CITY OF SAN LUIS

AGREEMENT
FOR THE CONSTRUCTION OF
CITY OF SAN LUIS
Sewer Manhole Drop Connection Repair - Merrill Ave and Ramona St.

This agreement ("Contract") is made on Tuesday, November 10, 2026, by and between:

DPE CONSTRUCTION, INC 1636 E 20th Street Yuma, AZ 85365 Arizona Corporation ("Contractor") and	City of San Luis 1090 East Union Street [physical address] P.O. Box 7740 [mailing address] San Luis, Arizona 85349 an Arizona municipal corporation ("City" or "City of San Luis")

The Contractor and City may be referred to individually as the "Party" and collectively as the "Parties." All defined words in the document titled "General Conditions of the Contract" ("General Conditions"), which was provided in the City's Request for Proposals ("RFP"), Sewer Manhole Drop Connection Repair - Merrill Ave and Ramona St., 2027-RFB-00000007, shall have the same meaning in this Contract unless otherwise specified in this Contract. Any term defined in the General Conditions and used in this Contract shall be interpreted as per the definition provided in the General Conditions.

WHEREAS, the Scope of Work requires the Contractor to furnish any and all labor, materials, equipment, transportation, utilities, services, and facilities required to perform all work for the City of San Luis – Sewer Manhole Drop Connection Repair - Merrill Ave and Ramona St. ("Project"), per the Contractor's bid of October 21, 2026 ("Proposal") and to completely and totally remove and install the materials therein for the City, in a good workmanlike and substantial manner and to the satisfaction of the City through its engineers ("ENGINEERS"), or the ENGINEERS' properly authorized agents and strictly pursuant to and in conformity with the plans and specification prepared by the ENGINEERS, and with such modifications of the same and other documents that the City may make through the ENGINEERS or the ENGINEERS' properly authorized agents, as provided herein; and

WHEREAS, San Luis City Council, at a properly noticed open meeting, awarded the bid to the Contractor on November 10, 2026;

NOW, THEREFORE, the above recitals are incorporated into this Contract. In consideration of the City paying the sum of $64,050.00 to the Contractor and the Contractor constructing the Sewer Manhole Drop Connection Repair - Merrill Ave and Ramona St. and other work incidental in the

manner and at the time provided in this Contract, and in consideration of the other mutual benefits and obligations contained in this Contract, the Parties agree as follows:

ARTICLE 1 - PARTICIPANTS AND PROJECT

CITY:	Jenny Torres, City Manager City of San Luis, Arizona Telephone: (928) 341-8520 E-mail: jtorres@sanluisaz.gov
CITY PROJECT MANAGER:	Oscar Barnett, Project Manager City of San Luis Telephone: (928) 341-8577 Ext. 2011 E-mail: obarnett@sanluisaz.gov
CONTRACTOR:	DPE CONSTRUCTION, INC 1636 E 20th Street Yuma, AZ 85365 Telephone: (928) 783-7885 E-mail: estebanh@dpeyuma.com
CONTRACTOR MANAGER:	Esteban Hernandez DPE CONSTRUCTION, INC Telephone: (928) 783-7885 E-mail: estebanh@dpeyuma.com
PROJECT ENGINEER / DESIGNER:	Tomas Sanchez, PE, RLS City of San Luis Telephone: (928) 341-8577 Ext. 2053 E-mail: tsanchez@sanluisaz.gov
PROJECT DESCRIPTION:	City of San Luis, Sewer Manhole Drop Connection Repair - Merrill Ave and Ramona St.
PROJECT LOCATION:	Merrill Ave and Ramona St.

