

**GOVERNING BOARD OF
RIM COUNTRY EDUCATIONAL ALLIANCE (RCEA)
REGULAR MEETING AGENDA
DECEMBER 12, 2019**

**Due to the length of this meeting, the RCEA may recess
and reconvene at the time and date announced.**

Pursuant to A.R.S., 38-431.02 notice is hereby given to the members of the RCEA and to the General Public that the Rim Country Educational Alliance plans to hold the above meeting.

The RCEA a Separate Legal Entity Public Body, may vote to enter into an Executive Session on any matter listed on the Agenda for an authorized purpose:

Pursuant to A.R.S. § 38-431(A)(3) for discussion or consultation for legal advice with the attorney or attorneys of the public body.

Pursuant to A.R.S. § 38-431(A)(4) for discussion or consultation with the attorney of the public body in order to consider its position and instructs its attorneys regarding the public body's position regarding contracts that are subject of negotiations, in pending or contemplated litigation or in settlement discussions conducted in order to avoid or resolve litigation.

Pursuant to A.R.S. § 38-431(A)(7) for discussion or consultation with designated representatives of the public body in order to consider its position and instruct its representatives regarding negotiations for the purchase, sale or lease of real property.

Any discussion, materials and information discussed at any Executive Session and the minutes thereof shall be kept confidential as provided by A.R.S. § 38-431(B)(1-4).

The Chair reserves the right, with the consent of Council, to take items on the agenda out of order.

Persons with a disability may request an accommodation such as a sign language interpreter by contacting Richard Richey, RCEA Board Secretary, at 928-472-2588. Requests should be made early enough to allow time to arrange the accommodation.

1. CALL TO ORDER:

2. ROLL CALL:

BOARD MEMBER	PRESENT	BOARD MEMBER	PRESENT
Jon Cline		Ted Pettet	
Larry Sugarman		Jennifer Smith	
Richard Richey			

The Board provides Public Notice that a **Regular Board Meeting** will be held on December 12, 2019 at 1:30 p.m. at 308 E. Aero Drive, Payson, Arizona.

The Governing Board may discuss, consider or take action on any item on this agenda. The Board reserves the right to consider any matter out of sequence.

To accommodate all those who wish to address the Governing Body and to facilitate the expeditious consideration of the agenda, it is requested that each person wishing to address the Board under an agenda item limit his/her comments to a maximum of three (3) minutes.

A. PUBLIC COMMENTS

Communications and comments or suggestions from citizens present who have submitted a Speaker's Request Form to the Chairman, Secretary, or designee, prior to the meeting being convened, concerning matters other than those listed on the agenda for consideration, shall be heard by the Board. All remarks shall be addressed to the Board as a whole and not to any member thereof.

Members of the Board may not discuss items that are not specifically identified on the agenda. Therefore, pursuant to ARS 38-431.01 (G), action taken as a result of public comment will be limited to directing staff to study the matter, responding to any criticism or scheduling the matter for further consideration and decision at a later date.

No public discussion of comments under this section is permitted, except that other members of the public may, at the discretion of the Chairman, present follow-up comments on a matter raised by a Speakers Form.

B. ANNOUNCEMENTS

Comments by the Chairman, Board Members, and/or staff.

3. CONSENT AGENDA*

Items listed on the agenda with an asterisk (*) which are considered to be routine in nature and which will be enacted by one motion. No separate discussion of these items shall be held unless a board member so requests, in which event the item will be removed from the consent agenda and will be considered in its normal sequence on the main agenda.

4. MINUTES

*Minutes of August 8, 2019 Regular Meeting

*Minutes of November 5, 2019 Special Meeting

5. EXECUTIVE SESSION

Posted: 12-11-19 Date
12:00 pm Time
CRS Initial

6. DISCUSSION AND/OR ACTION ITEMS

A. Consideration, discussion and possible action:

Master Lease and Lease-Back Agreement between RCEA and Rim Country Educational Foundation, LLC (RCEF) pursuant to RCEA Resolution 30 and Memorandum of Understanding between RCEA and RCEF dated February 24, 2016

7. NEW BUSINESS

None

8. REQUEST FOR THE PLACEMENT OF ITEMS ON A FUTURE AGENDA

No Discussion Permitted

9. CLAIMS

*Treasurer's Cash Report

10 ADJOURNMENT

Next meeting scheduled for February 13, 2020.

