

PURCHASE AND SALE AGREEMENT

This Purchase and Sale Agreement ("Agreement") is made and entered into this _____ day of _____, 2025 (the "Effective Date") by and between Cochise County Community College District, a political subdivision of the State of Arizona ("Seller") and City of Douglas, an Arizona municipal corporation ("Buyer"), on the following terms and conditions:

1. Sale and Purchase. Seller agrees to sell, and Buyer agrees to purchase:

1.01 That certain real property consisting of an approximately 3.4-acre portion of the real property located at Southeast Corner of Cochise Community College Douglas Campus, Douglas, Cochise County, Arizona, Assessor Parcel No. 407-61-013, together with all Seller's rights, title and interest in and to (a) all appurtenances, hereditaments, easements, rights-of-way, water rights and air rights; (b) any rights of Seller to an adjoining street, alley, roadway, highway or waterway; and (c) any other rights or privileges appurtenant, adjacent or connected to such real property (collectively, the "Property"). The legal description of the portion of Property shall be determined by an ALTA survey obtained by Buyer, at Buyer sole cost and shall commence with a 50 foot setback from the existing service road. The legal description shall be approved by Buyer and Seller and made a part of this Agreement by an amendment to the Agreement executed by Buyer and Seller.

2. Escrow and Title Company. The Seller and Buyer shall open an escrow ("Escrow") with Pioneer Title Agency, 1065 F Ave Suite #6, Douglas, Arizona 85607, Attn: Candy Chavez ("Title Company") to facilitate the consummation of the sale of the Property. This Agreement shall also serve as escrow instructions to the Title Company. The Seller and Buyer shall provide additional instructions reasonably requested by the Title Company in connection with opening the Escrow or otherwise facilitating the consummation of the sale of the Property, not inconsistent with the terms of this Agreement. In the event of any conflict or inconsistency between any additional Escrow Instructions requested by Title Company and this Agreement, the provisions of this Agreement shall prevail.

3. Consideration. As consideration for the Property, Seller and Buyer agree that:

3.01 Within ten (10) years after Closing, Buyer will, at Buyer's sole cost, extend the water line from Buyer's property to the Property upon which Buyer will construct a new water system ("New Water System") consisting of a new potable water well site with treatment, a new water storage tank along with a fenced area to contain the necessary equipment and space to operate a permitted groundwater well site. Seller will receive water service and sewer service (once the sewer line is extended as provided in Section 3.01) pursuant to the terms of a separate Intergovernmental Agreement ("IGA") between Seller and Buyer.

3.02 Buyer will extend the sewer line from Buyer's property to the Property and the New Water System at such time as Buyer obtains grant funding to cover the costs of extending the sewer line.

3.03 Impact fees owed by Seller when Seller connects to the New Water System and City Sewer, if any, are deemed paid as part of the consideration for Seller's transfer of the Property to Buyer on the terms and conditions set forth in this Agreement.

3.04 In the event Buyer does not complete the construction of the New Water System within 10 years after Closing, due to water quality concerns, permitting, funding or other issues beyond Buyer's control, Buyer agrees to convey the Property back to Seller.

4. Escrow Opening and Closing.

4.01 Opening of Escrow. The Title Company shall sign and date this Agreement on the space provided at the end of this Agreement, indicating that Escrow has been opened as of such date ("Opening of Escrow"), which date shall be the date at which Title Company has a fully executed Agreement.

4.02 Closing. The closing of this transaction (the "Closing" or "Close of Escrow") shall occur within ten (10) days after the expiration of the Feasibility Period (defined in Section 7.02(b)) unless extended by the mutual agreement of Buyer and Seller.

