



MARANA TOWN COUNCIL
REGULAR COUNCIL MEETING
NOTICE AND AGENDA

11555 W. Civic Center Drive, Marana, Arizona 85653
Council Chambers, December 2, 2025, at or after 6:00 PM

Jon Post, Mayor
Roxanne Ziegler, Vice Mayor
Patrick Cavanaugh, Council Member
Patti Comerford, Council Member
Herb Kai, Council Member
Teri Murphy, Council Member
John Officer, 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 December 2, 2025, at or after 6:00 PM located in the Council Chambers of the Ed Honea 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. Revisions to the agenda 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 Ed Honea 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 Ed Honea 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. 2025-114: Relating to Development; approving the Block Plat for Dove Mountain Entry Parcels, Blocks "1" and "2" and Common Area "A" (Signage), generally located at the northwest corner of Tangerine Road and Dove Mountain Boulevard, within a portion of Section 35, Township 11 South, Range 12 East (Sarah Smith)

- C2 Resolution No. 2025-115: Relating to Marana Regional Airport; approving and authorizing the Town Manager to execute three Landlord's Release and Consent agreements among Pima Aviation, Inc., Zions Bancorporation, N.A. dba National Bank of Arizona, and the Town of Marana relating to (1) the Amended, Restated and Consolidated Marana Regional Airport Lease Agreement with Pima Aviation, Inc. ("Pima Aviation"), (2) the First Amended FBO Lease Agreement with Pima Aviation, and (3) the Amended and Restated Marana Regional Airport Lease Agreement (Master Development Lease) with Pima Aviation for the lease of real property located at the Marana Regional Airport, 11700 West Avra Valley Road (David Udall)

- C3 Resolution No. 2025-116: Relating to Tourism; approving and authorizing the Mayor to execute an agreement between the Town of Marana and Project Echelon, Ltd. regarding participation in and financial support of the 2026 Project Echelon Training Week, including a Gran Fondo Ride for Veterans (Stefanie Boe)

- C4 Resolution No. 2025-117: Relating to Utilities; approving and authorizing the Mayor to sign an agreement with B.K.W. Farms, Inc. for in-lieu water delivery and storage (Heidi Lasham)
- C5 Approval of Regular Town Council Meeting Summary Minutes of November 18, 2025 (Jill McCleary)

LIQUOR LICENSES

BOARDS, COMMISSIONS AND COMMITTEES

COUNCIL ACTION

ITEMS FOR DISCUSSION / POSSIBLE ACTION

- D1 Relating to Risk Management; discussion and direction regarding an offer for the Town of Marana to participate in an accelerated payment program related to settlement funds for the Settlement Agreement between Public Water Systems and 3M Company in the multi-district litigation entitled *In re: Aqueous Film-Forming Foams Products Liability Litigation*, MDL No. 2:18-mn-2873-RMG (Jane Fairall)
- D2 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)

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).
- E2 Executive Session pursuant to A.R.S. § 38-431.03(A)(4) to consider the Council's position and instruct the Town's attorneys regarding settlement discussions to resolve litigation in *Town of Marana v. Mandarin South, LLC, et al*, Pima County Superior Court case number C20241394.

- E3 Executive Session pursuant to A.R.S. § 38-431.03(A)(3) and (4), discussion or consultation for legal advice with the Town's attorneys and to consider the Town's position and instruct its attorneys regarding contemplated litigation to recover costs to remedy water quality issues resulting from perfluorinated compounds and 1,4-dioxane contamination.

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: 12/02/2025

To: Mayor and Council

Submitted For: Sarah Smith, Planner

From: Sarah Smith, Planner

Date: December 2, 2025

Strategic Plan Focus Area:

Not Applicable

Strategic Plan Focus Area Additional Info:

Subject: Resolution No. 2025-114: Relating to Development; approving the Block Plat for Dove Mountain Entry Parcels, Blocks "1" and "2" and Common Area "A" (Signage), generally located at the northwest corner of Tangerine Road and Dove Mountain Boulevard, within a portion of Section 35, Township 11 South, Range 12 East (Sarah Smith)

Discussion:

Request

Baker and Associates Engineering, Inc., representing the beneficial owner of the property, Rita Land Corporation, has applied for approval of a final Block Plat for Dove Mountain Entry Parcels Blocks "1" and "2" and Common Area "A" (Signage), on approximately 53.7 acres of land.

Zoning

The zoning of the property is Dove Mountain Specific Plan. On March 28, 2000, the Mayor and Town Council adopted Ordinance 2000.04, combining the Redhawk Specific Plan, the Dove Mountain Specific Plan I, and the Dove Mountain Specific Plan II, and renaming those specific plans collectively as the "Dove Mountain Specific Plan" and adopting the Dove Mountain Specific Plan as the zoning for the property contained

therein, which includes the property that is the subject of this request.

Land Use

The subject property is designated Mixed Use Commercial (MUC) within the Dove Mountain Specific Plan.

Access and Traffic

Access for the blocks is provided by the adjacent Tangerine Road on the south side of Block 1 and Dove Mountain Boulevard on the east side of Blocks 1 and 2. This proposed Final Block Plat does not create any new public or private roadways.

Utilities

Tucson Water will provide water service to the subject property and Pima County Regional Wastewater Reclamation Department will provide the sewer service. TRICO Electric Power will also provide their respective services to the subject property.

Staff Recommendation:

Staff has reviewed the proposed final Block Plat against the requirements of the Marana Town Code, the Marana General Plan, and the Dove Mountain Specific Plan. The final Block Plat is in substantial conformance with all required development regulations, and staff recommends approval.

Suggested Motion:

I move to adopt Resolution No. 2025-114, approving the Block Plat for Dove Mountain Entry Parcels Blocks "1" and "2" and Common Area "A".

Attachments

Resolution No. 2025-114

Final Block Plat

Location Map

Application

MARANA RESOLUTION NO. 2025-114

RELATING TO DEVELOPMENT; APPROVING THE BLOCK PLAT FOR DOVE MOUNTAIN ENTRY PARCELS, BLOCKS "1" AND "2", AND COMMON AREA "A" (SIGNAGE), GENERALLY LOCATED AT THE NORTHWEST CORNER OF TANGERINE ROAD AND DOVE MOUNTAIN BOULEVARD, WITHIN A PORTION OF SECTION 35, TOWNSHIP 11 SOUTH, RANGE 12 EAST

WHEREAS, on March 28, 2000, the Town Council adopted Ordinance No. 2000.04, combining the Redhawk Specific Plan, the Dove Mountain Specific Plan I, and the Dove Mountain Specific Plan II, and renaming those specific plans collectively as the "Dove Mountain Specific Plan" and adopting the Dove Mountain Specific Plan as the zoning for the property contained therein; and

WHEREAS Baker and Associates Engineering, Inc., representing the beneficial property owner, Rita Land Corporation, has applied for approval of a Block Plat for Dove Mountain Entry Parcels Blocks "1" and "2" and Common Area "A" (Signage) located northwest of the intersection of Tangerine Road and Dove Mountain Boulevard within the Dove Mountain Specific Plan; and

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

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE TOWN OF MARANA, that the Block Plat for Dove Mountain Entry Parcels Blocks "1" and "2" and Common Area "A" is hereby approved.

PASSED AND ADOPTED by the Mayor and Council of the Town of Marana, Arizona, this 2nd day of December, 2025.

Mayor Jon Post

ATTEST:

APPROVED AS TO FORM:

Jill McCleary, Town Clerk

Jane Fairall, Town Attorney

DEDICATION

WE, THE UNDERSIGNED, HEREBY WARRANT THAT WE ARE ALL AND THE ONLY PARTIES HAVING ANY FEE TITLE INTEREST IN THE LAND SHOWN ON THIS PLAT AND WE CONSENT TO THE SUBDIVISION OF THIS LAND IN THE MANNER SHOWN ON THIS PLAT.

WE HEREBY DEDICATE TO THE TOWN OF MARANA THE NEW RIGHT-OF-WAY SHOWN ON THIS PLAT.

WE, THE UNDERSIGNED, OUR SUCCESSORS, AND ASSIGNS, DO HEREBY HOLD THE TOWN OF MARANA, ITS EMPLOYEES, OFFICERS, AND AGENTS HARMLESS FROM AND AGAINST ANY AND ALL CLAIMS FOR DAMAGES RELATED TO THE USE OF THESE LANDS NOW AND IN THE FUTURE BY REASON OF FLOODING, FLOWAGE, EROSION, OR DAMAGE CAUSED BY WATER, WHETHER SURFACE, FLOOD, OR RAINFALL. NATURAL DRAINAGE SHALL NOT BE ALTERED, DISTURBED, OR OBSTRUCTED WITHOUT THE APPROVAL OF THE TOWN OF MARANA.

UTILITY EASEMENTS AS SHOWN ON THIS PLAT, ARE DEDICATED TO THE TOWN OF MARANA, PIMA COUNTY, AND ALL PUBLIC AND PRIVATE UTILITY COMPANIES FOR THE PURPOSE OF INSTALLATION AND MAINTENANCE OF, AND ACCESS TO, PUBLIC AND PRIVATE UTILITIES AND PUBLIC SEWERS. OTHER EASEMENTS SHOWN ON THIS PLAT ARE DEDICATED TO THE TOWN OF MARANA FOR THE PURPSE OR PURPOSES NOTED ON THIS PLAT.

COMMON AREA "A" AS SHOWN ON THIS PLAT IS RESERVED FOR THE PRIVATE USE AND CONVENIENCE OF ALL OWNERS OF PROPERTY WITHIN THIS SUBDIVISION AND THEIR GUESTS AND INVITEES. COMMON AREA "A" IS GRANTED AS AN EASEMENT TO THE TOWN OF MARANA, PIMA COUNTY, AND ALL PUBLIC AND PRIVATE UTILITY COMPANIES FOR THE PURPOSE OF INSTALLATION AND MAINTENANCE OF, AND ACCESS TO, UNDERGROUND PUBLIC AND PRIVATE UTILITIES AND SEWERS. TITLE TO COMMON AREA "A" SHALL BE VESTED IN AN ASSOCIATE OF INDIVIDUAL BLOCK OWNERS AS ESTABLISHED BY COVENANTS, CONDITIONS AND RESTRICTIONS RECORDED IN DOCKET 10660 AT PAGE 1083, AS AMENDED IN DOCKET 11994 AT PAGE 7653, AND FURTHER AMENDED AT SEQUENCE NO. 20211941024, EACH IN THE OFFICE OF THE RECORDER OF PIMA COUNTY, ARIZONA. EACH AND EVERY BLOCK OWNER WITHING THE SUBDIVISION SHALL BE A MEMBER OF THE ASSOCIATE, WHICH IS RESPONSIBLE FOR THE CONTROL, MAINTENANCE, SAFETY, AND LIABILITY OF COMMON AREA "A" WITHIN THIS SUBDIVISION.

LANDMARK TITLE ASSURANCE AGENCY OF ARIZONA, L.L.C.

AN ARIZONA LIMITED LIABILITY COMPANY, AS TRUSTEE UNDER TRUST NO. 18277-T AND TRUST NO. 18278-T, NOT OTHERWISE

TRUST OFFICER

BENEFICIARY - TRUST NO. 18277-T AND 18278-T

RITA LAND CORPORATION (AN ARIZONA CORPORATION)
3567 EAST SUNRISE DRIVE, #219, TUCSON, ARIZONA 85718
PHONE: 520-299-8424

ACKNOWLEDGMENT

STATE OF ARIZONA } S.S.
COUNTY OF PIMA

ON THIS, THE _____ DAY OF _____, 20____, BEFORE ME PERSONALLY APPEARED _____ WHO ACKNOWLEDGED HIMSELF/HERSELF TO BE THE TRUST OFFICER OF LANDMARK TITLE ASSURANCE AGENCY OF ARIZONA, L.L.C., AN ARIZONA LIMITED LIABILITY COMPANY AS TRUSTEE UNDER TRUST NO. 18277-T AND NO. 18278-T, AND NOT IN ITS CORPORATE CAPACITY AND ACKNOWLEDGED THAT HE/SHE, AS THE TRUST OFFICER, BEING AUTHORIZED TO DO SO, EXECUTED THE FOREGOING INSTRUMENT FOR THE PURPOSE(S) THEREIN CONTAINED.

IN WITNESS WHEREOF: I HEREBY SET MY NAME AND OFFICIAL SEAL.

NOTARY PUBLIC

ASSURANCES

THE TOWN OF MARANA DOES NOT REQUIRE THE SUBDIVDER TO PROVIDE SUBDIVISION ASSURANCES FOR THIS SUBDIVISION. ANY SUBDIVISION IMPROVEMENTS REQUIRED BY ARIZONA REVISED STATUTES SECTION 9-463.01(C)(8) AND MARANA LAND DEVELOPMENT CODE SECTION 17-5-4 HAVE BEEN PROVIDED.

BY: _____ DATE _____
TOWN OF MARANA

RECORDING DATA

STATE OF ARIZONA } S.S. FEE _____
COUNTY OF PIMA SEQUENCE NO. _____

THIS INSTRUMENT WAS FILED FOR RECORD AT THE REQUEST OF BAKER AND ASSOCIATES ENGINEERING, INC., ON THIS _____ DAY OF _____, 20____, AT _____ M. IN SEQUENCE NO. _____ THEREOF.

GABRIELLA CAZARES-KELLY, PIMA COUNTY RECORDER DATE _____
DEPUTY COUNTY RECORDER

BASIS OF BEARING

BASIS OF BEARING: NORTH 00°07'05" EAST, ACCORDING TO BOOK 60 OF MAPS AND PLATS AT PAGE 13, PIMA COUNTY, ARIZONA BETWEEN THE MONUMENT FOUND AT THE POINT OF INTERSECTION OF MORNING MOONLIGHT LANE AND THE SE CORNER OF SECTION 35 ON THE CENTERLINE OF DOVE MOUNTAIN BLVD, AS SHOWN.

GENERAL NOTES

- THE GROSS AREA OF THIS SUBDIVISION IS 53.7 ACRES (2,340,486 S.F.).
- THE TOTAL NUMBER OF BLOCKS IS 2.
- THE TOTAL AREA OF BLOCK "1" IS 653,471 S.F.
THE TOTAL AREA OF BLOCK "2" IS 1,679,851 S.F.
THE TOTAL AREA OF COMMON AREA "A" (SIGNAGE) IS 6,672 S.F.
- TOTAL MILES OF NEW PRIVATE STREETS IS -0-.
TOTAL MILES OF NEW PUBLIC STREETS IS -0-.
- THE APPROVED ZONING FOR THIS PROJECT IS "F" DOVE MOUNTAIN SPECIFIC PLAN AND THE LAND USE DESIGNATION IS "MUC."
- THIS PROJECT SHALL COMPLY WITH THE CONDITIONS SET FORTH IN THE DOVE MOUNTAIN SPECIFIC PLAN APPROVED ON MARCH 28, 2000 (ORDINANCE NO. 2000.04) AND AS AMENDED BY MARANA ORDINANCE FROM TIME TO TIME.
- NO FURTHER LOT SPLITTING SHALL BE DONE WITHOUT THE WRITTEN APPROVAL OF THE TOWN OF MARANA.
- APPROVAL OF THIS PLAT DOES NOT AFFIRM, CERTIFY OR APPROVE ANY LAND DIVISION THAT MAY BE CONTRARY TO STATE LAW, NOR DOES IT CERTIFY THE EXISTENCE OF, OR COMPLIANCE WITH, ANY DEED RESTRICTIONS OR EASEMENTS.
- THIS SUBDIVISION IS LOCATED WITHIN THE CITY OF TUCSON SERVICE AREA, WHICH HAS BEEN DESIGNATED AS HAVING AN ASSURED WATER SUPPLY UNDER A.R.S. SEC 45-576.
- ALL NEW AND EXISTING UTILITIES WITHIN OR CONTIGUOUS TO THE SITE SHALL BE PLACED UNDERGROUND EXCEPT ELECTRICAL TRANSMISSION LINES CARRYING 48KV OR GREATER, AND THOSE LINES WHICH CAN BE SHOWN TO EXIST IN CURRENT OR FUTURE ELECTRICAL TRANSMISSION CORRIDORS.
- THE AREA BETWEEN 100-YEAR FLOODPRONE LIMITS REPRESENTS AN AREA THAT MAY BE SUBJECT TO THE FLOODING FROM A 100-YEAR FREQUENCY FLOOD AND ALL LAND IN THIS AREA WILL BE RESTRICTED TO USES THAT ARE COMPATIBLE WITH FLOODPLAIN MANAGEMENT AS APPROVED BY THE FLOODPLAIN ADMINISTRATOR.

CERTIFICATIONS

I HEREBY CERTIFY THAT THE BOUNDARY SURVEY AS SHOWN ON THIS PLAT WAS PERFORMED UNDER MY DIRECTION AND THAT ALL EXISTING OR PROPOSED SURVEY MONUMENTS AND MARKERS SHOWN ARE CORRECTLY DESCRIBED.

BRIAN J. LIVERNOIS
ON POINT SURVEYING, P.L.L.C.
REGISTERED LAND SURVEYOR NO. 58324
STATE OF ARIZONA

I HEREBY CERTIFY THAT THE INTERIOR SUBDIVISION GEOMETRY FOR THIS PLAT WAS REVIEWED AND SHOWN UNDER MY SUPERVISION.

WILLIAM H. BAKER, JR.
BAKER & ASSOCIATES ENGINEERING, INC.
REGISTERED LAND SURVEYOR NO. 16784
STATE OF ARIZONA

I HEREBY CERTIFY THAT THE FEMA FLOODPRONE LIMITS WERE REVIEWED AND SHOWN UNDER MY SUPERVISION.

MARTIN V. MAGELLI, P.E.
BAKER & ASSOCIATES ENGINEERING, INC.
REGISTERED ENGINEER NO. 36655
STATE OF ARIZONA

TOWN OF MARANA APPROVALS

BY: _____ P.E.
MARANA TOWN ENGINEER/DEVELOPMENT ENGINEER DATE _____

BY: _____
MARANA PLANNING MANAGER DATE _____

PIMA COUNTY APPROVAL

BY: _____
PIMA COUNTY REGIONAL WASTEWATER RECLAMATION DEPARTMENT DATE _____

ASSURED WATER SUPPLY

THE UNDERSIGNED CERTIFIES THAT IT IS DESIGNATED AS HAVING AN ASSURED WATER SUPPLY AND WILL PROVIDE WATER SERVICE TO THIS SUBDIVISION.

