

**AGREEMENT FOR THE CONSTRUCTION AND TRANSFER OF  
OWNERSHIP OF FIRE HYDRANTS**

This Agreement is made and entered into this 26 day of MAY, 2021 between Pinal County, Arizona, a political subdivision of the State of Arizona ("Pinal") and Arizona Water Company, an Arizona corporation (the "Company").

**RECITALS**

- A. Pinal is authorized to enter into this Agreement pursuant to A.R.S. §§11-251 and 36-1403.

Pinal County identified a need for public fire hydrant service within the Hopi Hills Community (the "Community"), which is located northwest of Casa Grande, Arizona and bounded on the north by Hopi Drive, on the east by Pinal Avenue, the south by Val Vista Road, and the west by Burriss Road in, Pinal County Arizona.

- B. In January, 2021, Pinal County submitted their Fiscal Year 2020 Annual Action Plan to the U.S. Department of Housing and Urban Development (HUD) which included a project for Water System Improvements for the installation of fifty-one (51) public fire hydrants and over 9,800 linear feet of water lines within the Community. Funding agreement Number B-20-UC-04-0503 includes funding for the Project.

A fire hydrant installation (fire hydrant), includes the hydrant connection, piping, valves and appurtenances (hereinafter collectively, the "Hydrants") necessary for the Company to provide public fire hydrant service to the Community.

- C. The source of funding for the project is HUD funding agreement Number B-20-UC-04-0503, Pinal County's fiscal year 2021 HUD funding, and the County and Company's in-kind contributions to the project, set forth below in the agreement.
- D. This Agreement sets forth the procedure for construction and transfer of ownership of the Hydrants to the Company which is at least equal in value to Pinal to the consideration described below.

**NOW, THEREFORE**, in order to provide decent, safe and sanitary living accommodations to persons of low income and in consideration of the Company's agreement to provide public fire hydrant service to the Community, and the foregoing and the mutual promises and agreements contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by Pinal and the Company, Pinal and the Company agree as follows:

## AGREEMENT

1. The above recitals are incorporated into this agreement as if set forth in their entirety below.
2. In order to facilitate the construction of the Hydrants Company shall be responsible for:
  - A. Development of a scope of work for the implementation of a land survey no later than March 31, 2021;
  - B. Development of project design plans and specifications no later than July 31, 2021;
  - C. Assisting Pinal County Purchasing Departments with the creation of bid documents;
  - D. Submitting applicable permitting requests to the Arizona Department of Environmental Quality and Pinal County Public Works Department;
  - E. Project field inspections ensuring compliance with applicable laws and regulations for the installation of water lines and hydrants; and
  - F. Acceptance and approval of completed construction work.
3. Pinal shall be responsible for:
  - A. Completing a land survey;
  - B. Completing the construction procurement process including the award of a construction contract;
  - C. Project field inspections on backfill and paving (in-house) and facilitate testing for compaction with an outside firm; and
  - D. Funding to pay for the construction of the project.
4. Hydrant locations within the Community shall be determined based upon a water flow and pressure model with projected flow rates determined by Water Company and approved by the Pinal County Fire Marshall no later than April 30, 2021.


Installation of the Hydrants shall be completed no later than June 30, 2022, at an estimated cost of one million seven hundred forty eight thousand dollars (\$1,748,000.00).

