

AGREEMENT

THIS AGREEMENT is made and entered into this 1st day of July, 2026 (the "Effective Date"), by and between Rural/Metro Fire Dept. Inc., an Arizona corporation (hereinafter referred to as "Rural/Metro") and Hidden Valley Fire District, a political subdivision of the State of Arizona located in Pima County (hereinafter referred as "Fire District").

RECITALS

A. Rural/Metro is in the business of furnishing fire protection, fire suppression, emergency medical services, and rescue services in certain areas of the State of Arizona.

B. Fire District is a special taxing district organized under Chapter 5, Title 48 of the Arizona Revised Statutes. Fire District is authorized under A.R.S. Section 48-805(B) (8) to enter into an agreement to procure the services of a private fire protection company.

C. Fire District desires to obtain the benefit of Rural/Metro's knowledge, equipment and services for fire protection, fire suppression, emergency medical services, and rescue services within the Fire District's boundaries.

D. Rural/Metro desires to provide such services to Fire District.

NOW THEREFORE, in consideration of the mutual covenants and promises set forth herein, the parties agree as follows:

1. Definitions. For the purposes of this Agreement, the following terms will be defined as follows:
 - (a) Response Time. The time that begins when Pima County Communications notifies the fire station of an emergency call and ends with the arrival of unit(s) at the scene location provided to Rural/Metro by the calling party.
 - (b) Service Area. The properties in Pima County, Arizona designated as the Fire District, and incorporated herein, as revised on July 1 of each year after 2026, to include properties added to Fire District and to exclude properties deleted from Fire District.
2. Services. During the term of this Agreement, Rural/Metro agrees to supply the Fire District with fire prevention and fire protection services, advanced life support (ALS) emergency medical services, rescue services, community information and education services (the "Services"). Unless mutually agreed upon in writing, the Services to be provided by Rural/Metro include only: (i) responding to fire emergencies; (ii) providing fire prevention

services when necessary to help prevent a known and imminent fire risk; (iii) fire cause determination and investigations; (iv) enforcement of regulations such as the applicable local fire codes; (v) search and rescue; (vi) water rescue; (vii) extrication; (viii) paramedic (ALS) emergency medical first response; (ix) communications and dispatch services, (x) certain non-emergency services including, but not limited to venomous snake removal that Rural/Metro offers to its subscription membership in Pima County, and (xi) community information and educational services will be provided based in part on available resources fall prevention programs (i.e. Community Emergency Response Training, pool safety, homeowner association meetings, assistance with Firewise HOA programs, etc.). The Services also include the following at additional cost to the property owners receiving the Services: (a) assisting the responsible building official, department, or agency with the review of building plans; (b) responding to hazardous material incidents, and (c) fire extinguisher training and first aid training and (d) Further, Rural/Metro may charge third parties for providing certain Services as provided in Section 3 below.

3. Additional Services. To the extent permitted by law, Fire District agrees to allow Rural/Metro to bill the responsible party for any costs and/or expenses of any nature incurred by Rural/Metro in responding to: (i) handling and disposing of "hazardous materials" which shall include but are not limited to dangerous goods, hazardous materials as defined under CERCLA, and similar products, substances and/or waste; (ii) any situation the occurrence of which, by statute or otherwise, provides Rural/Metro with the right to collect its costs from the party; and (iii) fire prevention plan reviews and other similar fire prevention services. Fire District is not obligated to pay for any of the foregoing amounts not collected by Rural/Metro.

4. Equipment and Services. Rural/Metro will provide the equipment and personnel to provide the Services. The parties acknowledge and agree that based on historical data and the current population, geographic nature, accessibility of the Service Area, and internal analysis, the equipment and personnel provided by Rural/Metro are adequate to provide the Services. Rural/Metro will strive to maintain Fire District's current ISO Rating (2) or better. In addition, Rural/Metro will make commercially reasonable efforts to provide Services to Fire District's Service Area in accordance with industry standards for similarly situated providers of fire suppression and prevention services. Fire District understands that dealing with fire is inherently risky, extremely dangerous, and unpredictable and Rural/Metro's ability to suppress the spread of fire is dependent upon multiple factors and conditions, many of which are outside of Rural/Metro's reasonable control.

