



File: 2200531

CONSTRUCTION SERVICES AGREEMENT
(Municipal)

This Construction Services Agreement for construction, modification or relocation of SRP irrigation facilities (“Agreement”) is entered into by and between the Salt River Project Agricultural Improvement and Power District (“District”) and Salt River Valley Water Users’ Association (“Association”; collectively, “SRP”) and City of Chandler (“Municipality”) as of this ____ day of ____, 202___. SRP and Municipality may be referred to as “Party” or “Parties.”

RECITALS

- A. SRP manages certain irrigation facilities (the “Facilities”), including certain irrigation facilities owned by the United States of America (“USA”), on behalf of the Association and/or SRP;
- B. Municipality has requested that SRP Facilities be modified or relocated to accommodate certain improvements or other development needs of Municipality’s project known as Ray Road & Dobson Road Improvements;
- C. The Facilities to be modified or relocated in accordance with this Agreement are located at RAY ROAD AND DOBSON ROAD (the “Specified Facilities”);
- D. SRP has prepared plans and specifications for the modification of the Specified Facilities for Municipality’s project (“the Plans”);
- E. SRP is willing to perform such accommodation, in whole or in part, or to permit Municipality to construct such accommodation, in whole or in part, with certain conditions (“Work”); and
- F. After receipt of SRP’s Notice to Proceed, the modifications or relocations, as shown on the Plans, shall be constructed by SRP, as applicable, in accordance with the Plans and this Agreement.

TERMS AND CONDITIONS

THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are acknowledged, the Parties agree as follows:

- 1) Contract Documents. This Agreement incorporates by reference the Plans and the Notice to Proceed, together with all other documents, exhibits, specifications and plans referred to in the Plans or Notice to Proceed (collectively, the “Contract Documents”).



- 2) Municipality's Acknowledgement. Municipality acknowledges that Municipality has received and reviewed the Plans and specifically agrees that the Plans meet all of Municipality's requirements.
- 3) Permits and Licenses. Each party to this Agreement shall obtain all licenses, permits, approvals and other agreements require for such party to perform its obligations under this Agreement.
- 4) Easements and Rights-of-Way. If, in accordance with the Plans, any construction or other work is required to be done outside of SRP's existing right-of-way, as reasonably determined by SRP, Municipality shall provide all necessary land, easements and rights-of-way as required by SRP, for permanent improvements and the construction of the permanent improvements and other work.
- 5) Interpretation of the Plans. Work shall be performed in accordance with SRP's standards for improvements of the Facilities. Any question with respect to the intent or meaning of the Plans shall be determined by SRP, and such determination shall be final and binding upon Municipality.
- 6) Scope of Work. The Construction Bid Summary is attached hereto as **Exhibit A**. SRP shall perform the Work listed on the Construction Bid Summary Section I, and optional Section II, if offered by SRP and selected by the Municipality. Prices quoted below and in the Construction Bid Summary are valid until October 9, 2026. The Work is further detailed in SRP's Plans and specifications, which are attached hereto as **Exhibit B**.
- 7) Options. Municipality shall select one of the options below by checking the appropriate box and initialing acceptance in the appropriate space.

☒ OPTION A - Work that must be performed by SRP, with pipeline construction (if applicable) by Municipality. Municipality shall pay SRP \$1,600,430.00 for inspection, survey, construction engineering, as-built drawings and project supervision, as set forth in Section I of Exhibit A.

Please initial here for acceptance of Option A: _____

☐ OPTION B - Work that must be performed by SRP, and optional pipeline construction by SRP. Municipality shall pay SRP \$_____ as set forth in Sections I and II of Exhibit A.

Please initial here for acceptance of Option B: N/A



- 8) Compensation. Municipality shall pay SRP for the actual cost of Work, including Work performed pursuant to any changes to the Plans. The initial invoice is provided concurrently with this Agreement. If applicable, SRP will provide additional invoices for subsequent changes to the Plan and/or Construction Bid Summary. All invoices are due no later than within one hundred and twenty (120) days after completion of the Work.
- a. Any bills not paid when due shall be delinquent and shall bear interest at the Wall Street Journal Prime Rate, on the date the bill was due plus 2% (Wall Street Journal Prime Rate plus 2%) per annum from the date when the bill was due until the bill is paid (including any accrued interest) is paid in full.
 - b. In the event any portion of any bill is disputed, the disputed amount shall be paid under protest when due and shall be accompanied by a written statement indicating the basis for the protest. If the protest is found to be valid, Municipality shall be refunded any overpayment plus interest, accrued at the rate set forth in Paragraph 8(a), prorated by days from the date payment was credited to Municipality to the date the refund check is mailed.
 - c. Nothing herein shall limit the rights of SRP to use any other available legal remedy to effect collection of said amounts.
 - d. Municipality's payment obligation hereunder shall not be conditioned upon reimbursement to Municipality by any third-party funding source.
 - e. Following Municipality's receipt of invoice for any subsequent changes to the Plans and/or Construction Bid Summary, Municipality shall have five business days to notify SRP in writing of any disputed amount contained in the invoice.
 - f. Municipality's failure to render timely payment in accordance with this paragraph shall be considered a material breach of this Agreement.
- 9) Construction of Improvements by SRP. SRP shall construct the irrigation modifications as selected in Paragraph 7, in accordance with the Plans and the Notice to Proceed for the benefit of Municipality with Municipality paying full cost, as provided in Paragraph 8. SRP shall exercise diligence in completing the work stipulated in this Agreement; however, SRP shall not be liable for damages to any person, entity or party occasioned by delays of any type. SRP reserves the right to fulfill all or any part of SRP's obligations under this Agreement by subcontract. Nothing herein shall be construed as establishing any contractual relationship between SRP's subcontractor and Municipality.



- 10) Construction of Improvements by Municipality. If Option A in Paragraph 7 is selected, Municipality shall construct modifications (except any work that must be performed by SRP) in accordance with the Contract Documents. Grade and alignment of the pipe shall be established by SRP's Survey Department, as shown on the Plans. Municipality shall be responsible for protection of all surveying stakes/markers necessary for the construction and the cost for resurveys or re-staking, if needed.
- 11) Buy America Provision. Municipality certifies that by performing the Work, SRP is not acting as a contractor for Municipality and that no federal funding subject to Buy America requirements will be used to reimburse SRP for the actual costs it incurs in performing the Work.

OR

Municipality shall inform SRP prior to commencement of the Work if the Work is subject to Buy America requirements. In such case, the Parties shall comply with these requirements as follows:

- a. The Parties acknowledge that utility relocations in connection with Federal-aid highway program (FAHP) funded projects, as defined by the National Environmental Protection Act, are subject to 23 U.S.C. § 313; 23 C.F.R. § 635.410; and, as applicable, Section 70914 of the Infrastructure Investment and Jobs Act, Pub. L. 117-58 ("Buy America requirements").
- b. SRP agrees to use commercially reasonable efforts to comply with applicable Buy America requirements.
- c. If SRP is unclear regarding its obligations under this provision, SRP may seek clarification from Municipality by giving Municipality written notice of inquiry as soon as reasonably practicable after discovery of the issue. Such requests are limited to only (i) the items SRP cannot find a source to make a qualifying Buy America purchase, (ii) items that SRP can find a source to make a qualifying Buy America purchase, but the lead time for such purchase may unreasonably impact the Project Schedule, and (iii) SRP is unable in good faith to determine whether the Buy America requirements apply to a particular item. Municipality will respond to the inquiry in writing within 5 working days. Municipality's response will include Municipality's recommendation to SRP on how to proceed, but Municipality will not direct SRP's activities. SRP shall not be responsible for delays in performance to the extent caused by Municipality recommendations or delays in Municipality providing such recommendations.
- d. As soon as practicable following the execution of this Agreement, SRP will provide to Municipality a list of materials that do not comply with Buy America and an estimated cost of purchasing such materials. Municipality will acknowledge



receipt of this statement but will not make judgment as to the validity of the statement.

e. Municipality agrees, if it is determined that materials used are not in compliance with Buy America requirements, the maximum SRP liability will be no more than 150 percent of the price attributable to the materials that are not in compliance with Buy America requirements; provided, however, that if SRP has sought clarification of the material requirement under the provisions of Paragraph (b) above, and has followed Municipality's written recommendations, SRP shall have no liability.

f. Municipality understands that SRP's compliance with the Buy America Act may result in longer lead times for ordering materials, vendor-prescribed minimum purchase quantities, and higher material costs. SRP will pass on to Municipality any additional costs it incurs as a result of SRP's compliance with the Buy America Act, and SRP will not be liable for schedule delays caused by longer lead times. If there is a minimum purchase quantity requirement, SRP shall deliver and transfer title to excess materials to Municipality at agreed locations within the Phoenix metropolitan area at no additional cost to Municipality.

g. SRP shall not be responsible for delays caused by changes in the Project Design made by or at the direction of Municipality.

