

## BOARD OF SUPERVISORS AGENDA ITEM REPORT AWARDS / CONTRACTS / GRANTS

← Award ← Contract ← Grant	Requested Board Meeting Date: 08/18/2025
* = Mandatory, information must be provided	or Procurement Director Award:
*Contractor/Vendor Name/Grantor (DBA):	
BP Vail Partners, LLC	
*Project Title/Description:	
Wastewater Service Agreement between Pima County and of Wastewater Service for Public Off-site Sewer to serve Va	BP Vail Partners, LLC for Construction of a Public Sewerage System and Provision ail Crossing South and Desert Vistas.
*Purpose:	
	and BP Vail Partners, LLC for Construction of a Public Sewerage System and do to be built in phases over several years and may include an estimated total of 390 ment.
*Procurement Method:	
WSA – Procurement Exempt – Title 13.20.026 or Exemp pur	rsuant to Pima County Code 11.04.020
*Program Goals/Predicted Outcomes:	
Improvement to the Public Sewage Conveyance System to perform the Crossings South) and will serve future Desert Vistas resident Phase 2 will be addressed in a separate agreement and is not treatment and conveyance capacity for the Area Under Developments. This allocation of capacity is contingent upon the Apple 10 years from the execution of this agreement the applicant 25% of the reserved capacity for the Area Under Development agreement to secure 50% of the reserved capacity. Mileston reserved capacity. The Area Under Development currently off-site sewer G-2025-020 is approved and transferred to the based on the length of Qualifying System Improvement at the augment (increase) the diameter of pipe from 12 inches to	Applicant's own expense. Phase 1 (sewer plan G-2025-020) of a System provide conveyance capacity and service to the Area Under Development (Vail stial development on the property adjacent east of the Area Under Development. Ot part of this agreement. County will allocate 363,500 gallons per day of relopment and 103,464 gallons per day for Desert Vistas for a period of twenty (20) policant reaching the milestones within the agreement. Milestone 1: within the first the will construct and transfer to County the off-site System Improvement and secure ent. Milestone 2: an additional five (5) year extension may be granted to this agreement. Milestone 3: final five (5) year extension to this agreement to secure the remaining qualifies for Wastewater Utility Fee Discounts in the amount of \$727,100 once the ne County. The Department will issue a letter confirming the number of Discounts he time of transfer to the County. The Department requested the Applicant to 15 inches to accommodate future potential development along the east side of amount will be executed after the off-site sewer system has been transferred to the
*Public Benefit:	
System Improvement to the Public Sewage Conveyance Syst Vistas.	em and to provide conveyance capacity and service to Vail Crossing South and Desert
*Metrics Available to Measure Performance:	
Transfer of system improvement G-2025-020 to Pima Count	ry Regional Wastewater Reclamation Deparmtnet (PCRWRD) for ownership.
*Retroactive:	
No	

TO: (03, 8-5-250) Versio Pgs:9

## THE APPLICABLE SECTION(S) BELOW MUST BE COMPLETED

Click or tap the boxes to enter text. If not applicable, indicate "N/A". Make sure to complete mandatory (\*) fields

