ARIZONA DEPARTMENT OF EMERGENCY AND MILITARY AFFAIRS
5636 E. McDowell Road
Phoenix, Arizona 85008

NOTICE OF PUBLIC AUCTION

OF

STATE OF ARIZONA PROPERTY ("NPA")

DATED February 10, 2015 (FILE NO. M14-0050)

ALL INFORMATION SET FORTH HEREIN IS SUBJECT TO INDEPENDENT VERIFICATION BY BIDDERS AND IS WITHOUT REPRESENTATION OR WARRANTY AS MORE FULLY SET FORTH BELOW

Pursuant to A.R.S. Title 37, notice is hereby given that the State of Arizona through the Department of Emergency and Military Affairs (the State of Arizona and the Department of Emergency and Military Affairs, and it officers and employees shall collectively be referred to as "AZDEMA"), will sell at Public Auction to the highest and best bidder at 20395 East Rittenhouse on April 2, 2015, at 10:00 a.m., in Queen Creek, Arizona, land held by the agency situated in Maricopa County, Arizona, to wit:

PART OF SECTION 16, TOWNSHIP 2 SOUTH, RANGE 7 EAST OF THE GILA AND SALT RIVER BASE AND MERIDIAN

Part of the Northwest ¼ of Section 16, Township 2 South, Range 7 East of the Gila and Salt River Base and Meridian, containing approximately 5.0 acres, more or less.

I. SUMMARY OF SALE INFORMATION

A. **Property Location**: 20395 East Rittenhouse Road, Queen Creek, Arizona 85242

B. **Tax Parcel No.**: 304-66-010K

C. **Legal Description**: For a complete legal description of the land ("Property"), prospective bidders may have access to the Project Challenge file as well as all pertinent files of AZDEMA.

D. **Appraisal**: The Property with improvements has been appraised at $3,900,000.00.

E. **Minimum Bid**: A minimum bid amount has been established at $3,900,000.00, which is due and payable by the successful bidder at the time of the auction, pursuant to Section II(G)(1) below.

F. **Auction information**: Anyone having questions or requiring assistance regarding the auction of the property may contact: Karen Ingram – Chief Procurement Officer, AZDEMA, (602) 267-2853, karen.ingram@fmo.azdema.gov.

G. **Initial Showing and Inspection Opportunities**: The property is available for an initial showing on Wednesday, February 25, 2015 at 10:00 a.m., at 20395 East Rittenhouse Road, Queen Creek, Arizona 85254. The property is available for subsequent inspections by appointment only. Anyone wishing to schedule a subsequent inspection may contact Karen Ingram to make arrangements for access, subject to the terms and conditions of a Temporary Right of Entry agreement to be executed by anyone wishing to conduct a subsequent inspection, as more fully set forth below.

H. **"AS IS, WHERE IS"**: The property is being sold subject to existing reservations, easements, rights of way and encroachments, if any, whether of record or not, and without representation or warranty that the legal and/or physical access exists over lands to the property. Bidders are reminded that the property is offered for sale and will be sold "**AS IS**" and "**WHERE IS**" without representation, warranty, or guaranty regarding quality, title, character, condition, size or kind, square footage, or condition or fitness for any particular purpose, and

no claim for any allowance or deduction upon such grounds will be considered after the bid opening or conclusion of the auction. An Affidavit acknowledging the bidder's due diligence, described in Instructions To Bidders, Section II(F)(4) below, will be required from all bidders intending to bid on the Property at the time of the auction.

II. TERMS AND CONDITIONS OF SALE

A. Description of Property: The Property is the former boarding school campus for the Arizona Project Challenge and was vacated in 2013. In addition to permanent structures located on the Property, three modular buildings are affixed to the site, and are included, "AS IS" and without representation or warranty, with the transfer of the Property. The legal description of the Property is reflected in the Deed recorded in the Official Records of Maricopa County, Arizona, on August 16, 2000, as Instrument No. 2000-0629492. The description of the Property set forth in this NPA and any other information provided herein with respect to the Property is based on information available to the AZDEMA, but any error or admission, including, but not limited to the exclusion of any information available, shall not constitute grounds or reason for nonperformance of the contract of sale, or any claim by the purchaser against the AZDEMA, including without limitation, any claim for damages, rescission, or allowance, refund, or deduction from the purchase price.

