



**PUBLIC NOTICE
THE ELOY CITY COUNCIL**

Meets

MONDAY, JULY 28, 2025

6:00 PM

ELOY CITY COUNCIL CHAMBERS

595 NORTH C STREET

ELOY, ARIZONA 85131

For a

REGULAR MEETING

AGENDA

- I. Call to Order**
- II. Roll Call**
- III. Moment of Silence**
- IV. Pledge of Allegiance**
- V. Public Appearances**

Those wishing to **ADDRESS THE CITY COUNCIL** may do so by signing in on a form provided by the City Clerk, identifying the topic(s) or agenda item(s). **ACTION** taken as a result of public comment regarding non agenda items will be limited to directing staff to study the matter or rescheduling the matter for further consideration and decision at a later date.

SPEAKERS SHALL BE LIMITED TO THREE (3) MINUTES.

- A. Scheduled
- B. Unscheduled

VI. Reports and Announcements

- A. Mayor's Announcements
- B. Council Members' Announcements
- C. City Manager's Announcements

- 1. Financial Update for the period ending June 30, 2025

VII. Consent Agenda

ALL ITEMS LISTED WITH AN ASTERISK(*) ARE CONSIDERED TO BE ROUTINE MATTERS AND WILL BE ENACTED BY ONE MOTION AND ONE ROLL CALL VOTE OF THE COUNCIL. THERE WILL BE NO SEPARATE DISCUSSION OF THESE ITEMS UNLESS A COUNCIL MEMBER SO REQUESTS, IN WHICH EVENT THE ITEM WILL BE REMOVED FROM THE CONSENT AGENDA AND CONSIDERED IN ITS NORMAL SEQUENCE ON THE AGENDA.

*A. Approval of Minutes - No minutes are presented for approval at this meeting.

Celine A. Kidwell

- | | |
|--|-----------------|
| *B. Consider authorizing the Eloy Police Department to enter into an intergovernmental agreement (IGA) with the Arizona Department of Public Safety for participation in the DPS GIITEM Task Force. | Sergio Banales |
| *C. Consideration and Acceptance of the Federal Fiscal Year (FFY) 2025 High Intensity Drug Trafficking Area (HIDTA) Grant # HT-25-2918 for the purpose of continued funding of a sworn police officer position with the Pinal County Narcotics Task Force (PCNTF). | Sergio Banales |
| *D. Authorize the Mayor to execute a professional services contract with Logan Simpson Design, Inc., in an amount not to exceed \$260,000 to provide services for the creation of a comprehensive Specific Area / Master Plan for the Airpark. | Dan Symer, AICP |

VIII. Business: Possible Discussion and/or Action on the Following:

- | | |
|--|----------------|
| A. Discussion and possible action to authorize the City of Eloy to accept and execute a Donation Agreement with Pinal County to transfer real property ownership located at 707 W. 3rd Place, Eloy, Arizona. | David Malewitz |
| B. Discussion and Consideration of Accepting the Right-of-Way Dedications by the Residents of West Houser Road for the Houser Road Water Line Extension Project; and Authorizing the Mayor to Sign Acceptance and the City Clerk (or Their Designees) to Record the Dedications. | Matt Rencher |
| C. Discussion and Consideration of Accepting a Proposal Submitted by Ellison-Mills Based on a Cooperative Purchasing Contract with Pinal County (Contract #233828ROQ) for an Amount Not to Exceed \$450,000 for the Construction of Phase I of the Houser Road Water Line Extension Project; and Authorizing the Mayor to Sign the Necessary Contract Documents. | Matt Rencher |
| D. Discussion and Consideration of Authorizing the City of Eloy to file suit as a plaintiff in the National Rural Water Association PFAS Cost Recovery Program; to Retain the Law Firm Napoli Shkolnik to represent the City of Eloy in the PFAS Cost Recovery Litigation; and Authorizing the Mayor, or his designee, to sign the necessary agreements and complete the necessary litigation pleadings and forms. | Stephen Cooper |

IX. Executive Session

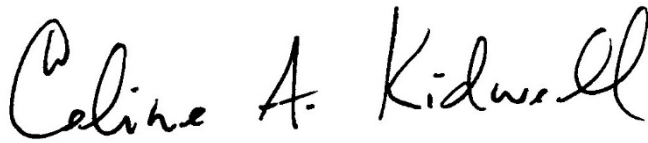
Possible executive session for discussion/consultation for legal advice with the city attorney and/or city staff concerning any of the agenda items, pursuant to A.R.S. §38-431.03 (A) (3) and (4).

- A. Discussion of legal matters/consultation with City Attorney, City Manager, City Staff and/or the public body to consider its position and instruct its attorneys regarding the public body's position regarding whether to avoid or resolve litigation and legal advice concerning National Rural Water Association PFAS Cost Recovery Program; to Retain the Law Firm Napoli Shkolnik to represent the City of Eloy in litigation in PFAS Cost Recovery Litigation under A.R.S. § 38-431.03 (A) (3), and (4).
- B. Possible executive session for discussion/consultation for legal advice with the City Attorney and/or City Staff concerning any agenda items, pursuant to A.R.S. § 38-431.03 (A) (3), (4), and (7).

X. Adjournment

POSTED BY 5:00 P.M. WEDNESDAY, JULY 28, 2025, AT ELOY CITY HALL, ELOY POST OFFICE, AND CITY WEBSITE: www.elayaz.gov

THE FACILITY WILL BE OPEN TO THE PUBLIC 30 MINUTES PRIOR TO THE START OF THE MEETING AND SEATING WILL BE AVAILABLE FOR “REASONABLY ANTICIPATED ATTENDANCE.”



Celine A. Kidwell, CMC, FCRM
City Clerk

INDIVIDUALS WITH SPECIAL ACCESSIBILITY NEEDS MAY CONTACT MICHELLE HALL, ADA COORDINATOR FOR THE CITY OF ELOY AT 520-466-9201 OR 520-466-7455 (TDD). IF POSSIBLE, SUCH REQUESTS SHOULD BE MADE 72 HOURS IN ADVANCE. ONE OR MORE MEMBERS OF THE COUNCIL AND/OR STAFF MAY PARTICIPATE BY TELEPHONIC OR VIDEO MEANS.

CITY OF ELOY
REQUEST FOR COUNCIL ACTION

Agenda Item: **V.A.**

Date: **7/28/2025**

Date submitted:
06/25/2025

Action: Other

Subject: Scheduled

Date requested:
7/28/2025

TO: Mayor and City Council

FROM:

RECOMMENDATION:

DISCUSSION:

FISCAL IMPACT:

Approved as to Form:



Stephen R. Cooper, City Attorney

CITY OF ELOY
REQUEST FOR COUNCIL ACTION

Agenda Item: **V.B.**

Date: **7/28/2025**

Date submitted:
06/25/2025

Action: Other

Subject: Unscheduled

Date requested:
7/28/2025

TO: Mayor and City Council

FROM:

RECOMMENDATION:

DISCUSSION:

FISCAL IMPACT:

Approved as to Form:



Stephen R. Cooper, City Attorney



Fiscal Year 2024 - 2025
Fourth Quarter Financial Report
For the Period Ending June 30, 2025

Presented by Brian Wright, Finance Director

CITY OF ELOY
FISCAL YEAR 2024 - 2025
ENDING JUNE 30, 2025

INTRODUCTION

The Finance Department has prepared the quarterly financial report to provide the community, Council, and the organization with an overview of financial information and open transparency.

The primary information provided in the quarterly report is a comparison of the annual budget amounts to actual revenues and expenditures for operating departments. Also included are prior-year comparisons in some areas. All financial information is preliminary, unaudited information reported from the municipal financial system as of the report date. Seasonal variations or actual revenue occurrences in municipal operations may affect the proportion of revenues achieved or expenditures incurred to date.

Notable Updates for this quarter include the following:

Personnel -Vacancies

- **Public Safety** - 1 Dispatcher, 4 Police Officers,
- **Public Works** – 3 Equipment Operators
- **Community Services** – 1 Part-time Rec leaders
- **Community Development** – 1 Chief Building Official, 1 Building Inspector
- **Administration** – Management Analysis

Departmental Quarterly Highlights

❖ **Police Department**

	Arrests	DUI Investigations	Traffic Stops	Dispatch Events	Investigations
April – June 2025	219	8	589	3,601	1,312
April – June 2024	188	12	938	4,075	596

❖ **Community Services**

	Senior Meals	Online Activities	Library Programs	Special Events	After-School Program Participants per month
April – June 2025	1,007	115	459	987	23
April – June 2024	1,129	129	424	822	24

❖ **Community Development**

	New Home Permits	Open Code Violations	Closed Code Violations	Number of Inspections
April – June 2025	50	147	287	1,002
April – June 2024	21	4	392	819

❖ **Finance Department**

	Work Orders	Turn-Offs for non-payment	Amount of A/P Checks	Processed Purchase Orders
April – June 2025	540	153	\$3,772,547	982
April – June 2024	652	153	\$5,296,299	1,056

- Additional work within the Finance Department was the pre-audit work for FY 24-25, finalized the FY 25-26 budget, and developed the Consolidated Rate and Fee Schedule
- **Grants Section** – For F.Y. 24-25, there were 20 active grants. 7 – Police, 8 – Finance, 2 – Community Services, and 3 – Airport. During the 4th quarter, activity included the following: submitted seven grant applications to Ak-Chin Indian Community and six to the Gila River Indian Community for police, housing, and recreation projects; resubmitted grant application to Rep. Juan Ciscomani Office for road infrastructure project; submitted grant application to Sen. Gallego and Sen. Kelly offices for PD project; and completed CDBG FY23 Lighted Crosswalk Project. Homes to close out remaining HOME funds were outlined for the OOHHR program, including reconstruction and rehabilitation. Work was completed to move forward with CDBG FY24 Senior Center Improvements and FY25 ADA Ramp Project.

CITY OF ELOY
FISCAL YEAR 2024 - 2025
ENDING JUNE 30, 2025

Department Quarterly Highlights (continuation)

- ❖ **Public Works** has conducted the following:
 - **Vehicle Maintenance** completed 260 work orders and daily reports on the upkeep of the City Fleet.
 - **Streets Department** used 47.78 tons of materials for patchwork, 35 miles of mowing and maintenance, and graded 235 miles of dirt roads and shoulders.
 - **Water Department** distributed 97.341 million gallons, repaired 30 water leaks, and 314 blue stake requests.
 - **Wastewater Department** treated and recharged 53.137 million gallons of wastewater and jet vac 1,500 feet of sewer lines.
 - **Sanitation Department** collected 3,587.24 tons of solid waste.

Financial Update - *(Please note that figures throughout this report are preliminary and are subject to change during month-end reporting)*

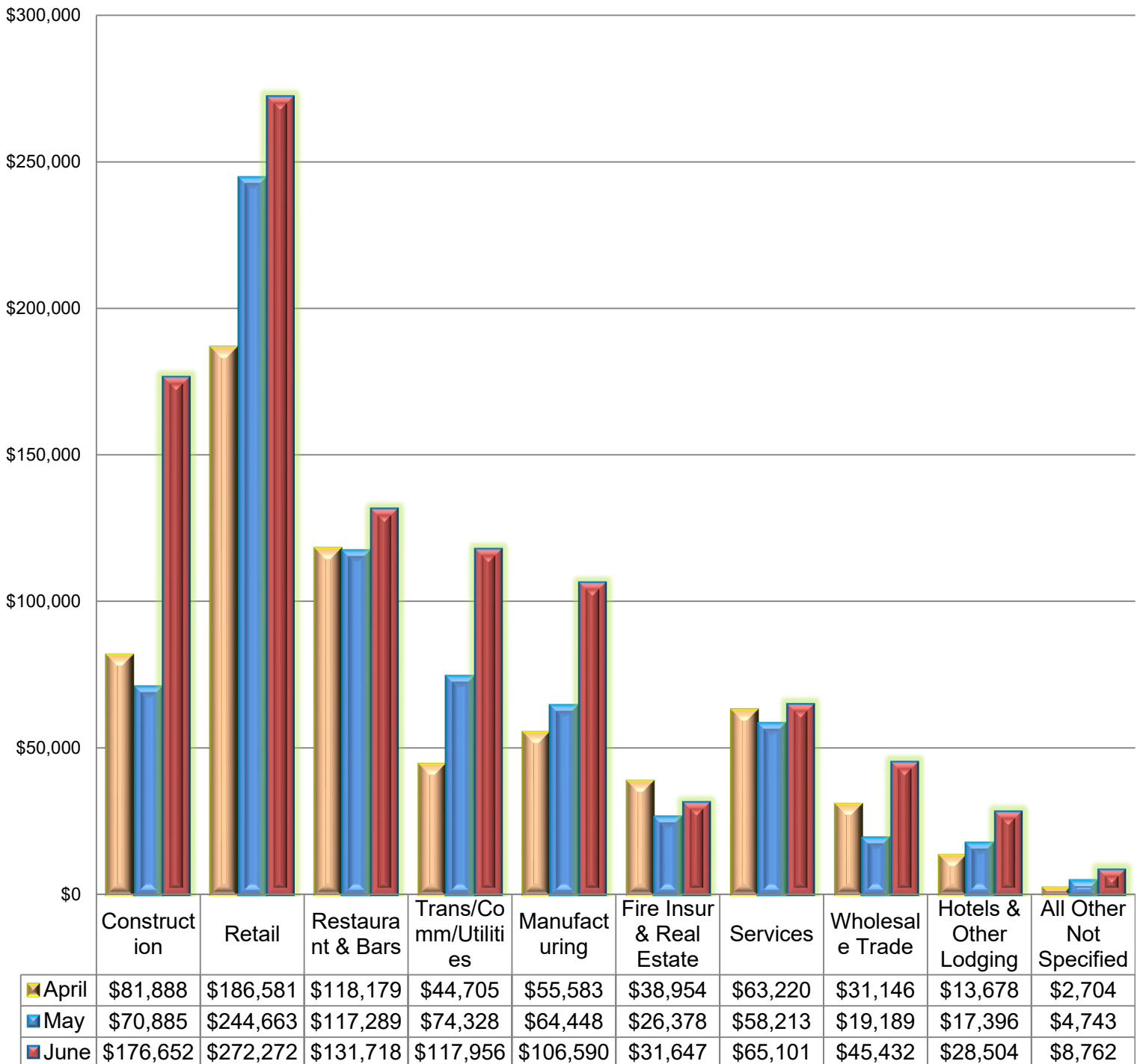
- ❖ As of June 30, 2025, the General Fund had brought in \$20,683,750 in revenue while spending \$16,108,928, resulting in a surplus of \$4,574,822. This surplus is primarily due to higher-than-expected collections from building permits, planning check review fees, state-shared revenues, and interest income. Additionally, due to unfilled positions, the City realized salary and benefit savings along with operational savings throughout department budgets. On average, departments within the General Fund used 92% of their allocated budgets.
- ❖ As of June 30, 2025, the City has collected \$8,494,874 in total sales tax revenue for FY 2024-2025, which is \$722,11 below the budgeted projections. In the fourth quarter alone, the City collected \$2,337,505, though this was slightly lower than the \$2,565,346 collected during the same period last fiscal year. Several tax categories outperformed budget expectations during the quarter. One of those categories is Retail. Retail collected \$703,516 compared to \$621,557 last fiscal year. The increase could be attributed to the rise in goods, along with an increase in online purchasing. Additionally, the Manufacturing and Communication/Utilities tax categories outpaced last year's collections.
- ❖ State Shared Revenues (State Income Tax, State Sales Tax, and Vehicle License Tax) are above budget expectations by \$427,484 or 5.64%. This increase was due to a higher-than-expected distribution of State Sales and Vehicle License Taxes.
- ❖ All Special Revenue Funds are operating within the adopted budget's confines.
- ❖ The Enterprise Funds comprise the Water, Sewer, and Sanitation Funds. As of the end of June 2025, all enterprise funds report a positive variance. Water sales through June were \$2,699,723 in the Water Fund compared to \$2,533,170 in the previous year. In the Sewer Fund, sewer fees through June were \$1,701,578 compared to \$1,665,223 in the previous year. The Sanitation Fund hauling fees through June were \$1,605,458 compared to \$1,550,367 in the previous year.

***** Please note that sales tax collections for July and August will be classified as June's tax collections. During the close-out phase of the Fiscal Year 2024-2025, any revenue collected in July or August must be reconciled to the correct tax period per governmental accounting principles. For example, in City Sales Tax, \$625,830 was received in July but will be reported as revenue in F.Y. 2024-2025.***

CITY OF ELOY
FISCAL YEAR 2024 - 2025
ENDING JUNE 30, 2025

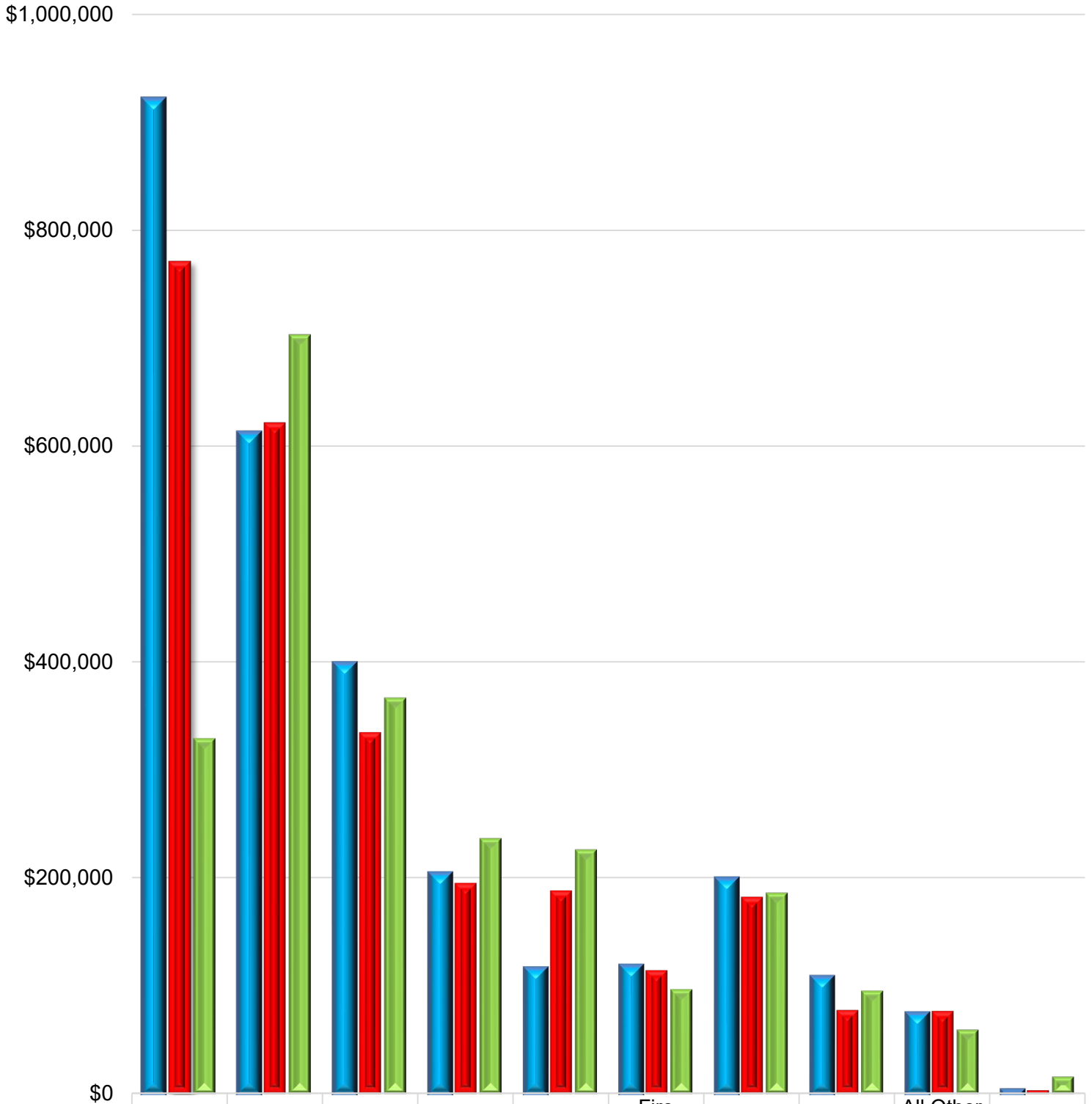
REVENUE	P.Y. 23 -24 April - June	F.Y. 24 - 25 April - June	F.Y. 24 - 25 Year to Date	F.Y 24 - 25 Budget	Anticipated Revenue 06/30/2025
10 - General Fund					
Local Sales Tax	\$ 3,565,910	\$ 2,127,795	\$ 7,904,080	\$ 8,362,860	\$ 8,667,404
State Shared Revenues	\$ 2,280,556	\$ 2,057,862	\$ 8,008,339	\$ 7,580,855	\$ 8,143,339
Property Taxes	\$ 475,336	\$ 506,062	\$ 1,446,299	\$ 1,468,865	\$ 1,460,762
Permits & Fees	\$ 35,348	\$ 474,690	\$ 1,270,359	\$ 660,250	\$ 1,270,359
Other Revenues	\$ 620,194	\$ 434,746	\$ 2,054,673	\$ 1,260,535	\$ 2,089,673

Local Sales Tax By Category
April 2025 - June 2025



CITY OF ELOY
FISCAL YEAR 2024 - 2025
ENDING JUNE 30, 2025

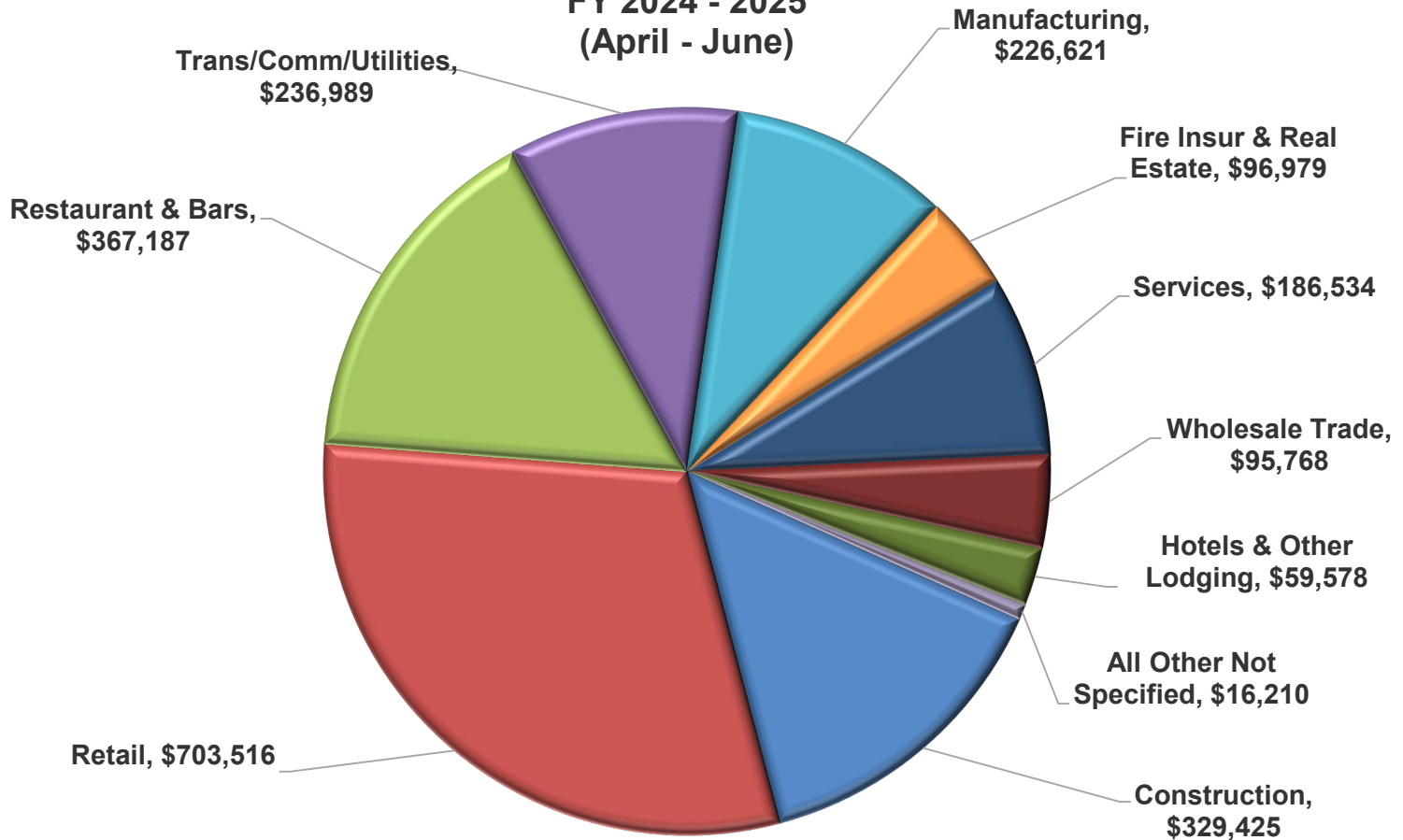
City Sales Tax by Category
Tax Comparison by Quarter



2022-2023	\$921,969	\$612,923	\$399,510	\$204,871	\$116,809	\$119,105	\$200,185	\$108,631	\$75,081	\$3,412
2023-2024	\$771,101	\$621,557	\$334,617	\$195,122	\$188,217	\$114,402	\$182,273	\$77,665	\$76,838	\$3,554
2024-2025	\$329,425	\$703,516	\$367,187	\$236,989	\$226,621	\$96,979	\$186,534	\$95,768	\$59,578	\$16,210

CITY OF ELOY
FISCAL YEAR 2024 - 2025
ENDING JUNE 30, 2025

City Sales Tax By Category
FY 2024 - 2025
(April - June)



City Sales Tax Distribution by Business Class Code
Figures Based on Collections thru June 30th
(Numbers based on when the tax is received by the City)

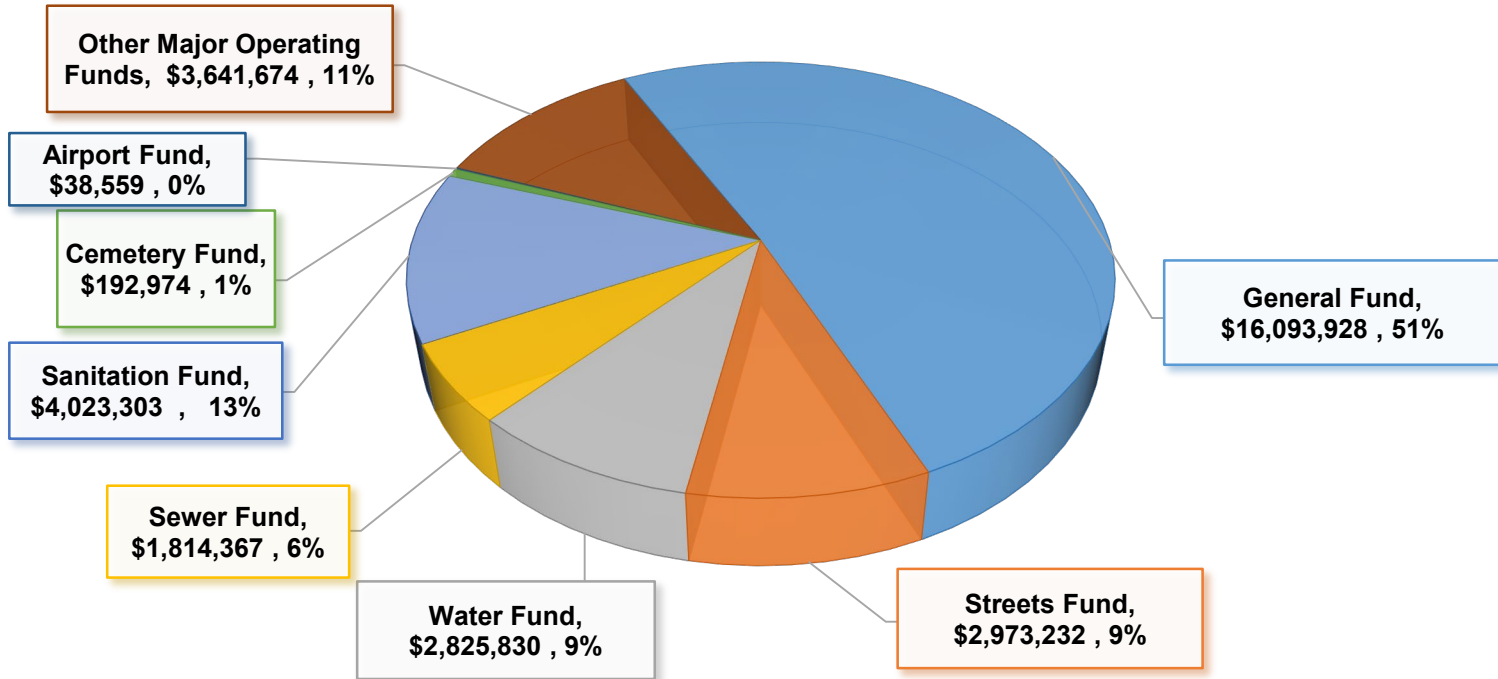
	Actual FY. 21-22	Actual FY 22-23	Actual FY 23-24	Actual FY 24-25
CONSTRUCTION	\$2,199,492	\$4,038,036	\$3,582,783	\$1,705,002
RETAIL TRADE	\$2,183,143	\$2,458,594	\$2,484,973	\$2,820,032
RESTAURANTS & BARS	\$1,305,357	\$1,451,321	\$1,277,635	\$1,319,526
TRANS/COMM/UTILITIES	\$738,428	\$878,535	\$916,980	\$1,082,651
MANUFACTURING	\$684,167	\$601,812	\$843,458	\$887,236
FIRE INSUR & REAL ESTATE	\$374,834	\$464,844	\$506,092	\$578,981
SERVICES	\$700,720	\$936,600	\$839,520	\$753,828
WHOLESALE TRADE	\$403,625	\$313,627	\$288,392	\$382,333
HOTELS & OTHER LODGING	\$303,843	\$308,450	\$260,176	\$207,007
ALL OTHERS NOT SPECIFIED	\$17,728	\$18,230	\$22,071	\$31,099
PUBLIC ADMINISTRATION	\$0	\$0	\$0	\$0
	\$8,911,337	\$11,470,048	\$11,022,080	\$9,767,696

CITY OF ELOY
FISCAL YEAR 2024 - 2025
ENDING JUNE 30, 2025

REVENUE	P.Y. 23 -24 April - June	F.Y. 24 - 25 April - June	F.Y. 24 - 25 Year to Date	F.Y 24 - 25 Budget	Anticipated Revenue 06/30/2025
15 - Streets Fund					
HURF	\$ 567,844	\$ 440,811	\$ 1,473,227	\$ 1,627,785	\$ 1,662,227
1/2 Sales Tax-Pinal	\$ 603,518	\$ 493,192	\$ 1,798,514	\$ 1,650,350	\$ 1,952,514
Other Revenue	\$ 39,502	\$ 373,245	\$ 607,925	\$ 185,500	\$ 607,925
16 - Streets One-Time Fund					
Local Taxes	\$ 175,663	\$ 74,943	\$ 286,318	\$ 410,000	\$ 351,318
19 - Economic/Development Fund					
Local Taxes	\$ 118,050	\$ 134,768	\$ 404,449	\$ 475,125	\$ 499,449
(21- 27) - Impact Fee Funds					
Impact Fees	\$ 121,492	\$ 167,483	\$ 571,619	\$ 419,300	\$ 571,619
(28 - 29) - Police Special Funds					
Impound and Officer Safety Fees	\$ 4,027	\$ 5,048	\$ 9,677	\$ 8,800	\$ 9,677
33 - Grants Fund					
Police Grants	\$ 304,219	\$ 442,659	\$ 588,010	\$ 1,260,650	\$ 1,072,015
Housing Grants	\$ 359,569	\$ 285,368	\$ 310,668	\$ 1,625,000	\$ 367,248
Airport Grants	\$ 125,167	\$ 22,275	\$ 157,500	\$ 1,985,000	\$ 183,495
Other Grant Revenue	\$ 1,923	\$ 12,502	\$ 206,563	\$ 2,333,700	\$ 257,324
(38 - 39) - Court Funds					
Court Revenue	\$ 7,604	\$ 6,307	\$ 18,524	\$ 35,800	\$ 18,524
42 - Smart and Safe Fund					
Prop 207 Revenue	\$ -	\$ -	\$ 73,197	\$ 73,000	\$ 73,197
46 - WIFA Fund					
50 - Water Fund					
Water Sales	\$ 670,278	\$ 734,217	\$ 2,699,723	\$ 2,671,830	\$ 2,699,723
Water Rights - Surprise	\$ 402,790	\$ 209,400	\$ 565,410	\$ 594,000	\$ 565,410
Other Revenue	\$ 156,981	\$ 109,869	\$ 460,986	\$ 265,100	\$ 475,986
53 - Sewer Fund					
Sewer Revenue	\$ 425,489	\$ 435,824	\$ 1,701,578	\$ 1,705,250	\$ 1,701,578
Other Revenue	\$ 252,813	\$ 33,489	\$ 570,607	\$ 6,124,000	\$ 585,607
56 - Sanitation Fund					
Residential/Commercial Fees	\$ 389,368	\$ 402,951	\$ 1,605,458	\$ 1,592,350	\$ 1,605,458
Landfill Fees	\$ 52,147	\$ 137,998	\$ 304,454	\$ 244,960	\$ 304,454
Other Revenue	\$ 461,445	\$ 227,872	\$ 2,197,447	\$ 2,830,165	\$ 2,197,447
57 - Cemetery Fund					
Burial Fees	\$ 31,475	\$ 27,385	\$ 159,371	\$ 125,200	\$ 159,371
Other Revenue	\$ 20,082	\$ 24,532	\$ 98,019	\$ 98,650	\$ 98,019
58 - Airport Fund					
Hanger Rental	\$ 38,020	\$ 30,582	\$ 117,052	\$ 160,000	\$ 117,052
Other Revenue	\$ 55,760	\$ 3,263	\$ 79,779	\$ 46,950	\$ 79,779

CITY OF ELOY
FISCAL YEAR 2024 - 2025
ENDING JUNE 30, 2025

TOTAL FISCAL YEAR EXPENDITURES



GENERAL FUND
As of June 30, 2025

Division/Department	P.Y. 23 - 24	F.Y. 24 - 25	FY 24 - 25 Budget	Forecasted Expenditures thru 6/30/25
City Council	\$ 259,899	\$ 284,526	\$ 311,180	\$ 299,526
Human Resources	\$ 306,782	\$ 357,639	\$ 387,405	\$ 376,639
G.I.S.	\$ 54,982	\$ 52,316	\$ 58,430	\$ 52,316
Animal Control	\$ 95,491	\$ 105,695	\$ 200,000	\$ 120,695
City Clerk	\$ 455,615	\$ 512,564	\$ 562,435	\$ 522,564
Magistrate	\$ 508,457	\$ 570,655	\$ 646,190	\$ 590,655
City Manager	\$ 420,605	\$ 529,845	\$ 691,295	\$ 536,345
Finance	\$ 977,929	\$ 1,000,938	\$ 1,044,825	\$ 1,025,938
Legal	\$ 157,390	\$ 156,491	\$ 164,845	\$ 157,991
Comm. Develop	\$ 1,105,496	\$ 1,028,584	\$ 1,254,155	\$ 1,053,584
Park Maint	\$ 536,941	\$ 579,756	\$ 628,290	\$ 589,756
Recreation Programs	\$ 771,808	\$ 836,401	\$ 1,002,355	\$ 862,201
Library	\$ 258,203	\$ 274,359	\$ 288,165	\$ 279,359
Comm. Service Admin	\$ 483,494	\$ 505,126	\$ 542,155	\$ 512,126
Police Admin.	\$ 1,276,354	\$ 1,598,125	\$ 1,653,645	\$ 1,628,125
Field Operations	\$ 3,480,765	\$ 3,890,400	\$ 4,275,445	\$ 3,920,400
Vehicle Maint	\$ 213,035	\$ 246,985	\$ 265,005	\$ 251,985
Facility Maint	\$ 358,253	\$ 415,999	\$ 468,535	\$ 425,999
P. W. Admin	\$ 110,811	\$ 107,857	\$ 108,885	\$ 107,857
PSPRS Unfunded	\$ -	\$ -	\$ 200,000	\$ 200,000
Transfers	\$ 2,041,409	\$ 1,797,028	\$ 10,815,000	\$ 1,882,028
Economic Devel-FB	\$ -	\$ -	\$ 5,000,000	\$ -
Debt	\$ 858,835	\$ 397,363	\$ 929,600	\$ 913,520
Contingency/Incentives	\$ 1,913,377	\$ 845,278	\$ 2,725,525	\$ 860,278
Total Expenditures	\$ 16,386,032	\$ 16,093,928	\$ 34,223,365	\$ 17,169,885

CITY OF ELOY
FISCAL YEAR 2024 - 2025
ENDING JUNE 30, 2025

OTHER MAJOR OPERATING FUNDS
As of June 30, 2025

Division/Department	P.Y. 23 - 24	F.Y. 24 - 25	FY 24 - 25 Budget	Forecasted Expenditures thru 6/30/25
Streets Fund	\$ 3,266,489	\$ 2,973,232	\$ 3,675,590	\$ 3,038,232
Streets One-Time Fund	\$ -	\$ 732,313	\$ 1,925,585	\$ 732,313
Economic/Development Fund	\$ -	\$ 75,000	\$ 1,891,750	\$ 75,000
Capital Projects Fund	\$ 1,037,682	\$ 884,750	\$ 3,685,760	\$ 941,620
Water Fund	\$ 3,491,015	\$ 2,825,830	\$ 5,020,930	\$ 6,998,105
Sewer Fund	\$ 1,623,284	\$ 1,814,367	\$ 7,829,250	\$ 4,519,100
Sanitation Fund	\$ 2,370,144	\$ 4,023,303	\$ 4,667,475	\$ 9,491,596
Cemetery Fund	\$ 221,236	\$ 192,974	\$ 298,850	\$ 410,947
Airport Fund	\$ 69,291	\$ 38,559	\$ 428,090	\$ 87,118
Impact Fees	\$ -	\$ -	\$ 3,463,330	\$ -
LTAF	\$ -	\$ -	\$ 11,190	
Police	\$ 17,976	\$ 40,688	\$ 49,775	\$ 40,688
Grants				
Police	\$ 644,938	\$ 1,007,015	\$ 1,400,650	\$ 1,072,015
Housing	\$ 611,773	\$ 335,248	\$ 1,800,000	\$ 367,248
Library	\$ 3,151	\$ 56,508	\$ 18,500	\$ 56,508
Airport	\$ 410,969	\$ 183,495	\$ 1,985,000	\$ 183,495
Miscellaneous	\$ 69,485	\$ 242,324	\$ 2,390,200	\$ 257,324
Smart and Safe	\$ 34,161	\$ 72,029	\$ 196,000	\$ 72,029
WIFA	\$ -	\$ -	\$ -	\$ -
Water Allotment Fund	\$ -	\$ -	\$ 65,810	\$ -
Court	\$ 57,313	\$ 12,303	\$ 224,135	\$ 13,303

Total City-Wide Expenditure Category Breakdown

Expenditure Category	P.Y. 23 - 24	F.Y. 24 - 25	F.Y. 24 - 25 Budget	Amount Unexpended
Salary	\$ 7,635,240	\$ 8,466,258	\$ 9,358,130	\$ 891,872
Benefits	\$ 3,340,127	\$ 3,659,206	\$ 4,389,325	\$ 730,119
Operating Expenditures	\$ 1,812,654	\$ 2,173,234	\$ 3,819,630	\$ 1,646,396
PSPRS Unfunded Liability	\$ -	\$ -	\$ 200,000	\$ 200,000
Utilities	\$ 1,021,366	\$ 957,103	\$ 1,048,805	\$ 91,702
Travel and Training	\$ 113,563	\$ 132,846	\$ 186,925	\$ 54,079
Equipment Repair and Maintenance	\$ 587,435	\$ 791,367	\$ 836,980	\$ 45,613
Street Repair and Maintenance	\$ 119,585	\$ 144,557	\$ 1,376,885	\$ 1,232,328
Utility System Repair and Maintenance	\$ 390,599	\$ 448,905	\$ 539,485	\$ 90,580
Sanitation Contractual Service	\$ 1,663,484	\$ 1,584,050	\$ 1,606,500	\$ 22,450
Incentive Agreements	\$ 1,877,177	\$ 658,845	\$ 1,300,000	\$ 641,155
Contractual Services	\$ 1,535,613	\$ 1,572,803	\$ 1,740,910	\$ 168,107
Power Outage Expenditures	\$ -	\$ -	\$ -	\$ -
Community Funding	\$ 113,175	\$ 117,441	\$ 127,900	\$ 10,459
CAP Water Expenditures	\$ 995,682	\$ 944,927	\$ 1,050,000	\$ 105,073
Debt/Depreciation Expenditures	\$ 2,508,112	\$ 694,400	\$ 2,209,415	\$ 1,515,015
Transfer to Other Funds	\$ 2,049,359	\$ 1,797,028	\$ 10,821,500	\$ 9,024,472
Grants	\$ 1,588,791	\$ 1,711,465	\$ 6,695,035	\$ 4,983,570
Impact Fees Expenditures	\$ -	\$ -	\$ 3,463,330	\$ 3,463,330
Economic Develop. Policy	\$ -	\$ -	\$ 5,000,000	\$ 5,000,000
Capital Expenditures	\$ 3,153,834	\$ 5,749,432	\$ 18,858,320	\$ 13,108,888
	\$ 30,505,798	\$ 31,603,867	\$ 74,629,075	\$ 43,025,208

CITY OF ELOY
FISCAL YEAR 2024 - 2025
ENDING JUNE 30, 2025

Projected Fund Balance as of June 30, 2025

Fund	Unassigned	Assigned	Committed	Restricted	
General	\$ 26,458,224	\$ -	\$ 11,250,000	\$ -	\$ 37,708,224
Streets	\$ -	\$ -	\$ -	\$ 7,041,937	\$ 7,041,937
Streets One-Time	\$ -	\$ -	\$ 1,569,947	\$ -	\$ 1,569,947
Econ/Comm Develop	\$ -	\$ -	\$ 2,108,372	\$ -	\$ 2,108,372
Grants	\$ -	\$ -	\$ 5,226,269	\$ -	\$ 5,226,269
Capital Projects	\$ -	\$ 2,660,356	\$ -	\$ -	\$ 2,660,356
Impact Fees	\$ -	\$ -	\$ -	\$ 3,772,065	\$ 3,772,065
Court	\$ -	\$ -	\$ -	\$ 191,279	\$ 191,279
LTAF	\$ -	\$ -	\$ -	\$ 11,279	\$ 11,279
Water	\$ -	\$ 8,855,809	\$ -	\$ -	\$ 8,855,809
Sewer		\$ 6,726,642	\$ -	\$ -	\$ 6,726,642
Airport	\$ -	\$ -	\$ 1,019,153	\$ -	\$ 1,019,153
Cemetery	\$ -	\$ -	\$ 413,691	\$ -	\$ 413,691
Perpetual Care	\$ -	\$ -	\$ -	\$ 1,022,672	\$ 1,022,672
	<u>\$ 26,458,224</u>	<u>\$ 18,242,807</u>	<u>\$ 21,587,432</u>	<u>\$ 12,039,232</u>	<u>\$ 78,327,695</u>

*** Please note these are primarily figures and will change with the closing of the fiscal year ***

Restricted - Is reported when constraints are placed on the use of resources are either externally imposed by creditors, grantors, or laws or regulations of other governments.

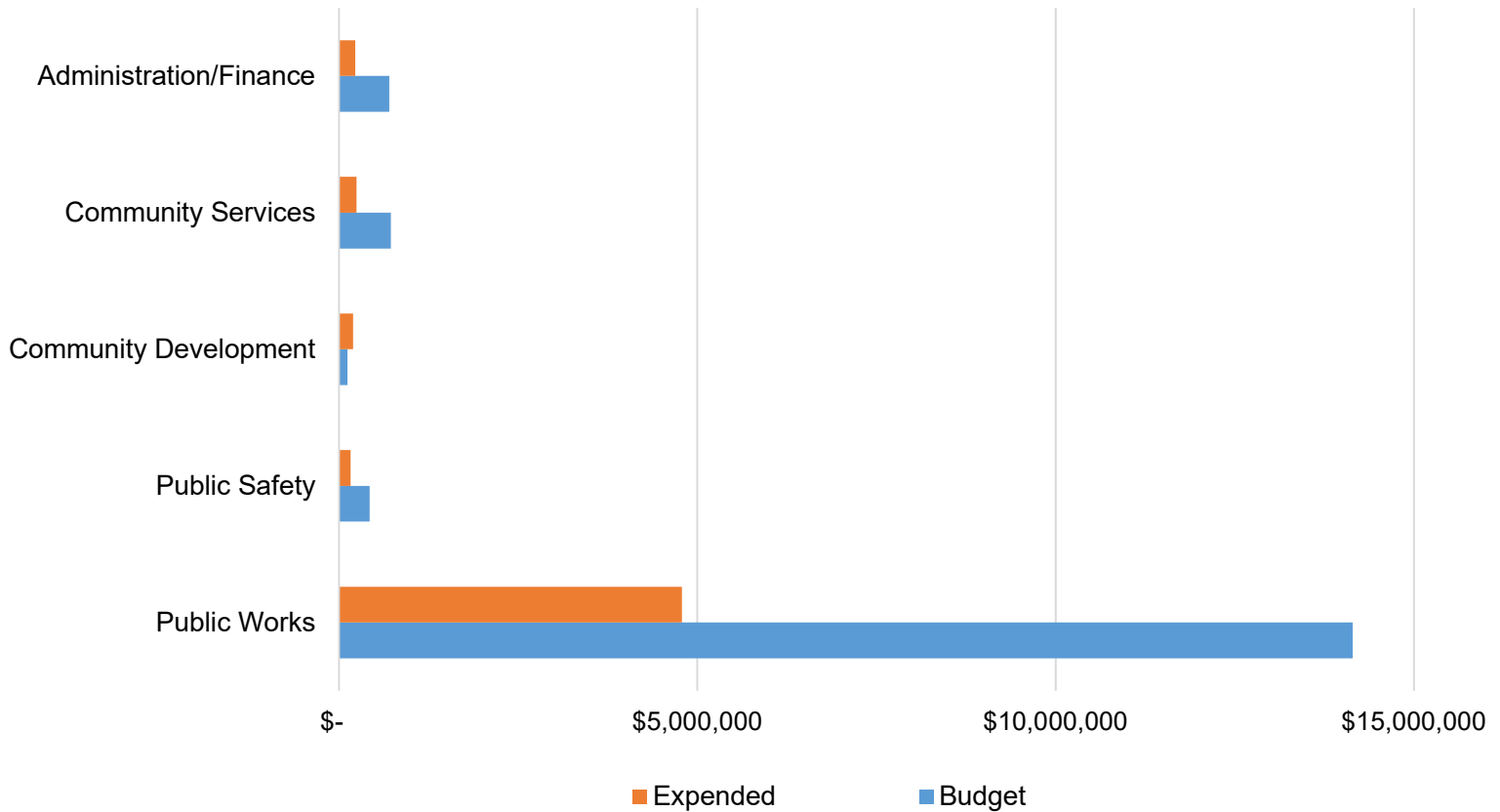
Committed - Can only be used for specific purposes pursuant to constraints imposed by formal action of the City Council. A resolution or ordinance are equally binding actions for the City Council for this commitment.

Assigned - Is constrained by the government's intent to be used for a specific purposes, but are neither restricted or committed. The City Manager is authorized to assign amounts to a specific purpose in accordance with policy.

Unassigned - Is the residual classification for the General Fund and includes all spendable amounts not contained in the other classifications.

CITY OF ELOY
FISCAL YEAR 2024 - 2025
ENDING JUNE 30, 2025

FISCAL YEAR 2024-2025 CAPITAL PROJECT SUMMARY
AS OF JUNE 30, 2025



C - P (Project is Complete) **C - NP** (Project Complete but not Paid) **In - Pro** (Project is in Progress with Future Completion Date)
N - S (No Project Date has been Indicated) **R - O** (Project will be Rolled Over to Next Fiscal Year)

Public Safety Capital Projects List

Capital Project Description	Budget		YTD Actual		Project Status	
Communications Dispatch Chairs	\$	24,000	\$	15,428	Project complete	C - P
Defensive Tactics Equipment	\$	30,000	\$	24,324	Project complete	C - P
Replace Evidence Refrigerator	\$	25,000	\$	11,024	Project complete	C - P
Veh 9 Marked Police Vehicle	\$	58,800	\$	58,382	Final invoices received. Payment will be issued in July 2025. Once paid, the project is complete.	C -NP
Veh 7 Marked Police Vehicle	\$	58,800	\$	52,124	Final invoices received. Payment will be issued in July 2025. Once paid, the project is complete.	C -NP
Training Facility Upgrade	\$	170,000	\$	-	The project has been rolled-over to FY 25-26	N - S
EOC Technology Upgrades	\$	60,000	\$	-	The project has been rolled-over to FY 25-26	N - S
Total Capital for Police	\$	426,600	\$	161,283		

CITY OF ELOY
FISCAL YEAR 2024 - 2025
ENDING JUNE 30, 2025

Public Works Capital Projects List

Capital Project Description	Budget	YTD Actual	Project Status	
Telehandler Forklift (6500 lb	\$ 180,000	\$ 113,447	Project is complete	C - P
New Landfill Compactor	\$ 975,000	\$ 839,278	Project is complete	C - P
WWTP Influent Wet Well Recoat	\$ -	\$ 452,554	Project is complete	C - P
New Landfill Bulldozer	\$ 1,000,000	\$ 990,294	Project is complete	C - P
Pavement Preservation Project	\$ 1,000,000	\$ 978,589	Project is complete	C - P
Striping	\$ 50,000	\$ 45,302	Project is complete	C - P
Culvert Replacement-Shedd Rd	\$ 100,000	\$ 95,266	Project is complete	C - P
Sunshine/Santa Cruz Project	\$ 800,000	\$ 732,313	Project is complete	C - P
Concrete Slab for Shop	\$ 50,000	\$ 22,688	Project is complete	C - P
Pump Replacement- Lift Station	\$ 100,000	\$ 79,180	Project is complete	C - P
Scraper Engine/Transmission	\$ 100,000	\$ 15,069	Project complete	C - P
Sunland Gin/Arica State Grant	\$ 150,000	\$ 90,110	Ongoing - Design and meeting with Sunrise Engineers	In - Pro
Nitrate Treatment Facilities	\$ 100,000	\$ 8,800	The project is in progress and funding has been moved over to FY 25-26.	In - Pro
Replace Sewer Main on 11 Mile	\$ 720,000	\$ 256,793	Verergy is now managing the project, which has been bid out. Project funding has been rolled over to the next fiscal year.	In - Pro
Sludge Handling Belt Press	\$ 380,000	\$ 65,815	Verergy is now managing the project. The project has been bid out. Project funding has been rolled-over to next fiscal year.	In - Pro
New Sewer Gravity Main-11 Mile	\$ 4,750,000	\$ -	Verergy is now managing the project. The project has been bid out. Project funding has been rolled-over to next fiscal year.	In - Pro
Landfill Master Plan and Rate	\$ 150,000	\$ -	The project has been initiated with the consultant. Consultant is being study.	In - Pro
Shedd Road Median Landscape	\$ 600,000	\$ -	Project has been rolled-over to FY 25-26.	R - O
Scale Hardware and Software	\$ 200,000	\$ -	The project has been rolled-over to FY 25-26	R - O
Valve Replacement	\$ 25,000	\$ -	The project has been moved out to future years	N - S
Realignment of Papago Street	\$ 300,000	\$ -	The project has been moved out to future years	N - S
Construct Airport Water Line	\$ 490,000	\$ -	The project has been moved out to future years	N - S
Rehab Reservoir at Pump 2	\$ 650,000	\$ -	The project has been moved out to future years	N - S
Repair Well Casing at Well #3	\$ 250,000	\$ -	The project has been moved out to future years	N - S
Rehab Reservoir at Pump 2	\$ 650,000	\$ -	The project has been moved out to future years	N - S
Repair Well Casing at Well #3	\$ 250,000	\$ -	The project has been moved out to future years	N - S
New Manhole Installations	\$ 125,000	\$ -	The project has been moved out to future years	N - S
Total Capital for Public Works	\$14,145,000	\$ 4,785,497		

CITY OF ELOY
FISCAL YEAR 2024 - 2025
ENDING JUNE 30, 2025

Community Services Capital Projects List

Capital Project Description	Budget	YTD Actual	Project Status	
Bench Replacement in Parks	\$ 15,000	\$ 14,563	Project is Complete	C - P
Automated Swimming Pool Scrub	\$ 10,000	\$ 7,122	Project is complete	C - P
Recreation Building Enhance	\$ 30,000	\$ 25,275	Project is complete	C - P
Court Roof and HVAC Repair	\$ 60,000	\$ -	Project was completed at the end of last fiscal year.	C - P
HVAC Replacement Program	\$ 50,000	\$ 47,350	Project is Complete	C - P
Ramada Purchase, Maddux Park	\$ 40,000	\$ 44,151	Project is Complete	C - P
Cemetery road fog seal	\$ 75,000	\$ 16,564	Project is Complete	C - P
Troy Thomas Facility Improve	\$ 75,000	\$ 75,000	Project is Complete	C - P
Pool Motor/Pump Replacement	\$ 20,000	\$ 5,398	Motor has been order just waiting for the invoice to close the project out.	C -NP
Emergency Generator, City Hall	\$ 350,000	\$ 10,130	The project is in progress with the estimated completion date of 10/1/25.	In - Pro
Total Capital for Community Services	\$ 725,000	\$ 245,554		

Community Development Capital Projects List

Capital Project Description	Budget	YTD Actual	Project Status	
Airpark Specific Area Plan	\$ 70,000	\$ 2,075	Conversation with consultant have started, with the anticipated full plan starting in August 2025	In - Pro
Eloy General Plan Update	\$ 30,000	\$ 191,565	This project is approximately 1/3rd complete with public work session being held July, 30, 31, and August 2, 2025	In - Pro
Neighborhood Clean-Up Program	\$ 15,000	\$ 1,486	The purchase of three multiple purpose weed and tree trimmers, and two chain saws was completed in June 2025.	In - Pro
Total Capital for Community Development	\$ 115,000	\$ 195,126		

Administration Capital Projects List

Capital Project Description	Budget	YTD Actual	Project Status	
Cellular Repeater Enhancement	\$ 60,000	\$ 58,567	Project is Complete	C - P
UPS Backup Device	\$ 40,000	\$ 39,986	Project is Complete	C - P
City Phone System	\$ 130,000	\$ 125,781	Project is in final testing with final implementation set for end of July.	In - Pro
Economic Development Plan	\$ 140,000	\$ -	The project has been rolled-over to FY 25-26	R - O
Hanger 1 Demolition	\$ 125,000	\$ -	The project has been rolled-over to FY 25-26	R - O
Council Chamber Audio & Visual	\$ 205,000	\$ -	The project has been rolled-over to FY 25-26	R - O
Total Capital for Admin	\$ 700,000	\$ 224,334		

CITY OF ELOY
REQUEST FOR COUNCIL ACTION

Agenda Item: **VII.A.**

Date: **7/28/2025**

Date submitted:
06/25/2025

Action: Formal

Subject: Approval of Minutes - No minutes are presented for approval at this meeting.

Date requested:
7/28/2025

TO: Mayor and City Council

FROM:

RECOMMENDATION:

DISCUSSION:

FISCAL IMPACT:

Approved as to Form:

A handwritten signature in blue ink, appearing to read "Stephen R. Cooper", is written over a horizontal line.

Stephen R. Cooper, City Attorney

CITY OF ELOY

REQUEST FOR COUNCIL ACTION

Agenda Item: **VII.B.**

Date: **7/28/2025**

Date submitted:
07/16/2025

Action: Formal

Subject: Consider authorizing the Eloy Police Department to enter into an intergovernmental agreement (IGA) with the Arizona Department of Public Safety for participation in the DPS GIITEM Task Force.

