



BOARD OF SUPERVISORS AGENDA ITEM REPORT  
AWARDS / CONTRACTS / GRANTS

Award  Contract  Grant

Requested Board Meeting Date: 09/17/2024

or Procurement Director Award:

\* = Mandatory, information must be provided

**\*Contractor/Vendor Name/Grantor (DBA):**

Young Men's Christian Association - YMCA

**\*Project Title/Description:**

Promissory Note

**\*Purpose:**

Pima County per contract number 130852 initiated and completed a capital improvement project to replace the pool filters at the Northwest YMCA campus. Per the contract the YMCA is responsible for 50% of the total cost of the improvement which totaled \$259,902. The YMCA would like to repay the county over a three year period which will include interest at 5.5%

**\*Procurement Method:**

Exempt per Section 11.04.020

**\*Program Goals/Predicted Outcomes:**

The NW YMCA will continue to lease the Premises from Pima County subject to the non-recourse debt. Pima County Parks & Recreation and the YMCA continue to share common goals for the health and wellness, development and leisure pursuits of the residents of Pima County.

**\*Public Benefit:**

Pima County residents will continue to receive quality recreational and aquatics programming as well as arts and leisure class offerings with no disruption.

**\*Metrics Available to Measure Performance:**

Increased interest earned reflecting current market conditions

**\*Retroactive:**

No

TD: (03, B-26-24C)  
Vers: 0  
PGS: 6

AUG23\*24AM0943

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: CT Department Code: PR Contract Number (i.e., 15-123): CT2400000026
Commencement Date: 09/17/2024 Termination Date: 12/31/2026 Prior Contract Number (Synergen/CMS):
Expense Amount \$ Revenue Amount: \$ 288,491.22

\*Funding Source(s) required: Special Revenue Fund

Funding from General Fund? Yes No If Yes \$ %
Contract is fully or partially funded with Federal Funds? Yes No
If Yes, is the Contract to a vendor or subrecipient?
Were insurance or indemnity clauses modified? Yes No
If Yes, attach Risk's approval.
Vendor is using a Social Security Number? Yes No
If Yes, attach the required form per Administrative Procedure 22-10.

Amendment / Revised Award Information

Document Type: Department Code: Contract Number (i.e., 15-123):
Amendment No.: AMS Version No.:
Commencement Date: New Termination Date:
Prior Contract No. (Synergen/CMS):
Expense Revenue Increase Decrease
Amount This Amendment: \$
Is there revenue included? Yes No If Yes \$

\*Funding Source(s) required:

Funding from General Fund? Yes No If Yes \$ %

Grant/Amendment Information (for grants acceptance and awards)

Award Amendment

Document Type: Department Code: Grant Number (i.e., 15-123):
Commencement Date: Termination Date: Amendment Number:
Match Amount: \$ Revenue Amount: \$

\*All Funding Source(s) required:

\*Match funding from General Fund? Yes No If Yes \$ %

\*Match funding from other sources? Yes No If Yes \$ %

\*Funding Source:

\*If Federal funds are received, is funding coming directly from the Federal government or passed through other organization(s)?

