

Amended and Restated
Intergovernmental Agreement
(Relating to Rio Nuevo Multipurpose Facilities District)

Rio Nuevo MFD IGA No. _ _ _ _
City of Tucson IGA No. _____
City of South Tucson IGA No. 11.04

This Amended and Restated Intergovernmental Agreement (this "Agreement"), dated as of _____, 2010 ("Effective Date"), by and among the City of Tucson, Arizona, a municipality duly incorporated and validly existing pursuant to the laws of the State of Arizona ("City of Tucson"), the City of South Tucson, Arizona, a municipality duly organized and validly existing pursuant to the laws of the State of Arizona ("South Tucson") and the Rio Nuevo Multipurpose Facilities District, a tax-levying public improvement district and a political taxing subdivision of the State (the "District"). The City of Tucson and South Tucson are collectively referred to herein as the "Municipalities." The District and the Municipalities are collectively referred to herein as the "Parties."

Recitals

A. The District has been organized pursuant to A.R.S. § 48-4201 et seq. (the "MFD Laws") for the purpose of developing a multipurpose facility, as defined in A.R.S. §48-4201.4 (the "Project"), to be located in the District and generally in the areas identified and depicted as the multipurpose facility site on the map attached hereto as Exhibit "A" and by this reference incorporated herein (the "Site").

B. The Municipalities organized the District pursuant to Intergovernmental Agreements through the adoption of Resolution No. 18347, adopted by the Mayor and Council of the City of Tucson on July 19, 1999 and Resolution No. 9917, adopted by the Mayor and Council of South Tucson on July 19, 1999. Except as otherwise provided herein, the prior Intergovernmental Agreements between the Parties are hereby amended and restated in their entirety.

C. In 2009, the Arizona Legislature adopted significant amendments to the MFD Laws with the adoption of Senate Bill 1003 (approved by the Governor on November 23, 2009), which changed the composition of the District Board and its officers and modified a variety of statutory provisions relating to District ("2009 Amendments").

D. Due to the significant changes included in the 2009 Amendments to the MFD Laws, the Parties desire to amend and restate the Intergovernmental Agreement that governs the relationship between the Parties, and the Parties' desire to permit the District unilateral ability to amend their Administrative Rules that govern the District pursuant and subject to the terms of this Agreement.

E. Pursuant to A.R.S. § 48-4203(A)(3) and A.R.S. § 11-952 (Article 3, Chapter 7, Title 11 of the Arizona Revised Statutes), the District and the Municipalities may enter into this

Agreement as an "intergovernmental agreement" with one another for joint or cooperative action and to jointly exercise any powers common to them.

F. Pursuant to A.R.S. § 48-4202(G), the District is a tax levying public improvement district and a political taxing subdivision of the State of Arizona and has all of the powers, privileges and immunities granted generally to municipal corporations under Article 1, Chapter 26, Title 48, subject to limitations imposed by intergovernmental agreement and the ordinance or resolution authorizing the formation of the district.

G. Pursuant to A.R.S. § 42-5031(D), in order for the District to qualify for payments of multipurpose facilities revenues under that section, the City of Tucson must agree to make a financial commitment by intergovernmental agreement between the municipality and the District to make direct payments to the District from any lawful source, including municipal transaction privilege taxes or to expend monies for land, infrastructure or other improvements directly related to the multipurpose facility or the multipurpose facility site, by the end of the date referred to in A.R.S. § 42-5031 (A) in an aggregate amount equal to the amount received by the District pursuant to A.R.S. § 42-5031.

H. The District and the Municipalities hereby desire to and enter into this Agreement in satisfaction of the MFD Laws and to memorialize certain agreements regarding the District as set forth herein.