BY: _____
ITS: CITY OF TUCSON WATER DEPARTMENT DATE _____

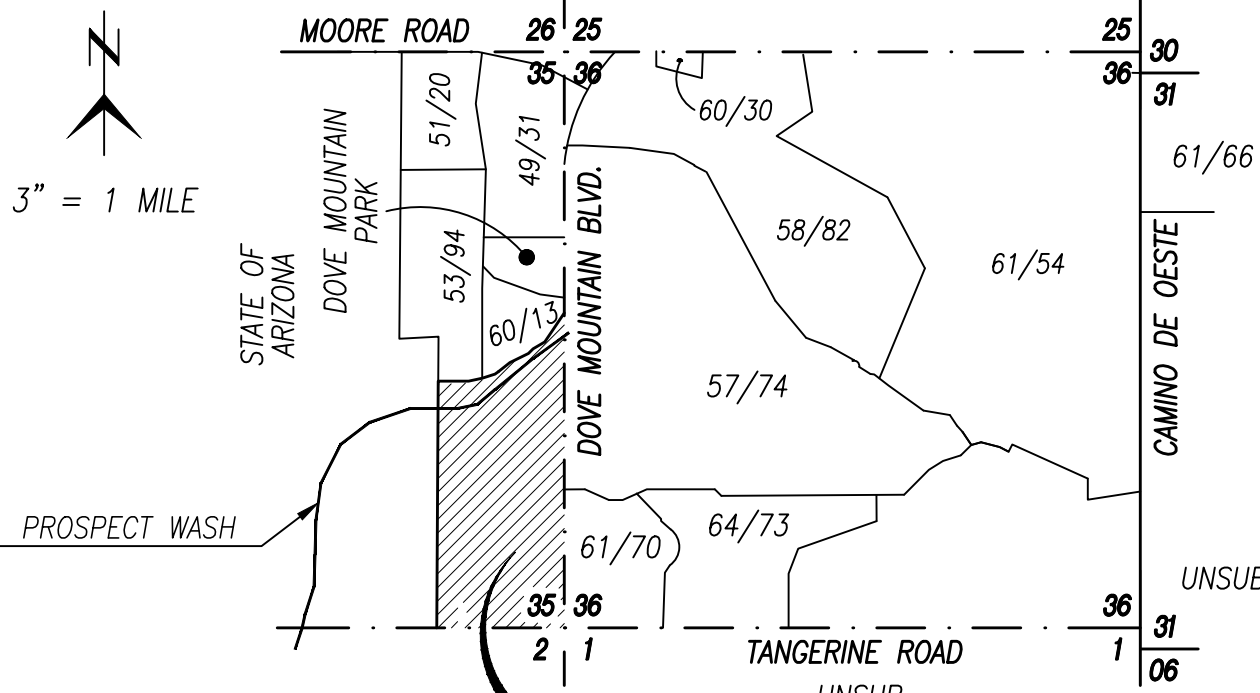
MARANA TOWN COUNCIL CERTIFICATION

I, _____, CLERK OF THE TOWN OF MARANA, HEREBY CERTIFY THAT THIS PLAT WAS APPROVED BY THE TOWN COUNCIL OF THE TOWN OF MARANA ON THE _____ DAY OF _____, 20____.

BY: _____ DATE _____
CLERK OF THE TOWN OF MARANA

SHEET INDEX

SHEET #1 COVER SHEET, NOTES, SHEET/KEY MAP
SHEET #2-#4 FINAL PLAT SHEET



LEGEND

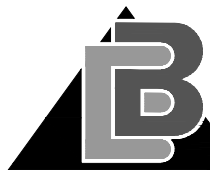
- ▲ FOUND 3" TOWN OF MARANA BRASS CAP STAMPED "RSL28735" EXCEPT WHERE OTHERWISE SHOWN
- SET 1/2" REBAR OR BRASS TAG ON WALL "RLS 58324" EXCEPT WHERE OTHERWISE SHOWN (SEE ALSO "NEW TANGERINE ROAD RIGHT-OF-WAY/EXISTING SURVEY MONUMENT KEYNOTE", SHEET #2)
- 1/2" REBAR TO BE SET BY A REGISTERED LAND SURVEYOR
- SUBDIVISION BOUNDARY
- P/L PROPERTY LINE
- R1 INDICATES A RECORD DIMENSION ACCORDING TO BOOK 60 OF MAPS AND PLATS AT PAGE 13
- R2 INDICATES RECORD DIMENSION ACCORDING TO BOOK 53 OF MAPS AND PLATS AT PAGE 94
- R3 INDICATES RECORD DIMENSION ACCORDING TO RECORDS OF SURVEY SEQUENCE #20193120150
- L# LINE DATA (SEE TABLE, SHEET 4)
- F-L# MISCELLANEOUS LINE DATA (SEE TABLE, SHEET 4)
- EXISTING RIGHT-OF-WAY LINE
- STREET CENTERLINE
- EASEMENT LINE AS SHOWN (SEE ALSO "EASEMENT KEYNOTES," SHEETS #2 - #4)
- 100 YEAR/FEMA "A03" FLOODPRONE LIMIT
- EROSION SETBACK LINE ("E.S.L.")

ADMINISTRATIVE ADDRESS

5550 W. TANGERINE ROAD, MARANA, AZ 85658

BLOCK PLAT for DOVE MOUNTAIN ENTRY PARCELS, BLOCKS "1" AND "2", AND COMMON AREA "A" (SIGNAGE)

BEING A SUBDIVISION OF A PORTION OF SECTION 35, T11S, R12E, G&SRM, TOWN OF MARANA, PIMA COUNTY, ARIZONA



Baker & Associates Engineering, Inc.

3561 E. Sunrise Drive, Suite #225 Tucson, Arizona 85718 (520) 318-1950 Fax (520) 318-1930

#PRV2510-001

REF.: PCZ2006-001 JOB #2670 DATE: NOVEMBER 4, 2025 SHEET 1 OF 4

SEQUENCE # _____



ARIZONA STATE LAND
APN 218-54-0010

MATCHLINE -
SEE SHEET #4

ARIZONA STATE LAND
APN 218-54-0010

S00°07'05"W 2067.45'

MATCHLINE -
SEE SHEET #2

ARIZONA STATE LAND
APN 218-54-0010

BLOCK 2

BLOCK 2
1,679,851 SF

BLOCK 2

P/L

N00°07'05"E 2585.63'

N00°07'05"E 2875.00' R1
2875.26' 2875.00' R1

P/L

PRESERVE AT DOVE MOUNTAIN,
LOTS 1-182
M/P 57/74

MATCHLINE -
SEE SHEET #4

EX. 75' 1/2 R.O.W. (PUBLIC)
PER ROAD IMP 8/62

DOVE MOUNTAIN BLD

3" T.O.M. BCSM
STAMPED "RLS 23379"

NEW SHADOW WAY

PRESERVE AT DOVE MOUNTAIN,
LOTS 1-182
M/P 57/74

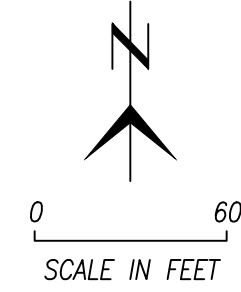
DOVE CENTRE ROAD

3" T.O.M. BCSM
STAMPED "RLS 19833"

DOVE MOUNTAIN RETAIL CENTRE
M/P 61/70

MATCHLINE -
SEE SHEET #2

DOVE MOUNTAIN RETAIL CENTRE
M/P 61/70



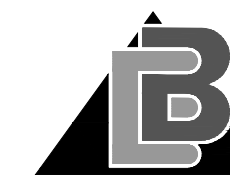
EXISTING EASEMENT KEYNOTES

- EXISTING SEWER EASEMENT PER DOCKET 12201/71
- EXISTING SEWER EASEMENT PER SEQ #20141970173
- EXISTING 20" DRAINAGE EASEMENT PER SEQ #20160820514
- EXISTING SEWER EASEMENT PER DOCKET 10264/666
- EXISTING SEWER EASEMENT PER SEQ #20193050524
- EXISTING 15" ELECTRIC EASEMENT PER DOCKET 9239/883
- EXISTING PIMA COUNTY EASEMENT PER SEQ #20193050525 (AUTOMATICALLY TERMINATES UPON RELOCATION)
- RELOCATION AREA FOR EXISTING PIMA COUNTY EASEMENT PER SEQ #20193050525

FOR INTERIOR GEOMETRY ONLY



BLOCK PLAT for
DOVE MOUNTAIN ENTRY PARCELS,
BLOCKS "1" AND "2", AND COMMON AREA "A" (SIGNAGE)
BEING A SUBDIVISION OF A PORTION OF SECTION 35,
T11S, R12E, G&SRM, TOWN OF MARANA, PIMA COUNTY, ARIZONA



Baker & Associates Engineering, Inc.

3561 E. Sunrise Drive, Suite #225 Tucson, Arizona 85718 (520) 318-1950 Fax (520) 318-1930

#PRV2510-001

JOB #2670

DATE: NOVEMBER 4, 2025

SHEET 3 OF 4

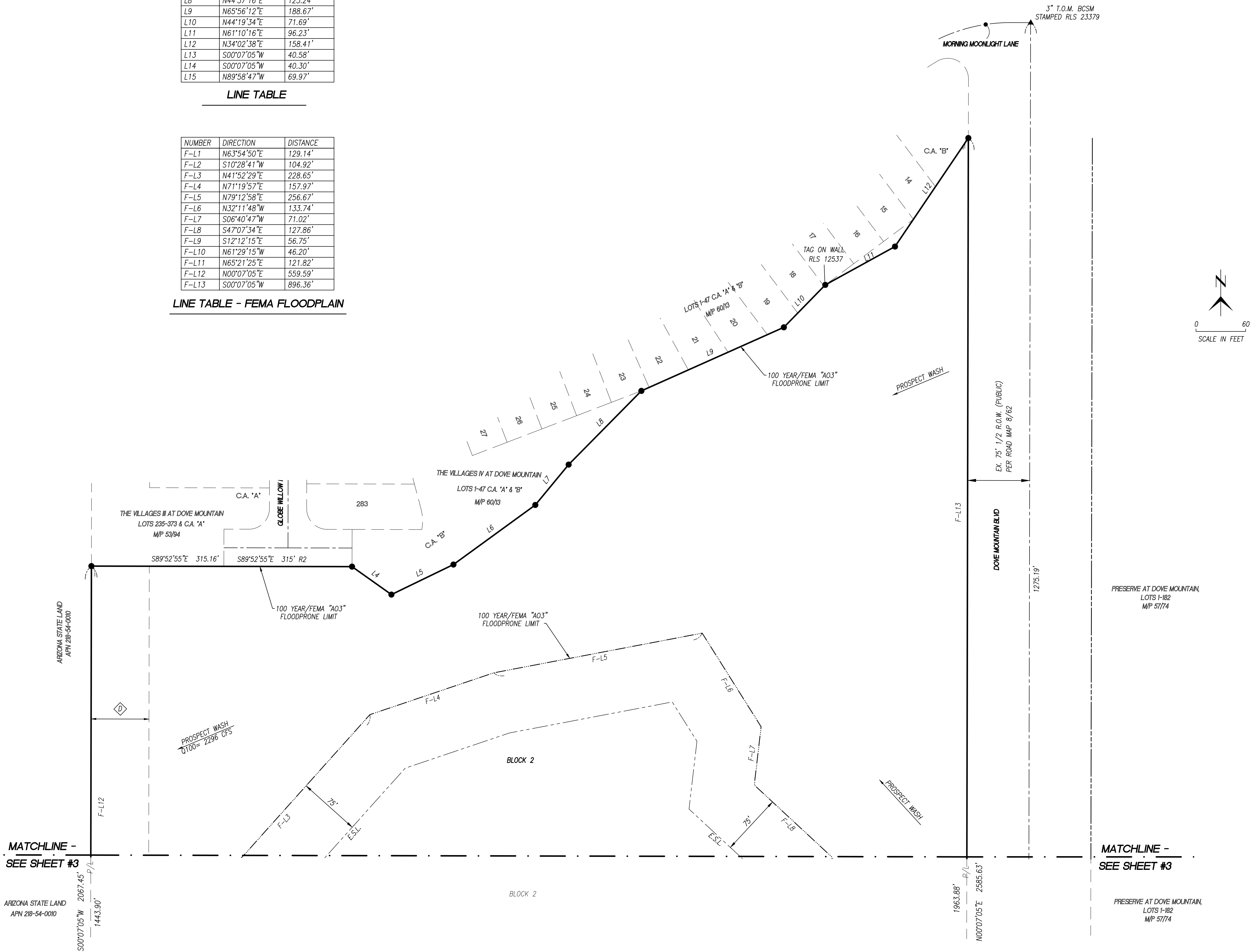
SEQUENCE # _____

NUMBER	DIRECTION	DISTANCE
L1	S00°00'34"E	7.02'
L2	S89°58'47"E	69.97'
L3	S00°00'44"W	7.02'
L4	S54°37'51"E	58.42'
L5	S64°08'47"W	83.36'
L6	S53°56'46"W	122.41'
L7	N39°32'19"E	63.34'
L8	N44°37'16"E	125.24'
L9	N65°56'12"E	188.67'
L10	N44°19'34"E	71.69'
L11	N61°10'16"E	96.23'
L12	N34°02'38"E	158.41'
L13	S00°07'05"W	40.58'
L14	S00°07'05"W	40.30'
L15	N89°58'47"W	69.97'

LINE TABLE

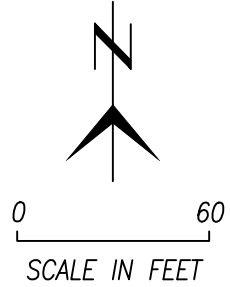
NUMBER	DIRECTION	DISTANCE
F-L1	N63°54'50"E	129.14'
F-L2	S10°28'41"W	104.92'
F-L3	N41°52'29"E	228.65'
F-L4	N71°19'57"E	157.97'
F-L5	N79°12'58"E	256.67'
F-L6	N32°11'48"W	133.74'
F-L7	S06°40'47"W	71.02'
F-L8	S47°07'34"E	127.86'
F-L9	S12°12'15"E	56.75'
F-L10	N61°29'15"W	46.20'
F-L11	N65°21'25"E	121.82'
F-L12	N00°07'05"E	559.59'
F-L13	S00°07'05"W	896.36'

LINE TABLE - FEMA FLOODPLAIN



EXISTING EASEMENT KEYNOTES

- EXISTING SEWER EASEMENT PER DOCKET 12201/71
- EXISTING SEWER EASEMENT PER SEQ #20141970173
- EXISTING 20' DRAINAGE EASEMENT PER SEQ #20160820514
- EXISTING SEWER EASEMENT PER DOCKET 10264/666
- EXISTING SEWER EASEMENT PER SEQ #20193050524
- EXISTING 15' ELECTRIC EASEMENT PER DOCKET 9239/883
- EXISTING PIMA COUNTY EASEMENT PER SEQ #20193050525 (AUTOMATICALLY TERMINATES UPON RELOCATION)
- RELOCATION AREA FOR EXISTING PIMA COUNTY EASEMENT PER SEQ #20193050525

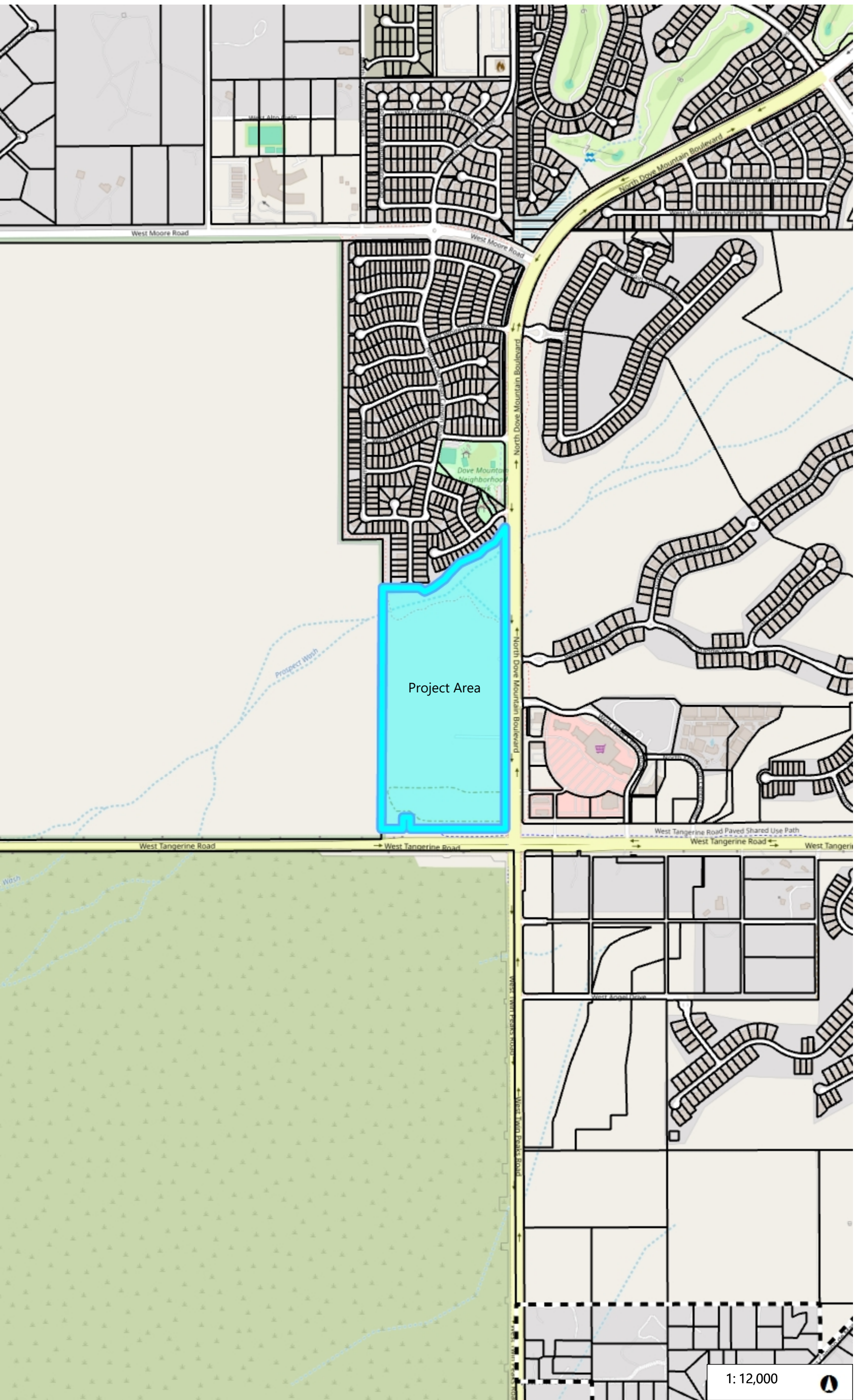


FOR INTERIOR GEOMETRY ONLY



BLOCK PLAT for
DOVE MOUNTAIN ENTRY PARCELS,
BLOCKS "1" AND "2", AND COMMON AREA "A" (SIGNAGE)
BEING A SUBDIVISION OF A PORTION OF SECTION 35,
T11S, R12E, G&SRM, TOWN OF MARANA, PIMA COUNTY, ARIZONA

Baker & Associates Engineering, Inc.
3561 E. Sunrise Drive, Suite #225 Tucson, Arizona 85718 (520) 318-1950 Fax (520) 318-1930
#PRV2510-001 JOB #2670 DATE: NOVEMBER 4, 2025 SHEET 4 OF 4



- Legend
- Marana Town Limits
 - Parcel Labels
 - Parcels (Black)

Notes

0.4 0 0.19 0.4 Miles

WGS_1984_Web_Mercator_Auxiliary_Sphere
© Latitude Geographics Group Ltd.

