



## **Request for Proposals**

# **Attractions Operator Colossal Cave Mountain Park**

Operation, Rehabilitation and Future Development of an historic Show Cave and other activities located within a Nature Park Attraction in Pima County, Arizona

Request for proposals from experienced operators for the public-private financing, repair, rehabilitation, design, construction and long term operation of a public Show Cave and other attraction activities on publicly-owned park property near Vail, Arizona.

**Pima County Economic Development & Tourism  
33 North Stone Avenue, Suite 830  
Tucson, Arizona 85701**



March 23<sup>rd</sup>, 2015

**To All Interested Parties:**

Pima County is seeking proposals from qualified parties interested in negotiating for a possible contract for the operation, repair, rehabilitation, development, design, construction, and maintenance of an historic show cave and nature park attraction activities located within Colossal Cave Mountain Park on Colossal Cave Road, east of Pistol Hill Road, Vail, Pima County, Arizona.

The initial term of the proposed agreement will be for a period of up to ten (10) years for the repair and rehabilitation period and then may be extended for an additional fifteen (15) years, with one additional twenty-five (25) year option to renew with mutually agreeable terms.

Request for Proposal packets may be obtained on the **23<sup>rd</sup> of March, 2015:**

In Person –

Department of Economic Development and Tourism  
Administrative Offices  
33 North Stone Ave., Suite: 830  
Tucson, Arizona 85701  
10 am - 4 pm

On-Line –

<http://www.pimacountyattractions.com/Notices.html>

**(On 23<sup>rd</sup> March, 2015)**

Mail –

Pima County ED&T  
Department of Economic Development and Tourism  
Administrative Offices  
33 North Stone Ave., Suite: 830  
Tucson, Arizona 85701  
Phone - (520) 724-7355 (call to request)

We highly recommend that prospective proposers attend a **Pre-Proposal Conference**, lasting approximately two hours. The Pre-Proposal Conference will discuss the Request for Proposal and applicable County compliance requirements and answer general questions. Although attendance is not mandatory, this meeting will give prospective proposers a chance to ask questions of the team of evaluators.

**Pre-Proposal Conference**

When: **April 1, 2015 at 10:00 a.m.** (allow ample time for traffic).

Where: 8<sup>th</sup> Floor Conference Room  
33 North Stone Ave. Tucson, AZ 85701  
Phone - (520) 724-7355

If you plan to attend the Pre-Proposal Conference, please notify Aurora Hernandez of the Department of Economic Development and Tourism at (520) 724-7355 at least one business day in advance, or via email at: [Aurora.Hernandez@pima.gov](mailto:Aurora.Hernandez@pima.gov) by **March 31, 2015**. Please indicate if you are attending in person or by telephone. **If attending by telephone, we will provide you with a call in toll-free number.**

Proposals are to be completed and submitted by the deadline indicated below.  
Late submittals will not be accepted.

**Proposal Submittal Deadline**

**Due Date: May 8, 2015 by 4:00 p.m.**

Location: Pima County Department of Economic Development and Tourism  
Director's Office  
33 North Stone Ave., Suite: 830  
Tucson, Arizona 85701

If you have any questions regarding this Request for Proposal, please contact our office at (520) 724-7355.

Thank you for your  
interest.

A handwritten signature in black ink that reads "Tom Moulton". The signature is written in a cursive style with a large, sweeping initial "T" and a long, horizontal flourish extending to the right.

Sincerely,  
Tom Moulton  
Director  
Pima County Economic Development and Tourism

## COLOSSAL CAVE MOUNTAIN PARK ATTRACTION RFP TIMELINE \*

<b><u>Date</u></b>	<b><u>Activity</u></b>
March 23 <sup>rd</sup> through 29 <sup>th</sup> , 2015	Recruitment ads run in Territorial Newspaper
April 1 <sup>st</sup> , 2015	Pre-Proposal Conference, 10 a.m. (Arizona Standard Time)
May 8 <sup>th</sup> , 2015	Proposal Submittal Deadline by 4:00 p.m.
June 9 <sup>th</sup> , 2015	Operations, Development and Management Agreement placed on Board of Supervisors' agenda for approval

\* Subject to change

## TABLE OF CONTENTS

Statement of Purpose .....	7
RFP Process.....	8
Colossal Cave Mountain Park Information .....	8
Surrounding Community.....	9
Project Requirements .....	9
Park Specifications .....	9
Attraction Repair Requirements.....	10
Nature Park Program.....	10
Cultural Resources and the Colossal Cave Preservation park Historic District.....	11
Terms of Operating Agreement.....	12
Proposals.....	12
Minimum Qualifications .....	12
General Conditions.....	12
Schedule; Pre-Proposal Meeting.....	14
Submittals.....	14
Evaluation Criteria & Scoring.....	17
Exhibit 1: Form of Cooperative Management, Operating Agreement.....	19
Exhibit 2: Performance Audit of Colossal Cave Mountain Park (Link to Online Document).....	46
Exhibit 3: Site Map, Showing Site Features.....	47
Exhibit 4: Pima County Profile (Executive Summary).....	48
Exhibit 5: Pima County Family of Attractions Overview.....	51
Exhibit 6: Map of Colossal Cave Passages.....	53

## **1. Statement of Purpose**

Pima County (“County”) wishes to enter into an agreement with an experienced Show Cave attraction operator (“Operator”) for development and operation of an historic show cave known as Colossal Cave (“the Cave”), and complementary activities located in a beautiful natural resource park called Colossal Cave Mountain Park (“Park”). The areas on which current activities occur are located in Exhibit 3. The Park is located near Old Spanish Trail and Pistol Hill Road in Vail, Pima County, Arizona (Site). County will provide the use of designated portions of the Park, which will be outlined and pursuant to a long term cooperative management and operations agreement (the Agreement”), at an initial term for up to ten (10) years with an option to renew for an additional fifteen (15) years. During this time, the attractions and facilities within the designated areas of the Park will be repaired as agreed by both parties, rehabilitated to current codes and standards, and operational and educational programs will be developed and be functional. Operator will be required to repair and rehabilitate those Park Facilities under the control of the Operator initially at its own expense with possible future reimbursement contingent upon a Pima County Bond election currently scheduled for a vote in November 2015 or supplemental funding from Pima County or other sources, and to operate, insure, repair and maintain those designated portions of the Park, also at its own expense, for the term of the Agreement. The Park is operated as a public natural resource park, with public access and reasonable use rates throughout the park and attraction offerings. Operator must provide agreed-upon educational public programs and benefits that are consistent with the natural and cultural heritage of the site.

It is the intent of this RFP that we gather the best ideas from parties interested in taking on this unique responsibility to operate a Show Cave attraction and complementary geo-tourism activities. Any ideas submitted will be thoroughly discussed and authorized by the County before implementation. While the specifications and statements made in this RFP are meant to guide bidders’ thoughts towards appropriate, nature-related activities that fit within the historical and natural context of the park, it is not our intent to limit those ideas to a preconceived concept. We want the responses to this RFP to answer the question, “If you had this property, how would you develop a geo-tourism attraction that both respected and celebrated the history, culture, and nature of the park, and preserved the natural and cultural resources located there for generations to come.” We will be judging the bids on a number of categories enumerated in Section 7.5 “Evaluation Criteria and Scoring”, but perhaps the most important factor will be your overall vision for what this attraction could be. We encourage bidders to “dream big”, and let the details develop during the negotiation phase after the bid is awarded.

## **2. RFP Process**

A person or entity that is interested in entering into the Agreement and repairing, rehabilitating and operating the Park (a “Proposer”), and that meets the minimum qualifications (both financial and operational) described below (the “MQs”), should submit a Proposal to County, as described in this Request for Proposals (this “RFP”). Eight sealed copies of the Proposal must be submitted (meaning physically delivered and received) **by 4:00 pm on May 8, 2015** at the Pima County Economic Development & Tourism Department Office, 33 North Stone Avenue, 8th Floor, Tucson, Arizona 85701.

The Proposal must contain the required information about the Proposer, must demonstrate that the Proposer meets the Minimum Qualifications (MQs), a proposed detailed operational plan of the designated operational areas, a preliminary repair and rehabilitation plan of those areas, with cost estimates, all as further explained in Section 7, Proposals. All Proposals submitted by the deadline that meet the requirements of this RFP will be scored by a team of evaluators assembled by the County, consisting of County officials and employees as well as members of the local community. An award may be recommended to the County Board of Supervisors following the evaluation.

The intent is for County to enter into an agreement, in largely the form attached as **Exhibit 1**, with the highest scoring responsive and responsible Proposer, if any. County, however, reserves the right to cancel the project at any point in the RFP process, waive compliance with any requirement of this RFP, reject all proposals and issue or decline to issue a new RFP, or to take any other actions that are in the best interests of County.

By submitting a Proposal, a Proposer is agreeing that, if it is selected, it will enter into an Agreement with County with the essential defined terms and conditions set forth in this RFP and rehabilitate and operate the Cave and other designated areas of the Park as set forth in the Proposal. While the final form of the Agreement will be subject to some areas of negotiation between the high scoring Proposer and County, any refusal of the Proposer to agree to the defined terms set forth in this RFP, or any failure of the parties to successfully negotiate a final form of agreement, may result in the Proposal being declared non-responsive. In that event, County will have the right to reject that Proposal and negotiate instead with the next highest scoring responsive and responsible Proposer, if any. For further details regarding the process, and the terms and conditions of this RFP, see Sections 7.2 (General Conditions) and 7.3 (Schedule; Pre-Proposal Meeting) below.

## **3. Colossal Cave Mountain Park Information**

**Location & Size:** The Park is approximately two thousand, seven hundred (2,700) acres in size and is located at 16721 E. Old Spanish Trail, Vail AZ 85641.

Surroundings: The site is bounded:

- To the north by U. S. Bureau of Reclamation Land, managed by Pima County as a buffer.
- To the east, west and south by Pima County Land.

Legal Description of Colossal Cave Mountain Park is referenced in the agreement in **Exhibit 1**:

**Assessments & Reports**: County will require reports including but not limited to Environmental, Native Species, Historic Buildings, and Cultural Resources inventories and treatment plans and construction plans before any rehabilitation or additional new construction will be authorized. Any additional reports as required by County, State or Federal regulatory authorities will be the responsibility of the Proposer prior to any modification within the leased area.

The information contained in this RFP and its exhibits is provided without any warranty or guarantee as to accuracy or completeness. Each Proposer is solely responsible for conducting its own due diligence regarding the condition of the Site and its suitability for development and use. Other reports not listed here may be required by various agencies within Pima County.

#### **4. Surrounding Community**

Information about the demographics and economic base of Pima County is attached as **Exhibit 4**. The above information was gathered from publicly available sources and is provided without any warranty or guarantee as to accuracy or completeness. Each Proposer is solely responsible for conducting its own due diligence regarding the demographics of the community and assessing the practical and economic viability of developing and using the Site.

#### **5. Project Requirements**

##### **5.1 Park Specifications under the control of the Operator**

- Colossal Cave, a historic publicly accessible show cave (approximately 3 miles of accessible pathways), lighting, support buildings and roads.
- Park amenities such as picnic areas, restrooms, concessions, parking, RV parking/facilities, wet and dry camping sites.
- Historic sites such as the Cave Entry Ramada, Visitor Building and CCC Museum.
- An historic ranch house (La Posta Quemada), currently used as a museum and library and nearby special event area.
- Rodeo Arena and supporting equestrian facilities.

