#2

OCT 10 2016

ORDINANCE NO. 4707

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CHANDLER, ARIZONA, AUTHORIZING THE EXCHANGE OF A PORTION OF ELLIS STREET WITHIN THE CONTINUUM PROJECT, AS DESCRIBED IN EXHIBIT "A" ATTACHED HERETO, FOR A PARCEL OWNED BY THE UNITED STATES OF AMERICA AS DESCRIBED IN EXHIBIT "B" ATTACHED HERETO, IN ORDER TO RELOCATE AN EXISTING IRRIGATION DITCH; AND, ACCEPTING A NO COST LAND USE LICENSE FROM SALT RIVER PROJECT OVER THOSE PORTIONS OF ELLIS STREET DESCRIBED IN EXHIBIT "C" ATTACHED HERETO.

WHEREAS, the United States of America wishes to exchange a portion of land they own that is described in Exhibit "B" attached hereto for a portion of land owned by the City of Chandler that is described in Exhibit "A" attached hereto in order to accommodate the relocation of an irrigation ditch; and

WHEREAS, On behalf of the United States of America, Salt River Project, its agent will grant a no cost land use license to the City of Chandler, as described in Exhibit "C" attached hereto; and

WHEREAS, the City of Chandler agrees that the Exhibit "A" land and the Exhibit "B" land have equal value for the purposes of this Exchange, and the City of Chandler is willing to accept the exchange of the Exhibit "B" land for the Exhibit "A" land; and

WHEREAS, the City of Chandler is willing to accept the no cost land use license from Salt River Project as agent for the United States of America over the Exhibit "C" land;

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Chandler, Arizona, as follows:

Section 1. The City Council of the City of Chandler hereby agrees to exchange that parcel of land as described in attached Exhibit "A" to the United States of America for that parcel of land described in Exhibit "B", and to accept a no cost land use license from Salt River Project as agent for the United States of America on the Exhibit "C" land.

Section 2. The Exchange of the Exhibit "A" property is not intended to vacate or extinguish any rights-of-way or easements for existing sewer, gas, water or similar pipelines and appurtenances, and for existing canals, laterals, ditches and appurtenances, and for existing electric, telephone and similar lines and appurtenances, and the same, if there are any, shall continue as they existed prior to the exchange of the Exhibit "A" property.

Section 4. The action taken to exchange the Exhibit "A" property pursuant to this Ordinance is done solely to dispose of the City of Chandler's interest, if any, in the Exhibit "A" property, subject to the terms and conditions stated in this Ordinance and to any easements reserved herein by the City.

Section 5. That the documents necessary to consummate the exchange and the no cost roadway license shall be in a form approved by the City Attorney.

Section 6. The Mayor of the City of Chandler, Arizona, is hereby authorized to sign, on behalf of the City, this Ordinance, deeds and the roadway license, as well as all other documents required and necessary to complete the Exchange.

INTRODUCED AND TENTATIVELY APPROVED by the City Council of the City of Chandler, Arizona, this _____ day of _____ 2016.

ATTEST:

_____ _____

CITY CLERK MAYOR

PASSED AND ADOPTED by the Mayor and City Council of the City of Chandler, Arizona, this _____ day of _____, 2016.

ATTEST:

_____ _____

CITY CLERK MAYOR

CERTIFICATION

I HEREBY CERTIFY that the above and foregoing Ordinance No. 4707 was duly passed and adopted by the City Council of the City of Chandler, Arizona, at a regular meeting held on the _____ day of _____, 2016, and that a quorum was present thereat.

_____

CITY CLERK

APPROVED AS TO FORM

_____

CITY ATTORNEY GAB

Contract No. 16LE324133
Case No. 15-001

ORIGINAL

Exempt per A.R.S. § 11-1134 A.3.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF RECLAMATION

SALT RIVER PROJECT

GENERAL WARRANTY DEED

KNOW ALL PEOPLE BY THESE PRESENTS that the Salt River Project Agricultural Improvement and Power District (SRP), an agricultural improvement district organized and existing under the laws of the State of Arizona, intends to relocate an irrigation facility acquired for an irrigation system to a new location; and,

WHEREAS, the **UNITED STATES OF AMERICA**, hereinafter referred to as "United States," owns real property along the existing irrigation facility and the **CITY OF CHANDLER, an Arizona municipal corporation**, hereinafter referred to as "Grantor," owns the fee title to a portion of the real property onto which the irrigation facility will be relocated; and,

WHEREAS, Grantor desires to grant and convey to the United States and its assigns that certain real property needed for the relocated facilities in exchange for the real property no longer needed for project purposes; and,

WHEREAS, the United States will quitclaim its interest, if any, in and to the real property no longer needed by Contract No. 16LE324135 to Grantor.