Date requested:
7/28/2025

TO: Mayor and City Council

FROM: Brian Jerome, Captain

RECOMMENDATION:

Council authorize the Eloy Police Department to enter into an Intergovernmental Agreement (IGA) with the Arizona Department of Public Safety (AZDPS) for the assignment of a sworn Eloy Police Officer to the Gang & Immigration Intelligence Team Enforcement Mission (GIITEM) Task Force, and authorize the Mayor and the Chief of Police, or their designees, to execute all necessary documents related to the agreement.

DISCUSSION:

The Eloy Police Department seeks approval to enter into an agreement with AZDPS to assign one (1) AZPOST-certified sworn police officer to serve full-time on the GIITEM Task Force. GIITEM's mission is to investigate, disrupt, and suppress criminal street gang activity, as well as associated transnational crimes such as drug and firearms trafficking.

The City of Eloy has experienced increased gang-related crime in recent years, much of it involving youth gang activity linked to broader criminal networks. Participation in GIITEM will allow the Eloy Police Department to leverage state and federal resources to more effectively address gang activity impacting our community.

Under the terms of the IGA, AZDPS will reimburse the City of Eloy for seventy-five (75%) of the officer's payroll costs, including salary, benefits, employer-paid taxes (e.g. workers' compensation and social security) and paid time off (PTO) accrued and taken during the assignment. Additionally, up to 20 hours of overtime per month is reimbursable. This overtime cap may be exceeded with prior authorization from DPS or if additional funding becomes available. The officer assigned to GIITEM will be issued a DPS vehicle for official use during the assignment.

The timing of the assignment will be at the discretion of the Chief of Police, based on department staffing levels and operational needs, to ensure that participation does not

negatively impact core law enforcement service delivery to the community.

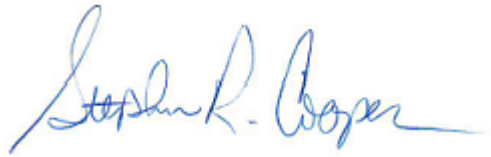
Current participating agencies in the GIITEM Task Force's local district include the Coolidge Police Department and the Arizona Department of Public Safety. The Pinal County Sheriff's Office has expressed the intent to assign a deputy in the near future. The Florence Police Department was also participating until very recently, when their assigned officer was promoted and reassigned to a new role. Adding the Eloy Police Department to this partnership will strengthen coordination across agencies and enhance gang suppression efforts in Eloy and Pinal County.

The IGA has already been executed by the Arizona Department of Public Safety and the Arizona Attorney General's Office. During preliminary discussions regarding the signature process, an updated version of the agreement, with revised signature lines, had not yet been circulated. However, DPS legal counsel has confirmed the updated signature page provided for the City of Eloy can be merged with the previously signed document (executed by AZDPS and the Arizona Attorney General's Office), and the agreement will be considered fully executed upon final signatures by the City.

FISCAL IMPACT:

Under the terms of the IGA, the Eloy Police Department will share the cost of the assigned officer and receive 75% reimbursement for payroll expenses, including salary, benefits, employer-paid taxes, and used leave time. The City's cost-share will depend on the hourly rate and benefit package of the officer selected for the assignment. Funds have been budgeted in the FY 2025-2026 Police Department Personnel Budget to support participation in the task force.

Approved as to Form:

A handwritten signature in blue ink, appearing to read "Stephen R. Cooper", is written over a horizontal line.

Stephen R. Cooper, City Attorney

**INTERGOVERNMENTAL AGREEMENT
REGARDING
GANG & IMMIGRATION INTELLIGENCE TEAM ENFORCEMENT MISSION
(GIITEM) STATE GANG TASK FORCE**

This Intergovernmental Agreement ("IGA"), which becomes effective on the date last signed, is entered into between the State of Arizona through its Department of Public Safety ("DPS"), and the Eloy Police Department ("Agency").

The purpose of this Agreement is to enhance law enforcement services concerning the criminal activities of street gangs through the cooperative efforts of the parties.

DPS is authorized to enter into this IGA pursuant to A.R.S. § 41-1713(B)(3). Both parties are authorized and empowered to enter into this IGA pursuant to A.R.S. § 11-952.

In consideration of the mutual promises set forth herein, the parties to this Agreement agree to the following terms and conditions.

I. PARTICIPATION

Agency agrees to assign one (1) AZPOST certified sworn law enforcement ("officers") to DPS's Gang & Immigration Intelligence Team Enforcement Mission ("GIITEM") on a full-time basis for the suppression of gang activity and enforcement of gang-related crimes, as directed by DPS. The Agency agrees the assigned officers shall be in compliance with DPS residency requirements.

During the term of the IGA, Agency and DPS agree that Agency shall continue to provide officers with all employment-related benefits, rights, and privileges. The officers must abide by all of Agency's applicable rules and regulations and are subject to Agency's disciplinary process.

II. DPS'S RESPONSIBILITIES

Based upon the officers' completed DPS weekly time sheets, DPS will reimburse Agency on a monthly basis for seventy-five (75%) percent of personal services and employee-related expenses that accrue during the term of the IGA. Personal services and employee-related expenses are defined as gross pay, FICA taxes, health, dental, and life insurance, workers compensation, retirement, overtime, and sick, vacation, and personal leave. Vacation and sick leave that accrues but is not used will not be reimbursed.

Overtime compensation will be for GIITEM-related activities only. DPS will reimburse all overtime compensation (based upon DPS rules, not to exceed 20 hours per month). An officer must perform a minimum of 40 hours of GIITEM-related work for DPS to reimburse for overtime in any given week. The 20 hours of overtime per month may be exceeded without contacting Agency if DPS determines that additional funding is available, and the overtime is authorized by the respective district commander.

All DPS-approved travel expenses will be reimbursed directly to the officers by DPS under the employee travel reimbursement guidelines established by the Arizona Department of Administration.

The amount reimbursed for travel expenses shall be for actual costs incurred during the effective dates of this IGA.

DPS agrees to assign a department vehicle to Agency officers. Officers are responsible for maintaining the assigned vehicle in accordance with DPS policy and shall utilize the DPS assigned vehicle for GIITEM purposes only. Officers must meet the ADOA driver training requirements.

Any other equipment assigned to officers for use during the assignment shall remain the property of the party that assigned the equipment.

III. AGENCY'S RESPONSIBILITIES

Prior to the officer(s) commencing work at DPS/GIITEM, Agency shall furnish DPS with the information necessary for DPS to pay personal services and employee-related expenses as defined in paragraph II. Agency will pay the remaining twenty-five (25%) percent of the personal services and employee-related expenses. DPS will not reimburse Agency for salary increases or changes to base salaries, unless Agency submits the changes to DPS at least 60 days prior to the effective date of the change.

IV. IMMIGRATION

All parties agree to comply with A.R.S. §§ 23-214 and 41-4401.

V. NONDISCRIMINATION

All parties agree to comply with the non-discrimination provisions of the Governor's Executive Order 2023-01.

VI. INDEMNIFICATION

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

VII. DRUG FREE WORKPLACE

Any officers assigned to GIITEM will be subject to random and/or for cause, drug and alcohol testing in accordance with Agency's guidelines. If Agency does not have a drug free program, officers will be required to submit to testing pursuant to the DPS Drug Free Workplace Program. Each assigned officer shall be subject to the responsibilities of and shall retain all rights as provided for in the DPS Drug Free Workplace Program Manual, DPS Form Number DPS 932-02056. DPS shall not charge any fee or cost to Agency for officers who undergoes testing. Officers may be removed from GIITEM for failure to comply with the program or failure to pass DPS drug screening requirements.

VIII. RECORDKEEPING

All records regarding the IGA, including time accounting logs, must be retained for five (5) years in compliance with A.R.S. § 35-214.

IX. FEES

Neither party may charge the other for administrative fees for any work performed pursuant to the IGA.

X. JURISDICTION

Agency agrees to permit officers to work outside of their regular jurisdictional boundaries.

XI. ARBITRATION

In the event of a dispute under this IGA, the parties agree to use arbitration to the extent required under A.R.S. §§ 12-1518 and 12-133.

XII. WORKER'S COMPENSATION BENEFITS

Pursuant to A.R.S. § 23-1022 D., for the purposes of workers compensation coverage, Agency officers shall be deemed to be employees of DPS and Agency. Agency, as the primary employer, shall be solely liable for payment of workers compensation benefits and the processing of any claims occurring during the officer's assignment to GIITEM.

XIII. LIMITATIONS

This agreement in no way restricts either party from participating in similar activities with other public or private agencies, organizations, and individuals. Nothing in this agreement shall be construed as limiting or expanding the statutory responsibilities of the parties.

XIV. EFFECTIVE DATE/DURATION

The terms of this agreement shall become effective on the date last signed and shall remain in effect until June 30, 2026. The IGA shall renew annually on July 1 of each year for a period not to exceed four (4) years. All prior agreements between DPS and Agency regarding GIITEM gang enforcement participation are superseded as of the effective date of this IGA.

XV. AVAILABILITY OF FUNDS

Every payment obligation of DPS under this agreement is conditioned upon the availability of funds appropriated or allocated for the payment of such obligation. If funds are not allocated and available for the continuance of the agreement, the agreement may be terminated by DPS at the end of the period for which funds are available. No liability shall accrue to DPS in the event this provision is exercised, and DPS shall not be obligated or liable for any future payments or for any damages as a result of termination under this paragraph.

XVI. CANCELLATION

This IGA is subject to cancellation for conflicts of interest pursuant to A.R.S. § 38-511.

XVII. TERMINATION

Either party may terminate the IGA for convenience or cause upon thirty (30) days written notice to the other party. Upon termination, DPS shall pay all outstanding amounts up through the effective date of the termination. All property shall be returned to the owning party upon termination.

XVIII. NOTICE

Any notice required to be given under the IGA will be provided by mail to:

GIITEM Commander
Arizona Department of Public Safety
P.O. Box 6638, Mail Drop 3700
Phoenix, AZ 85005

Chief Sergio Banales
Eloy Police Department
630 N. Main Street
Eloy, AZ 85131

IX. VALIDITY

This document contains the entire agreement between the parties and may not be modified, amended, altered or extended except through a written amendment signed by both parties. If any portion of this agreement is held to be invalid, the remaining provisions shall not be affected.

The parties hereto have caused this IGA to be executed by the proper officers and officials.

STATE OF ARIZONA

OTHER AGENCY

By _____
Lt. Colonel Deston Coleman, Deputy Director

By _____
Chief Sergio Banales, Chief of Police

Date: _____

Date: _____

APPROVED AS TO FORM

CITY OF ELOY

Assistant Attorney General

BY: _____
Andrew Sutton, Mayor

ATTEST:

Celine A. Kidwell, City Clerk

APPROVED AS TO FORM:

Stephen R. Cooper, City Attorney

ARIZONA DEPARTMENT OF PUBLIC SAFETY
INTEROFFICE MEMORANDUM



JEFFREY GLOVER
DIRECTOR

DATE: March 10, 2025

TO: Lt. Colonel Deston Coleman, Jr., Deputy Director

FROM: Lt. Colonel Jenna G. Mitchell, Assistant Director, Criminal Investigations Division

A handwritten signature in black ink, appearing to be "JGM", written over the "FROM:" line.

SUBJECT: INTERGOVERNMENTAL AGREEMENT BETWEEN AZDPS AND THE ELOY POLICE DEPARTMENT

FOR: ☐ Action ☒ Decision ☐ Information ☒ Signature

Attached for your review and signature is an IGA between the Arizona Department of Public Safety (AZDPS) and the Eloy Police Department to assign one AZPOST certified sworn law enforcement officer to GIITEM on a full-time basis.

Once reviewed, please return to Ms. Maria Masquat in the Criminal Investigations Division for further processing.

**INTERGOVERNMENTAL AGREEMENT
REGARDING
GANG & IMMIGRATION INTELLIGENCE TEAM ENFORCEMENT MISSION
(GIITEM) STATE GANG TASK FORCE**

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In consideration of the mutual promises set forth herein, the parties to this Agreement agree to the following terms and conditions.

I. PARTICIPATION

Agency agrees to assign one (1) AZPOST certified sworn law enforcement ("officers") to DPS's Gang & Immigration Intelligence Team Enforcement Mission ("GIITEM") on a full-time basis for the suppression of gang activity and enforcement of gang-related crimes, as directed by DPS. The Agency agrees the assigned officers shall be in compliance with DPS residency requirements.

During the term of the IGA, Agency and DPS agree that Agency shall continue to provide officers with all employment-related benefits, rights, and privileges. The officers must abide by all of Agency's applicable rules and regulations and are subject to Agency's disciplinary process.

II. DPS'S RESPONSIBILITIES

Based upon the officers' completed DPS weekly time sheets, DPS will reimburse Agency on a monthly basis for seventy-five (75%) percent of personal services and employee-related expenses that accrue during the term of the IGA. Personal services and employee-related expenses are defined as gross pay, FICA taxes, health, dental, and life insurance, workers compensation, retirement, overtime, and sick, vacation, and personal leave. Vacation and sick leave that accrues but is not used will not be reimbursed.

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All parties agree to comply with A.R.S. §§ 23-214 and 41-4401.

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All parties agree to comply with the non-discrimination provisions of the Governor's Executive Order 2023-01.

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VII. DRUG FREE WORKPLACE

Any officers assigned to GIITEM will be subject to random and/or for cause, drug and alcohol testing in accordance with Agency's guidelines. If Agency does not have a drug free program, officers will be required to submit to testing pursuant to the DPS Drug Free Workplace Program. Each assigned officer shall be subject to the responsibilities of and shall retain all rights as provided for in the DPS Drug Free Workplace Program Manual, DPS Form Number DPS 932-02056. DPS shall not charge any fee or cost to Agency for officers who undergoes testing. Officers may be removed from GIITEM for failure to comply with the program or failure to pass DPS drug screening requirements.

VIII. RECORDKEEPING

All records regarding the IGA, including time accounting logs, must be retained for five (5) years in compliance with A.R.S. § 35-214.

IX. FEES

Neither party may charge the other for administrative fees for any work performed pursuant to the IGA.

X. JURISDICTION

Agency agrees to permit officers to work outside of their regular jurisdictional boundaries.

XI. ARBITRATION

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XII. WORKER'S COMPENSATION BENEFITS

Pursuant to A.R.S. § 23-1022 D., for the purposes of workers compensation coverage, Agency officers shall be deemed to be employees of DPS and Agency. Agency, as the primary employer, shall be solely liable for payment of workers compensation benefits and the processing of any claims occurring during the officer's assignment to GIITEM.

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This agreement in no way restricts either party from participating in similar activities with other public or private agencies, organizations, and individuals. Nothing in this agreement shall be construed as limiting or expanding the statutory responsibilities of the parties.

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The terms of this agreement shall become effective on the date last signed and shall remain in effect until June 30, 2026. The IGA shall renew annually on July 1 of each year for a period not to exceed four (4) years. All prior agreements between DPS and Agency regarding GIITEM gang enforcement participation are superseded as of the effective date of this IGA.

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This IGA is subject to cancellation for conflicts of interest pursuant to A.R.S. § 38-511.

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XVIII. NOTICE

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GIITEM Commander
Arizona Department of Public Safety
P.O. Box 6638, Mail Drop 3700
Phoenix, AZ 85005

Chief Sergio Banales
Eloy Police Department
630 N. Main Street
Eloy, AZ 85131

IX. VALIDITY

This document contains the entire agreement between the parties and may not be modified, amended, altered or extended except through a written amendment signed by both parties. If any portion of this agreement is held to be invalid, the remaining provisions shall not be affected.

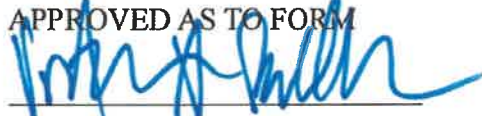
The parties hereto have caused this IGA to be executed by the proper officers and officials.

STATE OF ARIZONA

By 
Lt. Colonel Deston Coleman, Deputy Director

Date: 3/11/2025

APPROVED AS TO FORM


Assistant Attorney General

OTHER AGENCY

By _____
Chief Sergio Banales, Chief of Police

Date: _____

APPROVED AS TO FORM

City/County Attorney

CITY OF ELOY

REQUEST FOR COUNCIL ACTION

Agenda Item: **VII.C.**

Date: **7/28/2025**

Date submitted:
07/16/2025

Action: Formal

Subject: Consideration and Acceptance of the Federal Fiscal Year (FFY) 2025 High Intensity Drug Trafficking Area (HIDTA) Grant # HT-25-2918 for the purpose of continued funding of a sworn police officer position with the Pinal County Narcotics Task Force (PCNTF).

Date requested:
7/28/2025

TO: Mayor and City Council

FROM: Brian Jerome, Captain

RECOMMENDATION:

Council authorize the acceptance of the Federal Fiscal Year (FFY) 2025 High Intensity Drug Trafficking Area (HIDTA) Grant # HT-25-2918 for the continued funding of a sworn Eloy Police Officer assigned to the Pinal County HIDTA Narcotics Task Force (PCNTF). The assigned officer is funded through HIDTA, administered by the Arizona Criminal Justice Commission (ACJC) under the Gang and Violence Crime Control Program, with funds disbursed through Pinal County.

DISCUSSION:

The Eloy Police Department has participated in the Pinal County Narcotics Task Force (PCNTF) for over twenty years, maintaining a full-time officer assignment funded through grants awarded by the Arizona Criminal Justice Commission (ACJC). The PCNTF's primary mission is to combat drug trafficking and organized crime throughout Pinal County by investigating and arresting individuals involved in the sale and distribution of illegal narcotics.

Given the regional nature of drug-related crime, the City of Eloy continues to experience significant impacts from illegal drug use and distribution, including addiction-driven offenses and crimes associated with narcotics trafficking. The Department's participation in PCNTF supports local efforts to address these challenges and leverages external resources to carry out large-scale, intelligence-driven investigations.

PCNTF operates under the High Intensity Drug Trafficking Area (HIDTA) program and consists of personnel from multiple agencies, including the Pinal County Sheriff's Office, Florence Police Department, Coolidge Police Department, Eloy Police Department, and the Pinal County Attorney's Office. This multi-agency approach strengthens coordination and expands operational capacity, providing a force-multiplying effect that

enables investigations beyond the capabilities of any single department.

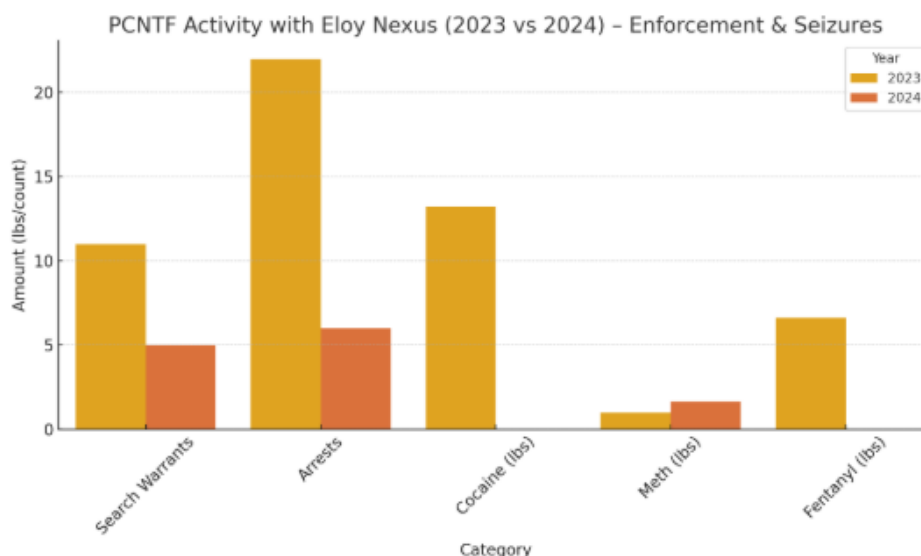
Since reassigning a detective to PCNTF in April 2025, after a temporary withdrawal due to staffing constraints, Eloy has benefited from our renewed collaborative efforts. Recent enforcement actions have occurred in Picacho, Arizona City, Casa Grande, and Eloy, targeting drug operations with a confirmed nexus to the City of Eloy. Two unrelated search warrants were recently executed at Eloy residences, resulting in multiple arrests and the seizure of methamphetamine, fentanyl, an AR-style rifle, and body armor.

Calendar Year 2023 (Eloy Nexus)

- 11 search warrants served
- 22 arrests made
- Seizures: 13.228 pounds of cocaine, 1 pound of methamphetamine, 6.614 pounds of fentanyl powder
- \$11,000 in US currency seized

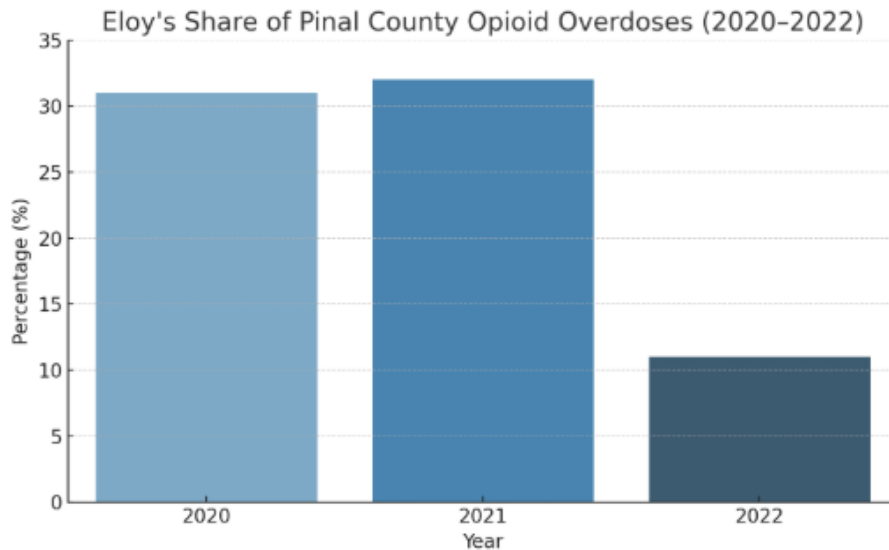
Calendar Year 2024 (Eloy Nexus)

- 5 search warrants served
- 6 arrests made
- 1.657 pounds of methamphetamine seized
- \$3,000 of US currency seized



Opioid overdose data further underscores the importance of Eloy's continued participation in the task force. In 2020, Eloy accounted for 31% of all opioid overdoses in Pinal County. This increased to 32% in 2021 before dropping to 11% in 2022. However, the proportion of fentanyl-related incidents, including fatal overdoses,

has continued to rise, both locally and across the state, highlighting the continued threat posed by synthetic opioids to the health and safety of our community.

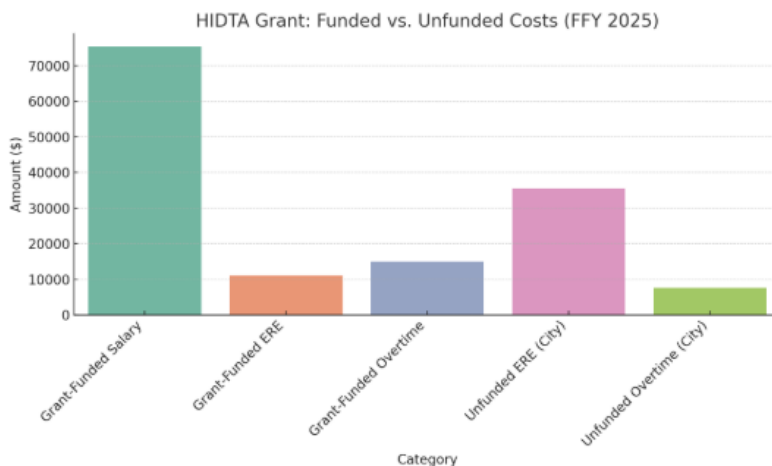


The FFY 2025 HIDTA grant provides \$101,626.00 in funding to support the assigned officer, broken down as follows:

- \$75,327.00 for salary
- \$11,299.00 for fringe benefits (ERE)
- \$15,000 (up to) for overtime

Although the grant does not provide full cost recovery for the position, particularly due to the federal cap on ERE reimbursement, the department views continued participation in PCNTF as a critical investment in community safety.

Fiscal Impact to the City of Eloy



1. **Benefit Costs (Health, Retirement, etc.):** Based on the grant's 15% limit of salary for ERE reimbursement, the department will recoup \$11,094.72 for eligible ERE expenses (including health insurance, PSPRS, FICA, workers' compensation, and short-term disability). However, the full cost of the assigned officers' benefits totals \$46,660.82, creating an unreimbursed shortfall of \$35,566.10. The department has budgeted \$25,034.00 to cover a portion of this cost, with the remaining \$11,532.10 to be absorbed through vacancy savings from five vacant sworn positions and one vacant dispatcher position.

2. **Take-Home Vehicle Costs:**

Pinal County provides the assigned officer with a 24-hour take-home vehicle, including fuel and maintenance through a County-issued fuel card. The City of Eloy is not charged for vehicle use or operation.

3. **Anticipated Overtime Exceeding \$15,000 Grant Cap:**

Based on historical averages, the assigned position is expected to generate approximately 425 overtime hours annually. At the officer's current pay rate, this equates to \$22,669.50 in total overtime expenses. With the grant only reimbursing up to \$15,000, the projected overtime shortfall is \$7,669.50, which will be covered by the Department's Field Operations Overtime Budget.

Summary of Unfunded Costs:

- ERE Shortfall: \$35,566.10
 - \$25,034 budgeted
 - \$11,532 covered by vacancy savings
- Overtime Shortfall: \$7,669.50 covered by Field Operations Overtime Budget
- **Total City Cost Not Covered by Grant (including projected unreimbursed overtime): \$43,235.60**

All anticipated expenses over the grant-funded amount have been budgeted and will be mitigated through existing budget and vacancy savings. The Finance Director concurs with this financial analysis.

Approval of this grant will ensure the department maintains its role in regional narcotics enforcement, and continues contributing to the suppression of drug trafficking and related crimes affecting Eloy and the surrounding areas.

FISCAL IMPACT:

The ACJC grant provides \$101,626.00 in funding for one full-time officer assigned to PCNTF, including salary, overtime, and employee-related expenses (ERE). However, the federal 15% cap on ERE results in unfunded expenses. The City has already budgeted for a portion of this impact and will cover the remaining costs through existing vacancy savings and the department's overtime budget.

- ERE Shortfall: \$35,566.10
 - \$25,034 budgeted
 - \$11,532.10 from vacancy savings
- Overtime Shortfall: \$7,669.50 from Field Operations Overtime Budget

Total projected Fiscal Impact to the City of Eloy: \$43,235.60

Approved as to Form:



Stephen R. Cooper, City Attorney



**CITY OF TUCSON
HIGH INTENSITY DRUG TRAFFICKING AREA (HIDTA)
PROGRAM
GRANT AGREEMENT CFDA NUMBER: 95.001**

AWARD NUMBER (FAIN): **G25SA0007A**

COT Grant Number **HT-25-2918**

This Grant Agreement is made this **1ST day of January 2025** by and between the CITY OF TUCSON hereinafter called "CITY" and **GOVERNING BODY**, through the **Eloy Police Department**, hereinafter called "GRANTEE". The CITY enters into this Agreement pursuant to its authority under the provisions of A.R.S. § 11-951, et seq., and the City of Tucson's Resolution number 21460, having satisfied itself as to the qualification of the GRANTEE.

NOW, THEREFORE, it is agreed between the parties as follows:

1. This Agreement will commence on **January 1, 2025, and** terminate on **December 31, 2026**. This Agreement expires at the end of the award period unless prior written approval for an extension has been obtained from the CITY. A request for extension must be received by the CITY sixty (60) days prior to the end of the award period. The CITY may approve an extension that furthers the goals and objectives of the program and shall determine the length of any extension within Office of National Drug Control Policy (ONDCP) guidelines.
2. The GRANTEE agrees that grant funds will be used for the **Pinal County HIDTA Task Force (PINAL)**.
3. The CITY will monitor the performance of the GRANTEE against goals and performance standards outlined in the grant application. Sub-standard performance as determined by the CITY will constitute non-compliance with this Agreement. The GRANTEE shall operate in a manner consistent with and in compliance with the provisions and stipulations of the approved grant application and this Agreement. If the CITY finds non-compliance, the GRANTEE will receive a written notice that identifies the area of non-compliance, and the appropriate corrective action to be taken. If the GRANTEE does not respond within thirty calendar days to this notice and does not provide sufficient information concerning the steps that are being taken to correct the problem, the CITY may suspend funding; permanently terminate this Agreement and/or revoke the grant. Any deviation or failure to comply with the purpose and/or conditions of this Agreement without prior written CITY approval may constitute sufficient reason for the CITY to terminate this Agreement; revoke the grant; require the return of all unspent funds; perform an audit of expended funds; and require the return of any previously spent funds which are deemed to have been spent in violation of the purpose or conditions of this grant.
4. This Agreement may be modified only by a written amendment signed by the parties. Any notice given pursuant to this Agreement shall be in writing and shall be considered to have been given when received by the following addressee or their agents or employees:

A. If to the City of Tucson:

**City of Tucson
ATTN: Business Services
Police Satellite Office (Finance)
Tucson Police Department
270 South Stone Avenue
Tucson, Arizona 85701-1917**

B. If to the GRANTEE:

**Eloy Police Department
630 North Main Street
Eloy, AZ 85131
Attention: Sergio Banales, Chief of Police**

5. The GRANTEE may make budget adjustments only after written notification with signature approval from the Arizona HIDTA Director is provided to the CITY. A grant adjustment notice (GAN) will be issued to the GRANTEE notifying the GRANTEE of the approval. Adjustments or reprogramming of the Grantee's budget in an initiative or any reprogramming between initiative and/or agencies; in any amount, require the approval of the Board, the AZ HIDTA Director, and/or the ONDCP in accordance with HIDTA Program Policy and Budget Guidance.

APPROVED LINE-ITEM PROGRAM BUDGET	
Personnel:	
Salaries	\$75,327.00
Fringe Benefits	\$11,299.00
Overtime	\$15,000.00
Travel	\$0.00
Facilities	\$0.00
Services	\$0.00
Operating Expenses:	
Supplies	\$0.00
Other	\$0.00
Equipment	\$0.00
TOTAL	\$101,626.00
See Attached Budget Detail Sheet	

6. The GRANTEE understands that financial reports are required for reimbursement of expenditures.
7. Every payment obligation of the CITY under this Agreement is conditioned upon the availability of funds appropriated or allocated for the payment of such obligation. If funds are not allocated and available for the continuance of this Agreement, this Agreement may be terminated by the CITY. No liability shall accrue to the CITY in the event this provision is exercised, and the CITY shall not be obligated or liable for any future payments or for any damages as a result of termination under this paragraph.
8. The GRANTEE understands that prior to the expenditure of confidential funds, an authorized official of the GRANTEE shall sign a certification indicating that he or she has read, understands, and agrees to abide by all the conditions pertaining to confidential fund expenditures as set forth in HIDTA Program Policy and Budget Guidance Para. 6.16.2

9. The GRANTEE certifies that it will comply with Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards 2 CFR 200 as codified in 2 CFR Part 3603 and HIDTA Program Policy & Budget Guidance - January 6, 2020.

Link: Electronic Code of Federal Regulations: <http://www.ecfr.gov>

10. The GRANTEE agrees to account for interest earned on Federal grant funds and shall remit interest earned more than the allowable amount as detailed in 2 CFR, Part 200, §200.305 Payment, and all unexpended grant funds to the CITY within 30 days after receipt of a written request from the CITY. The GRANTEE agrees to expend all encumbered funds within 90 days of expiration of this award.
11. The GRANTEE agrees to retain all books, account reports, files and other records, (paper and/or electronic) relating to this Agreement and the performance of this Agreement for no less than five (5) years from the last financial report submitted to the CITY. All such documents shall be subject to inspection and audit at reasonable times.
12. For the purpose of this grant, a capital expenditure is \$5,000 or above. If the GRANTEE'S policy defines a capital expenditure as less than \$5,000, the GRANTEE will use its own policy.

The GRANTEE shall maintain a tracking system, in accordance with HIDTA Program Policy & Budget Guidance – January 6, 2020, Section 8, to account for all HIDTA purchased equipment, vehicles, and other items valued at \$5000 or more per unit at the time of purchase. GRANTEE is encouraged to include lower cost, high-risk items, electronic devices and software, such as but not limited to digital cameras, palm pilots, and GPS devices in the tracking system.

The GRANTEE agrees to abide by Section 8, that those using HIDTA funds to purchase equipment must maintain a current inventory of HIDTA-purchased equipment and must provide that inventory to the HIDTA Director or an ONDCP employee, and/or the CITY upon request. A 100-percent physical inventory of HIDTA-purchased equipment must be conducted at least every two years.

13. The GRANTEE agrees to follow equipment disposition policies outlined in Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards 2 CFR 200 Subpart D- Post Federal Award Requirements, §§ 310-316- Property Standards when the equipment is no longer needed for the grant program. When no longer needed for the original program, the equipment may be used in other activities supported by the Office of National Drug Control Policy.

Link: *Electronic Code of Federal Regulations* <http://www.ecfr.gov>

The GRANTEE agrees that the purchasing agency shall comply with ONDCP HIDTA Program Policy & Budget Guidance – January 6, 2020, Section 8 in determining the end of the useful life and disposition of HIDTA purchased equipment. Purchasing agencies must retain documentation of the disposition and provide it to the HIDTA Director and the CITY.

14. The GRANTEE agrees to keep time and attendance sheets signed by the employee and supervisory official having first-hand knowledge of the work performed by the grant funded employees. The GRANTEE agrees to track overtime expenses in accordance with ONDCP HIDTA Program Policy & Budget Guidance – January 6, 2020.
15. The GRANTEE will comply with the audit requirements of Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, 2 CFR 200 Subpart F- Audit Requirements and provide the CITY with the audit report and any findings within 90 days of receipt of such finding. If the report contains no findings, the GRANTEE must provide notification that the audit was completed.

Link: *Electronic Code of Federal Regulations* <http://www.ecfr.gov>

16. The GRANTEE agrees that it will submit financial reports and supporting documentation to the CITY through the AZ HIDTA Finance Manager on forms/format provided by the CITY, documenting the activities supported by these grant funds. In the event reports are not received on or before the indicated date(s), funding will be suspended until such time as delinquent report(s) are received. These reports are submitted according to the following schedule:

Report Period Month of:	Due Date:	Report Period Month of:	Due Date:
January 1 - 31	February 25	July 1 - 31	August 25
February 1 - 29	March 25	August 1 - 31	September 25
March 1 - 30	April 25	September 1 - 30	October 25
April 1 - 30	May 25	October 1 - 31	November 25
May 1 - 31	June 25	November 1 - 30	December 25
June 1 - 30	July 25	December 1 - 31	January 25

More frequent reports may be required for the GRANTEES that are considered high risk.

17. All goods and services purchased with grant funds must be received by the GRANTEE within 60 days of the expiration of this award.
18. The GRANTEE agrees to check the U.S. General Service Administration (GSA) Excluded Parties Listing Service as required by Executive Order 12549, as defined in 2 CFR 180 et. seq. for individuals, agencies, companies and corporations debarred or suspended from doing business with recipients receiving Federal funds. The GRANTEE agrees not to do business with any individual, agency, company or corporation listed in the Excluded Parties Listing Service.
Link: *Excluded Parties Listing System* <http://sam.gov>
19. No funds shall be used to supplant federal, state, county or local funds that would otherwise be made available for such purposes. Supplanting means the deliberate reduction of State or local funds because of the existence of Federal funds.
20. The GRANTEE assigns to the CITY any claim for overcharges resulting from antitrust violations to the extent that such violations concern materials or services applied by third parties to the GRANTEE in exchange for grant funds provided under this Agreement.
21. The parties agree to use arbitration in the event of disputes in accordance with the provisions of A.R.S. § 12-1501 et seq.
22. The laws of the State of Arizona apply to questions arising under this Agreement and any litigation regarding this Agreement must be maintained in Arizona courts, except as provided in paragraph 25 of this Agreement pertaining to disputes, which are subject to arbitration.
23. The GRANTEE understands that grant funds will not be released until all required reports and reversion of funds from the prior year grant are submitted to the CITY.
24. The GRANTEE (as "Indemnitor") agrees to indemnify, defend and hold harmless the CITY (as "Indemnitee") from and against any and all claims, losses, liability, costs, or expenses, (including reasonable attorney's fees) (hereinafter collectively referred to as "Claims") arising out of bodily injury of any person (including death) or property damage, but only to the extent that such Claims which result in vicarious/derivative liability to the Indemnitee are caused by the act, omission, negligence, misconduct, or other fault of the Indemnitor, its officers, officials, agents, employees, or volunteers. If the GRANTEE is a state agency or entity, this paragraph does not apply.

25. Unless the GRANTEE's contractor or subcontractor is a State agency or entity, the GRANTEE shall cause its contractor(s) and subcontractors, if any to indemnify defend, save and hold harmless the City of Tucson, any jurisdictions or agency issuing any permits for any work arising out of this Agreement, and their respective directors, officers, officials, agents, and employees from and against any and all claims, actions, liabilities, damages, losses or expenses (including court costs, attorneys' fees, and costs of claim processing, investigation and litigation) (hereinafter referred to as "Claims") for bodily injury or personal injury (including death), or loss or damage to tangible or intangible property caused, or alleged to be caused, in whole or in part, by the negligent or willful acts or omissions of the GRANTEE'S contractor or any of the directors, officers, agents, or employees or subcontractors of such contractor. This indemnity includes any claim or amount arising out of or recovered under the Worker's Compensation Law or arising out of the failure of such contractor to conform to any federal, state, or local law, statute, ordinance, rule, regulation or court decree. It is the specific intention of the parties that the Indemnatee shall, in all instances, except for Claims arising solely from the negligence or willful acts or omissions of the Indemnatee, be indemnified by such contractor from and against all claims. It is agreed that such a contractor will be responsible for primary loss investigation, defense and judgment costs where this indemnification is applicable. Insurance requirements for any contractor used by the GRANTEE are incorporated herein by this reference and attached to this Agreement as Exhibit "A".
26. If the GRANTEE is a governmental political subdivision, the GRANTEE will, to the extent possible and practical share criminal justice information with other authorized criminal justice agencies. The process control number (PCN) shall be used in accordance with A.R.S. § 41-1750 when sharing data with other criminal justice agencies as electronic data systems are developed or improved.
27. The GRANTEE agrees to comply with the non-discrimination requirements of the Omnibus Crime Control and Safe Streets Act of 1968, as amended; 42 USC 3789(d); Title VI of the Civil Rights Act of 1964, as amended; Section 504, Rehabilitation Act of 1973, as amended; Subtitle A, Title II of the Americans with Disabilities Act (ADA) (1990); Title IX of the Education Amendments of 1972 and the Department of Justice regulations 28 CFR Part 54; The Age Discrimination Act of 1975; Department of Justice Non-Discrimination Regulations, 28 CFR Part 42, Subparts C, D, E, G and I; Department of Justice regulations on disability discrimination 28 CFR Part 35; all applicable state laws of A.R.S. § 41-1463; and Executive Orders 2009-09 and 2007-21. These laws prohibit discrimination based on race, color, religion, sex and national origin including Limited English Proficiency (LEP) in the delivery of service. If a Federal or State court or Federal or State administrative agency makes a finding of discrimination after a due process hearing against the GRANTEE, the GRANTEE will forward a copy of the findings to the Office for Civil Rights, Office of Justice Programs and the CITY.
28. The GRANTEE agrees to formulate and keep on file an Equal Employment Opportunity Plan (EEOP) (if Grantee is required pursuant to 28 CFR 42.302). The GRANTEE certifies that they have forwarded to the Office for Civil Rights, Office of Justice Programs the EEOP, or certifications that they have prepared and have on file an EEOP, or that they are exempt from EEOP requirements. Failure to comply may result in suspension of the receipt of grant funds. Copies of all submissions such as certifications to or correspondence with the Office for Civil Rights, Office of Justice Programs regarding this requirement must be provided to the CITY by the GRANTEE.
29. The GRANTEE certifies it will comply with the Drug-Free Workplace Act of 1988, as implemented in 2 CFR Part 182.
30. The GRANTEE agrees to complete and keep on file, as appropriate, Immigration and Naturalization Forms (I-9). This form is to be used by recipients to verify that persons are eligible to work in the United States. Additionally, the GRANTEE ensures compliance with the Executive Order 2005-30 federal immigration laws by state employees and contractors.
31. The GRANTEE agrees to notify the Arizona HIDTA Director and provide written notification to the CITY within ten (10) days if the project official is replaced during the award period.

32. No rights or interest in this Agreement shall be assigned by GRANTEE without prior written approval of the CITY.
33. The GRANTEE agrees that no funds provided, or personnel employed under this Agreement shall be in any way or to any extent engaged in conduct of political activities in violation of U.S.C. Title 5, Part II, Chapter 15, Section 1502.
34. The GRANTEE certifies that it presently has no financial interest and shall not acquire any financial interest, direct or indirect, which would conflict in any manner or degree with the performance of services required under this Agreement.
35. The Grantee certifies that no federal funds will be paid, by or on behalf of, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and for the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan or cooperative agreement. If any funds other than Federal funds are paid or will be paid to any person for influencing or attempting to influence an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal award, grant loan, or cooperative agreement, the GRANTEE will complete and submit to the CITY Standard Form-LLL, "Disclosure Form to Report Lobbying" in accordance with its instructions
36. This Agreement is subject to cancellation pursuant to the provision of A.R.S. § 38-511.
37. This Agreement may be cancelled at the CITY's discretion if not returned with authorized signatures to the CITY within 90 days of commencement of the award.
38. If any provision of this Agreement is held invalid the remainder of the Agreement shall not be affected thereby, and all other parts of this Agreement shall be in full force and effect.
39. Pursuant to resolution number 21460, adopted by Mayor and Council December 15, 2009, the Tucson Police Chief is authorized to enter into contracts and grant agreements for HIDTA operations.
40. In accordance with A.R.S. §41-4401, the GRANTEE warrants compliance with E-Verify and all federal immigration laws and regulations relating to employees and warrants compliance with A.R.S. § 23-214A.
41. (Added by the Grantee) Nothing herein shall be interpreted as an express or implied waiver of either party's sovereign immunity in any forum or jurisdiction.

IN WITNESS WHEREOF, the parties have made and executed the Agreement the day and year first above written.

FOR GRANTEE:

7/28/2025

Signature

Date

Andrew Sutton, Mayor

Printed Name and Title

Note: If applicable, the Agreement must be approved by the appropriate county supervisory board or municipal council and appropriate local counsel (i.e., county or city attorney). Furthermore, if applicable, resolutions and meeting minutes must be forwarded to the CITY with the signed Agreement.

Approved as to form and authority to enter into Agreement:

7/28/2025

Legal counsel for GRANTEE

Date

Stephen R. Cooper, City Attorney

Printed Name and Title

INDICATE STATUTORY OR OTHER LEGAL AUTHORITY TO ENTER AGREEMENT BELOW:

Appropriate A.R.S., ordinance, or charter reference

FOR CITY OF TUCSON:

Chad Kasmar, Chief of Police
City of Tucson Police Department

Date

Principal Assistant City Attorney
City of Tucson Police Department
Approved as to form.

Date



CITY OF TUCSON
GRANT AGREEMENT

**Insurance Requirements
Exhibit "A"**

Insurance Requirements for Governmental Parties to a Grant Agreement:

None.

Insurance Requirements for Any Contractors Used by a Party to the Grant Agreement:

(Note: this applies only to Contractors used by a governmental entity, not to the governmental entity itself.) The insurance requirements herein are minimum requirements and in no way limit the indemnity covenants contained in the Intergovernmental Agreement. The City of Tucson in no way warrants that the minimum limits contained herein are sufficient to protect the governmental entity or Contractor from liabilities that might arise out of the performance of the work under this Contract by the Contractor, his agents, representatives, employees or subcontractors, and the Contractor and the governmental entity are free to purchase additional insurance.

A. **MINIMUM SCOPE AND LIMITS OF INSURANCE:** Contractor shall provide coverage with limits of liability not less than those stated below.

1. **Commercial General Liability – Occurrence Form**

Policy shall include bodily injury, property damage, personal injury and broad form contractual liability.

- | | |
|--|-------------|
| • General Aggregate | \$2,000,000 |
| • Products – Completed Operations Aggregate | \$1,000,000 |
| • Personal and Advertising Injury | \$1,000,000 |
| • Blanket Contractual Liability – Written and Oral | \$1,000,000 |
| • Fire Legal Liability | \$50,000 |
| • Each Occurrence | \$1,000,000 |

- a. The policy shall be endorsed to include the following additional insured language: ***"The City of Tucson, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees shall be named as additional insureds with respect to liability arising out of the activities performed by or on behalf of the Contractor"***.

(Note that the other governmental entity(ies) is/are also required to be additional insured(s) and they should supply the Contractor with their own list of people to be insured.)

- b. Policy shall contain a waiver of subrogation against the City of Tucson, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

2. Automobile Liability

Bodily Injury and Property Damage for any owned, hired, and/or non-owned vehicles used in the performance of this Contract.

Combined Single Limit (CSL) \$1,000,000

- a. The policy shall be endorsed to include the following additional insured language: *"The City of Tucson, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees shall be named as additional insured with respect to liability arising out of the activities performed by or on behalf of the Contractor, involving automobiles owned, leased, hired or borrowed by the Contractor".*

(Note that the other governmental entity(ies) is/are also required to be additional insured(s) and they should supply the Contractor with their own list of people to be insured.)

3. Worker's Compensation and Employers' Liability

Workers' Compensation	Statutory
Employers' Liability	
Each Accident	\$500,000
Disease – Each Employee	\$500,000
Disease – Policy Limit	\$1,000,000

- a. Policy shall contain a waiver of subrogation against the City of Tucson, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.
- b. This requirement shall not apply to: Separately, EACH contractor or subcontractor exempt under A.R.S. 23-901, AND when such contractor or subcontractor executes the appropriate waiver (Sole Proprietor/Independent Contractor) form.

B. ADDITIONAL INSURANCE REQUIREMENTS: The policies are to contain, or be endorsed to contain, the following provisions:

1. The City of Tucson, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees *and the other governmental entity* shall be additional insureds to the full limits of liability purchased by the Contractor even if those limits of liability are in excess of those required by the Contract.
2. The Contractor's insurance coverage shall be primary insurance with respect to all other available sources.
3. The Contractor's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability. Coverage provided by the Contractor shall not be limited to the liability assumed under the indemnification provisions of its Contract with the other governmental entity(ies) party to the Grant Agreement.

-
- C. **NOTICE OF CANCELLATION:** Each insurance policy required by the insurance provisions of this Contract shall not be suspended, voided, cancelled, reduced in coverage or in limits except after thirty (30) days prior written notice has been given the City of Tucson. Such notice shall be sent directly to the GRANTEE and shall be sent by certified mail, return receipt requested.
- D. **ACCEPTABILITY OF INSURERS:** Insurance is to be placed with duly licensed or approved non-admitted insurers in the State of Arizona with an "A.M. Best" rating of not less than A- VII. The City of Tucson in no way warrants that the above-required minimum insurer rating is sufficient to protect the Contractor from potential insurer insolvency.
- E. **VERIFICATION OF COVERAGE:** **Contractor** shall furnish the GRANTEE with certificates of insurance (ACORD form or equivalent approved by the State of Arizona) as required by this Contract. The certificates for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf.

All certificates and endorsements are to be received and approved before work commences. Each insurance policy required by this Contract must be in effect at or prior to commencement of work under this Contract and remain in effect for the duration of the project. Failure to maintain the insurance policies as required by this Contract, or to provide evidence of renewal, is a material breach of contract.

All certificates required by this Contract shall be sent directly to the GRANTEE. The City of Tucson's project/contract number and project description are to be noted on the certificate of insurance. The City of Tucson reserves the right to require complete, certified copies of all insurance policies required by this Contract at any time. **DO NOT SEND CERTIFICATES OF INSURANCE TO THE CITY OF TUCSON'S RISK MANAGEMENT SECTION.**

- F. **SUBCONTRACTORS:** Contractor's certificate(s) shall include all subcontractors as insureds under its policies or Contractor shall furnish to the county or local government agency responsible separate certificates for each subcontractor. All coverage for subcontractors shall be subject to the minimum requirements identified above.
- G. **APPROVAL:** Any modification or variation from the *insurance requirements* must have prior approval from the City of Tucson, Risk Management Section, whose decision shall be final. Such action will not require a formal contract amendment but may be made by administrative action.
- H. **EXCEPTIONS:** In the event the Contractor or sub-contractor(s) is/are a public entity, then the Insurance Requirements shall not apply. Such a public entity shall provide a Certificate of Self-Insurance. If the contractor or sub-contractor(s) is/are a City of Tucson agency, board, commission, or university then none of the above shall apply.

CITY OF TUCSON
HIGH INTENSITY DRUG TRAFFICKING AREA (HIDTA)
GRANT AGREEMENT

**Confidential Funds Certification
Exhibit "B"**

CONFIDENTIAL FUNDS CERTIFICATION

1) This is to certify that I have read, understand, and agree to abide by all the conditions for confidential funds as set forth in the effective edition of the Office of National Drug Control Policy Financial and Administrative Guide.

2) My agency **is/is not** authorized to disburse confidential funds.

Grant Number: **HT-25-2918**

Date: 7/16/2025

Signature: *BDJ - c2* Brian D. Jerome, Captain
Authorized Official

PROCEDURES

Each project agency authorized to disburse confidential funds must develop and follow internal procedures, which incorporate the following elements:

Deviations from these elements must receive prior approval from the ONDCP.

1. Imprest Fund. The funds authorized will be established in an imprest fund, which is controlled by a bonded cashier.
2. Advance of Funds: The supervisor of the unit to which the imprest funds are assigned must authorize all advances of funds for the P/I. Such authorization must specify the information to be received, the amount of the expenditures and assumed name of the informant.
3. Informant Files: Informant files are confidential files of the true names, assumed names, and signature of all informants to whom payments of confidential expenditures have been made. To the extent possible, pictures and/or fingerprints of the informant payee should also be maintained. Refer to Informant Files "Documentation" (2) for a list of required documents for the informant files.
4. Cash Receipts.
 - a. The cashier shall receive from the agent or officer authorized to make a confidential payment, receipt, for cash advanced to him/her for such purposes
 - b. The agent or officer shall receive from the informant payee a receipt for cash paid to him/her.

5. Receipts for Purchase of Information. An Informant Payee Receipt shall identify the exact amount paid to and received by the informant payee on the date executed. Cumulative or anticipatory receipts are not permitted. Once the receipt has been completed no alteration is allowed. The agent shall prepare an Informant Payee Receipt containing the following information:

- a. The jurisdiction initiating the payment.
- b. A description of the information/evidence received.
- c. The amount of payment, both in numeral and word form.
- d. The date on which the payment was made.
- e. The signature of the informant payee.
- f. The signature of the case agent or officer making payment.
- g. The signature of at least one other officer witnessing the payment.
- h. The signature of the first-line supervisor authorizing and certifying the payment.

6. Review and Certification. The signed Informant Payee Receipt with a memorandum detailing the information received shall be forwarded to the agent or officer in charge. The agent or officer in charge shall compare the signatures. He/she shall also evaluate the information received in relation to the expense incurred and add his/her evaluation remarks to the report of the agent or officer who made the expenditure from the Imprest funds. The certification will be witnessed by the agent or officer in charge on the basis of the report and Informant Payee's Receipt.

7. Reporting of Funds. Each project shall prepare a reconciliation report on the Imprest funds on a quarterly basis. Information to be included in the reconciliation report will be the assumed name of the informant payee, the amount received, the nature of the information given, and to what extent this information contributed to the investigation. Recipients/subrecipients shall retain the reconciliation report in their files and shall be available for review unless the State agency requests that the report be submitted to them on a quarterly basis.

8. Record and Audit Provisions. Each project and member agency must maintain specific records of each confidential fund transaction. At a minimum, these records must consist of all documentation concerning the request for funds, processing (to include the review and approve/disapprove), modifications, closure or impact material, and receipts and/or other documentation necessary to justify and track all expenditures. Refer to Informant Files Documentation (2) for a list of documents, which should be in an informant's file. In projects where funds are used for confidential expenditures, it will be understood that all of the above records, except the true name of the informant, are subject to the record and audit provision of grantor agency legislation.

INFORMANT FILES

- 1 Security. A separate file should be established for each informant for accounting purposes. Informant files should be kept in a separate and secure storage facility, segregated from any other files, and under the exclusive control of the supervisor or an employee designated by him/her. The facility should always be locked when unattended. Access to these files should be limited to those employees who have a necessary legitimate need. An informant file should not leave the immediate area except for review by a management official or the handling agent and should be returned prior to the close of business hours. Sign-out logs should be kept indicating the date, informant number, time in and out, and the signature of the person reviewing the file.

2. Documentation. Each file should include the following information:

- a. Informant Payment Record - kept on top of the file. This record provides a summary of informant payments.
- b. Informant Establishment Record - including complete identifying and location data, plus any other documents connected with the informant's establishment.
- c. Current photograph and fingerprint card (or FBI/State Criminal Identification Number).
- d. Agreement with cooperating individual.
- e. Receipt for P/I.
- f. Copies of all debriefing reports (except for the Headquarters case file).
- g. Copies of case initiation reports bearing on the utilization of the informant (except for the Headquarters case file).
- h. Copies of statements signed by the informant (unsigned copies will be placed in appropriate investigative files).
- i. Any administrative correspondence pertaining to the informant, including documentation of any representations made on his behalf or any other nonmonetary considerations furnished.
- j. Any deactivation report or declaration of any unsatisfactory informant.

INFORMANT MANAGEMENT AND UTILIZATION

All persons who will be utilized as informants should be established as such. The specific procedures required in establishing a person as an informant may vary from jurisdiction to jurisdiction but, at a minimum, should include the following:

1. Assignment of an informant code name to protect the informant's identity.
2. An informant code book controlled by the supervisor or his/her designee containing:
 - a. Informant's code number.
 - b. Type of information (i.e. informant, defendant/informant, restricted use/informant).
 - c. Informant's true name.
 - d. Name of establishing law enforcement officer.
 - e. Date the establishment is approved.
 - f. Date of deactivation.
3. Establish each informant file in accordance with Informant File Documentation (2).
4. For each informant in an active status, the agent should review the informant file on a quarterly basis to assure it contains all relevant and current information. Where a MATERIAL face that was earlier reported on the Establishment Record is no longer correct (e.g., a change in criminal status, means of locating him/her, etc.), a supplemental establishing report should be submitted with the correct entry.
5. All informants being established should be checked in all available criminal indices. If verified FBI numbers are available, request a copy of the criminal records from the FBI. Where a verified FBI number is not available, the informant should be fingerprinted with a copy sent to the FBI and appropriate State authorities for analysis. The informant may be utilized on a provisional basis while awaiting a response from the FBI.

PAYMENTS TO INFORMANTS

1. Any person who is to receive payments charged against PE/PI funds should be established as an informant. This includes a person who may otherwise be categorized as a source of information or informants under the control of another agency. The amount of payment should be commensurate with the value of services and/or information provided and should be based on the following factors:
 - a. The level of the targeted individual, organization, or operation.
 - b. The amount of the actual or potential seizure.
 - c. The significance of the contribution made by the informant to the desired objectives.
2. There are various circumstances in which payments to informants may be made.
 - a. Payments for Information and/or Active Participation. When an informant assists in developing an investigation, either through supplying information or actively participating in it, he/she may be paid for his/her service either in a lump sum or in staggered payments. Payments for information leading to a seizure, with no defendants, should be held to a minimum.
 - b. Payment for Informant Protection. When an informant needs protection, law enforcement agencies may absorb the expenses of relocation. These expenses may include travel for the informant and his/her immediate family, movement and/or storage of household goods, and living expenses at the new location for a specific period of time (not to exceed 6 months). Payments should not exceed the amount authorized by law enforcement employees for these activities.
 - c. Payments to Informants of Another Agency. To use or pay another agency's informant, he/she should be established as an informant. These payments should not be a duplication of a payment from another agency, however, sharing a payment is acceptable.