5. Title.

5.01 Status of Title. Within ten (10) days after the Opening of Escrow, Title Company shall provide Buyer, at Seller's expense, a commitment for owner's policy of title insurance (the "Title Commitment") for the Property, issued by the Title Company disclosing all matters of record and other matters that Title Company has knowledge relating to the title to the Property, and a legible copy of each of the instruments and documents referred to in the Title Commitment, including those documents referenced as exceptions in the Title Commitment. Buyer shall have thirty (30) days after its receipt of the Title Commitment, or five (5) business days after the receipt of any updates or amendment thereto which causes the Title Commitment to disclose a new title exception that was not created or permitted by Buyer (each, a "Title Commitment Update"), to object in writing to Seller and Title Company to any matter shown thereon. If Buyer fails to object within the said period, the condition of title to the Property is deemed approved. If Buyer timely objects to any matter disclosed by the Title Commitment, any amendment thereto, Seller may, but is not obligated to, use reasonable efforts to cure such objection(s) (although in no event shall Seller be required to expend funds, other than for Unpermitted Liens (as hereinafter defined)) within ten (10) days thereafter. If, within such ten (10) day period, Seller is unsuccessful or responds in writing that it is unwilling to cure Buyer's objection(s), Buyer will have five (5) days following notice from Seller of its inability or unwillingness to cure in which Buyer shall elect by delivering written notice to Seller and Title Company either to (a) waive its objection(s) or (b) terminate this Agreement. If Buyer elects to terminate this Agreement under this Section, including any termination occurring pursuant to a Title Commitment Update up to and on Closing, neither party shall thereafter have any further rights or obligations under this Agreement except for those rights and obligations that survive the termination of this Agreement, or the Close of Escrow as provided in this Agreement. Failure by Buyer to make a timely election shall constitute an election to terminate this Agreement. Failure by Seller to give any notice shall constitute Seller's

election not to cure. Any title exceptions that have not been objected to or waived or deemed approved by Buyer, or which are caused by Buyer or its agents, shall be called "Permitted Title Exceptions". Notwithstanding anything else stated herein, in all events, at closing, Seller shall be obligated to satisfy and otherwise remove all monetary and financial liens (including, but not limited to, mechanic's liens or liens for delinquent unpaid taxes and assessments) caused directly or indirectly by Seller in existence at the time of execution of this Agreement or incurred by Seller on or before Closing hereunder (other than current taxes not yet due) ("Unpermitted Liens").

5.02 Title Policy. At Closing, Title Company shall furnish to Buyer a current ALTA extended coverage owner's policy of title insurance in the amount to be determined by Buyer prior to Closing insuring Buyer's title to the Property, subject only to the usually printed exceptions contained in such title insurance policies and those matters approved or deemed approved by Buyer pursuant to Section 5.01. The Buyer shall pay the cost of the premium for ALTA extended coverage owner's policy. If Buyer wants any endorsements, Buyer shall pay the cost of any endorsements requested by Buyer.

6. Easements.

6.01 Access Easements. Buyer agrees to provide Seller with an access easement ("Buyer Access Easement") across a portion of the Property and Seller agrees to provide Buyer with an access easement ("Seller Access Easement") across a portion of Seller's contiguous property to allow Buyer to access the New Water System. The Buyer Access Easement and Seller Access Easement are depicted on Exhibit A. The Buyer Access Easement and the Seller Access Easement are collectively, the "Access Easements." Buyer and Seller shall enter into a mutually agreed upon Access Easements Agreement at Closing.

6.02 Water Line Easement. Seller agrees to provide Buyer with a waterline easement ("Water Line Easement") across Seller's property that will extend from the Property to the current water system located on Seller's contiguous property as depicted on Exhibit A. The Water Line Easement is for the water line that will be connected from the existing Cochise College Well #1 to the New System to serve as backup to the New System. That portion of the water line that extends from the edge of the New System property to Cochise College facilities shall be the responsibility of the Seller. Buyer and Seller shall enter into a mutually agreed upon Water Line Easement Agreement at Closing.

7. Preliminary Due Diligence; Examination of Property

7.01 Within ten (10) days after the Opening of Escrow, Seller shall provide to Buyer the following information (the "Property Information"), to the extent the Property Information is in the Seller's actual possession or control: a copy of all reports, contracts, agreements, leases, maps, plats, surveys, easements, utility information and agreements, permits, licenses, certificates of occupancy, zoning letters, soil reports and tests, correspondence with or from all governmental, regulatory, municipal utility district, public utility district or other agencies with authority over the Property, including a disclosure list of any violations of the Property,

environmental site assessments and studies, engineering reports, hazardous materials reports, information and documents pertaining to Seller's ownership and operation of the Property.

