

BOARD OF SUPERVISORS AGENDA ITEM REPORT CONTRACTS / AWARDS / GRANTS

Requested Board Meeting Date: November 5, 2019

* = Mandatory, information must be provided

or Procurement Director Award 🗌

*Contractor/Vendor Name/Grantor (DBA):

United States of America, Department of the Air Force (the "Air Force")

*Project Title/Description:

Lease

*Purpose:

The County leased two parcels of land (the "Properties") to the Air Force pursuant to two leases approved by the Board, County contracts CTN-PW-18-093 and 094. The rent was \$10/year, and both leases expired September 30, 2019. The Air Force would like to enter into a new lease for both parcels, commencing October 1, 2019, for a term of one year with 7 annual renewal options and no rent. (File LCP-0158)

*Procurement Method:

Leased pursuant to A.R.S. Section 11-251, paragraph 23.

*Program Goals/Predicted Outcomes:

The County will continue to lease the Properties to DM.

*Public Benefit:

According to the DM FY 2015 Economic Impact Analysis, DM contributed \$1.5 billion to the Tucson community. The nominal rent will assist one of Tucson's primary employers.

*Metrics Available to Measure Performance:

This Lease will be at no cost to DM other than the protection, care, and maintenance of the leased area.

*Retroactive:

Yes. The lease is retroactive to October 1, 2019. Real Property did not receive the signed Lease from DM in time to approve it by October 1, 2019.

To: CoB. 10-17-18

Revised 5/2018

Revised 5/2018

Page 1 of 2

brocure Dept 10/17/19 ANTO:27

* Contract / Award Information		
Document Type: CTN Department Code: PW	Contract Number (i.e., 15-123): 20*0067	
Effective Date: 10/01/2019 Termination Date: 9/30/2027	Prior Contract Number (Synergen/CMS):	
Expense Amount: \$*	Revenue Amount: \$	
*Funding Source(s) required:		
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	22-73.	
Amendment / Revised Award Information		
Document Type: Department Code:	Contract Number (i.e.,15-123):	
	AMS Version No.:	
Effective Date:		
	Prior Contract No. (Synergen/CMS):	
C Expense or C Revenue C Increase C Decrease	Amount This Amendment: \$	
Is there revenue included? CYes CNo If Y	/es\$	
*Funding Source(s) required:		
	/es\$%	
	/es\$%	
Funding from General Fund? Yes No If Y	/es\$%	
Funding from General Fund? Yes No If Y	/es\$%_ awards)	
Funding from General Fund? Yes No If Y Grant/Amendment Information (for grants acceptance and Document Type: Department Code:	/es \$ % awards)	
Funding from General Fund? Yes No If Y Grant/Amendment Information (for grants acceptance and Document Type: Department Code: Effective Date: Termination Date:	awards)	
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Funding from General Fund? Yes No If Yes Cho	/es \$	
Funding from General Fund? Yes No If Yes Cho	/es \$	
Funding from General Fund? Yes No If Yes Cho	/es \$	
Funding from General Fund? Yes No If Yes Cho	/es \$	

DOCUMENT TITLE: LEASE TO DEPARTMENT OF THE AIRFORCE

7		
NO. CTN- PW-20-067		
AMENDMENT NO.		

contract.

USAF-ACC-FBNV-19-1-0385

LEASE TO DEPARTMENT OF THE AIR FORCE

FROM

PIMA COUNTY A POLITICAL SUBDIVISION OF THE STATE OF ARIZONA

(LESSOR'S NAME)

TUCSON, AZ
(City and State)

FOR

DAVIS-MONTHAN AIR FORCE BASE, ARIZONA (INSTALLATION NAME)

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THIS LEASE is made as of the _____1___ day of _____ October______ 2019, by and between Pima County, a political subdivision for the State of Arizona, existing under the laws of the state of Arizona (the "Lessor") and The United States of America, acting by its Secretary of the Air Force (the "Government" or the "Air Force") The Lessor and the Government may sometimes be referred to jointly as the "Parties." and each separately as a "Party." The term "Lessor" includes its successors and assigns, if any. Lessee includes its assigns, if any.

The Government is entering into the Lease under the authority contained in 10 U.S.C. § 2661.

