

TOWN OF MIAMI

PUBLICITY PAMPHLET AND TEXT OF BALLOT

Proposal to be submitted to the qualified electors
of the Town of Miami
at the

**GENERAL ELECTION
NOVEMBER 3, 2026**



To the voters of the Town of Miami:

The Town of Miami will be holding a General Election on November 3, 2026 – Proposition 422 & Proposition 423 will also be placed on the ballot for your approval or rejection.

This pamphlet contains information on Proposition 422 & Proposition 423, a local measure submitted to the voters by the Miami Town Council. This information is also available at Miami Town Hall, 500 W. Sullivan Street, Miami, Arizona 85539.

The Federal Voting Rights Act requires this pamphlet to be prepared in both English and Spanish. Arizona State law requires a publicity pamphlet to be mailed to each household containing a registered voter. Please make it available to all registered voters in the household.

Please refer to the information contained in this pamphlet so you may be prepared to cast your vote on November 3, 2026.

Sincerely,

Karen Norris,
Town Clerk

NOTICE TO VOTERS: The candidate listed below may not appear on your ballot in the same order as shown.

TEXT OF BALLOT

Council Member
Vote for not more than 1

Moat, Dan

IMPORTANT VOTER INFORMATION

1. All voters registered voters will receive a ballot which will include Town Ballot Measure.
2. Voters utilizing mail ballots may (a) drop off their ballot at the County Recorder's Office (1400 E. Ash Street, Globe), (b) drop off their ballot at Miami Police Department (740 W. Sullivan Street); or (c) return the ballot via US Mail in the pre-addressed, postage paid envelope included with your ballot. "Ballots must be received by 7:00 p.m. on November 3, 2026."
3. Voters who will not be in Miami during the time when the ballots are mailed are encouraged to contact the Gila County Recorder's Office at 1-800-291-4452 or 928-402-8740 to have their ballot mailed to a different location.
4. Voters with any questions are encouraged to contact the Gila County Recorder's Office at 1-800-291-4452 or 1-928-402-8740 for further information.
5. The vote centers/polling places will be open from 6:00 a.m. to 7:00 p.m. 4739 S. Ragus Rd., Miami, AZ.

Proposition 422

Proposal submitted by the Town Council of the Town of Miami, Arizona

APS Franchise Agreement

FRANCHISE AGREEMENT BETWEEN ARIZONA PUBLIC SERVICE COMPANY AND THE TOWN OF MIAMI, ARIZONA

Agreement entered into this ____ day of _____, 20____ by and between the Town of Miami, an Arizona municipal corporation, hereinafter referred to as "Town" and Arizona Public Service Company, an Arizona corporation, hereinafter referred to as "Grantee." The Town and Grantee may hereinafter be referred to individually as a "Party" or collectively as the "Parties."

The Parties hereby agree:

Section 1. - Grant of Franchise:

There is hereby granted to Arizona Public Service Company, a corporation organized and existing under and by virtue of the laws of the State of Arizona (herein called "Grantee"), its successors and assigns, a franchise (herein called the "Franchise") to construct, maintain and operate its electrical system, as defined herein, upon, over, along, across and under the present and future public rights-of-way. These rights-of-way include but are not limited to streets, alleys, ways and highways in the Town of Miami, Arizona (herein called "Town"). Grantee's system includes electric power lines, together with all necessary or desirable appurtenances, including, but not limited to, poles, towers, wires, cables, conduits, transmission lines, transformers, switches and communication lines for its own use. This Franchise is for Grantee's use of Town's public rights-of-way to supply and deliver electric energy to Town, its successors, the inhabitants thereof, and all individuals and entities either within or beyond the limits thereof, for all purposes.

Any street lighting service furnished by Grantee to Town or to any street lighting improvement district within Town shall be the subject of a separate agreement and shall not be governed by the provisions of this Franchise.

This Franchise includes the right to use public rights-of-way for the location of communication lines and appurtenances owned and operated by Grantee incidental to supplying electric energy under this Franchise. This Franchise does not include the right to use public rights-of-way for one-way transmissions directly to customers, users or subscribers of video programming, if any, which is required for the selection of or response to video programming. For purposes of the foregoing, the term "video programming" means programming provided by or generally considered comparable to programming provided by a television broadcast station. Grantee agrees that if Grantee uses or leases to others, the wires, towers, cables or lines for any purpose other than supplying electric services, before such use or lease, Grantee or Grantee's lessee shall apply for and obtain a separate license from Town.

Town shall not be liable to Grantee should Grantee construct facilities pursuant to this Franchise in an area over which Town has erroneously exercised jurisdiction.

Section 2. - Grantee's Compliance with Town Code: Plans Submitted for Approval: Town Construction near Grantee's Facilities:

Town expressly reserves unto itself, subject to the limitations of the Constitution and laws of Arizona, the right to ensure the safety and welfare of the public, including without limitation to, pass and enforce ordinances to protect the public from danger or inconvenience in the operation of any work performed in the public rights-of-way, including without limitation enforcement of this Franchise.

All construction under this Franchise shall be performed in accordance with applicable codes and ordinances of Town with respect to such public rights-of-way. Such construction shall be completed within a reasonable time. Except in emergency circumstances, prior to commencing any work in a Right-of-Way, Grantee and/or any contractors of Grantee shall obtain all necessary permits for such work in accordance with Town Code in effect at the time of permitting. Town and Grantee agree and understand that there may be instances when Grantee is required to make repairs that are of an emergency nature. Grantee shall notify Town prior to such repairs, to the extent practicable, and shall obtain the necessary permits in a reasonable time after notification, showing the work performed in the public rights-of-way.

If Town authorizes either directly or through a contractor any construction project adjacent to or near Grantee's facilities operated pursuant to this Franchise, Town shall include in all such construction specifications, bids, and contracts, a requirement that the contractor or his designee must comply with the overhead power line safety laws (A.R.S. § 40-360.41 et. seq. as amended).

Section 3. - Construction and Relocation of Grantee's Facilities: Payment:

Representatives of the Town and Grantee shall, during the entire term of this Franchise, meet at least once in each calendar year, or more often if necessary, to review any projects involving the construction or modification of Town Right-of-Way. The Town shall provide the Grantee annually with its 5-year capital improvement plan, in order for both parties to adequately plan and budget for such actions and to determine the extent of work required of Grantee, if any, for such projects. Neither party shall finalize the design of any facility without providing the other party notice as set forth in Section 15 below, and a reasonable opportunity to comment. If either party identifies a potential conflict between their existing facilities and the other party's proposed facilities, said party shall immediately notify the other party of such conflict and the parties shall use their best efforts to resolve such conflict.

When Grantee intends to replace, upgrade, or install new lines overhead, the Town may request estimates for the undergrounding of such replacement lines, upgrades or new lines, including lines to be adjusted for road improvements or for specific projects addressed at the annual planning meeting, as referenced in this section. When requested, the Grantee will provide to the Town two estimates: 1) an estimate for the cost of the project with overhead construction and 2) an estimate for the cost of the project with underground construction. The Town will have no more than 60 days from the estimate date to determine if it wants the line built overhead or placed underground. If the Town chooses underground construction for the project, the Town will be responsible for the incremental cost of undergrounding, defined as the differential between the estimate for underground construction and the estimate for overhead construction. Within a reasonable period of time after receipt of the payment for the incremental cost of undergrounding, the Grantee will

install the underground facilities. The Grantee reserves the right to bill for the amount that the incremental cost associated with installation exceeds its estimate. The Town reserves the right to a refund of overpayment if the incremental costs are less than the amount billed in the estimate. If the Town wishes to have a line not scheduled for replacement or upgrade placed underground, the Town shall contact the Grantee to make such a request. The Town shall be responsible for the entire costs related to this work.