- 12) **Indemnification.** Municipality shall indemnify, hold harmless, release and defend District and Association and USA and each and every one of the members of their respective governing bodies, officers, agents, and employees ("Indemnified Parties") from and against any and all claims, demands, suits, costs of defense, reasonable attorneys' fees, witness fees of any type, losses, damages, expenses, fines, penalties, liabilities, environmental response, and cleanup costs (collectively, "Losses") for injury to or death of any person or persons, including employees of SRP or of Municipality or its subcontractors, or damage to property, including property of SRP or of Municipality or its subcontractors, or the environment, to which the Indemnified Parties may be put or subjected by reason of any act or omission on the part of Municipality, any subcontractor or supplier of Municipality, or any of the directors, officers, partners, members, managers, agents, servants or employees of Municipality, or of its subcontractors or suppliers, involving hazardous or regulated substances. Municipality's obligations under this Paragraph shall extend to Losses resulting from or arising out of the inability of any irrigation structure constructed or modified pursuant to this Agreement to contain or dispose of water entering the structure from a drainage facility owned, designed, maintained or operated by the Municipality, including any necessary environmental response and cleanup. Municipality's obligations under this Paragraph shall also extend to Losses resulting from or arising out of: (a) Municipality's use or occupancy of the Licensed Property for the purposes contemplated by this License, including claims by third parties who are invited or permitted onto the Licensed Property by Municipality or by the nature of Municipality's improvement or other use of the Licensed Property pursuant to this License, especially involving hazardous or regulated substances; (b) Municipality's



failure to comply with or fulfill its obligations established by this License or by law, including environmental laws and regulations; and (c) delays in permitting or inspection caused by Municipality, SRP, the Association, or the United States, including those related to environmental compliance. Furthermore, Municipality's obligations under this Paragraph shall extend to the Indemnified Parties where they, or any one of them, are allegedly concurrently negligent with Municipality, any subcontractor or supplier of Municipality, or any of the directors, officers, partners, members, managers, agents, servants or employees of Municipality, or of its subcontractors or suppliers, in causing or contributing to the liability causing event, including environmental contamination. Municipality shall also indemnify and hold harmless (and, upon notice so requiring from SRP, also defend) the Indemnified Parties for, from and against any and all Losses for contractual claims arising out of Municipality's agreements with third parties, including those involving hazardous or regulated substances. Further, Municipality releases SRP, the Association, and the United States from and waives any claims it may have, now or in the future, related to SRP's performance hereunder or SRP's operation and maintenance of its Facilities, including claims for damages caused by delays in permitting or inspection, unless such claim results from SRP's sole, exclusive negligence or willful action. Municipality understands and agrees that Municipality enters upon the property of SRP at Municipality's own risk. The obligations of Municipality under this Paragraph, including the release of claims for damages caused by delays in permitting or inspection and the responsibility for environmental response and cleanup, shall survive the termination of this License.

13) Municipality Obligations and Conditions. If Option A in Paragraph 7 is selected, Municipality shall perform any Work not included in the Construction Bid Summary Section I and, if applicable, optional Section II and comply with following conditions:

- a. Municipality shall obtain such other licenses, permits, and agreements as required by any governing bodies having jurisdiction over the location which is the subject hereof.
- b. Construction shall not commence until receipt of SRP's Notice to Proceed.
- c. Municipality shall notify the SRP inspector and request a dry-up if necessary to perform the Work. SRP cannot assure a dry-up, which may only be possible for brief periods and certain times of the year.
- d. Municipality represents and warrants that:
 - i. All pipe used in the modification shall be manufactured and installed in accordance with SRP's "Specification for Pre-Cast Concrete pipe."
 - ii. Municipality is qualified, fully authorized under law and has all licenses required by statute, rules and regulations, including tax licenses, contractor's licenses and out-of-state contractor's



taxpayers' bonds and certificates, to perform the irrigation construction undertaken pursuant to the Contract Documents or shall contract with parties so qualified and licensed, and Municipality shall include applicable termination and compliance provisions from this Agreement in any subcontract or third party contract entered under this authorization.

- iii. Municipality shall comply with applicable federal, state, tribal and local laws, rules, regulations, executive orders, permits, [reclamation policies and standards](#), and other authorizations.
 - iv. The irrigation facilities shall be installed in conformance with all applicable safety standards and regulations and in a manner to avoid the creation of potentially dangerous conditions and harm to any person or property.
- e. Municipality warrants that construction shall conform to SRP plans and specifications and be free from defects in material, title and workmanship. If defect in materials, title or workmanship or other non-conformance with plans and specifications appears within one year from the date of SRP acceptance, and SRP so notifies Municipality within a reasonable time after its discovery, Municipality shall correct the non-conformity at Municipality's sole cost and expense within thirty (30) calendar days of notice by SRP, unless correction of the non-conformity cannot reasonably be accomplished within 30 days, in which case Municipality shall commence correction efforts within 15 days of notice from SRP and diligently prosecute such efforts to completion. If Municipality fails to correct the non-conformity within the time period specified by SRP, SRP may correct the non-conformity, and Municipality will pay for the cost of performing the Work.
- f. In the event the Municipality is unable to complete its Work, SRP shall have the right, but not be obligated, to complete the Work by whatever method SRP deems appropriate. This includes providing or obtaining any labor, materials or equipment to perform any part of the incomplete Work or Work that must be redone. The cost of completing the Work, along with reasonable administrative charges or other damages caused by delays in completing the Work shall be charged to Municipality.
- g. If Municipality performs any work at the Specified Facility, Municipality shall at all times keep the work area clean and remove all waste materials and rubbish, leaving the work area clear of all obstructions. Prior to discontinuing work in an area, Municipality shall remove all tools and machinery owned or rented by Municipality, waste, surplus and other materials from the work area and shall leave the premises in a safe and clean condition. Municipality shall dispose of refuse from the site in a landfill approved by SRP. If Municipality fails to leave the premises in a safe and



clean condition, SRP may implement appropriate cleanup measures and invoice Municipality for the costs thereof.

- h. If Municipality performs any work at the Specified Facility, Municipality shall furnish a Material Safety Data Sheet as required by law in a format that complies with federal and state OSHA regulations.

14) Preconstruction Conference and Construction Clearance. If Option A in Paragraph 7 is selected, SRP will notify Municipality that SRP is ready to issue the Notice to Proceed, and Municipality or Municipality's Contractor shall contact SRP's Inspector, as indicated on the Plans, to schedule a preconstruction conference. Both Municipality and Municipality's Contractor shall attend the preconstruction conference at the time and location determined by SRP. The Notice to Proceed and a copy of the Plans shall be provided to the Municipality. Municipality's construction schedule, dry-up requirements, survey and staking requirements, and SRP's requirements for obtaining a construction clearance will be discussed at the preconstruction conference. Municipality understands and agrees that a dry-up of SRP facilities may take several weeks to schedule and may be impractical during certain times of the year. It is Municipality's responsibility to contact SRP's Inspector sufficiently in advance of beginning construction to coordinate a dry-up. Municipality agrees to indemnify and hold harmless SRP for any delay claims associated with the availability of dry-ups. Municipality's contractor shall obtain a construction clearance from SRP's Inspector at least seventy-two (72) hours before start of construction. Municipality understands that SRP cannot assure a dry-up of the Facilities.

15) Archaeological Resource Protection. If an archaeological site is discovered during Municipality's performance of any work at the Specified Facility, Municipality shall stop work immediately, protect the discovery, inform SRP of the discovery in writing within forty-eight (48) hours, and shall not resume Work until receiving SRP's written approval. Municipality shall, consistent with SRP's policy, cooperate in performing archaeological mitigation measures. Any mitigation measures that result in additional costs to SRP shall be added to the amount specified in Paragraph 7 as due from Municipality. Municipality shall make reasonable efforts to prevent the collection of artifacts on or near the Specified Facility.