NOW, THEREFORE, the Lessor, for the consideration set forth below, hereby leases to the Government the Leased Premises (identified below), subject to the following conditions:

Leased Premises_includes the real property described on **Exhibit A** and depicted on **Exhibit B** together with the right of the Government and its officers, employees, invitees, licensees, agents and contractors to use the streets, common driving areas, sidewalks, and walkways around the real property for access to and from public streets and highways (the "Leased Premises"), and certain personal property, if any, identified in **Exhibit A** (the "Personal Property"). The Personal Property is an integral part of the Leased Premises and may be used by the Government in connection with its use of the real property included in the Leased Premises.

BASIC TERMS

1. TERM

1.0 Term. 1 year, beginning on October 1, 2019, with the option to extend the original term for (seven (7)) annual renewal options, but no longer than September 30, 2027, which may be automatically exercised by the Air Force.

2. RENT

2.1. N/A.

3. CORRESPONDENCE

3.0. Whenever the Government or the Lessor shall desire to give or serve upon the other a notice, demand, order, direction, determination, requirement, consent or approval, request, or other communication with respect to this Lease or with respect to the Leased Premises and any improvements located thereon, each such notice, demand, order, direction, determination, requirement, consent or approval, request, or other communication shall be in writing and shall not be effective for any purpose unless same

shall be given or served by personal delivery to the Party or Parties to whom such notice, demand, order, direction, determination, requirement, consent or approval, request, or other communication is directed or by mailing the same, in duplicate, to such Party or Parties through a nationally recognized and reputable overnight delivery service at the regular delivery address for the parties specified below. In the latter case, delivery shall be effective on the date confirmed by the records of such service. All correspondence that must be sent, and all notices required or desired to be given under this Lease, must be addressed, if to the Air Force, to:

355 CES/CEIA Real Property Office 3775 S. Fifth Street, Bldg 4201 Davis-Monthan AFB AZ 85707

with a copy to:

Department of the Air Force AFCEC/CIT 2261 Hughes Ave., Ste. 155 JBSA Lackland, TX 78236-9853

and, if to the Lessor, to:

Manager, Pima County Real Property Services 201 N. Stone Ave 6th floor Tucson, Arizona 85702

or to another address that the Parties may from time to time otherwise direct. Notice shall be given in writing and enclosed in a sealed envelope to the address of the receiving Party, and either hand-delivered, or sent by United States Postal Service, or by recognized overnight courier. The communication will be deemed delivered when received by the addressee.

4. ACCESS AND INSPECTION

4.0. Lessor shall have the right to access the Leased Premises for purposes of inspection at any reasonable time with reasonable prior notice to the Government.

5. DEFAULT AND TERMINATION

5.1. The failure of the Lessor or the Government to comply with any provision of this Lease, where such failure to comply continues for thirty (30) days after delivery of written notice, shall constitute a default or breach of this Lease. If, however, the time required to return to compliance exceeds the thirty (30) day period, the defaulting Party shall not be deemed to be in default if within such period the actions necessary to bring

the Lease into compliance have begun and are diligently and continuously pursued to until the default has been cured.

- **5.1.1.** In the event of any default and breach of this Lease, the non-defaulting Party may terminate this Lease at any time after expiration of the cure period provided for in Condition 5.1 upon written notice of the termination. The termination notice shall be effective as of a date to be specified in the notice, which shall be at least seven (7) but not more than thirty (30) days after receipt of the notice.
- **5.2.** The Government may terminate this Lease at any time by giving the Lessor at least thirty (30) days' prior written notice.
- **5.3.** The Government shall vacate and surrender the Leased Premises to the Lessor on or before the date of expiration of the Lease, or its earlier termination. The Government will remove all of its property from the Leased Premises and restore them to as good order and condition, reasonable wear and tear and damage beyond the control of the Government excepted, as that existing on the Term Beginning Date, subject to Condition 7 below. In the alternative and at the Government's discretion, the Government may convey any remaining improvements to lessor and/or compensate the Lessor for the diminution in value of the promises in lieu of removal and/or restoration.