Contract / Award Information			
Document Type: <u>SC</u>	Department Code: <u>WW</u>	Contract Number (i.e., 15-123): <u>SC2500000497</u>	
Commencement Date: <u>08/18/2025</u>	Termination Date: <u>08/17/2035</u>	Prior Contract Number (Synergen/CMS):	
Expense Amount \$ <u>0.00</u> *	Reveni	ue Amount: \$ <u>0.00</u>	
*Funding Source(s) required:			
Funding from General Fund?			
Contract is fully or partially funded with  If Yes, is the Contract to a vendor or s			
Were insurance or indemnity clauses m <i>If Yes, attach Risk's approval.</i>	odified? C Yes • No		
Vendor is using a Social Security Number If Yes, attach the required form per Admin			
Amendment / Revised Award Information	ation		
Document Type:	Department Code:	Contract Number (i.e., 15-123):	
Amendment No.:	AN	Version No.:	
Commencement Date: New		w Termination Date:	
	Pri	or Contract No. (Synergen/CMS):	
C Expense C Revenue C Increa	se C Decrease	count This Amondment. C	
Is there revenue included?	No If Yes \$	nount This Amendment: \$	
*Funding Source(s) required:			
Funding from General Fund? C Yes	○ No If Yes \$	%	
Grant/Amendment Information (for a	THE RESIDENCE OF THE PRINTED CONTRACT OF THE PRINTED C	C Award C Amendment	
Document Type:	Department Code:	Grant Number (i.e., 15-123):	
Commencement Date:	Termination Date:	Amendment Number:	
Match Amount: \$		ue Amount: \$	
*All Funding Source(s) required:			
*Match funding from General Fund?	C Yes C No If Yes \$		
*Match funding from other sources?  *Funding Source:	C Yes C No If Yes \$		
*If Federal funds are received, is fund	ing coming directly from the Federa	al government or passed through other organization(s)?	
Contact: Olivia Cañez, Project Coordin	nator		
Department: Pima County Regional W	Account of the second	Telephone: <u>(520) 724-6642</u>	
epartment Director Signature:	mlerton	Date: 7/30/25	
eputy County Administrator Signature:	Carabo	Date: 8/1/2025	
ounty Administrator Signature:	20	Date: 9117205	

Contract Number: SC2500000497

# WASTEWATER SERVICE AGREEMENT BETWEEN PIMA COUNTY

**AND** 

BP VAIL PARTNERS, LLC 20 E. Congress Street, Suite 300 Tucson, AZ 85701

FOR CONSTRUCTION OF A PUBLIC SEWERAGE SYSTEM AND PROVISION OF WASTEWATER SERVICE

FOR

Public Off-site Sewer to serve Vail Crossings South and Desert Vistas

P25SC00001 (G-2025-020)

## AGREEMENT FOR CONSTRUCTION OF PUBLIC SEWAGE SYSTEM IMPROVEMENTS AND PROVISION OF WASTEWATER SERVICE

This Agreement made this	day of		, 20 ,	between Pima
County, a political subdivision	of the State of	Arizona ("County"),	and BP	Vail Partners,
LLC, an Arizona limited liability	company, as o	owner ("Applicant").		•

## RECITALS

- A. Applicant is the owner of the property commonly referred to as Vail Crossings comprised of Vail Crossings South, described as portions of Lots 1-5 of Tucson Park No.1, according to the subdivision plat recorded in Book 14 of Maps and Plats, Page 13, records of Pima County, Arizona, and Vail Crossings North, described as a portion of Lot 1 of Tucson Park No.2, according to the subdivision plat recorded in Book 14 of Maps and Plats, at Page 47, records of Pima County, Arizona.
- B. Vail Crossings is expected to be built in phases over several years and may include an estimated total of 390 acres of industrial, commercial, and/or residential development.
- C. Terms and conditions of this Agreement solely apply to Vail Crossings South, hereinafter called the Area Under Development.
- D. Pima County Code, Title 13, Chapter 20, authorizes a developer to construct System Improvement to the Public Sewage Conveyance System (PSCS) under private contract where no existing sewer is available. Upon the completion of the System Improvement and final approval of construction by the Pima County Regional Wastewater Reclamation Department (the Department), the Ordinance requires the transfer of title of the System Improvement to the County.
- E. In consideration for transfer of the System Improvement to County ownership, the County intends to operate, maintain, and service the System Improvement.
- F. Applicant intends to construct Phase 1 (Sewer Plan G-2025-020) of a System Improvement to the PSCS to provide conveyance capacity and service to the Area Under Development and to transfer title of the System Improvement to County. Additionally, the System Improvement will serve future Desert Vistas residential development ("Adjacent Development") on the property adjacent east of the Area Under Development, tax parcels 305040100, 305040110, and 305160040. Construction of Phase 2 will be completed as a separate system improvement to provide conveyance and service to Vail Crossings North, with Phase 2 flows passing through lower reaches of Phase 1 (G-2025-020). Construction of Phase 2 will be addressed in a separate agreement, and it is not a part of this Agreement.
- G. The treatment and conveyance capacity for the Area Under Development is identified in the Rick Engineering October 11, 2024 Vail Crossings Basin Study. Any change in capacity allocation will require a new capacity review and approval by the Department.