- Access road and driveways, maintenance and storage compounds, parking, ticketing kiosks, security fencing, lighting, utilities, landscaping and infrastructure within and connected to the cave and designated attraction areas.

### 5.2 Attractions Repair Requirements

The Proposer will be responsible for repairing and maintaining all facilities with the Designated Areas as will be defined in the final agreement. All repairs and rehabilitation efforts to historic Site Facilities (largely consisting of the stone CCC built structures) will require compliance with historic “Standards for Rehabilitation”.

Signage and marketing materials shall prominently and clearly establish that the Park is owned by Pima County.

- Proposers are encouraged to build into the future design of the Park ancillary revenue-producing space such as but not limited to restaurants, shops, museums, or nature displays. The Proposer will be permitted to enter into concession agreements with other entities to operate these ancillary areas (see Terms of Operating Agreement, below) with oversight and prior approval of the County.
- The Operator must comply with all zoning requirements and all other applicable Federal, State and local governmental laws, regulations, and requirements. The Proposer will be required to complete the development review process through all responsible agencies and other regulatory authorities. Plans and specifications for the repair or rehabilitation of existing Site Facilities within the Cave and other designated areas, or the construction of new facilities within the Park will also be subject to review and approval by County to ensure compliance with the requirements of this RFP and the Agreement.

### 5.3 Nature Park Program

Colossal Cave Mountain Park has been preserved by the people of Pima County for its scenic beauty, its history, and the flora, fauna, and cultural resources found within. These resources are to be left unimpaired for the enjoyment of future generations. Proposer is encouraged to consider opportunities to advance the conservation, education and appreciation of the broader historic and natural resources of Colossal Cave Mountain Park through the activities within the Cave and designated areas, Pima County recognizes that commercial operation of portions of the Park can be mutually supporting of the overall park mission, when it is based on financially sound operations.

- Proposer must provide a proposed cave tour schedule.

- Proposer must provide a description of any programming that utilizes the natural and historic features of the Park.
- All Fees must be reasonable for a public park entry and its activities and comparable to other fees charged in the state.
- Alcohol sales will be permitted, with County authority and proper state and local licensure.
- The Proposer must utilize the name Colossal Cave Mountain Park as the name of the park the attractions are located in and other portions may utilize different names of its attraction features only with prior approval of the County.

#### 5.4 Cultural Resources and the Colossal Cave Preservation Park Historic District

Colossal Cave Preservation Park Historic District (CCPPHD or District) was listed on the National Register of Historic Places in 1992. The significance of the District resonates from the union of extraordinary geological, biological, ecological, archaeological, historic, and cultural resources all of which create a rare and unique environmental landscape and visitor experience,

The District provides a unique opportunity to reify history through interpretive exhibits of archaeological materials and Native-American oral history, and the early 20<sup>th</sup> Century through the adaptive reuse of many of the historic buildings and structures located throughout the Attraction area. Thus the design of new recreation facilities and the adaptive reuse of existing facilities must incorporate the array of cultural resources values shared by living communities.

The operator shall consider the following in their proposals:

- *No significant historic properties, buildings and structures that are contributing properties to the National Register Historic District shall be demolished.*
- *Avoidance of all significant archaeological properties. If avoidance is not possible, the operator is financially responsible for all necessary mitigation expenses.*
- *Minimize alterations to historic buildings and structures.*
- *Adaptive approved reuse of historic buildings and structures that are within the operational purview is encouraged*
- *Newly constructed facilities/infrastructure should not detract from the overall feeling and association of the National Register property.*
- *Thematically emphasize the authentic historical and natural qualities of Colossal Cave Park.*

- *Development of cultural resources/oral history interpretation exhibits and visitor experiences.*

## **6. Terms of Operating Agreement**

See the terms set forth in the Operating Agreement attached as **Exhibit 1.**

## **7. Proposals**

**7.1 Minimum Qualifications:** To be responsive, Proposers must demonstrate that they meet the following minimum qualifications:

- The Proposer must have recent experience as the principal operator of at least one successful attraction of similar size and scope to the proposed project of this RFP. Current or previous operation of a natural asset, such as a Show Cave or nature park, is desirable.
- The Proposer must have been in business, as an attraction developer or operator, for at least five (5) years in projects similar in size and scope to this proposed project
- The Proposer must provide reasonable proof of the availability to operate the attraction project, of Five Hundred Thousand Dollars (\$500,000.00), with verification from a certified financial institution as part of the RFP.
- The Proposer must have access to capital funds for rehabilitation and restoration of the proposed project during the initial term.

### **7.2 General Conditions**

**No Contract:** There will be no binding contract between the County and any Proposer unless and until the Pima County Board of Supervisors approves and executes the final Agreement. No Proposer has any cause of action against the County or any County official, employee, or agent, or any evaluator, based in whole or in part on this RFP, on Proposer's response to this RFP, or on any actions taken by any such organizations or individuals in connection with the RFP, the evaluation process, or the contract award. Each Proposer must understand that responding to this RFP will require the Proposer to make a substantial investment of time, and a substantial investment of money that the Proposer may or may not recoup. The County is not responsible for any such costs.

Addenda: It is the Proposer's responsibility to check the RFP website [www.pimacountyattractions.com/Notices.html](http://www.pimacountyattractions.com/Notices.html) periodically to ensure that Proposer is aware of any addenda or amendments to this RFP.

The County will not be bound by any statements or information given verbally by any County employee, official, agent, or evaluator, and Proposers may not rely on such verbal information.

Proposal is Binding Offer: The Proposal shall, upon opening, be deemed to be a binding offer that may not be modified or withdrawn by the Proposer for a period of ninety (90) days following opening.

Withdrawal/Return of Proposals: A Proposer may withdraw its Proposal by notifying County in writing at any time prior to the deadline for proposal submittal. In that event, the submitted Proposal will either be returned to Proposer, or destroyed, at County's option. After the submittal deadline, proposals become a public record of County and will not be returned to the Proposers.

Proposals as Public Records: Upon opening, as noted above, Proposals become public records and are subject to disclosure as required by the Arizona Public Records Law, A.R.S. § 39--101 et seq. The Proposer must clearly and specifically identify, in the Proposal, any materials that either should not constitute public records or are otherwise protected from disclosure. For each item so identified, the Proposer must state the reasons why the item should not be subject to public disclosure and the legal basis for that conclusion, including citation to specific legal authority. It is the intent of County to delay disclosure of the Proposals until the conclusion of the evaluation process, but County reserves the right to release the Proposals earlier, in response to a public records request, if it deems such disclosure to be in County's best interests, or if required by law. If County receives a request for disclosure that would include materials that have been labeled by Proposer as confidential, County will notify the Proposer of the request and of County's intent to disclose the Proposal. Proposer will have ten (10) business days within which to file an action in the Pima County Superior Court seeking to enjoin disclosure of the materials. County will release the materials after that period of time unless Proposer has successfully obtained a court order preventing such disclosure.

Final Negotiations; Presentations: County reserves the right to negotiate a best and final offer with a Proposer as may be in County's best interests. In its discretion, County may require any Proposer to make an oral presentation regarding the Proposal or to provide further documentation.

No Joint Venture: Nothing in this RFP or in the Operating Agreement creates a partnership or joint venture relationship between any Proposer and County.

No Collusion/Conflict of Interest: By submitting a Proposal, Proposer certifies to County that Proposer has not paid or agreed to pay and will not pay or agree to pay any fee or commission, or any other thing of value to any County employee, official, and agent, or evaluator, contingent on the award of the Operating Agreement to Proposer. In addition, the Proposer certifies that it does not have any conflict of interest as defined by A.R.S. § 38---511 et seq.

### **7.3 Schedule; Pre-Proposal Meeting**

Each Proposer must submit eight (8) copies of its Proposal in a sealed envelope(s). Proposals must be submitted (meaning physically delivered and received) at Pima County Economic Development and Tourism, 33 North Stone Avenue, Suite 830, Tucson, Arizona 85701 **by 4:00 pm on May 8<sup>th</sup>, 2015**. Proposals submitted after that time will be considered non-responsive. The envelopes must be clearly marked on the outside with the Proposer's name and address, and with the following language: "*Rehabilitation, Operation, and Future Development of Colossal Cave Mountain Park Attractions in Pima County*".

There will be a pre-proposal meeting at Pima County Economic Development and Tourism, 33 North Stone Avenue, Suite 830, Tucson, Arizona 85701 at **10:00 am on April 1, 2015**. Questions can be asked at that time, or may be submitted in writing at least one day prior to the meeting, directed to Aurora Hernandez, [aurora.hernandez@pima.gov](mailto:aurora.hernandez@pima.gov) with a copy to Mike Holmes, [mike.holmes@pima.gov](mailto:mike.holmes@pima.gov). Proposers are urged to become familiar with the RFP document in advance of the meeting so that they can be prepared with questions and requests for clarification. Proposers should arrive on time. Proposers may participate by conference call by sending an email request to Aurora Hernandez, [aurora.hernandez@pima.gov](mailto:aurora.hernandez@pima.gov) with a copy to Mike Holmes, [mike.holmes@pima.gov](mailto:mike.holmes@pima.gov) at least one business day before the meeting date. A reply/confirmation email will follow with instructions and the phone number to use for the conference call.

Questions and answers, comments, and clarifications discussed at the meeting or provided in writing prior to the meeting will be summarized in writing and posted on the website (<http://www.pimacountyattractions.com/Notices.html>) as an addendum to this RFP. County will use its best efforts to post this addendum within three (3) days after the meeting.

County anticipates that the evaluation process will take approximately fifteen (15) to thirty (30) days and that the highest scoring Proposer will be contacted shortly thereafter.

### **7.4 Submittals**

Proposals must contain the information and supporting documentation described below and conforms to all other requirements of this RFP. Any substantial deviation from these

requirements will be cause for rejection of the Proposal at County's sole discretion. Each Proposer should label or tab its Proposal using the headings and letters corresponding to the required items:

**A. Cover Letter:** A cover letter giving the legal name and address of Proposer, the entity type and domicile of Proposer; and the name, address, telephone number and email address of the individual who will serve as Proposer's contact person with County and will be authorized to make representations on behalf of Proposer and sign the Agreement. The letter must bear the original signature of the individual with the proper authority to submit the Proposal on behalf of Proposer. The highest scoring Proposer may be required to submit additional documentation (such as a corporate resolution or signed statements by partners or members) showing the entity's approval of the Agreement, and the signer's signature authority for the Agreement. If Proposer is a joint venture, this information, and the information listed below, shall be given for each member of the venture, and the role of each member shall be clearly explained. The highest scoring Proposer will be required, prior to entering into the Agreement to be properly qualified to do business in Arizona.

**B. Management Experience:** A synopsis of the overall qualifications and experience of Proposer, including its years in business; its past and current levels of staffing; a description of all other show caves, parks or attractions currently or previously developed or principally operated by it; the specific activities within the attraction: visitation rates over the most recent five years of operation; an explanation regarding any show caves, parks or other attractions developed or operated by Proposer that have been closed or sold; a url address for any park or attraction websites in existence or formerly in existence; a description of the experience and qualifications of key management and operations staff who were involved in the past management experience cited above and whether they are still with the Proposer (including any on-going operations); disclosure of any safety violations issued by state or other authorities, and the identity of subsidiary, parent and other affiliated companies.

