

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

Requested Board Meeting Date: February 16, 2016 or Procurement Director Award Contractor/Vendor Name (DBA): RB Land, LLC, an Arizona limited liability company **Project Title/Description:** Floodprone Land Acquisition Program Purpose: Pima County Regional Flood Control District will acquire 3 parcels of floodprone land. **Procurement Method:** Exempt pursuant to Pima County Code 11.04.020. **Program Goals/Predicted Outcomes:** Pima County Regional Flood Control District will acquire properties for the Floodprone Land Acquisition Program. **Public Benefit:** Floodprone lands will be removed from future development. Metrics Available to Measure Performance:

These properties consist of approximately 326.48 acres and appraised for \$490,000. Pima County Regional Flood

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The second of the secon Control District will purchase the properties for a not to exceed amount of \$502,700, which includes the purchase price of \$490,000 and up to \$12,700 in closing costs. Retroactive: N/A **Original Information** Document Type: CT Department Code: PW Contract Number (i.e.,15-123): 16*0227 Effective Date: 2/16/2016 Termination Date: 3/10/2016 Prior Contract Number (Synergen/CMS): ☐ Revenue Amount: \$ Funding Source(s): Tax Levy-FLAP Cost to Pima County General Fund: None ☐ Yes ☒ No □ Not Applicable to Grant Awards Contract is fully or partially funded with Federal Funds? ☐ Yes ☐ No ☐ Not Applicable to Grant Awards Were insurance or indemnity clauses modified? ☐ Yes ☐ No ☐ Not Applicable to Grant Awards Vendor is using a Social Security Number? If Yes, attach the required form per Administrative Procedure 22-73. **Amendment Information** Document Type: Department Code: Contract Number (i.e.,15-123): Amendment No.: _____ AMS Version No.: _____ New Termination Date: _____ Effective Date: ☐ Expense ☐ Revenue ☐ Increase ☐ Decrease Amount This Amendment: \$ Funding Source(s): Cost to Pima County General Fund:

Procure Dept 02/05/16 PM02:08

To: COB - 2-8-14 (1)
Pg5-23 Ver.-1 Addendum

| Contact: Dana Hausman | |
|---|-----------------------|
| Department: Public Works - Real Property | Telephone: 724-6713 |
| Department Director Signature/Date: | 2-2-2016 |
| Deputy County Administrator Signature/Date: | S Sola In Dans 2/8/11 |
| County Administrator Signature/Date: (Required for Board Agenda/Addendum Items) | C. Stilletting 2/4/16 |
| | |

NO. CT. PW-16 - 227

AMENDMENT NO.

This number must appear on all invoices, correspondence and documents pertaining to this



REAL PROPERTY

PIMA COUNTY DEPARTMENT OF REAL PROPERTY SERVICES

PROJECT: FLOODPRONE LAND ACQUISITION PROGRAM

SELLER: RB LAND, LLC, an Arizona limited liability company

AMOUNT: \$502,700.00, includes closing costs

FUNDING: TAX LEVY

ACQUISITION AGREEMENT

- 1. **Defined Terms**. The following terms will be used as defined terms in this Acquisition Agreement and have the meaning set forth below ("**Agreement**"):
 - 1.1. <u>Seller:</u> RB Land, LLC, an Arizona limited liability company
- 1.2. <u>Buyer</u>: Pima County Regional Flood Control District, a political taxing authority of the State of Arizona
 - 1.3. <u>Purchase Price</u>: the sum of Four Hundred Ninety Thousand Dollars (\$490,000.00)
- 1.4. <u>Buyer's Maximum Costs</u>: the sum of (i) Buyer's share of Closing Costs, and (ii) Buyer's share of Prorations, which combined shall not exceed Twelve Thousand Seven Hundred Dollars (\$12,700.00)
- 1.5. <u>Title Company</u>: Title Security, Rhonda Herrera, Escrow Officer, 6640 N. Oracle Road, #120, Tucson, AZ 85704; (520) 219-6451
- 1.6. <u>Effective Date</u>: the date Seller and Buyer have approved and accepted this Agreement by affixing their signatures. The date Buyer executes this Agreement is the date this Agreement is signed by the Chair of the Buyer's Board of Directors.