5. Circumstances Affecting Service Levels. The following factors, which are beyond the control of Rural/Metro after using commercially reasonable efforts to mitigate, will be considered in determining whether Rural/Metro has met the service level criteria set forth below in Section 8, to the extent that any of the following circumstances adversely affects Rural/Metro's ability to meet the service level criteria:

Road conditions (closures, construction, traffic, accidents)

Access (distance from accessible road, height of building, gated, blocked)
Weather
Providing Services contemporaneously within the Service Area or under
Mutual Aid commitments

6. Dispatch Communications. Rural/Metro will contract with professional (certified) emergency dispatch services who utilize appropriate communications equipment and monitoring of personnel.

7. Facilities/Key Personnel. Rural/Metro will be responsible for obtaining facilities from which it will operate and provide the Services. Rural/Metro shall designate a specific Chief Officer who shall be available by cell phone 24 hours a day, seven days each week, to communicate with the Fire District's Board Chair or his/her designee. The responsible Chief Officer shall attend meetings of the Fire District's board of directors and shall present the reports required in section 10, below. Rural Metro shall immediately notify the Fire District's Board Chair of any change in the identity/ies of the Responsible Officer.

8. Service Levels. Rural/Metro agrees to maintain sufficient equipment and staffing so that the response times to a fire, medical emergency or accident within the boundaries of the Fire District shall be no greater than eight minutes and 30 seconds (8:30) in eighty percent (80%) of the time for emergency (Code-3) responses in each twelve (12) month contract period (July 1 to June 30).

9. Performance Evaluation/Exceptions. In performing calculations to evaluate Rural/Metro's response time performance as set forth herein, all response times originating from within the Fire District's service area, consistent with the requirements of section 8 (Service Levels) and any exceptions over 10 minutes herein, shall be included except as follows:

Response times shall be excluded where the first due responding unit is instructed to "downgrade" the response from a higher priority level to a lower priority level (i.e. Code 3 lights and sirens to Code 2 no lights and sirens) by the caller or third party.

Response times shall be excluded where the first due unit (E73) is unavailable due to being committed to prior emergency traffic or outside of the primary response area for the following situations which include, but are not limited to, pre-scheduled quarterly training, vehicle maintenance issues, emergency responses in adjacent areas, major incident responses, or any call for service that requires a code 3 response from an adjacent station into the HVFD. Response times may be excluded which occur during periods of such severe weather and road conditions which could reasonably be expected to substantially impair the first due unit's response time performance: provided, it shall be Rural/Metro's responsibility to document said conditions, the time

period affected, and whether the impairment was due to a mutual aid commitment for each affected response. Rural/Metro shall forward such reports to the Fire District with the monthly report required in section 10, below, and the Fire District will make a determination as to whether to exclude or include each incident response that was affected by such conditions. The Fire District's Board Chair shall notify Rural Metro of the Fire District's decision.

Excessive responses occur during periods of unusual system overload. Unusual system overload is defined as a period of time during which units from (2) or more adjacent stations are simultaneously on emergency calls, Response times to calls in excess of that number shall not be included in response time calculations. Under this subsection, response times shall not be included which occur during the time in which the resources assigned to the Fire District are engaged in Automatic or Mutual Aid assignments.

The response time requirements of this Agreement shall be suspended during a declared disaster in the Fire District or in a neighboring jurisdiction which has requested assistance from the Fire District. For the purpose of this provision, the declaration of disaster must be made or affirmed by the chief executive officer of that particular jurisdiction or his/her designee.

In cases of multi-unit responses, only the response time of the appropriate first arriving unit shall be utilized.

Petitioning. Where not specifically set forth in this section, Rural/Metro may petition the District for an exception to the response time requirements when, due to circumstances beyond their control, they are unable to meet the required response on a specific incident. Rural/Metro shall provide timely documentation of the incident including the circumstances, the time period affected, the affected response time, and shall forward such reports to the District with the monthly report required in section 10, below, and the Fire District will make the determination as to whether to exclude or include the affected response time. The Fire District's Board Chair shall notify Rural Metro of the Fire District's decision.

10. Reports. Rural/Metro shall provide monthly staffing reports for Station No. 73, as well as call activity reports and written explanations response times to the Fire District's Board Chair in electronic format. These monthly reports shall include all apparatus. Rural/Metro shall also provide an annual report covering the period from July 1 of the preceding year and June 30 of the current year. The annual report shall include an analysis of Rural/Metro's performance with respect to response times, and a brief description of activities relating to operations, fire prevention and public education from the previous year that have benefited the various communities in the District Rural/Metro shall also provide

any and all reports as may be reasonably requested by the Fire District, including but not limited to, monthly reports reflecting all call data within the Service Area, the number of calls and type of response, and such other related information as the Fire District may reasonably request. Fire District reserves the right to audit limited to, monthly reports reflecting all call data within the Service Area, the number of calls and type of response, and such other related information as the Fire District may reasonably request. Fire District reserves the right to audit Rural/Metro's contract compliance and performance records in connection with this Agreement within seven business days of written request.

