



BOARD OF SUPERVISORS AGENDA ITEM REPORT (BOSAIR)

All fields are required. Enter N/A if not applicable. For number fields, enter 0 if not applicable.

Record Number: CT ODI CT2600000038

Award Type: Contract

Is a Board Meeting Date Requested? Yes

Requested Board Meeting Date: 04/21/2026

Signature Only: NO

Procurement Director Award / Delegated Award: • N/A

Supplier / Customer / Grantor / Subrecipient: State of Arizona

Project Title / Description: Intergovernmental Agreement Between the State of Arizona and Pima County

Purpose: This IGA details the work proposed for the colocation of the State of Arizona Department of Transportation fiber facilities within the Pima County Regional Middle Mile Project (PCRMMP). This is a revenue contract for \$2,546,870. The terms, conditions and provisions of the agreement remain in full force and effect until the completion of the proposed work as accepted by ADOT or June 30, 2028 whichever is later.

Procurement Method: IGAs: This IGA is a non Procurement contract and not subject to Procurement rules.

Procurement Method Additional Info: N/A

Program Goals/Predicted Outcomes: Engineering, design, installation and labor for the colocation of ADOT fiber facilities. The complete project will allow ADOT to commercialize their middle mile fiber infrastructure along I-19, allowing internet service providers to rural/underserved areas of Pima County.

Public Benefit and Impact: Internet service providers will have access to ADOT middle mile infrastructure to reach rural/underserved areas of Pima County. This joint build provides Pima County with the opportunity to extend the reach of the PCRMMP, making our fiberoptic ring invaluable to our economic development efforts.

Budget Pillar

- Critical infrastructure & economic growth
- Improve the quality of life

TO: COB, 4/8/26 (1)

VERSION: 0

PAGES:12

Support of Prosperity Initiative:

- 9. Expand Broadband Services and Address Barriers to Digital Inclusion

Provide information that explains how this activity supports the selected Prosperity Initiatives

The coordination between the State of Arizona and Pima County leverages the PCRMP for the benefit of the community. ADOT can commercialize their middle mile infrastructure currently installed in I-19, allowing internet service providers to rural/underserved areas of Pima County.

Metrics Available to Measure Performance:

Completion of the ADOT Joint Build project within the price and timeline indicated.

Retroactive:

NO

Contract / Award Information

Record Number: CT ODI CT2600000038

Document Type: CT

Department Code: ODI

Contract Number: CT2600000038

Commencement Date: 04/21/2026

Termination Date: 06/30/2028

Total Expense Amount:

\$0.00

Total Revenue Amount:

\$2,546,870.00

Funding Source Name(s) Required: N/A

Funding from General Fund?

NO

Contract is fully or partially funded with Federal Funds?

NO

Were insurance or indemnity clauses modified?

YES

Vendor is using a Social Security Number?

NO

Department: Office of Digital Inclusion

Name: Michelle Simon

Telephone: 5207247694

Add Procurement Department Signatures

No

Add GMI Department Signatures

No

Department Director Signature: _____

Date: _____

4/6/2026

Deputy County Administrator Signature: _____

Date: _____

4-7-2026

County Administrator Signature: _____

Date: _____

4/7/2026

ADOT CAR No.: IGA 25-0011414-I
 AG Contract No.: P0012026000072
 Project Location/Name: Pima County
 Regional Middle Mile Broadband
 Infrastructure
 Type of Work: Facility Colocation
 Federal-aid No.: N/A
 ADOT Project No.: M7298 01X
 TIP/STIP No.: N/A
 ALN: 21.027 - Coronavirus State and
 Local Fiscal Recovery Funds
 Budget Source Item No.: N/A

INTERGOVERNMENTAL AGREEMENT

BETWEEN
 THE STATE OF ARIZONA
 AND
 PIMA COUNTY

THIS AGREEMENT ("Agreement") is entered into this date _____, pursuant to the Arizona Revised Statutes ("A.R.S.") §§ 11-951 through 11-954, as amended, between the STATE OF ARIZONA, acting by and through its DEPARTMENT OF TRANSPORTATION (the "State" or "ADOT") and PIMA COUNTY, acting by and through its CHAIR and BOARD OF SUPERVISORS (the "County" or "Local Agency"). The State and the Local Agency are each individually referred to as a "Party" and are collectively referred to as the "Parties."