#### **DEFINITIONS**

Area Under Development: The property for which wastewater service is required by Applicant plus the rights-of-way and utility easements that abut this property.

Department: Pima County Regional Wastewater Reclamation Department (PCRWRD) or any successor County department.

Off-site Sewer System: Public sewers to be constructed under this Agreement that are located outside the Area Under Development in dedicated rights-of-way or easements.

Qualifying System Improvement: An Off-site System Improvement constructed by the Applicant that is capable, in the opinion of PCRWRD, of serving other downstream properties in addition to the Area Under Development.

Public Sewage Conveyance System (PSCS): All parts of the Public Sewerage System that convey or support the conveyance and operation of sewage (both Residential and Commercial/Industrial).

Public Sewerage System: The entire infrastructure owned by County to manage wastewater including, but not limited to, all PSCS; wastewater pumping systems; odor control facilities; treatment and disposal facilities; and all appurtenances required to collect, transport, treat, store, reclaim, discharge, or recharge the liquid or solid phases of wastewater.

System Improvement: New sewage conveyance components that are owned, designed, permitted, constructed, and tested by a third party and which are intended for Transfer to County ownership.

Wastewater Utility Fee: An allocation to each User of the User's estimated share of the capital cost to provide wastewater conveyance and treatment capacity, as set forth in Pima County Code Section 13.20.400.

#### **TERMS**

In consideration of the mutual covenants in this Agreement, the parties agree as follows:

#### **ARTICLE 1: Construction**

- 1.1 Applicant shall construct, at Applicant's own expense, P25SC00001 (G-2025-020) Phase 1, which is an off-site sewer, of the Public Sewage Conveyance System (the "Sewer Improvement") in accordance with PCRWRD's Engineering Design Standards and Standard Specification and Details for Construction, which by this reference are made a part of this Agreement.
- 1.2 Applicant shall construct the Public Sewage System Improvement in conformance with the applicable provisions of Pima County Code, Title 13, Chapter 20, as amended, together with such other rules and regulations promulgated by Pima County.
- 1.3 The public sewer plans shall be reviewed and approved in writing by Pima County prior to issuance of any sewer construction permits.
- 1.4 Pima County Regional Wastewater Reclamation Department must accept and release for service all new public sanitary sewerage facilities prior to the issuance of sewer connection permits.

## ARTICLE 2: County Wastewater Collection and Treatment Capacity

2.1 County will allocate 363,500 gallons per day (Average Dry Weather Flow (ADWF)) of treatment and conveyance capacity for the Area Under Development and 103,464

gallons per day (ADWF) for Desert Vistas for a period of twenty (20) years ("Allocation of Capacity"), contingent upon completion of the performance milestones listed in 2.2.

- 2.2 This Allocation of Capacity is contingent upon the Applicant reaching the Milestones within the prescribed times as described in this Section and pursuant to Section 7 (Term of Agreement).
- 2.2.1 Milestone (Phase 1): Within the first 10 years from the execution of this Agreement, Applicant will construct and transfer to County the off-site System Improvement project G-2025-020 and secure 25% of the reserved capacity for the Area Under Development or 90,875 gallons per day allocated by a Type III Sewerage Capacity Allocation Letter to trigger an additional five (5) year extension to this Agreement. This will mark phase 1 of capacity allocation.
- 2.2.2 Milestone (Phase 2): During this five-year period, Applicant will secure 50% of the reserved capacity or 181,750 gallons per day allocated by a Type III Sewerage Capacity Allocation Letter to trigger a final five (5) year extension of this Agreement. This will mark phase 2 of capacity allocation.
- 2.2.3 Milestone (Phase 3): If the Milestones are completed as described above, the Allocation of Capacity for the Area Under Development will have been allocated over a term of twenty (20) years from the execution of this Agreement. Allocation of discharge capacity is made at the time of building permit issuance for commercial or Construction Authorization for residential development, provided the project finalizes construction. The 20-year anniversary of this Agreement will mark the expiration of Phase 3 and the availability of any remaining capacity not utilized.
- 2.3 Capacity allocation amounts outside of those reserved for the Area Under Development and Desert Vistas referenced in this Agreement will be based on the Department's first-come, first-served capacity allocation process.
- 2.4 For complete clarity, County allocation of discharge capacity shall begin at the time of the County-signed ADEQ 4.01 Notice of Transfer form.