CERTIFICATION OF POSTING

The undersigned hereby certifies that a copy of the attached notice and agenda was published at www.rimcountryeducationalalliance.org and duly posted at the following location: Bulletin Board located at 304 East Aero Drive, Payson, Arizona 85541 on the 11th day of December 2019, in accordance with the Policies and Procedures of RCEA.

By: Jonathan Y. Page as authorized
Jon Cline, Chairman
by Chairman, Jon Cline

Posted: 12-11-19 Date
12:00pm Time
JS Initial

**GOVERNING BOARD OF
RIM COUNTRY EDUCATIONAL ALLIANCE
MINUTES OF REGULAR MEETING**

AUGUST 8, 2019

MINUTES OF THE REGULAR MEETING OF THE RIM COUNTRY EDUCATIONAL ALLIANCE HELD ON AUGUST 8, 2019 AT 308 E. AERO DR. PAYSON, ARIZONA, 85541

1. CALL TO ORDER

Chairman Jon Cline called the meeting to order at 1:30 p.m.

2. ROLL CALL

BOARD MEMBER	PRESENT	BOARD MEMBER	PRESENT
Jon Cline	Present	H. Ted Pettet	Present
Larry Sugarman	Present	Jennifer Smith	Present
Rich Richey	Present		

OTHERS PRESENT: Kenny Evans, Stan Garner, Gary Cordell, Steve Smith, Sanja S. Long

a. PUBLIC COMMENTS

None

b. ANNOUNCEMENTS

- i. Report on tour of University of Arizona College of Medicine-Phoenix
- ii. Report by Kenny Evans of the efforts to create a Rural Physician Training Site in Payson
- iii. Town of Payson Work Study Session scheduled for August 13, 2019 at 6:00 p.m. at the St. Paul's Episcopal Church
- iv. Report by Kenny Evans on Broadband

3. CONSENT AGENDA

Items listed on the Consent Agenda may be enacted by one motion and one vote. If discussion is required by members of the governing body, the item will be removed from the Consent Agenda and will be considered separately.

- a. *Minutes of June 19, 2019 Special Meeting
- b. *Minutes of June 19, 2019 Work Study Session
- c. *Treasurer's Cash Report as of August 7, 2019

Motion by Rich Richey, seconded by Larry Sugarman, to approve items on the Consent Agenda.

Motion carried 4-0-1

Aye: Jon Cline, Larry Sugarman, Ted Pettet, Rich Richey

Nay: none

Abstained: Jennifer Smith

4. MINUTES

- a. Minutes were approved with the Consent Agenda. See Item 5.a. and 5.b, above.

5. EXECUTIVE SESSION

- a. None

6. DISCUSSION AND/OR ACTION ITEMS

- a. None

7. NEW BUSINESS

- a. **Arizona Department of Environmental Quality-Closure of July 11, 2019 Notice of Opportunity to Correct Deficiencies**

No motion made, as this was just information for the board

8. REQUEST FOR THE PLACEMENT OF ITEMS OF A FUTURE AGENDA

None

9. CLAIMS

Treasurer's Cash Report was approved with the Consent Agenda. See Item 5.c. above.

10. CLOSING ANNOUNCEMENTS

Next meeting is scheduled for February 13, 2020 at 1:30 p.m.

11. ADJOURNMENT

Motion by Larry Sugarman, seconded by Rich Richey, to adjourn the meeting.

Motion carried-5-0-0

Aye: Jon Cline, Larry Sugarman, Ted Pettet, Rich Richey, Jennifer Smith

Nay: none

Abstained: none

Meeting adjourned by Jon Cline at 2:00 p.m.

Respectfully submitted,

Rich Richey, Secretary/Treasurer

Posted:
Date: _____
Time: _____
Initials: _____

DRAFT

**RIM COUNTRY EDUCATIONAL ALLIANCE
BOARD MEETING
AMENDED MINUTES OF SPECIAL MEETING**

NOVEMBER 5, 2019

1. CALL TO ORDER

Chairman Jon Cline called the Regular Meeting to order at 308 E. Aero Drive, Conference Room, Payson, Arizona

2. ROLL CALL

PRESENT for Roll Call: Jon Cline, Larry Sugarman (via telephone conference bridge call), Richard Richey, Ted Pettet and Jennifer Smith

OTHERS PRESENT: Gary Cordell, Hector Figueroa, Kenny Evans, Sanja S. Long and Eric Spencer (via telephone conference bridge call)

3. AGENDA ITEMS FOR DISCUSSION:

1. Consideration, discussion and possible action:

Common Council of the Town of Payson Agenda of the Regular Meeting, November 7, 2019, Item H (2) "Discussion and possible action regarding a motion to dissolve the Rim Country Educational Alliance (RCEA)."