B. Location and Settings: The Property is situated within the incorporated Town of Queen Creek, which is in the southeast valley, approximately 40 miles southeast of the City of Phoenix Central Business District. Portions of the southeast valley of the larger metropolitan area have been used as irrigated farm land, with some residential development. The Property lies along the southwesterly side of Rittenhouse Road, just west of the intersection of Ellsworth Road, Queen Creek, Arizona.

C. Easements, Reservations and Encroachments: The Property will be sold subject to any and all covenants, reservations, easements, restrictions, encroachments, and rights, recorded and unrecorded, in favor of third parties, for highways, streets, power lines, telephone lines and equipment, pipelines, drainage, sewer and water mains and lines, public utilities, public roads and other rights-of-way.

D. **Utilities**: All utilities are available and in use on the Property. Gas is provided by: Southwest Gas; water and sewer are provided by: Queen Creek Water; electric is provided by SRP; phone service is provided by: QUEST.

E. **Notification of Hazardous Substances and/or Materials**: This notification of Hazardous Substances and/or Materials is made subject to the terms of the NPA, and as may be modified and supplemented by any addenda or amendments that may be issued by the AZDEMA prior to the conclusion of the public auction. **Subject to a Right of Entry Agreement to be agreed to and signed by all potential bidders, bidders are invited, urged and cautioned to inspect the Property to be sold prior to submitting a bid, and in particular, bidders are invited, urged, and cautioned to inspect the Property regarding its condition and any hazardous or environmental conditions relating thereto.**

1. The Property is in a rural area which may have been previously used as irrigated farm land, which may or may not have been subject to the use of pesticides in the operation of farming activity.
2. Other than possible hazardous and/or materials in this Notification of Hazardous Substances and/or Materials, AZDEMA is unaware of existence of any hazardous substances and/or materials associated with the Property.
3. As set forth in the General Terms of Sale, the purchaser will be required to agree to "hold harmless" the AZDEMA from injury, damages, loss, claims, liabilities, costs, and judgments arising from future actions of the purchaser.
4. AZDEMA does not warrant the condition of the Property including, without limitation, whether the Property does, or does not, contain hazardous materials or is, or is not, safe for a particular purpose. The failure of any bidder to inspect, or to be fully informed regarding the condition of all or any portion of the Property offered, will not constitute grounds for any claim or demand for breach, damages, adjustment or withdrawal of a bid or offer after its opening bid or tender.
5. AZDEMA assumes no liability for damages for personal injury, illness, disability or death, to the purchaser, or to the purchaser's successors, assigns, employees, invitees, or any other person subject to the

purchaser's control or direction, or to any other person, including members of the general public, arising from or incident to the purchase, transportation, removal, handling, use, disposition, or other activity causing or leading to contact of any kind whatsoever with hazardous substances and/or materials on the Property that is the subject of this sale, whether the purchaser, its successors o assigns has or have properly warned or failed to warn the individual(s) subject to injury.

F. Instructions To Bidders: The Instructions To Bidders is made subject to the terms of this NPA, and as may be modified and supplemented by any addenda or amendments that may be issued by AZDEMA prior to the conclusion of the public auction.

1. Type of Sale: The sale of the Property will be by public auction, and bidders must bid to purchase the Property on an ALL CASH basis only, with no contingencies or conditions; AZDEMA does not extend credit terms, nor does it provide information on the availability of private financing. The successful bidder shall arrange its own financing and pay the balance due as set forth in the Specific Terms of Sale, Section II(G) set forth below.
2. Start Date: AZDEMA will accept oral bids beginning April 2, 2015 at 10:00 a.m. (Arizona Time). AZDEMA reserves the right to terminate the auction for any reason without award and start a new auction at any time. AZDEMA may suspend the auction any time.
3. Bidding Increments. The time of sale shall be deemed to be the time of declaration by the auction official for AZDEMA of the highest and best bidder at the public auction ("Time of Sale"). The bidding will begin at the total appraised value of $3,900,000.00, the minimum bid. A bid for less than the appraised value of the Property will not be considered. Additional bidding increments shall be a minimum of $10,000.00 thereafter. Bidding will be conducted orally.
4. Bidder's Affidavit. All bidders must sign an affidavit stating that they have undertaken due diligence in preparation for the auction, that its representative is authorized to bid and bind the bidder, that they are purchasing the Property in "AS IS" condition "WITH ALL FAULTS", with no representation or warranty being made by AZDEMA of any type or nature, and the Property is being purchased solely based upon

the due diligence and investigation of the bidder and not on any representation, express or implied, written or oral, made by the AZDEMA or its agents or employees.