3. Documentation of payments to informants is critical and should be accomplished on a Informant Payee Receipt. Payment should be made and witnessed by two law enforcement officers and authorized payment amounts should be established and reviewed by at least the first line supervisory level. In unusual circumstances, a non-officer employee or an officer of another law enforcement agency may serve as witness. In all instances, the original signed receipt must be submitted to the project director for review and record keeping.

ACCOUNTING AND CONTROL PROCEDURES

Special accounting and control procedures should govern the use and handling of confidential expenditures, as described below:

1. It is important that expenditures which conceptually should be charged to PE/PI/PS are charged. It is only in this manner that these funds may be properly managed at all levels, and accurate forecasts of projected needs be made.
2. Each law enforcement entity should apportion its PE/PI/PS allowance throughout its jurisdiction and delegate authority to approve PE/PI/PS expenditures to those offices, as it deems appropriate.
3. Headquarters management should establish guidelines authorizing offices to spend up to a predetermined limit of their total allowance on any buy or investigation.
4. In exercising his/her authority to approve these expenditures, the supervisor should consider:
 - a. The significance of the investigation.
 - b. The need for this expenditure to further the investigation.
 - c. Anticipated expenditure on other investigations.

Funds for PE/PI/PS expenditures should be advanced to the officer for a specific purpose. If they are not expended for that purpose, they should be returned to the cashier. They should not be used for another purpose without first returning them and repeating the authorization and advance process based on the new purpose.

5. Funds for PE/PI/PS expenditure should be advanced to the officer on suitable receipt form. Informant Payee Receipt or a voucher for P/E should be completed to document funds used in the purchase of evidence or funds paid or advanced to an informant.
6. For security purposes there should be a 48-hour limit on the amount of time funds advanced for PE/PI/PS expenditure may be held outstanding. If it becomes apparent at any point within the 48-hour period that the expenditure will not materialize, the funds should be returned to the cashier as soon as possible. An extension of the 48-hour limit may be granted by the level of management that approved the advance. Factors to consider in terms of granting such an extension are:
 - a. The amount of funds involved.
 - b. The degree of security under which the funds are being held.
 - c. How long an extension is required.
 - d. The significance of the expenditure.

Such extensions should be limited to 48 hours. Beyond this, the funds should be returned and readvanced, if necessary. Regardless of circumstances, within 48 hours of advance, the cashier should be presented with either the unexpended funds, an executed Informant Payee Receipt or purchase of evidence or written notification by management that an extension has been granted.

7. P/S expenditures, when not endangering the safety of the officer or informant, need to be supported by canceled tickets, receipts, lease agreements, etc. If not available, the supervisor, or his immediate subordinate, must certify that the expenditures were necessary and justify why supporting documents were not obtained.

Budget Detail

2025 - Arizona

Initiative - Pinal County HIDTA Task Force (PINAL)

Award Recipient - CITY OF TUCSON POLICE (HID24000013)

Resource Recipient - Eloy Police Department

Investigation

Awarded Budget (as approved by ONDCP)		\$8,648,520.00
Personnel	Quantity	Amount
Investigative - Law Enforcement Officer	1	\$75,327.00
Total Personnel		\$75,327.00
Fringe	Quantity	Amount
Investigative - Law Enforcement Officer	1	\$11,299.00
Total Fringe		\$11,299.00
Overtime	Quantity	Amount
Investigative - Law Enforcement Officer	1	\$15,000.00
Total Overtime		\$15,000.00
Total Budget		\$101,626.00

CITY OF ELOY

REQUEST FOR COUNCIL ACTION

Agenda Item: **VII.D.**

Date: **7/28/2025**

Date submitted:
07/19/2025

Action: Formal

Subject: Authorize the Mayor to execute a professional services contract with Logan Simpson Design, Inc., in an amount not to exceed \$260,000 to provide services for the creation of a comprehensive Specific Area / Master Plan for the Airpark.

Date requested:
7/28/2025

TO: Mayor and City Council

FROM: Dan Symer, Community Development Director

RECOMMENDATION:

Staff recommend that the City Council approve the professional services contract with Logan Simpson to provide services in an amount not to exceed \$260,000 to provide services for the creation of a comprehensive Specific Area / Master Plan for the Airpark.

DISCUSSION:

Purpose

Building upon the current work to update the General Plan and the recently adopted Eloy Municipal Airport Master Plan, the proposed Airpark Specific Area / Master Plan (the "Area Plan") will serve as a refined planning document conveying the community's vision for the city's growth and development around the Eloy Airport. The objective of the Area Plan is to serve as a catalyst guide for compatible growth around the airport in a manner that does not hinder current or future airport growth opportunities, while planning to enhance the area as an economic hub. To achieve the aforementioned objectives, the Area Plan will establish goals and policies to guide future decisions on land use development, infrastructure improvements, economic development, transportation, and other related specific topics.

In the FY2024-2025 and FY2025-2026 budgets, the City Council approved a Capital Improvement Project to develop the Area Plan. In January 2025, City Staff will issue a Request for Qualifications (RFQ) seeking a qualified, multidisciplinary consultant team to provide professional planning and related services for the development of the plan. Upon review of the submitted RFQ statements, Logan Simpson was determined to be the most qualified.

Contact

As further described in Logan Simpson's proposal and Scope of Work, the firm will lead a comprehensive team of trade consultants to provide the necessary expertise to

address all aspects of the Area Plan elements, public participation, and plan development. To complete the Area Plan with all proposed services and to allow for customary contingency expenses, the contract amount shall not exceed \$260,000.

Project Timeline

Upon approval of the contract, staff and the consultant anticipate beginning the project before the end of August 2025, with an estimated completion in December 2026. To ensure a comprehensive and correlated approach to the Area Plan, work on the related General Plan Update and Area Plan will overlap. This approach will enable the coordination and economies of scale to utilize each plan's efforts in outreach and analysis, capitalizing on the comprehensive planning effort.

FISCAL IMPACT:

The total project cost shall not exceed \$260,000 and will be carried out in ten phases over successive fiscal years through the Capital Improvement Plan (CIP). Funding will be sourced from one-time capital improvement funds and split across two fiscal years, with \$180,000 allocated in Fiscal Year 2026 (FY26) and the remaining balance budgeted for Fiscal Year 2027 (FY27).

Approved as to Form:

Stephen R. Cooper, City Attorney

CITY OF ELOY
CONTRACT FOR PROFESSIONAL SERVICES

Contract No.: _____

This **Contract** is entered into this 28th day of July, 2025 by and between the **City** of Eloy, a political subdivision of the State of Arizona ("**City**"), and Logan Simpson Design, Inc., an Arizona Corporation ("**Consultant**").

WHEREAS, the **City** desires to receive and **Consultant** is able to provide professional services;

NOW THEREFORE, in consideration for the mutual promises contained herein, the **City** and **Consultant** (the "**Parties**") agree as follows:

The **City** engages **Consultant** to perform services for a project known and described as "City of Eloy Airpark Specific Area Master Plan" (the "**Project**").

1. Scope of Consultant's Services.

Consultant agrees to provide professional services generally described in the **Scope of Services** and in the timeframe identified in **Exhibit "A"**, incorporated herein by this reference. The **City** will furnish no material, labor, or facilities unless otherwise provided for in the **Contract**.

2. Contract Term

2.1. Contract Term: The **Contract** term is for a period of three (3) years unless terminated pursuant to Section 2.3 below. This **Contract** shall be effective as of the date signed by both parties.

2.2. Renewal: This **Contract** may be renewed for up to two (2) additional one (1) year terms by mutual written consent of the **Parties** if the **Scope of Services** has not been completed within the **Contract** term time period specified in Section 2.1. The City Manager or his designee (the Assistant City Manager) shall have the authority to approve a renewal on behalf of the **City**.

2.3 Termination: This **Contract** may be terminated pursuant to Sections 15, 16, 17 and 11.12.

3. Compensation.

3.1. Compensation: In consideration for the **Consultant's** satisfactory performance, the **City** shall pay the **Consultant** an amount not to exceed two hundred sixty thousand dollars (\$260,000) as set forth in Section 11 and in the pay schedule and as defined by the **Summary of Expenses** attached hereto as **Exhibit "B"**, incorporated herein by this reference.

3.2. Price Adjustment: Any price adjustment must be approved by the **City** in writing as a formal **Contract** Amendment. The City Manager or his designee may approve an amended price adjustment for the **Contract** if less than \$20,000; otherwise, if the amended price adjustment exceeds \$20,001, City Council approval is required.

4. **Binding Effect.**

This **Contract** shall be binding upon and inure to the benefit of the parties and their successors and assigns.

5. **Contract Administration.**

Consultant will be required to participate in the **City's Contract** Administration Process. **Consultant** will be closely monitored for **Contract** compliance and will be required to correct any deficiencies promptly.

6. **Independent Consultant.**

Consultant shall furnish **Consultant's** services as an independent **Contractor**, for purposes of all laws, including but not limited to the Fair Labor Standards Act, Federal Insurance Contribution Act, Social Security Act, Federal Unemployment Tax Act, Internal Revenue Code, Immigration and Naturalization Act, Arizona revenue and taxation, workers' compensation, and unemployment insurance laws, and nothing contained herein shall be construed to create a relationship of employer-employee or master-servant, but all payments made hereunder, and all services performed shall be made and performed pursuant to this Agreement by **Consultant** as an independent **Contractor**.

7. **Key Personnel/SubContractors.**

The **Consultant's Key Personnel, sub-Consultant** (if any), and contact information are designated in section 52 and subsections therein **Key Personnel** are those employees whose license number and signature will be placed on key documents and those employees who have significant responsibilities for the completion of the services. The **City** representatives for this **Contract** have the right to approve any proposed substitution of Key Personnel or **sub-Consultant**.

8. **Assignment and Subcontracting.**

No portion of this **Contract** may be assigned or subcontracted to any other individual, firm, or entity without the prior written consent of the **City**, unless expressly provided for in a separately executed Consent to Assignment, no assignment shall relieve **Consultant** (Assignor) from any of its obligations and liabilities under the **Contract** with respect to **City**. Any assignment without such consent shall be null and void. All **sub-Consultants** shall comply with the underlying **Contract**. It will be **Consultant's** responsibility to ensure that all **sub-Consultants** comply with the terms and conditions of this agreement and that the City of Eloy is named as an express third-party beneficiary of such subcontracts with full rights as such. The City Manager shall have the authority to consent to an assignment on behalf of the **City**.

9. **City Responsibilities.**

- 9.1. **City Representative:** The **City** Representatives are Daniel Symer, Community Development Director, and Mackenzie Letcher, Assistant **City** Manager. All communications to the **City** shall be through the **City** Representatives. The **City** Representatives are responsible for bringing any request for a **Contract** amendment or price adjustment to the attention of the Procurement Agent. The City Manager shall have the authority to assign different **City** Representatives.

- 9.2. **City Cooperation:** The **City** will cooperate with the **Consultant** by placing at its disposal all available information concerning the **City**, **City** property, or the **City** project reasonably necessary for the **Consultant's** performance of this **Contract**.

10. In General

- 10.1. **Notice to Proceed:** **Consultant** shall not commence performance until after **City** has issued a Notice to Proceed.
- 10.2. **Licenses and Permits:** **Consultant**, at its expense, shall maintain current federal, state, and local licenses, permits, and approvals required for the performance of the **Contract** and provide copies to the **City** upon request.
- 10.3. **Compliance with Laws:** **Consultant** shall comply with all applicable federal, state, and local laws, regulations, standards, codes, and ordinances in the performance of this **Contract**.
- 10.4. **Non-Exclusive:** Unless expressly provided otherwise in the **Contract**, this **Contract** is non-exclusive, and the **City** reserves the right to **Contract** with others for materials or services.

11. Accounting, Payment and Taxes for Consultant Services.

- 11.1. **Payment:** Payment to **Consultant** for services rendered under this **Agreement** shall be by monthly billing invoices for services as set forth in the **Scope of Work** specified in **Exhibit "A"**. Where **Exhibit "B"** requires payments by the **City** on a monthly basis for work completed, payment shall be based upon billings supported, unless otherwise provided in **Exhibit "B,"** by itemized documentation of units of work actually performed and amounts earned (including where appropriate, the actual number of days worked each month and the total number of hours for the month. Unless specifically stated in **Exhibit "B"** or approved in writing in advance by the **City**, the **City** will not reimburse **Consultant** for any costs or expenses incurred by **Consultant** in the performance of this **Contract** that are not part of the agreed upon reimbursable expenses. Where required, the **City** shall, upon receipt of appropriate documentation, compensate **Consultant** no more often than monthly through the **City** voucher system for the **Consultant's** service pursuant to the fee schedule set forth in **Exhibit "B."**
- 11.2. **Invoices:** A separate invoice shall be issued for each shipment and each job completed. Invoices shall include the **Contract** and/or **Purchase Order** number, and dates when goods were shipped or work performed. Invoices shall be sent within 30 days following performance. Payment will only be made for satisfactory materials and/or services received and accepted by **City**.
- 11.3. **Late Invoices:** The **City** may deduct up to 10% of the payment price for late invoices. The **City** operates on a fiscal year budget, from July 1 through the following June 30. Except in unusual circumstances, which are not due to the fault of **Contractor**, **City** will not honor any invoices or claims submitted after August 15 for materials or services supplied in the prior fiscal year.
- 11.4. **Taxes:** **Consultant** shall be responsible for payment of all taxes including federal, state, and local taxes related to or arising out of **Contractor's** performance of this **Contract**. Such taxes include but are not limited to federal and state income tax, social

security tax, unemployment insurance taxes, transaction privilege taxes, use taxes, and any other taxes or business license fees as required.

- 11.5. Exception:** The **City** will pay any taxes which are specifically identified as a line-item dollar amount in the **Contractor's** bid, proposal, or quote, and which were considered and approved by the **City** as part of the **Contract** award process. In this event, taxes shall be identified as a separate line item in **Contractor's** invoices.
- 11.6. Federal Excise Taxes:** The **City** is exempt from paying certain Federal Excise Taxes and will furnish an exemption certificate upon request.
- 11.8. Fuel and Per Diem Charges:** **Consultant**, at its own expense, is liable for all fuel and Per Diem costs not specified in **Exhibit B**. No fuel or Per Diem surcharges will be accepted or paid by **City**.
- 11.9. Per Diem Charges:** The **Consultant**, at its own expense, is liable for all Per Diem costs related to performance that are not specified in **Exhibit B**. No Per Diem surcharges will be accepted or paid by the **City** that is not specified in **Exhibit B**.
- 11.10. Amounts Due:** To the **City**: **Consultant** must be current and remain current in all obligations due to the **City** during performance. Payments to **Consultant** may be offset by any delinquent amounts due to **City** or fees and charges owed to **City** under this **Contract**.
- 11.10. OFAC:** No **City** payments may be made to any person in violation of Office of Foreign Assets Control (OFAC) regulations, 31 C.F.R. Part 501.
- 11.11. Withholding Payment.** In the event **Consultant** has failed to perform any substantial obligation to be performed by **Consultant** under this Agreement and said failure has not been cured within the times set forth in this **Contract**, then the **City** may, upon written notice, withhold all monies due and payable to **Consultant**, without penalty, until such failure to perform is cured or otherwise adjudicated.
- 11.12. Future Non-Allocation of Funds.** If sufficient funds are not appropriated or allocated for payment under this **Contract** for any future fiscal period, the **City** will not be obligated to make payments for services or amounts incurred after the end of the current fiscal period. No penalty or expense shall accrue to the **City** in the event this provision applies.

12. Regulations and Requirements.

This Agreement shall be subject to all laws, rules, and regulations of the United States of America, the State of Arizona, and the City of Eloy.

13. Right to Review.

This **Contract** may be subject to review by any federal or State auditor. The **City** or its designee shall have the right to review and monitor this program's financial and service components by whatever means are deemed expedient by the **City**. Such review may occur with or without notice and may include, but is not limited to, on-site inspection by **City** Agents or employees, inspection of all records or other materials that the **City** deems pertinent to the **Contract** and its performance, and any and all communications with or evaluations by service recipients under this **Contract**, during regular

business hours at reasonable times, to the extent necessary. **Consultant** shall preserve and maintain all financial records and records relating to the performance of work under this **Contract** for five (5) years after **Contract** termination or completion in accordance with A.R.S. §35- 214 and shall make them available for such review within the City of Eloy, State of Arizona, upon request.

14. Modifications.

Either the **City** or the **Consultant** may request changes in the **Contract**. Any and all agreed modifications shall be in writing and signed by each of the parties.

15. Termination for Default.

If **Consultant** defaults by failing to perform any of the obligations of the **Contract** or, becomes insolvent or is declared bankrupt or, commits any act of bankruptcy or insolvency or makes an assignment for the benefit of creditors, the **City** may, by depositing written notice to **Consultant** in the U.S. mail, postage prepaid, terminate the **Contract** immediately, and at the **City's** option, obtain performance of the work elsewhere. If the **Contract** is terminated for default, **Consultant** shall not be entitled to receive any further payments under the **Contract** until all work called for has been fully performed. In the event of default, the parties may execute all remedies available at law in addition to **Contract** remedies provided for herein. If a notice of termination for default has been issued and it is later determined for any reason that **Consultant** was not in default, the rights and obligations of the **Parties** shall be the same as if the notice of termination has been issued pursuant to the Termination for Public Convenience paragraph hereof.

16. Termination for Public Convenience.

The **City** may terminate the **Contract** in whole or in part upon thirty (30) days written notice whenever the **City** determines, in its sole discretion, that such termination is in the **City's** best interests. Whenever the **Contract** is terminated in accordance with this paragraph, **Consultant** shall be entitled to payment for actual work performed at unit **Contract** prices for completed items of work. An equitable adjustment in the **Contract** price for partially completed items of work will be made, but such adjustment shall not include provisions for loss of anticipated profit on deleted or uncompleted work. Termination of this **Contract** by the **City** at any time during the term, whether for default or convenience, shall not constitute a breach of **Contract** by the **City**.

17. Termination for Non-appropriation of Funds.

The **City** may terminate all or a portion of this **Contract** due to budget constraints and non-appropriation of funds for the following fiscal year, without penalty or liability to the **Consultant**.

18. City Remedies.

Any extra cost or damage to the **City** resulting from such default(s) shall be deducted from any money due or coming due to the **Consultant**. **Consultant** shall bear any extra expenses incurred by the **City** in completing the work, including all increased costs for completing the work and all damage sustained or which may be sustained by the **City** by reason of such default. Remedies herein are not exclusive.

19. Consultant Remedies.

In the event of the **City's** default, the **Consultant** may pursue all remedies available at law, except as provided for herein.

20. Special Damages.

In the event of default, neither party shall be liable for incidental, special, or consequential damages.

21. Cancellation for Gratuities.

The **City** may cancel this **Contract** at any time, without penalty or further liability to the **Consultant**, if the **City** determines that **Consultant** has given or offered to give any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor, or service to a public servant ("Gratuities") in connection with award or performance of the **Contract**.

22. Payment Upon Termination.

Upon termination of this **Contract**, the **City** will pay the **Consultant** for satisfactory performance up until the effective date of termination. The **City** shall make final payment within thirty (30) days from receipt of the **Contractor's** final invoice.

23. Insurance.

23.1 Consultant Liability Insurance: Upon signing the Agreement and so long as it shall remain in effect, the **Consultant** shall purchase and maintain the insurance described in hereof at its cost and expense. The insurance shall be purchased and maintained in companies duly licensed or otherwise approved by the State of Arizona, with forms acceptable to the City of Eloy, and shall be primary with no right of contribution. **Consultant's** insurer shall have a minimum A.M. Best's rating of A-VIII. The use of alternative insurers requires prior approval from the City of Eloy.

The insurance coverages to be purchased and maintained are:

23.1.1 Workers' Compensation. **Consultant** shall provide workers' compensation insurance as required by state and federal laws having jurisdiction over the **Consultant's** employees engaged in the performance of the Services within this Agreement.

23.1.2 General Liability. **Consultant** shall maintain a Commercial General Liability (Occurrence) policy that includes coverage for premises and operations, products and completed operations, contractual liability, broad form property damage, and personal injury liability. The policy shall have limits of not less than:

- \$1,000,000 for each occurrence of bodily injury and property damage; and
- \$1,000,000 for personal injury;

23.1.3 Automobile Liability. **Consultant** shall maintain an Automobile Liability policy with a combined single limit for bodily injury and property damage of not less than \$1,000,000 for each accident. The policy shall cover all owned, hired, and non-owned automobiles used in connection with the **Contract** for the performance of the **Consultant's** services.

- 23.1.4 Property Insurance.** A policy or policies of fire and extended coverage property damage insurance covering the full insurable value of all tools and equipment used by the **Consultant** from time to time on the lands of the City of Eloy pursuant to the **Contract**, including mobile equipment. **Consultant** shall also require its agents, **sub-Consultants**, licensees, and others performing the obligations or exercising the rights of **Consultant** under the **Contract** to carry such property damage insurance. Such policy or policies shall cover the full insurable value of such tools and equipment.
- 23.1.5 Adjustment of Liability Limits.** If the initial term of the **Contract** shall exceed ten years or if the aggregate term of the **Contract**, including any extension or renewal terms agreed to by the parties or provided for in the **Contract**, shall exceed ten years, on each tenth anniversary of the date of the **Contract**, the liability limits provided for in sections 23.1.2 and 23.1.3 shall be increased by an amount proportional to the increase in the US consumer price index occurring since the date of the **Contract** or the date of the last such increase as appropriate.
- 23.1.6 Professional Liability.** **Consultant** retained by the **City** to provide the services required by the **Contract** shall maintain Professional Liability insurance covering errors and omissions arising out of the services performed by **Consultant** or any person employed by the **Consultant**, with an unimpaired limit of not less than \$1,000,000 each claim and \$2,000,000 all claims, or 10% for the **Compensation** specified hereof, whichever is larger. In the event the insurance policy is written on a "claims made" basis, coverage shall extend for two years past completion and acceptance of Services as evidenced by annual Certificates of Insurance.
- 23.2 Insurance Certificate.** **Consultant** shall not exercise any of its rights under the **Contract** until it delivers to the City of Eloy's designated recipient certificates from **Consultant**'s insurers showing that the coverage required above has been obtained.
- 23.2.1** The insurance certificates must show the City of Eloy, its subsidiaries, affiliates, directors, officers, and employees as additional insured parties in respect of all liability coverage except workers' compensation. The policy shall provide, and the certificate shall reflect that the insurance afforded applies separately to each insured against whom claim is made, or suit is brought except with respect to the limits of the company's liability.
- 23.2.2** The insurance certificate shall provide on its face that the policies it represents will not be terminated, amended, or allowed to expire without 30 days prior written notice to the City of Eloy.
- 23.2.3** Failure of the City of Eloy to demand the insurance certificate or other evidence of full compliance with these insurance requirements or failure of City of Eloy to identify a deficiency from any certificate provided to it shall not be construed as a waiver of **Consultant's** obligation to maintain such insurance.
- 23.3 Severability of Interests.** The policies referenced in 23.1.2 and 23.1.3. shall contain a severability of interests clause, generally providing "the insurance afforded applies separately to each insured against whom the claim is made, or suit is brought, except with respect to the limits of the company's insurance."

23.4 Deductibles. **Consultant** may purchase the required insurance policies with deductibles that are reasonable in light of **Consultant's** financial condition, provided that **Consultant** will pay any loss not covered due to the deductible. **Consultant** shall also require its agents, **Consultants**, licensees, and others performing the obligations, or exercising the rights, of **Consultant** under the **Contract** to carry such property damage insurance. Such policy or policies shall cover the full insurable value of such tools and equipment.

23.5 Waiver of Subrogation. **Consultant** hereby waives any and all rights that it might have against the City of Eloy, its employees, officers, and directors to recover all or part of any loss or damage insured or insurable by the insurance policies carried or required to be carried by it pursuant to the **Contract** documents. **Consultant** shall require each of its agents, **Consultant's**, licensees, and others performing the obligations, or exercising the rights, of **Consultant** under the **Contract** to provide a similar waiver for City of Eloy's benefit.

24. Protection of Licensee Data.

Consultant warrants that the **Consultant's** installation, maintenance, and upgrade of any software provided hereunder shall not result in the use or disclosure by **Consultant** of any information concerning a patient/client obtained by the **City** in providing service in violation of any State laws, Federal laws, including, but not limited to, the federal Health Insurance Portability and Accountability Act of 1996 (HIPAA), and any federal regulations governing privacy, including, but not limited to, 45 CFR Section 160-164, as well as other applicable federal and State statutes and regulations.

25. Consultant Commitments, Warranties and Representations.

Any written commitment received from **Consultant** concerning this **Contract** shall be binding upon **Consultant** unless otherwise specifically provided herein with reference to this paragraph. Failure of the **Consultant** to materially fulfill such a commitment shall result in a breach of this **Contract**. A commitment includes, but is not limited to, any representation made prior to execution of this **Contract**, whether or not incorporated elsewhere herein by reference, as to performance of services or equipment, prices, or options for future acquisition to remain in effect for a fixed period or warranties.

26. Intellectual Property Infringement.

26.1. Consultant shall indemnify and hold harmless the **City** against any liability, including costs and expenses, for infringement of any patent, trademark or copyright or other proprietary rights of any third parties arising out of **Contract** performance or use by the **City** of materials furnished or work performed under this **Contract**. **Consultant** shall promptly assume full responsibility for the defense of any suit or proceeding which is, has been, or may be brought against the **City** and its agents for alleged infringement, or alleged unfair competition resulting from similarity in design, trademark or appearance of goods, and indemnify the **City** against any and all expenses, losses, royalties, profits and damages, attorneys' fees and costs resulting from such proceedings or settlement thereof. This indemnification shall survive termination or expiration of the **Contract**.

- 26.2. **Consultant** shall have the right, hereunder, at its option and expense, to obtain for the **City** the right to continue using the information in the event such claim of infringement is made, provided no reduction in performance or loss results to the **City**.

27. **Data, Documents and Records.**

- 27.1. **Ownership of Items Produced.** All writings, programs, data, public records, electronic files, or other materials prepared by **Consultant** and/or its **Consultants** or **sub-Consultants**, in connection with this **Contract's** performance shall be the **City's** sole and absolute property.
- 27.2. **City Ownership of Documents and Data:** Any original documents and electronic files prepared or collected by **Consultant** in the performance of this **Contract** such as models, samples, reports, test plans, surveys, survey results, graphics, tables, charts, plans, maps, specifications, computations and other data shall be the property of **City** ("**City's** work product"), unless otherwise agreed by the parties in writing. **Consultant** agrees that all materials prepared under this **Contract** are "works for hire" within the meaning of the copyright laws of the United States and hereby assigns to the **City** all rights and interests **Consultant** may have in the materials it prepares under this **Contract**, including any right to derivative use of the material.
- 27.3. **Re-Use:** The **City** may use **Consultant's** work product without further compensation to **Consultant**; provided, however, that the **City's** reuse without written verification or adaption by **Consultant** for purposes other than contemplated herein is at the **City's** sole risk and without liability to **Consultant**. **Consultant** shall not engage in any conflict of interest nor appropriate any portion of the **City's** work product for the benefit of **Consultant** or any third parties without the **City's** prior written consent.
- 27.4. **Delivery of Document and Data:** Upon termination of this **Contract** in whole or part, upon completion, or upon expiration if not previously terminated, or completed, **Consultant** shall immediately deliver to the **City** copies of all of the **City's** work product and any other documents, electronic files in their native file format, and data accumulated by **Consultant** in the performance of this **Contract**, whether complete or in process.

28. **Public Records and Disclosure.**

- 28.1. This **Contract** and any related materials are a matter of public record and subject to disclosure pursuant to Arizona Public Records Law, A.R.S. § 39-121 et seq. If **Consultant** has clearly marked its proprietary information as "confidential", the **City** will endeavor to notify **Consultant** prior to the release of such information.
- 28.2. In the event of a public records request to the **City** for the Licensed Program or Licensed Documentation, the **City** shall promptly provide a copy of such request to **Consultant** so that it has at least 7 days from **Consultant's** receipt of such request in which to seek an order restraining the **City** from disclosing the Licensed Program and Documentation pursuant to such public records request. If **Consultant** does not obtain a restraining order within such period of time, the **City** may disclose the Licensed Program and Licensed Documentation pursuant to such public request as the **City** deems appropriate to comply with Arizona's Public Records Laws.

29. Disputes.

- 29.1 General.** Differences between **Consultant** and the **City**, arising under and by virtue of the **Contract** documents, shall be brought to the attention of the **City** at the earliest possible time in order that such matters may be settled or other appropriate action promptly taken. Except for such objections made of record in the manner hereinafter specified and within the time limits stated, the Contracting Officer's records, orders, rulings, instructions, and decisions shall be final and conclusive.
- 29.2 Notice of Potential Claims.** **Consultant** shall not be entitled to additional compensation, which otherwise may be payable, or to extension of time for (1) any act or failure to act by the **City**, or (2) the happening of any event or occurrence unless **Consultant** has given the **City** a written Notice of Potential Claim pursuant to A.R.S. §12-821.01. The written Notice of Potential Claim shall set forth the reasons for which **Consultant** believes additional compensation or extension of time is due, the nature of the cost involved, and insofar as possible, the amount of the potential claim. **Consultant** shall keep full and complete daily records of the Work performed, labor and material used, and all costs and additional time claimed to be additional.
- 29.3 Detailed Claim.** **Consultant** shall not be entitled to claim any such additional compensation or extension of time unless, within 30 days of the accomplishment of the portion of the work from which the claim arose and before the final payment by the **City**, **Consultant** has given the **City** a detailed written statement of each element of cost or other compensation requested and of all elements of additional time required, and copies of supporting documents evidencing the amount or the extension of time claimed to be due.

30. Conflict of Interest.

Consultant agrees to promptly disclose any financial or economic interest in the Project property, or any property affected by the Project, existing prior to the execution of this **Contract**. Further, **Consultant** agrees to promptly disclose any financial or economic interest with the Project property or any property affected by the Project if **Consultant** gains such interest during the course of this **Contract**.

If **Consultant** gains any financial or economic interest in the Project during the course of this **Contract**, this may be grounds for terminating this **Contract** at the sole discretion of the **City**.

Consultant shall not engage the services on the **Contract** of any present or former **City** employee who was involved as a decision maker in the selection or approval processes or who negotiated or approved billings or **Contract** modifications for this **Contract**.

Consultant agrees that it shall not perform services on this **Project** in the event of a conflict of interest, a violation of Section 21 of this Agreement and shall not be entitled to receive compensation for services.

This Agreement is subject to the cancellation provisions for conflicts of interest pursuant to A.R.S. §38-511.

31. Covenant Against Contingent Fees.

Consultant affirms that they have not employed or retained any company or person other than a bona fide employee working for the **Consultant** to solicit or secure this **Contract** and that he has not paid or agreed to pay any company or person other than a bona fide employee, any fee, commission, percentage, brokerage fee, gift, or any other consideration, contingent upon or resulting from the award or making of the **Contract**. For breach or violation of this clause, the **City** may terminate this **Contract** without liability, or in its discretion, may deduct from the **Contract** price or consideration, or otherwise recover, the full amount of such fee, commission, percentage brokerage fee, gift, or contingent fee.

32. Indemnification.

To the fullest extent permitted by law, **Consultant**, its successors, assigns, and guarantors shall indemnify and hold harmless the City of Eloy, its agents, officers, officials, and employees from and against all allegations, demands, claims, damages, losses, expenses, judgments, including but not limited to reasonable, attorney fees, court costs, and the cost of appellate proceedings, and all claim adjusting, to the extent they are relating to, arising out of, or resulting from the negligence, recklessness, or intentional wrongful conduct of **Consultant**, its agents, employees, or any tier of **Consultant's sub-Consultants** in the performance of this **Contract**.

Consultant's duty to indemnify and hold harmless the City of Eloy, its agents, officers, officials, and employees shall arise in connection with any allegation, demand, proceeding, action, claim, damage, loss, expense, or judgment that is attributable to bodily injury, sickness, disease, death, or injury to, impairment, or destruction of property including loss of use resulting from there, caused by from the negligence, recklessness, or intentional wrongful conduct of **Consultant**, including any employee of **Consultant**, any tier of **Consultant's sub-Consultants** or any other person for whose acts, errors, mistakes, omissions, work or services **Consultant** may be legally liable. The amount and type of insurance requirements set forth herein will not be construed as limiting the scope of the indemnity provisions of this **Contract**.

To the fullest extent permitted by law, the **City** agrees to indemnify and hold **Consultant** harmless from any damage, liability, or cost (including reasonable attorney's fees and costs of defense) to the extent caused by the **City's** negligent acts, errors or omissions and those of his or her **Consultants, sub-Consultants** or **Consultants** or anyone for whom the **City** is legally liable, and arising from the project that is the subject of this Agreement. **Consultant** is not obligated to indemnify the **City** in any manner whatsoever for the **City's** own negligence.

33. Confidentiality.

Consultant, its employees, **sub-Consultants**, and their employees shall maintain the confidentiality of all information provided by the **City** or acquired by **Consultant** in performance of this **Contract**, except upon the prior written consent of the City Attorney or an order entered by a court after having acquired jurisdiction over the **City**. **Consultant** shall immediately notify the **City** of any judicial proceeding seeking disclosure of such information. **Consultant** shall indemnify and hold harmless the **City**, its officials, agents, or employees from all loss or expense, including, but not limited to, settlements, judgments, setoffs, attorneys' fees, and costs resulting from **Consultant's** breach of this provision.

34. Notice.

Except as set forth elsewhere in the **Contract**, for all purposes under this **Contract**, except service of process, notice shall be given by **Consultant** to the department head of the department for whom services are rendered and to the City Attorney. Notice may be given by delivery or by depositing in the U.S. Mail, first class, postage prepaid.

35. Severability.

If any term or condition of this **Contract** or the application thereof to any person(s) or circumstance(s) is held invalid, such invalidity shall not affect other terms, conditions, or applications which can be given effect without the invalid term, condition, or application. To this end, the terms and conditions of this **Contract** are declared severable.

36. Waiver.

Waiver of any breach or condition of this **Contract** shall not be deemed a waiver of any prior or subsequent breach. No term or condition of this **Contract** shall be held to be waived, modified, or deleted except by an instrument, in writing, signed by the parties hereto.

37. No Waiver of Performance.

Each party has the right insist upon strict performance of the **Contract**, and the prior failure of a party to insist upon strict performance, or a delay in any exercise of any right or remedy, or acceptance of materials or services, shall not be deemed a waiver of any right to insist upon strict performance.

38. Discrimination.

Consultant shall not unlawfully discriminate against any employee, applicant for employment, recipient of services or programs, or applicant for services or programs on the basis of race, creed, color, sex, age, marital status, national origin, or the presence of any sensory, mental or physical handicap. **Consultant** shall comply with the Americans with Disabilities Act.

39. Equal Opportunity.

This **Contract** and the **Parties** thereto shall comply with Arizona Executive Order 75-5 provisions as amended by Arizona Executive Order 99-4 as they relate to equal opportunity.

40. Nondiscrimination.

Consultant shall not discriminate against any employee or applicant for employment or person to whom it provides services because of race, color, religion, sex, national origin, disability, genetic information, veteran's status, pregnancy, familial status and represents and warrants that it complies with all applicable federal, state and local laws and executive orders regarding employment.

41. Immigration Laws.

Pursuant to A.R.S. § 41-4401, **Consultant** hereby warrants to the **City** that **Consultant** and each of its **sub-Consultants** will comply with, and are contractually obligated to comply with, all State and Federal Immigration laws and regulations that relate to its employees and A.R.S. § 23-214(A) (hereinafter "**Consultant Immigration Warranty**"). A breach of **Consultant Immigration Warranty**

shall constitute a material breach of this **Contract** and shall subject **Consultant** to penalties up to and including termination of this **Contract** at the sole discretion of the **City**. The **City** retains the legal right to inspect the papers of any **Consultant** or **sub-Consultants** employee who works on this **Contract** to ensure compliance with the **Consultant Immigration Warranty**. The **Consultant** agrees to assist the **City** in regard to any such inspections. The **City** may, at its sole discretion, conduct random verification of the employment records of the **Consultant** and any **sub-Consultants** to ensure compliance with **Consultant's** Immigration Warranty. The **Consultant** agrees to assist the **City** in regard to any random verification performed. Neither the **Consultant** nor any **sub-Consultants** shall be deemed to have materially breached the **Consultant Immigration Warranty** if the **Consultant** or **sub-Consultants** establishes that it has complied with the employment verification provisions prescribed by sections 274A and 274B of the Federal Immigration and Nationality Act and the E-verify requirements prescribed by A.R.S. § 23- 214(A).

42. E-Verify.

To the extent applicable under ARIZ. REV. STAT. § 41-4401, **Consultant** and its **sub-Consultants** warrant compliance with all federal immigration laws and regulations that relate to their employees and compliance with the E-verify requirements under ARIZ. REV. STAT. § 23-214(A). **Consultant's** or **sub-Consultant's** breach of the above-mentioned warranty shall be deemed a material breach of the **Contract** and may result in the termination of the **Contract** by the **City**. **Consultant** agrees to insert language similar to this paragraph in all **Contracts** in which they engage with **sub-Consultants** on this project to ensure that those **sub-Consultants** are meeting the requirements of the above-mentioned statutes. The **City** retains the legal right to randomly inspect the papers and records of **Consultant** and its **sub-Consultants** working on the **Contract** to ensure that the **Consultant** and its **sub-Consultants** comply with the above-mentioned warranty. **Consultant** and its **sub-Consultants** warrant to keep the papers and records open for random inspection during normal business hours by the **City**. **Consultant** and its **sub-Consultants** shall cooperate with the **City's** random inspections, including granting the **City** entry rights onto its property to perform the random inspections and waiving their respective rights to keep such papers and records confidential.

43. Force Majeure.

43.1 There may be events that occur during the term of the **Contract** that are beyond the control of both the **City** and **Consultant**, including events of war, floods, labor, disputes, earthquakes, epidemics, pandemics, adverse weather conditions not reasonably anticipated, forest fires, and other acts of God ("**Events**"). These **Events** may result in a temporary delay of contractual deliverables, or the permanent inability to provide the contractual deliverables that are the subject of the **Contract**.

43.1.1. There shall be no claims arising from a temporary delay of contractual deliverables or the permanent inability to provide the contractual deliverables caused by the Events, and the City shall not pay additional costs incurred by the **Consultant** as a result of such **Events**.

43.1.2. The **Parties** shall act in good faith to extend the **Contract** completion date without any penalty to **Consultant** and that the extension will be in an amount of time equal to any temporary delay. This provision of the **Contract** supersedes all other terms regarding temporary delay, permanent shutdown, or increased costs.e

44. No Boycott of Israel.

Pursuant to A.R.S. §§ 35-393 and 35-393.01, if a **Consultant** or **sub-Consultant** has over ten employees and the **Contract** is worth at least \$100,000, the **Consultant** and **sub-Consultants** shall certify that it is not currently engaged in, and agrees, for the duration of the **Contract**, will not engage in a boycott of Israel.

45. Compliance with A.R.S. 35-393 and 35-393.01.

Consultant acknowledges and agrees that it is not currently engaged in, and agrees for the duration of the **Contract** to not engage in, a boycott of Israel and, furthermore, **Consultant** acknowledges that it has signed a written certification, which is attached hereto as **Exhibit C** and incorporated herein, to that effect.

46. Compliance with A.R.S. §35-394.

46.1. Consultant acknowledges and agrees, through the signed written certification attached hereto as Exhibit D and incorporated herein, that it does not currently, and agrees for the duration of the contract that it will not, use:

46.1.1. The forced labor of ethnic Uyghurs in the People's Republic of China.

46.1.2. Any goods or services produced by the forced labor of ethnic Uyghurs in the People's Republic of China.

46.1.3. Any contractors, subcontractors, sub-consultants, 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.

46.2. If, during the term of this contract, **Consultant** becomes aware it is not in compliance with the written certification in Exhibit D, **Consultant** shall notify City within five business days after becoming aware of the noncompliance. If **Consultant** does not provide City with a written certification that **Consultant** has remedied the noncompliance within one hundred eighty days after notifying City of the noncompliance, the 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.

47. Entire Agreement.

This written **Contract** represents the entire **Agreement** between the **Parties** and supersedes any prior oral statements, discussions, or understandings between the **Parties**.

48. Binding Effect.

This **Contract** shall be binding upon and inure to the benefit of the **Parties** and their successors and assigns.

49. Venue and Choice of Law.

In the event that any litigation should arise concerning the construction or interpretation of any of the terms of this **Contract**, the venue of such action of litigation shall be in the courts of the State of

Arizona in and for the County of Pinal. This **Contract** shall be governed by the laws of the State of Arizona.

50. Time is of the Essence.

Time of the terms, covenants, and conditions of this Contract is hereby expressly made of the essence.

51. Survival.

The provisions of section and sub-sections therein of 6, 11, 12, 13, 15, 16, 17, 23, 24, 25, 26, 27, 28, 29, 30, 32, 33, 34, 35, 39, 43, 45, 47, 49, and 50 as well the provisions of any non-collusion affidavit, shall survive, notwithstanding the termination or invalidity of this **Contract** for any reason.

52. Miscellaneous

52.1. Notice: Any notice concerning this **Contract** shall be in writing and sent by certified mail and email as follows:

To the City:

Daniel Symer
Community Development Director
595 North C Street
Suite, 103
Eloy, Arizona 85131
dsymer@eloyaz.gov

Mackenzie Letcher
Assistant City Manager
595 North C Street
Suite, 101
Eloy, Arizona 85131
mletcher@eloyaz.gov

To the Consultant:

Bruce Meighen
CEO and President,
Contract Manager and Project Advisor
213 Linden Street
Suite, 300
Fort Collins, Colorado 80524
bmeighen@logansimpson.com

Miriam McGilvray
Senior Associate
213 Linden Street
Suite, 300
Fort Collins, Colorado 80524
mmcgilvray@logansimpson.com

Terri Hogan
Senior Associate
222 South Mill Avenue
Suite, 222
Tempe, Arizona 85281
thogan@logansimpson.com

53. Counterparts and Electronic Signatures.

Each party agrees that this Contract may be executed in counterparts, each of which shall be deemed an original, but all of which, when taken together, shall constitute one and the same instrument. The signature page of any counterpart may be detached therefrom without impairing the legal *effect* of the signature(s) thereon, provided such signature page is attached to any other counterpart, identical thereto. The Parties understand and agree that they have the right to execute this Contract through paper or through electronic signature technology, and to the extent they sign electronically, their electronic signature is the legally binding equivalent to their handwritten

signature. Signatures sent by electronic means (facsimile, scanned and sent via e-mail, or signed by electronic signature service where legally permitted) shall be deemed original signatures. The Parties expressly waive any objection to the admissibility of this Contract on the grounds that it is an electronic record, or a paper copy of an electronic document, or a paper copy of a document bearing an electronic signature. Each Party may sign any number of copies of this Contract, and each signed copy shall be deemed to be an original, but all of them together shall represent one and the same contract.

54. Authority

Each **City** and **Consultant** warrants that it has authority to enter this **Contract** and perform its obligations hereunder, and that it has taken all actions necessary to enter into this **Contract**.

City of Eloy
an Arizona municipal corporation
By:

Logan Simpson Design, Inc.,
an Arizona Corporation
By:



Andrew Sutton
Mayor

Bruce Meighen
President and CEO

Date: _____ 202 _____

Date: July, 8 _____ 202 5

Attest:

By: _____
Celine Kidwell
City Clerk

Approved as to form:

By: _____
Stephen Cooper
City Attorney

EXHIBIT "A"

Scope of Work

Eloy Airpark Specific Area/Master Plan

SCOPE OF SERVICES

The following scope of services articulates a specific method of approach to develop the Eloy Airpark Specific Area/Master Plan (Area Plan) with key deliverables and meetings. A related 16-month schedule and cost estimate follows.

Phase 1: Project Start-Up and Management

1.1 Hold City Staff Kickoff Meeting and Airpark Area Tour

An in person kickoff meeting and airpark area tour will be held. The primary purpose of this meeting is to introduce the Consultant Team (CT) to assigned city staff (CS), establish optimal communication protocols, review and refine the project timeline, and gather insights and recommendations on the direction and long-term vision for the Area Plan. Additionally, the CT and CS will collaboratively discuss goals and opportunities regarding data needs and availability, website development, and identify key inclusions in the Public Participation Plan (PPP).

1.2 Hold Monthly Coordination Meetings and Provide Monthly Progress Reports (up to 14 virtual; 15 electronic)

For effective and regular communication, the CT will set up recurring monthly coordination meetings with CS. These meetings can be moved or canceled as needed and will provide a setting to gain feedback on the previous month's work and any in-progress deliverables and to discuss upcoming events. Email and phone communications will also occur with the City's project manager throughout the month. Our team will provide monthly status updates in the form of written progress reports to articulate the percentage complete for each phase and task within the scope of services.

1.3 Hold Joint Kickoff Meeting with P&Z Commission and City Council

Both the P&Z Commission and CC will have in person kick off presentation during this phase. This update is anticipated to consist of a PowerPoint presentation by the CT.

1.4 Draft Public Participation Plan (PPP)

To ensure that the Area Plan aligns with the community's vision, the CT will incorporate a thoughtful, inclusive, and innovative approach to community outreach. In consultation with CS, the CT will create a PPP to identify and describe engagement groups and outreach opportunities. The PPP will include a general timeline for implementing the PPP and any other related tasks. The PPP will also include a variety of refined strategies and tactics for encouraging public participation, including but not limited to the following:

- Outreach Materials such as Eblasts, Social Media Blurbs, Press Releases, Questionnaires, and Website Text

- Workshops and Informational Booths
- Listening Sessions
- Public Meetings

The intent of all engagement activities will be to understand the community and stakeholders' perspectives on the current and desired conditions; generating a vision of the Airparks future land use, circulation patterns, public services/facilities, housing, economic development opportunities, and environmental impacts.

Phase 1 Deliverables and Meetings

- Project kickoff meeting (in person), including agenda, meeting materials, facilitation, and meeting summary (electronic)
- Joint kickoff meeting with Planning and Zoning Commission/City Council (in person)
- Public Participation Plan (electronic)
- Monthly coordination meetings (virtual)
- Monthly Progress Reports (electronic)

Phase 2: Initial Public Engagement

2.1 Prepare Outreach Materials and Website Content

The CT will create content intended to increase awareness of the project and encourage engagement. This may include developing postcards, flyers, newsletters, videos, radio, press releases, etc., to inform people of upcoming in-person and online public involvement opportunities. Concurrently, the CT will create a webpage for the City's or concurrent General Plan website and provide regular updates where interested parties can obtain information, download documents, see future meeting dates and project schedules, and sign up to get project updates. Additional information can be added to the webpage on a rolling basis throughout the project, such as draft documents as they are completed, embedded questionnaires, interactive mapping and document reviews, information about upcoming meetings, and meeting summaries. Content on the webpage can be viewed in a multitude of languages at the click of a button.

2.2 Conduct Listening Sessions (Up to 16, in-person or virtual)

Up to 16 listening sessions will be scheduled to discuss issues most important to the community; opportunities and ideas to integrate into the Area Plan and outcomes. The CT will work with the CS to establish a list of people and entities to invite to these sessions which will be virtual but can be in person as needed. Anticipated invitees could include City department representatives, state and federal organizations, landowners or business owners, developers, and other stakeholders that the CS determines are significant stakeholders in the process.

2.3 Prepare and Distribute Questionnaire 1 - SWOT

After the initial kickoff meetings and polling results, an online questionnaire will be launched to gain feedback and perspectives from the community on input received on strengths, weaknesses, opportunities, and threats (SWOT) associated with City growth and airport development. Q1 will be promoted via social media as well as at the community workshop and other events. This questionnaire is anticipated to be primarily electronic, although the CT can provide a limited number of paper copies for in-person meetings as necessary.

Phase 2 Deliverables and Meetings

- Outreach Materials and Website Content (electronic)
- Questionnaire 1 (electronic)
- Listening Sessions (up to 16, virtual or in person)

Phase 3: Assessment of Existing Conditions

3.1 Review Existing Plans and Background Materials

The CT will collect and review existing relevant plans, policies, demographics, and other pertinent background materials.

3.2 Gather GIS Data and Technical Information

The CT will gather all pertinent base GIS data, maps, and other technical information needed for the Area Plan. This approach will include GIS data to help develop a working set of maps of existing conditions for the area. For any information that is not readily available, the CT will coordinate with the appropriate CS to obtain this data using Requests for Information (RFIs). The result of this effort will be the development of preliminary GIS Maps to inform the study area boundaries and facilitate analysis of land uses.

3.3 Create Existing Conditions Report

The CT will create a GIS base map illustrating the project area and related physical features. The resulting base map will be utilized in the Area Plan to uniformly illustrate information related to future land use, circulation, public services/facilities, housing, economic development, and environmental impacts. The CT will provide an *Existing Conditions Report* with a draft outline of the Area Plan. The report will provide an overview of existing conditions as they relate to all topic or element areas of the Area Plan as well as brief analysis and projection of the Airport's future growth and identification of key takeaways.

3.4 Hold Joint Update Meeting with P&Z Commission / City Council (In-person)

Both the P&Z Commission and CC will be given an in person presentation update during this phase. This update is anticipated to consist of a PowerPoint presentation by the CT.

Phase 3 Deliverables and Meetings

- Existing Conditions Report (electronic)
- Joint P&Z Commission/City Council Meeting (in person)

Phase 4: Area Plan Visioning

4.1 Prepare and Distribute Outreach Materials

To help advertise the project and specifically the Visioning Workshop, the CT will create various options that may include posters/flyers and other documents, such as Press Releases and Website Articles/Blogs for the City to post on social media, the project website, and via E-blast campaigns throughout the process. The CT will work with the City to deliver these community outreach products with the expectation that the City will post, place, and/or publish the documents as needed.

4.2 Conduct Visioning Workshop (1 in person)

During this phase, an in person community workshop will be held. This workshop will focus on visioning and refining airport area of influence boundary adjacent to the airport.

4.3 Host Informational Booth (1 in-person)

In addition to the above, during this phase the CT will host an informational booth at a community event such as a City event or at busy community location such as a school or library. The purpose of hosting this booth will be to promote awareness of the Area Plan and will include interactive boards similar to the workshops and the visioning questionnaire. The CT will organize to participate as a vendor and will staff this event with assistance from CS if available.

4.4 Prepare and Distribute Questionnaire 2 (Q2 Visioning / Plan Boundaries)

An online Visioning/Plan Boundaries questionnaire (Q2) will be launched to gain community feedback. Q2 will be promoted via social media as well as at the in-community workshop and drop-in community event. Q2 is anticipated to be primarily electronic, but the CT can provide some paper copies for in-person meetings as necessary.

4.5 Draft Visioning Summary

This document will be provided at the end of this phase and will be a visually appealing, graphically rich, public-facing summary or recap of all visioning community engagement activities. We anticipate posting this document on the project website.

Phase 4 Deliverables and Meetings

- Outreach materials
- Informational Booth (in person)
- Visioning Workshop (in person)
- Questionnaire 2 (electronic)

- Visioning Summary (electronic)

Phase 5: Airpark Area of Influence

5.1 Draft Boundary Map of the Area of Influence

Drawing from findings and input collected during the process as well as input from the CS, an area of influence map will be drafted.

5.2 Hold Joint Update Meeting with P&Z Commission / City Council (in-person)

Both the P&Z Commission and CC will be given an in person presentation update during this phase. This update is anticipated to consist of a PowerPoint presentation by the CT.

Phase 5 Deliverables and Meetings

- Draft Area of Influence Boundary Map (electronic)
- Joint P&Z Commission/City Council Meeting (in person)

Phase 6: Goals, Policies, Plan and Map Development

6.1 Create Working Drafts (Land use, Circulation, Public Services/Facilities, Housing, Economic Development, and Environment)

Working drafts for each element in the Area Plan including Land use, Circulation, Public Services/Facilities, Housing, Economic Development, and Environment will be drafted and reviewed by the CS. Issues to be explored within the elements include: but are not limited to:

- Runway Extension: The current plan is to extend the runway to 5700 feet, with a long-term goal of reaching 8000 feet. This extension may require crossing a canal, which presents logistic challenges but is necessary for future growth.
- Hangar Space: Casa Grande Airport is nearly at hangar space capacity, with less than 10,000 square feet remaining. This shortage highlights the regional demand for additional hangar space and the opportunity to provide more at the Airpark to accommodate growth.
- Skydive Arizona: Skydive Arizona owns significant land around the airport (at the northeast corner of the Airpark) and manages some airport operations including runway traffic and airport tie downs. It is critical to plan for future development and potential relocation of skydive operations (potentially Sawtooth Dropzone in Toltec, AZ).

6.2 Prepare Draft Implementation Plan

The CT will prepare a systematic implementation plan aimed at helping realize the overarching vision of the Area Plan.

6.3 Draft Maps of the Area Plan Elements

Comprehensive mapping of the Area Plan elements (land use, circulation, public

services/facilities, housing, economic development, environment) will be conducted using data acquired and City input.

Phase 6 Deliverables and Meetings

- Working Element Drafts (electronic)
- Working Draft Implementation Plan (electronic)
- Draft Maps (electronic)

Phase 7: Economic Forecast and Feasibility

7.1 Conduct Economic Research, Analysis and Forecasts

Economic feasibility and impact analysis (Housing, Economic Forecast and Feasibility) will provide critical data to support goals and implementation of the Area Plan ensuring long term success of the plan.

7.2 Provide Economic Feasibility and Impact Analysis Report

The Economic Feasibility and Impact Analysis Report will be presented as a stand-alone document and included in the Area Plan as an appendix.

Phase 7 Deliverables and Meetings

- Economic Feasibility and Impact Analysis Report (electronic)

Phase 8: Area Plan Scenarios/Options

8.1 Prepare and Distribute Outreach Materials

To help advertise the project and specifically the Scenarios/Options Workshop, the CT will create various options that may include posters/flyers and other documents, such as Press Releases and Website Articles/Blogs for the City to post on social media, the project website, and via E-blast campaigns throughout the process. The CT will work with the City to deliver these community outreach products with the expectation that the City will post, place, and/or publish the documents as needed.

8.2 Conduct Scenario/Options Workshop (1 in-person)

During this task, an in-person community workshop will be held. Scenarios or select options will be examined at this workshop with a focus on gaining input on options presented for the Area Plan.

8.3 Host Informational Booth (1 in-person)

In addition to the above, during this phase the CT will host an informational booth at a community event such as a City event or at busy community location such as a school or library. The purpose of hosting this booth will be to promote awareness of the Area Plan and will include interactive boards similar to the workshops and the visioning questionnaire. The CT will organize to participate as a vendor and will staff this event with assistance from CS if available.

8.4 Prepare and Distribute Questionnaire 3 (Q3) Scenarios/Options

An online Scenario/Options questionnaire (Q3) will be launched to gain community feedback. Q3 will be promoted via social media as well as at the in-community workshop and event. This questionnaire is anticipated to be primarily electronic, but the CT can provide paper copies for in-person meetings as necessary.

8.5 Draft Scenarios/Options Summary

This document will be provided at the end of this phase and will be a visually appealing, graphically rich, public-facing summary or recap of all visioning community engagement activities. We anticipate posting this document on the project website.

8.6 Hold Joint Meeting with P&Z Commission / City Council (in-person)

Both the P&Z Commission and CC will be given an in-person presentation update during this phase. This update is anticipated to consist of a PowerPoint presentation by the CT.

Phase 8 Deliverables and Meetings

- Outreach materials
- Scenarios/Options Workshop (in person)
- Informational Booth (in person)
- Questionnaire 3 (electronic)
- Scenarios/Options Summary (electronic)
- Joint P&Z Commission/City Council Meeting (in person)

Phase 9: Draft Area Plan

9.1 Prepare Public Hearing Draft

The CT will prepare the final document appropriate for review and adoption by Planning and Zoning Commission and City Council. If there are comments on the hearing draft, the CT will address/correct comments in advance of delivering the final document.