16) Changes. Changes to the Plans may only be made by SRP. SRP may make changes to Plans as it deems reasonably necessary. SRP may also request that Municipality adjust construction schedules or relocate its materials, Facilities, or improvements at Municipality's cost to avoid material interference with SRP's operations. SRP shall provide Municipality with prior written notice of any changes in costs and/or the construction schedule. Municipality shall agree in writing to any changes in cost to the Municipality.

- a. If Option A in Paragraph 7 is selected, Municipality shall not make any deviations from the Plans without SRP's prior written consent. If Municipality desires to make a change in its Work, Municipality shall



request in writing, permission for such change from SRP. If SRP agrees to the change and the change results in increased construction costs or changes in the construction schedule, Municipality and SRP shall agree in writing to an adjusted price or new completion date.

- b. If, while performing the work, SRP encounters unanticipated conditions that result in increased costs or delays, or if changes are necessary due to conditions caused by or as a result of actions taken or failed to be taken by Municipality that result in increased costs, Municipality shall be responsible for such costs. Time permitting, and if the scope of work is known and can be estimated, SRP will submit an estimate of the cost for the work by SRP associated with any such condition to Municipality. If time does not allow for an estimate to be prepared, or if the scope of work is unknown and cannot be estimated, Municipality's authorized field representative will be notified, and SRP will do the work on an actual cost basis.

17) Damages to Facilities. If Option A in Paragraph 7 is selected, and if any Facilities are damaged by Municipality or Municipality's contractor or subcontractor of any tier, Municipality, at Municipality's expense, shall immediately repair the facilities to SRP's satisfaction. SRP reserves the right, depending on the nature and extent of damage, to make such repairs without prior notice to Municipality and invoice Municipality for all associated costs incurred by SRP. Municipality shall pay all such invoices immediately upon receipt.

18) Completion of Work. When Work is completed, the improvements shall, upon the request of either party, be inspected by Municipality's representative and SRP's representative and, if applicable, certified as complete and acceptable by both parties.

19) Removal of Improvements. If Option A in Paragraph 7 is selected, and if SRP determines that Municipality's improvements do not comply with the Plans or interfere with existing or future Facilities or electric facilities, Municipality shall remove, at Municipality's sole cost and expense, within 90 days, or as otherwise specified by written notice from SRP, any improvements or installation Municipality or Municipality's contractor placed on SRP's right-of-way, and restore or replace, wholly or in part as determined by SRP, the irrigation facilities to SRP's satisfaction. If SRP determines that the irrigation facilities must be restored immediately for operational purposes, or if Municipality fails to take the required action(s) to SRP's satisfaction within the time period specified in the notice, SRP may remove the installations from SRP's right-of-way and restore and replace the irrigation facilities to SRP's desired operational condition. All costs and expense incurred (as solely and conclusively determined by SRP) in such removal, construction or restoration shall be paid by Municipality to SRP within ten (10) days after receipt of an invoice. Municipality hereby releases the USA and SRP from any and all claims for damages that may result to Municipality or others by reason of such removal, construction or restoration.



- 20) Title to Improvements. If Option A in Paragraph 7 is selected, and upon SRP's acceptance of the work, all improvements by Municipality shall become the sole property of SRP. Nothing herein shall be conveyed as conveying any title or interest to any person other than SRP. Municipality shall ensure that no liens attach to any portion of the facilities as a result of Municipality's modifications. If any such lien arises, Municipality shall, promptly on demand of SRP and at Municipality's expense, take any and all action necessary to cause such lien to be released or discharged. If Municipality fails to cause such lien to be released or discharged within five days after SRP's demand, SRP may satisfy the amount of the lien and invoice Municipality for all amounts (including SRP's costs and expenses) incurred by SRP in satisfying the lien. Any such amounts invoiced to Municipality shall be payable in accordance with the terms of Paragraph 8 of this Agreement.
- 21) Non-Performance. Absent extraordinary circumstances, if Municipality has not initiated construction within one year after the date of execution of this Agreement, this may be treated as abandonment, and SRP may terminate this Agreement. If Municipality wishes to proceed with construction at a later date, Municipality shall apply for a new agreement and Notice to Proceed. In the event construction has been initiated but not completed at the end of one year from the execution of this Agreement, or at the end of the time limits in a Temporary Irrigation Outage, and SRP determines that the Specified Facility must be partially or completely restored for operational purposes, SRP may take action as described in Paragraph 19 herein. In addition, SRP may terminate this Agreement.
- 22) Time of Essence. Time is of the essence of this Agreement.
- 23) Termination.
- a. Prior to the commencement of any construction, Municipality may terminate this Agreement by giving SRP no less than seven days' written notice.
 - b. Prior to the commencement of any construction, SRP may terminate this Agreement (i) if Municipality fails to comply with terms of payment stipulated in the Contract Documents; (ii) if Customer fails to provide adequate rights-of-way as may be required by SRP; or (iii) in the event climatic conditions or irrigation demands require cancellation of the type of work involved for a period of time. SRP shall give Municipality seven days' written notice of termination when practicable. In the event of termination for climatic conditions or irrigation demands, Municipality shall have the right to enter into an agreement with SRP upon the same terms and conditions as this Agreement, if within 90 days after the date of termination SRP determines that work can again be undertaken and gives notice to Municipality; provided Municipality must exercise such right to a



new agreement within seven days after the Municipality receives notification of such right from SRP.

- c. SRP may terminate this Agreement at any time if SRP determines that Municipality or its contractors, agents or representatives have committed a violation of any law, rule or regulation, including OSHA or other applicable safety regulations, and Municipality shall pay any costs of removal of removal of facilities or restoration of SRP's facilities.
- d. After the commencement of construction, either Party or the USA may terminate this Agreement by providing no less than thirty (30) days' written notice to the other Parties. In the event the Municipality desires to terminate this Agreement prior to the completion of SRP's work, Municipality shall reimburse SRP for the actual costs incurred as well as reasonable costs required to restore the facilities of SRP, the USA or the Association.
- e. SRP may terminate this Agreement by written notice to Municipality if Municipality fails to cure any default under this Agreement within one hundred twenty (120) days after Municipality's receipt of SRP's written notice specifying such default.

24) Insurance. Municipality shall maintain its customary insurance coverage, through its self-insurance program and/or supplementary contracts of insurance it deems necessary.

25) No Waiver. The failure of SRP to insist upon strict performance of any of the terms and conditions hereof, or its delay or failure to exercise any rights or remedies provided herein by law, or its failure to properly notify Municipality in the event of breach, shall not release Municipality from any of the obligations of this Agreement and shall not be deemed a waiver of any rights of SRP to insist upon strict performance hereof.

26) Transactional Conflict of Interest. This Agreement is subject to the provisions of ARIZ. REV. STAT. § 38-511. In addition, no member of Congress shall receive any share of or benefit from this Agreement.

27) Expenditures and Transfer of Monies. This Agreement is subject to the provisions of ARIZ. REV. STAT. § 42-17106.

28) Notices:

If to Municipality:
 City of Chandler
 Mr. Ivan Magana
 P. O. Box 4008
 Chandler, AZ 85244-4008



If to SRP:

SRP

Attn: Christian Andrews, Manager

Water Engineering and Transmission, MS SSW 303

P.O. Box 52025

Phoenix, Arizona 85072-2025

- 29) Binding Agreement. This Agreement is binding upon the Parties hereto, and their respective successors and assigns.
- 30) Data Protection. All data, regardless of form, including originals, images and reproductions, prepared by, obtained by, or transmitted to SRP in connection with this Agreement is confidential, proprietary information owned by the Municipality. Except as specifically provided in this Agreement, SRP shall not disclose data generated in the performance of the services to any third person without the prior written consent of the Municipality, or its designee.
- 31) Force Majeure. No Party shall be considered to be in default in the performance of any of its nonpayment obligations hereunder if failure of performance is due to an uncontrollable force; provided, however, that payment obligations shall not be excused by force majeure. The term “uncontrollable force” shall mean any cause beyond the control of the Party affected, including but not limited to failure of facilities, flood, earthquake, tornado, storm, fire, lightning, pandemic, epidemic, war, riot, civil disturbance or disobedience, labor dispute, action or nonaction by or failure to obtain the necessary authorizations or approvals from any governmental agency or authority or the electorate, labor or material shortage, unusual delays in delivery, supply interruptions, delay attributable to the actions of any governmental or regulatory agency having jurisdiction over the project, sabotage, restraint by Court order or public authority, or any other factor beyond the reasonable control of a Party, and which by the exercise of commercially reasonable due diligence such Party shall be unable to overcome. Nothing herein shall be construed so as to require either Party to settle any strike or labor dispute in which it is involved. Either Party rendered unable to fulfill any nonpayment obligation hereunder by reason of an uncontrollable force shall exercise due diligence to remove such inability and shall remedy such affected obligations within a reasonable time after the uncontrollable force ceases to exist.
- 32) Governing Law and Venue. The Contract Documents shall be governed by and construed in accordance with the laws of the State of Arizona, without regard to conflict of law principles. SRP and Municipality agree that any action, suit or proceeding arising out of or relating to the Contract Documents shall be initiated and prosecuted in a federal or state court of competent jurisdiction located in Maricopa County, Arizona, and the parties irrevocably submit to the jurisdiction and venue of such court.