**C. Financial statements; capital; financing commitments:** A statement by an authorized officer of Proposer that Proposer

(i) has sufficient capital funds available to it (though financing arrangements or otherwise) to renovate, maintain and construct the Park as set forth in the Proposal;

(ii) is not in default of any loans; and

(iii) is not aware of any pending claim, lawsuit, or other matter that could adversely affect Proposer's financial or legal ability to perform under the terms of the Agreement. The highest scoring responsive and responsible Proposer will be required, within ten (10) days after notification regarding the outcome of the

evaluation process, to submit copies of Proposer's financial statements for the last three (3) years, a current financial statement showing Proposer's net worth and current financial status, and showing any non-performing loans, Proposer's recourse debt, and any current projects with negative cash flows. If Proposer intends to borrow funds to finance the project, a letter of intent from a bank or other lending agency must also be provided within this ten (10) day period, indicating the maximum amount that will be loaned and the material terms including the interest rate and security. The letter of intent may be conditioned on award of the Agreement to Proposer. (Please note that Proposer will not be permitted to give any lender a security interest in the Park or the Site, though Proposer will be permitted to give a lender a security interest in Proposer's interest in the Agreement).

- D. Financial & Operating References:** The names and contact information of at least three (3) financial references; meaning people or entities with whom Proposer has done business in the last five (5) years who may be contacted by County for financial information about Proposer. Also, names and contact information of at least three (3) people or entities familiar with Proposer's current operations at another Park or Attraction (such as government officials, or representatives of *National Cave Association* or *National Speleological Society*) who County can contact for information about Proposer's operations.
- E. Park Facilities Improvement Plan and Design:** A narrative description of the proposed renovation plan of the Cave and/or facilities currently operating and all of its components, as well as a schematic design (including paving, grading, parking and landscaping); prototype of any new activities; any new building design; types of major building systems and equipment and specifications.
- F. Timeline:** Project timeline from the notice to proceed to project completions.
- G. Cost Estimate:** Itemized estimate of initial project costs, including design, permitting, construction, and project management.
- H. Business Plan:** A detailed five (5) year (minimum) business plan including at least:
- Market analysis and plan
  - Operating budget, including all anticipated revenue sources and projected income, and all operating expenses.
  - Capital improvement plan, including method of funding
  - Proposed fee schedule

- Projected analysis of economic impact of Park and its activities on surrounding area
- I. **Operations/Program Plan:** A detailed five (5) year (minimum) plan regarding the proposed operation of the Park that complies with the requirements set forth in *Section 5.2* above including at least:
- Types of permitted uses, including whether the Cave or other designated activities will be available for special events etc.
  - Description of public outreach and educational programs
  - Hours of operation
  - Concessions/retail opportunities
  - Proposed cave tour schedule
  - Proposed special events schedule
  - Name, experience and qualifications of key management and operations staff who will market, operate, and execute the attraction's programs.
  - Safety plan outline

### **7.5 Evaluation Criteria & Scoring**

Proposals will be reviewed by the members of the evaluation committee, who will score the Proposals as follows:

<b><u>Criteria</u></b>	<b><u>Maximum Points</u></b>
Operational qualifications and experience, including, but not limited to, consideration of the following factors (In no particular order): <ul style="list-style-type: none"> <li>• Length of experience</li> <li>• Type and depth of experience</li> <li>• Experience with natural areas or historic sites</li> <li>• Success of other operations</li> <li>• Strength of recommendations</li> <li>• Experience and qualifications of management and operations staff</li> </ul>	30 Points
Attractions Plan, including but not limited to consideration of the following factors (in no particular order): <ul style="list-style-type: none"> <li>• Types of projects</li> <li>• Scope and proposed improvements to Facilities New additions</li> <li>• Safety</li> </ul>	30 Points
Operating plan, including, but not limited to, consideration	20 Points

of the following factors (in no particular order):

- Public benefit
- Types of ancillary uses
- Special events proposed
- Availability of adventure and other types of cave experiences Nature park activities and programming
- Experience and qualifications of key management and operations staff
- Initial rehabilitation/development project scope

Business Plan including, but not limited to, consideration

20 Points

of the following factors (in no particular order):

- Apparent financial viability of Proposer and plan
- Capital improvement plan and identification of funding sources
- Diversity of revenue sources
- Timeline to have Park activities open to public
- Marketing plan

**EXHIBIT 1**

**Cooperative Management, Operations and Development Agreement for the operation of Show Cave, and other Facilities within Colossal Cave Mountain Park.**

This Cooperative Management, Operations and Development Agreement (“the Agreement”) is made effective as of \_\_\_\_\_ by and between Pima County, a political subdivision of the State of Arizona (“County”) and, \_\_\_\_\_, an Arizona corporation (“Manager”) for the purpose of operating Colossal Cave (“Show Cave”) an historic show cave attraction and other activities within defined areas in a nature park Attraction (“Attraction”).

Recitals:

1. County is the owner of that real property known as the Colossal Cave Mountain Park (“Park”). The Park is legally described in **Exhibit “A”** to this Agreement (the “Property”).
2. Manager is an Arizona corporation organized for the purpose of operating a show cave and related nature park and geo-tourism related activities with designated areas as described in *Purpose and Scope of Show Cave Attraction Activities* attached to this Agreement as **Exhibit “B”**.
3. County and Manager wish to enter into this Agreement to allow Manager to operate, rehabilitate and develop the Cave and mutually agreeable activities within Colossal Cave Mountain Park as a major natural attraction for the County and the region, attracting visitors to Pima County and generating tangible economic impact and other benefits to the local economy.
4. County is authorized, pursuant to A.R.S. section 11--932, to enter into agreements for the management and operation of County public parks and is authorized, pursuant to A.R.S. section 11--254.04, to appropriate and expend County funds for and in connection with economic development activities.

Agreement:

Now, therefore, County and Manager, in consideration of the above recitals which are incorporated herein by this reference and the mutual covenants set forth herein, agree as follows:

**1. Operation, Development, and Management of the Attractions**

County hereby grants to Manager specific rights to use, occupy and manage the Attraction, inclusive of site facilities located within designated areas for the term and purposes described in this Agreement. Manager agrees that it shall operate, renovate, develop, manage and maintain

the Attraction under the terms and conditions set forth herein and as may be further established by the County.

County reserves the right to manage the undeveloped areas outside of the Attraction. This reservation extends to all known and unknown cave and karst features outside of the Show Cave.

Manager shall construct, provide, operate and maintain all real and personal property and all equipment necessary for the establishment and operation of the Attraction.

Manager would be responsible for providing the following within the six months of the first year of operation for approval by the County:

1. An overall operation plan of the show cave and other activities as outlined in **Exhibit B** including but not limited to, proposed type of cave tours, cave and campground hours, special events, a visitor safety plan that identifies priorities and methods for ensuring visitor safety. The plan should address emergency evacuation procedures. Include a checklist for routine inspections.
2. A proposal identifying which days each year the Park will be closed to recreation, with specific information about what activities, if any, the operator would conduct or allow during those days.
3. A lighting plan that identifies any proposed changes in lighting within or outside the Cave.
4. Manager and County will jointly prepare a waste management plan within the first six months of the first year of Operation that discusses what wastes are generated and how they will be disposed, with a checklist for self-audits and inspections. There shall be no disposal in caves or over the known karst features, and avoid disposal over shallow groundwater areas. The plan shall address procedures for accidental discharges of waste.

Manager is responsible for providing the following within the first two (2) years of operation:

1. A recreation effects monitoring proposal for Colossal Cave in conjunction with the County. The object of this monitoring is to document and understand recreational impacts. Monitoring can be accomplished using photographs or other methods. Proper documentation of the location and frequency of cave monitoring will be required. Consider the fragility and disturbance that monitoring may cause.
2. A water supply operations plan developed in conjunction with the County, for those facilities that would include the inspection checklist and state frequency of inspections.

Manager is responsible for completing mutually acceptable site facility projects and rehabilitation plans with the first ten (10) years of operation as outlined in **Exhibit “B”**.

## **2. Term and Renewal**

**2.1** The initial term of this agreement shall be for ten (10) years or less depending upon the completion of the first phase of the Park re-development and design. The term of this Agreement shall commence no later than August 15, 2015 and end on August 14, 2025 or sooner once the completed list of proposed and approved projects as mutually agreed upon (the “Projects”) are satisfactorily completed. This Agreement will terminate and will be of no further force or effect if Manager has not completed the Projects by August 14, 2025.

**2.2** Upon the earlier of the completion of the Projects or the end of the initial ten (10) year term of this Agreement, this Agreement may be extended for an additional fifteen (15) years provided that Manager is not then in default of any provision of this Agreement and has completed the first phase of the Site Facilities Projects . Upon expiration of the first twenty-five (25) years, the term of this Agreement may be renewed and extended, upon written agreement of the parties, and approval of the County, for an additional twenty-five (25) year period. If Manager wishes to renew the Agreement, Manager shall so notify County in writing not more than two (2) years nor less than one (1) year prior to the end of the first twenty-five (25) year term. In such event, the parties will negotiate with one another in good faith regarding the terms of this Agreement.

**3. Payments to County:** Manager shall pay County, without demand or right of offset, rent as follows:

**3.1 Minimum Rent.** Commencing effective August 15, 2015, Manager shall pay to County as minimum rent Twenty Thousand Dollars (\$20,000.00) annually (“Minimum Rent”), payable in monthly payments of One Thousand, Six Hundred Sixty-six Dollars (\$1,666.00) commencing on September 1, 2015 and shall be payable on the first of each month thereafter. Beginning on July 1, 2020, the annual minimum rent shall be adjusted every five (5) years based on the percentage increase, if any, in the Consumer Price Index-Urban (CPI-U) for the previous five (5) year period. The first adjustment will be effective on August 1, 2020 and will be based on CPI-U percentage increase from August 1, 2015 – August 1, 2020.