11. Term; Termination.

(a) Term. The term of this Agreement shall be for a period of Ten (10) years commencing July 1, 2026, and terminating June 30, 2036. However, at the five-year (5) mark (July 1st 2031) both parties will review the contract to ensure it continues to meet both parties' needs. At this time, either party has the option to reopen the contract to negotiate for amendments. This option must be declared in writing, with a statement of desired amendments. In the event that either party initiates negotiations, both parties agree to work together in good faith to address the issues and agree to amendments. In the event that the parties are not able to agree on amendments, they shall attempt to agree upon a third-party mediation process to allow the dispute to be presented to a mediator/s for assistance in resolving the dispute, with mediation costs split equally between the parties. If a mediation process cannot be agreed to between the parties, or if the dispute cannot be resolved through mediation, either party may terminate the contract after giving at least 365 days' written notice of termination. Such termination shall be without penalty to either party.

12. As consideration for the Services to be provided by Rural/Metro pursuant to the provisions of this Agreement, for the period between July 1, 2026 and June 30, 2036, Fire District shall pay the Fee Schedule as laid out in APPENDIX A

(a) If payment is received later than thirty (30) days after the due date provided herein, a one-half percent ($\frac{1}{2}\%$) per month late fee will be paid by the Fire District on the unpaid balance, effective from the due date.

(b) If at any time the Fire District does not have sufficient funds to make either the entire November or the entire May payment, and has no reasonable expectation of being able to make those payments, along with applicable late fees, in the next contract year (i.e., "catch-up"), the Fire District shall give notice to Rural/Metro to that effect. The Fire District will then pay, on a timely basis, that portion of the amount due for which it does have funds, and this Agreement shall terminate when the time period elapses, for which those funds are sufficient to pay the amount due, on a pro rata basis.

13. Compliance with Applicable Laws, Rules, and Regulations. Both parties agree to conduct their activities and perform their obligations under this Agreement in full compliance with all applicable federal, state and local laws, rules, ordinances, and regulations. The parties also agree that all patient information and records will be treated with confidentiality and according to applicable laws. In no event shall any patient information and/or records be released by the parties unless there is a HIPAA compliant patient authorization executed by the patient, a Business Associate Agreement ("BAA"), or a subpoena or other legal process concerning such patient information and/or records that complies with applicable laws.
- (a) Compliance with Immigration Laws: As mandated by Arizona Revised Statutes ["A.R.S."] section 41-4401, the Fire District is prohibited from awarding a contract to any contractor or subcontractor that fails to comply with A.R.S. section 23-214(A). The Fire District must also ensure that every contractor and subcontractor complies with federal immigration laws and regulations that relate to their employees and A.R.S. section 23-214(A). Therefore, in signing or performing any contract (including this Agreement) for the Fire District, Rural/ Metro fully understands that:
1. It warrants that both it and any subcontractors it may use comply with all federal immigration laws and regulations that relate to their employees and their compliance with A.R.S. section 23214(A);
 2. A breach of the warranty described in subsection 1, shall be deemed a material breach of the Agreement that is subject to penalties up to and including termination of the Agreement; and
 3. The Fire District or its designee retains the legal right to inspect the papers of any Rural/Metro or subcontractor employee who works on the Agreement to ensure that Rural/Metro or subcontractor is complying with the warranty under subsection 1.
- (b) Cancellation for Conflicts of Interest: The Fire District may cancel this Agreement for conflicts of interest pursuant to A.R.S. section 38-511.
- (c) Non-Discrimination. Neither party shall discriminate against any employee or client of either party or any other individual in any way because of that person's age, race, creed, color, religion, sex, sexual orientation, family status, genetic information, disability or national origin in the course of carrying out the duties pursuant to this Agreement. Both parties shall comply with applicable provisions of Executive Order 75-5, as amended by Executive Order 2009-09 of the Governor of Arizona, which are incorporated into this Agreement by reference as if set forth in full herein, and of the Americans with Disabilities Act (Public Law 101-336, 42 U.S.C. 12101-12213) and all applicable federal regulations under the Act, including

28 CFR Parts 35 and 36, as well as the Genetic Information Nondiscrimination Act of 2008.

- (d) Public Records. Rural/Metro understands that Fire District is a public entity subject to Arizona's public records laws as codified in Arizona Revised Statutes Title 39, as interpreted by Arizona case law.