Discussed. No action taken.

EXECUTIVE SESSION: Motion by Rich Richey, second by Ted Pettet, to enter into Executive Session pursuant to A.R.S. § 38-431(A)(3) for discussion or consultation with the attorney or attorneys of the public body, and/or pursuant to A.R.S. § 38-431(A)(4) for discussion or consultation with the attorneys of the public body in order to consider its position and instruct its attorneys regarding the public body's position regarding contracts that are subject of negotiations, in pending or contemplated litigation or in settlement discussions conducted in order to avoid or resolve litigation with the Town of Payson and the Town of Star Valley on Agenda Item 3.2. regarding RCEA Resolution 30 and the Memorandum of Understanding attached therewith.

Any discussion, materials and information discussed at any Executive Session and the minutes thereof shall be kept confidential as provided by A.R.S. § 38-431(B)(1-4).

Pettet, Jennifer Smith
Nays: none
Abstentions: none

Meeting Reconvened

2. Consideration, discussion and possible action:

RCEA Resolution 30, a Resolution of the Rim Country Educational Alliance (RCEA), a Separate Legal Entity pursuant to A.R.S. § 11-952.02, approving and authorizing the RCEA President/Chairman to execute the Memorandum of Understanding (MOU) between the Rim Country Educational Alliance (“RCEA”) and the Rim Country Educational Foundation, LLC (“RCEF”) for Multiversity Site Ownership Interest.

Acknowledge and approve the RCEA’s financial position in relation to the RCEF.

Authorize Chairman, Jon Cline, to execute any and all resolutions and/or documents created or changed by RCEA, including but not limited to the a Master Lease with RCEF (or its successors and assigns) providing RCEF with the legal right to develop the Multiversity Campus Project in Payson, transfer of assets held in the name of RCEA.

Motion by Jennifer Smith, seconded by Ted Pettet, to reaffirm RCEA Resolution 30 and further move:

Whereas: Resolution 30 and the MOU attached thereto was unanimously approved by the RCEA Board and executed by the Chairman on February 24, 2016; and

Whereas: The Directors and Officers serving on the RCEA Board have changed significantly pursuant to the IGA and Governance Agreement; and

Whereas: The progress and financial status of the project and the potential educational partners and objectives have evolved;

Now Therefore: In furtherance of the prior approved Resolution 30 and MOU, the Chairman is authorized to execute a Lease-Leaseback (Master Lease) with Rim Country Educational Foundation, LLC subject to review and approval by the RCEA’s attorney and determination that said lease is consistent with the RCEA’s IGA, Governance Agreements and State Law.

Motion by Rich Richey, seconded by Jennifer Smith, to recess the meeting until Wednesday, November 6, 2019 at 11:00 a.m.

Ayes: Jon Cline, Larry Sugarman, Rich Richey, Ted Pettet, Jennifer Smith
Nays: none
Abstentions: none

Meeting recessed until Wednesday, November 6, 2019 at 11:00 a.m. at 308 E. Aero Drive, Payson, AZ 85541.

Meeting Reconvened on Wednesday, November 6, 2019 at 11:00 a.m. at 308 E. Aero Drive, Payson, Arizona 85541.

PRESENT for Reconvened Meeting: Larry Sugarman (via telephone conference bridge call), Richard Richey, Ted Pettet and Jennifer Smith

OTHERS PRESENT: Kenny Evans and Sanja S. Long

The Board continued consideration, discussion and possible action on Agenda Item 9.2:

2. Consideration, discussion and possible action:

RCEA Resolution 30, a Resolution of the Rim Country Educational Alliance (RCEA), a Separate Legal Entity pursuant to A.R.S. § 11-952.02, approving and authorizing the RCEA President/Chairman to execute the Memorandum of Understanding (MOU) between the Rim Country Educational Alliance ("RCEA") and the Rim Country Educational Foundation, LLC ("RCEF") for Multiversity Site Ownership Interest.