**3.2 Percentage Rent.** In addition to the Minimum Rent, Manager shall pay percentage rent calculated using the following rates and benchmarks:

**3.2.1** Zero percent (0%) on annual Gross Revenues up to Two Million Dollars (\$2,000,000.00)

**3.2.2** Two percent (2%) on annual Gross Revenues from Two Million Dollars (\$2,000,000.00) to Three Million Dollars (\$3,000,000.00)

**3.2.3** Four percent (4%) on annual Gross Revenues from Three Million Dollars (\$3,000,000.00) to Four Million Dollars (\$4,000,000.00)

**3.2.4** Six percent (6%) on annual Gross Revenues from Four Million Dollars (\$4,000,000.00) to Five Million Dollars (\$5,000,000.00)

**3.2.5** Eight percent (8%) on annual Gross Revenues from Five Million Dollars (\$5,000,000.00) to Six Million Dollars (\$6,000,000.00)

**3.2.6** Ten percent (10%) on annual Gross Revenues above Six Million Dollars (\$6,000,000.00)

For purposes of this Agreement, the term "Gross Revenues" means all income receipts from any source arising out of operations or activities conducted on the Premises, whether such revenue is revenue directly to Manager or to any subtenant of Manager or other person or entity receiving revenue for activities conducted at Park, subject to the limitation herein below relating to the area subleased or used by third parties. It is the intent of the parties that Gross Revenues be interpreted as broadly as possible to include revenue derived from use of the Premises regardless of the recipient of such revenue. Gross Revenue would not include direct taxes charged on admissions or other monies collected for and paid to a taxing authority as sales or excise taxes and would not include normal charge-backs such as rebates to charities using the Premises, refunds, returns, credit card fees or uncollected amounts or activities conducted by Pima County. Percentage Rent benchmarks shall not be subject to adjustment for the CPI. Within forty-five (45) days after the end of each month, Manager shall report to County all Gross Revenues and charge-backs. On or before forty-five (45) days after the end of each quarter, beginning for the quarter ending September 30, 2015, Manager shall pay to County the estimated Percentage Rent year-to-date based upon an estimate determined by annualizing Gross Revenues year-to-date. On or before July 31 of each year of this agreement and on or before forty-five (45) days after the termination of this agreement, Manager shall provide to County a reconciliation of the Percentage Rent due for the preceding calendar year and shall pay any balance of Percentage Rent for that preceding year or shall deduct any overpaid Percentage Rent from the next payment of Rent. Manager shall require, as part of all contracts with any sub-contractor, or other entity or person using the Premises, that such concessionaire, sub-contractor, or other entity or

person using the Premises report to Manager and to County gross revenues received from activities at the Premises.

The Minimum Rent and Percentage Rent are collectively referred to herein as the "Rent".

#### **4. Permitted and Required Activities**

**4.1 Operation of the Cave and Attraction:** Manager will be the operator and improve an historic show cave and related attraction activities upon the Property within **Designated Areas** of Colossal Cave Mountain Park as described in the attached Exhibit B, Purpose and Scope of Show Cave Attraction activities, during the term of this Agreement. The Manager must include operation of the show cave, camp grounds, museum activities and other amenities supporting the overall operation of a historic show cave and attractions.

Manager will be responsible for renovating as needed driveways, maintenance and storage compounds, parking, ticketing kiosks, security fencing, lighting, utilities, infrastructure, and landscaping as described in Exhibit C, the Site Facilities Projects

Manager shall construct all such attractions and related improvements consistent with the phased concept outline and/or drawings attached to this Agreement as Exhibit D, Phased Implementation Strategies.

**4.2 Conduct of Attraction:** Manager shall determine the quantity and duration of cave tours, and special events on an annual basis. Manager shall conduct its activities, and ensure that its employees and all permissible users of the Park conduct their activities in a professional manner and in compliance with applicable standards of practice for natural resource park facilities and federal, state and local laws.

**4.3 Right of Public to Access Park:** Except for designated holidays, Colossal Cave Mountain Park will be open to the general public free of charge, except for gated attractions (including Show Cave), and designated and scheduled special and private events. All utilization of the Show Cave and attractions shall be scheduled and approved by Pima County Economic and Tourism Department (ED&T).

**4.4 Fees:** Manager may charge fees for use of the Show Cave and Attractions and for Special Events and other uses under control of the Manager in amounts approved in advance by County. All fees will be included in the calculation of Gross Revenue and applied by Manager in connection with the use, operation and improvement of the Park, as provided in Section 6 below.

**4.5 Alcohol:** Manager may serve and sell alcoholic beverages for consumption on the Property provided Manager complies with applicable liquor laws and provides County with the required insurance set forth herein.

**4.6 Signs:** Manager may affix and maintain upon the Property such signs relating to the events held on the Park as Manager deems appropriate; provided, however, that all signs utilized by Manager on or about the Park, whether visible from outside the Park or not, shall at all times comply with applicable provisions of the *Pima County Sign Code* and shall be installed and maintained at Manager's sole cost. Any and all advertising signs placed by Manager on the Park shall be immediately removed by Manager upon termination of this Agreement for any reason. Any damage resulting from such removal shall be repaired immediately by Manager at its sole cost. Manager shall not remove any operational or safety signage from the Park except to maintain, repair or replace the signage.

Manager shall pay for all costs of construction, erection, installation, maintenance and repair of any sign to be erected or installed or otherwise placed on the Park. Manager shall, through coordination with County, identify the Park Components thereof, in signs and in any of their written materials, as belonging to Pima County. Notwithstanding anything herein to the contrary, any signs requested by County and not otherwise required to be installed at the Park shall be constructed and installed at County's expense.

**5. Show Cave and Attraction Revenues:** Most revenues are contemplated to be generated by Manager and one or more approved concessionaires. Manager shall collect all fees generated by operations of those attractions, including but not limited to fees paid by attraction users and amounts collected from concessionaires, licensees, and subcontractors ("Gross Revenues"). Manager shall use all Gross Revenues to maintain and operate its components of the Park (including the funding of general business, operations and overhead related to business). Manager will cause any concessionaires to use all Net Revenues for continued operations of their individual business components and for necessary capital improvements to the Park and its infrastructure. Net Revenues shall be determined on an annual basis in accordance with generally accepted accounting principles.

This agreement is being entered into to ensure construction and operation of the attractions within the Park for the general benefit of the public and not for the specific pecuniary benefit of Manager.

Manager and its officers, employees, and representatives, shall not enter into any agreement with any entity or person with respect to the Park or Manager's operations

that will result in a direct or indirect pecuniary benefit to any person who is, or within the five (5) years preceding the transaction was, an officer, director, employee or representative of Manager or a member of such person's immediate family (including parents, siblings and descendants). Notwithstanding anything in the foregoing sentence to the contrary, a transaction is permissible if the potentially interested or benefited individual discloses the possible conflict or benefit together with all related material facts and the majority of the disinterested members of Manager's board of directors determines the transaction is in Manager's and County's best interest and is fair and reasonable, provided that Manager files with the Clerk of the Board of Supervisors of the County a notice regarding the existence of such conflict

**6. Park Improvements:**

**6.1 Planning, engineering and construction** will be necessary to rehabilitate, renovate and develop the Show Cave and attractions. Manager will develop all of the elements necessary for the phases of construction on the site as defined in **Exhibits B and C** at Manager's sole cost and expense.

**6.2 Review of Plans and Specifications:** Manager shall submit all plans and specifications for any construction on the Property to County for prior review and approval. County's review of plans and specifications shall be solely for County purposes and shall not imply County's review for quality, design, legal compliance or other like matters. Accordingly, notwithstanding that any construction drawings are reviewed by County or its architects, engineers, or consultants, County shall have no liability whatsoever in connection therewith and shall not be responsible for any omissions or errors contained in any construction drawings. Manager's indemnity set forth in *Section 17* of this agreement shall specifically apply to the construction drawings. County's review shall be to determine that the proposed improvements are consistent with the purpose of this Agreement of providing recreational opportunities for the benefit of the people of Pima County within an historical and cultural sensitive Mountain Park.

**6.3 Construction Standards; Permits:** All work related to construction on the Property shall be done in good workmanlike manner, in conformance with industry standards, using new materials, and shall be diligently prosecuted to completion. Manager shall comply with applicable building codes, zoning codes, and other laws, regulations and orders for any construction, whether of a permanent or a temporary nature, and shall obtain all applicable permits from regulatory agencies, including but not limited to the Pima County Development

Services Department, the Pima County Flood Control District, and the State Fire Marshal.

**6.4 Ownership of Improvements:** Manager agrees that, upon construction or installation, any building, structure, or system on the Property, regardless of whether constructed or installed by Manager, shall be the property of County. During the term of this Agreement, Manager shall have the right to use improvements of any type on the Property unless otherwise limited by any provision of this Agreement.

7. **Long Range Plan:** Pima County will be developing a Natural Resource Master Plan (“Master Plan”) for the Park, which will be approved by County. County and Manager shall cooperate to develop a long-range plan for the Property (“Plan”) as part of the Master Plan. The Plan may include planned use and operation for other real property owned by County in the area of the Property. County and Manager anticipate that the Plan may provide the parties with opportunities for shared cost and benefits.

**8. Repairs & Maintenance:**

**8.1** Manager shall, at Manager’s sole cost and expense, keep the Property, including all buildings, improvements, and landscaping located thereon, and all exterior, interior, structural and mechanical components thereof, in good, clean, safe condition and repair. Manager shall not be obligated to perform repairs or maintenance to the extent that such repairs or maintenance are required as a result of the sole negligence or intentional misconduct of the County, its agents, employees, or contractors, which repairs and maintenance County shall conduct at County’s sole cost and expense. Manager shall, at Manager’s expense, make all repairs to the Property made necessary by reason of the negligence or intentional misconduct of Manager, its Partners, employees, licensees, invitees, subcontractors, servants or agents.

**8.2** Manager shall be responsible for proper disposal of all waste generated at the Property.

**8.3** Repairs to mechanical systems, such as HVAC, shall be performed promptly in order to minimize any waste of utilities or water. Notwithstanding anything herein to the contrary, County and Manager may agree to share costs associated with construction, maintenance and repair of the Property or facilities located on the Property, in a manner different than that described in this Agreement if the parties determine that such cost sharing will be beneficial to both the Property and the general public, and such agreement is entered into in writing and signed by both parties.

**9. Obligation to Reconstruct:** During the term of this Agreement, Manager shall maintain fire and casualty insurance on all improvements located on the Property and all of Manager's personal property. In the event the Property or any portion thereof is damaged by fire or other perils, Manager shall forthwith repair the damage, restoring the Property to the condition which existed prior to the casualty, in which event this Agreement shall remain in full force and effect. If County and Manager determine that repair of the damage is not prudent in light of the existing use of the Property, Manager shall use any insurance funds received by Manager for another purpose related to the Property as agreed to by the parties. In the event of any such casualty which damages Manager's furniture, fixtures and/or equipment at the Property, Manager shall proceed with reasonable diligence to restore, repair or replace all of its personal property to the same condition which existed prior to the casualty. Manager shall continue the operation of the Property to the extent practicable during any period of reconstruction or restoration.

**10. Liens and Encumbrances:** Manager shall keep the Property free from any liens arising out of any work performed, materials furnished or obligations incurred by or on behalf of Manager. Notwithstanding the prohibition on liens on the Property itself, Manager may encumber Manager's interest in this Agreement for the construction of improvements on the Property and, to the extent required, County shall execute any documents required by a lender in order to provide the lender with a security interest in Manager's right to use any improvements located on the Property pursuant to this Agreement. County also shall execute consent, estoppel, non-disturbance and similar instruments reasonably requested by Manager's lenders; provided, however, County shall not be required to amend this Agreement or consent to additional notice or cure provisions as part of any such consent, estoppel, non-disturbance and similar instruments.

**11. County's Option to Perform Maintenance and Repairs at Manager's Cost:** If Manager is in default hereunder (after the expiration of the cure period set forth in *Section 22.1.6* below because it fails to perform its maintenance or repair obligations hereunder, in addition to the remedies set forth in *Section 22.2*, County, without notice, may, but shall not be obligated to, perform Manager's obligations. All reasonable costs and expenses reasonably suffered or incurred by County in performing these obligations, which shall accrue interest at a per annum rate of Six Percent (6%), shall be paid by Manager to County within thirty (30) days of notice thereof. Any such default by Manager shall not be considered cured until Manager has fully reimbursed County for the costs incurred in performing Manager's obligations hereunder plus interest.