#### ARTICLE 3: Units to be Served

The Applicant intends to construct an offsite public sewer G-2025-020 Vail Crossings – Phase 1 to serve parcels 30514008E, 30514008F, 30514008G, and 30514008H, no situs address. Additionally, the system improvement will serve the Adjacent Development parcels 305040100, 305040110, and 305160040, no situs address.

## ARTICLE 4: Conveyance of Title to Public Sewerage System Extension

- 4.1 Upon completion of the System Improvement and issuance of the final approval of construction, the Applicant shall convey, via a Bill of Sale meeting County requirements, all of its rights, title, and interests in the public sewerage system extension to the County as well as an easement allowing County permanent use of the underlying real property and full access to the System Improvement. The easement shall be free and clear of any and all encroachments as well as liens, claims, charges, and encumbrances attaching thereto.
- 4.2 The Applicant shall furnish County with satisfactory evidence, in the form of unconditional lien waivers that all persons, who have done work or furnished material for the construction of the System Improvement and are entitled to liens therefore under any laws of the State of Arizona, have been fully paid or are no longer entitled to such liens.

### **ARTICLE 5: Service**

- 5.1 Upon County' Acceptance of the System Improvement, County shall provide wastewater service, by way of Applicant's connection to the Public Sewage Conveyance System. Wastewater service to the Area Under Development is contingent on payment of all required Wastewater Fees.
- 5.2 Applicant acknowledges that treatment capacity availability may delay release of any construction sewer for HCS connection and use. Applicant will hold County harmless for any costs incurred if release of constructed sewer is delayed due to lack of treatment capacity, so long as County uses reasonable efforts to meet future capacity needs.

## **ARTICLE 6: Wastewater Utility Fees, Discounts and Credits**

- 6.1 Applicant shall pay all fees as provided for in Pima County Code, Title 13, Chapter 20 as amended, and all other applicable fees required by any ordinances in effect at the time of application for wastewater service. It is further understood and agreed that this development shall be subject to Pima County Code, Title 13, Chapter 24, as amended.
- 6.2 Per Pima County Code, Title 13, Chapter 20.250, the Area Under Development currently qualifies for Wastewater Utility Fee Discounts. Each Discount equates to twenty-five (25) feet of Qualifying System Improvement constructed by the Applicant. The current construction plan contains 16,519 linear feet of Qualifying offsite sewer. Therefore, the Area Under Development (Vail Crossings South) could qualify for six hundred sixty-one (661) Discounts of one thousand one hundred dollars (\$1,100.00) each, for an estimated discount amount of \$727,100, if completed per design and with no new development in the area. The final discount amount will be calculated and assigned to the Area Under Development after the Off-site Sewer System has been transferred to the County and Discount calculation will be based on the length of Qualifying System improvement at the time of transfer to the County. The Department will issue a letter confirming the number of dwelling units or commercial/industrial units that are deemed to qualify for a Wastewater Utility Fee Discount. The discounts cannot be transferred outside of the Area Under Development and do not expire. Discounts may be used in conjunction with credits.
- 6.3 The Department requested the Applicant to augment (increase) the diameter of 7,427 linear feet of pipe from 12 inches, needed to provide capacity to Vail Crossings South, to 15 inches to accommodate future potential development along the east side of Colossal Cave Rd. This augmentation runs from Manhole #3625-23 to Manhole #20. The value of credits for the construction of the incremental diameter of pipe will be determined based on the incremental construction cost to over-size the System Improvement as provided by the Applicant and accepted by the County. A credit agreement with a final credit amount will be executed after the Off-site Sewer System has been transferred to the County.
- 6.4 Per Pima County Code, Title 13, Chapter 20.250, the value of Credits applied to offset the Wastewater Utility Fee for connections within the Area Under Development cannot exceed the total Wastewater Utility Fee, less applicable Discounts, to be collected from the Area Under Development.

