval of any new exceptions shown thereon (the "**Disapproval Notice**"). In the event of such disapproval, Seller shall have ten (10) days from receipt of the Disapproval Notice in which to notify Buyer in writing whether Seller intends to eliminate each of the disapproved Exceptions prior to the Closing (the "**Notice Period**"). If Seller fails to notify Buyer of its intent with respect to the disapproved items within that time or if Seller elects not to cure all disapproved items, Buyer may terminate

this Agreement and the Escrow will be canceled. If the Amended Commitment is issued less than fifteen (15) days prior to the date of the Closing, then the date of the Closing is extended until the end of the Disapproval Period and the Notice Period, if applicable.

6.4. Title Policy is Condition to Closing. Buyer's obligation to Close is contingent upon Title Company being prepared to issue a Standard Owner's Title Insurance Policy for the Permanent Easement in the amount of the Purchase Price, subject only to the Approved Exceptions and the standard printed exceptions in the policy; provided however, notwithstanding the approval of the exceptions by Buyer, prior to Closing all monetary liens and encumbrances on the Fee Property will be released and/or consent(s) will be granted by the lienholder(s) for the Permanent Easement, unless this Agreement expressly provides for the prorating of any such lien or encumbrance.

6.5. Seller's Title Obligation. Seller is hereby obligated to provide Buyer free and clear marketable title subject only to the Buyer's Approved Exceptions. Seller shall cause all exceptions to title not approved by Buyer to be removed prior to Closing.

7. **Closing.**

7.1. Closing Date. The Closing (the "**Closing**") will take place at the office of Title Company on or before one hundred twenty (120) days after the Effective Date, provided however, that Buyer may extend the Closing until thirty (30) days after receipt of all necessary releases or consents from Lienholders. Notwithstanding the foregoing, this Agreement will terminate if closing has not occurred within one year after execution by Buyer.

7.2. Deliveries by Buyer at Closing. At Closing, Buyer shall deliver to Seller through Escrow the following:

7.2.1. The Purchase Price, which will be paid in full at Closing payable to Title Company by Buyer's check; and

7.2.2. Such additional documents as Seller or Escrow Agent may reasonably require to effectuate the purchase.

7.3. Deliveries by Seller at Closing. At Closing, Seller shall deliver to Buyer through Escrow the following:

7.3.1. An Easement in the form of **Exhibit E**, granting to Buyer a

permanent easement in, on, over, under, across and through the Permanent Easement Area;

7.3.2. Such additional documents as Buyer or Escrow Agent may reasonably require to effectuate the Purchase.

7.4. Security Interests. Monies payable under this Agreement may be due to holders (the "Lienholders") of certain notes secured by mortgages or deeds of trust, up to and including the total amount of unpaid principal, interest and penalty on the notes, if any, and will, upon demand by the Lienholders, be paid to the Lienholders.

8. **Seller's Covenants**.

8.1. No Personal Property. No personal property is being transferred pursuant to this Agreement.

8.2. No Encumbrances. Seller shall not encumber the Permanent Easement Area with any lien that Seller will be unable to cause to be released or consented to by the lender before Closing, and Seller shall not be entitled to sell or exchange all or any portion of the Permanent Easement Area before Closing without the prior written approval of Buyer; provided, however, that any such sale will be conditioned upon a written assumption by Buyer thereof of the obligations of Seller under this Agreement, and there will be no novation of Seller with respect to its obligations under this Agreement. From and after the Effective Date through the Closing, Seller will not enter into, execute or record any covenant, deed restriction, or any other encumbrance against the Permanent Easement Area. The recording of any such covenant, deed restriction, or other encumbrance, is a material breach of this Agreement and entitles Buyer to terminate this Agreement.

8.3. Reports. Seller shall make available to Buyer all documents relating to the Permanent Easement Area that it has in its possession, including any and all surveys, information regarding wells and water rights, and environmental reports.

9. **Environmental.**

9.1. Environmental Representations. Buyer and Seller agree that neither party is assuming any obligation of the other party relating to any potential liability, if any, arising from the environmental condition of the Permanent Easement Area, each party remaining responsible for its obligations as set forth by law. Seller represents and warrants that, to the best of Seller's knowledge, no pollutants, contaminants, toxic or hazardous substances, wastes or materials have been stored, used or are located on the Permanent

Easement Area or within any surface or subsurface waters thereof; that no underground tanks have been located on the Permanent Easement Area; that the Permanent Easement Area is in compliance with all Federal, state and local environmental laws, regulations and ordinances; and that no legal action of any kind has been commenced or threatened with respect to the Permanent Easement Area.

9.2. Environmental Inspection Rights**.**

9.2.1. From and after the Effective Date, Seller shall permit Buyer to conduct such inspections of the Permanent Easement Area as the Buyer deems necessary to determine the environmental condition of the Permanent Easement Area. If any environmental inspection recommends further testing or inspection, the Parties hereby agree to extend the date of Closing to at least thirty (30) days after the report for such additional testing or inspection is completed on behalf of Buyer, but not later than an additional one hundred eighty (180) day extension.

9.2.2. If any environmental inspection reveals the presence of contamination or the need to conduct an environmental cleanup, Buyer shall provide written notice to Seller, prior to Closing, of any items disapproved by Buyer as a result of Buyer's inspection (the "**Objection Notice**"). If Buyer sends an Objection Notice, Seller may, within five (5) business days of receipt of the Objection Notice, notify Buyer if Seller is willing to cure any of the items to which Buyer objected (the "**Cure Notice**"). If Seller elects not to send Buyer a Cure Notice or if Seller's Cure Notice is not acceptable to Buyer, then Buyer may elect to terminate this Agreement, in which case the Agreement will be terminated and of no further force and effect.

10. **Broker's Commission.** No broker or finder has been used and Buyer owes no brokerage or finders fees related to this Agreement. Seller has sole responsibility to pay all brokerage or finders fees to any agent employed.

11. **Default, Remedies, and Conditions Precedent**. In the event either Party defaults under this Agreement, the other Party shall be entitled to pursue all rights and remedies available at law or in equity, including specific performance. To the extent a Party seeks damages, the recovery is limited to actual damages (including any losses or penalties suffered by Buyer as a result of any violation of federal arbitrage violations caused by a wrongful failure of Seller to perform). Neither Party is entitled to exemplary, punitive, special, indirect or consequential damages.

12. **Exhibits**. The following Exhibits are fully incorporated herein as if set forth at length. To the extent that any Exhibits to this Agreement are not available at the execution thereof, they will be added by the Parties prior to Closing and will be in form and

substance reasonably satisfactory to the Parties.

Exhibit A	**Permanent Easement Area**
Exhibit A-1	**Depiction of Permanent Easement Area**
Exhibit B	**Reported Exceptions to Title**
Exhibit C	**Seller Disclosure of Water Rights**
Exhibit D	**Seller Disclosure of Underground Improvements**
Exhibit E	**Form of Permanent Easement**

13. **Miscellaneous Provisions**. The following miscellaneous provisions apply to this Agreement:

13.1. Notices.

13.1.1. *Writing*. All notices required or permitted to be given hereunder must be in writing and mailed by first class, registered, certified or overnight mail, return receipt requested, postage prepaid, or transmitted by electronic mail, facsimile, or hand delivered, addressed to Seller's address or Buyer's address.

13.1.2. *Receipt*. If mailed, all such notices, demands, requests, or other communications are deemed received upon the expiration of seventy-two (72) hours after deposit in the U.S. mail as aforesaid. Notice served personally or by electronic mail or facsimile is deemed served upon delivery thereof to the addressee. Rejection or other refusal to accept or the inability to deliver because of changed address of which no notice was given is deemed to be receipt of the notice, demand or request sent. Any party entitled to notices hereunder may from time to time designate to the other parties, in writing and given in accordance with this Section, a different address for service of notice.

13.2. Governing Law. This Agreement is subject to, and interpreted by and in accordance with, the laws of the State of Arizona. Any action to be brought under this Agreement must be filed and maintained in a court in Pima County, Arizona.

13.3. Entire Agreement. This Agreement is the entire Agreement of the Parties respecting the subject matter hereof. There are no other agreements, representations or warranties, whether oral or written, respecting the subject matter hereof.

13.4. Interpretation. This Agreement, and all the provisions of this Agreement, is deemed drafted by all of the Parties. This Agreement will not be interpreted strictly for or against any Party, but solely in accordance with the fair meaning of the provisions hereof to effectuate the purposes and intent of this Agreement.

13.5. No Representations. Each Party has entered into this Agreement based

solely upon the agreements, representations and warranties expressly set forth herein and upon that Party's own knowledge and investigation. Neither Party has relied upon any representation or warranty of any other Party except any such representations or warranties as are expressly set forth herein.

13.6. Signing Authority. Each of the persons signing below on behalf of a Party represents and warrants that the signer has full requisite power and authority to execute and deliver this Agreement on behalf of the Party for whom the signer signs and to bind such Party to the terms and conditions of this Agreement.

13.7. Counterparts. This Agreement may be executed in counterparts, each of which is effective as an original. This Agreement becomes effective only when all of the Parties have executed the original or counterpart hereof. This Agreement may be executed and delivered by a facsimile transmission or email of a counterpart signature page hereof.

13.8. Attorney's Fees and Costs. In any action brought by a Party to enforce the obligations of any other Party, the prevailing Party is entitled to collect from the opposing Party to such action such Party's reasonable litigation costs and attorney's fees and expenses, including court costs, reasonable fees of accountants and experts, and other expenses incidental to the litigation in addition to all other relief, all of which will be set by a judge and not by a jury, to which the prevailing Party may be entitled.

13.9. Binding Effect. This Agreement is binding upon and inures to the benefit of the Parties and their respective successors and permitted assigns.

13.10. No Third Party Beneficiaries. This is not a third party beneficiary contract. No person or entity other than a Party signing this Agreement has any rights under this Agreement, except as expressly provided in this Agreement.

13.11. Amendment. This Agreement may be amended or modified only in a writing signed by the Parties, which specifically references this Agreement.

13.12. No Partnership. Nothing in this Agreement creates a partnership or joint venture, or authorizes any Party to act as agent for or representative of any other Party.

13.13. No Waiver. The failure of a Party to require full or timely performance of any obligation arising under this Agreement (whether on a single occasion or on multiple occasions) is not a waiver of any such obligation. No such failure gives rise to any claim of estoppel, laches, course of dealing, amendment of this Agreement by course of dealing, or other defense of any nature to any obligation arising hereunder.

13.14. Time of the Essence. Time is of the essence with respect to each obligation arising under this Agreement.

13.15. Conflict of Interest. This Agreement is subject to cancellation within three (3) years after its execution pursuant to A.R.S. § 38-511 if any person significantly involved in initiating, negotiating, securing, drafting, or creating this Agreement on behalf of Buyer is, at any time while this Agreement or any extension of the Agreement is in effect, an employee or agent of any other party to the Agreement with respect to the subject matter of the Agreement.

[Rest of Page Intentionally Left Blank]

SELLER'S APPROVAL AND ACCEPTANCE:

TOWN OF MARANA, an Arizona municipal corporation

_____ _____

Ed Honea, Mayor Date

ATTEST:

_____ _____

Town Clerk Date

APPROVED AS TO CONTENT:

_____ _____

Town Engineer Date

_____ _____

Town Parks and Recreation Director Date

APPROVED AS TO FORM:

_____ _____

Town Attorney Date

[Rest of Page Intentionally Left Blank]

BUYER'S APPROVAL AND ACCEPTANCE:

PIMA COUNTY, a political subdivision of the State of Arizona

_____ Date: _____
Terry Spencer, Procurement Director

RECOMMENDATIONS FOR APPROVAL:

_____ Date: _____
George Andros, Acquisition Agent

_____ Date: _____
Jeffrey Teplitsky, Director, Real Property Services

APPROVED AS TO FORM:

_____ Date: _____
Rachelle Barr, Deputy County Attorney

RPS Acq-1216

ALTA ARIZONA 2025 W. Ruthrauff Road, Suite 125 · Tucson, Arizona 85705 | Office: 520.398-6651

PROJECT NO. 240034
DATE: January 10, 2024

EXHIBIT "A"
Legal Description

A strip of land within the parcel described in Sequence Number 20002070497 , in the Office of the Recorder, Pima County, Arizona, located in the Northwest Quarter of Section 35, Township 12 South, Range 12 East, Gila and Salt River Meridian, Pima County, Arizona, described as follows:

COMMENCING at a Brass Cap in concrete stamped "RLS 12214" at the intersection of Mamie Kai Drive and Leilani Lane as shown in Book 60 of Maps and Plats at Page 16, in the office of the Recorder, Pima County, Arizona from which a Brass Cap in concrete stamped "RLS 12214" at the intersection of Mamie Kai Drive and Cortaro Road bears North 56°27'40" West 293.99 feet distant (Basis of Bearings for this description);

Thence North 39°06'06" East a distance of 471.13 feet to the easterly most corner of the Parcel Described in Docket 10808 at Page 2967 in the office of the Recorder, Pima County, Arizona;

Thence South 56°32'34" East, upon the northeasterly line of said Parcel described in Sequence Number 20002070497, a distance of 35.00 feet to an angle point in said line;

Thence North 33°35'23" East, upon said line, a distance of 92.02 feet the **POINT OF BEGINNING**;

Thence continue North 33°35'23" East, upon said line, a distance of 4.04 feet to an angle point in said northeasterly line;

Thence South 56°32'46" East, upon said northeasterly line, a distance of 78.03 feet to a point of non-tangent curve from through which a radial line bears North 33°30'30" East;

Thence upon said northeasterly line, upon said curve to the right with a radius of 2450.00 feet, through a central angle of 05°53'47", an arc length of 252.13 feet to a point of cusp through which a radial line bears North 39°24'17" East;

Thence North 56°39'21" West a distance of 225.73 feet;

Thence North 60°55'53" West a distance of 47.78 feet to a point of tangent curvature;

Thence upon a curve to the right with a radius of 89.00 feet, through a central angle of 27°56'18", an arc length of 43.40 feet;

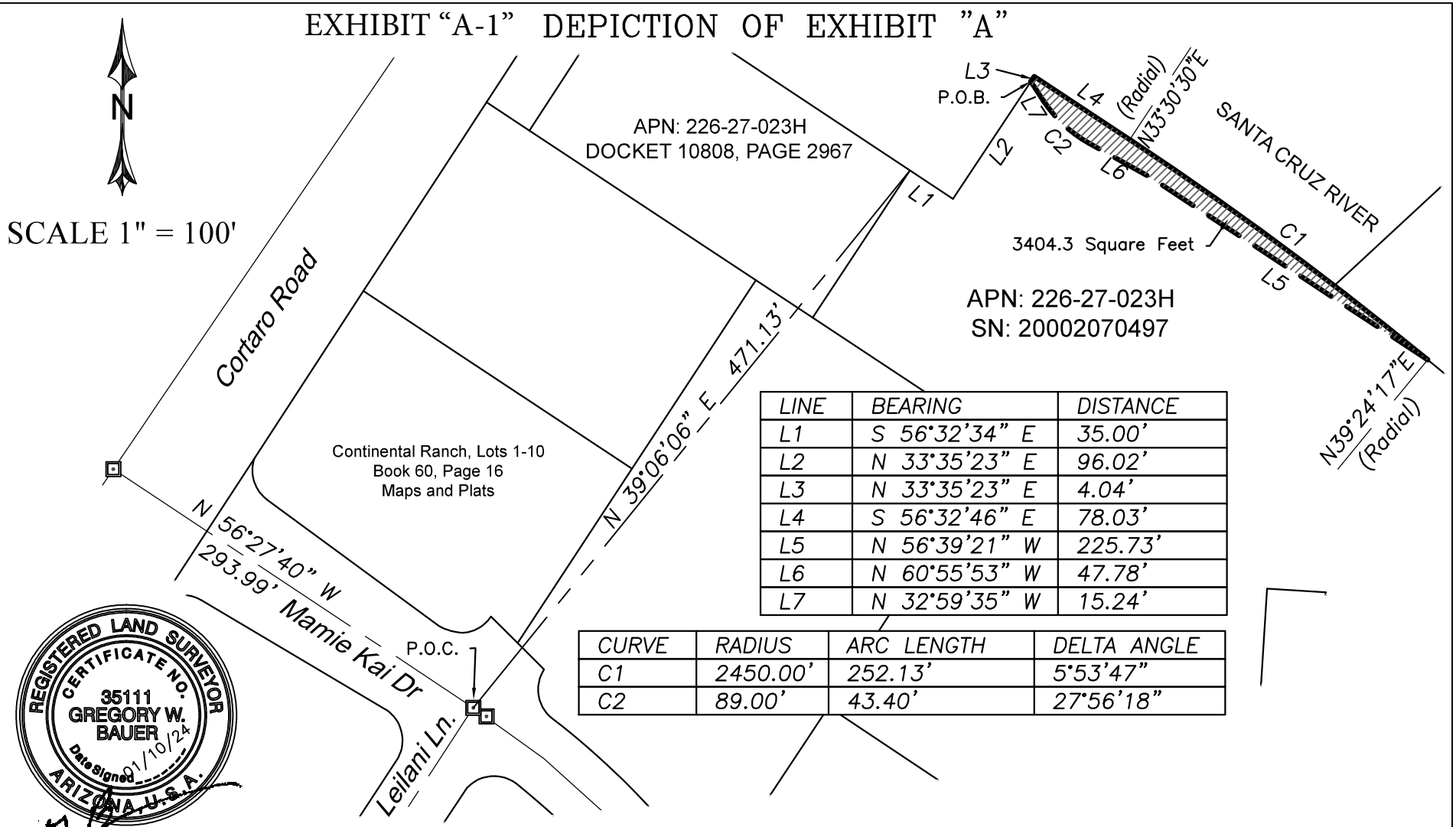
Thence North 32°59'35" West, a distance of 15.24 feet to the **POINT OF BEGINNING**;

Said strip contains 3404.3 square feet as described.

PREPARED BY:
Alta Arizona
Gregory W. Bauer, RLS



EXHIBIT "A-1" DEPICTION OF EXHIBIT "A"



LINE	BEARING	DISTANCE
L1	S 56°32'34" E	35.00'
L2	N 33°35'23" E	96.02'
L3	N 33°35'23" E	4.04'
L4	S 56°32'46" E	78.03'
L5	N 56°39'21" W	225.73'
L6	N 60°55'53" W	47.78'
L7	N 32°59'35" W	15.24'

CURVE	RADIUS	ARC LENGTH	DELTA ANGLE
C1	2450.00'	252.13'	5°53'47"
C2	89.00'	43.40'	27°56'18"

REGISTERED LAND SURVEYOR
CERTIFICATE NO.
35111
GREGORY W. BAUER
Date Signed 01/10/24
ARIZONA, U.S.A.

P.O.B. = POINT OF BEGINNING
P.O.C. = POINT OF COMMENCEMENT
▣ = BCSM "RLS 12214"

ALTA ARIZONA
SURVEY – ENGINEERING – GEOTECH
2025 W. RUTHRAUFF ROAD, SUITE 125
TUCSON, ARIZONA 85705
(520) 398-6651

EASEMENT
A PORTION OF THE NORTHWEST QUARTER OF SECTION 35, TOWNSHIP 12 SOUTH, RANGE 12 EAST, G&S.R.M., PIMA COUNTY, ARIZONA

Project No.	Drawn By: GB	Date: 01/10/2024
240034	Checked By: JP	Sheet: 3 of 3

EXHIBIT B

Schedule B – Part II
Exceptions

Some historical land records contain Discriminatory Covenants that are illegal and unenforceable by law. This Commitment and the Policy treat any Discriminatory Covenant in a document referenced in Schedule B as if each Discriminatory Covenant is redacted, repudiated, removed, and not republished or recirculated. Only the remaining provisions of the document will be excepted from coverage.

The Policy will not insure against loss or damage resulting from the terms and conditions of any lease or easement identified in Schedule A, and will include the following Exceptions unless cleared to the satisfaction of the Company:

NOTE: Exceptions 1 through 8, inclusive and as shown below, will be eliminated from any A.L.T.A. Extended Coverage Policy, A.L.T.A. Homeowner's Policy, A.L.T.A. Expanded Coverage Residential Loan Policy and any short form versions thereof. However, the same or similar exception may be made in Schedule B of those policies in conformity with Schedule B, Part Two of this Commitment.

1. Any defect, lien, encumbrance, adverse claim, or other matter that appears for the first time in the Public Records or is created, attaches, or is disclosed between the Commitment Date and the date on which all of the Schedule B, Part I - Requirements are met.
2. Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records.

   Proceedings by a public agency which may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the public records.

3. Any facts, rights, interests or claims which are not shown by the public records but which could be ascertained by an inspection of the land or by making inquiry of persons in possession thereof.

4. Easements, liens or encumbrances, or claims thereof, which are not shown by the public records.

5. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other facts which a correct survey would disclose, and which are not shown by the public records.

6. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water.

7. Any right, title, interest, estate or easement in land beyond the lines of the area specifically described or referred to in Schedule A, or in abutting streets, roads, avenues, alleys, lanes, ways or waterways, but nothing in this paragraph shall modify or limit the extent to which the ordinary right of an abutting owner for access to a physically open street or highway is insured by this policy.

8. Any lien, or right to a lien, for services, labor or material heretofore or hereafter furnished, imposed by law and not shown by the public records.

9. Taxes and assessments collectible by the County Treasurer, not yet due and payable for the year 2024.

10. Any action by the County Assessor and/or Treasurer, altering the current or prior tax assessment, subsequent to the date of the Policy of Title Insurance.

11. Water rights, claims or title to water, and agreements, covenants, conditions or rights incident thereto, whether or not shown by the public records.

12. Reservations or exceptions in Patents or in Acts authorizing the issuance thereof.

13. Minerals of whatsoever kind, subsurface and surface substances, including but not limited to coal, lignite, oil, gas, uranium, clay, rock, sand and gravel in, on, under and that may be produced from the land together with all rights, privileges and immunities relating thereto, whether or not appearing in the Public Records or listed in Schedule B. The Company makes no representation as to the present ownership of any such interests. There may be leases, grants, exceptions or reservations of interests that are not listed.

14. Liabilities and obligations imposed upon said land by reason of its inclusion within any district formed pursuant to Title 48 Arizona Revised Statutes.

15. Any easements or rights of way not disclosed by those public records which impart constructive notice and which are not visible and apparent from an inspection of the surface of said land.

16. LIABILITIES AND OBLIGATIONS imposed upon said land by reason of its inclusion within the following named District:
    Cortaro-Marana Irrigation District
    Cortaro Water Users Association District
    Pima County Flood Control District
    Northwest Fire District
    Town of Marana General Plan
    Continental Ranch Specific Plan

17. THE RIGHTS of the United States of America, the State of Arizona, and/or the public to any portion of the within property lying within the bed, of former bed, of the Santa Cruz River.

18. Any private rights or easements within the road, street or alley abandoned by Resolution or Ordinances.

19. Any rights or encroachments by reason of common improvements shared by the property described in Schedule A and that property located adjacent of the subject property which are not disclosed by those public records which impart constructive notice

20. Established and/or existing roads, roadways, right of ways, streets or highways with particular reference to Schisler Drive, Benet and Mamie Kai Road.

21. Water line as disclosed on the recorded plat of Parcels 56, 57 and 72 of Continental Ranch said subdivision recorded in Book 60 of Maps and Plats at page 16.

22. Easement for communication facilities and rights incident thereto, as set forth in instrument recorded in Book 103 of Miscellaneous Records, page 225; Partial Release in Docket 10957, page 843

23. Any matters arising from the reservation of all underground percolating waters in Cortaro Water Users Association, as set forth in instrument recorded in Book 314 of Deeds at Page 445, except such water as may be used by owners and inhabitants for domestic purposes as set forth therein. Further excepting liabilities and obligations

imposed upon said land by reason of its inclusion within the Cortaro Water Users Association.

24. RIGHTS OF CORTARO-MARANA IRRIGATION DISTRICT to secure additional land on each side of their Right of Way and easements as may be necessary for the proper maintenance of canals, laterals and ditches as set forth in instrument recorded in Book 107 of Miscellaneous Records, page 151.

25. Roadway easement and license to remove minerals and other matters as set forth in Docket 1989, page 341.

26. INTENTIONALLY DELETED

27. Terms, Conditions, Liabilities, and Obligations as set forth in Joint Resolution by Cortaro-Marana Irrigation District and Cortaro Water User's Association recorded in Docket 5670 at page 603.

28. Terms, conditions, restrictions, easements, liabilities and/or obligations arising by reason of Resolution No. 1986-131 recorded in Docket 7830, page 886.

29. Terms, conditions, covenants, restrictions, easements, liabilities and obligations as set forth in Master Sewer Agreement recorded in Docket 8054, page 2344; Assignment and Assumption Agreement recorded in Docket 9426 at page 826 and re-recorded in Docket 9501 at page 1627 and in Docket 10233 at page 2569; Public Sewer Encroachment Agreement in Sequence No. 20120100147.

30. Easement for public utility, and rights incident thereto, as set forth in instrument recorded in Docket 8338, page 1228.

31. Provisions within Resolution No. 1989-35 re: Santa Cruz Bank Protection recorded in Docket 8490, page 819 and Resolution No. 1990-24 recorded in Docket 8724, page 1350.

32. TOWN OF MARANA General Plan recorded in Docket 10529 at page 1892.

33. Terms and conditions of Easement Agreement in Docket 10647, page 424.

34. Terms, conditions, restrictions, easements, liabilities and/or obligations arising by reason of Agreement for Water Service recorded in Docket 10945, Page 1021.

35. INTENTIONALLY DELETED

36. Reservations as contained in Deed recorded in Docket 11411, page 1616.

37. Provisions within Ordinance No. 9403 recorded in Docket 11441, page 634.

38. Easement for sewer lines and rights incident thereto, as set forth in instrument recorded in Docket 11513, page 856.

39. Restrictions, Conditions, Covenants, Reservations, Liabilities and Obligations, including but not limited to any recitals creating easements, party walls or assessments, omitting, if any, from the above, any restrictions based onrace, color, religion, sex, handicap, familial status or national origin contained in instrument recorded in Docket 11919, page 4923 and re-recorded in Docket 11928, page 6229; Homeowner's Association Notice recorded in Docket 13261, page 785.

40. Terms, conditions, covenants, restrictions, easements, liabilities and obligations as set forth in Development Agreement in Docket 12201, page 4073; Amended in Docket 13837, page 948; in Docket 12413, page 3567;
Ordinance No. 2004-20 in Docket 12413, page 3557.

41. Provisions within Marana Ordinance No. 2003-32 recorded in Docket 12201, page 4187.

42. The effect if any of Easement for utilities and rights incident thereto, as set forth in instrument recorded in Docket 12554, page 263.

43. Easement for water pipe lines and rights incident thereto, as set forth in instrument recorded in Docket 12928, page 2217.

44. Provisions within Ordinance No. 2006-37 recorded in Docket 12956, page 1642.

45. Terms, conditions, restrictions, easements, liabilities and/or obligations arising by reason of Pima County Land Use License recorded in Sequence No. 2013-0140313.

46. Terms, conditions, restrictions, easements, liabilities and/or obligations arising by reason of Wastewater Conveyance System Components recoded in Sequence No. 20131780462.

47. Provisions within Marana Resolution No. 2015-018 recorded in Sequence No. 20150750082 and the instrument recorded in Sequence No.20171210051.

48. Matters as disclosed in surveys recorded in Book 72 of Record of Survey, page 71 and Sequence No. 20170380349.

49. INTENTIONALLY DELETED

50. Terms, conditions, easements, liabilities and/or obligations arising by reason of Agreement for Outgrant for Transmission Line Purposes recorded in Sequence No. 20222290477.

51. INTENTIONALLY DELETED

52. INTENTIONALLY DELETED

53. Any adverse claim based upon the assertion that:
    a) Some portion of said land has been created by artificial means or has accreted to such portion so created;
    b) Some portion of said land has been brought within the boundaries thereof by an avulsive movement of the Santa Cruz River, or has been formed by accretion to any such portion:
    c) Some portion of said land has been removed by erosion or by an avulsive movement of the Santa Cruz River;
    d) Said land or any part thereof is now or at any time has been below the high watermarks of the Santa Cruz River, in the event the boundary of said river has been artificially raised or is now or at any time has been below the high watermark, if said river is in its natural state; conveyed

54. Rights of parties in possession.

EXHIBIT C

Wells & Water Rights Seller's Questionnaire

NO WELLS OR WATER RIGHTS

EXHIBIT D

Owner Disclosure of Underground Improvements in Right of Way

NO IMPROVEMENTS

EXHIBIT E

PUBLIC SEWER EASEMENT

For valuable consideration, Town of Marana, an Arizona municipal corporation, "Grantor," does hereby grant to Pima County, a political subdivision of the State of Arizona, "County," a permanent easement (the "Easement") for the construction, installation, maintenance, repair, operation, replacement and removal of sewer lines, manholes and appurtenances (collectively, "Facilities") in, over, under and across the real property described on the attached **Exhibit "A"** and depicted on the attached **Exhibit "A-1"** (the "Property").

Grantor may use the Property for any purpose consistent with the exercise of the Easement by County. Grantor agrees to maintain the Easement free of any obstruction or encroachments at all times, that would block or impede County from driving large sewer maintenance vehicles along this Easement to the County Facilities or from constructing, installing, maintaining, repairing, operating or removing the Facilities. Such obstructions or encroachments include, but are not limited to: fences, walls, boulders, stone rip-rap, curbs, trees, large shrubs or cacti, special or elaborate plantings, storage sheds, swimming pools, parked vehicles, etc.

County may, without notice and without prior institution of any suit or proceeding at law, remove any obstruction or encroachment from the Property that blocks or impedes County's vehicular access to its Facilities or limits County's ability to construct, maintain, repair, service, replace and remove County's Facilities. Should the removal of obstructions or encroachments from the Property be necessary to obtain adequate vehicular access or to construct, maintain, repair, service, replace and remove County's Facilities, Grantor shall reimburse County for all associated removal activities.

County may, without notice and without prior institution of any suit or proceeding at law, enter on the Property at any time for the purpose of construction, maintenance, repair, service, replacement and removal of any County Facilities. Following any use of the Property for the above purposes, County will reasonably restore the Property to its general condition existing prior to County's use provided, however, County will not replace, repair, or restore obstructions or encroachments nor shall County reimburse Grantor for losses associated with damage or removal of the obstructions or encroachments.
This Easement and the covenants, terms, and conditions contained herein are intended to and shall run with the Property and shall be binding upon County and Grantor and their respective successors, heirs, and assigns. Grantor warrants that Grantor has good title to the Property and warrants the County title

EXHIBIT ONLY - NOT FOR EXECUTION

		S35 /T12S /R12E	
Agent: GA			P [ ] De [ ] Do [ ] E [X]

to and quiet enjoyment of the Easement. Upon execution, the Easement shall be recorded with the Pima County, Arizona, Recorder's Office. The grants, covenants and provisions herein shall be binding on and inure to the benefit of the heirs, successors and assigns of the parties hereto.

The landscaping within all public sewer easements shall be in accordance with the current guidelines of Pima County Regional Wastewater Reclamation Department Engineering Design Standards.

THIS EASEMENT granted this _____ day of _____, 2024.

TOWN OF MARANA, an Arizona municipal corporation

By: _____

Title: _____

STATE OF ARIZONA)
) §
COUNTY OF PIMA)

This instrument was acknowledged before me this ___ day of _____, 2024, by ___ _____ as _____ of _____ _____.

_____
Notary Public

(Seal)

EXHIBIT ONLY - NOT FOR EXECUTION

		S35 /T12S /R12E	
Agent: GA			P [ ] De [ ] Do [ ] E [X]

PIMA COUNTY
SUMMARY STATEMENT OF JUST COMPENSATION

PROJECT OR PROGRAM: Continental Ranch Pump Station Force Main - 3CFS15, Pr-0227
DATE: 5/15/2024

OWNER: Town of Marana, an Arizona municipal corporation
This statement accompanies our offer letter dated 5/15/2024 to purchase your property and shows the County's basis for the offer.

PROPERTY IDENTIFICATION

General location Northeast of the corner of N Silverbell Rd and N Cortaro Rd
Address 7548 N Silverbell Rd
Summary legal description- Subdivision or S-T-R S35-T12S-R12E

SIZE OF THE PROPERTY
BEFORE ACQUISITION 43.2713 AC

PROPERTY OR ESTATE TO BE PURCHASED
An "X" indicates the estate or interest:

_____	Fee simple _____	acres/square feet
_____	Drainage easement _____	acres/square feet
_____	Slope easement _____	acres/square feet
_____	Temporary construction easement _____	acres/square feet
X	Sewer easement 3,404.3 ~~acres~~/square feet	

BASIS OF OFFER - ITEMIZED LIST OF COMPONENTS OF THE OFFER
The amount offered is the result of a review and analysis of an appraisal or nominal certification.

The offer is based on the following itemized list:

	Value Per Sq Ft/Acre	Total Value
Drainage easement	$ -	$ -
Sanitation easement	$ -	$ -
Slope easement	$ -	$ -
Temporary construction easement	$ -	$ -
Sewer easement	$ 3.613/sqft	$ 12,300.00
Land, and general property improvements	$ -	$ -
Building Improvements Briefly Describe:_____	$ -	$ -
Severance damages to remaining property (possible on partial Acquisitions only)	$ -	$ -
Compensation to replace property improvements ("Cost-to-cure")*	$ -	$ -
TOTAL JUST COMPENSATION:		**$ 12,300.00**

*Explanations of "cost-to-cure" items (to replace specific property improvements or appurtenance)

_____

_____

_____

OWNER'S STATEMENT

I/We have received the Summary Statement of Just Compensation above, and make no representation accepting or rejecting the established just compensation.

TOWN OF MARANA, an Arizona municipal corporation

By: _____

As: _____

Date: _____

Masters/Acquisitions/SummaryStatementOfJustCompensation – Rev. 6/11

PUBLIC SEWER EASEMENT

For valuable consideration, Town of Marana, an Arizona municipal corporation, "Grantor," does hereby grant to Pima County, a political subdivision of the State of Arizona, "County," a permanent easement (the "Easement") for the construction, installation, maintenance, repair, operation, replacement and removal of sewer lines, manholes and appurtenances (collectively, "Facilities") in, over, under and across the real property described on the attached **Exhibit "A"** and depicted on the attached **Exhibit "A-1"** (the "Property").

Grantor may use the Property for any purpose consistent with the exercise of the Easement by County. Grantor agrees to maintain the Easement free of any obstruction or encroachments at all times, that would block or impede County from driving large sewer maintenance vehicles along this Easement to the County Facilities or from constructing, installing, maintaining, repairing, operating or removing the Facilities. Such obstructions or encroachments include, but are not limited to: fences, walls, boulders, stone rip-rap, curbs, trees, large shrubs or cacti, special or elaborate plantings, storage sheds, swimming pools, parked vehicles, etc.

County may, without notice and without prior institution of any suit or proceeding at law, remove any obstruction or encroachment from the Property that blocks or impedes County's vehicular access to its Facilities or limits County's ability to construct, maintain, repair, service, replace and remove County's Facilities. Should the removal of obstructions or encroachments from the Property be necessary to obtain adequate vehicular access or to construct, maintain, repair, service, replace and remove County's Facilities, Grantor shall reimburse County for all associated removal activities.

County may, without notice and without prior institution of any suit or proceeding at law, enter on the Property at any time for the purpose of construction, maintenance, repair, service, replacement and removal of any County Facilities. Following any use of the Property for the above purposes, County will reasonably restore the Property to its general condition existing prior to County's use provided, however, County will not replace, repair, or restore obstructions or encroachments nor shall County reimburse Grantor for losses associated with damage or removal of the obstructions or encroachments.
This Easement and the covenants, terms, and conditions contained herein are intended to and shall run with the Property and shall be binding upon County and Grantor and their respective successors, heirs, and assigns. Grantor warrants that Grantor has good title to the Property and warrants the County title to and quiet enjoyment of the Easement. Upon execution, the Easement shall be recorded with the

		S35 /T12S /R12E	
Agent: GA			P [ ] De [ ] Do [ ] E [X]

Pima County, Arizona, Recorder's Office. The grants, covenants and provisions herein shall be binding on and inure to the benefit of the heirs, successors and assigns of the parties hereto.

The landscaping within all public sewer easements shall be in accordance with the current guidelines of Pima County Regional Wastewater Reclamation Department Engineering Design Standards.

THIS EASEMENT granted this _____ day of _____, 2024.

TOWN OF MARANA, an Arizona municipal corporation

By: _____

Title: _____

STATE OF ARIZONA)
) §
COUNTY OF PIMA)

This instrument was acknowledged before me this ___ day of _____, 2024, by ___ _____ as _____ of _____ _____.

_____
Notary Public

(Seal)

		S35 /T12S /R12E	
Agent: GA			P [ ] De [ ] Do [ ] E [X]

PROJECT NO. 240034
DATE: January 10, 2024

EXHIBIT "A"
Legal Description

A strip of land within the parcel described in Sequence Number 20002070497 , in the Office of the Recorder, Pima County, Arizona, located in the Northwest Quarter of Section 35, Township 12 South, Range 12 East, Gila and Salt River Meridian, Pima County, Arizona, described as follows:

COMMENCING at a Brass Cap in concrete stamped "RLS 12214" at the intersection of Mamie Kai Drive and Leilani Lane as shown in Book 60 of Maps and Plats at Page 16, in the office of the Recorder, Pima County, Arizona from which a Brass Cap in concrete stamped "RLS 12214" at the intersection of Mamie Kai Drive and Cortaro Road bears North 56°27'40" West 293.99 feet distant (Basis of Bearings for this description);

Thence North 39°06'06" East a distance of 471.13 feet to the easterly most corner of the Parcel Described in Docket 10808 at Page 2967 in the office of the Recorder, Pima County, Arizona;

Thence South 56°32'34" East, upon the northeasterly line of said Parcel described in Sequence Number 20002070497, a distance of 35.00 feet to an angle point in said line;

Thence North 33°35'23" East, upon said line, a distance of 92.02 feet the **POINT OF BEGINNING**;

Thence continue North 33°35'23" East, upon said line, a distance of 4.04 feet to an angle point in said northeasterly line;

Thence South 56°32'46" East, upon said northeasterly line, a distance of 78.03 feet to a point of non-tangent curve from through which a radial line bears North 33°30'30" East;

Thence upon said northeasterly line, upon said curve to the right with a radius of 2450.00 feet, through a central angle of 05°53'47", an arc length of 252.13 feet to a point of cusp through which a radial line bears North 39°24'17" East;

Thence North 56°39'21" West a distance of 225.73 feet;

Thence North 60°55'53" West a distance of 47.78 feet to a point of tangent curvature;

Thence upon a curve to the right with a radius of 89.00 feet, through a central angle of 27°56'18", an arc length of 43.40 feet;

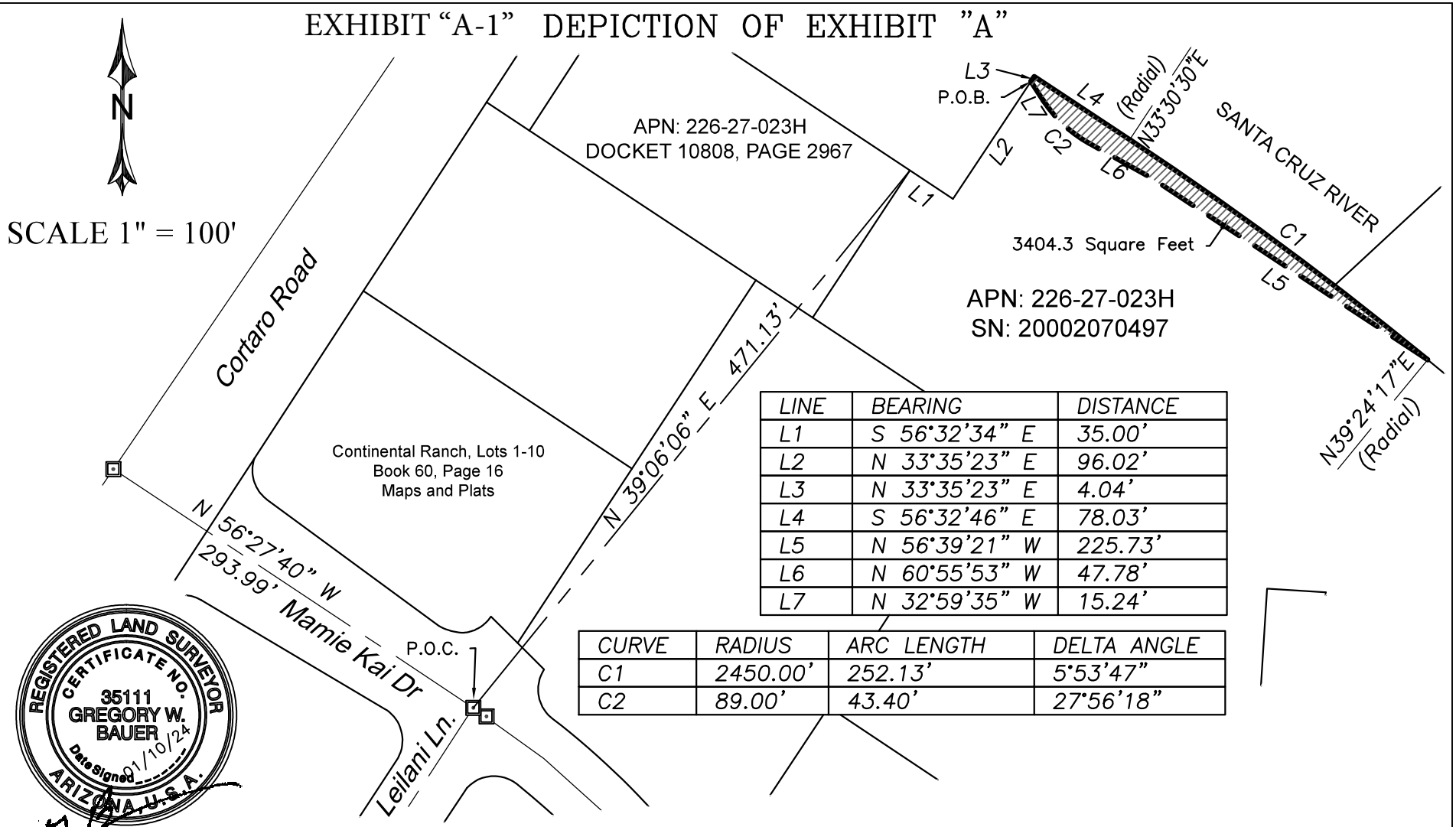
Thence North 32°59'35" West, a distance of 15.24 feet to the **POINT OF BEGINNING**;

Said strip contains 3404.3 square feet as described.

PREPARED BY:
Alta Arizona
Gregory W. Bauer, RLS



EXHIBIT "A-1" DEPICTION OF EXHIBIT "A"



LINE	BEARING	DISTANCE
L1	S 56°32'34" E	35.00'
L2	N 33°35'23" E	96.02'
L3	N 33°35'23" E	4.04'
L4	S 56°32'46" E	78.03'
L5	N 56°39'21" W	225.73'
L6	N 60°55'53" W	47.78'
L7	N 32°59'35" W	15.24'

CURVE	RADIUS	ARC LENGTH	DELTA ANGLE
C1	2450.00'	252.13'	5°53'47"
C2	89.00'	43.40'	27°56'18"

REGISTERED LAND SURVEYOR
CERTIFICATE NO.
35111
GREGORY W. BAUER
Date Signed 01/10/24
ARIZONA, U.S.A.

P.O.B. = POINT OF BEGINNING
P.O.C. = POINT OF COMMENCEMENT
▣ = BCSM "RLS 12214"

ALTA ARIZONA
SURVEY – ENGINEERING – GEOTECH
2025 W. RUTHRAUFF ROAD, SUITE 125
TUCSON, ARIZONA 85705
(520) 398-6651

EASEMENT
A PORTION OF THE NORTHWEST QUARTER OF SECTION 35, TOWNSHIP 12 SOUTH, RANGE 12 EAST, G&S.R.M., PIMA COUNTY, ARIZONA

Project No.	Drawn By: GB	Date: 01/10/2024
240034	Checked By: JP	Sheet: 3 of 3

PROJECTS

Project Overview

Tucson Boulevard Diversion Structure Replacement

Continental Ranch Force Main Augmentation

Old Nogales Interceptor

Northwest Outfall Siphon

Completed Project Archive

Construction Alerts

LOOP TRAIL AND CORTARO ROAD

Eastbound Cortaro Road Bike Land Closure
Aug 4, 2023

LOOP TRAIL AND CORTARO ROAD

Loop Closed Between Wade McClean and Cortaro
Jul 27, 2023

LOOP PATHWAY AT TWIN PEAKS

Loop Path Reopens North of Twin Peaks
Jun 29, 2023

LOOP BETWEEN TWIN PEAKS RD AND WADE MCLEAN PARK

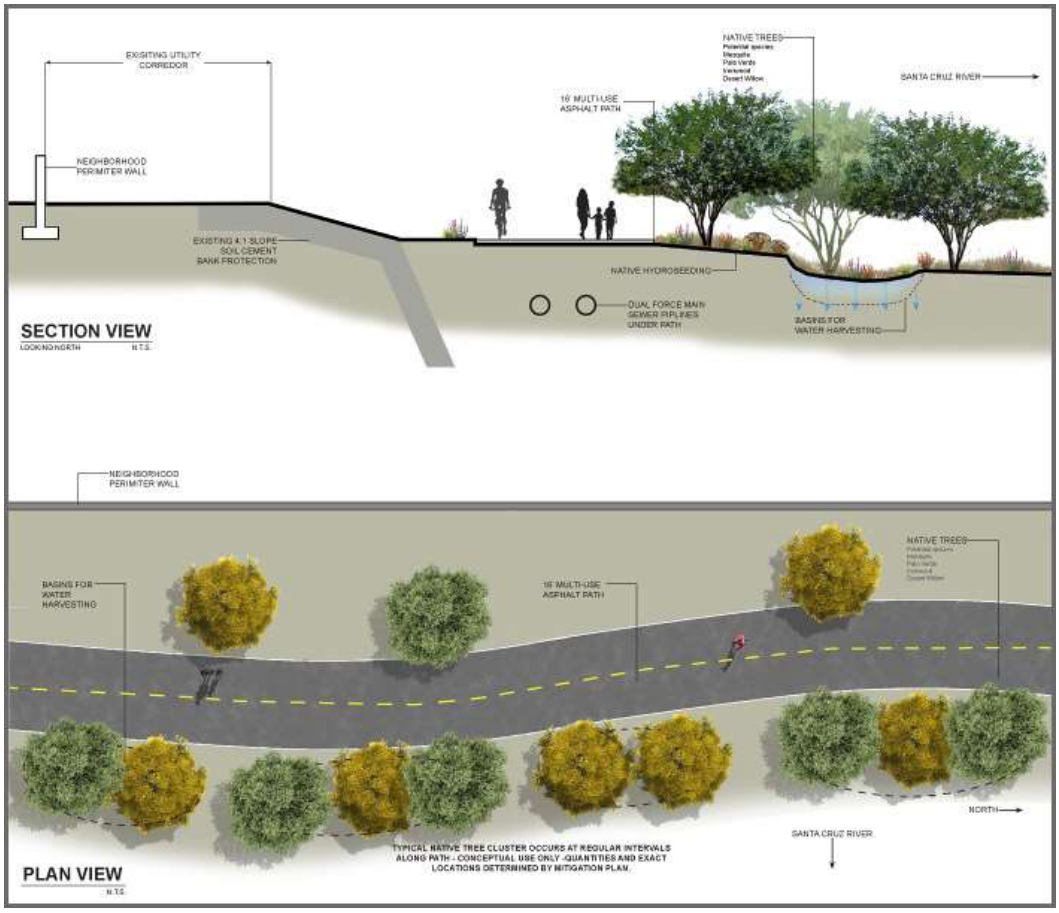
Loop Closed Between Twin Peaks and Wade McLean Park
Mar 10, 2023

SANTA CRUZ RIVER BETWEEN INA & CORTARO

New Loop Path Opens Between Ina and Cortaro
Feb 3, 2023

HUCKLEBERRY LOOP AT TWIN PEAKS

Continental Ranch Regional Pump Station Force Main Augmentation



Click for enlarged image

Multi-use Path Revegetation

In addition to the newly paved Loop pathway - RWRD, Pima County Regional Flood Control District and the Town of Marana are working closely to restore the Loop linear park pathway and amenities. Restoration through this project will include an improved irrigation system, revegetation with native trees, shrubs, and other desert plants along with improved maintenance access.

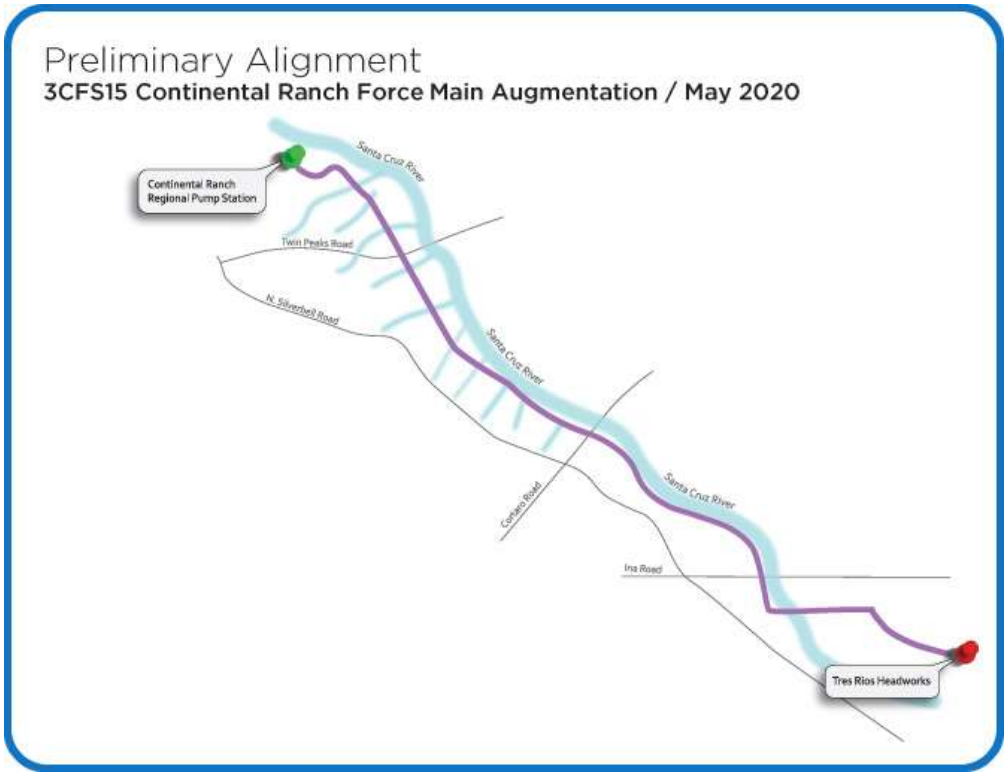
Loop Closure January 11
Jan 6, 2023

LOOP BETWEEN CORTARO & INA

Loop Closure Date Moved to December 20th
Dec 15, 2022

HUCKLEBERRY LOOP BETWEEN INA AND CORTARO

Loop Access Closed December 19th
Dec 9, 2022



Project Description

The Pima County Regional Wastewater Reclamation Department (RWRD) and its Design-Build Team, consisting of Borderland Construction, B&F Contracting, and Westland Resources, will soon begin a project to design and build seven miles of new dual force main sewer in Pima County, northwest Tucson/Marana area (see map). A force main is a pressurized sewer pipe that conveys wastewater where gravity sewage flows are not possible. Pumps push the sewage through the force main from lower to higher elevations or across landscapes where deep excavation is not feasible.

RWRD owns and operates the Continental Ranch Regional Pump Station (CRRPS) located on Coachline Boulevard approximately one-half mile east of Silverbell Road, and halfway between Twin Peaks Road and Avra Valley Road. The CRRPS delivers wastewater to the Tres Ríos Water Reclamation Facility (WRF) located on the west side of Interstate 10 near Ina Road, by means of an existing force main routed generally along the west bank of the Santa Cruz River to Cortaro Road, to Silverbell Road, to Ina Road, and then along the south side of Ina Road to the facility.

The addition of the dual-pipe force main between the CRRPS and Tres Ríos WRF will increase sewer conveyance capacity, operational flexibility, and adds redundancy to the existing pump station operations. The new dual force main will follow a similar alignment along the western bank of the Santa Cruz River, but vary as needed to optimize construction and operations.

Design phase services to establish the new force main alignment and footprint started on April 13, 2020 and will take approximately 9-12 months to complete. Construction is slated to begin in early 2021. We expect the new force mains to be complete by late 2022. There may be preconstruction field investigations along the alignment prior to construction.

Check this page for updated project information or the latest traffic alerts detailing preconstruction field investigations that may have impacts to the traveling public. You can also sign up to receive electronic notifications.

PIMA COUNTY

Stay in touch or send us your comments

Want more information? Have a problem? A suggestion? Sign up with your email address to receive project updates or send us your comments.

Name

Email Address

All Projects

Message

SUBMIT

FOR MORE INFORMATION

Sewer Improvement Hotline
622-2527
Available 24 hours a day

Pima County Operations
724-6500
Available 24 hours a day

Council-Regular Meeting **C4**

Meeting Date: 06/18/2024

To: Mayor and Council

From: Asia Philbin, Water Resources Coordinator

Date: June 18, 2024

Strategic Plan Focus Area:
Proactive Public Services

Subject: Resolution No. 2024-062: Relating to Water; approving and authorizing the Water Director to sign a joint funding agreement with the U.S. Department of the Interior U.S. Geological Survey for water resources investigations in the Tucson Active Management Area from July 1, 2024, through June 30, 2028 (Asia Philbin)

Discussion:

Since 2003, Marana has been one of several regional partners with the United States Geological Survey (USGS) in the study of land subsidence and aquifer storage. The study measures gravity changes at over 100 benchmarks throughout the Tucson Active Management Area (TAMA) to reveal changes in aquifer storage and land surface elevations. Data is used to improve understanding of the regional aquifer and groundwater flow models used for water resource planning in the TAMA. Land-surface elevation change monitoring provides the distribution and magnitude of differential subsidence, which can in turn help to guide the design and implementation of maintenance and monitoring schedules, selection of monitoring methods, and the design and construction of future infrastructure. The proposed joint funding agreement will continue Marana's participation at a level similar to past support (Resolution No. 2020-093). Additional regional partners include the Arizona Department of Water Resources, Pima County and the City of Tucson. Contributions of all parties are tabulated in the agreement.