- 1.7. Property: the real property described in Exhibit A and depicted in Exhibit A-1, together with all improvements thereon and all water rights associated with the Property, if any.
 - 1.8. Removed Exceptions for the Property: items 2 and 3 on Exhibit B
- 1.9. Seller's Address: RB Land, LLC, 410 S. Rampart Boulevard, Suite 180, Las Vegas, Nevada 89145
- 1.10. Buyer's Address: Manager, Pima County Real Property Services, 201 N Stone Ave, 6th Flr, Tucson, AZ 85701-1207; E-mail: neil.konigsberg@pima.gov
- 2. Parties; Effective Date. This Agreement is entered into between Seller and Buyer, and shall be effective on the Effective Date. Seller and Buyer are collectively referred to herein as the "Parties," and individually as a "Party."
- 3. Purchase of Property. In lieu of exercising its powers of eminent domain and threat of condemnation by Buyer, Buyer agrees to acquire the Property from Seller, and Seller agrees to convey the Property to Buyer, on the terms and conditions set forth in this Agreement.

4. Seller's Warranties

- 4.1. Leases. Seller warrants that there are no oral or written leases on all or any portion of the Property.
- 4.2. <u>Wells and Water Rights.</u> Seller warrants, to the best of Seller's knowledge, the following concerning wells and/or water rights associated with the Property:
 - ___X__NO, there are no wells on or water rights associated with the Property

 YES, there is a well on the Property or there are water rights associated with the Property, and they are specifically identified on Exhibit C attached. Seller agrees to assign and transfer to Buyer effective upon Closing, any and all wells or water rights certificated or claimed appurtenant to the Property. Seller shall execute all documents reasonably necessary to effectuate such transfer.
- 4.3. Underground Improvements. Seller warrants, to the best of Seller's knowledge, the following concerning the location of septic tanks, septic or leach fields, alternative waste disposal systems, private irrigation lines, or other underground improvements on the Property:

- X___NO, there are no septic tanks, septic or leach fields, alternative waste disposal systems, private irrigation lines, and/or other underground improvements on the Property.
- YES, there are underground improvements located on the Property and such improvements are specifically identified on Exhibit D attached.

5. Closing Costs and Prorations.

- 5.1. Closing Costs. The closing costs ("Closing Costs") will be paid as follows:
 - 5.1.1. All escrow fees and recording fees shall be paid by Buyer.
- 5.1.2. Buyer will pay for a Standard Owner's Title Insurance Policy for the Property, in the amount of the Purchase Price.
 - 5.1.3. Buyer will pay a reasonable fee for any necessary Releases.
- 5.2. <u>Prorations.</u> Property taxes, rents, and annual payment of assessments with interest, if any (collectively "*Prorations*") will be prorated as of the date of Closing. If Seller's entire owned parcel is larger than the Property, then the proration of taxes will be for the portion of taxes assessed against Seller's entire parcel which is attributable to the Property.
- 5.3. <u>Buyer's Total Costs.</u> Buyer's total costs at Closing shall not exceed Buyer's Maximum Cost, provided, however, that Buyer may unilaterally increase Buyer's Maximum Cost by written notice from Buyer to Seller prior to Closing.

6. Escrow and Title.

- 6.1. Escrow. Title Company will act as escrow agent. This Agreement will constitute escrow instructions in connection with the escrow established with Title Company under this Agreement (the "Escrow"). Title Company will make reasonably suitable arrangements with either Party, upon that Party's request, to have the Party execute any of the documents to be executed by that Party as provided in this Agreement at the office of Title Company that is most convenient for Buyer.
- 6.2. <u>Title Commitment</u>. Escrow Agent will distribute to the Parties a Commitment for Standard Owner's Title Insurance (the "Commitment") together with complete and legible copies of all documents which will remain as exceptions to Buyer's policy of title insurance.
- 6.3. Amended Commitment. In the event Title Company should issue an Amended Commitment for Title Insurance which discloses an exception(s) not previously

disclosed, Buyer shall have fifteen (15) days after the receipt of the Amended Commitment and the new Exceptions (the "Disapproval Period") within which to notify Seller and the Escrow Agent in writing of Buyer's disapproval of any new exceptions shown thereon (the "Disapproval Notice"). In the event of such disapproval, Seller shall have ten (10) days from receipt of the Disapproval Notice in which to notify Buyer in writing whether Seller intends to eliminate each of the disapproved Exceptions prior to the Closing (the "Notice Period"). If Seller fails to notify Buyer of its intent with respect to the disapproved items within that time or if Seller elects not to cure all disapproved items, Buyer may terminate this Agreement and the Escrow will be canceled. If the Amended Commitment is issued less than fifteen (15) days prior to the date of the Closing, then the date of the Closing is extended until the end of the Disapproval Period and the Notice Period, if applicable, but in no case later than March 10, 2016.

