THIS AGREEMENT, made and entered into by and between the STATE OF ARIZONA acting by and through its State Highway Department, as party of the first part and the City of Casa Grande, as party of the second part.

RECITALS:

For the safety and protection of the traveling public, it is necessary and desirable that certain improvements be made on the State Highway System in the City of Casa Grande. These improvements shall include, but not be limited to, the installation and maintenance of traffic signals and highway lighting at the intersection of SR 287 and Cameron Street.

WHEREAS, the parties hereto for their mutual benefit desire to cooperate in the operation and maintenance of the said improvements in the manner hereinafter stated, and

WHEREAS, it is the desire of the parties hereto to proceed with and set out in writing their understandings and agreements pursuant to which the said improvements shall be made and subsequently operated, maintained and replaced.

ARTICLE I

IN CONSIDERATION of the covenants of the State herein contained and the faithful performance thereof, the City agrees:

1. To provide and set aside sufficient funds to defray the costs of installation, operation and maintenance of said improvements on the State Highway System within the City.

2. To pick up at the Highway Department yard in Casa Grande and to deliver to the site of the work, all electrical materials, traffic signal equipment and other apparatus as necessary for the installation of said improvement.

3. To install in a good workmanlike manner, and in accordance with the State Highway Department Traffic Signal and Highway Lighting Systems Standard Drawings, 1973 edition, General Specifications for Traffic Signal and Highway Lighting Systems, 1973 edition, and the Traffic Control Manual for Construction and Maintenance, incorporated herein by reference, all the electrical materials and apparatus necessary for completing the improvements as per mentioned plans at the aforementioned

location. Work shall include, but not be limited to, all necessary excavation, backfill, pavement and sidewalk replacement as necessary, and painting of all equipment as required and as specified in the above publications.

4. To return all unused materials to the Highway Department yard in Casa Grande upon completion of the work.

5. To permit the State or its authorized agent to inspect all equipment installed on the State Highway System within the City.

6. To furnish all labor, tools, and construction equipment necessary to replace damaged or defective materials and apparatus, and when deemed necessary and with the approval of the State, to install additional apparatus as may be required; all materials and apparatus, whether replacements or additions, to be State furnished.

7. To provide each year sufficient funds necessary for the complete maintenance and operation of the said installation. Various items of maintenance shall include, but not be limited to the following:

(a) Replace lamps semi-annually or as required by burn-out with approved long-life signal lamps. Lamps to be furnished by the State.

(b) Signal lenses and reflectors shall be thoroughly cleaned semi-annually, or sooner if required.

(c) Signal heads, brackets, poles, posts, control boxes, housings, and conduits above-ground shall be repainted every 2 years, or sooner if required, to prevent corrosion and to maintain the good appearance of the equipment. Paint shall be State approved as to quality and color, and to be furnished by the State.

(d) The signal heads shall be focused as required.

(e) Detailed maintenance records shall be kept and analyzed at regular intervals to determine future maintenance policies. Maintenance records shall include the date that each of the following was accomplished: cleaning,

lamp replacing, painting and similar items for each installation. Maintenance records shall be available for inspection by the Highway Department.

(f) Furnish electrical energy.

(g) To pay installation charges for telephone circuit used in the signal interconnect circuit, (when so utilized).

(h) To pay monthly telephone charges for interconnect circuit, (when so utilized).

8. That maintenance shall continue until such time as, by mutual agreement, it is no longer necessary or desirable.

9. In the event of any future City initiated construction projects involving the above-referenced intersection, the project plans shall include all details for the relocation and/or modification of any or all signal and/or illumination equipment, and such plans shall be submitted to the State for approval. All costs of this work shall be at the City's expense.

10. That any proposed modifications of traffic signals and/or highway lighting located on the State Highway System shall be based on and supported by traffic studies. All proposed modifications shall be submitted to the State for approval.

ARTICLE II

IN CONSIDERATION of the covenants herein contained and the faithful performance thereof, the State agrees:

1. To furnish all materials, traffic signal equipment, and other apparatus as necessary for said improvements.

2. To provide inspection during installation and engineering consultation as may be required during installation and subsequent maintenance of the signal system.

3. In future major State initiated construction projects on the State Highway System within the City, the project plans shall include all details for the relocation and/or modification of any or all signal and/or illumination equipment, and such plans shall be submitted to the City for its review. All costs of such work shall be at the State's expense.

4. To furnish replacements for damaged or defective materials and apparatus, and to furnish additional material or apparatus as may be required, based upon and supported by future traffic studies.

5. To operate and maintain the traffic signal controller and housing unless the State requests the City to assume this responsibility and the City, by written notice, concurs.

ARTICLE III

1. IN CONSIDERATION of these premises, it is mutually agreed: the State is bound by this agreement to furnish certain materials and apparatus as hereinbefore stated, and the City shall indemnify, save harmless, and defend the State, its officers and employees, from all suits, actions or claims of any character brought because of any injuries or damage received or sustained by any person, persons or property on account of the operations of the said City or on account or in consequence of any neglect in safe-guarding the work; or through use of unacceptable materials furnished by it in constructing the work; or because of any act or omission, neglect or misconduct of any employee of said City in accomplishing the work.

2. This contract shall remain in force and effect until such time as either party hereto notifies the other of its intent to no longer be bound by the agreements and provisions hereto contained. Such notification shall be by registered mail and the contract shall be of no force and effect thirty (30) days subsequent to the receipt of such notice. It is further understood and agreed that all work required to be done under this contract in excess of funds now appropriated and budgeted for this purpose shall not be done nor any obligation incurred therefore until such time as additional funds are appropriated and budgeted. In the event funds are not appropriated by either party for continuance of the terms set forth herein, the party not budgeting additional funds shall notify the other party within thirty (30) days of the expiration of the currently budgeted funds so that appropriate arrangements may be made for the proper continuance of the work, and no right of action or damages shall accrue to the benefit of the parties hereto as to that portion of the contract that may so become null and void.

3. The obligations undertaken by the respective parties hereto are of such a nature that they are annually included within a portion of each respective party's budget, and therefore there need not be a separate budget established to finance those expenditures set out in this agreement.

4. It is understood by both parties hereto that upon the termination of this agreement for any cause whatsoever, all properties which are the subject matter of this agreement are declared to be property of the Arizona Highway Department.

5. Any disposal of properties subject to this agreement shall be in a manner as otherwise prescribed by law concerning the disposal of public property.

ARTICLE IV

If any provision of this agreement or the application thereof to any person or circumstance is held invalid, the invalidity shall not affect other provisions or applications of the agreement which can be given effect without the invalid provision or application, and to this end, the provisions of this agreement are severable.

IN WITNESS WHEREOF the parties have hereunto affixed their signatures, the CITY OF CASA GRANDE on the 7th day of November, 1973 and the STATE OF ARIZONA, acting by and through its State Highway Department on the 14th day of November, 1973.

STATE OF ARIZONA

WM. N. PRICE
State Highway Engineer

A. L. Chadwick

A. L. CHADWICK
Chief Deputy State Engineer

CITY OF CASA GRANDE

Jimmie B. Kerr

Mayor

Attest:

City Clerk

PREAUDITED IN ACCORDANCE
WITH A. H. D. PROCEDURES

NOV 9 1973

BY: [signature]
EXTERNAL AUDIT BRANCH