I. RECITALS

1. The State is empowered by A.R.S. §§ 28-401 and 28-7383 to enter into this Agreement and has delegated to the undersigned the authority to execute this Agreement on behalf of the State.
2. The Local Agency is empowered by A.R.S. § 11-251 to enter into this Agreement has authorized the undersigned to execute this Agreement on behalf of the Local Agency.
3. The work proposed under this Agreement consists of the County constructing the Pima County Regional Middle Mile Project, an approximately 134-mile continuous open access fiber network ring containing multiple conduits (the "PCRMMP"). The County will obtain a permit from the State for all portions of the County's Project constructed in ADOT right of way, and the County will retain ownership, control, permissions, operations, maintenance, and monitoring of the PCRMMP. The State seeks to collocate facilities within the PCRMMP (the "ADOT Joint Build"). The ADOT Joint Build includes one armored 7-way 18/14mm micro duct conduit (Blue colored sheath to ADOT specification), pull boxes spaced at approximately 3,000 feet and a 288-count microfiber cable as shown in Exhibit A. The State will be responsible for actual costs, estimated at \$2,546,870, as shown on Exhibit B, operations, and maintenance of the ADOT Joint Build. The Local Agency will administer the

design and construction of the ADOT Joint Build. The portion of the PCRMP and the ADOT Joint Build as identified in Exhibit A are collectively referred to as the Project.

4. The Parties agree to meet and confer in good faith to review and determine the most appropriate course of action for the long-term maintenance of the Project. This collaborative review may result in, but is not limited to, the execution of a formal Operations and Maintenance Agreement (OMA) or a similar Intergovernmental Agreement (IGA) defining the maintenance roles, responsibilities, and funding obligations of each Party.
5. The interest of the State in this Project is to establish a cooperative agreement to define the roles and responsibilities of the Parties with respect to the Project.
6. The foregoing Recitals and all Exhibits referred to herein and attached shall be incorporated into this Agreement.

In consideration of the mutual terms expressed herein, the Parties agree as follows:

II. SCOPE OF WORK

1. The Parties agree:
 - a. The ADOT Joint Build will be completed, accepted, and paid for in accordance with the requirements of the County's project design plans and specifications that include the ADOT Joint Build.
 - b. The final ADOT Joint Build amount may exceed the initial estimate(s) identified in Exhibit B, and in such case, the State is responsible for, and agrees to pay, any and all actual costs exceeding the initial estimate, but not to exceed ten (10) percent of the initial estimate. If the final ADOT Joint Build amount is less than the initial estimate, the difference between the final amount and the initial estimate will be de-obligated or otherwise released from the ADOT Joint Build. De-obligated federal aid will be returned to the State. The State acknowledges it remains responsible for actual costs of the ADOT Joint Build and agrees to pay according to the terms of this Agreement.
 - c. The Local Agency will provide necessary inspections for the ADOT Joint Build in accordance with all ADOT policies and procedures. The Local Agency Inspector will provide reporting documents to both the Local Agency and to ADOT's Broadband Office.
 - d. Agree to conduct business in a cooperative manner when marketing adjoining systems for IRU purposes.
2. The State will:
 - a. Execute this Agreement and designate the County as the State's authorized agent for the ADOT Joint Build.

- b. Provide the County with any necessary right-of-way, utility, and environmental clearance background information.
 - c. Within 30 days of receipt of an invoice from the County, pay to the County \$2,546,870 for the costs associated with the ADOT Joint Build. After the ADOT Joint Build has been completed, the County will either invoice or reimburse the State for the difference between estimated and actual costs of the ADOT Joint Build. The State will pay any additional invoices within 30 days of receipt of an invoice.
 - d. Review design plans, specifications, cost estimates and other such documents required for the construction of the ADOT Joint Build, including scoping/design plans and documents required by National Telecommunication and Information Administration (NTIA) to qualify projects for and to receive federal funds; provide design review comments to the County as appropriate within fourteen calendar days (14) of receipt from the County.
 - e. Issue to the County's construction contractor, in accordance with the established procedures of the State's Southcentral District Permit Office, a permit for construction of the ADOT Joint Build located within ADOT right of way, and separate permits for related pre-construction activities (such as pot-holing, utility work, survey, etc.). Issue to the County a blanket permit on a yearly basis for routine maintenance and emergency work for the Project located in ADOT right of way. Routine maintenance and emergency work will be defined within the permit. Permits will be issued when appropriate insurance documents are provided as required by ADOT Risk Management.
 - f. Be obligated to incur any expenditure should unforeseen conditions or circumstances increase ADOT Joint Build costs. Be responsible for the cost of any State requested changes to the scope of work of the ADOT Joint Build. Be responsible for any contractor claims for additional compensation caused by ADOT Joint Build delay attributable to the State. Payment for these costs will be made to the County within 30 days of receipt of an invoice from the County.
 - g. After completion and final acceptance of the ADOT Joint Build, agree to maintain and assume full responsibility of the ADOT Joint Build and all ADOT Joint Build components, including any future connections.
 - h. Apply for a permit from the County on a yearly basis for maintenance and emergency work within County owned rights of way. Routine maintenance and emergency work will be defined within the permit. Permits will be issued when appropriate insurance documents are provided to the County as required by Pima County Risk Management.
 - i. Acknowledge that upon completion of the PCRMMP, the County will own, operate and maintain all PCRMMP facilities within the State right of way.
3. The Local Agency will:
- a. Be the State's designated agent for the ADOT Joint Build of all construction, construction management and will provide certification of right of way.