Financial Impact:

Fiscal Year: FY25

Budgeted Y/N:	Y
Amount:	$4,800

Amounts of $5,000, $5,100 and $3,900 for FY26, FY27 and FY28, will be included in future budget years.

Staff Recommendation:

Staff recommends approval of Resolution No. 2024-062.

Suggested Motion:

I move to adopt Resolution No. 2024-062, approving and authorizing the Water Director to sign a joint funding agreement with the U.S. Department of the Interior U.S. Geological Survey for water resources investigations in the Tucson Active Management Area from July 1, 2024, through June 30, 2028.

Attachments

Resolution No. 2024-062

USGS Joint Funding Agreement

MARANA RESOLUTION NO. 2024-062

RELATING TO WATER; APPROVING AND AUTHORIZING THE WATER DIRECTOR TO SIGN A JOINT FUNDING AGREEMENT WITH THE U.S. DEPARTMENT OF THE INTERIOR U.S. GEOLOGICAL SURVEY FOR WATER RESOURCES INVESTIGATIONS IN THE TUCSON ACTIVE MANAGEMENT AREA FROM JULY 1, 2024, THROUGH JUNE 30, 2028

WHEREAS the U.S. Geological Service, the Town of Marana, and other governmental entities have since 2003 been jointly funding a study of changes in aquifer storage and land-surface elevation in the Tucson Active Management Area; and

WHEREAS data from the study is used to improve understanding of the regional aquifer and groundwater flow models used for water resource planning in the Tucson Active Management Area; and

WHEREAS land-surface elevation change monitoring provides the distribution and magnitude of differential subsidence, which can in turn help to guide the design and implementation of maintenance and monitoring schedules, the selection of monitoring methods, and the design and construction of future infrastructure; and

WHEREAS the Mayor and Council find this resolution is in the best interests of the Town and its citizens.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE TOWN OF MARANA, ARIZONA, AS FOLLOWS: the Joint funding Agreement between the Town of Marana and the U.S. Department of the Interior U.S. Geological Survey, substantially in the same form included in the agenda materials accompanying this resolution, is hereby approved, the Water Director is hereby authorized and directed to sign it for and on behalf of the Town of Marana, and the various Town officers and staff are hereby directed and authorized to undertake all other and further tasks required or beneficial to carry out the terms, obligations, and objectives of the agreement.

PASSED AND ADOPTED by the Mayor and Council of the Town of Marana, Arizona, this 18th day of May, 2024.

_____
Mayor Ed Honea

ATTEST:

_____
David L. Udall, Town Clerk

APPROVED AS TO FORM:

_____
Jane Fairall, Town Attorney

United States Department of the Interior

U.S. GEOLOGICAL SURVEY
Arizona Water Science Center
520 North Park
Tucson, AZ 85719

June 3, 2024

Ms. Asia Philbin
Water Resources Coordinator
Town of Marana
11555 W. Civic Center Drive
Marana, AZ 85653

Dear Ms. Philbin:

Enclosed is our standard joint-funding agreement 24ZFJFA0900 between the U.S. Geological Survey Arizona Water Science Center and Town of Marana for negotiated deliverables (see attached), during the period July 1, 2024 through June 30, 2028 in the amount of $18,800 from your agency. U.S. Geological Survey contributions for this agreement are $13,600 for a combined total of $32,400. Please sign and return one fully-executed original to Rudolph (Rudy) Richard at rrichard@usgs.gov or mail to the address above.

Federal law requires that we have a signed agreement before we start or continue work. Please return the signed agreement by **June 17, 2024**. If, for any reason, the agreement cannot be signed and returned by the date shown above, please contact Jamie Macy at (928) 556-7276 or email jpmacy@usgs.gov to make alternative arrangements.

This is a fixed cost agreement to be billed quarterly via Down Payment Request (automated Form DI-1040). Please allow 30-days from the end of the billing period for issuance of the bill. If you experience any problems with your invoice(s), please contact Rudolph (Rudy) Richard at phone number (520) 670-3302 or rrichard@usgs.gov.

The results of all work performed under this agreement will be available for publication by the U.S. Geological Survey. We look forward to continuing this and future cooperative efforts in these mutually beneficial water resources studies.

Sincerely,

JAMES LEENHOUTS
Digitally signed by JAMES LEENHOUTS
Date: 2024.06.04 09:19:54 -07'00'

James M Leenhouts
Director of Arizona Water Science Center

Enclosure
24ZFJFA0900

Form 9-1366
(May 2018)

U.S. Department of the Interior
U.S. Geological Survey
Joint Funding Agreement
FOR
Water Resource Investigations

Customer #: 6000000832
Agreement #: 24ZFJFA0900
Project #:
TIN #: 86-3301775

Fixed Cost Agreement YES[X] NO[ ]

THIS AGREEMENT is entered into as of the July 1, 2024, by the U.S. GEOLOGICAL SURVEY, Arizona Water Science Center, UNITED STATES DEPARTMENT OF THE INTERIOR, party of the first part, and the Town of Marana party of the second part.

1. The parties hereto agree that subject to the availability of appropriations and in accordance with their respective authorities there shall be maintained in cooperation for negotiated deliverables (see attached), herein called the program. The USGS legal authority is 43 USC 36C; 43 USC 50, and 43 USC 50b.

2. The following amounts shall be contributed to cover all of the cost of the necessary field and analytical work directly related to this program. 2(b) include In-Kind-Services in the amount of $0.00

(a) $13,600 by the party of the first part during the period July 1, 2024 to June 30, 2028

(b) $18,800 by the party of the second part during the period July 1, 2024 to June 30, 2028

(c) Contributions are provided by the party of the first part through other USGS regional or national programs, in the amount of: $0

Description of the USGS regional/national program:

(d) Additional or reduced amounts by each party during the above period or succeeding periods as may be determined by mutual agreement and set forth in an exchange of letters between the parties.

(e) The performance period may be changed by mutual agreement and set forth in an exchange of letters between the parties.

3. The costs of this program may be paid by either party in conformity with the laws and regulations respectively governing each party.

4. The field and analytical work pertaining to this program shall be under the direction of or subject to periodic review by an authorized representative of the party of the first part.

5. The areas to be included in the program shall be determined by mutual agreement between the parties hereto or their authorized representatives. The methods employed in the field and office shall be those adopted by the party of the first part to insure the required standards of accuracy subject to modification by mutual agreement.

6. During the course of this program, all field and analytical work of either party pertaining to this program shall be open to the inspection of the other party, and if the work is not being carried on in a mutually satisfactory manner, either party may terminate this agreement upon 60 days written notice to the other party.

7. The original records resulting from this program will be deposited in the office of origin of those records. Upon request, copies of the original records will be provided to the office of the other party.

8. The maps, records or reports resulting from this program shall be made available to the public as promptly as possible. The maps, records or reports normally will be published by the party of the first part. However, the party of the second part reserves the right to publish the results of this program, and if already published by the party of the first part shall, upon request, be furnished by the party of the first part, at cost, impressions suitable for purposes of reproduction similar to that for which the original copy was prepared. The maps, records or reports published by either party shall contain a statement of the cooperative relations between the parties. The Parties acknowledge that scientific information and data developed as a result of the Scope of Work (SOW) are subject to applicable USGS review, approval, and release requirements, which are available on the USGS Fundamental Science Practices website (https://www.usgs.gov/office-of-science-quality-and-integrity/fundamental-science-practices).

U.S. Department of the Interior
U.S. Geological Survey
Joint Funding Agreement
FOR
Water Resource Investigations

Customer #: 6000000832
Agreement #: 24ZFJFA0900
Project #:
TIN #: 86-3301775

9. Billing for this agreement will be rendered **quarterly**. Invoices not paid within 60 days from the billing date will bear Interest, Penalties, and Administrative cost at the annual rate pursuant the Debt Collection Act of 1982, (codified at 31 U.S.C. § 3717) established by the U.S. Treasury.

USGS Technical Point of Contact

Name: Jamie Macy
Supervisory Hydrologist/Associate Director for Studies
Address: 2255 North Gemini Drive
Flagstaff, AZ 86001
Telephone: (928) 556-7276
Fax: (928) 556-7112
Email: jpmacy@usgs.gov

Customer Technical Point of Contact

Name: Asia Philbin
Water Resources Coordinator
Address: 11555 W. Civic Center Drive
Marana, AZ 85653
Telephone: (520) 382-1900
Fax: (n/a)
Email: aphilbin@maranaaz.gov

USGS Billing Point of Contact

Name: Rudolph (Rudy) Richard
Administrative Officer
Address: 520 N. Park Ave
Tucson, AZ 85719
Telephone: (520) 670-3302
Fax: (n/a)
Email: rrichard@usgs.gov

Customer Billing Point of Contact

Name: Asia Philbin
Water Resources Coordinator
Address: 11555 W. Civic Center Drive
Marana, AZ 85653
Telephone: (520) 382-1900
Fax: (n/a)
Email: aphilbin@maranaaz.gov

U.S. Geological Survey
United States
Department of Interior

Signature

JAMES LEENHOUTS Digitally signed by JAMES LEENHOUTS Date: 2024.06.04 09:20:24 -07'00'

By_____ **Date:**

Name: James M Leenhouts

Title: Director of Arizona Water Science Center

Town of Marana

Signatures

By_____ **Date:** _____

Name:

Title:

Aquifer-Storage Change and Land-Surface Elevation Change Monitoring in the Tucson Active Management Area, July 1, 2024, to June 30, 2028

Introduction

The U.S. Geological Survey (USGS), in cooperation with local state and city agencies, have been monitoring aquifer-storage change within the Tucson Active Management Area, here referred to as TAMA, since the 1990's. The main method utilized is the repeat microgravity for storage change and Interferometric satellite aperture radar (InSAR) for land surface elevation change. Over the decades, the spatial extent of the monitoring has grown and expanded to now include over 140 active stations within TAMA. The most recent report was from the period of 2003-2016 (Carruth and others, 2018), but data collection has continued biannually with data releases being produced for the public.

The continued artificial recharge in the area, in addition to ephemeral streamflow and groundwater pumping, allows for continued interest in aquifer-storage monitoring of the area. In 2020, the project included the maintenance and installation of new sites to replace monument sites that have been lost or destroyed over the years. While no new sites are proposed to be installed or replaced, an updated GPS survey is needed to archive and document all current measurement sites within the area. Since gravity change is highly spatially variable, an accurate GPS location and elevation of the sites is vital for repeat measurements at the same location.

This project relies on the use of two ZLS Burris relative gravity meters and two Micro-g LaCoste A-10 absolute gravimeters for gravity monitoring, and iGage iG9 Global Navigation Satellite System (GNSS) receivers for GPS surveying. Relative gravity meters are used to measure the relative difference in gravity between two stations, but this method alone generally cannot detect the slow scale of storage change that occurs over a multi-month or year timeframe. Relative gravimeters are best utilized when paired with an absolute gravity measurement that acts as a datum in which all changes can then be referred to. The absolute gravity meters provide a measurement of the acceleration due to gravity at any location at any time, so the timing of relative measurements is then required to be made in conjunction with absolute measurements in order to achieve the best precision and accuracy of the gravity field at that time (Kennedy and others, 2020). The GNSS survey is used to provide highly precise location and elevation data. Data from the GNSS survey will be used in the final processing of the absolute data to account for changes in elevation that could have been caused by land subsidence.

The most recent data collection has included a full survey in odd years and a partial survey every even year. The full survey utilized all 140 stations in the network to provide maps of storage change over most of the basin and the partial survey only included 40-60 sites. The purpose of interceding full and partial surveys allows for storage change maps over the area to be created biannually, and in the years in between select focus areas are surveyed to gain an in-depth view of areas that show changes to previous trends. In FY28 year, a web-based visualization method, known as a geo-narrative, will be created and made available to the public. The geo-narrative will allow for visualization and conceptualization of the aquifer storage change from the collected data.

The USGS proposes to continue working with Arizona Department of Water Resources (ADWR), Pima County Regional Flood Control District, City of Tucson-Tucson Water, and the Town of Marana, to collect relative and absolute gravity data, along with using InSAR data provided by ADWR. The gravity data in conjunction with updated measuring station GPS data will provide estimates of aquifer storage change through June 30th, 2028.

Problem

The volume of water artificially recharged or pumped from an aquifer is easily measured. Estimations based on indirect methods must be used for other groundwater-budget components, including withdrawals by small capacity (<35 gallon per minute) wells, evapotranspiration, groundwater underflow from adjacent basins, incidental recharge from effluent recharge and other sources, and natural recharge from many sources including mountain fronts and ephemeral streams. This estimation of several groundwater-budget components results in large uncertainty in the groundwater budget. The greatest unce1tainty can be attributed to a lack of information about natural recharge and groundwater-storage change. Estimates of the natural recharge rates are highly uncertain and depend on accurate measurements of annual precipitation and streamflow, which have high interannual variation (Pool, 2005). Estimates of groundwater storage change are also highly uncertain when computed as residuals in the water budget equations because the storage term includes the cumulative uncertainty of all other components.

Water levels in wells have been monitored to estimate aquifer-storage changes. However, use of water-level variations entails significant assumptions about the hydraulic prope1ties of the aquifer system. One difficulty is the heterogeneity of hydro logic properties of the aquifer; the alluvial sediments of the aquifer vary in lithology and texture, both laterally and with depth. Thus, hydraulic properties estimated from water levels in individual wells may not adequately represent aquifer characteristics at distances away from the well. A second difficulty is monitor-well design; particularly when water levels are measured in deep wells that tap multiple aquifers, most of which are confined and have accordingly low storage properties. Water levels in these deep wells open to multiple aquifers represent a composite of water levels from several aquifer units. When these composite water levels are used to estimate storage changes, the hydrologic properties used in the calculation typically do not reflect the range of aquifer materials over which the well is screened. Water-level responses also depend on the geometry and lithology of the hydrogeologic units that constitute the aquifer system that wells sample. This information often is incomplete, or uncertain. Because of these complexities and requisite assumptions, use of water-level variations as the only indicators of storage change can be uncertain and cannot be reliably extrapolated beyond the well location.

Aquifer-storage can be monitored by measuring changes in gravity alone. As water is added or removed from the aquifer, there is a change in mass and a corresponding measurable change in gravity. The repeat microgravity method is an established method for monitoring aquifer-storage changes in alluvial basins (Kennedy and others, 2021). Monitoring of gravity and groundwater levels in the Tucson Basin has shown that large changes in groundwater storage, as much as several feet of water, have occurred that were not reflected in comparable water-level changes (Carruth and others, 2018).

The City of Tucson's water utility, Tucson Water, manages many artificial recharge projects in the project area. Two of importance are the Central Avra Valley Storage and Recovery

Project (CAVSARP) and Southern Avra Valley Storage and Recovery Project (SAVSARP). These two facilities, located in the eastern part of Tucson, have seen reduced volumes of recharge into the subsurface since 2021. The response to the variable recharge rates of these areas will be of particular interest to the city of Tucson as the observed aquifer storage is thus affected.

Permanent land subsidence can occur in alluvial basins when water is removed from aquifer systems (Galloway and others, 1999). Aquifer systems in unconsolidated rocks such as those in the Tucson AMA are supported by the granular skeleton and the pore-fluid pressure. When groundwater is withdrawn and the pore-fluid pressure is reduced, the granular skeleton is compressed, causing some lowering of the land surface. Both the aquifers (sand and gravel) and aquitards (clay and silt) of aquifer systems are deformed as a result of changes to the pore-fluid pressure and skeleton, but to different degrees. Continued monitoring of areas having the greatest potential for subsidence will provide information that resource managers can use in the development and implementation of mitigation efforts.

Objectives

The objective of this project is to monitor the aquifer-storage change and land-surface elevation change in the Tucson AMA using microgravity monitoring techniques. In full survey years, gravity measurements will be conducted at all established gravity stations (approximately 140 stations), see figure 1. Every other year, in the off years, data collection will consist of a subset of locations where gravity will be measured in order to access areas of interest. In Fiscal Year 2026, a GPS survey will be conducted at all sites to update the total list and site descriptions of every site.

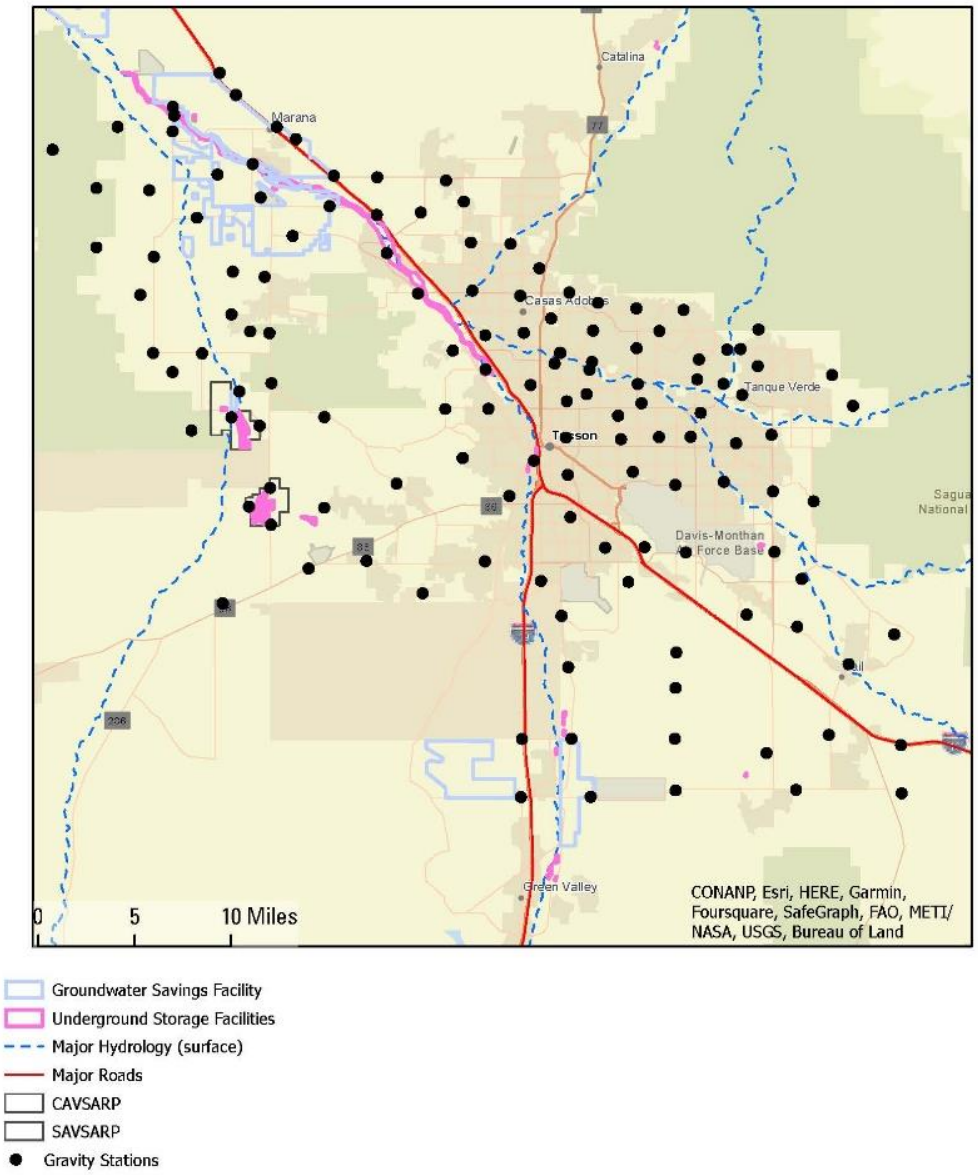


Figure 1: Map of current relative and absolute gravity site locations across the Tucson Active Management Area (TAMA). The distribution of sites allows for coverage of almost the entire active management area.

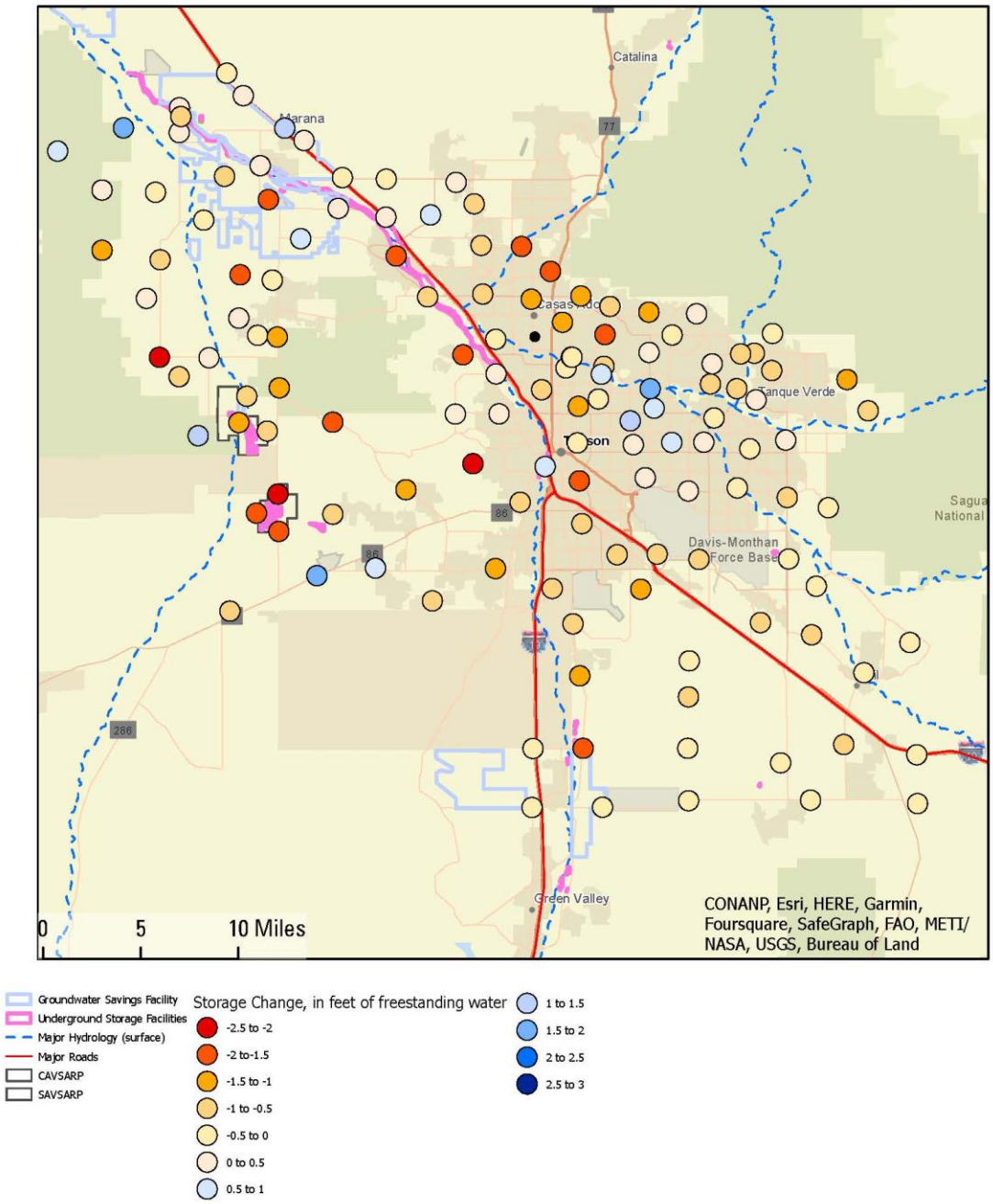


Figure 2: Storage change map from 2021-2023 of the Tucson AMA area. Storage losses continued in the south and central areas of the study while storage increases were seen to the northwest and in localized areas in central Tucson.

Approach

Gravity data will be collected using both absolute and relative gravity meters over the period of 2 to 6 weeks depending on yearly scope of each survey. Data collection can occur anytime with November-January of each fiscal year, as long as all data is collected within a fairly continuous timeframe. This reduces the likelihood of large pumping or natural recharge events to alter the accuracy of storage change in the subsurface. In years of a full survey, all 140 site locations will be measured. In years of partial surveys, roughly 40-60 sites will be measured in specific areas of interest will be decided with input from all cooperators to focus on unique water-level trends of the year. Since all station locations are previously established, no additional locations are required to be constructed.

Land-surface elevation change is monitored across the Tucson AMA by measuring changes in land surface elevation over time (approximately annually) with Interferometric Synthetic Aperture Radar (InSAR). These data come from the Arizona Department of Water Resources (ADWR), which has an InSAR program in the Tucson AMA. InSAR is a technique that utilizes interferometric processing to compare the amplitude and phase signals received during one pass of the satellite-based SAR platform over the AMA with the amplitude and phase signals received during a second pass of the platform over the same area but at a different time.

Relevance and Benefits

The repeat microgravity method is an efficient, noninvasive technique to determine changes in groundwater from the surface without needing to drill into the ground (Pool, 2008). The method allows for quick data collection over a large geographic area while providing a quantitative value of storage change. This will benefit ADWR's goal of monitoring the groundwater basins and understanding the hydrologic system within the Tucson AMA. ADWR's additional goal for the Tucson AMA is to achieve safe yield in the basin which requires the maintaining of a long-term balance between the amount of groundwater withdrawn in an Active Management Area and the annual amount of natural and artificial recharge. This also will benefit Pima County, the Town of Marana, and Tucson Water by better understanding the water budget and groundwater storage of the basin their water-users are reliant on. This work is consistent with and supports the USGS water science strategy outlined in Evenson and others, (2013) by advancing the hydrologic monitoring networks and techniques by enhancing the available information including the aquifer storage.

Regional subsidence in response to groundwater pumping is unlikely to end in the near future. It will continue until the aquifer system reaches pressure equilibrium. Observation of the timing and magnitude of aquifer responses will further improve the understanding of land subsidence and of how the aquifer systems function. Monitoring data also will contribute to a better understanding of the responses of the aquifer systems to withdrawals and will provide additional insight for future plans for well site selection, recharge efforts, and water-management programs.

Data Management Plan

All gravity data will be collected by trained personnel using techniques consistent with published methodologies for using microgravity to investigate and monitor aquifer-storage change and land subsidence (Kennedy and others, 2021). Data will be archived in the Arizona Water Science Center gravity data archive. All data will be published as one or more formal data releases at the USGS Southwest Gravity Program ScienceBase website (USGS Southwest Gravity Program - ScienceBase-Catalog).

Data collected during each year of a full survey will be published online within five months of final data collection. All gravity data for the project will be processed, reviewed, approved, and published following QA/QC protocols established by the USGS Southwest Gravity Program (Kennedy and others, 2021). Gravity data will be processed by USGS personnel in the office within 3 months of data collection. An experienced reviewer will review and check the data for accuracy. Data releases will be peer-reviewed and include complete metadata. Once published, data will be publicly accessible.

GPS data of station positions will be archived at the Arizona Water Science Center. Data will be processed using the National Geodetic Survey Online Positioning User Service or Project Networks and (or) OPUS projects service.

Deliverables and Timeline

Data releases will be made available after each full survey year. Cooperator meetings will be held in the summer to provide updates on the produced storage change maps and allow for the discussion of what areas to focus on during the partial survey. After partial surveys, data releases will not be made but cooperator meetings can occur, if requested.

In the fourth year, a publicly available web-based product, called a geo-narrative, will be created. The geo-narrative will allow for a unique way to visualize and conceptualize the data collected and be suitable for a general audience to better understand the changes to the local groundwater supply.

The table below summarized the cost breakdown per year and per agency for the entire project. Fiscal years 2025 and 2027 will be full surveys with the cost adjusted to the additional field work. Fiscal year 2026 is a partial survey but also includes the additional GPS survey to inventory all active sites. Finally, fiscal year 2028 will include a partial survey and the associated geo-narrative of all data.

Fiscal Year	FY2025		FY2026		FY2027		FY2028	
	Cooperators	USGS	Cooperators	USGS	Cooperators	USGS	Cooperators	USGS
ADWR	$ 24,800	$17,800	$ 25,500	$ 18,300	$ 26,200	$ 18,800	$ 20,200	$ 14,500
Pima County	$ 17,900	$ 12,800	$ 18,400	$ 13,200	$ 18,900	$ 13,600	$ 14,600	$ 10,500
City of Marana	$ 4,800	$ 3,500	$ 5,000	$ 3,600	$ 5,100	$ 3,700	$ 3,900	$ 2,800
Tucson Water	$ 6,200	$4,400	$ 6,400	$ 4,600	$ 6,600	$ 4,700	$ 5,100	$ 3,600
Totals	$ 53,700	$38,500	$ 55,300	$ 39,700	$ 56,800	$ 40,800	$ 43,800	$ 31,400

Table 1: Project budget by state fiscal year (FY). FY 2025 is July 1, 2024 to June 30, 2025, but work, and therefore billing, would not begin until October 2024.

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Council-Regular Meeting **C5**

Meeting Date: 06/18/2024

To: Mayor and Council

Submitted For: Fausto Burruel, Public Works Director

From: Jane Fairall, Town Attorney

Date: June 18, 2024

Strategic Plan Focus Area:
Vibrant Community

Strategic Plan Focus Area Additional Info:
PRINCIPLE STATEMENT 1 - WE WILL MAINTAIN A SAFE AND WELL-MANAGED COMMUNITY.

Subject: Resolution No. 2024-066: Relating to Public Works; approving and authorizing the Mayor to execute Amendment No. One to the Intergovernmental Agreement between the State of Arizona and the Town of Marana for design, construction, and installation of a traffic signal at the intersection of Dove Mountain Boulevard and Moore Road (Fausto Burruel)

Discussion:
In 2019, the Town of Marana submitted for and was successful in obtaining Highway Safety Improvement Program (HSIP) funds for the design and construction of a traffic signal at the intersection of Dove Mountain Blvd/Moore Road, an existing All-Way STOP controlled location (the "Project"). HSIP is a Federal Highway Administration federal-aid program with the goal of significantly reducing traffic fatalities and serious injuries on public roadways. The HSIP funds will cover 100% of both design and construction costs. HSIP funds are federal and require the Town of Marana to partner with a sponsor agency capable of administering federal funds on the Town's behalf. For this project, the Town will be sponsored by the Arizona Department of Transportation (ADOT) and all facets of project management, design, and construction will be administered through ADOT. The Town's role will be that of a stakeholder and Marana staff will actively participate in the project.

On April 19, 2022, the Mayor and Council approved an IGA with ADOT for the Project, with Project costs estimated at $740,250.00. The proposed Amendment No. One to the IGA will increase the estimated Project costs to $1,002,895 based on current estimates. Of the $262,645 in increased costs, ADOT will agree to add $70,000 of HSIP funds pursuant to this amendment, with the Town covering the remaining $192,645.

Financial Impact:

The Project cost, shown in Exhibit A to the IGA amendment, is estimated at $1,002,895, of which $810,250 is eligible for Highway Safety Improvement Program (HSIP) federal funding. If actual costs of design and construction exceed estimated costs, the Town will be responsible for the difference. Additionally, the Town will be responsible for costs, if any, that are not covered by federal funding. Budget capacity of up to $300,000 to cover the Town's portion of this project was approved by Council in a regular meeting on May 21, 2024.

Staff Recommendation:

Staff recommends approval of the IGA amendment.

Suggested Motion:

I move to adopt Resolution No. 2024-066, approving and authorizing the Mayor to execute Amendment No. One to the Intergovernmental Agreement between the State of Arizona and the Town of Marana for design, construction, and installation of a traffic signal at the intersection of Dove Mountain Boulevard and Moore Road.

Attachments

Resolution No. 2024-066

Exhibit A - Amendment No. One

MARANA RESOLUTION NO. 2024-066

RELATING TO PUBLIC WORKS; APPROVING AND AUTHORIZING THE MAYOR TO EXECUTE AMENDMENT NO. ONE TO THE INTERGOVERNMENTAL AGREEMENT BETWEEN THE STATE OF ARIZONA AND THE TOWN OF MARANA FOR DESIGN, CONSTRUCTION, AND INSTALLATION OF A TRAFFIC SIGNAL AT THE INTERSECTION OF DOVE MOUNTAIN BOULEVARD AND MOORE ROAD

WHEREAS in 2019, the Town of Marana submitted for and was successful in obtaining Highway Safety Improvement Program (HSIP) funds for the design and construction of a traffic signal at the intersection of Dove Mountain Blvd and Moore Road (the "Project"); and

WHEREAS HSIP is a Federal Highway Administration federal-aid program with the goal of significantly reducing traffic fatalities and serious injuries on public roadways; and

WHEREAS HSIP funds require the Town of Marana to partner with a sponsor agency capable of administering federal funds on the Town's behalf; and

WHEREAS, on April 19, 2022, the Mayor and Council approved an IGA with the Arizona Department of Transportation (ADOT) for completion of the Project, including all facets of project management, design, and construction, which will be administered through ADOT pursuant the IGA; and

WHEREAS the Town and ADOT now wish to revise the IGA to increase the estimated cost for the Project that will be reimbursable through HSIP funds; and

WHEREAS the Town is empowered by A.R.S. §§ 9-240 and 11-952 to enter into this IGA amendment; and

WHEREAS the Mayor and Council of the Town of Marana feel it is in the best interests of the citizens of Marana to enter into the IGA amendment addressed by this resolution.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE TOWN OF MARANA, that Amendment No. One to the intergovernmental agreement between the State of Arizona by and through its Department of Transportation and the Town of Marana for design, construction, and installation of a traffic signal at the intersection of Dove Mountain Boulevard and Moore Road in substantially the form set

forth on Exhibit A attached to and incorporated within this resolution by this reference is hereby approved, and the Mayor is authorized to execute it for and on behalf of the Town of Marana.

IT IS FURTHER RESOLVED that the Town Manager and staff are hereby directed and authorized to undertake all other and further tasks required or beneficial to carry out the terms, obligations, conditions and objectives of the IGA amendment.

PASSED AND ADOPTED by the Mayor and Council of the Town of Marana, Arizona, this 18th day of June 2024.

_____
Mayor Ed Honea

ATTEST:

_____
David L. Udall, Town Clerk

APPROVED AS TO FORM:

_____
Jane Fairall, Town Attorney

ADOT CAR No.: IGA 22-0008492-I
Amendment No. One: 24-0009752-I
AG Contract No.: P0012022000524
Project Location/Name: Dove Mountain Blvd & Moore Road
Type of Work: Install Traffic Signal
Federal-aid No.: HSIP-MRN-0(207)T
ADOT Project No.: T0342 01D/03D/01C
TIP/STIP No.: 32.21
CFDA No.: 20.205 - Highway Planning and Construction
Budget Source Item No.: 102474

AMENDMENT NO. ONE
TO
INTERGOVERNMENTAL AGREEMENT

BETWEEN
THE STATE OF ARIZONA
AND
THE TOWN OF MARANA

THIS AMENDMENT NO. ONE to INTERGOVERNMENTAL AGREEMENT (the "Amendment No. One"), is entered into this date _____, pursuant to Arizona Revised Statutes ("A.R.S.") §§ 11-951 through 11-954, as amended, between the STATE OF ARIZONA, acting by and through its DEPARTMENT OF TRANSPORTATION (the "State" or "ADOT") and the TOWN OF MARANA, an Arizona municipal corporation (the "Town").The State and the Town are each individually referred to as a "Party" and are collectively referred to as the "Parties."

WHEREAS, the INTERGOVERNMENTAL AGREEMENT, IGA 22-0008492-I, A.G. Contract No. P0012022000524, was executed on April 21, 2022, (the "Original Agreement");

WHEREAS, the State is empowered by A.R.S. § 28-401 to enter into this Amendment No. One and has delegated to the undersigned the authority to execute this Amendment No. One on behalf of the State;

WHEREAS, the Town is empowered by A.R.S. § 9-240 to enter into this Amendment No. One and has by resolution, if required, a copy of which is attached and made a part of, resolved to enter into this Amendment No. One and has authorized the undersigned to execute this Amendment No. One on behalf of the Town; and

NOW THEREFORE, **in consideration of the mutual terms expressed herein, the purpose of this Amendment No. One is to increase Project design and construction costs; Exhibit A is revised and replaced accordingly. The Parties desire to amend the Original Agreement, as follows:**

The Parties incorporate the paragraphs set forth above as part of the body of this Amendment No. One.

I. RECITALS

Section I, Paragraph 3 is revised, as follows:

3. The work proposed under this Agreement consists of the design construction, and installation of a traffic signal at the intersection of Dove Mountain Boulevard and Moore Road/N. Heritage Gateway Avenue (the "Project"). The Project cost, shown in Exhibit A, is estimated at $1,002,895, which is eligible for 100% Highway Safety Improvement Program (HSIP) federal funding with local contribution. The State will administer the design and advertise, bid and award, and administer the construction phase of the Project.

II. SCOPE OF WORK

(NO CHANGES)

III. MISCELLANEOUS PROVISIONS

Section III, Paragraph 21 is revised, as follows:

21. Contractor Certifications. The Parties shall certify that all contractors comply with the applicable requirements of A.R.S. §§ 35-393.01 and 35-394.

EXCEPT AS AMENDED, **ALL OTHER** terms and conditions of the Original Agreement will remain in full force and effect.

Remainder of this page is intentionally left blank.

(Signatures begin on the next page)

THIS AMENDMENT NO. ONE shall become effective upon the full completion of signing and dating by all Parties to this Amendment No. One.

IN ACCORDANCE WITH A.R.S. § 11-952 (D), the written determination of each Party's legal counsel providing that the Parties are authorized under the laws of this State to enter into this Amendment No. One and that the Amendment No. One is in proper form is set forth below.

IN WITNESS WHEREOF, the Parties have executed this Amendment No. One the day and year first above written.

TOWN OF MARANA

By _____ Date_____
ED HONEA
Mayor

ATTEST:

By _____ Date_____
DAVID L. UDALL
Town Clerk

I have reviewed the above referenced Amendment No. One to the Original Agreement between the State of Arizona, acting by and through its Department of Transportation, and the Town of Marana, an agreement among public agencies which, has been reviewed pursuant to A.R.S. §§ 11-951 through 11-954 and A.R.S. § 9-240and declare this Amendment No. One to be in proper form and within the powers and authority granted to the Town under the laws of the State of Arizona.

No opinion is expressed as to the authority of the State to enter into this Amendment No. One.
Approved as to Form:

By _____ Date_____
JANE FAIRALL
Town Attorney

ARIZONA DEPARTMENT OF TRANSPORTATION

By _____ Date_____
STEVE BOSCHEN, PE
Infrastructure Delivery and Operations Division
Division Director

By _____ Date_____
BRENT A. CAIN, PE
Transportation Systems Management and Operations Division
Division Director

This Amendment No. One between public agencies, the State of Arizona and the Town of Marana has been reviewed pursuant to A.R.S. §§ 11-951 through 11-954 and A.R.S. § 28-401 by the undersigned Assistant Attorney General who has determined that it is in the proper form and is within the powers and authority granted to the State of Arizona. No opinion is expressed as to the authority of the remaining Parties, other than the State or its agencies, to enter into said Amendment No. One.

By _____ Date_____
Assistant Attorney General

T0342 01D/03D/01C

The Project costs are estimated as follows:

	Original	Amend #1	AMENDED TOTAL
Executed Date:	April 21, 2022	*Pending*	
ADOT Project Development Administration (PDA) Cost, non-federal-aid:			
Federal-aid funds @ 100%	$ 30,000		$ 30,000
Scoping/Design:			
Federal-aid funds @ 100%	$ 159,000		$ 159,000
Town's costs @ 100%*		$ 23,895	$ 23,895
Subtotal - Scoping/Design/PDA	**$ 189,000**	**$ 23,895**	**$ 212,895**
Construction:**			
Federal-aid funds @ 100%	$ 551,250	$ 70,000	$ 621,250
Town's costs @ 100%*		$ 168,750	$ 168,750
Subtotal - Construction	**$ 551,250**	**$ 238,750**	**$ 790,000**
Estimated TOTAL Project Cost	**$ 740,250**	**$ 262,645**	**$ 1,002,895**
Total Estimated Town Funds		**$ 192,645**	**$ 192,645**
Total Federal Funds	**$ 740,250**	**$ 70,000**	**$ 810,250**

*Based on the terms of the original Agreement, the Town has been invoiced for the Town's costs for design and construction.

* *(Includes 15% construction engineering (CE) and administration cost (this percentage is subject to change, any change will require concurrence from the Town) and 5% Project contingencies)

Council-Regular Meeting **C6**

Meeting Date: 06/18/2024

To: Mayor and Council

Submitted For: Fausto Burruel, Public Works Director

From: Dan Grossman, CIP Process Analyst

Date: June 18, 2024

Strategic Plan Focus Area:
Not Applicable

Subject: Relating to Procurement; approving a change order to the contract with Psomas, Inc. in the amount of $381,786.75 for the Tangerine Road Widening Phase 2A Project (ST098); authorizing the transfer of appropriations if necessary for the change order; and authorizing the Town Manager or designee to execute the necessary documents to effectuate the change order (Fausto Burruel)

Discussion:

Marana Town Code Section 3-4-7(B)(3) provides that Town Council approval is necessary for change orders that individually or cumulatively exceed the amounts set forth in section 3-4-8(A)(3) of the town code.

The budget for fiscal year 2023-2024 was adopted on June 20, 2023. The Tangerine Road Widening Phase 2A, Project No. ST098 ("Tangerine 2A") was properly included within the Town of Marana's FY2024 Capital Improvement Plan. Effective January 31, 2022, the Town entered into a professional services agreement with Psomas, Inc. ("Consultant") for the design of Tangerine 2A in the amount of $3,500,548 ("Agreement"). The total budget amount for Tangerine Rd Widening Phase 2A project is $34,006,301.00.

Effective February 8, 2024, the Town executed an amendment to the Agreement adding Phase II data recovery to the scope of work and increasing the Consultant's fee in the amount of $349,695.00 to account for the added work.

A change order is necessary because while performing the Phase II data recovery in advance of the Tangerine Road construction, historic artifacts and resources were discovered that are far in excess of the amount of recovery effort the Consultant assumed in their initial scope. The Consultant is requesting an additional amount of $381,786.75 to cover the additional level of effort associated with the data recovery.

The total fee for the Consultant for Phase II data recovery will be $731,481.75.

Financial Impact:

Fiscal Year:	2024
Budgeted Y/N:	Yes
Amount:	$381,789,.75

This change order will be funded with Transportation funds, GL Account # 33043000-8010-ST098.

Staff Recommendation:

Staff recommends approval of the change order to the Psomas Inc. Professional Service Agreement for the Tangerine Rd Widening Phase 2A, ST098 project in the amount of $381,786.75.

Suggested Motion:

I move to approve the change order to the contract with Psomas, Inc. in the amount of $381,786.75 for the Tangerine Road Widening Phase 2A Project (ST098); to authorize the transfer of appropriations if necessary for the change order; and to authorize the Town Manager or designee to execute the necessary documents to effectuate the change order.

Attachments

No file(s) attached.

Council-Regular Meeting **C7**

Meeting Date: 06/18/2024

To: Mayor and Council

From: David L. Udall, Town Clerk/Assistant Town Attorney

Date: June 18, 2024

Subject: Approval of Regular Council Meeting Summary Mintues of June 4, 2024 (David L. Udall)

Attachments

Regular Council Meeting Summary Minutes, 06/04/2024

MARANA TOWN COUNCIL
REGULAR COUNCIL MEETING
11555 W. Civic Center Drive, Marana, Arizona 85653
Council Chambers, June 4, 2024, at or after 6:00 PM

Ed Honea, Mayor
Jon Post, Vice Mayor
Patti Comerford, Council Member
Jackie Craig, Council Member
Herb Kai, Council Member
John Officer, Council Member
Roxanne Ziegler, Council Member

SUMMARY MINUTES

CALL TO ORDER AND ROLL CALL

Mayor Honea called the meeting to order at 6:00 PM and directed the Town Clerk to call the roll. **Council Member Kai** was absent. All other Council Members were present, constituting a quorum.

PLEDGE OF ALLEGIANCE/INVOCATION/MOMENT OF SILENCE: Led by **Mayor Honea.**

APPROVAL OF AGENDA

Council Member Ziegler moved to approve the agenda as presented. Council Member Officer seconded the motion. Motion passed, 6-0.

CALL TO THE PUBLIC

Ms. Grace Stambaugh addressed the Council and expressed concern at the amount of traffic and the speed of the traffic coming through the Happy Acres neighborhood from Saguaro Bloom to Avra Valley Road. She said the situation has become dangerous. Clarifying questions were asked and answered during her address before Council.

Council Member Ziegler asked **Public Works Director Fausto Burruel** why the traffic was so bad in that neighborhood. **Mr. Burruel** said he was not sure specifically why traffic was utilizing the neighborhood, but said drivers often utilize the easiest routes available. **Town Manager Terry Rozema** said that Town staff would take a look at the issues experienced by the residents of Happy Acres and would be in contact with **Ms. Stambaugh**.

Mayor Honea commented that he spearheaded an effort to annex the Happy Acres neighborhood twice unsuccessfully and said it is hard for the Town to do any work on the roads in the neighborhood because they are County roads. He affirmed the Town would look into the issue.

Mr. David Parker addressed the Council and expressed his willingness to fill the remaining vacancy on the Marana Health Care Benefits Trust Board and highlighted his qualifications.

Mr. Curtis Merrill addressed the Council regarding the recent testimony of **Dr. Anthony Fauci** before Congress. He encouraged the Town Council to stand for individual civil rights during the next pandemic.

PROCLAMATIONS

MAYOR AND COUNCIL REPORTS: SUMMARY OF CURRENT EVENTS

Council Member Comerford said she and her husband recently celebrated their 39th wedding anniversary, and she thanked her husband for being so supportive.

Council Member Ziegler said she was not a fan of **Dr. Fauci**. She said she attended the recent Marana Water open house and said it was a good event.

Mayor Honea said the most recent RTA/PAG meeting lasted for approximately seven hours and that nothing was accomplished. **Council Member Ziegler** asked if she and the other Council Members could receive a report on what happens at the RTA meetings. **Mr. Rozema** said he would put a synopsis together by the end of the week. **Council Member Ziegler** expressed concern that if RTA Next does not go through, the Cortaro interchange project may not be completed. She asked if there were other options if RTA Next did not go through. **Mayor Honea** confirmed there were other options.

MANAGER'S REPORT: SUMMARY OF CURRENT EVENTS

Mr. Rozema said the Town issued 167 single-family residential permits in May.

PRESENTATIONS

CONSENT AGENDA

C1 Resolution No. 2024-052: Relating to Administration; designating Yiannis Kalaitzidis as the Chief Fiscal Officer for officially submitting the Fiscal Year 2025 Expenditure Limitation Report to the Arizona Auditor General (Libby Shelton)

C2 Resolution No. 2024-053: Relating to Administration; adopting the Town of Marana Public Safety Personnel Retirement System Pension Funding Policy for fiscal year 2024-2025 (Yiannis Kalaitzidis)

C3 Resolution No. 2024-054: Relating to Intergovernmental Relations; approving and authorizing the Town Manager to execute a Lobbying Services Agreement with Triadvocates, LLC for Fiscal Year 2025 (Andrea De La Cruz)

C4 Resolution No. 2024-055: Relating to Personnel; approving and adopting amendments to the Town's Personnel Policies and Procedures, revising Chapter 4 - Employment Benefits and Leaves by amending Policy 4-16 "Parental Paid Time Off" (Curry C. Hale)

C5 Resolution No. 2024-056: Relating to Public Works; approving and authorizing the Mayor to sign a Letter Agreement with the United States Department of Energy Western Area Power Administration (WAPA) for the relocation of certain WAPA facilities as part of the Twin Peaks Road/Rattlesnake Pass road project (Jane Fairall)

C6 Approval of Study Session Summary Minutes of May 14, 2024 and approval of Regular Council Meeting Summary Minutes of May 21, 2024 (David L. Udall)

Vice Mayor Post moved to approve the consent agenda. Council Member Ziegler seconded the motion. Motion passed, 6-0.

LIQUOR LICENSES

L1 Relating to Liquor Licenses; recommendation to the Arizona Department of Liquor Licenses and Control regarding an application for a new series #007 Beer and Wine Bar liquor license submitted by Spencer Tracy Brown on behalf of Hawaii Fluid Art, located at 6401 Marana Center Boulevard, Suite 800, Tucson, Arizona, 85742 (David L. Udall)

Mr. Udall informed the Council that Town staff reviewed the liquor license application and that it was posted for the required 20-day notice period. He said Town staff recommended an order of approval be submitted to the Arizona Department of Liquor Licenses and Control.

Vice Mayor Post moved to submit to the Arizona Department of Liquor Licenses and Control an order recommending approval of an application for a new series #007 Beer and Wine Bar liquor license submitted by Spencer Tracy Brown on behalf of Hawaii Fluid Art, located at 6401 Marana Center Boulevard, Suite 800, Tucson, Arizona 85742. Council Member Ziegler seconded the motion. Motion passed, 6-0.

BOARDS, COMMISSIONS AND COMMITTEES

B1 Resolution No. 2024-057: Relating to Boards, Commissions and Committees; appointing Jannine Beyer as Trustee for the Marana Health Care Benefits Trust Board, effective immediately, for a term ending on November 19, 2025 (David L. Udall)

Mayor Honea gave **Ms. Jannine Beyer** the opportunity to address the Council. **Ms. Beyer** thanked the Council for considering her application. She highlighted her qualifications for the position and expressed her enthusiasm to serve.

Council Member Ziegler moved to appoint Jannine Beyer to the Marana Health Care Benefits Trust Board effective immediately, for a term ending on November 19, 2025. Vice Mayor Post seconded the motion. Motion passed, 6-0.

COUNCIL ACTION

A1 PUBLIC HEARING: Resolution No. 2024-058: Relating to Community and Neighborhood Services; approving and adopting the Town of Marana Plan Year 2024 Annual Action Plan for the Town of Marana Community Development Block Grant Program and authorizing the Town Manager to transmit the Annual Action Plan document to the United States Department of Housing and Urban Development (Lisa Shafer)

Mayor Honea opened the public hearing at 6:27 PM.

Community and Neighborhood Services Director Lisa Shafer presented on this item. A copy of the presentation slides is on file with the Town Clerk's Office. **Ms. Shafer** said this item involved the Plan Year 2024 Annual Action Plan for the Town's Community Development Block Grant Program (CDBG). She provided a summary of the Town's adoption of its CDBG program and highlighted accomplishments under the program over the last year. She explained the Annual Action Plan requirements and said no

changes to the program were suggested by the public during the public comment period. She said last year's Action Plan worked well and that the 2024 Annual Action Plan would be very similar to last year's Plan. She highlighted that the Town's allocation of funding from the United States Department of Housing and Urban Development (HUD) for the upcoming planning year will be $210,183.00, an increase of $1,492.00 from last year's allocation, and said the funding would be utilized on the following proposed projects:

- Home Rehabilitation: $136,620.00 (65%)
- Public Services: $31,527.00 (15%)
- Program Administration: $42,036.00 (20%)

For more information, please see the presentation slides.

Mayor Honea closed the public hearing at 6:35 PM.

Council Member Ziegler moved to adopt Resolution No. 2024-058. Council Member Comerford seconded the motion. Motion passed, 6-0.

ITEMS FOR DISCUSSION / POSSIBLE ACTION

D1 Relating to Development and Public Works; update, discussion, and possible direction regarding public and private projects and development applications on the Town's Marana Current and Proposed Projects internet site (Jason Angell)

Development Services Director Jason Angell provided an update on public and private projects and development applications in the Town, as currently listed on the following website:
https://maranaegov.com/portal/apps/experiencebuilder/experience/?draft=true&id=dae15ad306fb4a3fba65ee3babc21d54&page=Page&views=Water-Management%2CInspections

During the presentation, **Mr. Angell** answered questions about the various projects.

D2 Relating to Legislation and Government Actions; discussion and possible action or direction regarding all pending state, federal, and local legislation/government actions and on recent and upcoming meetings of other governmental bodies (Terry Rozema)

Mr. Rozema said the Legislature is still in session without an end in sight. He said they are still struggling with state budget negotiations. He provided an update on the following bills:

- The Governor signed the middle housing and accessory dwelling unit bills.
- SB 1172 (related to water) has been merged into HB 2201. He said this bill would be beneficial to the Town.

Mr. Rozema answered clarifying questions during his update.

EXECUTIVE SESSIONS

Pursuant to A.R.S. § 38-431.03, the Town Council may vote to go into executive session, which will not be open to the public, to discuss certain matters.

E1 Executive Session pursuant to A.R.S. §38-431.03 (A), Council may ask for discussion or consideration, or consultation with designated Town representatives, or consultation for legal advice with the Town Attorney, concerning any matter listed on this agenda for any of the reasons listed in A.R.S. §38-431.03 (A).

FUTURE AGENDA ITEMS

Notwithstanding the Mayor's discretion regarding the items to be placed on the agenda, if three or more Council members request that an item be placed on the agenda, it must be placed on the agenda for the second regular Town Council meeting after the date of the request, pursuant to Marana Town Code Section 2-4-2(B).

Mayor Honea asked for any future agenda items. There were no requests to add future agenda items.

ADJOURNMENT

Mayor Honea asked for a motion to adjourn the meeting.

Vice Mayor Post moved to adjourn the meeting. Council Member Comerford seconded the motion. Motion passed, 6-0. Meeting adjourned at 6:44 PM.

CERTIFICATION

I hereby certify that the foregoing are the true and correct minutes of the regular Town Council meeting held on June 4, 2024. I further certify that a quorum was present.

_____

David L. Udall, Town Clerk

Council-Regular Meeting **L1**

Meeting Date: 06/18/2024

To: Mayor and Council

Submitted For: David L. Udall, Town Clerk/Assistant Town Attorney

From: Nolette Hernandez, Records Clerk

Date: June 18, 2024

Strategic Plan Focus Area:
Not Applicable

Subject: Relating to Liquor Licenses; recommendation to the Arizona Department of Liquor Licenses and Control regarding an application for a new series #012 Restaurant liquor license submitted by Brian Casey Platt on behalf of The Pasta Shop, located at 3951 West Ina Road Suite 155, Tucson, Arizona, 85741 (David L. Udall)

Discussion:

This application is for a new series #012 Restaurant liquor license at The Pasta Shop, located at 3951 West Ina Road Suite 155, Tucson, Arizona, 85741.

Pursuant to state law, the application was posted at the premises where the business is to be conducted. The posted notice provided that residents within a one-mile radius from the premises may file written arguments in favor of or opposed to the issuance of the license with the Town Clerk's Office within 20 days of the posting. Any written arguments received by the Clerk's Office for or against the proposed liquor license are attached to this item and will be submitted to the Department of Liquor Licenses and Control (DLLC).