9.2 Prepare Draft Executive Summary

The CT will prepare an executive summary of the Area Plan in a graphic, pamphlet format that includes typical questions and answers, goals and policies, and the future land use map. The CT will also produce a prototype and a final draft in an electronic format acceptable for professional printing. The City will be responsible for printing copies for distribution to the public. The executive summary is expected to be presented in concert with the draft Area Plan document for review and approval.

9.3 Present at P&Z Commission Hearing

The CT will support staff in their presentations of the final documents to the Planning and Zoning Commission and the City Council and will be available during the hearings to answer questions.

9.4 Present at City Council Hearing

Comments from the P&Z Hearing will be documented addressed in the staff report and resolution to the City Council. The CT will assist the CS in preparing presentation materials and will be in person to present at this hearing for Council adoption of the Area Plan.

Phase 9 Deliverables and Meetings

- Public Hearing Draft (electronic)
- Draft Executive Summary (electronic)
- P&Z Commission Hearing (in person)
- City Council Hearing (in person)

Phase 10: Final Area Plan

10.1 Prepare Final Area Plan

All comments from the Planning and Zoning Commission, City Council or CS will be addressed by the CT in the Final Area Plan and provided to the CS.

10.2 Provide all Native Files

All native files will be packaged and delivered via SharePoint.

Phase 10 Deliverables and Meetings

- Final Area Plan
- Native Files

EXHIBIT "B"

Summary of Expenses

SUMMARY OF EXPENSES

PHASES	LOGAN SIMPSON			KIMLEY-HORN		EDP&CO		PEACEMAKER		COFFMAN		TOTAL LABOR + EXPENSES
	Hours	Labor	Expense	Hours	Labor	Hours	Labor	Hours	Labor	Hours	Labor	
Phase 1. Project Start Up and Management												
1.1 Hold City Staff Kick-off Meeting / Tour (in person)	12	\$ 2,250	\$ -	4	\$ 1,060	0	\$ -	2	\$ 450	0	\$ -	\$ 3,760
1.2 Hold Monthly Coordination meetings (PT) and provide Progress Reports	29	\$ 4,740	\$ 80	6	\$ 1,380	0	\$ -	0	\$ -	0	\$ -	\$ 6,200
1.3 Hold Joint Kick off Meeting with P&Z Commission / City Council (in person)	4	\$ 720	\$ 161	0	\$ -	0	\$ -	0	\$ -	0	\$ -	\$ 881
1.4 Draft Public Participation Plan (PPP)	20	\$ 2,910	\$ -	0	\$ -	0	\$ -	0	\$ -	0	\$ -	\$ 2,910
Subtotal Phase 1 Labor	65	\$ 10,620	\$ 241	10	\$ 2,440	0	\$ -	2	\$ 450	0	\$ -	\$ 13,751
Phase 2. Initial Public Engagement												
2.1 Prepare Outreach Materials and Website Content	34	\$ 4,420	\$ -	0	\$ -	0	\$ -	0	\$ -	0	\$ -	\$ 4,420
2.2 Conduct Listening Sessions (Up to 16, in person or virtual)	32	\$ 5,120	\$ 643	12	\$ 2,520	0	\$ -	2	\$ 450	0	\$ -	\$ 8,733
2.3 Prepare and Distribute Questionnaire 1 - SWOT	24	\$ 3,120	\$ 40	0	\$ -	0	\$ -	0	\$ -	0	\$ -	\$ 3,160
Subtotal Phase 2 Labor	90	\$ 12,660	\$ 683	12	\$ 2,520	0	\$ -	2	\$ 450	0	\$ -	\$ 16,313
Phase 3. Assessment of Existing Conditions												
3.1 Review Existing Plans and Background Materials	78	\$ 9,620	\$ -	18	\$ 3,180	32	\$ 6,700	2	\$ 450	32	\$ 7,592	\$ 27,542
3.2 Gather GIS Data and Technical Information	16	\$ 1,680	\$ -	28	\$ 4,840	0	\$ -	0	\$ -	0	\$ -	\$ 6,520
3.3 Create an Existing Conditions Report	58	\$ 7,820	\$ -	34	\$ 7,000	0	\$ -	0	\$ -	8	\$ 976	\$ 15,796
3.4 Hold Joint Update Meeting with P&Z Commission / City Council (In person)	8	\$ 1,280	\$ 80	0	\$ -	0	\$ -	0	\$ -	0	\$ -	\$ 1,360
Subtotal Phase 3 Labor	160	\$ 20,400	\$ 80	80	\$ 15,020	32	\$ 6,700	2	\$ 450	40	\$ 8,568	\$ 51,218
Phase 4. Area Plan Visioning												
4.1 Prepare and Distribute Outreach Materials	18	\$ 2,310	\$ -	0	\$ -	0	\$ -	0	\$ -	0	\$ -	\$ 2,310
4.2 Conduct Visioning Workshop (1 in person)	32	\$ 4,400	\$ 215	0	\$ -	0	\$ -	0	\$ -	0	\$ -	\$ 4,615
4.3 Host Informational Booth (1 in person)	16	\$ 2,560	\$ 204	0	\$ -	0	\$ -	0	\$ -	0	\$ -	\$ 2,764
4.4 Prepare and Distribute Questionnaire 2 (Q2) Visioning / Plan Boundaries	23	\$ 2,990	\$ 50	0	\$ -	0	\$ -	0	\$ -	0	\$ -	\$ 3,040
4.5 Draft Visioning Summary	18	\$ 2,060	\$ -	0	\$ -	0	\$ -	0	\$ -	0	\$ -	\$ 2,060
Subtotal Phase 4 Labor	107	\$ 14,320	\$ 469	0	\$ -	0	\$ -	0	\$ -	0	\$ -	\$ 14,789
Phase 5. Airpark Area of Influence												
5.1 Draft Boundary Map of the Area of Influence	18	\$ 2,570	\$ -	0	\$ -	0	\$ -	6	\$ 1,350	31	\$ 4,996	\$ 8,916
5.2 Hold Joint Update Meeting with P&Z Commission / City Council (In person)	10	\$ 1,720	\$ 80	0	\$ -	0	\$ -	0	\$ -	0	\$ -	\$ 1,800
Subtotal Phase 5 Labor	28	\$ 4,290	\$ 80	0	\$ -	0	\$ -	6	\$ 1,350	31	\$ 4,996	\$ 10,716
Phase 6. Goal, Policy, Plan and Map Development												
6.1 Create Working Drafts (Land use, Circulation, Public Services/Facilities, Housing, Economic Development, Environment)	68	\$ 10,680	\$ -	90	\$ 17,060	20	\$ 4,200	0	\$ -	48	\$ 8,100	\$ 40,040
6.2 Prepare Draft Implementation Plan	18	\$ 2,860	\$ -	6	\$ 1,220	6	\$ 1,250	0	\$ -	0	\$ -	\$ 5,330
6.3 Draft Maps of the Area Plan Elements	24	\$ 2,520	\$ -	24	\$ 4,080	0	\$ -	0	\$ -	0	\$ -	\$ 6,600
Subtotal Phase 6 Labor	110	\$ 16,060	\$ -	120	\$ 22,360	26	\$ 5,450	0	\$ -	48	\$ 8,100	\$ 51,970
Phase 7. Economic Forecast and Feasibility												
7.1 Conduct Economic Research, Analysis and Forecasts	0	\$ -	\$ -	0	\$ -	44	\$ 9,200	0	\$ -	0	\$ -	\$ 9,200
7.2 Provide Economic Feasibility and Impact Analysis Report	2	\$ 360	\$ -	0	\$ -	26	\$ 5,400	0	\$ -	0	\$ -	\$ 5,760
Subtotal Task 7 Labor	2	\$ 360	\$ -	0	\$ -	70	\$ 14,600	0	\$ -	0	\$ -	\$ 14,960
Phase 8. Area Plan Scenarios/Options												
8.1 Prepare and Distribute Outreach Materials	24	\$ 3,130	\$ -	0	\$ -	0	\$ -	0	\$ -	44	\$ 8,334	\$ 11,464
8.2 Conduct Scenario/Options Workshop (1 In person)	36	\$ 5,060	\$ 215	0	\$ -	0	\$ -	0	\$ -	0	\$ -	\$ 5,275
8.3 Host Informational Booth (1 in person)	16	\$ 2,560	\$ 204	0	\$ -	0	\$ -	0	\$ -	0	\$ -	\$ 2,764
8.4 Prepare and Distribute Questionnaire 3 (Q3) Scenarios	24	\$ 2,910	\$ 50	0	\$ -	0	\$ -	0	\$ -	0	\$ -	\$ 2,960
8.5 Draft Scenarios Summary	18	\$ 2,060	\$ -	0	\$ -	0	\$ -	0	\$ -	0	\$ -	\$ 2,060
8.6 Hold Joint Update Meeting with P&Z Commission / City Council (In person)	16	\$ 2,560	\$ 80	4	\$ 920	4	\$ 900	0	\$ -	0	\$ -	\$ 4,460
Subtotal Task 8 Labor	134	\$ 18,280	\$ 549	4	\$ 920	4	\$ 900	0	\$ -	44	\$ 8,334	\$ 28,983
Phase 9. Draft Area Plan												
9.1 Prepare Public Hearing Draft	70	\$ 9,170	\$ -	0	\$ -	0	\$ -	6	\$ 1,350	0	\$ -	\$ 10,520

SUMMARY OF EXPENSES

PHASES	LOGAN SIMPSON			KIMLEY-HORN		EDP&CO		PEACEMAKER		COFFMAN		TOTAL LABOR + EXPENSES
	Hours	Labor	Expense	Hours	Labor	Hours	Labor	Hours	Labor	Hours	Labor	
9.2 Prepare Draft Executive Summary	20	\$ 2,680	\$ -	0	\$ -	0	\$ -	0	\$ -	0	\$ -	\$ 2,680
9.3 Present at P&Z Commission Hearing	6	\$ 1,000	\$ 80	0	\$ -	0	\$ -	0	\$ -	0	\$ -	\$ 1,080
9.4 Present at CC Hearing	8	\$ 1,590	\$ 496	0	\$ -	0	\$ -	0	\$ -	0	\$ -	\$ 2,086
Subtotal Task 9 Labor	104	\$ 14,440	\$ 576	0	\$ -	0	\$ -	6	\$ 1,350	0	\$ -	\$ 16,366
Phase 10. Final Area Plan												
10.1 Prepare Final Area Plan	30	\$ 4,080	\$ -	0	\$ -	0	\$ -	0	\$ -	0	\$ -	\$ 4,080
10.2 Provide all Native Files	14	\$ 1,600	\$ -	0	\$ -	0	\$ -	0	\$ -	0	\$ -	\$ 1,600
Subtotal Task 10 Labor	44	\$ 5,680	\$ 250	0	\$ -	0	\$ -	0	\$ -	0	\$ -	\$ 5,930
Subtotal Labor Costs	844	\$ 117,110	\$ 2,932	226	\$ 43,260	132	\$ 27,650	18	\$ 4,050	163	\$ 29,998	\$ 225,000

Prime Labor	\$ 117,110
Expenses	\$ 2,932
Subconsultants	\$ 104,958
Total Fee	\$ 225,000
Contingency	\$ 35,000
Grand Total	\$ 260,000

EXHIBIT "C"

A.R.S §35-393 and 35-393.01 CERTIFICATION

Definitions contained in A.R.S. 35-393:

1. "Boycott" means engaging in a refusal to deal, terminating business activities or performing other actions that are intended to limit commercial relations with Israel or with persons or entities doing business in Israel or in territories controlled by Israel if those actions are taken either:
 - a. In compliance with or adherence to calls for a boycott of Israel other than those boycotts to which 50 United States Code section 4607(c) applies.
 - b. In a manner that discriminates on the basis of nationality, national origin, or religion and that is not based on a valid business reason.
2. "Company" means a sole proprietorship, organization, association, corporation, partnership, joint venture, limited partnership, limited liability partnership, limited liability company, or other entity or business association, and includes a wholly owned subsidiary, majority-owned subsidiary, parent company, or affiliate.
3. "Direct holdings" means all publicly traded securities of a company that are held directly by the state treasurer or a retirement system in an actively managed account or fund in which the retirement system owns all shares or interests.
4. "Indirect holdings" means all securities of a company that are held in an account or fund, including a mutual fund, that is managed by one or more persons who are not employed by the state treasurer or a retirement system if the state treasurer or retirement system owns shares or interests either:
 - a. together with other investors that are not subject to this section.
 - b. that are held in an index fund.
5. "Public entity" means this State, a political subdivision of this STATE, or an agency, board, commission, or department of this State or a political subdivision of this State.
6. "Public fund" means the state treasurer or a retirement system.
7. "Restricted companies" means companies that boycott Israel.
8. "Retirement system" means a retirement plan or system that is established by or pursuant to title 38.

All offerors must select one of the following:

_____ My company **does not** participate in, and agrees not to participate in during the term of the **Contract** a boycott of Israel in accordance with A.R.S. §35-393.01.

_____ My company **does** participate in a boycott of Israel as defined by A.R.S. §35-393.01.

By submitting this response, **Consultant** agrees to indemnify and hold the **City**, its agents, and employees harmless from any claims or causes of action relating to the **City's** action based upon reliance on the above representations, including the payment of all costs and attorney fees incurred by the **City** in defending such an action.

Logan Simpson Design, Inc.

Company Name

222 South Mill Avenue, Suite, 222

Company Street Address

Tempe, Arizona 85281

City, State, Zip



Signature of Person Authorized to Sign

Bruce Meighen

Print Name of Signatory

President and CEO

Title of Signatory

Exhibit "D"

A.R.S. §35-394 CERTIFICATION

Definitions contained in A.R.S. §35-394:

1. "Company" means an organization, association, corporation, partnership, joint venture, limited partnership, limited liability partnership, limited liability company or other entity or business association, including a wholly owned subsidiary, majority-owned Subsidiary, parent company or affiliate, that engages in for-profit Activity and that has ten or more full-time employees.
2. "Public Entity" means this state, a political subdivision of this state or an agency, board, commission or department of this state or a political subdivision of this state.

By signing this certification, Consultant acknowledges and agrees that it does not currently, and agrees for the duration of the contract that it 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.
3. Any contractors, subcontractors, sub-consultants, 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.

By submitting this response, Consultant agrees to indemnify and hold the City, its agents and employees, harmless from any claims or causes of action relating to the City's action based upon reliance on the above representations, including the payment of all costs and attorney fees incurred by the City in defending such an action.

Logan Simpson Design, Inc.

Company Name

222 South Mill Avenue, Suite, 222

Company Street Address

Tempe, Arizona 85281

City, State, Zip



Signature of Person Authorized to Sign

Bruce Meighen

Print Name of Signatory

President and CEO

Title of Signatory

Eloy Airpark Specific Area/Master Plan

SCOPE OF SERVICES

The following scope of services articulates a specific method of approach to develop the Eloy Airpark Specific Area/Master Plan (Area Plan) with key deliverables and meetings. A related 16-month schedule and cost estimate follows.

Phase 1: Project Start-Up and Management

1.1 Hold City Staff Kickoff Meeting and Airpark Area Tour

An in person kickoff meeting and airpark area tour will be held. The primary purpose of this meeting is to introduce the Consultant Team (CT) to assigned city staff (CS), establish optimal communication protocols, review and refine the project timeline, and gather insights and recommendations on the direction and long-term vision for the Area Plan. Additionally, the CT and CS will collaboratively discuss goals and opportunities regarding data needs and availability, website development, and identify key inclusions in the Public Participation Plan (PPP).

1.2 Hold Monthly Coordination Meetings and Provide Monthly Progress Reports (up to 14 virtual; 15 electronic)

For effective and regular communication, the CT will set up recurring monthly coordination meetings with CS. These meetings can be moved or canceled as needed and will provide a setting to gain feedback on the previous month's work and any in-progress deliverables and to discuss upcoming events. Email and phone communications will also occur with the City's project manager throughout the month. Our team will provide monthly status updates in the form of written progress reports to articulate the percentage complete for each phase and task within the scope of services.

1.3 Hold Joint Kickoff Meeting with P&Z Commission and City Council

Both the P&Z Commission and CC will have in person kick off presentation during this phase. This update is anticipated to consist of a PowerPoint presentation by the CT.

1.4 Draft Public Participation Plan (PPP)

To ensure that the Area Plan aligns with the community's vision, the CT will incorporate a thoughtful, inclusive, and innovative approach to community outreach. In consultation with CS, the CT will create a PPP to identify and describe engagement groups and outreach opportunities. The PPP will include a general timeline for implementing the PPP and any other related tasks. The PPP will also include a variety of refined strategies and tactics for encouraging public participation, including but not limited to the following:

- Outreach Materials such as Eblasts, Social Media Blurbs, Press Releases, Questionnaires, and Website Text

- Workshops and Informational Booths
- Listening Sessions
- Public Meetings

The intent of all engagement activities will be to understand the community and stakeholders' perspectives on the current and desired conditions; generating a vision of the Airparks future land use, circulation patterns, public services/facilities, housing, economic development opportunities, and environmental impacts.

Phase 1 Deliverables and Meetings

- Project kickoff meeting (in person), including agenda, meeting materials, facilitation, and meeting summary (electronic)
- Joint kickoff meeting with Planning and Zoning Commission/City Council (in person)
- Public Participation Plan (electronic)
- Monthly coordination meetings (virtual)
- Monthly Progress Reports (electronic)

Phase 2: Initial Public Engagement

2.1 Prepare Outreach Materials and Website Content

The CT will create content intended to increase awareness of the project and encourage engagement. This may include developing postcards, flyers, newsletters, videos, radio, press releases, etc., to inform people of upcoming in-person and online public involvement opportunities. Concurrently, the CT will create a webpage for the City's or concurrent General Plan website and provide regular updates where interested parties can obtain information, download documents, see future meeting dates and project schedules, and sign up to get project updates. Additional information can be added to the webpage on a rolling basis throughout the project, such as draft documents as they are completed, embedded questionnaires, interactive mapping and document reviews, information about upcoming meetings, and meeting summaries. Content on the webpage can be viewed in a multitude of languages at the click of a button.

2.2 Conduct Listening Sessions (Up to 16, in-person or virtual)

Up to 16 listening sessions will be scheduled to discuss issues most important to the community; opportunities and ideas to integrate into the Area Plan and outcomes. The CT will work with the CS to establish a list of people and entities to invite to these sessions which will be virtual but can be in person as needed. Anticipated invitees could include City department representatives, state and federal organizations, landowners or business owners, developers, and other stakeholders that the CS determines are significant stakeholders in the process.

2.3 Prepare and Distribute Questionnaire 1 - SWOT

After the initial kickoff meetings and polling results, an online questionnaire will be launched to gain feedback and perspectives from the community on input received on strengths, weaknesses, opportunities, and threats (SWOT) associated with City growth and airport development. Q1 will be promoted via social media as well as at the community workshop and other events. This questionnaire is anticipated to be primarily electronic, although the CT can provide a limited number of paper copies for in-person meetings as necessary.

Phase 2 Deliverables and Meetings

- Outreach Materials and Website Content (electronic)
- Questionnaire 1 (electronic)
- Listening Sessions (up to 16, virtual or in person)

Phase 3: Assessment of Existing Conditions

3.1 Review Existing Plans and Background Materials

The CT will collect and review existing relevant plans, policies, demographics, and other pertinent background materials.

3.2 Gather GIS Data and Technical Information

The CT will gather all pertinent base GIS data, maps, and other technical information needed for the Area Plan. This approach will include GIS data to help develop a working set of maps of existing conditions for the area. For any information that is not readily available, the CT will coordinate with the appropriate CS to obtain this data using Requests for Information (RFIs). The result of this effort will be the development of preliminary GIS Maps to inform the study area boundaries and facilitate analysis of land uses.

3.3 Create Existing Conditions Report

The CT will create a GIS base map illustrating the project area and related physical features. The resulting base map will be utilized in the Area Plan to uniformly illustrate information related to future land use, circulation, public services/facilities, housing, economic development, and environmental impacts. The CT will provide an *Existing Conditions Report* with a draft outline of the Area Plan. The report will provide an overview of existing conditions as they relate to all topic or element areas of the Area Plan as well as brief analysis and projection of the Airport's future growth and identification of key takeaways.

3.4 Hold Joint Update Meeting with P&Z Commission / City Council (In-person)

Both the P&Z Commission and CC will be given an in person presentation update during this phase. This update is anticipated to consist of a PowerPoint presentation by the CT.

Phase 3 Deliverables and Meetings

- Existing Conditions Report (electronic)
- Joint P&Z Commission/City Council Meeting (in person)

Phase 4: Area Plan Visioning

4.1 Prepare and Distribute Outreach Materials

To help advertise the project and specifically the Visioning Workshop, the CT will create various options that may include posters/flyers and other documents, such as Press Releases and Website Articles/Blogs for the City to post on social media, the project website, and via E-blast campaigns throughout the process. The CT will work with the City to deliver these community outreach products with the expectation that the City will post, place, and/or publish the documents as needed.

4.2 Conduct Visioning Workshop (1 in person)

During this phase, an in person community workshop will be held. This workshop will focus on visioning and refining airport area of influence boundary adjacent to the airport.

4.3 Host Informational Booth (1 in-person)

In addition to the above, during this phase the CT will host an informational booth at a community event such as a City event or at busy community location such as a school or library. The purpose of hosting this booth will be to promote awareness of the Area Plan and will include interactive boards similar to the workshops and the visioning questionnaire. The CT will organize to participate as a vendor and will staff this event with assistance from CS if available.

4.4 Prepare and Distribute Questionnaire 2 (Q2 Visioning / Plan Boundaries)

An online Visioning/Plan Boundaries questionnaire (Q2) will be launched to gain community feedback. Q2 will be promoted via social media as well as at the in-community workshop and drop-in community event. Q2 is anticipated to be primarily electronic, but the CT can provide some paper copies for in-person meetings as necessary.

4.5 Draft Visioning Summary

This document will be provided at the end of this phase and will be a visually appealing, graphically rich, public-facing summary or recap of all visioning community engagement activities. We anticipate posting this document on the project website.

Phase 4 Deliverables and Meetings

- Outreach materials
- Informational Booth (in person)
- Visioning Workshop (in person)
- Questionnaire 2 (electronic)

- Visioning Summary (electronic)

Phase 5: Airpark Area of Influence

5.1 Draft Boundary Map of the Area of Influence

Drawing from findings and input collected during the process as well as input from the CS, an area of influence map will be drafted.

5.2 Hold Joint Update Meeting with P&Z Commission / City Council (in-person)

Both the P&Z Commission and CC will be given an in person presentation update during this phase. This update is anticipated to consist of a PowerPoint presentation by the CT.

Phase 5 Deliverables and Meetings

- Draft Area of Influence Boundary Map (electronic)
- Joint P&Z Commission/City Council Meeting (in person)

Phase 6: Goals, Policies, Plan and Map Development

6.1 Create Working Drafts (Land use, Circulation, Public Services/Facilities, Housing, Economic Development, and Environment)

Working drafts for each element in the Area Plan including Land use, Circulation, Public Services/Facilities, Housing, Economic Development, and Environment will be drafted and reviewed by the CS. Issues to be explored within the elements include: but are not limited to:

- Runway Extension: The current plan is to extend the runway to 5700 feet, with a long-term goal of reaching 8000 feet. This extension may require crossing a canal, which presents logistic challenges but is necessary for future growth.
- Hangar Space: Casa Grande Airport is nearly at hangar space capacity, with less than 10,000 square feet remaining. This shortage highlights the regional demand for additional hangar space and the opportunity to provide more at the Airpark to accommodate growth.
- Skydive Arizona: Skydive Arizona owns significant land around the airport (at the northeast corner of the Airpark) and manages some airport operations including runway traffic and airport tie downs. It is critical to plan for future development and potential relocation of skydive operations (potentially Sawtooth Dropzone in Toltec, AZ).

6.2 Prepare Draft Implementation Plan

The CT will prepare a systematic implementation plan aimed at helping realize the overarching vision of the Area Plan.

6.3 Draft Maps of the Area Plan Elements

Comprehensive mapping of the Area Plan elements (land use, circulation, public

services/facilities, housing, economic development, environment) will be conducted using data acquired and City input.

Phase 6 Deliverables and Meetings

- Working Element Drafts (electronic)
- Working Draft Implementation Plan (electronic)
- Draft Maps (electronic)

Phase 7: Economic Forecast and Feasibility

7.1 Conduct Economic Research, Analysis and Forecasts

Economic feasibility and impact analysis (Housing, Economic Forecast and Feasibility) will provide critical data to support goals and implementation of the Area Plan ensuring long term success of the plan.

7.2 Provide Economic Feasibility and Impact Analysis Report

The Economic Feasibility and Impact Analysis Report will be presented as a stand-alone document and included in the Area Plan as an appendix.

Phase 7 Deliverables and Meetings

- Economic Feasibility and Impact Analysis Report (electronic)

Phase 8: Area Plan Scenarios/Options

8.1 Prepare and Distribute Outreach Materials

To help advertise the project and specifically the Scenarios/Options Workshop, the CT will create various options that may include posters/flyers and other documents, such as Press Releases and Website Articles/Blogs for the City to post on social media, the project website, and via E-blast campaigns throughout the process. The CT will work with the City to deliver these community outreach products with the expectation that the City will post, place, and/or publish the documents as needed.

8.2 Conduct Scenario/Options Workshop (1 in-person)

During this task, an in-person community workshop will be held. Scenarios or select options will be examined at this workshop with a focus on gaining input on options presented for the Area Plan.

8.3 Host Informational Booth (1 in-person)

In addition to the above, during this phase the CT will host an informational booth at a community event such as a City event or at busy community location such as a school or library. The purpose of hosting this booth will be to promote awareness of the Area Plan and will include interactive boards similar to the workshops and the visioning questionnaire. The CT will organize to participate as a vendor and will staff this event with assistance from CS if available.

8.4 Prepare and Distribute Questionnaire 3 (Q3) Scenarios/Options

An online Scenario/Options questionnaire (Q3) will be launched to gain community feedback. Q3 will be promoted via social media as well as at the in-community workshop and event. This questionnaire is anticipated to be primarily electronic, but the CT can provide paper copies for in-person meetings as necessary.

8.5 Draft Scenarios/Options Summary

This document will be provided at the end of this phase and will be a visually appealing, graphically rich, public-facing summary or recap of all visioning community engagement activities. We anticipate posting this document on the project website.

8.6 Hold Joint Meeting with P&Z Commission / City Council (in-person)

Both the P&Z Commission and CC will be given an in-person presentation update during this phase. This update is anticipated to consist of a PowerPoint presentation by the CT.

Phase 8 Deliverables and Meetings

- Outreach materials
- Scenarios/Options Workshop (in person)
- Informational Booth (in person)
- Questionnaire 3 (electronic)
- Scenarios/Options Summary (electronic)
- Joint P&Z Commission/City Council Meeting (in person)

Phase 9: Draft Area Plan

9.1 Prepare Public Hearing Draft

The CT will prepare the final document appropriate for review and adoption by Planning and Zoning Commission and City Council. If there are comments on the hearing draft, the CT will address/correct comments in advance of delivering the final document.

9.2 Prepare Draft Executive Summary

The CT will prepare an executive summary of the Area Plan in a graphic, pamphlet format that includes typical questions and answers, goals and policies, and the future land use map. The CT will also produce a prototype and a final draft in an electronic format acceptable for professional printing. The City will be responsible for printing copies for distribution to the public. The executive summary is expected to be presented in concert with the draft Area Plan document for review and approval.

9.3 Present at P&Z Commission Hearing

The CT will support staff in their presentations of the final documents to the Planning and Zoning Commission and the City Council and will be available during the hearings to answer questions.

9.4 Present at City Council Hearing

Comments from the P&Z Hearing will be documented addressed in the staff report and resolution to the City Council. The CT will assist the CS in preparing presentation materials and will be in person to present at this hearing for Council adoption of the Area Plan.

Phase 9 Deliverables and Meetings

- Public Hearing Draft (electronic)
- Draft Executive Summary (electronic)
- P&Z Commission Hearing (in person)
- City Council Hearing (in person)

Phase 10: Final Area Plan

10.1 Prepare Final Area Plan

All comments from the Planning and Zoning Commission, City Council or CS will be addressed by the CT in the Final Area Plan and provided to the CS.

10.2 Provide all Native Files

All native files will be packaged and delivered via SharePoint.

Phase 10 Deliverables and Meetings

- Final Area Plan
- Native Files

CITY OF ELOY

REQUEST FOR COUNCIL ACTION

Agenda Item: **VIII.A.**

Date: **7/28/2025**

Date submitted:
07/15/2025

Action: Formal

Subject: Discussion and possible action to authorize the City of Eloy to accept and execute a Donation Agreement with Pinal County to transfer real property ownership located at 707 W. 3rd Place, Eloy, Arizona.

Date requested:
7/28/2025

TO: Mayor and City Council

FROM: David Malewitz, City Manager

RECOMMENDATION:

Staff recommends that the City Council authorize the Mayor to sign and execute the Donation Agreement with Pinal County to transfer ownership of the County-leased property at 707 W. 3rd Place, Eloy, Arizona. The proposed agreement facilitates the conveyance of the property from Pinal County to the City of Eloy in accordance with applicable statutory provisions.

DISCUSSION:

In May 2025, representatives from Pinal County initiated discussions with the City of Eloy regarding the City's ongoing lease of County-owned property at **707 W. 3rd Place**. The City's Public Works Department has utilized the site as a maintenance and storage yard under a lease agreement originally executed on September 23, 2015. The agreement includes an initial five-year term and automatically renews for successive five-year periods unless terminated by either party. The annual rent under the lease is \$1.00.

Pinal County has determined it no longer has an operational need for the subject property. The County initially proposed commissioning a fair market appraisal with the intent to offer the parcel to the City at 90% of the appraised value, in addition to reimbursement of appraisal costs, which were estimated at approximately \$3,000. Although the appraisal was not conducted, the City has reviewed relevant parcel data and valuation benchmarks and has concluded that a conservative estimate of the property's fair market value would range between \$5,000 and \$10,000.

Given the physical and regulatory constraints on the parcel, including major utility easements for high-voltage transmission lines, the narrow lot configuration, and restrictive zoning setbacks, the City requested that the property be transferred as a donation. These limitations significantly reduce the parcel's development potential and overall marketability. Pinal County has previously completed similar donations to

municipalities under comparable circumstances and has agreed in principle to proceed with a transfer via donation.

The City conducted an on-site inspection to assess the parcel's condition and environmental suitability. No evidence was found of illegal dumping, petroleum contamination, or buried materials that would present barriers to municipal use or future redevelopment. Furthermore, the Pinal County Facilities Department confirmed that no personal property remains on the premises and no active utility services are associated with the site.

The proposed property transfer will give the City of Eloy full ownership and control of the parcel, enabling flexibility for future use to support community needs or municipal operations. The City Attorney has reviewed the Agreement and has determined that it is acceptable in its current form. Staff will coordinate any necessary post-transfer account closures or utility verifications, though none are anticipated.

Staff recommends that the Mayor and City Council approve the Donation Agreement with Pinal County for the real property at 707 W. 3rd Place and authorize the Mayor to execute the Agreement and any related documents necessary to complete the transfer.

FISCAL IMPACT:

No fiscal impact. The property will be acquired as a donation. No immediate operational expenses are expected, as it is currently inactive and utility-free.

Approved as to Form:



Stephen R. Cooper, City Attorney

When recorded, return to:
Pinal County Clerk of the Board
31 N. Pinal Street
Florence, AZ 85232

**REAL PROPERTY DONATION AGREEMENT BETWEEN
PINAL COUNTY AND THE CITY OF ELOY**

This Real Property Donation Agreement ("**Agreement**") is entered into by and between Pinal County (hereinafter "**Donor**"), a political subdivision of the State of Arizona and the City of Eloy, a municipal corporation of the State of Arizona (hereinafter "**Donee**"),

WHEREAS, Donor holds title to certain real property located in Pinal County, Arizona, identified as Assessor's Parcel No. 405-06-053A (the "**Property**"), and legally described in **Exhibit A** attached hereto; and

WHEREAS, the City of Eloy has continuously occupied and used the Property for over 25 years as a Public Works Maintenance Yard; and

WHEREAS, the County is authorized by A.R.S. §§ 11-201(A), and 11-254.04 to acquire, hold, and convey real property for public and economic development purposes; and

WHEREAS, the City of Eloy's continued use of the Property supports public infrastructure and services and contributes to local economic development; and

WHEREAS, Donor wishes to donate, and Donee wishes to accept, the Property under the terms and conditions set forth below.

NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:

1. Transfer of Property

Donor shall execute and deliver to Donee a Quit Claim Deed in the form attached hereto as **Exhibit B**, transferring all of Donor's interest in the Property to Donee.

2. Nature of Transfer

The transfer is a donation. No monetary payment shall be due from the Donee, and Donee waives any right to an appraisal or just compensation.

3. Acknowledgment and Legal Advice

Donee acknowledges it has not relied on any representations made by Donor or its agents regarding tax or legal consequences of this transfer. Donee has been advised of its right to consult with independent legal or tax counsel prior to executing this Agreement.

4. Lease Termination

Upon execution of this Agreement, any existing lease or occupancy agreement between Donor and Donee concerning the Property shall be deemed terminated.

5. Assessments

Donor shall be responsible for any assessments or obligations owing on the Property as of the date the Quit Claim Deed is delivered

6. Purpose of Donation

Donor affirms the donation is made in furtherance of public benefit and local development.

7. Authority

Donor represents and warrants that all applicable legal requirements and procedures have been met and that it has full authority to transfer the Property as set forth in this Agreement.

IN WITNESS WHEREOF, the parties hereto have affixed their hands and seal on the day and year written below.

DONOR:

PINAL COUNTY, a political subdivision
of the State of Arizona

By: _____
Chairman of the Board

Dated: _____

ATTEST

Clerk of the Board of Supervisors

APPROVE AS TO FORM

Deputy County Attorney

DONEE:

City of Eloy, a municipal corporation of the
State of Arizona

By: _____
Mayor

Dated: _____

ATTEST:

City Clerk

APPROVED AS TO FORM

City Attorney

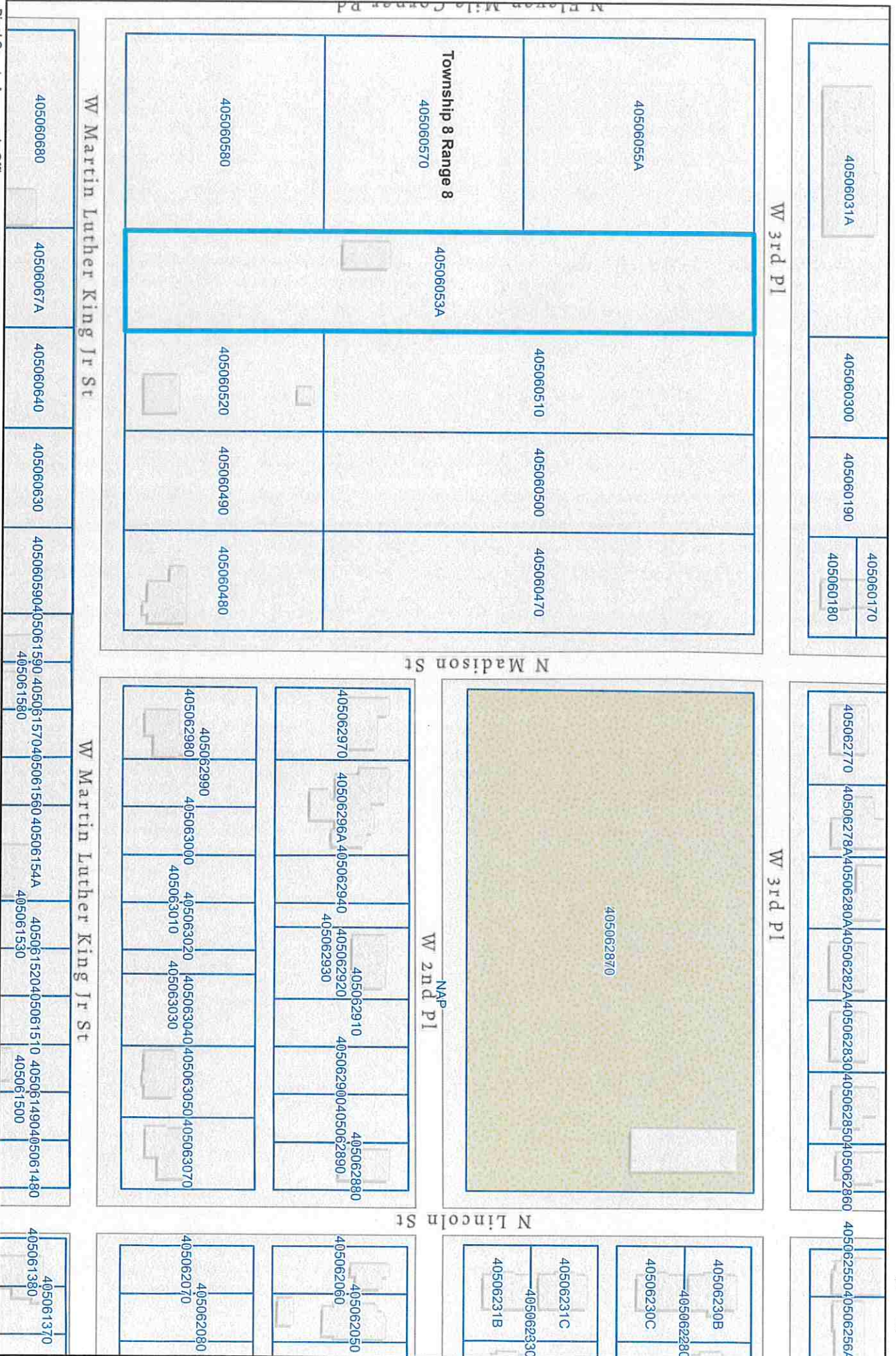
EXHIBIT A

Lot 7 and 8, Block 3 of 4th ADDITION TO COTTON CITY PROPER, a subdivision of Pinal County, Arizona, according to the plat of record in the office of the County Recorder in Book 5 of Maps and Plats, page 44.

EXHIBIT B

FORM OF DEED

Pinal County Assessor Parcel Viewer - Assessor Douglas J. Wolf





PINAL COUNTY

ASSESSOR

PARCEL SEARCH

[NEW SEARCH](#)

PARCEL DETAILS

[Comparable properties](#)

[Tax Information](#)

[Parcel Map Viewer](#)

[Tax Year Chart](#)

[Property Address Location](#)

[Share this parcel](#)

[Print Details](#)

PROPERTY INFORMATION

PARCEL NUMBER

405-06-053A

S/T/R

06/08S/08E

PROPERTY DESCRIPTION

4TH ADD TO COTTON CITY PROPER: LOTS 7 & 8 IN BLK 3

SUBDIVISION

4TH ADDITION TO COTTON CITY PROPER

UNIT

N/A

BLOCK

3

LOT

7

PHASE

N/A

CABINET

0005

SLIDE

0044

OWNER INFORMATION

PRIMARY OWNER

PINAL COUNTY

NAME 2

N/A

IN C/O

N/A

TAX BILL MAILING ADDRESS

PO BOX 827 FLORENCE, AZ 85132

PROPERTY ADDRESS(LOCATION)

707 W 3RD PL ELOY, AZ 85131

PARCEL ALERT LIST

NO

DATE OF RECORDING

Not Given

SALE AMOUNT

Not Given

DOCUMENT(S)**VALUATION INFORMATION**

Previous year valuations are subject to change as prescribed in the Arizona Revised Statutes. All changes in value may not be reflected in this data. For updated/correct figures, please refer to the [Treasurer's Office website](#).

Tax Year: 2026 ▼**TAX AREA CODE:**1103**USE CODE:**

9630

PARCEL SIZE

1.58

SIZE INDICATOR

Acres

FULL CASH VALUE

\$71,390.00

LIMITED VALUE(LVP)

\$71,390.00

ASSESSED FCV

\$0.00

ASSESSED LPV

\$0.00

LAND LEGAL CLASS

02RL-Vacant Land / Non-Profit Imp

IMPR. LEGAL CLASS

Not Given

IMPROVEMENTS

IMP	ITEM	CONST YEAR	GRND FLR PERIM	STORIES	TOTAL SQ. FT.
1	CNV Override	2011	0	1	1

ATTACHED PERSONAL PROPERTY

No Personal Property Listed

EXEMPTIONS**WIDOW**

No

WIDOWER

No

SENIOR FREEZE

No

DISCLAIMER

THE DATA PRESENTED ON THIS WEBSITE IS DEEMED RELIABLE BUT NOT GUARANTEED. THIS INFORMATION SHOULD BE USED FOR INFORMATIONAL USE ONLY AND DOES NOT CONSTITUTE A LEGAL DOCUMENT FOR THE DESCRIPTION OF THESE PROPERTIES. THE PINAL COUNTY ASSESSOR'S OFFICE DISCLAIMS ANY RESPONSIBILITY OR LIABILITY FOR ANY DIRECT OR INDIRECT DAMAGES RESULTING FROM THE USE OF THIS DATA.









PINAL COUNTY

Wide open opportunity

AGENDA ITEM

September 23, 2015
ADMINISTRATION BUILDING A
FLORENCE, ARIZONA

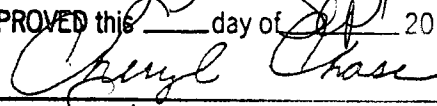
REQUESTED BY: Louis Andersen

Funds #: 64

Dept. #: 311

Dept. Name: Public Works

Director: Louis Andersen

APPROVED this 23rd day of Sept 2015


Chairman, Pinal County Board of Supervisors
ATTEST 

CLERK

BRIEF DESCRIPTION OF AGENDA ITEM AND REQUESTED BOARD ACTION:

Public hearing and discussion/approval/disapproval of Pinal County entering into a lease of County-owned property at 707 W. 3rd Place, in Eloy, Arizona, with the City of Eloy for use as a maintenance storage yard. (GA15-004)

BRIEF DESCRIPTION OF THE FISCAL CONSIDERATIONS AND/OR EXPECTED FISCAL IMPACT OF THIS AGENDA ITEM:

There are not any fiscal considerations or expected fiscal impacts associated with this agenda item.

BRIEF DESCRIPTION OF THE EXPECTED PERFORMANCE IMPACT OF THIS AGENDA ITEM:

There are not any expected performance impacts associated with this agenda item.

MOTION:

Approve as presented.

History

Time	Who	Approval
9/11/2015 3:58 PM	Public Works	Yes
9/11/2015 3:59 PM	County Attorney	Yes
9/14/2015 3:57 PM	County Manager	Yes
9/14/2015 4:53 PM	Clerk of the Board	Yes

ATTACHMENTS:

Click to download

 [Eloy Lease Agreement](#)

LEASE AGREEMENT

THIS LEASE AGREEMENT ("Lease") is dated this 23rd day of Sept., 2015 ("Effective Date"), by and between PINAL COUNTY, a political subdivision of the State of Arizona ("Landlord"), and the CITY OF ELOY, an Arizona municipal corporation ("Tenant"). Landlord and Tenant are sometimes hereinafter referred to individually as a "Party" and collectively as the "Parties".

RECITALS

A. Landlord is the owner of certain property located at 707 W. 3rd Place, Eloy, Arizona (the "Property").

B. Landlord desires to lease to Tenant the Property for use as a maintenance storage yard.

C. Tenant desires to lease from Landlord the Property for use as a maintenance storage yard.

NOW, THEREFORE, in consideration of these premises and of the mutual covenants and agreements hereinafter contained, the Parties hereto agree as follows:

AGREEMENT

1. PURPOSE OF THE LEASE.

Tenant shall lease the Property for the sole purpose and use of a maintenance storage yard. Any other use by Tenant shall require Landlord's written permission.

2. TERM.

The initial term of this lease shall be for a period of five (5) years commencing on the Effective Date.

3. RENEWAL TERM.

This Lease shall automatically renew for successive five (5) year terms unless terminated by either Party.

4. RENT.

Tenant shall pay to Landlord as rent for the Property the sum of ONE DOLLAR (\$1.00) annually. Payment shall be made on or before the first day of each annual term.

5. SECURITY DEPOSIT.

The Landlord does not require a security deposit from the Tenant under this Lease.

6. MAINTENANCE, SERVICE AND UTILITY EXPENSES.

Except as otherwise expressly provided herein with respect to repairs to the Property to be undertaken by Landlord, Tenant agrees to promptly pay, as the same become due and owing, expenses of every kind connected with the Property including, without limitation, all charges, statements or assessments for water, sewer, gas, heat, electricity, refuse, garbage, telephone, power and janitorial services used by Tenant or supplied to the Property, and shall not allow the payment therefor to become delinquent or allow any lien or assessment to be placed against the Property for the payment of same.

7. TENANT'S RESPONSIBILITIES.

7.1. During the term of this Lease, Tenant shall perform the following responsibilities, at Tenant's sole cost and expense:

7.1.1. Maintain and pay the premiums on all fire and casualty insurance and liability insurance policies on the Property. The fire and casualty insurance coverage policy shall be written to cover the replacement cost of the Property and all its contents including, but not limited to, furniture, fixtures, equipment, window coverings, and decorator items to the extent the same are owned by Landlord. The liability insurance policy shall be written in an amount of at least \$1,000,000 per occurrence/\$2,000,000 aggregate. Tenant shall furnish Landlord a current Certificate of Insurance on the Effective Date of this Lease and on or before the first day of each annual term.

7.1.2. Protect the Property from waste or nuisance of any kind.

7.1.3. Maintain and keep the Property in operating condition, ordinary wear and tear excepted. In connection therewith, Tenant acknowledges that the Property is in a condition suitable for Tenant's intended use of the Property as of the commencement of this Lease.

7.1.4. Maintain and keep in operating condition, ordinary wear and tear excepted, the interior and exterior of the building on the Property, including, without limitation, all walls, doors and windows, including glass and all building systems including plumbing, electrical and heating, ventilation and air conditioning systems in order to keep such structural/exterior and interior components of the building in good repair and condition. Notwithstanding the foregoing, Tenant may demolish and dispose of the existing building located on the Property as of the commencement of this Lease. All costs of such demolition and disposal shall be the sole responsibility of Tenant.

7.1.5. Promptly repair, at Tenant's sole expense, and damage or destruction of the Property caused by any acts, omissions or negligence of the Tenant, its agents, customers, employees or invitees, or caused by any breach by Tenant of the terms of this Lease.

7.1.6. Return the Property to Landlord in the same condition as on the Commencement Date, in a clean and orderly condition, ordinary wear and tear excepted.

7.2. Insurance Policies. Insurance required hereunder shall be with companies duly licensed to transact business in the State of Arizona and maintaining during the policy term an AM Best rating of "A" or better, or a risk retention pool authorized pursuant to A.R.S. Section 11-952.01. Neither party shall do or by way of inaction following actual knowledge allow anything to be done which shall entitle the insurance carrier to void or cancel the insurance policies referred to in this Lease. Tenant shall cause to be delivered to Landlord copies of policies of such insurance or certificates evidencing the existence and amounts of such insurance with the insureds and loss payable clauses as required by this Lease. Tenant shall provide written notice to Landlord within fifteen (15) days of receipt of a notice that a policy shall be cancelled. If Tenant shall fail to procure and maintain the insurance required to be carried by this Lease, Landlord may, but shall not be required to, procure and maintain the same but at the expense of Tenant.

8. LANDLORD'S RESPONSIBILITIES.

Landlord has no responsibilities to Tenant outside those already enumerated in this Lease as Tenant currently occupies the Property.

9. ADDITIONS AND ALTERATIONS TO PROPERTY

Except as provided in Section 7.1.4, Tenant may make no changes, alterations, additions or improvements to the Property without Landlord's prior written consent. All costs, fees and expenses pertaining to any such change, alteration, addition or improvement shall be paid by Tenant, including all permits and licenses required in connection herewith. Upon termination of this Lease, any additions or improvements made by Tenant shall be the property of Landlord. Tenant will not permit any mechanic's lien or materialman's lien, or other liens, to be filed against the Property for any labor or material furnished in connection with such change, alteration, addition or improvement; provided, however, that Tenant shall have the right to protest and defend against any improperly filed mechanic's lien so long as Tenant posts such bond or surety for the payment of the lien as provided by the statutes of the State of Arizona. Tenant shall repair any damage caused by any such removal.

10. TENANT'S PROPERTY.

10.1. All supplies, movable furniture and equipment and personal property owned by Tenant and not attached to the Property are to remain Tenant's sole and separate property.

10.2. All fixtures installed on the property by Tenant shall be the sole and separate property of Landlord, regardless of the manner or mode of attachment and Tenant shall not be entitled to any payment for those changes, alterations, additions or improvements made to the Property during the term of this Lease.

11. ASSIGNMENT AND SUBLETTING.

Tenant, shall not either voluntarily or by operation of law, assign, transfer, pledge, hypothecate or encumber this Lease or any interest therein, and shall not sublet the Property, or any part thereof, or any right or privilege appurtenant thereto, or allow any other person (the employees, agents, servants and invitees of Tenant excepted) to occupy or use the Property, or any portion thereof. Any such assignment or subletting shall be void, and shall, at the option of the Landlord, constitute and event of default by Tenant under the terms of this Lease.

12. ACCESS BY LANDLORD.

Landlord, its agents and employees, shall have access and the right to enter upon the Property at any reasonable time during normal business hours and after providing 24 hours notice to Tenant to examine the condition thereof, or to make any repairs that Landlord deems necessary. Notwithstanding the foregoing, in the event of an emergency, Landlord, its agents and employees, shall have access and the right to enter upon the Property at any time without notice. Landlord shall have the right to show the Property to any prospective purchaser and for any other purpose deemed reasonable by Landlord and shall show the same at a time that is not disruptive to the business of Tenant.

13. END OF TERM.

13.1. Either party may terminate this Lease upon thirty (30) days written notice to the other Party.

13.2. Upon the termination of this Lease, Tenant shall quietly and peaceably leave and surrender the Property to the Landlord in as good condition as when received, ordinary wear and tear excepted.

14. LIMITATIONS ON LANDLORD'S LIABILITY.

14.1. Limitation on Liability. Landlord shall not be liable to Tenant or any other person, for direct or consequential damages, or otherwise, for any failure to supply any heat, air conditioning, elevator, cleaning, lighting or other service which Landlord has agreed to supply during any period when Landlord uses reasonable diligence to supply such services. Landlord shall not be responsible for any electrical current surges. Landlord shall not be responsible for any damage caused to Tenant, its employees, agents, servants and invitees, for any exposure to hazardous substances on the Property. Landlord shall not be liable to Tenant or any other person or entity for direct or consequential damages resulting from the admission to, or exclusion from, the Property of any person. Landlord shall not be liable for damages for injury to persons or property or interruption of business.

14.2. Limitation on Recovery. In no event shall Landlord at any time be liable to Tenant for any damages, costs or expenses in excess of Landlord's interest in the Property. All judgments against Landlord shall be enforced only against such interest and not against any other present or future asset of Landlord. In no event shall Tenant make any claim against, or seek to impose any personal liability upon, Landlord's officers, employees or agents. Tenant hereby waives any rights Tenant may now or hereafter have of recourse against any such person or against any present or future asset of such person.

15. INDEMNITY.

15.1. Except for Landlord's gross negligence or willful misconduct, Tenant shall indemnify and hold Landlord harmless against and from any and all claims, demands, liabilities, actions and damages and all costs and expenses related thereto (including reasonable attorney's fees, court costs, and other expenses of litigation) and all damages and liabilities of any kind or nature whatsoever for or attributable to (i) the injury, death disability or illness of any person or persons, or damage to any property

occurring in, on or about the Property or arising from Tenant's use of the Property, from the conduct of its business or from any activity, work or other things done, permitted or suffered by Tenant in or about the Property; or (ii) any breach or default in the performance of any of Tenant's obligations under this Lease, or arising from any act or negligence of the Tenant.

15.2. Landlord shall not be liable to Tenant or Tenant's employees, contractors, customers, invitees or agents or any other person whomsoever for any injury to said person or damage to their property occurring on the Property arising, or alleged to arise, from any act or omission of Tenant or Tenant's employees, contractors, customers, invitees or agents or by any other persons entering upon the Property under the express or implied invitation of Tenant.

15.3. Tenant agrees to hold harmless and to indemnify Landlord from all claims (including all costs, expenses, liabilities and reasonable attorney's fees) arising or alleged to arise from any act or omission of Tenant or of Tenant's employees, contractors, customers, invitees or agents or by any other persons entering upon the property under the express or implied invitation of Tenant, or arising from any injury or damage to any person, or the property of any person, occurring during the term of this Lease, and any renewal thereof, in or about the property.

15.4. In any such action or proceeding against Landlord by reason of any claim for which Tenant has indemnified Landlord hereunder, if Landlord elects, Tenant upon notice from Landlord shall defend the same at Tenant's expense by counsel reasonably satisfactory to Landlord. Landlord or its agents shall not be liable for any loss or damage to persons or property in the Property resulting from fire, explosion, falling plaster, steam, gas, electricity, water or rain which may leak from any part of the building or from the pipes, appliances or plumbing works therein or from the roof, street or subsurface or from any other place or resulting from dampness, or any such injury or damage from any other cause whatsoever, unless caused by or due to the gross negligence or intentional misconduct of Landlord or its employees. Tenant, as a material part of the consideration to Landlord, hereby assumes all risk of damage from any other cause other than Landlord's gross negligence or intentional misconduct; Tenant hereby waives and releases all claims in respect thereof against Landlord. Tenant shall give prompt notice to Landlord in case of casualty or accidents in the Property. Landlord and his agents and employees shall not be liable for interference with light or air or for any latent defect in the Property. Landlord shall have no obligation to provide security guards, patrols, devices or systems for the Property, building or other property, and shall not be liable for any failure to provide such security services.

16. DEFAULT BY TENANT.

16.1. The following events shall constitute an "event of default" by Tenant:

Failure in the performance or observance of any covenant, agreement or obligation to be performed by Tenant under the terms and provisions of this Lease (other than a failure to pay rent due hereunder), and Tenant does not cure said failure within 15 days after receiving written notice of such failure from Landlord.

17. LANDLORD'S REMEDIES UPON TENANT'S DEFAULT.

17.1. Time is of the essence hereof. Upon the occurrence of any event of default by Tenant, Landlord shall have the right, at Landlord's election, then or at any time thereafter, to exercise any one or more of the following remedies:

17.1.1. Cure by Landlord. Upon an event of a non-monetary default by Tenant and the cure not being undertaken by the Tenant after written notice thereof, Landlord may, at Landlord's option, but without the obligation to do so, and without releasing Tenant from any obligations under this Lease, make any payment or take any action as Landlord may deem necessary or desirable to cure such non-monetary default. Tenant covenants and agrees to pay to Landlord, within 30 days after demand, all advances, costs and expenses of Landlord in connection with the making of any such payment or the taking of any such action, including reasonable attorney's fees, together with interest at the rate set forth below, from the date of payment of any such advances, costs and expenses by Landlord.

17.1.2. Termination of Lease and Damages. Upon an event of default by Tenant, Landlord may terminate this Lease, effective as such time as may be specified by written notice to Tenant.

17.1.3. Repossession. Upon an event of default, Landlord may reenter and take possession of the Property or any part thereof, without demand or notice, and repossess the same and expel Tenant and any party claiming by, through or under Tenant and remove the effects of both, with or without process of law, and using such force for such purposes as may be necessary, without being liable for prosecution on account thereof or being deemed guilty of any manner of trespass, and without prejudice to any remedies for arrears of rent or right to bring any proceeding for breach of covenants or conditions.

17.2. Remedies Cumulative. Exercise of any of the remedies of Landlord under this Lease shall not prevent the concurrent or subsequent exercise of any other remedy provided for in this Lease or otherwise available to Landlord at law or in equity.

