

**MUNICIPAL EFFLUENT OPTION AGREEMENT
2024 EXTENSION**

This MUNICIPAL EFFLUENT OPTION AGREEMENT (“Agreement”) entered into on this 10th day of July, 2024 by and between the City of Bisbee, an Arizona municipal corporation (“City”), and Cochise County, a political subdivision of the State of Arizona (“County”). The City and County are collectively referred to herein as the “Parties.”

RECITALS

WHEREAS, on or about August 13, 2019, the City and County entered into a Municipal Effluent Option Agreement (“2019 Option Agreement”) referring to the County’s largescale recharge project focused on maintaining the flows and supporting the riparian habitat of the San Pedro River (“Bisbee Effluent Project” or “Project”), a copy of which is attached hereto at Exhibit A; and,

WHEREAS, the Parties incorporate by reference herein the recitals in the 2019 Option Agreement [Exh. A] and intend by the within Agreement to extend the term of the 2019 Option Agreement; and,

WHEREAS, Paragraph 10 of the 2019 Option Agreement [Exh. A] allows the Parties to execute any and all supplementary documents and take all additional actions which may be necessary or appropriate to give full force and effect to the basic terms and intent of the 2019 Option Agreement;

WHEREAS, pursuant to A.R.S. section 11-251(68), the County Board of Supervisors may participate in water reuse and recycling programs and regional wastewater recharge projects and related infrastructure; and,

WHEREAS, the Option Agreement and this Agreement are for the purposes of a water reuse, recycle and recharge project; and,

WHEREAS, the County Flood Control District is currently designing a pipeline needed for the Bisbee Effluent project that is expected to be 30% designed in 2024 and this Agreement is a necessary part of the project to recharge effluent water at the most southern critical location of the San Pedro River.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual promises, terms, and conditions contained in the 2019 Option Agreement [Exh. A] and this Agreement, and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged by the Parties, the Parties agree as follows:

1. **Incorporation of Recitals.** The Recitals detailed above are accurate and incorporated herein.

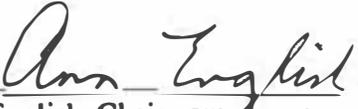
2. Incorporation of the 2019 Option Agreement. The Parties incorporate by reference herein the 2019 Option Agreement [Exh. A] and intend that the mutual promises, terms, and conditions contained in the 2019 Option Agreement, including the Material Terms of the Contemplated Effluent Agreement included as part of the 2019 Option Agreement, remain in full force and effect except as specifically modified herein.

3. ModifiedTerm and Termination Date of Agreement. This Agreement shall become effective on the date on which this Agreement has been approved by the governing bodies of the Parties and is signed by authorized representatives of the Parties (the “Effective Date”) and shall terminate one (1) year from the Effective Date (the “Termination Date”).

[Signatures on following page]

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the Effective Date set forth above, and each person signing this Agreement warrants that he/she has the capacity and authority to execute this Agreement.

COCHISE COUNTY, a political subdivision
of the State of Arizona


Ann English, Chairwoman 7-23-24
Board of Supervisors

CITY OF BISBEE,
an Arizona municipal corporation


Ken Budge, Mayor

ATTEST:


Lara Loewenheim, Clerk of the Board

ATTEST:


Ashlee Coronado, City Clerk

APPROVED AS TO FORM:


Denise Riden, Civil Deputy County Attorney
For Cochise County

APPROVED AS TO FORM:


Joseph D. Estes, City Attorney
Pierce Coleman, PLLC