Acknowledge and approve the RCEA's financial position in relation to the RCEF.

Authorize Chairman Jon Cline, to execute any and all resolutions and/or documents created or changed by RCEA, including but not limited to the a Master Lease with RCEF (or its successors and assigns) providing RCEF with the legal right to develop the Multiversity Campus Project in Payson, transfer of assets held in the name of RCEA.

Motion by Jennifer Smith, seconded by Ted Pettet, to reaffirm RCEA Resolution 30 and further move:

Whereas: Resolution 30 and the MOU attached thereto was unanimously approved by the RCEA Board and executed by the Chairman on February 24, 2016; and

Whereas: The Directors and Officers serving on the RCEA Board have changed significantly pursuant to the IGA and Governance Agreement; and

Whereas: The progress and financial status of the project and the potential educational partners and objectives have evolved;

Now Therefore: In furtherance of the prior approved Resolution 30 and MOU, the Chairman is authorized to execute a Lease-Leaseback (Master Lease) with Rim Country Educational Foundation, LLC subject to review and approval by the RCEA's attorney and determination that said lease is consistent with the RCEA's IGA, Governance Agreements and State Law.

Motion by Rich Richey, second by Ted Pettet, to amend the previous motion above to direct the chairman to clarify the intent of RCEA Resolution 30 with regard to contributions to Aspire Arizona Foundation and authorize him to negotiate and execute an agreement with MHA Foundation/Rim Country Educational Foundation, LLC, that carries out the intent of the Rim Country Educational Alliance Board and Resolution 30.

Ayes: Larry Sugarman, Rich Richey, Ted Pettet
Nays: none
Abstentions: Jennifer Smith

4. ADJOURNMENT:

Motion to adjourn was made by Rich Richey, second by Ted Pettet. Motion carried unanimously.

Ayes: Larry Sugarman, Rich Richey, Ted Pettet and Jennifer Smith
Nays: none
Abstentions: none

Meeting adjourned.

Respectfully submitted,

Rich Richey, Secretary/Treasurer

Posted: _____
_____ Date
_____ Time
_____ Initial

MEMORANDUM OF MASTER LEASE AND LEASE-LEASE BACK
AGREEMENT

When recorded return to:

Rim Country Educational Foundation, LLC
308 East Aero Drive
Payson, AZ 85541

MEMORANDUM OF MASTER LEASE AND LEASE-LEASE BACK
AGREEMENT

THIS MEMORANDUM OF MASTER LEASE AND LEASE-LEASE BACK AGREEMENT ("Memorandum") is made as of DECEMBER 12, 2019 (the "Effective Date"), by RIM COUNTRY EDUCATIONAL ALLIANCE SEPARATE LEGAL ENTITY, also known as RIM COUNTRY EDUCATIONAL ALLIANCE, a political subdivision of the State of Arizona, as "Landlord", and RIM COUNTRY EDUCATIONAL FOUNDATION, LLC, an Arizona limited liability company, as "Tenant".

RECITALS

A. Landlord and Tenant entered into that certain Master Lease and Lease-Lease Back Agreement, dated DECEMBER 12, 2019 ("Master Lease"), pursuant to which Landlord leased to Tenant and Tenant leased from Landlord real property, which real property is more particularly described in Exhibit A attached hereto and incorporated herein by this reference ("Demised Premises").

B. Landlord and Tenant desire to execute this Memorandum to provide constructive notice of Tenant's rights under the Master Lease to all third parties.

For good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties agree as follows:

1. Term. Landlord has leased, demised and let and does hereby lease, demise and let unto Tenant, and Tenant hereby leases from Landlord, the Demised Premises for a term of ninety-nine (99) years commencing on DECEMBER 12, 2019 and ending on DECEMBER 12, 2118, subject to Tenant's option to extend the term for an additional period of not less than twenty-five (25) years nor more than ninety-nine (99) years as set forth in the Master Lease.