18. COMPLIANCE WITH LAWS AND REASONABLE USAGE

Tenant shall comply with all federal, state, municipal and other laws, ordinances, rules and regulations applicable to the Property and the business conducted therein by Tenant; will not engage in any activity other than the permitted uses of the Property which would cause Tenant's insurance to be canceled; will not commit any act that is a nuisance or annoyance to the Landlord or to other tenants, or which might, in the reasonable judgment of Landlord, damage Landlord's reputation, or tend to injure or depreciate the Property; and will not commit or permit waste on the Property.

19. NON-WAIVER OF REMEDY.

The waiver by Landlord or Tenant of any breach or default of any term, covenant or condition of this Lease shall not be deemed to be a waiver of any subsequent breach of the same or any other term, covenant or condition of this Lease. Any waiver must be in writing and signed by the Party against whom it is sought to be enforced in order to be effective.

20. NOTICES.

All notices and other communication required or permitted under this Lease shall be in writing and shall be, as determined by the person giving such notice, either hand delivered, mailed by registered or certified mail, return receipt requested, or by facsimile communication to the other Party at the following addresses:

LANDLORD: Pinal County
Clerk of the Board
P.O. Box 827
135 N. Pinal Street
Administrative Complex
Florence, Arizona 85132
Facsimile: (520) 866-6512

TENANT: City of Eloy
ATTN: City Manager
628 N. Main Street
Eloy, Arizona 85131
Facsimile: (520) 466-3161

Notice shall be deemed delivered at the time of personal delivery, telecopy or telegraphic communication or when mailed to the required party. Any party may change its address by given written notice of a change of address to the other Party in the manner above provided.

21. MISCELLANEOUS

21.1. Headings. Headings of this Lease are not a part of the Lease and shall have no effect upon the construction or interpretation of any part thereof.

21.2. Binding Effect. The covenants and conditions herein contained shall inure to the benefit of and bind to the successors and permitted assigns of the Parties hereto.

21.3. Recording. Landlord shall record this Lease.

21.4. Tenant's Authority. The individual executing this Lease on behalf of Tenant represents and warrants that he is duly authorized to execute and deliver this Lease on behalf of Tenant, in accordance with the bylaws and other corporate documents, partnership Lease, trust Lease or other governing instruments or documents of Tenant, and further represents and warrants that this Lease is binding on Tenant in accordance with its terms.

21.5. Entire Lease. This written Lease contains the entire and only Lease between Landlord and Tenant and there are not any prior or contemporaneous oral or other statements, Leases or representations other than those expressly contained in this Lease between said parties. This Lease shall not be modified or amended in any manner except by written instrument signed by all the parties hereto.

21.6. Applicable Law. This Lease is entered into in the State of Arizona and be governed by and construed in accordance with the laws of the State of Arizona.

21.7. Attorney's Fees. Notwithstanding any other provision herein, it is agreed is any such action is brought in a court of law by either party to this Lease as to the enforcement, interpretation or construction of this Lease, or any document provided for herein, the prevailing party in such action shall be awarded reasonable attorney's fees as well as all costs incurred in the prosecution or defense of such action.

21.8. Hazardous Materials. Tenant will not store, use or dispose of any hazardous materials in, on or about the Property. Tenant will be solely responsible for and will defend, indemnify and hold Landlord, its officers, agents and employees harmless from and against all claims, costs and liabilities including reasonable attorney's fees, court costs and other expenses of litigation (i) arising out of or in connection with Tenant's breach of its obligations contained in the Section 21.8, or (ii) arising out of or in connection with the removal, clean-up and restoration work and materials necessary to return the Property to the condition existing prior to the appearance of Tenant's hazardous materials in the Property or Property. Tenant's obligations under this Section 21.8 will survive the expiration or other termination of this Lease.

21.9. Force Majeure. "Force majeure" delay shall be defined for the purposes of this Lease as an event or circumstance where an act or failure to act by either Party hereunder which would otherwise be a breach or default where such act or failure to act is due to events outside the control of the Party claiming an extension including, without limitation the following: war; insurrection; strikes; lock-outs; riots; floods; earthquakes; fires; casualties; act of God; acts of the public enemy; including terrorism; epidemics; quarantine restrictions; freight embargoes; or government delays; unusually severe weather; inability to secure necessary labor; materials or tools; delays of any contractor; subcontractor or supplier.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties hereto, have executed this Lease Agreement as of the day and year set forth below.

"Landlord"

PINAL COUNTY, a political subdivision
of the State of Arizona

By: Cheyl Chase
Chair of the Board of Supervisors

Dated: 9/23/15

ATTEST:

Shirley Cleff
Clerk/Deputy Clerk of the Board of Supervisors

APPROVED AS TO FORM:

[Signature]
Deputy County Attorney



"Tenant"

CITY OF ELOY, an Arizona municipal corporation

By: Bellon
Mayor of the City of Eloy

Dated: 8/10/15

ATTEST:

May Myers
City Clerk

APPROVED AS TO FORM:

Stephen R. Cooper
City Attorney

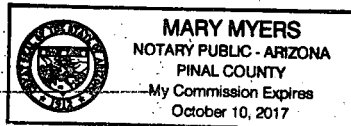
ACKNOWLEDGEMENTS

STATE OF)
) ss.
COUNTY OF)

The foregoing Lease Agreement was acknowledged before me this 10th day of August, 20 15 by Joel Belloc, the Mayor of the City of Eloy, an Arizona municipal corporation, who being authorized to do so, executed the foregoing instrument on behalf of said entity for the purposes stated therein.

Mary Myers
Notary Public

My Commission Expires:

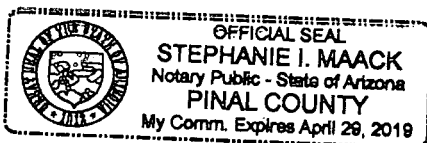


STATE OF ARIZONA)
) ss.
COUNTY OF PINAL)

The foregoing Agreement was acknowledged before me this 23 day of September, 20 15, by Cheryl Chase and Sheri Cluff, Chair and Clerk/Deputy Clerk, respectively of the Pinal County Board of Supervisors, for Pinal County, a political subdivision of the State of Arizona, who being authorized to do so, executed the foregoing instrument on behalf of said entity for the purposes stated therein.

Stephanie I. Maack
Notary Public

My Commission Expires: April 29, 2019



NOTICE OF PUBLIC HEARING

Pursuant to Arizona Revised State Statutes Section 11-256.01, Pinal County, Arizona intends to enter into a lease of County-owned property located at 707 W. 3rd Place, Eloy, Arizona 85131, with the City of Eloy, an Arizona municipal corporation, for use as a maintenance storage yard. The material conditions of the lease are that the property be used of maintenance storage only, that it be a term of 5 years, automatically renewable for successive one year terms unless terminated and that the amount of the rent shall be One Dollar (\$1.00) annually. A copy of the proposed lease may be obtained by written request to Pinal County Public Works Department, Attention Tara Harman, P.O. Box 727, 31 N. Pinal Street, Building F, Florence, Arizona 85132.

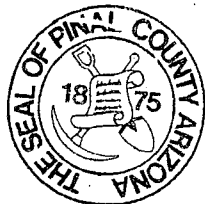
A public hearing will be held on this matter by the Pinal County Board of Supervisors at 9:30 a.m. on the 23rd day of September, 2015, in the Board of Supervisors Hearing Room, 1891 Historic Courthouse, 135 N. Pinal Street, Florence, Arizona.

Any persons desiring to submit a competing bid for the Lease Agreement are to file with the Pinal County Clerk of the Board, P.O. Box 827, 135 N. Pinal Street, Florence, Arizona 85132, a statement in writing setting forth the amount of the bid and an agreement to the material terms of the lease.

All persons interested may attend the public hearing and will be given an opportunity to be heard at the hearing. One or more of the members of the Board of Supervisors may participate telephonic.

DATED this 6th day of August, 2015.

PINAL COUNTY BOARD OF SUPERVISORS



Sher Cluff

Clerk of the Board

Publication Dates:

To run in the Tri-Valley Dispatch for four (4) consecutive weeks on August 12, 2015, August 19, 2015, August 26, 2015 and September 2, 2015.

CITY OF ELOY

REQUEST FOR COUNCIL ACTION

Agenda Item: **VIII.B.**

Date: **7/28/2025**

Date submitted:
07/17/2025

Action: Formal

Subject: Discussion and Consideration of Accepting the Right-of-Way Dedications by the Residents of West Houser Road for the Houser Road Water Line Extension Project; and Authorizing the Mayor to Sign Acceptance and the City Clerk (or Their Designees) to Record the Dedications.

Date requested:
7/28/2025

TO: Mayor and City Council

FROM: Matt Rencher, Public Works Director/City Engineer

RECOMMENDATION:

Staff recommends that Council accept the right-of-way dedications, authorize the Mayor to sign the Acceptance of said Dedications, and authorize the City Clerk to record the Dedications on the County Records.

DISCUSSION:

On July 12, 2021, Council awarded Sunrise Engineering a contract to prepare construction plans, cost estimates, bid documents, and right-of-way dedication documents for the Houser Road Water Line Extension, with a total budget of \$44,000.

The original Houser Road Water Line Extension Project extends an 8" waterline along Houser Road to provide improved service to the existing (and future) residential homes west of Indian Trail Road along Houser Road. The project included an alternative to also replace approximately 1,230 l.f. of existing 3" water line along Charleston Road across private property that currently serves this area with an 8" waterline. This alternative was originally deferred to a future year due to budgetary constraints.

In July 2021, the City Council approved a design contract with Sunrise Engineering to develop plans for a water line extension along Houser Road to serve the aforementioned properties. The original design included capping the existing water line along Charleston Road after the first residence on that alignment. While construction funding for this project was included in the City's Capital Improvement Plan (CIP) each year since 2021—excluding the current fiscal year—the project has not advanced to completion.

In 2022, staff solicited a construction cost estimate from Ellison-Mills Construction. The resulting estimate significantly exceeded the budgeted amount, prompting staff to

recommend the project's removal from the CIP. The reallocated funds were instead directed to a project offering a broader benefit to the community.

Following the project's removal from the FY2024–2025 CIP, two of the impacted residents requested its reinstatement, citing prior commitments made by the City to complete the project. These residents attended the City Council Budget Work Session on May 20, 2024, to express their concerns and advocate for the project's inclusion. In response, the Council directed staff to reintegrate the project into the CIP for FY2025–2026.

At the Budget Retreat held on February 7, the Council further directed staff to evaluate alternative approaches to fulfill the original project objectives, including the possibility of dividing the project into multiple phases across fiscal years.

Upon review, staff identified a phased implementation as the most viable path forward. **Phase 1**, scheduled for FY2026 at an estimated cost of **\$450,000**, would involve extending the water line along Houser Road, thereby providing service to five of the seven properties. Staff have included **Phase 1** in the FY2026 Capital Improvement Plan at a revised estimated cost of **\$450,000**. **Phase 2** would address the remaining two residences through improvements along the Charleston Road alignment. Staff has currently budgeted **\$300,000** for **Phase 2** in the Capital Improvement Plan for FY 2026–2027.

As of July 2, 2025, Staff has received all dedications of right-of-way to move forward with Phase I of this project as discussed previously. With the signatures dedicating the right-of-way along Houser Road, Phase I is ready to move forward, subject to the approval of the Council.

FISCAL IMPACT:

There is no cost to accept the dedications of right-of-way.

Approved as to Form:



Stephen R. Cooper, City Attorney

WHEN RECORDED RETURN TO:
CITY CLERK
CITY OF ELOY
595 N. C STREET, SUITE 104
ELOY, AZ 85131

THIS DEED IS EXEMPT FROM FILING AN AFFIDAVIT OF LEGAL VALUE PURSUANT TO A.R.S. §11-1134(A)(3)

SPECIAL WARRANTY DEED

FOR THE CONSIDERATION OF ONE DOLLAR (\$1.00) AND OTHER VALUABLE CONSIDERATION, THE RECEIPT AND SUFFICIENCY OF WHICH IS HEREBY ACKNOWLEDGED, ALLEN C. BOWMAN AND MONIKA M. BOWMAN, HUSBAND AND WIFE, AS COMMUNITY PROPERTY WITH RIGHT OF SURVIVORSHIP, "GRANTOR" DOES HEREBY CONVEY TO THE CITY OF ELOY, AN ARIZONA MUNICIPAL CORPORATION, ALL RIGHT, TITLE AND INTEREST EASEMENTS AND APPURTENANT BENEFITS, TO AND IN THAT CERTAIN PARCEL OF REAL PROPERTY, AS LEGALLY DESCRIBED IN EXHIBIT A AND DEPICTED IN EXHIBIT B.

IT IS THE INTENTION OF THE PARTIES TO CAUSE THE REAL PROPERTY DESCRIBED ON SAID EXHIBIT A AND DEPICTED IN EXHIBIT B TO BE DEDICATED AS **PUBLIC RIGHT OF WAY FOR ROADWAY AND UTILITY PURPOSES**, AND TO VEST TITLE IN FEE SIMPLE IN THE CITY OF ELOY IN TRUST, FOR ALL THE USES CONTEMPLATED IN PUBLIC STREET DEDICATION.

THIS DEED SUPERSEDES AND RENDERS VOID ANY PREVIOUS GRANT OF A RIGHT IN THE REAL PROPERTY DESCRIBED IN EXHIBIT A AND DEPICTED IN EXHIBIT B INCLUDING, BUT NOT LIMITED TO, ANY EASEMENTS CONVEYED BY GRANTOR TO THE CITY OF ELOY CONCERNING THE REAL PROPERTY DESCRIBED IN EXHIBIT A AND DEPICTED IN EXHIBIT B.

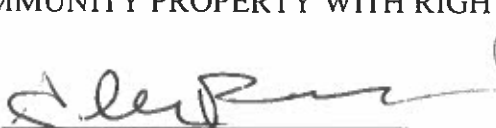
GRANTOR HEREBY BINDS ITSELF AND ITS SUCCESSORS TO WARRANT THE TITLE AGAINST ANY AND ALL PERSONS, SUBJECT ONLY TO THOSE EASEMENTS, ENCUMBRANCES OR LIENS OF RECORD, OR AS ABOVE SET FORTH, IF ANY.

[signatures on the following pages]

“GRANTOR”

ALLEN C. BOWMAN AND MONIKA M. BOWMAN, HUSBAND AND WIFE, AS
COMMUNITY PROPERTY WITH RIGHT OF SURVIVORSHIP

BY:


ALLEN C. BOWMAN


MONIKA M. BOWMAN

(ACKNOWLEDGMENTS)

STATE OF ARIZONA)
) SS.
COUNTY OF PINAL)

THE FOREGOING INSTRUMENT WAS ACKNOWLEDGED BEFORE ME THIS 10
DAY OF June, 2022, BY Tiffany Leamard




NOTARY PUBLIC:

MY COMMISSION EXPIRES: 06-13-25

ACCEPTED BY:

“CITY”

CITY OF ELOY, AN ARIZONA
MUNICIPAL CORPORATION

BY: _____
ANDREW SUTTON, MAYOR

ATTEST: _____
CELINE KIDWELL, CITY CLERK

STATE OF ARIZONA)
) SS.
COUNTY OF PINAL)

THE FOREGOING INSTRUMENT WAS ACKNOWLEDGED BEFORE ME THIS _____
DAY OF _____, 2025, BY _____

NOTARY PUBLIC:

MY COMMISSION EXPIRES: _____

EXHIBIT 'A'

RIGHT-OF-WAY DESCRIPTION

THE SOUTH 50.00 FEET OF THE FOLLOWING DESCRIBED PARCEL:

THE WEST 230.00 FEET OF THE SOUTH 350.00 FEET OF THE SOUTHWEST QUARTER OF THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 30, TOWNSHIP 7 SOUTH, RANGE 7 EAST OF THE GILA AND SALT RIVER MERIDIAN, PINAL COUNTY, ELOY, ARIZONA.

CONTAINS 11550 SQUARE FEET OR 0.27 ACRES MORE OR LESS.



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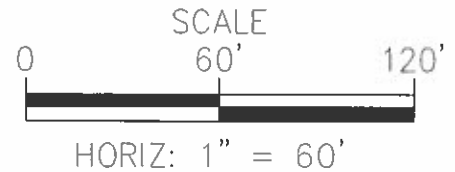


2045 SOUTH VINEYARD, SUITE 101
MESA, ARIZONA 85210
TEL 480.768.8600
www.sunrise-eng.com

SECTION 30, T7S, R7E, G&SRM
 PINAL COUNTY, ELOY, ARIZONA
EXHIBIT 'B'

LINE LEGEND

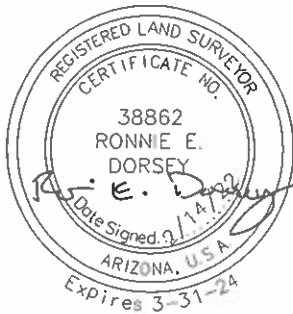
-  RIGHT-OF-WAY DEDICATION
-  PROPERTY LINE
-  SECTION LINE



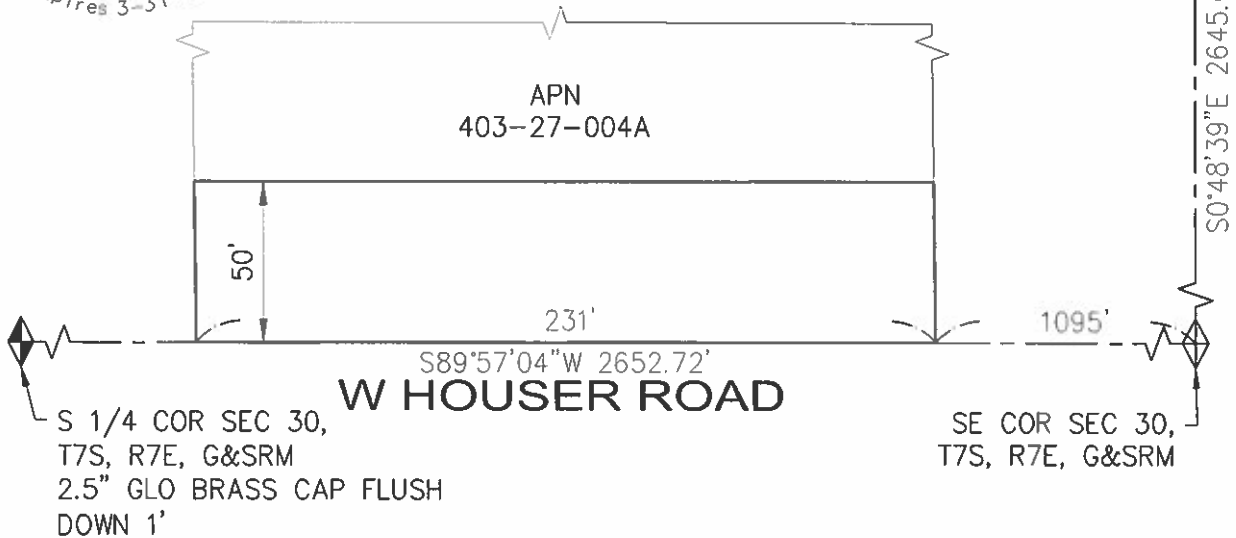
LEGEND

-  FOUND PLSS SECTION MONUMENT, AS NOTED
-  CALCULATED PLSS SECTION CORNER, AS NOTED

NE COR SEC 30,
 T7S, R7E, G&SRM
 GLO BRASS CAP IN HAND HOLE



POC
 E 1/4 COR SEC 30,
 T7S, R7E, G&SRM
 GLO BRASS CAP IN HAND HOLE
 STAMPED 1928



N INDIAN TRAIL ROAD

NOTE: A SURVEY OF THIS PROPERTY WAS NOT DONE.
 WITH THE EXCEPTION OF THE SECTION LINES THE DISTANCES SHOWN
 ON THIS EXHIBIT ARE APPROXIMATE TO THE NEAREST FOOT.



2045 SOUTH VINEYARD, SUITE 101
 MESA, ARIZONA 85210
 TEL 480.768.8600
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WHEN RECORDED RETURN TO:
CITY CLERK
CITY OF ELOY
595 N. C STREET, SUITE 104
ELOY, AZ 85131

THIS DEED IS EXEMPT FROM FILING AN AFFIDAVIT OF LEGAL VALUE PURSUANT TO A.R.S. §11-1134(A)(3)

SPECIAL WARRANTY DEED

FOR THE CONSIDERATION OF ONE DOLLAR (\$1.00) AND OTHER VALUABLE CONSIDERATION, THE RECEIPT AND SUFFICIENCY OF WHICH IS HEREBY ACKNOWLEDGED, JAMES E. FRAZIER AND MARIE FRAZIER, HUSBAND AND WIFE, AS COMMUNITY PROPERTY WITH RIGHT OF SURVIVORSHIP, "GRANTOR" DOES HEREBY CONVEY TO THE CITY OF ELOY, AN ARIZONA MUNICIPAL CORPORATION, ALL RIGHT, TITLE AND INTEREST EASEMENTS AND APPURTENANT BENEFITS, TO AND IN THAT CERTAIN PARCEL OF REAL PROPERTY, AS LEGALLY DESCRIBED IN EXHIBIT A AND DEPICTED IN EXHIBIT B.

IT IS THE INTENTION OF THE PARTIES TO CAUSE THE REAL PROPERTY DESCRIBED ON SAID EXHIBIT A AND DEPICTED IN EXHIBIT B TO BE DEDICATED AS **PUBLIC RIGHT OF WAY FOR ROADWAY AND UTILITY PURPOSES**, AND TO VEST TITLE IN FEE SIMPLE IN THE CITY OF ELOY IN TRUST, FOR ALL THE USES CONTEMPLATED IN PUBLIC STREET DEDICATION.

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[signatures on the following pages]

"GRANTOR"

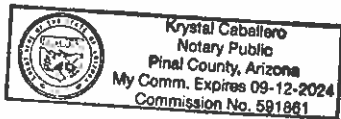
JAMES E. FRAZIER AND MARIE FRAZIER, HUSBAND AND WIFE, AS COMMUNITY
PROPERTY WITH RIGHT OF SURVIVORSHIP

BY: James E. Frazier Marie Frazier
JAMES E. FRAZIER MARIE FRAZIER

(ACKNOWLEDGMENTS)

STATE OF ARIZONA)
) SS.
COUNTY OF PINAL)

THE FOREGOING INSTRUMENT WAS ACKNOWLEDGED BEFORE ME THIS 8
DAY OF September, 2022, BY James E. Frazier & Marie
frazier



Krystal Caballero
NOTARY PUBLIC:

MY COMMISSION EXPIRES: 9-12-2024

ACCEPTED BY:

“CITY”

CITY OF ELOY, AN ARIZONA
MUNICIPAL CORPORATION

BY: _____
ANDREW SUTTON, MAYOR

ATTEST: _____
CELINE KIDWELL, CITY CLERK

STATE OF ARIZONA)
) SS.
COUNTY OF PINAL)

THE FOREGOING INSTRUMENT WAS ACKNOWLEDGED BEFORE ME THIS _____
DAY OF _____, 2025, BY _____

NOTARY PUBLIC:

MY COMMISSION EXPIRES: _____

EXHIBIT 'A'

RIGHT-OF-WAY DESCRIPTION

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THE SOUTH 300.00 FEET OF THE EAST 217.50 FEET OF THE WEST 447.50 FEET OF THE SOUTHWEST QUARTER OF THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 30, TOWNSHIP 7 SOUTH, RANGE 7 EAST OF THE GILA AND SALT RIVER MERIDIAN, PINAL COUNTY, ELOY, ARIZONA.

CONTAINS 10900 SQUARE FEET OR 0.25 ACRES MORE OR LESS.



P:\101\08725 House Rd Water Main Ext\Survey\Drawings\House Rd R/W.dwg 14, 2022 3:12pm hodorio



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MESA, ARIZONA 85210
TEL 480.768.8600
www.sunrise-eng.com

SECTION 30, T7S, R7E, G&SRM
PINAL COUNTY, ELOY, ARIZONA

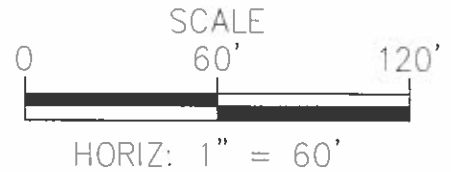
EXHIBIT 'B'

LINE LEGEND

- RIGHT-OF-WAY DEDICATION
———— PROPERTY LINE
- - - - - SECTION LINE

LEGEND

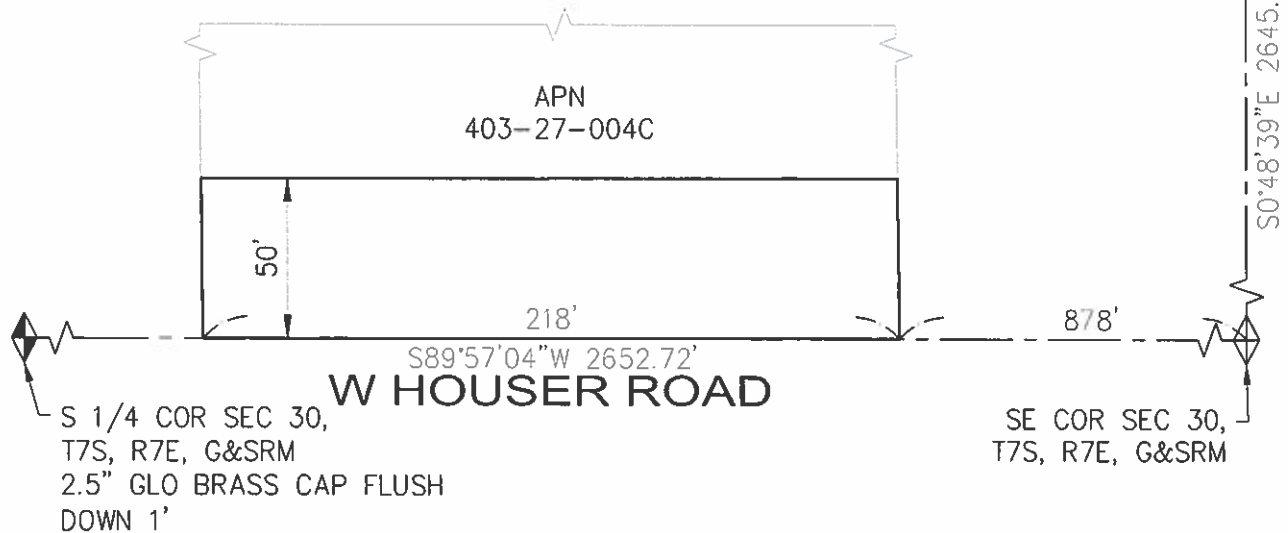
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◆ CALCULATED PLSS SECTION CORNER, AS NOTED



NE COR SEC 30,
T7S, R7E, G&SRM
GLO BRASS CAP IN HAND HOLE

POC
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STAMPED 1928

N INDIAN TRAIL ROAD



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TO A.R.S. §11-1134(A)(3)

SPECIAL WARRANTY DEED

FOR THE CONSIDERATION OF ONE DOLLAR (\$1.00) AND OTHER VALUABLE CONSIDERATION, THE RECEIPT AND SUFFICIENCY OF WHICH IS HEREBY ACKNOWLEDGED, YVONNE L. MCKENZIE, AS TRUSTEE OF THE YVONNE MCKENZIE FAMILY TRUST DATED NOVEMBER 5, 2003, "GRANTOR" DOES HEREBY CONVEY TO THE CITY OF ELOY, AN ARIZONA MUNICIPAL CORPORATION, ALL RIGHT, TITLE AND INTEREST EASEMENTS AND APPURTENANT BENEFITS, TO AND IN THAT CERTAIN PARCEL OF REAL PROPERTY, AS LEGALLY DESCRIBED IN EXHIBIT A AND DEPICTED IN EXHIBIT B.

IT IS THE INTENTION OF THE PARTIES TO CAUSE THE REAL PROPERTY DESCRIBED ON SAID EXHIBIT A AND DEPICTED IN EXHIBIT B TO BE DEDICATED AS **PUBLIC RIGHT OF WAY FOR ROADWAY AND UTILITY PURPOSES**, AND TO VEST TITLE IN FEE SIMPLE IN THE CITY OF ELOY IN TRUST, FOR ALL THE USES CONTEMPLATED IN PUBLIC STREET DEDICATION.

THIS DEED SUPERSEDES AND RENDERS VOID ANY PREVIOUS GRANT OF A RIGHT IN THE REAL PROPERTY DESCRIBED IN EXHIBIT A AND DEPICTED IN EXHIBIT B INCLUDING, BUT NOT LIMITED TO, ANY EASEMENTS CONVEYED BY GRANTOR TO THE CITY OF ELOY CONCERNING THE REAL PROPERTY DESCRIBED IN EXHIBIT A AND DEPICTED IN EXHIBIT B.

GRANTOR HEREBY BINDS ITSELF AND ITS SUCCESSORS TO WARRANT THE TITLE AGAINST ANY AND ALL PERSONS, SUBJECT ONLY TO THOSE EASEMENTS, ENCUMBRANCES OR LIENS OF RECORD, OR AS ABOVE SET FORTH, IF ANY.

[signatures on the following pages]

“GRANTOR”

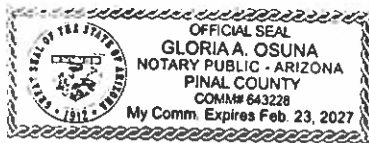
YVONNE L. MCKENZIE, AS TRUSTEE OF THE YVONNE MCKENZIE FAMILY TRUSTED
DATED NOVEMBER 5, 2003

BY: Yvonne L. McKenzie
YVONNE L. MCKENZIE

(ACKNOWLEDGMENTS)

STATE OF ARIZONA)
) SS.
COUNTY OF PINAL)

THE FOREGOING INSTRUMENT WAS ACKNOWLEDGED BEFORE ME THIS 1
DAY OF May, 2024, BY Yvonne L. McKenzie



Gloria A. Osuna
NOTARY PUBLIC:

MY COMMISSION EXPIRES: Feb. 23, 2027

ACCEPTED BY:

“CITY”

CITY OF ELOY, AN ARIZONA
MUNICIPAL CORPORATION

BY: _____
MICAH POWELL, MAYOR

ATTEST: _____
MARY MYERS, CITY CLERK

STATE OF ARIZONA)
) SS.
COUNTY OF PINAL)

THE FOREGOING INSTRUMENT WAS ACKNOWLEDGED BEFORE ME THIS _____
DAY OF _____, 2024, BY _____

NOTARY PUBLIC:

MY COMMISSION EXPIRES: _____

EXHIBIT 'A'

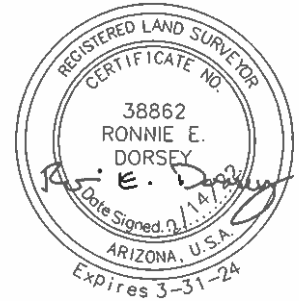
RIGHT-OF-WAY DESCRIPTION

THE SOUTH 50.00 FEET OF THE FOLLOWING DESCRIBED PARCEL:

THE EAST HALF OF THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER OF THE SOUTHEAST QUARTER AND THE WEST HALF OF THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 30, TOWNSHIP 7 SOUTH, RANGE 7 EAST OF THE GILA AND SALT RIVER MERIDIAN, PINAL COUNTY, ELOY, ARIZONA.

EXCEPT THE WEST 151.00 FEET THEREOF.

CONTAINS 25800 SQUARE FEET OR 0.59 ACRES MORE OR LESS.



2045 SOUTH VINEYARD, SUITE 101
MESA, ARIZONA 85210
TEL 480.768.8600
www.sunrise-eng.com

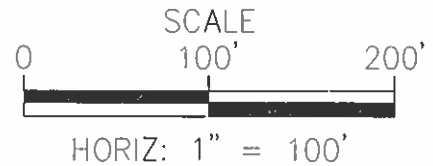
SECTION 30, T7S, R7E, G&SRM
PINAL COUNTY, ELOY, ARIZONA
EXHIBIT 'B'

LINE LEGEND

- RIGHT-OF-WAY DEDICATION
- PROPERTY LINE
- SECTION LINE

LEGEND

- ◆ FOUND PLSS SECTION MONUMENT, AS NOTED
- ◆ CALCULATED PLSS SECTION CORNER, AS NOTED

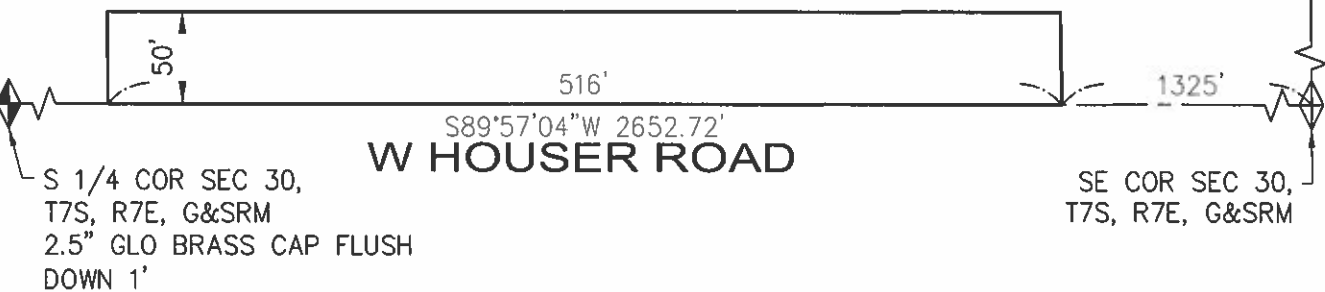


NE COR SEC 30,
T7S, R7E, G&SRM
GLO BRASS CAP IN HAND HOLE

POC
E 1/4 COR SEC 30,
T7S, R7E, G&SRM
GLO BRASS CAP IN HAND HOLE
STAMPED 1928

APN
403-27-003E

N INDIAN TRAIL ROAD



NOTE: A SURVEY OF THIS PROPERTY WAS NOT DONE.
WITH THE EXCEPTION OF THE SECTION LINES THE DISTANCES SHOWN
ON THIS EXHIBIT ARE APPROXIMATE TO THE NEAREST FOOT.



2045 SOUTH VINEYARD, SUITE 101
MESA, ARIZONA 85210
TEL 480.768.8600
www.sunrise-eng.com

WHEN RECORDED RETURN TO:
CITY CLERK
CITY OF ELOY
595 N. C STREET, SUITE 104
ELOY, AZ 85131

THIS DEED IS EXEMPT FROM FILING AN AFFIDAVIT OF LEGAL VALUE PURSUANT TO A.R.S. §11-1134(A)(3)

SPECIAL WARRANTY DEED

FOR THE CONSIDERATION OF ONE DOLLAR (\$1.00) AND OTHER VALUABLE CONSIDERATION, THE RECEIPT AND SUFFICIENCY OF WHICH IS HEREBY ACKNOWLEDGED, TERRY G. O'KELLEY AN UNMARRIED MAN AND ANITA L. SMITH AN UNMARRIED WOMAN, AS JOINT TENANTS WITH RIGHT OF SURVIVORSHIP, "GRANTOR" DOES HEREBY CONVEY TO THE CITY OF ELOY, AN ARIZONA MUNICIPAL CORPORATION, ALL RIGHT, TITLE AND INTEREST EASEMENTS AND APPURTENANT BENEFITS, TO AND IN THAT CERTAIN PARCEL OF REAL PROPERTY, AS LEGALLY DESCRIBED IN EXHIBIT A AND DEPICTED IN EXHIBIT B.

IT IS THE INTENTION OF THE PARTIES TO CAUSE THE REAL PROPERTY DESCRIBED ON SAID EXHIBIT A AND DEPICTED IN EXHIBIT B TO BE DEDICATED AS **PUBLIC RIGHT OF WAY FOR ROADWAY AND UTILITY PURPOSES**, AND TO VEST TITLE IN FEE SIMPLE IN THE CITY OF ELOY IN TRUST, FOR ALL THE USES CONTEMPLATED IN PUBLIC STREET DEDICATION.

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[signatures on the following pages]

"GRANTOR"

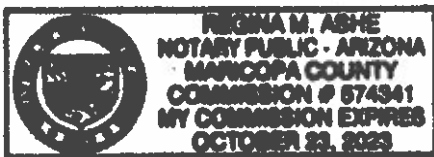
TERRY G. O'KELLEY AN UNMARRIED MAN AND ANITA L. SMITH AN UNMARRIED WOMAN, AS JOINT TENANTS WITH RIGHT OF SURVIVORSHIP

BY: Terry G. O'Kelley Anita L. Smith
TERRY G. O'KELLEY ANITA L. SMITH

(ACKNOWLEDGMENTS)

STATE OF ARIZONA)
) SS.
COUNTY OF PINAL)

THE FOREGOING INSTRUMENT WAS ACKNOWLEDGED BEFORE ME THIS 22nd
DAY OF November, 2022, BY Anita L. Smith



Regina M. Ashe
NOTARY PUBLIC:

MY COMMISSION EXPIRES: October 23, 2023

ACCEPTED BY:

“CITY”

CITY OF ELOY, AN ARIZONA
MUNICIPAL CORPORATION

BY: _____
ANDREW SUTTON, MAYOR

ATTEST: _____
CELINE KIDWELL, CITY CLERK

STATE OF ARIZONA)
) SS.
COUNTY OF PINAL)

THE FOREGOING INSTRUMENT WAS ACKNOWLEDGED BEFORE ME THIS _____
DAY OF _____, 2025, BY _____

NOTARY PUBLIC:

MY COMMISSION EXPIRES: _____

EXHIBIT 'A'

RIGHT-OF-WAY DESCRIPTION

THE SOUTH 50.00 FEET OF THE FOLLOWING DESCRIBED PARCEL:

THE WEST 151.00 FEET OF THE SOUTH 288.50 FEET OF THE WEST HALF OF THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 30, TOWNSHIP 7 SOUTH, RANGE 7 EAST OF THE GILA AND SALT RIVER MERIDIAN, PINAL COUNTY, ELOY, ARIZONA.

CONTAINS 7550 SQUARE FEET OR 0.17 ACRES MORE OR LESS.



P:\Eloy\08275 House Rd Water Main Lx1\Survey\dwg\House Rd Water Main.dwg 10:14, 2012 3:10pm hectorio

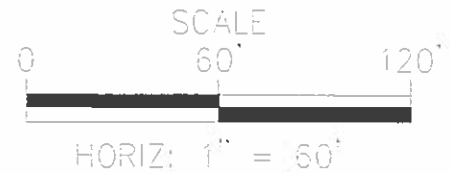


2045 SOUTH VINEYARD, SUITE 101
MESA, ARIZONA 85210
TEL 480.768.8600
www.sunrise-eng.com

SECTION 30, T7S, R7E, G&SRM
 PINAL COUNTY, ELOY, ARIZONA
EXHIBIT 'B'

LINE LEGEND

- RIGHT-OF-WAY DEDICATION
- PROPERTY LINE
- - - - - SECTION LINE
- - - - - EASEMENT LINE



LEGEND

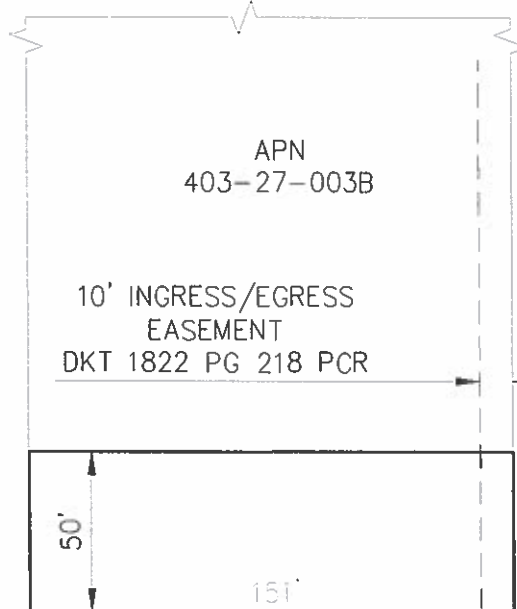
- ◆ FOUND PLSS SECTION MONUMENT, AS NOTED
- ◆ CALCULATED PLSS SECTION CORNER, AS NOTED



NE COR SEC 30,
 T7S, R7E, G&SRM
 GLO BRASS CAP IN HAND HOLE

POC
 E 1/4 COR SEC 30,
 T7S, R7E, G&SRM
 GLO BRASS CAP IN HAND HOLE
 STAMPED 1928

N INDIAN TRAIL ROAD



S 1/4 COR SEC 30,
 T7S, R7E, G&SRM
 2.5" GLO BRASS CAP FLUSH
 DOWN 1'

SE COR SEC 30,
 T7S, R7E, G&SRM

NOTE: A SURVEY OF THIS PROPERTY WAS NOT DONE.
 WITH THE EXCEPTION OF THE SECTION LINES THE DISTANCES SHOWN
 ON THIS EXHIBIT ARE APPROXIMATE TO THE NEAREST FOOT.



2045 SOUTH VINEYARD, SUITE 101
 MESA, ARIZONA 85210
 TEL 480.768.8600
 www.sunrise-eng.com

WHEN RECORDED RETURN TO:
CITY CLERK
CITY OF ELOY
595 N. C STREET, SUITE 104
ELOY, AZ 85131

THIS DEED IS EXEMPT FROM FILING AN AFFIDAVIT OF LEGAL VALUE PURSUANT TO A.R.S. §11-1134(A)(3)

SPECIAL WARRANTY DEED

FOR THE CONSIDERATION OF ONE DOLLAR (\$1.00) AND OTHER VALUABLE CONSIDERATION, THE RECEIPT AND SUFFICIENCY OF WHICH IS HEREBY ACKNOWLEDGED, VERNON YODER AND LOIS ALMA YODER, HUSBAND AND WIFE, AS COMMUNITY PROPERTY WITH RIGHT OF SURVIVORSHIP "GRANTOR" DOES HEREBY CONVEY TO THE CITY OF ELOY, AN ARIZONA MUNICIPAL CORPORATION, ALL RIGHT, TITLE AND INTEREST EASEMENTS AND APPURTENANT BENEFITS, TO AND IN THAT CERTAIN PARCEL OF REAL PROPERTY, AS LEGALLY DESCRIBED IN EXHIBIT A AND DEPICTED IN EXHIBIT B.

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[signatures on the following pages]

"GRANTOR"

VERNON YODER AND LOIS ALMA YODER, HUSBAND AND WIFE

BY: Vernon Yoder
VERNON YODER

Lois Alma Yoder
LOIS ALMA YODER

(ACKNOWLEDGMENTS)

STATE OF ARIZONA)
) SS.
COUNTY OF PINAL)

THE FOREGOING INSTRUMENT WAS ACKNOWLEDGED BEFORE ME THIS _____
DAY OF 7th June, 2022, BY _____

Laura Lopez
NOTARY PUBLIC:

MY COMMISSION EXPIRES:



ACCEPTED BY:

“CITY”

CITY OF ELOY, AN ARIZONA
MUNICIPAL CORPORATION

BY: _____
ANDREW SUTTON, MAYOR

ATTEST: _____
CELINE KIDWELL, CITY CLERK

STATE OF ARIZONA)
) SS.
COUNTY OF PINAL)

THE FOREGOING INSTRUMENT WAS ACKNOWLEDGED BEFORE ME THIS _____
DAY OF _____, 2025, BY _____

NOTARY PUBLIC:

MY COMMISSION EXPIRES: _____

EXHIBIT 'A'

RIGHT-OF-WAY DESCRIPTION

THE NORTH 30 FEET AND THE SOUTH 50 FEET OF THE FOLLOWING DESCRIBED PARCEL:

THE EAST HALF OF THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 30, TOWNSHIP 7 SOUTH, RANGE 7 EAST OF THE GILA AND SALT RIVER MERIDIAN, PINAL COUNTY, ELOY, ARIZONA.

CONTAINS 52980 SQUARE FEET OR 1.22 ACRES MORE OR LESS.

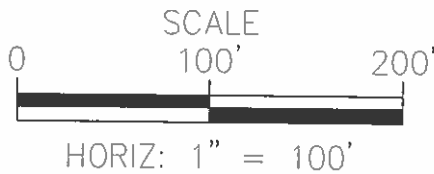


P:\Croy\08275 House Rd Water Main (1)\Survey\dwg\House Rd RW.dwg [ub 14, 2022 5:18pm nnsorio



2045 SOUTH VINEYARD, SUITE 101
MESA, ARIZONA 85210
TEL 480.768.8600
www.sunrise-eng.com

SECTION 30, T7S, R7E, G&SRM
 PINAL COUNTY, ELOY, ARIZONA
EXHIBIT 'B'



LINE LEGEND

- RIGHT-OF-WAY DEDICATION
- PROPERTY LINE
- - - - SECTION LINE
- - - - EASEMENT LINE

LEGEND

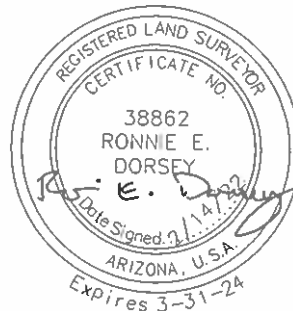
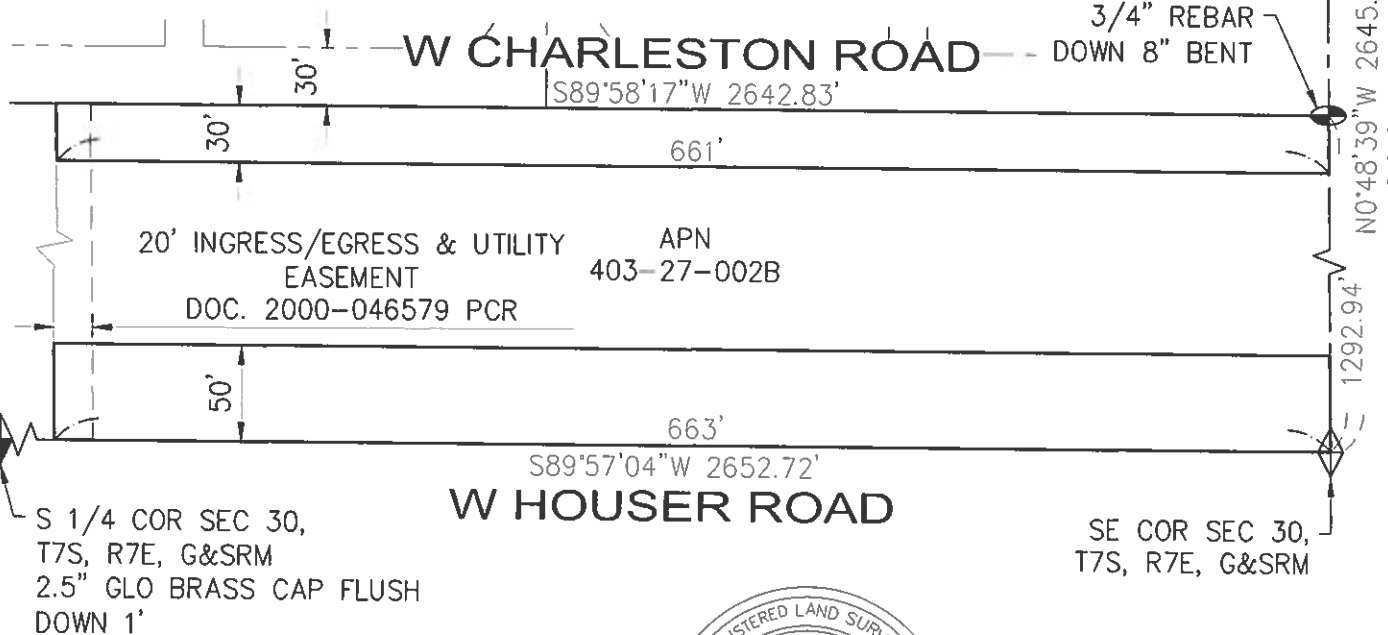
- ◆ FOUND PLSS SECTION MONUMENT, AS NOTED
- ◆ CALCULATED PLSS SECTION CORNER, AS NOTED
- INTERSECTION MONUMENT, AS NOTED

NE COR SEC 30,
 T7S, R7E, G&SRM
 GLO BRASS CAP IN HAND HOLE

POC
 E 1/4 COR SEC 30,
 T7S, R7E, G&SRM
 GLO BRASS CAP IN HAND HOLE
 STAMPED 1928

3/4" REBAR
 DOWN 8" BENT

N INDIAN TRAIL ROAD



2045 SOUTH VINEYARD, SUITE 101
 MESA, ARIZONA 85210
 TEL 480.768.8600
 www.sunrise-eng.com

NOTE: A SURVEY OF THIS PROPERTY WAS NOT DONE.
 WITH THE EXCEPTION OF THE SECTION LINES THE DISTANCES SHOWN
 ON THIS EXHIBIT ARE APPROXIMATE TO THE NEAREST FOOT.

WHEN RECORDED RETURN TO:
CITY CLERK
CITY OF ELOY
595 N. C STREET, SUITE 104
ELOY, AZ 85131

THIS DEED IS EXEMPT FROM FILING AN AFFIDAVIT OF LEGAL VALUE PURSUANT TO A.R.S. §11-1134(A)(3)

SPECIAL WARRANTY DEED

FOR THE CONSIDERATION OF ONE DOLLAR (\$1.00) AND OTHER VALUABLE CONSIDERATION, THE RECEIPT AND SUFFICIENCY OF WHICH IS HEREBY ACKNOWLEDGED, BILLY L. LYLES, A SINGLE MAN, "GRANTOR" DOES HEREBY CONVEY TO THE CITY OF ELOY, AN ARIZONA MUNICIPAL CORPORATION, ALL RIGHT, TITLE AND INTEREST EASEMENTS AND APPURTENANT BENEFITS, TO AND IN THAT CERTAIN PARCEL OF REAL PROPERTY, AS LEGALLY DESCRIBED IN EXHIBIT A AND DEPICTED IN EXHIBIT B.

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[signatures on the following pages]

"GRANTOR"

BILLY L. LYLES, A SINGLE MAN

BY: 
BILLY L. LYLES

(ACKNOWLEDGMENTS)

STATE OF ARIZONA)
) SS.
COUNTY OF PINAL)

THE FOREGOING INSTRUMENT WAS ACKNOWLEDGED BEFORE ME THIS 18TH
DAY OF JULY, 2025, BY BILLY LYLES


NOTARY PUBLIC:

MY COMMISSION EXPIRES.



ACCEPTED BY:

"CITY"

CITY OF ELOY, AN ARIZONA
MUNICIPAL CORPORATION

BY: 
ANDREW SUTTON, MAYOR

ATTEST: _____
CELINE KIDWELL, CITY CLERK

STATE OF ARIZONA)
) SS.
COUNTY OF PINAL)

THE FOREGOING INSTRUMENT WAS ACKNOWLEDGED BEFORE ME THIS _____
DAY OF _____, 2025, BY _____

NOTARY PUBLIC:

MY COMMISSION EXPIRES: _____

AUTHORIZATION TO ACCESS PROPERTY FOR WATER SERVICE LINE RELOCATION

To the City of Eloy:

As Owner(s) of the property located at 6120 W Houser Rd Eloy Arizona, see Exhibit "A" attached hereto and made a part hereof, I/We,

Billy L. Lyles, a single man

in consideration of the agreements contained in this instrument, hereby authorize and grant the City of Eloy the right to enter upon the property at the above address to relocate the existing domestic water service for the above address from the water main in Houser Road to the existing water service at the back of the house. This authorization is made on the following terms:

1. The City of Eloy shall have the right to trench and backfill for installation of water service pipe from the new tap location at the front of the property to a point where the new pipe can be connected to the existing plumbing.
2. The relocation of the existing water service line will be at no cost to the owner(s).
3. The City of Eloy agrees to install the new service connection using standard 1" HDPE waterline pipe and appropriate fittings.
4. All trenching made shall be backfilled. The City Contractor will restore disturbed surface areas and landscaping to a like or better condition. Asphalt and concrete replacement will be limited to trench width required for new water service installation.
5. The Contractor will be responsible for damage to the property as a result of negligence performing the described work, provided that such damages were a direct result of the work performed by the Contractor.
6. The Contractor shall warranty the work against defective workmanship or materials for a period of one (1) year from the date of the new water service re-connection.
7. After the warranty period has expired the new service pipe, from owner's side of the meter to the premises, will become the property and responsibility of the Owner(s) and this

right-of-entry shall conclude.

All questions regarding construction schedules, proposed methods, use of materials, street repairs, and clean-up work should be directed to the Public Works Department, Project Engineer at (520) 464-3166.

**AUTHORIZATION TO ACCESS PROPERTY
FOR WATER SERVICE LINE RELOCATION**

SIGNATURE OF OWNER(S)

Billy Lyles
(Print Name)

Billy Lyles
(Signature)

(Print Name)

(Signature)

OWNER'S MAILING ADDRESS

6120 Hodges RD

DATE 7-1-25 TELEPHONE NO. 520 2080457

State of Arizona)

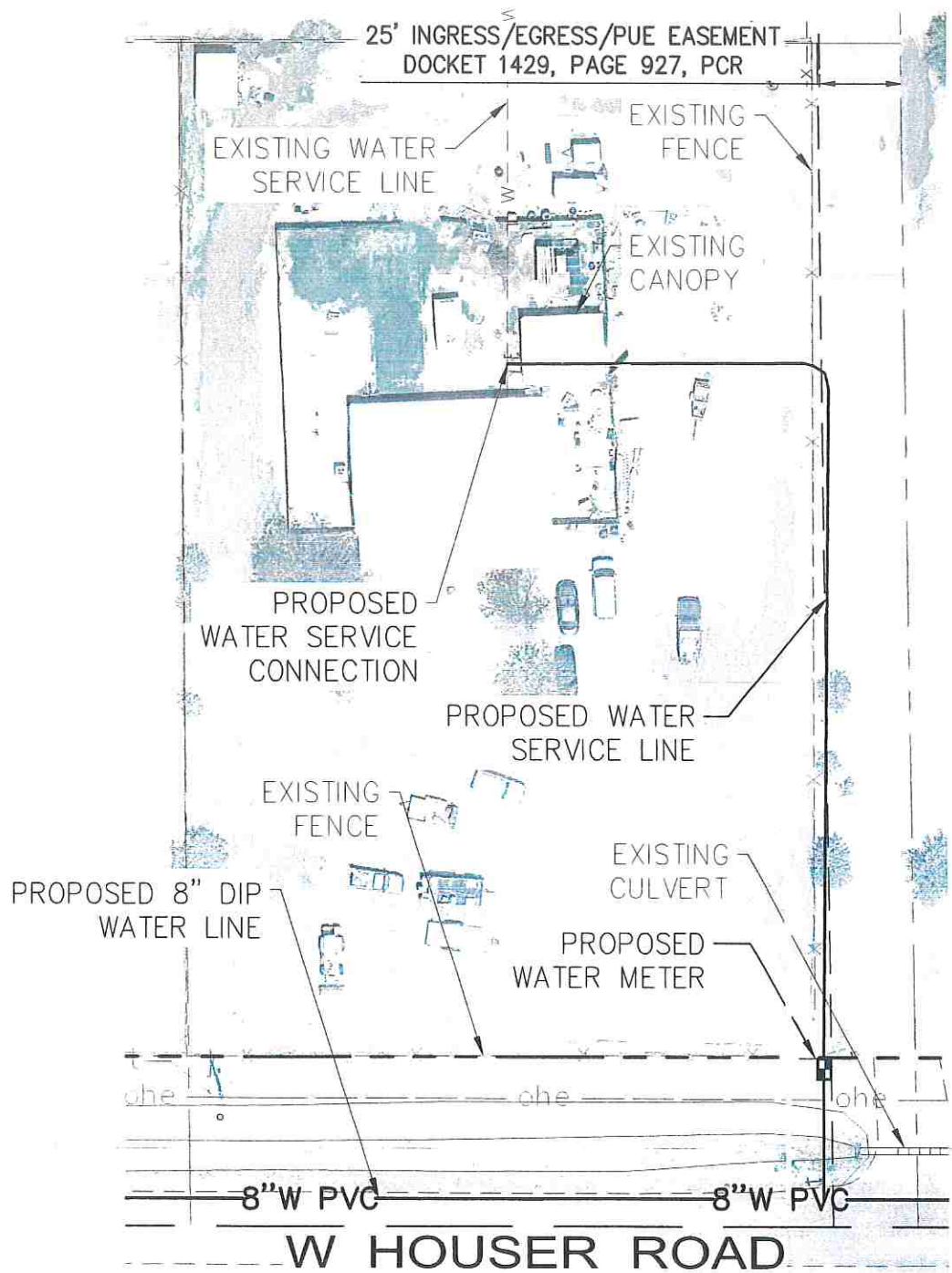
County of PINAL)

On this 1st day of JULY, 2025, before me personally appeared

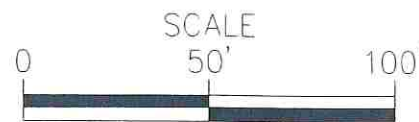
BILLY LYLES (print name of signer), whose identity was proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to this document, and who acknowledged that he/she signed the above/attached document.



