



Delivering water and power™

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December 10, 2021

SENT VIA U.S. MAIL AND EMAIL:

Kevin Phelps
City Manager
5850 West Glendale Avenue
Glendale, AZ 85301

RE: Design and Construction Agreement to Replace SRP Well 6.0E-13.0N (City of Glendale Well G-15) with New SRP Well 6.0E-13.1N

Dear Kevin:

Enclosed is the Design and Construction Agreement (“DCA”) for the above referenced project for your review and signature. The design and construction process will begin upon receipt of a signed copy of the DCA. The estimated cost of our service is \$807,408. However, upon project completion a final billing reconciliation will result in a bill for actual cost.

This DCA is solely for the replacement drilling of SRP well 6.0E-13.0N, also known as City of Glendale Well G-15. The new SRP well coordinate will be 6.0E-13.1N. A second DCA under separate cover will be issued addressing engineering, design and equipping of the newly drilled well. This DCA includes Exhibit A and Exhibit B. Exhibit A is included to identify the scope of work and list the activities which will be performed by SRP and the City of Glendale. Exhibit B is included to provide the estimated costs associated with the list of activities to be completed by SRP. Items to be built by the City of Glendale are not included in this estimate. Should there be any discrepancy between the DCA and the Water Delivery and Use Agreement (WDLA), the WDLA will take precedence. Exhibit 12.1 defines how the City of Glendale may use the well.

Payment will be due within 30 days of invoicing. SRP will fund the project in advance and seek reimbursement according to mutually agreed payment terms. To initiate the project, please sign the attached agreement authorizing SRP to bill the City of Glendale for the actual costs incurred. Please return one signed copy of the DCA, including Exhibits A and B, to my attention at the address listed above.

We appreciate the opportunity to provide well drilling, design and construction services for our joint project. If you have any questions concerning the agreement please contact Sharon Morris at 602-236-3274 or email at sharon.morris@srpnet.com.

Sincerely,

Bruce L Hallin

Bruce Hallin
Director, Water Supply

BLH/ssm

Enclosures: (1)

DESIGN AND CONSTRUCTION AGREEMENT

This Agreement for construction, modification or relocation of facilities (hereinafter "AGREEMENT"), is entered into by and between the Salt River Valley Water Users' Association (hereinafter "ASSOCIATION"), and City of Glendale (hereinafter "CUSTOMER").

WHEREAS, CUSTOMER has deemed it necessary or desirable that ASSOCIATION accommodate certain development or other needs of CUSTOMER and recognizes that ASSOCIATION is best capable of providing such accommodation, AND;

WHEREAS, ASSOCIATION is capable of providing such accommodation, using its own employees and equipment, unless otherwise provided herein.

THEREFORE, in consideration of the matters described herein and of the mutual benefits and obligations set forth herein, ASSOCIATION and CUSTOMER agree as follows:

- 1) ASSOCIATION shall perform the work and services more particularly described in EXHIBIT A, attached hereto, and by this reference incorporated herein.
- 2) ASSOCIATION shall complete the work and services described in EXHIBIT A in a timely manner. In the event ASSOCIATION is delayed in completing the the work and services described in EXHIBIT A due to acts of God, fire, flood, labor disputes or any other factor beyond the reasonable control of ASSOCIATION, the time for completion shall be extended for a period of time commensurate with the delay so caused.
- 3) ASSOCIATION shall maintain all relevant and applicable insurance coverages, through its self insurance program or supplementary contracts of insurance it deems necessary.
- 4) ASSOCIATION shall at all times comply with laws applicable to performance hereunder, including acquisition of permits, licenses or other approvals.
- 5) The estimated cost for completing the work and services described in EXHIBIT A is \$807,408; however, CUSTOMER shall reimburse ASSOCIATION for actual costs incurred in the performance and completion of the work and services more particularly described in the cost summary scope of work described in EXHIBIT B. Payment to ASSOCIATION shall be in accordance with the terms incorporated herein.
- 6) Neither ASSOCIATION nor CUSTOMER shall have the right to assign any rights or interest created herein.
- 7) This AGREEMENT shall be governed in all respects by the laws of the state of Arizona.
- 8) CUSTOMER shall indemnify and hold harmless ASSOCIATION from liability resulting from or arising out of ASSOCIATION's performance hereunder, whether such liability is for property damage, personal injury or death, unless such liability is attributed to ASSOCIATION's sole, exclusive negligence or willful action. Further, CUSTOMER shall release ASSOCIATION from any of its claims related to ASSOCIATION's performance hereunder, unless such claim results from ASSOCIATION's sole, exclusive negligence or willful action.

- 9) In the event of termination of this AGREEMENT prior to the completion of the Scope of Services, CUSTOMER shall reimburse ASSOCIATION for the actual cost it incurred to the effective date of such termination, and, if completion of the Scope of Work is essential to restore ASSOCIATION's ability to operate facilities affected by the unfinished Scope of Work, CUSTOMER shall reimburse ASSOCIATION in accordance with Paragraph 5 herein.
- 10) This AGREEMENT shall constitute the entire agreement between the parties hereto, and any prior or contemporaneous understanding or representation shall not be binding upon either party hereto.
- 11) Should there be any discrepancy between this AGREEMENT and the Water Delivery and Use Agreement (WDLUA), the WDLUA will take precedence. Exhibit 12.1 of the WDLUA defines how the CUSTOMER may use the well.

In witness, 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.

SALT RIVER VALLEY WATER
 USERS' ASSOCIATION:

CITY OF GLENDALE:

By: _____

Bruce Hallin
 Director, Water Supply

By: _____

(please print name)

Signature: _____

Signature: _____

Date: _____

Date: _____

EXHIBIT "A"

Scope of Work for CUSTOMER Connection to Proposed ASSOCIATION Wellsite 6.0E-13.1N

ASSOCIATION will provide the following as part of this agreement:

- Labor, materials, permitting and contracted services to replace an ASSOCIATION owned well referred to as 6.0E-13.0N (also known as City of Glendale Well G-15). The new ASSOCIATION well coordinate will be 6.0E-13.1N.

CUSTOMER will provide the following as part of this agreement:

- Financial cost sharing at 50% of all costs associated with the drilling and construction of the new ASSOCIATION replacement well 6.0E-13.1N.

