



NOTICE OF SPECIAL MEETING OF THE TOWN COUNCIL

Mayor Gerry M. Friedel	
Vice Mayor Gayle Earle	Councilmember Peggy McMahon
Councilmember Brenda J. Kalivianakis	Councilmember Allen Skillicorn
Councilmember Hannah Larrabee	Councilmember Rick Watts

TIME: 5:30 PM - SPECIAL MEETING
WHEN: TUESDAY, JUNE 30, 2026
WHERE: FOUNTAIN HILLS COUNCIL CHAMBERS
16705 E. AVENUE OF THE FOUNTAINS, FOUNTAIN HILLS, ARIZONA

Councilmembers of the Town of Fountain Hills will attend either in person or by telephone conference call; a quorum of the Town's various Commission, Committee or Board members may be in attendance at the Council meeting.

Notice is hereby given that pursuant to A.R.S. §1-602.A.9, subject to certain specified statutory exceptions, parents have a right to consent before the State or any of its political subdivisions make a video or audio recording of a minor child. If a child is present at the time a recording is made, the Town will assume that the rights afforded parents pursuant to A.R.S. §1-602.A.9 have been waived.

- 1. CALL TO ORDER AND PLEDGE OF ALLEGIANCE**
- 2. ROLL CALL**
- 3. CONSENT AGENDA**
 - a. **CONSIDERATION AND POSSIBLE ACTION:** Relating to Council recommending approval of, to the Arizona Department of Liquor Licenses and Control, the application for a Series 12 Restaurant License for Quik Burrito, located at 16754 E. Glenbrook Boulevard, Fountain Hills, Arizona 85268
 - b. **CONSIDERATION AND POSSIBLE ACTION:** Approving Resolution 2026-10, an Intergovernmental Agreement with the Fountain Hills Sanitary District, for the Golden Eagle Park Dam–Debris Mitigation Improvement Project – Phase II.
 - c. **CONSIDERATION AND POSSIBLE ACTION:** Approving a request for a CUT/FILL waiver for 13818 E. Coyote Way to allow cut and fill in excess of 10' on portions of the property.
- 4. SPECIAL SESSION AGENDA**
 - a. **CONSIDERATION AND POSSIBLE ACTION:** Relating to Resolution 2026-18, a Lease Agreement between the Town of Fountain Hills and Fountain Hills and Lower Verde River Valley Museum and Historical Society
 - b. **DISCUSSION AND POSSIBLE DIRECTION:** Regarding Staff Direction to Pursue Possible Solar Energy Projects, as requested by Councilmember Watts, with support of Mayor Friedel.

5. ADJOURNMENT

Dated this 25 day of June, 2026.



Bevelyn J. Bender, Town Clerk

The Town of Fountain Hills endeavors to make all public meetings accessible to persons with disabilities. Please call (480) 816-5100 (voice) or AZRelay 7-1-1 the Thursday prior to the meeting to request reasonable accommodation.



TOWN OF FOUNTAIN HILLS

STAFF REPORT

Meeting Date: 6/30/2026
Meeting Type: Town Council Special Meeting
Submitting Department: Administration / Finance
Prepared by: Michael Stelpstra, Accountant
Staff Contact Information: Phone: 480-816-5165
 Email: mstelpstra@fountainhillsaz.gov

Request to Town Council Regular Meeting (Agenda Language)

CONSIDERATION AND POSSIBLE ACTION: Relating to Council recommending approval of, to the Arizona Department of Liquor Licenses and Control, the application for a Series 12 Restaurant License for Quik Burrito, located at 16754 E. Glenbrook Boulevard, Fountain Hills, Arizona 85268

Staff Summary (background)

The purpose of this item is to obtain the Town Council’s recommendation (approval, disapproval, or no recommendation) regarding the application for a Series 12 Restaurant License submitted by Jesus Manuel Altamirano, agent of Quik Burrito, for submission to the Arizona Department of Liquor Licenses and Control. Staff reviewed the liquor license application and found that the liquor license application is in full compliance with Town Ordinances.

Related Ordinance, Policy or Guiding Principle

A.R.S. §4-201; 4-202; 4-203; 4-205 and R19-1-102.

Risk Analysis

N/A

Recommendation(s) by Board(s) or Commission(s)

N/A

Staff Recommendation(s)

Staff recommends the Council recommend approval of the liquor license application to the Arizona Department of Liquor Licenses and Control.

Suggested Motion

MOVE TO APPROVE the Council’s recommendation for approval to the Arizona Department of Liquor Licenses and Control regarding the Series 12 Restaurant License application for Jesus Manuel Altamirano, agent of Quik Burrito.

FISCAL IMPACT

Fiscal Impact:
Budget Reference:
Funding Source:

ATTACHMENTS

- | |
|--------------------------------|
| 1. Local Governing Body Report |
|--------------------------------|

Officers / Stockholders

Name:
BEATRIZ ZARRAGA

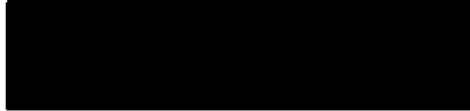
Title:
Member

% Interest:
100.00

QUIK BURRITO ZARR LLC - Member

Name: BEATRIZ ZARRAGA
Gender: Female
Correspondence Address: 530 E MCDOWELLRD
#107-241
PHOENIX, AZ 85004
USA

Phone:
Alt. Phone:
Email:



APPLICATION INFORMATION

Application Number: 399676
Application Type: New Application
Created Date: 05/08/2026

ZW

QUESTIONS & ANSWERS

012 Restaurant



- 1) Are you applying for an Interim Permit (INP)?
Yes
What date are you taking ownership? Please upload the Interim Permit Notary page when you reach the upload page.
5/22/2026
- 2) Are you one of the following? Please indicate below.
Property Tenant
Subtenant
Property Owner
Property Purchaser
Property Management Company
SUBTENANT
- 3) Is there a penalty if lease is not fulfilled?
No
- 4) Is the Business located within the incorporated limits of the city or town of which it is located?
Yes
- 5) What is the total money borrowed for the business not including the lease?
Please list each amount owed to lenders/individuals.
- 6) Are there walk-up or drive-through windows on the premises?
No
- 7) Does the establishment have a patio?
Yes
Is the patio contiguous or non-contiguous (within 30 feet)?
CONTIGUOUS
- 8) Is your licensed premises now closed due to construction, renovation or redesign or rebuild?
No
- 9) What type of business will this license be used for?
RESTAURANT

State of Arizona
Department of Liquor Licenses and Control


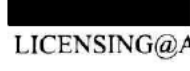
Created 05/22/2026 @ 02:37:57 PM

Local Governing Body Report



LICENSE

Number: INP070038505 Type: INP INTERIM PERMIT
Name: QUIK BURRITO
State: Active
Issue Date: 05/22/2026 Expiration Date: 08/21/2026
Original Issue Date: 05/22/2026
Location: 16754 E GLENBROOK BOULEVARD
 FOUNTAIN HILLS , AZ 85268
 USA
Mailing Address: 530 E MCDOWELL RD 107-241
 PHOENIX, AZ 85004
 USA
Phone: 
Alt. Phone: 
Email: LICENSING@AAICLIQUOR.COM

AGENT

Name: JESUS MANUEL ALTAMIRANO
Gender: Male
Correspondence Address: 530 E MCDOWELL ROAD
 #107-241
 PHOENIX, AZ 85004
 USA
Phone: 
Alt. Phone: 
Email: LICENSING@AAICLIQUOR.COM

OWNER

Name: QUIK BURRITO ZARR LLC
Contact Name: JESUS MANUEL ALTAMIRANO
Type: LIMITED LIABILITY COMPANY
AZ CC File Number: 25049424 State of Incorporation:
Incorporation Date:
Correspondence Address: 530 E MCDOWELL ROAD
 #107-241
 PHOENIX, AZ 85004
 USA
Phone: 
Alt. Phone: 
Email: LICENSING@AAICLIQUOR.COM

both 7-21-2026

Officers / Stockholders

Name:
BEATRIZ ZARRAGA

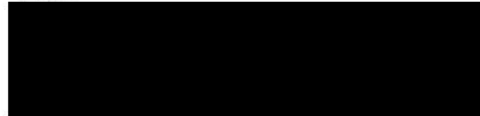
Title:
Member

% Interest:
100.00

QUIK BURRITO ZARR LLC - Member

Name: BEATRIZ ZARRAGA
Gender: Female
Correspondence Address: 530 E MCDOWELLRD
#107-241
PHOENIX, AZ 85004
USA

Phone:
Alt. Phone:
Email:



APPLICATION INFORMATION

Application Number: 399677
Application Type: New Application
Created Date: 05/08/2026

RW

QUESTIONS & ANSWERS

INP Interim Permit

- 1) Enter License Number currently at location *12073016*
- 2) Is the license currently in use? *Yes*
- 3) Submit the interim permit section of the license series application you are applying for when you reach the upload page. *Yes*



TOWN OF FOUNTAIN HILLS

STAFF REPORT

Meeting Date: 6/30/2026
Meeting Type: Town Council Special Meeting
Submitting Department: Public Works / Engineering
Prepared by: David Janover, Town Engineer
Staff Contact Information: Phone: 480-816-5112
Email: djanover@fountainhillsaz.gov

Request to Town Council Regular Meeting (Agenda Language)

CONSIDERATION AND POSSIBLE ACTION: Approving Resolution 2026-10, an Intergovernmental Agreement with the Fountain Hills Sanitary District, for the Golden Eagle Park Dam–Debris Mitigation Improvement Project – Phase II.

Staff Summary (background)

In 2025, the Town completed stormwater drainage improvements within the Golden Eagle Park Impoundment Area, which are referred to as the Phase I improvements.

This coming year, the Town plans to construct dam-related improvements and other improvements in the impoundment area, known as the Golden Eagle Park Dam-Debris Mitigation Improvement Project – Phase II. The project scope has also been expanded to include improvements requested by the Fountain Hills Sanitary District to protect its infrastructure. The Project combines Town-led debris mitigation improvements with District-led sanitary sewer infrastructure protection into a single construction effort.

The proposed Intergovernmental Agreement (IGA) establishes roles, responsibilities, and fiscal obligations between the Town of Fountain Hills (Town) and the Fountain Hills Sanitary District (District) for coordination and cost-sharing of certain elements of the Phase II improvements.

BACKGROUND

The Phase II Project includes two coordinated components:

- **Town Improvements:**

Installation of debris deflector structures and access barrier improvements at the Golden Eagle Park Dam to reduce the risk of blockage and structural damage during storm events.

- **District Improvements:**

Construction of a retaining wall system and related improvements to protect an existing sanitary sewer manhole located near the dam outlet works.

These improvements have been combined into a single design, permitting, and construction effort to streamline project delivery, satisfy permitting requirements, and reduce overall

construction costs.

DISCUSSION

The proposed IGA establishes:

- The Town as the lead agency responsible for procurement, contract administration, and construction oversight
- A single construction contract covering both Town and District improvements
- A clear cost allocation and reimbursement structure

Under the Agreement:

- The Contractor will submit itemized invoices identifying Town and District work
- The Town will review and pay 100% of each invoice, while providing the District an opportunity to review District-related costs
- The District will reimburse the Town for 100% of District-related costs within 30 days

The Agreement also clarifies that:

- The Town retains full authority for procurement and construction administration
- The District retains authority over construction decisions related to its sanitary sewer manhole protection improvements and has separately retained Construction Quality Assurance (CQA) services
- The District's financial responsibility is limited to its defined scope of work
- The Parties will coordinate as needed during construction

This approach provides efficient project delivery while maintaining clear accountability between the Parties.