OPERATION OF THE PREMISES

6. CONDITION OF LEASED PREMISES

6.0. Prior to the Term Beginning Date, a physical condition report (PCR), an environmental condition report (ECR), and Environmental Baseline Survey (EBS) (or an EBS Waiver) for the Leased Premises will be incorporated into the lease by reference upon their delivery to the lessor, called out as Exhibits C, D and E hereto. The PCR, ECR, EBS (or EBS waiver) sets forth those environmental conditions and matters on and affecting the Leased Premises on the Lease Effective Date as determined from the records and analyses reflected therein. Any failure on the part of the Lessor to fully disclose any known latent defect on the Leased Premises shall be grounds for termination of this Lease by the Government. A separate PCR, ECR, EBS (or EBS waiver) for the Leased Premises shall be prepared by the Government, after the expiration or earlier termination of this Lease ("Final PCR, ECR, EBS, or EBS waiver"). Such Final PCR, ECR, EBS (or EBS waiver) shall document the environmental conditions and matters on and affecting the Leased Premises on the Term Expiration Date as determined from the records and analyses reflected therein. The Final PCR, ECR, EBS (or EBS waiver) will be used by the Government to determine any obligations to maintain and restore the Leased Premises under this Lease.

7. CONSTRUCTION AND ALTERATIONS

7.0. The Government may place, construct, or make substantial improvements. structures, alterations, or additions to, or installations upon, and otherwise modify or alter the Leased Premises ("Alterations") with (or without) the prior written consent of the Lessor. Unless otherwise agreed in writing, all Alterations shall remain the property of the Government when annexed to the Leased Premises.

8. MAINTENANCE OF LEASED PREMISES

8.0. The Government shall keep the Leased Premises in good order and repair during the term of this Lease.

9. UTILITIES AND SERVICES

9.0. The <u>Air Force</u> shall be responsible for all utilities, janitorial services, building maintenance, and grounds maintenance for the Leased Premises.

10. USE OF LEASED PREMISES

10.0. Use: Property serves as Davis-Monthan Air Force Base, Arizona, safety zone and and barrier for the munitions storage area; subject, however, to all applicable provisions of this Lease. The Government may use the Leased Premises for any use not otherwise prohibited by this Lease.

ENVIRONMENT

11. ENVIRONMENTAL PROTECTION

- 11.1. Compliance with Law. The Government shall comply, at its sole cost and expense, with the Federal, state, and local laws, regulations, and standards that are or may become applicable to its activities on the Leased Premises, including, without limitation, obtaining any environmental permits required for its operations under this Lease. The Government, however, shall not be responsible for any act or omission of the Lessor that contaminates the Leased Premises, and the Lessor agrees to comply with all applicable environmental laws and regulations as a result of any such act or omission, and to the extent permitted by law, the Lessor agrees to hold the Government harmless from, and indemnify and defend the Government against, any action arising from contamination on, and migrating upon, the Leased Premises by the Lessor.
- **11.2.** Wetlands. The Government shall protect any wetlands found or identified on the Leased Premises from destruction, loss, or degradation, consistent with the requirements of applicable law.

12. HISTORIC PROPERTY

12.0. The Government will comply with all laws applicable to historical property located on the Leased Premises, if any.

CHANGES IN OWNERSHIP OR CONTROL

13. ASSIGNMENTS, SUBLEASES, AND LICENSES

- 13.1. The Government may not assign this Lease or sublet the Leased Premises for any purpose not provided in this agreement without the prior written consent of the Lessor, which shall not be unreasonably withheld, delayed, or qualified.
- 13.1.1. Any assignment or sublease granted by the Government shall be consistent with all of the terms and Conditions of this Lease and shall terminate immediately upon the expiration or any earlier termination of this Lease. Under any assignment made, with or without consent, the assignee shall be deemed to have assumed all of the obligations of the Government under this Lease.
- 13.1.2. The Government shall deliver to the Lessor, for its prior written consent, a copy of each agreement of sublease or assignment it proposes to execute. Consent or rejection by the Lessor shall be given within ten (10) business days of receipt of the proposed agreement.
- 13.1.3. Any agreement of sublease or assignment must expressly provide that: (a) the sublease or assignment, as the case may be, is subject to all of the terms and Conditions of the Lease; (b) the sublease shall terminate on the expiration or earlier termination of this Lease; (c) the sublessee or assignee, as the case may be, shall assume all of the obligations of the Government; and (d) in case of any conflict between any provisions of this Lease and any provisions of the agreement of sublease or assignment, this Lease will control. A copy of this Lease must be attached to the agreement of sublease or assignment.
- 13.2. The Lessor shall not engage in any financing or other transactions creating any mortgage lien upon the Leased Premises; place or suffer to be placed upon the Leased Premises any other lien or other encumbrances; or suffer any levy or attachment to be made on the Lessee's interest in the Leased Premises. Any mortgage, encumbrance, or lien shall be deemed to be a violation of this condition and constitute a failure to comply with the terms of this Lease on the date of its execution or filing of record regardless of whether or when it is foreclosed or otherwise enforced.