**12. Designated Areas and Permitted Activities**  
TBD

13. **Prohibited Activities:**

13.1 **Activities outside the Permitted Activities.** Manager shall not do or permit anything to be done on or about the Property nor bring or keep anything therein which is not within the permitted use of the Property as set forth in this Agreement.

13.2 **Activities not Insured or that Affect Insurance.** Manager shall not conduct any activity or permit any activity to be conducted on the Property which is not covered by the insurance policies provided pursuant to *Section 17* herein without first obtaining the written consent of County and without providing additional insurance covering the activity or event and with coverage limits and carriers acceptable to County.

Manager shall not do or permit anything to be done in or about the Property nor bring or keep anything therein which will in any way increase the existing rate of or affect any fire or other insurance upon the Property or any of its contents or cause a cancellation of any insurance policy covering the Property or any part thereof or any of its contents.

13.3 **Storage.** Manager shall not store within the Property equipment, supplies, or scrap items, other than that to be used in the Property, or used in connection with activities described in this Agreement or in the operation of the Park.

13.4 **Unlawful Activities.** Manager shall not use the Property, or permit anything to be done in, on, or about the Property, which will in any way conflict with any law, statute, ordinance or governmental rule or regulation now in force or which may hereafter be enacted or promulgated.

14. **Books, Records, and Reports**

14.1 Manager shall keep and maintain proper and complete books, records and accounts of all its operations conducted pursuant to this Agreement, in a manner approved by the Pima County Finance Director, which shall be open for inspection and audit by County or its auditors, and the Arizona Auditor General, at all reasonable times.

**14.2** Minutes of the meetings of the Board of Directors of Manager shall be provided to County within ten (10) days after each meeting.

**14.3** Manager shall provide County during each year of the term of this Agreement:

**14.3.1** An annual report on the operation and activities of the Show Cave and Attractions.

**14.3.2** A certified audit and annual financial report of the operations under the control of the Manager, for the preceding fiscal year, within sixty (60) days of the conclusion of the Managers fiscal year.

**14.3.3** Assistance in the County's preparation of a written inventory of all buildings, equipment and items of value on the Park belonging to or insured by the County, by October 31.

**14.3.4** A proposed budget for the following year, by November 30th.

**15. Security and Safety:** Manager shall be responsible for all security and safety relating to the Show Cave and Attractions and shall provide such security personnel and security and safety features sufficient to adequately protect the Park and persons on the Park from property damage or bodily injury.

**16. Compliance with Laws:** Manager shall comply with all federal, state, and local laws, rules, regulations, standards and Executive Orders, without limitation to those designated within this Agreement. The laws and regulations of the State of Arizona shall govern the rights of the parties, the performance of this Agreement, and any disputes hereunder. Any action relating to this Agreement shall be brought in a court of the State of Arizona in Pima County. Any changes in the governing laws, rules, and regulations during any term of this Agreement shall apply, but do not require an amendment.

**17. Indemnification:**

**17.1** To the fullest extent permitted by law, Manager shall indemnify, defend, and hold harmless County, its officers, employees and agents from and against any and all losses, costs, or expenses (including reasonable attorney's fees) incurred or suffered by County as a result of any damages to property or injuries to persons (including death), or any suits, actions, legal administrative proceedings, claims or demands and costs attendant thereto, arising out of or directly related to any act, omission, fault or

negligence by Manager, its officers, agents, employees, invitees or anyone under its direction or control or acting on its behalf, or anyone permitted by Manager to conduct any activity on the Property, or in connection with any use or occupancy of the Property under the terms of this Agreement. Manager's obligations under this *Section 17* shall survive the expiration or earlier termination of this Agreement and vacation of the Property.

**17.2** To the fullest extent permitted by law, County shall indemnify, defend, and hold harmless Manager, its officers, employees and agents from and against any and all losses, costs, or expenses (including reasonable attorney's fees) incurred or suffered by Manager as a result of any damages to property or injuries to persons (including death), or any suits, actions, legal administrative proceedings, claims or demands and costs attendant thereto, but only to the extent that such losses, costs or expenses result in vicarious/derivative liability to Manager arising out of any act, omission, negligence, misconduct, or other fault of the County, its officers, officials, agents, or employees. County's obligations under this *Section 17* shall survive the expiration or earlier termination of this Agreement.

**18. Insurance:**

**18.1 Insurance Required.** Manager shall, at Manager's sole cost and expense, obtain and maintain, during the term of this Agreement and any renewals thereof, the following insurance policies:

**18.1.1 Commercial General Liability Insurance** with coverage at least as broad as ISO form CG 0 01 in an amount not less than five million dollars (\$5,000,000.00) covering the Property furnished to the Manager for exclusive use, endorsed to include Pima County as an additional insured with coverage at least as broad as ISO form CG 20 10, and covering all activities carried out on the Property.

Manager may require that this insurance be carried by those users of the Property who actually carry out the activities being insured, but this shall not relieve Manager of any responsibility for ensuring that the proper coverage is in place, and Manager shall be liable to the County for any failure by such third party to furnish the required insurance. Subject to the breadth and limitations of coverage described above, this insurance policy shall cover activities conducted on the Property to the extent that they are not covered by insurance policies of users of the Property.

**18.1.2** Commercial Automobile Liability Insurance with coverage at least as broad as ISO form CA 00 01 in an amount not less than one million dollars (\$1,000,000.00) for vehicles actually used in the operations at the Property (as compared to be used for simple commuting).

**18.1.3** Workers' Compensation Insurance with statutory limits, with Employers' Liability coverage in an amount not less than one million dollars (\$1,000,000.00) per injury, illness, or disease.

**18.1.4** Commercial Property, Boiler and Machinery Insurance with coverage at least as broad as ISO forms CP 00 01 and BM 00 20, covering selected items of Manager's personal property located at the Property.

**18.1.5** Liquor Liability Insurance in an amount not less than three million dollars (\$3,000,000.00) per occurrence if alcohol is sold or provided at the Property, endorsed to include Pima County as an additional insured.

**18.1.6** Special Events Insurance in an amount acceptable to the Pima County Risk Manager for any event held at the Property not covered by other insurance provided as required above. County reserves the right to increase the limits on coverage for unique or high risk Special Events.

**18.2** Insurance Certificates and Copies of Policies. Manager shall provide County with current certificates of insurance which shall show County as an additional insured where required. All certificates of insurance must provide for guaranteed thirty (30) days written notice of cancellation, non-renewal or material change. Manager shall cause certified copies of its insurance policies and the policies of third parties using the Property to be delivered to the Pima County Risk Manager.

**18.3** Waiver of Subrogation. Each party waives its claims and subrogation rights against the other for losses typically covered by property insurance coverage.

**18.4** Changes to Insurance Requirements. County retains the right to reasonably increase the limits or types of coverage from time to time as determined in the best interests of County by the Pima County Risk Manager.

**18.5 Injury Reports.** Manager shall provide notice to Pima County Risk Management, on a form approved by Pima County Risk Management, of any significant injury, defined as any injury likely to result in head or spinal injury, loss of a limb or organ, or serious burns or scarring, or requiring medical evacuation or treatment by paramedics within one business day of Manager becoming aware of such injury. Pima County's Risk Manager may reasonably redefine the reporting requirement by written notification to Manager. Manager shall retain records related to significant injuries for not less than seven (7) years and shall fully cooperate in any investigation of injuries or damage by Pima County Risk Management or its insurers, agents or contractors. Nothing in this section shall be construed as a request by the County, or a requirement, that Manager provide any information in contravention of the *Health Insurance Portability and Accountability Act*.

**19. Environmental Compliance:**

**19.1 Hazardous Materials Prohibited; Clean Air Act.** Manager shall not cause or permit any Hazardous Material (as hereinafter defined) to be brought upon, kept, or used in or about the Property by Manager, its Partners, agents, employees, contractors or invitees, without the prior written consent of County other than such Hazardous Materials which are necessary or useful to Manager's operation of the Park and will be used, kept and stored in a manner that complies with all laws regulating any such Hazardous Materials. Manager's operations on the Property shall comply with applicable provisions of the Clean Air Act, 42 U.S.C. 7401 et seq. and Arizona Revised Statutes, Title 49, Chapter 3.

**19.2 Indemnity.** If

(i) Manager breaches the obligations stated in Section 19.1, or

(ii) the presence (whether consented to by County or otherwise) of Hazardous Material on the Property or on or in the soil or ground water under or adjacent to the Property caused or permitted by Manager, its Partners, agents, employees, contractors or invitees results in contamination of the Property or such soil or ground water, or

(iii) contamination of the Property or such soil or ground water by Hazardous Material otherwise occurs for which Manager is legally liable to County for damage resulting therefrom, or

(iv) contamination occurs elsewhere in connection with the transportation by Manager of Hazardous Material to or from the Property, then Manager

shall indemnify, protect, defend and hold County harmless from any and all claims, judgments, damages, penalties, fines, costs, expenses, liabilities or losses (including, without limitation, diminution in value of the Property or any part thereof, damages for the loss or restriction on use of usable space or of any amenity of the Property or any part thereof, damages arising from any adverse impact on marketing of space with respect to the Property or any part thereof, and sums paid in settlement of claims, attorney's fees, consultant fees and expert fees) which arose or arises during or after the term of this Agreement as a result of such contamination. The foregoing obligation of Manager to indemnify, protect, defend and hold County harmless includes, without limitation, costs incurred in connection with any investigation of site conditions or any cleanup, remedial, removal, restoration or other response work required by any federal, state, or local governmental agency or political subdivision because of Hazardous Material present, as a result of any action or inaction on the part of Manager, its agents, employees, contractors or invitees, in the Property or the soil or ground water on, under or adjacent to the Property or elsewhere in connection with the transportation by Manager of Hazardous Material to or from the Property.

**19.3 Clean-Up.** Without limiting the foregoing, if the presence of any Hazardous Material on or in the Property, or the soil or ground water under or adjacent to the Property caused or permitted by Manager, or its officers, agents, employees, contractors or invitees results in any suspected contamination of the Property, the soil or ground water under or adjacent to the Property, Manager shall promptly notify County in writing and take all actions, at Manager's sole cost and expense, as are necessary to return the Property, or such soil or ground water to the condition existing prior to the introduction of any such Hazardous Material to the Property, or to such soil or ground water; provided that County's approval of such actions shall first be obtained, which approval shall not be unreasonably withheld so long as such actions would not potentially have any material adverse long- term or short-term effect on the Property.

**19.4 Pre-existing Contamination.** Any Hazardous Materials contaminating the Property prior to possession of the Property by Manager shall not result in liability for Manager under this *Section 19* except to the extent such contamination is aggravated by the action or inaction of Manager.

**19.5 Notices Regarding Environmental Conditions.** Manager shall, within ten (10) business days following receipt thereof, provide County with a copy of

(i) any notice from any local, state or federal governmental authority of any violation or administrative or judicial order or complaint having been filed or about to be filed against Manager or the Property alleging any violation of any local, state or federal environmental law or regulation or requiring Manager to take any action with respect to any release on or in the Property or the soil or ground water under or adjacent to the Property of Hazardous Material, or

(ii) any notices from a federal, state or local governmental agency or private party alleging that Manager may be liable or responsible for cleanup, remedial, removal, restoration or other response costs in connection with Hazardous Material on or in the Property or the soil or ground water under or adjacent to the Property or any damages caused by such release.

