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**PUBLIC ROADWAY CONSTRUCTION AND  
PARTICIPATION AGREEMENT  
BETWEEN  
PINAL COUNTY AND  
CITY OF COOLIDGE  
(THE PROCTER & GAMBLE MANUFACTURING COMPANY)**

THIS PUBLIC ROADWAY CONSTRUCTION AND PARTICIPATION AGREEMENT (“**Agreement**”) is dated \_\_\_\_\_, 2022 (the “**Effective Date**”), and made by and between PINAL COUNTY, a political subdivision of the State of Arizona (“**County**”), CITY OF COOLIDGE, a municipal corporation of the State of Arizona (“**City**”), County and City are sometimes referred to herein individually as a “**Party**” and collectively as the “**Parties**”.

**RECITALS**

A. County is authorized to enter into this Agreement pursuant to Arizona Revised Statutes (“**A.R.S.**”) § 28-6707 to work cooperatively with City for the construction, improvement and maintenance of public roadways located in County and City.

C. City is authorized to enter into this Agreement pursuant to A.R.S. § 9-240 to lay out, maintain, control and manage public roads within the incorporated area of the City, and § 28-6707 to work cooperatively with County for the construction, improvement and maintenance of public roadways located in City and County.

D. The Parties have committed to the design and construction of certain public infrastructure improvements in connection with a large-scale manufacturing development by The Procter and Gamble Manufacturing Company (“**P&G**”) of certain real property generally located near Arica Road and Vail Road (the “**Project**”).

E. The City entered into an Economic Development Agreement with P&G (“**Development Agreement**”) based on the commitments of several groups and entities in order for P&G to establish the Project in the City, including the Arizona Commerce Authority, Arizona Department of Transportation (“**ADOT**”) and County.

F. The Project’s improvements include, (i) on Vail Road, constructing two new paved travel lanes from the intersection of Hanna Road to the Shedd Road, addition of turn lanes at the intersection of Vail Road and Arica Road, addition of turn lanes at the intersection of Vail Road and Shedd Road, (“**Vail Road Improvements**”); (ii) on Arica Road, constructing two new paved travel lanes from the intersection of State Route 87 (“**SR87**”) to Vail Road, relocation of existing utilities in conflict, and upgrading the existing UPRR crossing, including installing new gate arms and traffic control (“**Arica Road Improvements**”); (iii) on Shedd Road, constructing two new paved travel lanes from the intersection of SR87 to Vail Road, relocation of existing utilities in conflict, and upgrading the existing UPRR crossing, including installing new gate

arms and traffic control (“**Shedd Road Improvements**”); and (iv) on SR87, installation of a new traffic signal and turn lanes at the intersection of SR87 and Arica Road and the intersection of SR87 and Shedd Road (“**SR87 Improvements**”). The Vail Road Improvements, Arica Road Improvements, Shedd Road Improvements and SR87 Improvements may be collectively referred to as the “**Improvements**”. A map of the Improvements is attached hereto as **Exhibit A** and incorporated herein by reference.

G. The Improvements are located within City.

H. The Parties acknowledge and agree that they each will benefit from the Improvements and desire to participate in the payment of costs for the Improvements.

I. The Parties are entering into this Agreement to define their respective rights and obligations in connection with the payment of such Improvements costs as set forth below.

### **AGREEMENT**

NOW, THEREFORE, in consideration of the mutual covenants and promises hereinafter set forth, the Parties agree as follows:

1. **Incorporation of Recitals.** The above Recitals are incorporated into this Agreement as if set forth in their entirety below.

2. **SR87 Improvements.** The Parties acknowledge and agree that the SR87 Improvements must be accomplished in coordination with ADOT. County agrees to collaborate with ADOT to perform warrant studies to determine if there is necessary justification for traffic signals. In the event that ADOT determines there is no necessity for the SR87 Improvements, County, in coordination with City as further set forth herein, agrees to complete the SR87 Improvements.

3. **Improvements.** Except as set forth in Section 2, County agrees to expeditiously design and construct the Vail Road Improvements, Arica Road Improvements and Shedd Road Improvements in accordance to the City’s then-existing design standards. Further, County agrees to coordinate with the City and P&G’s construction schedule and roadway priorities, as outlined in the Development Agreement.

4. **Funding Obligations.**

(a) **SR87 Improvements.** It is anticipated that the SR87 Improvements will be designed, constructed, and funded by ADOT, at an estimated cost of Five Million Five Hundred Thousand and No/100 Dollars (\$5,500,000.00). In the event that ADOT is unwilling or unable to provide sufficient funding for the SR87 Improvements, Parties agrees to each pay fifty percent (50%) of the difference between the total cost of the SR87 Improvements and the amount contributed, if any, by ADOT. In the event that the City determines that it does not have immediately available funds to contribute towards its share of the SR87 Improvements, the Parties agree that County will fund the City’s portion of the SR87 Improvements and the City will repay to County, on mutually agreed upon terms, the amount expended by County on City’s

behalf.