14. EASEMENTS AND RIGHTS OF WAY

- **14.1.** This Lease is subject to all existing easements, rights-of-way, and rights in the nature of an easement or right-of-way (collectively "Outgrants") related to the Leased Premises.
- 14.2. The Lessor has identified all Outgrants in the attached Exhibit F.
- **14.3.** The holders of such Outgrants shall have reasonable rights of ingress and egress over the Leased Premises in order to carry out the purpose of the Outgrants.

GENERAL PROVISIONS

15. HEADINGS OR TITLES

15.0. The brief headings or titles preceding each condition are merely for purposes of identification, convenience, and ease of reference, and will be completely disregarded in the construction of this Lease.

16. COUNTERPARTS

16.0. This Lease is executed in two (2) counterparts each of which is deemed an original of equal dignity with the other, and which is deemed one and the same instrument as the other.

17. ENTIRE AGREEMENT

17.0. It is expressly agreed that this written instrument embodies the entire agreement between the Parties regarding the use of the Leased Premises by the Government, and there are no understandings or agreements, verbal or otherwise, between the Parties except as expressly set forth in this Lease. This instrument may only be modified or amended by mutual agreement of the Parties in one writing signed by each Party.

18. TIME OF THE ESSENCE

18.0. Time shall be of the essence with this Lease.

19. TAXES

19.0. The Lessor shall pay to the proper authority, when and as the same become due and payable, all taxes, assessments, and similar charges that, at any time during the term of this Lease, may be imposed upon the Lessor with respect to the Leased Premises.

20. GENERAL INDEMNIFICATION BY LESSEE

20.0. The Government cannot indemnify the Lessor for any purpose.

21. INSURANCE

21.0. The Government is self-insured.

22. DISPUTES

22.0. The Parties shall at all times try to resolve disputes in an amicable manner. However, the Parties reserve all rights afforded them under law to resolve any such dispute by any lawful means.

23. AMENDMENTS

23.0. This Lease may be amended at any time by mutual agreement of the Parties in one writing and signed by a duly authorized representative of each Party.

24. REPORT TO CONGRESS

24.0. This Lease is (is not) reportable under 10 U.S.C. § 2662.

25. DAMAGE TO GOVERNMENT PROPERTY

25.0. The Lessor shall not be responsible for damage to government property pursuant to any grants provided under this agreement, except those of gross negligence or willful misconduct on the part of lessor, lessor's agents, and lessor's assigns.

26. COMPLIANCE WITH APPLICABLE LAWS

26.0. The Government will comply with all applicable laws in its use and occupancy of the Leased Premises. Nothing in this Lease shall be construed to constitute a waiver of Federal Supremacy or Federal sovereign immunity.

27. RESTRICTIONS ON USE OF LEASED PREMISES

27.0. RESERVED

28. EXHIBITS

28.0. Six (6) exhibits are attached to and made a part of this Lease, as follows:

Exhibit A – Description of Leased Premises

Exhibit B – Map of the Leased Premises

Exhibit C – Physical Condition Report

Exhibit D – Environmental Condition Report

Exhibit E – Environmental Baseline Survey

Exhibit F - Outgrants

IN WITNESS WHEREOF, the Parties have caused this Lease to be executed by their duly authorized representatives on the dates shown below.

	LESSOR Pima County, a political Subdivision of the State of Arizona
Date:	By:
	ATTEST:
	Julie Castaneda, Clerk of the Board of Supervisors APPROVED AS TO FORM: By:
	THE UNITED STATES OF AMERICA by the Secretary of the Air Force
Date: 24 Sep 19	By: MICHAEL R. DROWLEY, Colonel, USAF Commander, 355th Wing

Exhibit A— Description of Premises

Parcel 1:

TRACT 521 –All that part of the E2E2NE4SW4, Section 8, T. 15 South, Range 15 East, G&SRM, lying north of the Southern Pacific Railroad Company's right – of –containing 2.48 acres, more or less.