6.4. Title Policy is Condition to Closing. Buyer's obligation to Close is contingent upon Title Company being prepared to issue a Standard Owner's Title Insurance Policy for the Property, in the amount of the Purchase Price, subject only to the exceptions on Exhibit B other than the Removed Exceptions, and the standard printed exceptions in the policy; provided, however, that notwithstanding Exhibit B, all monetary liens and encumbrances on the Property will be removed before Closing, unless this Agreement expressly provides for the prorating of any such lien or encumbrance.

7. Closing.

- 7.1. Closing Date. The Closing of the sale of the Property to Buyer (the "Closing") will take place at the office of Title Company on or before March 1, 2016, provided however, that Buyer may extend the Closing until March 10, 2016 if necessary to receive lien releases or the environmental inspection in accordance with Section 9 below. If the Closing has not occurred by close of business on March 10, 2016, then either Seller or Buyer may terminate this transaction.
- 7.2. Deliveries by Buyer at Closing. At Closing, Buyer shall deliver to Seller through Escrow the following:
- 7.2.1. The Purchase Price, which will be paid in full at Closing payable to Title Company by Buyer's check; and
- 7.2.2. Such additional documents as Seller or Escrow Agent may reasonably require to effectuate the purchase.
- 7.3. <u>Deliveries by Seller at Closing.</u> At Closing, Seller deliver to Buyer through Escrow the following:

- 7.3.1. An executed Special Warranty Deed in the form of Exhibit E, conveying fee simple title to the Property;
- 7.3.2. One or more assignments of all the water rights and well registrations certificated or claimed in which Seller has an interest and appurtenant to the Property, if any, and all certificated or claimed Grandfathered Type 2 water rights, if any; and
- 7.3.3. Such additional documents as Buyer or Escrow Agent may reasonably require to effectuate the Purchase.
- 7.4. <u>Delivery of Possession</u>. Seller shall deliver possession of the Property to Buyer at Closing.
- 7.5. Security Interests. Monies payable under this Agreement may be due holders (the "Lienholders") of certain notes secured by mortgages or deeds of trust, up to and including the total amount of unpaid principal, interest and penalty on the notes, if any, and will, upon demand by the Lienholders, be paid to the Lienholders.

8. Seller's Covenants.

- 8.1. No Personal Property. No personal property is being transferred pursuant to this Agreement. Seller represents that as of closing there will be no personal property located on the Property.
- 8.2. No Salvage. Seller shall not salvage or remove any fixtures, improvements, or vegetation from the Property, but this does not prohibit Seller from removing personal property prior to the Closing. In addition, prior to Closing, the Property will not be materially degraded or otherwise materially changed in any aspect by Seller.
- 8.3. Risk of Loss for Damage to Improvements. Seller bears the risk of loss or damage to the Property prior to Closing. After Closing, the risk of loss or damage to the Property rests with Buyer.
- 8.4. <u>Use of Property by Seller.</u> Seller shall, prior to the Closing, use the Property on a basis substantially comparable to Seller's historical use thereof. Seller shall maintain the Property in substantially the same condition as it is presently in, ordinary wear and tear excepted, and without liens or encumbrances that Seller will be unable to cause to be released on or before the Closing.
- 8.5. No Encumbrances. Seller shall not encumber the Property with any lien that Seller will be unable to cause to be released before Closing, and Seller shall not be entitled to sell or exchange all or any portion of the Property before Closing without the prior written approval of Buyer; provided, however, that any such sale will be conditioned upon

a written assumption by Buyer thereof of the obligations of Seller under this Agreement, and there will be no novation of Seller with respect to its obligations under this Agreement. From and after the Effective Date through the Closing, Seller will not enter into, execute or record any covenant, deed restriction, or any other encumbrance against the Property. The recording of any such covenant, deed restriction, or other encumbrance, is a material breach of this Agreement and entitles Buyer to terminate this Agreement.