Now, Therefore, in the joint and mutual exercise of their powers, and in consideration of the above promises and of the mutual covenants herein contained and for other valuable consideration and subject to the parameters set forth herein, the Parties agree as follows:

ARTICLE 1

1.1. Agreement Amends, Restates and Supersedes Prior Intergovernmental Agreements. Subject to paragraph 1.1.1 below, this Agreement amends, restates and supersedes any and all prior intergovernmental agreements with respect to the formation of the District executed between the parties as described in this paragraph, including, but not limited to, Rio Nuevo MFD IGA No. 2001-001, dated February 1, 2000 and recorded at Docket 11262, Page 1644; Rio Nuevo MFD IGA No. 2000-002, dated September 5, 2000 and recorded at Docket 11404, Page 543.

1.1.1. Notwithstanding Section 1.1, the First Amendment to Intergovernmental Agreement dated as of December 1, 2008 and recorded at Docket 13463, Page 352 (the "First Amendment") modifies Section 6.1 of the Intergovernmental Agreement dated as of February 1, 2000 which First Amendment is hereby incorporated into by reference at the end of Article 3 of this Agreement and is attached as Exhibit B. It is the intention of the Parties that the First Amendment remains in full force and effect.

1.2. Recitals Incorporated. The Recitals are an integral part of this Agreement and are hereby incorporated by this reference.

1.3. Administrative Rules. The Parties agree that the District has authority, in its sole and absolute discretion, to adopt, exercise and amend its own Administrative Rules without any requirement that the Municipalities approve such amendments; except that any change to Article 5 of the Administrative Rules relating to voting that would provide for weighted voting shall require prior written approval by the Municipalities.

1.4. District Organization and Termination. The District is duly formed and organized pursuant to A.R.S. § 48-4202(B). The District shall terminate upon any of the following: (i) the adoption of a resolution approving such termination by a vote of a majority of the Board members then in office (provided, however, that there is no indebtedness of the District outstanding or reasonably anticipated to exist at or following the termination date specified in such resolution); (ii) January 1, 2050, or such later date as may be approved from time to time by a vote of a majority of the Board members then seated in office; or (iii) termination of the District by action of the Arizona Legislature, provided, however, that there is no indebtedness of the District outstanding or reasonably anticipated to exist at or following the termination date.

1.5. Distribution of District Assets Upon Termination. Subject to the requirements of any outstanding District indebtedness or contractual obligations existing or reasonably anticipated to exist at or following the otherwise applicable termination date, the City of Tucson, in its sole and absolute discretion, upon any legally valid termination of the District, may require the conveyance to the City of Tucson of any or all District assets (or portions thereof), which transfer shall be for nominal consideration and otherwise subject to such terms and conditions as the City of Tucson may reasonably require and subject to the requirements of any lawful and properly approved outstanding District indebtedness or contractual obligations. If conveyance of any District assets to the City of Tucson is required pursuant to this paragraph, the City of Tucson shall accept conveyance of all District assets at the time of the termination of the District.

ARTICLE 2 DISTRICT POWERS

2.1. District Powers. Except as otherwise provided in this Agreement and/or by applicable law, and subject to the Reserved Rights as hereafter defined, the District shall have all of the powers of a district organized pursuant to A.R.S. § 48-4202(B), including but not limited to those powers expressly set forth in the MFD Laws, as amended from time to time.

2.2. Limits on District Powers. Notwithstanding the formation of District and the rights, powers and authority that may be granted to it or exist, the District agrees with the Municipalities that the District's rights, powers and authority shall be subject to the reasonable limitations set forth in this Agreement as authorized by and subject to A.R.S. § 48-4202(G), § 11-951, et seq. and other applicable laws and statutes.

2.3. Reserved Rights. The Municipalities reserve the following powers, together with all other rights and powers provided in this Agreement or by law (the "Reserved Rights"):

2.3.1. The Municipalities shall have and there is hereby reserved to them all of their land use powers, including zoning powers, and all other police power

prerogatives with respect to the Project and any other facilities or sites within and subject to the jurisdiction of the District that are located within the corporate boundaries of the Municipalities.