All facilities installed or constructed pursuant to this Franchise shall be so located or relocated and so erected as to minimize the interference with traffic, or other authorized uses over, under or through the public rights-of-way. Furthermore, Grantee shall not install, construct, maintain or use its facilities in a manner that damages or interferes with any existing facilities of another utility located in the public rights-of-way and agrees to relocate its facilities, if necessary, to accommodate another facility relocation that has a prior rights interest in the public rights-of-way.

Activities related to the construction of Grantee's facilities within the rights-of-way such as traffic control, backfilling, compaction and paving, and the location or relocation of lines and related facilities shall be subject to regulation by Town. Grantee shall keep accurate records of the location of all facilities in the public rights-of-way and furnish them to Town upon request. Upon completion of new or relocation construction of underground facilities in the public rights-of-way, Grantee shall provide Town's Engineer with corrected drawings showing the location of the underground facilities in those cases where the actual location differs significantly from the proposed location. Grantee shall provide to Town the actual location of such new or relocated facilities in the public rights-of-way in an electronic format. Such format shall conform to utility industry best-practice standards. Grantee shall be required to obtain and pay all required fees and charges for construction permits and inspections of all non-electrical transmission or distribution facilities constructed within Town, including but not limited to, office buildings, storage buildings, or repair shops. Permits for electrical transmission or distribution facilities will be issued at no cost under this Franchise.

- A. If Town requires Grantee to relocate Grantee's facilities which are located in private easements obtained by Grantee prior to Town's acquisition of said property from which the facilities must be relocated, the cost of relocating Grantee's facilities (including the cost of purchasing a new private easement if necessary) shall be borne by Town. Town shall also bear the entire cost of all subsequent relocations of the relocated facilities required by Town, until such time as Town condemns or purchases Grantee's private easement.
- B. Except as covered in Paragraph A above, Grantee shall bear the entire cost of relocating its facilities located on public rights-of-way, the relocation of which is necessary for Town's or a contractor of Town carrying out of Town's governmental functions. Notwithstanding the foregoing, if Grantee is requested to perform work of a temporary nature on a governmental project to relieve construction problems which could be relieved by other means, the cost of said temporary work will be borne by Town or Town's contractor working on the governmental project. Governmental functions are those duties imposed on Town, where the duties involve a general public benefit, not in the nature of a corporate or business undertaking for the corporate benefit and interest of Town. Governmental functions include, but are not limited to, the following:

1. Any and all improvements to Town's public rights-of-way;
 2. Establishing and maintaining domestic water systems, sanitary sewers, storm drains, and related facilities;
 3. Establishing and maintaining municipal parks, parking spaces, parkways, pedestrian malls, or grass, shrubs, trees and other vegetation for the purpose of landscaping any street or public property;
 4. Providing fire protection and other public safety functions;
 5. Collection and disposal of garbage and recyclables; and
 6. The relocation of Grantee's facilities necessary to carry out the exercise of the Town's police power for urban renewal.
- C. Town will bear the entire cost of relocating any of Grantee's facilities, the relocation of which is necessitated by the construction of improvements by or on behalf of Town in furtherance of a proprietary function. All functions of Town which are not governmental are proprietary.
 - D. If Town participates in the cost of relocating Grantee's facilities for any reason, the cost of relocation to Town shall not include any upgrade or improvement of Grantee's facilities as they existed prior to relocation. Prior to commencement of project and payment by the Town, Grantee shall provide an itemization of the estimated costs and expenditures subject to the Town's review and approval. Final costs of relocation shall be submitted to the Town upon completion of the removal, relocation or alteration.
 - E. Town will not exercise its right to require Grantee's facilities to be relocated in an unreasonable or arbitrary manner, or to avoid its obligation under the Franchise. Town agrees to notify Grantee during the planning and design of Town's projects in rights-of-way that may require relocation of Grantee's facilities and to coordinate its construction plans and schedules with Grantee to determine the most cost-effective design to mitigate Grantee's cost to relocate its facilities.
 - F. Town agrees it will not require Grantee to relocate its facilities located within the public rights-of-way without providing Grantee adequate space within the rights-of-way to relocate the facilities that must be moved.
 - G. Grantee will provide Town an approved list of tree species for planting in the public rights-of-way where there are existing overhead power lines. Town will consider the list in establishing landscaping in the public rights-of-way. Town will not plant any tree that can normally grow to a height of more than 25 feet under or adjacent to Grantee's overhead power lines in the public rights-of-way. Grantee shall have the authority to prune or remove any trees or shrubs located within or hanging over the limits of the public rights-of-way of Town that in the judgment of Grantee may interfere with the construction, or endanger the operation, of the lines and/or facilities of Grantee. Grantee may remove trees that interfere with construction or endanger operation if approved by Town or the private owner of the tree or shrub in question. Town's approval will not be unreasonably

withheld. All said vegetation management work is to be done at Grantee's expense and pursuant to A.N.S.I. Standard A300.

Section 4. – Indemnification:

Town, its departments, officers, employees, agents, successors and assigns, shall in no way be liable or responsible for any accident or damage that may occur in the construction, operation or maintenance by Grantee of its appurtenances hereunder, except to the extent such accident or damage may be proximately caused by the negligent or willful and wanton acts or omissions of Town, its departments, officers, employees, agents, successors and assigns. The acceptance of this Franchise shall be deemed an agreement on the part of Grantee that Grantee shall, to the fullest extent permitted by law, defend, indemnify, and hold Town harmless from and against any and all claims, costs, suits, damages, judgments, expenses and losses including, but not limited to attorney fees and court costs relating to, arising out of, or alleged to have resulted from the exercise of this Franchise by Grantee; provided, however, that such claims, expenses and losses are not the result of the willful misconduct or negligent acts or omissions of Town.

Grantee, so long as it maintains, operates or owns facilities, within rights-of-way of Town, at its own cost and expense, shall keep, or cause to be kept, in force insurance against claims and liability for personal injury, death and property damage arising from the construction, operation or maintenance by Grantee of its facilities in a reasonable amount sufficient to insure Grantee's obligations under this Section, with Town named as an additional insured. Grantee shall provide Town with 30 days written notice of material change, cancellation or nonrenewal by the insurer. The policy shall be primary and noncontributing with any policy of Town.

Section 5. – Restoration of Rights-of-Way:

Whenever Grantee shall cause any opening or alteration whatsoever to be made for any purpose in any public right-of-way, the work shall be completed with due diligence within a reasonably prompt time. Grantee will restore the disturbed property to a condition as good as it was prior to such opening or alteration. Town agrees that this requirement shall be deemed met if the disturbed property is restored with comparable materials, so that the restoration meets or exceeds industry and Town standards as adopted by the Town Council.