Notary Public



APN 403270060
6120 W HOUSER RD



HORIZ: 1" = 50'



2045 SOUTH VINEYARD, SUITE 101
MESA, ARIZONA 85210
TEL 480.768.8600
www.sunrise-eng.com

SECTION 30, T7S, R7E, G&SRM
PINAL COUNTY, ELOY, ARIZONA

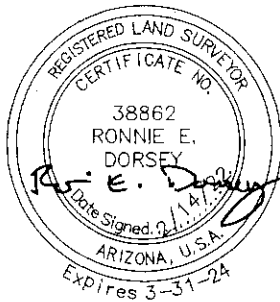
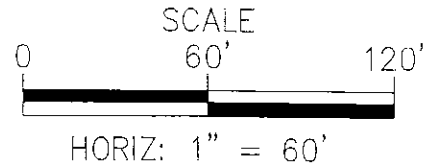
EXHIBIT 'B'

LINE LEGEND

- RIGHT-OF-WAY DEDICATION
- PROPERTY LINE
- SECTION LINE
- EASEMENT LINE

LEGEND

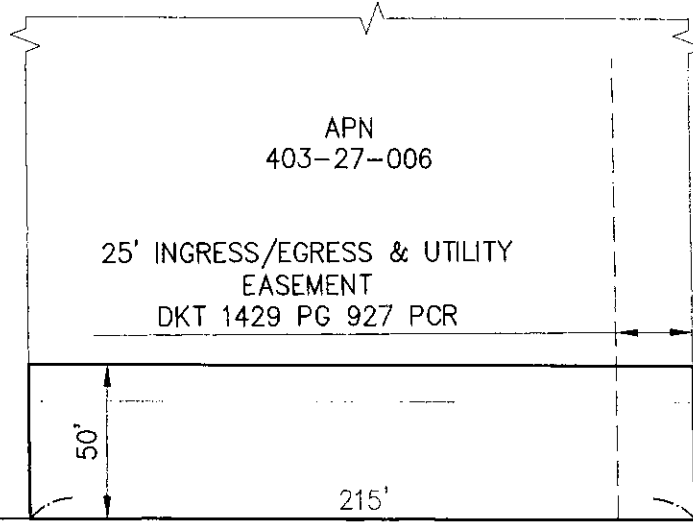
- ◆ FOUND PLSS SECTION MONUMENT, AS NOTED
- ◆ CALCULATED PLSS SECTION CORNER, AS NOTED



NE COR SEC 30,
T7S, R7E, G&SRM
GLO BRASS CAP IN HAND HOLE

POC
E 1/4 COR SEC 30,
T7S, R7E, G&SRM
GLO BRASS CAP IN HAND HOLE
STAMPED 1928

N INDIAN TRAIL ROAD



S89°57'04"W 2652.72'
W HOUSER ROAD

S 1/4 COR SEC 30,
T7S, R7E, G&SRM
2.5" GLO BRASS CAP FLUSH
DOWN 1'

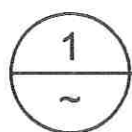
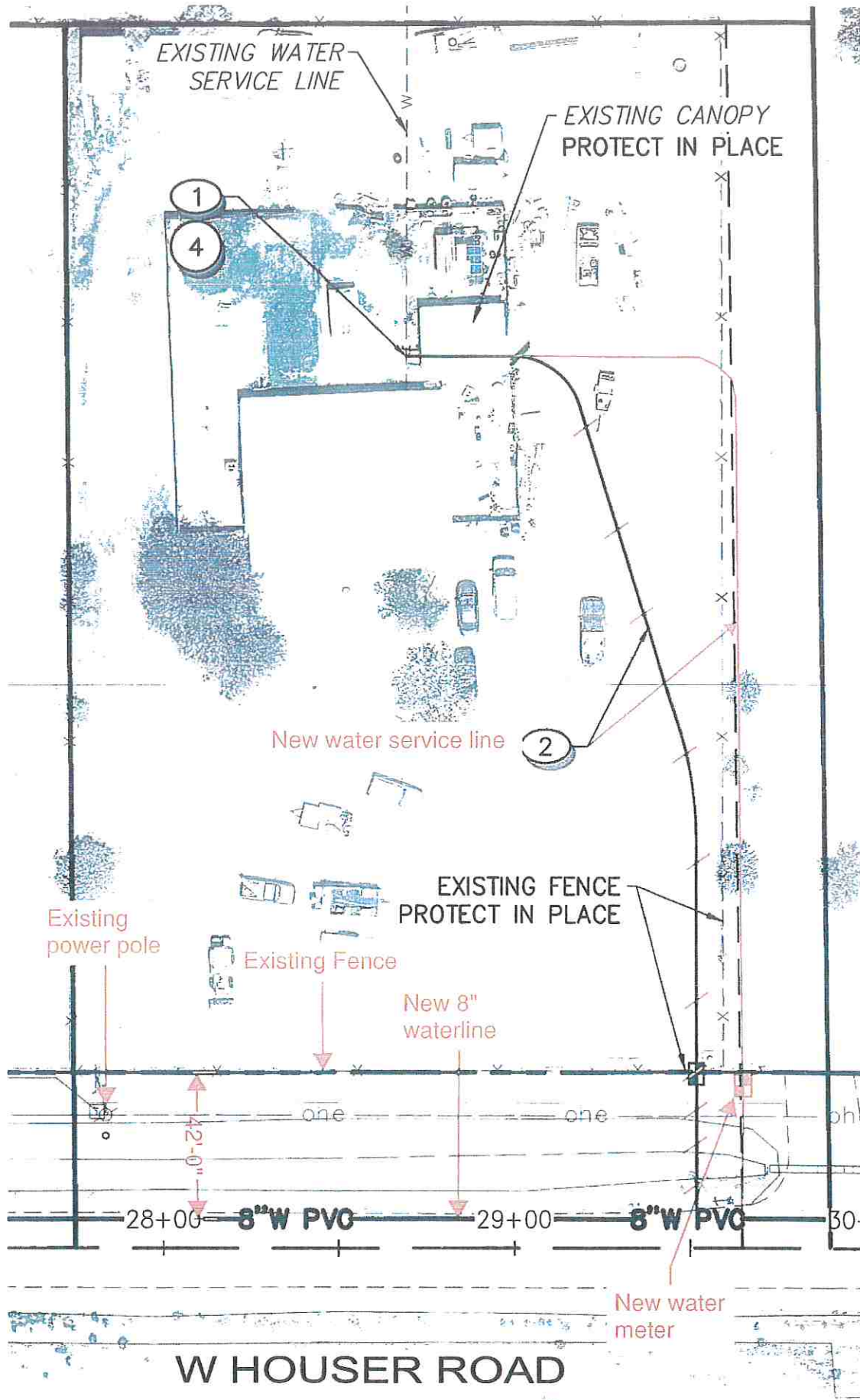
SE COR SEC 30,
T7S, R7E, G&SRM

N0°47'36"W 2645.49'
S0°48'39"E 2645.60'

NOTE: A SURVEY OF THIS PROPERTY WAS NOT DONE.
WITH THE EXCEPTION OF THE SECTION LINES THE DISTANCES SHOWN
ON THIS EXHIBIT ARE APPROXIMATE TO THE NEAREST FOOT.

 **SUNRISE
ENGINEERING**

2045 SOUTH VINEYARD, SUITE 101
MESA, ARIZONA 85210
TEL 480.768.8600
www.sunrise-eng.com



6120 W HOUSER ROAD

APN 403270060

EXHIBIT 'A'

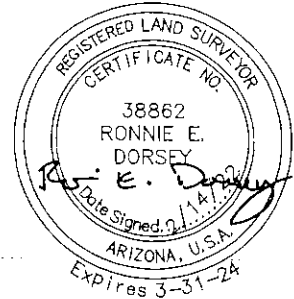
RIGHT-OF-WAY DESCRIPTION

THE SOUTH 50.00 FEET OF THE FOLLOWING DESCRIBED PARCEL:

THE SOUTH 350.00 FEET OF THE SOUTHWEST QUARTER OF THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER, SECTION 30, TOWNSHIP 7 SOUTH, RANGE 7 EAST OF THE GILA AND SALT RIVER MERIDIAN, PINAL COUNTY, ELOY, ARIZONA;

EXCEPT THE WEST 447.50 FEET OF THEREOF.

CONTAINS 10750 SQUARE FEET OR 0.25 ACRES MORE OR LESS.



2045 SOUTH VINEYARD, SUITE 101
MESA, ARIZONA 85210
TEL 480.768.8600
www.sunrise-eng.com

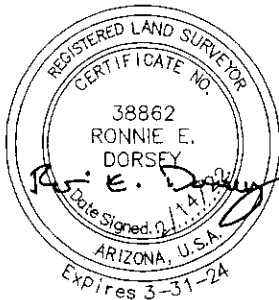
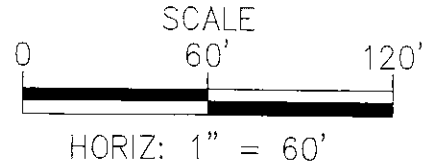
SECTION 30, T7S, R7E, G&SRM
 PINAL COUNTY, ELOY, ARIZONA
EXHIBIT 'B'

LINE LEGEND

- RIGHT-OF-WAY DEDICATION
- PROPERTY LINE
- SECTION LINE
- EASEMENT LINE

LEGEND

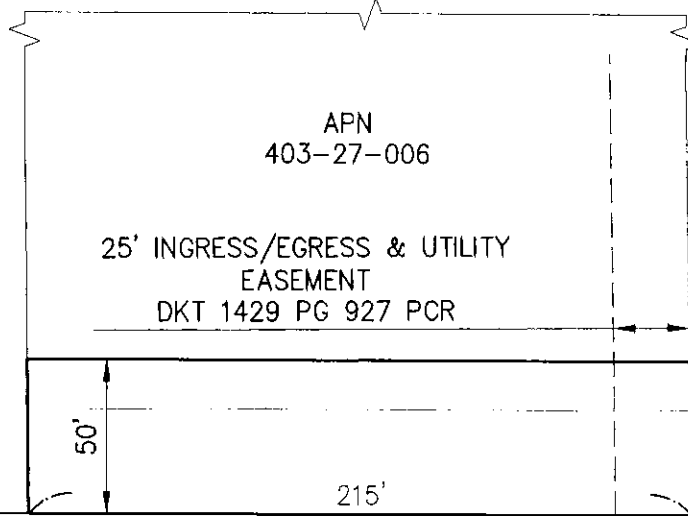
- ◆ FOUND PLSS SECTION MONUMENT, AS NOTED
- ◆ CALCULATED PLSS SECTION CORNER, AS NOTED



NE COR SEC 30,
 T7S, R7E, G&SRM
 GLO BRASS CAP IN HAND HOLE

POC
 E 1/4 COR SEC 30,
 T7S, R7E, G&SRM
 GLO BRASS CAP IN HAND HOLE
 STAMPED 1928

N INDIAN TRAIL ROAD



S 1/4 COR SEC 30,
 T7S, R7E, G&SRM
 2.5" GLO BRASS CAP FLUSH
 DOWN 1'

SE COR SEC 30,
 T7S, R7E, G&SRM

NOTE: A SURVEY OF THIS PROPERTY WAS NOT DONE.
 WITH THE EXCEPTION OF THE SECTION LINES THE DISTANCES SHOWN
 ON THIS EXHIBIT ARE APPROXIMATE TO THE NEAREST FOOT.



2045 SOUTH VINEYARD, SUITE 101
 MESA, ARIZONA 85210
 TEL 480.768.8600
 www.sunrise-eng.com

CITY OF ELOY

REQUEST FOR COUNCIL ACTION

Agenda Item: **VIII.C.**

Date: **7/28/2025**

Date submitted:
07/17/2025

Action: Formal

Subject: Discussion and Consideration of Accepting a Proposal Submitted by Ellison-Mills Based on a Cooperative Purchasing Contract with Pinal County (Contract #233828ROQ) for an Amount Not to Exceed \$450,000 for the Construction of Phase I of the Houser Road Water Line Extension Project; and Authorizing the Mayor to Sign the Necessary Contract Documents.

Date requested:
7/28/2025

TO: Mayor and City Council

FROM: Matt Rencher, Public Works Director/City Engineer

RECOMMENDATION:

Staff recommends that Council accept the Proposal submitted by Ellison-Mills for the construction of the Phase I of the Houser Road water line project

DISCUSSION:

The City currently operates a 3-inch PVC water line that provides service to seven residential properties located on Houser Road, west of Toltec Road. This water line, the associated service line, and seven meters are situated entirely on private property without the benefit of dedicated easements. The existing line follows the Charleston Road alignment, although no improved road currently exists at that location.

In July 2021, the City Council approved a design contract with Sunrise Engineering to develop plans for a water line extension along Houser Road to serve the aforementioned properties. The original design included capping the existing water line along Charleston Road after the first residence on that alignment. While construction funding for this project was included in the City's Capital Improvement Plan (CIP) each year since 2021—excluding the current fiscal year—the project has not advanced to completion.

In 2022, staff solicited a construction cost estimate from Ellison-Mills Construction. The resulting estimate significantly exceeded the budgeted amount, prompting staff to recommend the project's removal from the CIP. The reallocated funds were instead directed to a project offering a broader benefit to the community.

Following the project's removal from the FY2024–2025 CIP, two of the impacted residents requested its reinstatement, citing prior commitments made by the City to complete the project. These residents attended the City Council Budget Work Session on May 20, 2024, to express their concerns and advocate for the project's inclusion. In response, the Council directed staff to reintegrate the project into the CIP for FY2025–2026.

At the Budget Retreat held on February 7, the Council further directed staff to evaluate alternative approaches to fulfill the original project objectives, including the possibility of dividing the project into multiple phases across fiscal years.

Upon review, staff identified a phased implementation as the most viable path forward. **Phase 1**, scheduled for FY2026 at an estimated cost of **\$450,000**, would involve extending the water line along Houser Road, thereby providing service to five of the seven properties. Staff have included **Phase 1** in the FY2026 Capital Improvement Plan at a revised estimated cost of **\$450,000**. **Phase 2** would address the remaining two residences through improvements along the Charleston Road alignment. Staff has currently budgeted **\$300,000** for **Phase 2** in the Capital Improvement Plan for FY 2026–2026.

Public Works Staff requested a Proposal from Ellison-Mills to complete this work under Pinal County Contract # 233828ROQ for Job Order Contract (JOC) Civil Construction Services.

Multiple options have been developed for the completion of **Phase 2**, each with associated costs, and will be presented to Council at a future Work Study Session.

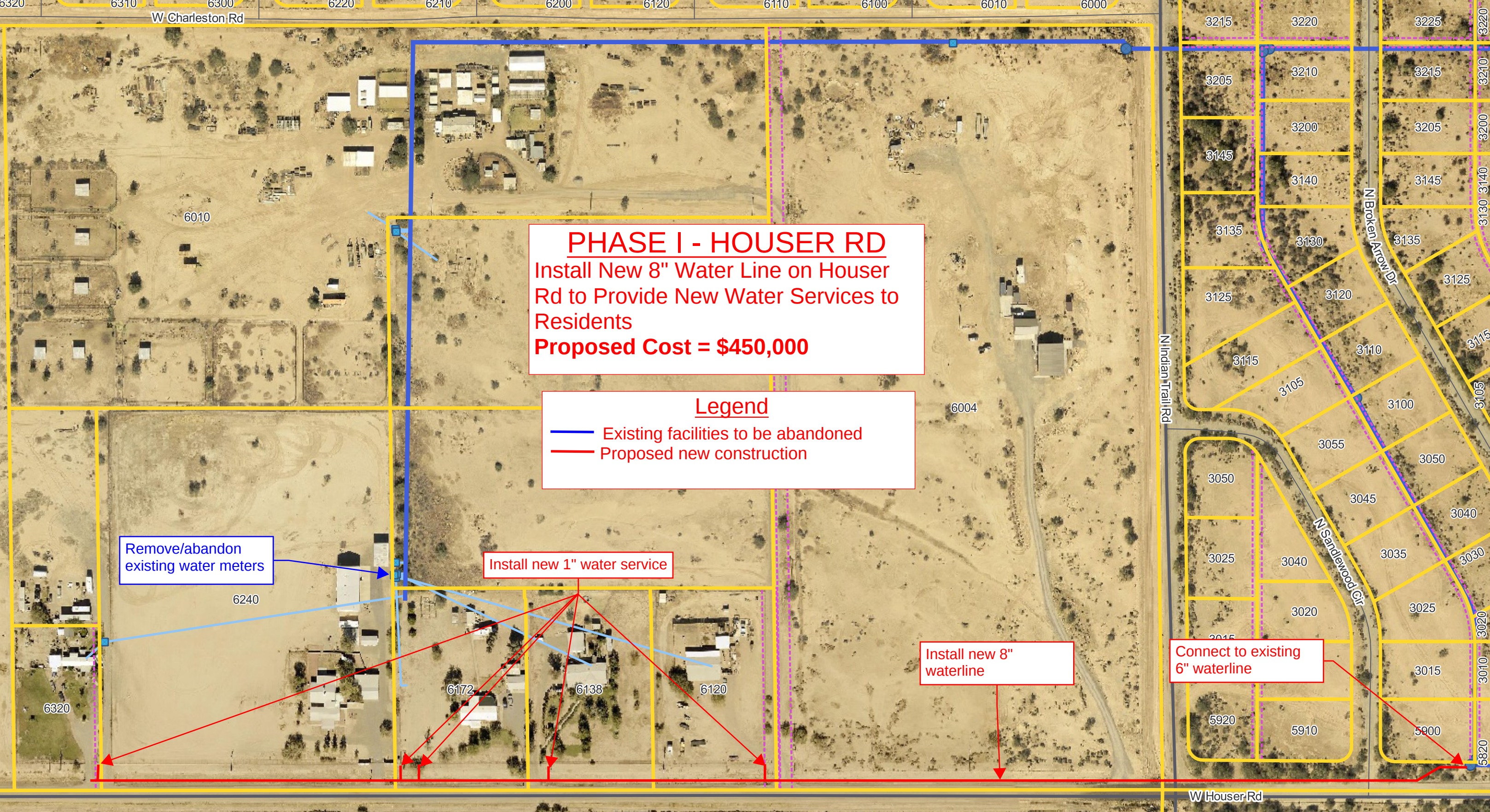
FISCAL IMPACT:

Not to exceed \$450,000 as per the Capital Improvement Project Plan adopted by Council for the 2025-2026 fiscal year.

Approved as to Form:



Stephen R. Cooper, City Attorney



PHASE I - HOUSER RD
Install New 8" Water Line on Houser Rd to Provide New Water Services to Residents
Proposed Cost = \$450,000

Legend
— Existing facilities to be abandoned
— Proposed new construction

Remove/abandon existing water meters

Install new 1" water service

Install new 8" waterline

Connect to existing 6" waterline

Proposal



3152 N Lear Avenue, Suite 2
Casa Grande, AZ 85122
520-876-4004

PROPOSAL TO:
City of Eloy
Attn: Jeremy Hansen

DATE 2/5/2025

FOR:
Houser Road Waterline

ITEM NO	QUANTITY	UM	DESCRIPTION	UNIT PRICE	AMOUNT
Base Bid					
1	1	Each	MOB/Demob	\$ 42,009.12	\$ 42,009.12
2	1	Each	Traffic Control	\$ 10,189.80	\$ 10,189.80
3	1	LS	Surveying/Testing	\$ 20,379.58	\$ 20,379.58
4	2520	LF	8" C-900	\$ 92.63	\$ 233,427.60
5	1	LS	8" Water Line Fittings	\$ 17,855.48	\$ 17,855.48
6	1	LS	8" Water Line G.V.	\$ 33,566.60	\$ 33,566.60
7	1	Each	Fire Hydrant	\$ 18,977.59	\$ 18,977.59
8	1	Each	Blow-Off Assembly	\$ 6,332.05	\$ 6,332.05
9	5	Each	Water Line Services	\$ 5,002.64	\$ 25,013.20
			Subtotal		\$ 407,751.02
Alt 1					
1	1380	LF	8" C-900	\$ 87.98	\$ 121,412.40
2	1	Each	8" Water Line Fittings	\$ 8,171.39	\$ 8,171.39
3	1	Each	8" G.V.	\$ 16,611.50	\$ 16,611.50
4	1	Each	Fire Hydrant	\$ 15,940.35	\$ 15,940.35
5	1	Each	Water Line Blow-Off	\$ 6,332.05	\$ 6,332.05
6	3	Each	Water Line Services	\$ 6,333.00	\$ 18,999.00
			Subtotal		\$ 187,466.69
					407,751.02
All items will be field measured for final payment.					\$ 595,217.71

Houser Rd Line --
PHASE I

Charleston Line --
PHASE II (NOT A
PART)

Questions concerning this PROPOSAL
Call: Renee Brannan
(520) 431-5335

Please sign and return: **X**

THANK YOU FOR YOUR BUSINESS!

Proposal



3152 N Lear Avenue, Suite 2
Casa Grande, AZ 85122
520-876-4004

PROPOSAL TO:
City of Eloy
Attn: Jeremy Hansen

DATE | 2/5/2025

FOR:
Houser Road Waterline Schuh tie-in

3" Abandonment and Schuh Service Line --
PHASE II (NOT A PART)

ITEM NO	QUANTITY	UM	DESCRIPTION	UNIT PRICE	AMOUNT
1	600	LF	2" Water Service	\$ 21.00	\$ 12,600.00
<i>All items will be field measured for final payment.</i>					\$ 12,600.00

Questions concerning this PROPOSAL
Call: Reneé Brannan
(520) 431-5335

Please sign and return: X

THANK YOU FOR YOUR BUSINESS!

COOPERATIVE PURCHASING AGREEMENT

THIS COOPERATIVE PURCHASING AGREEMENT ("Agreement") is made and entered into this _____ day of _____, 20____, by and between the CITY OF ELOY, ARIZONA, an Arizona municipal corporation ("City") and Ellison-Mills Contracting, LLC, an Arizona limited liability company ("Contractor") for the [purpose of Agreement].

RECITALS

- A. After a competitive procurement process, Pinal County entered into a Contract following Solicitation No. 233828ROQ for Job Order Contract (JOC) Civil Construction Services), with an effective date of June 28, 2023 through June 27, 2024, and renewals extending the Contract through June 27, 2026 collectively known and referred to herein as the "Pinal County Contract", for the Contractor to provide construction work for the construction of public utility infrastructure projects. A copy of the Pinal County Contract, with all applicable amendments and renewals, is attached hereto as Exhibit A and incorporated herein by reference.
- B. The City is permitted, pursuant to Article 22-9 of the City's Procurement Code, to acquire such services under the Pinal County Contract and the Pinal County Contract permits its cooperative use by other public entities including the City.
- C. The City and the Contractor desire to enter into this Agreement for the purpose of (i) acknowledging a cooperative contractual relationship under the Pinal County Contract; (ii) establishing the scope of work ("Work") to be provided by Contractor as more particularly set forth in Section 2 below; and (iii) setting the maximum aggregate amount to be expended pursuant to this Agreement related to the Work.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing Recitals, which are incorporated herein by reference, the following mutual covenants and conditions, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledge, the City and the Contractor hereby agree as follows:

- 1. **TERM OF AGREEMENT.** This Agreement shall be effective as of the date first set forth above and shall remain in full force until June 28, 2026 (the "Initial Term"), unless terminated as otherwise provided pursuant to the terms and conditions of this Agreement or the Pinal County Contract. After the expiration of the Initial Term, this Agreement may be extended for a supplemental period of up to a maximum of one (1) year ("Renewal Term") if (i) it is deemed in the best interests of the City, subject to availability and appropriation of funds; (ii) the term of the Pinal County Contract has been extended; (iii) the City and the Contractor mutually agree in writing to extend the Agreement for a renewal term at least thirty (30) days prior to the end of the then current term of the Agreement. The Initial Term and any Renewal Term are collectively referred to herein as the "Term".
- 2. **SCOPE OF WORK.** Contractor agrees to perform the Work specifically set forth in Exhibit B, which is incorporated herein by reference.
- 3. **COMPENSATION:** In accordance with the terms and conditions of this Agreement, the City shall compensate the Contractor for its professional services as follows:

See Exhibit B

In no event, shall the total compensation under this Agreement exceed FOUR HUNDRED FIFTY THOUSAND and 00/100 DOLLARS (\$450,000.00) per year. Exhausting the total amount payable for activities described in Section 2 above shall not relieve Contractor of its obligations to perform such services.

4. **CONTRACTOR'S BILLING:** Payment shall be made by the City to the Contractor on the basis of invoices submitted which must include a detailed itemization of all work and materials included, copies of receipts or billings as requested and is subject to review and certification of the City's authorized representative prior to payment.
5. **ACCEPTANCE OF WORK:** The City or its designee shall have the right to reject all or any work product submitted under this Agreement which does not meet the required specifications. In the event of any such rejection, the Contractor agrees to promptly remedy any and all deficiencies. No compensation shall be due for any rejected work until such deficiencies have been corrected.
6. **NOTICES:** All notices to the other party required under this Agreement shall be in writing and sent by first class certified mail, postage prepaid, return receipt requested, addressed to the following personnel:

If to City:

City of Eloy
Attn: City Manager
595 North 'C' Street, Suite #104
Eloy, AZ 85131

If to Contractor:

Ellison-Mills Contracting, LLC.
Jason DeCarlo, Owner
3152 North Lear Avenue, Suite #2
Casa Grande, Arizona 85122

7. **TERMINATION:**

7.1 Termination by the City for Cause. The City may terminate this Agreement if the Contractor (i) fails to fulfill in a timely and proper manner its obligations under this Agreement; or (ii) is otherwise guilty of substantial breach of a provision of the Agreement. In the event of such termination, Contractor shall deliver to City all work in any state of completion at the date of effective termination.

When any of the above reasons exist, the City may without prejudice to any other rights or remedies and after giving the Contractor ten (10) days written notice, terminate this Agreement with the Contractor.

When the City terminates the Agreement for one of the reasons stated above, the Contractor shall not be relieved of liability to the City for damages sustained by the City by virtue of any breach of this

Agreement by Contractor and the City may withhold any payments to the Contractor for the purpose of set-off until such time as the exact amount of damages due the City from the Contractor is determined.

Upon the receipt of a notice of termination from the City, Contractor shall (i) promptly discontinue all services affected (unless the notice directs otherwise), and (ii) deliver or otherwise make available to the City copies of data, design calculations, drawings, specifications, reports, estimates, summaries and such other information and materials as may have been accumulated by Contractor in the performance of this Agreement.

7.2 Termination by the City for Convenience. The City may terminate this Agreement without cause by giving Contractor ten (10) days written notice. Such termination shall not prejudice any other right or remedy the City may have under this Agreement. If this Agreement is terminated without cause, Contractor shall be paid for work performed to the date of receipt of such termination notice.

8. INSURANCE:

8.1 General.

- a. **Insurer Qualifications.** Without limiting any obligations or liabilities of the Contractor, the Contractor shall purchase and maintain, at its own expense, hereinafter stipulated minimum insurance with insurance companies duly licensed by the State of Arizona with an AM Best, Inc. rating of A- or above with policies and forms satisfactory to the City. Failure to maintain insurance as specified herein may result in termination of this Agreement at the City's option.
- b. **No Representation of Coverage Adequacy.** By requiring insurance herein, the City does not represent that coverage and limits will be adequate to protect the Contractor. The City reserves the right to review any and all of the insurance policies and/or endorsements cited in this Agreement but have no obligation to do so. Failure to demand such evidence of full compliance with the insurance requirements set forth in this Agreement or failure to identify any insurance deficiency shall not relieve the Contractor from, nor be construed or deemed a waiver of, its obligation to maintain the required insurance at all times during the performance of this Agreement.
- c. **Additional Insured.** All insurance coverage and self-insured retention or deductible portions, except Workers' Compensation insurance and Professional Liability insurance, if applicable, shall name, to the fullest extent permitted by law for claims arising out of the performance of this Agreement, the City, its agents, representatives, officers, directors, officials and employees as Additional Insured as specified under the respective coverage sections of this Agreement.
- d. **Coverage Term.** All insurance required herein shall be maintained in full force and effect until all work or services required to be performed under the terms of this Agreement are satisfactorily performed, completed and formally accepted by the City, unless specified otherwise in this Agreement.
- e. **Primary Insurance.** The Contractor's insurance shall be primary insurance with respect to performance of this Agreement and in the protection of the City as an Additional Insured.
- f. **Claims Made.** In the event any insurance policies required by this Agreement are written on a "claims made" basis, coverage shall extend, either by keeping coverage in force or purchasing an extended reporting option, for three (3) years past completion and acceptance of the work or services. Such continuing coverage shall be evidenced by

submission of annual Certificates of Insurance citing applicable coverage is in force and contains the provisions as required herein for the three-year period.

- g. Waiver. All policies, except for Professional Liability, including Workers' Compensation insurance, shall contain a waiver of rights of recovery (subrogation) against the City, its agents, representatives, officials, officers and employees for any claims arising out of the work or services of the Contractor. The Contractor shall arrange to have such subrogation waivers incorporated into each policy via formal written endorsement thereto.
- h. Policy Deductibles and/or Self-Insured Retentions. The policies set forth in these requirements may provide coverage that contains deductibles or self-insured retention amounts. Such deductibles or self-insured retention shall not be applicable with respect to the policy limits provided to the City. The Contractor shall be solely responsible for any such deductible or self-insured retention amount.
- i. Use of Subcontractors. If any work under this Agreement is subcontracted in any way, the Contractor shall execute a written agreement with the Subcontractor containing the indemnification provisions and insurance requirements (unless waived by City in City's sole discretion) set forth herein protecting the City and the Contractor. The Contractor shall be responsible for executing the agreement with the Subcontractor and obtaining certificates of insurance verifying the insurance requirements.
- j. Evidence of Insurance. Prior to commencing any work or services under this Agreement, the Contractor shall furnish the City with certificate(s) of insurance, or formal endorsements as required by this Agreement, issued by Contractor's insurer(s) as evidence that policies are placed with acceptable insurers as specified herein and provide the required coverages, conditions and limits of coverage specified in this Agreement and that such coverage and provisions are in full force and effect. If a certificate of insurance is submitted as verification of coverage, the City shall reasonably rely upon the certificate of insurance as evidence of coverage but such acceptance and reliance shall not waive or alter in any way the insurance requirements or obligations of this Agreement. If any of the above-cited policies expire during the life of this Agreement, it shall be the Contractor's responsibility to forward renewal certificates within ten (10) days after the renewal date containing all the aforementioned insurance provisions. Certificates of insurance shall specifically include the following provisions:
 - 1. The City, its agents, representatives, officers, directors, officials and employees are Additional Insureds as follows:
 - a. Commercial General Liability- Under Insurance Services Office, Inc., ("ISO") Form CG 20 10 03 97 or equivalent.
 - b. Auto Liability- Under ISO Form CA 2048 or equivalent.
 - c. Excess Liability- Follow Form to underlying insurance.
 - 2. The Contractor's insurance shall be primary insurance as respects performance of the Agreement.

3. All policies, including Workers' Compensation, waive rights of recovery (subrogation) against the City, its agents, representatives, officers, officials and employees for any claims arising out of work or services performed by the Contractor under this Agreement.
4. A 30-day advance notice cancellation provision. If ACORD certificate of insurance form is used, the phrases in the cancellation provision "endeavor to" and "but failure to mail such notice shall impose no obligation or liability of any kind upon the company, its agents or representatives" shall be deleted. Certificate forms other than ACORD form shall have similar restrictive language deleted.

8.2 Required Insurance Coverage.

a. Commercial General Liability. The Contractor shall maintain "occurrence" form Commercial General Liability insurance with an unimpaired limit of not less than \$2,000,000 for each occurrence, \$2,000,000 Products and Completed Operations Annual Aggregate and a \$4,000,000 General Aggregate Limit. The policy shall cover liability arising from premises, operations, independent contractors, products-completed operations, bodily injury or death, personal injury, advertising injury and property damage. Coverage under the policy will be at least as broad as ISO policy founs CG 00 010 93 or equivalent thereof, including but not limited to, separation of insured's clause. To the fullest extent allowed by law, for claims arising out of the performance of this Agreement, the City, its agents, representatives, officers, officials, volunteers and employees shall be cited as an Additional Insured under ISO, Commercial General Liability Additional Insured Endorsement form CG 20 10 03 97, or equivalent, which shall read "Who is an Insured (Section **ID** is amended to include as an insured the person or organization shown in the Schedule, but only with respect to liability arising out of "your work" for that insured by or for you." If any Excess insurance is utilized to fulfill the requirements of this subsection, such Excess insurance shall be "follow form" equal or broader in coverage scope than underlying insurance.

b. Vehicle Liability. The Contractor shall maintain Business Automobile Liability insurance with a limit of \$1,000,000 each occurrence on the Contractor's owned, hired and non-owned vehicles assigned to or used in the performance of the Contractor's work or services under this Agreement. Coverage will be at least as broad as ISO coverage code "I" "any auto" policy form CA 00 01 12 93 or equivalent thereof. To the fullest extent allowed by law, for claims arising out of the performance of this Agreement, the City, its agents, representatives, officers, directors, officials and employees shall be cited as an Additional Insured under ISO Business Auto policy Designated Insured Endorsement form CA 20 48 or equivalent. If any Excess insurance is utilized to fulfill the requirements of this subsection, such Excess insurance shall be "follow form" equal or broader in coverage scope than underlying insurance.

c. Workers' Compensation Insurance. Contractor shall maintain Workers' Compensation insurance to cover obligations imposed by federal and state statutes having jurisdiction of Contractor's employees engaged in the performance of work or services under this Agreement and shall also maintain Employers Liability Insurance of not less than \$500,000 for each accident, \$500,000 disease for each employee and \$1,000,000 disease policy limit.

8.3 Cancellation and Expiration Notice. Insurance required herein shall not expire, be canceled, or materially changed without thirty (30) days prior written notice to the City.

9. **INDEMNIFICATION:** To the fullest extent permitted by law, Contractor, its successors, assigns and guarantors, shall defend, indemnify and hold harmless the City and its elected and appointed officials, officers, directors, commissioners, board members, agents or employees from and against any and all allegations, demands, claims, proceedings, suits, actions, damages, including, without limitation, property damage, environmental damages, personal injury and wrongful death claims, losses, expenses, penalties and fines (including, but not limited to, attorney fees, court costs, and the cost of appellate proceedings), judgments or obligations, which may be imposed upon or incurred by or asserted against the City by reason of this Agreement or the services performed or permissions granted under it, or related to, arising from or out of, or resulting from any negligent or intentional actions, acts, errors, mistakes or omissions caused in whole or part by Contractor, or any of its subcontractors, or anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable, relating to the discharge of any duties or the exercise of any rights or privileges arising from or incidental to this Agreement, including but not limited to, any injury or damages claimed by any of Contractor's and subcontractor's employees. This section shall survive the expiration or early termination of the Agreement.
10. **DISPUTE RESOLUTION AND MEDIATION:** Neither party shall commence any litigation in any court concerning a dispute arising out of or related to this Agreement unless such party shall first give a written notice to the other party setting forth the nature of the dispute. If the parties cannot resolve the dispute between themselves, the parties agree that there shall be a sixty (60) day moratorium on litigation during which time the parties will agree to attempt to settle the dispute by non-binding mediation. The matter in dispute shall be submitted to a mediator mutually selected by the City and Contractor. In the event that the parties cannot agree upon the selection of a mediator within ten (10) days, the parties shall request that the presiding judge for the Superior Court in and for the County of Pinal, State of Arizona, assign a mediator from a list of mediators maintained by the American Arbitration Association or similar association. If the dispute has not been resolved by mediation as provided above within sixty (60) days after delivery of the dispute notice, then either party may proceed to arbitration or litigation. The cost of such mediation shall be divided equally between the City and Contractor. Notwithstanding the above, the duty to mediate disputes hereunder shall not prevent a party from seeking preliminary judicial relief if such action is necessary to avoid irreparable damage during the pendency of the mediation.
11. **GOVERNING LAW AND VENUE:** The terms and conditions of this Agreement shall be governed by and interpreted in accordance with the laws of the State of Arizona. Any action at law or in equity brought by either party for the purpose of enforcing a right or rights provided for in this Agreement, shall be tried in a court of competent jurisdiction in Pinal County, State of Arizona. The parties hereby waive all provisions of law providing for a change of venue in such proceeding to any other county. In the event either party shall bring suit to enforce any term of this Agreement or to recover any damages for and on account of the breach of any term or condition in this Agreement, it is mutually agreed that the prevailing party in such action shall recover all costs including: all litigation and appeal expenses, collection expenses, reasonable attorneys' fees, necessary witness fees and court costs to be determined by the court in such action.
12. **LICENSE:** Contractor represents and warrants that any license necessary to perform the work under this Agreement is current and valid. Contractor understands that the activity described herein constitutes "doing business in the "City of Coolidge" and Contractor agrees to obtain a business tax license pursuant to the City of Coolidge's City Code and keep such license current during the term of this Agreement. Any activity by subcontractors within the corporate city limits, will invoke the

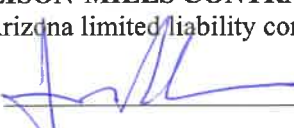
same business tax regulations on any subcontractors, and Contractor ensures its subcontractors will obtain any required business tax license.

13. ISRAEL BOYCOTT: Contractor certifies that it currently does not participate in, and agrees not to participate in during the term of this Agreement a boycott of Israel in accordance with A.R.S. §35-393.01.

14. CONFLICTING TERMS: In the event of any inconsistency, conflict or ambiguity between the terms of this Agreement and the Pinal County Contract, or the Terms and Conditions set forth on Exhibit B, the terms of this Agreement shall govern. Notwithstanding the foregoing, unauthorized exceptions, conditions limitations or provisions in conflict with the terms of this Agreement or the Pinal County Contract (collectively, "Unauthorized Conditions"), other than the City's specific requirements, are expressly declared void and shall be of no force and effect. Acceptance by the City of any work order or invoice containing any such Unauthorized Conditions or failure to demand full compliance with the terms and conditions set forth in this Agreement or under the Pinal County Contract shall not alter or relive Contractor from, nor be construed or deemed a waiver of, its requirements and obligations in the performance of this Agreement.

IN WITNESS WHEREOF, the parties have caused this Agreement to be signed by their duly authorized representatives as of the day and year first above written.

CONTRACTOR:
ELLISON-MILLS CONTRACTING, LLC.
an Arizona limited liability company

By: 
Title: co-owner

CITY OF ELOY
an Arizona municipal corporation

Andrew Sutton
Mayor

ATTEST:

Celine Kidwell
City Clerk

APPROVED AS TO FORM:

Stephen R. Cooper
City Attorney

EXHIBIT A

PINAL COUNTY CONTRACT

EXHIBIT B

SCOPE OF WORK AND COST

CITY OF ELOY

REQUEST FOR COUNCIL ACTION

Agenda Item: **VIII.D.**

Date: **7/28/2025**

Date submitted:
06/23/2025

Action: Formal

Date requested:
7/28/2025

Subject: Discussion and Consideration of Authorizing the City of Eloy to file suit as a plaintiff in the National Rural Water Association PFAS Cost Recovery Program; to Retain the Law Firm Napoli Shkolnik to represent the City of Eloy in the PFAS Cost Recovery Litigation; and Authorizing the Mayor, or his designee, to sign the necessary agreements and complete the necessary litigation pleadings and forms.

TO: Mayor and City Council

FROM: Matt Rencher, Public Works Director/City Engineer

RECOMMENDATION:

Staff recommends that the City Council authorize the Mayor, or their designee, to formally register the City of Eloy as a plaintiff in the National Rural Water Association (NRWA) lawsuit against manufacturers of per- and polyfluoroalkyl substances (PFAS), in partnership with the law firm Napoli Shkolnik.

DISCUSSION:

The National Rural Water Association (NRWA), in coordination with the law firm Napoli Shkolnik PLLC, is coordinating a PFAS (Per- and Polyfluoroalkyl Substances) Cost Recovery Program designed to assist public entities such as municipalities, utility districts, and utility providers in seeking compensation from PFAS chemical manufacturers. Participation in the litigation is available at **no cost** to the City for registration.

On January 23, 2023, the City Council approved the City of Eloy's registration as a plaintiff in the NRWA PFAS Cost Recovery Program. It authorized the retention of Napoli Shkolnik PLLC to represent the City in the litigation. The Council also approved the Mayor to execute all required agreements, applications, and registration forms. This action passed unanimously by roll call vote. Following Council approval, City staff submitted detailed background information to Napoli Shkolnik regarding Eloy's utility system, including well locations, capacity, and proximity to potential PFAS sources such as airports, landfills, and military installations.

In October 2023, the City conducted baseline testing of its three operational wells to determine PFAS presence. Results showed:

- **Two wells** with *no detectable PFAS*.
- **One well (Well #6)** with a *trace detection* of PFBS, a PFAS compound included in EPA's Hazard Index but not individually regulated.

Staff is working with an environmental consultant to schedule follow-up testing to assess changes since the baseline.

Additionally, regional data from the Arizona Department of Environmental Quality (ADEQ) and Arizona Water Company indicate low-level PFAS detections near Eloy, including:

- **Villa Grande DWID (northeast of Eloy)** – PFOS detection
- **Tierra Grande System (north of Eloy)** – PFAS detections (<15 ppt)
- **Coolidge Municipal Airport** – low-level detections

The Eloy Fire District has acknowledged the historical use of Aqueous Film Forming Foam (AFFF)—a known PFAS source—on highways, vacant lots used for training, and gas stations. This use was reportedly discontinued in the late 2010s to early 2020s.

ABOUT PFAS CHEMICALS:

PFAS are synthetic “forever chemicals” widely used since the 1940s in products including firefighting foams, water-repellent fabrics, nonstick cookware, and food packaging. Due to their persistence and mobility, PFAS are increasingly found in soil, water, and human tissue.

Exposure to PFAS—especially newer variants like GenX—has been linked in animal studies to:

- Liver and kidney damage
- Immune and developmental impacts
- Cancer and other chronic health risks

Napoli Shkolnik is actively litigating against manufacturers of PFAS and related products. Major settlements to date include:

- **3M (June 2023):** \$12.5 billion
- **DuPont and affiliates (June 2023):** \$1.185 billion
- **Tyco Fire Products (April 2024):** \$750 million
- **BASF (May 2024):** \$316.5 million

Compensation depends on factors such as:

- Number of impacted water sources
- PFAS concentration levels
- Well capacity and operational output

Although the City has minimal detection to date, registering preserves eligibility for future compensation for ongoing testing and mitigation efforts if PFAS levels increase or new contaminants are discovered. Napoli Shkolnik has forwarded a **draft complaint** to the City Council for formal approval to initiate litigation against firefighting foam manufacturers. Approval of this complaint is required for the firm to proceed with legal filings on behalf of the City.

There is **no cost** to the City to register as a plaintiff. The City has only incurred laboratory testing expenses to date. Legal fees will be contingent on recovery through settlement or judgment.

Staff recommends that the City Council authorize the following:

1. Approval of the draft complaint for filing against manufacturers of PFAS-containing firefighting foam;
2. Continued retention of Napoli Shkolnik PLLC as legal counsel;
3. The Mayor (or designee) to execute all necessary agreements and litigation documents related to participation in the PFAS Cost Recovery Program.

FISCAL IMPACT:

No financial impact to the city to register as a plaintiff in the litigation.

Approved as to Form:



Stephen R. Cooper, City Attorney

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF SOUTH CAROLINA**

IN RE: AQUEOUS FILM-FORMING FOAMS PRODUCTS
LIABILITY LITIGATION

MDL No.
2:18-mn-2873-RMG

CITY OF ELOY, AZ,

Plaintiff,

-vs -

AGC CHEMICALS AMERICAS INC.;
AMEREX CORPORATION;
ARKEMA INC.;
ARCHROMA U.S. INC.;
BUCKEYE FIRE EQUIPMENT COMPANY;
CARRIER FIRE & SECURITY AMERICAS, LLC, f/k/a
Carrier Fire & Security Americas Corporation;
CARRIER FIRE & SECURITY CORPORATION, LLC
f/k/a Carrier Fire & Security Corporation;
CARRIER GLOBAL CORPORATION;
CHEMDESIGN PRODUCTS INC.;
CHEMICALS, INC.;
CLARIANT CORPORATION, individually and as successor
in interest to Sandoz Chemical Corporation;
DEEPWATER CHEMICALS, INC.;
DYNAX CORPORATION;
NATION FORD CHEMICAL COMPANY;
NATIONAL FOAM, INC.;
JOHN DOE DEFENDANTS 1-20,

Defendants.

COMPLAINT

Jury Trial Demanded

COMPLAINT AND DEMAND FOR JURY TRIAL

Plaintiff CITY OF ELOY, AZ (“Plaintiff”), by and through its undersigned counsel, hereby files this Complaint against Defendants, AGC CHEMICALS AMERICAS INC., AMEREX CORPORATION, ARKEMA INC., ARCHROMA U.S. INC., BUCKEYE FIRE EQUIPMENT COMPANY, CARRIER FIRE & SECURITY AMERICAS, LLC, CARRIER FIRE &

SECURITY, LLC, CARRIER GLOBAL CORPORATION, CHEMDESIGN PRODUCTS INC., CHEMICALS, INC., CLARIANT CORPORATION, DEEPWATER CHEMICALS, INC., DYNAX CORPORATION, NATION FORD CHEMICAL COMPANY, INC., NATIONAL FOAM, INC., and DOE DEFENDANTS 1-20, fictitious names whose present identifies are unknown (collectively “Defendants”) and alleges, upon information and belief, as follows:

INTRODUCTION

1. This action arises from the foreseeable contamination of groundwater by the use of aqueous film-forming foam (“AFFF”) products that contained per- and poly-fluoroalkyl substances (“PFAS”), including perfluorooctanoic acid (“PFOA”).

2. PFOA is a fluorosurfactant that repels oil, grease, and water. PFOA, and/or its chemical precursors, are or were components of AFFF products, which are firefighting suppressant agents used in training and firefighting activities for fighting Class B fires. Class B fires include fires involving hydrocarbon fuels such as petroleum or other flammable liquids.

3. PFOA is mobile, persists indefinitely in the environment, bioaccumulates in individual organisms and humans, and biomagnifies up the food chain. PFOA is also associated with multiple and significant adverse health effects in humans, including but not limited to kidney cancer, testicular cancer, high cholesterol, thyroid disease, ulcerative colitis, and pregnancy-induced hypertension.

4. At various times from the 1970s through today, Defendants designed, manufactured, marketed, distributed, and/or sold AFFF products containing PFOA, and/or their chemical precursors, and/or designed, manufactured, marketed, distributed, and/or sold the fluorosurfactants and/or poly- and perfluorinated chemicals contained in AFFF (collectively, “AFFF/Component Products”).

5. Defendants designed, manufactured, marketed, distributed, and/or sold AFFF/Component Products despite knowing that PFAS are toxic, persist indefinitely, and would be routinely released into the environment during fire protection, training, and response activities, even when used as directed and intended by Defendants.

6. Since its creation in the 1970s, AFFF designed, manufactured, marketed, distributed, and/or sold by Defendants, and/or that contained fluorosurfactants and/or PFCs designed, manufactured, marketed, distributed, and/or sold by Defendants, was sold to the military, fire training facilities, fire departments or airports in the area near Plaintiff's water system, which used it as directed and intended by Defendants, and subsequently released it into the environment during fire protection, training, and response activities, resulting in widespread PFAS contamination.

7. Plaintiff is the owner and operator of a water system serving approximately 7,903 residents located in and around Eloy, Arizona.

8. Plaintiff's system draws the drinking water it provides to customers from groundwater wells.

9. Plaintiff has detected PFAS in its groundwater wells.

10. On information and belief, the PFAS contamination described above is a direct and proximate result of fire protection, training, and response activities in the area near Plaintiff's water system, resulting in the migration of PFAS into Plaintiff's water supply.

11. In order to ensure that it can continue to provide clean and safe water to residences, Plaintiff has and will continue to take actions to address the above contamination of its property and its potable water supply caused by the Defendants.

12. Such actions include but are not limited to additional testing and monitoring for PFAS; planning, designing, purchasing, installing, and maintaining water filtration systems to remove these chemicals; infrastructure modifications; contingency planning; and community outreach.

13. Due to the persistent and long-term nature of PFAS contamination, Plaintiff is expected to suffer damages and incur the costs associated with these and other ongoing necessary remedial actions for many years to come.

14. Through this action, Plaintiff seeks compensatory damages for the harm done to its property and the costs associated with investigating, remediating, and monitoring its drinking water supplies contaminated with PFAS due to the use of AFFF in the area near Plaintiff's water system.

JURISDICTION AND VENUE

15. Pursuant to this Court's Case Management Order No. 3, this Complaint is filed as an original action in the United States District Court for the District of South Carolina.

16. This Court has subject matter jurisdiction over the Defendants pursuant to 28 U.S.C. §1332(a), in that this action seeks monetary relief in excess of the sum or value of \$ 75,000, exclusive of interest, and there is complete diversity between the parties.

17. Plaintiff is a citizen of the State of Arizona and complete diversity of citizenship exists between Plaintiff and Defendants.

18. Pursuant to 28 U.S.C. § 1391, Plaintiff's Home Venue is the United States District Court for the District of Arizona.

19. This Court has personal jurisdiction over Defendants by virtue of each Defendants' regular and systematic contacts with Arizona, including, among other things, purposefully marketing, selling and/or distributing their AFFF/Component Products to and within Arizona, and

because they have the requisite minimum contacts with Arizona necessary to constitutionally permit the Court to exercise jurisdiction over them consistent with traditional notions of fair play and substantial justice.

PARTIES

A. Plaintiff

20. Plaintiff is a public corporation organized under the laws of the State of Arizona, with its principal place of business located at 595 North C Street, Ste. 104 Eloy, AZ 85131.

B. Defendants

21. The term “Defendants” refers to all Defendants named herein jointly and severally.

i. The AFFF Defendants

22. The term “**AFFF Defendants**” refers collectively to Defendants Amerex Corporation, Buckeye Fire Equipment Company, Carrier Fire & Security Americas, LLC, Carrier Fire & Security, LLC, Carrier Global Corporation., and National Foam, Inc.

23. **Defendant Amerex Corporation (“Amerex”)** is a corporation organized and existing under the laws of the State of Alabama, with its principal place of business located at 7595 Gadsden Highway, Trussville, AL 35173.

24. Amerex is a manufacturer of firefighting products. Beginning in 1971, it was a manufacturer of hand portable and wheeled extinguishers for commercial and industrial applications.

25. In 2011, Amerex acquired Solberg Scandinavian AS, one of the largest manufacturers of AFFF products in Europe.

26. On information and belief, beginning in 2011, Amerex designed, manufactured, marketed distributed, and sold AFFF containing PFAS, including but not limited to PFOA.

27. **Defendant Buckeye Fire Equipment Company (“Buckeye”)** is a corporation organized under the laws of the State of Ohio, with its principal place of business located at 110 Kings Road, Kings Mountain, North Carolina 28086.

28. On information and belief, Buckeye designed, manufactured, marketed, distributed, and sold AFFF products containing PFAS, including but not limited to PFOA.

29. **Defendant National Foam, Inc. (“National Foam”)** is a corporation organized under the laws of the State of Delaware, with its principal place of business located at 141 Junny Road, Angier, North Carolina 27501.

30. Beginning in or around 1973, National Foam designed, manufactured, marketed, distributed, and sold AFFF containing PFAS, including but not limited to PFOA and PFOS.

31. On information and belief, National Foam currently manufactures the Angus brand of AFFF products and is a subsidiary of Angus International Safety Group.

32. On information and belief, National Foam merged with Chubb Fire Ltd. to form Chubb National Foam, Inc. in or around 1988.

33. On information and belief, Chubb is or has been composed of different subsidiaries and/or divisions, including but not limited to, Chubb Fire & Security Ltd., Chubb Security, PLC, Red Hawk Fire & Security, LLC, and/or Chubb National Foam, Inc. (collectively referred to as “Chubb”).

34. On information and belief, Chubb was acquired by Williams Holdings in 1997.

35. On information and belief, Angus Fire Armour Corporation had previously been acquired by Williams Holdings in 1994.

36. On information and belief, Williams Holdings was demerged into Chubb and Kidde P.L.C. in or around 2000.

37. On information and belief, when Williams Holdings was demerged, Kidde P.L.C. became the successor in interest to National Foam System, Inc. and Angus Fire Armour Corporation.

38. On information and belief, Kidde P.L.C. was acquired by United Technologies Corporation in or around 2005.

39. On information and belief, Angus Fire Armour Corporation and National Foam separated from United Technologies Corporation in or around 2013.

40. **Defendant Carrier Global Corporation (“Carrier Global”)** is a corporation organized under the laws of the State of Delaware, with its principal place of business at 13995 Pasteur Boulevard, Palm Beach Gardens, Florida 33418.

41. On information and belief, Carrier Global was formed in March 2020 when United Technologies Corporation spun off its fire and security business before it merged with Raytheon Company in April 2020.

42. On information and belief, Carrier became the ultimate corporate parent and owner of Kidde-Fenwal, Inc., Kidde Fire Protection, Inc., UTC Fire & Security Americas Corporation, Kidde US Holdings Inc., and UTC Fire & Security Corporation when United Technologies Corporation spun off its fire and security business in March 2020.

43. On information and belief, Kidde-Fenwal, Inc. was an operating subsidiary of Kidde P.L.C. and manufactured AFFF following Kidde P.L.C.’s acquisition by United Technologies Corporation. Kidde-Fenwal, Inc. was also the entity that divested the AFFF business unit now operated by National Foam in 2013.

44. On information and belief, UTC Fire & Security Americas Corporation and UTC Fire & Security Corporation became subsidiaries of Carrier Global when United Technologies Corporation spun off its fire and security business in March 2020.

45. In September and October 2020, UTC Fire & Security Americas Corporation and UTC Fire & Security Corporation changed their names to Carrier Fire & Security Americas Corporation and Carrier Fire & Security Corporation, respectively.

46. On information and belief, Carrier Fire & Security Americas Corporation and Carrier Fire & Security Corporation have since changed their names to Carrier Fire & Security Americas, LLC and Carrier Fire & Security, LLC, respectively.

47. **Defendant Carrier Fire & Security Americas, LLC (“Carrier F&S Americas”)** is a corporation organized under the laws of the State of Delaware, with its principal place of business at 13995 Pasteur Blvd, Palm Beach Gardens, Florida 33418-7231.

48. On information and belief, Carrier F&S Americas was formerly known as Carrier Fire & Security Americas Corporation, having changed its name to Carrier Fire & Security Americas, LLC sometime in 2023.

49. On information and belief, Carrier Fire & Security Americas Corporation had previously been known as UTC Fire & Security Americas Corporation and changed its name following the April 2020 spin off transaction that created Carrier Global Corporation.

50. On May 14, 2023, Kidde-Fenwal, Inc. filed a voluntary petition for relief under chapter 11 of title 11 of the United States Bankruptcy Code, 11 U.S.C. §§ 101—1532, in the United States Bankruptcy Court for the District of Delaware. In its voluntary bankruptcy petition, Kidde-Fenwal, Inc. identified Kidde Fire Protection, Inc., a holding company organized under the laws of the State of Delaware, as its parent company and the owner of 100% of its common stock.