THIS MAP IS NOT TO BE USED FOR NAVIGATION

This map is a user generated static output from an Internet mapping site and is for reference only. Data layers that appear on this map may or may not be accurate, current, or otherwise reliable.



PROJECT APPLICATION

APPLICATION TYPE

- | | | | |
|--|--|--|---|
| ☐ Annexation | ☐ Development Plan | ☐ Development Plan Package | ☐ General Plan Amendment |
| ☐ Rezone | ☐ Minor Land Division | ☐ Significant Land Use Change | ☐ Conditional Use Permit |
| ☐ Specific Plan | ☐ Landscape Plan | ☐ Native Plant Plan/Exception | ☐ SWPP |
| ☐ Variance | ☐ Hydraulic Model | ☐ Sewer Capacity Assurance | ☐ Sign Program |
| ☒ Plat | ☐ Improvement Plan | ☐ Report (Type): _____ | ☐ Other: _____ |

PROJECT INFORMATION

Project Name: Dove Mountain Entry Parcels

Description of Project: Block Plat

Number of Lots: 2

Parcel No.(s): 218-54-002M and 218-54-002N

Gross Area (Acres): 53.7

Project Address: 12241 N. Dove Mountain Blvd., Marana, AZ 85658

Ref. Project No.:

CONTACT INFORMATION

Owner: Landmark Title Trust #18277-T/#18278-T

Contact Name: Cottonwood Prop.(Attn: Bill Hallinan)

Address: 3567 E. Sunrise Drive, Suite 219

City: Tucson

State: AZ

Zip: 85718

Email: bhallinan@cottonwoodproperties.com

Phone No.: (520) 299-8424

Applicant: Baker & Associates Engineering

Contact Name: Marty Magelli, P.E.

Address: 3561 E. Sunrise Dr., #225

City: Tucson

State: AZ

Zip: 85718

Email: marty@baetucson.com

Phone No.: (520) 318-1950

Consultant/Engineer: Baker & Associates Engineering

Contact Name: Marty Magelli, P.E.

Address: 3561 E. Sunrise Dr., #225

City: Tucson

State: AZ

Zip: 85718

Email: marty@baetucson.com

Phone No.: (520) 318-1950

OWNER/APPLICANT AUTHORIZATION

I hereby certify that the information set forth in this application are true and correct to the best of my knowledge and that I am either the owner of the property or that I have been authorized in writing by the owner to file this application. (If applicant is not the owner, attach written authorization from the owner.)

William Hallinan

William Hallinan

Digitally signed by William Hallinan
Date: 2025.09.09 16:00:45 -0700

9/9/2025

Applicant Name (PRINT)

Signature

Date

FOR OFFICIAL USE ONLY

Revision Date 03/29/2019

Project No. _____

Date Received _____



Council-Regular Meeting

C2

Meeting Date: 12/02/2025

To: Mayor and Council

From: David L. Udall, Deputy Town Attorney

Date: December 2, 2025

Strategic Plan Focus Area:
Thriving Commerce

Subject: Resolution No. 2025-115: Relating to Marana Regional Airport; approving and authorizing the Town Manager to execute three Landlord's Release and Consent agreements among Pima Aviation, Inc., Zions Bancorporation, N.A. dba National Bank of Arizona, and the Town of Marana relating to (1) the Amended, Restated and Consolidated Marana Regional Airport Lease Agreement with Pima Aviation, Inc. ("Pima Aviation"), (2) the First Amended FBO Lease Agreement with Pima Aviation, and (3) the Amended and Restated Marana Regional Airport Lease Agreement (Master Development Lease) with Pima Aviation for the lease of real property located at the Marana Regional Airport, 11700 West Avra Valley Road (David Udall)

Discussion:

The Town of Marana and Pima Aviation, Inc. ("PAI") are parties to three long-term lease agreements by which the Town leases property at the Marana Regional Airport to PAI, including (1) a lease agreement entitled "First Amended FBO Lease Agreement," made and entered into on September 4, 2001, (2) a lease agreement entitled "Amended, Restated and Consolidated Marana Regional Airport Lease Agreement," with an effective date of June 5, 2018, and (3) a lease agreement entitled "Amended and Restated Marana Regional Airport Lease Agreement (Master Development Lease)," with an effective date of February 27, 2025 (together, the "Leases"). Prior to the 2025 execution of the Amended and Restated Master Development Lease, the Town and PAI were parties to the "Master Development Lease" (also known as the "73-Acre Lease"), with a commencement date of June 1, 1991.

PAI has entered into an agreement with Zions Bancorporation dba National Bank of

Arizona (the "Bank") in which the Bank has acquired a security interest in the leasehold improvements located on a portion of the properties subject to the Leases in exchange for providing financing to PAI. The Town, PAI, and Zions Bancorporation dba National Bank of Arizona (the "Bank") are also parties to Landlord Release and Consent agreements for the First Amended FBO Lease, the Amended, Restated and Consolidated Marana Regional Airport Lease Agreement, and the 1991 Master Development Lease, under which the Town has consented to PAI's assignment of PAI's rights under the Leases to the Bank and to the subordination of the Town's interests in the leasehold improvements to the interests of the Bank. Upon full performance by PAI under the Loan, the assignment will be ended. Moreover, the assignment of the Leases only encumbers the leasehold improvements and PAI's leasehold estate under the Leases and does not constitute a lien, encumbrance, assignment or security interest on or with respect to the Town's rights under the Leases or the fee interest in the premises.

Since the Town and PAI have entered into the Amended and Restated Master Development Lease Agreement, the Bank is requesting that the Town and PAI sign new Landlord Release and Consent agreements for the three Leases. The substance of the new Landlord Release and Consent agreements remains the same as previously agreed to among the parties, but some of the language has been revised to add additional clarity regarding the substantive terms and conditions involved.

If adopted, the resolution accompanying the agenda materials for this item would authorize the Town Manager to sign the Landlord Release and Consent agreements on behalf of the Town.

Staff Recommendation:

Staff recommends approval of Resolution No. 2025-115.

Suggested Motion:

I move to adopt Resolution No. 2025-115, approving and authorizing the Town Manager to execute three Landlord's Release and Consent agreements among Pima Aviation, Inc., Zions Bancorporation, N.A. dba National Bank of Arizona, and the Town of Marana relating to (1) the Amended, Restated and Consolidated Marana Regional Airport Lease Agreement with Pima Aviation, Inc. ("Pima Aviation"), (2) the First Amended FBO Lease Agreement with Pima Aviation, and (3) the Amended and Restated Marana Regional Airport Lease Agreement (Master Development Lease) with Pima Aviation for the lease of real property located at the Marana Regional Airport, 11700 West Avra Valley Road.

Attachments

Resolution No. 2025-115

Exhibit A to Resolution No. 2025-115

Exhibit B to Resolution No. 2025-115

MARANA RESOLUTION NO. 2025-115

RELATING TO MARANA REGIONAL AIRPORT; APPROVING AND AUTHORIZING THE TOWN MANAGER TO EXECUTE THREE LANDLORD'S RELEASE AND CONSENT AGREEMENTS AMONG PIMA AVIATION, INC., ZIONS BANCORPORATION, N.A. DBA NATIONAL BANK OF ARIZONA, AND THE TOWN OF MARANA RELATING TO (1) THE AMENDED, RESTATED AND CONSOLIDATED MARANA REGIONAL AIRPORT LEASE AGREEMENT WITH PIMA AVIATION, INC. ("PIMA AVIATION"), (2) THE FIRST AMENDED FBO LEASE AGREEMENT WITH PIMA AVIATION, AND (3) THE AMENDED AND RESTATED MARANA REGIONAL AIRPORT LEASE AGREEMENT (MASTER DEVELOPMENT LEASE) WITH PIMA AVIATION 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. ("PAI") are parties to three long-term lease agreements by which the Town leases property at the Marana Regional Airport to PAI, including (1) a lease agreement entitled "First Amended FBO Lease Agreement," made and entered into on September 4, 2001, (2) a lease agreement entitled "Amended, Restated and Consolidated Marana Regional Airport Lease Agreement," with an effective date of June 5, 2018, and (3) a lease agreement entitled "Amended and Restated Marana Regional Airport Lease Agreement (Master Development Lease)," with an effective date of February 27, 2025 (together, the "Leases"); and

WHEREAS prior to the 2025 execution of the Amended and Restated Master Development Lease, the Town and PAI were parties to the "Master Development Lease" (also known as the "73-Acre Lease"), with a commencement date of June 1, 1991; and

WHEREAS PAI has entered into an agreement with Zions Bancorporation dba National Bank of Arizona (the "Bank") in which the Bank has acquired a security interest in the leasehold improvements located on a portion of the properties subject to the Leases in exchange for providing financing to PAI; and

WHEREAS the Town, PAI, and Zions Bancorporation dba National Bank of Arizona (the "Bank") are also parties to Landlord's Release and Consent agreements for the First Amended FBO Lease, the Amended, Restated and Consolidated Marana Regional Airport Lease Agreement, and the 1991 Master Development Lease, under which the Town has consented to PAI's assignment of PAI's rights under the Leases to

the Bank and to the subordination of the Town's interests in the leasehold improvements to the interests of the Bank; and

WHEREAS the assignment of the Leases only encumbers the leasehold improvements and PAI's leasehold estate under the Leases and does not constitute a lien, encumbrance, assignment or security interest on or with respect to the Town's rights under the Leases or the fee interest in the premises, and, upon full performance by PAI under the Loan, the assignment will be ended; and

WHEREAS since the Town and PAI have entered into the Amended and Restated Master Development Lease Agreement, the Bank is requesting that the Town and PAI sign new Landlord's Release and Consent agreements for the three Leases; and

WHEREAS the substance of the new Landlord's Release and Consent agreements remains the same as previously agreed to among the parties, but some of the language has been revised to add additional clarity regarding the substantive terms and conditions involved; and

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

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE TOWN OF MARANA, ARIZONA, AS FOLLOWS: the Landlord's Release and Consent agreements, substantially in the same form attached to and incorporated by this reference in this resolution as Exhibits A, B, and C, are hereby approved, the Town Manager is hereby authorized and directed to sign them for and on behalf of the Town of Marana, and 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, and objectives of the agreements.

PASSED AND ADOPTED by the Mayor and Council of the Town of Marana, Arizona, this 2nd day of December, 2025.

Mayor Jon Post

ATTEST:

APPROVED AS TO FORM:

Jill McCleary, Town Clerk

Jane Fairall, Town Attorney

LANDLORD'S RELEASE AND CONSENT

Principal	Loan Date	Maturity	Loan No	Call/ Coll	Account	Officer	Initials
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References in the boxes above are for Lender's use only and do not limit the applicability of this document to any particular loan or item.

Borrower:

Pima Aviation, Inc.
11700 W. Avra Valley Road
Marana, Arizona 85653

Lender:

Zions Bancorporation, N.A. dba
National Bank of Arizona
335 North Wilmot Road, Suite 100
Tucson, Arizona 85711

THIS LANDLORD'S RELEASE AND CONSENT is entered into among Pima Aviation, Inc. ("Borrower"), whose address is 11700 W. Avra Valley Road, Marana, Arizona 85653; Zions Bancorporation, N.A. dba National Bank of Arizona ("Lender"), whose address is 335 North Wilmot Road, Suite 100, Tucson, Arizona 85711; and Town of Marana ("Landlord"), whose address is 11555 W. Civic Center Drive, Marana, Arizona 85653. Borrower and Lender have entered into an agreement whereby Lender has acquired a security interest or other interest in the Collateral. Some or all of the Collateral may be affixed or otherwise become located on the Premises. To induce Lender to extend the Loan to Borrower against such security interest in the Collateral and for other valuable consideration, Landlord hereby agrees with Lender and Borrower as follows.

COLLATERAL DESCRIPTION. The word "Collateral" means certain of Borrower's personal property in which Lender has acquired or will acquire a security interest, including without limitation the following specific property:

All leasehold improvements located on the Premises.

BORROWER'S ASSIGNMENT OF LEASE. Borrower hereby assigns to Lender all of Borrower's rights in the lease entitled "Amended and Restated Marana Regional Airport Lease Agreement (Master Development Lease)" with an effective date of February 27, 2025 (hereinafter, the "Lease") that amended and restated that certain lease agreement entitled, "Master Development Lease Agreement" (also known as the "73- Acre Lease") with a Commencement Date of June 1, 1999, as amended by (1) 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), (2) "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, (3) the "Third Amendment to the Master Development Lease Agreement," recorded in the office of the Pima County Recorder on June 21, 2024, at Sequence No. 20241730160, and (4) the "Fourth Amendment to the Master Development Lease Agreement," recorded in the office of the Pima County Recorder on August 22, 2024, at Sequence No. 20242350659, as partial security for the Loan. The parties intend that this assignment will be a present transfer to Lender of all of Borrower's rights under the Lease, subject to Borrower's rights to use the Premises and enjoy the benefits of the Lease while not in default on the Loan or Lease. Upon full performance by Borrower under the Loan, this assignment shall be ended, without the necessity of any further action by any of the parties. This assignment includes all renewals of and amendments to the Lease or the Loan, until the Loan is paid in full. No amendments may be made to the Lease without Lender's prior written consent, which shall not be unreasonably withheld or delayed.

CONSENT OF LANDLORD. Landlord consents to the above assignment and agrees that the assignment, Loan, and Related Documents, insofar as they affect or relate to the Premises, shall only encumber the Collateral and Borrower's leasehold estate under the Lease and shall not constitute a lien, encumbrance, assignment, or security interest on or with respect to Landlord's rights under the Lease or the fee interest in the Premises. If Borrower defaults under the Loan or the Lease, Lender may acquire or obtain the Borrower's interest of tenant under the Lease and further assign its interest as tenant under the Lease to any third party approved by the Landlord, and Landlord agrees that Landlord's consent to any such assignment will not be unreasonably withheld or delayed. In the event of default under the Loan or the Lease and repossession and/or removal of tangible Collateral becomes necessary, the Lender may enter upon the Premises during normal business hours during the term of the Lease provided that (i) the Lender agrees to repair all damage to the Premises occasioned by the removal of tangible Collateral; and (ii) the Lender shall remove only the tangible Collateral covered under the Lender's security agreement and shall not repossess or remove any item of property constituting fixtures or otherwise incorporated into the Improvements at the Premises, including, but not limited to, lighting, electrical, wiring, HVAC units, walk-in coolers, walk-in freezers, supply fans, exhaust fans, air ducts, electric and utility lines, pipes, pumps, plumbing, water heaters, tanks, conduits, switchboards, elevators, fire prevention equipment, attached carpeting and floor coverings, toilets, sinks, countertops, doors, doorways, and windows, compressors, partitions, sign poles and lighting poles, storefronts, security grills, ceramic tile, wall coverings on buildings, walls, and painting. The Lender shall not conduct any auction or liquidation sale at the Premises. Whether or not Lender enters into possession of the Premises for any purpose, Borrower will remain fully liable for all obligations of Borrower as tenant under the Lease. While Lender is in possession of the Premises, Lender will cause all payments due under the Lease and attributable to that period of time to be made to Landlord. If Lender later assigns the Lease or vacates the Premises, Lender will have no further obligation to Landlord.

LEASE DEFAULTS. Both Borrower and Landlord agree and represent to Lender that, to the best of their knowledge, there is no breach or offset existing under the Lease or under any other agreement between Borrower and Landlord. Landlord agrees not to terminate the Lease, despite any default, as that term is defined in Article 12 of the Lease, by Borrower, without giving Lender written notice of the default and an opportunity to cure the default within a period of sixty (60) days from the receipt of the notice. If the default is one that cannot reasonably be cured by Lender (such as insolvency, bankruptcy, or other judicial proceedings against Borrower), then Landlord will not terminate the Lease so long as Landlord receives all sums due under the Lease for the period during which Lender is in possession of the Premises, or so long as Lender assigns the Lease to a new tenant reasonably satisfactory to Landlord.