Section 6. – Franchise Fee:

Grantee shall pay to Town in consideration of the grant of this Franchise a sum equal to two percent (2%) of all revenues of Grantee, including Regulatory Assessments, but excluding transaction privilege taxes and similar governmental impositions, from the retail sales and/or delivery by it of electric energy and other charges for services attendant to the retail sale and/or delivery of electric energy delivered through Grantee's electric distribution system within the present and any future corporate limits of Town, as shown by Grantee's billing records. Grantee shall not, however, pay said franchise fee on revenues charged to Grantee's retail customers by third party electric service providers. Said payments shall be in lieu of any and all fees, charges or exaction of any kind otherwise assessed by Town in any way associated with Grantee's use of the rights-of-way, including but not limited to, the construction of Grantee's facilities hereunder or for inspections thereof during the term of this Franchise.

For the purpose of verifying amounts payable hereunder, the books and records of Grantee shall be subject to inspection by duly authorized officers or representatives of Town at reasonable times.

Beginning April 2, 2028 payment as described in the preceding paragraphs shall be payable in quarterly amounts within 30 days after the end of each calendar quarter.

Notwithstanding the provisions of this Franchise, if during the term of this Franchise Grantee enters into any electric franchise with any other municipality in Arizona during the term of this Franchise that provides for a higher percentage of Grantee's revenues than two percent (2%) or includes more categories of revenues than set forth in this Franchise, Grantee shall notify Town Council of such higher percentage or expanded revenue base. Town Council, at its sole discretion, shall have the option to, as applicable: (i) increase Grantee's franchise fee to the higher percentage rate; or (ii) include other revenue categories set forth in the franchise agreement Grantee has with the other entity of this State. Following Town Council's action, Grantee agrees to henceforth pay to Town a new franchise fee at the higher franchise percentage or to include the additional revenue categories.

Section 7. – Additional Fees and Taxes:

Notwithstanding any provision contained herein to the contrary, Grantee shall pay, in addition to the payment provided in Section 6, the following charges, taxes and fees as established in a code or ordinance properly adopted by Town:

- A. General ad valorem property taxes and special district assessments;
- B. Transaction privilege and use tax as authorized by law and collected by Grantee for its retail sales to its electric customers within the present and any future corporate limits of Town;
- C. Other charges, taxes or fees generally levied upon businesses by Town, provided said charge, tax or fee is a flat fee per year and that the annual amount of such fee does not exceed the amount of similar fees paid by any other businesses operated within Town.

Section 8. – Term:

This Franchise shall continue and exist for a period of twenty-five (25) years from April 2, 2028; provided, however, that either party may terminate this Franchise on its tenth anniversary by giving written notice of its intention to do so not less than one (1) year before the date of termination. If such notice is given for the purpose of negotiating a new franchise and such negotiation is successful, the party giving the notice of termination shall be responsible for the costs of the resulting franchise election.

Section 9. – Franchise: Non-Exclusive:

This Franchise is not exclusive, and nothing contained herein shall be construed to prevent Town from granting other like or similar grants or privileges to any other person, firm or corporation.

Section 10. – Conflicting Ordinances:

Notwithstanding any other provisions hereof, all ordinances and parts of ordinances in conflict with the provisions hereof, to the extent applicable to a franchised electric public service corporation, are hereby superseded.

Section 11. – Independent Provisions:

If any section, paragraph, clause, phrase or provision of this Franchise, shall be adjudged invalid or unconstitutional, the same shall not affect the validity of this Franchise as a whole or any part of the provisions hereof other than the part so adjudged to be invalid or unconstitutional.

Section 12. – Town Use of Facilities:

In consideration of this Franchise and the rights granted hereby, Town shall, if the following six criteria are met, have the right to place, maintain, and operate on Grantee's poles located on public rights-of-way within Town's corporate limits, any and all wires and appurtenances (other than steps or climbing devices) for Town's fire alarm, police telephone or other municipal communications services utilized for governmental functions:

- A. Town must notify Grantee in writing of Town's intended use of Grantee's poles;
- B. Town shall, to the fullest extent permitted by law, defend, indemnify and hold Grantee harmless from any and all claims, costs, damages, expenses and losses, including but not limited to attorney fees and court costs relating to, arising out of, or alleged to have resulted from Town's use of Grantee's facilities pursuant to this Franchise; provided however, that such claims, expenses and losses are not the result of the willful misconduct or negligent acts or omissions of Grantee;
- C. Town's facilities and the installation and maintenance thereof must comply with the applicable requirements of the Occupational Safety and Health Act, the National Electrical Safety Code, and all other applicable rules and regulations as amended. If Town does not comply with all applicable laws, ordinances and regulations, or if Town's facilities create an immediate safety hazard, Grantee retains the right to remove or correct Town's facilities at Town's expense;
- D. Town's facilities and the installation and maintenance thereof must not cause Grantee's facilities and the installation and maintenance thereof to be out of compliance with all applicable requirements of the Occupational Safety and Health Act and the National Electrical Safety Code and all other applicable rules and regulations as amended. If Town does not comply with all applicable laws, ordinances and regulations, or if Town's facilities create an immediate safety hazard, Grantee retains the right to remove or correct Town's facilities at Town's expense;
- E. Town's use of its facilities shall not interfere with Grantee's use of Grantee's facilities, and;
- F. Town shall be responsible for any incremental costs incurred by Grantee as a result of Town's use of Grantee's facilities.

Section 13. – No Third Party Beneficiaries:

There are no third party beneficiaries to this Franchise agreement between Town and Grantee.

Section 14. – Voter Approval Required:

This Franchise is subject to the approval of the electors of Town. Grantee shall pay all of the costs incurred in conducting the franchise election, except that, if one or more additional propositions are presented to the electors at such election, Grantee shall pay only that portion of Town's election expense determined by dividing all of Town's expenses by the number of issues presented on the ballot.

Section 15. – Notices:

Any notice required or permitted to be given hereunder shall be in writing, unless otherwise expressly permitted or required, and shall be deemed effective either (i) upon hand delivery to the person then holding the office shown on the attention line of the address below, or, if such office is vacant or no longer exists, to a person holding a comparable office, or (ii) on the third business day following its deposit with the United States Postal Service, first class and certified or registered mail, return receipt requested, postage prepaid, addressed as follows:

- A. To Town: Town of Miami
Attn: Town Clerk
500 W. Sullivan St.
Miami, AZ 85122
- B. To Grantee: Arizona Public Service Company
Office of the Corporate Secretary
400 N 5th Street, Mail Station 8602
Phoenix, Arizona 85004

Section 16. – Adoption:

We, the undersigned, have adopted this document on the dates written below in accordance with the results of the Town of Miami election on November 3, 2026.

TOWN OF MIAMI

By _____
Mayor

On behalf of the Town of Miami

Date: _____

ATTEST:

Karen Norris, Town Clerk

APPROVED AS TO FORM:

Joseph D. Estes, Town Attorney

ARIZONA PUBLIC SERVICE COMPANY,
An Arizona Corporation

By _____
Tony J. Tewelis, APS Sr. Vice President
Transmission &
Distribution Operations

On behalf of Arizona Public Service Co.