- b. After this Agreement is executed, and prior to performing or authorizing any work, invoice the State \$2,546,870 for the costs associated with the ADOT Joint Build. After the ADOT Joint Build has been completed, the Local Agency will either invoice or reimburse the State for the difference between estimated and actual costs of the ADOT Joint Build.
1. Acknowledge and agree that the State may remit the total amount of \$2,546,870 using funds from two distinct sources: the American Rescue Plan Act (ARPA) and the Smart Highway Corridor Trust Fund. Consequently, the State may issue two separate payments that, when combined, satisfy the total invoiced amount.
 2. Maintain and provide documentation that shall meet the standard of recordkeeping required by the NTIA for federal broadband grants. This includes, but is not limited to, financial, programmatic, and technical records sufficient to demonstrate compliance with all applicable federal laws, regulations, and Treasury guidance.
 3. For each expenditure related to the ADOT Joint Build, submit to ADOT a comprehensive "Expenditure Substantiation Package." Notwithstanding any separate requirement for Proof of Obligation, this package shall include, but is not limited to:
 - i. **Itemized Invoices:** Original, itemized invoices from contractors, sub-contractors, and vendors. Invoices must clearly delineate labor, materials, equipment, and administrative costs specifically attributable to the Project scope.
 - ii. **Proof of Payment:** Evidence of the actual transfer of funds for each invoice, provided in the form of cancelled checks, ACH transfer confirmations, or certified bank statements showing the cleared transaction.
- c. Require the County's construction contractor to submit an encroachment permit application with all required documentation to the State's Southcentral District Permit Office for construction of the Project located in ADOT right of way, and separate encroachment permit applications for related pre-construction activities for all portions of the Project within ADOT right of way as needed. The County shall submit for a blanket permit on a yearly basis for routine maintenance and emergency work for the Project that is located in ADOT right of way. The County shall provide appropriate insurance with each encroachment permit once, then annually for the maintenance and emergency work to keep that permit valid. Notify the State's Southcentral District Permit Office of any emergency maintenance work affecting the State right of way. Submit an encroachment permit application for any new construction or installation within ADOT right of way.
- d. On behalf of the State, prepare and provide all documents pertaining to the design and post-design of the ADOT Joint Build, incorporating comments from the State, as appropriate. Review and approve documents required by APRA to qualify the ADOT Joint Build for and to expend federal funds, as applicable. Perform tasks that may consist of, but are not limited to, preparation of environmental documents; analysis and documentation of environmental categorical exclusion determinations; geologic materials testing and analysis; right of way related oversight and stewardship activities;

preparation of reports, design plans, maps, specifications and cost estimates and other related tasks essential to the design development of the ADOT Joint Build.

- e. Prepare design plans, specifications, cost estimates and other such documents required for the construction of the ADOT Joint Build, including scoping/design plans and documents required by ARPA to qualify projects for and to expend federal funds; provide design review comments to the State as appropriate.
- f. After the ADOT Joint Build costs for construction are finalized, the County will either invoice or reimburse the State for the difference between estimated and actual costs.
- g. Proceed to enter into a contract with the County's Design/Build firm for the construction of the ADOT Joint Build.
- h. Notify the State of completion and final acceptance of the ADOT Joint Build; coordinate with the State and turn over full responsibility of the ADOT Joint Build improvements.
- i. Not be obligated to maintain the ADOT Joint Build, should the State fail to budget or provide for proper and perpetual maintenance as set forth in this Agreement.
- j. Coordinate with the State for inspection and acceptance of any Project components that the State will maintain at Project completion/ADOT Joint Build.
- k. Include ADOT's infrastructure in shared locations where Union Pacific Railroad (UPRR) wireline agreements are required. The County shall notify ADOT if further approvals are required from UPRR for ADOT's use.
- l. Coordinate with ADOT for any maintenance activities in locations where infrastructure is installed in proximity. Maintenance activities shall include, but are not limited to, 811 locating and emergency repair in case of damage. Ensure that maintenance activities are not required to be performed by both parties simultaneously. Separate encroachment permit applications are required for any new construction or installation, related pre-construction activities, and routine maintenance and emergency work, as applicable.
- m. Own, operate, and maintain any future connections of conduit and fiber to the County's Project.