## **ARTICLE 7: Term of Agreement and Cancellation**

7.1 <u>Term of Agreement</u>. The term of this Agreement is twenty (20) years from the date of this executed agreement by the Pima County Board of Supervisors.

- 7.2 <u>Cancellation for Failure to Construct.</u> In the event Applicant does not complete construction of the System Improvement under the milestone conditions in Section 2.2 and acquire a County-signed ADEQ 4.01 Notice of Transfer form (transferring the System Improvement serving Vail Crossings South to the County) within the term, this Agreement in its entirety shall be null and void, canceled, and of no further force and effect.
- 7.3 In the event the ADEQ 4.01 Notice of Transfer form is signed by the County prior to the term of this Agreement, the provisions of Article 2 and Article 6 will remain in force for the stated durations.

## **ARTICLE 8: Severability**

In the event any portion of this Agreement shall be determined to be invalid, such invalidity shall not render void any remaining portions of this Agreement which can be given effect, and they shall remain in force and effect.

#### **ARTICLE 9: Miscellaneous**

- 9.1 Applicant, from time to time, may assign all or any portion of its rights and obligations hereunder, but only to a party who has or is concurrently therewith acquiring a legal or beneficial interest in the Area Under Development and provided that Applicant delivers to the County written notice thereof, together with an instrument duly executed by its assignee confirming the assignee's full assumption of the assigned obligations of Applicant and its agreement to comply with all provisions of this Agreement as if such assignee had been an original signatory hereto. Except as provided in the previous sentence, this Agreement shall be binding on and inure to the benefit of successors and assigns of the parties. Applicant may not assign this Agreement without prior written approval by County, which approval shall not be unreasonably withheld.
- 9.2 This instrument contains the sole and only agreement of the parties relating to the subject matter of this Agreement and correctly sets forth the rights, duties, and obligations of each to the other as of its date. Any prior agreements, promises, negotiations, or representations not expressly set forth in this Agreement are of no force and effect. This instrument contains the entire agreement between the parties, and it shall not be amended, altered or changed, except by written agreement signed by the parties.
- 9.3 This Agreement is entered into under and shall be governed by the laws of the State of Arizona and any action concerning this Agreement will be brought in a State of Arizona court in Pima County.
- 9.4 This Agreement has been arrived at by negotiation and shall not be construed against any party to it or against the party who prepared the last draft.
- 9.5 Captions and headings are for index purposes only and shall not be used in construing this Agreement.
- 9.6 Applicant shall indemnify, defend, and hold harmless Pima County, its officers, departments, employees, and agents from and against any and all suits, actions, legal or administrative proceedings, claims, demands, or damages of any kind or nature arising out of this Agreement which are attributed to any act or omission of Applicant, its agents, employees, or any one acting under its direction, control or on its behalf, whether intentional or negligent, in connection with or incident to this Agreement. This section shall survive the termination, cancellation, or revocation, whether in whole or in part, of this Agreement.