FUNDING AND REIMBURSEMENT

The Town has a separate Intergovernmental Agreement with the Maricopa County Flood Control District (MCFCD) for the Golden Eagle Park Dam Improvement Project.

Under that agreement:

- The Town is eligible for 75% reimbursement of its eligible project costs
- This reimbursement applies only to the Town's portion of the Project

The District's portion of the Project:

- Is not included in the scope of the MCFCD agreement, and
- Is not eligible for reimbursement from MCFCD

Accordingly:

- The District will reimburse the Town for 100% of District-related construction costs
- The Town will separately pursue reimbursement from MCFCD for eligible Town costs only

This structure ensures that funding sources remain separate and compliant with each

agreement.

Related Ordinance, Policy or Guiding Principle

A.R.S. §11-951 et seq., authorizing intergovernmental agreements, and the Town’s guiding principle of interagency coordination to ensure efficient project delivery, cost sharing, and protection of public infrastructure.

Risk Analysis

Without approval of the IGA, the Town would assume financial risk for District-related construction costs without a guaranteed reimbursement mechanism, and the separation of funding required under the Town’s agreement with MCFCD would not be clearly documented.

Recommendation(s) by Board(s) or Commission(s)

N/A

Staff Recommendation(s)

Staff recommends approval of Resolution 2026-10

Suggested Motion

MOVE TO APPROVE Resolution 2026-10

FISCAL IMPACT

Fiscal Impact: \$191,300

Budget Reference: FY2027

Funding Source: Capital Projects Fund

ATTACHMENTS

- | |
|--|
| 1. Resolution 2026-10 IGA with FHSD for Golden Eagle Park Phase II |
|--|

RESOLUTION NO. 2026-10

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE TOWN OF FOUNTAIN HILLS, ARIZONA, APPROVING THE INTERGOVERNMENTAL AGREEMENT WITH THE FOUNTAIN HILLS SANITARY DISTRICT FOR THE GOLDEN EAGLE PARK DAM-DEBRIS MITIGATION IMPROVEMENT PROJECT - PHASE II.

RECITALS:

WHEREAS, The Town of Fountain Hills (“Town”) owns and maintains the Golden Eagle Park Dam; and

WHEREAS, The Fountain Hills Sanitary District (“District”) owns and operates sanitary sewer infrastructure within the project area; and

WHEREAS, The Town and the District have developed coordinated improvements consisting of debris mitigation structures and sanitary sewer manhole protection improvements; and

WHEREAS, The Town and the District desire to combine these improvements into a single construction project for efficiency and cost-effectiveness; and

WHEREAS, The Town desires to enter into an Intergovernmental Agreement, dated June 16th, 2026 (the “Agreement”) with the District to establish roles, responsibilities, and fiscal obligations for the Project; and

WHEREAS, The Town will serve as the lead agency for procurement and construction administration under the proposed Agreement; and

WHEREAS, The Town has entered into a separate Intergovernmental Agreement with the Maricopa County Flood Control District (“MCFCD”) for partial reimbursement of the Town’s eligible project costs; and

WHEREAS, The District’s portion of the Project is not included in the scope of the MCFCD agreement and is not eligible for reimbursement from MCFCD; and

WHEREAS, Arizona law (A.R.S. §11-951 et seq.) authorizes public agencies to enter into intergovernmental agreements;

BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE TOWN OF FOUNTAIN HILLS as follows:

ENACTMENTS:

SECTION 1. The Town Council approves the Intergovernmental Agreement with the Fountain Hills Sanitary District for the Golden Eagle Park Dam–Debris Mitigation Improvement Project – Phase II.

SECTION 2. The Town Manager is authorized to execute the Intergovernmental Agreement and any related documents, subject to approval as to form by the Town Attorney.

SECTION 3. The Town shall administer the construction contract, remit payment to the contractor, and receive reimbursement from the District for all District-related project costs.

SECTION 4. The Town shall separately pursue reimbursement from MCFCD for eligible Town project costs only, consistent with the Town’s agreement with MCFCD.

SECTION 5. The Mayor, the Town Manager, the Town Clerk and the Town Attorney are hereby authorized and directed to cause the execution of the Agreement and to take all steps necessary to carry out the purpose and intent of this Resolution.

PASSED AND ADOPTED by the Mayor and Council of the Town of Fountain Hills, Arizona, June 30, 2026.

FOR THE TOWN OF FOUNTAIN HILLS:

REVIEWED BY:

Gerry Friedel, Mayor

Rachael Goodwin, Town Manager

ATTESTED TO:

APPROVED AS TO FORM:

Bevelyn Bender, Town Clerk

Jennifer Wright, Town Attorney

EXHIBIT A
TO
RESOLUTION NO. 2026-10
(Intergovernmental Agreement)

See following pages.

Intergovernmental Agreement
for the
Golden Eagle Park Dam-Debris Mitigation Improvement Project – Phase II
between the
Town of Fountain Hills
and the
Fountain Hills Sanitary District
Agenda Item _____

PARTIES

This Intergovernmental Agreement (“Agreement” of “IGA”) is entered into this 30th day of June, 2026 (the “Effective Date”), by and between the Town of Fountain Hills, Arizona, a municipal corporation of the State of Arizona (“Town”), and the Fountain Hills Sanitary District, a political subdivision of the State of Arizona (“District”). The Town and the District shall be referred to herein as a “Party” and collectively as the “Parties”.

STATUTORY AUTHORIZATION

1. This Agreement is entered into pursuant to A.R.S. §11-951 et seq., which authorizes public agencies to contract for joint or cooperative action.

PURPOSE OF THE AGREEMENT

2. The purpose of this Agreement is to establish roles, responsibilities, and fiscal obligations for the Golden Eagle Dam Improvement Project – Phase II (“Project”). The Project combines two coordinated improvements:
 - 2.1 Town Component: Debris deflector structures and dam access barrier improvements
 - 2.2 District Component: Sanitary sewer manhole protection improvements
3. These improvements have been combined into a single construction effort for efficiency and cost-effectiveness and permitting requirements through ADWR

SCOPE OF WORK

4. Town Scope
The Town shall be responsible for:
 - 4.1 Construction of debris deflector structures and access barrier improvements
 - 4.2 All costs associated with the Town portion of the Project
5. District Scope
District shall be responsible for:
 - 5.1 Construction of sanitary sewer manhole protection improvements
 - 5.2 All costs associated with the District portion of the Project

PROJECT ADMINISTRATION

6. The Town shall serve as the lead agency for the Project and shall:
 - 6.1 Procure the construction contractor
 - 6.2 Procure construction management and CQA services
 - 6.2.1 The District has directly contracted for CQA services
 - 6.3 Administer the construction contract
 - 6.4 Provide construction oversight
 - 6.5 The Town shall have full authority to manage procurement and contract administration, subject to coordination with the District on matters affecting the District's scope of work.
 - 6.5.1 The District will have full authority over construction decisions for its portion of the Project, including manhole protection improvements.

This structure is consistent with the project delivery approach documented in the Construction Quality Assurance Plan

COST RESPONSIBILITIES

7. Town Costs
The Town shall be responsible for all costs associated with its portion of the Project, including debris deflector structures and related improvements.
Estimated Town project cost: approximately **\$191,300** .
8. District Costs
District shall be responsible for all costs associated with its portion of the Project, including manhole protection improvements.
Estimated District project cost: approximately **\$122,500**

OTHER FUNDING SOURCES

9. The Town has entered into a separate Intergovernmental Agreement with the Maricopa County Flood Control District (MCFCD) for partial reimbursement of the Town's Project costs.
 - 9.1 MCFCD reimbursement applies only to eligible costs associated with the Town's portion of the Project.
 - 9.2 The District's portion of the Project is not included in the scope of the MCFCD agreement and is not eligible for reimbursement by MCFCD.
 - 9.3 Nothing in this Agreement shall be construed to obligate the Town to seek or obtain MCFCD reimbursement on behalf of the District.

PAYMENT AND REIMBURSEMENT

10. The Contractor shall submit itemized invoices clearly identifying:
 - 10.1 Town-related work
 - 10.2 District-related work
11. The Town shall:
 - 11.1 Review and approve all invoices, providing the District time to review costs associated to the District portion of the Project.
 - 11.2 Remit payment to the Contractor for 100% of each invoice

12. District shall:

12.1 Review and approve invoices for District related costs.

12.2 Reimburse the Town for 100% of District-related costs

12.3 Submit payment within 30 days of receiving invoice documentation

12.4 In the event the District disputes any portion of an invoice, the undisputed portion shall be paid within the 30-day period, and the Parties shall work in good faith to resolve the disputed portion.

RECORDKEEPING AND AUDIT

13. The Town shall maintain complete financial records for the Project. District shall have the right to review records related to its portion of the work.

TERM

14. This Agreement shall remain in effect until:

14.1 Completion of construction, and

14.2 Final reconciliation of all payments between the Parties

INDEMNIFICATION

15. Each Party shall be responsible for its own acts, errors, and omissions to the extent permitted by Arizona law.

TERMINATION

16. This Agreement may be terminated by mutual written agreement of both Parties.

AMENDMENTS

17. This Agreement may only be amended by written agreement executed by both Parties.

LEGAL REVIEW AND APPROVAL

18. This Agreement has been reviewed and approved by the legal counsel for each Party. Execution of this Agreement constitutes such approval.

NO THIRD-PARTY BENEFICIARIES

19. This Agreement does not create any rights in any third party.

COMPLIANCE WITH LAWS

20. The Parties shall comply with all applicable federal, state, and local laws.

(Signatures on Following Page)

TOWN OF FOUNTAIN HILLS

FOUNTAIN HILLS SANITARY DISTRICT

Rachael Goodwin, Town Manager

Dana Trompke, PE, District Manager

Date: _____

Date: _____

ATTEST:

ATTEST:

Town Clerk

Administrative Services Manager

The foregoing Intergovernmental Agreement has been reviewed pursuant to A.R.S. §11-952, as amended, by the undersigned General Counsel, who has determined that it is in proper form and within the powers and authority granted under the laws of the State of Arizona.