2. Lease Terms. This lease of the Demised Premises to Tenant is pursuant to the Master Lease, which is incorporated in this Memorandum by this reference, and which includes the following provisions referencing Landlord's Formation and Governing Documents (consisting

of an Intergovernmental Agreement dated August 30, 2011 (“IGA”), under A.R.S. § 11-952, by and between the Town of Payson, Arizona, and the Town of Star Valley, Arizona, subject to a Governance Agreement executed by the Town of Payson on July 7, 2011 and by the Town of Star Valley on August 19, 2011 (the “Governance Agreement”), and the Memorandum of Understanding dated February 24, 2016 between Landlord and Tenant (the “MOU”):

41. Notwithstanding anything to the contrary in this Master Lease, or in Landlord’s Formation and Governing Documents, or otherwise to the contrary, which contrary provisions are hereby superseded and replaced by the following provisions of this Section, in the unlikely event that the original Landlord is wound up, liquidated or otherwise dissolved, then Landlord or its successor shall, prior to making any other distributions or payments pursuant to Landlord’s Formation and Governing Documents or otherwise, fully reimburse Tenant in the amount of the Tenant’s payments for Acquisition of Title Costs and other Predevelopment Costs (as defined in this Master Lease), together with all other costs, expenses and fees incurred by Tenant in connection with the development or maintenance of the Demised Premises, less only the Upfront Rental Amount (or allocable portion thereof if during the Initial Rental Period), and any successor of title to the Demised Premises shall hold such title subject to this Master Lease and the leasehold interest of Tenant pursuant to this Master Lease.

3. Successors and Assigns. This Memorandum and the Master Lease shall bind and inure to the benefit of the parties and their respective heirs, successors and assigns, subject, however, to the provisions of the Master Lease.

4. Governing Law. This Memorandum and the Master Lease are governed by Arizona law without giving effect to conflicts of law principles.

Executed as of the date first above written.

SIGNATURE PAGES FOLLOW

LANDLORD:

RIM COUNTRY EDUCATIONAL ALLIANCE
SEPARATE LEGAL ENTITY, also known as RIM
COUNTRY EDUCATIONAL ALLIANCE, a political
subdivision of the State of Arizona

By: Jon R Cline
Name: Jon R Cline
Its: CHAIRMAN

STATE OF ARIZONA)
) ss.
County of Gila)



HEATHER L. STAGG
Notary Public - Arizona
Gila Co. / #548218
Expires 08/15/2022

The foregoing instrument was acknowledged before me this 12th day of December,
2019, by Jon R Cline, the Chairman, on behalf of RIM
COUNTRY EDUCATIONAL ALLIANCE SEPARATE LEGAL ENTITY, also known as RIM
COUNTRY EDUCATIONAL ALLIANCE, a political subdivision of the State of Arizona.

Heather L Stagg
Notary Public

My commission expires:
8/15/2022

TENANT:

RIM COUNTRY EDUCATIONAL FOUNDATION, LLC
an Arizona limited liability company

By: Gary Cordell
Name: GARY CORDELL
Its: PRESIDENT

STATE OF ARIZONA)
) ss.
County of Gila)



HEATHER L. STAGE
Notary Public - Arizona
Gila Co. / #548218
Expires 08/15/2022

The foregoing instrument was acknowledged before me this 12th day of December, 2019, by Gary Cordell, the _____ of RIM COUNTRY EDUCATIONAL FOUNDATION, LLC, an Arizona limited liability company, on behalf of the limited liability company.

Heather L. Stage
Notary Public

My commission expires:
08/15/2022

EXHIBIT A

A parcel of land located in Section 2, Township 10 North, Range 10 East, of the Gila and Salt River Base and Meridian, Gila County, Arizona more particularly described as follows:

GLO Lots 6 and 8, located in the North half of Section 2, Township 10 North, Range 10 East, of the Gila and Salt River Base and Meridian, Gila County, Arizona; and

The Southeast quarter of the Northwest quarter of Section 2, Township 10 North, Range 10 East, of the Gila and Salt River Base and Meridian, Gila County, Arizona; and

The Southwest quarter of the Northeast quarter of Section 2, Township 10 North, Range 10 East, of the Gila and Salt River Base and Meridian, Gila County, Arizona; and

The Northwest quarter of the Southeast quarter of Section 2, Township 10 North, Range 10 East, of the Gila and Salt River Base and Meridian, Gila County, Arizona; and

The Northeast quarter of the Southwest quarter of Section 2, Township 10 North, Range 10 East, of the Gila and Salt River Base and Meridian, Gila County, Arizona; and

The Northwest quarter of the Southwest quarter of Section 2, Township 10 North, Range 10 East, of the Gila and Salt River Base and Meridian, Gila County, Arizona.