Contact: Robert Padilla

Department: Pima County Parks and Recreation

Telephone: 724-5235

Department Director Signature: [Signature] Date: 8/19/2024

Deputy County Administrator Signature: [Signature] Date: 8/21/2024

County Administrator Signature: [Signature] Date: 8/21/2024

**PROMISSORY NOTE**

1. **Definitions.** The following capitalized terms, as used in this document, have the meanings assigned below:
  - 1.1. **Closing Date:** December 31, 2023.
  - 1.2. **County:** Pima County, Arizona, a political subdivision of the State of Arizona.
  - 1.3. **Interest:** interest on the unpaid Principal, accruing at the rate of 5.5% per annum from the Closing Date until fully paid.
  - 1.4. **Maturity Date:** the 3<sup>rd</sup> anniversary of the Closing Date.
  - 1.5. **Note:** this Promissory Note which has been issued a unique contract number, CT240000026.
  - 1.6. **Maker:** Young Men's Christian Association of Metropolitan Tucson, an Arizona nonprofit corporation.
  - 1.7. **Operator Agreement:** that certain Operating Agreement, under former County contract number 11-04-Y-130852-0699 and current County contract number CT-PR-24-0340, including all amendments, between Maker and County, concerning the lease and operation of the Property by Maker.
  - 1.8. **Principal:** the principal sum due under this Note, which is in the amount of \$259,920.00.
2. **Promise to Pay.** For value received, Maker promises to pay to County the Principal and Interest as provided in this Note.
3. **Principal and Interest Payments.** Subject to the provisions of Section 6 below regarding prepayment of the Principal, and the provisions of Section 8 below regarding the rights and remedies of County upon the occurrence of an Event of Default, Maker will make payments of Principal and Interest to the County, as provided in the payment schedule attached as **Exhibit A**.
4. **Application of Payments.** All amounts payable under this Note must be paid in legal tender of the United States of America. Acceptance by County of any payment in an amount less than the amount then due under this Note will not constitute an accord and satisfaction, but merely a payment on account. County will apply all payments made under this Note in the following order of priority: (a) first, to any late charges, costs, fees, interest, or other amounts then due and payable to County under this Note (other than the Principal); and (b) to the payment of the Principal.
5. **Late Charge & Overdue Interest Rate.** Maker recognizes that, should any payment required by this Note not be paid when due, County will incur extra expenses for the handling of delinquent payments, the exact amount of which is impossible to ascertain, but that a charge equal to 10% of the amount due is a fair approximation of those expenses. Maker therefore agrees to pay a late payment fee of 10% of any payment that is not delivered to County within five business days after its due date. In addition, overdue

amounts owned under this Note will bear interest from the date due until paid at the rate of 6% per annum.

6. **Optional Prepayments.** Maker may voluntarily prepay all or any portion of the Principal balance at any time, and from time to time, without any prepayment penalty, cost or expense of any kind whatsoever. All such prepayments will be applied in the manner provided in Section 4 above, and the amount applied to the payment of Principal will be applied in the inverse order of maturity.
7. **Collection Procedures, Waiver of Notice.** Maker (for itself and its successors and assigns), and each endorser and guarantor of this Note by virtue of its endorsement or guaranty, hereby waives grace, notice, notice of default, notice of intent to accelerate, notice of acceleration, protest, demand, presentment for payment and diligence in the collection of this Note, and in the filing of suit; and agrees that its liability will not be affected or impaired by any release or change in the security provided for Maker's obligations under this Note, or by any modification, renewal or extension of those obligations.
8. **Default.** Upon the occurrence of any of the following acts, omissions, or events (each an "**Event of Default**"), the Principal of this Note, together with all other amounts outstanding under this Note will, at the written option of County, be immediately due and payable:
  - 8.1. Maker fails to make any payment of Principal or Interest due under this Note (but inclusive of any applicable grace periods), whether at maturity, by acceleration, or otherwise, in accordance with the terms of this Note.
  - 8.2. Maker fails to pay any late charges, costs, fees or other amounts then due and payable to County under this Note (other than the Principal or Interest payments referenced in subsection 8.1 above) in accordance with the terms of this Note or before five business days after Maker's receipt of written notice from County of such non-payment.
  - 8.3. Maker violates or fails to perform any other restriction or obligation punctually and properly under this Note or the Deed of Trust after any applicable grace, notice, or cure period.
  - 8.4. Any representation or warranty of Maker set forth in this Note or the Operating Agreement turns out to have been false or misleading in any material respect when made.
9. **Delay in Exercising Rights.** No delay or omission on the part of County in exercising any right under this Note will operate as a waiver of such right or any other rights. To the extent permitted by law, Maker waives the right in any action under this Note to assert that such action was not commenced within the time required by law. No failure by County to insist upon, nor any election by County not to insist upon, strict performance by Maker of any of any obligation under this Note will estop County from insisting on such strict performance in the future.
10. **Costs of Enforcement.** Maker agrees to pay to County on demand all reasonable expenses or other costs, including attorneys' fees and expert witness fees, incurred by County in connection with the successful enforcement or collection against Maker of any obligation under this Note, or in connection with any successful litigation or proceeding instituted by County.