- 9.7 This Agreement is subject to A.R.S. § 38-511, the pertinent provisions of which are incorporated herein by reference.
- 9.8 Applicant shall comply with all applicable provisions of the Americans with Disabilities Act (Public Law, 101-336, 42 U.S.C. §§ 12101-12213) and all applicable Federal Regulations under the Act including 28 CFR Parts 35 and 36.
- 9.9 Legal Arizona Workers Act Compliance.
  - 9.9.1. Compliance with Immigration Laws. Applicant hereby warrants that it will at all times during the term of this Agreement comply with all federal immigration laws applicable to its employment of its employees, and with the requirements of A.R.S. § 23-214 (A) (together the "State and Federal Immigration Laws"). Applicant will further ensure that each contractor who performs any work for Applicant under this Agreement likewise complies with the State and Federal Immigration Laws.
  - 9.9.2. Books & Records. County has the right at any time to inspect the books and records of Applicant, and any contractor performing any work under this Agreement, in order to verify such party's compliance with the State and Federal Immigration Laws.
  - 9.9.3. Remedies for Breach of Warranty. Any breach of Applicant's or any contractor's warranty of compliance with the State and Federal Immigration Laws, or of any other provision of this section, is a material breach of this Agreement subjecting Applicant to penalties up to and including suspension or termination of this Agreement. If the breach is by a contractor, and the contract is suspended or terminated as a result, Applicant will be required to take such steps as may be necessary to either self-perform the services that would have been provided under the contract or retain a replacement contractor, as soon as possible so as not to delay project completion. Any additional costs attributable directly or indirectly to such remedial action are the responsibility of Applicant.
  - 9.9.4. Contractors. Applicant will advise each contractor performing work pursuant to this Agreement of County's rights, and the contractor's obligations, under this Section 9.9.4 by including a provision in each contract substantially in the following form:
    - "Contractor hereby warrants that it will at all times during the term of this contract comply with all federal immigration laws applicable to contractor's employees, and with the requirements of A.R.S. § 23-214 (A). Contractor further agrees that County may inspect the contractor's books and records to insure that contractor is in compliance with these requirements. Any breach of this paragraph by contractor is a material breach of this contract subjecting contractor to penalties up to and including suspension or termination of this contract."
- 9.10 Waiver by either party of any breach of any term, covenant, or condition herein contained shall not be deemed a waiver of any other term, covenant, or condition, or any subsequent breach of the same or any other term, covenant, or condition herein contained.
- 9.11 All notices, demands, instructions, approvals or other communications required or permitted to be given hereunder shall be in writing and shall become effective twenty-four (24) hours after such are deposited in the United States mail, certifies, postage prepaid, addressed as shown below, or to such other address as either party hereto may from time to time designate in writing:

Contract Number: SC2500000497

### County:

Jackson Jenkins, Director Pima County Regional Wastewater Reclamation Department Public Works Building 201 N. Stone Ave., 8<sup>th</sup> floor Tucson, AZ 85701-1207

## Applicant:

BP Vail Partners, LLC 20 E. Congress Street, Suite 300 Tucson, AZ 85701 Attn: Matt Dickey

- 9.12 Pursuant to A.R.S. § 35-393.01, if Contractor engages in for-profit activity and has 10 or more employees, and if this Contract has a value of \$100,000.00 or more, Contractor certifies it is not currently engaged in, and agrees for the duration of this Contract to not engage in, a boycott of goods or services from Israel. This certification does not apply to a boycott prohibited by 50 U.S.C. § 4842 or a regulation issued pursuant to 50 U.S.C. § 4842.
- 9.13 Pursuant to A.R.S. § 35-394, if Contractor engages in for-profit activity and has 10 or more employees, Contractor certifies it is not currently using, and agrees for the duration of this Contract to 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; and (3) any contractors, subcontractors or suppliers that use the forced labor or any goods or services produced by the forced labor of ethnic Uyghurs in the People's Republic of China. If Contractor becomes aware during the term of the Contract that Contractor is not in compliance with A.R.S. § 35-394, Contractor must notify Pima County within five business days and provide a written certification to County regarding compliance within one hundred eighty days.

#### 9.14 Termination

- 9.14.1 With Cause. If Contractor defaults under any provision of this Contract, Contractor has 60 calendar days following written notice from County to cure the default. County may include a stop work order with the written notice of the default. If Contractor does not timely cure the default, County may terminate this Contract by serving a written notice upon Contractor without further obligation other than payment for services rendered to the date of termination.
- 10.14.2 Non-Appropriation. Notwithstanding any other provision in this Contract, County may terminate this Contract if for any reason there are no sufficient appropriated and available monies for the purpose of maintaining County or other public entity obligations under this Contract. In the event of such termination, County will have no further obligation to Contractor, other than to pay for services rendered prior to termination.

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