2.3.2 Because the City of Tucson commits through paragraph 3.1 of this Agreement to make the expenditures or payments required by A.R.S. § 42-5031 (D), the District shall not own, undertake, or otherwise take any formal action with regard to any project, facilities or site within the boundaries of the City of Tucson, where such action would implicate the City of Tucson's commitment under paragraph 3.1, except with the consent of the City of Tucson or pursuant to and within the bounds of a development agreement, redevelopment agreement or similar agreement to which the City is a party and which is memorialized in writing; except that no City of Tucson consent is or shall be required for an action or actions with regard to any project, facility or site that involves an aggregate expenditure or commitment of Fifty Thousand Dollars or less. The provisions of this subparagraph apply only to any formal actions by the District with regard to any project, facility or site occurring on and after the Effective Date of this Agreement. In the event the MFD Laws are modified to eliminate the City's match requirement as currently provided under A.R.S. § 42-5031(D), then City consent as required under this subparagraph would no longer be required.

2.4. Relinquishment of Reserved Rights. The governing body of each of the Municipalities shall have the unilateral right, at its option and in its sole and absolute discretion, to relinquish all or part of any Reserved Rights at any time or from time to time, in whole or in part. Any such relinquishment may be temporary or permanent, as determined by the governing body of that Municipality. The relinquishment of a right or power with respect to any particular circumstances shall not constitute a relinquishment of that right or power with respect to different circumstances or upon the reoccurrence of the same or similar circumstances.

ARTICLE 3 CITY OF TUCSON COMMITMENTS.

3.1. City of Tucson Expenditures or Payments. As required by A.R.S. § 42-5031 (D), the City of Tucson agrees that as part of this Agreement the City will make direct payments to the District from any lawful source, including municipal transaction privilege taxes, or to expend monies for land, infrastructure or other improvements directly related to the multipurpose facility or the multipurpose facility site, on or before July 1, 2025 or the date all authorized debt service payments are completed as provided by A.R.S. § 48-4203(B)(3), whichever date is earlier, in an aggregate amount equal to the amount received by the District pursuant to A.R.S. § 42-5031. The City of Tucson agrees to provide to the District from time to time upon request a report indicating the status of its performance with respect to this commitment but no less than semi-annually.

ARTICLE 4 CITY OF TUCSON SERVICES TO THE DISTRICT

4.1. City of Tucson Staff Support to the District. To the extent authorized by the MFD Laws, as amended, and in compliance with A.R.S. § 48-4204(C), the City of Tucson will use its best efforts to make available certain services as may be reasonably required or requested

to carry out the business of the District. Except as expressly provided otherwise in this Agreement, such services shall be provided only by separate agreed upon and executed agreement between the District and the City of Tucson, as authorized pursuant to A.R.S. § 48-4203(A)(3) and in conformance with A.R.S. § 48-4204(C), under which the District Board may enter into contracts, including intergovernmental agreements, as necessary to carry out the purposes and requirements of the MFD Laws. Such separate contracts or intergovernmental agreements shall set forth the mutually agreeable terms and conditions under which such services are to be provided.

4.2. Administration and Operations. With respect to administrative and operational support for the District, the City of Tucson shall designate a person to act as the City's liaison with the District. Such person shall be designated by the City Manager from within the City Manager's Office, and shall be a deputy or assistant to the City Manager with direct reporting to the City Manager. The City's liaison shall provide or cause to be provided, upon District request, the legally required posting of meeting notices and minutes, as well as to coordinate efficiently District issues and projects with the City of Tucson executive staff (City Manager, City Attorney, Director of Finance, the Mayor and others as needed). The City of Tucson shall advise the District in writing of the name, address and telephone number of the assigned administrative and operational liaison who shall be the point of contact for District requests and inquiries to the City of Tucson.

4.3. Tax Increment Revenues. Upon request of the District or as required pursuant to the 2008 IGA amendment as incorporated by reference in Section 1.1.1 above, or as may be required by the Arizona Department of Revenue (ADOR), the City of Tucson, through its Department of Finance or such other department as otherwise may be reasonably required, shall work with ADOR and the District to facilitate ADOR's collection and remittance of the tax increment funds on behalf of the District, to include: monitoring of the collection of the tax by businesses located within the multipurpose facilities site; providing outreach and education within the multipurpose facilities site to promote and ensure proper collection of the tax; and otherwise assisting ADOR and the District with proper collection and accounting of the tax increment funds; all without charge or cost to the District.