5. Research. It is the bidder's responsibility to research the records of local jurisdictions, land title registration records, and all AZDEMA files bidder deems pertinent to the Property.
6. No Representation or Warranty. In addition to the affirmations made by the bidder in the affidavit, and without limiting the generality of the affirmations contained in the bidder's affidavit, notice is hereby given that AZDEMA makes no warranty as to the following: (a) physical condition or any other aspect of the Property, including but not limited to the uses to which the Property may be put, the ability to construction additional improvements or modify existing improvements on any portion of the Property or the ability to obtain building permits for any portion of the Property, the conformity of the Property to past, current or future applicable landscaping, parking, zoning or building code requirements, the existence of soil instability, past soil repairs, soil additions, conditions of soil fill, susceptibility to landslides, sufficiency of undershoring, water retention characteristics of the Property, drainage onto or off the Property, the location of the Property either wholly or partially in a flood plain or a flood hazard boundary or similar area, or any other matters affecting the stability or integrity of the land or any improvements constituting the Property; or (b) the sufficiency of the property for purchaser's purposes or as to its continued operating conditions or usefulness. All implied warranties, including, without limitation, **WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE**, are hereby expressly disclaimed. This notice shall survive the delivery of the quit claim deed for the Property.
7. Successful Bidder Affidavit. In acknowledgment of the AZDEMA's acceptance of the successful bid, the successful bidder must sign an affidavit at the time of sale (a) stating it is the successful bidder; (b) acknowledging that if the successful bidder fails to complete the payments as stated in this NPA, together with the additional required fees required to be paid within 30 days following the auction date, all amounts paid at the time of the auction by the successful bidder will be forfeited; and (c) representing that no brokerage or real estate

professional fees are due or payable by the AZDEMA relating to the auction or the successful bid made by the successful bidder.

8. Previous bidder. In the event of forfeiture by the successful bidder, AZDEMA may declare that the bid placed before the final bid accepted is the highest and best bid, and the previous bidder has five (5) days after notification by AZDEMA to pay by cashier's check the amounts otherwise due at the time of sale as set forth the Specific Terms of Sale below, and within 30 days thereafter must pay the full balance of the amount bid for the Property, together with the actual advertising fee incurred by AZDEMA, less the estimated advertising fees previously paid, and is required to sign a Successful Bidder Affidavit.
9. Person bidding at Public Auction. A representative of the bidder, who is not there in a registered broker/salesman capacity, must attend and bid on behalf of the bidder, and will be required to provide contact information, including a telephone number, address, e-mail address.
10. No Brokerage Fee. No brokerage fee will be paid by AZDEMA and A.R.S. § 38-803(f) does not apply.

G. Specific Terms of Sale:

1. Amount Paid at Time of Sale. *At the Time of Sale,* the successful bidder must pay the following by a cashier's check made payable to Arizona Department of Emergency and Military Affairs: (a) the amount of $390,000.00, which is 10% of the appraised value of the Property; (b) estimated advertising fee in the amount of $ 80.00; (c) two appraisal fees in the total amount of $ 8,000.00 ; (d) costs and expenses not to exceed $ 1,000.00 .
2. Balance of Purchase Price. Within 30 days after the auction the date successful bidder must pay the full balance of the amount bid for the Property, the actual advertising fee incurred by AZDEMA, less the estimated advertising fees paid at the Time of Sale ("Balance Due Date").
3. Conveyance. Upon payment of the full purchase price of the Property, and costs, as set forth in Section II(G)(1) and (2) above, conveyance of the Property shall be made by quit claim deed, with no warranties, express or implied, and subject to all covenants, easements, reservations, encumbrances and encroachments, whether of record or

not, and any facts that a physical inspection and accurate survey of the Property may disclose.

4. Binding Nature of Bid. Bidders agree that bids are binding offers, and any bid accepted by the AZDEMA constitutes a legal and binding contract.