51. On information and belief, Kidde Fire Protection, Inc. is a wholly owned subsidiary of Carrier F&S Americas, making Carrier F&S Americas the indirect owner of Kidde-Fenwal, Inc. via a holding company.

52. **Defendant Carrier Fire & Security, LLC (“Carrier F&S”)** is a corporation organized under the laws of the State of Delaware, with its principal place of business at 13995 Pasteur Blvd, Palm Beach Gardens, Florida 33418-7231.

53. On information and belief, Carrier F&S was formerly known as Carrier Fire & Security Corporation, having changed its name to Carrier Fire & Security, LLC sometime in 2023.

54. On information and belief, Carrier Fire & Security Corporation had previously been known as UTC Fire & Security Corporation and changed its name following the April 2020 spin off transaction that created Carrier Global Corporation.

55. On information and belief, Carrier F&S Americas is a wholly owned subsidiary of Kidde US Holdings Inc., a holding company organized under the laws of the State of Delaware.

56. On information and belief, Kidde US Holdings Inc. is a wholly owned subsidiary of Carrier F&S, making Carrier F&S the indirect owner of Carrier F&S Americas via a holding company.

57. On information and belief, the AFFF Defendants designed, manufactured, marketed, distributed, and sold AFFF products containing PFOA, and/or its chemical precursors that were stored, handled, used, trained with, tested equipment with, otherwise discharged, and/or disposed in the vicinity of Plaintiff’s drinking water supply.

ii. The Fluorosurfactant Defendants

58. The term **“Fluorosurfactant Defendants”** refers collectively to Defendants Arkema Inc., ChemDesign Products Incorporated, Deepwater Chemicals, Inc., and Dynax Corporation.

59. **Defendant Arkema Inc.** is a corporation organized and existing under the laws of Pennsylvania, with its principal place of business at 900 First Avenue, King of Prussia, PA 19406.

60. Arkema Inc. develops specialty chemicals and polymers.

61. Arkema, Inc. is an operating subsidiary of Arkema France, S.A.

62. On information and belief, Arkema Inc. designed, manufactured, marketed, distributed, and sold fluorosurfactants containing PFOA, and/or its chemical precursors for use in AFFF products.

63. **Defendant ChemDesign Products Inc. (“ChemDesign”)** is a corporation organized under the laws of Delaware, with its principal place of business located at 2 Stanton Street, Marinette, WI, 54143.

64. On information and belief, ChemDesign designed, manufactured, marketed, distributed, and sold fluorosurfactants containing PFOA, and/or its chemical precursors for use in AFFF products.

65. **Defendant Deepwater Chemicals, Inc. (“Deepwater”)** is a corporation organized under the laws of Delaware, with its principal place of business located at 196122 E County Road 40, Woodward, OK, 73801.

66. On information and belief, Deepwater Chemicals designed, manufactured, marketed, distributed, and sold fluorosurfactants containing PFOA, and/or its chemical precursors for use in AFFF products.

67. **Defendant Dynax Corporation (“Dynax”)** is a corporation organized under the laws of the State of Delaware, with its principal place of business located at 103 Fairview Park Drive, Elmsford, New York 10523.

68. On information and belief, Dynax entered into the AFFF market on or about 1991 and quickly became a leading global producer of fluorosurfactants and fluorochemical stabilizers containing PFOA, and/or its chemical precursors.

69. On information and belief, Dynax designed, manufactured, marketed, distributed, and sold fluorosurfactants and fluorochemical stabilizers containing PFOA, and/or its chemical precursors for use in AFFF products.

70. On information and belief, the Fluorosurfactant Defendants designed, manufactured, marketed, distributed, and sold fluorosurfactants containing PFOA, and/or its chemical precursors for use in AFFF products that were stored, handled, used, trained with, tested equipment with, otherwise discharged, and/or disposed in the vicinity of Plaintiff's drinking water supply.

iii. The PFC Defendants

71. The term **"PFC Defendants"** refers collectively to AGC Chemicals Americas Inc., Archroma U.S. Inc., ChemDesign Products Inc., Chemicals, Inc., Clariant Corporation, Deepwater Chemicals, Inc, and Nation Ford Chemical Company.

72. **Defendant AGC Chemicals Americas, Inc. ("AGC")** is a corporation organized and existing under the laws of Delaware, having its principal place of business at 55 East Uwchlan Avenue, Suite 201, Exton, PA 19341.

73. On information and belief, AGC Chemicals Americas, Inc. was formed in 2004 and is a subsidiary of AGC Inc., a foreign corporation organized under the laws of Japan, with its a principal place of business in Tokyo, Japan.

74. AGC manufactures specialty chemicals. It offers glass, electronic displays, and chemical products, including resins, water and oil repellants, greenhouse films, silica additives, and various fluorointermediates.

75. On information and belief, AGC designed, manufactured, marketed, distributed, and sold PFCs containing PFOA, and/or its chemical precursors for use in manufacturing the fluorosurfactants used in AFFF products.

76. **Defendant Archroma U.S., Inc. (“Archroma”)** is a corporation organized and existing under the laws of Delaware, with its a principal place of business at 5435 77 Center Drive, Charlotte, North Carolina 28217.

77. On information and belief, Archroma was formed in 2013 when Clariant Corporation divested its textile chemicals, paper specialties, and emulsions business to SK Capital Partners.

78. On information and belief, Archroma designed, manufactured, marketed, distributed, and sold PFCs containing PFOA, and/or its chemical precursors for use in manufacturing the fluorosurfactants used in AFFF products.

79. **Defendant Chemicals, Inc. (“Chemicals, Inc.”)** is a corporation organized and existing under the laws of Texas, with its principal place of business located at 12321 Hatcherville, Baytown, TX 77520.

80. On information and belief, Chemicals, Inc. supplied PFCs containing PFOA, and/or its chemical precursors for use in manufacturing the fluorosurfactants used in AFFF products.

81. **Defendant Clariant Corporation (“Clariant”)** is a corporation organized and existing under the laws of New York, with its principal place of business at 4000 Monroe Road, Charlotte, North Carolina 28205.

82. On information and belief, Clariant is the successor in interest to the specialty chemicals business of Sandoz Chemical Corporation (“Sandoz”). On information and belief, Sandoz spun off its specialty chemicals business to form Clariant in 1995.

83. On information and belief, Clariant supplied PFCs containing PFOA, and/or its chemical precursors for use in manufacturing the fluorosurfactants used in AFFF products.

84. **Defendant Nation Ford Chemical Co. (“Nation Ford”)** is a corporation organized and existing under the laws of South Carolina, with its principal place of business located at 2300 Banks Street, Fort Mill, SC 29715.

85. On information and belief, Nation Ford supplied PFCs containing PFOA, and/or its chemical precursors for use in manufacturing the fluorosurfactants used in AFFF products.

86. On information and belief, ChemDesign and Deepwater Chemicals also supplied PFCs containing PFOA, and/or their chemical precursors for use in manufacturing the fluorosurfactants used in AFFF products.

87. On information and belief, the PFC Defendants supplied PFCs containing PFOA, and/or its chemical precursors for use in manufacturing the fluorosurfactants used in AFFF products that were stored, handled, used, trained with, tested equipment with, otherwise discharged, and/or disposed in the vicinity of Plaintiff’s drinking water supply.

iv. Doe Defendants 1-20

88. Doe Defendants 1-20 are unidentified entities or persons whose names are presently unknown and whose actions, activities, omissions (a) may have permitted, caused and/or contributed to the contamination of Plaintiff’s water sources or supply wells; or (b) may be vicariously responsible for entities or persons who permitted, caused and/or contributed to the contamination of Plaintiff’s water sources or supply wells; or (c) may be successors in interest to entities or persons who permitted, caused and/or permitted, contributed to the contamination of Plaintiff’s water sources or supply wells. After reasonable search and investigation to ascertain the Doe Defendants actual names, the Doe Defendants’ actual identities are unknown to Plaintiff as they are not linked with any of the Defendants on any public source.

89. The Doe Defendants 1-20 either in their own capacity or through a party they are liable for: (1) designed, manufactured, marketed, distributed, and/or sold AFFF products containing PFOA, and/or their chemical precursors, and/or designed, manufactured, marketed, distributed, and/or sold the fluorosurfactants and/or PFCs contained in AFFF/Component Products; or (2) used, handled, transported, stored, discharged, disposed of, designed, manufactured, marketed, distributed, and/or sold PFOA, and/or its chemical precursors, or other non-AFFF products containing PFOA, and/or its chemical precursors; or (3) failed to timely perform necessary and reasonable response and remedial measures to releases of PFOA, and/or its chemical precursors, or other non-AFFF products containing PFOA, and/or its chemical precursors in to the environment in which Plaintiff's water supplies and well exist.

90. All Defendants, at all times material herein, acted by and through their respective agents, servants, officers and employees, actual or ostensible, who then and there were acting within the course and scope of their actual or apparent agency, authority or duties. Defendants are liable based on such activities, directly and vicariously.

91. Defendants represent all or substantially all of the market for AFFF/Component Products used in the vicinity of Plaintiff's drinking water supply.

FACTUAL ALLEGATIONS RELEVANT TO ALL CAUSES OF ACTION

A. PFOA and Its Risk to Public Health

92. PFAS are chemical compounds containing fluorine and carbon. These substances have been used for decades in the manufacture of, among other things, household and commercial products that resist heat, stains, oil, and water. These substances are not naturally occurring and must be manufactured.

93. PFOA is one of the two most widely studied types of PFAS substances.

94. PFOA has unique properties that causes it to be: (i) mobile and persistent, meaning that it readily spreads into the environment where it breaks down very slowly; (ii) bioaccumulative and biomagnifying, meaning that it tends to accumulate in organisms and up the food chain; and (iii) toxic, meaning that it poses serious health risks to humans and animals.

95. PFOA easily dissolves in water, and thus it is mobile and easily spreads in the environment. PFOA also readily contaminates soils and leaches from the soil into groundwater, where it can travel significant distances.

96. PFOA is characterized by the presence of multiple carbon-fluorine bonds, which are exceptionally strong and stable. As a result, PFOA is thermally, chemically, and biologically stable. It resists degradation due to light, water, and biological processes.

97. Bioaccumulation occurs when an organism absorbs a substance at a rate faster than the rate at which the substance is lost by metabolism and excretion. Biomagnification occurs when the concentration of a substance in the tissues of organisms increases as the substance travels up the food chain.

98. PFOA bioaccumulates/biomagnifies in numerous ways. First, it is relatively stable once ingested, so that it bioaccumulates in individual organisms for significant periods of time. Because of this stability, any newly ingested PFOA will be added to any PFOA already present. In humans, PFOA remains in the body for years.

99. PFOA biomagnifies up the food chain. This occurs, for example, when humans eat fish that have ingested PFOA.

100. The chemical structure of PFOA makes it resistant to breakdown or environmental degradation. As a result, it is persistent when released into the environment.

101. Exposure to PFAS is toxic and poses serious health risks to humans and animals.

102. PFAS are readily absorbed after consumption or inhalation and accumulate primarily in the bloodstream, kidney, and liver.

B. Defendants' Manufacture and Sale of AFFF/Component Products

103. AFFF is a type of water-based foam that was first developed in the 1970s to extinguish hydrocarbon fuel-based fires.

104. AFFF is a Class-B firefighting foam. It is mixed with water and used to extinguish fires that are difficult to fight, particularly those that involve petroleum or other flammable liquids.

105. AFFF is synthetically formed by combining fluorine-free hydrocarbon foaming agents with fluorosurfactants. When mixed with water, the resulting solution produces an aqueous film that spreads across the surface of hydrocarbon fuel. This film provides fire extinguishment and is the source of the designation aqueous film-forming foam.

106. Beginning in the 1970s, the AFFF Defendants designed, manufactured, marketed, distributed, and/or sold AFFF products that used fluorosurfactants containing PFOA, or the chemical precursors that degrade into PFOA.

107. AFFF can be made without the fluorosurfactants that contain PFOA and/or its precursor chemicals. Fluorine-free firefighting foams, for instance, do not release PFOA, and/or its precursor chemicals into the environment.

108. AFFF that contains fluorosurfactants, however, is better at extinguishing hydrocarbon fuel-based fires due to their surface-tension lowering properties, essentially smothering the fire and starving it of oxygen.

109. The fluorosurfactants used in AFFF products sold by the AFFF Defendants were manufactured by the Fluorosurfactant Defendants through the process of telomerization.

110. The PFCs the Fluorosurfactant Defendants needed to manufacture those fluorosurfactants contained PFOA, and/or its chemical precursors and were designed, manufactured, marketed, distributed and/or sold by the PFC Defendants.

111. On information and belief, the PFC and Fluorosurfactant Defendants were aware that the PFCs and fluorosurfactants they designed, manufactured, marketed, distributed, and/or sold would be used in the AFFF products designed, manufactured, marketed, distributed, and/or sold by the AFFF Defendants.

112. On information and belief, the PFC and Fluorosurfactant Defendants designed, manufactured, marketed, distributed, and/or sold the PFC and/or fluorosurfactants contained in the AFFF products discharged into the environment during fire protection, training, and response activities conducted in the vicinity of Plaintiff's drinking water supply, resulting in widespread PFAS contamination.

113. On information and belief, the AFFF Defendants designed, manufactured, marketed, distributed, and/or sold the AFFF products discharged into the environment during fire protection, training, and response activities conducted in the vicinity of Plaintiff's drinking water supply, resulting in widespread PFAS contamination.

C. Defendants' Knowledge of the Threats to Public Health and the Environment Posed by PFOA

114. On information and belief, by at least the 1970s Defendants knew or should have known that PFOA is mobile and persistent, bioaccumulative and biomagnifying, and toxic.

115. On information and belief, Defendants concealed from the public and government agencies its knowledge of the threats to public health and the environment posed by PFOA.

116. Some or all of the Defendants understood how stable the fluorinated surfactants used in AFFF are when released into the environment from their first sale to a customer, yet they

failed to warn their customers or provide reasonable instruction on how to manage wastes generated from their products.

117. AFFF was first developed in the 1960s as a result of the U.S. Navy's research into the use of fluorosurfactants in firefighting foam to extinguish fuel-based shipboard fires.

118. In 1969, the Navy promulgated a military standard or "MilSpec" requiring contractors to use "fluorocarbon surfactants" in firefighting foam products. Since then, the Navy has revised this MilSpec multiple times, but at no time did the Navy specify the specific fluorosurfactants to be used in AFFF. The AFFF MilSpec was a "performance specification," meaning that the product manufacturers were given great flexibility with respect to designing a product that would meet the military's performance requirements.

119. Firefighting foam can be made without the fluorosurfactants that contain PFOA and/or its precursor chemicals.

120. When the Navy first promulgated the AFFF MilSpec, hundreds of different fluorosurfactants had already been created.

121. The AFFF Defendants designed, manufactured, marketed, distributed, and/or sold AFFF products that used fluorosurfactants containing PFOA, or the chemical precursors that degrade into PFOA.

122. The AFFF Defendants utilized PFAS produced by a process, called fluorotelomerization. These fluorotelomer AFFF formulations were produced beginning in the 1970s. Although they are not made with PFOA, they contain precursors—polyfluorinated compounds that are known to degrade to compounds that include PFOA.

123. On information and belief, the AFFF Defendants designed, manufactured, marketed, distributed, and/or sold the AFFF products discharged into the environment during fire

protection, training, and response activities conducted in the vicinity of Plaintiff's drinking water supply, resulting in widespread PFAS contamination.

124. The AFFF Defendants treated their foam formulations as proprietary information and did not disclose the specific chemical ingredients of their formulations to government agencies or the public.

125. Some or all of the Defendants understood how stable the fluorinated surfactants used in AFFF are when released into the environment from their first sale to a customer, yet they failed to warn their customers or provide reasonable instruction on how to manage wastes generated from their products.

D. The Impact of PFOA on the Environment and Human Health Is Revealed

126. Once the truth about PFOA was revealed, researchers began to study the environmental and health effects associated with them, including a "C8 Science Panel".

127. The C8 panel consisted of three epidemiologists specifically tasked with determining whether there was a probable link between PFOA exposure and human diseases. In 2012, the panel found probable links between PFOA and kidney cancer, testicular cancer, ulcerative colitis, thyroid disease, pregnancy-induced hypertension (including preeclampsia), and hypercholesterolemia.

128. In laboratory testing on animals, PFOA has caused the growth of tumors, changed hormone levels, and affected the function of the liver, thyroid, pancreas, and immune system.

129. The injuries caused by PFAS can arise months or years after exposure.

130. Even after the C8 Science Panel publicly announced that human exposure to 50 parts per trillion, or more, of PFOA in drinking water for one year or longer had "probable links" with certain human diseases, including kidney cancer, testicular cancer, ulcerative colitis, thyroid disease, preeclampsia, and medically-diagnosed high cholesterol, Defendants repeatedly assured

and represented to governmental entities, their customers, and the public (and continue to do so) that the presence of PFOA in human blood at the levels found within the United States presents no risk of harm and is of no legal, toxicological, or medical significance of any kind.

131. Furthermore, Defendants have represented to and assured such governmental entities, their customers, and the public (and continue to do so) that the work of the independent C8 Science Panel was inadequate to satisfy the standards of Defendants to prove such adverse effects upon and/or any risk to humans with respect to PFOA in human blood.

132. At all relevant times, Defendants, through their acts and/or omissions, controlled, minimized, trivialized, manipulated, and/or otherwise influenced the information that was published in peer-review journals, released by any governmental entity, and/or otherwise made available to the public relating to PFAS in human blood and any alleged adverse impacts and/or risks associated therewith, effectively preventing the public from discovering the existence and extent of any injuries/harm as alleged herein.

E. The Fire Fighting Foam Coalition

133. When telomerization emerged as the dominant manufacturing process for fluorosurfactants, multiple companies seized the opportunity to be part of the lucrative AFFF market. But the market opportunity presented uncertainties, as it was unclear whether regulators would view the telomer-based AFFF as a hazard. The key question for regulators was whether the telomer-based AFFF would degrade to PFOA once in the environment.

134. Defendants Buckeye and others formed a group called the Fire Fighting Foam Coalition (“FFFC”) to protect their business opportunity and advocate for the continued use of telomer-based AFFF. The FFFC declared that it would serve as “a single source for accurate, balanced information on environment related questions” and would “ensure that accurate

information about telomer-based products, is disseminated in the marketplace.”¹ The FFFC made several representations regarding the safety of telomer-based AFFF that were either misleading half-truths or were contrary to Defendants’ internal knowledge.

135. For example, the FFFC told the EPA in 2001 that telomer-based AFFF “does not contain any PFOA-based product.”² The issue, however, was whether telomer-based AFFF could degrade into PFOA. One company executive admitted in an internal memo that his company’s AFFF “will degrade in the environment” to produce PFOA and the “question is how toxic” and how “bioaccumulative” these degraded products are.³ But contrary to this internal acknowledgment, the FFFC publicly asserted that “telomer based fire fighting foams are not likely to be a source of PFOA in the environment.”⁴

136. The EPA appointed a committee known as the Telomer Technical Workgroup to make recommendations to the agency. The president of the FFFC represented the telomer-based AFFF industry on the EPA committee. When, in 2003, the Telomer Technical Workgroup reported its conclusions and recommendations, the FFFC president was the spokesperson.

¹ Fact Sheet on AFFF Fire Fighting Agents, *available at* https://static.ewg.org/reports/2020/pfas-firefighter-timeline/2002-03-FFFC.pdf?_ga=2.136386352.1253861871.1649070681-2123137255.1639662520.

² *Id.* Fact Sheet on AFFF Fire Fighting Agents, *available at* https://static.ewg.org/reports/2020/pfas-firefighter-timeline/2002-03-FFFC.pdf?_ga=2.136386352.1253861871.1649070681-2123137255.1639662520.

³ *In Re: Aqueous Film-Forming Foams Prods. Liab. Litig.*, 2:18-mn-02873-RMG:28, Email chain from John Dowling to Anne Regina re: EPA meeting: Comments (Apr. 18, 2001) attached as an exhibit to Plaintiffs’ Omnibus Opposition to Defendants’ Motion for Partial Summary Judgment on the Second and Third Prongs of the Government Contractor Immunity Defense, ECF 2409-112.

⁴ PFOA ECA Plenary Meeting, *available at* https://static.ewg.org/reports/2020/pfas-firefighter-timeline/2003-Telomers_Safe_Email.pdf?_ga=2.128105996.1253861871.1649070681-2123137255.1639662520.

137. In what the FFFC president called a “major victory” for the industry, the EPA accepted the proposal of its Workgroup that “telomer-based fire fighting foams no longer be considered as part of the PFOA ECA process.”⁵ The FFFC president remarked that “[w]hen we started this organization two years ago [in 2001], the fate of telomer based AFFF was being tied directly to the fate of PFOA and the EPA had just told the military to start searching for alternatives to AFFF.”⁶ The telomer-based AFFF Defendants had successfully forestalled government restrictions on their products, thereby prolonging the use of AFFF in the vicinity of Plaintiff’s drinking water supply and elsewhere.

138. The fluorochemicals the Fluorosurfactant Defendants needed to manufacture those fluorosurfactants contained PFOA, and/or its chemical precursors and were designed, manufactured, marketed, distributed and/or sold by the Fluorochemical Defendants.

139. On information and belief, the Fluorochemical and Fluorosurfactant Defendants were aware that the fluorochemicals and fluorosurfactants they designed, manufactured, marketed, distributed, and/or sold would be used in the AFFF products designed, manufactured, marketed, distributed, and/or sold by the AFFF Defendants.

140. On information and belief, the PFC and Fluorosurfactant Defendants designed, manufactured, marketed, distributed, and/or sold the fluorochemicals and/or fluorosurfactants contained in the AFFF products discharged into the environment during fire protection, training,

⁵ *Id.* PFOA ECA Plenary Meeting, *available at* https://static.ewg.org/reports/2020/pfas-firefighter-timeline/2003-Telomers_Safe_Email.pdf?_ga=2.128105996.1253861871.1649070681-2123137255.1639662520.

⁶ *Id.* PFOA ECA Plenary Meeting, *available at* https://static.ewg.org/reports/2020/pfas-firefighter-timeline/2003-Telomers_Safe_Email.pdf?_ga=2.128105996.1253861871.1649070681-2123137255.1639662520.

and response activities conducted in the vicinity of Plaintiff's drinking water supply, resulting in widespread PFAS contamination.

F. Federal, State, and International Government Agencies Call for Monitoring and Cleanup of PFAS Contamination

141. On May 2, 2012, the EPA published its Third Unregulated Contaminant Monitoring Rule ("UCMR3"), requiring public water systems nationwide to monitor for thirty contaminants of concern between 2013 and 2015, including PFOA.⁷

142. In the May 2015 "Madrid Statement on Poly- and Perfluoroalkyl Substances (PFAS's)," scientists and other professionals from a variety of disciplines, concerned about the production and release into the environment of PFOA, called for greater regulation, restrictions, limits on the manufacture and handling of any PFOA containing product, and to develop safe non-fluorinated alternatives to these products to avoid long-term harm to human health and the environment.⁸

143. On May 25, 2016, the EPA released a lifetime health advisory level (HAL) for drinking water and health effects support documents for PFOA and another type of long-chain PFAS, perfluorooctane sulfonate ("PFOS").⁹ The EPA developed the HAL to assist governmental officials in protecting public health when PFOS and PFOA are present in drinking water. The EPA HAL identified the concentration of PFOS and PFOA in drinking water at or below which adverse health effects are not anticipated to occur over a lifetime of exposure at 0.07 ppb or 70 ppt. The

⁷ *Revisions to the Unregulated Contaminant Monitoring Regulation (UCMR 3) for Public Water Systems*, 77 Fed. Reg. 26072 (May 2, 2012).

⁸ Blum A, Balan SA, Scheringer M, Trier X, Goldenman G, Cousins IT, Diamond M, Fletcher T, Higgins C, Lindeman AE, Peaslee G, de Voogt P, Wang Z, Weber R. 2015. The Madrid statement on poly- and perfluoroalkyl substances (PFASs). *Environ Health Perspect* 123:A107–A111; <http://dx.doi.org/10.1289/ehp.1509934>.

⁹ See Fed. Register, Vol. 81, No. 101, May 25, 2016, Lifetime Health Advisories and Health Effects Support Documents for Perfluorooctanoic Acid and Perfluorooctane Sulfonate.

HAL was based on peer-reviewed studies of the effects of PFOS and PFOA on laboratory animals (rats and mice) and was also informed by epidemiological studies of human populations exposed to PFOS. These studies indicated that exposure to PFOS and PFOA over the HAL could result in adverse health effects, including:

- a. Developmental effects to fetuses during pregnancy or to breastfed infants (e.g., low birth weight, accelerated puberty, skeletal variations);
- b. Cancer (testicular and kidney);
- c. Liver effects (tissue damage);
- d. Immune effects (e.g., antibody production and immunity);
- e. Thyroid disease and other effects (e.g., cholesterol changes).

144. In 2016, the National Toxicology Program of the United States Department of Health and Human Services (“NTP”) and the International Agency for Research on Cancer (“IARC”) both released extensive analyses of the expanding body of research regarding the adverse effects of fluorochemicals. The NTP concluded that both PFOA and PFOS are “presumed to be an immune hazard to humans” based on a “consistent pattern of findings” of adverse immune effects in human (epidemiology) studies and “high confidence” that PFOA and PFOS exposure was associated with suppression of immune responses in animal (toxicology) studies.¹⁰

145. IARC similarly concluded that there is “evidence” of “the carcinogenicity of . . . PFOA” in humans and in experimental animals, meaning that “[a] positive association has been

¹⁰ See U.S. Dep’t of Health and Human Services, Nat’l Toxicology Program, *NTP Monograph: Immunotoxicity Associated with Exposure to Perfluorooctanoic Acid or Perfluorooctane Sulfonate* (Sept. 2016), at 1, 17, 19, available at https://ntp.niehs.nih.gov/ntp/ohat/pfoa_pfos/pfoa_pfosmonograph_508.pdf

observed between exposure to the agent and cancer for which a causal interpretation is . . . credible.”¹¹

146. California has listed PFOA and PFOS in its Proposition 65 list as a chemical known to cause reproductive toxicity under the Safe Drinking Water and Toxic Enforcement Act of 1986.¹²

147. The United States Senate and House of Representatives passed the National Defense Authorization Act in November 2017, which included \$42 million to remediate fluorochemical contamination from military bases, as well as devoting \$7 million toward the Investing in Testing Act, which authorizes the Center for Disease Control and Prevention (“CDC”) to conduct a study into the long-term health effects of PFOA and PFOS exposure.¹³ The legislation also required that the Department of Defense submit a report on the status of developing a new military specification for AFFF that did not contain PFOS or PFOA.¹⁴

148. In June 2018, the Agency for Toxic Substances and Disease Registry (“ATSDR”) and EPA released a draft toxicological profile for PFOS and PFOA and recommended the drinking water advisory levels be lowered to 11 ppt for PFOA and 7 ppt for PFOS.¹⁵

¹¹ See Int’l Agency for Research on Cancer, IARC Monographs: *Some Chemicals Used as Solvents and in Polymer Manufacture* (Dec. 2016), at 27, 97, available at <http://monographs.iarc.fr/ENG/Monographs/vol110/mono110.pdf>.

¹² California Office of Environmental Health Hazard Assessment, *Chemicals Listed Effective Nov. 10, 2017 as Known to the State of California to Cause Reproductive Toxicity: Perfluorooctanoic Acid (PFOA) and Perfluorooctane Sulfonate (PFOS)*, Nov. 9, 2017, available at <https://oehha.ca.gov/proposition-65/crn/chemicals-listed-effective-november-10-2017-known-state-california-cause>.

¹³ National Defense Authorization Act for Fiscal Year 2018, H.R. 2810, 115th Congress (2017), available at <https://www.congress.gov/115/plaws/publ91/PLAW-115publ91.pdf>.

¹⁴ *Id.*; see also U.S. Department of Defense, *Alternatives to Aqueous Film Forming Foam Report to Congress*, June 2018, available at <https://www.denix.osd.mil/derp/home/documents/alternatives-to-aqueous-film-forming-foam-report-to-congress/>.

¹⁵ ATSDR, *Toxicological Profile for Perfluoroalkyls: Draft for Public Comment* (June 2018), available at <https://www.atsdr.cdc.gov/toxprofiles/tp200.pdf>.

149. In December 2019, the United States Senate and House of Representatives passed the National Defense Authorization Act for Fiscal Year 2020 ("FY 2020 NDAA"), which introduced new prohibitions on the use of PFAS-containing AFFF for land-based applications.¹⁶ Section 322 of the Act introduced a timeline for the phasing out of AFFF use by the military, including by requiring the Secretary of the Navy to publish a new military specification for a fluorine-free fire-fighting agent for use at all military installations by January 31, 2023. Section 322(b) and (c) then provide that Department of Defense organizations will no longer be authorized to purchase AFFF containing more than 1 part per billion of PFAS after October 1, 2023, and that after October 1, 2024, this prohibition will extend to the use of any PFAS-containing AFFF at any military installation.

150. On February 20, 2020, the EPA announced a proposed decision to regulate PFOA and PFOS under the Safe Drinking Water Act, which the agency characterized as a "key milestone" in its efforts to "help communities address per- and polyfluoroalkyl substances (PFAS) nationwide."¹⁷

151. On June 15, 2022, the EPA released new drinking water health advisory levels (HALs) for four PFAS, including new interim HALs for PFOS and PFOA that departed significantly from the 2016 EPA HAL they replaced.¹⁸ Specifically, EPA issued HALs of 0.004 ppt for PFOA and 0.02 ppt for PFOS,¹⁹ which collectively accounted for only a small fraction of

¹⁶ National Defense Authorization Act for Fiscal Year 2020, S. 1790, 116th Congress (2019), *available at* <https://www.govinfo.gov/content/pkg/BILLS-116s1790enr/pdf/BILLS-116s1790enr.pdf>.

¹⁷ Press Release, *EPA Announces Proposed Decision to Regulate PFOA and PFOS in Drinking Water*, Feb. 20, 2020, *available at* <https://www.epa.gov/newsreleases/epa-announces-proposed-decision-regulate-pfoa-and-pfos-drinking-water>.

¹⁸ See Fed. Register, Vol. 87, No. 36848, June 21, 2022, Lifetime Drinking Water Health Advisories for Four Perfluoroalkyl Substances.

¹⁹ *Id.* Fed. Register, Vol. 87, No. 36848, June 21, 2022, Lifetime Drinking Water Health Advisories for

the combined 70 ppt HAL that preceded them. Importantly, EPA set these interim HALs at levels below which PFOS and PFOA can be measured using current analytic methods, meaning that the mere detection of PFOS or PFOA in a water provider's system would be sufficient on its own to exceed the new levels.

152. As support for its decision, EPA explained that the science had evolved since 2016 and that the new interim HALs for PFOS and PFOA were “based on human studies” that “found associations between PFOA and/or PFOS exposure and effects on the immune system, the cardiovascular system, human development (e.g., decreased birth weight), and cancer.”²⁰ Specifically, EPA had performed updated health effects analyses for PFOS and PFOA to provide support for the drinking water regulations the agency planned to adopt for the two chemicals under the SDWA. Based on these analyses, EPA concluded that “the levels at which negative health effects could occur are much lower than previously understood when EPA issued the 2016 health advisories for PFOA and PFOS – including near zero for certain health effects.”²¹ For this reason, the agency determined there was a “pressing need to provide updated information on the current best available science to public health officials prior to finalization of the health effects assessment.”²²

Four Perfluoroalkyl Substances.

²⁰ EPA, *Drinking Water Health Advisories for PFAS Fact Sheet for Communities* at 1-2 (June 2022), available at <https://www.epa.gov/system/files/documents/2022-06/drinking-water-ha-pfas-factsheet-communities.pdf>.

²¹ EPA, *Drinking Water Health Advisories for PFAS Fact Sheet for Public Water Systems* at 2 (June 2022), available at <https://www.epa.gov/system/files/documents/2022-06/drinking-water-ha-pfas-factsheet-water-system.pdf>.

²² EPA Office of Water, EPA Doc. No. 822-R-22-003, *INTERIM Drinking Water Health Advisory: Perfluorooctanoic Acid (PFOA) CASRN 335-67-1* at 18 (June 2022), available at <https://www.epa.gov/system/files/documents/2022-06/interim-pfoa-2022.pdf>; EPA Office of Water, EPA Doc. No. 822-R-22-004, *INTERIM Drinking Water Health Advisory: CASRN 1763-23-1* at 18 (June 2022), available at <https://www.epa.gov/system/files/documents/2022-06/interim-pfos-2022.pdf>.

153. Because the referenced health analyses are still undergoing final review by EPA’s Science Advisory Board, the agency has stated that the new interim HALs for PFOS and PFOA are subject to change. EPA has indicated, however, that it does not anticipate any changes resulting in revised HALs for PFOS and PFOA that are greater than the 4 ppt minimum reporting level²³ that applies to Public Water Systems.²⁴

154. On September 6, 2022, EPA published a notice of proposed rulemaking seeking public comment on its plan to designate PFOS and PFOA as hazardous substances under CERCLA.²⁵ Pursuant to that notice, all comments from the public must be submitted by November 7, 2022.

155. On January 6, 2023, the Defense Logistics Agency within the Department of Defense published a new Military Specification for “Fire Extinguishing Agent, Fluorine-Free Foam (F3) Liquid Concentrate, for Land-Based, Fresh Water Application,” MIL-PRF-32725 (“F3 MilSpec”) in accordance with § 332(a)(1) of the FY 2020 NDAA.²⁶ This new specification will govern fire extinguishing foams used by all Department of Defense organizations and will require such foams to test “non-detect” for PFAS. The specification further requires manufacturers to “certify in writing that PFAS has not intentionally been added to the concentrate.”

²³ As EPA’s website explains, the Minimum Reporting Level (“MRL”) for Unregulated Contaminant Monitoring Rule (UCMR) 5 is the minimum quantitation level that, with 95 percent confidence, can be achieved by capable analysts at 75 percent or more of the laboratories using a specified analytical method. The MRLs in EPA’s chart are based on the UCMR 5 requirement to use EPA Method 533.

²⁴ EPA, *Drinking Water Health Advisories for PFAS Fact Sheet for Public Water Systems* at 2 (June 2022), available at <https://www.epa.gov/system/files/documents/2022-06/drinking-water-ha-pfas-factsheet-water-system.pdf>.

²⁵ See Designation of Perfluorooctanoic Acid (PFOA) and Perfluorooctanesulfonic Acid (PFOS) as CERCLA Hazardous Substances, 87 Fed. Reg. 54415 (Sep. 6, 2022).

²⁶ Available on the Defense Logistics Agency’s website, https://quicksearch.dla.mil/qsDocDetails.aspx?ident_number=285047.

G. Contamination of Plaintiff's Water System Caused by the Use of AFFF

156. Plaintiff is the owner and operator of a water system serving approximately 7,903 residents located in and around Eloy, Arizona.

157. Plaintiff's system draws the drinking water it provides to customers from groundwater wells.

158. Plaintiff has detected PFAS in its groundwater wells.

159. On information and belief, the PFAS contamination described above is a direct and proximate result of fire protection, training, and response activities in the area near Plaintiff's water system, resulting in the migration of PFAS into Plaintiff's water supply.

160. In order to ensure that it can continue to provide clean and safe water to residences, Plaintiff has and will continue to take actions to address the above contamination of its property and its potable water supply caused by the Defendants.

161. Such actions include but are not limited to additional testing and monitoring for PFAS; planning, designing, purchasing, installing, and maintaining water filtration systems to remove these chemicals; infrastructure modifications; contingency planning; and community outreach.

162. Due to the persistent and long-term nature of PFAS contamination, Plaintiff is expected to suffer damages and incur the costs associated with these and other ongoing necessary remedial actions for many years to come.

163. Through this action, Plaintiff seeks compensatory damages for the harm done to its property and the costs associated with investigating, remediating, and monitoring its drinking water supplies contaminated with PFAS due to the use of AFFF in the area near Plaintiff's water system.

H. AFFF Containing PFOA Is Fungible and Commingled in the Groundwater

164. AFFF containing PFOA, once it has been released to the environment, lacks characteristics that would enable identification of the company that manufactured that particular batch of AFFF or chemical feedstock.

165. A subsurface plume, even if it comes from a single location, such as a retention pond or fire training area, originates from mixed batches of AFFF and chemical feedstock coming from different manufacturers.

166. Because precise identification of the specific manufacturer of any given AFFF/Component Product that was a source of the PFAS found in Plaintiff's drinking water supply is nearly impossible, given certain exceptions, Plaintiff must pursue all Defendants, jointly and severally.

167. Defendants are also jointly and severally liable because they conspired to conceal the true toxic nature of PFOA, to profit from the use of AFFF/Component Products containing PFOA, at Plaintiff's expense, and to attempt to avoid liability.

**MARKET SHARE LIABILITY, ALTERNATIVE LIABILITY,
CONCERT OF ACTION, AND ENTERPRISE LIABILITY**

168. Defendants in this action are manufacturers that control a substantial share of the market for AFFF/Component Products containing PFOA, and/or its chemical precursors in the United States and are jointly responsible for the contamination of Plaintiff's property, including the soil, sediment, surface water, and groundwater. Market share liability attaches to all Defendants and the liability of each should be assigned according to its percentage of the market for AFFF/Component Products at issue in this Complaint.

169. Because PFAS is fungible, it is impossible to identify the exact Defendant who manufactured any given AFFF/Component Product containing PFOA, and/or its chemical

precursors found free in the air, soil or groundwater, and each of these Defendants participated in a territory-wide and U.S. national market for AFFF/Component Products during the relevant time.

170. Concert of action liability attaches to all Defendants, each of which participated in a common plan to commit the torts alleged herein and each of which acted tortuously in pursuance of the common plan to knowingly manufacture and sell inherently dangerous AFFF/Component Products containing PFOA, and/or its chemical precursors.

171. Enterprise liability attaches to all the named Defendants for casting defective products into the stream of commerce.

CAUSES OF ACTION

COUNT I: **DEFECTIVE DESIGN**

172. Plaintiff adopts, realleges, and incorporates the allegations in paragraphs 1 through 171 above, and further alleges the following:

173. As manufacturers of AFFF/Component Products containing PFOA, and/or its chemical precursors, Defendants owed a duty to all persons whom its products might foreseeably harm, including Plaintiff, and not to market any product which is unreasonably dangerous in design for its reasonably anticipated use.

174. Defendants' AFFF/Component Products were unreasonably dangerous for its reasonably anticipated uses for the following reasons:

- a. PFAS causes extensive groundwater contamination, even when used in its foreseeable and intended manner;
- b. Even at extremely low levels, PFAS render drinking water unfit for consumption;
- c. PFAS poses significant threats to public health; and
- d. PFAS create real and potential environmental damage.

175. Defendants knew of these risks and failed to use reasonable care in the design of their AFFF/Component Products.

176. AFFF containing PFOA, and/or its chemical precursors pose a greater danger to the environment and to human health than would be expected by ordinary persons such as Plaintiff and the general public.

177. At all times, Defendants were capable of making AFFF/Component Products that did not contain PFOA, and/or its chemical precursors. Thus, reasonable alternative designs existed which were capable of preventing Plaintiff's injuries.

178. The risks posed by AFFF containing PFOA, and/or its chemical precursors far outweigh the products' utility as a flame-control product.

179. The likelihood that Defendants' AFFF/Component Products would be spilled, discharged, disposed of, or released into the environment and contaminate Plaintiff's drinking water supply far outweighed any burden on Defendants to adopt an alternative design, and outweighed the adverse effect, if any, of such alternative design on the utility of the product.

180. As a direct and proximate result of Defendants' unreasonably dangerous design, manufacture, and sale of AFFF/Component Products containing PFOA, and/or its chemical precursors, Plaintiff's property and water system has become contaminated with PFAS.

181. Defendants knew that it was substantially certain that their acts and omissions described above would contaminate Plaintiff's property and water system. Defendants committed each of the above-described acts and omissions knowingly, willfully, and/or with fraud, oppression, or malice, and with conscious and/or reckless disregard for Plaintiff's health and safety, and/or property rights.

COUNT II:
FAILURE TO WARN

182. Plaintiff adopts, realleges, and incorporates the allegations in paragraphs 1 through 181 above, and further alleges the following:

183. As manufacturers of AFFF/Component Products containing PFOA, and/or its chemical precursors, Defendants had a duty to provide adequate warnings of the risks of these products to all persons whom its product might foreseeably harm, including Plaintiff and the public.

184. Defendants' AFFF/Component Products were unreasonably dangerous for its reasonably anticipated uses for the following reasons:

- a. PFAS causes extensive groundwater contamination, even when used in its foreseeable and intended manner;
- b. Even at extremely low levels, PFAS render drinking water unfit for consumption;
- c. PFAS poses significant threats to public health; and
- d. PFAS create real and potential environmental damage.

185. Defendants knew of the health and environmental risks associated with their AFFF/Component Products, and failed to provide a warning that would lead an ordinary reasonable user or handler of a product to contemplate the dangers associated with their products or an instruction that would have avoided Plaintiff's injuries.

186. Despite Defendants' knowledge of the environmental and human health hazards associated with the use and/or disposal of their AFFF/Component Products in the vicinity of drinking water supplies, including PFAS contamination of public drinking supplies and private wells, Defendants failed to issue any warnings, instructions, recalls, or advice regarding their AFFF/Component Products to Plaintiff, governmental agencies or the public.

187. As a direct and proximate result of Defendants' failure to warn, Plaintiff's property and water system has become contaminated with PFAS.

188. Defendants knew that it was substantially certain that their acts and omissions described above would contaminate Plaintiff's property and water system. Defendants committed each of the above-described acts and omissions knowingly, willfully, and/or with fraud, oppression, or malice, and with conscious and/or reckless disregard for Plaintiff's health and safety, and/or property rights.

COUNT III:
NEGLIGENCE

189. Plaintiff adopts, realleges, and incorporates the allegations in paragraphs 1 through 188 above, and further alleges the following:

190. As manufacturers of AFFF/Component Products containing PFOA, and/or its chemical precursors, Defendants owed a duty to Plaintiff and to all persons whom its products might foreseeably harm and to exercise due care in the formulation, manufacture, sale, labeling, warning, and use of PFAS-containing AFFF.

191. Defendants owed a duty to Plaintiff to act reasonably and not place inherently dangerous AFFF/Component Products into the marketplace when its release into the air, soil, and water was imminent and certain.

192. Defendants knew or should have known that PFAS were leaching from AFFF used for fire protection, training, and response activities.

193. Defendants knew or should have known that PFAS are highly soluble in water, highly mobile, extremely persistent in the environment, and highly likely to contaminate water supplies if released into the environment.

194. Defendants knew or should have known that the manner in which they were designing, manufacturing, marketing, distributing, and selling their AFFF/Component Products would result in contamination of Plaintiff's property and water system with PFAS.

195. Despite the fact that Defendants knew or should have known that PFAS are toxic, can contaminate water resources and are carcinogenic, Defendants negligently:

- a. designed, manufactured, formulated, handled, labeled, instructed, controlled, marketed, promoted, and/or sold AFFF/Component Products containing PFOA, and/or its chemical precursors;
- b. issued deficient instructions on how their AFFF/Component Products should be used and disposed of, thereby permitting PFAS to contaminate the groundwater in and around Plaintiff's drinking water supply;
- c. failed to recall and/or warn the users of their AFFF/Component Products of the dangers of groundwater contamination as a result of standard use and disposal of their products;
- d. failed and refused to issue the appropriate warning and/or recalls to the users of their AFFF/Component Products; and
- e. failing to take reasonable, adequate, and sufficient steps or actions to eliminate, correct, or remedy any contamination after it occurred.

196. The magnitude of the burden on the Defendants to guard against this foreseeable harm to Plaintiff was minimal, as the practical consequences of placing this burden on the Defendants amounted to a burden to provide adequate instructions, proper labeling, and sufficient warnings about their AFFF/Component Products.

197. As manufacturers, Defendants were in the best position to provide adequate instructions, proper labeling, and sufficient warnings about their AFFF/Component Products, and to take steps to eliminate, correct, or remedy any contamination they caused.

198. As a direct and proximate result of Defendants' negligence, Plaintiff's property and water system have become contaminated with PFAS.

199. Defendants knew that it was substantially certain that their acts and omissions described above would contaminate Plaintiff's property and water system. Defendants committed each of the above-described acts and omissions knowingly, willfully, and/or with fraud, oppression, or malice, and with conscious and/or reckless disregard for Plaintiff's health and safety, and/or property rights.

COUNT IV:
TRESPASS

200. Plaintiff adopts, realleges, and incorporates the allegations in paragraphs 1 through 199 above, and further alleges the following:

201. Plaintiff is the owner, operator, and actual possessor of real property and improvements used for collecting drinking water.

202. Defendants designed, manufactured, distributed, marketed, and sold AFFF/Component Products with the actual knowledge and/or substantial certainty that AFFF containing PFOA, and/or its chemical precursors would, through normal use, release PFAS that would migrate into groundwater, causing contamination.

203. Defendants negligently, recklessly, and/or intentionally designed, manufactured, distributed, marketed, and sold AFFF/Component Products in a manner that caused PFAS to contaminate Plaintiff's property.

204. As a direct and proximate result of Defendants' trespass, Plaintiff has suffered and continues to suffer property damage requiring investigation, remediation, and monitoring costs.

205. Defendants knew that it was substantially certain that their acts and omissions described above would threaten public health and cause extensive contamination of property, including groundwater collected for drinking. Defendants committed each of the above-described acts and omissions knowingly, willfully, and/or with fraud, oppression, or malice, and with conscious and/or reckless disregard for the health and safety of others, and for Plaintiff's property rights.

COUNT VII: **PUNITIVE DAMAGES**

206. Plaintiff adopts, realleges, and incorporates each and every allegation in the paragraphs 1 through 205 above, and further alleges the following:

207. Defendants engaged in willful, wanton, malicious, and or/reckless conduct that caused the foregoing damage upon Plaintiff, disregarding their protected rights.

208. Defendants' willful, wanton, malicious, and/or reckless conduct includes but is not limited to Defendants' failure to take all reasonable measures to ensure PFAS would not be released into the environment and inevitably contaminate Plaintiff's property and water supply.

209. Defendants have caused great harm to Plaintiff, acting with implied malice and an outrageously conscious disregard for Plaintiff's rights and safety, such that the imposition of punitive damages is warranted.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff demands judgment against Defendants, and each of them, jointly and severally, and request the following relief from the Court:

- a. compensatory damages according to proof including, but not limited to:

- i. costs and expenses related to the past, present, and future investigation, sampling, testing, and assessment of the extent to which Plaintiff's property and water system have been contaminated with PFAS;
 - ii. costs and expenses related to past, present, and future treatment and remediation of the PFAS contamination impacting Plaintiff's property and water system; and
 - iii. costs and expenses related to past, present, and future installation and maintenance of filtration systems to assess and evaluate PFAS contamination impacting Plaintiff's property and water system;
- b. a declaration that Defendants acted with negligence, gross negligence, and/or willful, wanton, and careless disregard for the health, safety of Plaintiff;
- c. an order for an award of attorney fees and costs, as provided by law;
- d. pre-judgment and post-judgment interest as provided by law;
- e. an award of punitive damages in an amount sufficient to deter Defendants' similar wrongful conduct in the future;
- f. an award of consequential damages; and
- g. an order for all such other relief the Court deems just and proper.

DEMAND FOR JURY TRIAL

Plaintiff, CITY OF ELOY, AZ demands a trial by jury of all issues so triable as a matter of right.

Dated: New York, New York
June 23, 2025

Respectfully submitted,

NAPOLI SHKOLNIK

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WORKING TO FIGHT WATER CONTAMINATION

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ATTORNEYS AT LAW



PFAS Background

Per- and polyfluoroalkyl substances (PFAS) are a group of man-made chemicals that includes PFOA, PFOS, GenX, and many other chemicals.

Manufacturers

PFOA/PFOS

3M/Dyneon
Asahi Glass
Arkema
Ciba

Clariant
Daikin
Dupont
Solvay

AFFF

3M
Ansul
Amerex
Buckeye

Chemguard
Kidde
National Foam
Tyco

PFOS was solely produced by 3M in the U.S.

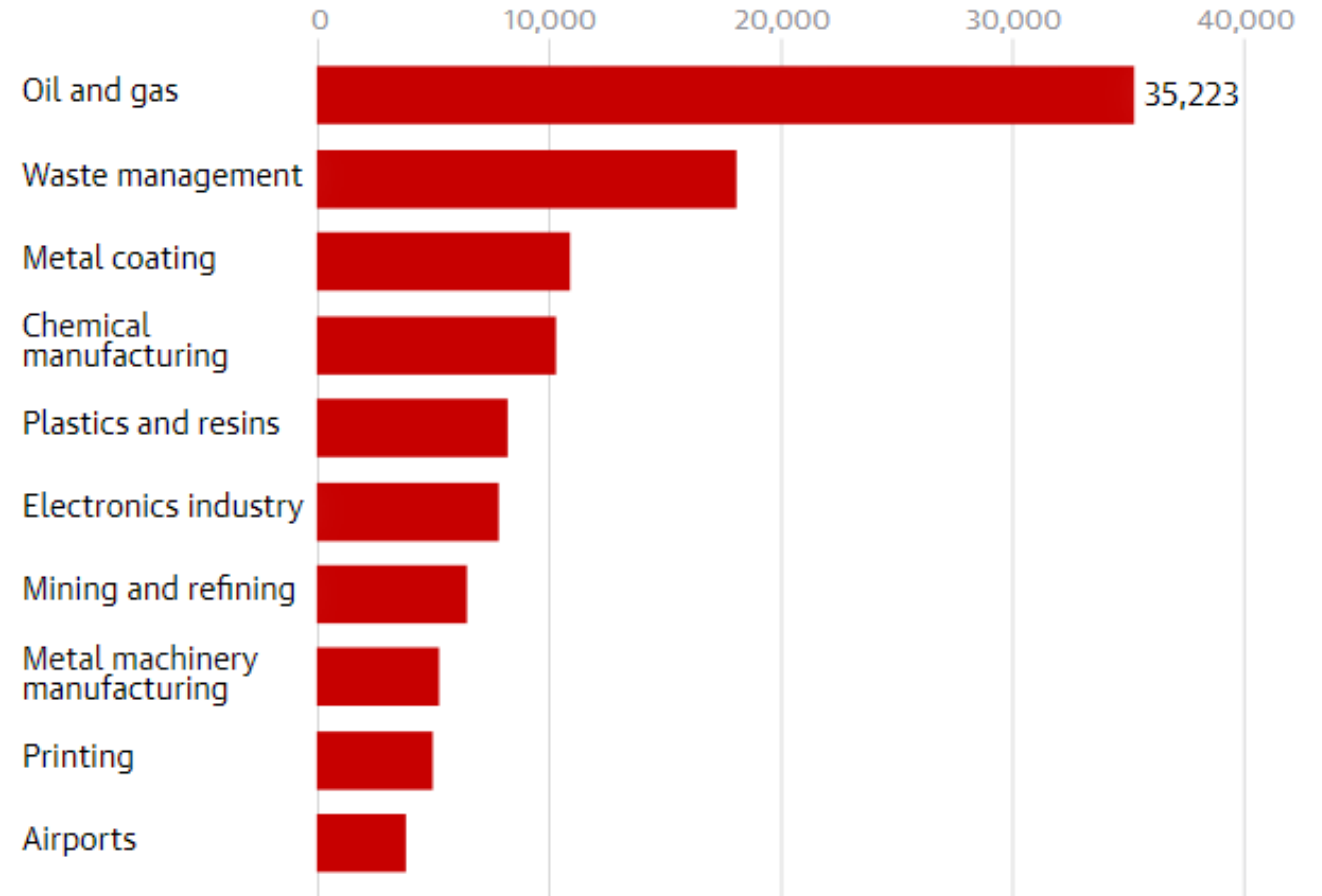
WHERE IS PFAS FOUND?