- 33) Waiver of Jury Trial. In the event of a dispute involving the terms of this Agreement or an allegation of material breach by either Party, the Parties reserve all rights and remedies, arising by law or equity, but shall waive any right to demand a trial by jury in an action commenced in court with respect to any legal proceeding arising out of or relating to this Agreement.
- 34) Attorney's Fees. Should either party sue to enforce its rights herein, the prevailing party to litigation shall be entitled to reimbursement from the other party of its reasonable attorney's fees and litigation costs and expenses, including witness fees of any kind, in an amount to be determined by the court, by arbitration if required by the court, or by agreement between the parties.
- 35) Complete Agreement. This Agreement (encompassing all Contract Documents referenced herein) represents the entire agreement of the Parties and supersedes all negotiations, representations, prior discussions or preliminary agreements between the Parties. No statements, warranties or representations of any kind not created in this Agreement shall in any way bind the Parties. This Agreement can only be changed or modified by a writing signed by all of the Parties hereto.
- 36) Amendment. The Contract Documents may not be amended except by a written instrument executed by each party to this Agreement.
- 37) Severability. No term or provision of this Agreement that is determined by a court of competent jurisdiction to be invalid or unenforceable shall affect the validity or enforceability of the remaining terms and provisions of this Agreement. Any term found to be invalid or unenforceable shall be deemed as severable from the remainder of the Agreement.
- 38) No Joint Venture, Partnership or Business Association. This Agreement is not intended to constitute, create, give rise to, or otherwise recognize a joint venture, partnership or formal business association or organization of any kind, and the rights and obligations of the Parties shall be only those expressly set forth in this Agreement. The Parties agree that no individual performing under this Agreement on behalf of SRP will be considered a Municipality employee, and that no rights of Municipality civil service, Municipality retirement or Municipality personnel rules shall accrue to such individual. SRP shall have total responsibility for all salaries, wages, bonuses, retirement, withholdings, workers' compensation, other employee benefits, and all taxes and premiums appurtenant thereto concerning such individuals and shall save and hold harmless the Municipality with respect thereto.
- 39) Parties' Compliance. Each Party shall comply with all existing and subsequently enacted federal, state and local laws, ordinances, codes, and regulations that are, or become applicable to this Agreement.
- 40) Rights of the United States. This Agreement is subordinate to the rights and regulatory authority of the United States, federal reclamation law, and existing or



future agreements governing management of the reclamation project. If a subsequently enacted law imposes substantial additional costs on SRP, a request for an amendment may be submitted.

- 41) No Assignment. Neither SRP nor Municipality shall have the right to assign any rights or interest created herein without the prior written approval of the other Party, except that SRP may assign its interest in the Property and associated facilities to an affiliate or successor-in-interest without consent of Municipality. Any unauthorized assignment shall void this Agreement.

IN WITNESS HEREOF, each Party has caused the execution of this Agreement by the undersigned, who is vested with authority to bind such Party to the terms and conditions herein.

“SRP”
Salt River Valley Project Agricultural
Improvement and Power District and
Salt River Valley Water Users’
Association:

“Municipality”
City of Chandler, an Arizona
municipal corporation:

A handwritten signature in blue ink that reads "Christa McJunkin".

Christa McJunkin
Sr. Director
Water Supply & System

Municipality Representative

08/11/2026

Date Signed

Title of Representative

Date Signed



EXHIBIT A

Construction Bid Summary

SRP # 2200531
Ray Road and Dobson Road Improvements
Ray Road and Dobson Road Chandler

8/10/2026

SECTION I - Items by SRP

Item	Item Description	Unit	Quantity	Unit Bid	Net Bid
1.	Construction Engineering - Survey, Inspection, & AsBuils	LS	1	26,240	26,240
1.	60" CIPL	LF	734	1119	821,651
2.	48" CIPL	LF	155	896	138,808
3.	30" CIPL	LF	189	560	105,785
4.	24" CIPL	LF	178	448	79,702
5.	Remove and Replace Manhole tops	EA	2	109970	219,940
6.	Install Manhole	EA	1	139764	139,764
7.	Restore Sidewalk	LF	60	1142	68,540

SECTION I TOTALS

\$1,600,430

Summary:

SECTION I - Items by SRP \$1,600,430
NET BID = \$1,600,430

NOTES:

1. Items listed in this Const. Bid Summary constitute a total bid which valid for 60 days and expires on: **October 9, 2026**
2. All utility conflicts must be resolved and completed prior to the arrival of SRP Construction forces.
3. Items, Restorations, and/or services not specifically listed in the details and quantities above are excluded.
4. This Construction Estimate Bid Summary was prepared by SRP Water Construction.



