## Amendment One to the Intergovernmental IGA Between Pinal County, Arizona Commerce Authority and Central Arizona College

This Amendment One to the Intergovernmental IGA ("Amendment"), dated as of September 19, 2023 ("Effective Date") is between and among Pinal County, a political subdivision of the State of Arizona ("County"), Central Arizona College, a political subdivision of Pinal County, ("College") and the Arizona Commerce Authority ("Authority"), an agency of the State of Arizona, for the purpose of providing expanded training and education opportunities to meet the increasing needs of employers within and relocating to Pinal County by creating a manufacturing, technology and job training center for Arizona advanced manufacturing companies. The County, the Authority and the College shall be referred to collectively as the "Parties" and individually as a "Party."

## I. Recitals:

WHEREAS, the Parties are authorized by A.R.S. §11-952 to enter into this IGA so long as each Party has been authorized by their legislative or governing body;

WHEREAS, the College is authorized by A.R.S. §15-1444(A)(1) to maintain facilities on its campuses and is authorized by ARS §15-1444(B)(4) to enter into this IGA;

**WHEREAS**, the County is authorized by A.R.S. § 11-254.04 to promote economic development activities;

WHEREAS, the County's existing programs and partnerships created through the Workforce Innovation and Opportunity Act of 2014 (Public Law No. 113-128), as administered by the County's Workforce Development Board, promote the creation of job training programs and expand opportunities that align with the needs of employers;

WHEREAS, the ACA is authorized by A.R.S. § 41-1503(C) to enter into this IGA;

WHEREAS, the Parties entered into the Intergovernmental IGA Pinal County, Arizona Commerce Authority and Central Arizona College on January 11, 2023 ("IGA");

WHEREAS, further delineation and refinement of the planned Workforce Training Center have increased the anticipated cost of the facility; and

**WHEREAS**, the Parties anticipate that College and the Employer identified by the County will enter into a usage agreement consistent with this IGA covering the details of the Employer's use and occupancy of the Workforce Training Facility, and the

installation, maintenance, and removal of Employer's training furniture, fixtures and equipment ("Employer's Property"); and

WHEREAS, the Parties desire to amend the IGA to reflect the new scope of the agreement.

**NOW THEREFORE**, for good and valuable consideration the Parties agree to amend the **IGA** as follows:

## II. Amendments:

- 1) Section II. 1) of the **IGA** is amended to include the Amendment to the Development Agreement and Intergovernmental Agreement between and among the County, the Town of Queen Creek and LG Energy Solution Arizona, Inc., a Delaware corporation, successor (by conversion) to ES America, LLC, a Delaware limited liability company (who is hereby the "Employer" identified by the County pursuant to Section 5 below) dated October 4, 2023.
- 2) Section II. 3) of the **IGA** is amended to reflect that the total amount to be paid by the County for Facility Development Services shall not exceed \$9,300,000. This amount includes up to \$500,000 for Fixtures, Furniture and Equipment ("FF&E"). The FF&E purchased for the Job Training Facility shall be part of the facility and shall remain property of the College. Additionally, the following language is added to the end of Section II. 3): "In regard to FF & E, such purchases shall comply with the Federal Government's requirements regarding the purchase, use, and disposition of real property and/or equipment under American Rescue Plan Act of 2021 (hereinafter referred to as "ARPA"), H.R. 1319; Title IX—Committee on Finance; Subtitle M—Coronavirus State and Local Fiscal Recovery Funds; Section 9901, Coronavirus State and Local Fiscal Recovery Funds. This includes, but is not limited to, the following: (i) FF & E acquired with these funds must be used solely for the purpose(s) stated in this Agreement and consistent with ARPA; and (ii) any purchase, use, and disposition of FF & E with these funds must comply with the Uniform Guidance at 2 CFR Part 200, Subpart D (including 2 CFR 200.311 and 2 CFR 200.313)."
- 3) Section II. 5) of the IGA is amended to read as follows:

  "The Employer identified by the County shall have priority use of the Training Facility during the five (5) years pursuant to the terms of the DA/IGA. The College agrees to such terms. At all times, the Training Facility, including the FF&E but excluding Employer's Property, shall remain the property of the College and the College shall be responsible for the operation and maintenance of the Training Facility (except that Employer will maintain the FF&E and Employer's Property); provided, however that the County shall pay the O&M Cost for the initial 5 years of Employer's priority use as follows:

- a) Within thirty (30) calendar days following the issuance of a Certificate of Occupancy (C of O) for the Training Facility, the County shall pay the College Five Hundred Thousand Dollars (\$500,000) for the Operation and Maintenance Costs (O&M Cost) associated with the Training Facility (Up Front Payment) to cover operation and maintenance costs for the first five years of Employers priority use.
- b) Within 30 days after each anniversary date of the issuance of the C of O, the College shall send the County a statement of costs for the O&M costs for the Training Facility for the previous year. Within 30 days after the 5<sup>th</sup> year anniversary of the issuance of the C of O the College shall send a combined statement of O&M costs for the 5 year initial priority use period. In the event the O&M Cost exceeded the County's Up Front Payment, CAC shall submit an invoice to the County for the balance and County shall pay the invoice within 30 days of receipt. If the O&M Costs were less than the Upfront Payment, the County shall submit an invoice to the College for the excess. The College shall pay the invoice within 30 days of receipt.
- c) After the initial five (5) year term of priority use, Employer shall continue to have priority use so long as Employer reaches an agreement with the College for the payment by Employer of a reasonably allocable share of operation and maintenance expenses.
- 4) Section II.7) of the IGA is amended to provide that in addition to the use of classroom space on the Superstition Campus after the issuance of the certificate of occupancy, the College shall provide Employer, at no charge to Employer, with use of classrooms reasonably acceptable to Employer, commensurate with the number and size of classrooms planned for the Workforce Training Facility for training in the event that the certificate of occupancy for the Training Facility is not issued by September 30, 2024, and FF & E is installed, the College shall also provide access to available parking on the Superstition Campus in reasonable proximity to the Workforce Training Facility at no charge during the term of Employer's priority use.
- 5) A new Section II.13) is added to the IGA to read as follows: "The Employer identified by the County shall be considered a third party beneficiary to this Agreement until such time as a Usage Agreement is entered into between the Employer and the College."
- 6) All other terms and provisions of the **IGA** shall remain in effect as written.

**IN WITNESS WHEREOF**, the Parties hereto have caused this IGA to be executed as of the date indicated above by their respective duly authorized representatives below.

PINAL COUNTY	ARIZONA COMMERCE AUTHORITY
By:	By:
Its:	Its:
Date:	Date:

CENTRAL ARIZONA COLLEGE

By: Jackie Ellioth Its: <u>President/CE</u>O Date: 9.18.2023