Date: _____

TOWN OF MIAMI
RESOLUTION NO. 1326

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE TOWN OF MIAMI, ARIZONA, DECLARING THAT THE TOWN COUNCIL DEEMS THE GRANTING OF A FRANCHISE WITH ARIZONA PUBLIC SERVICE BENEFICIAL FOR THE TOWN OF MIAMI; CALLING AN ELECTION TO BE HELD ON NOVEMBER 3, 2026 FOR THE PURPOSE OF SUBMITTING TO THE QUALIFIED ELECTORS OF THE TOWN OF MIAMI THE QUESTION AS TO WHETHER OR NOT A FRANCHISE SHALL BE GRANTED TO ARIZONA PUBLIC SERVICE COMPANY; AUTHORIZING AND DIRECTING THE TOWN CLERK AND TOWN MANAGER TO PUBLISH THE PROPOSED FRANCHISE; SPECIFYING THE PROPOSED BALLOT LANGUAGE; SETTING FORTH THE INFORMATIONAL PAMPHLET DEADLINE AND RELATED MATTERS; ESTABLISHING THE CONDUCT OF ELECTIONS INCLUDING PAYMENT OF ELECTION EXPENDITURES; DESIGNATING VOTING RIGHTS ACT REQUIREMENTS; SETTING FORTH THE VOTER REGISTRATION DEADLINE AND EARLY VOTING DATES; PROVIDING FOR PUBLICATION OF ELECTION NOTICES; DESIGNATING THE ELECTION FORMAT; AND PROVIDING FOR THE CANVASSING OF ELECTION RESULTS.

WHEREAS, the Arizona Constitution, Article XIII, Section 4 and Arizona Revised Statutes § 9-501 authorize the Town of Miami (the "Town") to enter into franchise agreement with a public utility if authorized by a majority vote of the qualified voters at a regular or special election duly and regularly called for that purpose; and

WHEREAS, on March 11, 2003, the qualified elections of the Town of Miami approved a 25-year franchise agreement with Arizona Public Service Company ("APS") for electrical and distribution facilities throughout the Town of Miami (the "Town") public rights-of-way; and

WHEREAS, the current franchise expires on April 1, 2028 terminating APS' rights to utilize the Town rights-of-way for electrical transmission and distribution facilities; and

WHEREAS, APS is a public utility that desires to obtain a franchise with the Town in the form attached hereto as Exhibit A; and

WHEREAS, the Mayor and Council of the Town of Miami (the "Town Council") has determined that it will be beneficial to the Town to grant a new franchise to APS conferring the right to utilize the Town's rights-of-way for electrical transmission and distribution; and

WHEREAS, pursuant to Arizona Constitution, Article XIII, Section 4 and Arizona Revised Statutes § 9-501, a public utility franchise agreement must be approved by a majority of the qualified electors in a primary, general or special election; and

WHEREAS, the Town Council desires to submit to the Miami qualified electors the question of whether the proposed franchise agreement shall be granted to APS for electrical transmission and distribution facilities in the public rights-of-way.

NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF MIAMI, AS FOLLOWS:

SECTION 1. The recitals above are hereby incorporated as if fully set forth herein.

SECTION 2. Pursuant to Arizona Constitution, Article XIII, Section 4 and Arizona Revised Statutes § 9-501, the Town Council hereby calls an Election to be held in the Town of Miami on November 3, 2026 for the purpose of submitting to the proposed franchise with APS in the form attached as Exhibit A.

SECTION 3. The Town Clerk and Town Manager are hereby authorized and directed to publish the proposed franchise, Exhibit A, a pursuant to Ariz. Rev. Stat. § 9-502(C).

SECTION 4. The question of whether the franchise shall be granted to APS at said Election shall be submitted to the qualified electors of the Town of Miami. The ballot language is substantially in the form set forth in Exhibit B attached hereto (the "Official Ballot") and incorporated herein.

SECTION 5. Notice of the Election of November 3, 2026, shall be given by mailing an Informational Pamphlet to each household that contains a registered voter within the Town not less than thirty-five (35) days before the date of the election.

Pursuant to A.R.S. § 19-141(C), the Town hereby sets 5:00 p.m. on Wednesday, August 5, 2026, as the deadline to submit arguments "for" or "against" the proposed franchise agreement. Each argument shall not exceed 300 words in length.

The Town Clerk is hereby authorized and directed to cause the Informational Pamphlet be prepared and so mailed according to the law and the provisions of this Resolution under the circumstances described herein.

SECTION 6. The publication of the call and notice of the Election shall be given, or caused to be given, by the Town Clerk, as provided by law, and as may be deemed necessary and appropriate in the Town Clerk's discretion to advise the public of the elections.

SECTION 7. Gila County registration and voting lists will be used for the Election. The last day for voters to register for the Election is October 5, 2026 (no later than 11:59 p.m.). Early voting with respect to the Election will be permitted in accordance with the provisions of A.R.S. Title 16, Chapter 4, Article 8.

SECTION 8. The election format for the Election shall be a polling place election. A polling place used in the Town of Miami will be the polling place established by Gila County and used for conducting previous elections in the Town of Miami, if available. The polls will be open from 6:00 a.m. until 7:00 p.m. on Election Day. The Election may be consolidated with any other election conducted in the Town on those election dates.

SECTION 9. To comply with the Voting Rights Act of 1965, as amended, the proceedings pertaining to this election will be translated into languages required by law and posted, published, distributed, and/or recorded in each instance where posting, publication, distribution, and/or recording of such proceedings are required, such as this call of election,

the notice of election, ballots, the request for arguments, the informational pamphlet, all early voting materials and all instructions relating thereto, including instructions at the polling places.

SECTION 10. The Election will be held, conducted, and canvassed in the manner provided by law, and only persons who are qualified electors of the Town will vote at the Town elections. Ballots shall be counted by the voting system in use by the Gila County Elections Department for the recordation of the electors' choices as authorized by Arizona law.

SECTION 11. All expenditures as may be necessary to order, notice, hold and administer the Election are hereby authorized, which expenditures shall be paid from current operating funds of the Town of Miami, with such costs for the Election to be reimbursed by APS as specified in Exhibit A.

SECTION 12. The Gila County election officials will forward the votes cast to the Town Council for canvassing. The Town Council will meet within 20 days after the election date to canvass the returns of the election and to certify the result, as provided by Arizona law.

SECTION 13. The Mayor, the Town Manager, the Town Clerk, and the Town Attorney are hereby authorized and directed to take all steps necessary to carry out the purpose and intent of this Resolution.

PASSED AND ADOPTED BY the Town Council of the Town of Miami, Arizona, this 23rd day of March, 2026.

Gil Madrid

Gil Madrid, Mayor

ATTEST:

Karen Norris

Karen Norris, Town Clerk

APPROVED AS TO FORM:

Joseph Estes

Joseph Estes, Town Attorney

ARGUMENTS FAVORING PROPOSITION NO. 422

To Miami residents,

In the November 3, 2026 election, voters will be asked to approve Proposition 422, the APS franchise agreement with the Town of Miami.

The franchise agreement is a specific contract between APS and the Town of Miami. The franchise gives APS non-exclusive access to use the town's public rights-of-way to safely and efficiently build, maintain and operate our electrical facilities in your community for a 25-year term.

The agreement is important because it includes rules and procedures to ensure we operate safely and efficiently in the rights-of-way and comply with town regulations regarding the use of its streets for our facilities.

As part of the agreement, APS pays a 2% franchise fee to the Town of Miami on revenue received from customers within the town limits. Franchise fee revenue supports town services that make Miami a wonderful place to live, including road improvements, community and economic development, and upkeep of town facilities.