SUBORDINATION OF INTEREST. Landlord hereby consents to Lender's security interest (or other interest) in the Collateral and subordinates any contractual, statutory or common law landlord's lien or security interest now existing or hereafter arising with respect to the Collateral, including any rights of levy or distraint for rent, to the security interest of Lender in the Collateral. Landlord agrees that notwithstanding the terms of the Lease or applicable law, the security interest of Lender in the Collateral shall be deemed senior

to such landlord's lien and security interest and will be subject to the rights granted by Landlord to Lender in this Agreement.

OWNERSHIP OF IMPROVEMENTS. While the Lease is in effect, Borrower owns the buildings, structures, fixtures and improvements located at the Premises (the "Improvements"); provided, however, that title to the Improvements shall vest in Landlord upon the expiration or earlier termination of the Lease (but such vesting is subject to the right of Lender to succeed to Borrower as tenant and/or assign its interest as tenant pursuant to the terms and conditions of this Agreement).

ENTRY ONTO PREMISES. Landlord and Borrower grant to Lender the right to enter upon the Premises for the purpose of removing the tangible Collateral from the Premises in accordance with the "Consent of Landlord" provisions set forth above. The rights granted to Lender in this Agreement will continue until a reasonable time after Lender receives notice in writing from Landlord that Borrower no longer is in lawful possession of the Premises. If Lender enters onto the Premises and removes the tangible Collateral, Lender agrees with Landlord not to remove any tangible Collateral in such a way that the Premises are damaged, without either repairing any such damage or reimbursing Landlord for the cost of repair.

MISCELLANEOUS PROVISIONS. The following miscellaneous provisions are a part of this Agreement: This Agreement shall extend to and bind the respective heirs, personal representatives, successors and assigns of the parties to this Agreement. The covenants of Borrower and Landlord respecting subordination of the claim or claims of Landlord in favor of Lender shall extend to, include, and be enforceable by any transferee or endorsee to whom Lender may transfer any claim or claims to which this Agreement shall apply. Lender need not accept this Agreement in writing or otherwise to make it effective. This Agreement shall be governed by and construed in accordance with the laws of the State of Arizona. If Landlord is other than an individual, any agent or other person executing this Agreement on behalf of Landlord represents and warrants to Lender that he or she has full power and authority to execute this Agreement on Landlord's behalf. Lender shall not be deemed to have waived any rights under this Agreement unless such waiver is in writing and signed by Lender. Without notice to Landlord and without affecting the validity of this Consent, Lender may do or not do anything it deems appropriate or necessary with respect to the Loan, any obligors on the Loan, or any Collateral for the Loan; including without limitation extending, renewing, rearranging, or accelerating any of the Loan indebtedness.

ENTIRE AGREEMENT. All prior and contemporaneous agreements (including prior Landlord's Release and Consent agreements between the parties), pertaining to the subject matter of this Agreement are hereby superseded by this Agreement. This Agreement, together with any Related Documents, constitutes the entire understanding and agreement of the parties as to the matters set forth in this Agreement.

AMENDMENTS. No alteration of or amendment to this Agreement shall be effective unless given in writing and signed by the party or parties sought to be charged or bound by the alteration or amendment.

NO WAIVER BY LENDER. Lender shall not be deemed to have waived any rights under this Agreement unless such waiver is given in writing and signed by Lender. No delay or omission on the part of Lender in exercising any right shall operate as a waiver of such right or any other right. A waiver by Lender of a provision of this Agreement shall not prejudice or constitute a waiver of Lender's right otherwise to demand strict compliance with that provision or any other provision of this Agreement. No prior waiver by Lender, nor any course of dealing between Lender and Landlord, shall constitute a waiver of any of Lender's rights or of any of Landlord's obligations as to any future transactions. Whenever the consent of Lender is required under this Agreement, the granting of such consent by Lender in any instance shall not constitute continuing consent to subsequent instances where such consent is required and in all cases such consent may be granted or withheld in the sole discretion of Lender.

SEVERABILITY. If a court of competent jurisdiction finds any provision of this Agreement to be illegal, invalid, or unenforceable as to any circumstance, that finding shall not make the offending provision illegal, invalid, or unenforceable as to any other circumstance. If feasible, the offending provision shall be considered modified so that it becomes legal, valid and enforceable. If the offending provision cannot be so modified, it shall be considered deleted from this Agreement. Unless otherwise required by law, the illegality, invalidity, or unenforceability of any provision of this Agreement shall not affect the legality, validity or enforceability of any other provision of this Agreement.

DEFINITIONS. The following capitalized words and terms shall have the following meanings when used in this Agreement. Unless specifically stated to the contrary, all references to dollar amounts shall mean amounts in lawful money of the United States of America. Words and terms used in the singular shall include the plural, and the plural shall include the singular, as the context may require. Words and terms not otherwise defined in this Agreement shall have the meanings attributed to such terms in the Uniform Commercial Code:

Agreement. The word "Agreement" means this Landlord's Release and Consent, as this Landlord's Release and Consent may be amended or modified from time to time, together with all exhibits and schedules attached to this Landlord's Release and Consent from time to time.

Borrower. The word "Borrower" means **Pima Aviation, Inc.**, and includes all co-signers and co-makers signing the Note and all their successors and assigns.

Collateral. The word "Collateral" means all of Borrower's right, title and interest in and to all the Collateral as described in the Collateral Description section of this Agreement.

Landlord. The word "Landlord" means **Town of Marana, an Arizona municipal corporation** and is used for convenience purposes only. Landlord's interest in the Premises may be that of a fee owner, lessor, sublessor or lienholder, or that of any other holder of an interest in the Premises which may be, or may become, prior to the interest of Lender.

Lease. The word "Lease" means that certain lease of the Premises between Landlord and Borrower as defined, above, in the Borrower's Assignment of Lease provisions of this document.

Lender. The word "Lender" means **Zions Bancorporation, N.A. dba National Bank of Arizona**, its successors and assigns.

Loan. The word "Loan" means any and all loans and financial accommodations from Lender to Borrower whether now or hereafter existing, and however evidenced.

Note. The word "Note" means the Note originally dated May 5, 2021 and executed by Pima Aviation, Inc. in the principal amount of \$1,920,000, together with all renewals of, extensions of, modifications of, refinancings of, consolidations of, and substitutions for the note or credit agreement.

Premises. The word "Premises" means the real property described in the legal descriptions and depictions attached to the Lease.

Related Documents. The words "Related Documents" mean all promissory notes, credit agreements, loan agreements, environmental agreements, guaranties, security agreements, mortgages, deeds of trust, security deeds, collateral mortgages, and all other instruments, agreements and documents, whether now or hereafter existing, executed in connection with the Loan.

BORROWER AND LANDLORD ACKNOWLEDGE HAVING READ ALL THE PROVISIONS OF THIS LANDLORD'S RELEASE AND CONSENT, AND BORROWER AND LANDLORD AGREE TO ITS TERMS. THIS AGREEMENT IS DATED EFFECTIVE AS OF THE LAST DATE SET FORTH BELOW THE PARTIES'S RESPECTIVE SIGNATURES.

BORROWER:

Pima Aviation, Inc.

By: _____

Its: _____

Dated: _____

LANDLORD:

Town of Marana

By: _____

Its: _____

Dated: _____

LENDER:

Zions Bancorporation, N.A. dba National Bank of Arizona

By: _____

Authorized Signer

Dated: _____

Approved as to Form:

Marana Town Attorney

Dated: _____

LANDLORD'S RELEASE AND CONSENT

Principal	Loan Date	Maturity	Loan No	Call/ Coll	Account	Officer	Initials
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References in the boxes above are for Lender's use only and do not limit the applicability of this document to any particular loan or item.

Borrower:

Pima Aviation, Inc.
11700 W. Avra Valley Road
Marana, Arizona 85653

Lender:

Zions Bancorporation, N.A. dba
National Bank of Arizona
335 North Wilmot Road, Suite 100
Tucson, Arizona 85711

THIS LANDLORD'S RELEASE AND CONSENT is entered into among Pima Aviation, Inc. ("Borrower"), whose address is 11700 W. Avra Valley Road, Marana, Arizona 85653; Zions Bancorporation, N.A. dba National Bank of Arizona ("Lender"), whose address is 335 North Wilmot Road, Suite 100, Tucson, Arizona 85711; and Town of Marana ("Landlord"), whose address is 11555 W. Civic Center Drive, Marana, Arizona 85653. Borrower and Lender have entered into an agreement whereby Lender has acquired a security interest or other interest in the Collateral. Some or all of the Collateral may be affixed or otherwise become located on the Premises. To induce Lender to extend the Loan to Borrower against such security interest in the Collateral and for other valuable consideration, Landlord hereby agrees with Lender and Borrower as follows.

COLLATERAL DESCRIPTION. The word "Collateral" means certain of Borrower's personal property in which Lender has acquired or will acquire a security interest, including without limitation the following specific property:

All leasehold improvements located on the Premises.

BORROWER'S ASSIGNMENT OF LEASE. Borrower hereby assigns to Lender all of Borrower's rights in the lease entitled "First Amended FBO Lease Agreement" made and entered into on September 4, 2001, and recorded in the office of the Pima County Recorder on December 28, 2001 at Docket 11705, page 5191 (Sequence 20012501212) (hereinafter, the "Lease"), as amended by (1) the "First Amendment to the First Amended FBO Lease Agreement" made and entered into on June 5, 2018, and recorded in the Office of the Pima County Recorder on June 12, 2018 at Sequence 20181630106 and (2) the "Second Amendment to the First Amended FBO Lease Agreement" made and entered into on August 5, 2021, and recorded in the Office of the Pima County Recorder on August 9, 2021, at Sequence 20212210213, as partial security for the Loan. The parties intend that this assignment will be a present transfer to Lender of all of Borrower's rights under the Lease, subject to Borrower's rights to use the Premises and enjoy the benefits of the Lease while not in default on the Loan or Lease. Upon full performance by Borrower under the Loan, this assignment shall be ended, without the necessity of any further action by any of the parties. This assignment includes all renewals of and amendments to the Lease or the Loan, until the Loan is paid in full. No amendments may be made to the Lease without Lender's prior written consent, which shall not be unreasonably withheld or delayed.

CONSENT OF LANDLORD. Landlord consents to the above assignment and agrees that the assignment, Loan, and Related Documents, insofar as they affect or relate to the Premises, shall only encumber the Collateral and Borrower's leasehold estate under the Lease and shall not constitute a lien, encumbrance, assignment, or security interest on or with respect to Landlord's rights under the Lease or the fee interest in the Premises. If Borrower defaults under the Loan or the Lease, Lender may acquire or obtain the Borrower's interest of tenant under the Lease and further assign its interest as tenant under the Lease to any third party approved by the Landlord, and Landlord agrees that Landlord's consent to any such assignment will not be unreasonably withheld or delayed. In the event of default under the Loan or the Lease and repossession and/or removal of tangible Collateral becomes necessary, the Lender may enter upon the Premises during normal business hours during the term of the Lease provided that (i) the Lender agrees to repair all damage to the Premises occasioned by the removal of tangible Collateral; and (ii) the Lender shall remove only the tangible Collateral covered under the Lender's security agreement and shall not repossess or remove any item of property constituting fixtures or otherwise incorporated into the Improvements at the Premises, including, but not limited to, lighting, electrical, wiring, HVAC units, walk-in coolers, walk-in freezers, supply fans, exhaust fans, air ducts, electric and utility lines, pipes, pumps, plumbing, water heaters, tanks, conduits, switchboards, elevators, fire prevention equipment, attached carpeting and floor coverings, toilets, sinks, countertops, doors, doorways, and windows, compressors, partitions, sign poles and lighting poles, storefronts, security grills, ceramic tile, wall coverings on buildings, walls, and painting. The Lender shall not conduct any auction or liquidation sale at the Premises. Whether or not Lender enters into possession of the Premises for any purpose, Borrower will remain fully liable for all obligations of Borrower as tenant under the Lease. While Lender is in possession of the Premises, Lender will cause all payments due under the Lease and attributable to that period of time to be made to Landlord. If Lender later assigns the Lease or vacates the Premises, Lender will have no further obligation to Landlord.

LEASE DEFAULTS. Both Borrower and Landlord agree and represent to Lender that, to the best of their knowledge, there is no breach or offset existing under the Lease or under any other agreement between Borrower and Landlord. Landlord agrees not to terminate the Lease, despite any default, as that term is defined in Article 16 of the Lease, by Borrower, without giving Lender written notice of the default and an opportunity to cure the default within a period of sixty (60) days from the receipt of the notice. If the default is one that cannot reasonably be cured by Lender (such as insolvency, bankruptcy, or other judicial proceedings against Borrower), then Landlord will not terminate the Lease so long as Landlord receives all sums due under the Lease for the period during which Lender is in possession of the Premises, or so long as Lender assigns the Lease to a new tenant reasonably satisfactory to Landlord.

SUBORDINATION OF INTEREST. Landlord hereby consents to Lender's security interest (or other interest) in the Collateral and subordinates any contractual, statutory or common law landlord's lien or security interest now existing or hereafter arising with respect to the Collateral, including any rights of levy or distraint for rent, to the security interest of Lender in the Collateral. Landlord agrees that notwithstanding the terms of the Lease or applicable law, the security interest of Lender in the Collateral shall be deemed senior to such landlord's lien and security interest and will be subject to the rights granted by Landlord to Lender in this Agreement.

OWNERSHIP OF IMPROVEMENTS. While the Lease is in effect, Borrower owns the buildings, structures, fixtures and improvements

located at the Premises (the "Improvements"); provided, however, that title to the Improvements shall vest in Landlord upon the expiration or earlier termination of the Lease (but such vesting is subject to the right of Lender to succeed to Borrower as tenant and/or assign its interest as tenant pursuant to the terms and conditions of this Agreement).

ENTRY ONTO PREMISES. Landlord and Borrower grant to Lender the right to enter upon the Premises for the purpose of removing the tangible Collateral from the Premises in accordance with the "Consent of Landlord" provisions set forth above. The rights granted to Lender in this Agreement will continue until a reasonable time after Lender receives notice in writing from Landlord that Borrower no longer is in lawful possession of the Premises. If Lender enters onto the Premises and removes the tangible Collateral, Lender agrees with Landlord not to remove any tangible Collateral in such a way that the Premises are damaged, without either repairing any such damage or reimbursing Landlord for the cost of repair.

MISCELLANEOUS PROVISIONS. The following miscellaneous provisions are a part of this Agreement: This Agreement shall extend to and bind the respective heirs, personal representatives, successors and assigns of the parties to this Agreement. The covenants of Borrower and Landlord respecting subordination of the claim or claims of Landlord in favor of Lender shall extend to, include, and be enforceable by any transferee or endorsee to whom Lender may transfer any claim or claims to which this Agreement shall apply. Lender need not accept this Agreement in writing or otherwise to make it effective. This Agreement shall be governed by and construed in accordance with the laws of the State of Arizona. If Landlord is other than an individual, any agent or other person executing this Agreement on behalf of Landlord represents and warrants to Lender that he or she has full power and authority to execute this Agreement on Landlord's behalf. Lender shall not be deemed to have waived any rights under this Agreement unless such waiver is in writing and signed by Lender. Without notice to Landlord and without affecting the validity of this Consent, Lender may do or not do anything it deems appropriate or necessary with respect to the Loan, any obligors on the Loan, or any Collateral for the Loan; including without limitation extending, renewing, rearranging, or accelerating any of the Loan indebtedness.

ENTIRE AGREEMENT. All prior and contemporaneous agreements (including prior Landlord's Release and Consent agreements between the parties), pertaining to the subject matter of this Agreement are hereby superseded by this Agreement. This Agreement, together with any Related Documents, constitutes the entire understanding and agreement of the parties as to the matters set forth in this Agreement.

AMENDMENTS. No alteration of or amendment to this Agreement shall be effective unless given in writing and signed by the party or parties sought to be charged or bound by the alteration or amendment.

NO WAIVER BY LENDER. Lender shall not be deemed to have waived any rights under this Agreement unless such waiver is given in writing and signed by Lender. No delay or omission on the part of Lender in exercising any right shall operate as a waiver of such right or any other right. A waiver by Lender of a provision of this Agreement shall not prejudice or constitute a waiver of Lender's right otherwise to demand strict compliance with that provision or any other provision of this Agreement. No prior waiver by Lender, nor any course of dealing between Lender and Landlord, shall constitute a waiver of any of Lender's rights or of any of Landlord's obligations as to any future transactions. Whenever the consent of Lender is required under this Agreement, the granting of such consent by Lender in any instance shall not constitute continuing consent to subsequent instances where such consent is required and in all cases such consent may be granted or withheld in the sole discretion of Lender.

SEVERABILITY. If a court of competent jurisdiction finds any provision of this Agreement to be illegal, invalid, or unenforceable as to any circumstance, that finding shall not make the offending provision illegal, invalid, or unenforceable as to any other circumstance. If feasible, the offending provision shall be considered modified so that it becomes legal, valid and enforceable. If the offending provision cannot be so modified, it shall be considered deleted from this Agreement. Unless otherwise required by law, the illegality, invalidity, or unenforceability of any provision of this Agreement shall not affect the legality, validity or enforceability of any other provision of this Agreement.

DEFINITIONS. The following capitalized words and terms shall have the following meanings when used in this Agreement. Unless specifically stated to the contrary, all references to dollar amounts shall mean amounts in lawful money of the United States of America. Words and terms used in the singular shall include the plural, and the plural shall include the singular, as the context may require. Words and terms not otherwise defined in this Agreement shall have the meanings attributed to such terms in the Uniform Commercial Code:

Agreement. The word "Agreement" means this Landlord's Release and Consent, as this Landlord's Release and Consent may be amended or modified from time to time, together with all exhibits and schedules attached to this Landlord's Release and Consent from time to time.

Borrower. The word "Borrower" means **Pima Aviation, Inc.**, and includes all co-signers and co-makers signing the Note and all their successors and assigns.

Collateral. The word "Collateral" means all of Borrower's right, title and interest in and to all the Collateral as described in the Collateral Description section of this Agreement.

Landlord. The word "Landlord" means **Town of Marana, an Arizona municipal corporation** and is used for convenience purposes only. Landlord's interest in the Premises may be that of a fee owner, lessor, sublessor or lienholder, or that of any other holder of an interest in the Premises which may be, or may become, prior to the interest of Lender.