H. General Terms of Sale:

1. Zoning. Verification of the applicable zoning and determination of permitted uses thereunder, along with compliance of the Property for present or proposed future use shall be the responsibility of the bidder and AZDEMA makes no representation in regard thereto. Any inaccuracies or changes in the zoning information shall not be cause for adjustment, breach or rescission of any contract resulting from the NPA and the bid accepted.
2. Contract. This NPA, the accepted bid, and a fully executed Successful Bidder Affidavit shall constitute an agreement for sale between AZDEMA and the successful bidder ("Purchaser"). Such agreement shall constitute the whole contract to be succeeded only by the formal instruments of transfer, unless modified in writing and signed by both parties. Other than the oral bid accepted at the time of sale, no oral statements or representations made by, or for, or on behalf of either party shall be a part of such contract, nor shall the contract or any interest therein, be transferred or assigned by Purchaser without the prior written consent of AZDEMA. Any assignment transaction without such consent shall be null and void.
3. Taxes and Closing Costs. Property taxes, including but not limited to any general or special assessments and improvement district liens, based upon the latest available tax bill from the Maricopa County Treasurer, if any, shall be paid by Purchaser on or before the Balance Due Date, and as of the date of conveyance of the Property by issuance of a quit claim deed by the AZDEMA, the Purchaser shall assume responsibility for all general and special real and personal property taxes that may have been or may be assessed against the Property. Any and all closing costs, including escrow, financing and recordation fees, shall be the sole responsibility of the Purchaser.
4. Risk of Loss. As of the date of conveyance, the Purchaser shall assume responsibility for the care and handling and all patent or latent risks of loss or damage to the Property and have all obligations and liabilities of

ownership. In the event of loss or damage to the Property as a result of fire or other cause during the time between acceptance of the bid by the AZDEMA and the date of conveyance, such loss or damage shall not be considered grounds for invalidating the contract of sale or for reduction of the purchase price. The AZDEMA is not authorized to and shall not indemnify the Purchaser.

5. Revocation of Bid and Default. In the event of revocation of a bid after the opening of bids, but prior to acceptance, or in the event of revocation of a bid after acceptance by AZDEMA of such bid as the highest and best bid, or in the event of any default by the Purchaser in the performance of the contract of sale created by such acceptance, or in the event of failure by the Purchaser to consummate the transaction, the deposit, together with any payments subsequently made on account, may be forfeited at the option of the AZDEMA in its sole discretion, in which event the Purchaser will be relieved from further liability, or without forfeiting the deposit and payments, the AZDEMA may avail itself of any legal or equitable rights that it may have under the NPA, bid and at law.
6. Title Information. Any bidder, at its sole cost and expense, may procure any title evidence, title commitment, or title insurance as bidder desires. AZDEMA will reasonably cooperate with the Purchaser or his/her authorized agent in connection, and will permit examination and inspection of deeds, abstracts, affidavits of title, judgments in condemnation, or other documents relating to the title of the Property, as it may have available. AZDEMA will not pay for any expense incurred in connection with title matters, title insurance, or survey of the Property. The Purchaser is encouraged, but not required, to acquire title insurance.
7. Amendment. None of the provisions of the Agreement may be waived, changed or altered except in writing signed by both parties.
8. Conflict of Interest. The requirements of A.R.S. § 38-511 apply to this agreement. AZDEMA may cancel this Agreement without penalty or further obligation if any person significantly involved in initiating, negotiating, securing, drafting or creating this Agreement on behalf of AZDEMA is, at any time while this Agreement or any extension is in effect, an employee or agent of Purchaser with respect to the subject matter of this Agreement.
9. Antitrust Violations. The Purchaser assigns to the AZDEMA any claim for overcharges resulting from antitrust violations to the extent that such

violations concern materials or services supplied by third parties to Purchaser toward fulfillment of this Agreement.

10. Jurisdiction. This Agreement shall be construed in accordance with the laws of the State of Arizona.

11. Indemnification. The Purchaser shall release, indemnify, defend, save and hold harmless AZDEMA, its departments, agencies, boards, commissions, universities and its officers, officials, agents and employees (hereinafter referred to collectively as "Indemnitees") from and against any and all claims, actions, liabilities, damages, losses or expenses (including court costs, attorney fees, and costs of claim processing, investigation and litigation) (hereinafter referred to as "Claims") for bodily injury or personal injury (including death), or loss or damage to tangible or intangible property caused or alleged to be caused, in whole or in part, by the negligent or willful acts or omissions of the Purchaser or any of its owners, officers, directors, agents, employees or contractors, arising out of or related to the Purchaser's use of the Property.

12. Attorney Fees and Costs. The Purchaser shall be responsible for all costs, including those costs incurred by AZDEMA, for court costs, attorney fees, processing, litigation investigation, defense and judgment costs for Purchaser's breach of its contract evidenced by this NPA and the bid accepted by AZDEMA.