Delivering water and power™

EXHIBIT B

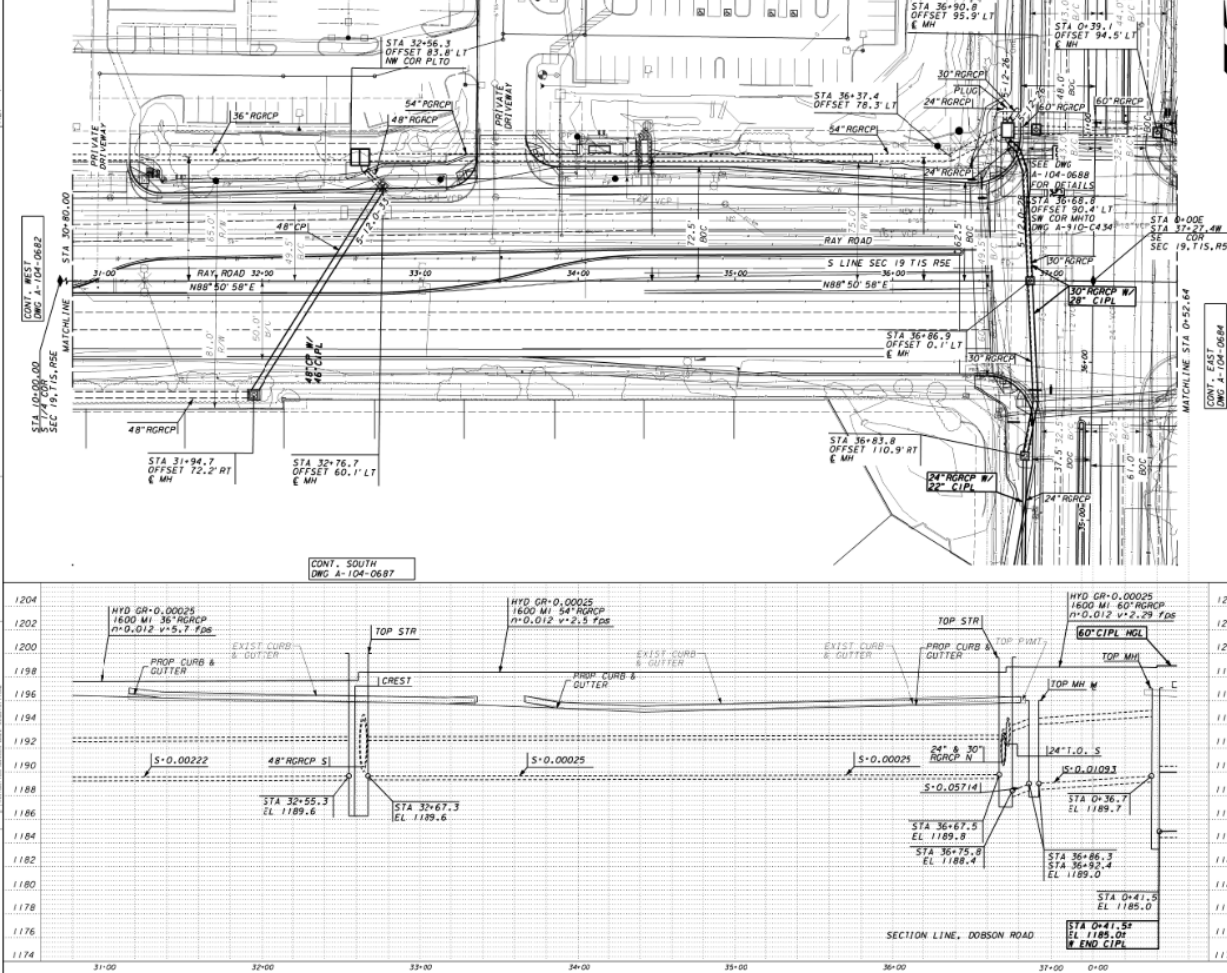
Plans

WATER ENGINEERING		SALT RIVER PROJECT IRRIGATION IMPROVEMENTS SRP ENGINEERING FILE NO. 2200531 RAY ROAD & DOBSON ROAD IMPROVEMENTS		PHOENIX, ARIZONA																																			
CUSTOMER: CITY OF CHANDLER, PROJECT MANAGER, IVAN MAGANA TEL. (480) 782-3362 CUSTOMER'S ENGINEER: KIMLEY-HORN AND ASSOCIATES, JULIA HOATH, P.E. TEL. (602) 678-3470		SRP DESIGNER: CARISSA SCHARRER TEL. (602) 236-4607 SRP INSPECTOR: BRIAN JACKSON TEL. (480) 800-7213																																					
LEGEND PLAN SYMBOLS GENERAL NOTES 1. THE CUSTOMER/CONTRACTOR IS RESPONSIBLE TO OBTAIN A PERMIT TO WORK WITHIN PUBLIC RIGHT-OF-WAY AND ASSURE THAT ALL WORK IS PERFORMED IN ACCORDANCE WITH ALL APPLICABLE FEDERAL, STATE, AND LOCAL SAFETY AND ENVIRONMENTAL REGULATIONS. 2. THE WORK SPECIFIED ON THESE PLANS MAY INVOLVE THE USE OF AREAS LOCATED WITHIN SRP RIGHTS-OF-WAY AND ISSUES A PERMIT FOR WORK WITHIN ITS RIGHTS-OF-WAY. IT WILL APPLY ONLY TO WORK WITHIN THE PUBLIC AGENCY RIGHTS-OF-WAY. SUCH PERMIT SHALL NOT APPLY TO WORK WITHIN SRP RIGHTS-OF-WAY (RIGHTS-OF-WAY). 3. THE CONTRACTOR SHALL CONTACT BLUE STAKE AT (602) 236-1000 AND SUBMIT THEIR LOCATION/UTILITIES AS NECESSARY TO LOCATE AND FLAG ALL EXISTING UNDERGROUND UTILITIES BEFORE FIELD CONSTRUCTION BEGINS. 4. THE CUSTOMER'S CONTRACTOR IS REQUIRED TO CALL THE SRP INSPECTOR FOR RECONSTRUCTION CONCERN IN ACCORDANCE WITH THE APPLICABLE SRP LICENSE OR CONSTRUCTION AGREEMENT BEFORE BEGINNING CONSTRUCTION. CLEARANCE AND STARTING CONSTRUCTION CONTRACTORS MUST BE ADVISED BEFORE CONSTRUCTION CAN BEGIN. 5. ALL CONSTRUCTION WATER AND POWER SHALL BE OBTAINED. CONTRACTOR SHALL MAKE ARRANGEMENTS TO PROVIDE AND TRANSPORT WATER TO THE CONSTRUCTION SITE. ALL TEMPORARY FACILITIES SHALL BE REMOVED BEFORE FINAL ACCEPTANCE BY SRP. 6. ANY QUESTIONS RELATIVE TO THE ACCURACY OF THE INFORMATION HEREON MUST BE WRITTEN IMMEDIATELY AND BEFORE COMPLETION OF THE WORK IF ALL SURVEY STAKES AND MAINTAINED CONTACT AS OCCASIONALLY PLACED, SHOULD SUCH STAKES NOT BE PRESENT AND VERIFIED AS TO THEIR ORIGIN. NO CLAIM FOR ADDITIONAL COMPENSATION FOR CORRECTION SHALL BE PRESENTED TO ANY SRP OFFICE. NO SIDE SHALL BE CORRECTED AND PAID FOR BY THE CONTRACTOR. 7. IT SHALL BE THE CONTRACTOR'S RESPONSIBILITY TO VERIFY ALL QUANTITIES AND ANY OTHER ITEM AFFECTING THE BID TO COMPLETE THE WORK SHOWN ON THE PLANS. THE USER OF THE PLANS SHALL BE RESPONSIBLE FOR THE ACCURACY OF THE INFORMATION FURNISHED AS NOTED ABOVE. IT IS THE CONTRACTOR'S RESPONSIBILITY TO NOTIFY ANY SIGNIFICANT DISCREPANCIES BETWEEN THE CONTRACTOR'S ESTIMATED QUANTITIES AND THOSE SHOWN ON THE PLANS. 8. THE CUSTOMER IS RESPONSIBLE FOR CLEARING THE PROPOSED SRP IRRIGATION SYSTEM ALIGNMENT BEFORE SRP CONSTRUCTION BEGINS. CLEARING SHALL INCLUDE REMOVAL OF PLANTING, CLIMBING, GUTTING, SIGNALING, STOPS, UTILITY POLES, STRUCTURES, FENCING AND ANY OTHER EXISTING OBSTACLES. 9. CONTACT SRP CUSTOMER SERVICE AT (602) 236-1000 FOR REQUIREMENTS FOR PROTECTING, LOCATING OR REMOVING SRP POWER LINES. CLEARING SHALL INCLUDE REMOVING POWER LINES AND OTHER ELECTRICAL EQUIPMENT. THE CUSTOMER IS RESPONSIBLE FOR ALL COSTS OF COMPLYING WITH THESE REQUIREMENTS. 10. FOR IRRIGATION OUTAGE INFORMATION, CONTACT THE SRP INSPECTOR. 11. IF THERE ARE CONFLICTS BETWEEN SRP'S PLANS AND SPECIFICATIONS AND LOCAL GOVERNING REQUIREMENTS, THE MOST STRINGENT REQUIREMENT SHALL APPLY, AS DETERMINED BY THE SRP INSPECTOR. 12. ALL TRENCHING SHALL BE DONE IN ACCORDANCE WITH OSHA CONSTRUCTION STANDARDS FOR EXCAVATIONS. 13. BACKFILL TO SPONGE LINE AND UNDER WITH M-30 1/2" SACK CLAM (SRP 500-D-01) MEETING SPECIFICATION SRP 500-001, REMAINING BACKFILL PER SPECIFICATION SRP 500-001 OR MUNICIPAL/TOWN REQUIREMENTS, WHICHEVER IS MORE STRINGENT AND APPROVED BY ENGINEER. 14. ALL DELIVERY STRUCTURES WILL BE INSTALLED BY SRP. CONCRETE SHALL BE A MINIMUM 30 DAYS BEFORE INSTALLATION OF THE STRUCTURE. 15. SRP WILL PROVIDE TURNOUT FOR PRIVATE CONNECTION. CUSTOMER IS RESPONSIBLE FOR DESIGN, CONSTRUCTION, AND CONNECTION OF PRIVATE IRRIGATION FACILITIES. CONNECTION TO SRP TURNOUTS SHALL BE MADE USING 6" SCH 40S (MAG 50S) OR 8" SCH 40S (MAG 50S). JUNCTION BOX AND HEADWALL SHALL BE CONCRETE. 1/2" SACK CLAM SHALL BE USED TO PROTECT TURNOUTS. THE CUSTOMER'S ENGINEER SHALL MAINTAIN REFERENCE STAKES AS REQUIRED FOR THE LOCATION OF SRP IRRIGATION SYSTEM CONSTRUCTION. 16. RECORDING MATERIAL MAG 700 (SRP 00-0118), PLACED PER SPECIFICATION SRP 500-001 AT MINIMUM 90% AND 4" PER 3% MOISTURE CONTENT (ASTM D955). 