7.02 Examination of Property.

(a) Upon making prior arrangements with the Seller, Buyer, its agents or employees may enter upon the Property for the purposes of inspecting the Property, conducting environmental, soil, engineering, structural and other tests as Buyer may deem necessary. Buyer shall restore the affected portion of the Property to its condition prior to the performance of such studies or inspections. Buyer agrees to indemnify, defend and hold the Seller harmless for, from and against any liability and/or damages caused by Buyer in exercising the foregoing license (unless arising from Seller's gross negligence or willful misconduct), and agrees that this obligation to indemnify shall survive any termination of this Agreement and the Closing. Notwithstanding the foregoing, Buyer shall not be liable merely for the discovery of a pre-existing condition at the Property. All expenses incurred in connection with the exercise of such license by Buyer shall be the responsibility of Buyer.

(b) The period between the Opening of Escrow and the date that is sixty (60) days thereafter shall be the feasibility period ("Feasibility Period"). Notwithstanding any provisions to the contrary, Buyer may terminate this Agreement for any reason, by either delivering written notice of such termination to Seller on or before last day of the Feasibility Period. If Buyer elects to terminate this Agreement on or before the expiration of the Feasibility Period, neither party shall have any further rights or obligations hereunder except for those rights and obligations that survive termination of this Agreement.

8. Remedies.

8.01 Seller's Remedies. In the event Buyer fails to perform its obligations pursuant to this Agreement for any reason except due to the Seller's default or failure to perform its obligations hereunder (and such failure continues for a period of ten (10) days following written notice to the Buyer), the Seller shall be entitled as its sole remedy to terminate this Agreement. Nothing in this Section shall limit the Seller's right to recover attorneys' fees under Section 8.03 below.

8.02 Buyer's Remedies. If the Seller fails to perform any of its obligations under this Agreement prior to the Closing for any reason other than the default of Buyer or the termination of this Agreement (and such failure continues for a period of ten (10) days following written notice to the Seller), as Buyer's sole and exclusive remedy, Buyer may elect to: (i) waive the default and proceed to close this transaction; or (ii) pursue specific performance of this Agreement. Nothing in this Section shall limit Buyer's right to recover attorneys' fees under Section 8.03 below.

8.03 Attorneys' Fees. In the event either party hereto is required to employ an attorney because of the other party's default, then the defaulting party shall pay the non-defaulting party's reasonable attorneys' fees incurred in the enforcement of this Agreement.

8.04 Waiver. Seller and Buyer waive the right to pursue consequential or punitive damages against the other.

9. Conditions Precedent to Seller's Obligations. The obligations of Seller under this Agreement are subject to the satisfaction, on or prior to the Closing, of the following conditions, all or any of which may be waived in writing by the Seller:

(a) All representations and warranties made by Buyer in this Agreement and in any written statements delivered to the Seller by Buyer under this Agreement shall be true and correct as of the Closing.

(b) Buyer shall have performed and complied with all obligations of Buyer required by this Agreement to be performed or complied with by Buyer on or prior to the Closing.

(c) All documents required to be delivered by Buyer on or prior to the Closing shall have been properly executed by Buyer and delivered to the Seller in form and substance reasonably satisfactory to Seller.

10. Conditions Precedent to Buyer's Obligations. The obligations of Buyer under this Agreement are subject to the satisfaction, on or prior to the Closing, of the following conditions, all or any of which may be waived in writing by Buyer:

(a) Seller shall convey all right, title and interest in the Property, free and clear of all encumbrances.

(b) Seller shall have performed and complied with all obligations of Seller required by this Agreement to be performed or complied with by Seller on or prior to the Closing.

(c) Each and all of Seller's representations and warranties set forth in this Agreement shall be true and correct at the Effective Date and on the date of Closing.

(d) Title Company shall be prepared to issue the title policy at Closing at its normal rates insuring Buyer, subject only to the Permitted Title Exceptions and requirements related to Buyer.

(e) There shall be no material adverse change in the condition of or affecting the Property not caused by Buyer between the time of Buyer's inspection of the Property prior to the expiration of the Feasibility Period and the Closing Date.