- 8.6. Reports. Seller shall make available to Buyer for inspection and/or copying all documents relating to the Property that it has in its possession regarding the Property, including any and all surveys, information regarding wells and water rights, and environmental reports.
- 8.7. No Implied Warranties. Except for the express representations and warranties contained in this Agreement, Buyer acknowledges that the Property will be conveyed by Seller without representation or warranty of any kind, express or implied, and is sold AS IS and WITH All FAULTS. Buyer further acknowledges that Seller does not represent or warrant the accuracy of any information and/or reports provided by Buyer to Seller prepared by third parties; Buyer is solely responsible for determining the accuracy and reliability of such information and/or reports.

9. Environmental.

9.1. Environmental Representations. Buyer and Seller agree that neither party is assuming any obligation of the other party relating to any potential liability, if any, arising from the environmental condition of the Property, each party remaining responsible for its obligations as set forth by law. Seller represents and warrants that, to the best of Seller's knowledge, no pollutants, contaminants, toxic or hazardous substances, wastes or materials have been stored, used or are located on the Property or within any surface or subsurface waters thereof in violation of law (Buyer acknowledges that prior use of pesticides, fertilizers and other agricultural products may have occurred on the Property); that no underground tanks have been located on the Property; that the Property is in compliance with all Federal, state and local environmental laws, regulations and ordinances; and that no legal action of any kind has been commenced or threatened with respect to the Property.

9.2. Environmental Inspection Rights.

- 9.2.1. From and after the Effective Date, Seller shall permit Buyer to conduct such inspections of the Property as the Buyer deems necessary to determine the environmental condition of the Property. If any environmental inspection recommends further testing or inspection, the Parties hereby agree to extend the date of Closing to at least ten (10) calendar days after the report for such additional testing or inspection is completed on behalf of Buyer, but in no case later than an March 10, 2016.
 - 9.2.2. If any environmental inspection reveals the presence of contamination

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

- 10. Broker's Commission. No broker or finder has been used by Buyer and Buyer owes no brokerage or finders fees related to this Agreement. Seller has sole responsibility to pay all brokerage or finders fees to any agent employed.
- 11. Default, Remedies, and Conditions Precedent. In the event either Party defaults under this Agreement, the other Party shall be entitled to pursue all rights and remedies available at law or in equity, including specific enforcement. To the extent a Party seeks damages, the recovery is limited to actual damages (including any losses or penalties suffered by Buyer as a result of any violation of federal arbitrage violations caused by a wrongful failure of Seller to perform). Neither Party is entitled to exemplary, punitive, special, indirect or consequential damages.
- 12. Exhibits. The following Exhibits are fully incorporated herein as if set forth at length. To the extent that any Exhibits to this Agreement are not available at the execution thereof, they will be added by the Parties prior to Closing and will be in form and substance reasonably satisfactory to the Parties.

Exhibit A Description of Property
Exhibit B Permitted Exceptions for Property
Exhibit C Seller Disclosure of Water Rights
Exhibit D Seller Disclosure of Underground Improvements
Exhibit E Form of Deed for Property

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

13.1. Notices.

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

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

- 13.2. Governing Law. This Agreement is subject to, and interpreted by and in accordance with, the laws of the State of Arizona. Any action to be brought under this Agreement must be filed and maintained in a court in Pima County, Arizona.
- 13.3. Entire Agreement. This Agreement is the entire Agreement of the Parties respecting the subject matter hereof. There are no other agreements, representations or warranties, whether oral or written, respecting the subject matter hereof.
- 13.4. <u>Interpretation</u>. This Agreement, and all the provisions of this Agreement, is deemed drafted by all of the Parties. This Agreement will not be interpreted strictly for or against any Party, but solely in accordance with the fair meaning of the provisions hereof to effectuate the purposes and intent of this Agreement.
- 13.5. No Representations. Each Party has entered into this Agreement based solely upon the agreements, representations and warranties expressly set forth herein and upon that Party's own knowledge and investigation. Neither Party has relied upon any representation or warranty of any other Party except any such representations or warranties as are expressly set forth herein.
- 13.6. Signing Authority. Each of the persons signing below on behalf of a Party represents and warrants that the signer has full requisite power and authority to execute and deliver this Agreement on behalf of the Party for whom the signer signs and to bind such Party to the terms and conditions of this Agreement.
- 13.7. Owner's Knowledge. All references in this Agreement to Owner's knowledge or any similar phrase means the actual conscious knowledge of Randall Bury without investigation, determined without attributing to Mr. Bury any knowledge held by any other person.
- 13.8. <u>Counterparts.</u> This Agreement may be executed in counterparts, each of which is effective as an original. This Agreement becomes effective only when all of the Parties have executed the original or counterpart hereof. This Agreement may be executed and delivered by a facsimile transmission or email of a counterpart signature page hereof.
- 13.9. Attorney's Fees and Costs. In any action brought by a Party to enforce the obligations of any other Party, the prevailing Party is entitled to collect from the opposing Party to such action such Party's reasonable litigation costs and attorney's fees and