Parcel 2:

TRACT 522 – All that part of the W2E2NE4SW4, Section 8, T. 15 South, Range 15 East, G&SRM, lying north of the Southern Pacific Railroad Company's right – of – containing 0.69 acres, more or less.

EXHIBIT B—MAP OF PREMISES



EXHIBIT C-PHYSICAL CONDITION REPORT - TRACTS 521 AND 522

Tracts 521 and 522 were previously part of the approximately 99 acres we lease from Private Parties on Davis-Monthan AFB, Arizona. However, in the summer of 2017, Pima County purchased these two tracts with Military Installation Funds and now lease back to the Air Force at no-cost. The new In-lease is for the area described in Exhibit A. East of Roadrunner City is another area which has been used for other types of training. Specifically, this training has been Rapid Runway Repair (RRR) which utilized grading equipment. An asphalt area with a space in the middle that was bare earth, with a larger area to the east, had been used for this activity but RRR has not been practiced at this site for several years and vegetation has recovered to some extent. However, this area has been used to store fill dirt for construction projects conducted on the base. The RRR training was in tracts 519 and 520. The rest of the lands are undeveloped and covered with thick native vegetation including prickly pear cactus, cholla, mesquite, and paloverde trees, and other typical species of the Sonoran desert. (USAF 2007A)

Christopher L. Brewster, GS-12 Chief, Environmental Compliance

Davis-Monthan AFB AZ

Date:

Date:

PIMA COUNTY

EXHIBIT D - ENVIRONMENTAL CONDITION REPORT - TRACTS 521 AND 522

Tracts 521 and 522 were previously part of the approximately 99 acres we lease from Private Parties on Davis-Monthan AFB, Arizona, However, in the summer of 2017, Pima County purchased these two tracts with Military Installation Funds and now lease back to the Air Force at no-cost. The western portion of the area, primarily in Tracts 515 and 516, has served as a training area for ground focused military activities since the 1950s. Training has necessitated the presence of aircraft with engines removed, mock-up vehicles, and other items useful in various activities. The remnants of a training compound exist, including two sheds, one of which has been used for CS gas training. This shed was recently knocked down and the debris is in the process of being removed. An asphalt covered parking lot and old ramada area is present adjacent to the storage compound. The primary training area is known as Roadrunner City. Segments of Yuma St. and its rightof-way traverse portions of the tract. Another area has been used for training with earthmoving and grading equipment, but has not been used in the past seven to eight years. However, the area has been used to store fill dirt for construction projects conducted on the base. The bulk of the area, and most of the easterly portion, is undeveloped desert land.

Prior to 1982, when Roadrunner City was installed, the entire area was undeveloped desert land through the area was used for military training since the leases were generated in the 1950s. East of Roadrunner City is another area which has been used for other types of training. Specifically, this training has been Rapid Runway Repair (RRR) which utilized grading equipment. An asphalt area with a space in the middle that was bare earth, with a larger area to the east, had been used for this activity but RRR has not been practiced at this site for several years and vegetation has recovered to some extent. The RRR training was in tracts 519 and 520. The rest of the lands are undeveloped and covered with thick native vegetation including prickly pear cactus, cholla, mesquite, and paloverde trees, and other typical species of the Sonoran Desert.

The tract is in the far eastern portion of DMAFB. Yuma St. traverses portions of the tract. Training activities at Roadrunner City include releases of CS gas, the only chemical used in the area. CS is used as "tear gas" and is released into a closed shed as part of training. Once released, the CS gas quickly dissipates with bits of solid residue falling to the ground. The residue is chemically harmless. The shed is periodically cleansed of the residue by sweeping or vacuuming with the material then being disposed in approved accumulation stations, though minute amounts of gas are emitted into the air through a vent in the shed. Thus no contamination of the solids or buried materials are associated with its usc.

Christopher L. Brewster, GS-12 Chief, Environmental Compliance Davis-Monthan AFB AZ

Davis-iv

PIMA COUNTY

Date:

EXHIBIT E – ENVIRONMENTAL BASELINE SURVEY- TRACTS 521 AND 522

Will be attached as Tab E.

Exhibit F - List any Outgrants

N/A