Lease. The word "Lease" means that certain lease of the Premises between Landlord and Borrower as defined, above, in the Borrower's Assignment of Lease provisions of this document.

Lender. The word "Lender" means **Zions Bancorporation, N.A. dba National Bank of Arizona**, its successors and assigns.

Loan. The word "Loan" means any and all loans and financial accommodations from Lender to Borrower whether now or hereafter existing, and however evidenced.

Note. The word "Note" means the Note originally dated May 5, 2021 and executed by Pima Aviation, Inc. in the principal amount of \$1,920,000, together with all renewals of, extensions of, modifications of, refinancings of, consolidations of, and substitutions for the note or credit agreement.

Premises. The word "Premises" means the real property described in the legal descriptions and depictions attached to the Lease.

Related Documents. The words "Related Documents" mean all promissory notes, credit agreements, loan agreements, environmental agreements, guaranties, security agreements, mortgages, deeds of trust, security deeds, collateral mortgages, and all other instruments, agreements and documents, whether now or hereafter existing, executed in connection with the Loan.

BORROWER AND LANDLORD ACKNOWLEDGE HAVING READ ALL THE PROVISIONS OF THIS LANDLORD'S RELEASE AND CONSENT, AND BORROWER AND LANDLORD AGREE TO ITS TERMS. THIS AGREEMENT IS DATED EFFECTIVE AS OF THE LAST DATE SET FORTH BELOW THE PARTIES'S RESPECTIVE SIGNATURES.

BORROWER:

Pima Aviation, Inc.

By: _____

Its: _____

Dated: _____

LENDER:

Zions Bancorporation, N.A. dba National Bank of Arizona

By: _____
Authorized Signer

Dated: _____

LANDLORD:

Town of Marana

By: _____

Its: _____

Dated: _____

Approved as to Form:

Marana Town Attorney

Dated: _____

LANDLORD'S RELEASE AND CONSENT

Principal	Loan Date	Maturity	Loan No	Call/ Coll	Account	Officer	Initials
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References in the boxes above are for Lender's use only and do not limit the applicability of this document to any particular loan or item.

Borrower:

Pima Aviation, Inc.
11700 W. Avra Valley Road
Marana, Arizona 85653

Lender:

Zions Bancorporation, N.A. dba
National Bank of Arizona
335 North Wilmot Road, Suite 100
Tucson, Arizona 85711

THIS LANDLORD'S RELEASE AND CONSENT is entered into among Pima Aviation, Inc. ("Borrower"), whose address is 11700 W. Avra Valley Road, Marana, Arizona 85653; Zions Bancorporation, N.A. dba National Bank of Arizona ("Lender"), whose address is 335 North Wilmot Road, Suite 100, Tucson, Arizona 85711; and Town of Marana ("Landlord"), whose address is 11555 W. Civic Center Drive, Marana, Arizona 85653. Borrower and Lender have entered into an agreement whereby Lender has acquired a security interest or other interest in the Collateral. Some or all of the Collateral may be affixed or otherwise become located on the Premises. To induce Lender to extend the Loan to Borrower against such security interest in the Collateral and for other valuable consideration, Landlord hereby agrees with Lender and Borrower as follows.

COLLATERAL DESCRIPTION. The word "Collateral" means certain of Borrower's personal property in which Lender has acquired or will acquire a security interest, including without limitation the following specific property:

All leasehold improvements located on the Premises.

BORROWER'S ASSIGNMENT OF LEASE. Borrower hereby assigns to Lender all of Borrower's rights in the lease entitled "Amended, Restated and Consolidated Marana Regional Airport Lease Agreement" with an effective date of June 5, 2018 (hereinafter, the "Lease") that amended, restated, and consolidated those certain lease agreements entitled, "Avra Valley Airport Lease Agreement," with an effective date of February 12, 1991" (also known as the "Sky Dive Lease"), and "Avra Valley Airport Lease Agreement," with an effective date of June 28, 1991, (also known as the "7.91 Acre Lease"), reflected in the Memorandum of Lease recorded on November 27, 2018 with the Office of the Pima County Recorder at Sequence 20183310419, as partial security for the Loan. The parties intend that this assignment will be a present transfer to Lender of all of Borrower's rights under the Lease, subject to Borrower's rights to use the Premises and enjoy the benefits of the Lease while not in default on the Loan or Lease. Upon full performance by Borrower under the Loan, this assignment shall be ended, without the necessity of any further action by any of the parties. This assignment includes all renewals of and amendments to the Lease or the Loan, until the Loan is paid in full. No amendments may be made to the Lease without Lender's prior written consent, which shall not be unreasonably withheld or delayed.

CONSENT OF LANDLORD. Landlord consents to the above assignment and agrees that the assignment, Loan, and Related Documents, insofar as they affect or relate to the Premises, shall only encumber the Collateral and Borrower's leasehold estate under the Lease and shall not constitute a lien, encumbrance, assignment, or security interest on or with respect to Landlord's rights under the Lease or the fee interest in the Premises. If Borrower defaults under the Loan or the Lease, Lender may acquire or obtain the Borrower's interest of tenant under the Lease and further assign its interest as tenant under the Lease to any third party approved by the Landlord, and Landlord agrees that Landlord's consent to any such assignment will not be unreasonably withheld or delayed. In the event of default under the Loan or the Lease and repossession and/or removal of tangible Collateral becomes necessary, the Lender may enter upon the Premises during normal business hours during the term of the Lease provided that (i) the Lender agrees to repair all damage to the Premises occasioned by the removal of tangible Collateral; and (ii) the Lender shall remove only the tangible Collateral covered under the Lender's security agreement and shall not repossess or remove any item of property constituting fixtures or otherwise incorporated into the Improvements at the Premises, including, but not limited to, lighting, electrical, wiring, HVAC units, walk-in coolers, walk-in freezers, supply fans, exhaust fans, air ducts, electric and utility lines, pipes, pumps, plumbing, water heaters, tanks, conduits, switchboards, elevators, fire prevention equipment, attached carpeting and floor coverings, toilets, sinks, countertops, doors, doorways, and windows, compressors, partitions, sign poles and lighting poles, storefronts, security grills, ceramic tile, wall coverings on buildings, walls, and painting. The Lender shall not conduct any auction or liquidation sale at the Premises. Whether or not Lender enters into possession of the Premises for any purpose, Borrower will remain fully liable for all obligations of Borrower as tenant under the Lease. While Lender is in possession of the Premises, Lender will cause all payments due under the Lease and attributable to that period of time to be made to Landlord. If Lender later assigns the Lease or vacates the Premises, Lender will have no further obligation to Landlord.

LEASE DEFAULTS. Both Borrower and Landlord agree and represent to Lender that, to the best of their knowledge, there is no breach or offset existing under the Lease or under any other agreement between Borrower and Landlord. Landlord agrees not to terminate the Lease, despite any default, as that term is defined in Article 12 of the Lease, by Borrower, without giving Lender written notice of the default and an opportunity to cure the default within a period of sixty (60) days from the receipt of the notice. If the default is one that cannot reasonably be cured by Lender (such as insolvency, bankruptcy, or other judicial proceedings against Borrower), then Landlord will not terminate the Lease so long as Landlord receives all sums due under the Lease for the period during which Lender is in possession of the Premises, or so long as Lender assigns the Lease to a new tenant reasonably satisfactory to Landlord.

SUBORDINATION OF INTEREST. Landlord hereby consents to Lender's security interest (or other interest) in the Collateral and subordinates any contractual, statutory or common law landlord's lien or security interest now existing or hereafter arising with respect to the Collateral, including any rights of levy or distraint for rent, to the security interest of Lender in the Collateral. Landlord agrees that notwithstanding the terms of the Lease or applicable law, the security interest of Lender in the Collateral shall be deemed senior to such landlord's lien and security interest and will be subject to the rights granted by Landlord to Lender in this Agreement.

OWNERSHIP OF IMPROVEMENTS. While the Lease is in effect, Borrower owns the buildings, structures, fixtures and improvements located at the Premises (the "Improvements"); provided, however, that title to the Improvements shall vest in Landlord upon the

expiration or earlier termination of the Lease (but such vesting is subject to the right of Lender to succeed to Borrower as tenant and/or assign its interest as tenant pursuant to the terms and conditions of this Agreement).

ENTRY ONTO PREMISES. Landlord and Borrower grant to Lender the right to enter upon the Premises for the purpose of removing the tangible Collateral from the Premises in accordance with the "Consent of Landlord" provisions set forth above. The rights granted to Lender in this Agreement will continue until a reasonable time after Lender receives notice in writing from Landlord that Borrower no longer is in lawful possession of the Premises. If Lender enters onto the Premises and removes the tangible Collateral, Lender agrees with Landlord not to remove any tangible Collateral in such a way that the Premises are damaged, without either repairing any such damage or reimbursing Landlord for the cost of repair.

MISCELLANEOUS PROVISIONS. The following miscellaneous provisions are a part of this Agreement: This Agreement shall extend to and bind the respective heirs, personal representatives, successors and assigns of the parties to this Agreement. The covenants of Borrower and Landlord respecting subordination of the claim or claims of Landlord in favor of Lender shall extend to, include, and be enforceable by any transferee or endorsee to whom Lender may transfer any claim or claims to which this Agreement shall apply. Lender need not accept this Agreement in writing or otherwise to make it effective. This Agreement shall be governed by and construed in accordance with the laws of the State of Arizona. If Landlord is other than an individual, any agent or other person executing this Agreement on behalf of Landlord represents and warrants to Lender that he or she has full power and authority to execute this Agreement on Landlord's behalf. Lender shall not be deemed to have waived any rights under this Agreement unless such waiver is in writing and signed by Lender. Without notice to Landlord and without affecting the validity of this Consent, Lender may do or not do anything it deems appropriate or necessary with respect to the Loan, any obligors on the Loan, or any Collateral for the Loan; including without limitation extending, renewing, rearranging, or accelerating any of the Loan indebtedness.

ENTIRE AGREEMENT. All prior and contemporaneous agreements (including prior Landlord's Release and Consent agreements between the parties), pertaining to the subject matter of this Agreement are hereby superseded by this Agreement. This Agreement, together with any Related Documents, constitutes the entire understanding and agreement of the parties as to the matters set forth in this Agreement.

AMENDMENTS. No alteration of or amendment to this Agreement shall be effective unless given in writing and signed by the party or parties sought to be charged or bound by the alteration or amendment.

NO WAIVER BY LENDER. Lender shall not be deemed to have waived any rights under this Agreement unless such waiver is given in writing and signed by Lender. No delay or omission on the part of Lender in exercising any right shall operate as a waiver of such right or any other right. A waiver by Lender of a provision of this Agreement shall not prejudice or constitute a waiver of Lender's right otherwise to demand strict compliance with that provision or any other provision of this Agreement. No prior waiver by Lender, nor any course of dealing between Lender and Landlord, shall constitute a waiver of any of Lender's rights or of any of Landlord's obligations as to any future transactions. Whenever the consent of Lender is required under this Agreement, the granting of such consent by Lender in any instance shall not constitute continuing consent to subsequent instances where such consent is required and in all cases such consent may be granted or withheld in the sole discretion of Lender.

SEVERABILITY. If a court of competent jurisdiction finds any provision of this Agreement to be illegal, invalid, or unenforceable as to any circumstance, that finding shall not make the offending provision illegal, invalid, or unenforceable as to any other circumstance. If feasible, the offending provision shall be considered modified so that it becomes legal, valid and enforceable. If the offending provision cannot be so modified, it shall be considered deleted from this Agreement. Unless otherwise required by law, the illegality, invalidity, or unenforceability of any provision of this Agreement shall not affect the legality, validity or enforceability of any other provision of this Agreement.

DEFINITIONS. The following capitalized words and terms shall have the following meanings when used in this Agreement. Unless specifically stated to the contrary, all references to dollar amounts shall mean amounts in lawful money of the United States of America. Words and terms used in the singular shall include the plural, and the plural shall include the singular, as the context may require. Words and terms not otherwise defined in this Agreement shall have the meanings attributed to such terms in the Uniform Commercial Code:

Agreement. The word "Agreement" means this Landlord's Release and Consent, as this Landlord's Release and Consent may be amended or modified from time to time, together with all exhibits and schedules attached to this Landlord's Release and Consent from time to time.

Borrower. The word "Borrower" means **Pima Aviation, Inc.**, and includes all co-signers and co-makers signing the Note and all their successors and assigns.

Collateral. The word "Collateral" means all of Borrower's right, title and interest in and to all the Collateral as described in the Collateral Description section of this Agreement.

Landlord. The word "Landlord" means **Town of Marana, an Arizona municipal corporation** and is used for convenience purposes only. Landlord's interest in the Premises may be that of a fee owner, lessor, sublessor or lienholder, or that of any other holder of an interest in the Premises which may be, or may become, prior to the interest of Lender.

Lease. The word "Lease" means that certain lease of the Premises between Landlord and Borrower as defined, above, in the Borrower's Assignment of Lease provisions of this document.

Lender. The word "Lender" means **Zions Bancorporation, N.A. dba National Bank of Arizona**, its successors and assigns.

Loan. The word "Loan" means any and all loans and financial accommodations from Lender to Borrower whether now or hereafter existing, and however evidenced.

Note. The word "Note" means the Note originally dated May 5, 2021 and executed by Pima Aviation, Inc. in the principal amount of \$1,920,000, together with all renewals of, extensions of, modifications of, refinancings of, consolidations of, and substitutions for the note or credit agreement.

Premises. The word "Premises" means the real property described in the legal descriptions and depictions attached to the Lease.

Related Documents. The words "Related Documents" mean all promissory notes, credit agreements, loan agreements, environmental agreements, guaranties, security agreements, mortgages, deeds of trust, security deeds, collateral mortgages, and all other instruments, agreements and documents, whether now or hereafter existing, executed in connection with the Loan.

BORROWER AND LANDLORD ACKNOWLEDGE HAVING READ ALL THE PROVISIONS OF THIS LANDLORD'S RELEASE AND CONSENT, AND BORROWER AND LANDLORD AGREE TO ITS TERMS. THIS AGREEMENT IS DATED EFFECTIVE AS OF THE LAST DATE SET FORTH BELOW THE PARTIES'S RESPECTIVE SIGNATURES.

BORROWER:

Pima Aviation, Inc.

By: _____

Its: _____

Dated: _____

LENDER:

Zions Bancorporation, N.A. dba National Bank of Arizona

By: _____
Authorized Signer

Dated: _____

LANDLORD:

Town of Marana

By: _____

Its: _____

Dated: _____

Approved as to Form:

Marana Town Attorney

Dated: _____

4911-1412-6396, v. 1



Council-Regular Meeting

C3

Meeting Date: 12/02/2025

To: Mayor and Council

Submitted For: Stefanie Boe, Tourism and Marketing Manager

From: Stefanie Boe, Tourism and Marketing Manager

Date: December 2, 2025

Strategic Plan Focus Area:

Thriving Commerce

Subject: Resolution No. 2025-116: Relating to Tourism; approving and authorizing the Mayor to execute an agreement between the Town of Marana and Project Echelon, Ltd. regarding participation in and financial support of the 2026 Project Echelon Training Week, including a Gran Fondo Ride for Veterans (Stefanie Boe)

Discussion:

As part of the Thriving Commerce focus area of the Strategic Plan, the Tourism and Marketing Manager has been identifying ways to promote the outdoor recreation opportunities in the town and gain national attention for the scenic open spaces that set Marana apart from other areas of the region.

Project Echelon is a UCI Continental Professional Cycling Team that educates, equips and empowers veterans and their communities through physical activity and self-discovery. As an organization, Project Echelon removes the barriers to healing by fostering relationships between veterans, their communities, and professional athletes through mentorship, structure, and the promotion of long-term health and well-being through endurance sport. As a Purple Heart Town, this mission matches the vision of the Town of Marana to support its Veteran community.

Project Echelon held a Gran Fondo Ride (a non-competitive ride of either 75, 55, or 30 miles) to the Marana and Oro Valley area in 2024 and 2025. After a successful partnership, bringing several hundred riders to the area, Project Echelon plans to hold a training week and Fondo ride again, bringing revenue to the town through hotel and

vacation rentals, dining, and shopping.

This unique opportunity will showcase Marana as a destination for riders, both pro and amateur. As part of the agreement with Project Echelon, the Town will contribute \$6,000 towards the training week to be held February 13-23, 2026. The Discover Marana brand will be marketed and promoted through social media, video and media coverage before, during and after the event to bring attention to the town with a global audience of potential visitors and community members alike.

Financial Impact:

Fiscal Year: 2026
Budgeted Y/N: Y
Amount: \$6,000

Funding is available in Bed Tax Fund.

Staff Recommendation:

Staff recommends approval of the agreement.

Suggested Motion:

I move to adopt Resolution No. 2025-116, approving and authorizing the Mayor to execute an agreement between the Town of Marana and Project Echelon, Ltd. regarding participation in and financial support of the 2026 Project Echelon Training Week, including a Gran Fondo Ride for Veterans.

Attachments

Resolution No. 2025-116
Exhibit A to Resolution No. 2025-116

MARANA RESOLUTION NO. 2025-116

RELATING TO TOURISM; APPROVING AND AUTHORIZING THE MAYOR TO EXECUTE AN AGREEMENT BETWEEN THE TOWN OF MARANA AND PROJECT ECHELON, LTD. REGARDING PARTICIPATION IN AND FINANCIAL SUPPORT OF THE 2026 PROJECT ECHELON TRAINING WEEK, INCLUDING A GRAN FONDO RIDE FOR VETERANS

WHEREAS on September 6, 2022, the Marana Town Council adopted the Town of Marana Strategic Plan V, identifying “Thriving Commerce” as one of its five focus areas, with the goal to “[e]xpand Marana’s thriving tourism industry by promoting its heritage, cultural resources, scenic open spaces, and signature events”; and

WHEREAS Project Echelon, Ltd. (“PE”) is a nonprofit corporation responsible for the promotion and production of the Project Echelon Training Week, including a Gran Fondo Ride for Veterans, occurring February 13–23, 2026; and

WHEREAS the Town and PE desire to enter into an agreement regarding the Town’s participation in and financial support of the training week; 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 2026 Project Echelon Training Week 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 2nd day of December, 2025.