(b) Vail Road Improvements, Arica Road Improvements and Shedd Road Improvements. City agrees to contribute, in total, Seven Million and No/100 Dollars (\$7,000,000.00) towards the Vail Road Improvements, Arica Road Improvements and Shedd Road Improvements. County agrees to contribute, in total, Two Million and No/100 Dollars (\$2,000,000) towards the Vail Road Improvements, Arica Road Improvements and Shedd Road Improvements. In the event that the Vail Road Improvements, Arica Road Improvements and Shedd Road Improvements exceed Nine Million and No/100 Dollars (\$9,000,000.00) in total, the Parties agree to meet and determine how the responsibility for the additional costs shall be borne between the Parties.

**5. No Agency or Partnership.** None of the Parties is acting as the agent of any other Party with respect to this Agreement, and this Agreement shall not be deemed to create a partnership, joint venture or other business relationship between the Parties.

**6. No Third Party Beneficiary.** This Agreement shall not create any third party beneficiary rights to any person or entity who is not a Party to this Agreement, unless expressly provided to the contrary in this Agreement (and then only to the extent so provided).

**7. Counterparts.** This Agreement may be executed in counterparts and each counterpart shall constitute an original of this Agreement.

**8. Amendment.** Any amendment to this Agreement shall be in writing and signed by the Parties.

**9. Conflicts of Interest.** The Parties acknowledge that this Agreement is subject to cancellation pursuant to § 38-511, Arizona Revised Statutes, as amended.

**10. Notices.** All notices, demands, filings, consents, approvals and other communications provided for herein, or given in connection herewith, shall be in writing and shall be deemed to have been validly given, filed, made, transmitted, received, or served when delivered personally or three (3) business days after deposited in a U.S. Mail box in a postage prepaid envelope or one (1) business day after sent by recognized overnight carrier for next business day delivery to the addresses provided herein below or such other addresses as any party hereto may from time to time designate in writing and delivered in a like manner.

County: County Manager  
Pinal County  
31 N. Pinal St, Building A  
P.O. Box 827  
Florence, AZ 85132

With a copy to: Director  
Pinal County Department of Public Works  
31 N. Pinal Street, Building F  
P.O. Box 727

City: Florence, AZ 85132  
City Manager  
City of Coolidge  
130 W. Central Avenue  
Coolidge, AZ 85128

With a copy to: City Public Works Director  
City of Coolidge  
130 W. Central Avenue  
Coolidge, AZ 85128

**11. Governing Law.** This Agreement shall be governed by and construed under the laws of the state of Arizona, and any litigation shall take place only in Pinal County, Arizona.

**12. Attorney's Fees.** The prevailing Party in any litigation in connection with this Agreement shall be entitled to its attorneys' fees and costs, expert witness fees, and other litigation related expenses.

**13. No Waiver.** No delay in exercising any right or remedy shall constitute a waiver thereof, and no waiver by a Party of the breach of any covenant of this Agreement shall be construed as a waiver of any preceding or succeeding breach of the same or any other covenant or condition of this Agreement.

**14. Severability.** If any provision of this Agreement is declared void or unenforceable by a court of competent jurisdiction, such provision shall be severed from this Agreement, which shall otherwise remain in full force and effect if the remaining provisions permit the Parties to achieve the practical and proportional benefits and obligations of the arrangements contemplated by this Agreement. Otherwise, any Party may terminate this Agreement.

**[SIGNATURES ON FOLLOWING PAGES]**

IN WITNESS WHEREOF, the Parties hereto, have executed this Agreement as of the day and year set forth below.

**“County”**

PINAL COUNTY, a political subdivision of the State of Arizona

By: \_\_\_\_\_  
Chair of the Board of Supervisors

Dated: \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
Clerk/Deputy Clerk of the Board of Supervisors

APPROVED AS TO FORM:

\_\_\_\_\_  
Deputy County Attorney

STATE OF ARIZONA        )  
  ) ss.  
COUNTY OF PINAL        )

The foregoing Agreement was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 202\_, by \_\_\_\_\_ and \_\_\_\_\_, Chair and Clerk/Deputy Clerk, respectively of the Pinal County Board of Supervisors, for Pinal County, a political subdivision of the State of Arizona, who being authorized to do so, executed the foregoing instrument on behalf of said entity for the purposes stated therein.

\_\_\_\_\_  
Notary Public

My Commission Expires: \_\_\_\_\_

**“City”**

CITY OF COOLIDGE, a municipal corporation of the State of Arizona

By: \_\_\_\_\_  
Mayor

Dated: \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney

STATE OF ARIZONA        )  
  ) ss.  
COUNTY OF Pinal    )

The foregoing Agreement was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 202\_, by \_\_\_\_\_ and \_\_\_\_\_, Mayor and City Clerk, respectively of the City of Coolidge, a municipal corporation of the State of Arizona, who being authorized to do so, executed the foregoing instrument on behalf of said entity for the purposes stated therein.

\_\_\_\_\_  
Notary Public

My Commission Expires: \_\_\_\_\_

**EXHIBIT A**  
**Improvements**

VAIL ROAD, SHEDD ROAD, ARICA ROAD AND SR-87 IMPROVEMENTS