We're grateful for the support and partnership of the Miami community. We are dedicated to providing you with reliable, affordable and safe energy — and to restoring power as quickly and safely as possible when significant events such as wildfires or storms impact our system. We also support the community through volunteering and contributions to local charities and educational institutions.

We encourage you to vote "yes" to approve the APS franchise agreement on November 3, 2026 and to sustain a vital partnership for another generation of Miami residents. Visit aps.com/miamifranchise to learn more.

Sincerely,

Daniel Ortega

Director, APS Transmission & Distribution

Arizona Public Service

To Miami residents,

Proposition 422 represents the renewal of a long-standing partnership between the Town of Miami and APS that helps ensure safe, reliable electric service for our community.

Approval of this franchise agreement allows APS continued access to public rights-of-way so crews can efficiently perform routine maintenance, make necessary infrastructure upgrades, and respond quickly to power outages and emergencies. Maintaining this access helps minimize service disruptions and supports the long-term reliability of our electric system. Under Arizona law, franchise agreements are voter-approved and may be established for terms of up to 25 years.

In addition to supporting reliable electric service, the agreement provides revenue to the Town of Miami through franchise fees paid by APS. These funds can be used to help support essential municipal services, infrastructure improvements, and other community needs without increasing local taxes. According to APS, approving the franchise agreement does not change customers' electric rates.

A "Yes" vote on **Proposition 422** would renew the franchise agreement, allowing APS to continue using public rights-of-way under agreed-upon terms while providing the Town with ongoing franchise fee revenue and supporting the maintenance and modernization of the community's electrical infrastructure.

Sammy Gonzales, Vice Mayor
Town of Miami

Town of Miami residents,

I ask Town of Miami voters to support **Proposition 422** and approve the new utility franchise agreement with Arizona Public Service (APS).

This agreement is essential to ensure continued, reliable electric service for our homes, businesses, and community services. APS has been providing electricity to Miami under a franchise agreement for decades. The current agreement, which expires next year, allows APS to use city rights-of-way to maintain power lines and other infrastructure that keep our community powered.

Gil Madrid, Mayor
Town of Miami

Town of Miami residents,

Miami Town Council, Councilman Jose Angel Medina Sr. here encouraging residents to vote in favor of renewing the APS Franchise agreement, **Prop 422**. APS has been a trusted partner to the Town of Miami for many years, providing reliable electric service and working closely with town leadership in supporting the needs of our residents, businesses, and community facilities. This longstanding partnership has helped strengthen our local infrastructure, support economic opportunities, and ensure the delivery of essential services that contribute to the quality of life in the historic Town of Miami. Renewing the franchise agreement will allow APS to continue the maintenance of the electric system, among other things that power the Town of Miami, while supporting the strong collaborative relationship that has helped the Town for generations. I appreciate APS's commitment to the Town of Miami and believe approval of this franchise election is in the best interest of our community and its future.

Jose "Angel" Medina Sr., Council Member
Town of Miami

ARGUMENTS OPPOSING PROPOSITION NO. 422

None.

Proposition 422

PROPOSED ELECTRIC UTILITY FRANCHISE FOR TOWN OF MIAMI, AZ

OFFICIAL TITLE

SHALL A FRANCHISE BE GRANTED TO ARIZONA PUBLIC SERVICE COMPANY, AN ARIZONA CORPORATION, TO CONSTRUCT, MAINTAIN AND OPERATE AN ELECTRIC UTILITY SYSTEM IN THE TOWN OF MIAMI, ARIZONA, AND FUTURE ADDITIONS THERETO, IN ACCORDANCE WITH THE AGREEMENT SUBMITTED BY THE MAYOR AND TOWN COUNCIL OF THE TOWN OF MIAMI, ARIZONA, TO THE QUALIFIED ELECTORS OF SAID TOWN?

DESCRIPTIVE TITLE

SHALL THE PROPOSED FRANCHISE FOR A PERIOD OF 25 YEARS BE GRANTED TO ARIZONA PUBLIC SERVICE COMPANY FOR ELECTRICAL TRANSMISSION AND DISTRIBUTION FACILITIES IN THE TOWN RIGHTS-OF-WAY WITHIN THE TOWN OF MIAMI, ARIZONA?

A "yes" vote shall have the effect of granting a twenty-five (25) year franchise to Arizona Public Service Company for the use of Town rights-of-way to provide electrical transmission and distribution facilities within the Town of Miami.

YES _____

A "no" vote shall have the effect of not granting a twenty-five (25) year franchise to Arizona Public Service Company for the use of Town rights-of-way to provide electrical transmission and distribution facilities within the Town of Miami.

NO _____

Proposition 423

Proposal submitted by the Town Council of the Town of Miami, Arizona

Arizona Water Company Franchise Agreement

FRANCHISE AGREEMENT BETWEEN ARIZONA WATER COMPANY AND THE TOWN OF MIAMI, ARIZONA

Agreement entered into this ____ day of _____, 20____ by and between the Town of Miami, an Arizona municipal corporation, hereinafter referred to as "Town" and Arizona Water Company, an Arizona public service corporation, hereinafter referred to as "Grantee." The Town and Grantee may hereinafter be referred to individually as a "Party" or collectively as the "Parties."

The Parties hereby agree:

Section 1.

Subject to provisions of this Agreement and the laws of the State of Arizona and the Town of Miami, Arizona, there is hereby granted Arizona Water Company, its successors and assigns, the right, privilege and franchise to construct, maintain, and operate upon, over, along, across, and under the present and future public rights-of-way (including but not limited to streets, alleys, highways, and bridges in the Town of Miami, Arizona), and further additions thereto, pipes and appurtenances for the purpose of providing water service to the Town of Miami, Arizona, its successors, the inhabitants thereof and persons and corporations either within or beyond the limits thereof for all purposes and repealing conflicting ordinances.

Section 2.

Whenever in this instrument the words or phrases hereinafter in this section defined are used, they shall have the respective meanings assigned to them in the following definitions:

- a) The word "Town" shall mean Miami, Arizona
- b) The word "Grantee" shall mean Arizona Water Company and its lawful successors and assigns with respect to the franchise hereby granted;
- c) The word "Franchise" shall mean the rights, privileges and franchise hereinafter more particularly described;
- d) The phrases "public road" and "public roads" shall mean the public highways, streets, avenues, alleys, bridges, and public ways and places as the same may now or may hereafter exist within the Town and future additions thereto.
- e) The phrase "pipes and appurtenances" shall mean water lines, mains, services, traps, vents vaults, manholes, meters, gauges, regulators, valves, fire hydrants, conduits, appliances, attachments, and other water system facilities and without limitations to the foregoing, any property located or to be located in, upon, along, across, under or over the present or future public roads within Town and used or useful in conveying and/or distributing water;
- f) The phrase "installing, maintaining, and using" shall mean to construct, erect, install, operate, maintain, use, repair or replace.

Section 3.