**19.6 Hazardous Material.** As used herein, the term "Hazardous Material" means any hazardous or toxic substance, material or waste which is or becomes regulated by any local governmental authority, the State of Arizona or the United States Government. The term "Hazardous Material" includes, without limitation, any material or substance that is

(i) defined as a "hazardous waste" under NRS 459.400 et seq.,

(ii) petroleum,

(iii) asbestos,

(iv) designated as a "hazardous substance" pursuant to *Section 311 of the Federal Water Pollution Control Act (33 U.S.C. 1321)*,

(v) defined as a "hazardous waste" pursuant to *Section 1004 of the Federal Resource Conservation and Recovery Act, 42 U.S.C. 6901 et. seq. (42 U.S.C. 6903)*,

(vi) defined as a "hazardous substance" pursuant to *Section 101 of the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. 9601 et. seq. (42 U.S.C. 9601) or*

(vii) defined as a "regulated substance" pursuant to *Subchapter IX, Solid Waste Disposal Act (Regulation of Underground Storage Tanks), 42 U.S.C. 6991 et seq.*

**19.7 Survival.** Manager's and County's obligations under this *Section 19* shall survive the expiration or earlier termination of this Agreement and vacation of the Property.

**20. Utilities, Services and Taxes.**

**20.1 Manager Responsible for Utilities.** Manager shall be responsible to pay for the costs to provide and the use of all gas, heat, light, power, water, wastewater charges, telephone service, garbage removal, pest and termite service, security services and all other services and utilities supplied to the Property and any buildings located within the Property, together with any taxes thereon.

**20.2 Interruption of Services.** County shall not be liable to Manager if any utilities or services, whether or not furnished by County hereunder, are interrupted or terminated because of necessary repairs, installation or improvements, or any other cause beyond County's reasonable control, nor shall any such interruption or termination relieve Manager of any of its obligations under this Agreement. County shall have no liability to Manager if any utility service is interrupted or terminated by the utility provider or otherwise.

**20.3 Taxes.** Manager shall be responsible for payment of all taxes, whether personal property taxes, income taxes, or any other taxes, if any, that are or may be assessed relating to the Property or any use of the Property by Manager.

**21. Entry by County.** County may enter the Property upon reasonable advance notice to Manager to inspect the same, and to perform ecological and cultural resources monitoring and assessments. County shall use reasonable efforts to not interrupt Manager's operation of the attractions at the Property. County at any and all times shall have the right to use any and all means which County may deem proper to open gates or doors in an emergency in order to obtain entry to the Property, without liability to Manager, except for any failure to exercise due care for Manager's property or personnel.

**22. Default and Remedies**

**22.1 Default.** The occurrence of any one or more of the following events shall constitute a default and breach of this Agreement by Manager:

**22.1.1 Non-Operation of Park.** The vacating or abandonment of the construction, operation or maintenance of the attractions within the designated areas on the Park Property, or any portion thereof, by Manager, where such failure shall continue for a period of ten (10) calendar days after notice of such default is sent by County to Manager.

**22.1.2 Financial.** The failure by Manager to appropriately account for revenues and expenditures, or any failure to use Net Income as required in

Section 5 above, where such failure shall continue for a period of ten (10) calendar days after notice of such default is sent by County to Manager.

**22.1.3 Insurance.** The failure by Manager to maintain insurance policies as set forth above for any time; in which event Manager must immediately cease all operations at the Property until such insurance is obtained. In the event of such a default, County may, in County's sole discretion, obtain necessary insurance coverage in which event Manager shall, within ten (10) days of demand, reimburse and pay to County the full amount of any costs and premiums expended by County to obtain such coverage, including any deductibles or losses within a self-insurance retention.

**22.1.4 Initial Operations Fee and Additional Annual Fee.** The failure by Manager to timely pay the Initial Operations Fee pursuant to *Section 3.1* or the Additional Annual Fee pursuant to *Section 3.2*, where such failure shall continue for a period of ten (10) calendar days after notice of such default is sent by County to Manager.

**22.1.5 Gross Negligence.** Manager or any Partner, employee or agent of Manager acts in a grossly negligent or intentionally wrongful manner and such action results in significant injury to any person, as described in *Section 17* above, or substantial damage to any improvements on the Property which County is required to repair under the terms of this Agreement.

**22.1.6 Other Covenants.** The failure by Manager to observe or perform any other of the covenants, conditions or provisions of this Agreement to be observed or performed by Manager, where such failure shall continue for a period of thirty (30) days after written notice thereof by County to Manager; provided, however, that if the nature of Manager's default is such that more than thirty (30) days are reasonably required for its cure, then Manager shall not be in default if Manager commences such cure within said thirty (30) day period and thereafter diligently prosecutes such cure to completion, provided such cure is completed within one hundred twenty (120) days of the notice by County.

**22.1.7 Repeated Defaults.** More than three (3) material defaults by Manager, as set forth in *Subsections 22.1.1 to 22.1.6* above, in any two (2) year calendar period, even if Manager cures the defaults within the applicable cure periods set forth above.

**22.2 Remedies.** Either party may pursue any remedies provided by law and in equity 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, including without limitation, the right to recover all future Rent, subject to the duty to mitigate.

## **23. General Provisions**

**23.1 Conflict of Interest.** This Agreement is subject to cancellation pursuant to Arizona Revised Statutes section § 38---511 which is incorporated herein by reference.

**23.2 Waiver/Full and Complete Performance.** The waiver by County or Manager of any term, covenant or condition herein is not a waiver of such term, covenant or condition or any subsequent breach of the same or any other term, covenant or condition herein. The subsequent acceptance of Rent hereunder by County is not a waiver of any preceding default by Manager of any term, covenant or condition of this Agreement, other than the failure of Manager to pay the particular Rent so accepted regardless of County's knowledge of such preceding default at the time of the acceptance of such Rent. Failure of County or Manager to insist upon strict performance of any provision or to exercise any remedy hereunder is not a waiver by such party of any breach relating to such provision or giving rise to such remedy. No provision of this Agreement shall be waived unless such waiver shall be in writing signed by the party against whom such waiver is sought to be enforced. Nothing herein shall require or obligate County to accept any partial payment of the then current and owed Rent due or partial performance of obligations under this Agreement. County may, in its sole discretion, accept partial payments of amounts due or partial performance of obligations hereunder.

Such acceptance of partial payments of Rent due or partial performance of obligations hereunder shall in no way be considered or constitute a waiver by County of any failure on the part of Manager to timely pay Rent due or perform the obligations hereunder nor shall such acceptance be considered an accord and satisfaction of the Rent then due under this Agreement.

**23.3 Marginal Headings.** The marginal headings and Section titles to the Sections of this Agreement are not a part of this Agreement and shall have no effect upon the construction or interpretation of any part hereof.

**23.4 Time.** Time is of the essence for this Agreement and each and all of its provisions in which performance is a factor.

**23.5 Successors and Assigns.** The covenants and conditions herein contained, subject to the provisions as to assignment, apply to and bind the successors and assigns of the parties hereto.

**23.6 Recordation.** This Agreement may be recorded by either party.

**23.7 Entire Agreement, Amendment and Modification.** This Agreement constitutes the entire agreement between the parties and contains all of the agreements of the parties hereto with respect to any matter covered or mentioned in this Agreement. No provision of this Agreement may be amended or added to except by an agreement in writing signed by the parties hereto or their respective successors in interest. This Agreement shall not be effective or binding on any party until fully executed by both parties hereto.

**23.8 Partial Invalidity.** Any provision of this Agreement which is invalid, void, or illegal shall in no way affect, impair or invalidate any other provision hereof and such other provisions shall remain in full force and effect unless an essential purpose of this Agreement would be defeated by loss of the invalid, void, or illegal provision.

**23.9 Attorneys' Fees.** In the event of any action or proceeding brought by either party against the other under this Agreement, the prevailing party shall be entitled to recover its expenses and costs, including its attorneys' fees and expert witness fees, in such action or proceeding, including costs of appeal, if any, in such amount as the court may adjudge reasonable.

**23.10 Approvals.** Unless otherwise provided herein, whenever the approval of a party is required by this Agreement, such approval shall be given within thirty (30) days, in writing. If such written approval is not given with such time period, the request shall be disapproved and denied. Unless otherwise noted herein, when the approval or consent of County is required hereunder, it shall mean the written consent of the County Administrator or his designee. The approval of the Board of Supervisors of the County shall be required for any extension or amendment of this Agreement.

**23.11 Notices.** Wherever this Agreement requires or permits notice or demand to be given by either party to the other, such notice or demand shall be in writing and given or served either personally or by either regular mail, certified mail (return receipt requested), or by commercial delivery service such as Federal Express or United Parcel Service, addressed to the parties at the addresses specified below and to the following individuals. Notice shall be effective upon personal delivery, three (3) days after deposit, postage prepaid, in the U.S. mail, or one (1) day after overnight delivery via commercial delivery service. Either party may change such address by written notice to the other as herein provided.

If notice is to County:

C.H. Huckelberry  
 Pima County Administrator  
 130 W. Congress, 10th Floor  
 Tucson, Arizona 85701

With copy to: Director  
 Economic Development and Tourism  
 33 N. Stone Ave., Ste., 830  
 Tucson, AZ 85701

If notice is to Manager:

TBD  
 TBD  
 TBD  
 Tucson, Arizona

**23.12 Authority of Manager.** Each individual executing this Agreement on behalf of Manager represents and warrants that he or she has full authority to do so and that this Agreement binds the management entity. If any court or administrative agency determines that County does not have authority to enter into this Agreement, County shall not be liable to Manager or any third party by reason of such determination or by reason of this Agreement.

**23.13 Books and Records.** Manager shall retain, and shall include in any written agreements with contractors, subcontractors or other parties performing services at the Property, a provision requiring that all such parties retain, for inspection and audit by the County and the Arizona Auditor General, all books, accounts, reports, files and other records relating to performance of the Agreement for a period of five (5) years after its completion or if later, until any related proceedings initiated during the five (5) year period are completed. Upon request by County or the Auditor General, a legible copy or the original of all such records shall be produced by the Manager at the administrative office of County or the office of the Auditor General.

**23.14 Compliance with ADA.** Manager shall comply with 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.

**23.15 Non-Discrimination in Employment.** Manager agrees to comply with all provisions and requirements of Arizona Executive Order 2009-09 which is hereby incorporated into this Agreement as if set forth in full herein including flow down of all provisions and

requirements to any subcontractors. During the performance of this Agreement, Manager shall not discriminate against any employee, client or any other individual in any way because of that person's age, race, creed, color, religion, sex, disability or national origin.

**23.16 Non-Appropriation.** Notwithstanding any other provision in this Agreement, if there are not sufficient appropriated and available monies for the purpose of maintaining County's obligations under this Agreement, County shall have no further obligation to Manager; provided, however, Manager may continue to occupy the Property for the remainder of the term hereof if Manager performs all of Manager's obligations under this Agreement.

**23.17 Independent Contractor.** The status of the Manager shall be that of an independent contractor. Neither Manager, nor Manager's officers, agents or employees shall be considered an employee of Pima County or be entitled to receive any employment-related compensation or fringe benefits under the Pima County Merit System. Manager shall be responsible for payment of all federal, state and local taxes associated with Manager's activities and shall indemnify and hold County harmless from any and all liability which County may incur because of Manager's failure to pay such taxes. Manager shall be solely responsible for Park development and operation.