Mayor Jon Post

ATTEST:

APPROVED AS TO FORM:

Jill McCleary, Town Clerk

Jane Fairall, Town Attorney

2026 PROJECT ECHELON TRAINING WEEK AGREEMENT

THIS AGREEMENT (this “Agreement”) is entered into by and between the TOWN OF MARANA, an Arizona municipal corporation (the “Town”) and PROJECT ECHELON, LTD. a Wisconsin nonprofit corporation (“PE”). The Town and PE are sometimes collectively referred to in this Agreement as the “Parties,” each of which is sometimes individually referred to as a “Party.”

RECITALS

A. On September 6, 2022, the Marana Town Council adopted the Town of Marana Strategic Plan V, identifying “Thriving Commerce” as one of its five focus areas, with the goal to “Expand Marana’s thriving tourism industry by promoting its heritage, cultural resources, scenic open spaces, and signature events.” Additionally, the 10-year Tourism Master Plan calls for collaboration with the Town of Oro Valley in mutually beneficial activities like cycling.

B. Project Echelon is a nonprofit corporation responsible for the promotion and production of a multi-day event from February 13-23, 2026 called the Project Echelon Training Week (the “Training Week”) which consists of training activities in support of veterans in the community and a Gran Fondo ride (the “Fondo Ride”) which will take place on February 17, 2026 within Town limits involving the participation of riders and volunteers.

C. The Town and PE desire to enter into an agreement regarding the Town’s participation in and financial support of the Training Week.

D. The Town finds that the benefits to the Town resulting from PE’s promotion and production of the Training Week in Marana have a value at least equal to the fair market value of the financial support to be provided to PE by the Town pursuant to this Agreement.

AGREEMENT

NOW, THEREFORE, based on the foregoing recitals, which are incorporated here as the intent of the Parties in entering into this Agreement, and in consideration of the terms of this Agreement, the Parties hereby agree as follows:

1. *Financial support to be provided by the Town.* Pursuant to the terms and conditions of this Agreement, including without limitation paragraph 22 (*Termination*) below, the

Town shall provide financial support of \$6,000 to PE for the Training Week 30 days prior to the start of the Training Weekend.

2. *Fee Waiver.* The Town will waive special event permit fees affiliated with the Training Week.

3. *Event promotion by the Town.* In addition to the financial support provided pursuant to paragraph 1 above, the Town shall also promote the events through the Town's media/communication outlets.

4. *Benefits to be provided to the Town.* In exchange for the financial support described in paragraph 1 above, PE shall provide to the Town the benefits and services described in Exhibit A.

5. *Co-marketing with the Town of Oro Valley.* The Training Week will also be held in the Town of Oro Valley. The Parties acknowledge and agree it is in their mutual interests that some of the marketing efforts contemplated in this Agreement will be done jointly with the Town of Oro Valley to promote the Training Weekend.

6. *Books; taxes.* PE shall make available to the Town for inspection any books, ledgers or statements kept by PE regarding activities conducted pursuant to this Agreement. PE shall be liable for all taxes applicable to the proceeds received by PE under this Agreement, if any.

7. *Effective date and duration.* This Agreement shall be effective as of the signature date of the last Party to sign this Agreement (the "Effective Date"), and shall remain in effect until May 8, 2026, unless sooner terminated pursuant to paragraph 22 below. Notwithstanding the foregoing, the indemnification provisions set forth in paragraph 11 below shall survive termination of this Agreement.

8. *Relationship of the Parties.* In the performance of the services contemplated by this Agreement, PE shall act solely as an independent contractor, and nothing expressed or implied in this Agreement shall be construed to create the relationship of employer and employee, partnership, principal and agent, or to create a joint venture between the Town and PE.

9. *Use of names, trademarks, logos and seal.* The Town grants PE a limited license to use, at no cost, the Town's Discover Marana name and logo in PE's performance of the services described in this Agreement. PE shall not use the Town's Discover Marana name and logo for any other purpose or use. PE shall not modify, revise or alter the Town's Discover Marana logo in any way. PE grants the Town a limited license to use, at no cost, PE's name, trademarks, and logos in the Town's performance of the services described in this agreement. The Town shall not use PE's name, trademarks, and logos for any other purpose or use. The Town shall not modify, revise or alter PE's trademarks and logos in any way.

10. *Insurance.* During the term of this Agreement, PE shall maintain insurance from carriers acceptable to the Town with the following required minimum coverages and

limits, and the Town shall be named as an additional insured on the commercial general liability insurance policy for the purposes of PE's activities in relation to the events covered by this Agreement:

Commercial General Liability: U.S. \$3,000,000 per occurrence

U.S. \$3,000,000 aggregate

Business Auto Liability: U.S. \$1,000,000 combined single limit

a. PE shall deliver one or more certificates of insurance evidencing coverage as described in this paragraph to the Town by no later than January 28, 2026 and prior to commencing any activities pursuant to this Agreement. PE shall also deliver new certificates of insurance each time the policy(s) is updated. All certificates shall be delivered to the Town's Economic Development Department.

b. As an additional insured on PE's commercial general liability policy, the Town shall be provided coverage for any liability arising out of operations performed in whole or in part by or on behalf of PE. PE shall deliver additional insured endorsement(s) along with the certificate(s) of insurance required by subparagraph (a) above. The additional insured endorsement form identification number shall also be included within the description box on the certificate of insurance and the applicable policy number shall be included on the endorsement.

c. All policies required pursuant to this paragraph shall be endorsed to contain a waiver of transfer of rights of recovery (subrogation) against the Town, its agents, officers, officials, and employees for any claims arising out of PE's work or service. Endorsements evidencing this waiver of subrogation shall be provided to the Town along with all other insurance documentation required by this paragraph.

d. The certificate(s) shall also stipulate that the insurance afforded the Town shall be primary insurance and that any insurance carried by the Town, its agents, officials or employees shall be excess and not contributory insurance to that provided by PE. Coverage provided by PE shall be primary insurance with respect to all other available sources.

e. The insurance requirements specified in this paragraph may not be changed or modified except by written agreement signed by both Parties.

f. During the term of this Agreement PE shall give the Town at least 30 calendar days' written notice prior to a planned cancellation or reduction of any coverage required by this paragraph. PE shall give the Town immediate notice of any other cancellation or reduction of any coverage required by this paragraph. Cancellation or reduction of any coverage required by this paragraph is grounds for termination of this Agreement by the Town.

11. *Indemnification.* PE agrees to defend, save, hold harmless, and indemnify the Town, its officials, employees, agents, successors, and assigns from and against any and all manner of claims, suits, lawsuits, action or actions, causes or causes of action, liabilities, damages, and other claims and demands of whatsoever nature or kind, in law or in equity, in tort or in contract, or otherwise caused by or resulting from PE's errors, omissions, or negligent acts in the performance of services pursuant to this Agreement, or the errors, omissions or negligent acts of any party PE contracts with in the performance of services pursuant to this Agreement, anyone directly or indirectly employed by PE, or anyone for whose acts PE may be liable.

12. *Notices.* All notices, requests, demands, and other communications under this Agreement shall be in writing and shall be deemed given if personally delivered or mailed, certified mail, return receipt requested, to the following addresses:

If to the Town, to: TOWN OF MARANA
Attn: Stefanie Boe, Tourism and Marketing Manager
11555 W. Civic Center Drive - Bldg. A3
Marana, AZ 85653

With a copy to:

TOWN OF MARANA
Attn: Town Attorney
11555 W. Civic Center Drive - Bldg. A3
Marana, AZ 85653

If to PE, to: PROJECT ECHELON, LTD
Attn: Eric Hill
N9W27151 Woodridge Ln.
Waukesha, WI 53188

Either Party may from time to time designate any other address for this purpose by written notice to the other Party. All notices under this Agreement shall be deemed received upon actual receipt.

13. *Entire agreement.* This Agreement constitutes the entire agreement and understanding of the Parties pertaining to the subject matter of the Agreement and supersedes all offers, negotiations, and other agreements of any kind. All prior and contemporaneous agreements, representations and understandings of the Parties, oral or written, are superseded and merged in this Agreement.

14. *Authority to execute agreement.* The individuals executing this Agreement hereby represent that they have full right, power, and authority to execute this Agreement on behalf of their respective Parties.

15. *Force majeure.* Notwithstanding any other term, condition or provision of this Agreement to the contrary, if any Party to this Agreement is precluded from satisfying or

fulfilling any duty or obligation imposed upon it due to labor strikes, material shortages, war, civil disturbances, weather conditions, natural disasters, acts of God, or other events beyond the control of such Party, the time period provided herein for the performance by such Party of such duty or obligation shall be extended for a period equal to the delay occasioned by such events.

16. *Immigration laws.* PE warrants that it will at all times comply with all federal immigration laws and regulations that relate to its employees (if any) and with Arizona Revised Statutes section (A.R.S. §) 23-214 (A). PE acknowledges that pursuant to A.R.S. § 41-4401 and effective September 30, 2008, a breach of this warranty is a material breach of this Agreement subject to penalties up to and including termination of this Agreement, and that the Town retains the legal right to inspect the papers of any employee (if any) who performs work or services pursuant to this Agreement to ensure compliance with this warranty.

17. *Israel Boycott Divestments.* PE certifies that it is not currently engaged in, and agrees for the duration of this Agreement to not engage in, a boycott of Israel as defined by A.R.S. §35-393.

18. Pursuant to and in compliance with A.R.S. § 35-394, the Contractor hereby agrees and certifies that it does not currently, and agrees for the duration of this Contract that the Contractor will not, use: (1) the forced labor of ethnic Uyghurs in the People's Republic of China; (2) any goods or services produced by the forced labor of ethnic Uyghurs in the People's Republic of China; or (3) any Contractors, subcontractors or suppliers that use the forced labor or any goods or services produced by the forced labor of ethnic Uyghurs in the People's Republic of China. If the Contractor becomes aware during the term of the contract that the company is not in compliance with this written certification, the company shall notify the Town within five business days after becoming aware of the noncompliance. If the Contractor does not provide the Town with a written certification that the Contractor has remedied the noncompliance within 180 days after notifying the Town of the noncompliance, this Contract terminates, except that if the contract termination date occurs before the end of the remedy period the Contract terminates on the Contract termination date. The Contractor also hereby agrees to indemnify and hold harmless the Town, its officials, employees, and agents from any claims or causes of action relating to the Town's action based upon reliance upon this representation, including the payment of all costs and attorney fees incurred by the Town in defending such as action.

19. *Conflict of interest.* This Agreement is subject to the provisions of A.R.S. § 38-511, which provides for termination in certain instances involving conflicts of interest.

20. *Attorneys' fees.* The prevailing Party in a civil action to enforce this Agreement shall be entitled to recover from the other Party, in addition to any relief to which such prevailing Party may be entitled, all costs, expenses and reasonable attorneys' fees incurred in connection with that civil action.

21. *Governing law.* This Agreement shall be construed in accordance with the laws of the State of Arizona.

22. *Termination.*

a. This Agreement shall be terminated without further action by the Parties if the Training Weekend, as described in this Agreement, is cancelled for any reason. If the event is cancelled, PE shall refund to the Town all financial support provided by the Town to PE pursuant to paragraph 1 of this Agreement within 30 days of cancellation of the event.

b. This Agreement may be terminated without further liability on 30 days' prior written notice by either Party upon a default by the other Party of any covenant or term of this Agreement, which default is not cured within 30 days of receipt of written notice of default, except that this Agreement shall not be terminated if the default cannot reasonably be cured within such 30-day period and the defaulting party has started to cure the default within the 30-day period and diligently pursues the cure to completion; provided that the grace period for any monetary default is ten days from receipt of written notice.

c. This Agreement may be terminated by mutual written agreement of the Parties.

23. *Miscellaneous.*

a. This Agreement may not be modified except in a writing signed by both of the Parties.

b. The captions and section numbers appearing in this Agreement are inserted only as a matter of convenience, and do not define, limit, construe or describe the scope or intent of such sections or articles of this Agreement.

c. This Agreement may be executed in multiple counterparts, each of which shall, for all purposes, be deemed an original and all of which, taken together, shall constitute one and the same agreement.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Parties have duly executed this instrument below.

The “Town”:

“PE”:

TOWN OF MARANA, an Arizona
municipal corporation

PROJECT ECHELON LTD, a Wisconsin
nonprofit corporation

Jon Post, Mayor

Eric Hill, President

Date: _____

Date_____

ATTEST:

Federal I.D. # 81-2114278

Jill McCleary, Town Clerk Date

APPROVED AS TO FORM:

Jane Fairall, Town Attorney Date

STATE OF ARIZONA)
County of Pima) ss.

The foregoing instrument was acknowledged before me this ____ day of _____, 202__ by Erick Hill, President of Project Echelon, LTD., a Wisconsin nonprofit corporation, on behalf of the corporation.

(Seal)

Notary Public

<u>Exhibit A</u>		
Category	Deliverable	Value
Content Creation	Professional video/photo, rights for regional marketing	\$2,000
Community Engagement	School visit + outreach events	\$2,000
Tourism Promotion	Athlete storytelling + digital media + 5 direct introductions	\$6,000
Event Activation	Gran Fondo logistics + branding	\$5,000
Total Partnership Value		\$15,000



Council-Regular Meeting

C4

Meeting Date: 12/02/2025

To: Mayor and Council

Submitted For: Heidi Lasham, Water Director

From: Jerry Huerstel, Water Resources Administrator

Date: December 2, 2025

Strategic Plan Focus Area:

Thriving Commerce, Vibrant Community

Subject: Resolution No. 2025-117: Relating to Utilities; approving and authorizing the Mayor to sign an agreement with B.K.W. Farms, Inc. for in-lieu water delivery and storage (Heidi Lasham)

Discussion:

Under state law, underground water storage may occur at Underground Storage Facilities (USFs) and Groundwater Savings Facilities (GSFs). For the proposed duration of this agreement, storage at a USF involves direct recharge of Central Arizona Project (CAP) water to the aquifer and would include an advisory rate of \$15 per acre foot annual operations and maintenance charge, paid by the Town. At a GSF, storage occurs where CAP water is used (e.g. agricultural irrigation) in-lieu of groundwater that would otherwise be pumped from the aquifer.

The proposed five-year agreement with B.K.W. Farms, Inc ("BKW"), will allow Marana to maximize storage of its CAP water at the BKW Farms GSF, located in Marana, AZ, while minimizing costs of storage. Benefits of storage at this GSF are location in proximity to Marana wells (potential for recovery within the area of impact), and no deduction for evaporative losses. Additionally, continued use of the BKW GSF would benefit the Town by avoiding the \$15 per acre foot annual operations and maintenance charge at a USF, and would generate revenue from BKW who would pay the Town \$12 per acre foot of water stored at the GSF. It is anticipated that the Town will attempt to maximize storage of its CAP allocation (2,336 acre feet of Municipal and Industrial and 515 acre feet of Non-Indian Agricultural) at the BKW GSF. Due to CAP delivery reductions resulting from Colorado River System shortages and obligations to store

water at City of Tucson USFs to fulfill the Town's obligations under the Resolution No. 2020-087, an average of 2,000 acre feet per year will be stored in the BKW Farms GSF.

The terms for the proposed agreement are the same as prior five-year agreement (Resolution No. 2020-092) which is set to expire in December 2025.

Financial Impact:

Fiscal Year: 2026-2030
Budgeted Y
Y/N:
Amount: \$24,000

Staff Recommendation:

Staff recommends adoption of Resolution No. 2025-117.

Suggested Motion:

I move to adopt Marana Resolution No. 2025-117, approving and authorizing the Mayor to sign an agreement with B.K.W. Farms, Inc. for in-lieu water delivery and storage.

Attachments

Resolution No. 2025-117
Exhibit A to Resolution No. 2025-117

MARANA RESOLUTION NO. 2025-117

RELATING TO UTILITIES; APPROVING AND AUTHORIZING THE MAYOR TO SIGN AN AGREEMENT WITH B.K.W. FARMS, INC. FOR IN-LIEU WATER DELIVERY AND STORAGE

WHEREAS B.K.W. Farms, Inc. ("BKW") possesses a Groundwater Savings Facility Permit from the Arizona Department of Water Resources authorizing the storage of 14,351 acre feet per year of Central Arizona Project ("CAP") water; and

WHEREAS the Town has a contract with the Central Arizona Water Conservation District (CAWCD) for the purchase of CAP water; and

WHEREAS the Town desires to maximize the use of its CAP water to reduce or offset the Town's use of groundwater within the Tucson Active Management Area; and

WHEREAS the proposed agreement with BKW for in lieu water deliveries and storage would allow the Town to receive in lieu credit for CAP water delivered to BKW at its Groundwater Savings Facility, and allows BKW to use CAP water for its irrigation needs in order to reduce its groundwater use, in accordance with its Groundwater Savings Facility Permit; and

WHEREAS the Town and BKW will soon complete a mutually beneficial five-year agreement for in lieu water deliveries and storage, approved by the adoption of Marana Resolution No. 2020-092, and the Mayor and Council find that entering into a new five-year agreement is in the best interests of the Town and its citizens and businesses.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE TOWN OF MARANA, ARIZONA, AS FOLLOWS: the Agreement Between the Town of Marana and B.K.W. Farms, Inc. For In-Lieu Water Deliveries and Storage, 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 2nd day of December, 2025.

Mayor Jon Post

ATTEST:

APPROVED AS TO FORM:

Jill McCleary, Town Clerk

Jane Fairall, Town Attorney

**AGREEMENT BETWEEN THE TOWN OF MARANA
AND B.K.W. FARMS, INC.
FOR IN-LIEU WATER DELIVERIES AND STORAGE**

THIS AGREEMENT is made by and between the TOWN OF MARANA (the “Town”), an Arizona municipal corporation, and B.K.W. FARMS, INC. (“BKW”), an Arizona corporation, for the delivery and storage of In-Lieu Water at a Groundwater Savings Project pursuant to A.R.S. § 45-812.01, et seq.