III. MISCELLANEOUS PROVISIONS

1. Effective Date. This Agreement shall become effective upon signing and dating of all Parties.
2. Amendments. Any change or modification to the Project will only occur with the mutual written consent of both Parties.
3. Duration. The terms, conditions and provisions of this Agreement shall remain in full force and effect until completion of the ADOT Joint Build and all related deposits and/or reimbursements are made. Any and all obligations of maintenance hereunder shall remain perpetual and shall survive any termination hereof and the assignment or assumption of this Agreement or the Project by another competent jurisdiction or entity.

4. Cancellation. This Agreement may be canceled at any time up to 30 days before the award of the Project contract, so long as the canceling Party provides at least 30 days' prior written notice to the other Party. It is understood and agreed that, in the event the Local Agency terminates this Agreement, the Local Agency shall be responsible for all costs incurred by the State up to the time of termination. It is further understood and agreed that in the event the Local Agency terminates this Agreement, the State shall in no way be obligated to complete or maintain the Project.
5. Indemnification. Each Party (as "Indemnitor") agrees to indemnify, defend, and hold harmless the other Party (as "Indemnitee") from and against any and all claims, losses, liability, costs, or expenses (including reasonable attorney's fees) (hereinafter collectively referred to as "Claims") arising out of bodily injury of any person (including death) or property damage, but only to the extent that such Claims which result in vicarious/derivative liability to the Indemnitee are caused by the act, omission, negligence, misconduct, or other fault of the Indemnitor, its officers, officials, agents, employees, or volunteers.
6. Extension of Indemnity to the State. The County shall ensure that the indemnification, defense, and hold-harmless obligations set forth in Article 8 of the County's contract with the Design-Builder (and any other project contractors) are extended to the State of Arizona, its departments, agencies, officers, officials, agents, and employees.
7. Third Party Beneficiary. For the purposes of this Project, the State of Arizona shall be specifically named as an intended third-party beneficiary of the contractor's insurance and indemnification obligations. The County may satisfy this requirement by executing a simple project-specific addendum or change order with its contractors that incorporates the State into the definition of "Indemnitees" as used in the County's standard contract terms.
8. Substantial Equivalency. ADOT acknowledges that the protections provided in the County's Article 8, when extended to the State as a third-party beneficiary, satisfy the intent and functional requirements of ADOT Standard Specifications Section 107.13.
9. Federal Funding Accountability and Transparency Act. The Parties warrant compliance with the Federal Funding Accountability and Transparency Act of 2006 and associated 2008 Amendments (the "Act"). Additionally, in a timely manner, the Local Agency will provide information that is requested by the State to enable the State to comply with the requirements of the Act, as may be applicable.
10. Governing Law. This Agreement shall be governed by and construed in accordance with Arizona laws.
11. Conflicts of Interest. This Agreement may be canceled in accordance with A.R.S. § 38-511.
12. Inspection and Audit. The Local Agency shall retain all books, accounts, reports, files and other records relating to this Agreement which shall be subject at all reasonable times to inspection and audit by the State for five years after completion of the Project. Such records shall be produced by the Local Agency, electronically or at the State office as set forth in this Agreement, at the request of ADOT.