Town staff has reviewed this application to determine whether the applicant is in compliance with zoning, building, and other legal requirements for the business. Additionally, the Marana Police Department has conducted a local background check.

The Town Council must enter an order recommending approval or disapproval of the application within 60 days after filing the application. Pursuant to state statute, a

license will only be issued after a satisfactory showing of the capability, qualifications, and reliability of the applicant and "in all proceedings before the town council, the applicant bears the burden of showing that the public convenience requires and that the best interests of the community will be substantially served by the issuance of a license."

If the Council's recommendation is for disapproval, the order must include an attachment stating the specific reasons for the recommendation of disapproval and include a summary of the testimony or other evidence supporting the recommendation.

If the Council enters an order recommending approval of the application, or makes no recommendation, then no hearing before the Arizona state liquor board will take place, unless the director of the DLLC, the Liquor Board or a resident within a one-mile radius from the premises requests a hearing. If the Council enters an order recommending disapproval of the application, or if the director, board or a resident within a one-mile radius from the premises requests a hearing, then the state board will hold a hearing regarding the application.

At the hearing, the state board will consider all evidence and testimony in favor of or opposed to the granting of the license. The decision of the board to either grant or deny an application will normally take place within 105 days after the application has been filed, unless the director of the DLLC deems it necessary to extend the time period.

Staff Recommendation:

The Town staff recommends that an order recommending approval be submitted to the DLLC for this liquor license application.

Suggested Motion:

OPTION 1: I move to approve and submit to the DLLC an order recommending approval of an application for a new series #012 Restaurant liquor license submitted by Brian Casey Platt on behalf of The Pasta Shop, located at 3951 West Ina Road Suite 155, Tucson, Arizona, 85741.

OPTION 2: I move to approve and submit to the DLLC an order recommending disapproval of an application for a new series #012 Restaurant liquor license submitted by Brian Casey Platt on behalf of The Pasta Shop, located at 3951 West Ina Road Suite 155, Tucson, Arizona, 85741.

Attachments

Redacted Application

Affidavit of Posting

Local Governing Body Recommendation

Description of Common Liquor Licenses

State of Arizona
Department of Liquor Licenses and Control

Created 05/14/2024 @ 03:26:07 PM

Local Governing Body Report

LICENSE

Number:		Type:	012 RESTAURANT
Name:	THE PASTA SHOP		
State:	Pending		
Issue Date:		Expiration Date:	
Original Issue Date:			
Location:	3951 W INA ROAD #155 MARANA, AZ 85741 USA		
Mailing Address:	[redacted] MARANA, AZ 85653 USA		
Phone:	[redacted]		
Alt. Phone:			
Email:	[redacted]		

AGENT

Name:	BRIAN CASEY PLATT
Gender:	Male
Correspondence Address:	[redacted] MARANA, AZ 85653 USA
Phone:	[redacted]
Alt. Phone:	
Email:	[redacted]

[redacted]

Name:	PLATT PARTNERSHIPS LLC		
Contact Name:	BRIAN CASEY PLATT		
Type:	LIMITED LIABILITY COMPANY		
AZ CC File Number:	23382933	State of Incorporation:	AZ
Incorporation Date:	06/06/2022		
Correspondence Address:	[redacted] MARANA, AZ 85653 USA		
Phone:	[redacted]		
Alt. Phone:			
Email:	[redacted]		

Officers / Stockholders

Name:	Title:	% Interest:
BRIAN CASEY PLATT	Mgr-Member	50.00
LUZ ANGELICA NAVARRETE	Mgr-Member	50.00

PLATT PARTNERSHIPS LLC - Mgr-Member

Name: BRIAN CASEY PLATT
Gender: Male
Correspondence Address: [redacted]
MARANA, AZ 85653
USA
Phone: [redacted]
Alt. Phone:
Email: [redacted]

PLATT PARTNERSHIPS LLC - Mgr-Member

Name: LUZ ANGELICA NAVARRETE
Gender: Female
Correspondence Address: [redacted]
MARANA, AZ 85653
USA
Phone: [redacted]
Alt. Phone:
Email: [redacted]

APPLICATION INFORMATION

Application Number: 295210
Application Type: New Application
Created Date: 04/26/2024

QUESTIONS & ANSWERS

012 Restaurant

1) Are you applying for an Interim Permit (INP)?
   No
2) Are you one of the following? Please indicate below.
   Property Tenant
   Subtenant
   Property Owner
   Property Purchaser
   Property Management Company
   Property Tenant
3) Is there a penalty if lease is not fulfilled?
   Yes
   What is the penalty?
   Landlords Discretion at min forfeit of security deposit
4) Is the Business located within the incorporated limits of the city or town of which it is located?
   Yes

5) What is the total money borrowed for the business not including the lease?
Please list each amount owed to lenders/individuals.
$15000 AMEX

6) Are there walk-up or drive-through windows on the premises?
No

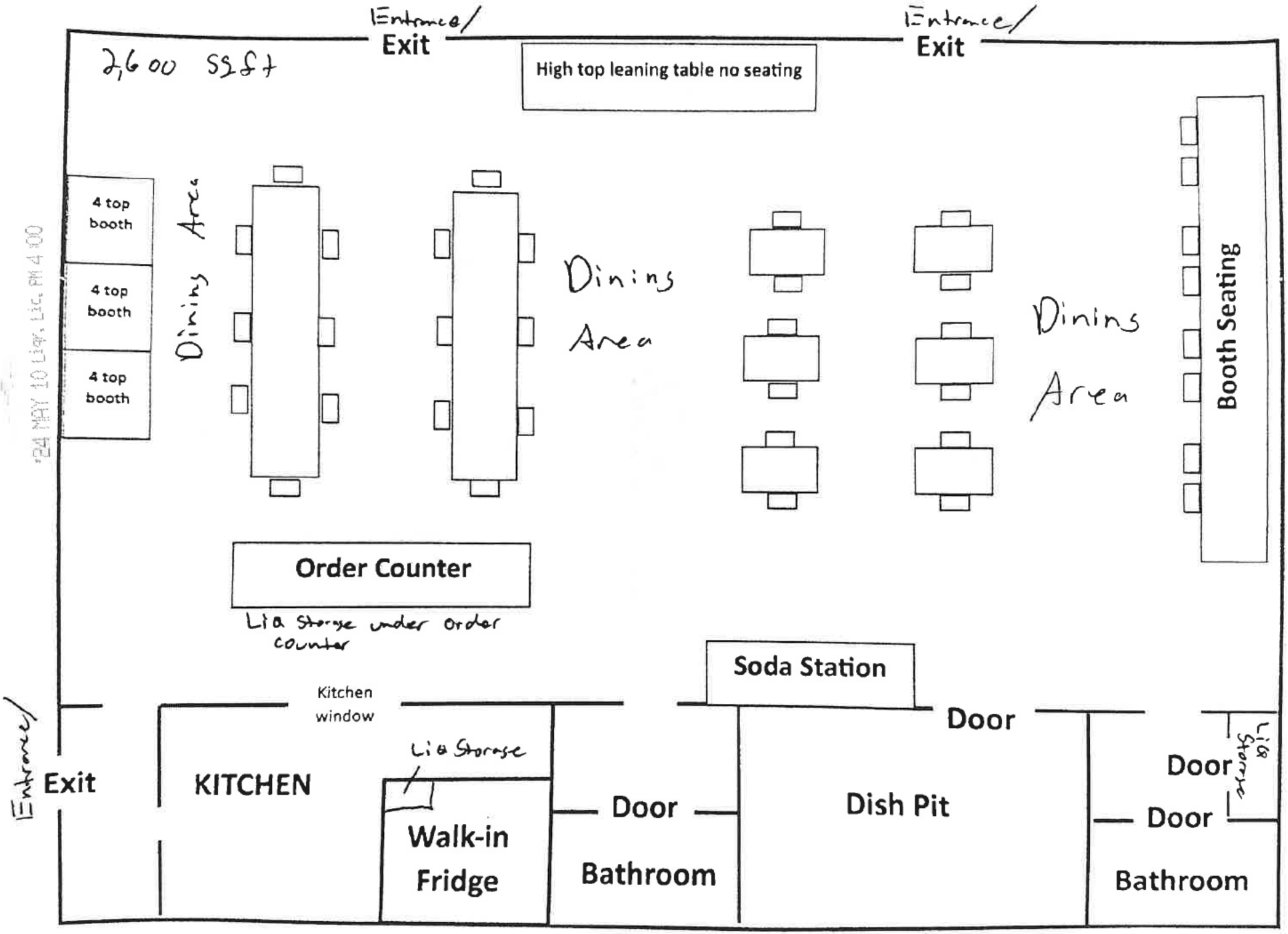
7) Does the establishment have a patio?
No

8) Is your licensed premises now closed due to construction, renovation or redesign or rebuild?
No

9) What type of business will this license be used for?
Restaurant

DOCUMENTS

DOCUMENT TYPE	FILE NAME	UPLOADED DATE
DIAGRAM/FLOOR PLAN	Store Diagram.pdf	04/26/2024
QUESTIONNAIRE	Brian Questionarre.pdf	04/26/2024
QUESTIONNAIRE	Luz Questionarre.pdf	04/26/2024
RESTAURANT OPERATION PLAN	Operation plan.pdf	04/26/2024
RECORDS REQUIRED FOR AUDIT	Records of Audit.pdf	04/26/2024
MENU	Menu 11x17.pdf	04/26/2024
	Brian Alien Status.pdf	05/09/2024
	Brian License Back.jpg	05/09/2024
	Brian License Front.jpg	05/09/2024
	Luz Questionarre.pdf	05/09/2024
	Store Diagram-REV.pdf	05/09/2024
	TPS Drinks - 2024.pdf	05/09/2024
	Operation plan.pdf	05/09/2024
	Explination Letter.pdf	05/09/2024
	Luz Finger print receipt.pdf	05/09/2024
	Luz license Back.jpg	05/09/2024
	Luz License Front.jpg	05/09/2024
	Brian Fingerprint collection receipt.pdf	05/09/2024


Entrance/
Exit
2,600 SQFT
High top leaning table no seating
Entrance/
Exit
4 top booth
4 top booth
4 top booth
Dining Area
Dinings Area
Dinings Area
Booth Seating
Order Counter
Lig Storage under order counter
Soda Station
Kitchen window
Entrance/
Exit
KITCHEN
Lig Storage
Walk-in Fridge
Door
Bathroom
Door
Dish Pit
Door
Door
Bathroom
Lig Storage
'24 MAY 10 Liq. Lic. PM 4:00

'24 MAY 10 Dept. Lic. Fil 4:00

RESTAURANT/HOTEL/MOTEL OPERATION PLAN

Arizona Dept. of Liquor Licenses and Control
800 W. Washington St. 5th Floor Phoenix, AZ 85007
(602) 542-5141

Type or Print with Black Ink

1. Name of restaurant (Please print): The Pasta Shop

2. Must indicate the equipment below by Make, Model, and Capacity:

LIST ONLY THE FOLLOWING - NO ATTACHMENTS

Grill	None
Oven	Moffatt #E32D5, Nemco #EKFA 312 S2
Freezer	Traulsen #g12011
Refrigerator	8x8 Walkincooler, Atosa #MBF8505GR
Sink	GSK Prep sink no Model #
Dish Washing Facilities	GSK 3comp sink no model # Autochlor dish machine #AT294-12
Food Preparation Counter (Dimensions)	2x 48x24 SS prep tables
Other	Kool Air Ice machine#K400 Servewell steamtable #38118 Astosa cooler #MSF8306GR

3. Attach a copy of your FULL menu with pricing **INCLUDING NON-ALCOHOLIC BEVERAGES**

4. What percentage of your public premises is used primarily for restaurant dining?

(Do not include kitchen, bar, hi-top tables, or game area.) 60 %

5. Does your restaurant have a bar area that is distinct and separate from the dining area? ☐ YES ☑ No

(If yes, what percentage of the public floor space does this area cover?) 0 %

6. List the **seating capacity** for:

a) Restaurant dining area of your premises: [58]

(DO NOT INCLUDE PATIO SEATING)

b) Bar area [+ 0]

TOTAL [= 58]

Individuals requiring ADA accommodations please call (602)542-2999

'24 MAY 10 Liqr. Lic. PM 4:00

7. What type of dinnerware is primarily used in your restaurant? ☐ Reusable ☐ Disposable ☑ Both

8. Does your restaurant contain any **games, televisions**, or **any other entertainment?** ☐ YES ☑ No

If yes, specify what types and how many (examples: 4-TV's, 2-Pool Tables, 1-Video Game, etc.)

9. Do you have live entertainment or dancing? ☐ YES ☑ No

If yes, what type and how often (example: DJ-2 x a week, Karaoke-2 x a month, Live Band-1 x a month, etc.)

10. List number of employees for each position:

Position	How many
Cooks	5
Bartenders	
Hostesses	
Managers	1
Servers	
Other (Counter staff)	4
Other (Hourly supervisors)	2
Other ( )	

I, (Print Full Name) Brian Platt **, hereby swear under penalty of perjury and in compliance with A.R.S. § 4-210(A)(2) and (3) that I have read and understand the foregoing and verify that the information and statements that I have made herein are true and correct to the best of my knowledge.**

Applicant Signature: _____

'24 APR 30 Liqr. Lic. Bd 8:52

BUILD YOUR PASTA BOWL

PICK YOUR BOWL SIZE

$9 $6

PICK YOUR NOODLE



BOW TIE FETTUCCINE SPAGHETTI PENNE

• $1 FOR GLUTEN-FREE PASTA OR VEGETABLE NOODLES

PICK YOUR SAUCE

PESTO — BASIL, PINE NUTS, PARMESAN, EXTRA VIRGIN OLIVE OIL — GF

MARINARA — A TRADITIONAL ITALIAN TOMATO SAUCE THAT COMBINES CRUSHED TOMATOES, GARLIC AND A VARIETY OF ITALIAN SPICES — V/ GF

ALFREDO — HEAVY CREAM BASE MIXED WITH BUTTER, GRATED PARMESAN CHEESE, PEPPER — GF

MEAT SAUCE — OUR MARINARA SAUCE MIXED WITH CRUMBLED MEATBALLS

ROSÉ — A BLEND OF OUR ALFREDO AND MARINA — GF

ADD PROTEIN: $2 A CHICKEN TENDER / $2 A MEATBALL / $2 A SAUSAGE/ $3 CHICKEN PARM

ADD VEGGIES: $1 GRILLED ONIONS AND PEPPERS / $3 EGGPLANT PARM

GARLIC BREAD $2.99

GARLIC CHEESY BREAD $4.99

SANDWICHES

MEATBALL SUB
$8.99 MEATBALLS, MARINARA SAUCE, MELTED MOZZARELLA IN A TOASTED BAGUETTE

ITALIAN SAUSAGE
$8.99 ITALIAN SAUSAGE, PEPPER AND ONIONS, MARINARA SAUCE, MELTED MOZZARELLA IN A TOASTED BAGUETTE

TRADITIONAL CHICKEN PARMESAN
$8.99 BREADED CHICKEN TENDERS, MARINARA SAUCE, MELTED MOZZARELLA IN A TOASTED BAGUETTE

ALFREDO CHICKEN PARMESAN
$10.50 LIKE TRADITIONAL BUT WITH ALFREDO SAUCE

EGGPLANT PARMESAN
$8.99 EGGPLANT DREDGED IN FLOUR AND BAKED, MARINARA SAUCE, MELTED MOZZARELLA IN A TOASTED BAGUETTE

SALADS

ITALIAN COBB
$8.99 SAUSAGE OR CHICKEN, HARD BOILED EGG, TOMATO, RED PEPPER, ONION, SHREDDED MOZZARELLA ON ROMAINE LETTUCE

SEASONAL VEGETABLE
$8.99 EGGPLANT, ZUCCHINI, YELLOW SQUASH, TOMATO, RED PEPPER, CARROT, ONION, TOASTED BREADCRUMBS ON A SPRING MIX

SIMPLE SALAD
$5.99 CARROT, TOMATO, SHREDDED MOZZARELLA ON A SPRING MIX

CAESAR SALAD
$5.99 ROMAINE LETTUCE MIXED WITH TOASTED BREAD CRUMBS AND SHREDDED PARMESAN

DRESSING AVAILABLE
ITALIAN / RANCH / BLUE CHEESE / BALSAMIC (V)

DESSERTS: $3 CHOCOLATE CHIP COOKIE/ $3.50 CANNOLI/ $7 CHEESECAKE/ $7 ITALIAN WEDDING CAKE


THE Pasta SHOP
DRINKS
Fountain Drink $3.00
BOTTLED DRINKS
Bottled Water $3.00
Bottled Coca-Cola $3.00
Bottled Diet Coke $3.00
Bottled Dr. Pepper $3.00
Bottled Sprite $3.00
Bottled Apple Juice (12oz) $3.00
3951 W Ina Rd, Marana, AZ 85741
(520) 467-3840
ThePastaShopAZ.com
ThePastaShopAZ@gmail.com
@ThePastaShopAZ

'24 APR 30 Liqr. Lic. AM 8:52

RECORDS REQUIRED FOR AUDIT

RESTAURANT/HOTEL/MOTEL

Arizona Dept. of Liquor Licenses and Control
800 W. Washington St. 5th Floor Phoenix, AZ 85007
(602) 542-5141

Type or Print with Black Ink

In the event of an audit, you will be asked to provide to the Department any documents necessary to determine Compliance with A.R.S. §4-205.02(G). Such documents requested may include however, are not limited to:

1. Name of restaurant (Please print): The Pasta Shop
2. All invoices and receipts for the purchase of food and spirituous liquor for the licensed premises.
3. A list of ***all*** food and liquor vendors
4. The restaurant menu used during the audit period
5. A price list for alcoholic beverages during the audit period
6. Mark-up figures on food and alcoholic products during the audit period
7. A recent, ***accurate*** inventory of food and liquor (taken within two weeks of the Audit Interview Appointment)
8. Monthly Inventory Figures - beginning and ending figures for food and liquor
9. Chart of accounts (copy)
10. Financial Statements-Income Statements-Balance Sheets

11. **General Ledger**

    A. Sales Journals/Monthly Sales Schedules
        1) Daily sales Reports (to include the name of each waitress/waiter, bartender, etc. with sales for that day)
        2) Daily Cash Register Tapes - Journal Tapes and Z-tapes
        3) Dated Guest Checks
        4) Coupons/Specials/Discounts
        5) Any other evidence to support income from food and liquor sales

    B. Cash Receipts/Disbursement Journals
        1) Daily Bank Deposit Slips
        2) Bank Statements and canceled checks

12. **Tax Records**

    A. Transaction Privilege Sales, Use and Severance Tax Return (copies)
    B. Income Tax Return city, state and federal (copies)
    C. Any supporting books, records, schedules or documents used in preparation of tax returns

13. **Payroll Records**

A. Copies of all reports required by the State and Federal Government

B. Employee Log (A.R.S. §4-119)

C. Employee time cards (actual document used to sign in and out each work day)

D. Payroll records for all employees showing hours worked each week and hourly wages

14. **Off-site Catering Records** (must be complete and separate from restaurant records)

A. All documents which support the income derived from the sale of food off the license premises.

B. All documents which support purchases made for food to be sold off the licensed premises.

C. All coupons/specials/discounts

The sophistication of record keeping varies from establishment to establishment. Regardless of each licensee's accounting methods, the amount of gross revenue derived from the sale of food and liquor must be substantially documented.

REVOCATION OF YOUR LIQUOR LICENSE MAY OCCUR IF YOU FAIL TO COMPLY WITH A.R.S. §4-210(A)7 AND A.R.S. §4-205.02(G).

A.R.S. §4-210(A)7

The licensee fails to keep for two years and make available to the department upon reasonable request all invoices, records, bills or other papers and documents relating to the purchase, sale and delivery of spirituous liquors and, in the case of a restaurant or hotel-motel licensee, all invoices, records, bills or other papers and documents relating to the purchase, sale and delivery of food.

A.R.S. §4-205.02(G)

For the purpose of this section:

1. "Restaurant" means an establishment which derives **at least forty percent (40%)** of its gross revenue from the sale of food
2. "Gross revenue" means the revenue derived from all sales of food and spirituous liquor on the licensed premises regardless of whether the sales of spirituous liquor are made under a restaurant license issued pursuant to this section or under any under any other license that has been issued for the premises pursuant to this article.

I, (Print Full Name) Brian Platt **, hereby swear under penalty of perjury and in compliance with A.R.S. § 4-210(A)(2) and (3) that I have read and understand the foregoing and verify that the information and statements that I have made herein are true and correct to the best of my knowledge.**

Applicant Signature: _____

MAKE A COPY OF THIS DOCUMENT AND KEEP IT WITH RECORDS REQUIRED BY THE STATE

'24 APR 30 Liq. Lic. AM 8 52

LC:
Amount:

AGENT/CONTROLLING PERSON QUESTIONNAIRE

DLLC USE ONLY	
Job #:	295210
Date Accepted:	05/14/2024
CSR:	sg

Arizona Dept. of Liquor Licenses and Control
800 W. Washington St. 5th Floor Phoenix, AZ 85007
(602) 542-5141

Type or Print with Black Ink

License Number:

ATTENTION APPLICANT: This is a legally binding document. An investigation of your background will be conducted. Incomplete applications will not be accepted. False or misleading answers may result in the denial or revocation of a license or permit and could result in criminal prosecution.

Attention local governments: Social security and birth date information is confidential. This information will be given to law enforcement agencies for background checks only.

QUESTIONNAIRE IS TO BE COMPLETED ACCORDINGLY AND SUBMITTED TO THE DEPARTMENT WITH A BLUE OR BLACK LINED FINGERPRINT CARD AND $22 FEE. FINGERPRINTS MUST BE DONE BY A LAW ENFORCEMENT AGENCY OR BONA FIDE FINGERPRINT SERVICE.

1. Check the Appropriate Box → ☑ Agent ☑ Controlling Person

2. Name: Platt Brian C (Last First Middle) Birth Date: [redacted] (NOT a public record)

3. Social Security #: [redacted] Drivers License #: D00914363 State Issued: Arizona

4. Place of birth: Los Angeles CA USA (City State COUNTRY) Height: 6ft Weight: 280 Eyes: blue Hair: brown

5. Name of current/most recent spouse: Navarrete Luz A (Last First Middle) Birth Date: [redacted] (NOT a public record)

6. Are you a bonafide resident of Arizona? Yes ☑ No ☐ If yes, what is your date of residency? Feb 1993

7. Daytime telephone number: [redacted] Email address [redacted]

8. Premises Name: The Pasta Shop Business Phone: 520 / 467 / 3840

9. Premises Address: 3951 W Ina Rd #155 Marana AZ Pima 85741 (Street (do not use PO Box) City State County Zip)

'24 APR 30 Liqr. Lic. AM 8:52

10. List your employment or type of business during the past five (5) years, if unemployed, retired, or student, list place of residence address. **(ATTACH ADDITIONAL SHEET IF NECESSARY)**

FROM Month/Year	TO Month/Year	DESCRIBE POSITION OR BUSINESS	EMPLOYERS NAME OR NAME OF BUSINESS (Street Address, City, State & Zip)
9/2022	CURRENT	Owner	Platt Partnerships LLC DBA The Pasta Shop [redacted]
1/2015	9/2022	Operating Partner-Native Grill and Wings	Sharon Spickler [redacted]

11. Provide your residence address information for the last five (5) years *A.R.S. §4-202(D)* **(ATTACH ADDITIONAL SHEET IF NECESSARY)**

FROM Month/Year	To Month/Year	Street	City	State	Zip
11/2019	CURRENT		[redacted]		
4/2018	11/2019				

(ATTACH ADDITIONAL SHEET IF NECESSARY)

12. As an Agent or Controlling Person, will you be managing the day to day operation of the licensed premises? If you answered YES, then answer **#13 below. If NO, skip to #14** — Yes ☑ No ☐

13. Have you attended a DLLC approved Basic and Management Liquor Law Training Course within the past 3 years? **MUST** attach copies of both training certificates. — Yes ☑ No ☐

14. Have you been cited, arrested, indicted, convicted, or summoned into court for violation of ANY criminal law or ordinance, regardless of the disposition, even if dismissed or expunged, within the past five (5) years? — Yes ☐ No ☑

15. Are there ANY administrative law citations, compliance actions or consents, criminal arrests, indictments or summons pending against you? (Do not include civil traffic tickets) *A.R.S.§4-202,4-210* — Yes ☐ No ☑

16. Has anyone EVER obtained a judgement against you the subject of which involved fraud or misrepresentation? — Yes ☐ No ☑

17. Have you had a liquor application or license rejected, denied, revoked or suspended in or outside of Arizona within the last five years? *A.R.S.§4-202(D)* — Yes ☐ No ☑

18. Has an entity in which you are or have been a controlling person had an application or license rejected, denied, revoked, or suspended in or outside of Arizona within the last five years? *A.R.S.§4-202(D)* — Yes ☐ No ☑

If you answered "YES" to any Question 14 through 18 YOU MUST attach a signed statement. Give complete details including dates, agencies involved and dispositions. CHANGES TO QUESTIONS 14-18 MAY NOT BE ACCEPTED

I, (Print Full Name) Brian Platt hereby swear under penalty of perjury and in compliance with A.R.S. § 4-210(A)(2) and (3) that I have read and understand the foregoing and verify that the information and statements that I have made herein are true and correct to the best of my knowledge.

Signature: _____ Date: 12.9.23

Certificate #ON-LINE

☐ On-sale
☐ Off-sale
☒ On- and off-sale

Certificate of Completion
For
Title 4 **BASIC** Liquor Law Training

A Certificate of Completion must be on a form provided by the Arizona Department of Liquor. Certificates are completed by a state-approved training provider and, when issued, the Certificate is signed by the course participant.

The State requires BASIC Title 4 training only as a prerequisite for MANAGEMENT Title 4 training or as a result of a liquor law violation. Persons required to have BASIC Title 4 training are listed at the base of this Certificate. Licensees sometimes require BASIC Title 4 Training a condition of employment.

A replacement Certificate of Completion for Title 4 training must be available through the training provider for two years after the training completion date.

Student Information

brian platt
Full Name (please print)

Signature

04/11/2024
Training Completion Date

04/11/2027
Certificate Expiration Date
(three years from completion date)

Training Provider Information

AATF – All-Star Alcohol Awareness
Company Name

P.O. Box 6252, Chandler, Arizona 85246
Mailing Address

(480) 664-0389
Daytime Contact Phone Number

I, Jared Repinski, certify that the above named individual did successfully complete
Instructor Name (please print)
Title 4 BASIC Training in accordance with A.R.S. §4-112(G)(2) and Arizona Administrative Code (A.A.C.)R19-1-103 using training course content and materials approved by the Arizona Department of Liquor Licenses and Control. I understand that misuse of this Certificate of Completion can result in the revocation of State-approval for the Title 4 Training Provider named in this section as provided by A.A.C. R19-1-103(E) and (F).

Instructor Signature

11 / 04 / 2024
Day Mo Year

Persons required to complete BASIC & MANAGEMENT Title 4 training: 1) owner(s) actively involved in the daily business operations of a liquor-licensed business of a series listed below
2) licensees, agents and managers actively involved in the daily business operations of a liquor-licensed business of a series listed below

In-state Microbrewery (series 3)	Government (series 5)	Bar (series 6)	Beer & Wine Bar (series 7)
Conveyance (series 8)	Liquor Store (series 9)	Private Club (series 14)	Hotel/Motel w/restaurant (series 11)
Restaurant (series 12)	In-state Farm Winery (series 13)		Beer & Wine Store (series 10)

Liquor license applications (initial and renewal) are not complete until valid Certificates of Completion for all required persons have been submitted to the Department of Liquor.

The questionnaire (which designates a manager to a location) and the agent change form (which assigns a new agent to active liquor licenses) are not complete until valid Certificates of Completion for all required persons have been submitted to the Department of Liquor.

July 11, 2013

Certificate #ON-LINE

Certificate of Completion
For
Title 4 **MANAGEMENT** Liquor Law Training

A Certificate of Completion must be on a form provided by the Arizona Department of Liquor. Certificates are completed by a state-approved training provider and, when issued, the Certificate is signed by the course participant.

Basic Title 4 training is a prerequisite for MANAGEMENT Title 4 training. A valid Certificate of Completion for BASIC Title 4 training must be on file at the Department of Liquor and satisfactory completion of a State-approved BASIC Title 4 course must be verified by the training provider prior to issuing a Certificate of Completion for MANAGEMENT Title 4 training.

A replacement Certificate of Completion for Title 4 training must be available through the training provider for two years after the training completion date.

Student Information

brian platt
Full Name (please print)

Signature

04/12/2024
Training Completion Date

04/12/2027
Certificate Expiration Date
(three years from completion date)

Training Provider Information

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Company Name

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Instructor Signature

12 / 04 / 2024
Day Mo Year

Persons required to complete BASIC & MANAGEMENT Title 4 training: 1) owner(s) actively involved in the daily business operations of a liquor-licensed business of a series listed below
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Liquor license applications (initial and renewal) are not complete until valid Certificates of Completion for all required persons have been submitted to the Department of Liquor.

The questionnaire (which designates a manager to a location) and the agent change form (which assigns a new agent to active liquor licenses) are not complete until valid Certificates of Completion for all required persons have been submitted to the Department of Liquor.

July 11, 2013

'24 MAY 10 Liq. Lic. PM 3:59

ALIEN STATUS

Arizona Dept. of Liquor Licenses and Control
800 W. Washington St. 5th Floor Phoenix, AZ 85007
(602) 542-5141

Type or Print with Black Ink

Title IV of the federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (the "Act"), 8 U.S.C. § 1621, provides that, with certain exceptions, only United States citizens, United States non-citizen nationals, non-exempt "qualified aliens" (and sometimes only particular categories of qualified aliens), nonimmigrant, and certain aliens paroled into the United States are eligible to receive state, or local public benefits. With certain exceptions, a professional license and commercial license issued by a State agency is a State public benefit.

Arizona Revised Statutes § 41-1080 requires, in general, that a person applying for a license must submit documentation to the license agency that satisfactorily demonstrates the applicant's presence in the United States is authorized under federal law.

Directions: All applicants must complete Sections I, II, and IV. Applicants who are not U.S. citizens or nationals must also complete Section III.

Submit this completed form and a copy of one or more document(s) from the attached "Evidence of U.S. Citizenship, U.S. National Status, or Alien Status" with your application for license or renewal. If the document you submit does not contain a photograph, you must also provide a government issued document that contains your photograph. You must submit supporting legal documentation (i.e. marriage certificate) if the name on your evidence is not the same as your current legal name.

SECTION I – APPLICANT INFORMATION

APPLICANT NAME (Print or type) Brian Platt

SECTION II – CITIZENSHIP OR NATIONAL STATUS DECLARATION

Are you a citizen or national of the United States? ☑ Yes ☐ No - If **yes**, indicate place of birth:

City Los Angeles State California **COUNTRY** USA

If you answered **Yes, 1)** Attach a legible copy of a document from the list below.

2) Name of document: Drivers License

If you answered **No**, you must complete Sections III.

'24 MAY 10 Liqr. Lic. PM 3:59

EVIDENCE OF U.S. CITIZENSHIP, U.S. NATIONAL STATUS, OR ALIEN STATUS

You must submit supporting legal documentation (i.e. marriage certificate) if the name on your evidence is not the same as your current legal name.

Evidence showing authorized presence in the United State includes the following:

1. An Arizona driver license issued after 1996 or an Arizona non-operating identificationcard.
2. A driver license issued by a state that verifies lawful presence in the UnitedStates.
3. A birth certificate or delayed birth certificate showing birth in one of the 50 states, the District of Columbia, Puerto Rico (on or after Jan. 13, 1941), Guam, the U.S. Virgin Islands (on or after January 17, 1917), American Samoa, or the Northern Mariana Islands (on or after November 4, 1986, Northern Mariana Islands local time)
4. A United States certificate of birth abroad.
5. A United States passport. ***Passport must be signed***
6. A foreign passport with a United States visa.
7. An I-94 form with a photograph.
8. A United States citizenship and immigration services employment authorization document or refugee travel document.
9. A United States certificate of naturalization.
10. A United States certificate of citizenship.
11. A tribal certificate of Indian blood.
12. A tribal or bureau of Indian affairs affidavit of birth.
13. Any other license that is issued by the federal government, any other state government, an agency of this state or a political subdivision of this state that requires proof of citizenship or lawful alien status before issuing the license.

'24 MAY 10 Liqr. Lic. PM 3:59

SECTION III – QUALIFIED ALIEN DECLARATION

Applicants who are not citizens or nationals of the United States. Please indicate alien status by checking the appropriate box. Attach a legible copy of a document from the attached list or other document as evidence of your status.

_____
Name of document provided

Qualified Alien Status (8 U.S.C.§§ 1621(a)(1),-1641(b) and (c))

☐ 1. An alien lawfully admitted for permanent residence under the Immigration and Nationality Act (INA)

☐ 2. An alien who is granted asylum under Section 208 of the INA.

☐ 3. A refugee admitted to the United States under Section 207 of the INA.

☐ 4 An alien paroled into the United States for at least one year under Section 212(d)(5) of the INA.

☐ 5. An alien whose deportation is being withheld under Section 243(h) of the INA.

☐ 6. An alien granted conditional entry under Section 203(a)(7) of the INA as in effect prior to April 1, 1980.

☐ . An alien who is a Cuban/Haitian entrant.

☐ 8. An alien who has, or whose child or child's parent is a "battered alien" or an alien subject to extreme cruelty in the United States

Nonimmigrant Status (8 U.S.C. § 1621(a)(2))

9. A nonimmigrant under the Immigration and Nationality Act [8 U.S.C § 1101 et seq.] Non-immigrants are persons who have temporary status for a specific purpose. See 8 U.S.C § 1101(a)(15).

Alien Paroled into the United States for Less Than One Year (8 U.S.C. § 1621(a)(3))

10. An alien paroled into the United States for less than one year under Section 212(d)(5) of the INA

Other Persons (8 U.S.C § 1621(c)(2)(A) and (C)

11. A nonimmigrant whose visa for entry is related to employment in the United States, or

12. A citizen of a freely associated state, if section 141 of the applicable compact of free association approved in Public Law 99-239 or 99-658 (or a successor provision) is in effect [Freely Associated States include the Republic of the Marshall Islands, Republic of Palau and the Federate States of Micronesia, 48 U.S.C. § 1901 *et seq.*];

13. A foreign national not physically present in the United States.

14. ***Otherwise Lawfully Present***

15. A person not described in categories 1-13 who is otherwise lawfully present in the United States.

PLEASE NOTE: The federal Personal Responsibility and Work Opportunity Reconciliation Act may make persons who fall into this category ineligible for licensure. See 8 U.S.C. §

Brian Platt		4.25.24
Print Name	**Signature**	**Date**

Arizona DRIVER LICENSE USA



9 CLASS D
9a END NONE
12 REST B
1 PLATT
2 BRIAN CASEY
8 [redacted]
MARANA, AZ 856530197

4d DLN D00914363
3 DOB [redacted]



4b EXP 07/10/2027 4a ISS 04/08/2021
15 SEX M 18 EYES BLU
16 HGT 6'-00" 19 HAIR BRO
17 WGT 270 lb
DONOR ♥

11/11/84

5 DD 02890006AP085205

CLASS: D-Operator

Rev 02/14/2014

ENDORSEMENTS:
None

RESTRICTIONS:
B-Corrective Lens Must Be Worn

You Must Report a
Change of Address
Within 10 Days

'24 MAY 10 Lic. Lic. PM 3 50

11/11/1984

21098AZ0052362570302

LC:
Amount:

'24 MAY 10 Liqr. Lic. PM 3:59

AGENT/CONTROLLING PERSON QUESTIONNAIRE

DLLC USE ONLY	
Job #:	295210
Date Accepted:	05/14/2024
CSR:	sg

Arizona Dept. of Liquor Licenses and Control
800 W. Washington St. 5th Floor Phoenix, AZ 85007
(602) 542-5141

Type or Print with Black Ink

License Number:

ATTENTION APPLICANT: This is a legally binding document. An investigation of your background will be conducted. Incomplete applications will not be accepted. False or misleading answers may result in the denial or revocation of a license or permit and could result in criminal prosecution.

Attention local governments: Social security and birth date information is confidential. This information will be given to law enforcement agencies for background checks only.

QUESTIONNAIRE IS TO BE COMPLETED ACCORDINGLY AND SUBMITTED TO THE DEPARTMENT WITH A BLUE OR BLACK LINED FINGERPRINT CARD AND $22 FEE. FINGERPRINTS MUST BE DONE BY A LAW ENFORCEMENT AGENCY OR BONA FIDE FINGERPRINT SERVICE.

1. Check the Appropriate Box → ☐ Agent ☑ Controlling Person

2. Name: Navarrete (Last) Luz (First) Angelica (Middle) Birth Date: [redacted] (NOT a public record)

3. Social Security #: [redacted] Drivers License #: D05735316 State Issued: AZ

4. Place of birth: Phoenix (City) AZ (State) USA (COUNTRY) Height: 5'10 Weight: 200 Eyes: Br Hair: Br

5. Name of current/most recent spouse: Platt (Last) Brian (First) Casey (Middle) Birth Date: [redacted] (NOT a public record)

6. Are you a bonafide resident of Arizona? Yes ☑ No ☐ If yes, what is your date of residency? _____

7. Daytime telephone number: [redacted] Email address: [redacted]

8. Premises Name: The Pasta Shop Business Phone: 520 / 467 / 3840

9. Premises Address: 3951 W. Ina Rd. #155 (Street (do not use PO Box)) Tucson (City) AZ (State) PIMA (County) 85741 (Zip)

Individuals requiring ADA accommodations please call (602)542-2999

10. List your employment or type of business during the past five (5) years, if unemployed, retired, or student, list place of residence address. **(ATTACH ADDITIONAL SHEET IF NECESSARY)**

FROM Month/Year	TO Month/Year	DESCRIBE POSITION OR BUSINESS	EMPLOYERS NAME OR NAME OF BUSINESS (Street Address, City, State & Zip)
10/2018	CURRENT	Marketing	Sun Tran - [redacted]

11. Provide your residence address information for the last five (5) years ***A.R.S. §4-202(D)*** **(ATTACH ADDITIONAL SHEET IF NECESSARY)**

FROM Month/Year	To Month/Year	Street	City	State	Zip
12/2019	CURRENT		[redacted]		
04/2018	11/2019				

(ATTACH ADDITIONAL SHEET IF NECESSARY)

12. As an Agent or Controlling Person, will you be managing the day to day operation of the licensed premises? If you answered YES, then answer **#13 below. If NO, skip to #14** — Yes ☐ No ☑

13. Have you attended a DLLC approved Basic and Management Liquor Law Training Course within the past 3 years? **MUST** attach copies of both training certificates. — Yes ☐ No ☐

14. Have you been cited, arrested, indicted, convicted, or summoned into court for violation of ANY criminal law or ordinance, regardless of the disposition, even if dismissed or expunged, within the past five (5) years? — Yes ☐ No ☑

15. Are there ANY administrative law citations, compliance actions or consents, criminal arrests, indictments or summons pending against you? (Do not include civil traffic tickets) *A.R.S.§4-202,4-210* — Yes ☐ No ☑

16. Has anyone EVER obtained a judgement against you the subject of which involved fraud or misrepresentation? — Yes ☐ No ☑

17. Have you had a liquor application or license rejected, denied, revoked or suspended in or outside of Arizona within the last five years? *A.R.S.§4-202(D)* — Yes ☐ No ☑

18. Has an entity in which you are or have been a controlling person had an application or license rejected, denied, revoked, or suspended in or outside of Arizona within the last five years? *A.R.S.§4-202(D)* — Yes ☐ No ☑

If you answered "YES" to any Question 14 through 18 YOU MUST attach a signed statement. Give complete details including dates, agencies involved and dispositions. CHANGES TO QUESTIONS 14-18 MAY NOT BE ACCEPTED

I, (Print Full Name) Luz Angelica Navarrete **hereby swear under penalty of perjury and in compliance with A.R.S. § 4-210(A)(2) and (3) that I have read and understand the foregoing and verify that the information and statements that I have made herein are true and correct to the best of my knowledge.**

Signature: _____ **Date:** 05/07/2024

Certificate #ON-LINE

Certificate of Completion
For
Title 4 **MANAGEMENT** Liquor Law Training

A Certificate of Completion must be on a form provided by the Arizona Department of Liquor. Certificates are completed by a state-approved training provider and, when issued, the Certificate is signed by the course participant.

Basic Title 4 training is a prerequisite for MANAGEMENT Title 4 training. A valid Certificate of Completion for BASIC Title 4 training must be on file at the Department of Liquor and satisfactory completion of a State-approved BASIC Title 4 course must be verified by the training provider prior to issuing a Certificate of Completion for MANAGEMENT Title 4 training.

A replacement Certificate of Completion for Title 4 training must be available through the training provider for two years after the training completion date.

Student Information

Luz Navarrete
Full Name (please print)

Signature

04/06/2024
Training Completion Date

04/06/2027
Certificate Expiration Date
(three years from completion date)

Training Provider Information

AATF – All-Star Alcohol Awareness
Company Name

P.O. Box 6252, Chandler, Arizona 85246
Mailing Address

(480) 664-0389
Daytime Contact Phone Number

I, Jared Repinski, certify that the above named individual did successfully complete
Instructor Name (please print)
Title 4 MANAGEMENT Training in accordance with A.R.S. §4-112(G)(2) and Arizona Administrative Code (A.A.C.)R19-1-103 using training course content and materials approved by the Arizona Department of Liquor Licenses and Control. I understand that misuse of this Certificate of Completion can result in the revocation of State-approval for the Title 4 Training Provider named in this section as provided by A.A.C. R19-1-103(E) and (F).

Instructor Signature

06 / 04 / 2024
Day Mo Year

Persons required to complete BASIC & MANAGEMENT Title 4 training: 1) owner(s) actively involved in the daily business operations of a liquor-licensed business of a series listed below
2) licensees, agents and managers actively involved in the daily business operations of a liquor-licensed business of a series listed below

In-state Microbrewery (series 3)	Government (series 5)	Bar (series 6)	Beer & Wine Bar (series 7)
Conveyance (series 8)	Liquor Store (series 9)	Private Club (series 14)	Hotel/Motel w/restaurant (series 11)
Restaurant (series 12)	In-state Farm Winery (series 13)		Beer & Wine Store (series 10)

Liquor license applications (initial and renewal) are not complete until valid Certificates of Completion for all required persons have been submitted to the Department of Liquor.

The questionnaire (which designates a manager to a location) and the agent change form (which assigns a new agent to active liquor licenses) are not complete until valid Certificates of Completion for all required persons have been submitted to the Department of Liquor.

July 11, 2013

Certificate #ON-LINE

☐ On-sale
☐ Off-sale
☒ On- and off-sale

Certificate of Completion
For
Title 4 **BASIC** Liquor Law Training

A Certificate of Completion must be on a form provided by the Arizona Department of Liquor. Certificates are completed by a state-approved training provider and, when issued, the Certificate is signed by the course participant.

The State requires BASIC Title 4 training only as a prerequisite for MANAGEMENT Title 4 training or as a result of a liquor law violation. Persons required to have BASIC Title 4 training are listed at the base of this Certificate. Licensees sometimes require BASIC Title 4 Training a condition of employment.

A replacement Certificate of Completion for Title 4 training must be available through the training provider for two years after the training completion date.

Student Information

Luz Navarrete
Full Name (please print)

Signature

04/02/2024
Training Completion Date

04/02/2027
Certificate Expiration Date
(three years from completion date)

Training Provider Information

AATF – All-Star Alcohol Awareness
Company Name

P.O. Box 6252, Chandler, Arizona 85246
Mailing Address

(480) 664-0389
Daytime Contact Phone Number

I, Jared Repinski, certify that the above named individual did successfully complete
Instructor Name (please print)
Title 4 BASIC Training in accordance with A.R.S. §4-112(G)(2) and Arizona Administrative Code (A.A.C.)R19-1-103 using training course content and materials approved by the Arizona Department of Liquor Licenses and Control. I understand that misuse of this Certificate of Completion can result in the revocation of State-approval for the Title 4 Training Provider named in this section as provided by A.A.C. R19-1-103(E) and (F).

Instructor Signature

02 / 04 / 2024
Day Mo Year

Persons required to complete BASIC & MANAGEMENT Title 4 training: 1) owner(s) actively involved in the daily business operations of a liquor-licensed business of a series listed below
2) licensees, agents and managers actively involved in the daily business operations of a liquor-licensed business of a series listed below

In-state Microbrewery (series 3)	Government (series 5)	Bar (series 6)	Beer & Wine Bar (series 7)
Conveyance (series 8)	Liquor Store (series 9)	Private Club (series 14)	Hotel/Motel w/restaurant (series 11)
Restaurant (series 12)	In-state Farm Winery (series 13)		Beer & Wine Store (series 10)

Liquor license applications (initial and renewal) are not complete until valid Certificates of Completion for all required persons have been submitted to the Department of Liquor.

The questionnaire (which designates a manager to a location) and the agent change form (which assigns a new agent to active liquor licenses) are not complete until valid Certificates of Completion for all required persons have been submitted to the Department of Liquor.

July 11, 2013

POSTING

Job# _____
DLLC use only

Arizona Dept. of Liquor Licenses and Control
800 W. Washington St. 5th Floor Phoenix, AZ 85007
(602) 542-5141

Type or Print with Black Ink

Date of Posting: 05 / 16 / 24 Date of Posting Removal: 6 / 5 / 24

Applicant's Name: Platt (Last) Brian (First) Casey (Middle)

Business Address: 3951 W Ina Rd, Ste 155 (Street) Tucson (City) 85741 (Zip)

I hereby certify that pursuant to A.R.S. 4-201, I posted notice in a conspicuous place on the premises proposed to be licensed by the above applicant and said notice was posted for at least twenty (20) days.

JR Burns	Housing Rehabilitation Specialist	(520) 990-2496
Print Name of City/County Official	Title	Phone Number

[signature]	5 16 24
Signature	Date Signed

Return this affidavit with your recommendations or any other related documents.
If you have any questions please call (602) 542-5141 and ask for the Licensing Division.

7/21/2022

Local Governing Body Recommendation

A.R.S. § 4-201(C)

Arizona Dept. of Liquor Licenses and Control
800 W. Washington St. 5th Floor Phoenix, AZ 85007
(602) 542-5141

Type or Print with Black Ink

City or Town of: Town of Marana (Circle one) Liquor License/Application #: 295210 (Arizona license/application #)

County of: Pima County City/Town/County #: LL2024-05

Licensed establishment that will be operating within an **"entertainment district"** as described in A.R.S. §4-207(D)(2),

_____ (Name of entertainment district) _____ (Date of resolution to create the entertainment district)

A boundary map of entertainment district must be attached.

The Marana Town Council (Governing body) at a Regular (Regular or special) meeting held on the 04 (Day) of June (Month), 2024 (Year) considered the application of Brian Casey Platt (Name of applicant)

for a license to sell spirituous liquor at the premises described in the application as provided by A.R.S §4-201.

ORDER OF APPROVAL/DISAPPROVAL

IT IS THEREFORE ORDERED that the license APPLICATION OF Brian Casey Platt (Name of applicant)

to sell spirituous liquor of the class and in the manner designated in the application, is hereby recommended

for _____ (Approval, disapproval, or no recommendation).

TRANSMISSION OF ORDER TO STATE

IT IS FURTHER ORDERED that a certified copy of this order be immediately transmitted to the State Department of Liquor, License Division, 800 W Washington, 5th Floor, Phoenix, Arizona 85007.

Dated at _____ (Location) on _____ (Day), _____ (Month), _____ (Year).

_____ (Printed name of city, town or county clerk) _____ (Signature of city, town or county clerk)

Series 6 Bar

The bar (series 6) liquor license is a "quota" license available only through the Liquor License Lottery or for purchase on the open market. Once issued, this liquor license is transferable from person to person and/or location to location within the same county and allows the holder both on- & off-sale retail privileges. This license allows a bar retailer to sell and serve all types of spirituous liquors, primarily by individual portions, to be consumed on the premises and in the original container for consumption on or off the premises. A retailer with off-sale ("To Go") privileges may deliver spirituous liquor off of the licensed premises in connection with a retail sale. A.R.S. § 4-206.01.F. states that after January 1, 2011, the off-sale privileges associated with a bar license shall be limited to no more than 30% of the total annual sales receipts of liquor by the licensee at that location. Payment must be made no later than the time of delivery. Off-sale ("To Go") package sales of spirituous liquor can be made on the bar premises as long as the area of off-sale operation does not utilize a separate entrance and exit from the ones provided for the bar. A hotel or motel with a Series 6 license may sell spirituous liquor in sealed containers in individual portions to its registered guests at any time by means of a minibar located in the guest rooms of registered guests. The registered guest must be at least twenty-one (21) years of age. Access to the minibar is by a key or magnetic card device and not furnished to a guest between the hours of 2:00 a.m. and 6:00 a.m.

Series 7 Beer and Wine Bar

The beer and wine bar (series 7) liquor license is a "quota" license available only through the Liquor License Lottery or for purchase on the open market. Once issued, this liquor license is transferable from person to person and/or location to location within the same county and allows the holder both on- & off-sale retail privileges. This license allows a beer and wine bar retailer to sell and serve beer and wine (no other spirituous liquors), primarily by individual portions, to be consumed on the premises and in the original container for consumption on or off the premises. A retailer with off-sale ("To Go") privileges may deliver spirituous liquor off of the licensed premises in connection with a retail sale. A.R.S. § 4-206.01.F. states that after January 1, 2011, the off-sale privileges associated with a bar license shall be limited to no more than 30% of the total annual sales receipts of liquor by the licensee at that location. Off-sale ("To Go") package sales can be made on the bar premises as long as the area of off-sale operation does not utilize a separate entrance and exit from the one provided for the bar. Payment must be made no later than the time of delivery.

Series 9 Liquor Store

SAMPLE

The liquor store (series 9) license is a "quota" license available only through the Liquor License Lottery or for purchase on the open market. Once issued, this liquor license is transferable from person to person and/or location to location within the same county and allows a spirituous liquor store retailer to sell all types of spirituous liquors, only in the original unbroken package, to be taken away from the premises of the retailer and consumed off the premises. A retailer with off-sale privileges may deliver spirituous liquor off of the licensed premises in connection with a retail sale. Payment must be made no later than the time of delivery. Series 9 (liquor store) licensees and applicants may apply for unlimited sampling privileges by completing the Sampling Privileges form.

Series 10 Beer and Wine Store

This non-transferable, off-sale retail privileges liquor license allows a retail store to sell beer and wine (no other spirituous liquors), only in the original unbroken package, to be taken away from the premises of the retailer and consumed off the premises. A retailer with off-sale privileges may deliver spirituous liquor off of the licensed premises in connection with a retail sale. Payment must be made no later than the time of delivery. Series 10 (beer and wine store) licensees and applicants may apply for unlimited sampling privileges by completing the Sampling Privileges form.

Series 11 Hotel/Motel

This non-transferable, on-sale retail privileges liquor license allows the holder of a hotel/motel license to sell and serve all types of spirituous liquor solely for consumption on the premises of a hotel or motel that has a restaurant where food is served on the premises. The restaurant on the licensed premises must derive at least forty percent (40%) of its gross revenue from the sale of food. The holder of this license may sell spirituous liquor in sealed containers in individual portions to its registered guests at any time by means of a minibar located in the guest rooms of registered guests. The registered guest must be at least twenty-one (21) years of age. Access to the minibar is provided by a key or magnetic card device and may not be furnished to a guest between the hours of 2:00 a.m. and 6:00 a.m.

Series 12 Restaurant

This non-transferable, on-sale retail privileges liquor license allows the holder of a restaurant license to sell and serve all types of spirituous liquor solely for consumption on the premises of an establishment which derives at least forty percent (40%) of its gross revenue from the sale of food. Failure to meet the 40% food requirement may result in revocation of the license.

Council-Regular Meeting **A1**

Meeting Date: 06/18/2024

To: Mayor and Council

From: Brian Varney, Senior Planner

Date: June 18, 2024

Strategic Plan Focus Area:
Not Applicable

Subject: PUBLIC HEARING: Ordinance No. 2024.014:Relating to Land Development; adopting revisions to Marana Town Code ("MTC") Title 17 - Land Development; revising MTC Section 17-4-2 (Use matrix) to add 'Single-family attached' as a residential land use and establish an allowance status for each of the zoning categories; revising MTC Section 17-4-2 (Use matrix) to revise the allowance status of the Duplex and Townhouse residential uses in the Neighborhood Commercial (NC) and Village Commercial (VC) zoning districts; revising MTC Section 17-4-3 (Use conditions matrix) to add appropriate conditions to the development of 'Single-family attached', Duplex, and Townhouse residential uses in the Neighborhood Commercial (NC) and Village Commercial (VC) zoning districts consisting of the requirement for compliance with the development standards for the R-3 (residential) zone; revising MTC Section 17-4-7 (Commercial zoning districts) to clarify that no minimum lot size requirement shall apply within the Neighborhood Commercial (NC) and the Village Commercial (VC) zoning districts; revising MTC Section 17-5-3 (Subdivision requirements), subsection 17-5-3.B.15, to clarify that the requirement to underground utilities includes all new and existing utilities within or contiguous to the subdivision; and, revising MTC Section 17-5-3 (Subdivision requirements), subsection 17-5-3.C.3.a, to add an option to the general requirement for lot access to a street as, 'An access easement providing ingress and egress to a parcel over another parcel through an area dedicated for such perpetual use'; and designating an effective date (Brian D. Varney)

Resolution No. 2024-063: Relating to Land Development; declaring as a public record filed with the Town Clerk the amendment adopted by Ordinance No.