13. Headings. The marginal headings and titles herein have no effect upon the construction or interpretation of any part hereof.

ARIZONA DEPARTMENT OF EMERGENCY AND MILITARY AFFAIRS
5636 E. McDowell Road
Phoenix, Arizona 85008

BIDDER AUCTION STATEMENT
Public Auction No. M14-0050

_____, 2015

I, _____, representing _____, upon my oath, depose and state:
(Print Name) (Bidder)

I am the authorized representative of _____ ("_____"), the entity bidding at the Arizona Department of Emergency and Military Affairs Public Auction No. _____ dated _____ ("Auction Notice"), for property located in Maricopa County, Arizona, and described in the Auction Notice. My current address, telephone number, and e-mail address are set forth below. I am authorized to bid on behalf of _____ at the public auction, and I am not bidding in a registered broker/salesperson capacity. _____ has undertaken due diligence in preparation for the public auction.

On behalf of _____, I further state and acknowledge that _____, as bidder, hereby agrees that the property shall be purchased in an "AS IS" condition with "ALL FAULTS," with no representation or warranty being made by the State of Arizona of any type or nature, except as expressly stated in writing in the Auction Notice for the public auction. The undersigned bidder further acknowledges and agrees that it is seeking to purchase, and if the successful purchaser, is purchasing, the property solely upon the basis of its own investigation of the property and not on the basis of any representation, express or implied, written or oral, made by the State of Arizona, its agents or employees, except as set forth in writing in the Auction Notice. Without limiting the generality of the foregoing, the undersigned hereby acknowledges that the State of Arizona, and the Arizona Department of Emergency and Military Affairs make no warranty of the forgoing: (a) the physical condition or other aspect of the property, including, but not limited to, the uses to which the property may be put, the ability to construct additional improvements or modify existing improvements on any portion of the property or the ability to obtain building permits for any portion of the property, the conformity of the property to past, current or future applicable landscaping, parking, zoning or building code requirements, the existence of soil instability, past soil repairs, soil additions or conditions of soil fill, susceptibility to landslides, sufficiency of undershoring, water retention characteristics of the property, drainage onto or off the property, the location of the property either wholly or partially in the flood plain or a flood hazard boundary or similar area, or any other matter affecting the stability or integrity of the land or any improvements constituting the property; or (b) the sufficiency of the property for the bidder's purposes or as to its continued operating conditions or usefulness and, further, that the State of Arizona has expressly

disclaimed in the Auction Notice all implied warranties, including without limitation, **WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.**

Dated _____.

_____
Signature
Print Name: _____
Address: _____
Telephone No.: _____
E-mail address: _____

Subscribed and sworn to on this __ day of _____, 2015.

Seal

_____
Notary Public

ARIZONA DEPARTMENT OF EMERGENCY AND MILITARY AFFAIRS

DIVISION OF STATE ACTIVITIES – PURCHASING & CONTRACTING

Wendy Smith-Reeves, Director, State Activities
5645 East McDowell Road, Building, #M5800, Phoenix, Arizona 85008-3495

DOUGLAS A. DUCEY
GOVERNOR

MG MICHAEL MCGUIRE
THE ADJUTANT GENERAL

TEMPORARY RIGHT OF ENTRY ONTO STATE LAND

Date: _____
[Company Name]
Attn: _____
[Address]
[City, State Zip]

Re: Temporary Right of Entry on to State Land ("TRE") for Performance of Due Diligence by [Company Name]

Dear [Mr., Mrs. Ms]:

This Temporary Right of Entry is effective upon receipt by Arizona Department of Emergency and Military Affairs ("DEMA") of the original letter signed by an authorized representative of [Company Name] ("Grantee") and upon execution by and the State of Arizona as "Grantor", by and through the DEMA, for the following purpose:

PURPOSE: Subject to the terms and conditions of this TRE, to inspect, investigate, conduct testing, and to perform due diligence concerning the Property described below.