11. Closing.

11.01 Closing Matters.

(a) At Closing, the Seller shall execute, deliver and acknowledge the following documents:

Buyer;

(i) A special warranty deed (“Deed”) conveying the Property to

(ii) The Access Easements Agreement and the Water Line Easement Agreement.

(iii) An affidavit, signed and acknowledged by the Seller under penalties of perjury, certifying that the Seller is not a nonresident alien, foreign corporation, foreign partnership, foreign trust, foreign estate, or other foreign person within the meaning of Section 1445 and Section 7701 of the Internal Revenue Code of 1986 and the associated Treasury Regulations.

(iv) An affidavit of property value as required by law;

(v) Such other documents as are reasonably necessary to close and consummate the purchase and sale transaction contemplated by this Agreement.

(b) At Closing, Buyer shall:

(i) Execute and deliver the Access Easements Agreement and Water Line Easement Agreement.

(ii) Execute and deliver an affidavit of property value as required by law.

(iii) Execute and deliver such other documents as are reasonably necessary to close and consummate the purchase and sale transaction contemplated by this Agreement.

(c) Possession of the Property shall be delivered to Buyer at Closing.

11.02 Taxes. Seller shall be responsible for all taxes (real and personal), fees and assessments as of and after the date of the Closing.

11.03 Closing Costs. The premium for the title insurance policy will be paid by the Buyer. All other fees and costs relating to Closing shall be paid by the parties as is customary in similar real estate transactions in Cochise County, Arizona.

11.04 Commissions. Neither Seller nor Buyer have retained or engaged a real estate broker, commission agent, or any other person who is or may be entitled to payment of a commission or finder’s fee or other compensation in connection with the transaction contemplated by this Agreement. Seller and Buyer shall indemnify, hold harmless and defend the other, its successors, and assigns for, from, and against any and all claims, demands, actions, costs and expenses, including reasonable attorney and accounting fees and court costs arising out of any

claim by any real estate broker or other person claiming through the indemnifying party that such person is entitled to any commission or fee in connection with this transaction. The provisions of this Section 11.04 shall survive the Closing.

12. Representations and Warranties.

12.01 Seller's Representations and Warranties. Seller represents, warrants and covenants that:

(a) Seller is a community college district of the State of Arizona. Seller has full power, authority and legal right, and has obtained all necessary consents and approvals, to execute, deliver, and perform its obligations under this Agreement. This Agreement has been, and the documents contemplated hereby will be, duly executed and delivered by Seller and constitute Seller's legal, valid and binding obligation.

(b) Seller's execution, delivery and performance of its obligations under this Agreement will not conflict with or result in a breach of, or constitute a default under, any of any contract, instrument, law, government rule, regulation, judgment, decree or order to which Seller is a party or by which Seller is bound.

(c) To the best of Seller's knowledge and belief, there are no lawsuits pending or, threatened against or involving Seller or the Property that affect title.

(d) Seller has not received any notice of pending or threatened claims, condemnations, planned public improvements, annexation, special assessments, rezoning or other adverse claims affecting the Property.

(e) To the actual knowledge of Seller, there exist no adverse claims by any person or persons (including but not limited to adjoining property owners) and no encroachments with respect to the Property.

(f) Neither Seller, nor, to the actual knowledge of Seller, any other person or entity, has ever caused Hazardous Substances (as defined below) to be used, deposited, stored, disposed of, placed, or otherwise located in or on the Property except in quantities which do not violate and otherwise in compliance with Environmental Laws (as defined below). Seller has not received any notices, and to the knowledge of Seller, the Property was not, is not, and was and is not claimed to not be in compliance with all federal, state of Arizona, local, or other laws, ordinances and regulations relating to environmental protection, occupational health and safety, public health and safety or public nuisance or menace, including the Comprehensive Environmental Response, Compensation and Liability Act of 1980, the Resources Conservation and Recovery Act of 1976, and the Superfund Amendments and Reauthorization Act of 1986 (collectively "Environmental Laws"). "Hazardous Substances" means any substance which is or becomes classified, defined, designated, or regulated as toxic, hazardous, harmful to health, life or the environment, a pollutant, contaminant or waste under any Environmental Law, including asbestos, carcinogens, petroleum, petroleum-related byproducts, methamphetamine, and their

constituents. Seller shall promptly disclose to Buyer if following the Opening of Escrow Seller receives a written notice, or otherwise becomes aware, of any of the foregoing.