This franchise for installing, maintaining and using pipes and appurtenances in so many and in such parts of the public roads of Town as Grantee may from time-to-time elect to use for the purpose of conveying and distributing water to the public for any and all purposes is hereby granted by Town to Grantee. All construction under this grant shall be performed in accordance with established practices with respect to such public roads, permit requirements, and ordinances of the Town. Without limitation, Grantee will comply with ordinances of the Town regarding street cuts. Such construction will be completed within a reasonable time. Before Grantee makes any installations in the Public Rights-of-Way, Grantee will apply for and obtain from Town such permit or permits as are required by Town to be issued for other similar construction or work in the Public Rights-of-Way and submit to the Town Engineer for approval a map showing the location of such proposed installations. Grantee shall include within all contracts with contractors who will be performing work within a Town right-of-way pursuant to this Franchise a provision obligating such contractor to obtain all required permits and adhere to all municipal permitting, inspection, and close-out procedures.

Section 4.

The terms of the franchise shall commence on the date approved by the voters of Town and continue and remain in full force and effect for a period of twenty-five (25) years from and after said date.

Section 5.

All pipes and appurtenances which shall be installed and used under and pursuant to the provisions of this franchise and in the exercise thereof shall be installed, constructed and maintained in accordance with established industry practices and shall be maintained in compliance with all valid laws and ordinances from time-to-time in force. Representatives of the Town and Grantee shall, during the entire term of this Franchise, meet at least once in each calendar year, or more often, if necessary, to review any projects involving the construction or modification of Town Right-of-Way. The Town shall provide the Grantee annually with its 5-year capital improvement plan, in order for both parties to adequately plan and budget for such actions and to determine the extent of work required of Grantee, if any, for such projects. On an annual basis, Grantee will provide the Town with its known capital plan and reasonably foreseeable future corridor plans for all improvements in the Town's planning area. So long as the Town provides Grantee with its 5-year capital improvement plan on at least an annual basis, Grantee agrees to be precluded from cutting any new or reconstructed street for a five (5) year period following completion of such new or reconstruction except when necessitated by an emergency pursuant to Section 3.3. Reconstruction shall mean mill and overlay or reconstruction as those terms are used by the Town.

Section 6.

Grantee shall promptly, but in no case later than thirty (30) days after installing, maintaining or using said pipes and appurtenances or any part thereof at its own cost and expense, restore the surface and/or subsurface of the public road or public property, or repair or replace the public improvement thereon, therein, or thereunder, as may be required by construction standards established by the Town in effect at that time. Should such restoration, repair or replacement not be completed within a reasonable time or fail to meet s construction standards established by the Town, as may be amended from time to time, the Town may, after prior notice and reasonable time for Grantee to cure, perform the

necessary restoration, repair or replacement either through Town's own forces or through a Town-hired contractor, and Grantee agrees to reimburse the Town for its costs and expenses in so doing within 30 days after its receipt of the Town's invoice. As used in this Section, "costs and expenses" includes, but is not limited to, identifiable administrative costs and employee wages and benefits costs incurred by the Town in the performance of such restoration, repair, or replacement.

Section 7.

Notwithstanding any provision contained herein to the contrary, Grantee shall, in addition to the payment provided in Section 8, pay any occupation tax established by Town, provided such fee does not exceed the amount of similar fees paid by any other business operated within Town.

Section 8.

Grantee shall pay to Town as consideration of the grant of this franchise a sum equal to two percent (2%) of its gross annual receipts arising from the sale of all water at retail for residential, commercial, and industrial purposes within Town's corporate limits, as Grantee is notified from time to time by Town of the extent of such corporate limits, said payment to be made in quarterly installments not later than thirty (30) days after the end of each quarter, each installment to be based upon the gross receipts for the three month period ending thirty days prior to the payment thereof.

For the purpose of verifying the amounts payable hereunder, the billing records of Grantee shall be subject to inspection by duly authorized officers or representatives of Town at reasonable times.

Grantee may deduct any tax, license or other exaction paid by it, which is assessed or levied by Town exclusively upon public utilities up to the amount payable under the terms of this section; provided that the amount payable under the terms of this section shall not be reduced by reason of the payment of any general ad valorem taxes, assessments for special improvements, general sales or privilege license taxes or any similar general levy assessed or levied by Town exclusively upon public utilities and measured by Grantee's receipts or sales within Town, so long as the amount of such taxes or similar levies may be lawfully and specifically added to consumer's bills.

Notwithstanding the foregoing, Grantee shall also pay all property taxes, transaction privilege (sales) taxes, business license taxes, use taxes, special assessments, user, and permit fees established and levied by the Town authorized by Arizona statutes without any offset or deduction for franchise fees paid to the Town.

Anything to the contrary herein notwithstanding, said payments shall continue only so long as Grantee is not prohibited from making the same by any lawful authority having jurisdiction in the premises, and if any such authority hereafter prohibits said payments, the obligations to make such payments herein-above provided shall forthwith cease.

Section 9.

All pipes and appurtenances installed or constructed pursuant to this franchise shall be so located or relocated and so erected as to minimize to the extent reasonably possible, interference with traffic, or other authorized uses over, under or through the public roads. Those phases of construction of Grantee's facilities relating to traffic control, backfilling, compaction and paving, as well as the location or relocation of pipes and appurtenances in public roads shall be discussed with Town

upon request. Upon completion of new or relocation construction of pipes and appurtenances in public roads, Grantee shall, upon request or direction from Town, provide the Director of Public Works or Town Council with corrected drawings showing the actual location of the pipes and appurtenances in those cases where the actual location differs significantly from, the proposed location.

A. Relocation Within Private Easements.

If Town requires Grantee's pipes and appurtenances located in private easements obtained by Grantee or its predecessor prior to Town's acquisition of said property to be relocated, the entire cost of relocation of Grantee's facilities (including the cost of purchasing a new private easement if necessary) shall be borne by Town. Town shall also bear the entire cost of all subsequent relocations of the relocated facilities required by Town (including the cost of purchasing a new private easement if necessary). If Town requires Grantee's facilities located in a private easement to be relocated within the public right-of-way, and no replacement private easement can be acquired, Grantee's private easement and all of Grantee's rights thereunder shall be deemed transferred and applicable to Grantee's facilities located to the public right-of-way.

B. Governmental Functions.

Except to the extent covered by the preceding paragraph, Grantee shall bear the entire cost of relocating its pipes and appurtenances located in public roads, the relocation of which is necessary for Town to carry out its governmental functions. Notwithstanding the foregoing, if Grantee is requested to perform work of a temporary nature on a governmental project to relieve construction problems, which could be relieved by other means, the cost of said temporary work shall be borne by Town or the contractor working on the governmental project. Governmental functions are those duties imposed on Town, where the duties involve a general public benefit, not in the nature of a corporate or business undertaking for the corporate benefit and interest of Town. For the purposes of this agreement, Governmental functions shall include the following without limitation:

- Improvements to Town streets, alleys and avenues;
- Installing and maintaining sanitary sewers, storm drains and related facilities; and,
- Constructing and maintaining parks, parking areas, parkways, pedestrian malls, or grass, shrubs, trees and other vegetation for the purpose of landscaping any public road or property.

C. Proprietary Functions.

Town shall bear the entire cost of relocating any of Grantee's pipes and appurtenances, the relocation of which is necessitated by the construction of improvements by or on behalf of Town in furtherance of proprietary function. Functions of Town that are not governmental are proprietary.

D. Upgrade or Improvements to Grantee's Facilities.

If Town participates in the cost of relocating Grantee's pipes and appurtenances for any reason, the cost of such relocation to Town shall not include any upgrade or other improvement of Grantee's pipes and appurtenances beyond what existed prior to relocation.