PROPERTY: The real property consisting of approximately 5 acres, more or less, which is a portion of the Northwest ¼ of Section 16, Township 2 South, Range 7 East of the Gila and Salt River Base and Meridian, with the address of 20395 East Rittenhouse Road, Queen Creek, Arizona, 85242, and Tax Parcel No. 304-66-010K, and as legally described in Instrument recorded August 16, 2000 in the Official Records of Maricopa County, Arizona, as Instrument No. 2000-0629492 ("Property")

TERM DATES:

From: _____ To: _____

TEMPORARY RIGHT OF ENTRY ONTO STATE LAND

TERMS AND CONDITIONS:

By accepting this TRE and any additional terms attached, the Grantee agrees that:

1. Grantee is only granted those rights described herein, which do not include any implied rights to enter upon any land other than the Property. If all or part of the Property is closed or sold, any rights granted by this TRE to enter onto those lands is terminated, effective the date of closure or sale.

2. This TRE may be terminated at Grantor's discretion, with no right to administrative or judicial appeal, by giving thirty (30) days prior written notice to Grantee. Additionally, any violation of these terms voids this TRE upon occurrence.

3. Grantee will enter upon the Property only for the purpose listed above (the "Purpose"), which does not include any implied right to use the Property for any use or other purpose.

4. Grantee shall comply with all laws and rules of DEMA, and all Federal, State, County and Municipal laws, ordinances or regulations applicable to the Purpose. Grantee is responsible for obtaining any State, Federal or local permits necessary to conduct the Purpose in a lawful manner.

5. Grantee shall not interfere with other permittees' or lessees' use of the Property. Grantee understands that this TRE does not represent nor warrant that access exists over adjacent state land or private lands which intervene respectively between the Property and the nearest public roadway.

6. Prior to conducting any ground disturbing activities on the Property, or should previously undocumented cultural resources be identified while Grantee is carrying out the Purpose, pursuant to A.R.S. § 41-844, the Director of the Arizona State Museum shall be immediately notified. The Manager of the Cultural Resources Management Program shall also be notified.

7. Grantee shall comply with the Arizona Native Plant laws. Grantee shall not remove any natural products from the Property, including rocks, fossils, mineral specimens, stone, soil, firewood, cacti, saguaro skeletons, cholla skeletons, or other plants or plant material, either alive or dead; nor shall Grantee blade, scrape or grade the Property without prior written consent of Grantor.

8. Vehicle travel is limited to designated routes and established roads and driveways. No cross-country travel is permitted.

9. Grantee shall leave gates either opened or closed as they are found and no fences will be cut or laid down.

10. Grantee shall not harass any livestock or wildlife, nor damage or destroy any livestock or wildlife improvement or facility.

11. Grantee agrees to be bound by applicable State and Federal rules governing Equal Employment Opportunity, Non-discrimination and Disabilities pursuant to Executive Order 2009-09 issued pursuant to A.R.S. § 41-1013(B)(3).

12. The TRE is subject to cancellation pursuant to A.R.S. § 38-511.

13. To the extent required by A.R.S. §§ 12-1518(B) and 12-133, the parties agree to resolve any dispute arising out of this TRE by arbitration.

14. Grantee may not assign, sublease, or otherwise transfer this TRE.

15. No structures, temporary or otherwise, may be placed on the Property by Grantee, without the Grantor's prior written consent.

16. Upon abandonment, cancellation, revocation, termination or expiration of this TRE, Grantee shall restore the Property to its condition at the time Grantee first entered upon the Property, to the satisfaction of Grantor. Such restoration shall include, but shall not be limited to, removal of any and all material, equipment, facilities, permitted structures, or debris deposited b Grantee, as well as restoration to grade level of all trenches, holes, etc., hat were created as a result of the Purpose.

17. In addition to the restoration obligations set forth in Section 16 above, upon abandonment, cancellation, revocation, termination or expiration of this TRE, Grantee shall remove any and all regulated substances caused to come into existence on the Property as a result of Grantee's actions or inactions or the actions or inactions of Grantee's agents. Grantee shall arrange, at its expense, for the repair, removal, remediation, restoration, and reconstruction to the Property to the original condition existing on the date that Grantee first entered upon the Property, to the satisfaction of the Grantor if the Property or any portions thereof are damaged or destroyed (a) as a result of the existence or presence of any regulated substance; or (b) in any way relating to or arising out of the removal, treatment, storage, disposition, mitigation, cleanup or remedying of any regulated substance by Grantee or its agents. In any event, any damage, destruction or restoration by Grantee shall not relieve Grantee from its obligations and liabilities under this TRE.

18. In the event Grantee becomes aware of a trespass on the Property resulting in damage thereto, Grantee shall notify Grantor and appropriate law enforcement authorities.