The foregoing representations are true, correct and complete, and the foregoing warranties are in full force and effect and binding on Seller, as of the date hereof, and shall be true and correct and in full force and effect, as the case may be, and deemed to have been reaffirmed and restated by Seller as of the date and time of the Closing, shall survive the Closing and shall not be deemed merged into any instrument of conveyance delivered at the Closing, and shall inure to the benefit of and be enforceable by Buyer, its successors and assigns.

12.02 Buyer's Representations and Warranties. Buyer represents, warrants and covenants that:

(a) Buyer is an Arizona municipal corporation. Buyer has full power, authority and legal right, and has obtained all necessary consents and approvals, to execute, deliver, and perform its obligations under this Agreement. This Agreement has been, and the documents contemplated hereby will be, duly executed and delivered by Seller and constitute Buyer's legal, valid and binding obligation.

(b) Buyer's execution, delivery and performance of its obligations under this Agreement will not conflict with or result in a breach of, or constitute a default under, any of any contract, instrument, law, government rule, regulation, judgment, decree or order to which Buyer is a party or by which Buyer is bound.

13. "AS IS". Buyer acknowledges and agrees that upon Closing, Seller shall sell and convey the Property to Buyer and Buyer shall accept the Property "AS IS, WHERE IS, WITH ALL FAULTS," except to the extent expressly provided otherwise in this Agreement or in the documents delivered by Seller at Closing.

14. Condemnation and Risk of Loss.

14.01 Condemnation. If, prior to Closing, any governmental authority, other than Seller, or other entity having condemnation authority shall institute an eminent domain proceeding or take any steps preliminary thereto (including the giving of any direct or indirect notice of intent to institute such proceedings) with regard to the Property, and the same is not dismissed on or before ten (10) days prior to Closing, Buyer shall be entitled either to terminate this Agreement upon written notice to Seller or to waive such right of termination and receive all such condemnation proceeds. In the event Buyer elects to terminate this Agreement under this Section 14.01, neither party to this Agreement shall thereafter have any further rights or obligations hereunder except for those rights and obligations that survive termination of this Agreement, or the Closing as provided in this Agreement.

14.02 Risk of Loss. The risk of loss or damage to the Property and all liability to third persons until the Closing shall be borne by the Seller. Buyer shall assume all risks of loss or damage to the Property and all liability to third persons upon the Closing.

15. Miscellaneous.

15.01 Notices. Any and all notices, demands or requests required or permitted hereunder shall be in writing and shall be effective upon personal delivery or e-mail transmission or one (1) business day after being deposited with any commercial air courier or express service providing next day delivery, addressed as follows:

To the Seller: Cochise County Community College District
Attn: Wendy Davis, Ph.D., Executive Vice President
901 Colombo Ave
Sierra Vista, AZ 85635
davisw@cochise.edu

With copy to: Chris Przylucki, Director of Procurement Services
Cochise College
przyluckic@cochise.edu

To the Buyer: City of Douglas
Attn: Ana Urquijo, City Manager
425 E. 10th Street
Douglas, AZ 85607
Email: ana.urquijo@douglasaz.gov

With copy to: Denis M. Fitzgibbons, City Attorney
Fitzgibbons Law Offices, P.L.C.
1115 E. Cottonwood Lane, Suite 150
P.O. Box 11208
Casa Grande, Arizona 85130-0148
Email: denis@fitzgibbonslaw.com

Title Company: Pioneer Title Agency
Attn: Candy Chavez
1065 F Ave Suite #6
Douglas, Arizona 85607
Email: candy.chavez@pioneertitleagency.com

Buyer or Seller may change its address for notice by giving notice in the manner provided above. The inability to deliver because of a changed address of which no notice was given, or rejection or other refusal to accept any notice, shall be deemed to be the receipt of the notice as of the date of such inability to deliver or rejection or refusal to accept. Any telephone numbers provided in this Agreement are for aiding informal communications only, and notices shall not be effective if provided orally.