4.4. Cooperative Purchasing. As provided in the Chapter 28, Article X of the Tucson Code, the City of Tucson and the District may elect thereunder to: engage in cooperative purchasing for the procurement of any materials, services, or construction; cooperatively use materials or services; commonly use or share warehousing facilities, capital equipment and other facilities; provide personnel, except that the requesting procurement unit may pay the public procurement unit providing the personnel the direct and indirect cost of providing the personnel, in accordance with the agreement and A.R.S. § 48-4204(C); on request, make available to other eligible public procurement units informational, technical or other services that may assist in improving the efficiency or economy of procurement. The public procurement unit furnishing the informational or technical services has the right to request reimbursement for the reasonable and necessary costs of providing such services which it shall give notice of such reimbursement rate at the inception of such request to be mutually agreed upon between the parties subject to A.R.S. § 48-4204(C).

ARTICLE 5 PROJECT DEVELOPMENT AND PROCUREMENT

5.1. Joint Development.

The District and the City of Tucson shall endeavor and anticipate to jointly develop the primary and secondary components as defined in AR.S. § 48-4201 and that are located in the District and that the District Board determines are necessary or beneficial to the Primary Component. Where development of any component involves the commitment or expenditure of funds or assets of both the District and the City of Tucson, including a commitment of City match pursuant AR.S. § 42-5031 (D), the approval of both governing bodies (the District Board and the City of Tucson's Mayor and Council) is required prior to any such expenditure and/or commitment as set forth in Section 3.1 above and subject to Section 2.3.2 above. Any such project shall be presented to the District Board and the City of Tucson's Mayor and Council as early as possible to allow each party to discuss the project in its conceptual phase and to participate in the pre-development/design/development process of such project.

5.2. Procurement and Contracting. District procurement of goods and services shall be governed by the MFD Laws, including AR.S. § 48-4204(E). District and City of Tucson may engage in cooperative purchasing as provided in paragraph 4.5 above at the election of the District and City. If the District procures goods or services through the City of Tucson's Procurement Department, such procurement shall be governed by the Charter and Code of the City of Tucson, together with the regulations and policies adopted pursuant thereto; but in any event any contract procured for the District shall be executed or affirmed by the District and any purchase orders associated with a District contract shall be issued by the District.

5.3. Awarding of Contracts and Expenditure of District Funds. The District Board's approval is required before any development, construction, consultant or any other contract or agreement is entered into where that contract or agreement is funded in whole or in part by the District.

5.4. Local Contractors and Subcontractors. In the development of all primary and secondary components, the District and the City of Tucson shall, to the extent allowed or authorized by law, attempt to maximize the contracting opportunities for local contractors and subcontractors.

ARTICLE 6 Insurance

6.1. Insurance. The District shall procure, pay the premiums for, and maintain in full force and effect, insurance policies for Section 6.1.1 and may elect to procure, pay the premiums for, and maintain in full force and effect, insurance policies for Section 6.1.2 through 6.1.5 or others the District may elect to obtain from time to time, providing the following coverages in the following amounts:

6.1.1. Directors and Officers liability insurance with minimum liability limits of \$5,000,000 annual aggregate covering the activities of the directors, officers and duly authorized employees and functions performed by or on behalf of the District.

6.1.2. Commercial General Liability insurance on an occurrence basis policy form covering liability for premises, operations, independent contractors, contractual liability, product completed operations, personal injury and advertising injury.

6.1.3. Vehicle Liability insurance covering owned auto, if any, and non owned and hired vehicles with minimum liability limits per occurrence

6.1.4. Statutory Workers Compensation coverage, if applicable, and Employers Liability per State law.

6.1.5. Property insurance covering any buildings and personal property to owner (not tenant) for their full replacement value while under construction or completed including without limitation reasonable soft costs, delays, and loss of income.