Jennifer Wright
Attorney for the Town of Fountain Hills

Daniel Jones
Attorney for the Fountain Hills Sanitary District



TOWN OF FOUNTAIN HILLS

STAFF REPORT

Meeting Date: 6/30/2026
Meeting Type: Town Council Special Meeting
Submitting Department: Development Services
Prepared by: John Wesley, Development Services Director
Staff Contact Information: Phone: 480-816-5138
Email: jwesley@fountainhillsaz.gov

Request to Town Council Regular Meeting (Agenda Language)

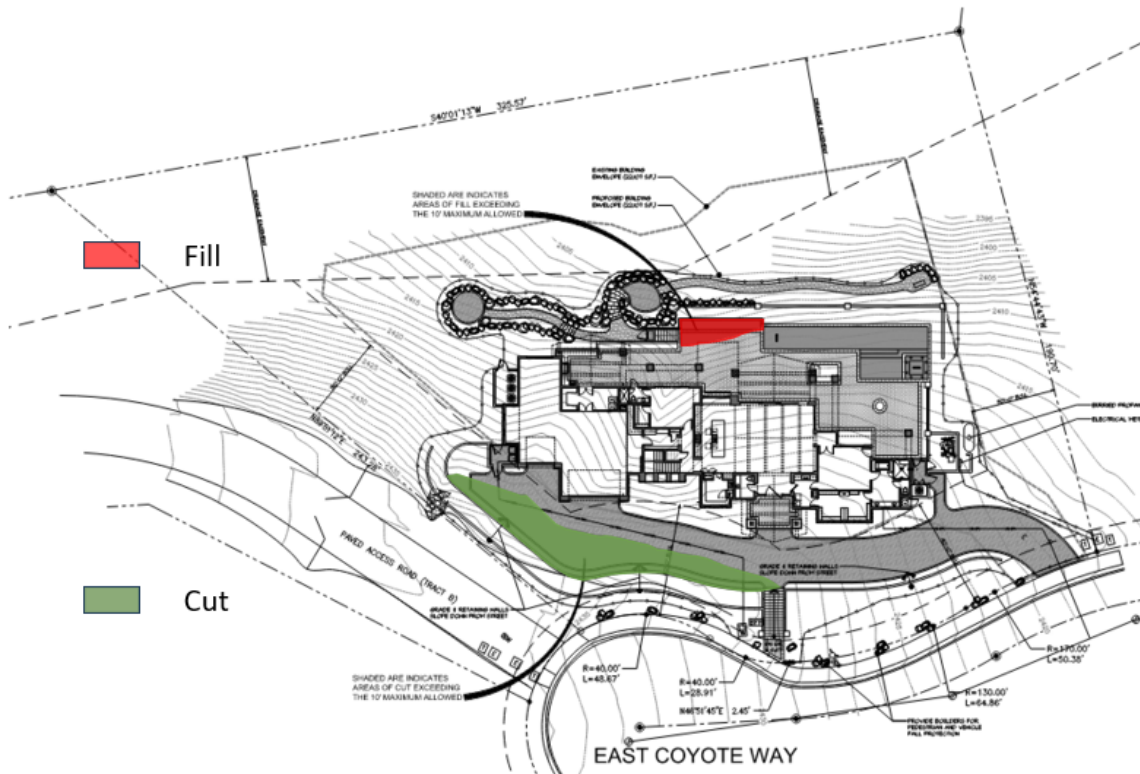
CONSIDERATION AND POSSIBLE ACTION: Approving a request for a CUT/FILL waiver for 13818 E. Coyote Way to allow cut and fill in excess of 10' on portions of the property.

Staff Summary (background)

The owner of the property at 13818 E. Coyote Way is preparing plans to build a new single-family home on this lot. The plans submitted for this 49,783 sq. ft. lot show a total disturbance area of approximately 21,000 sq. ft. The total area proposed under roof is 6,397 sq. ft.

The lot slopes down from the street toward a drainage way across the rear (west side) of the lot. The western portion of the lot is in a drainage easement. The highest point on the lot is at the south-east corner at 2440' and the lowest is in the north-west corner at 2370'. The area of the lot closest to the street has a general slope between 15% and 20%. The most significant slopes are along the southern property boundary and the west side of the lot.

The plans for this two-story home set the building pad at 2421', which is about the same elevation as the street where the driveway connects to the street. To create a level building pad, the area to the east and south of the home will be excavated to provide the driveway access to the garages on the south side of the house. This will have the effect of screening much of the driveway and garages from the street and the neighbors to the south. There is also a small area of excess fill on the outdoor living area behind the house next to the pool. This area of excess fill is not visible to adjacent properties.



Staff has identified three objectives in reviewing cut and fill waiver requests. Those objectives are:

1. To reduce the visual impacts of the proposed developments as viewed from the adjacent properties and right of way.

Cut. The area of cut is along the southern boundary of the property. Two retaining walls that comply with ordinance requirements will be used to step the land down to the finish grade.

Given the topography and the curve of the street, the area of cut will be visible only to those on the property in front of the garage area. The maximum amount of cut is over 15', but this is in a relatively small area.

Fill. The area of excess fill is in the rear portion of the lot. The excess fill is behind two retaining walls which comply with ordinance requirements. The lower wall is also partially screened by use of boulders. The rear areas of the lot slopes down to the drainage way with slopes in excess of 20%. The property behind this lot is part of the Fountain Hills McDowell Mountain Preserve. The nearest existing trail is over 450' away.

2. To review the measures applied by the designer to minimize the amount of cut and fill on the lot.

The designer of this property picked a location in the center of the lot that, for the most part, balanced out the cut and fill requirements while fitting within the setback requirements. The excess cut along the south side of the lot is needed to provide for the driveway access to the garage area. Shifting the house further west would cause a more significant impact with additional fill needed due the steep slopes on the west side of the property.

3. What are alternatives to the proposed plan that would conform to the cut/fill requirements? Assessing alternatives to the current design that conform to ordinance requirements would necessitate submission of design options. Review of the property by staff finds there are significant challenges relating to the topography and configuration of the lot that make

alternatives challenging without complete redesign of the desired home on this lot. The HOA has reviewed and approved the plans as designed.

Related Ordinance, Policy or Guiding Principle

Subdivision Ordinance, Article 5, Section 5.03. D.

Subdivision Ordinance, Article 5, Section 5.06. D.

Risk Analysis

N/A

Recommendation(s) by Board(s) or Commission(s)

N/A

Staff Recommendation(s)

Staff recommends approval of the requested cut/fill waivers.

Suggested Motion

MOVE TO APPROVE a CUT/FILL waiver for 13818 E. Coyote Way (CFW26-000005) as requested.

FISCAL IMPACT

Fiscal Impact:

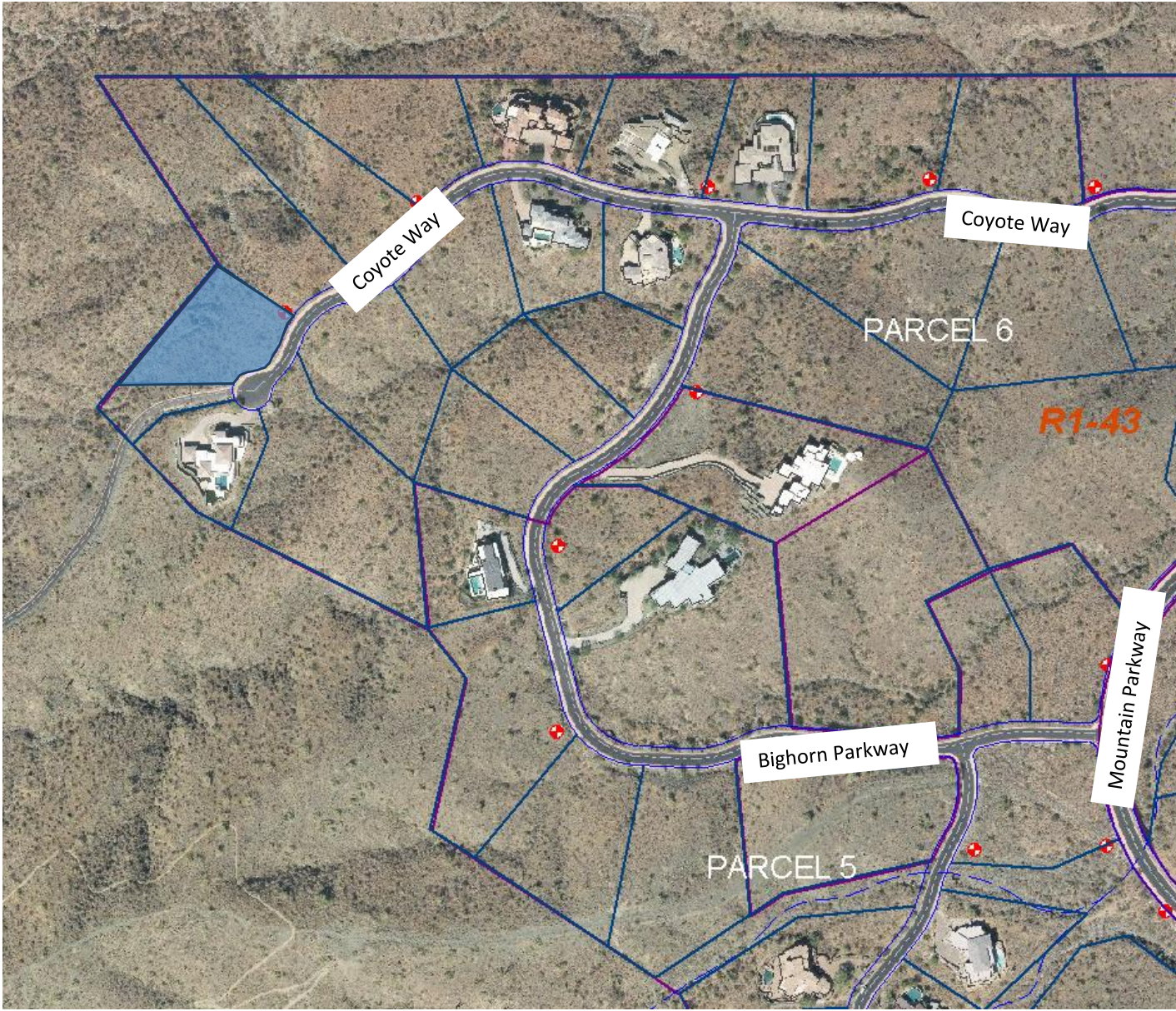
Budget Reference:

Funding Source:

ATTACHMENTS

1. Case Details Maps

Cut/Fill Waiver Vicinity Map



Case Details

CASE:

CFW26-000005

SITE / ADDRESS:

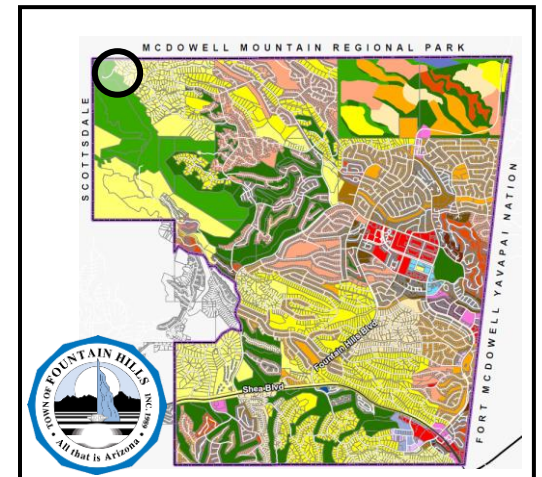
13818 Coyote Way

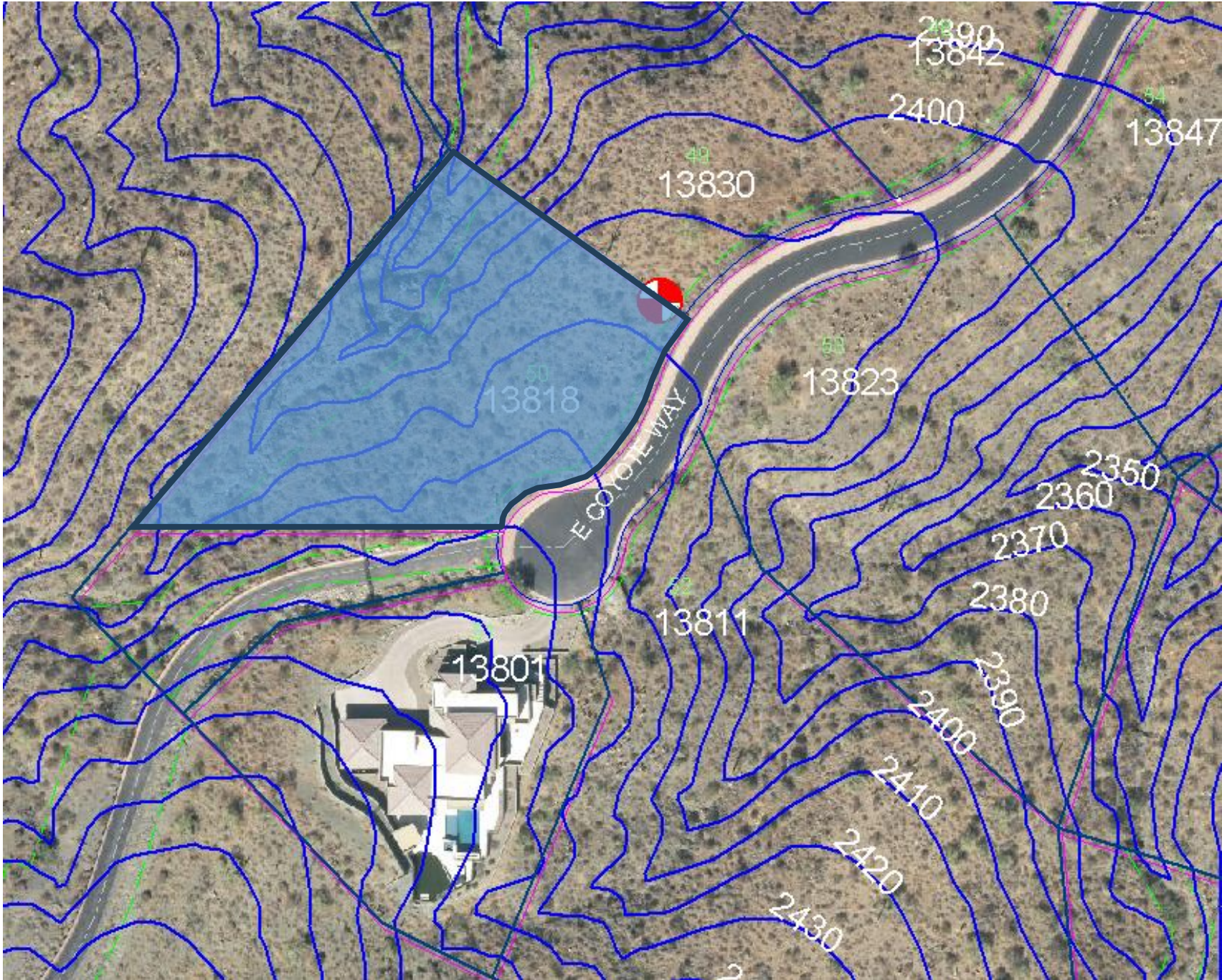
REQUEST:

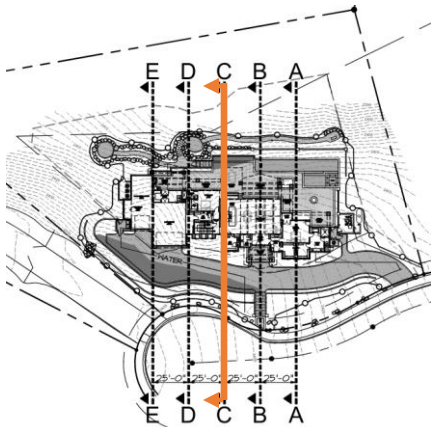
A cut/fill waiver to allow a portions of the lot to be cut and filled a depth of more than 10'. Maximum cut height is 15'.



Site Location

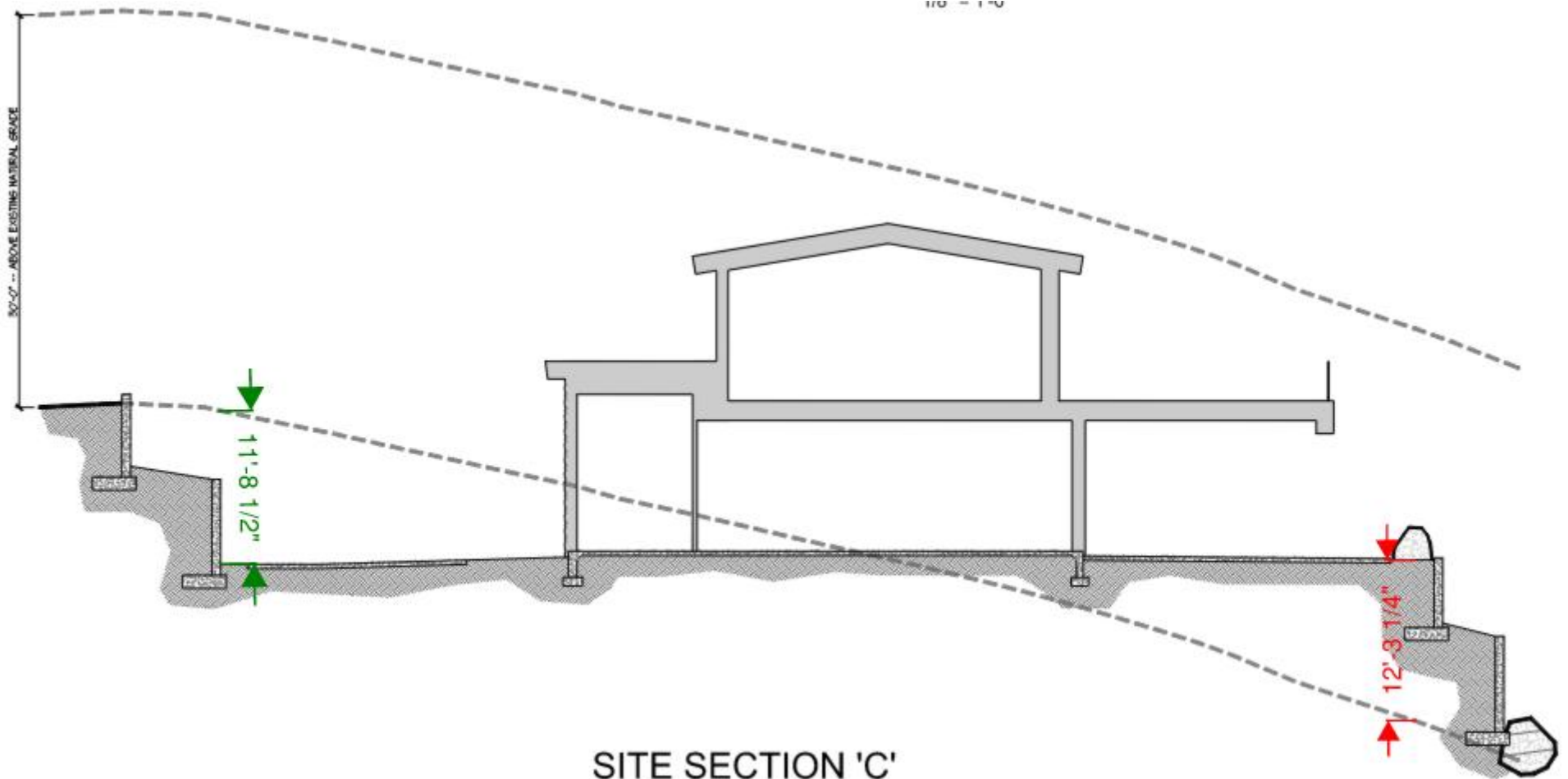






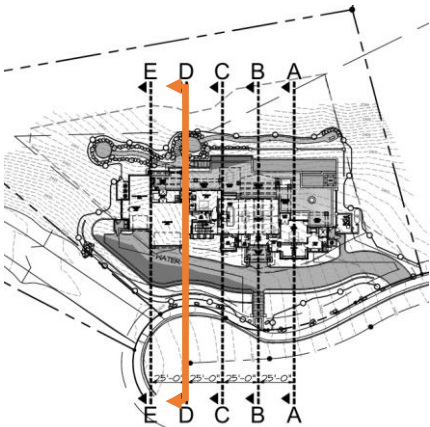
OVERALL SITE REFERENCE

1" = 50'-0"



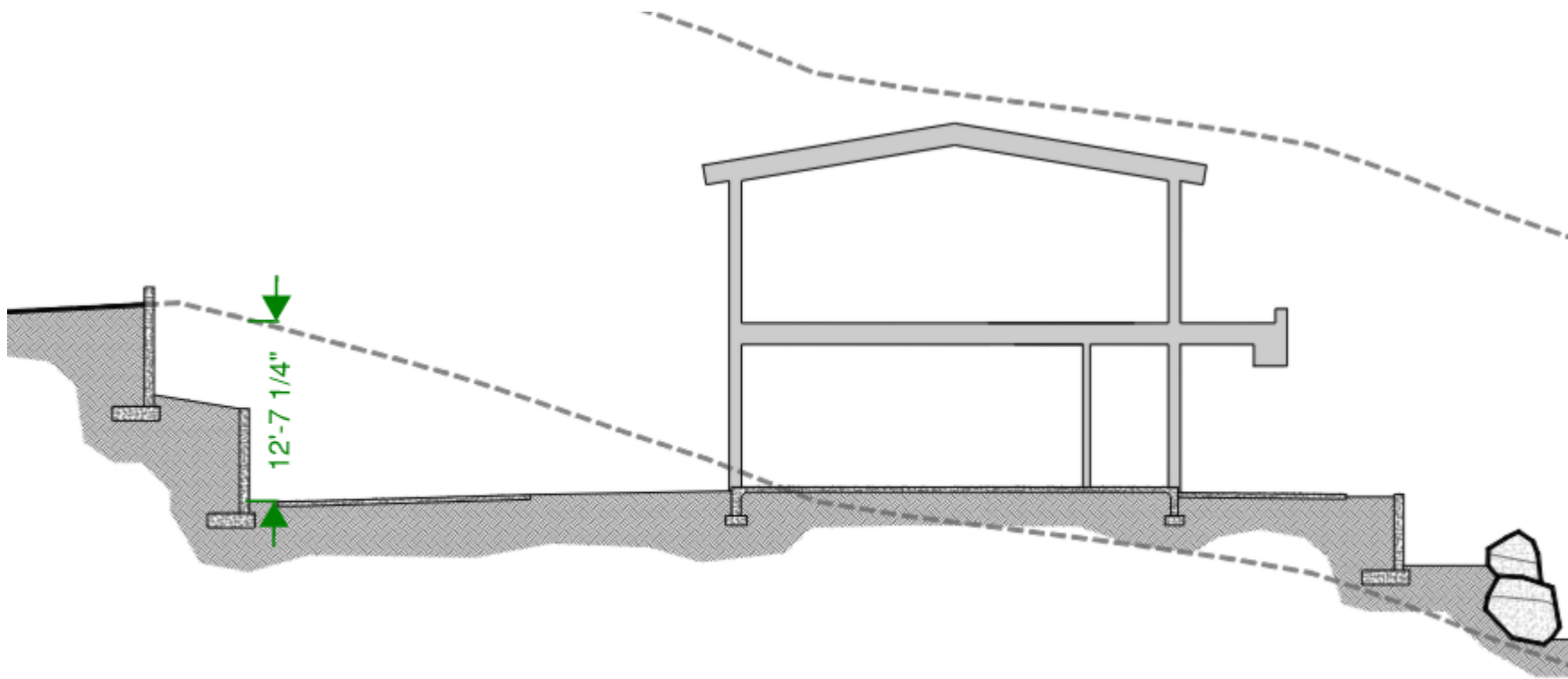
SITE SECTION 'C'

1/8" = 1'-0"



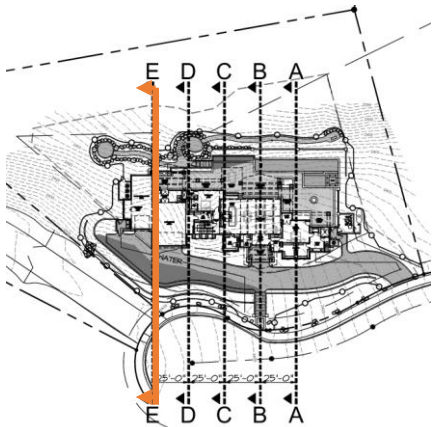
OVERALL SITE REFERENCE

1"=50'-0"