E. Limitations On Removal.

Town shall not exercise its right to require Grantee to relocate pipes and appurtenances in an unreasonable or arbitrary manner, or to avoid its obligations under this Section. Town shall not require Grantee to relocate any of Grantee's pipes and appurtenances within ten (10) years of the date such facilities were located or relocated within the public roads, without first (i) paying Grantee the cost of relocating the pipes and appurtenances and (ii) providing Grantee adequate space within the public roads to relocate the pipes and appurtenances that must be moved. Grantee and Town agree to cooperate on the location and relocation of pipes and appurtenances in the public roads.

Section 10.

Town shall in no way be liable or responsible for any acts or damage that may occur in the construction, operation or maintenance by Grantee of its pipes and appurtenances hereunder, which could have been avoided by exercise of reasonable care, and the acceptance of this franchise shall be deemed an agreement on the part of Grantee, its successors and assigns, to indemnify, defend, save, and hold harmless the Town for any work included within this Franchise, and its elected or appointed officials, agents, boards, commissions, employees and volunteers (hereinafter referred to as "Indemnitee") from and against any and all suits, claims, demands, actions, liabilities, damages, losses, or expenses of any nature or kind whatsoever, including court costs, attorneys' fees, and costs of claim processing, investigation, litigation (hereinafter collectively referred to as "Claims") for personal injury (including death) or property damage caused, or alleged to the extent caused by the negligence, reckless or willful acts or omissions of Grantee or any of Grantee's directors, officers, agents, employees, or volunteers. This indemnity includes any claims or amount arising or recovered under the Worker's Compensation Laws or arising out of the failure of Grantee to conform to any federal, state or Town law, statute, ordinance, rule, regulation, or court decree. It is the specific intention of the Grantee and Town that the Indemnitee will, in all instances, except for Claims arising to the extent from the negligent, recklessness or willful acts or omissions of the Indemnitee, be indemnified by Grantee from and against any and all Claims for personal injury (including death) or property damage caused, or alleged to be caused in whole or in part, by the negligence or willful acts or omissions of Grantee or any of Grantee's directors, officers, agents, employees, or volunteers. It is agreed that Grantee will be responsible for primary loss, investigation, defense, and judgment costs where this indemnification is applicable. In consideration of receiving this, Grantee agrees to waive all rights of subrogation against the Indemnitee for losses arising from Grantee's activities under this Franchise. Nothing in this provision shall preclude Grantee from seeking contribution from any third party jointly responsible for such damages or Claims. Grantee shall maintain in full force and effect insurance or self-insurance, ordinary and customary, for the term of this Franchise.

Section 11.

The right, privilege and franchise hereby granted may not be transferred in whole or in part by Grantee, its successors and assigns, unless a resolution consenting to such assignment has been adopted by the Mayor and Town Council; provided, however, that the foregoing shall not be deemed to require consent in the case of an assignment made as a security pursuant to a mortgage or deed of trust, or any transfer made in enforcement of rights thereunder, or by action of law, or in the case

of a transfer pursuant to a merger or consolidation with or into another corporation which assumes the obligation of Grantee hereunder. Town shall not unreasonably withhold consent to any transfer Grantee may request pursuant to this section.

Section 12.

This grant is not exclusive, and nothing herein contained shall be construed to prevent Town from granting other like or similar grants or privileges to any other person, firm or corporation or to deny to or lessen the power and privileges granted Town by Sections 9-501 and 9-502, Arizona Revised Statutes and revisions thereto.

Section 13.

To preserve the public health, peace and safety, it is necessary that this Ordinance become immediately operative. It is, therefore, declared to be an emergency measure and shall take effect and become operative from and after its passage by the Town Council, approval by the Mayor, and publication as required, following its submission to the qualified electors of Town as required by law, and its approval by said electors.

Section 14.

All ordinances and parts of ordinances in conflict with the provisions hereof are hereby repealed.

Section 15.

Any notice required or permitted to be given hereunder shall be in writing, unless otherwise expressly permitted or required, and shall be deemed effective either (i) upon hand delivery to the person then holding the office shown on the attention line of the address below, or, if such office is vacant or no longer exists, to a person holding a comparable office, or (ii) on the third business day following its deposit with the United States Postal Service, first class and certified or registered mail, return receipt requested, postage prepaid, addressed as follows:

- A. To Town: Town of Miami
Attn: Town Clerk
500 W. Sullivan St.
Miami, AZ 85122
- B. To Grantee: Arizona Water Company
Attn: President
3805 N Black Canyon Hwy
Phoenix, Arizona 85015

Section 16.

If any section, paragraph, subdivision, clause, phrase or provision of this ordinance shall be adjudged invalid or unconstitutional, the same shall not affect the validity of this Ordinance as a whole or any part of the provisions hereof other than the part so adjudged to be invalid and unconstitutional.

Section 17.

This Franchise is subject to the approval of the electors of Town. Grantee shall pay all of the costs incurred in conducting the franchise election, except that, if one or more additional propositions are presented to the electors at such election, Grantee shall pay only that portion of Town's election expense determined by dividing all of Town's expenses by the number of issues presented on the ballot.

Section 18.

We, the undersigned, have adopted this document on the dates written below in accordance with the results of the Town of Miami election on _____, 2026.

TOWN OF MIAMI, ARIZONA **ARIZONA PUBLIC SERVICE COMPANY,**
An Arizona Corporation

By _____ By _____
Mayor Fredrick K. Schneider, President

On behalf of the Town of Miami On behalf of Arizona Water Company

Date: _____ Date: _____

ATTEST:

Karen Norris, Town Clerk

APPROVED AS TO FORM: **APPROVED AS TO FORM:**

Joseph D. Estes, Town Attorney E. Robert Spear
Vice President and General Counsel

TOWN OF MIAMI

RESOLUTION NO. 1327

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE TOWN OF MIAMI, ARIZONA, DECLARING THAT THE TOWN COUNCIL DEEMS THE GRANTING OF A FRANCHISE WITH ARIZONA WATER COMPANY BENEFICIAL FOR THE TOWN OF MIAMI; CALLING AN ELECTION TO BE HELD ON NOVEMBER 3, 2026 FOR THE PURPOSE OF SUBMITTING TO THE QUALIFIED ELECTORS OF THE TOWN OF MIAMI THE QUESTION AS TO WHETHER OR NOT A FRANCHISE SHALL BE GRANTED TO ARIZONA WATER COMPANY; AUTHORIZING AND DIRECTING THE TOWN CLERK AND TOWN MANAGER TO PUBLISH THE PROPOSED FRANCHISE; SPECIFYING THE PROPOSED BALLOT LANGUAGE; SETTING FORTH THE INFORMATIONAL PAMPHLET DEADLINE AND RELATED MATTERS; ESTABLISHING THE CONDUCT OF ELECTIONS INCLUDING PAYMENT OF ELECTION EXPENDITURES; DESIGNATING VOTING RIGHTS ACT REQUIREMENTS; SETTING FORTH THE VOTER REGISTRATION DEADLINE AND EARLY VOTING DATES; PROVIDING FOR PUBLICATION OF ELECTION NOTICES; DESIGNATING THE ELECTION FORMAT; AND PROVIDING FOR THE CANVASSING OF ELECTION RESULTS.