6.2. Policy Form. If obtained, the Commercial General Liability insurance and Vehicle Liability insurance shall name the City of Tucson and the City's duly authorized representatives, as additional insureds as applicable. All policies shall be underwritten by an insurance company having an A.M. Best rating of a least A-. The District shall deliver to the City of Tucson from time to time copies of current insurance policies or a certificate of insurance evidencing satisfaction of the requirements hereof as may be reasonably requested.

ARTICLE 7 Miscellaneous

7.1. Amendments. This Agreement may be amended only by a mutual agreement in writing executed by each of the parties hereto.

7.2. Notices. Any notices and other communications provided for or inferred herein shall be validly given, made or served, in writing and delivered personally or sent by registered or certified mail, postage prepaid, to:

Tucson: City of Tucson
P.O. Box 27210
Tucson, AZ 85726-7210
Attn: City Manager

With a copy to: City of Tucson
P.O. Box 27210
Tucson, AZ 85726-7210
Attn: City Attorney

District: Rio Nuevo Multipurpose Facilities District
Jodi Bain, Chairperson
3002 N. Campbell Ave., Suite #200
Tucson, AZ 85719
Attn: Chairperson (or Executive Director)

With a copy to: Keri Lazarus Silvyn
 General Counsel
 Lewis and Roca LLP
 One South Church Avenue, Suite 700
 Tucson, Arizona 85701
 Fax: (520) 879-4721

or to such other addresses as any party may designate in writing. Notice given by mail, as set out above, shall be deemed delivered three (3) days after the same is postmarked.

7.3. Severability. If anyone or more sections, clauses, sentences and parts of this Agreement shall be adjudged unconstitutional or invalid by a court of competent jurisdiction, such judgment shall not affect, impair or invalidate the remaining provisions hereof, but shall be confined to the specific sections, clauses, sentences and parts so determined.

7.4. Benefit and Binding Effect. The provisions of this Agreement shall inure to the benefit of and shall be binding upon the respective designees, trustees, heirs, personal representatives, successors and assigns of the parties.

7.5. Execution of Additional Documents. Each party agrees to execute such further or additional documents as may be reasonably necessary or appropriate in good faith to fully implement and carry out the intent and purpose of this Agreement.

7.6. Governing Law. This Agreement shall be governed by and construed according to Arizona law.

7.7. Headings. The headings of this Agreement are for purposes of reference only and shall not limit or define the meaning of any term or provision of this Agreement.

7.8. Conflict of Interest. Notice is hereby given that this Agreement is subject to cancellation in accordance with the provisions of A.R.S. § 38-511, as amended.

7.9. No Third-Party Beneficiary. No term or provision of this Agreement is intended to be, or shall be, for the benefit of any person, firm, organization or corporation not a party hereto, and no such other person, firm, organization or corporation shall have any right of cause of action hereunder.

7.10. Compliance with Laws. The parties shall comply with all applicable federal, state and local laws, rules, regulations, standards and executive orders, without limitation to those designated within this Agreement.

7.10.1. Anti-Discrimination. The provisions of A.R.S. § 41-1463 and Executive Order Number 99-4 issued by the Governor of the State of Arizona are incorporated by this reference as a part of this Agreement.

7.10.2. Americans with Disabilities Act. 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.

7.10.3. Workers' Compensation. An employee of either party shall be deemed to be an "employee" of the City of Tucson, while performing pursuant to this Agreement, only for purposes of AR.S. § 23-1022 and the Arizona Workers' Compensation laws. The City shall be solely liable for any workers' compensation benefits, which may accrue and shall comply with the employee notice provisions of A.R.S. §§ 23-906(D) and 23-1022(E).

7.11. Waiver. Waiver by either party of any breach of any term, covenant or condition herein contained shall not be deemed a waiver of any other term, covenant or condition, or any subsequent breach of the same or any other term, covenant, or condition herein contained.