2024.014, revisions to Marana Town Code ("MTC") Title 17 - Land Development; revising MTC Section 17-4-2 (Use matrix) to add ‘Single-family attached’ as a residential land use and establish an allowance status for each of the zoning categories; revising MTC Section 17-4-2 (Use matrix) to revise the allowance status of the Duplex and Townhouse residential uses in the Neighborhood Commercial (NC) and Village Commercial (VC) zoning districts; revising MTC Section 17-4-3 (Use conditions matrix) to add appropriate conditions to the development of 'Single-family attached', Duplex, and Townhouse residential uses in the Neighborhood Commercial (NC) and Village Commercial (VC) zoning districts consisting of the requirement for compliance with the development standards for the R-3 (residential) zone; revising MTC Section 17-4-7 (Commercial zoning districts) to clarify that no minimum lot size requirement shall apply within the Neighborhood Commercial (NC) and the Village Commercial (VC) zoning districts; revising MTC Section 17-5-3 (Subdivision requirements), subsection 17-5-3.B.15, to clarify that the requirement to underground utilities includes all new and existing utilities within or contiguous to the subdivision; and, revising MTC Section 17-5-3 (Subdivision requirements), subsection 17-5-3.C.3.a, to add an option to the general requirement for lot access to a street as, 'An access easement providing ingress and egress to a parcel over another parcel through an area dedicated for such perpetual use' (Brian D. Varney)

Discussion:

The proposed ordinance will amend Marana Town Code ("MTC") Title 17 - Land Development related to Section 17-4-2 (Use matrix), Section 17-4-3 (Use conditions matrix), Section 17-4-7 (Commercial zoning districts), and Section 17-5-3 (Subdivision requirements). The proposed revisions include the addition of a new land use to the Use Matrix and associated standards to regulate the use. The amendment also proposes revisions to the development standards applicable to duplex and townhouse development within the Neighborhood Commercial (NC) and Village Commercial (VC) zoning districts. Additional revisions are intended to clarify confusing or ambiguous language, as well as to add an option for lot access to a street.

Section 17-4-2 Use matrix

The proposed revisions to this section will add the land-use of '**Single-family attached**' to the land-use matrix (Table 2), thereby, allowing a housing product in some zoning districts that consists of two or more independent dwelling units that share common walls, and typically common roofs, yet are constructed on separate adjacent lots. In the zoning groups in which the typical lot size is smaller and most conducive to this type of development, such as Neighborhood Residential (NR) and Garden Residential (GR), it is proposed that 'Single family attached' be allowed as a permitted use. In the Multi-family (MR) and Recreation and Resort (RR) zoning districts, it is proposed that the use be a conditional use subject to consideration by the Planning Commission. In the Neighborhood Commercial (NC) and Village Commercial (VC) zoning districts, the use is proposed to be subject to special conditions discussed in the proposed revisions to Section 17-4-3, below. Also proposed is a revision to the allowance of Duplex and

Townhouse uses in the Neighborhood Commercial (NC) and Village Commercial (VC) zoning districts making them subject to the development standards of the R-3 (residential) zone as set forth on Section 17-4-5(B)(7), Table 4.

Section 17-4-3 Use conditions matrix
The proposed revisions to this section include the addition of appropriate conditions to the development of single-family attached, duplex, and townhouse residential development within the Neighborhood Commercial (NC) and Village Commercial (VC) zones. The current development standards, including setbacks, within these zoning districts are designed for commercial development and too restrictive for residential uses. It is proposed that these residential uses adhere to the R-3 standards, which are more practical and reasonable for residential use.

Section 17-4-7 Commercial Zoning Districts
The proposed revisions to this section consist of clarifying that although a minimum **site area** of 1 acre applies to the Neighborhood Commercial (NC) zoning district, no minimum **lot size** shall be required. Similarly, a minimum **site area** of 10 acres applies to the Village Commercial (VC) zoning district (with some exceptions); however, no minimum **lot size** shall be required. This will allow individual lots within a commercial center to develop at less than one acre. This clarification has already been made to the regulations pertaining to the industrial zoning districts.

Section 17-5-3 Subdivision requirements

17-5-3.B.15
The proposed revision to this section provides clarification that all new and existing utilities within or contiguous to a new subdivision under development shall be located underground. This applies to electric power (except electrical transmission lines carrying 48 kV or more), telephone lines, cable television, and fiber optics. As the regulation is currently written, it does not specify that it applies to new and existing utilities that are **within or contiguous** to the subdivision.

17-5-3.C.3.a
The proposed revision to this section adds language that clarifies another form of access to a lot or parcel that has historically been accepted in the Town but not currently specified in the standards. The revision clarifies the use of an access easement to provide ingress and egress to a parcel over another parcel through an area dedicated for such perpetual use. As the regulation is currently written, a lot or parcel must abut a street in order for it to be considered having legal and physical access. This does not take into consideration that lots within commercial centers often do not have frontage on a dedicated street. This proposed revision to the code would accommodate such lots to be accessed by easements, which is typical and has been permitted in the Town for many years. Additionally, minor land divisions often provide access to one or more parcels via an access easement. The additional language would clarify the Town's acceptance of this practice.

Staff Recommendation:

Staff recommends approval of the proposed ordinance and resolution.

Suggested Motion:
I move to adopt Ordinance No. 2024.014, adopting revisions to Marana Town Code Title 17 and Resolution No. 2024-063, declaring those revisions to be a public record.

Attachments

Ordinance No. 2024.014
Resolution No. 2024-063
Exhibit A to Resolution - Code Revisions

MARANA ORDINANCE NO. 2024.014

RELATING TO LAND DEVELOPMENT; ADOPTING REVISIONS TO MARANA TOWN CODE ("MTC") TITLE 17 - LAND DEVELOPMENT; REVISING MTC SECTION 17-4-2 (USE MATRIX) TO ADD 'SINGLE-FAMILY ATTACHED' AS A RESIDENTIAL LAND USE AND ESTABLISH AN ALLOWANCE STATUS FOR EACH OF THE ZONING CATEGORIES; REVISING MTC SECTION 17-4-2 (USE MATRIX) TO REVISE THE ALLOWANCE STATUS OF THE DUPLEX AND TOWNHOUSE RESIDENTIAL USES IN THE NEIGHBORHOOD COMMERCIAL (NC) AND VILLAGE COMMERCIAL (VC) ZONING DISTRICTS; REVISING MTC SECTION 17-4-3 (USE CONDITIONS MATRIX) TO ADD APPROPRIATE CONDITIONS TO THE DEVELOPMENT OF 'SINGLE-FAMILY ATTACHED', DUPLEX, AND TOWNHOUSE RESIDENTIAL USES IN THE NEIGHBORHOOD COMMERCIAL (NC) AND VILLAGE COMMERCIAL (VC) ZONING DISTRICTS CONSISTING OF THE REQUIREMENT FOR COMPLIANCE WITH THE DEVELOPMENT STANDARDS FOR THE R-3 (RESIDENTIAL) ZONE; REVISING MTC SECTION 17-4-7 (COMMERCIAL ZONING DISTRICTS) TO CLARIFY THAT NO MINIMUM LOT SIZE REQUIREMENT SHALL APPLY WITHIN THE NEIGHBORHOOD COMMERCIAL (NC) AND THE VILLAGE COMMERCIAL (VC) ZONING DISTRICTS; REVISING MTC SECTION 17-5-3 (SUBDIVISION REQUIREMENTS), SUBSECTION 17-5-3.B.15, TO CLARIFY THAT THE REQUIREMENT TO UNDERGROUND UTILITIES INCLUDES ALL NEW AND EXISTING UTILITIES WITHIN OR CONTIGUOUS TO THE SUBDIVISION; AND, REVISING MTC SECTION 17-5-3 (SUBDIVISION REQUIREMENTS), SUBSECTION 17-5-3.C.3.A, TO ADD AN OPTION TO THE GENERAL REQUIREMENT FOR LOT ACCESS TO A STREET AS, 'AN ACCESS EASEMENT PROVIDING INGRESS AND EGRESS TO A PARCEL OVER ANOTHER PARCEL THROUGH AN AREA DEDICATED FOR SUCH PERPETUAL USE'; AND DESIGNATING AN EFFECTIVE DATE

WHEREAS A.R.S 9-462.01 provides that the governing body of a municipality may adopt zoning regulations in order to conserve and promote the public health, safety, and general welfare; and

WHEREAS the Mayor and Council of the Town of Marana have adopted Marana Town Code Title 17 (Land Development) to promote the health, safety, order, and general welfare of the present and future inhabitants of the Town; and

WHEREAS the Mayor and Council of the Town of Marana find that revising Marana Town Code Title 17 as set forth in this ordinance is in the best interests of the Town and its residents.

NOW THEREFORE, BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE TOWN OF MARANA, as follows:

SECTION 1. The revisions to Title 17 - Land Development of the Marana Town Code ("MTC"), including miscellaneous revisions to MTC Sections 17-4-2, 17-4-3, 17-4-7, and 17-5-3, one paper copy and one electronic copy of which are on file in the office of the Town Clerk, which were made a public record by and attached as Exhibit A to Resolution No. 2024-063 of the Town of Marana, Arizona, are hereby referred to, adopted and made a part of this ordinance as if fully set out here.

SECTION 2. The various town officers and employees are authorized and directed to perform all acts necessary or desirable to give effect to this ordinance.

SECTION 3. All ordinances, resolutions, or motions and parts of ordinances, resolutions, or motions of the Council in conflict with the provisions of this ordinance are hereby repealed, effective as of the effective date of this ordinance.

SECTION 4. If any section, subsection, sentence, clause, phrase or portion of this ordinance is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, the decision shall not affect the validity of the remaining portions of this ordinance.

SECTION 5. This ordinance is effective on the 31st day after its adoption.

PASSED AND ADOPTED BY THE MAYOR AND COUNCIL OF THE TOWN OF MARANA, ARIZONA, this 18th day of June, 2024.

_____
Mayor Ed Honea

ATTEST:

_____
David L. Udall, Town Clerk

APPROVED AS TO FORM:

_____
Jane Fairall, Town Attorney

MARANA RESOLUTION NO. 2024-063

RELATING TO LAND DEVELOPMENT; DECLARING AS A PUBLIC RECORD FILED WITH THE TOWN CLERK THE AMENDMENT ADOPTED BY ORDINANCE NO. 2024.014, REVISIONS TO MARANA TOWN CODE ("MTC") TITLE 17 - LAND DEVELOPMENT; REVISING MTC SECTION 17-4-2 (USE MATRIX) TO ADD 'SINGLE-FAMILY ATTACHED' AS A RESIDENTIAL LAND USE AND ESTABLISH AN ALLOWANCE STATUS FOR EACH OF THE ZONING CATEGORIES; REVISING MTC SECTION 17-4-2 (USE MATRIX) TO REVISE THE ALLOWANCE STATUS OF THE DUPLEX AND TOWNHOUSE RESIDENTIAL USES IN THE NEIGHBORHOOD COMMERCIAL (NC) AND VILLAGE COMMERCIAL (VC) ZONING DISTRICTS; REVISING MTC SECTION 17-4-3 (USE CONDITIONS MATRIX) TO ADD APPROPRIATE CONDITIONS TO THE DEVELOPMENT OF 'SINGLE-FAMILY ATTACHED', DUPLEX, AND TOWNHOUSE RESIDENTIAL USES IN THE NEIGHBORHOOD COMMERCIAL (NC) AND VILLAGE COMMERCIAL (VC) ZONING DISTRICTS CONSISTING OF THE REQUIREMENT FOR COMPLIANCE WITH THE DEVELOPMENT STANDARDS FOR THE R-3 (RESIDENTIAL) ZONE; REVISING MTC SECTION 17-4-7 (COMMERCIAL ZONING DISTRICTS) TO CLARIFY THAT NO MINIMUM LOT SIZE REQUIREMENT SHALL APPLY WITHIN THE NEIGHBORHOOD COMMERCIAL (NC) AND THE VILLAGE COMMERCIAL (VC) ZONING DISTRICTS; REVISING MTC SECTION 17-5-3 (SUBDIVISION REQUIREMENTS), SUBSECTION 17-5-3.B.15, TO CLARIFY THAT THE REQUIREMENT TO UNDERGROUND UTILITIES INCLUDES ALL NEW AND EXISTING UTILITIES WITHIN OR CONTIGUOUS TO THE SUBDIVISION; AND, REVISING MTC SECTION 17-5-3 (SUBDIVISION REQUIREMENTS), SUBSECTION 17-5-3.C.3.A, TO ADD AN OPTION TO THE GENERAL REQUIREMENT FOR LOT ACCESS TO A STREET AS, 'AN ACCESS EASEMENT PROVIDING INGRESS AND EGRESS TO A PARCEL OVER ANOTHER PARCEL THROUGH AN AREA DEDICATED FOR SUCH PERPETUAL USE'

BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE TOWN OF MARANA, ARIZONA, that the revisions to Title 17 - Land Development of the Marana Town Code adopted by Marana Ordinance No. 2024.014, a copy of which is attached to and incorporated in this resolution as Exhibit A and one paper copy and one electronic copy of which are on file in the office of the Town Clerk, are hereby declared to be a public record and ordered to remain on file with the Town Clerk.

PASSED AND ADOPTED BY THE MAYOR AND COUNCIL OF THE TOWN OF MARANA, ARIZONA, this 18th day of June, 2024.

_____

Mayor Ed Honea

ATTEST:

_____

David L. Udall, Town Clerk

APPROVED AS TO FORM:

_____

Jane Fairall, Town Attorney

SECTION 1. Section 17-4-2 (Use matrix) of the Marana Town Code is hereby revised as follows (with additions shown with double underlining and deletions shown with ~~strikethrough~~):

17-4-2 Use matrix

[No revisions to paragraphs A through C]

Table 2. Use matrix (only amendments to Table 2 are shown; the remainder of Table 2 is unchanged)

Uses	AG	RA	ER	NR	GR	MR	RR	NC	VC	LI	HI
Residential											
Single-family attached	X	X	X	P	P	C	C	U	U	X	X
Duplex	X	X	C	C	P	P	P	~~P~~ U	~~P~~ U	X	X
Townhouse	X	X	X	X	P	P	P	~~P~~ U	~~P~~ U	X	X

SECTION 2. Section 17-4-3 (Use conditions matrix) of the Marana Town Code is hereby revised as follows (with additions shown with double underlining):

17-4-3 Use conditions matrix

The following table lists the conditions that apply to uses marked with a "U" in Table 2 (Use matrix). Where a zoning group is listed in the "zone(s)" column, the conditions apply to all zoning districts in that zoning group.

Table 3. Conditions per use (only amendments to Table 3 are shown; the remainder of Table 3 is unchanged)

	ZONE(S)	CONDITION(S)
Residential		
Single-family attached	NC, VC	Must comply with the development standards for R-3 zone as set forth in section 17-4-5(B)(7) Table 4 (Development standards per residential zone)
Duplex	NC, VC	Must comply with the development standards for R-3 zone as set forth in section 17-4-5(B)(7) Table 4 (Development standards per residential zone)
Townhouse	NC, VC	Must comply with the development standards for R-3 zone as set forth in section 17-4-5(B)(7) Table 4 (Development standards per residential zone)

SECTION 3. Section 17-4-7 (Commercial zoning districts) of the Marana Town Code is hereby revised as follows (with additions shown with double underlining):

17-4-7 Commercial zoning districts

[No revisions to paragraphs A through D]

E. The following development standards apply in the commercial zones:

Table 6. Development standards per commercial zone (only amendments to Table 6 are shown; the remainder of Table 6 is unchanged)

Development standard	**RR**	**NC‡***	**VC‡**
Site area	10 acres min.	1 acre min., 20-acre max. (no minimum lot size)	10 acres min. √ (no minimum lot size)

‡ Notwithstanding anything to the contrary in this Table 6, single-family detached, single-family attached, duplex, and townhouse residential uses in the NC and VC zones must comply with the development standards for R-3 zone as set forth in section 17-4-5(B)(7) Table 4 (Development standards per residential zone)

SECTION 4. Section 17-5-3 (Subdivision requirements) of the Marana Town Code is hereby revised as follows (with additions shown with double underlining and deletions shown with ~~strikethrough~~):

17-5-3 Subdivision requirements

[No revisions to paragraph A]

B. Improvement requirements. The following improvements shall be installed to town standards in every subdivision at no expense to the town:

[No revisions to subparagraphs 1 through 14]

15. Underground utilities. All new and existing utilities within or contiguous to the subdivision, including ~~E~~electric power (except electrical transmission lines carrying 48 kV or more), telephone lines, cable television, and fiber optics, shall be located underground, except where the subdivider can ~~show~~ demonstrate to the planning commission that underground installation is not technically feasible. For purposes of this subsection, economic feasibility is not considered. All underground installations shall be constructed prior to surfacing the street. Service stubs shall be placed in a way that avoids disturbance of street improvements when service connections are made. Aboveground transformers, cabinets, etc., shall be screened.

[No revisions to subparagraphs 16 and 17]

C. General requirements

1. Streets. All streets shall comply with the following requirements:

a. Be dedicated for public use or designated as a private street to be maintained by the applicable association.~~; and~~

[no revisions to subparagraphs b through f]

[No revisions to subparagraph 2]

3. Lot access to street.

a. Each lot of a subdivision shall abut on one of the following:

i. A public or private street dedicated by the subdivision plat.

ii. An existing dedicated street constructed to town standards.

iii. A street constructed to town standards that has become public by right of use.

iv. An access easement providing ingress and egress to a parcel over another parcel through an area dedicated for such perpetual use.

b. Where a proposed subdivision abuts or contains an existing or proposed arterial or collector, the town may require limited access or reverse frontage with no-access easements or other restrictions along the arterial or collector.

[No revisions to subparagraphs 4 through 18]

[No revisions to paragraph D]

Council-Regular Meeting **A2**

Meeting Date: 06/18/2024

To: Mayor and Council

From: David L. Udall, Town Clerk/Assistant Town Attorney

Date: June 18, 2024

Strategic Plan Focus Area:
Not Applicable

Subject: Resolution No. 2024-064: Relating to Marana Regional Airport; approving and authorizing the Mayor to sign the Third Amendment to the Master Development Lease Agreement for the lease of real property located at the Marana Regional Airport, 11700 West Avra Valley Road (David L. Udall)

Discussion:

The Town, as successor in interest to Pima County, and Pima Aviation, Inc. are parties to the Master Development Lease Agreement, also known as the "73-Acre Lease," (the Lease) by which the Town leases to Pima Aviation a certain portion of real property located at the Marana Regional Airport. This 25-year Lease commenced on June 1,1999, and has been amended twice before - once in 2001 to revise the lease premises area and once in 2018 to further revise the lease premises area and amend other provisions. The lease premises area involves land denoted with black hatching in the Marana Regional Airport Lease Areas map included in the agenda materials. The original Lease and its previous amendments are also included for reference.

The Lease expired on May 31, 2024. Since then, Town staff and Pima Aviation have been negotiating the terms of a new lease or other resolution, while Pima Aviation has continued to occupy the leasehold property and pay rent as it did before the lease expiration.

If approved, the proposed amendment will retroactively extend the Lease from June 1, 2024, through August 31, 2024, unless terminated sooner. The amendment requires the parties to continue to negotiate, with an expected resolution reached by the end of August. The original Lease would then terminate upon the effective date of a new lease

or other resolution. The amendment provides that if a final agreement on the new leases is not reached by August 31, 2024, and if Pima Aviation has not agreed to continue to negotiate beyond that date, the Town may terminate the original Lease due to the failure of Pima Aviation to negotiate in good faith. The proposed amendment also updates the notice address provisions in the original Lease.

Staff Recommendation:

Staff recommends approval of Resolution No. 2024-064.

Suggested Motion:

I move to adopt Resolution No. 2024-064, approving and authorizing the Mayor to sign the Third Amendment to the Master Development Lease Agreement.

Attachments

Resolution No. 2024-064

Exhibit A to Resolution - Third Amendment to Master Development Lease

Master Development Lease Agreement

First Amendment

Second Amendment

Marana Regional Airport Lease Areas Map

MARANA RESOLUTION NO. 2024-064

RELATING TO MARANA REGIONAL AIRPORT; APPROVING AND AUTHORIZING THE MAYOR TO SIGN THE THIRD AMENDMENT TO THE MASTER DEVELOPMENT LEASE AGREEMENT FOR THE LEASE OF REAL PROPERTY LOCATED AT THE MARANA REGIONAL AIRPORT, 11700 WEST AVRA VALLEY ROAD

WHEREAS the Town of Marana and Pima Aviation, Inc. are parties to that certain lease agreement entitled, Master Development Lease Agreement (also known as the "73-Acre Lease") with a Commencement Date of June 1, 1999 (the "Lease"), as amended by the First Amendment to the 73-Acre Lease recorded in the office of the Pima County Recorder on December 28, 2001 at Sequence No. 20012501214, and as further amended by the Second Amendment to the Master Development Lease Agreement recorded in the office of the Pima County Recorder on June 12, 2018 at Sequence No. 20181630107, by which Lessor leases to Lessee a certain portion of real property located at the Marana Regional Airport (formerly the Avra Valley Airport), 11700 West Avra Valley Road, Town of Marana; and

WHEREAS the Town and Pima Aviation now desire to amend the Lease further to retroactively extend it while the parties negotiate the terms and conditions of a new lease or other negotiated resolution; and

WHEREAS the Mayor and Council find this resolution is in the best interests of the Town and its citizens.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE TOWN OF MARANA, ARIZONA, AS FOLLOWS: the Third Amendment to Master Development Lease Agreement, substantially in the same form attached to and incorporated by this reference in this resolution as Exhibit A, is hereby approved, the Mayor is hereby authorized and directed to sign it for and on behalf of the Town of Marana, and the Town's Manager and staff are hereby directed and authorized to undertake all other and further tasks required or beneficial to carry out the terms, obligations, and objectives of the agreement.

PASSED AND ADOPTED by the Mayor and Council of the Town of Marana, Arizona, this 18th day of June, 2024.

_____
Mayor Ed Honea

ATTEST:

_____
David L. Udall, Town Clerk

APPROVED AS TO FORM:

_____
Jane Fairall, Town Attorney

THIRD AMENDMENT TO MASTER DEVELOPMENT LEASE AGREEMENT

THIS THIRD AMENDMENT TO MASTER DEVELOPMENT LEASE AGREEMENT (this "Third Amendment") is made and entered by and between the TOWN OF MARANA, an Arizona municipal corporation, successor in interest to Pima County, ("Lessor") and PIMA AVIATION, INC., an Arizona corporation ("Lessee"). Lessor and Lessee are collectively referred to in this Third Amendment as the "Parties" and are sometimes referred to individually as a "Party."

RECITALS

A. Lessor and Lessee are parties to that certain lease agreement entitled, "Master Development Lease Agreement" (also known as the "73-Acre Lease") with a Commencement Date of June 1, 1999 (the "Original Lease") by which Lessor leases to Lessee a certain portion of real property located at the Marana Regional Airport (formerly the Avra Valley Airport), 11700 West Avra Valley Road, Town of Marana, County of Pima, State of Arizona (the "Premises").

B. On September 4, 2001, the Parties entered into the "First Amendment to the 73-Acre Lease," recorded in the office of the Pima County Recorder on December 28, 2001, at Docket 11705, Page 5244 (Sequence No. 20012501214), (the "First Amendment") by which the Parties amended the Original Lease to revise the legal descriptions of the Premises.

C. On June 5, 2018, the Parties entered into the "Second Amendment to the Master Development Lease Agreement," recorded in the office of the Pima County Recorder on June 12, 2018, at Sequence No. 20181630107, (the "Second Amendment"), by which the Parties amended the Original Lease to again revise the legal descriptions of the Premises, revised Articles 12 ("Rules and Regulations"), 14 ("Reservation of Easement"), and 20 ("General Provisions") of the Original Lease, and clarified that the effective date of the Original Lease for all purposes is the same as the Commencement Date of June 1, 1999.

D. For reference purposes, a true and correct copy of the Original Lease was attached to the Second Amendment and recorded in the office of the Recorder of Pima County, Arizona with the Second Amendment.

E. The Premises are more particularly described as follows:

1. Parcel One as described in the legal description and map attached as Exhibit B to the First Amendment to 73-Acre Lease dated September 4, 2001, recorded in the office of the Recorder of Pima County, Arizona, on December 28, 2001, at Docket 11705, Page 5244 (Sequence 20012501214)

2. Parcel Two as described in the legal description and map attached as Exhibit 2 to the Second Amendment to Master Development Lease Agreement, dated June 5, 2018 recorded in the office of the Recorder of Pima County, Arizona, on June 12, 2018, at Sequence 20181630107

3. Parcel Three as described in the legal description and map attached as Exhibit 1 to the Second Amendment to Master Development Lease Agreement, dated June 5, 2018 recorded in the office of the Recorder of Pima County, Arizona, on June 12, 2018, at Sequence 20181630107

F. Paragraph 2.1 of the Original Lease provided that the Original Lease was for an Initial Term of 25 Lease Years beginning on June 1, 1999. "Lease Years" was defined as "a one year period beginning on the first day of the Initial Term or on any subsequent anniversary of such date and ending on the day preceding the next following anniversary of such date." The Parties agree that based on this language, the Original Lease commenced on June 1, 1999, and expired on May 31, 2024.

G. Paragraph 2.2 of the Original Lease provided that if Lessee was not in default in the performance of any of the terms of the Original Lease when the initial 25-year term expired, Lessor shall extend the Original Lease at the option of Lessee for a single additional 25-year period. The Original Lease provided further that Lessee was to exercise the option to extend the Original Lease by notifying Lessor in writing at least one year and no more than three years prior to the expiration of the Initial Term of the Original Lease.

H. Lessee provided written notice to Lessor of Lessee's desire to exercise its option to extend the lease on May 31, 2024, less than one year prior to the expiration of the Original Lease; thus, the Original Lease expired on its own terms at the end of the initial 25-year term.

I. The Parties have been negotiating regarding the terms of a new lease or other resolution of issues between the Parties, and Lessee has continued to occupy the Premises and pay rent on the Premises as Lessee did prior to the expiration of the Original Lease.

J. Paragraph 20.5 of the Original Lease provided that the Original Lease may not be enlarged, modified, or altered except in writing by the Parties.

K. The Parties desire now to amend the Original Lease to retroactively extend the term of the Original Lease while the Parties continue to negotiate the terms of a new lease or other resolution of issues between the Parties and to make other miscellaneous revisions to the Original Lease.

AGREEMENT

NOW, THEREFORE, in consideration of the recitals set forth above and the mutual covenants, conditions, and agreements set forth in the Original Lease, the First Amendment, the Second Amendment, and this Third Amendment, the Parties agree as follows:

1. Extension of Term. The term of the Original Lease is retroactively extended for a period beginning June 1, 2024, and ending August 31, 2024, (the "Extension Period") unless sooner terminated pursuant to the provisions of this Third Amendment. The terms and provisions of the Original Lease shall apply during the Extension Period.

2. Ongoing Negotiations. The Parties shall continue to negotiate regarding the terms and conditions of a new lease for the Premises, or any portion of the Premises, or other resolution of issues between the Parties in good faith during the Extension Period. The Parties agree that they intend to reach final agreement on the new lease or other resolution before August 31, 2024. Failure to reach final agreement by that date shall provide grounds for the Lessor to terminate the Original Lease pursuant to paragraph 3.2 below, unless Lessor agrees in writing to negotiate beyond that date.

3. Termination of Original Lease. In addition to the termination provisions set forth in Articles 16 and 17 of the Original Lease, the following termination provisions shall apply during the Extension Period.

3.1. The Original Lease shall automatically terminate upon the effective date of any new lease for the Premises or any portion of the Premises, or upon written confirmation between the Parties regarding another negotiated resolution.

3.2. If Lessee defaults on the terms of this Third Amendment by failing to negotiate the terms and conditions of a new lease for the Premises, or any portion of the Premises, or other resolution in good faith, Lessor shall provide written notice to Lessee in accordance with Article 21 of the Original Lease of Lessor's default. Lessee shall have 30 days after receipt of the written notice to cure or remedy the default. If Lessee fails to cure or remedy the default, Lessor may, at its option, terminate the Original Lease, without further notice to Lessee, re-enter the Premises and recover damages, including, but not limited to, all costs of repossession and reletting and brokerage commissions for services performed by or for the Town.

4. Addresses. Paragraph 21.1 of the Original Lease is hereby deleted in its entirety and replaced with the following:

21.1 Addresses. All notices under this Lease shall be in writing, and shall be deemed sufficiently served if hand delivered or sent by certified mail, postage prepaid, to the recipient at the following addresses:

If to LESSOR:

Galen Beem, Airport Superintendent
Marana Regional Airport
11700 W. Avra Valley Rd., #91
Marana, AZ 85653

Terry Rozema, Town Manager
Town of Marana
11555 W. Civic Center Dr.
Marana, AZ 85653

and with a copy to:

Jane Fairall, Town Attorney
Town of Marana
11555 W. Civic Center Dr.
Marana, AZ 85653

If to LESSEE:

Gary Abrams, President
Pima Aviation, Inc.
11700 W. Avra Valley Rd., #86
Marana, AZ 85653

and with copies to:

Pima Aviation, Inc.
P.O. Box 5367
Tucson, AZ 85703

Wright Law PLLC
Attention: Nathan C. Wright, Esq.
1785 East Skyline Drive, Suite 131

Tucson, Arizona 85718

5. Effective Date of the Third Amendment. This Third Amendment shall be effective as of the signature date of the last Party to sign this Third Amendment.

6. Recordation. Lessor shall at its expense record this Third Amendment in the office of the Recorder of Pima County, Arizona within ten days of execution of this Third Amendment by all Parties.

7. Other Terms and Provisions. All other terms and provisions of the Original Lease and its exhibits, as amended by the First Amendment and the Second Amendment, not specifically changed by this Third Amendment, shall remain in effect and be binding upon the Parties as provided for in the Original Lease. Words and phrases having a defined meaning in the Original Lease have the same respective meanings when used in this Third Amendment unless otherwise expressly stated.

8. Recitals. The recitals set forth at the beginning of this Third Amendment are hereby acknowledged, confirmed to be accurate, and incorporated here by reference.

9. Entire Agreement. This Third Amendment constitutes the entire agreement between the Parties pertaining to the subject matter of this Third Amendment. All prior and contemporaneous agreements, representation and understanding of the Parties, oral or written, pertaining to the subject matter of this Third Amendment are hereby superseded and merged in this Third Amendment.

10. Severability. If any provision of this Third Amendment is declared illegal, invalid, or unenforceable, in whole or in part, under present or future laws, it shall be severed from the remainder of this Third Amendment, which shall otherwise remain in full force and effect. In lieu of the illegal, invalid, or unenforceable provision, there shall be added automatically as part of this Third Amendment a provision as similar in terms to the illegal, invalid, or unenforceable provisions as may be possible and still be legal, valid, and enforceable, and this Third Amendment shall be deemed reformed accordingly.

11. Governing Law. This Third Amendment is entered into in Arizona and shall be construed and interpreted under the laws of Arizona, and any actions to enforce or interpret the terms and provisions of this Third Amendment shall be brought and maintained in Pima County, Arizona.

12. Interpretation. This Third Amendment has been negotiated by Lessor and Lessee, and neither Party shall be deemed to have drafted this Third Amendment for purposes of construing any portion of this Third Amendment for or against any Party.

IN WITNESS WHEREOF, the Parties have executed this Third Amendment as of the last date set forth below their respective signatures.

LESSOR:

TOWN OF MARANA, an Arizona municipal corporation

By: _____
Ed Honea, Mayor

Date: _____

LESSEE:

PIMA AVIATION, INC., an Arizona corporation

By: _____
Gary L. Abrams, President

Date: _____

ATTEST:

_____
David L. Udall, Town Clerk

APPROVED AS TO FORM:

_____
Jane Fairall, Town Attorney

STATE OF ARIZONA)
)ss:
County of Pima)

The foregoing instrument was acknowledged before me this ____ day of June, 2024, by Gary Abrams, the President of Pima Aviation, Inc., an Arizona corporation, on behalf of the corporation.

_____
Notary Public

My Commission Expires: _____

MASTER DEVELOPMENT LEASE AGREEMENT

PIMA AVIATION, INC.
&
PIMA COUNTY

Exhibits to be included in Lease Agreement

Exhibit	Description	Supplied by
A	Legal & map of 73 acre parcel	PAI
B	Rent Schedule	Marana/Gear

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MASTER DEVELOPMENT LEASE AGREEMENT

THIS LEASE is made and entered into this 15th day of June, 1999, by and between PIMA COUNTY, a political subdivision of the State of Arizona ("LESSOR") and PIMA AVIATION, INC., an Arizona corporation ("LESSEE"). LESSOR and LESSEE may be referred to collectively in this Lease as the "parties."

RECITALS

1. LESSOR is the owner of the Airport known as AVRA VALLEY AIRPORT, located in Pima County, Arizona (the "Airport").

2. In the interest of promoting economic development and achieving other public benefits, LESSOR is desirous of encouraging various aeronautical and/or aviation related private businesses, airport support businesses, and appropriate aviation related governmental agencies, to locate their aviation related facilities on presently undeveloped Airport land.

3. The parties believe that the foregoing goal can be achieved most efficiently by leasing certain undeveloped portions of the Airport to LESSEE, who will in turn function as master developer, in cooperation with LESSOR, for the purpose of developing such property and marketing and subleasing it to end users.

AGREEMENT

NOW, THEREFORE, for and in consideration of the mutual agreement to the terms and conditions set forth below, LESSOR does hereby lease to LESSEE a portion of Airport, as follows:

1 DESCRIPTION OF PREMISES.

1.1 Premises. LESSOR hereby leases to LESSEE a portion of Airport, which portion consists of approximately 73 acres, as particularly described on Exhibit "A" (the "Premises"). LESSEE shall have, subject to the terms and provisions of this Lease and any subleases, the use, occupancy and control of the Premises with all improvements constructed thereon.

1.2 LESSOR's Right to Remove Land from Premises. LESSEE acknowledges that the Airport is in its infancy, and the Airport Master Plan provides for significant and ongoing expansion and improvement of the Airport. As such, LESSEE acknowledges that loss of leased property due to Airport development requirements is likely. Such loss of leased property may come about as a result of LESSOR's need to use such property for airport improvement or expansion, or may come about as a result of governmental regulation, including but not limited to Federal Aviation Administration (FAA) regulations regarding setbacks, clear zones, and restricted visibility zones at the intersection of runways (hereinafter referred to as a "Restriction"). By entering into this Lease, LESSEE acknowledges that it has

reviewed the Airport Master Plan and other necessary documentation, and has made an independent determination regarding this risk and the land to be leased.

1.2.1 If the Restriction appears on the existing Airport Master Plan, the deletion and substitution shall be implemented as soon as possible after the Commencement Date.

1.2.2 If the Restriction is set forth in a subsequent amendment to the Airport Master Plan, the deletion and substitution shall be implemented as soon as possible after the FAA has accepted such amendment.

1.2.3 If any portion of the Premises is or becomes unavailable for development due to governmental regulation not shown on the Airport Master Plan, the deletion and substitution shall be implemented as soon as possible after such regulation becomes effective.

1.3 Removal of Land from Premises. In the event that it becomes necessary for LESSOR to delete any property from the Premises as provided above, LESSEE agrees to cooperate in such transaction as set forth hereinafter.

1.3.1 During the Initial Term and Extension Term, LESSOR may require that certain portions of the Premises must be deleted from the Premises, but such may occur only for the purpose of being utilized for additional aeronautical and aviation purposes.

1.3.2 In the event that such deletion takes place, LESSOR shall use its best efforts to provide in substitution for the parcel deleted another parcel of equivalent size and fair rental value located within the Airport. If such substituted parcel is accepted by LESSEE, the Premises shall be redefined to include the substituted parcel in lieu of the deleted parcel and the "Fixed Rent" (defined below) shall be adjusted to reflect any difference in the size of the Premises.

1.3.3 If no such parcel is mutually agreed upon, LESSOR shall be required to reduce the Fixed Rent (as hereinafter defined) in a proportionate amount. Any such substitution shall not affect the Fixed Rent, unless the substituted parcel is different in size from the deleted parcel.

1.3.4 Nothing in this Lease shall be interpreted to remove the LESSOR'S legal right of eminent domain.

2 TERM.

2.1 Initial Term. The Initial Term of this Lease shall be for a period of twenty-five Lease Years beginning on the 1st day of June 1999 (the "Commencement Date"). As used herein the term "Lease Year" means a one year period beginning on the first day of the Initial Term or on any subsequent anniversary of such date and ending on the day preceding the next following anniversary of such date.

2.2 Extension Term. If LESSEE is not in default in the performance of any of the terms of this Lease when the initial twenty-five year term expires, LESSOR shall extend this Lease at the option of LESSEE for a single additional twenty-five year period

(the "Extension Term"). LESSEE shall exercise the option to extend this Lease by notifying LESSOR in writing that LESSEE is exercising its option to extend the Lease. Such notification shall be made at least one (1) year and no more than three (3) years prior to the expiration of the Initial Term. Except for the Fixed Rent (see below), which shall be redetermined in accordance with this Article upon receipt of LESSEE's written notice to exercise its option to extend this Lease, the terms and provisions of this Lease shall apply to the Extension Term.

2.3 Appraisal for Extension Term. During the thirty (30) days following LESSEE's exercise of its option to extend this Lease, the parties shall meet and attempt to agree on the Fixed Rent for the first Lease Year of the Extension Term. If they are unable to do so, LESSOR shall, within thirty (30) days thereafter, provide LESSEE with a list of four (4) independent MAI appraisers who meet the Competency Provision of the Uniform Standards of Professional Practice, particularly those who are experienced with valuing similar airport type properties. Within twenty (20) days after receiving such list, LESSEE shall give notice to LESSOR of its choice of Qualified Appraiser from among those named. LESSOR shall promptly engage the chosen Qualified Appraiser to determine the Fixed Rent for the first Lease Year of the Extension Term based on the then prevailing market rate for unimproved land at other similar airport facilities in Arizona, and if none in Arizona can be used, then in other comparable localities the appraiser believes are relevant. LESSOR shall promptly notify LESSEE of the results of such appraisal. The determination of the chosen Qualified Appraiser shall be conclusive and binding on the parties.

2.3.1 In determining the Fixed Rent for the Extension Term, the Qualified Appraiser shall use a "land value" basis, i.e., shall take into consideration only the unimproved land value of the Premises, and shall not include the value of any improvements made thereon by LESSEE or its sublessees during the Initial Term. However, the appraisal shall take into consideration any improvements made to the Airport by LESSOR which in the appraiser's professional opinion increase the land value of the Premises.

2.3.2 Notwithstanding the foregoing, the Fixed Rent per acre per year for the first Lease Year of the Extension Term shall in no event be less than such Fixed Rent for the last Lease Year of the Initial Term. Fixed Rent for the third through twenty-fifth Lease Years of the Extension Term shall be determined as follows. Commencing upon the expiration of the first two (2) Lease Years of the Extension Term and every two (2) Lease Years thereafter (the "CPI-U Adjustment Dates"), the Fixed Rent for the next two (2) Lease Years shall be increased by the amount of any percentage increase in the CPI-U during the most recent two (2) calendar year period over the calendar year preceding that two (2) calendar year period, applying the Consumer Price Index for all Urban Consumers (CPI-U), as published by the U.S. Department of Labor, Bureau of Statistics. In the event publication of the CPI-U is terminated, then such periodic adjustment shall be made by application of the index published by the U.S. Department of Labor which most closely resembles the CPI-U.

3 COMPENSATION.

3.1 Fixed Rent. Notwithstanding any additional rent, fees, taxes, or other monies paid to LESSOR pursuant to this Lease or otherwise, LESSEE agrees to pay to LESSOR an amount of rent per acre of the Premises for each Lease Year determined in accordance with the rent schedule attached hereto as Exhibit "B" (the "Fixed Rent"), plus rental tax. The Fixed Rent shall be payable quarterly in advance. The Fixed Rent for partial acres shall be prorated. Fixed Rent for land which is deleted from the Premises or taken by eminent domain shall cease as of the first day of the calendar month following the month in which such land ceases to be a part of the Premises.

3.2 Percentage Rent.

3.2.1 In addition to the fixed rent set forth above, LESSEE agrees to pay to LESSOR a sum equal to five (5%) of LESSEE's actual gross receipts from the sublease of any portion of the Premises to a sublessee (the "Percentage Rent").

3.2.2 As used in this Lease, "actual gross receipts" shall mean the total rents received by LESSEE from sublessees pursuant to subleases of portions of the Premises, excluding rental tax. If LESSEE utilizes any portion of the Premises for its own use, then the fair market rental value of those portions shall be added to actual gross receipts.

3.2.3 The actual gross receipts and Percentage Rent shall be computed on a quarterly basis. Percentage Rent for a quarter shall be due and payable no later than thirty (30) days following the end of such quarter. A report indicating the method of computation in reasonable detail shall accompany each remittance.

3.3 Fuel Flowage Fee. During the Initial Term and Extension Term, LESSEE shall pay to LESSOR, in addition to rent, sales taxes and other taxes, and all other fees, a fee (the "Fuel Flowage Fee") for every gallon of all aviation fuel and other fuel dispensed on the Premises, whether dispensed directly into an airplane or other vehicle, dispensed into a fuel pumping truck, or dispensed into any other container (but excluding any fuel which has already been subject to payment of a Fuel Flowage Fee when it was previously dispensed at the Airport). LESSEE may assign the obligation to pay the Fuel Flowage Fee to subtenants, and to the extent such Fees are actually paid by the subtenant, LESSEE's obligation for such fees is satisfied. The Fuel Flowage Fee shall be in the amount of three cents ($0.03) per gallon. On a quarterly basis, by the tenth (10^{th}) day of each quarter, LESSEE shall report to LESSOR the number of gallons of fuel dispensed during the previous month and shall remit the Fuel Flowage Fee based thereon. LESSEE shall submit a statement of fuel flowage for the preceding calendar year not later than March 1 of each year. The statement shall show in reasonable detail the amount of actual gross receipts during the preceding calendar year for fuel sales and amount paid to LESSOR for Fuel Flowage Fees during the same period. Such annual statement shall be accompanied by the signed opinion of the person certifying such statement specifically stating that he has examined the report of fuel sales for such year, that

he has examined LESSEE's books and records as he considered necessary under the circumstances, and that such statement accurately presents the total fuel sales of such year. An adjustment shall be made with the furnishing of each annual statement with respect to Fuel Flowage Fees if LESSEE shall have paid an amount different than was required to be so paid. The amount of any increase shall be paid and delivered with the annual statement and the amount of any decrease shall be deducted from subsequent payments. Each sublease shall include a section imposing the same payment and reporting obligations upon the sublessee with regard to fuel it dispenses at the Airport.

3.4 Amendment of Compensation by Mutual Agreement. During the Initial Term and Extension Term, at the request of either party to this Lease, LESSEE and LESSOR shall meet to discuss whether there should be a change in the Fixed Rent referred to in paragraph 3.1, the Percentage Rent referred to in paragraph 3.2 or the Fuel Flowage Fee referred to in paragraph 3.3. Any such change shall be made prospectively only and shall require the mutual written agreement of LESSOR and LESSEE.

3.5 Record Keeping. LESSEE shall keep true and accurate account records, books and data in accordance with generally accepted accounting principles which shall show all rents billed to and receipts collected from third parties for any part of the Premises. LESSEE shall maintain annual corporate income tax returns and corporate financial statements certified by a Certified Public Accountant. LESSOR shall have the right to examine all financial books and records pertaining to this Lease or to the use of the Premises upon three (3) business days advance written notice to LESSEE. LESSOR shall have the right to annually conduct an audit of the airport records and financial statements.

4 USE OF PREMISES.

4.1 Aeronautical and Aviation Related Uses. LESSEE shall develop the Premises only for businesses associated with aeronautical and/or aviation related private businesses, airport support businesses, appropriate aviation related governmental agencies, and related structures, so long as they are consistent with FAA regulations and do not interfere with the LESSOR's ability to receive grant funding. LESSEE's development of the Premises shall be in a manner to maximize the overall value of the Premises in a reasonable fashion. Any development of the Premises shall, to the greatest extent possible, avoid the creation of unusable or unmarketable areas of the Premises.

4.2 Non-Airport Activities. LESSEE shall not permit its sublessees, agents, customers, patrons or others to engage in activities which are not reasonably related to aeronautical and/or aviation related private businesses, airport support businesses, appropriate aviation related governmental agencies, and related purposes without first obtaining the prior written consent of F.A.A. (where applicable) and LESSOR.

4.3 Report of Leasing Activity.

4.3.1 On a periodic basis, but not less than annually, LESSEE shall submit a written report to LESSOR describing LESSEE's efforts to develop the

Premises, the names of persons or entities which have inquired about subleasing a portion of the Premises, and a description of the status of planned development.

4.3.2 If any person or entity requests to sublease a portion of the Premises (a "Prospect") and LESSEE does not enter into a sublease with such Prospect, LESSEE shall provide LESSOR with written justification for LESSEE's decision not to sublease to such Prospect. Further, LESSEE shall, if requested by LESSOR or the Federal Aviation Administration ("FAA"), provide economic data to support LESSEE's action.

4.3.3 The parties acknowledge that LESSEE does not have exclusive use of the Airport, nor the exclusive right to provide fixed base operation services at the Airport. In order to assure this, the parties agree to certain conditions which will allow LESSOR to negotiate with prospective fixed base operators with whom LESSEE is unwilling to enter into a lease. To this end, if any person or entity is interested in subleasing a part of the Premises for use as a general aviation, full-service fixed base operation providing substantially the same services as the existing fixed base operator at the Airport, and LESSEE does not reach agreement with such Prospect within six (6) months after receipt from such Prospect of a formal written proposal, LESSEE shall promptly refer such Prospect to LESSOR's Airport Manager for all further negotiations (which negotiations shall relate only to property other than the Premises) and shall confirm such referral by written notice to the Airport Manager accompanied by all information in LESSEE's possession pertaining to such Prospect. LESSEE shall thenceforth refrain from any further contact with such Prospect except to the extent specifically requested by LESSOR.

4.4 Approval of Subleases. LESSEE is permitted to sublet portions of the Premises only for aeronautical and/or aviation related private businesses, airport support businesses, and appropriate aviation related governmental agencies, subject to prior written approval of LESSOR. Such approval shall not be unreasonably withheld. When requesting LESSOR's approval of a sublease, LESSEE shall accompany its request with a copy of the actual sublease documents it plans to submit for execution by the sublessee, including a specific description of the activities to be conducted by the sublessee at the Airport. Within thirty (30) days after submission of the proposed sublease documents by LESSEE, LESSOR shall notify LESSEE in writing of approval or rejection thereof. In the event LESSOR deems such thirty (30) day period to be inadequate for its review of a proposed sublease, LESSOR may extend such period for an additional thirty (30) days by giving written notice thereof to LESSEE prior to the expiration of the initial period. Thereafter, such period may be extended only for good cause or by mutual agreement of the parties. If LESSOR rejects the sublease, it shall give detailed reasons therefor and use its best efforts to provide recommended revisions or other conditions for acceptance. All subleases, amendments, and other lease documents shall be approved as to form by LESSOR, as evidenced by the signature of LESSOR's designated representative on the original of such document. Any such sublease shall only be for a portion of the Premises reasonably necessary for the authorized activity of the sublessee, shall be subject to

the terms of this Lease, and shall contain, as a minimum, the provisions required by this Lease. In lieu of initially submitting the actual sublease documents, LESSEE may submit to LESSOR for approval a memorandum of understanding or letter of intent (a "Proposal") between LESSEE and the proposed sublessee. A Proposal shall cover all of the essential business terms of the deal in sufficient detail for LESSOR to evaluate them as provided above. In the event a Proposal is so approved, LESSEE and the sublessee shall proceed to finalize the sublease documents, which shall remain subject, however, to LESSOR's final review and approval, which approval will not be unreasonably withheld or delayed.

4.5 Lawful Use and Condition of Premises. LESSEE shall comply with all County, state and federal laws, including without limitation FAA Regulations and any and all applicable zoning laws that may apply to LESSEE's use of the Premises. LESSEE shall obtain, at its own cost, any licenses that may be required by law for its operation. LESSOR will assist and cooperate to the extent possible to obtain required licenses and permits.

4.6 Other Rights of LESSEE. LESSOR hereby grants LESSEE and its sublessees and their agents, employees, contractors, and invitees the following additional privileges, uses and rights, all of which are subject to the terms, conditions, and covenants contained in this Lease and all of which shall be nonexclusive with respect to the Airport:

a. The use of all public airport facilities and improvements which are now or may hereafter be constructed and are appurtenant to the Airport.

b. The right of ingress and egress from the Premises to all runways, taxiways and facilities enumerated in the preceding paragraph, and over and across the public roadways serving the Airport, subject to any and all ordinances, rules and regulations which are now or may hereafter apply at Airport.

4.7 Public Funding for Improvements.

4.7.1 LESSOR acknowledges that LESSEE's ability to sublease various portions of the Premises may depend upon the availability of certain improvements, whether on or off the Premises. LESSOR therefore agrees that in the event the Airport Master Plan (as it now exists or may hereafter be amended) contemplates the construction or improvement of airport facilities or infrastructure or a prospective sublessee of the Premises requires such construction or improvement as a condition of entering into a sublease and LESSOR approves such project, LESSOR shall (a) take all actions which are prudent and within their means to obtain as promptly as possible whatever state, federal or other governmental funding may be available to pay for such project, and (b) in the event such funding is granted, pay for any portion of the cost of the project which is not paid by such funding, but in no event more than ten percent (10%) of the cost. In the event that LESSEE believes that other airport improvements would be desirable, LESSOR and LESSEE will meet and endeavor to reach agreement on the need for such improvements. If they both agree, LESSOR shall use its best efforts to obtain governmental funding to construct such other airport improvements as

LESSEE may deem desirable, provided that such improvements are set forth in the Airport Master Plan, and that such funding covers at least ninety percent (90%) of the cost thereof. This section shall not obligate LESSOR to construct or improve any airport facilities or infrastructure unless state and/or federal funding is available for such purpose.

4.7.2 LESSOR makes no representation that governmental funding for Public Airport Facilities will be made available or as to the amount thereof.

4.7.3 Nothing contained in this Paragraph 4 shall be deemed to obligate LESSOR to pay for or seek other governmental funding for any project or improvement which is located entirely within a subleased portion of the Premises or which benefits only one sublessee.

4.8 Water Delivery for Fire Protection System. LESSOR acknowledges that as of the Commencement Date, LESSEE may be unable to sublease any part of the Premises by reason of the lack of a water delivery system at the Airport sufficient to provide the fire protection required by the relevant governmental authorities. LESSOR therefore agrees to use due diligence and take all actions reasonably necessary to ensure that, within twenty-four (24) months following the Commencement Date, a suitable water delivery system is designed and either constructed or will imminently be constructed, to the extent necessary to allow LESSEE to sublease the Premises without the use thereof by sublessees violating applicable legal, regulatory or insurance requirements. After the completion of such construction, LESSEE or its sublessees, as the case may be, shall be responsible for paying the cost of installing fire protection systems as required by applicable fire codes in any buildings or other improvements owned or occupied by LESSEE or its sublessees at the Airport.

4.8.1 In the event the lack of a water delivery system prevents LESSEE from subleasing the premises within such twenty-four (24) month period, the LESSEE will have the option to cancel this Lease. If LESSEE desires to cancel this Lease pursuant to this subsection, LESSEE must deliver written notice to LESSOR within thirty-six (36) months from the date of this Lease, and if not exercised within that period, this right shall forever terminate.

4.9 Financing of Improvements. LESSOR acknowledges that LESSEE intends to borrow money from time to time in order to finance the construction of improvements to the Premises for use by sublessees, and that the lender (the "Leasehold Mortgagee") will require a mortgage or deed of trust encumbering LESSEE's interests under this Lease and the subleases (a "Leasehold Mortgage") as collateral for any such loan. The exact terms that a Leasehold Mortgagee will require to protect the security for its loan will not be known until LESSEE negotiates for a specific loan, but LESSOR acknowledges that such terms will, at a minimum, include the agreement by LESSOR to: send the Leasehold Mortgagee a copy of any notice which it sends to LESSEE under this Lease; allow the Leasehold Mortgagee additional time to cure any defaults by LESSEE; obtain the Leasehold Mortgagee's consent to any amendment, modification, cancellation, or surrender of this Lease; and allow the Leasehold Mortgagee to foreclose and otherwise enforce its Leasehold Mortgage (by, for example, collecting rent directly from sublessees or having a court

appoint a receiver) in the event of a default by LESSEE under the terms of the loan. These terms may be contained in an amendment to this Lease or in a separate agreement. LESSOR agrees that it will not unreasonably withhold or delay its approval of such an amendment or agreement, provided that LESSOR's legitimate interests are reasonably protected, including its right to approve any receiver to be appointed by a court during the foreclosure of the Leasehold Mortgage and the ultimate purchaser of LESSEE's interest at the foreclosure sale.

5 INSURANCE.

5.1 LESSEE's Insurance. LESSEE shall keep and maintain at its sole cost fire and extended damage coverage insurance for all structures and facilities constructed on the Premises in an amount reasonably comparable to that of similar insurance carried by other Airport lessees in the State of Arizona. LESSEE shall also keep and maintain at its sole cost and expense a Three Million Dollar ($3,000,000.00) single limit comprehensive public or commercial general liability insurance policy with specific provisions covering bodily injuries, property damage, premises liability, contractual liability, completed operations, if any, products liability, if any, and Hangar Keepers Liability. In addition, LESSEE shall provide such additional insurance, for example jump and special events coverage, as may be reasonable and appropriate to cover liability arising out of activities authorized by LESSEE or its sublessees to be conducted on the Premises.

5.2 Sublessees' Insurance. In lieu of providing such insurance itself, LESSEE may require a sublessee to maintain (i) property damage and/or liability insurance with respect to any improvements which such sublessee is occupying and (ii) additional insurance with respect to the activities such sublessee is conducting at the Airport. Such sublessees and any insurance policies which they provide shall be subject to all of the requirements this Article imposes with regard to LESSEE's insurance, including but not limited to those in the following paragraph.

5.3 Additional Insured. LESSEE shall name LESSOR as additional insured on all liability policies and shall provide LESSOR with copies of certificates of insurance and the endorsement of additional insured each year as the policies are renewed. LESSEE shall also require the insurer to provide LESSOR with a written notice of cancellation a minimum of thirty (30) days before cancellation. LESSOR shall name LESSEE as an additional insured on all liability policies, and shall provide LESSEE with a copy of the certificate of insurance and the endorsement of additional insured each year as the policy is renewed.

5.4 Unavailability of Insurance. LESSEE cannot obtain any insurance required pursuant to this Lease because of its unavailability or unreasonably prohibitive cost, LESSEE shall be entitled to be relieved of the requirement to maintain such insurance provided it discontinues the activity which would otherwise be covered thereby. The parties may renegotiate the terms of this Lease with respect to insurance requirements in the event LESSEE encounters difficulty in fulfilling such requirements.

6 INDEMNIFICATION.

6.1 By LESSEE. LESSEE shall indemnify, defend and hold harmless LESSOR, its officers, departments, employees and agents from, for and against any and all suits, actions, legal or administrative proceedings, claims, demands or damages of any kind or nature arising out of this Lease which are the result of any act or omission of LESSEE, its agents, employees, or anyone acting under the direction or control or on behalf of LESSEE, its agents or employees.