14. Disclaimer. OTHER THAN AS EXPRESSLY SET FORTH IN THIS AGREEMENT, RURAL/METRO DOES NOT AND HEREBY EXPRESSLY DISCLAIMS, ANY WARRANTIES, GUARANTEES OR REPRESENTATIONS, EXPRESS OR IMPLIED, RELATING TO THE SUCCESS OR FAILURE OF ITS SERVICES, OR THAT ITS SERVICES WILL REDUCE DAMAGE AND LOSS TO PROPERTY OR PERSON. WILL REDUCE DAMAGE AND LOSS TO PROPERTY OR PERSON.
15. Mutual Aid Agreements. Fire District may negotiate with other government agencies or their representatives for the purpose of entering into mutual aid agreements. Rural/Metro agrees to honor all mutual aid agreements entered into by Fire District during the term of this Agreement with Rural/Metro's consent, which consent shall not be unreasonably withheld. Rural/Metro will assist in any negotiations if requested by Fire District. Rural/Metro shall be provided with copies of any existing intergovernmental assistance agreements entered into by Fire District prior to execution of this Agreement and shall notify Rural/Metro within seventy-two (72) hours of Fire District entering into any mutual aid agreements. Rural/Metro agrees to disclose to Fire District its mutual aid agreements upon request of the Fire District.
16. Indemnification.
 - (a) Rural/Metro, its officers, directors, and employees ("Indemnitor") shall indemnify, defend, and hold harmless the Fire District, its officers, directors, members, and employees, ("Indemnatee") for, from and against all costs, claims, losses, liabilities, penalties, fines, citations, expenses, forfeitures or other damages, including but not limited to settlements, defense costs, judgments, court costs, expert(s) fees and reasonable fees of attorneys, incident to, and which it may incur, become responsible for, or pay out, arising out of or relating to (i) the performance or non-performance of Indemnitor's services, work and activities hereunder; (ii) any negligent or willful act(s) or omissions by Indemnitor; and (iii) any breach by Indemnitor of the terms and conditions set forth in this Agreement. Nothing in this section shall limit any right to contribution or other allocation of fault between the parties as determined by a court of competent jurisdiction and as permitted by all applicable laws. The amounts and types of insurance coverage required under this Agreement

will in no way be construed as limiting the scope of indemnity provided in this subsection.

- (b) Fire District shall indemnify and defend Rural/Metro from and against any and all liabilities, claims, causes of action, losses, damages, judgments and expenses incurred by Rural/Metro arising from a breach by the Fire District of the terms and conditions set forth in this Agreement.

17. Insurance.

Rural/Metro shall maintain at all applicable times, at its own expense, the insurance coverage provided for in Appendix B. Rural/Metro shall have a continuing duty to provide Fire District with current certificates of insurance for the duration of the Agreement, with no lapses in coverage.

18. Miscellaneous Provisions.

(a) Ownership of Records and Confidential Information. During the course of performing this Agreement, each party may from time to time receive confidential information about the other including but not limited to information about the party's customers, patients, practices, procedures, strategies, organization, financial and other related information. Neither party shall use or disclose any such confidential information for any purpose other than the limited purpose of performing its obligations under this Agreement, without the prior express written permission of the supplying party. All documents and records prepared, maintained, handled or otherwise related to Rural/Metro's performance of Services hereunder are and shall be the property of Rural/Metro. If a party is served with a subpoena or other legal process concerning confidential information of the other party, that party shall immediately (not more than 48 hours after the receipt) notify the supplying party and shall cooperate with it in any lawful effort to contest the legal validity of such process the supplying party may wish to pursue. Notwithstanding the foregoing, the term confidential information shall not include information which: (i) is required by law to be disclosed; strategies, organization, financial and other related information. Neither party shall use or disclose any such confidential information for any purpose other than the limited purpose of performing its obligations under this Agreement, without the prior express written permission of the supplying party. All documents and records prepared, maintained, handled or otherwise related to Rural/Metro's performance of Services hereunder are and shall be the property of Rural/Metro. If a party is served with a subpoena or other legal process concerning confidential information of the other party, that party shall immediately (not more than 48 hours after the receipt) notify the supplying party and shall cooperate with it in any lawful effort to contest the

legal validity of such process the supplying party may wish to pursue. Notwithstanding the foregoing, the term confidential information shall not include information which:

(i) is required by law to be disclosed;

(ii) is or becomes generally available to the public other than as a result of a disclosure by the receiving party, any of its directors, officers, employees, representatives or agents (collectively, "Representatives");

(iii) is or becomes available to the receiving party on a non-confidential basis from a source other than the disclosing party or its Representatives, which source is not prohibited from disclosing such information by a legal, contractual, fiduciary or other obligation to the disclosing party; or

(iv) is known to receiving party prior to its disclosure to receiving party.