5. Pinal will transfer full and complete ownership of Hydrants to the Company with its execution of a bill of sale in the form provided in Exhibit A to this Agreement within thirty (30) days after completion and acceptance of the hydrants by the County.
6. The Company, upon Pinal's execution of the bill of sale, agrees to provide public fire hydrant service to Pinal at the Community under the terms and conditions of the Company's Tariff FH-241 and other applicable tariffs approved by the Arizona Corporation Commission.
7. This Agreement shall be subject to the provisions of A.R.S. §38-511.
8. This Agreement shall not be construed to imply authority to perform any tasks, or accept any responsibility, not expressly set forth herein.
9. This Agreement shall be strictly constructed against creation of a duty or responsibility unless the intention to do so is clearly and unambiguously set forth herein.
10. This Agreement shall not be modified or extended except by written instrument adopted in accordance with the requirements for adopting a new agreement.
11. Any funding provided for herein, other than in the current fiscal year, is contingent upon being budgeted and appropriated.
12. This Agreement has been arrived at by negotiation and shall not be construed against either party or against the party who prepared the last draft.
13. Time is of the essence and Pinal and the Company shall diligently perform their obligations under this Agreement in a timely fashion in accordance with its provisions.
14. In the event any claim, controversy or legal action arises under this Agreement, the prevailing party shall be entitled to recover from the other party reasonable attorney's fees, costs, expenses and other fees incurred by the prevailing party.


IN WITNESS WHEREOF, the parties hereto have executed this Agreement.

Recommended By: \_\_\_\_\_

**PINAL COUNTY**


  
Christopher Wanamaker, P.E. 5/7/2021  
Date  
Acting County Engineer  
Department of Public Works


**ARIZONA WATER COMPANY, INC.**

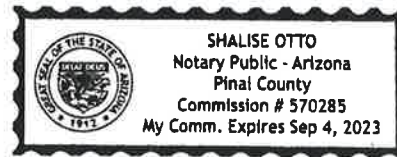
  
Fredrick K. Schneider 5-3-2021  
Date  
President  
Arizona Water Company\  
DA# 000763

**Approved and Accepted:**

  
05/26/2021  
Chairman Date  
Board of Supervisors

Attest:  
  
By: \_\_\_\_\_  
Clerk of the Board  
Date: 05/26/2021

Attest:  
  
By: \_\_\_\_\_  
Notary Public  
Date: 5/26/2021



**Approved as to form:**

By:   
Deputy County Attorney

EXHIBIT A  
BILL OF SALE

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BILL OF SALE

KNOW ALL MEN BY THESE PRESENTS:

That PINAL COUNTY, a political subdivision of the State of Arizona in consideration of the sum of Ten Dollars (\$10.00) and other good and valuable considerations, to it in hand paid by ARIZONA WATER COMPANY, an Arizona corporation, the receipt whereof is hereby acknowledged, does hereby grant, bargain, convey, transfer, assign, and deliver unto ARIZONA WATER COMPANY all of its right, title, and interest in and to the following described property which was installed to provide water service to an area known as Hopi or Indian Hills located in a portion of Township 5 South Range 6 East Sections 19 and 20, Pinal County, Arizona:

QUANTITY	SIZE	DESCRIPTION
7,265 LF	6-inch	Ductile Iron Water Main
1,315 LF	8-inch	Ductile Iron Water Main
1,300 LF	12-inch	Ductile Iron Water Main
51	6-inch	Fire Hydrant

PINAL COUNTY and ARIZONA WATER COMPANY agree that the following terms and conditions shall apply to this Bill of Sale and that they shall be true and correct as of the Date of Execution of this Bill of Sale:

1. PINAL COUNTY is the lawful owner of said property, and has the right to sell it.
2. Said property is free and clear of all liens, encumbrances, and claims.
3. Said property is in good operating condition.

IN WITNESS WHEREOF, PINAL COUNTY a, political subdivision of the State of Arizona has caused this Bill of Sale to be executed this 20<sup>th</sup> day of May, 2021.

[Signature]  
By: Stephen Q. Miller

Its: Chairman of the Board of Supervisors

STATE OF ARIZONA )  
  ) ss.  
County of                            )

On this the 26 day of May, 2021 before me, the undersigned Notary Public, personally appeared Stephen Q. Miller who acknowledged himself to be the Chairman of the Board of Supervisors of Pinal County, a political subdivision of the State of Arizona, and that he, as such officer, being authorized so to do, executed the foregoing instrument, for the purpose therein contained, by signing the name of said corporation by himself as such officer.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

[Signature]  
Notary Public

My Commission Expires: September 4, 2023