TEMPORARY RIGHT OF ENTRY ONTO STATE LAND

19. Grantee shall abide by the General Right of Entry Conditions and Additional Conditions, attached hereto as Exhibit "A", and made a part hereof by reference.

GRANTOR:	**GRANTEE**:
STATE OF ARIZONA, by Arizona Department of Emergency and Military Affairs	
By: _____	By: _____
Print Name: _____	Print Name: _____
Title: _____	Title: _____
Date: _____	Date: _____

TEMPORARY RIGHT OF ENTRY ONTO STATE LAND

EXHIBIT "A"
GENERAL RIGHT OF ENTRY CONDITIONS AND ADDITIONAL CONDITIONS

1. GENERAL CONDITIONS

1.1 Grantee shall indemnify, defend, save and hold harmless the State of Arizona, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees (hereinafter collectively referred to as "State of Arizona") from and against any and all claims, actions, liabilities, damages, losses, or expenses (including court costs, attorney fees, and costs of claim processing, investigation and litigation) (hereinafter collectively referred to as "Claims") for bodily injury or personal injury (including death), or loss or damage to tangible or intangible property caused, or alleged to be caused, in whole or in part, by the negligent or willful acts or omissions of Grantee or any of its owners, officers, directors, agents, employees or contractors, arising out of or related to Grantee's occupancy, entry and/or activity upon of the Property. It is the specific intention of the parties that the State of Arizona shall, in all instances, be indemnified by Grantee from and against any and all Claims. It is agreed that Grantee will be responsible for primary loss investigation, defenses and judgment costs where this indemnification is applicable.

1.2 Grantee shall procure and maintain for the duration of the TRE insurance against Claims which may arise from or in connection with this TRE. The insurance requirements herein are minimum requirements for this TRE and in no way limit the indemnity covenants contained in this TRE. The State of Arizona in no way warrants that the minimum limits contained herein are sufficient to protect the Grantee from liabilities that might arise out of the TRE. Grantee is free to purchase such additional insurance as Grantee determines necessary.

A. Minimum Scope and Limits of Insurance. Grantee shall provide coverage with limits of liability not less than those stated below.

1. Commercial General Liability-Occurrence Form. The Policy shall include bodily injury, property damage, personal injury and broad form contractual liability coverage.

General Aggregate:	$2,000,000.00
Products-Completed Operations Aggregate:	$1,000,000.00
Personal and Advertising Injury:	$1,000,000.00
Each Occurrence:	$1,000,000.00
Blanket Contractual Liability-Written and Oral:	$1,000,000.00
Damage to Rented Premises:	$500,000.00

The policy shall be endorsed to include the following additional insured language: "The State of Arizona, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees shall be named as additional insureds with respect to liability arising out of the use and/or occupancy of the property subject to the Temporary Right of Entry. Such additional insured shall be covered to the full limits of liability purchased by the Grantee, even if those limits of liability are in excess of those required by the Temporary Right of Entry."

The policy shall contain a waiver of subrogation against the State of Arizona, its departments, agencies, boards, commissions, universities and its officers, officials, agents and employees for losses arising from the Grantee.

2. Business Automobile Liability. The Policy shall include Bodily Injury and Property Damage for any owned, hired, and/or non-owned vehicles used in the performance of this TRE.

Combined Single Limit (CSL)	$1,000,000

a. The policy shall be endorsed to include the following additional insured language: "The State of Arizona, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees shall be named as additional insureds with respect to liability arising out of the activities performed by or on behalf of the Grantee, involving automobiles owned, hired or borrowed by the Grantee". Such additional insured shall be covered to the full limits of liability purchased by the Grantee, even if those limits of liability are in excess of those required by this TRE.

b. Policy shall contain a waiver of subrogation endorsement in favor of the State of Arizona, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Grantee.

c. Policy shall contain a severability of interest provision.

3. Worker's Compensation and Employers' Liability.

Workers' Compensation	Statutory
Employers' Liability	
Each Accident	$ 500,000
Disease – Each Employee	$ 500,000
Disease – Policy Limit	$1,000,000

a. Policy shall contain a waiver of subrogation endorsement in favor of the State of Arizona, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees for losses arising from Grantee activities.

b. This requirement shall not apply to: Separately, EACH contractor or subcontractor exempt under A.R.S. § 23-901, AND when such contractor or subcontractor executes the appropriate waiver (Sole Proprietor/Independent Contractor) form.