ARTICLE 2 - CONTRACT DOCUMENTS

The Contract between the City and the Contractor shall consist of the following items, collectively the "Contract Documents:"

1. Change Orders, written and properly executed (if any), as defined in the General Conditions;
2. Performance bond and payment bond (required by A.R.S. § 41-2574, also known as contract bond and labor & materials bond), warranty bond, bid bond, and other bonds;
3. Project specifications;

4. Construction Documents, as defined in the General Conditions;
5. General Conditions;
6. Special Conditions provided in the RFP Pages SP-1 through SP-8 (which amend Part 100 of the 2016 City of San Luis Supplemental to the 2015 MAG Uniform Standard Specifications);
7. 2016 City of San Luis Supplemental to the 2015 MAG Uniform Standard Specifications and Details for Public Works Construction and City of Yuma Construction Standard Detail Drawings, MAG Uniform Standard Specifications and Details for Public Works Construction, City of Yuma Construction Standard Detail Drawings – Edition 2019;
8. Bid documents {including but not limited to the advertisement for bids, bid schedule, addenda (if any), additive bid items (if any), and the Proposal;
9. Certificates of Insurance;
10. Notice to Proceed, as defined in the General Conditions; and
11. Project Schedule, as defined in the General Conditions

By this reference, the above Contract Documents are incorporated into and made a part of this Contract to the same extent as if set forth in full here.

In the event of a conflict of language between the items listed above, they shall govern in the order listed. The Contract Documents shall govern in all other matters not otherwise specified by the Contract between the Parties. All previous contracts between the Contractor and City are not applicable to this Contract or other resultant contracts.

ARTICLE 3 - CONSTRUCTION SERVICES

4-1 <u>General.</u>

4-1.01 The Contractor agrees, at its own cost and expense, to do all Work (as defined in the General Conditions) necessary and required to fully, timely, and properly complete the construction of the Project in strict accordance with the Contract Documents in a good and workmanlike manner, free and clear of all claims, liens, and charges whatsoever, in the manner and under the conditions specified, within the Project Schedule.

4-1.02 The Contractor shall provide all the labor and materials and perform the Work in accordance with Section 4 of the General Conditions, including but not limitd to the following major components of the construction services and the corresponding subsections of Section 4 of the General Conditions.

4-1.03 At all times relevant to this Contract and performance of the Work, the Contractor shall fully comply with all laws, regulations, or legal requirements applicable to the City, the Project, and the Contract, including, without limitation, those set forth in the General Conditions.

4-1.04 The Contractor shall perform the Work under this Contract using only those firms, team members, and individuals designated by Contractor consistent with the Contractor's accepted bid, or otherwise, approved by the City pursuant to the General Conditions. No other entities or individuals may be used without the prior written approval of the Project Manager.

4-1.05 The Contractor shall comply with all terms and conditions as set forth within the General Conditions.

4-1.06 The terms of this Contract shall govern in the event of a conflict between it and the General Conditions including any exhibit to the Contract or appendix to the General Conditions.

4-1.07 For purposes of this provision, "Work Product" shall include all designs, drawings, plans, specifications, ideas, renderings, and other information or matter in whatever form created (e.g., electronic or printed) and in all media now known or in the future created. All Work Product shall be considered Work Made for Hire as defined in the United States Copyright Act 17 U.S.C. § 101 (Copyright Act). If, for any reason, any such Work is found not to be a Work Made for Hire, the Contractor, by entering into this Contract, transfers and assigns ownership of the copyright in such Work to the City. Notwithstanding anything to the contrary in this Contract, all Work Product prepared or otherwise created in connection with the performance of this Contract, including the Work, are to be and remain the property of the City. The rights in this Section are exclusive to the City in perpetuity.

4-2 The Contractor's Pre-Contract and Pre-Work Deliverables. The Contractor shall provide the deliverables in accordance with Section 4.2 of the General Conditions.

4-3 Pre-Construction Conference. The Contractor shall attend the pre-construction conference in accordance with Section 4.3 of the General Conditions.

4-4 Performance of the Work (Including Field Measurements, Subcontractors, and Suppliers). The Contractor shall control and maintain the Project site in accordance with Section 4.4 of the General Conditions.