EXCEPT that portion of the Northwest quarter of the Southwest quarter of Section 2, Township 10 North, Range 10 East, of the Gila and Salt River Base and Meridian, Gila County, Arizona, described as Small Tracts Act Survey No. 017, Gila County Recorders Map #215; and

EXCEPT a parcel of property intended to be used for a public roadway and public utilities located in the Southwest quarter of Section 2, Township 10 North, Range 10 East of the Gila and Salt River Base and Meridian, Gila County, Arizona more particularly described as follows:

COMMENCING at the West quarter corner of said Section 2;

Thence South 89°24'07" East along the East-West mid-section line of said Section 2, a distance of 25.55 feet to the TRUE POINT OF BEGINNING;

Thence continuing South 89°24'07" East along said East-West mid-section line 96.80 feet;

Thence South 00°35'53" West 8.64 feet;

Thence North 88°47'46" West 36.89 feet;

Thence South 01°12'14" West 684.39 feet to a point of curvature of a circular curve concave northwesterly with a radius of 530.00 feet;

Thence Southwesterly along the arc of said curve 98.40 feet to a point of reverse curvature of a circular curve concave southeasterly with a radius of 470 feet;

Thence Southwesterly along the arc of said curve 91.73 feet to a point of tangency;

Thence South 00°39'31" West 415.41 feet to a point on the South line of the Northwest quarter of the Southwest quarter of said Section 2;

Thence North 89°20'58" East along the south line of said Northwest quarter of the Southwest quarter of said Section 2, a distance of 60.00 feet to the Southwest corner of said Northwest quarter of the Southwest quarter of said Section 2, said point being on the West line of said Section 2;

Thence North 00°39'31" East along the West line of said Section 2 a distance of 657.00 feet to the Southwest corner of the Northwest quarter of the Northwest quarter of the Southwest quarter of said Section 2, said point also being the Southwest corner of that property described in the Small Tracts Act Survey No. 017, Map No. 215 & 215A, Gila County Recorder's Office, Gila County, Arizona;
Thence South 88°21'22" East along the South line of said Northwest quarter of the Northwest quarter of the Southwest quarter of said Section 2, and along the South line of said Small Tracts Act Survey No. 017 a distance of 19.46 feet to the Southeast corner of said Small Tracts Act Survey No. 017;
Thence North 01°12'14" East 640.26 feet to the Northeast corner of said Small Tracts Act Survey No. 017, said point being the TRUE POINT OF BEGINNING; and

EXCEPT a parcel of property intended to be used for a public roadway and public utilities located in the Southeast quarter of Section 2, Township 10 North, Range 10 East, of the Gila and Salt River Base and Meridian, Gila County, Arizona more particularly described as follows:

BEGINNING at the Southeast corner of the Northwest quarter of the Southeast quarter of said Section 2;

Thence North 89°03'11" West along the South line of said Northwest quarter of the Southeast quarter of said Section 2, a distance of 240.28 feet;

Thence North 64°31'15" East 268.57 feet to a point on the East line of said Northwest quarter of the Southeast quarter of said Section 2;

Thence South 01°03'15" West along the East line of said Northwest quarter of the Southeast quarter of said Section 2, a distance of 119.53 feet to the TRUE POINT OF BEGINNING.

11:37 AM

12/06/19

Accrual Basis

Rim Country Education Alliance

Treasurer's Cash Report

As of November 30, 2019

Type	Date	Num	Name	Memo	Split	Amount	Balance
10000 · Checking							491.65
Check	08/21/2019			Service Charge	65060 · Bank ...	-16.99	474.66
Check	09/23/2019			Service Charge	65060 · Bank ...	-16.99	457.67
Check	10/21/2019			Service Charge	65060 · Bank ...	-16.99	440.68
Deposit	11/21/2019			Deposit	46430 · Miscel...	60.50	501.18
Check	11/29/2019			Service Charge	65060 · Bank ...	-20.99	480.19
Total 10000 · Checking						-11.46	480.19
TOTAL						-11.46	480.19