**23.18 Subcontractors.** Manager will be fully responsible for all acts and omissions of any subcontractor and of persons directly or indirectly employed by any subcontractor and of persons for whose acts any of them may be liable to the same extent that the Manager is responsible for the acts and omissions of persons directly employed by it. Nothing in this contract shall create any obligation on the part of County to pay or see to the payment of any money due any subcontractor, except as may be required by law.

**23.19 Legal Arizona Workers Act Compliance.** Manager hereby warrants that it will at all times during the term of this Agreement comply with all federal immigration laws applicable to Manager's employment of its employees, and with the requirements of A.R.S. § 23--214 (A) (together the "State and Federal Immigration Laws"). Manager shall further ensure that each subcontractor who performs any work for Manager under this Agreement likewise complies with the State and Federal Immigration Laws.

County shall have the right at any time to inspect the books and records of Manager and any subcontractor in order to verify such party's compliance with the State and Federal Immigration Laws.

Any breach of Manager's or any subcontractor's warranty of compliance with the State and Federal Immigration Laws, or of any other provision of this section, shall be deemed to be a material breach of this Agreement subjecting Manager to penalties up to and including suspension or termination of this Agreement. If the breach is by a subcontractor, and the

subcontract is suspended or terminated as a result, Manager shall be required to take such steps as may be necessary to either self-perform the services that would have been provided under the subcontract or retain a replacement subcontractor, as soon as possible so as not to delay project completion.

Manager shall advise each subcontractor of County's rights and the subcontractor's obligations, under this *Section 22.19* by including a provision in each subcontract substantially in the following form:

“SUBCONTRACTOR hereby warrants that it will at all times during the term of this contract comply with all federal immigration laws applicable to SUBCONTRACTOR's employees, and with the requirements of A.R.S. § 23-214 (A). SUBCONTRACTOR further agrees that PIMA COUNTY may inspect the SUBCONTRACTOR'S books and records to insure that SUBCONTRACTOR is in compliance with these requirements. Any breach of this paragraph by SUBCONTRACTOR will be deemed to be a material breach of this contract subjecting SUBCONTRACTOR to penalties up to and including suspension or termination of this contract.”

Any additional costs attributable directly or indirectly to remedial action under this Section shall be the responsibility of Manager. In the event that remedial action under this Section results in delay to one or more tasks on the critical path of Manager's approved construction or critical milestones schedule, such period of delay shall be deemed excusable delay for which Manager shall be entitled to an extension of time, but not costs.

**23.20 Exhibits.** The following Exhibits are incorporated into this Agreement as though fully set forth herein:

- Exhibit A: Legal Description of the Property.
- Exhibit B: Purpose and Scope of Show Cave Activities.
- Exhibit C: Phased Implementation Strategies.
- Exhibit D: Development Map

**(REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK)**

IN WITNESS WHEREOF, the parties have affixed their signatures to this Agreement on the date written below.

The parties hereto have executed this Agreement on the day, month and year written below.

**Corporation TBA**

\_\_\_\_\_  
Executive Director

Date: \_\_\_\_\_

**PIMA COUNTY:**

\_\_\_\_\_  
Sharon Bronson, Chair, Board of Supervisors

Date: \_\_\_\_\_

**ATTEST:**

\_\_\_\_\_  
Robin Brigode, Clerk of the Board

**APPROVED AS TO CONTENT:**

\_\_\_\_\_  
Tom Moulton, Director, Economic Development & Tourism

**APPROVED AS TO FORM:**

\_\_\_\_\_  
Tobin Rosen, Deputy Pima County Attorney  
Civil Division

**Exhibit A to Cooperative Management, Operations and Development Agreement;**

**Legal Description of Property**

**COLOSSAL CAVE MOUNTAIN PARK**

Lots 1 and 2; S2NW of Section 4, Township 16 South, Range 17 East, Gila and Salt River Base and Meridian, Pima county, Arizona, containing 124.00 acres, more or less.

Lots 1 and 2; S2NE; S2 of Section 5, Township 16 South, Range 17 East, Gila and Salt River Base and Meridian, Pima County, Arizona, containing 444.30 acres, more or less.

SENE East of centerline Colossal Cave Road; E2SE.East and South of centerline Colossal Cave Road of Section 7, Township 16. South, range 17 East, Gila and Salt River Base and Meridian, Pima County, Arizona, containing 48.30 acres, more or less.

1' 2; southeast of Section 8, Township 16 South, Range 17 East, (Gila and Salt River Base and Meridian, Pima County, Arizona, containing 480.00 acres, more or less.

Southwest of Section 9, Township 16 South, Range 17 East, Gila and Salt River Base and Meridian, Pima County, Arizona.

**POSTA QUEMADA RANCH**

Parcel 1: The SW4 of Section 8, Township 16 South, Range 17 East, Gila and Salt River Base and Meridian, Pima County, Arizona

except any portion lying within Colossal Cave Access Road as recorded in Book 9 of Road Maps, page 53.

Parcel 2: Lots 9, 10, 11, and 12 of Section 9, Township 16 south, Range 17 East, Gila and Salt River Base and Meridian, Pima County, Arizona.

Parcel 3: The NW4 of section 17, Township 16 South, Range 17 East, Gila and Salt River Base and Meridian, Pima County, Arizona.

except the SW4 of the SW4 of the NW4 of said Section 17.

NOTE. The property partially surrounds, and land locks BEAR PAW, the Maierhauser Trust land, which contains a private dwelling. There is a right of way from this land, through the park, to the Colossal Cave Road, which cannot be blocked or impeded.

Assessments & Reports: County will require but not limited to an Environmental, Native Species, and Cultural plan before any additional construction may begin. Any additional reports

as required by County, State or Federal regulatory authorities will be the responsibility of the Proposer.

The above information and attached reports are provided without any warranty or guarantee as to accuracy or completeness. Each Proposer is solely responsible for conducting its own due diligence regarding the condition of the Site and its suitability for development and use. Other reports not listed here may be required per Pima County Development Services.

#### 4. Surrounding Community

Information about the demographics and economic base of Pima County is attached as Exhibit E.

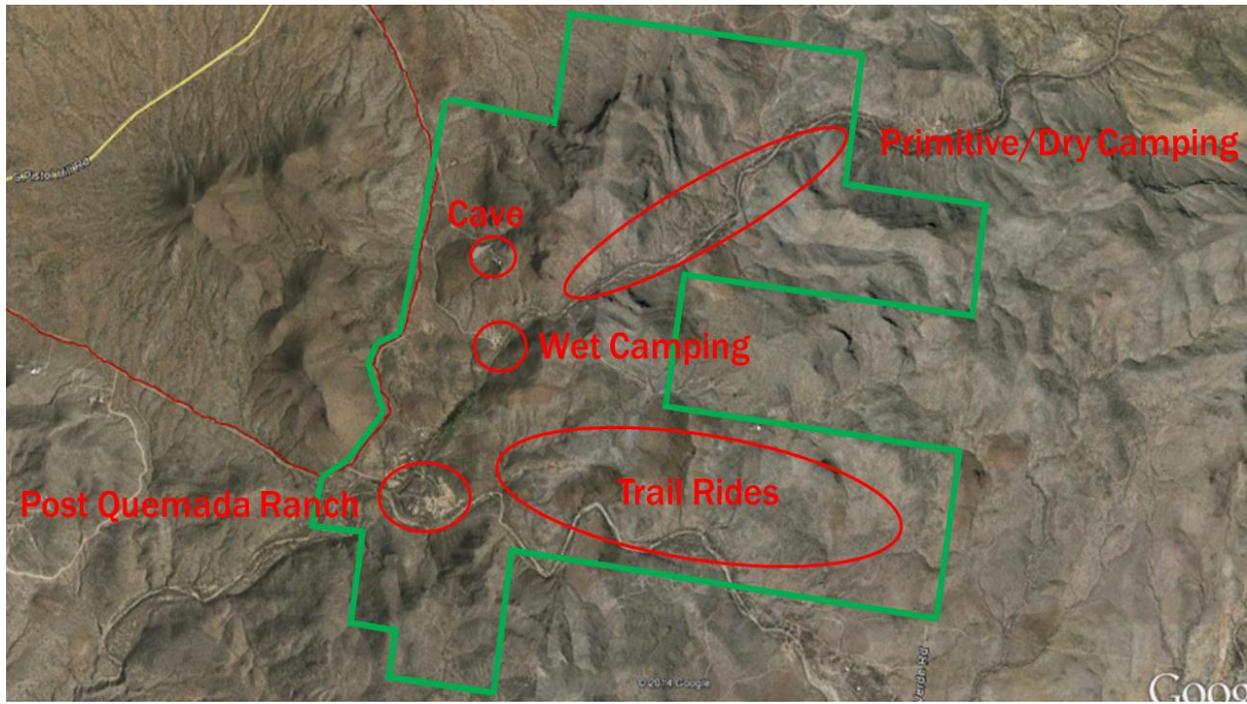
The above information was gathered from publicly available sources and is provided without any warranty or guarantee as to accuracy or completeness. Each Proposer is solely responsible for conducting its own due diligence regarding the demographics of the community and assessing the practical and economic viability of developing and using the Site.

**Exhibits B through to Cooperative Management, Operations and Development Agreement will be provided after the Bid is awarded and the final agreement is negotiated.**

**EXHIBIT 2****Performance Audit of Colossal Cave Mountain Park (Link to Online Document)**

[http://webcms.pima.gov/government/economic\\_development\\_and\\_tourism](http://webcms.pima.gov/government/economic_development_and_tourism)

**NOTE:** Navigate to the bottom of the webpage and select the tab labeled “Colossal Cave Mountain Park Audit”. This will open up the Performance Audit Report and all 17 Appendices. This report provides a wealth of information on the history, past performance and projections we have made on the potential of this park. In particular, Appendix 4, “Analysis, Overview and Recommendations of Consultants” will give some outside ideas for the attraction potential of the property.

**EXHIBIT 3****Site Map, Showing Site Features**

For more in-depth information on current attraction activities and facilities, please visit the Colossal Cave Mountain Park Website at: <http://www.colossalcave.com/welcome.html>

For Google Earth Imagery of the Attraction, please use the following coordinates:  
32°03'14.78" N 110°38'01.78" W

## **EXHIBIT 4**

### **Pima County Profile**

#### **Population**

Pima County has a population of nearly one million residents. American Community Survey data from 2013 placed Pima County's population at 996,554

#### **Age**

Arizona is the nation's seventh-youngest state. The median age in the City of Tucson is 32.5 and in Pima County it is 37.1, according to the 2010 American Community Survey.

#### **Workforce**

There are more than 475,000 people in Tucson's civilian labor force. It is estimated there are more than 1,200 high-tech businesses employing 50,000 people, and growth in the high-tech and "clean" manufacturing continues. This represents just one of the trends that will positively affect the Tucson region's workforce by educating current inhabitants and training an influx of new young, educated workers. The majority of the population lives in the eastern half of the county, which contains all of the five incorporated jurisdictions, two Native American tribal reservation areas and a large, urbanized unincorporated area. Approximately 85 percent of the county's land is federal, state or Native American owned (U.S. 2010 Census).