4-5 Control of the Project Site. The Contractor shall control and maintain the Project site in accordance with Section 4.5 of the General Conditions.

4-6 Project Safety. The Contractor shall implement and enforce Project safety in accordance with Section 4.6 of the General Conditions.

4-7 Materials Quality, Substitutions, and Shop Drawings. The Contractor shall provide materials testing and submit substitute materials and shop drawings in accordance with Section 4.7 of the General Conditions.

4-8 Project Record Documents. The Contractor shall maintain and make available the Project Record Document in accordance with Section 4.8 of the General Conditions.

4-9 Warranty and Correction of Defect Work. The Contractor shall provide warranties and correct defective Work in accordance with section 4.9 of the General Conditions.

ARTICLE 4 - CITY'S RESPONSIBILITIES

The City shall have the responsibilities and provide the information specified in, and subject to, the conditions set forth in Section 5 of the General Conditions.

ARTICLE 5 - CONTRACT TIME

6-1 Contract Time.

The Contract Time shall start with the Notice to Proceed and end with Final Acceptance, as set forth in Section 6-4 below. The Notice to Proceed cannot be issued prior to the City's approval and acceptance of the Contractor's bid.

6-1.01 The Contract Time shall be as set forth in the Project Schedule. The Contractor agrees that it will commence the performance of the Work and complete the Project within the Contract Time.

6-1.02 Time is of the essence of this Contract, for the Project, and for each phase and designated milestone of the Contract.

6-1.03 Failure on the part of the Contractor to adhere to the approved Project Schedule will be deemed a material breach and sufficient grounds for the City to terminate this Contract.

6-2 Project Schedule. The Project Schedule, as required by Section 6.2 of the General Conditions, shall be updated and maintained throughout the Contractor's performance under this Contract in accordance with Section 6.2 of the General Conditions.

6-3 Final Completion and Final Acceptance.

6-3.01 The Parties expressly agree by this writing that Final Completion (as defined in Section 2.14 of the General Conditions) must be obtained by **no later than thirty (30) days** (calendar days, as defined in Section 2.12 of the General Conditions) **after the date of Notice to Proceed**. Final Completion will be determined, and Final Acceptance will be issued pursuant to Sections 6.3 and 6.4 of the General Conditions.

6-4 Liquidated Damages.

6-4.01 The Contractor acknowledges and agrees that if the Contractor fails, neglects, or refuses to obtain the Final Completion of the Work within thirty (30) days, the City will sustain extensive damages and serious loss as a result of such failure. The Contractor agrees to pay the City liquidated damages for delay in the sum of **$350.00** for each consecutive calendar Day after the thirty (30) days have expired and the Final Completion of Work is not achieved. The Parties agree that the stated liquidated damages are reasonable to compensate the City and not as punitive damages. (The sum of $350.00 per day is consistent with Section 6.4 of the General Conditions and its reference to Subsection 108.9 of the 2016 City of San Luis Supplement to the 2015 MAG Uniform Standard Specification for Public Works Construction.)

6-4.02 The City may deduct liquidated damages described in Subsection 6-4.01 from any unpaid amounts then or thereafter due to the Contractor under this Contract. Any liquidated damages not so deducted from any unpaid amounts due the Contractor shall be payable to the

City at the demand of the City, together with interest from the date of the demand at the highest lawful rate of interest payable by the Contractor.

6-4.03 Nothing in this Contract shall be deemed to constitute a waiver of any other remedy available to the City in the event of the Contractor's default under this Contract prior to full performance of the Work, including, as applicable, specific performance or completion of the Work on behalf of the Contractor, the cost and expense of which shall be offset against any monies then or thereafter due to Contractor (if any) and otherwise immediately reimbursed to City by the Contractor

ARTICLE 6 - CONTRACT PRICE

7-1 Contract Price.