17. ALL PRECAST CONCRETE PIPE SHALL BE IN ACCORDANCE WITH ASTM C76 CLASS 175 WALL 8 OR WALL 6 UNLESS OTHERWISE NOTED, AND MEET SRP SPECIFICATIONS FOR PRECAST PIPE. 18. ALL EXISTING IRRIGATION FACILITIES OBTAINED BY NEW STANDARDS SHALL BE RECONSTRUCTED TO CURRENT SRP STANDARDS. 19. ALL WORK AND MATERIALS THAT DO NOT CONFORM TO THESE PLANS, SPECIFICATIONS AND SRP LICENSE/CONSTRUCTION AGREEMENTS, ARE SUBJECT TO REMOVAL AND REPLACEMENT AT THE CONTRACTOR'S EXPENSE. 20. ALL DUST AND TRAFFIC CONTROLS REQUIRED BY THE LOCAL AGENCY SHALL BE OBTAINED, COORDINATED, AND MAINTAINED BY THE CONTRACTOR. 21. SRP DOES NOT GUARANTEE THE LOCATION OR ELEVATION OF UTILITIES AND WILL NOT BE RESPONSIBLE FOR THEIR RELOCATION. 22. THE UTILITIES IDENTIFIED ON THE PLANS MAY NOT REPRESENT ALL EXISTING AND/OR CONFLICTING UTILITIES WITHIN THE PROJECT LIMITS. 23. ALL UTILITIES WHICH HAVE BEEN POTHOLED (GENERALLY ALL PIPES OR CONDUITS 7" INCHES OR LARGER IN DIAMETER AND ALL CABLES WITH 25 PAIRS OR GREATER) ARE DESIGNATED IN THE PROFILE LINE. 24. ALL UTILITIES MUST UNDERGO THE PROPOSED SRP PIPELINE AND MAINTAIN A MINIMUM CLEARANCE OF ONE FOOT, UNLESS NOTED OTHERWISE. 25. UTILITIES PARALLEL TO SRP IRRIGATION PIPE ARE REVIEWED ON A CASE-BY-CASE BASIS. LOCATE PARALLEL UTILITY OUTSIDE OF AREA SPREAD LOCATED WORK MAINTAINING IRRIGATION PIPE. TYPICAL EXCAVATION INCLUDES AREA ABOVE AND TO EACH SIDE OF SRP IRRIGATION PIPE. SIDE EXCAVATION IS 4'-0" FROM THE OUTSIDE DIAMETER OF THE SRP IRRIGATION PIPE. 26. LOCATION AND ELEVATION OF ALL BLUE STAKED UTILITIES ARE TO BE FIELD VERIFIED. ALL EXISTING UTILITIES ARE TO BE RELOCATED PRIOR TO SRP PIPE INSTALLATION. CONTACT THE UTILITY COMPANY FOR COST AND SCHEDULE REQUIREMENTS FOR RELOCATION. 27. VERTICAL CONTROLS ARE BASED ON SEA LEVEL DATUM AS DEFINED BY THE BENCHMARK ON EACH PLAN/PROFILE. VERTICAL CONTROLS MAY DIFFER BETWEEN PLAN/PROFILES. CHECK PLANS FOR ELEVATION EQUATIONS. 28. STATIONS SHOWN ON THE PLAN/PROFILE ARE ALONG THE SECTION LINE, UNLESS OTHERWISE NOTED. 29. DIMENSIONS LOCATING IRRIGATION MANHOLES AND DELIVERY STRUCTURES ARE FROM THE SECTION LINE TO THE CENTERLINE OF THE MANHOLE, AND TO THE FACE OF THE DELIVERY STRUCTURE RESPECTIVELY, UNLESS OTHERWISE NOTED. 30. FACILITIES WHICH ARE NOT SPECIFICALLY LOCATED WITH ACTUAL HORIZONTAL AND VERTICAL CONTROLS ARE LOCATED ONLY APPROXIMATELY AND WITH THE BEST AVAILABLE INFORMATION. 31. ALL STARTING CONTROLS SHALL BE LEFT UNDISTURBED. THE CONTRACTOR SHALL CALL THE SRP INSPECTOR TO RELOCATE AND RESET ANY CONTROLS. POINTS THAT HAVE BEEN DESTROYED OR REMOVED SHALL BE RELOCATED AND RESET BY THE CONTRACTOR. IF ANY STAKES ARE DESTROYED OR REMOVED, THEY SHALL BE RELOCATED AND RESET BY THE CONTRACTOR. 32. ELEVATIONS SHOWN FOR IRRIGATION MANHOLES ARE AT THE TOP OF THE PROPOSED SIDEWALK OR FINISHED ROADWAY. THE TOP OF THE MANHOLE SHALL BE STAGED BY THE CUSTOMER'S ENGINEER, AND THE HORIZONTAL OFFSET CHECKED TO VERIFY THAT THE LOCATION IS IN CONFORMANCE WITH THE LATEST REVISIONS TO THE GOVERNING AUTHORITY'S DESIGN. ALL EXISTING SRP IRRIGATION STAKES SHALL BE MAINTAINED UNLESS OTHERWISE NOTED. 33. THE CUSTOMER'S ENGINEER SHALL VERIFY OR RE-ESTABLISH SECTION CORNERS TO BE USED AS THE BASELINE FOR IRRIGATION FACILITIES. ALL EXISTING RIGHT-OF-WAY EASEMENT LINES, SIDEWALKS AND BACK OF CURB SHALL BE STAGED AT PROPOSED SRP MANHOLE AND TURNOUT LOCATIONS. ALL STAKING SHALL BE DONE PRIOR TO SRP STAKING NEW IRRIGATION FACILITIES. THE CUSTOMER'S ENGINEER SHALL MAINTAIN REFERENCE STAKES AS REQUIRED FOR THE LOCATION OF SRP IRRIGATION SYSTEM CONSTRUCTION. PROFILE SYMBOLS KEY PLAN		<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="6" style="text-align: center;">DESIGN FOR CONSTRUCTION</th> </tr> <tr> <th>REV</th> <th>NO.</th> <th>DATE</th> <th>BY</th> <th>CHECKED</th> <th>DATE</th> </tr> </thead> <tbody> <tr> <td>0</td> <td>2200531</td> <td></td> <td>RFR</td> <td>CAS</td> <td>BRM</td> <td>CMA</td> </tr> <tr> <td>1</td> <td></td> <td></td> <td>DFTR</td> <td>DSB</td> <td>ENR</td> <td>DATE</td> </tr> </tbody> </table> SALT RIVER PROJECT WATER ENGINEERING PHOENIX, ARIZONA CONSOLIDATED CANAL LATERAL 12.0 SECTION 19, 20 & 30 T15 R5E <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 10px;"> <tr> <td style="width: 33%;">SCALE: NONE</td> <td style="width: 33%;">TEMPORARY - 2200531FS.DWG</td> <td style="width: 33%;">DATE: 10/18/2023</td> </tr> <tr> <td>CV</td> <td>FS</td> <td>22K34</td> </tr> <tr> <td colspan="2" style="text-align: center;">2200531FS</td> <td style="text-align: center;">1</td> </tr> </table>			DESIGN FOR CONSTRUCTION						REV	NO.	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CV	FS	22K34																																					
2200531FS		1																																					