expenses, including court costs, reasonable fees of accountants and experts, and other expenses incidental to the litigation in addition to all other relief, all of which will be set by a judge and not by a jury, to which the prevailing Party may be entitled.

- 13.10. Binding Affect. This Agreement is binding upon and inures to the benefit of the Parties and their respective successors and permitted assigns.
- 13.11. No Third Party Beneficiaries. This is not a third party beneficiary contract. No person or entity other than a Party signing this Agreement has any rights under this Agreement, except as expressly provided in this Agreement.
- 13.12. <u>Amendment</u>. This Agreement may be amended or modified only in a writing signed by the Parties, which specifically references this Agreement.
- 13.13. No Partnership. Nothing in this Agreement creates a partnership or joint venture, or authorizes any Party to act as agent for or representative of any other Party.
- 13.14. No Waiver. The failure of a Party to require full or timely performance of any obligation arising under this Agreement (whether on a single occasion or on multiple occasions) is not a waiver of any such obligation. No such failure gives rise to any claim of estoppel, laches, course of dealing, amendment of this Agreement by course of dealing, or other defense of any nature to any obligation arising hereunder.
- 13.15. <u>Time of the Essence</u>. Time is of the essence with respect to each obligation arising under this Agreement.
- 13.16. Conflict of Interest. This Agreement is subject to cancellation within three (3) years after its execution pursuant to A.R.S. § 38-511 if any person significantly involved in initiating, negotiating, securing, drafting, or creating this Agreement on behalf of Buyer is, at any time while this Agreement or any extension of the Agreement is in effect, an employee or agent of any other party to the Agreement with respect to the subject matter of the Agreement.
- 13.16. Terms of Acceptance. This offer will become null and void if not accepted by February 29, 2016.

Seller's Approval and Acceptance:

RB LAND, LLC, an Arizona limited liability company

BY: Ranky Bury

| ITS: Manager/Member |
|--|
| Date: 2 2 1 16 |
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| |
| Buyer's Approval and Acceptance: |
| Recommended to the Board of Directors for Approval: |
| By <u>Ona Hausman</u> , Sr. Acquisition Agent |
| Approved as to content: By Neil Konigsberg, Manager Real Property Services |
| By John Bernal Deputy County Administrator-Public Works |
| Approved as to form: |
| - Simple Control of the Control of t |
| Tobin Rosen, Deputy County Attorney |
| Approved and accepted by Pima County Flood Control District: |
| Date: |
| Chair, Board of Directors of the Regional Flood Control District |

Randall M. Bury

Attest:

| | Date: |
|----------------------|-------|
| CLAR CALL DE LA CIDA | |

Clerk of the Board of Directors of the Regional Flood Control District

Tax Codes: 215-19-005C, 002D & 002J

Tax Codes: 215-19-005C, 002D & 002J

EXHIBIT A

Parcel 1

The Southwest Quarter of Section 19, Township 12 South, Range 11 East, Gila and Salt River Meridian, Pima County, Arizona.

(JV Arbs 22 and 23)

Parcel 2

The Northeast Quarter of the Northwest Quarter, EXCEPT the West 318.82 feet thereof; and the Southeast Quarter of the Northwest Quarter; and the East 318.8 feet of Lot 2; all in Section 19, Township 12 South, Range 11 East, Gila and Salt River Meridian, Pima County, Arizona.