7.12. Force Majeure. A party shall not be in default under this Agreement if it does not fulfill any of its obligations under this Agreement because it is prevented or delayed in doing so by reason of uncontrollable forces. The term "uncontrollable forces" shall mean, for the purpose of this Agreement, any cause beyond the control of the party affected, including but not limited to failure of facilities, breakage or accident to machinery or transmission facilities, weather conditions, flood, earthquake, lightning, fire, epidemic, war, riot, civil disturbance, sabotage, strike, lockout, labor dispute, boycott, material or energy shortage, material casualty loss, acts of God, order of any government officer or court (excluding orders promulgated by the parties themselves), and declared local, state or national emergency, which, by exercise of due diligence and foresight, such party could not reasonably have been expected to avoid. Either party rendered unable to fulfill any obligations by reason of uncontrollable forces shall exercise due diligence to remove such inability with all reasonable dispatch.

7.13. Remedies. Either party may pursue any remedies provided by law for the breach of this Agreement. No right or remedy is intended to be exclusive of any other right or remedy and each shall be cumulative and in addition to any other right or remedy existing at law or in equity or by virtue of this Agreement.

7.14. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. The signature pages from one or more counterpart may be removed from such counterpart and attached to a single instrument.

7.15. Immigration Compliance. As mandated by Arizona Revised Statutes, AR.S. §41-440I, the parties are prohibited from awarding a contract to any contractor or subcontractor that fails to comply with AR.S. §23-214 (A). The parties must also ensure that every contractor or subcontractor complies with federal immigration laws and regulations that relate to their employees and AR.S. §23-214 (A). Moreover, each party fully understands that:

7.15.1. It warrants that both it and any subcontractors it may use comply with all federal immigration laws and regulations that relate to their employees and their compliance with A.R.S. §23-214(A);

7.15.2. A breach of the warranty described in subsection A, shall be deemed a material breach of the Agreement that is subject to penalties up to and including termination of the Agreement; and

7.15.3. Each party of its designee retains the legal right to inspect the papers of any contractor or subcontractor employee who works on the Agreement to ensure that the contractor or subcontractor is complying with the warranty under subsection A.

7.16. Termination. Except as otherwise provided in this Agreement, either party may terminate this Agreement for material breach of the Agreement by the other party. Prior to any termination under this paragraph, the party allegedly in default shall be given written notice by the other party of the nature of the alleged default. The party said to be in default shall have forty-five (45) days to cure the default. If the default is not cured within that time, the other party may terminate this Agreement. Any such termination shall not relieve either party from liabilities or costs already incurred under this Agreement prior to the effective date of termination.

7.17. Non-assignment. Neither party to this Agreement shall assign its rights under this Agreement to any other party without written permission from the other party to this Agreement.

7.18. Effective Date; Term. This Agreement shall become effective ("Effective Date") upon approval by the governing bodies of the City of Tucson and District and shall continue in effect until termination of the District or this Agreement as provided herein.

7.19. District Records. Upon request by the City of Tucson, the District shall provide to the City of Tucson the District's financial records and audit reports as the City of Tucson may reasonably request from time to time.

7.20. Regular Communication, Collaboration and Cooperation. In order to promote communication, collaboration and cooperation between the District and the City of Tucson, the District Board Chair and the Mayor of the City of Tucson shall meet on a regular basis, and at least quarterly, to have an opportunity to discuss matters of mutual concern. The District Board Chair and the Mayor of the City of Tucson may also, consistent with their authority as chair(s) of their respective governing bodies, appoint subcommittees from time to time as may be needed to review and consider matters of shared interest.

In Witness Whereof, the City of Tucson and the District have entered into this Agreement as of the day and year first written above.