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REFERENCE ELLS USED:
REF #1: 220053184.DGN
REF #2: 220053184.DGN
REF #4: 220053184.DGN



CONSTRUCTION NOTES

① THE GENERAL NOTES ON THE COVER SHEET INCLUDE ADDITIONAL REQUIREMENTS RELATING TO THIS WORK.

ELEVATION EQUATION:
SRP ELEV PLUS 1.8'
EQUALS DEVELOPERS
DATUM.



BENCHMARK:
BRASS CAP TOP OF
SRP STRUCTURE
STA 32+56.3
ELEVATION = 1200.03

PARTIALLY REDRAWN FROM DWG. A-104-0017
AND A-104-278.1, USING SRP SURVEY 13592011
DESIGN FROM STA 0+41.5+ TO STA 0+52.6

REV	NO.	DATE	BY	CAS	BRN	CMA	DATE
0	2200531						

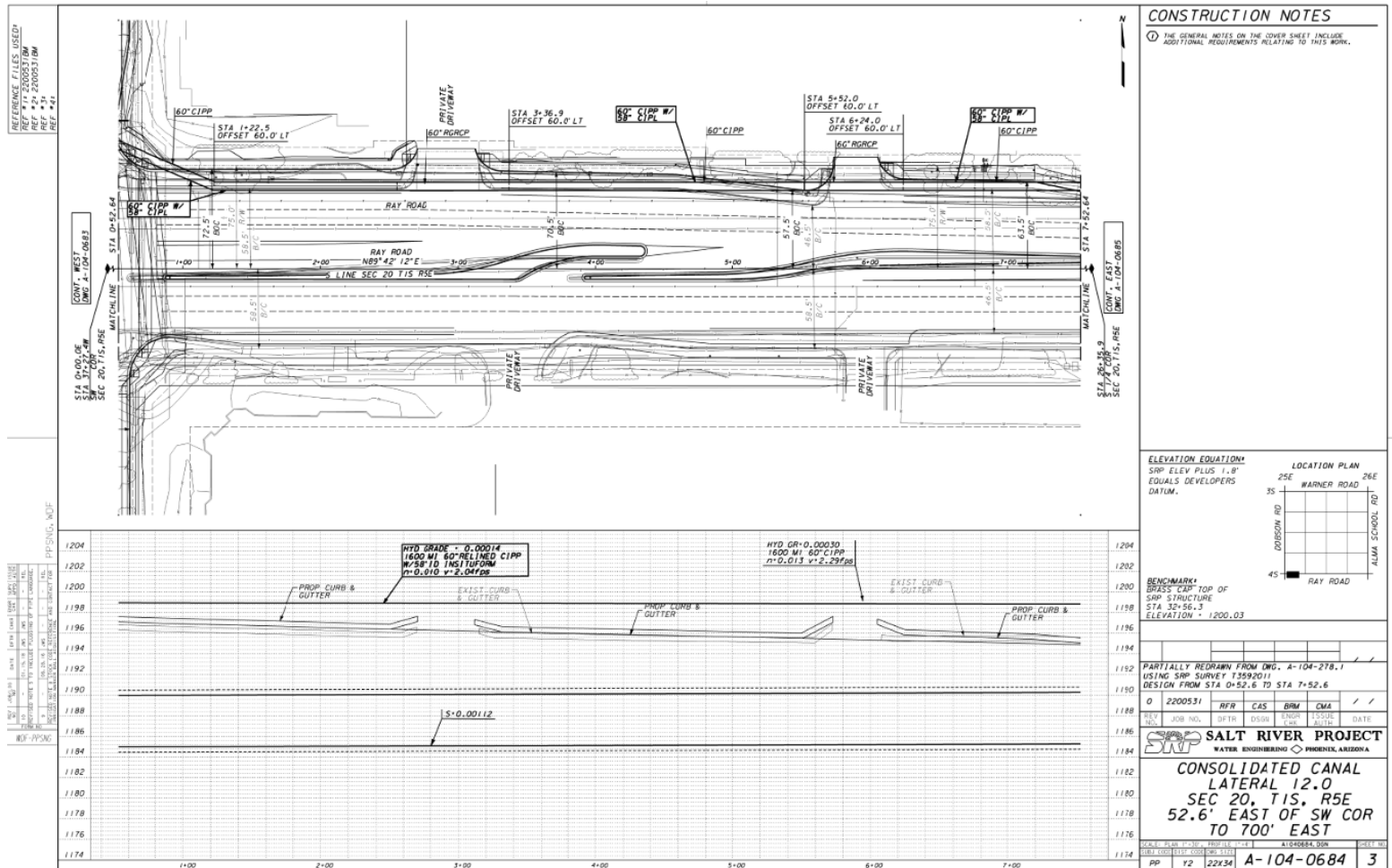
SRP SALT RIVER PROJECT
WATER ENGINEERING PHOENIX, ARIZONA

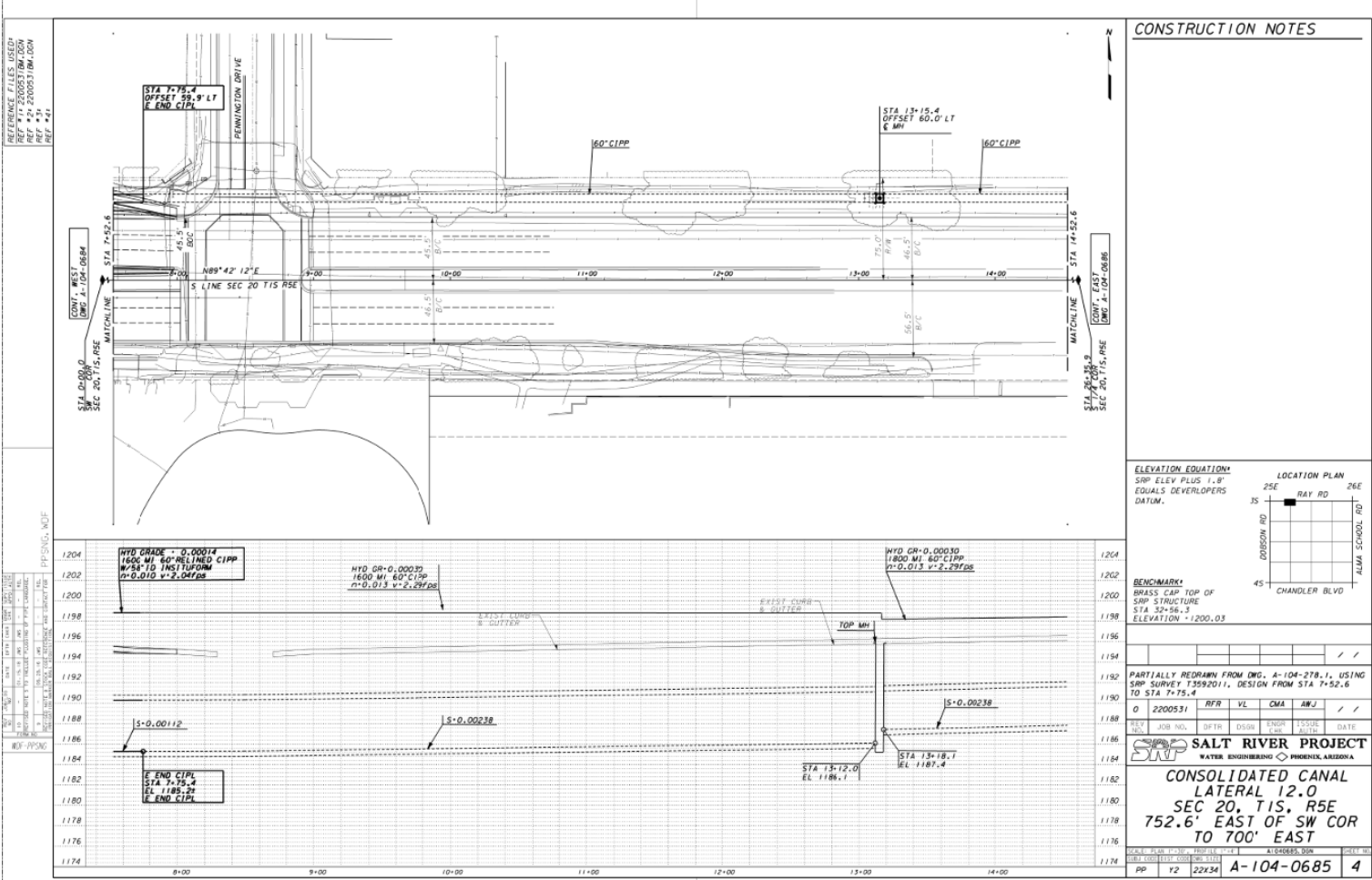
**CONSOLIDATED CANAL
LATERAL 12.0
SEC 19 & 20, T1S, R5E
647.4' WEST OF SE COR
TO 52.6' WEST OF SE COR**

PP	Y2	22X34	A-104-0683	2
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REFERENCE FILES USED:
REF # 1 22005310M-000A
REF # 2 22005310M-000A
REF # 3 22005310M-000A
REF # 4 22005310M-000A

CONSTRUCTION NOTES

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BENCHMARK:
BRASS CAP TOP OF
SRP STRUCTURE
STA 32+56.3
ELEVATION+1200.3