11. **Payments and Notices.** All payments (unless arrangements are made for electronic payments) and notices required or permitted to be given under this Note must be in writing and delivered personally or mailed, postage prepaid, by registered or certified United States mail, return receipt requested, addressed to the relevant Party at the address set forth below:

Payments to County:  
Pima County Finance Revenue Division  
33 N. Stone Ave.  
6<sup>th</sup> Floor, Mail Stop DT-BAB6-404  
Tucson, AZ 85701

All other Notices to County:  
Pima County Administrator  
Office of the Pima County Administrator  
115 N. Church Ave., 2nd Floor, Suite 231  
Tucson, AZ 85701

With a copy to:  
Chief Civil Deputy Attorney  
Pima County Attorney's Office  
32 N. Stone Ave.  
Tucson, AZ 85701

To Maker:  
Young Men's Christian Association of Metropolitan Tucson  
Attention: President/CEO  
60 W. Alameda St.  
Tucson, AZ 85701


Either Party may change its address for notice purposes by giving notice of the address change to the other Party in accordance with this section.

12. **Binding on Successors and Assigns.** The covenants and agreements contained in this Note bind the successors and assigns of Maker.
13. **Severability.** If any provision of this Note is held to be invalid, illegal, or unenforceable in any respect, this Note will be construed as not containing that provision, and all other provisions of this Note will remain in full force and effect, and to this end the provisions of this Note are declared to be severable.

**SIGNATURES ON NEXT PAGE**

IN WITNESS WHEREOF, Maker has executed this Note as of August 13, 2024.

YOUNG MEN'S CHRISTIAN ASSOCIATION OF METROPOLITAN TUCSON

By:   
Kurtis Dawson, Chief Executive Officer

PIMA COUNTY:

By: \_\_\_\_\_  
Adelita S. Grijalva, Chair of the Board of Supervisors

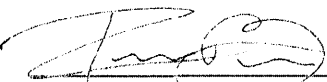
By: \_\_\_\_\_  
Melissa Manriquez, Clerk of the Board of Supervisors

APPROVED AS TO CONTENT:

By: **VICTOR M. PEREIRA**  
Victor Pereira, Parks & Recreation Director

Digitally signed by VICTOR M. PEREIRA  
DN: cn=VICTOR M. PEREIRA, o=PIMA COUNTY, ou=PARKS  
AND RECREATION, email=VICTOR.PEREIRA2@PIMA.GOV,  
c=US  
Date: 2024.08.13 09:58:21 -0700

APPROVED AS TO FORM:

By:  08/13/2024  
Rachelle Barr, Deputy County Attorney

**EXHIBIT A  
PAYMENT SCHEDULE**

## Northwest YMCA

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### 3 Year Amortization Schedule

Beginning  
Principal \$ 259,902.00  
Interest  
Rate 5.5%

Due Date	Principal	Interest	Payment	Remaining Principal
12/31/2024	\$ 86,634.00	\$ 14,294.61	\$ 100,928.61	\$ 173,268.00
12/31/2025	\$ 86,634.00	\$ 9,529.74	\$ 96,163.74	\$ 86,634.00
12/31/2026	\$ 86,634.00	\$ 4,764.87	\$ 91,398.87	\$ -
	<u>\$ 259,902.00</u>	<u>\$ 28,589.22</u>	<u>\$ 288,491.22</u>	