Industries handling PFAS

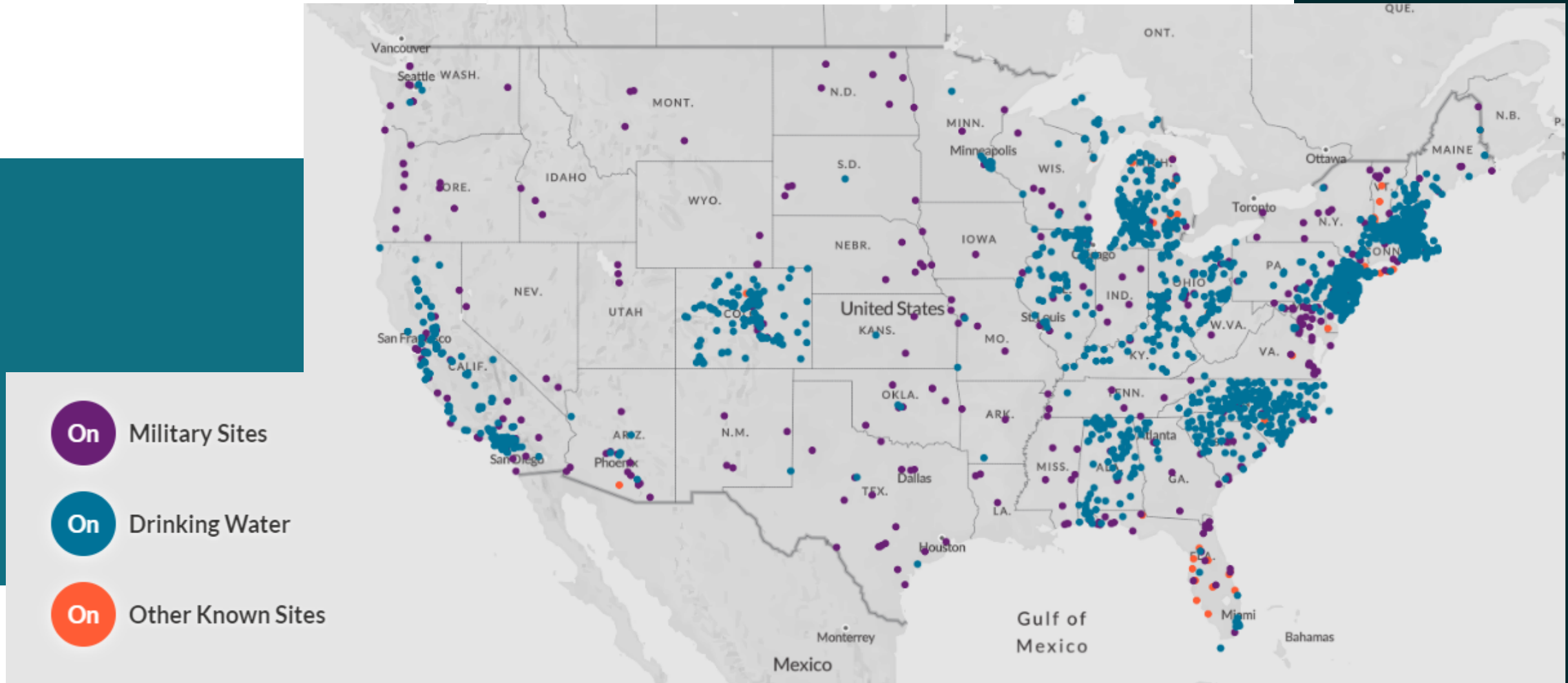
Facilities potentially handling PFAS - top 10 industries

Facilities may be counted twice if they belong to multiple industries

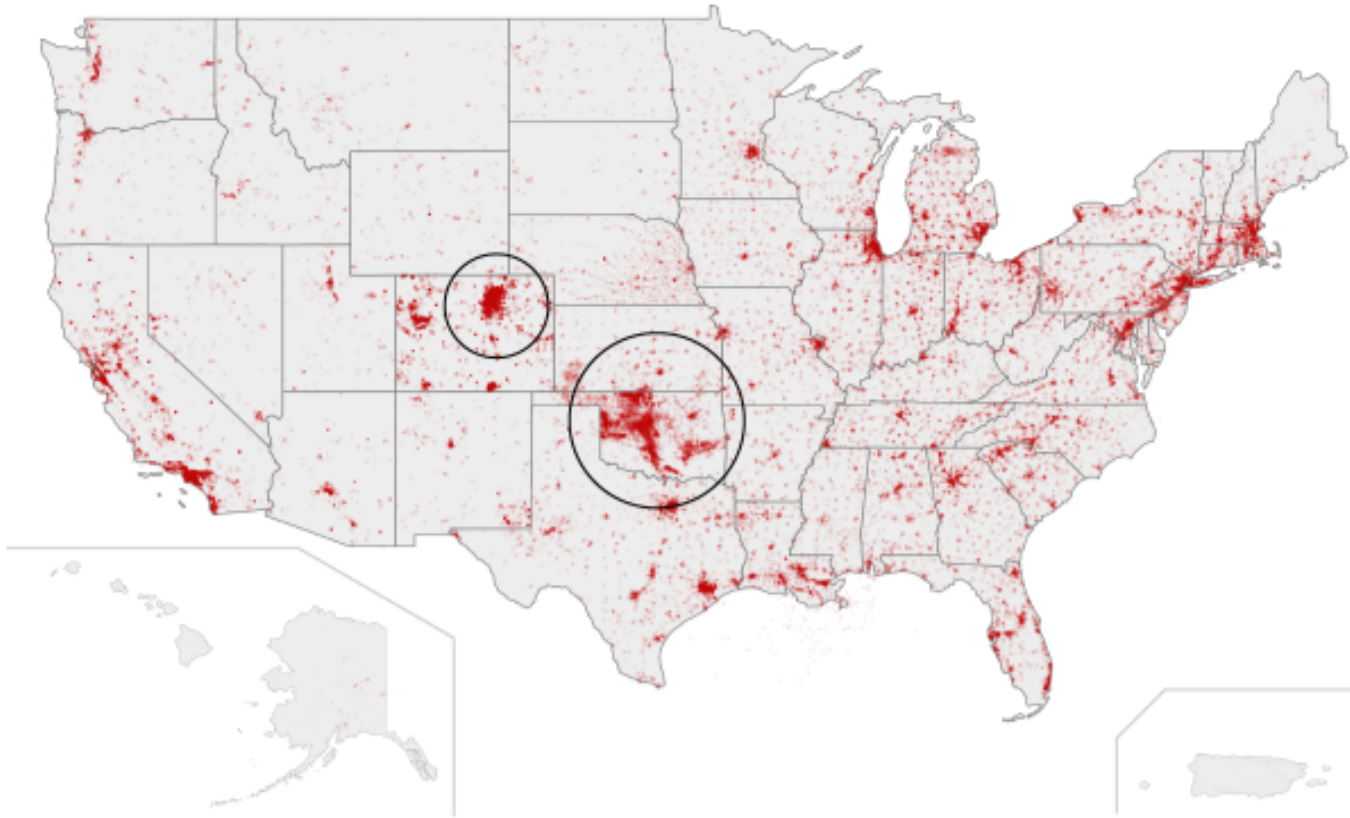


Guardian graphic. Source: US Environmental Protection Agency

PFAS TESTING (October 2021)



The EPA identified more than 120,000 facilities that may expose people to PFAS



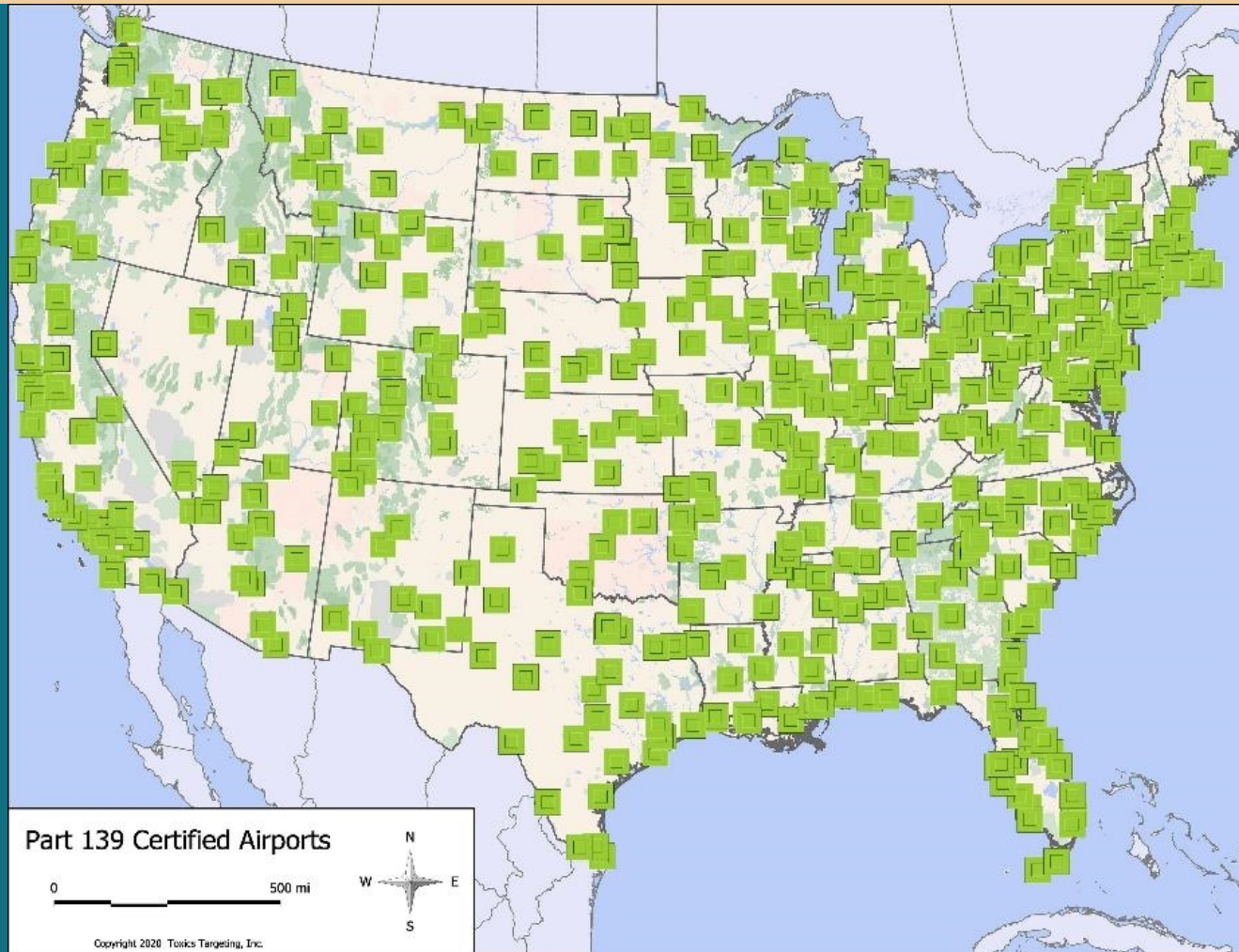
Guardian graphic. Source: US Environmental Protection Agency

Investigative Resources

Known as Forever Chemicals for their persistence in the environment and human body.

Increased Exposure Risks:

- *Cancer (Bladder, Kidney, Liver, Prostate, Testicular)*
- *Thyroid Problems*
- *Fetal Development Issues*
 - *Low Birth Weight*
 - *Premature Babies*





AFFF Background

Military bases, airports and firefighting training facilities is where AFFF was commonly used.

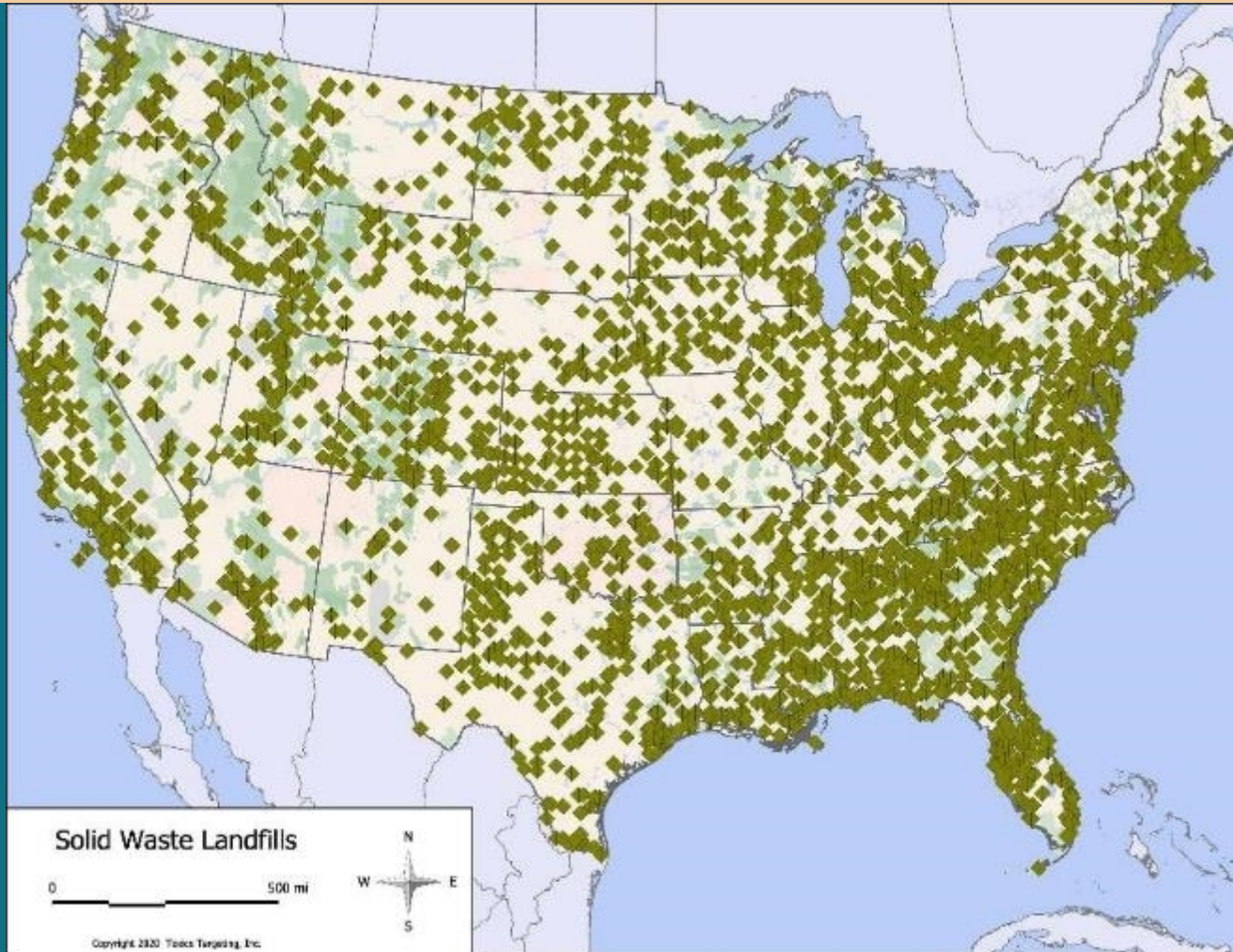
- *Rigorous Repeated Trainings*
- *Trainings frequently took place in **burn pits***

AFFF MDL General Discovery

PEC Commenced Written Discovery in June 2019

PEC has taken 75 depositions in General Discovery Phase

- *46 Fact Witness Depositions*
- *29 Corporate Representative Depositions*

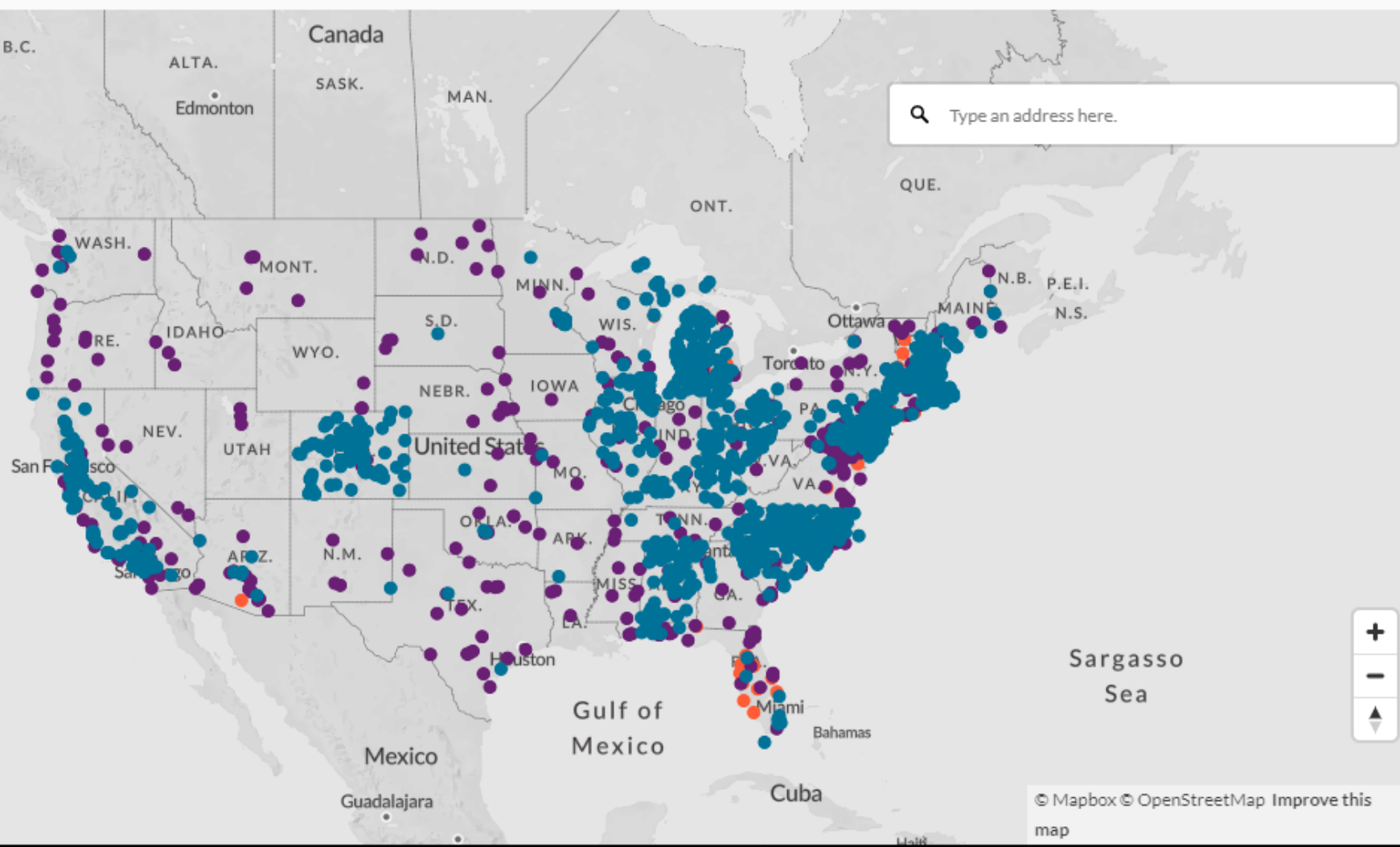




PFAS Contamination in the U.S. (June 8, 2022)



- On Military Sites
- On Drinking Water
- On Other Known Sites



Regulatory Landscape



EPA Three Year Plan

- Revised Health Advisory (June 2022)

Chemical	EPA PFAS HAL
PFOA	.004 ppt
PFOS	.02 ppt
GenX	10 ppt
PFBS	2,000 ppt

Though not enforceable, these limits play a significant role in setting federal and state drinking water limits.



ESTABLISH ENFORCEABLE
SDWA MAXIMUM CONTAMINANT
LEVEL



DECLARE PFAS AND PFOA
HAZARDOUS SUBSTANCES



UCMR 5 TESTING JAN 23

Status of Cost Recovery Suit



- ✓ **August 2022 - Government Contractor Defense Rejected**
- ✓ **November 2022 – Court Appointed Mediator**
- ✓ **June 2023 - Bellwether Trial**
- ✓ **Current - Time Sensitive**

YOUR TEAM



Marie Napoli
Partner



Paul J. Napoli
Partner



Hunter J. Shkolnik
Partner



Harold Naughton
Partner

Key Points

- *Cost Recovery, Not Punitive*
- *No local impact*
- *No Recovery for your system - no cost*
- *Positive message to public*



**NAPOLI
SHKOLNIK PLLC**
ATTORNEYS AT LAW

WORKING TO FIGHT WATER CONTAMINATION

[*www.napolilaw.com/nrwa-pfas/*](http://www.napolilaw.com/nrwa-pfas/)

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HNaughton@NapoliLaw.com

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Sam Wade

Swade@Napolilaw.com

(580) 917-1425



**NAPOLI
SHKOLNIK PLLC**
ATTORNEYS AT LAW

PFAS

[National Rural Water Association](#) > [Issues](#) > PFAS

[Lead and Copper](#)

[PFAS](#)

[COVID-19](#)

[Disaster Response](#)

[Cybersecurity](#)



NRWA PFAS Cost Recovery Program

How can I sign up for the program?

There is no cost your utility systems to register for the program. Registration makes your system eligible to recover current and future costs. Systems that register will be eligible to recover costs associated with PFAS testing, treatment, and remediation if a settlement is reached.

[Sign Up for the Program](#)



TIME IS OF THE ESSENCE!

Register for the NRWA PFAS Cost Recovery Program

-  No cost to register
-  No testing required
-  Comply with federal guidelines
-  Protect your utility from out-of-pocket costs

HOW TO REGISTER:

-  Call Sam Wade, water utility consultant, at 580-917-1425
-  Email Sam Wade, water utility consultant, at swade@napolilaw.com
-  Register at www.napolilaw.com/nrwa-pfas

What is the NRWA PFAS Cost Recovery Program?

To better serve State Associations and their member utilities negatively impacted or potentially negatively impacted by PFAS contamination and other water pollutants, and related current and future State and Federal regulations, NRWA agreed to undertake a campaign, the PFAS Cost Recovery Program, to work with State Associations to actively educate their water and wastewater utilities about these PFAS contamination issues as well as to encourage them to join the NRWA PFAS Cost Recovery Program by retaining [Napoli Shkolnik PLLC](#) for participation in the current Multi District Litigation (MDL) proceeding in the Federal District Court for South Carolina (MDL 2873) as well as any other appropriate

Is Your State or System Being Affected by PFAS?

What is PFAS?

Per- and polyfluoroalkyl substances (PFAS) are a group of man-made chemicals that includes PFOA, PFOS, GenX, and many other chemicals. PFAS have been manufactured and used in a variety of industries around the globe, including in the United States since the 1940s. PFOA and PFOS have been the most extensively produced and studied of these chemicals. Both chemicals are very persistent in the environment and in the human body – meaning they don't break down and they can accumulate over time. There is evidence that exposure to PFAS can lead to adverse human health effects.

What are the health effects of PFAS?

Studies have shown an association between increased PFOA and PFOS blood levels and an increased risk for several health effects, including effects on the liver and the immune system, high cholesterol, high blood pressure, thyroid disorders, pregnancy-induced hypertension and preeclampsia, and cancer (testicular and kidney).

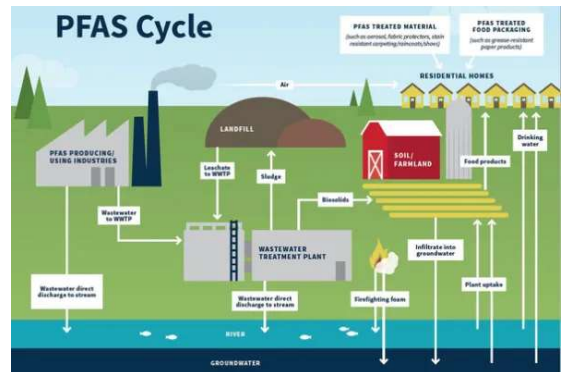
Where can PFAS be found?

PFAS may be in drinking water, food, indoor dust, some consumer products, and workplaces. Blood serum concentrations of PFASs are higher in workers and individuals living near facilities that use or produce PFASs than for the general population. Pathways of exposure include ingestion of food and water, use of consumer products or inhalation of PFAS-containing particulate matter (e.g., soils and dust) or vapor phase precursors.

What can we do about it?

The National Rural Water Association (NRWA) has joined with the law office of Napoli Shkolnik PLLC to bring together utility systems from across the country that have concerns or have been affected by PFAS contamination. This potential landmark contamination case could help water and wastewater systems recoup money spent on treatment and remediation.

Napoli Shkolnik will represent clients in any state who are dealing with contamination of public water supplies.



Source: [Michigan Department of Environmental Quality](#)



Source: [Healthy Indoors](#)

Resources

PFAS Press Release	Learn More
Human Health Toxicity Assessments for GenX Chemicals	Learn More
National PFAS Testing Strategy	Learn More
PFAS Strategic Roadmap: EPA's Commitments to Action 2021-2024	Learn More
PFAS Explained	Learn More
Drinking Water Health Advisories for PFAS Fact Sheet for Communities	Learn More



Drinking Water Health Advisories for PFAS Fact Sheet for Communities

On June 15, 2022, EPA released four drinking water health advisories for per- and polyfluoroalkyl substances (PFAS). In releasing these drinking water health advisories, EPA is acting in accordance with its mission and responsibility to protect public health and keep communities informed when new science becomes available. EPA is committed to partnering with states, Tribes, territories, and water utilities, and the agency's new health advisories represent a key input that can be used to inform actions to address PFAS in drinking water, including water quality monitoring, changing sources of drinking water or modifying treatment to reduce exposure to these substances. EPA also announced that it is inviting states and territories to apply for \$1 billion – the first of \$5 billion in Bipartisan Infrastructure Law grant funding – to address PFAS and other emerging contaminants in drinking water, specifically in small or disadvantaged communities.

What are PFAS?

PFAS are a group of manufactured chemicals that have been used in industry and consumer products since the 1940s. There are thousands of different PFAS, some of which have been more widely used and studied than others. One common concern is that PFAS generally break down very slowly, meaning that concentrations can accumulate in people, animals, and the environment over time.

Perfluorooctanoic Acid (PFOA) and Perfluorooctane Sulfonate (PFOS) are two of the most widely used and studied chemicals in the PFAS group. PFOA and PFOS have been replaced in the United States with other PFAS in recent years. In chemical and product manufacturing, GenX chemicals are considered a replacement for PFOA, and perfluorobutane sulfonate (PFBS) is considered a replacement for PFOS.

What Is a Health Advisory?

Drinking water health advisories provide information on contaminants that can cause human health effects and are known or anticipated to occur in drinking water. EPA's health advisories are non-enforceable and non-regulatory and provide technical information to states agencies and other public health officials on health effects, analytical methods, and treatment technologies associated with drinking water contamination.

EPA's lifetime health advisories identify levels to protect all people, including sensitive populations and life stages, from adverse health effects resulting from exposure throughout their lives to these PFAS in drinking water. The health advisory levels were calculated to offer a margin of protection against adverse health effects. EPA's lifetime health advisories also take into account other potential sources of exposure to these PFAS beyond drinking water (for example, food, air, consumer products, etc.), which provides an additional layer of protection.

What Is the Basis for EPA's New Health Advisories?

The interim updated health advisories for PFOA and PFOS are based on human studies in populations exposed to these chemicals. Human studies have found associations between PFOA and/or PFOS

exposure and effects on the immune system, the cardiovascular system, human development (e.g., decreased birth weight), and cancer. The final health advisories for GenX chemicals and PFBS are based on animal studies following oral exposure to these chemicals. GenX chemicals have been linked to health effects on the liver, the kidney, the immune system, and developmental effects, as well as cancer. PFBS has been linked to health effects on the thyroid, reproductive system, development, and kidney.

Why is EPA Issuing Interim Updated Health Advisories for PFOA and PFOS?

Consistent with EPA's mission and responsibility to protect public health and keep communities informed when new science becomes available, EPA is issuing interim updated health advisories for PFOA and PFOS in light of new scientific information on these chemicals' health effects. These interim health advisories will be in place until EPA's forthcoming PFAS National Primary Drinking Water Regulation is in effect.

What are the Health Advisory Levels?

- Interim updated Health Advisory for PFOA = 0.004 parts per trillion (ppt)
- Interim updated Health Advisory for PFOS = 0.02 ppt
- Final Health Advisory for GenX chemicals = 10 ppt
- Final Health Advisory for PFBS = 2,000 ppt

What Does this Mean for Communities?

The agency recognizes that these new health advisories may raise many questions. EPA encourages people who are concerned to learn about PFAS, including actions that may already be underway and opportunities to reduce exposure. EPA has created [answers to a list of important questions](#) related to this announcement to help members of the public learn more.

If you are concerned about PFAS in your drinking water, EPA recommends you contact your local water utility to learn more about your drinking water and to see whether they have monitoring data for PFAS or can provide any specific recommendations for your community. EPA recommends that public water systems that find PFOA or PFOS in their drinking water take steps to inform customers, undertake additional sampling to assess the level, scope, and source of contamination, and examine steps to limit exposure.

In many communities, public health officials have taken steps to reduce exposure to PFAS in drinking water. Current science indicates that **lower levels of PFAS exposure present less risk**, so those efforts help protect public health.

Drinking water systems have reduced exposure to PFAS by closing contaminated wells, changing the rates of blending of water sources, or installing technologies that remove PFAS from the water (such as granular activated carbon or reverse osmosis).

If you are **concerned about PFAS in your drinking water**:

- Learn about testing and actions your water system may have taken, or request testing.
- If you have a home drinking water well, ensure you are protecting and maintaining it: <https://www.epa.gov/ground-water-and-drinking-water>
- Consider any resources and recommendations from your state: <https://www.epa.gov/pfas/us-state-resources-about-pfas>

- Review EPA's Meaningful and Achievable Steps You Can Take to Reduce Your Risk:
<https://www.epa.gov/pfas/meaningful-and-achievable-steps-you-can-take-reduce-your-risk>
- Review EPA's questions and answers about these drinking water health advisories:
<https://www.epa.gov/sdwa/questions-and-answers-drinking-water-health-advisories-pfoa-and-pfos>
- Follow EPA's progress in developing a PFAS National Drinking Water Regulation:
<https://www.epa.gov/sdwa/and-polyfluoroalkyl-substances-pfas>
- Learn about EPA funding through the Bipartisan Infrastructure Law to reduce PFAS in water:
<https://www.epa.gov/dwcapacity/wiin-grant-emerging-contaminants>.
- Learn more about PFAS and review the agency's PFAS Strategic Roadmap:
<https://www.epa.gov/pfas/pfas-strategic-roadmap-epas-commitments-action-2021-2024>

* List of Acronyms: Per- and poly-fluoroalkyl substances (PFAS); Perfluorooctanoic Acid (PFOA); Perfluorooctane Sulfonic Acid (PFOS); Perfluorobutane Sulfonic Acid and its Potassium Salt (PFBS); Hexafluoropropylene Oxide (HFPO) Dimer Acid and its Ammonium Salt (GenX Chemicals)

Fact Sheet: Human Health Toxicity Assessment for GenX Chemicals

Summary

EPA is publishing the final version of its human health toxicity assessment for hexafluoropropylene oxide (HFPO) dimer acid and its ammonium salt, referred to as “GenX chemicals.” The assessment provides hazard identification, dose-response information, and derives toxicity values called oral reference doses (RfDs) for chronic and subchronic exposures to GenX chemicals. The assessment also increases the available federal health information about the large chemical class of per- and polyfluoroalkyl substances (PFAS) of which GenX chemicals are a part and is a key step toward EPA developing a national drinking water health advisory for GenX chemicals, which the agency committed to publish in Spring 2022. The agency previously published health assessments for three PFAS: perfluorooctanoic acid (PFOA; 2016), perfluorooctane sulfate (PFOS; 2016), and perfluorobutane sulfonic acid and related compound potassium perfluorobutane sulfonate (PFBS; 2021). Industry developed GenX chemicals to replace PFOA, a legacy PFAS. Policy makers can use the GenX chemicals toxicity assessment along with exposure information and other important considerations to determine if, and when, it is appropriate to take action to reduce exposure to GenX chemicals.

Background

What are PFAS?

PFAS are synthetic chemicals that have been manufactured and used by many different types of industries since the 1940s. PFAS are synthesized for many different uses including firefighting foams, coatings for clothes and furniture, and food contact substances. PFAS are also used in industrial processes and applications, such as manufacturing other chemicals and products. There are thousands of different PFAS, some of which have been more widely used and studied than others. PFOA and PFOS, for example, are two of the most widely used and studied chemicals in the PFAS group. These have been replaced in the United States with other PFAS, such as GenX chemicals, in recent years. Although PFAS chemical compositions vary, one common characteristic is that they break down very slowly and can accumulate over time in people, animals, and the environment. Because of their persistence, PFAS are sometimes referred to as “forever chemicals.”

What are GenX Chemicals?

GenX is a trade name for a processing aid technology used to make high-performance fluoropolymers without the use of PFOA. HFPO dimer acid and its ammonium salt are the major chemicals associated with the GenX processing aid technology. PFOA has eight carbon atoms and is considered a “longer chain” PFAS while GenX chemicals have six carbon atoms and are considered “shorter chain.” Because GenX chemicals can be used as a replacement for PFOA, they may be used in a similar fashion in the manufacture of the same or similar

fluoropolymer end products. However, EPA does not have specific information from manufacturers on which commercial products rely on GenX chemicals as a processing aid. GenX chemicals have been found in surface water, groundwater, drinking water, rainwater, and air emissions.

How are people exposed to GenX chemicals?

People can be exposed to GenX chemicals through several different pathways, including drinking contaminated water and inhaling contaminated air. EPA's final assessment for GenX chemicals focuses solely on the potential human health effects associated with oral exposure (i.e., via drinking water). GenX chemicals have similar persistence in the environment as longer chain PFAS, such as PFOA and PFOS. They are also more mobile than longer chain PFAS, leading to the potential to result in exposure at greater distances than legacy PFAS in off-site transport or in ground water. GenX chemicals do not appear to accumulate as much in humans as longer chain PFAS, such as PFOA and PFOS. EPA's GenX toxicity assessment does not consider potential effects from exposure to GenX chemicals as part of a mixture (with different PFAS or other chemicals).

What health effects are associated with exposure to GenX chemicals?

Animal studies following oral exposure have shown health effects including on the liver, kidneys, the immune system, development of offspring, and an association with cancer. Based on available information across studies of different sexes, lifestages, and durations of exposure, the liver appears to be particularly sensitive from oral exposure to GenX chemicals.

What is an EPA toxicity assessment?

A toxicity assessment is a written summary of the potential health effects associated with a chemical. The GenX chemicals toxicity assessment is similar to assessments developed under EPA's Integrated Risk Information System (IRIS) toxicological reviews (<https://www.epa.gov/iris>). The GenX chemicals toxicity assessment provides hazard identification, dose-response information, and derives toxicity values called oral reference doses (RfDs) for chronic and subchronic exposures. The GenX chemicals toxicity assessment draft underwent external peer review and public comment.

Toxicity assessments, along with exposure information and other important considerations to assess potential health risks, allow policy makers to determine if, and when, it is appropriate to take action to reduce exposure to a chemical. For example, in the future, EPA can gather information to characterize human exposure to GenX chemicals via drinking water, which will enable the agency to develop a drinking water health advisory. EPA has previously developed health advisories for two other PFAS: PFOA and PFOS (<https://www.epa.gov/ground-water-and-drinking-water/drinking-water-health-advisories-pfoa-and-pfos>).

EPA will continue to work with other federal, state, tribal, and local partners to provide technical assistance as they consider the final GenX chemicals toxicity values in their relevant exposure scenarios. All users of this toxicity assessment are advised to review the information provided in the document to ensure that the assessment is appropriate for the types of exposures and circumstances in question and that the risk management decisions would be supported by the assessment.

GenX Chemicals Toxicity Assessment

What are the reference doses for GenX chemicals?

As part of EPA’s toxicity assessment, the agency has developed chronic and subchronic RfDs for GenX chemicals (Table 1). A reference dose is an estimate of the amount of a chemical a person can ingest daily over a lifetime (chronic RfD) or less (subchronic RfD) that is unlikely to lead to adverse health effects in humans. EPA will continue to work with state, tribal, and local partners to provide technical assistance should they wish to use the final values with relevant exposure scenarios to support risk management decisions.

Table 1. Final GenX Chemicals Reference Doses (RfDs)

PFAS Chemical	Subchronic RfD (mg/kg-day)	Chronic RfD (mg/kg-day)
GenX Chemicals (EPA 2021)	0.00003 (3×10^{-5})	0.000003 (3×10^{-6})

To learn more about EPA’s human health risk assessment practices including the development of toxicity values, go to: <https://www.epa.gov/risk/conducting-human-health-risk-assessment>.

How does the final GenX chemicals assessment differ from the 2018 public draft version?

EPA’s final 2021 GenX chemicals assessment uses the state-of-the-art systematic review process established by EPA’s Office of Research and Development, incorporates new data available since 2018, and applies revised uncertainty factors. These changes resulted in the final chronic RfD for GenX chemicals of 0.000003 mg/kg-day which is lower than the 2018 draft chronic RfD (0.00008 mg/kg-day). The decrease in the chronic RfD occurred because EPA took into account new studies and analyses published after the completion of the 2018 draft assessment.

How does the toxicity of GenX chemicals compare to other PFAS?

EPA previously published toxicity assessments for three other PFAS: PFOA (2016), PFOS (2016), and PFBS (2021). EPA’s final chronic RfD for GenX chemicals is lower than the 2016 RfDs for PFOA and PFOS (Table 2). However, EPA is currently reevaluating toxicity information for PFOA and PFOS which could lead to changes to the 2016 RfDs. EPA has recently finalized the toxicity assessment for another PFAS chemical, PFBS (US EPA, 2021). The chronic RfD for GenX chemicals is 100 times lower than for PFBS (Table 2). Toxicity is only one piece of information that public officials consider when determining whether there is a risk to public health. Other factors, such as exposure, must also be considered.

Table 2. Comparison of Reference Doses (RfDs) for Four PFAS

PFAS Chemical	Chronic RfD (mg/kg-day)
GenX chemicals (EPA 2021)	0.000003
PFBS (EPA 2021)	0.0003
PFOA (EPA 2016)	0.00002*
PFOS (EPA 2016)	0.00002*

*Note: EPA is currently reevaluating toxicity information for PFOA and PFOS and therefore this value is subject to change.

GenX Chemicals and Drinking Water

Can GenX chemicals affect my drinking water?

If you are concerned about GenX chemicals in your drinking water, EPA recommends you contact your local water utility to learn more about your drinking water and to see whether they have monitoring data for GenX chemicals or can provide any specific recommendations for your community. If you own a private well, EPA recommends learning more about how to protect and maintain your well for all contaminants of concern. For information on private wells visit: www.epa.gov/safewater.

Does EPA require public water systems to have drinking water samples analyzed for GenX chemicals?

No, not at this time. However, on March 11, 2021, EPA issued a proposal to require certain systems to monitor for 29 PFAS, including GenX chemicals, over the period of January 2023-December 2025 (for more information, go to: <https://www.epa.gov/dwucmr/fifth-unregulated-contaminant-monitoring-rule>). Once final, this action would provide EPA, states, and communities with scientifically valid data on the national occurrence of these contaminants in drinking water.

Does EPA plan to issue a drinking water regulation for PFAS?

On March 3, 2021, EPA published the Fourth Regulatory Determinations under the Safe Drinking Water Act (SDWA), including a determination to regulate PFOA and PFOS in drinking water. As EPA is working through the process to propose and promulgate the National Primary Drinking Water Regulation (NPDWR) for PFOA and PFOS, the agency is exploring regulatory approaches for additional PFAS compounds, which may include GenX chemicals, as supported by the best available science.

Will EPA use the GenX toxicity assessment to inform a drinking water regulation for PFAS?

Yes, EPA will consider this assessment, other information, and public comment in the agency's development of a proposed PFAS regulation. EPA will also consider information on treatment technologies, costs and benefits as well as stakeholder input in accordance with the Safe Drinking Water Act. EPA expects to propose the PFAS drinking water regulation in the fall of 2022 and to promulgate a final regulation in the fall of 2023 after considering public comment on the proposal.

Does EPA plan to issue a drinking water health advisory for GenX chemicals?

Yes, the Agency plans to develop drinking water health advisories for PFAS chemicals that have final EPA toxicity assessments, including for GenX chemicals and PFBS in Spring 2022. Health advisories provide information on contaminants that can cause human health effects and are known or anticipated to occur in drinking water. EPA's health advisories are non-enforceable and non-regulatory and provide technical information to states agencies and other public health officials on health effects, analytical methodologies, and treatment technologies associated with drinking water contamination.

What should water systems do if they find GenX chemicals in their drinking water?

EPA is making the toxicity assessment available to provide states, tribes, and local governments with the information they need to better understand GenX chemicals and to help inform whether local actions are needed to protect public health.

If water sampling results show the presence of Gen X chemicals in drinking water, EPA recommends that water systems quickly undertake additional sampling to assess the level, scope, and localized source of contamination to inform next steps. EPA also recommends that water systems work with state authorities to determine if they have guidance on concentrations of GenX that may represent levels of concern. Drinking water systems and public health officials should also promptly provide consumers with information about the levels of PFAS in their drinking water.

Where can I find more information?

To view the final GenX chemicals toxicity assessment, EPA's response to public and peer review comments, and other related information on GenX chemicals, go to: <https://www.epa.gov/chemical-research/human-health-toxicity-assessments-genx-chemicals>.

To view the PFAS Strategic Roadmap: EPA's Commitments to Action 2021-2024, go to: <https://www.epa.gov/pfas/pfas-strategic-roadmap-epas-commitments-action-2021-2024>.

For information on drinking water, go to: www.epa.gov/safewater.

Technical Fact Sheet: Human Health Toxicity Assessment for GenX Chemicals

Summary

EPA has released the final human health toxicity assessment for hexafluoropropylene oxide (HFPO) dimer acid and its ammonium salt (referred to as “GenX chemicals”) based on the Agency’s review and analysis of the best available science on the health effects of these two chemicals (EPA, 2021a). The toxicity information and values included in the assessment can be useful to various EPA programs, other federal agencies, and state, tribal, and local communities facing GenX chemicals contamination issues. The GenX chemicals human health toxicity assessment can be used along with exposure information and other important considerations to allow policy makers to determine if, and when, it is appropriate to take action to reduce exposure to a chemical. For example, the oral toxicity values (reference doses or RfDs) included in this assessment can be used in various exposure scenarios to assess potential human health risk, such as when developing a drinking water health advisory. The GenX chemicals toxicity assessment adds to the set of final EPA health assessments for the large chemical class referred to as per- and polyfluoroalkyl substances (PFAS), including perfluorooctanoic acid (PFOA), perfluorooctane sulfate (PFOS), and perfluorobutane sulfonic acid and related compound potassium perfluorobutane sulfonate (PFBS).

Background

GenX chemicals are man-made, fluorinated organic chemicals that are part of the PFAS chemical class. PFAS have been manufactured and commercially used since the 1940s in the U.S. in many applications because of their unique physical properties such as resistance to high and low temperatures, resistance to degradation, and nonstick characteristics. HFPO dimer acid and its ammonium salt are the major chemicals produced from the GenX processing aid technology and have been used as replacements for PFOA since 2009. GenX chemicals may also be generated as a byproduct of fluoromonomer production. Because GenX chemicals can be used as a replacement for PFOA, they may be used in a similar fashion in the manufacture of the same or similar fluoropolymer end products. However, EPA does not have specific information from manufacturers on which commercial products rely on GenX chemicals as a processing aid. GenX chemicals have been found in surface water, groundwater, finished drinking water, rainwater, and air emissions.

GenX Chemicals Toxicity Assessment

EPA’s toxicity assessment for GenX chemicals (EPA, 2021a) includes hazard identification and dose response assessment and results in the development of chronic and subchronic oral RfDs. An RfD is a toxicity value specifically for non-cancer effects associated with the oral (ingestion) route of exposure. An RfD is an estimate of a daily oral exposure to the human population, including sensitive subgroups, that is likely to be without an

appreciable risk of deleterious effects during a lifetime. For GenX chemicals, the subchronic RfD is based on the same hazard and dose-response information as the chronic RfD but is specifically derived for a shorter, less-than-lifetime duration of exposure. RfDs can be derived from a no-observed-adverse-effect level (NOAEL), lowest-observed-adverse-effect level (LOAEL), or benchmark dose (through quantitative modeling) approach and applying uncertainty factors to account for data gaps. Further details about EPA human health risk assessment can be found online at: <https://www.epa.gov/risk/conducting-human-health-risk-assessment>.

EPA followed current EPA risk assessment guidance and recommendations¹ in identifying the health hazards and determining the points of departure (PODs) considered for the derivation of the RfDs for GenX chemicals. Consistent with the recommendations presented in EPA guidelines and current practice documents, EPA considered and applied uncertainty factors to the selected PODs to address, where applicable, intraspecies variability, interspecies variability, deficiencies in the database, extrapolating from LOAELs to NOAELs, and extrapolation of study data from a subchronic to a chronic exposure duration to develop the toxicity values.

The draft GenX chemicals toxicity assessment underwent agency review and two external independent expert peer reviews as well as public review and comment. EPA considered the reviewers' and public comments and revised the draft assessment accordingly to produce the final toxicity assessment document. External peer review comments and EPA's responses can be viewed online at: <https://www.epa.gov/chemical-research/human-health-toxicity-assessments-genx-chemicals>. The public comments are available on Regulations.gov in the Docket ID No. EPA-HQ-OW-2018-0614.

GenX Chemicals: Health Effects Summary

Most of the available data for HFPO dimer acid and its ammonium salt were submitted to EPA by DuPont/Chemours, the manufacturer of GenX chemicals, under the Toxic Substances Control Act (TSCA), as required pursuant to a consent order (EPA, 2009) or as required TSCA reporting requirements (15 U.S.C. § 2607.8(e)). Most of these submitted studies were conducted according to the Organisation for Economic Co-operation and Development (OECD) test guidelines, followed Good Laboratory Practices (GLP) and/or adhered to EPA health effects test guidelines for pesticides and toxic substances. Additionally, EPA conducted literature searches to identify the publicly available, peer-reviewed literature for HFPO dimer acid and its ammonium salt. All studies containing dose-response information submitted from DuPont/Chemours and the publicly available, peer-reviewed literature were evaluated for study quality using an approach consistent with the EPA Office of Research and Development (ORD) Handbook for developing IRIS assessments (EPA, 2020). Study quality was determined by two independent reviewers who assessed risk of bias and sensitivity for the following domains: reporting quality, risk of bias (selection or performance bias, confounding/variable control, and reporting or attrition bias), and study sensitivity (exposure methods sensitivity, and outcome measures and results display). A third reviewer made the final decision on the quality ratings based on primary ratings.

Oral animal (rat, mouse) toxicity studies for HFPO dimer acid and its ammonium salt were available for acute, short-term, subchronic, and chronic durations of exposure. These studies reported liver toxicity (increased relative liver weight, hepatocellular hypertrophy, and single cell necrosis), kidney toxicity (increased relative kidney weight), immune effects (antibody suppression), developmental effects (increased early deliveries and delays in genital development), and cancer (liver and pancreatic tumors) at doses ranging from 0.5 mg/kg-day to 1000 mg/kg-day. Overall, the available toxicity studies demonstrate that the liver is particularly sensitive to exposure to GenX chemicals. Currently, there are not enough data to determine the mode of action GenX chemicals are operating under to elicit these effects in animals.

¹ www.epa.gov/risk/risk-assessment-guidelines#tab-1

GenX Chemicals: Reference Doses

Subchronic and chronic RfDs were derived for liver effects associated with GenX chemicals. An oral reproductive/developmental toxicity mouse study (DuPont-18405-1037, 2010) and its pathologic demonstration of liver effects, specifically the constellation of lesions including cytoplasmic alteration, hepatocellular single-cell and focal necrosis, and hepatocellular apoptosis in females were selected as the critical study and effect, respectively, for deriving the subchronic and chronic RfDs for HFPO dimer acid and its ammonium salt. The RfD based on this group of effects occurred at the lowest dose among the available dose-response studies and therefore provides the most health-protective RfD among the modeled endpoints based on the available data. The selection of the constellation of lesions is supported by the National Toxicology Program (NTP) Pathology Working Group's (PWG) conclusion that the dose response and constellation of lesions (i.e., cytoplasmic alteration, apoptosis, single-cell necrosis, and focal necrosis) rather than one lesion by itself, represents adversity within the confines of the study.

Several of the other studies provide support for the selection of the DuPont-18405-1037 (2010) study as the critical analysis and the constellation of liver lesions as the critical effect on which to base the subchronic and chronic RfDs. The liver is the primary target organ for toxicity from oral exposure to HFPO dimer acid and its ammonium salt. Liver effects are observed in both male and female mice and rats at varying durations of exposure and doses of GenX chemicals. Specifically, changes in liver enzyme levels, histopathological lesions, and tumors are observed in both male and female mice and rats at varying durations of exposures (15 days to 2 years) and doses of these GenX chemicals (0.5–1,000 mg/kg/day).

Benchmark dose modeling was used to empirically model the dose-response relationship in the range of observed data (EPA, 2012). EPA endorses a hierarchy of approaches to derive human equivalent oral exposures from data from laboratory animal species, with the preferred approach being physiologically based toxicokinetic (PBTK) modeling (EPA, 2011). In the absence of a PBTK model for GenX chemicals, the use of chemical-specific information to derive a data-informed derivation of human equivalent oral exposures is the next preferred approach. Though some human half-life information exists for GenX chemicals, it is limited and has not been subject to peer review. EPA concluded that data for GenX chemicals are not adequate to support derivation of a data-informed dosimetric adjustment and employed the default procedure of body weight scaling to the $\frac{3}{4}$ power (i.e., $BW^{3/4}$) to derive human equivalent oral exposures from animal studies. The resulting point of departure (POD) human equivalent dose (HED) for liver effects is 0.01 mg/kg-day. Uncertainty factors applied include a 10 for intraspecies variability (UF_H), 3 for interspecies differences (UF_A), 1 because the POD is a BMDL (UF_L), 1 for duration extrapolation because the POD comes from a subchronic study (UF_S), and 10 for database deficiencies (UF_D), to yield a **subchronic RfD of 0.00003 mg/kg-day** (Table 1). In the derivation of the chronic RfD, in addition to the uncertainty factors above, the UF_S was increased to 10 to further account for the lack of chronic duration studies, to yield a **chronic RfD of 0.000003 mg/kg-day** (Table 1).

Table 1. Final GenX Chemicals Reference Doses (RfDs)

Reference Dose	Critical Effect and Principal Study	POD (HED)* (mg/kg day)	Total UF	RfD (mg/kg day)
Subchronic RfD	Liver constellation of lesions in parental female mice (DuPont-18405-1037, 2010)	BMDL ₁₀ = 0.01	300	3×10^{-5}
Chronic RfD	Liver constellation of lesions in parental female mice (DuPont-18405-1037, 2010)	BMDL ₁₀ = 0.01	3000	3×10^{-6}

* The Human Equivalent POD (POD [HED]) was calculated from the POD using the body weight to the $\frac{3}{4}$ scaling as per EPA guidance (EPA, 2011).

Chronic Toxicity of Other PFAS

EPA previously published toxicity assessments for three other PFAS: PFOA (EPA, 2016a), PFOS (EPA 2016b), and PFBS (EPA, 2021b). Based on the 2016 EPA assessments for PFOA and PFOS, the final chronic RfD for GenX chemicals is approximately an order of magnitude (~10 times) lower (Table 2). However, EPA is currently reevaluating toxicity information for PFOA and PFOS, and the 2016 RfDs for PFOA and PFOS are subject to change. In April 2021, EPA published a final toxicity assessment for PFBS (EPA, 2021b). The GenX chronic RfD is 100 times lower than for PFBS.

Table 2. Comparison of Chronic Toxicity Values for the Four PFAS with Final EPA Toxicity Assessments

Chemical [Citation]	EPA Chronic RfD (mg/kg day)	Critical Effect (Study)
GenX Chemicals [EPA 2021a (FINAL)]	0.000003 (3×10^{-6})	Liver constellation of lesions in parental female mice (DuPont-18405-1037, 2010)
PFBS [EPA 2021b (FINAL)]	0.0003 (3×10^{-4})	Decreased serum total T4 in newborn (PND 1) mice (Feng et al., 2017)
PFOA [EPA 2016a (FINAL)]	0.00002* (2×10^{-5})	Skeletal effects and accelerated puberty in males (Lau et al., 2006)
PFOS [EPA 2016b (FINAL)]	0.00002* (2×10^{-5})	Decreased pup weight in rats (Luebker et al., 2005)

*Note: EPA is currently reevaluating toxicity information for PFOA and PFOS and therefore this value is subject to change.

Applications for Risk Assessment and Risk Management

The GenX chemicals toxicity assessment provides qualitative and quantitative toxicity information that can be used along with exposure information and other important considerations to assess potential health risks to determine if, and when, it is appropriate to take action to address this chemical. This assessment is available for use across multiple EPA program and regional offices, other federal agencies, states, tribes, external stakeholders, and other entities, as needed. The RfDs and associated hazard evidence in the toxicity assessment provides information on health effects after exposure to GenX chemicals and can be combined with specific exposure information to inform health-based national standards, clean-up levels at local sites, and non-regulatory advisory levels. RfDs can be applied in a variety of exposure scenarios to help characterize potential risk from chemical exposure.

RfDs can be used to develop health protective levels based on oral exposure for chemicals in drinking water, ambient water, soil, and other media through further analyses. For example, RfDs can be combined with exposure information in risk assessments, and subsequent risk management activities can lead to the development of regulatory standards (e.g., Maximum Contaminant Levels) or non-regulatory values (e.g., Health Advisories) for drinking water under the Safe Drinking Water Act (SDWA), and human health water quality criteria for permitting discharges into ambient waters under the Clean Water Act (CWA). RfDs are also used in risk assessments under other laws: the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA), also known as Superfund; the CWA to assess the potential risk of pollutants in biosolids; and the Resource Conservation and Recovery Act (RCRA) to develop cleanup levels for contaminated soil and groundwater. The levels developed for these risk management applications may vary due to the type of exposure being evaluated. As such, the RfD is not a standard itself, but a fundamental piece of the risk assessment along with other information considered by risk managers to develop those standards/levels.

EPA plans to develop drinking water health advisories for PFAS chemicals that have final EPA toxicity assessments, including for GenX chemicals and PFBS in Spring 2022. In the interim, EPA will work with our state, tribal, and local partners to provide technical assistance as they consider the GenX chemicals RfDs in the

context of their exposure scenarios. Under the risk assessment and risk management paradigm, the supporting science, as well as statutory and legal considerations, risk management options, potential public health impacts, cost/benefit analyses, economic and social factors, and other considerations are weighed and integrated. All users are advised to review the information provided in this document to ensure that the assessment is appropriate for the types of exposures and circumstances in question and the risk management decisions that would be supported by the risk assessment.

Where can I find more information?

To view the toxicity assessment, EPA's response to public and peer review comments, and other related information on GenX chemicals, go to: <https://www.epa.gov/chemical-research/human-health-toxicity-assessments-genx-chemicals>. For additional information regarding the toxicity assessment for GenX chemicals, email Susan Euling at euling.susan@epa.gov or Brittany Jacobs at jacobs.brittany@epa.gov.

To view the *PFAS Strategic Roadmap: EPA's Commitments to Action 2021-2024*, go to: <https://www.epa.gov/pfas/pfas-strategic-roadmap-epas-commitments-action-2021-2024>.

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ADEQ Initiates \$3M Public Water System Sampling Plan

Initiative aims to protect Arizona's Drinking Water from per- and polyfluoroalkyl substances (PFAS) contamination

Dec 16, 2022



Source: Pixabay

PHOENIX, Ariz. — The Arizona Department of Environmental Quality (ADEQ) today initiated its proactive statewide public water system sampling effort to protect

Arizona's drinking water from per- and polyfluoroalkyl substances (PFAS) contamination. ADEQ will sample public water systems for PFAS in every county in Arizona through September 2023.

"ADEQ's statewide sampling of public water systems in Arizona is critical to understanding where PFAS is so that steps can be taken to reduce people's exposure to PFAS in drinking water and to connect affected public water systems to funding sources to achieve solutions," said ADEQ Water Quality Division Director Trevor Baggione. "In Arizona, small water systems serving less than 3,300 people account for 90 percent or about 1,200 of the approximate 1,500 public water systems, and ADEQ is committed to ensuring these systems, which serve nearly half a million people, are tested for PFAS."

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ADEQ's proactive sampling plan goes above and beyond the PFAS sampling the U.S. Environmental Protection Agency (EPA) will require for Arizona public water systems as part of its [fifth Unregulated Contaminant Monitoring Rule](#) (UCMR5) that begins in January 2023. EPA's UCMR5 only will require public water systems that serve more than 3,300 customers to test for PFAS.

ADEQ's statewide PFAS sampling plan will include all Arizona public water systems that have not yet been tested by ADEQ, the public water system or under EPA's UCMR:

- Beginning today through September 2023, ADEQ will conduct PFAS sampling for about 1,200 public water systems. If a public water system already is sampling for PFAS, ADEQ will request their data.

- ADEQ's sampling activities will be conducted under an EPA-approved PFAS Quality Assurance Program Plan and similar to EPA's UCMR5, the samples will be analyzed using EPA Methods 533 and 537.1.
- As ADEQ PFAS sample results become available, ADEQ will share validated data with the public water system owners and operators.
- All data collected by ADEQ will be validated, verified and also made available to the public through an interactive map on ADEQ's website.

When ADEQ's sampling results show a public water system has a PFAS detection higher than an EPA [health advisory level](#), ADEQ will contact the public water system to discuss EPA's recommendations that they:

- Take steps to inform customers,
- Examine steps to limit exposure, and
- Undertake additional sampling to assess the level, scope, and source of contamination.

To assist public water systems with potential PFAS challenges, ADEQ compiled an [Arizona Public Water System PFAS Toolkit](#) with information regarding funding, sampling, customer communication, and potential PFAS treatment options.

PFAS resolution options must be carefully determined and consider the number of people served, system design and the level of PFAS reduction needed. These options generally include installing a PFAS treatment unit, turning off an impacted well (if other wells are in production), installing in-home point-of-use water treatment systems and others.

"Arizona's proactive PFAS sampling has well-positioned Arizona to continue our work with public water systems to identify and address PFAS drinking water challenges early and head on," Baggione added. "While EPA's PFAS health advisories are non-regulatory and non-enforceable today, we expect EPA to set federal PFAS drinking water standards that public water systems must meet as early as the end of next year."

SOURCE: ADEQ

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CITY OF ELOY
REQUEST FOR COUNCIL ACTION

Agenda Item: **IX.A.**

Date: **7/28/2025**

Date submitted:
07/22/2025

Action: Other

Subject: Discussion of legal matters/consultation with City Attorney, City Manager, City Staff and/or the public body to consider its position and instruct its attorneys regarding the public body's position regarding whether to avoid or resolve litigation and legal advice concerning National Rural Water Association PFAS Cost Recovery Program; to Retain the Law Firm Napoli Shkolnik to represent the City of Eloy in litigation in PFAS Cost Recovery Litigation under A.R.S. § 38-431.03 (A) (3), and (4).

Date requested:
7/28/2025

TO: Mayor and City Council

FROM:

RECOMMENDATION:

DISCUSSION:

FISCAL IMPACT:

Approved as to Form:



Stephen R. Cooper, City Attorney

**CITY OF ELOY
REQUEST FOR COUNCIL ACTION**

Agenda Item: **IX.B.**

Date: **7/28/2025**

Date submitted:
07/22/2025

Action: Formal

Subject: Possible executive session for discussion/consultation for legal advice with the City Attorney and/or City Staff concerning any agenda items, pursuant to A.R.S. § 38-431.03 (A) (3), (4), and (7).

Date requested:
7/28/2025

TO: Mayor and City Council

FROM:

RECOMMENDATION:

DISCUSSION:

FISCAL IMPACT:

Approved as to Form:

A handwritten signature in blue ink, appearing to read "Stephen R. Cooper", is written over a horizontal line.

Stephen R. Cooper, City Attorney