6.2 By LESSOR. LESSOR shall indemnify, defend and hold harmless LESSEE, its owners, affiliates, officers, employees and agents from, for and against any and all suits, actions, legal or administrative proceedings, claims, demands or damages of any nature arising out of this Lease which are the result of any act or omission of LESSOR, its officers, departments, employees and agents or anyone acting under their direction or control or on their behalf.

6.3 Duty of Care. LESSEE shall exercise reasonable care on the Premises and Airport and shall advise LESSOR when conditions which may pose an unreasonable risk of harm to members of the general public are discovered. When LESSEE is advised by its employees or the LESSOR that an unsafe or dangerous condition exists on the Premises, LESSEE shall take reasonable steps to correct the condition and shall be responsible that members of the general public are not exposed to danger. LESSOR shall take reasonable steps to correct any such condition with regard to portions of the Airport which are outside the Premises and not otherwise leased.

7 CONSTRUCTION OF STRUCTURES & IMPROVEMENTS.

7.1 LESSEE's Improvements. LESSEE may construct improvements related to the subleasing and development of the Premises as contemplated by this Lease, provided:

a. All proposed construction shall conform to the scheme contained in the Airport master plan; and

b. LESSEE is not in default in the performance of any of the terms of this Lease.

7.2 LESSOR's Approval. LESSEE shall notify LESSOR in writing of its intention to construct improvements on the Premises. The written notice shall specify the location of the improvements together with a detailed site plan and (if available) architectural plans, specifications and other relevant documentation. Additionally, the written notice will set forth the particular infrastructure needs of the improvements, including but not limited to water, electric, fire protection, transportation, wastewater, and other utilities. These documents shall be submitted to the Airport Manager and such other officials as LESSOR may designate. LESSOR acknowledges the necessity for expedited review of all plans submitted by LESSEE to LESSOR pertaining to the development of the Premises in order to avoid LESSEE losing potential subleases due to time delay, and agrees to use its best efforts to accomplish such expedited review of the plans. If LESSOR rejects the proposed improvements, LESSOR shall give detailed reasons therefor and will use its best efforts to provide recommended revisions for acceptance. If LESSOR gives

its acceptance, such acceptance shall be subject to LESSEE's compliance with Part 77 of the FAA Regulations, as they may be amended. LESSOR may refuse to permit the construction or installation of any improvement if the type of construction or installation or the location of such improvement (1) does not meet LESSOR's reasonable and lawful requirements for safe use of the Airport, (2) does not comply with the LESSOR's building codes, laws or other regulations, (3) does not conform to the applicable laws of the United States or the State of Arizona, or (4) does not conform to applicable Federal Aviation Regulations (FARs), Advisory Circulars, FAA Orders, and other FAA directives as they exist and as they may be amended or added from time to time. Following approval of such improvements, LESSEE shall obtain the necessary permits and proceed with approval and construction as set forth in the LESSOR's applicable development codes. LESSEE shall have the right to make major alterations and modifications in any buildings, structures or other improvements now or hereafter constructed or installed in or on the Premises, subject to the provisions of this paragraph. Items of normal repair and maintenance and minor alterations and modifications constructed at a cost under ten thousand dollars ($10,000.00) need not be submitted to LESSOR for approval unless required by applicable development or building codes.

7.2.1 In the event LESSOR is unable to provide sufficient personnel (either in-house staff or outside consultants to LESSOR) to review the plans within the time desired by LESSEE, LESSEE may elect to pay the reasonable costs incurred by LESSOR to retain such consultants or other experts as LESSOR may reasonably deem necessary to review the plans on behalf of LESSOR. Because of LESSEE's liability for the consultant's fees, any consultants under this paragraph shall be selected by the agreement of both LESSOR and LESSEE. LESSOR and LESSEE shall diligently select consultants following a request by LESSEE hereunder. LESSEE acknowledges that the consultants' recommendations will be subject to review and revision by LESSOR's staff and that LESSOR shall not be bound by any of the consultants' recommendations unless approved by LESSOR's governing body or other board or person having final approval rights with respect to the plans. LESSOR's non-liability for a consultant's fees hereunder shall be unconditional and LESSEE shall indemnify and hold LESSOR harmless from any claims relating to such fees.

7.3 No Obligation for Leasehold Improvements. LESSOR shall have no obligation to pay for the cost of construction of leasehold improvements in connection with subleases of the Premises.

7.4 No Liens. LESSEE shall not permit any mechanic's lien to be filed against the Premises or the improvements located on the Premises by reason of work, labor, services, or materials supplied or claimed to have been supplied, whether before or after the commencement of this Lease. If any mechanic's lien is at any time filed against the Premises or any improvement on the Premises, LESSEE shall, as soon as possible after notice of the filing of the lien, cause such lien to be discharged of record by payment, deposit, bond, order of a court of competent jurisdiction, or otherwise. If LESSEE fails to discharge the lien in a reasonable time, LESSOR may

discharge such lien with LESSEE's approval or after a final judgment is rendered either by paying the amount claimed to be due or by procuring the discharge of such lien by deposit or by bonding proceedings. If a foreclosure action initiated by a lienor results in a final judgment in its favor, the LESSOR may, at its sole option, pay the full amount of such final judgment. Any amount paid or expended by LESSOR, including but not limited to costs and reasonable attorneys' fees for any of such purposes, with interest at twelve percent (12%) per annum from the date of payment, shall be repaid by LESSEE to LESSOR on demand. LESSOR's options under this paragraph shall be in addition to any other right or remedy LESSOR may have.

7.5 Consent to Removal. No building, structure or other improvement installed, constructed, erected or placed by LESSEE on the Premises shall be removed from the Premises without the prior written consent of LESSOR, which shall not be unreasonably withheld.

7.6 No Obligation for Public Airport Facilities. Notwithstanding anything in this Lease to the contrary, neither LESSEE nor its permitted sublessees shall have any responsibility or obligation for the construction, installation or maintenance of the Public Airport Facilities.

8 ENVIRONMENTAL PROVISIONS.

8.1 LESSEE's Obligation. LESSEE shall, at LESSEE's own expense, comply with all present and hereinafter enacted Environmental Laws, and any amendments thereto, applicable to LESSEE's operation on the Premises.

8.2 Definitions.

8.2.1 "Environmental Laws" means anyone or all of the following as the same are amended from time to time: the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. Section 9601 *et seq.*; the Resource Conservation and Recovery Act, 42 U.S.C. Section 6941 *et seq.*; the Toxic Substances Control Act, 15 U.S.C. Section 2601 *et seq.*; the Safe Drinking Water Act, 42 U.S.C. Section 300h *et seq.*; the Clean Water Act, 33 U.S.C. Section 1251 *et seq.*; the Clean Air Act, 42 U.S.C. Section 7401 *et seq*; the Arizona Environmental Quality Act, A.R.S. Section 49-201 *et seq.*; the Arizona Hazardous Waste Management Act, A.R.S. Section 49-921 *et seq.*; and the Arizona Underground Storage Tank Regulation statute, A.R.S. Section 49-1001 *et seq.*; and the regulations promulgated thereunder and any other laws, regulations and ordinances (whether enacted by the local, state or federal government) now in effect or hereinafter enacted that deal with the regulation or protection of the environment, including the ambient air, ground water, surface water, and land use, including substrata land.

8.2.2 The term "hazardous material" includes:

a. Those substances included within the definitions of hazardous substance, hazardous material, toxic substance, regulated substance, or solid waste in the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. Section 9601 *et seq.*, the

Resource Conservation and Recovery Act, 42 U.S.C. Section 6901 *et seq.*; and the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801 *et seq.* and the regulations promulgated thereto;

b. Those substances included within the definitions of hazardous substance, pollutant, toxic pollutant, regulated substance, hazardous or solid waste in the Arizona Environmental Quality Act, A.R.S. Section 49-201 *et seq.*; including, but not limited to, the Water Quality Assurance Revolving Fund statute, A.R.S. Section 49-701 *et seq.*, and the Underground Storage Tank Regulation statute, A.R.S. Section 49-1001 *et seq.*;

c. Those substances listed in the United States Department of Transportation Table (49 D.F.R. Section 172.101 and amendments thereto) or by the Environmental Protection Agency as hazardous substances (40 C.F.R. part 302 and amendments thereto); and,

d. All substances, materials and wastes that are, or that become, regulated under, or that are classified as hazardous or toxic under any environmental law.

8.2.3 The term "release" shall mean any releasing, spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, disposing, or dumping.

8.3 Compliance.

8.3.1 LESSEE shall not cause any hazardous material to be used, generated, manufactured, produced, stored, brought upon, or released, on, under, or about the Premises, or transported to and from the Premises, by LESSEE, its affiliated entities, owners, agents, employees, contractors, invitees, sublessees or a third party in violation of any Environmental Law, and shall use its reasonable best efforts to prevent any such occurrence. LESSEE shall indemnify, defend and hold harmless LESSOR, its successors and assigns, its employees, agents and attorneys from, for and against any and all liability, loss, damage, expense, penalties and legal and investigation fees or costs, arising from or related to any claim or action for injury, liability, breach of warranty or representation or damage to persons or property and any other claims or actions brought by any person, entity or governmental body, alleging or arising in connection with contamination of, or adverse effects on, the environment or violation of any Environmental Law or other statute, ordinance, rule, regulation, judgment or order of any government or judicial entity which are incurred or assessed as a result (whether in part or in whole) of any activity or operation on or discharge from the Premises during the term of this Lease by LESSEE or its owners or related entities. This obligation includes but is not limited to all costs and expenses related to cleaning up the Premises, land, soil, underground or surface water as required under the law. LESSEE's obligations and liabilities under this Paragraph shall continue so long as LESSOR bears any liability or responsibility under the Environmental Laws for any action that occurred on the Premises during

the term of this Lease. This indemnification of LESSOR by LESSEE includes, without limitation, costs incurred in connection with any investigation of site conditions or any cleanup, remedial, removal or restoration work required by any federal, state or local governmental agency or political subdivision. The parties agree that LESSOR's right to enforce LESSEE's promise to indemnify is not LESSOR's sole remedy for LESSEE's violation of any provision of this Paragraph; LESSOR shall also have the rights set forth in Paragraph 8.3 in addition to all other rights and remedies provided by law or otherwise provided in this Lease. Notwithstanding the foregoing, nothing contained in this Paragraph 8.2 shall obligate LESSEE to indemnify, defend or hold LESSOR harmless from the results of any negligence or wilful misconduct by LESSOR or its agents, nor to waive any legal right or remedy LESSEE might have against LESSOR by reason thereof.

8.3.2 Without limiting the foregoing, if the presence of any hazardous material on, under or about the Premises caused or permitted by LESSEE in violation of this Lease results in any contamination of the Premises, LESSEE shall promptly take all actions at its sole cost and expense as are necessary to return the Premises to the condition existing prior to the introduction of any such hazardous material to the Premises; provided that LESSOR's approval of such actions shall first be obtained, which approval shall not be unreasonably withheld so long as such actions would not potentially have any material adverse long-term effect on the Premises.

8.3.3 LESSEE shall, at LESSEE's own cost and expense, make all submissions to, provide all information to, and comply with all requirements of the appropriate governmental authority (the "Government") under the Environmental Laws pertaining to LESSEE's operation on the Premises. Should the Government determine that a site characterization, site assessment and/or a cleanup plan be prepared or that a cleanup should be undertaken because of any spills or discharges of hazardous materials at the Premises during the term of this Lease which are caused by LESSEE or a sublessee, licensee or invitee, then LESSEE shall, at LESSEE's own cost and expense, prepare and submit the required plans and financial assurances, and carry out the approved plans. At no cost or expense to LESSOR, LESSEE shall promptly provide all information reasonably requested by LESSOR to determine the applicability of the Environmental Laws to the Premises, or to respond to any governmental investigation or to respond to any claim of liability by third parties which relates to environmental contamination.

8.3.4 LESSEE shall immediately notify LESSOR of any of the following: (a) any correspondence or communication from any governmental entity regarding the application of Environmental Laws to the Premises or LESSEE's operation on the Premises, and (b) any change in LESSEE's operation on the Premises that will change or has the potential to change LESSEE's or LESSOR's obligations or liabilities under the Environmental Laws.

8.3.5 LESSEE shall make the provisions of this Paragraph 8.2 binding upon the other party in any sublease agreement or contract by which it grants a right or privilege to any person, firm, or corporation under this Lease.

8.4 Remedies. LESSEE's material failure to comply with any of the requirements and obligations of Paragraph 8.2 or applicable Environmental Law shall constitute a default of this Lease and shall permit LESSOR to pursue the following remedies, in addition to all other rights and remedies provided by law or otherwise provided in the Lease, to which LESSOR may resort cumulatively, or in the alternative:

a. LESSOR may, at LESSOR's election, and upon ten (10) days written notice to LESSEE, make payments required of LESSEE under this Paragraph 8 or perform LESSEE's obligations under this Paragraph and be reimbursed by LESSEE for the cost thereof, unless such payment is made or obligation performed by LESSEE within such ten (10) day period.

b. LESSOR may, at LESSOR's election, and upon ten (10) days written notice to LESSEE, terminate this Lease, unless, within such ten (10) day period, LESSEE cures the default or, if the default is one which cannot reasonably be cured in that time, commences such cure and thereafter diligently pursues it. Upon LESSOR's termination, LESSOR shall be entitled to recover from LESSEE damages equal to the present value of the total amount by which all Rent and Fuel Flowage Fees during the balance of the Lease term exceeds the amount of loss of such items that LESSEE proves could have been reasonably avoided by LESSOR.

c. Notwithstanding any other provision in this Lease to the contrary, LESSOR shall have the right of "self-help" or similar remedy in order to minimize any damages, expenses, penalties and related fees or costs, arising from or related to a violation of Environmental Law on, under or about the Premises.

9 PUBLIC UTILITIES.

9.1 Payment. LESSEE shall pay or cause its permitted sublessees to pay for all public utility services supplied to it on the Premises, including electricity, gas, water and sewage service.

9.2 Repair. LESSOR retains the right to use any utility lines currently located on the Premises and shall have the right and duty to repair the same when necessary. LESSEE shall not be required to pay the cost of repairing currently existing utilities. Utility repairs shall be done on a priority basis and shall not unreasonably interfere with LESSEE's operations.

9.3 Provision of Utilities. LESSOR shall take all actions necessary to obtain as promptly as possible whatever outside funding may be available to pay for the cost of creating all utility corridors necessary to maximize the value of the Premises and cover the cost of bringing utilities to the Premises. Without limiting the foregoing, LESSOR shall pay the cost of extending electricity and water lines along the western side of the existing taxiway along the 20-foot utility corridor identified in the legal description of the Premises and shall provide a water supply to LESSEE and to other water users on the Premises sufficient to allow fulfillment of the development and

subleasing purposes contemplated by this Lease. LESSOR shall bear the cost of the maintenance of the water supply system. LESSOR may, at its sole option and expense, install a water meter and charge LESSEE for the water at commercial rates prevailing in the community for similarly situated water users. Unless governmental funding for such purpose is available as provided in Paragraph 4.7, LESSEE shall, at no cost or expense to LESSOR, provide all public utility and sewage connections within the Premises which are needed for buildings, structures and other improvements constructed on the Premises by LESSEE or its sublessees.

9.4 Rights of Way. If requested to do so by LESSEE, LESSOR shall grant reasonable rights-of-way on or across the Airport to public utility companies for the purpose of supplying LESSEE with utilities, but LESSOR reserves the right to designate the location of such rights-of-way.

10 MAINTENANCE.

10.1 LESSEE's Obligations. LESSEE shall retain the title to all improvements made by LESSEE on the Premises until such time as the title thereto transfers to LESSOR pursuant to Paragraph 18.4 below. LESSEE shall keep and maintain all improvements on the Premises to which LESSEE has title in a clean, good, safe and usable condition, and shall promptly commence and continue with reasonable due diligence to repair any damage or defects. LESSEE shall be responsible for coordinating and notifying the LESSOR of any construction alteration on the airport that will fall under the requirements of FAA Form 7460-1, Notice of Proposed Construction or Alteration; FAA Form 7480-1, Notice of Landing Area Proposal; or the Airport Master Record, FAA Form 5010-1. A copy of any of these forms, when initiated, should be forwarded to the ADOT Aeronautics Division.

10.2 LESSOR's Obligations. LESSOR shall keep and maintain in good condition and repair in compliance with FAA Regulations, other applicable Federal and State law and regulations and LESSOR's approved maintenance plan, all Public Airport Facilities as well as any non-public improvements to which LESSOR has title.

10.3 Notice by LESSEE. Upon discovery, LESSEE shall immediately notify LESSOR of any Airport property in need of maintenance and repair. Airport property owned by LESSOR shall be repaired on a priority basis if it adversely affects LESSEE's operation; otherwise, such repairs and maintenance shall be done within a reasonable time.

10.4 Inspection by LESSOR. The condition of the Airport, LESSEE's operation, and the Premises shall be subject to inspection at any time by LESSOR with reasonable frequency and at reasonable times on no less than twenty-four (24) hours advance notice unless such notice is not feasible due to an emergency.

11 TAXES.

11.1 LESSEE's Payment. LESSEE shall pay before delinquent any and all applicable taxes levied or assessed by any government body as a result of LESSEE's operations and including but not limited to all rental taxes which may be levied or assessed against LESSOR and/or LESSEE, as provided by the Marana Tax Code.

12 RULES AND REGULATIONS.

12.1 LESSOR's Regulations. LESSEE shall observe and obey all applicable rules and regulations which have been or may in the future be adopted by LESSOR; provided, however, that such rules and regulations shall be consistent with rules, regulations and orders of the FAA and with the provisions of this Lease. In addition LESSEE shall comply with the following standard FAA lease provisions listed in Paragraphs 12.2 through 12.17 below.

12.2 Department of Transportation Regulations. If facilities are constructed, maintained, or otherwise operated on the Premises for a purpose for which a Department of Transportation program or activity is extended or for another purpose involving the provision of similar services or benefits, LESSEE shall maintain and operate such facilities and services in compliance with all other requirements imposed pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation Effectuation of Title VI of the Civil Rights Act of 1964, as may be amended from time to time.

12.3 Non-Discrimination. LESSEE, its successors in interest and assigns, do hereby covenant and agree that (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of the Airport facilities on the Premises, (2) that in the construction of any improvements on, over, or under the Premises and the furnishing of services thereon, no person on the grounds of race, color, physical disability or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subject to discrimination, (3) that the LESSEE shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation Effectuation of Title VI of the Civil Rights Act of 1964, as may be amended from time to time.

12.4 Fairness. LESSEE shall furnish its accommodations and services on a fair, equal and not unjustly discriminatory basis to all users thereof.

12.5 Applicable to Other Agreements. LESSEE shall insert Paragraphs 12.2, 12.3, and 12.4 in any rental agreement, Sub-operator's agreement and the like, by which LESSEE grants a right or privilege to any person, firm, or corporation to render accommodations or services to the public on the Premises.

12.6 Affirmative Action. LESSEE shall undertake an affirmative action program as required by 14 C.F.R. Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. LESSEE covenants that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this provision. LESSEE shall require its suborganizations, sublessees, agents, and employees provide assurances to LESSEE that they similarly shall undertake

affirmative action programs and that they shall require assurances from their suborganizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

12.7 Non-Compliance. If a complaint is lodged alleging noncompliance by LESSEE with Paragraphs 12.2, 12.3, or 12.4 of this Article and an investigation and determination of noncompliance is made by a proper authority, LESSEE shall have a reasonable time but not less than thirty (30) days to comply after receipt of written notice of such noncompliance from LESSOR. Failure by LESSEE to cure the noncompliance shall constitute a material breach of this Lease and LESSOR shall have the right to terminate this Lease and the estate hereby created in accordance with ARTICLE XVI, at the election of LESSOR. LESSOR may enforce Paragraphs 12.2, 12.3, and 12.4 of this Article through court action or any other legal remedy in lieu of termination.

12.8 Future Development. LESSOR reserves the right to further develop or improve the air navigation facility and the landing and apron areas for the Airport in coordination with ADOT Aeronautics and the FAA for further growth and development. LESSOR shall use its best efforts to do so without interfering with or hindering LESSEE's operation. LESSEE shall not be required to bear any of the cost or expense of construction and maintenance of such improvements.

12.9 Future Construction. LESSEE agrees to comply with the notification and review requirements covered in Part 77 of the Federal Aviation Regulations in the event future construction of a building is planned for the leased premises, or in the event of any planned modification or alteration of any present or future building or structure situation on the leased premises.

12.10 Elevation Restriction. LESSEE, by accepting this Lease, expressly agrees for itself, its successors and assigns that it will not erect nor permit the erection of any structure or object, nor permit the growth of any tree on the land leased hereunder above the permitted mean sea level elevation. In the event the aforesaid covenant is breached, the LESSOR reserves the right to enter upon the land leased hereunder and to remove the offending structure or object and cut the offending tree, all of which shall be at the expense of the LESSEE.

12.11 Subordination to Federal Agreements. This Lease shall be subordinate to the provisions and requirements of any existing or future agreement between LESSOR and the United States or its agencies and departments relative to the development, operation or maintenance of the Airport.

12.12 No Exclusive Right. Nothing in this Lease shall be construed to grant or authorize the granting of an exclusive right within the meaning of Section 308(a) of the Federal Aviation Act of 1958 (49 U.S.C. § 1349), as amended.

12.13 Applicable to Subleases. LESSEE shall insert the relevant provisions of this Article 12 in any agreement or contract by which it grants a right or privilege to any person, firm, or corporation under a sublease.

12.14 Compliance with Aviation Regulations. LESSEE shall conduct its operations and activities on the Airport in compliance with all applicable regulations of the FAA and the Arizona Department of Aeronautics.

13 SUPERIOR RIGHTS.

13.1 Preemption by U.S. During time of war or national emergency, LESSOR may enter into agreements with the United States Government for use of part or all of the Airport. LESSOR will coordinate any such agreement which affects LESSEE's operation with LESSEE in advance to the extent feasible. If any such agreement is executed by LESSOR, the provisions of this Lease, insofar as they are inconsistent with the provisions of any agreement made by LESSOR with the United States Government shall be superceded, and LESSEE shall have no claim against LESSOR for any loss or damage sustained by LESSEE because of the making of such agreement by LESSOR.

13.2 Disclaimer. The parties shall not be required to repair, replace, rebuild or construct any building or portion of any building so long as the obligated party is prevented from so doing by action of the United States Government.

14 RESERVATION OF EASEMENT.

14.1 LESSOR's Reservation of Rights. LESSOR hereby reserves for the use and benefit of aircraft using the Airport a right of flight for the passage of aircraft in the airspace above the uppermost level of the construction on the Premises, together with the right to cause such noise as may be inherent in the operation of aircraft now known or hereafter used for navigation of or flight in the air using said airspace, or landing at, or taking off from, or operating on, the Airport.

14.2 No Obstruction. LESSEE shall not make use of the Premises in any manner which might interfere with the landing and taking off of aircraft from the Airport or otherwise constitute a hazard. If this provision is violated, LESSEE shall immediately remedy the situation upon reasonable notice by LESSOR. If LESSEE does not immediately remedy the hazard, LESSOR may at its option enter upon the Premises and abate the hazard at the expense of LESSEE. This paragraph shall not apply to improvements constructed with LESSOR's approval under Paragraph 7.2.

15 ASSIGNMENT.

15.1 LESSOR's Consent. LESSEE shall not assign, sell, transfer, mortgage or pledge this Lease or any interest in it without first obtaining written consent from LESSOR, which consent shall not be unreasonably withheld. LESSEE granting to a lender a security interest in the proceeds of a sublease or in buildings or other improvements constructed for a sublessee in order to finance the cost of such construction shall not constitute an assignment prohibited hereby. Any change in principal ownership or control of LESSEE, except if due to the death or disability of a shareholder or made for estate planning or testamentary purposes, shall be considered an assignment of rights under this Lease. Any assignment of this Lease by LESSEE shall be upon the following conditions.

15.1.1 Any assignment of this lease shall be in writing, signed by all Parties to this Lease, and signed by the assignee.

15.1.2 Any assignment of this Lease shall provide that the assignee assumes and agrees to perform all of the terms, covenants and agreements which LESSEE

has agreed to perform under this Lease. Provided LESSOR approves the assignee's financial and operative capabilities, LESSOR shall enter into a new agreement (novation) with LESSEE's assignee. LESSOR's approval for such novation shall not be unreasonably withheld or delayed. LESSOR shall thereafter rely solely on the assignee, and LESSEE shall have no further liability to LESSOR under this Lease except with respect to environmental indemnifications for releases which occurred prior to the assignment. Absent a novation, the assignee shall become jointly and severally liable with LESSEE or any successor in interest of LESSEE for the performance of the terms and covenants of this Lease.

15.2 Compliance with Requirements. Any assignment or transfer whatsoever or pledge or mortgage made contrary to the terms of this Article shall be void.

16 TERMINATION BY LESSOR.

16.1 Default by LESSEE. If LESSEE defaults in the payment of any sums due LESSOR under this Lease, defaults by the nonperformance of some other obligation set forth in this Lease, or if one of the events of default set forth in Paragraph 16.2 below takes place, LESSEE shall have thirty (30) days after written notice is served in accordance with Article XX to cure or remedy the default. If LESSEE fails to cure or remedy the default within thirty (30) days after such notice has been served, or, in the event such default cannot reasonably be remedied within such thirty (30) day period, to commence such remedy within such period and diligently pursue it thereafter, LESSOR may, at its option, and without prejudice to any other right or remedy, terminate this Lease and recover possession of the Premises by summary proceedings.

16.2 Additional Defaults. In addition to the events of default mentioned above, any of the following shall also constitute an event of default hereunder:

a. The making by LESSEE of any general assignment, or general arrangement for the benefit of creditors;

b. The filing by or against LESSEE of a petition to have LESSEE adjudged a bankrupt or a petition for reorganization or arrangement under any law relating to bankruptcy unless the same is dismissed within sixty (60) days;

c. The appointment of a trustee or receiver to take possession of substantially all of LESSEE's assets located at the Premises, or of LESSEE's interest in this Lease, where possession is not restored to LESSEE within thirty (30) days; or

d. The attachment, execution, or other judicial seizure of substantially all of LESSEE's assets located at the Premises, or of LESSEE's interest in this Lease, where such seizure is not discharged within thirty (30) days.

16.3 No Waiver. No waiver by LESSOR of a default in any of the terms, covenants or conditions of this Lease shall be construed to be or act as a waiver of any subsequent default.

16.4 Remedies Cumulative. All remedies granted to LESSOR under this Article are cumulative and are in addition to any other rights LESSOR may have as a matter of law.

17 TERMINATION BY LESSEE.

17.1 Causes. Without prejudice to any of its other remedies under law, or this Lease, LESSEE may terminate this Agreement upon thirty (30) days written notice given in accordance with ARTICLE XX, upon or after the happening of or during the continuation of any of the following events:

a. The inability of LESSEE or its sublessees to use, for a period of ninety (90) days, any material portion of the Premises or improvements thereon, because of any law, rule, regulation or other action or failure to act on the part of any governmental authority having jurisdiction thereof.

b. The material default by LESSOR under this Lease and the failure of LESSOR to remedy such default for a period of thirty (30) days after receipt of written request or demand from LESSEE to remedy the same, or; in the event such default is incapable of being remedied within such thirty (30) day period, to commence such remedy within such period and diligently pursue it thereafter.

c. The assumption by the United States Government or any authorized agency thereof of the operation or control of Airport or any part of it in a way that substantially restricts LESSEE for a period of thirty days from conducting its operations on the Premises.

d. Discovery of a defect or condition in the Premises, including but not limited to the presence of hazardous waste or other soil problems, which could be reasonably expected to have a material adverse effect on LESSEE's ability to use the Premises for the purposes contemplated by this Lease.

17.2 Expiration of Cause. If the basis for termination by LESSEE ceases to exist prior to a termination, the right to terminate on such basis shall cease.

17.3 Non-Waiver. No waiver by LESSEE of a default in any of the terms, covenants or conditions of this Lease shall be construed to be or act as a waiver of any subsequent default.

17.4 Remedies Cumulative. All remedies granted to LESSEE under this article are cumulative and are in addition to any other rights LESSEE may have as a matter of law.

18 SURRENDER OF POSSESSION; CONDITION OF PREMISES.

18.1 Surrender. Upon the expiration or earlier termination of this Lease, LESSEE shall immediately surrender the Premises to LESSOR.

18.2 Condition. The Premises shall be returned to LESSOR in the same condition as maintained by LESSEE during its operation prior to surrender.

18.3 Removal of Personal Property. All buildings, structures and improvements shall be delivered to LESSOR in good condition, ordinary wear and tear excepted. Not later than thirty (30) days after the expiration or termination of this Lease, LESSEE shall remove any and all signs, trade fixtures, machinery and equipment from the Premises. LESSEE shall repair any damage caused by such removal. Upon failure of LESSEE to remove such personal property within the thirty-day period, LESSOR may at its option cause the personal property to be removed and charge LESSEE the actual costs of such removal or take title to the personal property.

18.4 Transfer to LESSOR. All permanent buildings, structures and improvements constructed, installed, erected or placed on the Premises by LESSEE or its sublessees to which LESSOR does not already have title shall automatically become the property of the LESSOR upon the expiration or earlier termination of this Lease without further action on the part of either party, without cost or charge to LESSOR, and without further conveyance or transfer to LESSOR; provided, however, that LESSEE shall, if requested by LESSOR, execute any instruments or documents reasonably required by LESSOR to evidence the vesting of title to such improvements and property.

19 AIRPORT TRANSFER.

19.1 Transfer of Lease to Marana. The undersigned parties enter into this Lease solely on the condition that the Airport will be transferred from Pima County to the Town of Marana. This Lease shall be null and void in the event each and every one of the following conditions is not fulfilled within ninety (90) days after the execution of this Lease:

a. The Town of Marana shall obtain legal title to those portions of the Airport presently owned by Pima County.

b. The rights and obligations of the LESSOR under this Lease shall be transferred to the Town of Marana and both the LESSEE and the Town of Marana shall release Pima County from any obligation hereunder; and

c. The Town of Marana shall obtain FAA approval to assume sponsorship of the Airport and shall actually assume such sponsorship in substitution for Pima County.

19.1.1 The ninety (90) day time period may be extended by mutual agreement of LESSEE, Pima County and the Town of Marana for good cause.

19.2 Subsequent Transfer to Pima County. In the event that the Town of Marana transfers or returns the Airport to Pima County during the term of this Lease, the Lease shall be effective as to developed parcels only. Undeveloped portions of the Premises shall be deleted from the Premises and the provisions of Section 1.2 shall not apply. As used herein, the term "developed" shall mean leased to a sublessee. Any and all subleases entered into between LESSEE and sublessees prior to Pima County resuming ownership of the Airport shall remain in effect for the term of this Lease, provided, however, that notwithstanding such transfer of ownership, the Town of

Marana and Lessee shall remain financially responsible for the fulfillment of, and shall hold Pima County harmless from, any "Extraordinary Obligation" imposed on either of such parties under a pre-existing sublease. As used herein, the term "Extraordinary Obligation" means the obligation to expend monies for the exclusive benefit of a sublessee for a purpose which is not eligible for funding under either the State of Arizona airport grant program or the federal AIP grant program.

20 **GENERAL PROVISIONS.**

20.1 Cumulative. Unless specifically indicated otherwise, no remedy, right, option or election set forth in any provisions of this Lease shall be deemed exclusive; rather, each shall be cumulative with other remedies in law or equity. This Lease shall be deemed both a contract between the Parties and a declaration of conditions, covenants and restrictions running with the land for the duration of the Lease term or any extensions of it.

20.2 Non-Waiver. No circumstance in which LESSOR or LESSEE expressly or impliedly consents to, suffers, or permits the doing by the other of any act or omission under this Lease shall be construed to be or shall be a waiver of any provision or condition of this Lease or shall be construed to condone any future breaches, unless the provision or condition in question is expressly waived in writing by the waiving party.

20.3 Time of Essence. Time is of the essence in the performance of all terms and conditions of this Lease.

20.4 Entire Agreement. This instrument contains the entire agreement between the parties, and no statement, promise, or inducements made by either party or agent of either party that is not contained in this instrument shall be valid or binding.

20.5 Modification. This Lease may not be enlarged, modified or altered except in writing by the parties.

20.6 Abandonment. If the Premises are abandoned, deserted or vacated by LESSEE for thirty (30) days or more, and remain so for an additional thirty (30) days after LESSOR gives LESSEE notice thereof, LESSOR may, at its option, terminate this Lease and reenter and repossess the Premises without liability to LESSEE.

20.7 Successors and Assigns Bound. All the terms, covenants and conditions of this Lease shall inure to and bind the successors and assigns of the parties to this Lease.

20.8 Article Headings. The article headings in this Lease are for convenience and reference only and are not intended to define or limit the scope of any provision of this Lease.

20.9 Severability. If any term or condition of this Lease is invalid or unenforceable, all other terms and conditions shall remain in full force and effect.

20.10 Applicable Law. This Lease shall be governed by the laws of the State of Arizona, and any actions to enforce or interpret the terms and provisions of this Lease shall be brought and maintained in Pima County, Arizona.

20.11 Authority. Each of the respective undersigned signatories for LESSEE and LESSOR warrant that they have authority to enter into this Lease for and on behalf of the party for whom they are signing and to legally bind such party.

20.12 Recording and Effective Date. Upon execution by all parties, this Lease shall be recorded in the office of the Pima County Recorder, and the Lease shall be effective on the date recorded.

20.13 Approvals. Whenever this Lease requires the approval or consent of a party, such approval or consent shall not be unreasonably withheld or delayed.

21 **NOTICES.**

21.1 Addresses. All notices under this Lease shall be in writing, and shall be deemed sufficiently served if hand delivered or sent by certified mail, postage prepaid, to the recipient at the following address:

If to LESSOR:

Airport Manager
TOWN OF MARANA
13251 N. Lon Adams Road
Marana, Arizona 85653

Town Manager
TOWN OF MARANA
13251 N. Lon Adams Road
Marana, Arizona 85653

and with a copy to:

Daniel J. Hochuli
Daniel J. Hochuli & Associates, P.C.
Town Attorney
220 E. Wetmore Road, Suite 110
Tucson, AZ 85705

If to LESSEE:

PIMA AVIATION, INC., c/o Gary Abrams
Avra Valley Airport
Leased Premises Office
11700 W. Avra Valley Road, #86
Marana, Arizona 85653

and with copies to:

PIMA AVIATION, INC.
P.O. Box 5367
Tucson, Arizona 85703

MARK B. RAVEN, Esq.
Law Offices of Raven & Kirschner, P.C.
1600 Norwest Tower
One South Church Avenue
Tucson, Arizona 85701-1612

21.2 Service. Service of any notice or demand by hand delivery shall be deemed complete upon the date of delivery. Service of any notice or demand by certified mail shall be deemed complete upon receipt.

21.3 Change of Address. Either party may change its address to such other addresses as such party may designate to the other in writing from time to time.

IN WITNESS WHEREOF, the Parties have affixed their signatures below.

LESSOR:
PIMA COUNTY

By: Sharon Bronson
Sharon Bronson, Chairman

ATTEST:

Lori Godoshian
Board Clerk

APPROVED AS TO FORM:

Assistant County Attorney

LESSEE:
PIMA AVIATION, INC., an Arizona corporation,

By: _____
Gary Abrams, President

STATE OF ARIZONA)
) ss.
County of Pima)

The foregoing instrument was acknowledged before me this 28th day of June, 1999 by Gary Abrams, as President of Pima Aviation, Inc.

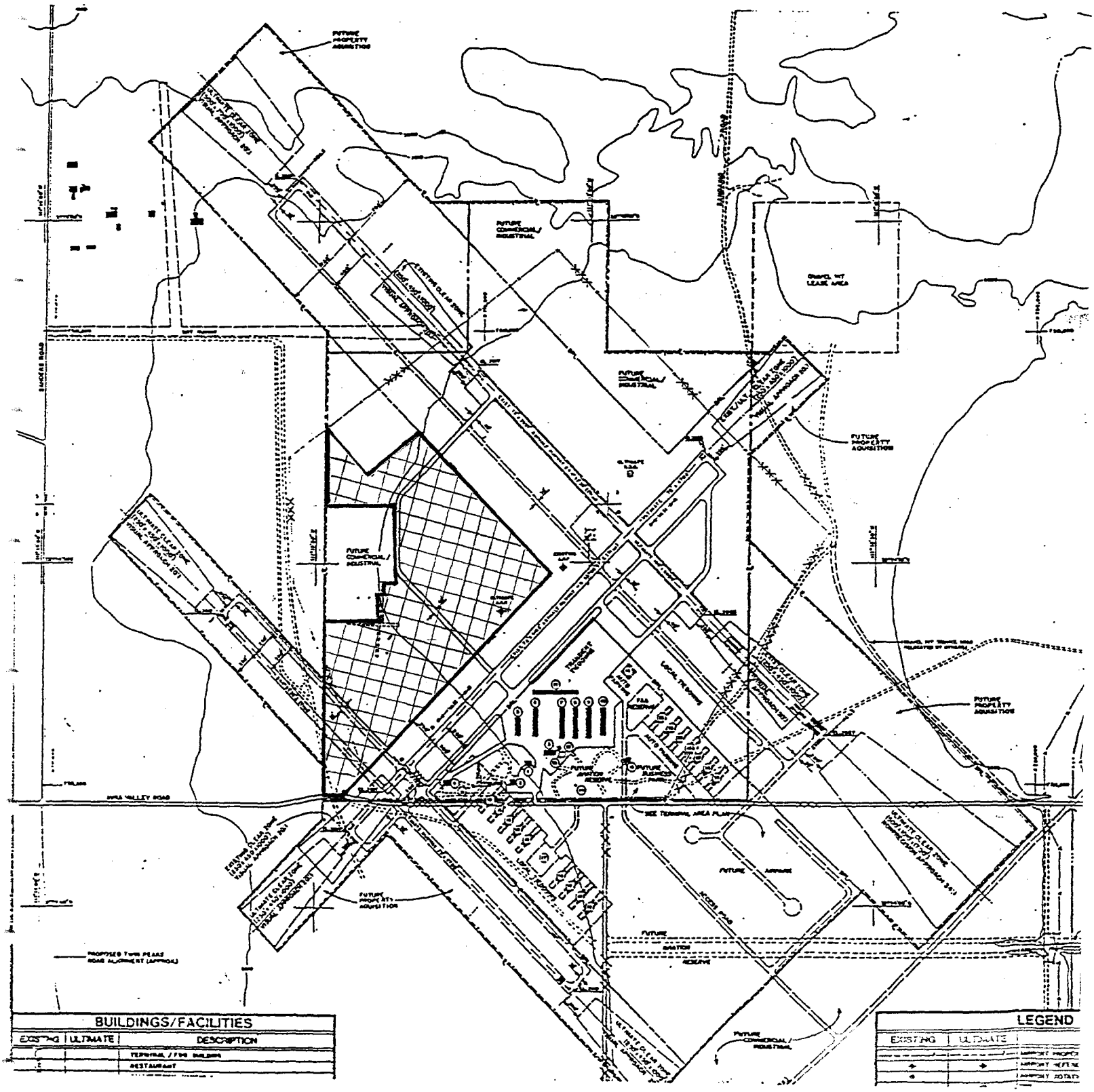
_____
Notary Public

My Commission Expires:

ANNE C. GRAHAM-BERGIN
Notary Public-Arizona
Pima County
My Commission Expires
Nov. 30, 1999

ANNE C. GRAHAM-BERGIN
Notary Public-Arizona
Pima County
My Commission Expires
Nov. 30, 1999

EXHIBIT A



73 ACRE LEASE

EXHIBIT B

AVRA VALLEY AIRPORT REVENUE SCHEDULE

73 ACRE PARCEL

YEAR	ACREAGE	RATE/ACRE	REVENUES TO LESSOR	TOTAL ANNUAL PMT **
1	73	$ 250.00	$ 18,250.00	$ 18,250.00
2	73	$ 250.00	$ 18,250.00	$ 18,250.00
3	73	$ 500.00	$ 36,500.00	$ 36,500.00
4	73	$ 500.00	$ 36,500.00	$ 36,500.00
5	73	$ 750.00	$ 54,750.00	$ 54,750.00
6	73	$ 750.00	$ 54,750.00	$ 54,750.00
7	73	$ 1,000.00	$ 73,000.00	$ 73,000.00
8	73	$ 1,000.00	$ 73,000.00	$ 73,000.00
9	73	$ 1,000.00	$ 73,000.00	$ 73,000.00
10	73	$ 1,000.00	$ 73,000.00	$ 73,000.00
11	73	$ 1,000.00	$ 73,000.00	$ 73,000.00
12	73	$ 1,000.00	$ 73,000.00	$ 73,000.00
13	73	$ 1,000.00	$ 73,000.00	$ 73,000.00
14	73	$ 1,000.00	$ 73,000.00	$ 73,000.00
15	73	$ 1,000.00	$ 73,000.00	$ 73,000.00
16	73	$ 1,500.00	$ 109,500.00	$ 109,500.00
17	73	$ 1,500.00	$ 109,500.00	$ 109,500.00
18	73	$ 1,500.00	$ 109,500.00	$ 109,500.00
19	73	$ 1,500.00	$ 109,500.00	$ 109,500.00
20	73	$ 1,500.00	$ 109,500.00	$ 109,500.00
21	73	$ 1,500.00	$ 109,500.00	$ 109,500.00
22	73	$ 1,500.00	$ 109,500.00	$ 109,500.00
23	73	$ 1,500.00	$ 109,500.00	$ 109,500.00
24	73	$ 1,500.00	$ 109,500.00	$ 109,500.00
25	73	$ 1,500.00	$ 109,500.00	$ 109,500.00

** PLUS 5% ON REVENUES RESULTING FROM SUBLEASED ACREAGE

F. ANN RODRIGUEZ, RECORDER
RECORDED BY: D_K
DEPUTY RECORDER
7864 ROOC

SMARA
TOWN OF MARANA
ATTN: TOWN CLERK
13251 N LON ADAMS RD
MARANA AZ 85653

DOCKET: 11705
PAGE: 5244
NO. OF PAGES: 10
SEQUENCE: 20012501214
12/28/2001
ALEASE 17:01

MAIL

AMOUNT PAID $ 10.50

FIRST AMENDMENT TO 73-ACRE LEASE

This First Amendment to 73-Acre Lease ("Agreement") is entered into by and between the Town of Marana a political subdivision of the State of Arizona ("LESSOR"), and Pima Aviation, Inc., an Arizona Corporation ("LESSEE").

RECITALS

WHEREAS, LESSOR and LESSEE are parties to that certain Lease dated June 15, 1999, regarding a portion of the property located at the Marana Northwest Regional Airport (the "Airport"), titled the Master Development Lease Agreement and commonly known as the 73-Acre Lease (the "73-Acre Lease").

WHEREAS, LESSEE purchased the Airport from Pima County, and as part of that purchase became the successor to Pima County.

WHEREAS, it has been determined that the legal description attached to the 73-Acre Lease as Exhibit "A" thereto is erroneous, resulting in a portion of the airport infrastructure, to wit taxiway C, being included in the Leased Premises.

WHEREAS, the parties further desire to decrease the size of the Leased Premises in order to offset other premises leased to Lessee.

WHEREAS, the parties desire to amend the 73-Acre Lease for the sole purpose of amending the legal description setting forth the Leased Premises.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual provisions herein contained, the receipt and sufficiency of which is acknowledged by the parties, the parties hereto agree as hereinafter set forth.

1. Survey of Leased Premises.

LESSOR and LESSEE mutually agree that, under the direction and at LESSOR's expense, a firm having sufficient capability and knowledge, shall be retained to perform the duties of surveying the Leased Premises, thereby establishing new and corrected parcel boundaries for the Leased Premises under the 73-Acre Lease. The new survey of the Leased Premises shall describe the premises set forth on the map attached hereto as Exhibit "A." Upon completion of the new legal description of the Leased Premises, said revised legal description shall be accepted and signed by both parties, and thereafter shall be affixed hereto as Exhibit "B" to this Agreement.

20012501214 5244

2. **Recording of Lease and First Amendment.**
Upon completion, acceptance, and attachment of the legal description as Exhibit "B" to this Agreement, the 73-Acre Lease and this Agreement shall be recorded in the offices of the Pima County Recorder at the expense of the LESSOR.

3. **Changes in Acreage of Leased Premises.**
LESSOR and LESSEE further agree that any changes in actual amount of acreage shall be used to compute the sums due and owing to LESSOR by LESSEE pursuant to the 73-Acre Lease, and that said sums shall be computed, using the adjusted acreage, from the first day following the previous payment period in which payment has been remitted, and for every payment period thereafter for the term of this Lease.

4. **Remaining Provisions of 73-Acre Lease.**
Except as specifically modified herein, all other terms, covenants and conditions of the 73-Acre Lease will continue in full force and effect. In the event of any conflict between the provisions of the 73-Acre Lease and this Amendment, the provisions of this Amendment shall control.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed under seal 4th day of September, 2001.

TOWN OF MARANA
LESSOR

Mayor Bobby Sutton

TOWN OF MARANA CORPORATE SEAL ARIZ. 1977

ATTEST:

Jocelyn Bntz, Town Clerk

APPROVED AS TO FORM:

Daniel J. Hochuli
As Town Attorney and not personally

11705 5245

PIMA AVIATION, INC.
LESSEE

Gary Abrams
President, Pima Aviation, Inc.

Notary Public State of Arizona
Pima County
Robin Crowe
Expires July 26, 2006

State of Arizona)
) ss
County of Pima)

The foregoing instrument was acknowledged before me this 4th day of ~~August,~~ September 2001, by Gary Abrams, the President of Pima Aviation, Inc.,

NOTARY PUBLIC

11705 5246

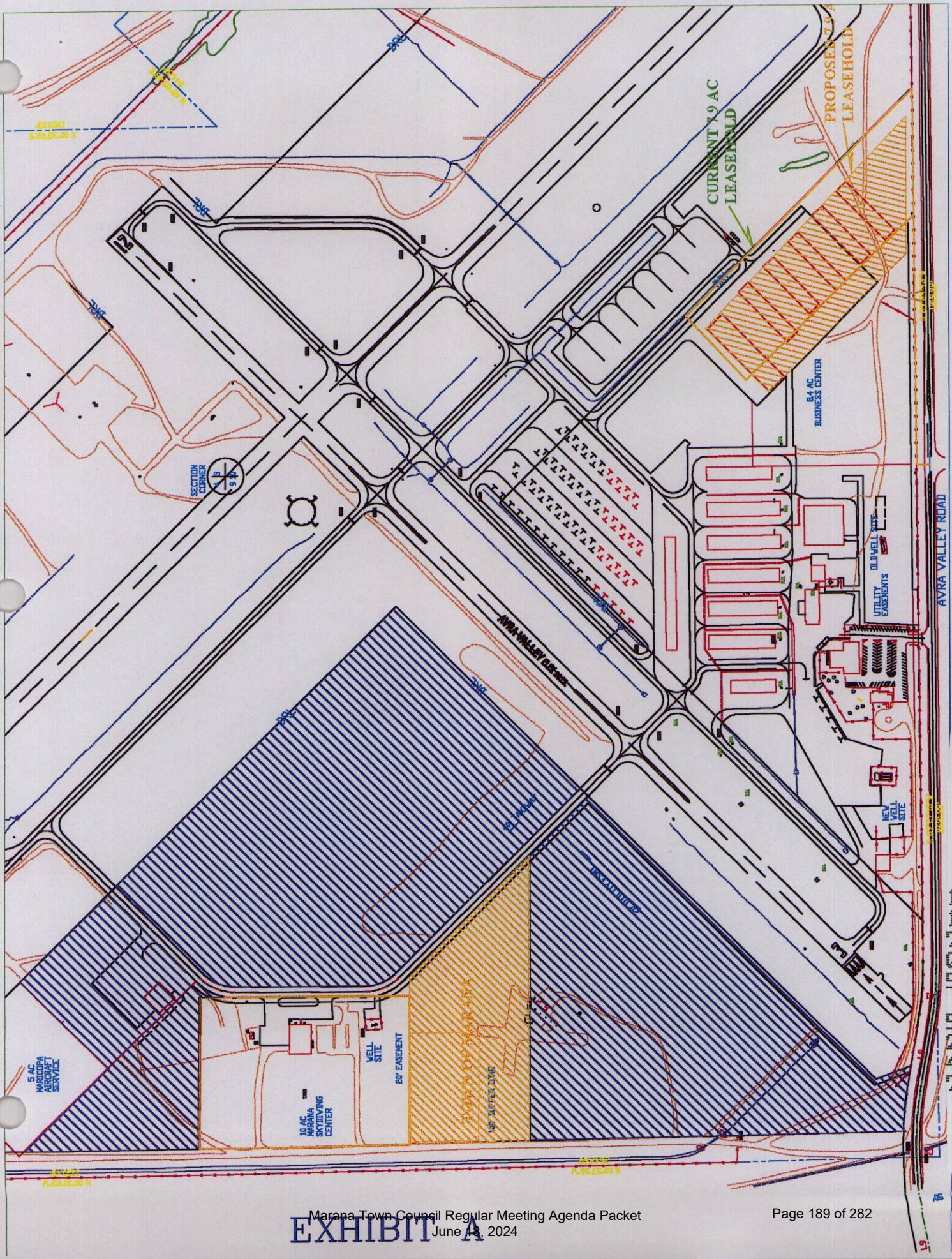

CURRENT 7.9 AC LEASEHOLD
PROPOSED 17.9 AC LEASEHOLD
84 AC BUSINESS CENTER
AVRA VALLEY ROAD
OLD WELL SITE
UTILITY EASEMENTS
NEW WELL SITE
AVRA VALLEY ROAD
TRANSMISSION LINE
TOWN OF MARANA
100' SAFETY ZONE
WELL SITE
20' EASEMENT
10 AC MARANA SKYDIVING CENTER
5 AC MARICOPA AIRCRAFT SERVICE
SECTION CORNER
EXHIBIT A

EXHIBIT B

PARCELS ONE, TWO AND THREE

WESTERN DEVELOPMENT AREA DESCRIPTION

PARCELS ONE, TWO AND THREE
(WESTERN DEVELOPMENT AREA DESCRIPTION)

Prepared by
CARLSON-PUTT SURVEYORS, INC.
2251 N. Indian Ruins Road, Suite A
Tucson, Arizona 85715
Job No. 178-98A
Page 1 of 3 Pages
November 27, 2001

PARCEL ONE

That portion of the Southeast Quarter of Section 4 and the Northeast Quarter of Section 9, Township 12 South, Range 11 East, Gila & Salt River Meridian, Pima County, Arizona more particularly described as follows:

COMMENCING at the Center Quarter corner of said Section 9; **THENCE** along the center of section line of said Section 9, North 89°27'13" East, 120.00 feet; **THENCE** North 00°57'18" West, along a line being 120.00 feet East of and parallel with the West line of said Northeast Quarter of Section 9, a distance of 2642.70 feet to the North line of said Section 9; **THENCE** North 00°31'12" West, along a line being 120.00 feet East of and parallel with the West line of said Southeast Quarter of Section 4, a distance of 122.56 feet to the **POINT OF BEGINNING**;

THENCE continuing North 00°31'12" West, along said parallel line, 641.93;

THENCE South 44°53'38" East, 416.24 feet;

THENCE North 45°17'30" East, 466.80 feet;

THENCE South 44°53'52" East, 466.78 feet;

THENCE South 45°19'45" West, 469.78 feet to the beginning of a tangent curve to the left having a radius of 205.00 feet;

THENCE 160.98 along the arc of said curve to the left, through a central angle of 44°59'30" (the chord of which bears South 22°50'00" West a distance of 156.87 feet) to a point of cusp;

THENCE North 00°20'15" East, 126.81 feet;

THENCE North 89°39'45" West, 554.97 feet to the **POINT OF BEGINNING**.

Said Parcel One contains an approximate area of 423,776 square feet or 9.73 acres, more or less.

Jul 7 05 5:24p

PARCEL TWO

That portion of the Southeast Quarter of Section 4 and the Northeast Quarter of Section 9, Township 12 South, Range 11 East, Gila & Salt River Meridian, Pima County, Arizona more particularly described as follows:

COMMENCING at the Center Quarter corner of said Section 9; **THENCE** along the center of section line of said Section 9, North 89°27'13" East, 120.00 feet; **THENCE** North 00°57'18" West, along a line being 120.00 feet East of and parallel with the West line of said Northeast Quarter of Section 9, a distance of 2642.70 feet to the North line of said Section 9; **THENCE** North 00°31'12" West, along a line being 120.00 feet East of and parallel with the West line of said Southeast Quarter of Section 4, a distance of 430.12 feet; **THENCE** North 89°28'48" East, 980.24 feet to the **POINT OF BEGINNING**;

THENCE South 44°53'52" East, 1482.54 feet;

THENCE South 45°05'45" West, 978.67 feet;

THENCE North 44°52'15" West, 979.77 feet to the beginning of a tangent curve to the right having a radius of 165.00 feet;

THENCE 130.19 feet along said curve to the right, through a central angle of 45°12'30" (the chord of which bears North 22°16'00" West a distance of 126.84 feet) to a point of tangency;

THENCE North 00°20'15" East, 482.56 feet to the beginning of tangent curve to the right having a radius of 165.00 feet;

THENCE 129.57 feet along the arc of said curve to the right, through a central angle of 44°59'30" (the chord of which bears North 22°50'00" East a distance of 126.26 feet) to a point of tangency;

THENCE, North 45°19'45" East, 469.94 feet to the **POINT OF BEGINNING**.

Said Parcel Two contains an approximate area of 1,354,855 square feet or 31.10 acres, more or less.