(JV Arb 21)

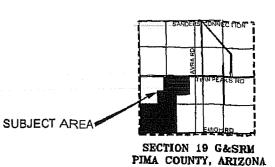
Parcel 3

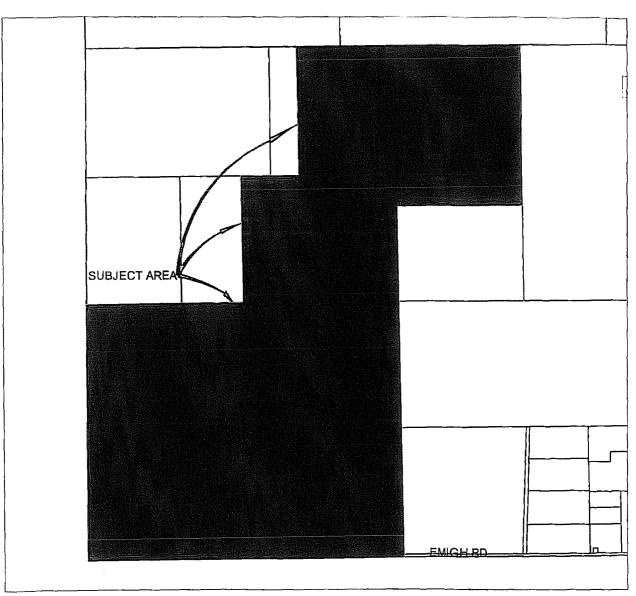
The Northwest Quarter of the Northeast Quarter and the North Half of the North Half of the Southwest Quarter of the Northeast Quarter of Section 19 Township 12 South, Range 11 East, Gila and Salt River Meridian, Pima County, Arizona.

(JV Arbs 20 and 33)

EXHIBIT "A-1"

SECTION 19 TOWNSHIP 12 SOUTH RANGE 11 EAST





215-19-002J, 215-19-002D & 215-19-005C



PIMA COUNTY DEPARTMENT OF TRANSPORTATION ENGINEERING INFORMATION MANAGEMENT

DRAWING NOT TO SCALE

DRAWN BY: S. BUTLER

DATE: FEB 2012

Exhibit "B"



First American Title"

Commitment for Title Insurance

ISSUED BY

First American Title Insurance Company

Schedule Bll

File No.: 600-42967-RDH

EXCEPTIONS

The policy or policies to be issued will contain exceptions to the following matters unless the same are disposed of to the satisfaction of the Company:

1. RESERVATIONS contained in the Patent from the United States of America recorded in Book 99 of Deeds at page 270, reading as follows:

RESERVED from the lands hereby granted a right of way thereon for ditches or canals constructed by the authority of the United States of America. Excepting and reserving, however, to the United States all the coal and other minerals in the lands so entered and patented, together with the right to prospect for, mine, and remove the same pursuant to the provisions and limitations of the Act of December 29, 1916 (39 Stat., 862)

2. TAXES AND ASSESSMENTS collectible by the County Treasurer, a lien not yet due and payable for the following year:

2016

- ANY ACTION by the County Assessor and/or Treasurer, altering the current or prior tax assessment, subsequent to the date of the Policy of Title Insurance.
- 4. EASEMENT and rights incident thereto, as set forth in instrument:

Recorded in Docket

5505

Page 907

And thereafter conveyed by subsequent instruments of record

Purpose

ingress and egress

(Parcel 2)

5. MATTERS SHOWN ON SURVEY:

Recorded in Book 9 of Records of Survey Page 16

END OF SCHEDULE B - PART II

Form 5011600-Bll (7-1-14)

Page 9 of 9

ALTA Commitment (6-17-06)

EXHIBIT "C"

Wells & Water Rights Seller's Questionnaire

| Seller Name: RB Land, LLC, an Arizona limited liability company |
|---|
| Tax Parcel Number(s): 215-19-002D, 215-19-002J & 215-19-005C |
| Date: |

As part of the proposed acquisition of the above-referenced parcel(s), Pima County may also be acquiring some or all of Seller's wells, groundwater and/or surface water rights. The purpose of this questionnaire is for Seller to disclose all information of which Seller is or may be aware, pertaining to Seller's interest in wells and water rights, as well as the current status of those wells and water rights. Each of the questions set forth below should be carefully answered, to the best of Seller's knowledge and information, by supplying the information requested in the grid which follows each section. If more space is needed to answer, clarify, or explain one or more questions, please use additional sheets.