4. Property Insurance. Property insurance on the building(s), if any, is only required if the Grantee is the sole occupant of the building(s).

Coverage on Grantee's contents	$	Replacement Value
Coverage on building (if Grantee is sole occupant)	$	Replacement Value

a. Property insurance shall be written on an "all risk, replacement cost coverage, including coverage for flood and earth movement."

b. If property coverage on the building is required, "the State of Arizona (and the respective agency or university) shall be named as a loss payee".

c. Policy shall contain a waiver of subrogation endorsement in favor of the State of Arizona, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees for losses arising from the TRE.

B. Additional Insurance Requirements. The policies shall include, or be endorsed to include, the following provisions:

1. The Grantee's policies shall stipulate that the insurance afforded the Grantee shall be primary insurance and that any insurance carried by the Department, its agents, officials, employees or the State of Arizona shall be excess and not contributory insurance, as provided by A.R.S. § 41-621 (C).

2. Coverage provided by the Grantee shall not be limited to the liability assumed under the indemnification provisions of this TRE.

C. Notice of Cancellation. With the exception of ten (10) day notice of cancellation for non-payment of premium, any changes material to compliance with this TRE shall require thirty (30) days' prior written notice to the State of Arizona. Such notice shall be sent directly to DEMA, 5636 E. McDowell, Phoenix, Arizona 85008, and shall be sent by certified mail, return receipt requested.

D. Acceptability of Insurers. Grantee's insurance shall be with companies duly licensed or approved non-admitted status on the Arizona Department of Insurance List of Qualified Unauthorized Insurers. Insurers shall have an "A.M. Best" rating of not less than A-VII or duly authorized to transact Workers' Compensation insurance in the State of Arizona. The State of Arizona in no way warrants that the above-required minimum insurer rating is sufficient to protect the Grantee from potential insurer insolvency.

E. Verification of Coverage. Grantee shall furnish the State of Arizona with certificates of insurance (ACORD form or equivalent approved by the State of Arizona) as required by this TRE. The certificates for each insurance policy are to be signed by an authorized representative.

All certificates and endorsements are to be received and approved by the State of Arizona before the Term commences. Each insurance policy required by this TRE must be in effect at or prior to the commencement of the TRE and must remain in effect for the duration of the TRE. Failure to maintain the insurance policies as required by this TRE or to provide timely evidence of renewal will be considered a material breach of the TRE.

All certificates required by this TRE shall be sent directly to DEMA, 5636 E. McDowell, Phoenix, Arizona 85008. Right of Entry number and location description are to be noted on the certificate of insurance. The State of Arizona reserves the right to require complete, certified copies of all insurance policies and endorsements required by this TRE at any time, thereafter, subject to such confidentiality as is permitted pursuant to applicable laws, rules and regulations.

F. Approval. Any modification or variation from the insurance requirements in this TRE must have prior approval from the State of Arizona Department of Administration, Risk Management Division. Such action will not require a formal TRE amendment, but may be made by administrative action.

G. Exceptions. In the event the Grantee or sub-Grantee(s) is/are a public entity, then the Insurance Requirements shall not apply. Such public entity shall provide Certificate of Self Insurance. If the Grantee or sub-Grantee(s) is/are a State of Arizona agency, board, commission, or university, none of the above shall apply.

Blanket Umbrella Policy. Anything in this Section to the contrary notwithstanding, any insurance which Grantee is required to obtain pursuant to this Section may be carried under a "blanket" or umbrella policy or policies covering other properties or liabilities of Grantee, so long as the "blanket" or umbrella policy or policies otherwise comply with the provisions of this Section and provided further that the policies provide for a reserved amount with respect to the Property so as to assure that the amount of insurance required by this Section will be available notwithstanding any losses with respect to other property covered by the blanket policies.

2. ADDITIONAL CONDITIONS

2.1 Grantor reserves the right to grant additional access rights, or any other rights not in conflict with the rights granted herein, to other parties at Grantor's sole discretion.

2.2 Grantee shall not exclude from use the State of Arizona, its lessess, or grantees, or the general public the right of ingress and egress over existing roads or trails.

2.3 Grantee shall not alter, or cause ponding, or cause damage up or down stream of any water crossing.

2.4 No altering of existing drainages or drainage structures is authorized under this TRE.

2.5 Grantee shall not fence or gate the existing roads or trails.