20170150

PARCEL THREE

That portion of the Northeast Quarter of Section 9, Township 12 South, Range 11 East, Gila & Salt River Meridian, Pima County, Arizona more particularly described as follows:

COMMENCING at the Center Quarter corner of said Section 9; **THENCE** along the center of section line of said Section 9, North 89°27'13" East, 120.00 feet; **THENCE** North 00°57'18" West, along a line being 120.00 feet East of and parallel with the West line of said Northeast Quarter of Section 9, a distance of 132.36 feet to the **POINT OF BEGINNING**;

THENCE continuing North 00°57'18" West, along said parallel line, 1428.91 feet;

THENCE South 89°39'45" East, 1041.44 feet;

THENCE South 44°52'15" East, 342.70 feet;

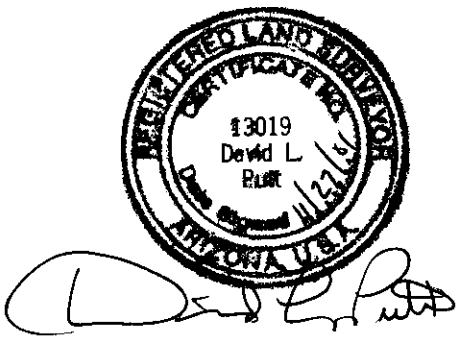
THENCE South 45°05'45" West, 1526.15 feet;

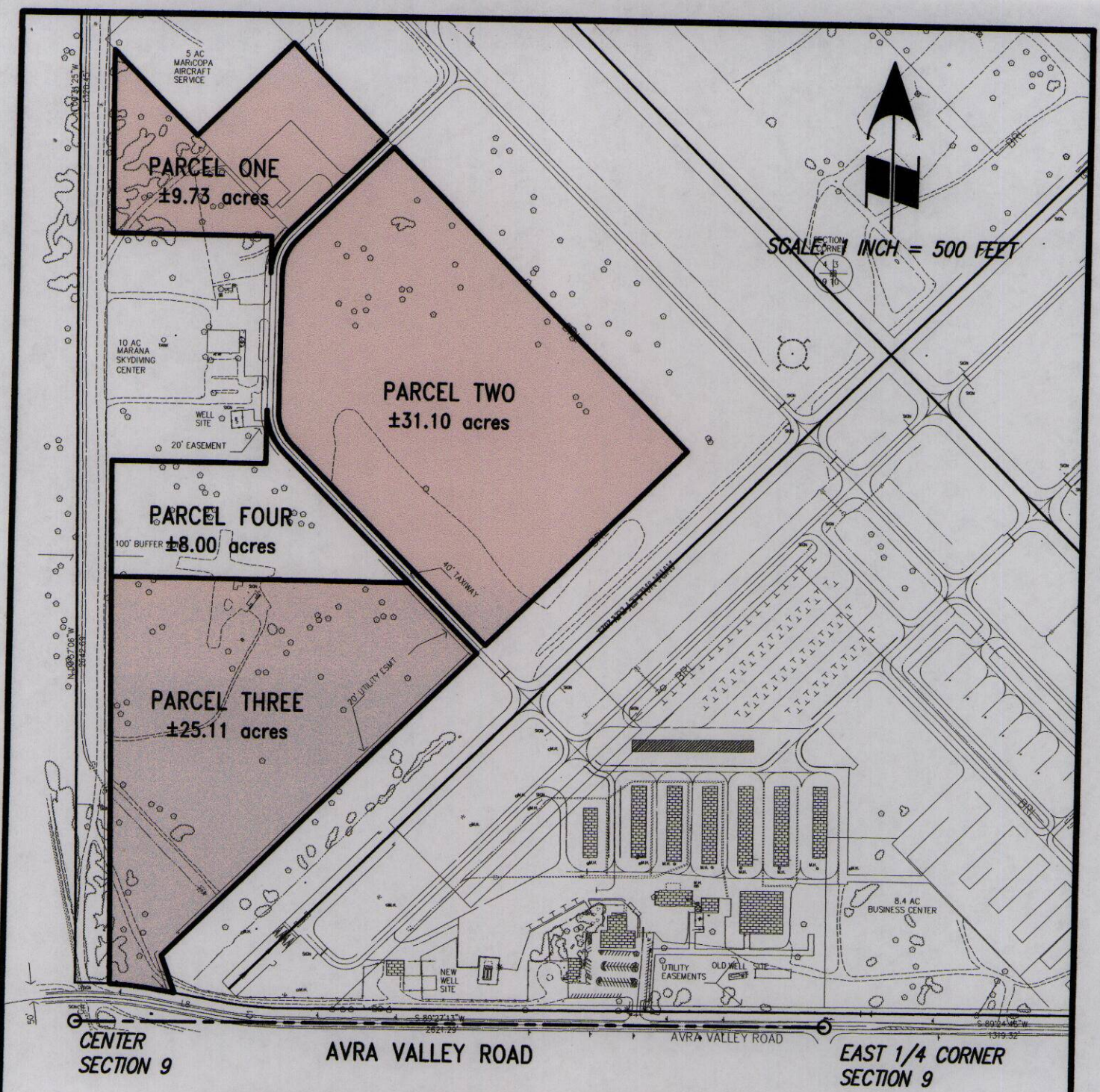
THENCE South 20°25'55" East, 139.68 feet to the North right-of-way line of Avra Valley Road;

THENCE North 79°59'49" West, along said North right-of-way line 45.48 feet to the beginning a tangent curve to the left having a radius of 1482.40 feet;

THENCE 183.69 feet along the arc of said curve to the left, continuing along said North right-of-way line, through a central angle of 7°05'59" (the chord of which bears North 83°32'49" West a distance of 183.58 feet) to the **POINT OF BEGINNING**.

Said Parcel Three contains an approximate area of 1,093,790 square feet or 25.11 acres, more or less.





MARANA NORTHWEST REGIONAL AIRPORT
WESTERN DEVELOPMENT AREA
TOTAL AREA ±65.94 ACRES
(P-1 ±9.73 acres, P-2 ±31.10 acres, P-3 ±25.11 acres)

DRAWN	PMC
DATE	NOVEMBER 26, 2001
JOB No.	178-98
SHT. 1	OF 1

CARLSON-PUTT SURVEYORS
2251 N. INDIAN RUINS RD., SUITE A, TUCSON, AZ 85715
TELEPHONE: (520) 298-3878 FAX: (520)722-1122

21525 5697 1 1

APPROVAL OF LEGAL DESCRIPTION BASED UPON SURVEY PREPARED BY CARLSON-PUTT SURVEYORS, INC. DATED NOVEMBER 27, 2001

TOWN OF MARANA
LESSOR

Mike Hein
Town Manager

PIMA AVIATION, INC.
an Arizona corporation
LESSEE

Gary Abrams
President

F. ANN RODRIGUEZ, RECORDER
Recorded By: VJG
DEPUTY RECORDER
4967

SMARA
TOWN OF MARANA
PICKUP

SEQUENCE: 20181630107
NO. PAGES: 48
06/12/2018
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SECOND AMENDMENT TO MASTER DEVELOPMENT LEASE AGREEMENT

THIS SECOND AMENDMENT TO MASTER DEVELOPMENT LEASE AGREEMENT (this "Second Amendment") is entered into by and between the TOWN OF MARANA, an Arizona municipal corporation, successor in interest to Pima County, ("Lessor") and PIMA AVIATION, INC., an Arizona corporation ("Lessee"). Lessor and Lessee are collectively referred to in this Second Amendment as the "Parties," and each is sometimes individually referred to as a "Party."

RECITALS

A. Lessor and Lessee are parties to that certain lease agreement entitled "Master Development Lease Agreement" (also known as the "73-Acre Lease") with a Commencement Date of June 1, 1999, (the "Lease") by which Lessor leases to Lessee a certain portion of real property located at the Marana Regional Airport (formerly the Avra Valley Airport), 11700 West Avra Valley Road, Town of Marana, County of Pima, State of Arizona (the "Premises").

B. Paragraph 20.12 of the Lease provided that upon execution by all Parties, the Lease was to be recorded in the office of the Recorder of Pima County, Arizona, and that the Lease would be effective as of the date of recordation. It appears that the Lease was not recorded.

C. On September 4, 2001, the Parties entered into the "First Amendment to 73-Acre Lease" recorded in the office of the Recorder of Pima County, Arizona, on December 28, 2001, at Docket 11705, Page 5244 (Sequence 20012501214) (the "First Amendment") by which the Parties amended the Lease to revise the legal descriptions of the Premises.

D. Paragraph 2 of the First Amendment provided that upon completion and acceptance of the revised legal descriptions of the Premises, the Lease and the First Amendment were to be recorded in the office of the Recorder of Pima County, Arizona. The First Amendment was recorded as noted in recital C above; however, it appears that the Lease was again not recorded.

E. The Premises are more particularly described in Exhibit B attached to the First Amendment and incorporated by reference within the Lease.

F. Paragraph 20.5 of the Lease provides that the Lease may not be enlarged, modified or altered except in writing by the Parties.

G. The Parties desire to amend the Lease as set forth herein.

AGREEMENT

NOW, THEREFORE, in consideration of the recitals set forth above and the mutual covenants, conditions and agreements set forth in the Lease, the First Amendment, and this Second Amendment, the Parties agree as follows:

1. Description of Premises. Article 1 ("Description of Premises") of the Lease, as previously amended, is hereby amended to revise the description of the Premises that are the subject of the Lease as follows:

a. The parcel of land identified in Exhibit B to the First Amendment as "Parcel Three," consisting of approximately 25.11 acres, is hereby defined and described as set forth in the revised legal description and map attached to this Second Amendment as Exhibit 1, and incorporated by this reference within the Lease. The revised legal description and map attached as Exhibit 1 to this Second Amendment hereby replaces and supersedes the legal description and map attached as Exhibit B to the First Amendment with regard to "Parcel Three" only.

b. The parcel of land identified in Exhibit B to the First Amendment as "Parcel Two," is hereby defined and described as set forth in the revised legal description and map attached to this Second Amendment as Exhibit 2, and incorporated by this reference within the Lease. The revised legal description and map of Parcel Two reduce Parcel Two from approximately 31.10 acres to approximately 26.10 acres. The revised legal description and map attached as Exhibit 2 to this Second Amendment hereby replaces and supersedes the legal description and map attached as Exhibit B to the First Amendment with regard to "Parcel Two" only.

2. Rules and Regulations. Article 12 ("Rules and Regulations") of the Lease, as previously amended, is hereby deleted in its entirety and replaced with the following:

12.1 Lessee shall at all times comply with all federal, state or local government agreements, laws, ordinances, rules, regulations, and grant assurances applicable to the Airport, and with the orders of any and all governmental authorities and agencies concerning the Airport or the Premises or the use thereof, including, without limitation, order of the United States Department of Transportation ("DOT"), FAA, the United States Department of Homeland Security ("DHS") and the United States Environmental Protection Agency ("EPA") (collectively "Laws, Rules and Regulations") which are applicable to its operations, the Premises (including the Americans with Disabilities Act), or the operation, management, maintenance or administration of the Airport, including all Laws, Rules and Regulations adopted after the Effective Date of this Lease. Lessee shall display to Lessor, upon request, any permits, licenses, or other evidence of compliance with such laws. All rules and regulations and minimum operating standards for the Airport, as currently existing or as may be amended or adopted, are hereby incorporated in this Lease.

12.2 Lessee for itself, its heirs, personal representatives, successors in interest and assigns, as part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that, in the event facilities are constructed, maintained or otherwise operated on the Premises for a purpose for which a DOT program or activity is extended or for another purpose involving the provision of similar services or benefits, to maintain and operate such facilities and services in compliance with all other requirements imposed pursuant to Title 49, Code of Federal Regulations ("CFR"), DOT, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally-Assisted Programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and any amendments thereto.

12.3. Lessee for itself, its heirs, personal representatives, successors in interest and assigns, as part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that: (1) no person on the grounds of race, color, or national

origin shall be excluded from participation in, denied the benefits of or be otherwise subjected to discrimination in the use of the Premises; (2) in the construction of any improvements on, over or under the Premises and the furnishing of services thereon, no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of or otherwise be subject to discrimination; and (3) Lessee shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, CFR, DOT, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally-Assisted Programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and any amendments thereto.

12.4. In the event of breach of any of the above nondiscrimination covenants (paragraphs 12.2 and 12.3), Lessor may terminate this Lease and reenter and repossess the Premises and hold the Premises as if this Lease had never been made or issued. This provision does not become effective until the procedures of 49 CFR Part 21 are followed and completed including expiration of appeal rights.

12.5. Lessee shall furnish its accommodations and/or services on a fair, equal and not unjustly discriminatory basis to all users thereof and it shall charge fair, reasonable and not unjustly discriminatory prices for each unit or device; provided, that Lessee may be allowed to make reasonable and nondiscriminatory discounts, rebates or other similar types of price reductions to volume purchasers.

12.6. Noncompliance with paragraph 12.5 above constitutes a material breach of this Lease and in the event of noncompliance, Lessor may terminate this Lease without liability, or, at the election of Lessor or the United States, either may judicially enforce paragraph 12.5.

12.7. Lessee shall insert the provisions set forth in paragraphs 12.2 through 12.6 above, and any others required that may be required by the FAA or other governmental entity, in any sublease or other document by which Lessee grants a right or privilege to any person, firm or corporation to render accommodations and/or services to the public on the Premises.

12.8. Lessee shall undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. Lessee agrees that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this paragraph. Lessee shall require its covered suborganizations to provide assurances to Lessee that they similarly will undertake affirmative action programs and that they will require assurances from their suborganizations, as required by 14 CFR 152, Subpart E. to the same effect.

12.9. Lessor reserves the right to further develop, improve, or otherwise change the Airport as it sees fit, regardless of the desires or view of Lessee, and Lessee shall not interfere with, or hinder, Lessor in this regard. Lessor shall use its best efforts to do so without interfering with or hindering Lessee's operation. Lessee shall not be required to bear any of the cost or expense of construction and maintenance of such improvements.

12.10. Lessor reserves the right, but shall not be obligated to Lessee, to maintain and keep in repair the landing area of the Airport and all publicly-owned facilities of the Airport, together with the right to direct and control all activities of Lessee in this regard.

12.11. This Lease shall be subordinate to the provisions and requirements of any existing or future agreement between Lessor and the United States relative to the development, operation or maintenance of the Airport. Lessee shall do nothing in its performance of its obligations under the Lease that would cause any noncompliance with such obligations of the sponsor. The Parties agree that, to the extent any provisions of the Lease are in noncompliance with such obligations, the Parties shall take any necessary corrective action in order to bring the Lease into compliance with such obligations.

12.12. Lessee shall comply with the notification and review requirements covered in Federal Aviation Regulations ("FAR") Part 77 in the event future construction of a building is planned for the Premises, or in the event of any planned modification or alteration of any present or future building or structure situated on the Premises.

12.13. Lessee shall not erect nor permit the erection of any structure or object, nor permit the growth of any tree on the Premises that exceeds the mean sea level elevations contained in FAR Part 77 or amendments thereto, or interferes with the runway and/or taxiway "line of sight" of the control tower. If these covenants are breached, Lessor reserves the right to enter upon the Premises and to remove the offending structure or object and cut the offending tree, all of which shall be at the expense of Lessee.

12.14. Lessee specifically understands and agrees that nothing contained in the Lease shall be construed as granting or authorizing the granting of an exclusive right within the meaning of 49 U.S.C. § 40103(e) and § 47107(a)(4).

3. Reservation of Easement. Article 14 ("Reservation of Easement") of the Lease, as previously amended, is hereby deleted in its entirety and replaced with the following:

14.1 There is hereby reserved to Lessor, for the use and benefit of the public, a right of flight for the passage of aircraft in the airspace above the surface of the Premises. This public right of flight shall include the right to cause in said airspace any noise inherent in the operation of any aircraft used for navigation or flight through said airspace or landing at, taking off from or operation on the Airport.

14.2 Lessee shall not make use of the Premises in any manner which might interfere with the landing and taking off of aircraft from the Airport or otherwise constitute a hazard. If this covenant is breached, Lessor reserves the right to enter upon the Premises and cause the abatement of such interference at the expense of Lessee.

4. General Provisions. Article 20 ("General Provisions") of the Lease is hereby amended to delete paragraph 20.12 entitled "Recording and Effective Date." The effective date of the Lease for all purposes shall be the same as the Commencement Date of June 1, 1999, as set forth in paragraph 2.1 of the Lease.

5. Effective Date of Second Amendment. This Second Amendment shall be effective as of the signature date of the last Party to sign this Second Amendment.

6. Recordation. Lessor shall at its expense record this Second Amendment in the office of the Recorder of Pima County, Arizona within ten days of execution of this Second Amendment by all Parties.

7. Attachment of Lease. For reference purposes, the Parties agree and acknowledge that a true and correct copy of the Lease is hereby attached to this Second Amendment as Exhibit 3, and shall be recorded in the office of the Recorder of Pima County, Arizona with this Second Amendment.

8. Other Terms and Provisions. All other terms and provisions of the Lease and its exhibits, as amended by the First Amendment, not specifically changed by this Second Amendment, shall remain in effect and be binding upon the Parties as provided for in the Lease. Words and phrases having a defined meaning in the Lease have the same respective meanings when used in this Second Amendment unless otherwise expressly stated.

9. Recitals. The recitals set forth at the beginning of this Second Amendment are hereby acknowledged, confirmed to be accurate and incorporated here by reference.

10. Entire Agreement. This Second Amendment constitutes the entire agreement between the Parties pertaining to the subject matter of this Second Amendment. All prior and contemporaneous agreements, representation and understanding of the Parties, oral or written, are hereby superseded and merged in this Second Amendment.

11. Severability. If any provision of this Second Amendment is declared illegal, invalid or unenforceable, in whole or in part, under present or future laws, it shall be severed from the remainder of this Second Amendment, which shall otherwise remain in full force and effect. In lieu of the illegal, invalid or unenforceable provision, there shall be added automatically as part of this Second Amendment a provision as similar in terms to the illegal, invalid, or unenforceable provisions as may be possible and still be legal, valid, and enforceable, and this Second Amendment shall be deemed reformed accordingly.

12. Governing Law. This Second Amendment is entered into in Arizona and shall be construed and interpreted under the laws of Arizona, and any actions to enforce or interpret the terms and provisions of this Second Amendment shall be brought and maintained in Pima County, Arizona.

13. Interpretation. This Second Amendment has been negotiated by Lessor and Lessee, and neither Party shall be deemed to have drafted this Second Amendment for purposes of construing any portion of this Second Amendment for or against any Party.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Parties have executed this Second Amendment as of the last date set forth below their respective signatures.

LESSOR:	LESSEE:
TOWN OF MARANA, an Arizona municipal corporation	PIMA AVIATION, INC., an Arizona corporation
By: Ed Honea	By:
Ed Honea, Mayor	Gary L. Abrams, President
Date: 6/5/2018	Date: 5/24/18

ATTEST:

Jocelyn C. Bronson, Town Clerk

APPROVED AS TO FORM:

for Frank Cassidy, Town Attorney

STATE OF AZ) ss.

County of PIMA)

The foregoing instrument was acknowledged before me this 22nd day of MAY, 2018, by Gary L. Abrams, President of PIMA AVIATION, INC., an Arizona corporation on behalf of the corporation.

(Seal)

CRYSTAL LEE BREEDING
Notary Public - Arizona
Pima County
My Comm. Expires Aug 31, 2020

Notary Public

LIST OF EXHIBITS

Exhibit 1: Legal Description of Lease Parcel Three, as revised

Exhibit 2: Legal Description of Lease Parcel Two, as revised

Exhibit 3: Copy of Master Development Lease Agreement (also known as the "73-Acre Lease")

EXHIBIT 1

Stantec Consulting Services Inc.
5151 E Broadway Boulevard Suite 400 Tucson AZ 85711-3712

DESCRIPTION OF LEASE PARCEL 3, AS REVISED

Description of a Lease Parcel across a portion of the Northeast Quarter of Section 9, Township 12 South, Range 11 East, Gila and Salt River Meridian, Pima County, Arizona. Said parcel being more fully described as follows:

COMMENCING at a ½-inch rebar with tag "PCDOT" marking the internal corner of said Section 9, from which a ¾-inch rebar, marking the North Quarter corner of said Section bears North 00°57'22" West (the Basis of Bearings for this description), a distance of 2642.72 feet;

THENCE along the West line of said Northeast Quarter, North 00°57'22" West, a distance of 131.56 feet;

THENCE departing said line, North 89°02'38" East a distance of 120.00 feet to a point on the North right-of-way of W. Avra Valley Road as shown in Establishment Proceedings No. 760-"B" (Book 6 of Road Maps, Page 30), Pima County Records said point being the **POINT OF BEGINNING**;

THENCE along a line parallel with and 120.00 feet offset from said West line, North 00°57'22" West, a distance of 1342.71 feet;

THENCE departing said line, South 89°39'49" East a distance of 515.07 feet;

THENCE North 45°07'08" East a distance of 430.64 feet;

THENCE South 44°52'19" East a distance of 654.22 feet;

THENCE South 45°05'41" West a distance of 1526.15 feet;

THENCE South 20°25'59" East a distance of 139.66 feet to a point on the North right-of-way of said W. Avra Valley Road;

THENCE along said right-of-way, North 79°59'49" West, a distance of 45.25 feet to the start of a tangent curve;

THENCE along said curve, concave to the South, with a radius of 1482.40 feet, through a central angle of 07°06'28" (the chord of which bears North 83°33'03" West a distance of 183.78), for an arc length of 183.90 feet to the **POINT OF BEGINNING;**

Said Parcel contains 1,093,778 square feet or 25.110 acres of land, more or less.

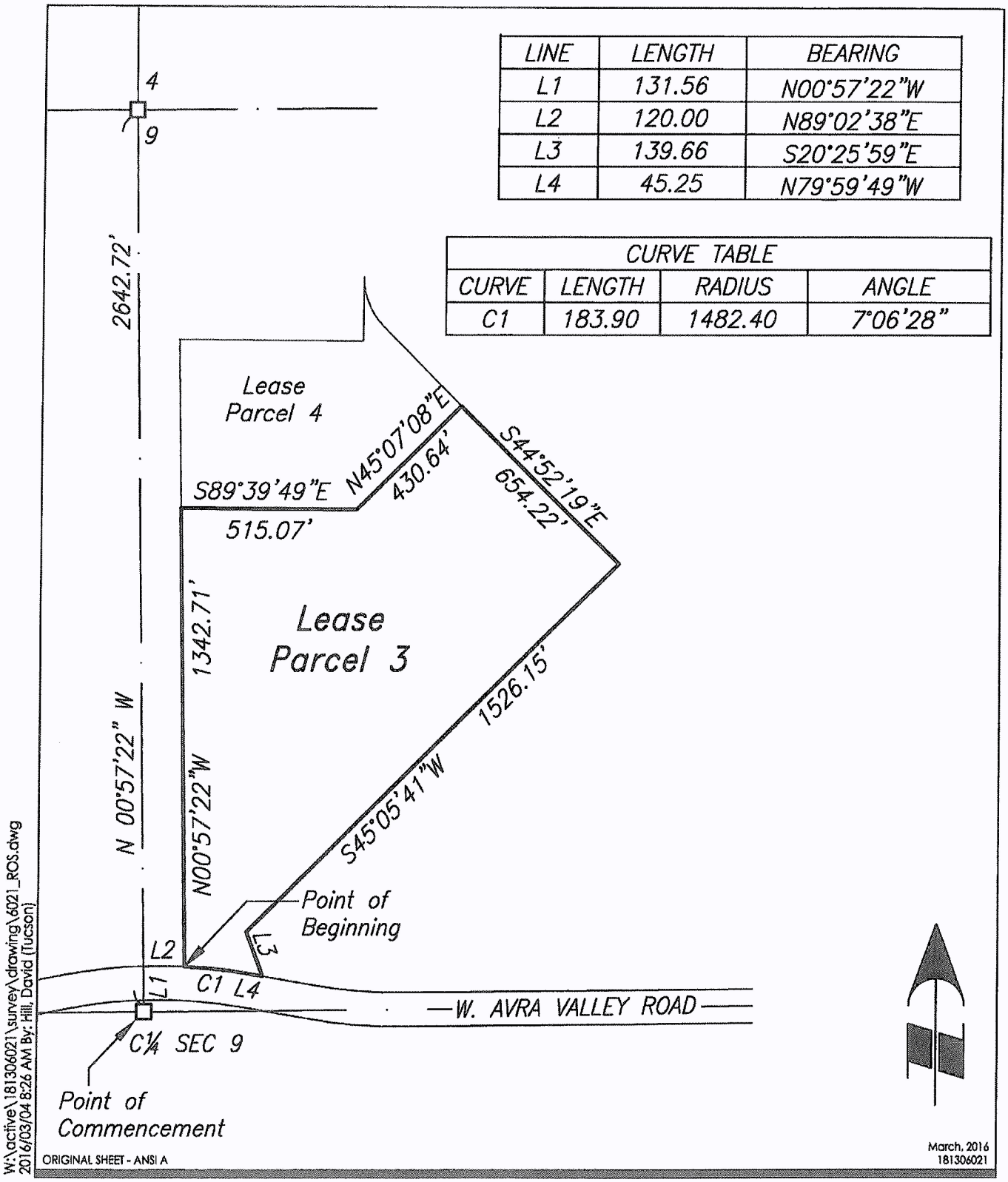
Design with community in mind

Disclaimer: Stantec Consulting accepts no liability for this description if it has been modified or reformatted in any way from its original format and content, or used for any purpose other than that for which it was originally intended.

Prepared by Warren D Thompson, RLS
Prepared on march 3, 2016
Prepared for and on behalf of Stantec Consulting Services Inc.
Project Number: 181306021



EXPIRES 9-30-2016



LINE	LENGTH	BEARING
L1	131.56	N00°57'22"W
L2	120.00	N89°02'38"E
L3	139.66	S20°25'59"E
L4	45.25	N79°59'49"W

CURVE TABLE			
CURVE	LENGTH	RADIUS	ANGLE
C1	183.90	1482.40	7°06'28"

W:\active\181306021\survey\drawing\6021_ROS.dwg
2016/03/04 8:26 AM By: Hill, David (Tucson)

ORIGINAL SHEET - ANSI A

March, 2016
181306021

Stantec

5151 E. Broadway Blvd., Suite 400
Tucson, AZ 85711

Client/Project
TOWN OF MARANA
AIRPORT LEASE PARCEL 3
NE¼, S9, T12S, R11E, G&SRM

Figure No.
1.0

Title
LEASE PARCEL 3
Description Exhibit

EXHIBIT 2

DOWL

INSPIRATION - INNOVATION - INTEGRITY

LEGAL DESCRIPTION
(PARCEL TWO LEASE OF WESTERN DEVELOPMENT AREA)

PARCEL TWO

A parcel of land lying within a portion of the Southeast Quarter of Section 4 and the Northeast Quarter of Section 9, Township 12 South, Range 11 East, Gila & Salt River Meridian, Pima County, Arizona, more particularly described as follows:

COMMENCING at a found 2" brass capped survey monument being at the Northeast Section corner of Section 9, from which a found 3" brass capped survey monument with marking not legible, being at the East ¼ corner of Section 9 bears, South 00°31'56" East a distance of 2643.57 feet;

THENCE from **COMMENCEMENT POINT**, along the East Section line of said Section 9, South 00°31'56" East a distance of 1005.70 feet to a point;

THENCE South 89°28'04" West a distance of 886.30 feet to a point the **TRUE POINT OF BEGINNING**;

THENCE South 45°05'45" West a distance of 443.58 feet to a point;

THENCE North 44°52'15" West a distance of 979.77 feet to a point on a tangent curve to the right;

THENCE along said tangent curve to the right with a radius of 165.00 feet, an arc length of 130.19 feet, a central angle of 45°12'30", with a chord bearing of North 22°16'00" West, and a chord distance of 126.84 feet to a point;

THENCE North 00°20'15" East a distance of 482.56 feet to a point on a tangent curve to the right;

THENCE along said tangent curve to the right with a radius of 165.00 feet, an arc length of 129.57 feet, a central angle of 44°59'30", with a chord bearing of North 22°50'00" East, and a chord distance of 126.26 feet to a point;

THENCE North 45°19'45" East a distance of 469.94 feet to a point;

THENCE South 44°53'52" East a distance of 668.03 feet to a point;

THENCE South 11°35'50" East a distance of 974.60 feet to a point to the said **TRUE POINT OF BEGINNING.**

520-882-8696 ■ 520-624-0384 (fax) ■ 1101 West Grant Road, Suite 208 ■ Tucson, Arizona 85705 ■ www.dowl.com

The above described parcel contains approximately 1,136,942 square feet or 26.101 acres more or less.

NOTE:
RVZ line calculated using record latitude - longitude positions (NAD83) for runway ends taken from "AIRPORT LAYOUT PLAN- EXHIBIT A AIRPORT PROPERTY INVENTORY" Sheet # 18 of 19 – Armstrong Project No 156295 Dated 01/2016.

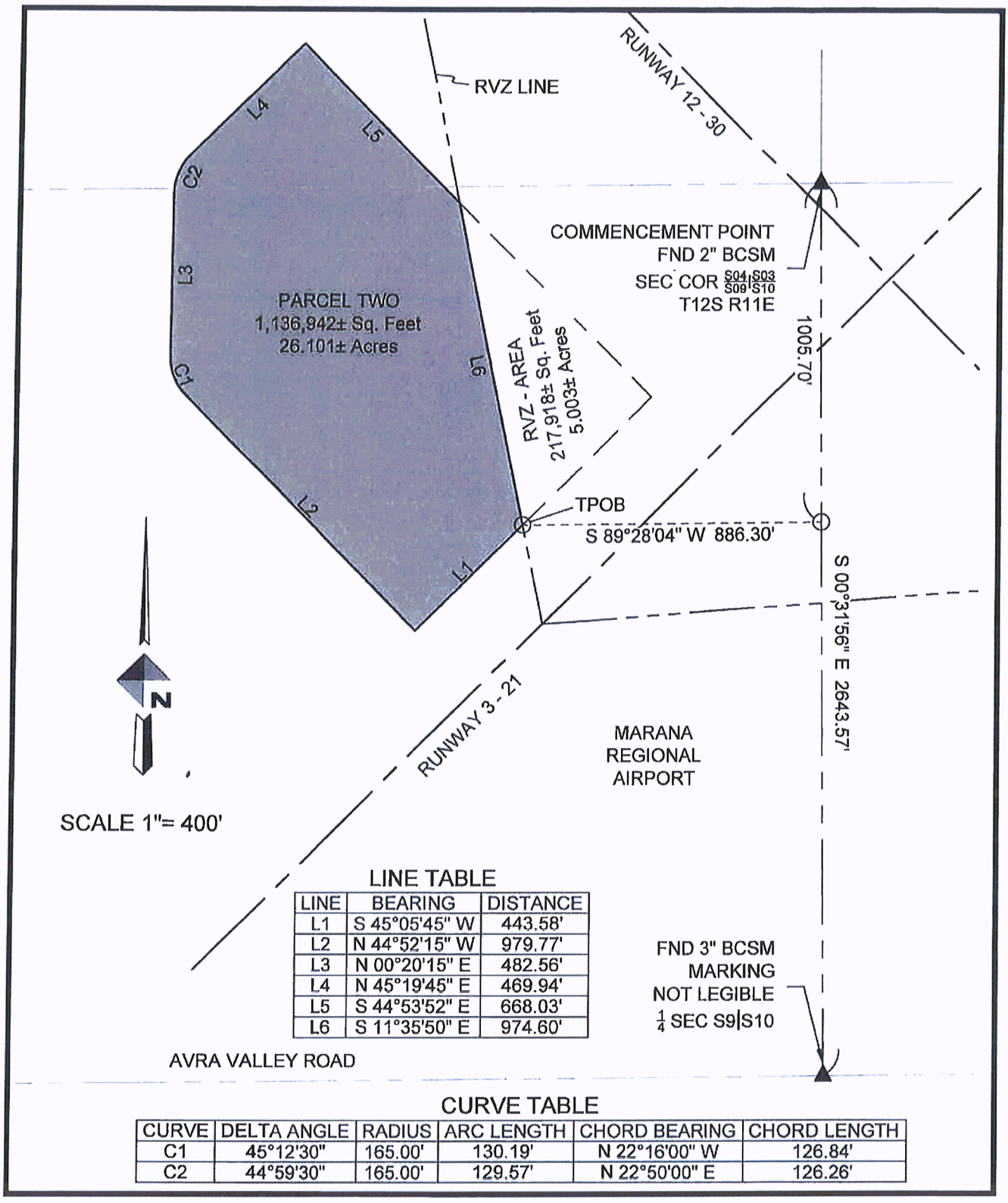
Record positions were converted to State Plane Coordinates, Arizona Central Zone. An average combined grid correction factor of 0.999861155 was applied to inverse distances to obtain ground distances. Runway centerlines were overlaid upon existing monumented/survey centerline at runway intersection point from which half way marks were determined.

Prepared for purpose of:	*Lease Parcel Description*
Prepared for :	*Marana Regional Airport*
Prepared by:	*Michael F. York, RLS*
Prepared on behalf of:	*DOWL*
Prepared on:	*9/11/2017*



DOWL accepts no liability for this legal description if it has been modified or reformatted in any way, for any reason, from its original format and content or used for any purpose other than that for which it was prepared.

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LINE TABLE

LINE	BEARING	DISTANCE
L1	S 45°05'45" W	443.58'
L2	N 44°52'15" W	979.77'
L3	N 00°20'15" E	482.56'
L4	N 45°19'45" E	469.94'
L5	S 44°53'52" E	668.03'
L6	S 11°35'50" E	974.60'

CURVE TABLE

CURVE	DELTA ANGLE	RADIUS	ARC LENGTH	CHORD BEARING	CHORD LENGTH
C1	45°12'30"	165.00'	130.19'	N 22°16'00" W	126.84'
C2	44°59'30"	165.00'	129.57'	N 22°50'00" E	126.26'

DOWL

EXHIBIT FOR LEGAL DESCRIPTION

41284-02
9/11/2017
PAGE 1 OF 1

520-882-8696 (TEL) ■ 520-624-0384 (FAX) ■ 1101 West Grant Road, Suite 208 ■ Tucson, Arizona 85705

EXHIBIT 3

MASTER DEVELOPMENT LEASE AGREEMENT

PIMA AVIATION, INC.
&
PIMA COUNTY

Exhibits to be included in Lease Agreement

Exhibit	Description	Supplied by
A	Legal & map of 73 acre parcel	PAI
B	Rent Schedule	Marana/Gear

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MASTER DEVELOPMENT LEASE AGREEMENT

THIS LEASE is made and entered into this 15th day of June, 1999, by and between PIMA COUNTY, a political subdivision of the State of Arizona ("LESSOR") and PIMA AVIATION, INC., an Arizona corporation ("LESSEE"). LESSOR and LESSEE may be referred to collectively in this Lease as the "parties."

RECITALS

1. LESSOR is the owner of the Airport known as AVRA VALLEY AIRPORT, located in Pima County, Arizona (the "Airport").

2. In the interest of promoting economic development and achieving other public benefits, LESSOR is desirous of encouraging various aeronautical and/or aviation related private businesses, airport support businesses, and appropriate aviation related governmental agencies, to locate their aviation related facilities on presently undeveloped Airport land.

3. The parties believe that the foregoing goal can be achieved most efficiently by leasing certain undeveloped portions of the Airport to LESSEE, who will in turn function as master developer, in cooperation with LESSOR, for the purpose of developing such property and marketing and subleasing it to end users.

AGREEMENT

NOW, THEREFORE, for and in consideration of the mutual agreement to the terms and conditions set forth below, LESSOR does hereby lease to LESSEE a portion of Airport, as follows:

1 DESCRIPTION OF PREMISES.

1.1 Premises. LESSOR hereby leases to LESSEE a portion of Airport, which portion consists of approximately 73 acres, as particularly described on Exhibit "A" (the "Premises"). LESSEE shall have, subject to the terms and provisions of this Lease and any subleases, the use, occupancy and control of the Premises with all improvements constructed thereon.

1.2 LESSOR's Right to Remove Land from Premises. LESSEE acknowledges that the Airport is in its infancy, and the Airport Master Plan provides for significant and ongoing expansion and improvement of the Airport. As such, LESSEE acknowledges that loss of leased property due to Airport development requirements is likely. Such loss of leased property may come about as a result of LESSOR's need to use such property for airport improvement or expansion, or may come about as a result of governmental regulation, including but not limited to Federal Aviation Administration (FAA) regulations regarding setbacks, clear zones, and restricted visibility zones at the intersection of runways (hereinafter referred to as a "Restriction"). By entering into this Lease, LESSEE acknowledges that it has

reviewed the Airport Master Plan and other necessary documentation, and has made an independent determination regarding this risk and the land to be leased.

1.2.1 If the Restriction appears on the existing Airport Master Plan, the deletion and substitution shall be implemented as soon as possible after the Commencement Date.

1.2.2 If the Restriction is set forth in a subsequent amendment to the Airport Master Plan, the deletion and substitution shall be implemented as soon as possible after the FAA has accepted such amendment.

1.2.3 If any portion of the Premises is or becomes unavailable for development due to governmental regulation not shown on the Airport Master Plan, the deletion and substitution shall be implemented as soon as possible after such regulation becomes effective.

1.3 Removal of Land from Premises. In the event that it becomes necessary for LESSOR to delete any property from the Premises as provided above, LESSEE agrees to cooperate in such transaction as set forth hereinafter.

1.3.1 During the Initial Term and Extension Term, LESSOR may require that certain portions of the Premises must be deleted from the Premises, but such may occur only for the purpose of being utilized for additional aeronautical and aviation purposes.

1.3.2 In the event that such deletion takes place, LESSOR shall use its best efforts to provide in substitution for the parcel deleted another parcel of equivalent size and fair rental value located within the Airport. If such substituted parcel is accepted by LESSEE, the Premises shall be redefined to include the substituted parcel in lieu of the deleted parcel and the "Fixed Rent" (defined below) shall be adjusted to reflect any difference in the size of the Premises.

1.3.3 If no such parcel is mutually agreed upon, LESSOR shall be required to reduce the Fixed Rent (as hereinafter defined) in a proportionate amount. Any such substitution shall not affect the Fixed Rent, unless the substituted parcel is different in size from the deleted parcel.

1.3.4 Nothing in this Lease shall be interpreted to remove the LESSOR'S legal right of eminent domain.

2 TERM.

2.1 Initial Term. The Initial Term of this Lease shall be for a period of twenty-five Lease Years beginning on the 1st day of June 1999 (the "Commencement Date"). As used herein the term "Lease Year" means a one year period beginning on the first day of the Initial Term or on any subsequent anniversary of such date and ending on the day preceding the next following anniversary of such date.

2.2 Extension Term. If LESSEE is not in default in the performance of any of the terms of this Lease when the initial twenty-five year term expires, LESSOR shall extend this Lease at the option of LESSEE for a single additional twenty-five year period

(the "Extension Term"). LESSEE shall exercise the option to extend this Lease by notifying LESSOR in writing that LESSEE is exercising its option to extend the Lease. Such notification shall be made at least one (1) year and no more than three (3) years prior to the expiration of the Initial Term. Except for the Fixed Rent (see below), which shall be redetermined in accordance with this Article upon receipt of LESSEE's written notice to exercise its option to extend this Lease, the terms and provisions of this Lease shall apply to the Extension Term.

2.3 Appraisal for Extension Term. During the thirty (30) days following LESSEE's exercise of its option to extend this Lease, the parties shall meet and attempt to agree on the Fixed Rent for the first Lease Year of the Extension Term. If they are unable to do so, LESSOR shall, within thirty (30) days thereafter, provide LESSEE with a list of four (4) independent MAI appraisers who meet the Competency Provision of the Uniform Standards of Professional Practice, particularly those who are experienced with valuing similar airport type properties. Within twenty (20) days after receiving such list, LESSEE shall give notice to LESSOR of its choice of Qualified Appraiser from among those named. LESSOR shall promptly engage the chosen Qualified Appraiser to determine the Fixed Rent for the first Lease Year of the Extension Term based on the then prevailing market rate for unimproved land at other similar airport facilities in Arizona, and if none in Arizona can be used, then in other comparable localities the appraiser believes are relevant. LESSOR shall promptly notify LESSEE of the results of such appraisal. The determination of the chosen Qualified Appraiser shall be conclusive and binding on the parties.

2.3.1 In determining the Fixed Rent for the Extension Term, the Qualified Appraiser shall use a "land value" basis, i.e., shall take into consideration only the unimproved land value of the Premises, and shall not include the value of any improvements made thereon by LESSEE or its sublessees during the Initial Term. However, the appraisal shall take into consideration any improvements made to the Airport by LESSOR which in the appraiser's professional opinion increase the land value of the Premises.

2.3.2 Notwithstanding the foregoing, the Fixed Rent per acre per year for the first Lease Year of the Extension Term shall in no event be less than such Fixed Rent for the last Lease Year of the Initial Term. Fixed Rent for the third through twenty-fifth Lease Years of the Extension Term shall be determined as follows. Commencing upon the expiration of the first two (2) Lease Years of the Extension Term and every two (2) Lease Years thereafter (the "CPI-U Adjustment Dates"), the Fixed Rent for the next two (2) Lease Years shall be increased by the amount of any percentage increase in the CPI-U during the most recent two (2) calendar year period over the calendar year preceding that two (2) calendar year period, applying the Consumer Price Index for all Urban Consumers (CPI-U), as published by the U.S. Department of Labor, Bureau of Statistics. In the event publication of the CPI-U is terminated, then such periodic adjustment shall be made by application of the index published by the U.S. Department of Labor which most closely resembles the CPI-U.

3 COMPENSATION.

3.1 Fixed Rent. Notwithstanding any additional rent, fees, taxes, or other monies paid to LESSOR pursuant to this Lease or otherwise, LESSEE agrees to pay to LESSOR an amount of rent per acre of the Premises for each Lease Year determined in accordance with the rent schedule attached hereto as Exhibit "B" (the "Fixed Rent"), plus rental tax. The Fixed Rent shall be payable quarterly in advance. The Fixed Rent for partial acres shall be prorated. Fixed Rent for land which is deleted from the Premises or taken by eminent domain shall cease as of the first day of the calendar month following the month in which such land ceases to be a part of the Premises.

3.2 Percentage Rent.

3.2.1 In addition to the fixed rent set forth above, LESSEE agrees to pay to LESSOR a sum equal to five (5%) of LESSEE's actual gross receipts from the sublease of any portion of the Premises to a sublessee (the "Percentage Rent").

3.2.2 As used in this Lease, "actual gross receipts" shall mean the total rents received by LESSEE from sublessees pursuant to subleases of portions of the Premises, excluding rental tax. If LESSEE utilizes any portion of the Premises for its own use, then the fair market rental value of those portions shall be added to actual gross receipts.

3.2.3 The actual gross receipts and Percentage Rent shall be computed on a quarterly basis. Percentage Rent for a quarter shall be due and payable no later than thirty (30) days following the end of such quarter. A report indicating the method of computation in reasonable detail shall accompany each remittance.

3.3 Fuel Flowage Fee. During the Initial Term and Extension Term, LESSEE shall pay to LESSOR, in addition to rent, sales taxes and other taxes, and all other fees, a fee (the "Fuel Flowage Fee") for every gallon of all aviation fuel and other fuel dispensed on the Premises, whether dispensed directly into an airplane or other vehicle, dispensed into a fuel pumping truck, or dispensed into any other container (but excluding any fuel which has already been subject to payment of a Fuel Flowage Fee when it was previously dispensed at the Airport). LESSEE may assign the obligation to pay the Fuel Flowage Fee to subtenants, and to the extent such Fees are actually paid by the subtenant, LESSEE's obligation for such fees is satisfied. The Fuel Flowage Fee shall be in the amount of three cents ($0.03) per gallon. On a quarterly basis, by the tenth (10^{th}) day of each quarter, LESSEE shall report to LESSOR the number of gallons of fuel dispensed during the previous month and shall remit the Fuel Flowage Fee based thereon. LESSEE shall submit a statement of fuel flowage for the preceding calendar year not later than March 1 of each year. The statement shall show in reasonable detail the amount of actual gross receipts during the preceding calendar year for fuel sales and amount paid to LESSOR for Fuel Flowage Fees during the same period. Such annual statement shall be accompanied by the signed opinion of the person certifying such statement specifically stating that he has examined the report of fuel sales for such year, that

he has examined LESSEE's books and records as he considered necessary under the circumstances, and that such statement accurately presents the total fuel sales of such year. An adjustment shall be made with the furnishing of each annual statement with respect to Fuel Flowage Fees if LESSEE shall have paid an amount different than was required to be so paid. The amount of any increase shall be paid and delivered with the annual statement and the amount of any decrease shall be deducted from subsequent payments. Each sublease shall include a section imposing the same payment and reporting obligations upon the sublessee with regard to fuel it dispenses at the Airport.

3.4 Amendment of Compensation by Mutual Agreement. During the Initial Term and Extension Term, at the request of either party to this Lease, LESSEE and LESSOR shall meet to discuss whether there should be a change in the Fixed Rent referred to in paragraph 3.1, the Percentage Rent referred to in paragraph 3.2 or the Fuel Flowage Fee referred to in paragraph 3.3. Any such change shall be made prospectively only and shall require the mutual written agreement of LESSOR and LESSEE.

3.5 Record Keeping. LESSEE shall keep true and accurate account records, books and data in accordance with generally accepted accounting principles which shall show all rents billed to and receipts collected from third parties for any part of the Premises. LESSEE shall maintain annual corporate income tax returns and corporate financial statements certified by a Certified Public Accountant. LESSOR shall have the right to examine all financial books and records pertaining to this Lease or to the use of the Premises upon three (3) business days advance written notice to LESSEE. LESSOR shall have the right to annually conduct an audit of the airport records and financial statements.

4 USE OF PREMISES.

4.1 Aeronautical and Aviation Related Uses. LESSEE shall develop the Premises only for businesses associated with aeronautical and/or aviation related private businesses, airport support businesses, appropriate aviation related governmental agencies, and related structures, so long as they are consistent with FAA regulations and do not interfere with the LESSOR's ability to receive grant funding. LESSEE's development of the Premises shall be in a manner to maximize the overall value of the Premises in a reasonable fashion. Any development of the Premises shall, to the greatest extent possible, avoid the creation of unusable or unmarketable areas of the Premises.

4.2 Non-Airport Activities. LESSEE shall not permit its sublessees, agents, customers, patrons or others to engage in activities which are not reasonably related to aeronautical and/or aviation related private businesses, airport support businesses, appropriate aviation related governmental agencies, and related purposes without first obtaining the prior written consent of F.A.A. (where applicable) and LESSOR.

4.3 Report of Leasing Activity.

4.3.1 On a periodic basis, but not less than annually, LESSEE shall submit a written report to LESSOR describing LESSEE's efforts to develop the

Premises, the names of persons or entities which have inquired about subleasing a portion of the Premises, and a description of the status of planned development.

4.3.2 If any person or entity requests to sublease a portion of the Premises (a "Prospect") and LESSEE does not enter into a sublease with such Prospect, LESSEE shall provide LESSOR with written justification for LESSEE's decision not to sublease to such Prospect. Further, LESSEE shall, if requested by LESSOR or the Federal Aviation Administration ("FAA"), provide economic data to support LESSEE's action.

4.3.3 The parties acknowledge that LESSEE does not have exclusive use of the Airport, nor the exclusive right to provide fixed base operation services at the Airport. In order to assure this, the parties agree to certain conditions which will allow LESSOR to negotiate with prospective fixed base operators with whom LESSEE is unwilling to enter into a lease. To this end, if any person or entity is interested in subleasing a part of the Premises for use as a general aviation, full-service fixed base operation providing substantially the same services as the existing fixed base operator at the Airport, and LESSEE does not reach agreement with such Prospect within six (6) months after receipt from such Prospect of a formal written proposal, LESSEE shall promptly refer such Prospect to LESSOR's Airport Manager for all further negotiations (which negotiations shall relate only to property other than the Premises) and shall confirm such referral by written notice to the Airport Manager accompanied by all information in LESSEE's possession pertaining to such Prospect. LESSEE shall thenceforth refrain from any further contact with such Prospect except to the extent specifically requested by LESSOR.

4.4 Approval of Subleases. LESSEE is permitted to sublet portions of the Premises only for aeronautical and/or aviation related private businesses, airport support businesses, and appropriate aviation related governmental agencies, subject to prior written approval of LESSOR. Such approval shall not be unreasonably withheld. When requesting LESSOR's approval of a sublease, LESSEE shall accompany its request with a copy of the actual sublease documents it plans to submit for execution by the sublessee, including a specific description of the activities to be conducted by the sublessee at the Airport. Within thirty (30) days after submission of the proposed sublease documents by LESSEE, LESSOR shall notify LESSEE in writing of approval or rejection thereof. In the event LESSOR deems such thirty (30) day period to be inadequate for its review of a proposed sublease, LESSOR may extend such period for an additional thirty (30) days by giving written notice thereof to LESSEE prior to the expiration of the initial period. Thereafter, such period may be extended only for good cause or by mutual agreement of the parties. If LESSOR rejects the sublease, it shall give detailed reasons therefor and use its best efforts to provide recommended revisions or other conditions for acceptance. All subleases, amendments, and other lease documents shall be approved as to form by LESSOR, as evidenced by the signature of LESSOR's designated representative on the original of such document. Any such sublease shall only be for a portion of the Premises reasonably necessary for the authorized activity of the sublessee, shall be subject to

the terms of this Lease, and shall contain, as a minimum, the provisions required by this Lease. In lieu of initially submitting the actual sublease documents, LESSEE may submit to LESSOR for approval a memorandum of understanding or letter of intent (a "Proposal") between LESSEE and the proposed sublessee. A Proposal shall cover all of the essential business terms of the deal in sufficient detail for LESSOR to evaluate them as provided above. In the event a Proposal is so approved, LESSEE and the sublessee shall proceed to finalize the sublease documents, which shall remain subject, however, to LESSOR's final review and approval, which approval will not be unreasonably withheld or delayed.

4.5 Lawful Use and Condition of Premises. LESSEE shall comply with all County, state and federal laws, including without limitation FAA Regulations and any and all applicable zoning laws that may apply to LESSEE's use of the Premises. LESSEE shall obtain, at its own cost, any licenses that may be required by law for its operation. LESSOR will assist and cooperate to the extent possible to obtain required licenses and permits.

4.6 Other Rights of LESSEE. LESSOR hereby grants LESSEE and its sublessees and their agents, employees, contractors, and invitees the following additional privileges, uses and rights, all of which are subject to the terms, conditions, and covenants contained in this Lease and all of which shall be nonexclusive with respect to the Airport:

a. The use of all public airport facilities and improvements which are now or may hereafter be constructed and are appurtenant to the Airport.

b. The right of ingress and egress from the Premises to all runways, taxiways and facilities enumerated in the preceding paragraph, and over and across the public roadways serving the Airport, subject to any and all ordinances, rules and regulations which are now or may hereafter apply at Airport.

4.7 Public Funding for Improvements.

4.7.1 LESSOR acknowledges that LESSEE's ability to sublease various portions of the Premises may depend upon the availability of certain improvements, whether on or off the Premises. LESSOR therefore agrees that in the event the Airport Master Plan (as it now exists or may hereafter be amended) contemplates the construction or improvement of airport facilities or infrastructure or a prospective sublessee of the Premises requires such construction or improvement as a condition of entering into a sublease and LESSOR approves such project, LESSOR shall (a) take all actions which are prudent and within their means to obtain as promptly as possible whatever state, federal or other governmental funding may be available to pay for such project, and (b) in the event such funding is granted, pay for any portion of the cost of the project which is not paid by such funding, but in no event more than ten percent (10%) of the cost. In the event that LESSEE believes that other airport improvements would be desirable, LESSOR and LESSEE will meet and endeavor to reach agreement on the need for such improvements. If they both agree, LESSOR shall use its best efforts to obtain governmental funding to construct such other airport improvements as

LESSEE may deem desirable, provided that such improvements are set forth in the Airport Master Plan, and that such funding covers at least ninety percent (90%) of the cost thereof. This section shall not obligate LESSOR to construct or improve any airport facilities or infrastructure unless state and/or federal funding is available for such purpose.

4.7.2 LESSOR makes no representation that governmental funding for Public Airport Facilities will be made available or as to the amount thereof.

4.7.3 Nothing contained in this Paragraph 4 shall be deemed to obligate LESSOR to pay for or seek other governmental funding for any project or improvement which is located entirely within a subleased portion of the Premises or which benefits only one sublessee.

4.8 Water Delivery for Fire Protection System. LESSOR acknowledges that as of the Commencement Date, LESSEE may be unable to sublease any part of the Premises by reason of the lack of a water delivery system at the Airport sufficient to provide the fire protection required by the relevant governmental authorities. LESSOR therefore agrees to use due diligence and take all actions reasonably necessary to ensure that, within twenty-four (24) months following the Commencement Date, a suitable water delivery system is designed and either constructed or will imminently be constructed, to the extent necessary to allow LESSEE to sublease the Premises without the use thereof by sublessees violating applicable legal, regulatory or insurance requirements. After the completion of such construction, LESSEE or its sublessees, as the case may be, shall be responsible for paying the cost of installing fire protection systems as required by applicable fire codes in any buildings or other improvements owned or occupied by LESSEE or its sublessees at the Airport.

4.8.1 In the event the lack of a water delivery system prevents LESSEE from subleasing the premises within such twenty-four (24) month period, the LESSEE will have the option to cancel this Lease. If LESSEE desires to cancel this Lease pursuant to this subsection, LESSEE must deliver written notice to LESSOR within thirty-six (36) months from the date of this Lease, and if not exercised within that period, this right shall forever terminate.

4.9 Financing of Improvements. LESSOR acknowledges that LESSEE intends to borrow money from time to time in order to finance the construction of improvements to the Premises for use by sublessees, and that the lender (the "Leasehold Mortgagee") will require a mortgage or deed of trust encumbering LESSEE's interests under this Lease and the subleases (a "Leasehold Mortgage") as collateral for any such loan. The exact terms that a Leasehold Mortgagee will require to protect the security for its loan will not be known until LESSEE negotiates for a specific loan, but LESSOR acknowledges that such terms will, at a minimum, include the agreement by LESSOR to: send the Leasehold Mortgagee a copy of any notice which it sends to LESSEE under this Lease; allow the Leasehold Mortgagee additional time to cure any defaults by LESSEE; obtain the Leasehold Mortgagee's consent to any amendment, modification, cancellation, or surrender of this Lease; and allow the Leasehold Mortgagee to foreclose and otherwise enforce its Leasehold Mortgage (by, for example, collecting rent directly from sublessees or having a court

appoint a receiver) in the event of a default by LESSEE under the terms of the loan. These terms may be contained in an amendment to this Lease or in a separate agreement. LESSOR agrees that it will not unreasonably withhold or delay its approval of such an amendment or agreement, provided that LESSOR's legitimate interests are reasonably protected, including its right to approve any receiver to be appointed by a court during the foreclosure of the Leasehold Mortgage and the ultimate purchaser of LESSEE's interest at the foreclosure sale.

5 **INSURANCE.**

5.1 LESSEE's Insurance. LESSEE shall keep and maintain at its sole cost fire and extended damage coverage insurance for all structures and facilities constructed on the Premises in an amount reasonably comparable to that of similar insurance carried by other Airport lessees in the State of Arizona. LESSEE shall also keep and maintain at its sole cost and expense a Three Million Dollar ($3,000,000.00) single limit comprehensive public or commercial general liability insurance policy with specific provisions covering bodily injuries, property damage, premises liability, contractual liability, completed operations, if any, products liability, if any, and Hangar Keepers Liability. In addition, LESSEE shall provide such additional insurance, for example jump and special events coverage, as may be reasonable and appropriate to cover liability arising out of activities authorized by LESSEE or its sublessees to be conducted on the Premises.