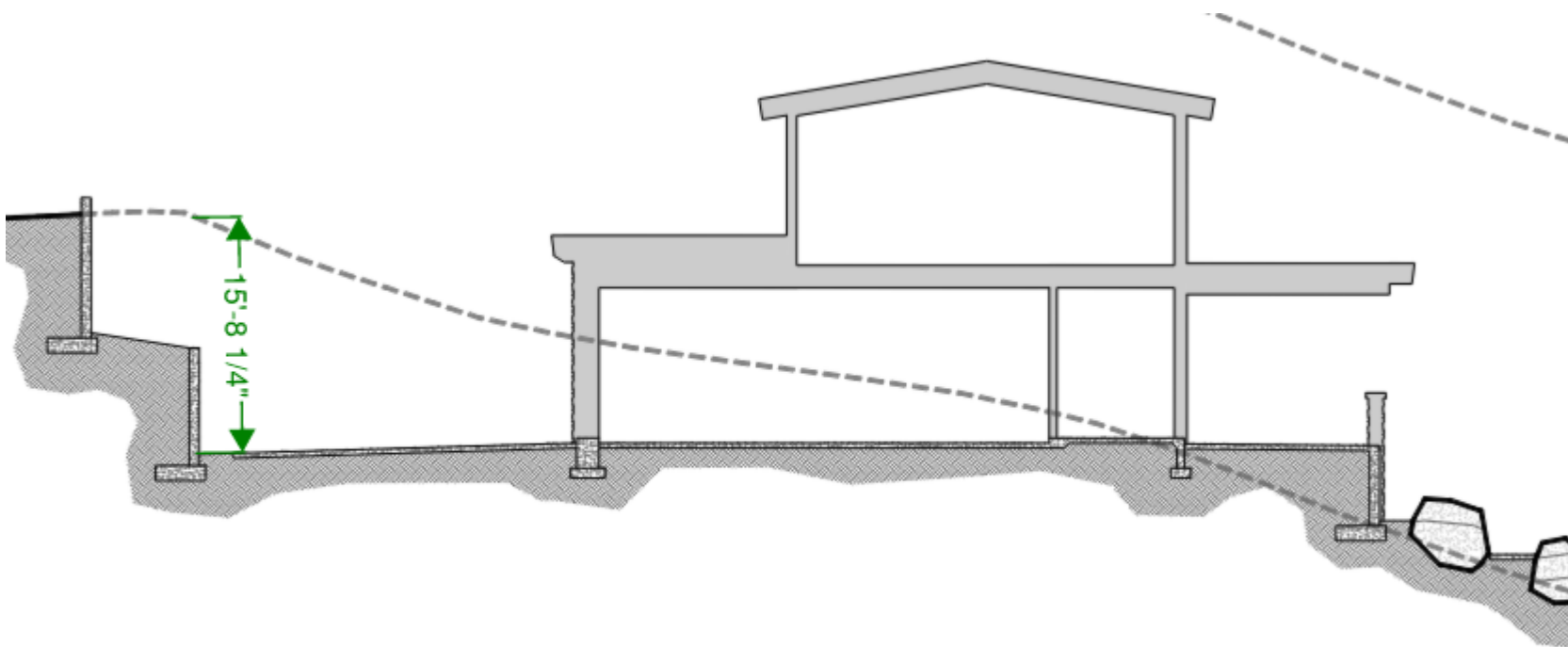
SITE SECTION 'D'

1/8" = 1'-0"



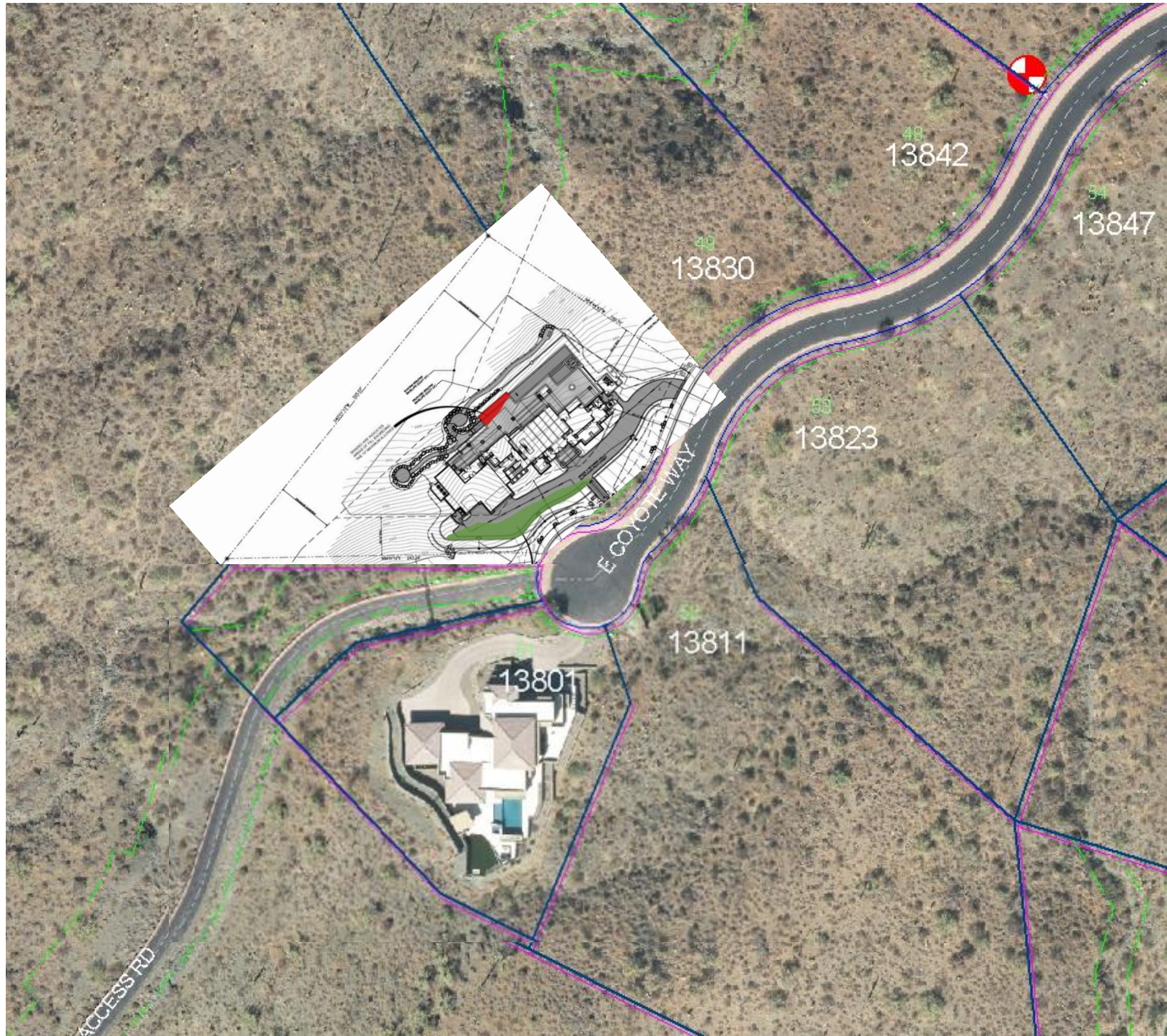
OVERALL SITE REFERENCE

1"=50'-0"



SITE SECTION 'E'

1/8" = 1'-0"





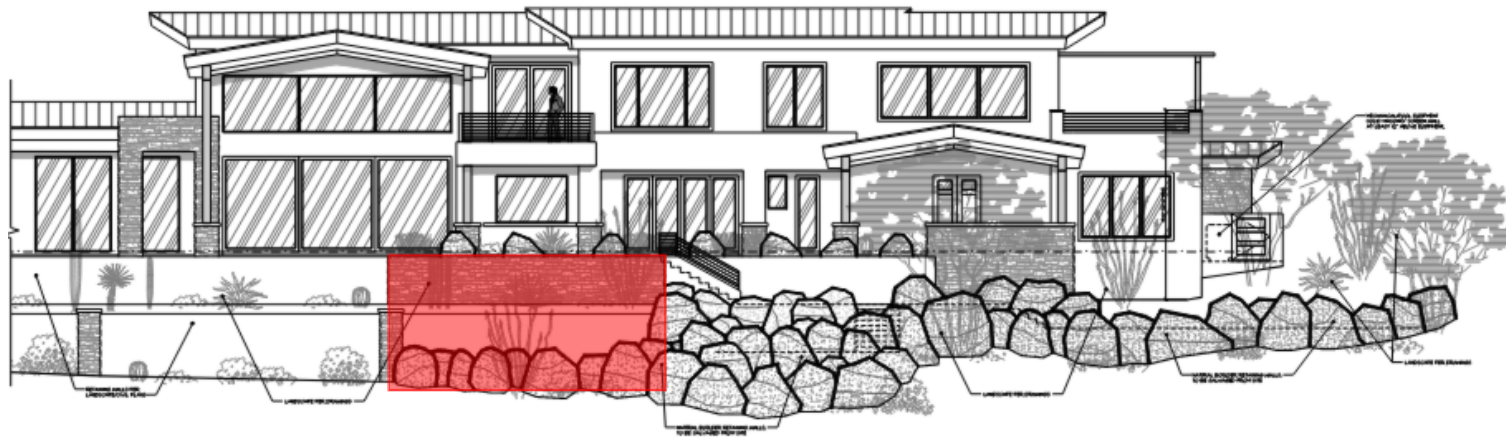
FRONT ELEVATION

3/16"=1'-0"



Cut

Note: Cannot see cut area from the street



REAR ELEVATION

3/16"=1'-0"



Fill



TOWN OF FOUNTAIN HILLS

STAFF REPORT

Meeting Date: 6/30/2026
Meeting Type: Town Council Special Meeting
Submitting Department: Administration / Economic Development & Tourism
Prepared by: Amanda Jacobs, Economic Development Director
Staff Contact Information: Phone: 480-816-5104
 Email: ajacobs@fountainhillsaz.gov

Request to Town Council Regular Meeting (Agenda Language)

CONSIDERATION AND POSSIBLE ACTION: Relating to Resolution 2026-18, a Lease Agreement between the Town of Fountain Hills and Fountain Hills and Lower Verde River Valley Museum and Historical Society

Staff Summary (background)

Background

The Town of Fountain Hills and the Fountain Hills and Lower Verde River Valley Museum (Museum) entered into a lease agreement on August 16, 2001 (Attachment 1). The agreement expires on August 15, 2026.

Key provisions of the existing agreement include:

- Approximately 5,000 square feet of Town-owned space was leased to the Museum at a nominal rate of \$1 per year for 25 years (total rent collected: \$25).
- The Town contributed \$210,000 toward exhibits, displays, lighting, and permanent improvements at the inception of the lease.
- Throughout the lease term, the Town has paid for building maintenance and utilities, including water, gas, electricity, sewer, trash removal, and base cable television service (excluding telephone and equipment costs).
- Over the past 25 years, the Town and Museum have maintained a longstanding partnership focused on preserving and interpreting the community's history.

Current Considerations

As the current lease approaches expiration, the Town must evaluate future occupancy of the facility in a manner consistent with Arizona law, sound fiscal stewardship, and the Town's fiduciary responsibilities.

Town staff and representatives of the Museum began discussions regarding a new lease in November 2025. Through recent discussions, the parties have negotiated a proposed lease agreement for the period of August 16, 2026, through June 30, 2027. Under the proposed agreement, the Museum will pay rent for the use of the facility (Attachment 2, Section 3 – Rent) and provide specified public benefits and services to residents and visitors (Attachment 2, Section 6 – Public Benefits).