13. Title VI. The Local Agency acknowledges and will comply with Title VI of the Civil Rights Act Of 1964.
14. Non-Discrimination. This Agreement is subject to 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. The Parties to this Agreement shall comply with Executive Order Number 2009-09, as amended by Executive Order 2023-01, issued by the Governor of the State of Arizona and incorporated in this Agreement by reference regarding "Non-Discrimination."
15. Non-Availability of Funds. Every obligation of the State under this Agreement is conditioned upon the availability of funds appropriated or allocated for the fulfillment of such obligations. If funds are not allocated and available for the continuance of this Agreement, this Agreement may be terminated by the State at the end of the period for which the funds are available. No liability shall accrue to the State in the event this provision is exercised, and the State shall not be obligated or liable for any future payments as a result of termination under this paragraph.
16. Arbitration. In the event of any controversy, which may arise out of this Agreement, the Parties agree to abide by arbitration as is set forth for public works contracts if required by A.R.S. § 12-1518.
17. E-Verify. The Parties shall comply with the applicable requirements of A.R.S. § 41-4401.
18. Contractor Certifications. The Parties shall certify that all contractors comply with the applicable requirements of A.R.S. §§ 35-393.01 and 35-394.
19. Other Applicable Laws. The Parties shall comply with all applicable laws, rules, regulations and ordinances, as may be amended.
20. Notices. All notices or demands upon any Party to this Agreement shall be in writing and shall be delivered electronically, in person, or sent by mail, addressed as follows:

For Agreement Administration:

Arizona Department of Transportation
Joint Project Agreement Group
205 S. 17th Avenue, Mail Drop 637E
Phoenix, AZ 85007
JPABranch@azdot.gov

Pima County
Attn: Michelle Simon
201 N. Stone Avenue, 5th Floor
Tucson, AZ 85701
520.724.7694
michelle.simon@pima.gov

For Project Administration:

Arizona Department of Transportation
Broadband Office
Attn: Joe Van Galder
206 S. 17th Avenue, Mail Drop 107
Phoenix, AZ 85007
jvangalder@azdot.gov

Pima County
Attn: Michelle Simon
201 N. Stone Avenue, 5th Floor
Tucson, AZ 85701
520.724.7694
michelle.simon@pima.gov

For Financial Administration:

Arizona Department of Transportation
Broadband Office
Attn: Joe Van Galder
206 S. 17th Avenue, Mail Drop 107
Phoenix, AZ 85007
jvangalder@azdot.gov

Pima County
Attn: Michelle Simon
201 N. Stone Avenue, 5th Floor
Tucson, AZ 85701
520.724.7694
michelle.simon@pima.gov

21. Revisions to Contacts. Any revisions to the names and addresses above may be updated administratively by either Party with written notice to the other Party.
 22. Legal Counsel Approval. In accordance with A.R.S. § 11-952 (D), the written determination of each Party's legal counsel providing that the Parties are authorized under the laws of this State to enter into this Agreement and that the Agreement is in proper form as set forth below.
 23. Electronic Signatures. This Agreement may be signed in an electronic format including DocuSign.
-

Remainder of this page is intentionally left blank.

(Signatures begin on the next page)

IN WITNESS WHEREOF, the Parties have executed this Agreement to be effective upon the full completion of signing and dating by all Parties to this Agreement.

PIMA COUNTY

By _____ Date _____
JENNIFER ALLEN
Chair, Board of Supervisors

ATTEST:

By _____ Date _____
MELISSA MANRIQUEZ
Clerk of the Board

I have reviewed the above referenced Intergovernmental Agreement between the State of Arizona, acting by and through its Department of Transportation, and Pima County, an agreement among public agencies which, has been reviewed pursuant to A.R.S. §§ 11-951 through 11-954 and A.R.S. § 11-251 and declare this Agreement to be in proper form and within the powers and authority granted to the County under the laws of the State of Arizona.

No opinion is expressed as to the authority of the State to enter into this Agreement.
Approved as to Form:

By *Bobby Yu* Date 3/23/2026
BOBBY YU, Deputy County Attorney

ARIZONA DEPARTMENT OF TRANSPORTATION

By _____ Date _____
MATT MOUL, PE
Project Delivery and Operations
Division Director

This Agreement between public agencies, the State of Arizona and Pima County, has been reviewed pursuant to A.R.S. §§ 11-951 through 11-954 and A.R.S. §§ 28-401 and 28-7383, by the undersigned Assistant Attorney General who has determined that it is in the proper form and is within the powers and authority granted to the State of Arizona. No opinion is expressed as to the authority of the remaining Parties, other than the State or its agencies, to enter into said Agreement.

By _____ Date _____
Assistant Attorney General

EXHIBIT A

Design and Specification Details
Route Map



Figure 1 ADOT Pima Joint Built Route

**ADOT Joint Build route is identified in white.

EXHIBIT B
Cost Estimate

M7298 01X

The ADOT Joint Build costs are estimated as follows:

ADOT Joint Build Cost:

ADOT's costs @ 100% \$ 2,546,870

Estimated TOTAL Project Cost **\$ 2,546,870**

Total Estimated ADOT Funds **\$ 2,546,870**