Recitals

- A. BKW possesses a Groundwater Savings Facility Permit from the Arizona Department of Water Resources authorizing the storage of 14,351 acre feet per year of Central Arizona Project (“CAP”) water.
- B. The Town is a party to a contract with the Central Arizona Water Conservation District (CAWCD) enabling it to purchase CAP water.
- C. The Town desires to maximize the use of its CAP water to reduce or offset the Town’s use of groundwater within the Tucson Active Management Area.
- D. The Town desires to deliver CAP water to BKW at its Groundwater Savings Facility for which the Town possesses a Water Storage Permit.
- E. BKW desires to use CAP water for its irrigation needs in order to reduce its groundwater use, in accordance with its Groundwater Savings Facility Permit.
- F. BKW desires to purchase CAP water from the Town and the Town desires to sell BKW such CAP water under the terms and conditions of this Agreement.

Agreement

NOW, THEREFORE, for and in consideration of, the mutual covenants set forth in this Agreement, the Town and BKW agree as follows:

1. Definitions. The following terms have the following meanings for purposes of this Agreement:

“ADWR” shall mean the Arizona Department of Water Resources.

“CAP water” shall mean the Central Arizona Project water that the Town has the legal right to purchase and use.

“CAWCD” shall mean the Central Arizona Water Conservation District.

“Delivery” or “Delivered” shall mean CAP water purchased by the Town, made available in the CAWCD canal at the designated point specified by BKW and received by BKW.

“Facility Permit” shall mean Permit No. 72-538133.0006 (or the active Permit Number subsequent to modification) issued by ADWR to BKW to operate a groundwater savings facility pursuant to A.R.S. § 45-801.01 et seq.

“Groundwater Savings Facility” shall mean a groundwater savings facility pursuant to A.R.S. § 45-812.01, for which a Facility Permit has been issued.

“In-Lieu Water” shall mean CAP water as defined in A.R.S. § 45-802.01(9), purchased by the Town for Delivery to BKW under this Agreement.

“Pumped Groundwater” shall mean water withdrawn from any of the wells listed in the plan of operation incorporated in the Facility Permit and designated by the ADWR as pumping groundwater for the purpose of Title 45 of A.R.S., Chapter 3.1.

“Recovery Well Permit” shall mean Permit No. 74-211278, issued by ADWR to the Town for recovery of water stored in a storage facility, pursuant to a storage permit.

“Water Storage Permit” shall mean Permit No. 73-538133.0700 (or active Permit Number subsequent to modification) issued by ADWR to the Town for storage of In-Lieu Water at the Groundwater Savings Facility pursuant to A.R.S. § 45-801.01, et seq.

“Long-Term Storage Credits” shall mean those credits accrued by the Town’s Account LTS #70-411220 from In-Lieu Water stored pursuant to this Agreement, as determined by the requirements of A.R.S. § 45-852.01.

2. Obligations of BKW

2.1. Purpose of Use. BKW shall use the In-Lieu Water Delivered under this Agreement for agricultural irrigation, to replace, on a gallon-for-gallon basis, pumped groundwater within the area designated on the Facility Permit.

2.2. Quantity of In-Lieu Water. Pursuant to applicable Facility and Water Storage Permits issued by the ADWR, BKW shall request that the Town order a minimum of 500 acre feet of In-Lieu Water from the Town’s CAP water during the term of this Agreement, provided, however that if BKW desires to order additional of CAP water, the Town may do so upon the mutual agreement of the Town and BKW. BKW shall take Delivery of any and all In-Lieu Water ordered by the Town on BKW’s behalf.

2.3. Notice of Order.

2.3.1. Annual. On or before July 15 of each year, BKW shall submit a preliminary order to the Town for In-Lieu Water for the following year. The order shall indicate, by month, the number of acre-feet of In-Lieu Water requested by BKW to be Delivered for the ensuing 12-month period.

2.3.2. Town Recharge Quantification. On or before September 1 of each year, the Town shall notify BKW, in writing, of the amount of In-Lieu Water the Town has elected to purchase for delivery to BKW in the following calendar year. Concurrently with its order, the Town shall notify BKW whether it has elected to have CAP water delivered pursuant to its contract with CAWCD.

2.4. Monthly Meter Reading. All water Delivered from the water supply system shall be measured with equipment furnished and installed by BKW and operated and maintained by BKW

in accordance with ADWR standards and requirements. The results of such measurement shall be subject to monitoring and verification, in cooperation with BKW, from time to time by the Town.

2.5. Points of Delivery. BKW shall take Delivery of the In-Lieu Water at such points along the CAP canal as may be agreed upon in writing by CAWCD and BKW.

2.6. Water Quality Standard. BKW shall be responsible for meeting all applicable federal, state, or local water quality standards for its use of the In-Lieu Water and for reasons beyond BKW's control may decline to take Delivery of any In-Lieu Water BKW determines to be unsuitable for irrigation use under said standards. In-Lieu Water determined to be unsuitable for irrigation shall be included in calculating BKW's compliance with the minimum order requirement of Section 2.2 of this Agreement, but shall not be subject to the payment obligation of Sections 2.7 and 3.5 of this Agreement, except to the extent BKW takes Delivery of the In-Lieu Water.

2.7. In-Lieu Water Charge Per Acre-Foot. BKW shall pay the Town \$12.00 per acre-foot for In-Lieu Water Delivered from the Town's CAP water. If BKW fails to accept Delivery of In-Lieu Water ordered from CAWCD by or on BKW's behalf in accordance with Sections 2.3.1 and 3.3 of this Agreement, BKW shall nonetheless pay the Town the actual cost of such ordered but not Delivered In-Lieu Water, except as provided by Sections 2.6 (except to the extent BKW takes Delivery of the In-Lieu Water), 2.10, and 2.11 of this Agreement.

2.8. Delivery Systems and Other Costs. BKW shall be responsible for the design, construction and costs of any necessary delivery systems required to be constructed on property owned or controlled by BKW to accept Delivery of In-Lieu Water under the terms of this Agreement. BKW shall be solely responsible for any costs arising out of the use of the In-Lieu Water, the operation or maintenance of the delivery systems described in this paragraph or the construction, operation and maintenance of any treatment system or other delivery system. Nothing herein shall be construed as requiring BKW to construct, replace, operate or maintain any delivery system or portion thereof.

2.9. Maintenance of Records; Reporting. BKW shall maintain all records and accounts of deliveries, storage and uses of the In-Lieu Water under this Agreement. BKW shall provide the Town, annually, all records, accounts, reports, and plans necessary for the Town to file any reports or other documentation required under the terms of its Water Storage Permit. BKW shall file all reports and documentation required under the Facility Permit. Copies of all such records, accounts, reports, plans or other documents shall be made available to the Town.

2.10. Ineligible In-Lieu Water. Instead of the fee set forth in Section 2.7 of this Agreement, if ADWR determines that any In-Lieu Water Delivered was not used on a gallon-for-gallon basis in-lieu of groundwater under A.R.S. § 45-852.01(C)(2), BKW shall reimburse the Town \$12.00 an acre foot for such In-Lieu Water from the Town's CAP water if such determination is based on ADWR's finding that the In-Lieu Water does not qualify as "water that cannot reasonably be used directly" under A.R.S. § 45-801.01(21)(b) or does not qualify for some other reason beyond BKW's control. If the Town fails to receive Long-Term Storage Credits due to reasons within BKW's control; BKW shall pay the Town the Town's actual cost for such ineligible Delivered In-Lieu Water.

2.11. Interruptibility of In-Lieu Water Deliveries; Curtailments. BKW acknowledges the interruptible nature of the In-Lieu Water supply to be furnished under this Agreement. The Town shall not be liable for any damages to BKW resulting from curtailment, interruptions,

discontinuances or reductions in supply or undeliverable water that are beyond the control of the Town. In-Lieu Water deliveries curtailed, interrupted, discontinued or reduced by someone other than BKW shall still count toward BKW's obligation to order under Section 2.2 of this Agreement, and BKW shall only be obligated to pay the fees set forth in Section 2.7 of this Agreement for the amount of the actual In-Lieu Water Delivered due to the curtailment, interruption, discontinuance or reduction.

2.12. Interference with Contract. Nothing herein shall preclude BKW from entering into agreements to accept water and/or effluent for storage by others; provided, however, any such agreement executed after the effective date of this Agreement shall not adversely affect the Town's rights under this Agreement or cause BKW to otherwise act in any manner that is inconsistent with this Agreement or BKW's obligations under this Agreement.

3. Obligations of the Town

3.1. Water Storage Permit. The Town shall be responsible for maintaining a Water Storage Permit before any In-Lieu Water is Delivered to the Groundwater Savings Facility.

3.2. In-Lieu Water Order. By October 1 of each year, the Town shall order from CAWCD the In-Lieu Water the Town has elected to purchase pursuant to Section 2.3.2 for delivery to BKW the next year.

3.3. Delivery of In-Lieu Water. During the term of this Agreement, the Town shall order and arrange for the Delivery of a minimum of 500 acre-feet of In-Lieu Water to be Delivered through the CAP aqueduct to BKW. The Town shall provide assistance reasonably required to achieve Delivery of any ordered In-Lieu Water to BKW. By mutual agreement, the parties may agree to the Delivery of additional amounts of In-Lieu Water under the terms and conditions herein.

3.4. Quality of In-Lieu Water. The Town makes no representations or warranties as to the quality of any In-Lieu Water Delivered hereunder and is under no obligation to construct or furnish water treatment facilities to maintain or improve the quality of any In-Lieu Water Delivered pursuant to this Agreement.

3.5. Billing. Upon receipt of a monthly statement from CAWCD indicating the amount of In-Lieu Water billed to the Town, the Town shall issue a bill to BKW monthly for the In-Lieu Water to be Delivered under this Agreement. The bill will be for the actual amount of In-Lieu Water for which the Town has been billed by CAWCD. The amount billed shall be paid within 45 days from the date of the bill. Late payments shall incur interest at the rate of (a) 12% per annum from and after the date of delinquency of any such payment, or (b) 4% over Bank of America – Arizona's then applicable prime interest rate, whichever is lower.

3.6. Accounting. Within 30 days of the Town's receipt of its long-term storage account report from ADWR reflecting the In-Lieu Water stored pursuant to this Agreement, the Town shall prepare an accounting of all In-Lieu Water ordered and Delivered to and all payments for In-Lieu Water paid by BKW under Section 3.5 of this Agreement, adjusted as appropriate pursuant to Sections 2.6, 2.10, and 2.11 of this Agreement. BKW shall pay the Town within 10 days of receipt of said accounting any amounts due pursuant to this Agreement. The Town shall refund any overpayments made by BKW.

3.7. Accrual of Credits. Pursuant to its Water Storage Permit, the Town shall recover credits annually pursuant to its Recovery Well Permit or accrue Long-Term Storage Credits in its storage

account LTS #70-411220 for the In-Lieu Water Delivered to BKW and may use them at its sole discretion. If BKW enters into agreements with other persons to store In-Lieu Water at the same Groundwater Savings Facility, the In-Lieu Water Delivered pursuant to this Agreement shall be deemed to have been Delivered and stored in the same order of priority and sequence as the execution of this Agreement as compared to any other agreements or amendments thereof entered into by BKW and other third parties.

3.8. Recovery of Credits. The Town may recover its Long-Term Storage Credits from any location and at any time as may be permitted by ADWR; provided, however, that such credits shall not be recovered from any lands controlled by BKW without the approval of BKW, and under such terms and conditions as may be mutually agreed to hereafter.

3.9. No Interference with BKW. Nothing in this Agreement shall be construed to require BKW to construct or replace any facility to take, deliver or recharge In-Lieu Water under this Agreement or to construct, replace, or operate any well or water related facility to recover water stored at the Groundwater Savings Facility. Nothing in this Agreement shall be construed as BKW's consent to the establishment of any recovery well or any recovery activity underlying BKW's Groundwater Savings Facility. Notwithstanding the foregoing, BKW shall be obligated to pay any costs incurred by the Town for In-Lieu Water as a result of BKW's failure to take Delivery of such In-Lieu Water due to BKW's decision not to construct or replace any facility necessary to take Delivery of such In-Lieu Water.

4. Term and Termination

4.1. Term. This Agreement shall become effective on the last party's signature date and shall be operative up to and including December 31, 2030, unless terminated sooner as provided by this Agreement.

4.2. The Town's Termination Right. The Town may terminate this Agreement without further obligation or consequence upon written notice to BKW if any of the following occurs:

4.2.1. The Town cannot secure In-Lieu Water, or

4.2.2. The Town is no longer eligible to obtain Long-Term Storage Credits, or

4.2.3. The Town determines that the In-Lieu Water Charge Per Acre-Foot payable by BKW pursuant to this Agreement (Section 2.7) does not match the market price based on the charge per acre-foot paid by other in-lieu water providers, or

4.2.4. The Town is for any reason regularly or routinely not receiving gallon-for-gallon credits for In-Lieu Water, whether the cause is within BKW's control or not; or

4.2.5. The Town determines that this Agreement is impracticable or not feasible due to regulatory or financial reasons, including but not limited to changes in ADWR's current calculation of the accrual of Long-Term Storage Credits for groundwater savings facilities.

4.3. BKW's Termination Right. Provided that BKW pays the Town for all costs incurred by the Town for the In-Lieu Water ordered under Sections 2.3.1 and 3.3 of this Agreement but not Delivered, BKW may terminate this Agreement without further obligation or consequence upon written notice to the Town if BKW is unable to utilize In-Lieu Water due to any of the following:

4.3.1. BKW determines that the In-Lieu Water Charge Per Acre-Foot payable by BKW pursuant to this Agreement (Section 2.7) does not match the market price based on the charge per acre-foot paid by other in-lieu water providers, or

4.3.2. The Town is for any reason regularly or routinely not receiving gallon-for-gallon credits for In-Lieu Water, whether the cause is within BKW's control or not; or

4.3.3. Regulatory changes, or

4.3.4. Unsuitability of water for irrigation, or

4.3.5. Weather conditions, or

4.3.6. Acts of nature or God, or

4.3.7. Flooding, or

4.3.8. Crop failure, or

4.3.9. Other natural disaster.

4.4. Insolvency or Bankruptcy. Notwithstanding any of the above, this Agreement shall automatically terminate if BKW becomes insolvent or initiates bankruptcy proceedings, loses its Facility Permit, or fails to meet its operating or Groundwater Savings Facility plan of operation.

5. Assignment

5.1. Assignment by the Town. The Town may assign all or a portion of its obligations and rights under this Agreement to any successors or assigns without prior written consent of BKW, provided that each such successor in interest or assignee is bound by each and every term and condition of this Agreement applicable to the Town.

5.2. Assignment of Long-Term Storage Credits. The Town, in its sole discretion, may assign its Long-Term Storage Credits without prior consent of BKW; provided, however, that the Town shall not assign credits for recovery of stored water underlying the exterior boundaries of the BKW's Groundwater Savings Facility without the written consent of BKW and upon terms and conditions acceptable to BKW.

5.3. Assignment by BKW. BKW may not assign all or a portion of its rights and obligations under this Agreement to any successors or assigns without the prior written consent of the Town and the Town shall not unreasonably withhold its consent. Further, BKW shall not sell or transfer the In-Lieu Water Delivered under this Agreement to others or allow the use by others of the In-Lieu Water outside the areas included in the Facility Permit without prior written consent of the Town. BKW may sell, transfer or allow others to use the In-Lieu Water within the area included in the Facility Permit.

6. Indemnification

6.1. BKW shall hold the United States, CAWCD, and the Town harmless from any damage or claim of damage of any nature whatsoever for which there is legal responsibility, including property damage, personal injury, or death arising out of or connected with BKW's control, carriage, handling, use, disposal, or distribution of In-Lieu Water Delivered pursuant to this Agreement. Nothing in this Agreement shall make BKW responsible for or require BKW to indemnify anyone, including the Town, for any degradation of the aquifer associated with use of In-Lieu Water instead of Pumped Groundwater.

6.2. The Town shall hold BKW harmless from any damage or claim of damage of any nature whatsoever for which there is legal responsibility, including property damage, personal injury, or death arising out of or connected with the Town's control, carriage, handling, use, disposal, or distribution of In-Lieu Water Delivered pursuant to this Agreement. Nothing in this Agreement shall make the Town responsible for or require the Town to indemnify others, including BKW, for any degradation of the aquifer associated with the use of In-Lieu Water instead of Pumped Groundwater.

6.3. The Town and BKW shall work together to mitigate any costs incurred by either party for any In-Lieu Water ordered, but not Delivered due to the conditions set forth in Sections 2.6, 2.10, or 2.11.

7. Miscellaneous

7.1. Notices. Any notice, demand or request authorized or required by this Agreement shall be deemed to have been given when mailed, postage prepaid, or delivered as follows:

If to the Town:	Water Department Director Town of Marana 11555 W Civic Center Drive Marana, AZ 85653
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If to BKW:	BKW Farms, Inc. P.O. Box 638 Marana, Arizona 85653-0638
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7.2. Conflict of Interest. This Agreement is subject to the provisions of A.R.S. § 38-511, which provides for cancelation of contracts in certain instances involving conflicts of interest.

7.3. Governing Law. This Agreement and the rights, duties and obligations of the parties hereto shall be governed and construed in accordance with the substantive laws of the State of Arizona. The characterization hereunder, or by the Director of ADWR, of Pumped Groundwater as groundwater is not binding for any other purpose and is not intended for use and shall not be used as evidence of the validity, invalidity, nature, legal character, extent or relative priority of any water right or source of water in any administrative or judicial proceeding except one arising directly from the Director's determination pursuant to Chapter 3.1, Title 45, Arizona Revised Statutes, regarding whether In-Lieu Water Delivered pursuant to this Agreement was Delivered on a gallon-for-gallon substitute basis in lieu of groundwater that otherwise would have been pumped by recipient BKW from the Tucson Active Management Area.

7.4. Modifications. This Agreement shall only be amended or modified upon the written agreement of the parties; provided, however, that if there are changes in ADWR's current calculation of the accrual of Long-Term Storage Credits at groundwater savings facilities, the parties shall renegotiate the charge for In-Lieu Water payable under this Agreement.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the last date set forth below their respective signatures.