The proposed lease term will allow the Museum to continue operations without interruption

while providing both parties additional time to evaluate the Museum's long-term operational and financial sustainability, assess the measurable public benefits provided to the community, and consider potential future occupancy arrangements. The proposed structure is intended to help ensure that any future agreement is supported by adequate consideration and complies with applicable provisions of the Arizona Constitution, including the Gift Clause.

Staff believes the proposed lease provides an appropriate interim framework that balances the Town's interest in preserving local history and culture with its obligation to protect public resources and ensure legal compliance. Additionally, the Museum Board approved the draft lease as written at their board meeting on Thursday, June 24.

Related Ordinance, Policy or Guiding Principle

The lease agreement supports the Town's General Plan, specifically by maximizing economic development opportunities in Fountain Hills and supporting strong public/private partnerships to strengthen the community, ensuring long-term viability, and improving the Town's quality of life. As well as the Town's Strategic Plan, specifically Targeted Collaborative Economic Development.

Risk Analysis

If the lease agreement is not approved, the Museum will no longer be able to operate effective January 1, 2027, and will need to begin the 90-day deaccession and transition process.

Recommendation(s) by Board(s) or Commission(s)

N/A

Staff Recommendation(s)

Staff recommends approval.

Suggested Motion

MOVE TO APPROVE Resolution 2026-18, Approving a Lease Agreement between the Town of Fountain Hills and Fountain Hills and Lower Verde River Valley Museum and Historical Society

FISCAL IMPACT

Fiscal Impact: \$10,500 from September 1, 2026 - June 30, 2027 to the General Fund.

Budget Reference: N/A

Funding Source: N/A

ATTACHMENTS

- | | |
|----|---|
| 1. | 6.30.26 - Special Session Museum Lease |
| 2. | Res 2026-18 Lease between FH and Museum |

Proposed Lease Agreement Between the Town and River of Time Museum



Background

- 25-Year Lease between Town and Museum Association; expires August 15, 2026
- Rent \$1 annually; Total \$25
- Town provided \$210,000
 - Cost of displays and exhibits
 - Lighting
 - Other permanent improvements
- Town pays for maintenance, utilities and janitorial services



**FOUNTAIN
HILLS**

Town Requirements

- Any consideration of renewal requires an evaluation of compliance with state law.
- Highest and best use of a Town-owned facility.



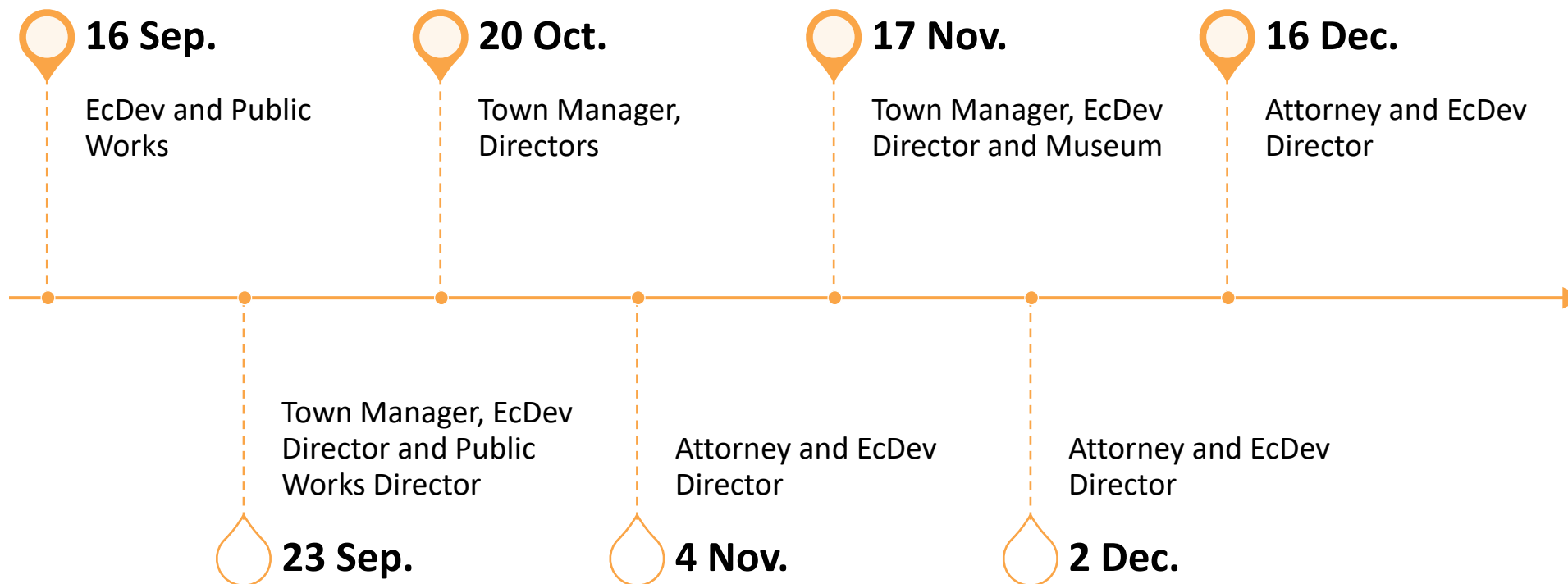
Gift Clause

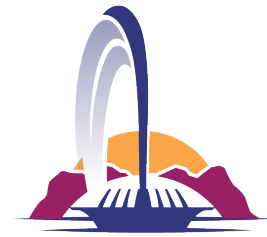
- Arizona's Gift Clause exists to protect taxpayers. It ensures public dollars are used for a clear public purpose and that the Town receives fair value in return.
- Two common questions:
 - Is there a clear public purpose; and
 - Is the Town receiving fair market value?