#### **County Size**

Pima County consists of 9,189 square miles in south central Arizona ranging in elevation from 1,200 feet to the 9,185 foot peak of Mount Lemmon.

#### **Location**

Pima County is one of the larger counties in Southern Arizona bordering Mexico.

#### **Quality of Life Overview**

The greater Tucson region offers an unparalleled quality of life for today's young professionals. With about 1 million people living in an expansive stretch of awe-inspiring and lush desert landscape, Tucson is accomplishing a goal that many growing cities have abandoned -- an ecologically sound and culturally sophisticated approach to growth and development.

In Tucson, opportunities abound for local businesses as well as for those looking to build new futures. Tucson's quality of life only enhances its regional business climate.

With so many mountains, canyons, lakes, golf courses, and other natural and man-made recreational amenities, the region is a great place to enjoy year-round hiking, biking, boating, camping, golf, tennis - and even snow skiing in season! It's not surprising that Tucson has been named the No. 1 Adventure City by Men's Journal.

Tucson is often called a "real cycling Mecca... for the United States." With its growing multi-use trails, and the development of the "Loop" around metro Tucson with links to Marana, Oro Valley, and South Tucson. Pima County residents and visitors on foot, bikes, skates, and horses can enjoy the more than 100 miles of shared-use paths that have already been completed.

Work is ongoing to add more miles of paths. When completed, The Loop will total 131 miles and connect the Rillito River Park, Santa Cruz River Park, and Pantano River Park with Julian Wash and the Harrison Greenway. Good infrastructure with roads, good climbs and nice flats has earned a Gold certification

from the League of American Bicyclists. The creation of bikes lanes is integrated into almost every major road project, which is helpful and creates a safe environment for both the cyclist and motorist. If it doesn't have a motor, it's good to go on The Loop!

The area offers a full range of other activities, too, from culture to casinos to Cats -- that is, the Pac-12 University of Arizona Wildcats, and its newest additions, Professional (MLS) Soccer and Mexican Spring Training Baseball. Tucson is also an ideal springboard to all kinds of other adventure and exploration. Just a day trip away are deep-sea fishing in the Sea of Cortes, San Diego's major attractions, Phoenix, and the grandest of them all, the Grand Canyon.

Learn more about the region's Desert Adventure Lifestyle and activities by going to [www.visitucson.org](http://www.visitucson.org).

### **Community Landmarks**

Pima County has many distinctive natural and cultural landmarks. Geo-Tourism creates a sense of place, so does Tucson with its unique landscapes. It lies at an ecological crossroad where habitats and species from the neo-tropics meet the Rocky Mountains and the Sonoran Desert. The diversity in flora, fauna, and geology is spectacular. The area encompasses five impressive mountain ranges—the Catalina's, Rincon, Santa Rita, Tucson Mountain, and the Tortolita Mountains. It contains one of North America's longest inhabited areas - the Santa Cruz River valley. It is rich in pre-Columbian archeology, history and historic routes such as the De Anza Trail, as well as the living cultures of Native American tribes. Just south of Tucson is the Mission of San Xavier del Bac, founded in 1697 by Father Kino and still in use today. Within Pima County are two cactus forests—Saguaro National Park to the northeast and Organ Pipe Cactus National Monument in the southwestern portion. The San Xavier, Pascua Yaqui and Tohono O'odham reservations make up a large portion of the county.

### **Transportation-related Highlights**

Pima County is completing transportation projects that were approved as part of the \$2.1 billion Regional Transportation Authority 20-year plan. The RTA is in its 9th year and has completed more than 652 projects across the region as of January 2015. Projects include roadway, safety, transit, and environmental and economic improvements.

Just completed is a new modern streetcar route that connects the University of Arizona with Downtown Tucson. This exciting project has generated tremendous growth in the nightlife of Downtown Tucson include, renovated theatres, restaurants and festivals.

The RTA remains committed to delivering projects through the life of the RTA plan, and the use of additional regional funds allows the RTA to meet funding needs without compromising the integrity of the remaining projects. For more information on the road infrastructure improvements go to [rtamobility.com](http://rtamobility.com)

Working with the Arizona Department of Transportation (ADOT) Pima County has also been involved in a multi -year I-10 Widening Project that is three-quarters done and on schedule. Substantial progress has also been made in widening I-10 from Tucson to Phoenix and back.

### **Economy:**

A variety of activities help drive Pima County's economy. Foremost among these are high- technology activities, the federal government, tourism, retail trade and other service operations. Pima County is the home to a major military installation, Davis-Monthan Air Force Base, prominent companies in the high tech and aerospace industries and major medical and research facilities. The University of Arizona,

ranked among the top 20 public research universities nationwide, is located in Pima County as well as one of the largest community colleges in the nation—Pima Community College. In 2012, The University of Arizona was one of the largest public sector employers with 10,681 employees. The University is an integral part of the local economy and receives almost a half billion dollars in research grants each year.

The remaining large employers represent a balanced mix of health care, retail trade, education, government, and military entities with Raytheon Missile Systems being the county's largest private employer.

Pima County is committed to responsible growth. The county's Sonoran Desert Conservation Plan is mindful of the factual correlation between growth and the consumption of natural resources, giving high priority to preserving and protecting the county's most important natural resources.

In 2012 the Pima County Board of Supervisors adopted a new Economic Development Action Plan for the entire county that creates new transportation infrastructure as well as revitalizes our tourism promotion efforts through the development of one-of-kind education programming through capital investment. All of these projects have a central theme that will create catalysis to new job creation. This plan is an action agenda that avoids the long-term strategic planning platitudes and broad generalizations that sound good but do not achieve a great deal.

More recently the County released a draft update to this plan and is currently seeking input. "The 2015 through 2017 action plan is designed to guide the county's investments and policy actions to grow the local economy, increase jobs and increase overall community wealth." Both plans can be found on [http://webcms.pima.gov/government/economic\\_development/](http://webcms.pima.gov/government/economic_development/)

For more information on Pima County go to [www.pima.gov](http://www.pima.gov) and the economy and business climate go to [www.Treoz.org](http://www.Treoz.org).

## **EXHIBIT 5**

### **Pima County Family of Attractions Overview**

**Pima County is home to some of the best world-class attractions in Southern Arizona. We invite you to visit these attractions during your stay in Southern Arizona. Most facilities are open for you and your family's enjoyment year- round.**

**Arizona-Sonora Desert Museum** -This world-class attraction immerses you in the diverse beauty of the Sonoran Desert, showcasing the plants, animals and geology of this fascinating region. Meeting facilities are nestled in the beautiful desert setting with gourmet catering available. (520) 883-2702; <http://www.desertmuseum.org>

**Crooked Tree Golf Course at Arthur Pack Regional Park** - 18-hole championship golf course designed by Lee Trevino featuring beautifully designed holes with mountain and desert vistas. Facility includes practice putting greens, chipping green, driving range plus a full service restaurant with banquet facilities. 520-744-3322; [www.crookedtreecg.com/](http://www.crookedtreecg.com/)

**Colossal Cave Mountain Park** - Beautiful 2,400-acre Desert Park, on the National Historic Register, showcasing crystal-filled Colossal Cave and historic La Posta Quemada Ranch. Cave tours, museum, Western trail rides, and wooded picnic areas. Spectacular Cowboy Cookouts under the stars. (520) 647-PARK; [www.colossalcave.com](http://www.colossalcave.com)

**Kino Sports Complex** – Multi-purpose recreational facility with professional baseball and soccer fields, meeting and party rooms, classrooms, indoor basketball court, outdoor swimming pool, and softball fields, Stadium seats 11,000, (520) 222-1000; [www.kinosportscomplex.com](http://www.kinosportscomplex.com)

**Old Tucson** - World Famous movie location and western theme park featuring live musicals, thrilling action packed stunt shows, legendary gunfights, rides, gift shops, western heritage reenactments and great restaurants! Facility is ideal for Corporate Parties, Picnics, Weddings and Themed, Team-building events. Signature Western and holiday special events scheduled throughout the year. (520) 883-0100; [www.oldtucson.com](http://www.oldtucson.com)

**Pima Air and Space Museum** - Explore over a century of aviation at the Pima Air and Space Museum, the largest privately funded aerospace museum in the world. Experience over 250 military, commercial, and civilian aircraft including President Kennedy's Air Force One, the supersonic SR-71 Blackbird, and a replica of the first airplane ever built-the Wright Flyer! Home of the WWII themed event in aircraft hangers surrounded by authentic vintage aircraft. (520) 574-0462; [www.pimaair.org](http://www.pimaair.org)

**Titan Missile Museum** - Descend more than 35 feet under the earth to experience a chilling taste of the cold war. The Titan Missile Museum is the only location in the world where the public can explore an actual nuclear missile complex--complete with nuclear missile! For over two decades, this nuclear Titan II was on 24-hour launch alert, ready for an order that was never given. (520) 625-7736 [www.titanmissilemuseum.org](http://www.titanmissilemuseum.org)

**Pima County Fairgrounds** - Featuring the best IHRA DRAG RACING in Arizona, indoor and outdoor EQUESTRIAN FACILITIES, NASCAR racing, RV Parking, three large exhibit buildings and home to the PIMA COUNTY FAIR held In April of each year for 10 days. (520) 762-9100 - Info line (520) 762-FAIR (3247); [www.pimacountyfair.com](http://www.pimacountyfair.com)

**MC Motor Sports Park at Pima Motorsports Park** - Pima County's most exciting attraction and Southern Arizona's legal off-highway vehicle (OHV) park located near the Pima County Fairgrounds. 520.240.3420; [www.ridemcmp.com](http://www.ridemcmp.com)

**Musselman Honda Circuit** - The newest karting facility in the United States, is right here in Tucson, Arizona. It is just 20 minutes from the downtown Tucson and located directly across the street from Tucson Speedway. It is a replica of the famous Suzuka Kart Circuit in Suzuka, Japan which is known by professional kart drivers as the best circuit in the world. (520) 245-5278; <http://mhcircuit.com/>

**Southwestern International Raceway** - Drag racing track near the Fairgrounds where the International Hot Rod Association (IHRA) races all kinds of cars from motorcycles to funny cars. Also hosts special events for amateur drag racers in a controlled environment. (520) 762-9700; [www.raceswir.com/](http://www.raceswir.com/)

**Tucson Speedway** - A 3/8 of a mile track, just south of the Pima County Fairgrounds, that races for Late, Super Late, Grand American Modified, Factory Stocks, and Mighty Compacts. Also features demolition derbies, motocross, monster trucks and many other special events. (520) 762-8772; [www.tucson Speedway.com](http://www.tucson Speedway.com)

**Rillito Park Horse Racetrack** - Historical landmark for quarter horse racing for over 50 years. Live thoroughbreds and quarter horse racing takes place weekends in February through April for consecutive weekends at Rillito Racetrack. (520) 745-5486; <http://rillitoracetrack.com/>.

**Ajo Community Golf Course** – Public 9-hole golf course open year-round is an oasis of green, surrounded by desert. This course boasts a "classic" Arizona setting for golf with an abundance of wildlife including roadrunners, coyotes and deer. Full bar, restaurant, and banquet facilities; Ample RV parking. (520) 387-5011; [www.pimacountyattractions.com/Attractions/AjoCCGC.html](http://www.pimacountyattractions.com/Attractions/AjoCCGC.html)