The “Town”:

TOWN OF MARANA, an Arizona municipal
corporation

“BKW”:

B.K.W. FARMS, INC., an Arizona corporation

Mayor Jon Post

Brian K. Wong, President

ATTEST:

Jill McCleary, Town Clerk

APPROVED AS TO FORM:

Jane Fairall, Town Attorney



Council-Regular Meeting

C5

Meeting Date: 12/02/2025

To: Mayor and Council

From: Jill McCleary, Town Clerk

Date: December 2, 2025

Subject: Approval of Regular Town Council Meeting Summary Minutes of November 18, 2025 (Jill McCleary)

Attachments

Regular Council Summary Meeting Minutes, 11/18/25



MARANA TOWN COUNCIL
REGULAR COUNCIL MEETING
11555 W. Civic Center Drive, Marana, Arizona 85653
Council Chambers, November 18, 2025, at or after 6:00 PM

Jon Post, Mayor
Roxanne Ziegler, Vice Mayor
Patrick Cavanaugh, Council Member
Patti Comerford, Council Member
Herb Kai, Council Member
Teri Murphy, Council Member
John Officer, Council Member

SUMMARY MINUTES

CALL TO ORDER AND ROLL CALL

Mayor Post called the meeting to order at 6:03 PM and directed the Town Clerk to call the roll. Council Member Comerford was absent. All other Council Members were present, constituting a quorum.

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

APPROVAL OF AGENDA

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

CALL TO THE PUBLIC

Thirteen speakers, including **Mike Green, Kirk Astroth, Dennis Ayala, Caroline Axinn, Evy McDonald, Tori Russell, Kati Gilson, William Joseph, Vincent Allen, Marjorie**

King, Dennis Shannon, Jon Curry, and Laurie Cantillo addressed the Council to express opposition to potential use of a former Marana prison facility as a U.S. Immigration and Customs Enforcement (ICE) detention center. Speakers cited concerns over private detention centers, ICE enforcement actions, human and constitutional rights, adverse publicity, past operations of the Management & Training Corporation, and effects on residents. Several speakers asked the Council to take action to slow or prevent the facility.

PROCLAMATIONS

MAYOR AND COUNCIL REPORTS: SUMMARY OF CURRENT EVENTS

Council Member Cavanaugh reported on a meeting with the veterinarian and owner of the Tangerine Pet Clinic in Marana.

Council Member Officer reported attending a recent Pinal Partnership meeting. He shared information on the creation of the new town of San Tan Valley.

Council Member Murphy reported on a recent day spent with the Chamber of Commerce's Impact Marana program that focused on Marana's farming industry.

Vice Mayor Ziegler stated that not all Council Members support a detention center in Marana. She reported on attending Rocking for Heroes and the first annual Pumpkin Patch Music Festival. She also announced that the Marana Veterans' Memorial Cemetery will celebrate its 10-year anniversary on March 11, 2026.

Mayor Post reported on a recent tour to Ironwood Forest National Monument. He expressed concerns regarding the impacts of proposed mining tailings on the landscape.

MANAGER'S REPORT: SUMMARY OF CURRENT EVENTS

Town Manager Terry Rozema reported that 53 single-family residential permits had been issued through November, compared to 48 during the same month the previous year. He noted that staff had continued preparations for the upcoming holiday season. He announced that the final Concert in the Courtyard of the season would take place on Thursday from 5 to 7 p.m. **Mr. Rozema** also stated that the final water rate meeting was scheduled for November 19 at Rattlesnake Ridge. He shared that a moment of silence would be held Friday November 21 to mark one year since the passing of Mayor Ed Honea.

PRESENTATIONS

P1 Relating to Budget; presentation of first quarter results (July-September) for the Town's General Fund and other selected major funds for the 2025-2026 fiscal year (Yiannis Kalaitzidis)

Finance Director Yiannis Kalaitzidis presented on this item. A copy of the presentation slides is on file with the Town Clerk's Office. **Mr. Kalaitzidis** provided the Council with an overview of the Town's first quarter results for the Town's General Fund and other selected major funds for the 2025-2026 fiscal year. For detailed information, please see the presentation slides.

CONSENT AGENDA

C1 Resolution No. 2025-104: Relating to Budget; approving the transfer of \$860,000 in budgeted expenditure authority from the General Fund contingency line item to the developer rebates line item in the South Benefit Transportation impact fee fund, in the fiscal year 2024-2025 budget (Yiannis Kalaitzidis)

C2 Resolution No. 2025-105: Relating to Development; approving a final plat for Lot 14 of Moonlight Canyon at Saguaro Ranch Phase 2 and Lot 55 of Saguaro Ranch II, Lots 54-55 located approximately one mile north of the north terminus of Thornydale Road within a portion of Section 20, Township 11 South and Range 13 East (Brian D. Varney)

C3 Resolution No. 2025-106: Relating to Real Estate; approving and authorizing the Mayor to execute Fifth Amendment to Lease Agreement with Marana Chamber of Commerce, Inc. regarding the lease of Town-owned property located at 13251 N. Lon Adams Road (Terry Rozema)

C4 Resolution No. 2025-107: Relating to Real Property; approving and authorizing the Town Engineer to execute a Non-Exclusive Electrical Right of Way Easement in favor of Tucson Electric Power Company across Town-owned property located within the Saguaro Bloom Community Park (George Cardieri)

C5 Resolution No. 2025-108: Relating to Procurement; approving a change order to the contract with Psomas Inc. in the amount of \$91,516.00 for the Tangerine Road Widening, Phase 2A project (ST098); authorizing the transfer of appropriations, if necessary, for the change order; authorizing the Town Manager or designee to execute the necessary documents to effectuate the change order; and approving and ratifying past change orders related to the contract with Psomas Inc. for the Tangerine Road Widening, Phase 2A project (Fausto Burruel)

C6 Approval of Regular Town Council Meeting Summary Minutes of November 4, 2025 (Jill McCleary)

Vice Mayor Ziegler moved to approve the consent agenda. Council Member Kai 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 location / owner transfer series #07 Beer and Wine Bar liquor license submitted by Kevin Arnold Kramber on behalf of Glam Boss Nail Bar, located at 3930 West Ina Road Suites 314 and 318, Tucson, Arizona, 85741 (Jill McCleary)

Vice Mayor Ziegler moved to submit to the Arizona Department of Liquor Licenses and Control an order recommending approval of an application for a location / owner transfer, series #07 Beer and Wine liquor license submitted by Kevin Arnold Kramber on behalf of Glam Boss Nail Bar. Council Member Kai seconded the motion. Motion passed, 6-0.

BOARDS, COMMISSIONS AND COMMITTEES

COUNCIL ACTION

A1 PUBLIC HEARING: Ordinance No. 2025.023: Relating to Development; Amending Marana Town Code Title 17 "Land Development"; amending Chapter 17-6 (General and Miscellaneous Development Regulations) by adding new Section 17-6-15 entitled "Middle housing"; amending chapter 17-4 (Zoning) by making conforming amendments to sections 17-4-2 (Use matrix), 17-4-3 (Use conditions matrix), and 17-4-9 (Mixed-use zoning districts); approving the housing impact statement pertaining to this ordinance; and designating an effective date (Jane Fairall)

Resolution No. 2025-109: Relating to Land Development; declaring as a public record filed with the Town Clerk the amendments adopted by Ordinance No. 2025.023, revisions to Title 17 "Land Development" of the Marana Town Code amending Chapter 17-6 (General and Miscellaneous Development Regulations) by adding new Section 17-6-15 entitled "Middle housing"; amending chapter 17-4 (Zoning) by making conforming amendments to sections 17-4-2 (Use matrix), 17-4-3 (Use conditions matrix), and 17-4-9 (Mixed-use zoning districts); approving the housing impact statement pertaining to this ordinance (Jane Fairall)

Mayor Post opened the public hearing at 6:52 PM.

Town Attorney Jane Fairall presented on this item. A copy of the presentation slides is on file with the Town Clerk's Office. **Ms. Fairall** explained that the ordinance would amend Title 17 to incorporate state-required regulations for duplexes, triplexes, fourplexes, and townhomes. She noted that House Bill 2721 required municipalities with populations over 75,000 to allow these housing types within one mile of a designated downtown area and in portions of new large developments.

Ms. Fairall stated that although Marana has not yet reached a population of 75,000, adopting the regulations now would prevent middle housing from becoming allowed on all single-family residential lots after January 1, 2026. Additionally, she said that to promote housing diversity, Town staff recommended adopting the provisions. She further described the designation of the Town's "central business district" and amendments to the zoning code.

During the public hearing, **Cody Brown** addressed the Council to speak in favor of the item. He described potential benefits to the Town from more middle housing.

Mayor Post closed the public hearing at 7:00 PM.

Vice Mayor Ziegler moved to adopt Resolution No. 2025-109. Council Member Officer seconded the motion. Motion passed, 6-0.

A2 PUBLIC HEARING: Ordinance No. 2025.024: Relating to Development; amending Marana Town Code Title 17 "Land Development"; amending Chapter 17-3 (Administration and Enforcement) by adding new section 17-3-4 (Development plans) and new section 17-3-5 (Site plans and design review plans); amending chapter 17-5 (Subdivisions) by amending Section 17-5-2 (Procedures) to allow administrative review and approval of final plats and plat amendments; adding new section 17-5-6 (Lot line adjustments, lot ties, and lot combinations); amending Chapter 17-19 (Silverbell Road Overlay Corridor District) by amending Section 17-19-10 (Silverbell Road Overlay Corridor District development plan procedures) to allow administrative review and approval of development plans in the Silverbell Road Overlay Corridor District; and designating an effective date (Matt Taylor)

Resolution No. 2025-110: Relating to Land Development; declaring as a public record filed with the Town Clerk the amendments adopted by Ordinance No. 2025.024, revisions to Title 17 "Land Development" of the Marana Town Code; amending Chapter 17-3 (Administration and Enforcement) by adding new section 17-3-4 (Development

plans) and new section 17-3-5 (Site plans and design review plans); amending chapter 17-5 (Subdivisions) by amending Section 17-5-2 (Procedures) to allow administrative review and approval of final plats and plat amendments; adding new section 17-5-6 (Lot line adjustments, lot ties, and lot combinations); amending Chapter 17-19 (Silverbell Road Overlay Corridor District) by amending Section 17-19-10 (Silverbell Road Overlay Corridor District development plan procedures) to allow administrative review and approval of development plans in the Silverbell Road Overlay Corridor District (Matt Taylor)

Mayor Post opened the public hearing at 7:03 PM.

Planning Manager Matthew Taylor presented on this item. A copy of the presentation slides is on file with the Town Clerk's Office. **Mr. Taylor** provided an overview of the revisions to the Marana Town Code required to comply with state law.

Mayor Post asked clarifying questions during the presentation regarding the Silverbell Road Overlay Corridor District and how the ordinance would affect specific plans.

During the public hearing, **Mary Romer** addressed the Council to ask how this item would affect future plans for the former Marana prison facility. **Mr. Taylor** answered that it would not have an impact on how plans for the facility would be handled.

Mayor Post closed the public hearing at 7:10 PM.

Council Member Kai moved to adopt Ordinance 2025.024 and Resolution No. 2025-110. Council Member Officer seconded the motion. Motion passed, 6-0.

A3 Resolution No. 2025-111: Relating to Development; adopting a notice of intent to enter into a retail development tax incentive agreement for the Marana Urban LLC downtown development project proposed to be located east of Marana Main Street and north of Civic Center Drive (Jane Fairall)

Ms. Fairall presented on this item. She provided background on tax incentive agreements and said that the agreement for the downtown development project would likely be brought to the Council at a December meeting.

Vice Mayor Ziegler moved to adopt Resolution No. 2025-111. Council Member Cavanaugh seconded the motion. Motion passed, 6-0.

A4 Resolution No. 2025-112: Relating to Development; approving and authorizing the Mayor to execute the Amended and Restated Cascada Development Agreement, a

retail development tax incentive agreement, for the development of approximately 752.5 acres of land located east of I-10 and north of Twin Peaks Road (Jane Fairall)

Ms. Fairall presented on this item. A copy of the presentation slides is on file with the Town Clerk's Office. **Ms. Fairall** provided background information on the Cascada Development Agreement. She stated that the Council must find that the proposed tax incentive was anticipated to raise more revenue than the amount of the incentive within the duration of the agreement and that the findings needed to be verified by an independent third party. For more detailed information, please see the presentation slides.

Mayor Post asked clarifying questions regarding how repayment would be impacted if there was a request for a Community Facilities District for the Cascada Development in the future.

Council Member Cavanaugh asked about the purpose of the water tanks on the property. **Ms. Fairall** indicated that the tanks would provide the infrastructure necessary to deliver the water for the project.

Vice Mayor Ziegler asked for an updated timeline for the project. **Keri Silvyn of Lazarus & Silvyn** said grading was expected to start in the first quarter of next year.

Council Member Cavanaugh moved to adopt Resolution No. 2025-112. Council Member Officer seconded the motion. Motion passed, 6-0.

A5 Resolution No. 2025-113: Relating to Public Works; approving and authorizing the Mayor to sign an Amendment to the Acquisition Agreement & Administrative Settlement with Preot LLC regarding the acquisition of property for the Twin Peaks Rattlesnake Pass Improvement Project, Town of Marana Project No. ST073, and authorizing Town staff to execute all other documentation necessary to meet the terms and conditions of the agreement (George Cardieri)

Real Property Manager George Cardieri presented on this item. **Mr. Cardieri** stated that the resolution was to resolve gate placement issues associated with a prior right-of-way acquisition. He stated that the amendment would require the Town to install and maintain its own gate within the right-of-way, rather than reinstalling the owner's gate.

Council Member Cavanaugh asked if it would be an automatic or manual gate. **Mr. Cardieri** said that it would be a simple, non-electric metal gate.

Council Member Kai moved to adopt Resolution No. 2025-113. Vice Mayor Ziegler seconded the motion. Motion passed, 6-0.

ITEMS FOR DISCUSSION / POSSIBLE ACTION

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 Post requested future agenda items. There were no requests for future agenda items from Council Members.

ADJOURNMENT

Mayor Post asked for a motion to adjourn.

Council Member Cavanaugh moved to adjourn the meeting. Council Member Kai seconded the motion. Motion passed, 6-0. The meeting was adjourned at 7:31 PM.

CERTIFICATION

I hereby certify that the foregoing are the true and correct minutes of the Marana Town Council meeting held on November 18, 2025. I further certify that a quorum was present.

Jill McCleary, Town Clerk



Council-Regular Meeting

D1

Meeting Date: 12/02/2025

To: Mayor and Council

From: Jane Fairall, Town Attorney

Date: December 2, 2025

Strategic Plan Focus Area:
Not Applicable

Subject: Relating to Risk Management; discussion and direction regarding an offer for the Town of Marana to participate in an accelerated payment program related to settlement funds for the Settlement Agreement between Public Water Systems and 3M Company in the multi-district litigation entitled *In re: Aqueous Film-Forming Foams Products Liability Litigation*, MDL No. 2:18-mn-2873-RMG (Jane Fairall)

Discussion:

The Town of Marana is a plaintiff in a class action lawsuit in United States District Court in the District of South Carolina against the manufacturers of products containing per- or polyfluoroalkyl substances (PFAS). Plaintiffs in the litigation generally allege that aqueous film-forming foams (AFFFs) containing perfluorooctanoic acid (PFOA) and/or perfluorooctane sulfonate (PFOS), two types of PFAS, contaminated groundwater near various military bases, airports, and other industrial sites where AFFFs were used to extinguish liquid fuel fires.

In 2023, one of the defendants, 3M Company, reached a settlement with plaintiffs. Based on the terms of the settlement, 3M agreed to pay public water systems in the U.S. between \$10.5 billion and \$12.5 billion, to be paid out over several years. The Phase One Action Fund is the primary source of recovery for public water systems in the 3M settlement. Each participating plaintiff's allocation of settlement funds from the Phase One Action Fund is based on the volume of contaminated water and the degree of contamination in the plaintiff's water system or systems. The Town of Marana is participating in this settlement and submitted its claims forms to the Claims Administrator appointed by the court to determine each plaintiff's award amounts. The

Town began receiving settlement payments in 2025 and to date has received approximately \$2.1 million. It is anticipated that the Town will receive an additional amount of approximately \$2 million in settlement funds from the Phase One Action Fund portion of the 3M settlement, over the time period of June 2026 through June 2033.

The Town is represented in the PFAS litigation by the law firm of Napoli Shkolnik ("NS"). NS has offered the Town an opportunity to participate in an accelerated payment program. Under the program, the Town would receive a lump sum payment for its remaining share of the Phase One Action Fund portion of the 3M settlement, rather than payments over the 2026-2033 timeframe. NS has provided the following information to the Town regarding the accelerated payment program:

- Total remaining settlement amount if paid out over time: \$2,046,587
- Total Lump Sum payment: \$1,563,536
- Difference: \$483,051
- % of total: 23.6%
- Transaction fee of 3/5% on top of PV calculation with discount rate that could range between 8%-11%.

Financial Impact:

Fiscal Year: 2026
Budgeted N
Y/N:
Amount: \$1,563,536

If the Town chooses to participate in the accelerated payment program, the Town would receive an estimated total lump sum payment of \$1,563,536. If the Town chooses not to participate, the Town will receive an estimated payout over 7 years from 2036 to 2033 of \$2,046,590.

Staff Recommendation:

Napoli Shkolnik expects to close on the financing deal for the accelerated payment program during the first week of December 2025, and has advised the Town that we must make a decision about whether to participate in the program prior to the closing. Staff has evaluated the financial impact of the accelerated payment program with assistance from the Town's Consultants and recommends declining the offer to participate in the accelerated payment program related to the PFAS litigation as the discount rate and transaction fee proposed are higher than other deals the Town may obtain on its own. An alternative to the offer may generate as much as \$1.850 million for the Town as compared to the proposed \$1.56 million.

Suggested Motion:

Option One:

I move to direct staff to take all necessary actions and to sign all necessary documents to participate in the accelerated payment program related to the PFAS litigation.

Option Two:

I move to direct staff to take all necessary actions to decline to participate in the accelerated payment program related to the PFAS litigation.

Attachments

No file(s) attached.