**FOUNTAIN
HILLS**

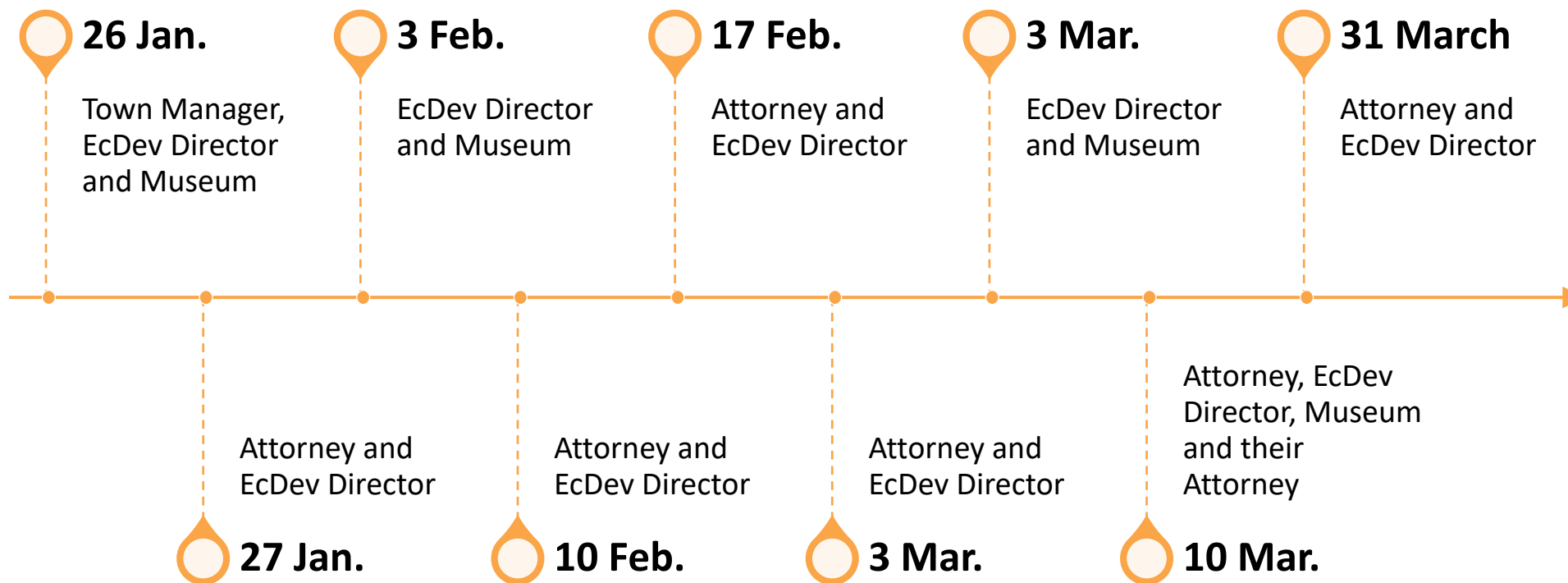
Timeline - Staff





**FOUNTAIN
HILLS**

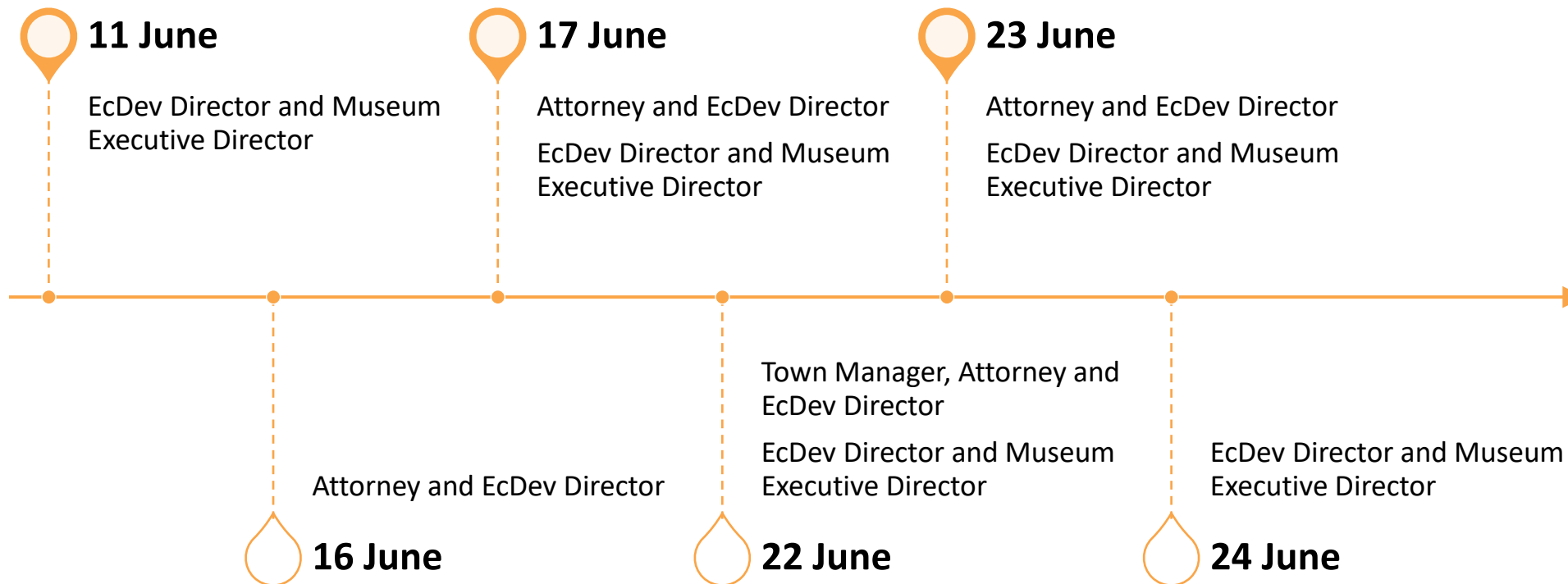
Timeline - Staff



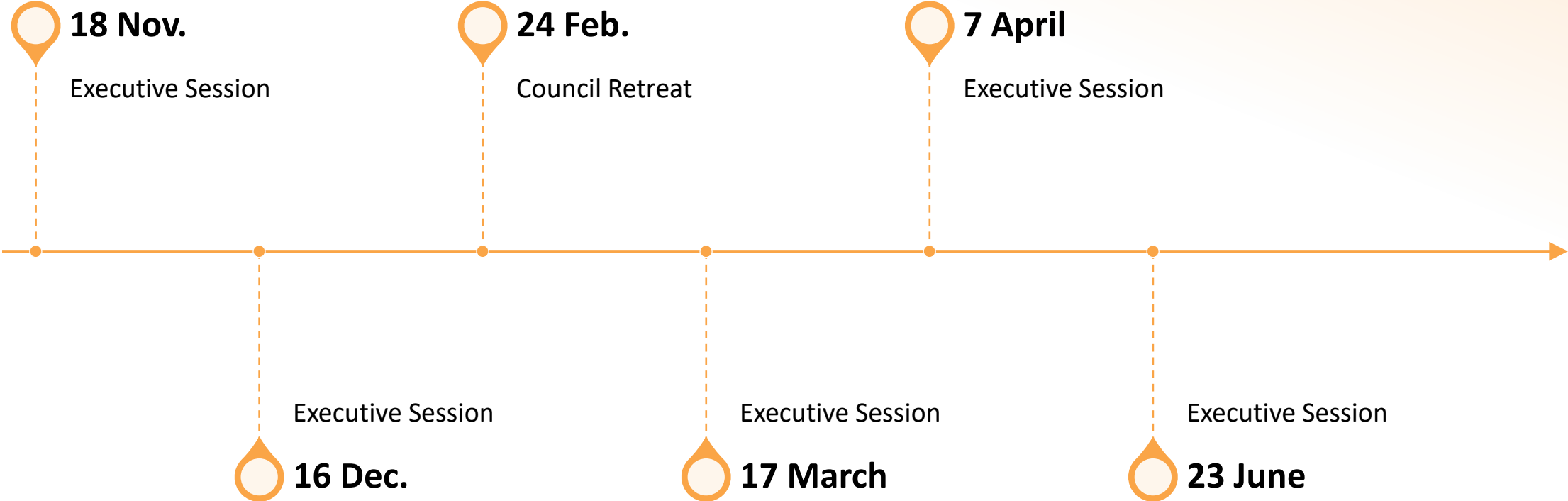


**FOUNTAIN
HILLS**

Timeline - Staff



Timeline - Council



Proposed Lease

- Considerations:
 - Lease Term: August 16, 2026 – June 30, 2027
 - Rent: September \$1,500; \$1,000 per month thereafter
 - Public Benefit: Free admission days, free programming, completion of a third-party economic impact analysis
 - Reporting Requirements as outlined in the lease
- June 24 –Museum Board of Directors approved the lease as drafted



Staff Recommendation

- Staff recommends approval.



Questions?



**FOUNTAIN
HILLS**



RESOLUTION NO. 2026-18

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE TOWN OF FOUNTAIN HILLS, ARIZONA, APPROVING A LEASE AGREEMENT WITH THE FOUNTAIN HILLS AND LOWER VERDE RIVER VALLEY MUSEUM AND HISTORICAL SOCIETY

RECITALS:

WHEREAS, the Town of Fountain Hills ("Town") and the Fountain Hills and Lower Verde River Valley Museum and Historical Society ("Museum") previously entered into a Lease Agreement dated August 16, 2001 ("Original Lease") for the Museum's use of the Town-owned property located at 12901 N. La Montana Drive; and

WHEREAS, the Original Lease is scheduled to expire on August 15, 2026; and

WHEREAS, the Town finds that the Museum's operation provides a public benefit through historical preservation, educational programming, tourism and cultural activities for residents and visitors; and

WHEREAS, the Museum serves as the Fountain Hills Historical Society and maintains historical collections, archives, exhibits, educational programming, and cultural resources for residents and visitors; and

WHEREAS, the Town Council has determined that temporarily extending the lease while evaluating future operational options serves a public purpose and allows the continuation of cultural, tourism and educational services for the community; and

WHEREAS, the parties desire to enter into this Lease Agreement establishing the rights and obligations of each party.

ENACTMENTS:

BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE TOWN OF FOUNTAIN HILLS as follows:

SECTION 1. The recital above is hereby incorporated as if fully set forth herein.

SECTION 2. The Lease Agreement between the Town of Fountain Hills (the "Town") and the Fountain Hills and Lower Verde River Valley Museum and Historical Society ("Museum") is hereby approved in substantially the form attached hereto as Exhibit A and incorporated herein by reference.

SECTION 3. The Mayor, the Town Manager, the Town Clerk and the Town Attorney are hereby authorized and directed to cause the execution of the Lease Agreement and to take all steps necessary to carry out the purpose and intent of this Resolution.

PASSED AND ADOPTED by the Mayor and Council of the Town of Fountain Hills, Arizona, this 30th day of June 2026.

(Signatures on the following page)

FOR THE TOWN OF FOUNTAIN HILLS:

ATTESTED TO:

Mayor

Town Clerk

REVIEWED BY:

APPROVED AS TO FORM:

Town Manager

Town Attorney

EXHIBIT A
TO
RESOLUTION NO. 2026-18
(Lease Agreement)

See following pages.

LEASE AGREEMENT

This Lease Extension Agreement (“Agreement”) is entered into between the **Town of Fountain Hills, Arizona**, an Arizona municipal corporation (“Town”), and **Fountain Hills and Lower Verde River Valley Museum and Historical Society**, an Arizona nonprofit organization (“Museum”).

RECITALS

WHEREAS, the Town and the Museum previously entered into a Lease Agreement dated August 16, 2001 (“Original Lease”) for the Museum’s use of the Town-owned property located at 12901 N. La Montana Drive; and

WHEREAS, the Original Lease is scheduled to expire on August 15, 2026; and

WHEREAS, the Town finds that the Museum’s operation provides a public benefit through historical preservation, educational programming, tourism and cultural activities for residents and visitors; and

WHEREAS, the Museum serves as the Fountain Hills Historical Society and maintains historical collections, archives, exhibits, educational programming, and cultural resources for residents and visitors; and

WHEREAS, the Town Council has determined that temporarily extending the lease while evaluating future operational options serves a public purpose and allows the continuation of cultural, tourism and educational services for the community; and

WHEREAS, the parties desire to enter into this Lease Agreement establishing the rights and obligations of each party;

NOW, THEREFORE, the parties agree as follows:

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing introduction and recitals, which are incorporated herein by reference, the following mutual covenants and conditions, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Town and the Museum hereby agree as follows:

1. **LEASE.** The Town hereby leases to Museum approximately 5,000 rentable square feet identified on Exhibit 1 (Floor Plan), together with (a) the patio and outdoor display area shown on Exhibit 1 (the ‘Outdoor Area’), and (b) nonexclusive rights to use the lobby area in common with the Library and nonexclusive rights to use adjacent parking and open areas in common with other municipal uses (collectively, the ‘Leased Premises’). Exhibit 1 is incorporated by reference.

2. **TERM.** The Lease shall commence August 16, 2026, and expire June 30, 2027. There shall be no automatic renewal. Any extension or renewal must be approved by the Town Council through written agreement. No options to extend are granted. Any extension requires Town Council approval and a fully executed written amendment.
3. **RENT.** Museum shall pay rent of One Thousand Dollars (\$1,000) per month; provided, however, that rent due on September 1, 2026 shall be One Thousand Five Hundred Dollars (\$1,500). Rent is due on the first calendar day of each month without demand. Rent not received by the Town on or before the tenth (10th) calendar day of the month is late and constitutes a monetary default after written notice and a five (5) business day cure period following receipt of such notice.

By January 14, 2027, Town and Museum representatives shall meet to conduct a joint review of the Museum's performance and compliance with the requirements set forth in Section 7. The review shall include discussion of the Museum's operations, community benefit, long-term viability, and the feasibility of a future lease extension. Following completion of the review, the Town shall provide the Museum with written notice within 30 days of its intent to pursue, negotiate, or decline a lease extension. Nothing herein shall obligate the Town to renew, extend, or enter into a subsequent lease agreement.

4. **USE OF PREMISES.** The Premises shall be used solely for Museum operations; historical exhibits and collections; historical archives and research; educational programming; tourism-related cultural programming; public meetings and events related to museum purposes; and other uses approved in writing by the Town. All activities must comply with Town facility policies then in effect. No third-party operation or sub-use of the Leased Premises is permitted without Town's prior written consent.

Museum shall not conduct or permit to be conducted any unlawful, hazardous, or nuisance activities upon the Leased Premises. The use of the Leased Premises by the Museum is and will continue to be subject to all applicable laws and regulations of the State of Arizona and the Town of Fountain Hills.

5. **STATUS OF EMPLOYEES.** The Museum understands that and agrees that none of the terms and conditions of the Lease contemplate or imply the creation of an employer/employee relationship and that all employees, agents, contractors, subcontractors and volunteers of the Museum are independent contractors in terms of their relationship to the Town.
6. **PUBLIC BENEFITS.** As material consideration for this Lease, Museum shall deliver the following during the Term:
 - A. Public Operating Hours:
 - i. September 1–May 31: Open to the public at least four (4) days per week, for a minimum of six (6) public hours per open day with the exception of holidays.

- ii. June 1–August 31: Open to the public at least three (3) days per week, for a minimum of three (3) public hours per open day with the exception of holidays.
 - iii. Temporary reductions due to building emergencies, governmental orders, or staff illness are permitted for up to fourteen (14) consecutive calendar days with prompt written notice to Town; longer reductions require Town’s written consent.
 - B. Education and School Engagement: Provide curriculum-aligned content and host school tours upon reasonable request from schools and home schools throughout Arizona, with at least three (3) scheduled school tour days during the Term.
 - C. Free Admission Days: Provide at least twelve (12) free admission days annually, reasonably distributed across the Term.
 - D. Free Community Programs: Provide at least nine (9) free community programs annually (lectures, workshops, events), reasonably distributed across the Term.
 - E. Tours (October–April): Offer at least one (1) public history, art, or cultural tour per month October–April.
 - F. Archives/Collections: Maintain historical archives and collections in an organized and accessible manner and preserve/curate artifacts and records using professional standards appropriate to Museum’s scale.
 - G. Museum Certification: Maintain current museum certification status, if applicable, and provide documentation to Town annually.
 - H. Hall of Fame Event: Host the Hall of Fame event in Fountain Hills during the Term.
 - I. Fort McDowell Yavapai Tours (October–April): Continue and, where feasible, expand public tour offerings in coordination with partners.
 - J. Military Families Admission: Participate in the national program providing free admission to active-duty military personnel from May–September, or a substantially equivalent program if administratively required.
 - K. Collaboration with International Dark Sky Discovery Center: Engage in good-faith collaboration to evaluate and, if feasible, pilot a dual admission pass; provide a status update by January 31, 2027.
 - L. Economic Impact Analysis: Complete a third-party economic impact analysis initiated by the Town and deliver the final report by December 31, 2026.
 - M. Performance Metrics: Cooperate with the performance review in Section 3 (Rent) and provide data necessary to evaluate outcomes.
 - N. Material Breach: Failure to deliver the commitments above, after applicable notice and cure under Section 19, constitutes a material breach.
7. **REPORTING.** By the fifteenth (15th) calendar day of each month, Museum shall submit the prior month’s report by email to the Town’s Economic Development Director, including: (a) Profit & Loss Statement; (b) visitor counts and basic demographics; (c) membership totals; (d) summary of programs/events (dates, attendance); and (e) status against Section 6 deliverables. If the due date falls on a weekend or Town holiday, the report is due the next business day.
8. **CONSTRUCTION AND IMPROVEMENTS.** Museum shall not construct, alter, or install any improvements, whether permanent or temporary, without Town’s prior written

approval of plans and specifications. All work must comply with applicable codes and permits. Unless Town specifies otherwise in writing, improvements affixed to the Leased Premises become Town property upon installation without compensation. Upon expiration or earlier termination, Museum shall, at Town's election, remove non-permanent installations and restore affected areas to prior condition, reasonable wear and tear excepted.