15.02 Time of the Essence; Date of Performance. Time is of the essence of this Agreement, and Buyer and Seller hereby agree to perform each and every obligation hereunder in

a prompt and timely manner; provided, however, that if the date for the performance of any action or the giving of any notice which is required hereunder, occurs on a Saturday, Sunday or legal holiday, the date for performance or giving of notice shall be the next succeeding business day.

15.03 Severability. Wherever possible, each provision of this Agreement shall be interpreted in such manner as to be valid under applicable law, but if any provision of this Agreement shall be invalid or prohibited hereunder, such provision shall be ineffective to the extent of such prohibition or invalidation which shall not invalidate the remainder of such provision or the remaining provisions of this Agreement.

15.04 Waiver. The waiver by either party hereto of any right granted to it hereunder shall not be deemed to be a waiver of any other right granted herein, nor shall same be deemed to be a waiver of a subsequent right obtained by reason of the continuation of any matter previously waived.

15.05 Entire Agreement. This Agreement, contains the entire agreement of the parties hereto with respect to the matters covered hereby, supersedes all prior agreements, arrangements and understandings between the parties and no other agreement, statement or promise made by either party hereto that is not contained herein shall be binding or valid. All exhibits to this Agreement are by this reference incorporated herein.

15.06 Amendments. This Agreement may be amended only by written document signed by each of the parties hereto.

15.07 Further Performance. Each party shall, whenever and as often as it shall be requested by the other party, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such further instruments and documents, as may be reasonably necessary in order to complete the sale, conveyance and transfer herein provided and to do any and all things as may be requested in order to carry out the intent and purpose of this Agreement.

15.08 Counterparts. This Agreement may be executed simultaneously or in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same agreement. A party's signature on this Agreement or any amendment hereto may be provided electronically scanned or by electronic signature and shall be effective upon transmission to the other party hereto.

15.09 Binding Effect. This Agreement shall be binding upon and inure to the benefit of the parties and their respective heirs, devisees, personal and legal representatives, successors and assigns.

15.10 Governing Law; Venue. This Agreement shall be construed and interpreted under and governed and enforced according to the laws of the State of Arizona, without giving effect to the principles of conflicts of law. The parties agree that should any court action be commenced relating to this Agreement, that the Cochise County Superior Court shall be the

appropriate and exclusive venue, therefore. The parties expressly waive any and all provisions of law providing for a change of venue to any other state or federal court.

15.12 Headings and Construction. The headings set forth in this Agreement are inserted only for convenience and are not in any way to be construed as part of this Agreement or a limitation on the scope of the particular paragraph to which it refers. Where the context requires herein, the singular shall be construed as the plural, and neutral pronouns shall be construed as masculine and feminine pronouns, and vice versa. This Agreement shall be constructed according to its fair meaning and neither for nor against either party hereto.

[Signatures on following page]

IN WITNESS WHEREOF, Buyer and the Seller have executed this Agreement effective as of the date first written above.

SELLER:

COCHISE COUNTY COMMUNITY COLLEGE DISTRICT,
a political subdivision of the State of Arizona

By: _____
James Perey, Ed.D., President

Attest:

Approved as to form:

By: _____
Crystal Wheeler
Executive Assistant to the
President and Governing Board

By: _____
Paul Correa
Chief Civil Deputy County Attorney
Cochise County Attorney's Office

BUYER:

CITY OF DOUGLAS, an Arizona municipal corporation

By: _____
Ana Urquijo, City Manager

Attest:

Approved as to form:

By: _____
Alma Andrade
City Clerk

By: _____
Denis M. Fitzgibbons
City Attorney

EXHIBIT A

Access Easements and Water Line Easement

C:\Users\apiazza\DC\ACCDocs\Stantec Consulting\181301800_DOUGLAS_POE\Project Files\01_WF\04_civil\Exhibit_Files\Cochise_College_Well_Connect\Cochise_College_Well_Update.dwg
2025/01/30 9:14 PM By: Piazza, Andrew