A. QUESTIONS PERTAINING TO WELLS.

- (1.) List all wells situated on the subject property and list the tax parcel number of the property on which each well is situated.
- 2.) For each well listed in question #1 above, list the corresponding Well Registration Number assigned by the Arizona Department of Water Resources ("ADWR").
- (3.) For each well listed in question #1 above, list that well's current operational status, for example, "fully operational", "no longer in use", "capped" or "legally abandoned". Please note that "legally abandoned" means that all procedures required under ADWR regulations have been followed to have the well declared legally abandoned.
- (4.) For each well listed in question #1 above, list the main purpose for which each such well is currently utilized (For example, "domestic", "irrigation", "industrial" "mining",

etc.). Please note that the term "irrigation" means the application of water to 2 or more acres for plants or crops which will be used for sale or for human or animal consumption.

(5.) For each well listed in question #1 above, state whether a Statement of Claimant ("SOC") has been filed in the Gila River Adjudication (Yes or No).

| | Location by Tax Parcel Number | ADWR Registration Number | Current Operational Status | Principal Use of Well | SOC Filed (Y/N) | SOC # If Applicable |
|---------|--|--------------------------------|----------------------------------|-----------------------------|-----------------------|------------------------|
| Well #1 | | | | | | |
| Well #2 | | | | | | |
| Well #3 | | | | | | |
| Well #4 | | | | | | |
| Well #5 | | | | | | |
| Well #6 | | | | | | |
| Well #7 | | | | | | |

B. QUESTIONS PERTAINING TO CERTIFICATED GROUNDWATER RIGHTS.

(5.a) Does the property have a grandfathered irrigation groundwater right ("GIR")? (Yes/No). If no, skip to Question #6.

| (5. | b) | If | yes. |
|-----|----|----|------|
| | | | |

- 1. Identify each GIR appurtenant to the subject property by listing its corresponding Certificate of Grandfathered Groundwater Irrigation Right number assigned by ADWR,
- 2. List the tax parcel number(s) of the property (ies) which may be irrigated under each such GIR,
- 3. List the maximum number of acres permitted to be irrigated under each such GIR,
- 4. List the well or wells with which each such GIR is associated. Use the ADWR Well Registration numbers above to identify the associated well(s),
 - 5. Is the GIR is currently in use (Y or N)?
- 6. Are any of your GIR's leased to a third party? (Y/N). If yes, give the name and address of the lessee and identify the GIR by ADWR Certification #, and please provide a copy of each such lease.

| A constant | ADWR Certificate Number | Tax Parcel Number(s) | Irrigated Acreage | Associated Well by Registration | Is Right Currently in Use? (Y or N) |
|------------|-------------------------------|-------------------------|----------------------|---------------------------------------|-------------------------------------|
| GIR #1 | | | | | |
| GIR #2 | | | | | |
| GIR #3 | | | | | |
| GIR #4 | | | | | |
| | | | | | |

| GIR #5 | | |
|--------|--|------|
| | | |
| | | : |
| GIR #6 | | |
| | | |
| | | |
| GIR #7 | | |
| | | |
| | | |

(6.a) Does the property have a grandfathered Type 1 non-irrigation groundwater right ("Type I Right") (Yes/No)? If no skip to Question #7.

(6.b) If yes,

- 1. List all Type I Rights appurtenant to the subject property by listing its corresponding Certificate of Grandfathered Type I Groundwater Non-Irrigation Right number assigned to each such right by ADWR.
 - 2. Indicate the use or uses to which each Type I Right is currently being put.
- 3. Identify the well with which each Type I Right is associated by its ADWR well registration number.
- 4. Identify the parcel number of the parcel to which each Type I Right is appurtenant.

| | ADWR Certificate Number | Current Use of TIR | Associated Well by Well Registration # | Appurtenant Parcel # |
|-----|-------------------------------|--------------------|--|----------------------|
| TIR | | | | |
| #1 | | | | |
| TIR | | | | |
| #2 | | | | |

| TIR | | |
|-----------|------|------|
| #3 | | |
| TIR | | |
| TIR #4 | | |
| TIR | | |
| TIR #5 | | |
| | | |

(6.c) Are any of your Type I rights leased to a third party? (Y/N) If yes, give the name and address of the lessee and identify the leased Right by ADWR Certification #, and please provide a copy of each such lease.