5.2 Sublessees' Insurance. In lieu of providing such insurance itself, LESSEE may require a sublessee to maintain (i) property damage and/or liability insurance with respect to any improvements which such sublessee is occupying and (ii) additional insurance with respect to the activities such sublessee is conducting at the Airport. Such sublessees and any insurance policies which they provide shall be subject to all of the requirements this Article imposes with regard to LESSEE's insurance, including but not limited to those in the following paragraph.

5.3 Additional Insured. LESSEE shall name LESSOR as additional insured on all liability policies and shall provide LESSOR with copies of certificates of insurance and the endorsement of additional insured each year as the policies are renewed. LESSEE shall also require the insurer to provide LESSOR with a written notice of cancellation a minimum of thirty (30) days before cancellation. LESSOR shall name LESSEE as an additional insured on all liability policies, and shall provide LESSEE with a copy of the certificate of insurance and the endorsement of additional insured each year as the policy is renewed.

5.4 Unavailability of Insurance. LESSEE cannot obtain any insurance required pursuant to this Lease because of its unavailability or unreasonably prohibitive cost, LESSEE shall be entitled to be relieved of the requirement to maintain such insurance provided it discontinues the activity which would otherwise be covered hereby. The parties may renegotiate the terms of this Lease with respect to insurance requirements in the event LESSEE encounters difficulty in fulfilling such requirements.

6 INDEMNIFICATION.

6.1 By LESSEE. LESSEE shall indemnify, defend and hold harmless LESSOR, its officers, departments, employees and agents from, for and against any and all suits, actions, legal or administrative proceedings, claims, demands or damages of any kind or nature arising out of this Lease which are the result of any act or omission of LESSEE, its agents, employees, or anyone acting under the direction or control or on behalf of LESSEE, its agents or employees.

6.2 By LESSOR. LESSOR shall indemnify, defend and hold harmless LESSEE, its owners, affiliates, officers, employees and agents from, for and against any and all suits, actions, legal or administrative proceedings, claims, demands or damages of any nature arising out of this Lease which are the result of any act or omission of LESSOR, its officers, departments, employees and agents or anyone acting under their direction or control or on their behalf.

6.3 Duty of Care. LESSEE shall exercise reasonable care on the Premises and Airport and shall advise LESSOR when conditions which may pose an unreasonable risk of harm to members of the general public are discovered. When LESSEE is advised by its employees or the LESSOR that an unsafe or dangerous condition exists on the Premises, LESSEE shall take reasonable steps to correct the condition and shall be responsible that members of the general public are not exposed to danger. LESSOR shall take reasonable steps to correct any such condition with regard to portions of the Airport which are outside the Premises and not otherwise leased.

7 CONSTRUCTION OF STRUCTURES & IMPROVEMENTS.

7.1 LESSEE's Improvements. LESSEE may construct improvements related to the subleasing and development of the Premises as contemplated by this Lease, provided:

a. All proposed construction shall conform to the scheme contained in the Airport master plan; and

b. LESSEE is not in default in the performance of any of the terms of this Lease.

7.2 LESSOR's Approval. LESSEE shall notify LESSOR in writing of its intention to construct improvements on the Premises. The written notice shall specify the location of the improvements together with a detailed site plan and (if available) architectural plans, specifications and other relevant documentation. Additionally, the written notice will set forth the particular infrastructure needs of the improvements, including but not limited to water, electric, fire protection, transportation, wastewater, and other utilities. These documents shall be submitted to the Airport Manager and such other officials as LESSOR may designate. LESSOR acknowledges the necessity for expedited review of all plans submitted by LESSEE to LESSOR pertaining to the development of the Premises in order to avoid LESSEE losing potential subleases due to time delay, and agrees to use its best efforts to accomplish such expedited review of the plans. If LESSOR rejects the proposed improvements, LESSOR shall give detailed reasons therefor and will use its best efforts to provide recommended revisions for acceptance. If LESSOR gives

its acceptance, such acceptance shall be subject to LESSEE's compliance with Part 77 of the FAA Regulations, as they may be amended. LESSOR may refuse to permit the construction or installation of any improvement if the type of construction or installation or the location of such improvement (1) does not meet LESSOR's reasonable and lawful requirements for safe use of the Airport, (2) does not comply with the LESSOR's building codes, laws or other regulations, (3) does not conform to the applicable laws of the United States or the State of Arizona, or (4) does not conform to applicable Federal Aviation Regulations (FARs), Advisory Circulars, FAA Orders, and other FAA directives as they exist and as they may be amended or added from time to time. Following approval of such improvements, LESSEE shall obtain the necessary permits and proceed with approval and construction as set forth in the LESSOR's applicable development codes. LESSEE shall have the right to make major alterations and modifications in any buildings, structures or other improvements now or hereafter constructed or installed in or on the Premises, subject to the provisions of this paragraph. Items of normal repair and maintenance and minor alterations and modifications constructed at a cost under ten thousand dollars ($10,000.00) need not be submitted to LESSOR for approval unless required by applicable development or building codes.

7.2.1 In the event LESSOR is unable to provide sufficient personnel (either in-house staff or outside consultants to LESSOR) to review the plans within the time desired by LESSEE, LESSEE may elect to pay the reasonable costs incurred by LESSOR to retain such consultants or other experts as LESSOR may reasonably deem necessary to review the plans on behalf of LESSOR. Because of LESSEE's liability for the consultant's fees, any consultants under this paragraph shall be selected by the agreement of both LESSOR and LESSEE. LESSOR and LESSEE shall diligently select consultants following a request by LESSEE hereunder. LESSEE acknowledges that the consultants' recommendations will be subject to review and revision by LESSOR's staff and that LESSOR shall not be bound by any of the consultants' recommendations unless approved by LESSOR's governing body or other board or person having final approval rights with respect to the plans. LESSOR's non-liability for a consultant's fees hereunder shall be unconditional and LESSEE shall indemnify and hold LESSOR harmless from any claims relating to such fees.

7.3 No Obligation for Leasehold Improvements. LESSOR shall have no obligation to pay for the cost of construction of leasehold improvements in connection with subleases of the Premises.

7.4 No Liens. LESSEE shall not permit any mechanic's lien to be filed against the Premises or the improvements located on the Premises by reason of work, labor, services, or materials supplied or claimed to have been supplied, whether before or after the commencement of this Lease. If any mechanic's lien is at any time filed against the Premises or any improvement on the Premises, LESSEE shall, as soon as possible after notice of the filing of the lien, cause such lien to be discharged of record by payment, deposit, bond, order of a court of competent jurisdiction, or otherwise. If LESSEE fails to discharge the lien in a reasonable time, LESSOR may

discharge such lien with LESSEE's approval or after a final judgment is rendered either by paying the amount claimed to be due or by procuring the discharge of such lien by deposit or by bonding proceedings. If a foreclosure action initiated by a lienor results in a final judgment in its favor, the LESSOR may, at its sole option, pay the full amount of such final judgment. Any amount paid or expended by LESSOR, including but not limited to costs and reasonable attorneys' fees for any of such purposes, with interest at twelve percent (12%) per annum from the date of payment, shall be repaid by LESSEE to LESSOR on demand. LESSOR's options under this paragraph shall be in addition to any other right or remedy LESSOR may have.

7.5 Consent to Removal. No building, structure or other improvement installed, constructed, erected or placed by LESSEE on the Premises shall be removed from the Premises without the prior written consent of LESSOR, which shall not be unreasonably withheld.

7.6 No Obligation for Public Airport Facilities. Notwithstanding anything in this Lease to the contrary, neither LESSEE nor its permitted sublessees shall have any responsibility or obligation for the construction, installation or maintenance of the Public Airport Facilities.

8 ENVIRONMENTAL PROVISIONS.

8.1 LESSEE's Obligation. LESSEE shall, at LESSEE's own expense, comply with all present and hereinafter enacted Environmental Laws, and any amendments thereto, applicable to LESSEE's operation on the Premises.

8.2 Definitions.

8.2.1 "Environmental Laws" means anyone or all of the following as the same are amended from time to time: the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. Section 9601 *et seq.*; the Resource Conservation and Recovery Act, 42 U.S.C. Section 6941 *et seq.*; the Toxic Substances Control Act, 15 U.S.C. Section 2601 *et seq.*; the Safe Drinking Water Act, 42 U.S.C. Section 300h *et seq.*; the Clean Water Act, 33 U.S.C. Section 1251 *et seq.*; the Clean Air Act, 42 U.S.C. Section 7401 *et seq*; the Arizona Environmental Quality Act, A.R.S. Section 49-201 *et seq.*; the Arizona Hazardous Waste Management Act, A.R.S. Section 49-921 *et seq.*; and the Arizona Underground Storage Tank Regulation statute, A.R.S. Section 49-1001 *et seq.*; and the regulations promulgated thereunder and any other laws, regulations and ordinances (whether enacted by the local, state or federal government) now in effect or hereinafter enacted that deal with the regulation or protection of the environment, including the ambient air, ground water, surface water, and land use, including substrata land.

8.2.2 The term "hazardous material" includes:

a. Those substances included within the definitions of hazardous substance, hazardous material, toxic substance, regulated substance, or solid waste in the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. Section 9601 *et seq.*, the

Resource Conservation and Recovery Act, 42 U.S.C. Section 6901 *et seq.*; and the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801 *et seq.* and the regulations promulgated thereto;

b. Those substances included within the definitions of hazardous substance, pollutant, toxic pollutant, regulated substance, hazardous or solid waste in the Arizona Environmental Quality Act, A.R.S. Section 49-201 *et seq.*; including, but not limited to, the Water Quality Assurance Revolving Fund statute, A.R.S. Section 49-701 *et seq.*, and the Underground Storage Tank Regulation statute, A.R.S. Section 49-1001 *et seq.*;

c. Those substances listed in the United States Department of Transportation Table (49 D.F.R. Section 172.101 and amendments thereto) or by the Environmental Protection Agency as hazardous substances (40 C.F.R. part 302 and amendments thereto); and,

d. All substances, materials and wastes that are, or that become, regulated under, or that are classified as hazardous or toxic under any environmental law.

8.2.3 The term "release" shall mean any releasing, spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, disposing, or dumping.

8.3 Compliance.

8.3.1 LESSEE shall not cause any hazardous material to be used, generated, manufactured, produced, stored, brought upon, or released, on, under, or about the Premises, or transported to and from the Premises, by LESSEE, its affiliated entities, owners, agents, employees, contractors, invitees, sublessees or a third party in violation of any Environmental Law, and shall use its reasonable best efforts to prevent any such occurrence. LESSEE shall indemnify, defend and hold harmless LESSOR, its successors and assigns, its employees, agents and attorneys from, for and against any and all liability, loss, damage, expense, penalties and legal and investigation fees or costs, arising from or related to any claim or action for injury, liability, breach of warranty or representation or damage to persons or property and any other claims or actions brought by any person, entity or governmental body, alleging or arising in connection with contamination of, or adverse effects on, the environment or violation of any Environmental Law or other statute, ordinance, rule, regulation, judgment or order of any government or judicial entity which are incurred or assessed as a result (whether in part or in whole) of any activity or operation on or discharge from the Premises during the term of this Lease by LESSEE or its owners or related entities. This obligation includes but is not limited to all costs and expenses related to cleaning up the Premises, land, soil, underground or surface water as required under the law. LESSEE's obligations and liabilities under this Paragraph shall continue so long as LESSOR bears any liability or responsibility under the Environmental Laws for any action that occurred on the Premises during

the term of this Lease. This indemnification of LESSOR by LESSEE includes, without limitation, costs incurred in connection with any investigation of site conditions or any cleanup, remedial, removal or restoration work required by any federal, state or local governmental agency or political subdivision. The parties agree that LESSOR's right to enforce LESSEE's promise to indemnify is not LESSOR's sole remedy for LESSEE's violation of any provision of this Paragraph; LESSOR shall also have the rights set forth in Paragraph 8.3 in addition to all other rights and remedies provided by law or otherwise provided in this Lease. Notwithstanding the foregoing, nothing contained in this Paragraph 8.2 shall obligate LESSEE to indemnify, defend or hold LESSOR harmless from the results of any negligence or wilful misconduct by LESSOR or its agents, nor to waive any legal right or remedy LESSEE might have against LESSOR by reason thereof.

8.3.2 Without limiting the foregoing, if the presence of any hazardous material on, under or about the Premises caused or permitted by LESSEE in violation of this Lease results in any contamination of the Premises, LESSEE shall promptly take all actions at its sole cost and expense as are necessary to return the Premises to the condition existing prior to the introduction of any such hazardous material to the Premises; provided that LESSOR's approval of such actions shall first be obtained, which approval shall not be unreasonably withheld so long as such actions would not potentially have any material adverse long-term effect on the Premises.

8.3.3 LESSEE shall, at LESSEE's own cost and expense, make all submissions to, provide all information to, and comply with all requirements of the appropriate governmental authority (the "Government") under the Environmental Laws pertaining to LESSEE's operation on the Premises. Should the Government determine that a site characterization, site assessment and/or a cleanup plan be prepared or that a cleanup should be undertaken because of any spills or discharges of hazardous materials at the Premises during the term of this Lease which are caused by LESSEE or a sublessee, licensee or invitee, then LESSEE shall, at LESSEE's own cost and expense, prepare and submit the required plans and financial assurances, and carry out the approved plans. At no cost or expense to LESSOR, LESSEE shall promptly provide all information reasonably requested by LESSOR to determine the applicability of the Environmental Laws to the Premises, or to respond to any governmental investigation or to respond to any claim of liability by third parties which relates to environmental contamination.

8.3.4 LESSEE shall immediately notify LESSOR of any of the following: (a) any correspondence or communication from any governmental entity regarding the application of Environmental Laws to the Premises or LESSEE's operation on the Premises, and (b) any change in LESSEE's operation on the Premises that will change or has the potential to change LESSEE's or LESSOR's obligations or liabilities under the Environmental Laws.

8.3.5 LESSEE shall make the provisions of this Paragraph 8.2 binding upon the other party in any sublease agreement or contract by which it grants a right or privilege to any person, firm, or corporation under this Lease.

8.4 Remedies. LESSEE's material failure to comply with any of the requirements and obligations of Paragraph 8.2 or applicable Environmental Law shall constitute a default of this Lease and shall permit LESSOR to pursue the following remedies, in addition to all other rights and remedies provided by law or otherwise provided in the Lease, to which LESSOR may resort cumulatively, or in the alternative:

a. LESSOR may, at LESSOR's election, and upon ten (10) days written notice to LESSEE, make payments required of LESSEE under this Paragraph 8 or perform LESSEE's obligations under this Paragraph and be reimbursed by LESSEE for the cost thereof, unless such payment is made or obligation performed by LESSEE within such ten (10) day period.

b. LESSOR may, at LESSOR's election, and upon ten (10) days written notice to LESSEE, terminate this Lease, unless, within such ten (10) day period, LESSEE cures the default or, if the default is one which cannot reasonably be cured in that time, commences such cure and thereafter diligently pursues it. Upon LESSOR's termination, LESSOR shall be entitled to recover from LESSEE damages equal to the present value of the total amount by which all Rent and Fuel Flowage Fees during the balance of the Lease term exceeds the amount of loss of such items that LESSEE proves could have been reasonably avoided by LESSOR.

c. Notwithstanding any other provision in this Lease to the contrary, LESSOR shall have the right of "self-help" or similar remedy in order to minimize any damages, expenses, penalties and related fees or costs, arising from or related to a violation of Environmental Law on, under or about the Premises.

9 PUBLIC UTILITIES.

9.1 Payment. LESSEE shall pay or cause its permitted sublessees to pay for all public utility services supplied to it on the Premises, including electricity, gas, water and sewage service.

9.2 Repair. LESSOR retains the right to use any utility lines currently located on the Premises and shall have the right and duty to repair the same when necessary. LESSEE shall not be required to pay the cost of repairing currently existing utilities. Utility repairs shall be done on a priority basis and shall not unreasonably interfere with LESSEE's operations.

9.3 Provision of Utilities. LESSOR shall take all actions necessary to obtain as promptly as possible whatever outside funding may be available to pay for the cost of creating all utility corridors necessary to maximize the value of the Premises and cover the cost of bringing utilities to the Premises. Without limiting the foregoing, LESSOR shall pay the cost of extending electricity and water lines along the western side of the existing taxiway along the 20-foot utility corridor identified in the legal description of the Premises and shall provide a water supply to LESSEE and to other water users on the Premises sufficient to allow fulfillment of the development and

subleasing purposes contemplated by this Lease. LESSOR shall bear the cost of the maintenance of the water supply system. LESSOR may, at its sole option and expense, install a water meter and charge LESSEE for the water at commercial rates prevailing in the community for similarly situated water users. Unless governmental funding for such purpose is available as provided in Paragraph 4.7, LESSEE shall, at no cost or expense to LESSOR, provide all public utility and sewage connections within the Premises which are needed for buildings, structures and other improvements constructed on the Premises by LESSEE or its sublessees.

9.4 Rights of Way. If requested to do so by LESSEE, LESSOR shall grant reasonable rights-of-way on or across the Airport to public utility companies for the purpose of supplying LESSEE with utilities, but LESSOR reserves the right to designate the location of such rights-of-way.

10 MAINTENANCE.

10.1 LESSEE's Obligations. LESSEE shall retain the title to all improvements made by LESSEE on the Premises until such time as the title thereto transfers to LESSOR pursuant to Paragraph 18.4 below. LESSEE shall keep and maintain all improvements on the Premises to which LESSEE has title in a clean, good, safe and usable condition, and shall promptly commence and continue with reasonable due diligence to repair any damage or defects. LESSEE shall be responsible for coordinating and notifying the LESSOR of any construction alteration on the airport that will fall under the requirements of FAA Form 7460-1, Notice of Proposed Construction or Alteration; FAA Form 7480-1, Notice of Landing Area Proposal; or the Airport Master Record, FAA Form 5010-1. A copy of any of these forms, when initiated, should be forwarded to the ADOT Aeronautics Division.

10.2 LESSOR's Obligations. LESSOR shall keep and maintain in good condition and repair in compliance with FAA Regulations, other applicable Federal and State law and regulations and LESSOR's approved maintenance plan, all Public Airport Facilities as well as any non-public improvements to which LESSOR has title.

10.3 Notice by LESSEE. Upon discovery, LESSEE shall immediately notify LESSOR of any Airport property in need of maintenance and repair. Airport property owned by LESSOR shall be repaired on a priority basis if it adversely affects LESSEE's operation; otherwise, such repairs and maintenance shall be done within a reasonable time.

10.4 Inspection by LESSOR. The condition of the Airport, LESSEE's operation, and the Premises shall be subject to inspection at any time by LESSOR with reasonable frequency and at reasonable times on no less than twenty-four (24) hours advance notice unless such notice is not feasible due to an emergency.

11 TAXES.

11.1 LESSEE's Payment. LESSEE shall pay before delinquent any and all applicable taxes levied or assessed by any government body as a result of LESSEE's operations and including but not limited to all rental taxes which may be levied or assessed against LESSOR and/or LESSEE, as provided by the Marana Tax Code.

12 RULES AND REGULATIONS.

12.1 LESSOR's Regulations. LESSEE shall observe and obey all applicable rules and regulations which have been or may in the future be adopted by LESSOR; provided, however, that such rules and regulations shall be consistent with rules, regulations and orders of the FAA and with the provisions of this Lease. In addition LESSEE shall comply with the following standard FAA lease provisions listed in Paragraphs 12.2 through 12.17 below.

12.2 Department of Transportation Regulations. If facilities are constructed, maintained, or otherwise operated on the Premises for a purpose for which a Department of Transportation program or activity is extended or for another purpose involving the provision of similar services or benefits, LESSEE shall maintain and operate such facilities and services in compliance with all other requirements imposed pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation Effectuation of Title VI of the Civil Rights Act of 1964, as may be amended from time to time.

12.3 Non-Discrimination. LESSEE, its successors in interest and assigns, do hereby covenant and agree that (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of the Airport facilities on the Premises, (2) that in the construction of any improvements on, over, or under the Premises and the furnishing of services thereon, no person on the grounds of race, color, physical disability or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subject to discrimination, (3) that the LESSEE shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation Effectuation of Title VI of the Civil Rights Act of 1964, as may be amended from time to time.

12.4 Fairness. LESSEE shall furnish its accommodations and services on a fair, equal and not unjustly discriminatory basis to all users thereof.

12.5 Applicable to Other Agreements. LESSEE shall insert Paragraphs 12.2, 12.3, and 12.4 in any rental agreement, Sub-operator's agreement and the like, by which LESSEE grants a right or privilege to any person, firm, or corporation to render accommodations or services to the public on the Premises.

12.6 Affirmative Action. LESSEE shall undertake an affirmative action program as required by 14 C.F.R. Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. LESSEE covenants that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this provision. LESSEE shall require its suborganizations, sublessees, agents, and employees provide assurances to LESSEE that they similarly shall undertake

affirmative action programs and that they shall require assurances from their suborganizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

12.7 Non-Compliance. If a complaint is lodged alleging noncompliance by LESSEE with Paragraphs 12.2, 12.3, or 12.4 of this Article and an investigation and determination of noncompliance is made by a proper authority, LESSEE shall have a reasonable time but not less than thirty (30) days to comply after receipt of written notice of such noncompliance from LESSOR. Failure by LESSEE to cure the noncompliance shall constitute a material breach of this Lease and LESSOR shall have the right to terminate this Lease and the estate hereby created in accordance with ARTICLE XVI, at the election of LESSOR. LESSOR may enforce Paragraphs 12.2, 12.3, and 12.4 of this Article through court action or any other legal remedy in lieu of termination.

12.8 Future Development. LESSOR reserves the right to further develop or improve the air navigation facility and the landing and apron areas for the Airport in coordination with ADOT Aeronautics and the FAA for further growth and development. LESSOR shall use its best efforts to do so without interfering with or hindering LESSEE's operation. LESSEE shall not be required to bear any of the cost or expense of construction and maintenance of such improvements.

12.9 Future Construction. LESSEE agrees to comply with the notification and review requirements covered in Part 77 of the Federal Aviation Regulations in the event future construction of a building is planned for the leased premises, or in the event of any planned modification or alteration of any present or future building or structure situation on the leased premises.

12.10 Elevation Restriction. LESSEE, by accepting this Lease, expressly agrees for itself, its successors and assigns that it will not erect nor permit the erection of any structure or object, nor permit the growth of any tree on the land leased hereunder above the permitted mean sea level elevation. In the event the aforesaid covenant is breached, the LESSOR reserves the right to enter upon the land leased hereunder and to remove the offending structure or object and cut the offending tree, all of which shall be at the expense of the LESSEE.

12.11 Subordination to Federal Agreements. This Lease shall be subordinate to the provisions and requirements of any existing or future agreement between LESSOR and the United States or its agencies and departments relative to the development, operation or maintenance of the Airport.

12.12 No Exclusive Right. Nothing in this Lease shall be construed to grant or authorize the granting of an exclusive right within the meaning of Section 308(a) of the Federal Aviation Act of 1958 (49 U.S.C. § 1349), as amended.

12.13 Applicable to Subleases. LESSEE shall insert the relevant provisions of this Article 12 in any agreement or contract by which it grants a right or privilege to any person, firm, or corporation under a sublease.

12.14 Compliance with Aviation Regulations. LESSEE shall conduct its operations and activities on the Airport in compliance with all applicable regulations of the FAA and the Arizona Department of Aeronautics.

13 SUPERIOR RIGHTS.

13.1 Preemption by U.S. During time of war or national emergency, LESSOR may enter into agreements with the United States Government for use of part or all of the Airport. LESSOR will coordinate any such agreement which affects LESSEE's operation with LESSEE in advance to the extent feasible. If any such agreement is executed by LESSOR, the provisions of this Lease, insofar as they are inconsistent with the provisions of any agreement made by LESSOR with the United States Government shall be superceded, and LESSEE shall have no claim against LESSOR for any loss or damage sustained by LESSEE because of the making of such agreement by LESSOR.

13.2 Disclaimer. The parties shall not be required to repair, replace, rebuild or construct any building or portion of any building so long as the obligated party is prevented from so doing by action of the United States Government.

14 RESERVATION OF EASEMENT.

14.1 LESSOR's Reservation of Rights. LESSOR hereby reserves for the use and benefit of aircraft using the Airport a right of flight for the passage of aircraft in the airspace above the uppermost level of the construction on the Premises, together with the right to cause such noise as may be inherent in the operation of aircraft now known or hereafter used for navigation of or flight in the air using said airspace, or landing at, or taking off from, or operating on, the Airport.

14.2 No Obstruction. LESSEE shall not make use of the Premises in any manner which might interfere with the landing and taking off of aircraft from the Airport or otherwise constitute a hazard. If this provision is violated, LESSEE shall immediately remedy the situation upon reasonable notice by LESSOR. If LESSEE does not immediately remedy the hazard, LESSOR may at its option enter upon the Premises and abate the hazard at the expense of LESSEE. This paragraph shall not apply to improvements constructed with LESSOR's approval under Paragraph 7.2.

15 ASSIGNMENT.

15.1 LESSOR's Consent. LESSEE shall not assign, sell, transfer, mortgage or pledge this Lease or any interest in it without first obtaining written consent from LESSOR, which consent shall not be unreasonably withheld. LESSEE granting to a lender a security interest in the proceeds of a sublease or in buildings or other improvements constructed for a sublessee in order to finance the cost of such construction shall not constitute an assignment prohibited hereby. Any change in principal ownership or control of LESSEE, except if due to the death or disability of a shareholder or made for estate planning or testamentary purposes, shall be considered an assignment of rights under this Lease. Any assignment of this Lease by LESSEE shall be upon the following conditions.

15.1.1 Any assignment of this lease shall be in writing, signed by all Parties to this Lease, and signed by the assignee.

15.1.2 Any assignment of this Lease shall provide that the assignee assumes and agrees to perform all of the terms, covenants and agreements which LESSEE

has agreed to perform under this Lease. Provided LESSOR approves the assignee's financial and operative capabilities, LESSOR shall enter into a new agreement (novation) with LESSEE's assignee. LESSOR's approval for such novation shall not be unreasonably withheld or delayed. LESSOR shall thereafter rely solely on the assignee, and LESSEE shall have no further liability to LESSOR under this Lease except with respect to environmental indemnifications for releases which occurred prior to the assignment. Absent a novation, the assignee shall become jointly and severally liable with LESSEE or any successor in interest of LESSEE for the performance of the terms and covenants of this Lease.

15.2 Compliance with Requirements. Any assignment or transfer whatsoever or pledge or mortgage made contrary to the terms of this Article shall be void.

16 TERMINATION BY LESSOR.

16.1 Default by LESSEE. If LESSEE defaults in the payment of any sums due LESSOR under this Lease, defaults by the nonperformance of some other obligation set forth in this Lease, or if one of the events of default set forth in Paragraph 16.2 below takes place, LESSEE shall have thirty (30) days after written notice is served in accordance with Article XX to cure or remedy the default. If LESSEE fails to cure or remedy the default within thirty (30) days after such notice has been served, or, in the event such default cannot reasonably be remedied within such thirty (30) day period, to commence such remedy within such period and diligently pursue it thereafter, LESSOR may, at its option, and without prejudice to any other right or remedy, terminate this Lease and recover possession of the Premises by summary proceedings.

16.2 Additional Defaults. In addition to the events of default mentioned above, any of the following shall also constitute an event of default hereunder:

a. The making by LESSEE of any general assignment, or general arrangement for the benefit of creditors;

b. The filing by or against LESSEE of a petition to have LESSEE adjudged a bankrupt or a petition for reorganization or arrangement under any law relating to bankruptcy unless the same is dismissed within sixty (60) days;

c. The appointment of a trustee or receiver to take possession of substantially all of LESSEE's assets located at the Premises, or of LESSEE's interest in this Lease, where possession is not restored to LESSEE within thirty (30) days; or

d. The attachment, execution, or other judicial seizure of substantially all of LESSEE's assets located at the Premises, or of LESSEE's interest in this Lease, where such seizure is not discharged within thirty (30) days.

16.3 No Waiver. No waiver by LESSOR of a default in any of the terms, covenants or conditions of this Lease shall be construed to be or act as a waiver of any subsequent default.

16.4 Remedies Cumulative. All remedies granted to LESSOR under this Article are cumulative and are in addition to any other rights LESSOR may have as a matter of law.

17 TERMINATION BY LESSEE.

17.1 Causes. Without prejudice to any of its other remedies under law, or this Lease, LESSEE may terminate this Agreement upon thirty (30) days written notice given in accordance with ARTICLE XX, upon or after the happening of or during the continuation of any of the following events:

a. The inability of LESSEE or its sublessees to use, for a period of ninety (90) days, any material portion of the Premises or improvements thereon, because of any law, rule, regulation or other action or failure to act on the part of any governmental authority having jurisdiction thereof.

b. The material default by LESSOR under this Lease and the failure of LESSOR to remedy such default for a period of thirty (30) days after receipt of written request or demand from LESSEE to remedy the same, or; in the event such default is incapable of being remedied within such thirty (30) day period, to commence such remedy within such period and diligently pursue it thereafter.

c. The assumption by the United States Government or any authorized agency thereof of the operation or control of Airport or any part of it in a way that substantially restricts LESSEE for a period of thirty days from conducting its operations on the Premises.

d. Discovery of a defect or condition in the Premises, including but not limited to the presence of hazardous waste or other soil problems, which could be reasonably expected to have a material adverse effect on LESSEE's ability to use the Premises for the purposes contemplated by this Lease.

17.2 Expiration of Cause. If the basis for termination by LESSEE ceases to exist prior to a termination, the right to terminate on such basis shall cease.

17.3 Non-Waiver. No waiver by LESSEE of a default in any of the terms, covenants or conditions of this Lease shall be construed to be or act as a waiver of any subsequent default.

17.4 Remedies Cumulative. All remedies granted to LESSEE under this article are cumulative and are in addition to any other rights LESSEE may have as a matter of law.

18 SURRENDER OF POSSESSION; CONDITION OF PREMISES.

18.1 Surrender. Upon the expiration or earlier termination of this Lease, LESSEE shall immediately surrender the Premises to LESSOR.

18.2 Condition. The Premises shall be returned to LESSOR in the same condition as maintained by LESSEE during its operation prior to surrender.

18.3 Removal of Personal Property. All buildings, structures and improvements shall be delivered to LESSOR in good condition, ordinary wear and tear excepted. Not later than thirty (30) days after the expiration or termination of this Lease, LESSEE shall remove any and all signs, trade fixtures, machinery and equipment from the Premises. LESSEE shall repair any damage caused by such removal. Upon failure of LESSEE to remove such personal property within the thirty-day period, LESSOR may at its option cause the personal property to be removed and charge LESSEE the actual costs of such removal or take title to the personal property.

18.4 Transfer to LESSOR. All permanent buildings, structures and improvements constructed, installed, erected or placed on the Premises by LESSEE or its sublessees to which LESSOR does not already have title shall automatically become the property of the LESSOR upon the expiration or earlier termination of this Lease without further action on the part of either party, without cost or charge to LESSOR, and without further conveyance or transfer to LESSOR; provided, however, that LESSEE shall, if requested by LESSOR, execute any instruments or documents reasonably required by LESSOR to evidence the vesting of title to such improvements and property.

19 AIRPORT TRANSFER.

19.1 Transfer of Lease to Marana. The undersigned parties enter into this Lease solely on the condition that the Airport will be transferred from Pima County to the Town of Marana. This Lease shall be null and void in the event each and every one of the following conditions is not fulfilled within ninety (90) days after the execution of this Lease:

a. The Town of Marana shall obtain legal title to those portions of the Airport presently owned by Pima County.

b. The rights and obligations of the LESSOR under this Lease shall be transferred to the Town of Marana and both the LESSEE and the Town of Marana shall release Pima County from any obligation hereunder; and

c. The Town of Marana shall obtain FAA approval to assume sponsorship of the Airport and shall actually assume such sponsorship in substitution for Pima County.

19.1.1 The ninety (90) day time period may be extended by mutual agreement of LESSEE, Pima County and the Town of Marana for good cause.

19.2 Subsequent Transfer to Pima County. In the event that the Town of Marana transfers or returns the Airport to Pima County during the term of this Lease, the Lease shall be effective as to developed parcels only. Undeveloped portions of the Premises shall be deleted from the Premises and the provisions of Section 1.2 shall not apply. As used herein, the term "developed" shall mean leased to a sublessee. Any and all subleases entered into between LESSEE and sublessees prior to Pima County resuming ownership of the Airport shall remain in effect for the term of this Lease, provided, however, that notwithstanding such transfer of ownership, the Town of

Marana and Lessee shall remain financially responsible for the fulfillment of, and shall hold Pima County harmless from, any "Extraordinary Obligation" imposed on either of such parties under a pre-existing sublease. As used herein, the term "Extraordinary Obligation" means the obligation to expend monies for the exclusive benefit of a sublessee for a purpose which is not eligible for funding under either the State of Arizona airport grant program or the federal AIP grant program.

20 **GENERAL PROVISIONS.**

20.1 Cumulative. Unless specifically indicated otherwise, no remedy, right, option or election set forth in any provisions of this Lease shall be deemed exclusive; rather, each shall be cumulative with other remedies in law or equity. This Lease shall be deemed both a contract between the Parties and a declaration of conditions, covenants and restrictions running with the land for the duration of the Lease term or any extensions of it.

20.2 Non-Waiver. No circumstance in which LESSOR or LESSEE expressly or impliedly consents to, suffers, or permits the doing by the other of any act or omission under this Lease shall be construed to be or shall be a waiver of any provision or condition of this Lease or shall be construed to condone any future breaches, unless the provision or condition in question is expressly waived in writing by the waiving party.

20.3 Time of Essence. Time is of the essence in the performance of all terms and conditions of this Lease.

20.4 Entire Agreement. This instrument contains the entire agreement between the parties, and no statement, promise, or inducements made by either party or agent of either party that is not contained in this instrument shall be valid or binding.

20.5 Modification. This Lease may not be enlarged, modified or altered except in writing by the parties.

20.6 Abandonment. If the Premises are abandoned, deserted or vacated by LESSEE for thirty (30) days or more, and remain so for an additional thirty (30) days after LESSOR gives LESSEE notice thereof, LESSOR may, at its option, terminate this Lease and reenter and repossess the Premises without liability to LESSEE.

20.7 Successors and Assigns Bound. All the terms, covenants and conditions of this Lease shall inure to and bind the successors and assigns of the parties to this Lease.

20.8 Article Headings. The article headings in this Lease are for convenience and reference only and are not intended to define or limit the scope of any provision of this Lease.

20.9 Severability. If any term or condition of this Lease is invalid or unenforceable, all other terms and conditions shall remain in full force and effect.

20.10 Applicable Law. This Lease shall be governed by the laws of the State of Arizona, and any actions to enforce or interpret the terms and provisions of this Lease shall be brought and maintained in Pima County, Arizona.

20.11 Authority. Each of the respective undersigned signatories for LESSEE and LESSOR warrant that they have authority to enter into this Lease for and on behalf of the party for whom they are signing and to legally bind such party.

20.12 Recording and Effective Date. Upon execution by all parties, this Lease shall be recorded in the office of the Pima County Recorder, and the Lease shall be effective on the date recorded.

20.13 Approvals. Whenever this Lease requires the approval or consent of a party, such approval or consent shall not be unreasonably withheld or delayed.

21 **NOTICES.**

21.1 Addresses. All notices under this Lease shall be in writing, and shall be deemed sufficiently served if hand delivered or sent by certified mail, postage prepaid, to the recipient at the following address:

If to LESSOR:

Airport Manager
TOWN OF MARANA
13251 N. Lon Adams Road
Marana, Arizona 85653

Town Manager
TOWN OF MARANA
13251 N. Lon Adams Road
Marana, Arizona 85653

and with a copy to:

Daniel J. Hochuli
Daniel J. Hochuli & Associates, P.C.
Town Attorney
220 E. Wetmore Road, Suite 110
Tucson, AZ 85705

If to LESSEE:

PIMA AVIATION, INC., c/o Gary Abrams
Avra Valley Airport
Leased Premises Office
11700 W. Avra Valley Road, #86
Marana, Arizona 85653

and with copies to:

PIMA AVIATION, INC.
P.O. Box 5367
Tucson, Arizona 85703

MARK B. RAVEN, Esq.
Law Offices of Raven & Kirschner, P.C.
1600 Norwest Tower
One South Church Avenue
Tucson, Arizona 85701-1612

21.2 Service. Service of any notice or demand by hand delivery shall be deemed complete upon the date of delivery. Service of any notice or demand by certified mail shall be deemed complete upon receipt.

21.3 Change of Address. Either party may change its address to such other addresses as such party may designate to the other in writing from time to time.

IN WITNESS WHEREOF, the Parties have affixed their signatures below.

LESSOR:
PIMA COUNTY

By: Sharon Bronson
Sharon Bronson, Chairman

ATTEST:

Lori Godoshian
Board Clerk

APPROVED AS TO FORM:

Assistant County Attorney

LESSEE:
PIMA AVIATION, INC., an Arizona corporation,

By: _____
Gary Abrams, President

STATE OF ARIZONA)
) ss.
County of Pima)

The foregoing instrument was acknowledged before me this 28th day of June, 1999 by Gary Abrams, as President of Pima Aviation, Inc.

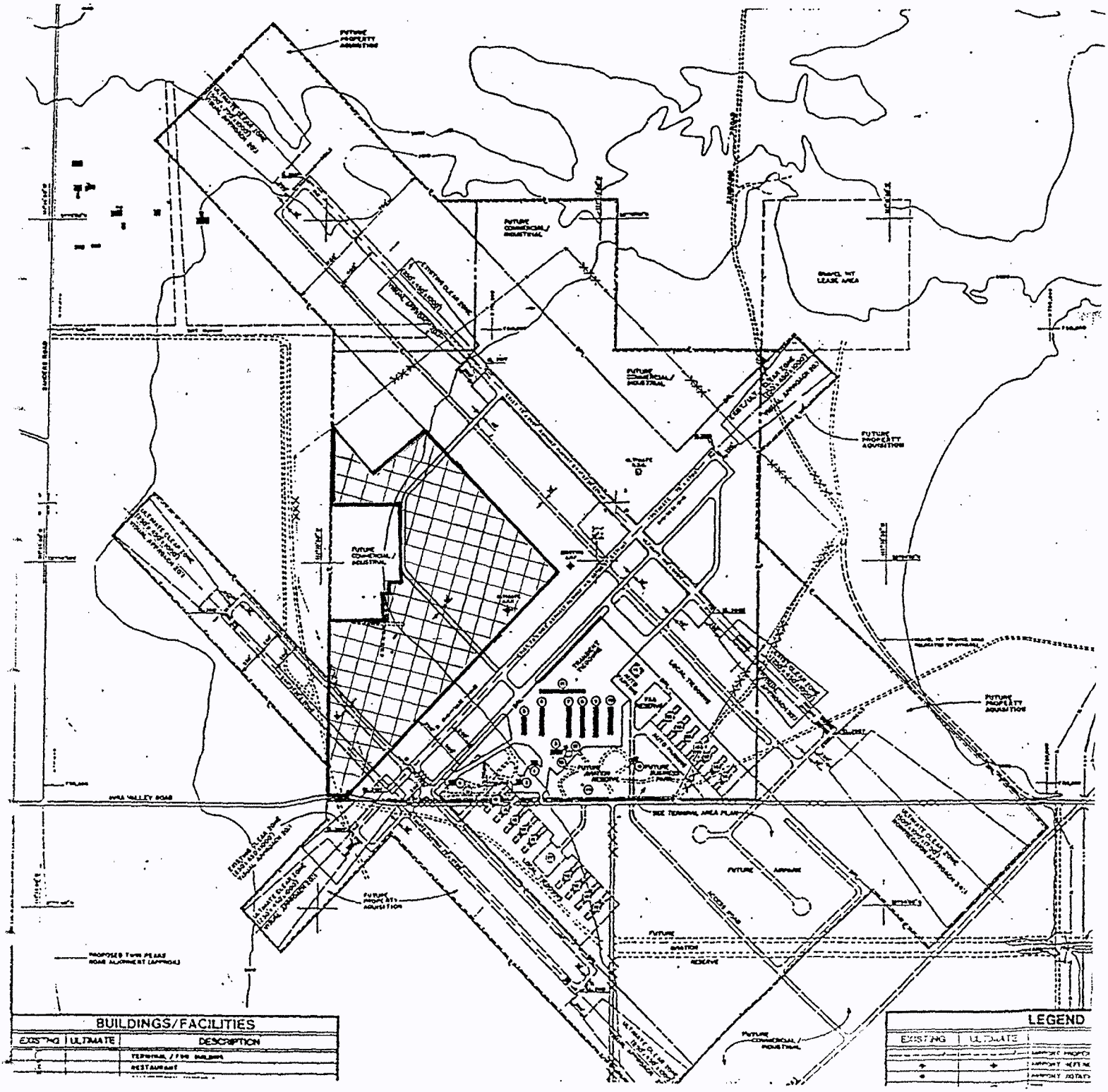
_____
Notary Public

My Commission Expires:

ANNE C. GRAHAM-BERGIN
Notary Public-Arizona
Pima County
My Commission Expires
Nov. 30, 1999

ANNE C. GRAHAM-BERGIN
Notary Public-Arizona
Pima County
My Commission Expires
Nov. 30, 1999

EXHIBIT A



73 ACRE LEASE

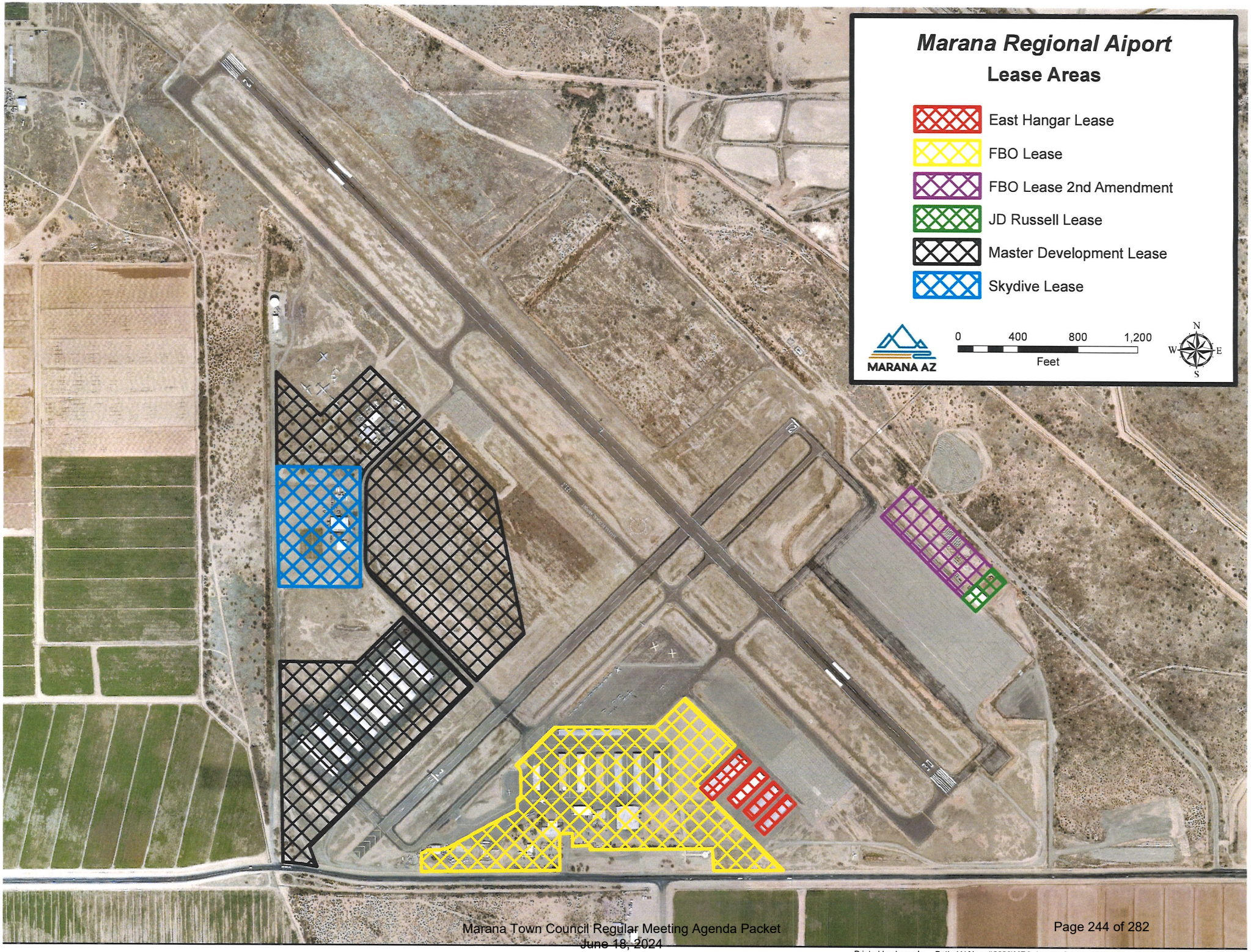
EXHIBIT B

AVRA VALLEY AIRPORT REVENUE SCHEDULE

73 ACRE PARCEL

YEAR	ACREAGE	RATE/ACRE	REVENUES TO LESSOR	TOTAL ANNUAL PMT **
1	73	$ 250.00	$ 18,250.00	$ 18,250.00
2	73	$ 250.00	$ 18,250.00	$ 18,250.00
3	73	$ 500.00	$ 36,500.00	$ 36,500.00
4	73	$ 500.00	$ 36,500.00	$ 36,500.00
5	73	$ 750.00	$ 54,750.00	$ 54,750.00
6	73	$ 750.00	$ 54,750.00	$ 54,750.00
7	73	$ 1,000.00	$ 73,000.00	$ 73,000.00
8	73	$ 1,000.00	$ 73,000.00	$ 73,000.00
9	73	$ 1,000.00	$ 73,000.00	$ 73,000.00
10	73	$ 1,000.00	$ 73,000.00	$ 73,000.00
11	73	$ 1,000.00	$ 73,000.00	$ 73,000.00
12	73	$ 1,000.00	$ 73,000.00	$ 73,000.00
13	73	$ 1,000.00	$ 73,000.00	$ 73,000.00
14	73	$ 1,000.00	$ 73,000.00	$ 73,000.00
15	73	$ 1,000.00	$ 73,000.00	$ 73,000.00
16	73	$ 1,500.00	$ 109,500.00	$ 109,500.00
17	73	$ 1,500.00	$ 109,500.00	$ 109,500.00
18	73	$ 1,500.00	$ 109,500.00	$ 109,500.00
19	73	$ 1,500.00	$ 109,500.00	$ 109,500.00
20	73	$ 1,500.00	$ 109,500.00	$ 109,500.00
21	73	$ 1,500.00	$ 109,500.00	$ 109,500.00
22	73	$ 1,500.00	$ 109,500.00	$ 109,500.00
23	73	$ 1,500.00	$ 109,500.00	$ 109,500.00
24	73	$ 1,500.00	$ 109,500.00	$ 109,500.00
25	73	$ 1,500.00	$ 109,500.00	$ 109,500.00

** PLUS 5% ON REVENUES RESULTING FROM SUBLEASED ACREAGE



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Council-Regular Meeting **D2**

Meeting Date: 06/18/2024

To: Mayor and Council

From: Yiannis Kalaitzidis, Finance Director

Date: June 18, 2024

Strategic Plan Focus Area:
Thriving Commerce, Vibrant Community, Cherished Heritage, Proactive Public Services, Recreation, Healthy Lifestyles

Subject: PUBLIC HEARING: Relating to Budget; public hearing regarding the Town of Marana's fiscal year 2024-2025 final budget (Yiannis Kalaitzidis)

Discussion:
On May 21, 2024, Mayor and Council adopted a tentative budget for fiscal year 2024-2025. In adopting the tentative budget, Mayor and Council established the expenditure limitation for the Town for the fiscal year.

This public hearing is the last formal step in the budgeting process prior to adopting the final budget. After receiving public input, Mayor and Council will be asked at a special meeting immediately following the regular Council meeting to consider adopting a final budget that shall not exceed $473,739,474.

No changes were made to the budget after adoption of the Tentative Budget.

The fiscal year 2024-2025 budget is structurally balanced with ongoing revenues covering ongoing expenditures. The budget includes $5.0 million of General Fund contingency funding.

The following highlights certain items included in the proposed final budget:

Authorized Positions
Including position adjustments made during the current fiscal year, staffing increased 31.5 FTE from 444.1 positions in FY 2024 to 475.6 in FY 2025. Positions were added to a

variety of departments, including police, parks & recreation, public works, finance, human resources, development services, and water.

The fiscal year 2024-2025 budget provides for performance pay adjustments up to 4%. The Town will also be increasing the minimum and maximum salary ranges for a number of positions in line with a compensation plan update. Employees eligible for the Team Performance Pay adjustment will receive no more than 4% within their newly adjusted pay grade, not to exceed the new maximum of their pay grade. These actions will align the Town's pay structure with market conditions. The fiscal year 2024-2025 schedule of salaries is attached. This schedule might undergo further minor revisions as the Human Resources department is still in the process of determining the appropriate title, grade and class for some of the new positions. That determination, which has no impact on the pay ranges presented, will be completed prior to the recruitment of those positions.

Staff has included the official budget forms required by the State of Arizona's Auditor General's office (Exhibit A) as published for tonight's public hearing.

Upon adoption of the final budget, staff will publish and distribute to Council and department heads a budget document that provides more detailed information. Additionally, this published budget will be submitted to the Government Finance Officers Association for consideration of the Distinguished Budget Presentation Award.

Financial Impact:

Fiscal Year:	2025
Budgeted Y/N:	Y
Amount:	$473,739,474

The final budget amount of $473,739,474 is the same as the tentative budget amount approved on May 21, 2024. There were no adjustments between tentative and final budget.

Staff Recommendation:

None, public hearing on the budget only.

Suggested Motion:

No motion is necessary.