(b) Assignments. Either party may assign its rights or obligations under this Agreement to a third party with the advance consent of the other party, with such consent by the other party not to be unreasonably withheld. Any attempted assignment without such consent of the other party shall be null and void.

I Severability. If any portion or portions of this Agreement shall be found by a court of competent jurisdiction to be invalid, illegal or unenforceable, the remaining portions(s) shall be valid and enforceable and carried into effect, unless to do so would clearly violate the present legal and valid intention of the parties hereto.

(d) Notices. Any notice required or permitted to be given pursuant to any provisions of this Agreement shall be given in writing, and either delivered in person, deposited in the United States mail, postage pre-paid, registered or certified mail, return receipt requested, properly addressed, or by a nationally recognized overnight courier service, to the following addresses:

Rural/Metro Corporation Copy to:
Fire Chief Karl Isselhard
Pima County Operations
3759 N Commerce Dr.
Tucson, Arizona 85705

Attn: General Counsel Tucson,

Hidden Valley Fire District
8470 E Amethyst Place
Tucson, Arizona 85750
Attn: Board Chair

- I Binding Effect. This Agreement shall be binding upon and shall insure the benefits of the parties hereto, their respective successors, assigns or other legal representatives.
- (f) Arbitration. To the extent applicable, disputes arising from this Agreement shall be subject to arbitration pursuant to A.R.S. § 12-1518.
- (g) Legal Fees. In the event either party brings any action for any relief, declaratory or otherwise, arising out of this Agreement or on account of any breach or default hereof, the prevailing party shall be entitled to receive from the other party, reasonable attorneys' fees, costs and expenses.
- (h) Entire Agreement. This Agreement constitutes the entire agreement and understanding between the parties with respect to the subject matter hereof and supersedes any previous agreement or understanding, whether oral or otherwise. No modification of this Agreement shall be valid unless in writing and signed by each of the parties hereto.
- (i) Governing Law; Venue. This Agreement shall be subject to and governed according to the laws of the State of Arizona, without regard to its choice of laws, or conflict of laws principles. Venue for any litigation or other dispute resolution proceeding shall be Pima County, Arizona.
- (j) Counterparts. This Agreement may be executed in several counterparts, each of which shall be an original, but all of which shall constitute one and the same instrument.
- (k) Independent Contractor. Rural/Metro is an independent contractor and nothing in this Agreement shall be construed as creating an employment, agency, partnership, or joint venture relationship between the parties.

[signatures follow]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.

Rural/Metro Corporation

Hidden Valley Fire District

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

APPENDIX A

Fee Schedule

The District Agrees to pay the following schedule for the term of the contract with the provision to review at the Five (5) year mark.

Payment are due the 1st of November and 1st of May each contract year

FY27 July 1 st 2026	\$476,880.00	Two Payments of \$238,440
FY28 July 1 st 2027	\$514,671.00	Two Payments of \$257,355
FY29 July 1 st 2028	\$549,855.00	Two Payments of \$274,927
FY30 July 1 st 2029	\$587,032.00	Two Payments of \$293,516
FY31 July 1 st 2030	\$626,302.00	Two Payments of \$313,151
FY32 July 1 st 2031	\$667,775.00	Two Payments of \$333,887
FY33 July 1 st 2032	\$711,563.00	Two Payments of \$355,781
FY34 July 1 st 2033	\$751,866.00	Two Payments of \$375,933
FY35 July 1 st 2034	\$794,255.00	Two Payments of \$397,127
FY36 July 1 st 2035	\$838,832.00	Two Payments of \$419,416

In the event that there is any additional annexation into, or deannexation out of the District. The year the annexation/deannexation is recognized on the tax rolls the taxable value will be added or reduced from the contract that year.

APPENDIX B

Insurance

1. Insurance.

UNDER REVIEW