All exterior signage and branding visible from common areas require Town's prior written approval and must comply with applicable codes and facility standards.

- 9. REPAIRS AND MAINTENANCE.** The Town shall be responsible for trash removal of the Leased Premises as well as the maintenance and repair of the Leased Premises including all mechanical fixtures such as heating, air conditioning, electrical, and plumbing, except any exhibits. Museum shall promptly notify Town in writing of any condition requiring Town maintenance or repair. Town is not responsible for repair/replacement of exhibits or Museum-owned equipment.

The Museum is responsible for day-to-day cleaning within the lease space and outdoor patio.

- 10. UTILITIES.** The Town shall be responsible for and pay for all utilities related to the Leased Premises including, but not limited to, water, gas, electricity, sewer, trash removal, and basic cable television.

The Museum shall be responsible for installing and paying for its own telephone system, and any computer equipment, data lines, internet services, and/or premium cable service that the Museum should elect to install. Museum's telecom/data installations shall not interfere with Town systems or building operations and must comply with Town's IT/security standards for facilities.

- 11. WASTE.** The Museum shall not use nor permit uses within the Leased Premises which could constitute waste on the Leased Premises, a public or private nuisance or any act which is unlawful in any manner.

- 12. INCOME AND FEES.** The Museum may establish reasonable admission and program fees. Net income from admissions and sales of museum-related items shall be used for rent, exhibit maintenance/improvement, educational programs, and museum-related activities. Tours for the Town of Fountain Hills and Fountain Hills Unified School District are exempt from admission fees.

13. INSURANCE.

- a. Museum shall maintain "occurrence" form Commercial General Liability insurance with an unimpaired limit of not less than \$1,000,000 for each occurrence, \$2,000,000 Products and Completed Operations Annual Aggregate and a \$2,000,000 General Aggregate Limit. The policy shall cover liability

arising from premises, operations, independent contractors, products-completed operations, personal injury and advertising injury.

- b. Museums insurance shall be primary insurance with respect to performance of this Agreement and in the protection of the Town as an Additional Insured; the Town's insurance shall be non-contributory; a waiver of subrogation against the Town shall apply.
- c. "The Town of Fountain Hills, its agents, representatives, officers, directors, officials, and employees" must be named as "Additional Insured" on endorsement pages. Address information should read: "Town of Fountain Hills, 16705 E Avenue of the Fountains, Fountain Hills, AZ 85268".

14. INDEMNIFICATION. To the fullest extent permitted by law, the Museum shall indemnify, defend and hold harmless the Town and each council member, officer, employee or agent thereof (the Town and any such person being herein called an "Indemnified Party"), for, from and against losses, claims, damages, liabilities, costs and expenses (including, but not limited to, reasonable attorneys' fees, court costs and the costs of appellate proceedings) to which any such Indemnified Party may become subject, under any theory of liability whatsoever ("Claims"), insofar as such Claims (or actions in respect thereof) relate to, arise out of, or are caused by or based upon the negligent acts, intentional misconduct, errors, mistakes or omissions, breach of contract, in connection with the work or services of the Museum, its officers, employees, agents, or any tier of subcontractor in the performance of this Agreement. The amount and type of insurance coverage requirements set forth below will in no way be construed as limiting the scope of the indemnity in this Section. This indemnity does not apply to the extent of Claims caused by the sole negligence or willful misconduct of the Town.

15. DEFAULT. Failure by the Museum to comply with the terms of this Agreement shall constitute default. Upon any default, Town may: (a) terminate this Agreement; (b) recover possession of the Leased Premises; and/or (c) pursue any other lawful remedy at law or in equity. Remedies are cumulative. Notice and cure are governed by Section 19.

16. DISPUTE RESOLUTION; ARBITRATION. Any dispute arising out of or relating to this Agreement shall be resolved by binding arbitration; provided, however, either party may seek provisional, injunctive, or extraordinary relief in court, including actions for possession (forcible entry and detainer/unlawful detainer) or to protect public health/safety. The prevailing party is entitled to reasonable attorneys' fees and costs unless the arbitrator or court determines a different allocation is required or equitable.

17. GOVERNING LAW; VENUE. This Agreement, and any dispute, claim, or controversy arising out of or relating to it, shall be governed by the laws of the State of Arizona, without regard to its conflict-of-laws rules. Subject to the Section 16 (Dispute Resolution), any court proceedings permitted under this Agreement (including for provisional or injunctive relief, to compel or stay arbitration, or to confirm, modify, or vacate an arbitral award) shall be brought exclusively in Maricopa County, Arizona, and the parties consent to such courts' jurisdiction and venue. For any court proceedings

permitted, the parties knowingly and voluntarily waive the right to a trial by jury to the fullest extent permitted by law.

- 18. DISSOLUTION OF MUSEUM.** If Museum ceases to exist as an Arizona nonprofit corporation, this Lease shall automatically terminate unless, prior to such dissolution, the Town Council approves a written assignment of this Lease to a successor nonprofit entity acceptable to the Town. Subject to any third-party rights, title to all museum exhibits and displays shall vest in the Town of Fountain Hills. Disposition of collections and archives shall occur in accordance with applicable law and any donor restrictions.
- 19. TERMINATION.** If either party fails to perform any obligation pursuant to this Agreement and such party fails to cure its nonperformance within 30 days after notice of nonperformance is given by the non-defaulting party, such party will be in default. In the event of such default, the non-defaulting party may terminate this Agreement immediately for cause and will have all remedies that are available to it at law or in equity including, without limitation, the remedy of specific performance. If the nature of the defaulting party's nonperformance is such that it cannot reasonably be cured within 30 days, then the defaulting party will have such additional periods of time as may be reasonably necessary under the circumstances, provided the defaulting party immediately (A) provides written notice to the non-defaulting party and (B) commences to cure its nonperformance and thereafter diligently continues to completion the cure of its nonperformance. In no event shall any such cure period exceed 90 days. Monetary defaults are subject to the shorter cure periods stated in Section 3 (Rent). Failures under Section 6 (Public Benefits) are subject to Section 19's cure periods unless expressly stated otherwise.
- 20. ASSIGNMENT.** Museum shall not assign, sublease, license, or otherwise transfer any interest in this Lease or the Leased Premises, including by change of control, without Town's prior written consent.
- 21. NON-DISCRIMINATION AND ACCESSIBILITY.** In accordance with State and Federal law, Museum shall not discriminate on the basis of race, color, national origin, sex, gender identity, sexual orientation, religion, disability, age, or veteran status, and shall comply with applicable accessibility requirements.
- 22. PUBLIC RECORDS; AUDIT; RECORDS RETENTION.** Museum shall retain financial and program records supporting reports for five (5) years after expiration/termination and make them available to Town upon reasonable advance notice for inspection and audit.
- 23. INTELLECTUAL PROPERTY AND PUBLICITY.** Each party retains ownership of its names, logos, and intellectual property. Use of the Town's name or logo in marketing requires prior written approval.

24. COLLECTIONS OWNERSHIP; LOANS; RISK OF LOSS. Except as provided in Section 18 upon dissolution, Museum retains title to its personal property, exhibits, and collections, including items on loan to Museum, and bears all risk of loss or damage thereto. Town is not a bailee or insurer of Museum property.

25. SAFETY AND SECURITY; EMERGENCY ACCESS. Museum shall comply with Town's safety and emergency procedures and shall provide emergency contact information. Town may access the Leased Premises at reasonable times, and at any time in an emergency, upon notice where practicable.

26. NO GUARANTEE OF FUTURE LEASE. Nothing in this Agreement shall be construed as:

- A commitment to renew or extend the Lease beyond the Term
- A promise of future occupancy
- A guarantee of a new lease agreement

Any future lease or agreement must be approved by the Town Council and executed in writing.

27. NOTICES. Any notice or other communication required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been duly given if (A) delivered to the party at the address set forth below, (B) deposited in the U.S. Mail, registered or certified, return receipt requested, to the address set forth below or (C) given to a recognized and reputable overnight delivery service, to the address set forth below:

If to the Town: Town of Fountain Hills
 16705 East Avenue of the Fountains
 Fountain Hills, Arizona 85268
 Attn: Rachael Goodwin, Town Manager

With copy to: Town of Fountain Hills
 16705 East Avenue of the Fountains
 Fountain Hills, Arizona 85268
 Attn: Jennifer Wright, Town Attorney

If to Museum: River of Time Museum
 12901 N La Montana Dr #4742
 Fountain Hills, Arizona 85268
 Attn: Executive Director

28. ENTIRE AGREEMENT; AMENDMENTS; SEVERABILITY; WAIVER; COUNTERPARTS. This Agreement is the entire agreement between the parties regarding the Leased Premises and supersedes prior understandings concerning the Term

herein. Amendments must be in a writing signed by both parties. If any provision is held invalid, the remainder remains effective. Waivers must be in writing and are not continuing. This Agreement may be executed in counterparts and by electronic signature.

"Town" or "Lessor"
TOWN OF FOUNTAIN HILLS,
an Arizona municipal corporation

FOR THE TOWN OF FOUNTAIN HILLS:

Town Manager

Date: _____

ATTESTED TO:



Town Clerk

Date: _____

APPROVED AS TO FORM:

Town Attorney

Date: _____

FOR THE "Museum" or "Lessee": By:

Date: 6/25/26

Name: Jim F. Regalado

Title: Executive Director

EXHIBIT 1 - OUTDOOR AREA





TOWN OF FOUNTAIN HILLS

STAFF REPORT

Meeting Date: 6/30/2026
Meeting Type: Town Council Special Meeting
Submitting Department: Administration / Finance
Prepared by: Paul Soldinger, Chief Financial Officer
Staff Contact Information: Phone: 480-816-5160
 Email: psoldinger@fountainhillsaz.gov

Request to Town Council Regular Meeting (Agenda Language)

DISCUSSION AND POSSIBLE DIRECTION: Regarding Staff Direction to Pursue Possible Solar Energy Projects, as requested by Councilmember Watts, with support of Mayor Friedel.

Staff Summary (background)

At the June 16, 2026, regular meeting with a 3-4 vote the Town Council did not approve a proposed capital project for a shade structure with solar panels on the Town Hall campus. The project was proposed by Veregy LLC (Veregy) through a cooperative purchasing agreement for performance contracting allowed under Arizona law.

This item was added to the agenda at the request of Council Member Watts, with the support of the Mayor, for the Town Council to discuss and possibly direct Town staff to pursue other possible parking shade structure and/or solar energy projects for Town Council consideration that may have lower pricing and/or energy efficiencies, including the possibility of issuing a Request for Proposals (RFP) or identifying another cooperative purchasing agreement.

Although the opportunity to begin a solar energy project before the July 4, 2026, federal rebate deadline that allowed four years to complete the project has passed, there are still possible opportunities to pursue similar solar projects that may qualify for federal rebates. However, any proposed solar project would need to be fully completed and energized through Salt River Project (SRP) before December 31, 2027, to qualify for federal rebates.

Related Ordinance, Policy or Guiding Principle

N/A

Risk Analysis

N/A

Recommendation(s) by Board(s) or Commission(s)

N/A

Staff Recommendation(s)

N/A - For Town Council Discussion and Possible Direction

Suggested Motion

N/A

FISCAL IMPACT

Fiscal Impact: N/A

Budget Reference: N/A

Funding Source: N/A

ATTACHMENTS

None