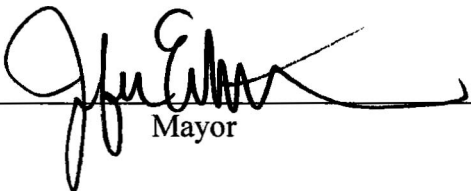
CITY OF TUCSON, ARIZONA,
an Arizona municipal corporation

By _____
Mayor

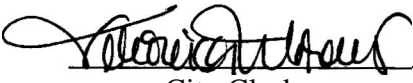
Attest:

City Clerk

CITY OF SOUTH TUCSON, ARIZONA,
an Arizona municipal corporation

By _____
Mayor

Attest:

_____
City Clerk

**RIO NUEVO MULTIPURPOSE FACILITIES
DISTRICT,** a district organized pursuant to the
provisions of A.R.S. §48-4202

By _____
Chairperson

Attest:

Secretary

Approved as to Form:

Special Counsel



CITY OF SOUTH TUCSON RESOLUTION NO: 11-04

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF SOUTH TUCSON, ARIZONA, APPROVING AND ADOPTING THE AMENDED AND RESTATED INTERGOVERNMENTAL AGREEMENT ["AGREEMENT"] BETWEEN THE CITY OF SOUTH TUCSON, ACTING BY AND THROUGH ITS MAYOR AND COUNCIL [THE "CITY"] AND THE RIO NUEVO MULTI-PURPOSE FACILITIES DISTRICT r'DISTRICT"] IN ACCORDANCE WITH THE 2009 AMENDMENTS TO MFP LAWS AND AUTHORIZING THE MAYOR AND/OR THE CITY MANAGER TO EXECUTE THE AGREEMENT AND DECLARING AN EMERGENCY TO EXIST.

WHEREAS, the CITY and the DISTRICT are empowered pursuant to A.R.S. §§ 11-952 and 48-4203(A)(3) to enter into Intergovernmental Agreements with other agencies; and

WHEREAS, the DISRTRICT is a tax levying public improvement district and a political taxing sub-division of the State of Arizona as authorized by A.R.S. § 48-4202(G); and

WHEREAS, in 2009, the Arizona Legislature adopted significant amendments to the MFP Laws with the adoption of Senate Bill 1003 (approved by the Governor on November 23, 2009), which changed the composition of the District Board and its officers and modified a variety of statutory provisions relating to the District ("2009 Amendments"); and

WHEREAS, due to the significant changes therein, the Parties desire to amend and restate the Intergovernmental Agreement that governs the relationship between the parties, and the Parties desire to permit the DISTRICT unilateral ability to amend their Administrative Rules that govern the DISTRICT pursuant and subject to the terms of this Agreement; and

WHEREAS, the Parties desire to and enter into this agreement in satisfaction of the MFP Laws and to have this item presented at the next Council Meeting on January 10, 2011; and

WHEREAS, the Mayor and Council of the City of South Tucson have determined that it is in the best interest of the City and its citizens to enter into this Agreement with the DISTRICT as presented; and

WHEREAS, it is necessary for the preservation of the peace, health, and safety of the City of South Tucson, Arizona, that an emergency be declared to exist to assure timely acceptance of the Agreement, and that this Resolution be effective immediately upon its passage and adoption.

BE IT RESOLVED by the Mayor and Council of the City of South Tucson, Arizona, as follows:

- Section 1: The Mayor and Council acting on behalf of the City formally approve and adopt the Amended and Restated Agreement with the DISTRICT.
- Section 2: The Mayor and/or the City Manager are hereby authorized to execute said Agreement.
- Section 3: City staff is authorized and directed to perform the duties enumerated under the Agreement.

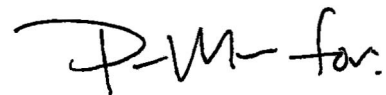
BE IT FURTHER RESOLVED by the Mayor and Council of the City of South Tucson, Arizona, that an emergency is hereby declared, thus the immediate effectiveness of this Resolution is necessary to preserve the peace, health, and safety of the City of South Tucson, Arizona, and this Resolution shall therefore be effective upon its passage and adoption.

PASSED AND ADOPTED by the Mayor and Council of the City of South Tucson, Arizona, this 10th day of January, 2011.

APPROVED/EXECUTED


MAYOR, JENNIFER ECKSTROM

APPROVED AS TO FORM:


City Attorney, Hector M. Figueroa

ATTEST:


City Clerk, Veronica B. Moreno