Attachments

FY2025 Budget Presentation

Exhibit A - 2024-2025 Final Budget Auditor General Schedules

5 year CIP Plan

FISCAL YEAR 24 25 TWENTY FOUR / TWENTY FIVE

FINAL BUDGET

MARANA AZ



Yiannis Kalaitzidis
Finance Director

Fiscal Year 2024-2025 Budget Timeline

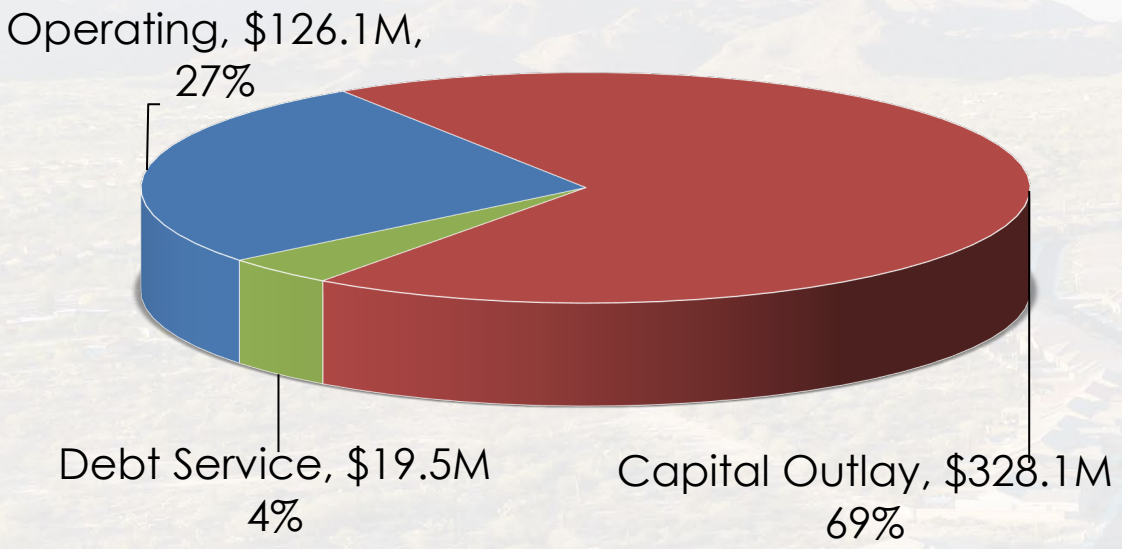
- February – Presented preliminary revenue outlook for Fiscal Year 2024-2025 and solicited Council feedback
- February – Presented initial 5 year Capital Improvement Plan for consideration and feedback
- April – Presented Manager's recommended comprehensive budget for consideration and additional feedback
- May – Presented and adopted Tentative Budget during public hearing which set overall expenditure limitation for Town
- June – Adoption of Final Budget for Fiscal Year 2024-2025

Fiscal Year 2024-2025 Budget Expenditure Summary

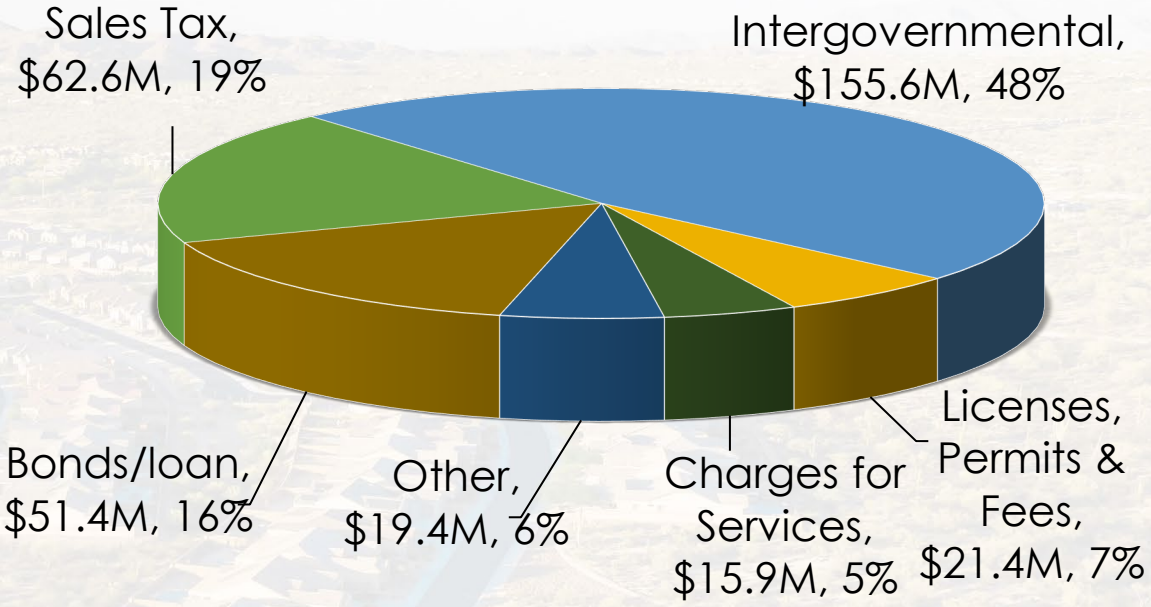
Primary Entity	F/Y 2024 Adopted	F/Y 2025 Final	$ Change	% Change
General Fund	$ 77,026,555	$ 105,182,082	$ 28,155,527	36,6%
Special Revenue Funds	13,051,469	14,809,088	1,757,619	13.5%
Capital Projects Funds	154,097,667	224,080,069	69,982,402	45.4%
Debt Service Funds	6,247,451	9,087,464	2,840,013	45.5%
Enterprise Funds	69,386,635	99,988,058	30,601,423	44.1%
Internal Service Funds	5,696,168	6,211,485	515,317	9.0%
Primary entity	325,505,945	459,358,246	133,852,301	41.1%
Component Units				
Special Districts	10,755,253	14,381,228	3,625,975	33.7%
Total	**$ 336,261,198**	**$ 473,739,474**	**$ 137,478,276**	**40.9%**

Fiscal Year 2024-2025 Overview

Expenditure by Category
$473.7 Million



Revenues
$326.2 Million



THANK YOU

MARANA AZ

DISCUSSION



Official Budget Forms

Town of Marana

Fiscal year 2025

Town of Marana

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Fiscal year 2025

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Town of Marana
Summary Schedule of estimated revenues and expenditures/expenses
Fiscal year 2025

Fiscal year		Sch		Funds							
				General Fund	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Permanent Fund	Enterprise Funds Available	Internal Service Funds	Total all funds
2024	Adopted/adjusted budgeted expenditures/expenses*	E	1	77,026,555	13,051,469	15,356,954	155,743,417	0	69,386,635	5,696,168	336,261,198
2024	Actual expenditures/expenses**	E	2	58,988,253	7,224,654	9,793,591	36,751,090	0	27,620,024	5,034,958	145,412,570
2025	Beginning fund balance/(deficit) or net position/(deficit) at July 1***		3	122,048,887	14,279,830	9,608,410	123,486,943	0	46,212,164	3,452,583	319,088,817
2025	Primary property tax levy	B	4	0							0
2025	Secondary property tax levy	B	5			2,637,569	316,508				2,954,077
2025	Estimated revenues other than property taxes	C	6	80,688,255	10,107,377	1,833,045	128,718,848	0	44,314,207	6,211,485	271,873,217
2025	Other financing sources	D	7	0	0	8,500,000	19,849,957	0	23,060,492	0	51,410,449
2025	Other financing (uses)	D	8	0	0	0	0	0	0	0	0
2025	Interfund transfers in	D	9	0	100,000	8,108,347	1,808,471	0	10,603,706	0	20,620,524
2025	Interfund Transfers (out)	D	10	6,201,898	0	0	5,785,060	0	8,633,566	0	20,620,524
2025	Line 11: Reduction for fund balance reserved for future budget year expenditures		11								
	Maintained for future debt retirement										0
	Maintained for future capital projects										0
	Maintained for future financial stability			20,172,064							20,172,064
	Maintained for future retirement contributions										0
											0
2025	Total financial resources available		12	176,363,180	24,487,207	30,687,371	268,395,667	0	115,557,003	9,664,068	625,154,496
2025	Budgeted expenditures/expenses	E	13	105,182,082	14,809,088	21,452,942	226,095,819	0	99,988,058	6,211,485	473,739,474

	Expenditure limitation comparison	2024	2025
1	Budgeted expenditures/expenses	$ 336,261,198	$ 473,739,474
2	Add/subtract: estimated net reconciling items		
3	Budgeted expenditures/expenses adjusted for reconciling items	336,261,198	473,739,474
4	Less: estimated exclusions		
5	Amount subject to the expenditure limitation	$ 336,261,198	$ 473,739,474
6	EEC expenditure limitation	$	$

☐ The city/town does not levy property taxes and does not have special assessment districts for which property taxes are levied. Therefore, Schedule B has been omitted.

* Includes expenditure/expense adjustments approved in the current year from Schedule E.
** Includes actual amounts as of the date the proposed budget was prepared, adjusted for estimated activity for the remainder of the fiscal year.
*** Amounts on this line represent beginning fund balance/(deficit) or net position/(deficit) amounts except for nonspendable amounts (e.g., prepaids and inventories) or amounts legally or contractually required to be maintained intact (e.g., principal of a permanent fund).

Town of Marana
Tax levy and tax rate information
Fiscal year 2025

		2024	2025
1.	Maximum allowable primary property tax levy. A.R.S. §42-17051(A)	$	$
2.	Amount received from primary property taxation in the **current year** in excess of the sum of that year's maximum allowable primary property tax levy. A.R.S. §42-17102(A)(18)	$	
3.	Property tax levy amounts		
	A. Primary property taxes	$	$
	Property tax judgment		
	B. Secondary property taxes	2,435,494	2,954,077
	Property tax judgment		
	C. Total property tax levy amounts	$ 2,435,494	$ 2,954,077
4.	Property taxes collected*		
	A. Primary property taxes		
	(1) **Current** year's levy	$	
	(2) Prior years' levies		
	(3) Total primary property taxes	$	
	B. Secondary property taxes		
	(1) **Current** year's levy	$ 2,398,962	
	(2) Prior years' levies	19,788	
	(3) Total secondary property taxes	$ 2,418,749	
	C. Total property taxes collected	$ 2,418,749	
5.	Property tax rates		
	A. City/Town tax rate		
	(1) Primary property tax rate		
	Property tax judgment		
	(2) Secondary property tax rate	2.8000	2.8000
	Property tax judgment		
	(3) Total city/town tax rate	2.8000	2.8000

B. Special assessment district tax rates

Secondary property tax rates—As of the date the proposed budget was prepared, the city/town was operating three special assessment districts for which secondary property taxes are levied. For information pertaining to these special assessment districts and their tax rates, please contact the city/town.

* Includes actual property taxes collected as of the date the proposed budget was prepared, plus estimated property tax collections for the remainder of the fiscal year.

Town of Marana
Revenues other than property taxes
Fiscal Year 2025

Source of revenues	Estimated revenues 2024	Actual revenues* 2024	Estimated revenues 2025
General Fund			
Local taxes			
Sales taxes	$ 35,123,831	$ 44,103,089	$ 43,684,077
Licenses and permits			
Building and development fees	3,516,000	7,678,757	5,885,300
Business and license fees	145,000	160,845	155,000
Animal fees	81,500	72,989	78,700
Franchise fees	575,000	579,619	600,000
Host fees	300,000	296,559	320,000
Intergovernmental			
State shared sales taxes	8,263,841	5,417,795	8,445,646
Urban revenue sharing	14,720,978	14,829,456	12,215,403
Auto lieu	2,960,801	2,629,134	2,655,425
Federal - ARPA			
Charges for services			
Charges for services	823,000	608,761	723,500
Fines and forfeits			
Court fines and fees	389,500	407,086	389,500
Interest on investments			
Interest	2,000,000	4,444,444	4,565,479
Contributions			
Voluntary contributions	146,100	210,091	172,325
Miscellaneous			
Other miscellaneous	740,945	966,566	797,900
Total General Fund	$ 69,786,496	$ 82,405,191	$ 80,688,255

* Includes actual revenues recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated revenues for the remainder of the fiscal year.

Special revenue funds

Community development block grants	$ 260,000	$ 60,041	$ 348,691
Affordable housing revolving	2,000	1,449	2,000
Other grants and contributions	3,057,149	1,721,193	3,057,149
RICO	20,000	22,353	30,000
	$ 3,339,149	$ 1,805,036	$ 3,437,840
Impound	$ 11,600	$ 8,400	$ 16,000
Bed tax	1,450,000	1,730,626	1,600,000
Local JCEF	8,000	5,448	8,000
Fill the GAP	4,500	2,583	4,500
	$ 1,474,100	$ 1,747,057	$ 1,628,500
Local technology enhancement	$ 50,000	$ 32,565	$ 50,000
Highway user revenue	5,079,784	5,221,200	4,991,037
	$ 5,129,784	$ 5,253,765	$ 5,041,037
Total special revenue funds	$ 9,943,033	$ 8,805,858	$ 10,107,377

* Includes actual revenues recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated revenues for the remainder of the fiscal year.

Town of Marana
Revenues other than property taxes
Fiscal Year 2025

Source of revenues	Estimated revenues 2024	Actual revenues* 2024	Estimated revenues 2025
Debt service funds			
Tangerine farms road improvement district	$ 2,020,059	$ 1,622,912	$ 1,729,002
Gladden farms CFD debt			
2025 Overall Summary_TENT	187,000		104,043
Saguaro springs CFD debt			
	$ 2,207,059	$ 1,622,912	$ 1,833,045
Total debt service funds	$ 2,207,059	$ 1,622,912	$ 1,833,045
Capital projects funds			
Transportation	$ 4,200,000	$ 14,084,376	$ 10,282,526
Half cent sales tax	6,561,367	7,855,996	8,790,654
Impact fee funds	1,545,684	6,848,643	3,172,836
Other capital projects	23,878,438	10,926,406	72,048,197
	$ 36,185,489	$ 39,715,421	$ 94,294,213
Downtown reinvestment	$ 456,500	$ 341,914	$ 526,500
Regional transportation authority	13,431,903	381,305	24,791,135
Pima association of governments	9,772,250		9,107,000
	$ 23,660,653	$ 723,219	$ 34,424,635
Total capital projects funds	$ 59,846,142	$ 40,438,640	$ 128,718,848

* Includes actual revenues recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated revenues for the remainder of the fiscal year.

Permanent funds			
	$	$	$
	$	$	$
Total permanent funds	$	$	$
Enterprise funds			
Water utility	$ 15,145,285	$ 17,250,242	$ 20,023,586
Airport	7,376,814	2,719,845	15,920,893
Water reclamation utility	5,680,280	6,888,013	8,369,728
	$ 28,202,379	$ 26,858,100	$ 44,314,207
Total enterprise funds	$ 28,202,379	$ 26,858,100	$ 44,314,207

* Includes actual revenues recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated revenues for the remainder of the fiscal year.

Internal service funds			
Health benefits	$ 5,344,168	$ 5,614,691	$ 5,819,845
Dental benefits	352,000	375,186	391,640
	$ 5,696,168	$ 5,989,877	$ 6,211,485
Total internal service funds	$ 5,696,168	$ 5,989,877	$ 6,211,485
Total all funds	$ 175,681,277	$ 166,120,578	$ 271,873,217

* Includes actual revenues recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated revenues for the remainder of the fiscal year.

Town of Marana
Other financing sources/(uses) and interfund transfers
Fiscal year 2025

Fund	Other financing 2025 Sources	Other financing 2025 (Uses)	Interfund transfers 2025 In	Interfund transfers 2025 (Out)
General Fund				
Other grants and contributions	$	$	$	$ 100,000
Transportation				1,508,471
2014 debt service				661,397
2017 debt service				549,890
2024 refunding debt service				1,212,000
Airport				1,183,766
Water utility				986,374
Water reclamation utility				
Total General Fund	$	$	$	$ 6,201,898
Special revenue funds				
Other grants and contibutions	$	$	$ 100,000	$
Total special revenue funds	$	$	$ 100,000	$
Debt service funds				
2014 debt service	$	$	$ 661,397	$
2017 debt service			2,643,700	
2024 debt service			3,591,250	
2024 refunding debt service			1,212,000	
Saguaro springs CFD	4,850,000			
Gladden Farms II CFD	3,650,000			
Total debt service funds	$ 8,500,000	$	$ 8,108,347	$
Capital projects funds				
Transportation	$	$	$ 1,808,471	$ 964,490
Impact fees	19,849,957			1,229,320
Half cent sales tax				3,591,250
Total capital projects funds	$ 19,849,957	$	$ 1,808,471	$ 5,785,060
Permanent funds				
	$	$	$	$
Total permanent funds	$	$	$	$
Enterprise funds				
Airport	$	$	$ 1,183,766	$
Water utility	23,060,492		4,707,278	5,280,307
Water reclamation utility			4,712,662	3,353,259
Total enterprise funds	$ 23,060,492	$	$ 10,603,706	$ 8,633,566
Internal service funds				
	$	$	$	$
Total Internal Service Funds	$	$	$	$
Total all funds	$ 51,410,449	$	$ 20,620,524	$ 20,620,524

Town of Marana
Expenditures/expenses by fund
Fiscal year 2025

Fund/Department	Adopted budgeted expenditures/ expenses 2024	Expenditure/ expense adjustments approved 2024	Actual expenditures/ expenses* 2024	Budgeted expenditures/ expenses 2025
General Fund				
Non-departmental	$ 3,925,801	$	$ 3,643,174	$ 4,425,976
Mayor and council	387,745	150,000	508,303	400,486
Town manager	1,600,517		1,571,356	1,678,187
Town clerk	570,215		408,609	606,742
Human resources	1,772,626		1,628,210	2,195,874
Finance	1,898,127		1,751,926	2,293,277
Legal	1,244,565		1,125,184	1,348,734
Technology services	5,889,155		5,321,766	7,898,069
Economic development and tourism	326,774		329,370	364,918
Development services	4,559,388		3,688,436	4,796,771
Police	21,631,429		20,524,450	35,249,318
Courts	1,326,710		1,275,927	1,389,174
Public works	8,354,401		6,657,222	16,123,659
Parks and recreation	7,593,941		7,110,103	9,386,206
Community development	1,319,486		1,274,417	1,414,734
Capital outlay	9,625,675		2,169,800	10,609,957
Contingency	5,000,000	(150,000)		5,000,000
Total General Fund	$ 77,026,555	$	$ 58,988,253	$ 105,182,082
Special revenue funds				
Highway user revenue	$ 6,765,028	$	$ 4,002,144	$ 8,116,176
Revolving affordable housing	105,000			105,000
Local JCEF	131,805			131,805
Fill the GAP	34,500			34,500
Local technology	78,000		21,556	82,500
Community development block grants	260,000		60,041	348,691
Bed tax	1,950,000		1,382,972	2,152,840
Other grants and contributions	3,580,336		1,721,193	3,690,676
RICO	121,800		36,748	116,900
Impound fees	25,000			30,000
Total special revenue funds	$ 13,051,469	$	$ 7,224,654	$ 14,809,088
Debt service funds				
Series 2013 debt	$ 3,016,125	$	$ 3,016,125	$
Series 2014 debt	651,201		651,201	655,416
Series 2017 debt	2,580,125		2,580,325	2,580,075
Series 2024				4,667,042
Series 2024 refunding debt				1,184,931
Tangerine farms ID debt	2,333,819		1,622,912	1,729,002
Gladden farms CFD debt	777,557		776,556	877,631
Galdden farms, Phase II CFD debt	608,477		608,047	4,436,544
Saguaro springs CFD debt	5,389,650		538,425	5,322,301
Total debt service funds	$ 15,356,954	$	$ 9,793,591	$ 21,452,942

Town of Marana
Expenditures/expenses by fund
Fiscal year 2025

Fund/Department	Adopted budgeted expenditures/ expenses 2024	Expenditure/ expense adjustments approved 2024	Actual expenditures/ expenses* 2024	Budgeted expenditures/ expenses 2025
Capital projects funds				
Transportation	$ 28,793,914	$	$ 3,883,529	$ 33,018,301
Impact fee funds	13,359,676		6,812,596	35,049,199
Other capital projects	25,144,227		2,639,027	84,700,392
Downtown reinvestment	425,000			1,125,000
Pima association of governments	9,772,250			9,107,000
Regional tranportation authority	13,431,903		381,305	24,791,135
Half cent sale tax fund	63,170,697		23,028,883	36,289,042
Gladden farms CFD	1,128,500		1,750	1,253,500
Galdden farms, Phase II CFD	52,750		2,250	182,750
Saguaro springs CFD	464,500		1,750	579,500
Total capital projects funds	$ 155,743,417	$	$ 36,751,090	$ 226,095,819
Permanent funds				
	$	$	$	$
Total permanent funds	$	$	$	$
Enterprise funds				
Water utility	$ 39,059,108	$	$ 20,593,411	$ 49,247,672
Airport	8,337,685		2,984,172	17,104,659
Water reclamation utility	21,989,842		4,042,441	33,635,727
Total enterprise funds	$ 69,386,635	$	$ 27,620,024	$ 99,988,058
Internal service funds				
Health benefits	$ 5,344,168	$	$ 4,758,090	$ 5,819,845
Dental benefits	352,000		276,868	391,640
Total internal service funds	$ 5,696,168	$	$ 5,034,958	$ 6,211,485
Total all funds	$ 336,261,198	$	$ 145,412,570	$ 473,739,474

* Includes actual expenditures/expenses recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated expenditures/expenses for the remainder of the fiscal year.

Town of Marana
Expenditures/expenses by department
Fiscal year 2025

Department/Fund	Adopted budgeted expenditures/ expenses 2024	Expenditure/ expense adjustments approved 2024	Actual expenditures/ expenses* 2024	Budgeted expenditures/ expenses 2025
Economic development and tourism				
General fund	$ 326,774	$	$ 323,337	$ 404,918
Downtown Reinvestment fund	425,000			425,000
Bed tax fund	1,139,816		411,738	1,330,349
Department total	$ 1,891,590	$	$ 735,075	$ 2,160,267
List department: Police:				
General fund	$ 22,530,049	$	$ 20,312,502	$ 35,868,017
Grants and contributions	1,190,336		1,341,277	1,499,179
RICO	121,800		40,779	116,900
Impound fees	25,000			30,000
Department total	$ 23,867,185	$	$ 21,694,558	$ 37,514,096
List department: Court:				
General fund	$ 1,326,710	$	$ 1,220,754	$ 1,589,979
Local JCEF	131,805			131,805
Fill the GAP	34,500			34,500
Local tech enhancement	78,000		24,549	82,500
Department total	$ 1,571,015	$	$ 1,245,303	$ 1,838,784
List department: Public works:				
General fund	$ 13,217,186	$	$ 6,778,567	$ 12,114,566
Highway user revenue fund	6,282,878		3,362,105	7,519,099
Department total	$ 19,500,064	$	$ 10,140,672	$ 19,633,665
List department: Parks and recreation:				
General fund	$ 8,617,693	$	$ 7,737,274	$ 11,639,307
Highway user revenue fund	482,150		342,640	597,077
Department total	$ 9,099,843	$	$ 8,079,914	$ 12,236,384
List department: Community development:				
General fund	$ 1,319,486	$	$ 968,833	$ 1,414,734
CDBG	260,000		58,572	348,691
Revolving affordable housing	105,000			105,000
Department total	$ 1,684,486	$	$ 1,027,405	$ 1,868,425

* Includes actual expenditures/expenses recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated expenditures/expenses for the remainder of the fiscal year.

Town of Marana
Full-time employees and personnel compensation
Fiscal year 2025

Fund	Full-time equivalent (FTE) 2025	Employee salaries and hourly costs 2025	Retirement costs 2025	Healthcare costs 2025	Other benefit costs 2025	Total estimated personnel compensation 2025
General Fund	424.60	$ 32,298,153	$ 18,775,033	$ 5,753,105	$ 3,324,062	$ 60,150,353
Special revenue funds						
Bed tax	2.00	$ 164,525	$ 19,942	$ 51,951	$ 12,956	$ 249,374
Total special revenue funds	2.00	$ 164,525	$ 19,942	$ 51,951	$ 12,956	$ 249,374
Enterprise funds						
Water utility	36.00	$ 2,702,227	$ 319,087	$ 521,731	$ 249,872	$ 3,792,917
Airport	5.00	286,103	33,700	77,897	40,030	437,730
Water reclamation utility	8.00	582,349	66,996	139,336	59,159	847,840
Total enterprise funds	49.00	$ 3,570,679	$ 419,783	$ 738,964	$ 349,061	$ 5,078,487
Total all funds	475.60	$ 36,033,357	$ 19,214,758	$ 6,544,020	$ 3,686,079	$ 65,478,214

FISCAL YEAR 2024-2025

TOWN OF MARANA FIVE YEAR CAPITAL IMPROVEMENT PLAN

Project Name	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	Grand Total
ADA Compliance Program	411,664	200,000	200,000	200,000	200,000	1,211,664
Adonis Road Extension Phase 2	469,020			8,080,000		8,549,020
Air Commerce Way Monument	40,000	150,000				190,000
Airport Control Tower, Construction		11,100,000				11,100,000
Airport Control Tower, Design	1,276,061					1,276,061
Airport Control Tower, Ea	180,757					180,757
Airport Control Tower, Siting Study	35,759					35,759
Airport Drainage Study	450,000					450,000
Airport Master Plan Update			230,000			230,000
Airport NW PFAS Treatment				2,647,100	11,911,950	14,559,050
Airport Security Fence	330,000					330,000
Airport, RWY 12-30, Pavement Rehab	100,000					100,000
AWOS Replacement	518,382					518,382
Barnett Channel	2,500,000	30,000,000				32,500,000
Barnett Channel, Tang Farms ConArch	1,188,000					1,188,000
B-Zone Booster and Transmission Line		381,002	4,032,276			4,413,278
B-Zone Reservoir		65,250	552,450			617,700
CAP Subcontract - NIA Reallocations	5,081					5,081
Clark Farms Sewer Interceptor				8,768,949		8,768,949
Continental Reserve 24-inch Tie-in	3,072,479					3,072,479
Court Room 2, Remodel	200,000		500,000			700,000
C-Zone Booster		192,188	1,627,187			1,819,375
Dove Mnt Bl-Moore Rd Signal, North	100,000					100,000
East Apron Reconstr Ph-1, Construct	1,193,816					1,193,816
East Apron Reconstr Ph-2, Construct	2,035,198					2,035,198
East Tangerine, Segment 1 Pipeline, Upsizing	52,392					52,392
El Rio Disc Golf	410,982					410,982
El Rio Preserve Expansion	26,231					26,231
El Rio Recreation Area Parking Lot	360,511					360,511
Facilities Project Design Startup	7,260,000					7,260,000
Hartman Booster Stn Electrical Upgrade		220,000				220,000
Heritage Park PFAS Treatment			1,321,300	5,945,850	5,945,850	13,213,000
Heritage Park Water Plant	631,482	2,506,191	2,506,191			5,643,864
Honea Heights Emergency Sewer Program	75,000	75,000	75,000	75,000	75,000	375,000
Honea Heights Park, East	1,357,433					1,357,433
I-10 Cortaro Rd TI	50,000,000					50,000,000

Project Name	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	Grand Total
Ina Rd-Meredith Bl, Median Modifications			550,000			550,000
Integrated Water Resource Plan, DAWS	116,896					116,896
Mandarina Community Park	350,000					350,000
Marana Channel	1,300,000		12,000,000			13,300,000
Marana Community Center and Aquatic Complex	36,219,042					36,219,042
Marana Gateway Monument Signage	386,395	200,000	200,000	200,000		986,395
Marana Park PFAS Treatment	1,260,100	5,670,450	5,670,450			12,601,000
Marana Park Reservoir	1,839,564					1,839,564
Marana Park Well	561,515					561,515
Marana Park Well, Booster	220,000					220,000
Marana Public Safety Facility	513,289					513,289
Marana Rd Traffic Interchange	800,000		9,200,000			10,000,000
Marana SC Effluent Collection	500,000	1,171,138				1,671,138
Marana WRF, Screw Press 2	1,981,779					1,981,779
MMC Fiber Optic Upgrade	100,000	500,000				600,000
MMC Generator Upgrade	2,043,950					2,043,950
MMC HVAC Mechanical Systems Upgrade	1,213,010					1,213,010
MMC Reception Remodel	250,000					250,000
MOC Fleet Warehouse Roof, HVAC, Replacement	482,500					482,500
Moc Generator Replacement	600,000					600,000
MOC Security Walls, New Entry Gate	419,450					419,450
Moore Rd - I10, Traffic Interchange	7,000,000					7,000,000
Moore Rd Rehab, Sanders Rd to I-10				700,000		700,000
Moore Road Rehab, East-West Dove Mountain	181,894					181,894
New Renewable Water Resource Acquisition	3,004,997	971,176				3,976,173
North Marana Drainage Improvements	332,070					332,070
North Marana Pavement Rehab Phase 2				550,000		550,000
North Marana Sewer Interceptor	19,881,921					19,881,921
NW Recharge, Recovery, and Delivery System	17,443,918					17,443,918
Ora Mae Harn Park Remediation, PH1	100,000	350,000				450,000
Ora Mae Harn Park Remediation, PH2				400,000		400,000
Oshrin Line Replacement	223,620					223,620
Picture Rocks Interconnect	1,620,118					1,620,118
Pines Settlement Repair, FY2023	14,302					14,302
Pioneer Well Electrical Upgrade			220,000			220,000
Pioneer Well PFAS Treatment			381,300	1,715,850	1,715,850	3,813,000

Project Name	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	Grand Total
Recharge Basins Phase II	4,900,476	1,604,290				6,504,766
Rillito Vista Lift Station Upgrade	1,295,302					1,295,302
RWY 30 Safety Mitigate EA				230,000		230,000
RWY 30 Safety Mitigate EMAS, Design					5,000,000	5,000,000
RWY 3-21 Reconstruct, Design-Construct				4,700,000		4,700,000
RWY 3-21, TWY-B, Hang-6, Reconstruct, EA		480,000				480,000
Saguaro Bloom Community Park, Ph-2	4,714,316					4,714,316
Saguaro Bloom Lift Station Pump Replacement	200,000					200,000
Sadario Well Rehabilitation	20,000					20,000
Sanders Rd 24-inch Water Line	356,095					356,095
Sanders Rd Drainage, Improvements	2,500,000					2,500,000
Santa Cruz Sup At Calportland	270,000					270,000
SCADA and Integrated Telemetry	350,000					350,000
Sewer Conveyance System Rehab	661,282	552,533	574,635			1,788,450
Stingray Sewer Interceptor		303,451	1,365,531	1,365,531		3,034,513
Tangerine Farms Rd Extension	2,799,943		19,248,299			22,048,242
Tangerine Rd Widening, Phase 2A	51,376,558					51,376,558
Tangerine Rd Widening, Phase 2B				28,000,000	20,000,000	48,000,000
Tangerine Sky Park, Phase 2	1,617,276					1,617,276
Tangerine TI Improvements	12,925,661					12,925,661
Taxiway A Reconstruction, MITL, Construction			9,400,000			9,400,000
Taxiway A Reconstruction, MITL, Design		960,000				960,000
Taxiway C Reconstruction, Construction			2,750,000			2,750,000
Taxiway C Reconstruction, Design		310,000				310,000
Twin Peaks Rd, Rattlesnake Pass Widening	42,977,556					42,977,556
TWY B, E, Lighting Upgrade, Construction				2,500,000		2,500,000
TWY B, E, Lighting Upgrade, Design			280,000			280,000
Water Line Replacements	90,000	120,000	120,000	120,000	120,000	570,000
Well Rehabilitation Program	110,000	140,000	140,000	140,000	140,000	670,000
West Apron Reconstruction Ph-1, Construct	2,100,000					2,100,000
West Apron Reconstruction Ph-1, Design	327,181					327,181
West Apron Reconstruction Ph-2, Construct	7,700,000					7,700,000
WRF Phase II	2,900,824	18,130,146	18,130,146			39,161,116
Grand Total	**315,433,048**	**76,352,815**	**91,274,765**	**66,338,280**	**45,108,650**	**594,507,558**

Town of Marana
Fiscal Year 2025 Compensation Study & Team Performance Pay

The Town is committed to providing fair and competitive compensation to its employees through performance and behavior-based pay that align with the Town's strategic plan, policies, directives, and cultural values (dedicated service, respect, teamwork, and engaged innovation). Our compensation philosophy is to have a strategy that attracts, retains, and motivates employees to accomplish the organization's goals and objectives. The Town's compensation strategy focuses on annual team performance and behavior in lieu of market-based adjustments.

In December 2023, HR Know was retained by the Town of Marana to conduct a comprehensive study of the pay ranges and grades assigned to positions at the Town. Comparator agencies selected for this study included our relevant labor market: Pima County, City of Tucson, Town of Oro Valley, and Town of Sahuarita. The reclassification of positions to a new pay grade, as determined by this study, will be effective on July 13, 2024. Employees in a position that is being reclassified to a higher salary grade will receive a pay increase to the minimum of the new pay grade or a 5% increase, whichever is greater. The minimum and maximum salary ranges for sworn Officers, Detectives, Sergeants, Lieutenants, and Captains will be increasing by 5% effective July 13, 2024, as determined by this study.

After careful review of the fiscal year 2025 budget, funding is available to grant eligible employees a Team Performance Pay adjustment of up to 4%. Employees eligible for the Team Performance Pay adjustment will receive no more than 4% within their paygrade (calculated after adjustments have been made for positions eligible for reclassification as determined by the compensation study), not to exceed the maximum of their paygrade. If the Team Performance Pay adjustment for an eligible employee exceeds the maximum of their pay grade, they will receive a lump sum payment up to $750, not to exceed the total increase eligible if not at the maximum of their pay grade.

Team Performance Pay Eligibility

1. Regular full- and part-time classified and unclassified employees, hired on or before July 1, 2023, and not at the top of their pay range, are eligible to receive the Team Performance Pay of 4% if not otherwise disqualified by the criteria set forth below.
2. Regular full- and part-time classified and unclassified employees hired between July 2, 2023, and December 31, 2023, and not at the top of their pay range, are eligible to receive a pro-rated Team Performance Pay adjustment of the 4% if not otherwise disqualified by the criteria set forth below.
3. Eligible employees hired during January 1, 2024, through March 31, 2024, will receive a lump sum of $500 if not otherwise disqualified by the criteria set forth below.
4. Eligible employees hired during April 1, 2024, through June 30, 2024, will receive a lump sum of $250 if not otherwise disqualified by the criteria set forth below.
5. Employees classified in term-limited temporary (TLT) and short-term temporary (STT) positions (i.e. Lifeguards, Sports Officials, Interns, etc.) are not eligible to receive the Team Performance Pay adjustment.
6. Classified sworn positions - Officers, Detectives, Sergeants, Lieutenants, and Captains will receive a total increase of 5% retention pay, as determined by the compensation study, which is not subject to the parameters set forth for the Team Performance Pay.

7. Contract employees' (Town Manager and Town Magistrate) eligibility shall be determined by the terms of any employment agreement approved by the Council.
8. Regular full- and part-time classified and unclassified employees who are at the top of their pay range are eligible to receive a lump sum payment of $750 if not otherwise disqualified by the criteria set forth below.
9. Regular full- and part-time classified and unclassified employees who receive a partial increase and reach top of their pay range are eligible to receive a lump sum payment of up to $750, not to exceed the total increase eligible if they had not reached the top of the grade, if not otherwise disqualified by the criteria set forth below.
10. Regular full- and part-time classified and unclassified employees who have received a corrective action memo during Fiscal Year 2024 are eligible to receive up to a 2% Team Performance Pay adjustment (not to exceed the maximum of the pay grade) or, if at the maximum of the paygrade, a reduced lump sum payment up to $350, not to exceed the total increase eligible if not at the maximum of their pay grade.
11. Regular full- and part-time classified, and unclassified employees who have received a written reprimand during Fiscal Year 2024 are eligible to receive a 1% Team Performance Pay adjustment (not to exceed the maximum of the pay grade) or, if at the maximum of the paygrade, a reduced lump sum payment up to $185, not to exceed the total increase eligible if not at the maximum of their pay grade.
12. Employees who have been on leave status for more than six months, suspended, involuntarily demoted, or have received more than one corrective action memo and/or written reprimand during Fiscal Year 2024 are not eligible to receive the Team Performance Pay adjustment. Employees receiving a combination of a Work or Performance Improvement Plan (WIP/PIP) or a Meeting Expectations Memo and either a corrective action memo or written reprimand related to expectations outlined in the WIP/PIP or Meeting Expectations Memo during Fiscal Year 2024, are not eligible to receive the Team Performance Pay adjustment.
13. A department head has the option to seek approval from the Town Manager for a 6-month delayed pay adjustment regarding the withheld adjustment if no further WIP/PIP or disciplinary action is issued to the employee during that 6-month period.

Implementation

1. No adjustment to base pay shall cause an employee's salary to exceed the maximum of the grade for the employee's position.
2. Calculation of the increase will be based on an employee's regular base pay rate, exclusive of other types of compensation (i.e. special assignment pay, overtime pay, shift differential, etc.)

Pay Administration

1. Eligible employees will receive the reclassification adjustments, minimum of the paygrade adjustments, and Team Performance Pay or retention pay adjustments with the paycheck beginning August 2, 2024.
2. Compensation will be paid in accordance with the Town's bi-weekly regular payroll cycle.
3. Compensation will be subject to normal payroll taxes and other regular payroll deductions.
4. Compensation will be subject to pension contributions as provided by state law.
5. Federal and State withholding will be calculated based on the current exemptions on file.

MARANA AZ

Human Resources

Salary Schedules Fiscal Year 2024-2025

Classified Positions

Exempt Positions

Job Code	Job Title	FLSA** Status	Minimum	Midpoint	Maximum	
GRADE 109			**$51,581.08**	**$64,477.19**	**$77,372.18**	**Annual**
439	Executive Assistant to the Town Manager	Exempt				
205	Human Resources Generalist	Exempt				
707	Parks Project Specialist	Exempt				
515	Planner	Exempt				
327	Safety & Health Specialist	Exempt				
GRADE 110			**$56,739.75**	**$70,924.69**	**$85,109.63**	**Annual**
713	Airport Operations Supervisor	Exempt				
475	Business Process Supervisor	Exempt				
237	CIP Process Analyst	Exempt				
198	Communications Specialist	Exempt				
202	Economic Development Specialist	Exempt				
252	GIS Analyst	Exempt				
752	Parks Maintenance Supervisor	Exempt				
214	Payroll Administrator	Exempt				
712	Public Works Supervisor	Exempt				
753	Recreation Supervisor	Exempt				
485	Revenue and Customer Service Manager	Exempt				
335	Safety & Health Coordinator	Exempt				
203	Senior Human Resources Generalist	Exempt				
227	Tourism Marketing Specialist	Exempt				
840	Visual Communications Designer	Exempt				

***Fair Labor Standards Act*

Job Code	Job Title	FLSA** Status	Minimum	Midpoint	Maximum	
487	Water Business Services Supervisor	Exempt				
479	Water Conservation Analyst	Exempt				
722	Water Distribution Supervisor	Exempt				
723	Water Production Supervisor	Exempt				
GRADE 111			**$62,981.00**	**$78,725.67**	**$94,471.48**	**Annual**
655	Asset Systems Manager	Exempt				
490	Business Process Manager	Exempt				
718	Chief Water Quality Operator	Exempt				
719	Chief Water Reclamation Operator	Exempt				
239	Construction & Inspection Manager	Exempt				
814	Crime Scene Property & Evidence Supervisor	Exempt				
163	Environmental Project Manager	Exempt				
229	Floodplain Manager	Exempt				
217	Grants Manager	Exempt				
211	Procurement Officer	Exempt				
467	SCADA Administrator	Exempt				
210	Senior Accountant	Exempt				
246	Senior Planner	Exempt				
841	Senior Visual Communications Designer	Exempt				
268	Technology Analyst	Exempt				
GRADE 112			**$70,538.94**	**$88,173.38**	**$105,807.83**	**Annual**
124	Assistant Building Official	Exempt				
222	Associate Town Attorney	Exempt				
177	Chief Code Enforcement and Animal Control Officer	Exempt				
400	Deputy Town Clerk	Exempt				
199	HRIS and Payroll Manager	Exempt				
341	Network Administrator	Exempt				
197	Organizational Development Manager	Exempt				
161	Project Manager	Exempt				

***Fair Labor Standards Act*

Job Code	Job Title	FLSA** Status	Minimum	Midpoint	Maximum	
320	Software Developer	Exempt				
502	Superintendent	Exempt				
247	Technology Support Supervisor	Exempt				
489	Water Resources Administrator	Exempt				
GRADE 113			**$79,709.03**	**$99,635.73**	**$119,562.43**	**Annual**
261	Assistant Town Attorney	Exempt				
275	Budget Manager	Exempt				
488	Business Financial Manager	Exempt				
230	Civil Engineer	Exempt				
170	Court Administrator	Exempt				
274	Finance Manager	Exempt				
196	Human Resources Manager	Exempt				
319	Real Property Manager	Exempt				
329	Risk Manager	Exempt				
258	Senior GIS Analyst	Exempt				
340	Senior Network Administrator	Exempt				
310	Senior Software Developer	Exempt				
241	Technology Supervisor	Exempt				
201	Tourism & Marketing Manager	Exempt				
263	Traffic Manager	Exempt				
159	Water Operations Manager	Exempt				
153	Water Reclamation Operations Manager	Exempt				
GRADE 114			**$90,070.97**	**$112,588.68**	**$135,106.43**	**Annual**
175	Chief Building Official	Exempt				
151	CIP Engineering Division Manager	Exempt				
147	Development Engineering Division Manager	Exempt				
245	Planning Manager	Exempt				
262	Senior Assistant Town Attorney	Exempt				
240	Technology Manager	Exempt				

***Fair Labor Standards Act*

Job Code	Job Title	FLSA** Status	Minimum	Midpoint	Maximum	
167	Water Engineering Manager	Exempt				
GRADE 115			**$101,779.69**	**$127,225.18**	**$152,669.53**	**Annual**
GRADE 116			**$105,713.33**	**$134,784.10**	**$163,854.86**	**Annual**
129	Development Services Deputy Director	Exempt				
149	Finance Deputy Director	Exempt				
250	Human Resources Deputy Director	Exempt				
155	Parks & Recreation Deputy Director	Exempt				
158	Public Works Deputy Director	Exempt				
135	Technology Services Deputy Director	Exempt				
148	Water Deputy Director	Exempt				
GRADE 117			**$113,641.83**	**$144,892.90**	**$176,143.98**	**Annual**
154	Deputy Town Attorney	Exempt				
Non-Exempt Positions						
GRADE 208			**$32,470.36**	**$39,776.88**	**$47,082.62**	**Annual**
			$15.6108	**$19.1235**	**$22.6359**	**Hourly**
746	Custodian	Non-exempt				
703	Parks and Recreation Maintenance Associate I	Non-exempt				
706	Public Works Maintenance Apprentice	Non-exempt				
GRADE 209			**$34,743.80**	**$42,561.48**	**$50,379.42**	**Annual**
			$16.7037	**$20.4623**	**$24.2209**	**Hourly**
406	Administrative Assistant	Non-exempt				
680	Customer Service Representative	Non-exempt				
GRADE 210			**$37,176.36**	**$45,540.56**	**$53,905.80**	**Annual**
			$17.8733	**$21.8945**	**$25.9162**	**Hourly**
417	Accounting Associate	Non-exempt				
456	Court Clerk	Non-exempt				
450	Court Collections Specialist	Non-exempt				
408	Customer Service Specialist	Non-exempt				
748	Faciliites Technician I	Non-exempt				

***Fair Labor Standards Act*

Job Code	Job Title	FLSA** Status	Minimum	Midpoint	Maximum	
747	Lead Custodian	Non-exempt				
429	Legal Clerk	Non-exempt				
598	Parks and Recreation Maintenance Associate II	Non-exempt				
444	Police Records Clerk	Non-exempt				
443	Property & Evidence Records Clerk	Non-exempt				
701	Public Works Maintenance Associate I	Non-exempt				
423	Records Clerk	Non-exempt				
442	Water Billing Specialist	Non-exempt				
GRADE 211			**$39,778.70**	**$48,728.16**	**$57,678.40**	**Annual**
			$19.1244	**$23.4270**	**$27.7300**	**Hourly**
660	Assets Coordinator	Non-exempt				
453	Court Operations Specialist	Non-exempt				
242	Court Probation Monitor	Non-exempt				
620	Courtroom Specialist	Non-exempt				
812	Court Security Officer	Non-exempt				
336	Engineering Aide	Non-exempt				
749	Facilities Technician II	Non-exempt				
611	Fleet Coordinator	Non-exempt				
614	Fleet Technician I	Non-exempt				
419	License & Tax Specialist	Non-exempt				
607	Parks and Recreation Maintenance Associate III	Non-exempt				
665	Police Assets Coordinator	Non-exempt				
445	Police Records Specialist	Non-exempt				
599	Public Works Maintenance Associate II	Non-exempt				
435	Senior Legal Specialist	Non-exempt				
415	Senior Legal Document Specialist	Non-exempt				
704	Signs and Markings Technician I	Non-exempt				
GRADE 212			**$42,960.58**	**$52,626.86**	**$62,293.14**	**Annual**
			$20.6541	**$25.3014**	**$29.9486**	**Hourly**
527	Animal Control Officer	Non-exempt				
729	Associate Water Reclamation Mechanic	Non-exempt				
517	Code Enforcement Technician	Non-exempt				

***Fair Labor Standards Act*

Job Code	Job Title	FLSA** Status	Minimum	Midpoint	Maximum	
810	Crime Scene Specialist	Non-exempt				
434	Development Coordinator	Non-exempt				
448	Dispatcher	Non-exempt				
616	Equipment Mechanic	Non-exempt				
741	Equipment Operator I	Non-exempt				
508	Fleet Technician II	Non-exempt				
744	Irrigation Control Technician	Non-exempt				
426	Legal Assistant	Non-exempt				
601	Parks and Recreation Lead Maintenance Associate	Non-exempt				
433	Permit Technician	Non-exempt				
547	Project Coordinator-CIP	Non-exempt				
605	Public Works Maintenance Associate III	Non-exempt				
323	Real Property Coordinator	Non-exempt				
466	Recreation Programmer	Non-exempt				
418	Senior Accounting Associate	Non-exempt				
455	Senior Court Clerk	Non-exempt				
621	Senior Courtroom Specialist	Non-exempt				
736	Water Operator I	Non-exempt				
GRADE 213			**$46,398.04**	**$56,837.04**	**$67,276.82**	**Annual**
			$22.3068	**$27.3255**	**$32.3446**	**Hourly**
603	Aquatic Maintenance Technician	Non-exempt				
522	Code Enforcement Officer I	Non-exempt				
461	Community Outreach Coordinator	Non-exempt				
224	Environmental Technician	Non-exempt				
743	Equipment Operator II	Non-exempt				
438	Executive Assistant	Non-exempt				
754	Facilities Specialist	Non-exempt				
414	Human Resources Specialist	Non-exempt				
510	Lead Fleet Technician	Non-exempt				
662	Senior Assets Coordinator	Non-exempt				
431	Senior Legal Assistant	Non-exempt				

Job Code	Job Title	FLSA** Status	Minimum	Midpoint	Maximum	
705	Signs and Markings Specialist	Non-exempt				
309	Technology Support Specialist I	Non-exempt				
372	Traffic Technician II	Non-exempt				
737	Water Operator II	Non-exempt				
532	Water Quality Technician	Non-exempt				
730	Water Reclamation Operator I	Non-exempt				
GRADE 214			**$50,573.38**	**$61,952.28**	**$73,331.70**	**Annual**
			$24.3141	**$29.7847**	**$35.2556**	**Hourly**
209	Accountant	Exempt				
471	Administrative Supervisor	Non-exempt				
531	Backflow Prevention Inspector	Non-exempt				
518	Building Inspector I	Non-exempt				
521	Code Enforcement Officer II	Non-exempt				
525	Construction Inspector	Non-exempt				
560	Engineering Specialist	Non-exempt				
225	Environmental Specialist	Non-exempt				
751	Facilities Tradesman	Non-exempt				
219	Financial Specialist	Non-exempt				
514	Housing Rehabilitation Specialist	Non-exempt				
470	Police Records Supervisor	Non-exempt				
526	Right of Way Inspector	Non-exempt				
738	Water Operator III	Non-exempt				
533	Water Quality Specialist	Non-exempt				
728	Water Reclamation Mechanic	Non-exempt				
731	Water Reclamation Operator II	Non-exempt				
469	Water Technology Support Specialist II	Non-exempt				
GRADE 215			**$55,630.38**	**$68,147.56**	**$80,664.74**	**Annual**
			$26.7454	**$32.7632**	**$38.7811**	**Hourly**
452	Court Supervisor	Non-exempt				
302	Plans Examiner	Non-exempt				
315	Business Process Analyst	Non-exempt				

Job Code	Job Title	FLSA** Status	Minimum	Midpoint	Maximum	
529	Senior Construction Inspector	Non-exempt				
249	Senior Crime Analyst	Non-exempt				
513	Senior Right of Way Inspector	Non-exempt				
313	Technology Support Specialist II	Non-exempt				
373	Traffic Technician III	Non-exempt				
GRADE 216			**$61,193.86**	**$74,962.42**	**$88,731.50**	**Annual**
			$29.4201	**$36.0396**	**$42.6594**	**Hourly**
516	Building Inspector II	Non-exempt				
464	Police Telecommunications Supervisor	Non-exempt				
561	Senior Engineering Specialist	Non-exempt				
GRADE 217			**$65,783.40**	**$80,584.60**	**$95,386.36**	**Annual**
			$31.6266	**$38.7426**	**$45.8588**	**Hourly**
300	Senior Plans Examiner	Non-exempt				

Additional Pay (Applies only to Non Exempt Positions)			
	Shift Differential Pay	$1.30 per hour	*Pay for employees who work between 6:00 p.m. and 6:00 a.m.*
	On-Call/Stand-By Pay	$1.30 per hour	*Pay for employees who stand ready to work during non-work hours when assigned.*

*Final paygrade/title subject to position review later in the year

***Fair Labor Standards Act*

Classified Sworn Positions

Non-Exempt Positions						
Job Code	**Grade**	**Job Title**	**Salary Schedules**			
806	PO	Police Officer	Non-Exempt	Minimum	Midpoint	Maximum
			Annual	**$62,575.42**	**$75,311.96**	**$88,049.33**
			Hourly	**$30.0843**	**$36.2077**	**$42.3314**
804	DET	Police Detective	Non-Exempt	Minimum	Midpoint	Maximum
			Annual	**$66,955.43**	**$80,583.87**	**$94,212.85**
			Hourly	**$32.1901**	**$38.7422**	**$45.2946**
802	SGT	Police Sergeant	Non-Exempt	Minimum	Midpoint	Maximum
			Annual	**$88,654.57**	**$98,206.56**	**$107,758.83**
			Hourly	**$42.6224**	**$47.2147**	**$51.8071**
800	LT	Police Lieutenant	Exempt	Minimum	Midpoint	Maximum
			Annual	**$104,493.08**	**$122,261.71**	**$140,030.31**
801	CAPT	Police Captain	Exempt	Minimum	Midpoint	Maximum
			Annual	**$114,941.74**	**$136,752.71**	**$158,563.69**

Police Officer Special Assignments Pays

5% added to base pay	Auto Theft Task Force
5% added to base pay	Lead Police Officer
5% added to base pay	Counter Narcotics Alliance
5% added to base pay	DART
5% added to base pay	DEA Task Force
5% added to base pay	EOD (Explosives)
5% added to base pay	GIITEM Task Force
5% added to base pay	Investigator
5% added to base pay	K9
5% added to base pay	Motorcycles
5% added to base pay	School Resource Officer (SRO)
5% added to base pay	SWAT
5% added to base pay	Volunteer Coordinator
One additional hour of pay per shift paid at time and one-half rate when serving as FTO	Field Training Officer

Additional Pay for Sworn Positions (Applies only to Non-Exempt Sworn)			
Shift Differential	$1.30 per hour	*Pay for employees who work between 6:00 p.m. and 6:00 a.m.*
On-Call/Stand-By Pay	$1.30 per hour	*Pay for employees who stand ready to work during non-work hours as assigned.*

***Fair Labor Standards Act*

Unclassified Positions

Exempt Positions						
Job Code	Job Title	FLSA** Status	Minimum	Midpoint	Maximum	
Grade AA			**$47,295.13**	**$59,118.62**	**$70,943.24**	**Annual**
190	Cultural Heritage Specialist	Exempt				
Grade A			**$70,538.94**	**$88,173.38**	**$105,807.83**	**Annual**
260	Assistant to the Town Manager	Exempt				
Grade B			**$79,709.03**	**$99,635.73**	**$119,562.43**	**Annual**
141	Communications Manager	Exempt				
Grade C			**$90,070.97**	**$112,588.68**	**$135,106.43**	**Annual**
143	Airport Manager	Exempt				
Grade E			**$122,135.63**	**$152,670.21**	**$183,203.43**	**Annual**
Town Officers Grade I			**$105,713.33**	**$134,784.10**	**$163,854.86**	**Annual**
Town Officers Grade II			**$113,641.83**	**$144,892.90**	**$176,143.98**	**Annual**
114	Community and Neighborhood Services Director	Exempt				
115	Director of Economic Development and Tourism	Exempt				
106	Town Clerk	Exempt				
Town Officers Grade III			**$122,164.96**	**$155,759.87**	**$189,354.78**	**Annual**
182	Deputy Chief of Police	Exempt				
Town Officers Grade IV			**$131,327.33**	**$167,441.86**	**$203,556.39**	**Annual**
127	Development Services Director	Exempt				
118	Finance Director	Exempt				
116	Human Resources Director	Exempt				
136	Parks and Recreation Director	Exempt				
180	Public Works Director	Exempt				
134	Technology Services Director	Exempt				

***Fair Labor Standards Act*

Job Code	Job Title	FLSA** Status	Minimum	Midpoint	Maximum	
146	Water Director	Exempt				
Town Officers Grade V			**$141,176.88**	**$180,000.00**	**$218,823.12**	**Annual**
138	Chief of Police	Exempt				
120	Town Attorney	Exempt				
Town Officers Grade VI			**$151,765.15**	**$193,500.00**	**$235,234.85**	**Annual**
110	Deputy Town Manager	Exempt				

Temporary Positions

Job Code	Job Title	FLSA** Status	Minimum		Midpoint		Maximum
828	*Head Lifeguard	Non-exempt	$17.00	$17.25	$17.50	$17.75	$18.00
826	*Lifeguard	Non-exempt	$16.00	$16.25	$16.50	$16.75	$17.00
824	*Recreation Aide	Non-exempt	$15.00	$15.25	$15.50	$15.75	$16.00

*returning employees may receive a $.25 (cents) increase each year

Job Code	Job Title	FLSA** Status	High School	College	Grad School	Law School
480	Intern	Non-exempt	$14.85	$15.85	$16.85	$17.85

Job Code	Job Title	FLSA** Status	half day session	full day session	
169	Judge Pro Tempore	Exempt	$150.00	$300.00	Flat Rate

Job Code	Job Title	FLSA** Status	Flat Rate
805	Background Investigator	Non-exempt	$20.6541
447	Dispatcher STT	Non-exempt	$20.6541

*if less than half day session rate is $50 per hour

Additional Pay (Applies only to Non-Exempt position)		
Shift Differential	$1.30 per hour	*Pay for employees who work between 6:00 p.m. and 6:00 a.m.*
On-Call/ Stand-by	$1.30 per hour	*Pay for employees who stand ready to work as assigned during non-work hours when assigned.*

**Fair Labor Standards Act*

APPENDIX
TABLE OF REVISIONS

EFFECTIVE DATE	DESCRIPTION
7/1/2023	New Fiscal year adopted salary schedule
	* Organization Development Manager grade 112
	* Police Assets Coordinator grade 211
	* Business Process Analyst grade 214
	* Technology Support Specialist II grade 214
	* Cultural Heritage Specialist grade AA
	* Senior Software Developer grade 112
	* Procurement Specialist grade 109 to Procurement Officer grade 110
7/15/2023	2% increase to all Classified, Classified Sworn and Unclassified grades
10/7/2023	* Custodian (JC 208) changed from grade 208 to 209
	* Construction Inspector (JC 525) changed from grade 213 to 214
	* Right of Way Inspector (JC 526) changed from grade 213 to 214
	* Added Backflow Prevention Inspector (JC 531) grade 214
	* Added Senior Construction Inspector (JC 529) grade 215
	* Added Senior Right of Way Inspector (JC 513) grade 215
12/30/2023	Public Works pay grade changes:
	* Public Works Maintenance Associate I from 208 to 209
	* Public Works Maintenance Associate II from 209 to 210
	* Public Works Maintenance Associate III from 210 to 211
	* Fleet Technician I from 210 to 211
	* Fleet Technician II from 211 to 212
	* Equipment Operator I from 211 to 212
	* Equipment Operator II from 212 to 213
1/1/2024	Minimum Wage increase to $14.35 per hours
	* Recreation Aide from $14.00 to $15.00
	* Intern $13.85 to $14.85
1/13/2024	Mid-Year Reclassifications
	* Visual Communications Designer (grade 109) to Senior Visual Communications Designer (grade 110)
	* Assets Coordinator (grade 211) to Senior Assets Coordinator (grade 213)
	* Development Services Analyst (grade 110) to Business Process Manager (grade 111)
	* Legal Clerk (grade 209) to Senior Legal Specialist (grade 211)
	* Legal Document Specialist (grade 210) to Senior Legal Document Specialist (grade 211)
	* Tourism & Marketing Manager (grade 111) to (grade 113)
1/27/2024	Parks & Recreation (Landscaping) Title Changes
	* Parks & Rec Maintenance Associate III (JC 607) to Parks & Recreation Lead Maintenance Associate (JC 601)
	from grade 210 to 211
3/12/2024	* Water Conservation Analyst changed from 110 to 109 (6/8/23)
4/25/2024	Added Pubic Works Maintenance Apprentice grade 208
5/15/2024	Added Pubic Works Concrete Maintenance Specialist grade 213
7/1/2024	New Fiscal year adopted salary schedule
	* Accountant - New position grade 214
	* Accounting Associate grade 209 to 210
	* Administrative Assistant 208 to 209
	* Airport Operations Supervisor grade 109 to 110
	* Aquatic Maintenance Technician grade 212 to 213
	* Business Process Analyst grade 214 to 215
	* Chief of Police grade III to V
	* Communications Specialist grade 109 to 110
	* Court Clerk grade 209 to 210

EFFECTIVE DATE	DESCRIPTION
	* Courtroom Specialist grade 210 to 211
	* Crime Scene Specialist grade 211 to 212
	* Customer Service Representative grade 208 to 209