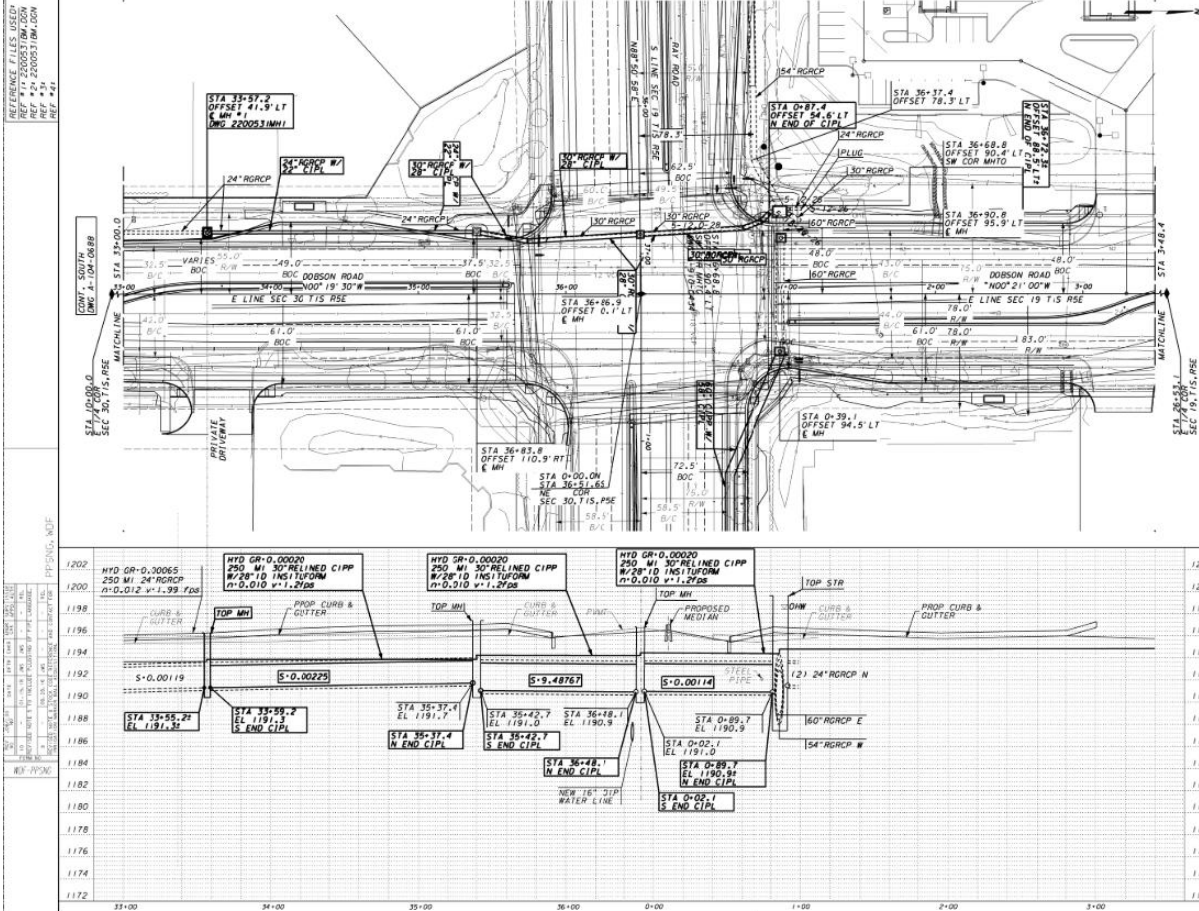
REVISIONS (SEE DWG. 104-0689 AND SRP
CONTRACT, REVISED 1/1/18, FOR FROM STA
33+55.2 TO STA 34+89.7)

0 2200531 RFR CAS BIM CMA / /

SALT RIVER PROJECT
WATER ENGINEERING PHOENIX, ARIZONA

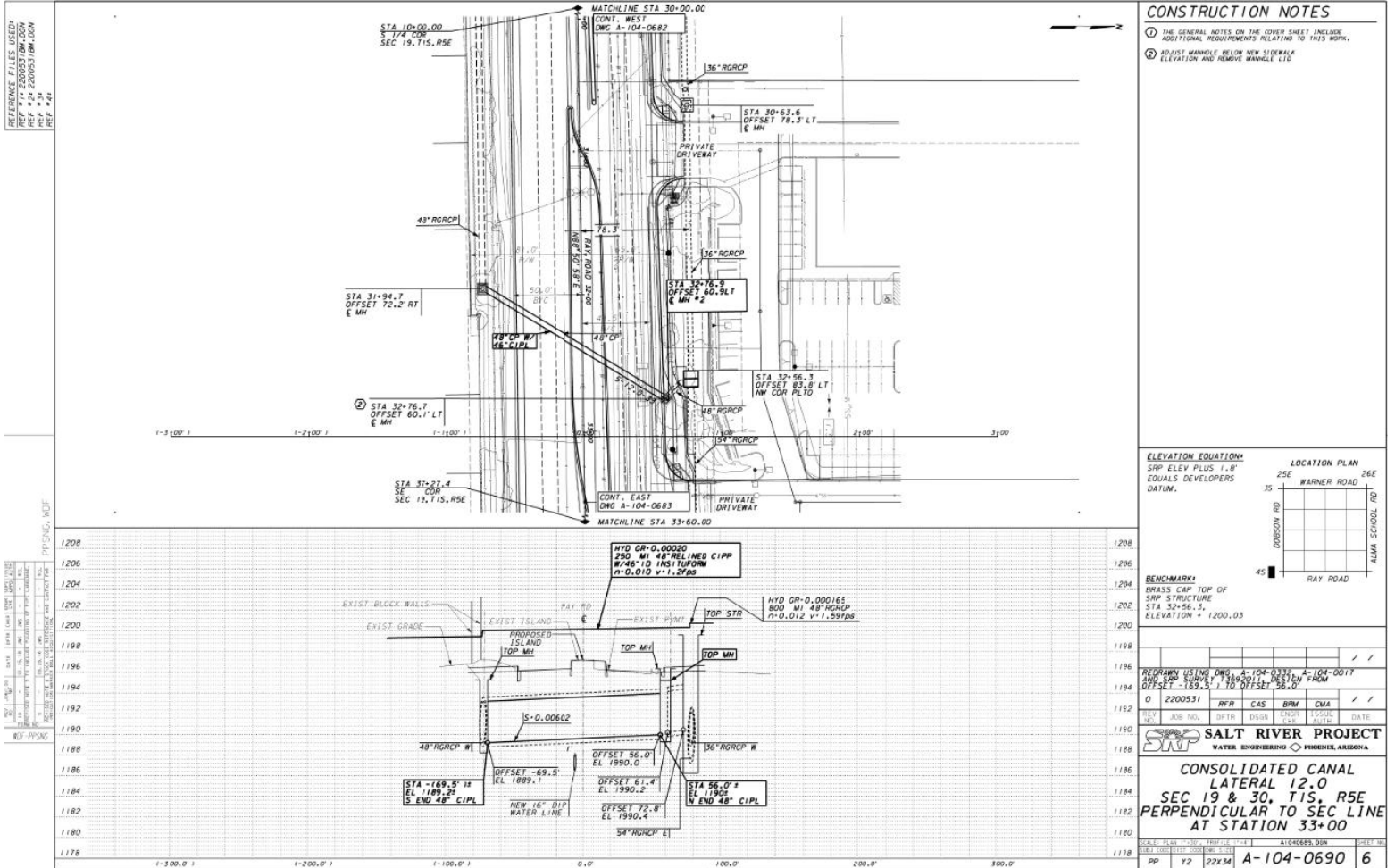
CONSOLIDATED CANAL
LATERAL 12.0
SEC 19 & 30, T1S, R5E
351.6' S OF NE COR
TO 348.4' N OF NE COR

DATE: 10/1/18 BY: JLM FOR: SRP PROJECT NO: 2200531 A-104-0689 5





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[illegible]

City Project No.: **ST2103.507**
City Project Name: **Ray Road and Dobson Road Intersection Improvements**

Council Date: **September 17, 2026**

SRP Project Name: **Ray Road and Dobson Road Intersection Improvements**
SRP File No.: **2200531**
Job Location: **Ray Road and Dobson Road**
Amount: **\$1,600,430**

ADDITIONAL TERMS AND CONDITIONS:

- This Agreement is subject to A.R.S. 38-511

For Customer (City of Chandler):

Mayor Signature: _____ Date: _____

Authorized Signature: Daniel Haskins Date: August 20, 2026
Printed Name: Daniel Haskins, P.E.
Title: CIP City Engineer

Approved as to Form: _____ Date: _____
City Attorney *DHB*

Attest: _____ Date: _____
City Clerk Seal