(7.a) Does the property have a Type II non-irrigation groundwater right ("Type II Right")? (Yes/No). If no skip to Question #8.

(7.b) If yes,

- 1. List each Type II Right by listing its corresponding Certificate of Grandfathered Type II Groundwater Non-Irrigation Right number assigned by ADWR.
 - 2. List the use to which each Type II Right is currently being put.
- 3. List the ADWR Well Registration Number of the well to which each Type II Right is currently associated.
- 4. Are any of your Type II Rights leased to a third party? (Y/N) If yes, give the name and address of the lessee and identify the leased Type II Right by ADWR Certification #.

| | ADWR Certificate Number | Current Use to Which Type II is Being Put | Associated Well by Well Registration # |
|------------|-------------------------|---|--|
| Type II #1 | | | |
| Type II #2 | | | |
| Type II #3 | | | |
| Type II #4 | | | |

C. QUESTIONS PERTAINING TO SURFACE WATER RIGHTS.

- (8.a.) Does the property have a surface water right (Yes/No)? If no, skip to Question #9. (8.b) If yes,
- 1. List each surface water right ("SWR") associated with the subject property by listing its corresponding Certificate of Surface Water Right number assigned by ADWR.
- 2. List the purpose, if any, for which each SWR is currently being utilized. (For example, domestic, stock watering, irrigation, mining, in stream flow, other).
- 3. For each SWR, state whether a Statement of Claimant has been filed in the Gila River Adjudication (Yes or No).
- 4. Are any of your SWRs leased to a third party? (Y/N) If yes, give the name and address of the lessee and identify the leased SWR by ADWR Certification #, and please provide a copy of each such lease.

| ADWR Certificate Number | Current Use to Which SWR is Being Put | Statement of Claimant Filed? (Yes or No) | SOC # If Applicable |
|-------------------------------|---|---|--|
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | Certificate | Certificate Which SWR is | Certificate Which SWR is Claimant Filed? (Yes or |

D. QUESTIONS PERTAINING TO WELL SHARE AGREEMENTS.

9. Are any of the parcels subject to a well share agreement? If so, please list the parcel on which the well sits and whether or not it is owned by you.

10. Please provide the County a copy of the Well Share Agreement.

EXHIBIT "D"

Owner Disclosure of Underground Improvements in Right of Way

| Seller Name: RB Land, LLC, an Arizona limited liability company |
|--|
| Tax Parcel Number(s): 215-19-002D, 215-19-002J & 215-19-005C |
| Date: |
| The purpose of this questionnaire is for Owner to disclose all information of which Owner is aware, pertaining to the location of septic tanks, septic or leach fields, alternative waste disposal systems, or other improvements in the right of way being acquired which may be impacted by the County's proposed construction project. If more space is needed to answe one or more questions, please attach additional sheets or maps as needed. |
| 1. Is there a septic tank, septic or leach field, or alternative waste disposal system located in the right of way to be acquired? Yes No If NO, skip to question #2 Describe septic facility: Location: Is the septic tank/field still in use? Yes No If Yes, Owner and County agree to the following arrangement concerning the facility |
| 2. Are you aware of any irrigation or other improvements in the right of way which may impact construction? Yes No If YES, please explain. |

EXHIBIT "E"

SPECIAL WARRANTY DEED

| For valu | able consideration, I or | we. | |
|---------------------------------------|--|---|---|
| ("Grantors"), do | hereby convey to Pima | County Flood Control District, escribed property situate in Pin | * |
| SEE ATTACHI "A-1" FOR DE SUBJECT TO a | ED EXHIBIT "A" FOR EPICTION all matters of record. Grantor hereby binds its | R LEGAL DESCRIPTION AN self and its successors to warrant only to matters above set forth | ID ATTACHED EXHIBIT on the title against all acts of |
| Dated th | nis day of | | |
| | | | |
| STATE OF AR | IZONA (1) | | |
| COUNTY OF F | PIMA) | SS | |
| This ins | | ged before me this day | |
| My Commission | n Expires: | Notary Public | |
| | | | |
| EXEMPTION | : A.R.S. §11-1134.A.3. | Board of Supervisors: | Right of Way [] Parcel [] |
| Agent: | File #: | Activity #: | P[] De[] Do[] E[] |