WHEREAS, the Arizona Constitution, Article XIII, Section 4 and Arizona Revised Statutes § 9-501 authorize the Town of Miami (the "Town") to enter into franchise agreement with a public utility if authorized by a majority vote of the qualified voters at a regular or special election duly and regularly called for that purpose; and

WHEREAS, on March 11, 2003, the qualified elections of the Town of Miami approved a 25-year franchise agreement with Arizona Water Company ("AWC") for installing, maintaining and using water distribution facilities throughout the Town of Miami (the "Town") public rights-of-way; and

WHEREAS, the current franchise expires on March 11, 2028 terminating AWC'S rights to utilize the Town rights-of-way for installing, maintaining and using water distribution facilities; and

WHEREAS, AWC is a public utility that desires to obtain a franchise with the Town in the form attached hereto as Exhibit A; and

WHEREAS, the Mayor and Council of the Town of Miami (the "Town Council") has determined that it will be beneficial to the Town to grant a new franchise to AWC conferring the right to utilize the Town's rights-of-way for installing, maintaining and using water distribution facilities; and

WHEREAS, pursuant to Arizona Constitution, Article XIII, Section 4 and Arizona Revised Statutes § 9-501, a public utility franchise agreement must be approved by a majority of the qualified electors in a primary, general or special election; and

WHEREAS, the Town Council desires to submit to the Miami qualified electors the question of whether the proposed franchise agreement shall be granted to AWC for installing, maintaining and using water distribution facilities in the public rights-of-way.

NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF MIAMI, AS FOLLOWS:

SECTION 1. The recitals above are hereby incorporated as if fully set forth herein.

SECTION 2. Pursuant to Arizona Constitution, Article XIII, Section 4 and Arizona Revised Statutes § 9-501, the Town Council hereby calls an Election to be held in the Town of Miami on November 3, 2026 for the purpose of submitting to the proposed franchise with AWC in the form attached as Exhibit A.

SECTION 3. The Town Clerk and Town Manager are hereby authorized and directed to publish the proposed franchise, Exhibit A, attached hereto, pursuant to Ariz. Rev. Stat. § 9-502©.

SECTION 4. The question of whether the franchise shall be granted to AWC at said Election shall be submitted to the qualified electors of the Town of Miami. The ballot language is substantially in the form set forth in Exhibit B attached hereto (the "Official Ballot") and incorporated herein.

SECTION 5. Notice of the Election of November 3, 2026, shall be given by mailing an Informational Pamphlet to each household that contains a registered voter within the Town not less than thirty-five (35) days before the date of the election.

Pursuant to A.R.S. § 19-141©, the Town hereby sets 5:00 p.m. on Wednesday, August 5, 2026, as the deadline to submit arguments "for" or "against" the proposed franchise agreement. Each argument shall not exceed 300 words in length.

The Town Clerk is hereby authorized and directed to cause the Informational Pamphlet be prepared and so mailed according to the law and the provisions of this Resolution under the circumstances described herein.

SECTION 6. The publication of the call and notice of the Election shall be given, or caused to be given, by the Town Clerk, as provided by law, and as may be deemed necessary and appropriate in the Town Clerk's discretion to advise the public of the elections.

SECTION 7. Gila County registration and voting lists will be used for the Election. The last day for voters to register for the Election is October 5, 2026 (no later than 11:59 p.m.). Early voting with respect to the Election will be permitted in accordance with the provisions of A.R.S. Title 16, Chapter 4, Article 8.

SECTION 8. The election format for the Election shall be a polling place election. A polling place used in the Town of Miami will be the polling place established by Gila County and used for conducting previous elections in the Town of Miami, if available. The polls will be open from 6:00 a.m. until 7:00 p.m. on Election Day. The Election may be consolidated with any other election conducted in the Town on those election dates.

SECTION 9. To comply with the Voting Rights Act of 1965, as amended, the proceedings pertaining to this election will be translated into languages required by law and posted, published, distributed, and/or recorded in each instance where posting, publication, distribution, and/or recording of such proceedings are required, such as this call of election, the notice of election, ballots, the request for arguments, the informational pamphlet, all early voting materials and all instructions relating thereto, including instructions at the polling places.

SECTION 10. The Election will be held, conducted, and canvassed in the manner provided by law, and only persons who are qualified electors

of the Town will vote at the Town elections. Ballots shall be counted by the voting system in use by the Gila County Elections Department for the recordation of the electors' choices as authorized by Arizona law.

SECTION 11. All expenditures as may be necessary to order, notice, hold and administer the Election are hereby authorized, which expenditures shall be paid from current operating funds of the Town of Miami, with such costs for the Election to be reimbursed by AWC as specified in Exhibit A.

SECTION 12. The Gila County election officials will forward the votes cast to the Town Council for canvassing. The Town Council will meet within 20 days after the election date to canvass the returns of the election and to certify the result, as provided by Arizona law.

SECTION 13. The Mayor, the Town Manager, the Town Clerk, and the Town Attorney are hereby authorized and directed to take all steps necessary to carry out the purpose and intent of this Resolution.

PASSED AND ADOPTED BY the Town Council of the Town of Miami, Arizona, this 23rd day of March, 2026.

Gil Madrid

Gil Madrid, Mayor

ATTEST:

Karen Norris

Karen Norris, Town Clerk

APPROVED AS TO FORM:

Joseph Estes

Joseph Estes, Town Attorney

ARGUMENTS FOR AND AGAINST PROPOSITION 423

None.

Proposition 423

**PROPOSED WATER UTILITY FRANCHISE
FOR TOWN OF MIAMI, AZ**

OFFICIAL TITLE

SHALL A FRANCHISE BE GRANTED TO ARIZONA WATER COMPANY, AN ARIZONA CORPORATION, TO INSTALL, MAINTAIN AND OPERATE A WATER DISTRIBUTION SYSTEM IN THE TOWN OF MIAMI, ARIZONA, AND FUTURE ADDITIONS THERETO, IN ACCORDANCE WITH THE AGREEMENT SUBMITTED BY THE MAYOR AND TOWN COUNCIL OF THE TOWN OF MIAMI, ARIZONA, TO THE QUALIFIED ELECTORS OF SAID TOWN?

DESCRIPTIVE TITLE

SHALL THE PROPOSED FRANCHISE FOR A PERIOD OF 25 YEARS BE GRANTED TO ARIZONA WATER COMPANY FOR WATER DISTRIBUTION FACILITIES IN THE TOWN RIGHTS-OF-WAY WITHIN THE TOWN OF MIAMI, ARIZONA?

A "yes" vote shall have the effect of granting a twenty-five (25) year franchise to Arizona Water Company for the use of Town rights-of-way to provide water distribution facilities within the Town of Miami.

YES _____

A "no" vote shall have the effect of not granting a twenty-five (25) year franchise to Arizona Water Company for the use of Town rights-of-way to provide water distribution facilities within the Town of Miami.

NO _____

Town of Miami
500 W. Sullivan Street
Miami, Arizona 85539



PRSRT STD
U.S. POSTAGE
PAID
PHOENIX, AZ
PERMIT #43

OFFICIAL VOTING MATERIALS - ONLY ONE PAMPHLET HAS BEEN MAILED TO EACH HOUSEHOLD CONTAINING A REGISTERED VOTER.
PLEASE MAKE IT AVAILABLE TO ALL REGISTERED VOTERS IN THE HOUSEHOLD.