7-1.01 In exchange for the Contractor's full, timely, and acceptable performance and construction of the Work under this Contract, and subject to all of the terms of this Contract, the City will pay the Contractor the Contract Price (as defined by Section 2.6 of the General Terms), which is $64,050.00.

7-1.02 The Contract Price is all-inclusive and specifically includes all fees, costs, insurance and bond premiums, and taxes of any type necessary to fully, properly, and timely perform and construct the Work.

ARTICLE 7 - PAYMENT

Payments shall be made to the Contractor in accordance with Section 8 of the General Conditions.

ARTICLE 8 - CHANGES TO THE CONTRACT

Changes to the Contract may be made in strict accordance with Section 9 of the General Conditions.

ARTICLE 9 - TERMINATION

The Contract may be terminated in accordance with Section 10 of the General Conditions.

ARTICLE 10 - INSURANCE AND BONDS

11-1 The Contractor shall provide Insurance as provided in the Insurance Requirements and in accordance with Section 11.1 of the General Conditions. The Contractor shall provide proof of such Insurance and all required endorsements in forms acceptable to the City prior to commencing any Work under this Contract.

11-2 The Contractor shall provide performance, payment, and warranty bonds to the City in accordance with Section 11.2 of the General Conditions and A.R.S. § 34-222.

11-3 The Contractor's failure to provide proof of insurance and the required endorsements, or the required bonds, in forms acceptable to the City will be a material breach and grounds for termination for cause under this Contract.

ARTICLE 11 - INDEMNIFICATION

The Contractor shall have and assume the indemnity obligations set forth in Section 12 of the General Conditions.

ARTICLE 12 - DISPUTE RESOLUTION

Any claims or disputes relating to this Contract shall be resolved according to the dispute resolution process set forth in section 13 of the General Conditions.

ARTICLE 13 - MISCELLANEOUS PROVISIONS

14-1 The miscellaneous provisions set forth in section 14 of the General Conditions shall apply to this Contract.

14-2 The Contractor and any subcontractors or agents of the Contractor shall abide by the federal regulations prohibiting discrimination against all individuals based on their race, color, religion, sex, sexual orientation, gender identity, national origin, or for inquiring about, discussing, or disclosing compensation, and take affirmative action to employ and advance in employment individuals without regard to race, color, religion, sex, sexual orientation, gender identity or national origin.

ARTICLE 14 - COUNTERPARTS

This Contract may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. The signature pages from one or more counterparts may be removed from such counterparts. Such signature pages may all be attached to a single instrument so that the signatures of all Parties may be physically attached to a single document. Parties shall submit their original, wet ink signature of this document to the San Luis Clerks Office for recording purposes.

ARTICLE 15 - AUTHORITY

Each Party represents and warrants to the other Party: (i) that such Party is duly organized and validly existing under the laws of the State of Arizona and has full corporate power and authority to enter into this Contract and to carry out the provisions of this Contract; (ii) such Party is duly authorized to execute and deliver this Contract and to perform its obligations under this Contract; (iii) the person executing this Contract on such Party's behalf has been duly authorized to do so by all requisite corporate action, and (iv) this Contract is a legal and valid obligation binding upon the Parties and enforceable in accordance with its terms.

The Parties have executed and made effective this Contract in Yuma County, Arizona, on the day and year set forth below, which is the day the last Party signed this Contract. The original Contract will be filed with the City of San Luis Clerk.

Attest:

SIGNATURE

Sonia Cornelio, City Clerk

FULL NAME, TITLE

DATE SIGNED

City of San Luis, Arizona

SIGNATURE

Nieves Riedel, Mayor

FULL NAME, TITLE

DATE SIGNED

Approved As to Form

SIGNATURE

Joseph D. Estes, City Attorney

FULL NAME, TITLE

DATE SIGNED

General Contractor

SIGNATURE

Esteban Hernandez

FULL NAME

DATE SIGNED