NOW THEREFORE, for valuable consideration, receipt of which is hereby acknowledged, and in accordance with the Reclamation Act of June 17, 1902 (32 Stat. 388), the Reclamation Project Act of 1939 (53 Stat. 1187), and all acts amendatory thereof or supplementary thereto, Grantor does hereby grant and convey unto the United States and its assigns all that certain real property situated in the County of Maricopa, State of Arizona, described on Exhibit "A" which is attached hereto and by this reference made a part hereof.

The acquiring federal agency is the U.S. Department of the Interior, Bureau of Reclamation.

Grantor covenants and warrants that it is lawfully seized and possessed of the real property aforesaid and has the full right, power and authority to execute this conveyance, and that said real property is conveyed subject only to existing easements and rights-of-way of record for public roads and highways, public utilities, railroads and pipelines, and mineral rights reserved to or outstanding in third parties as of the date of this General Warranty Deed.

TO HAVE AND TO HOLD by the United States, its successors and assigns forever, all and singular said premises together with all the rights and appurtenances thereto. The Grantor does hereby bind itself, its successors and assigns, to warrant and forever defend all and singular said premises unto the United States and its assigns against every person whomsoever lawfully claiming them or any part thereof.

IN WITNESS WHEREOF, the Grantor has executed this General Warranty Deed

this _____ day of _____, _____.

CITY OF CHANDLER, an Arizona municipal corporation

By:_____

Title:_____

Contract No. 16LE324133
Case No. 15-001

ACKNOWLEDGMENT

State of Arizona)
) ss.
County of Maricopa)

On this _____ day of_____, _____, before me,

_____, a Notary Public in and for said County and State,

personally appeared _____, _____ on

behalf of the **CITY OF CHANDLER, an Arizona municipal corporation,** known to be the person described in the foregoing instrument, and acknowledged to me that he/she executed the same in the capacity therein stated and for the purpose therein contained.

_____
Notary Public in and for said
County and State

APPROVED AS TO FORM

_____
CITY ATTORNEY GAB

EXHIBIT "A"
DESCRIPTION OF REAL ESTATE
IN MARICOPA COUNTY, STATE OF AEIZONA

CONTRACT NO. 16LE324133
CASE NO. 15-001

A PARCEL OF LAND LOCATED WITHIN A PORTION OF THE SOUTH HALF (S½) OF SECTION SEVEN (7), TOWNSHIP TWO (2) SOUTH, RANGE FIVE (5) EAST, OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT A BRASS CAP SET FLUSH MARKING THE SOUTH QUARTER CORNER OF SAID SECTION 7, FROM WHICH A BRASS CAP IN A HANDHOLE MARKING THE SOUTHEAST CORNER OF SAID SECTION 7 BEARS SOUTH 89°49'32" EAST, 2641.98 FEET, AND FROM WHICH A BRASS CAP SET FLUSH MARKING THE NORTH QUARTER CORNER OF SAID SECTION 7 BEARS NORTH 00°32'16" EAST, 5275.69 FEET,

THENCE NORTH 00°32'16" EAST ALONG THE EAST LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 7, A DISTANCE OF 1390.07 FEET TO THE POINT OF BEGINNING;

THENCE CONTINUING NORTH 00°32'16" EAST, 20.00 FEET;

THENCE SOUTH 89°53'17" EAST, 45.00 FEET TO A POINT ON THE EAST RIGHT OF WAY OF ELLIS STREET AS DEFINED ON CONTINUUM FINAL PLAT RECORDED IN BOOK 1094, PAGE 13, OFFICIAL RECORDS OF MARICOPA COUNTY RECORDER;

THENCE SOUTH 00°32'16" WEST, ALONG SAID EAST RIGHT OF WAY, 20.00 FEET;

THENCE NORTH 89°53'17" WEST, 45.00 FEET TO THE POINT OF BEGINNING.

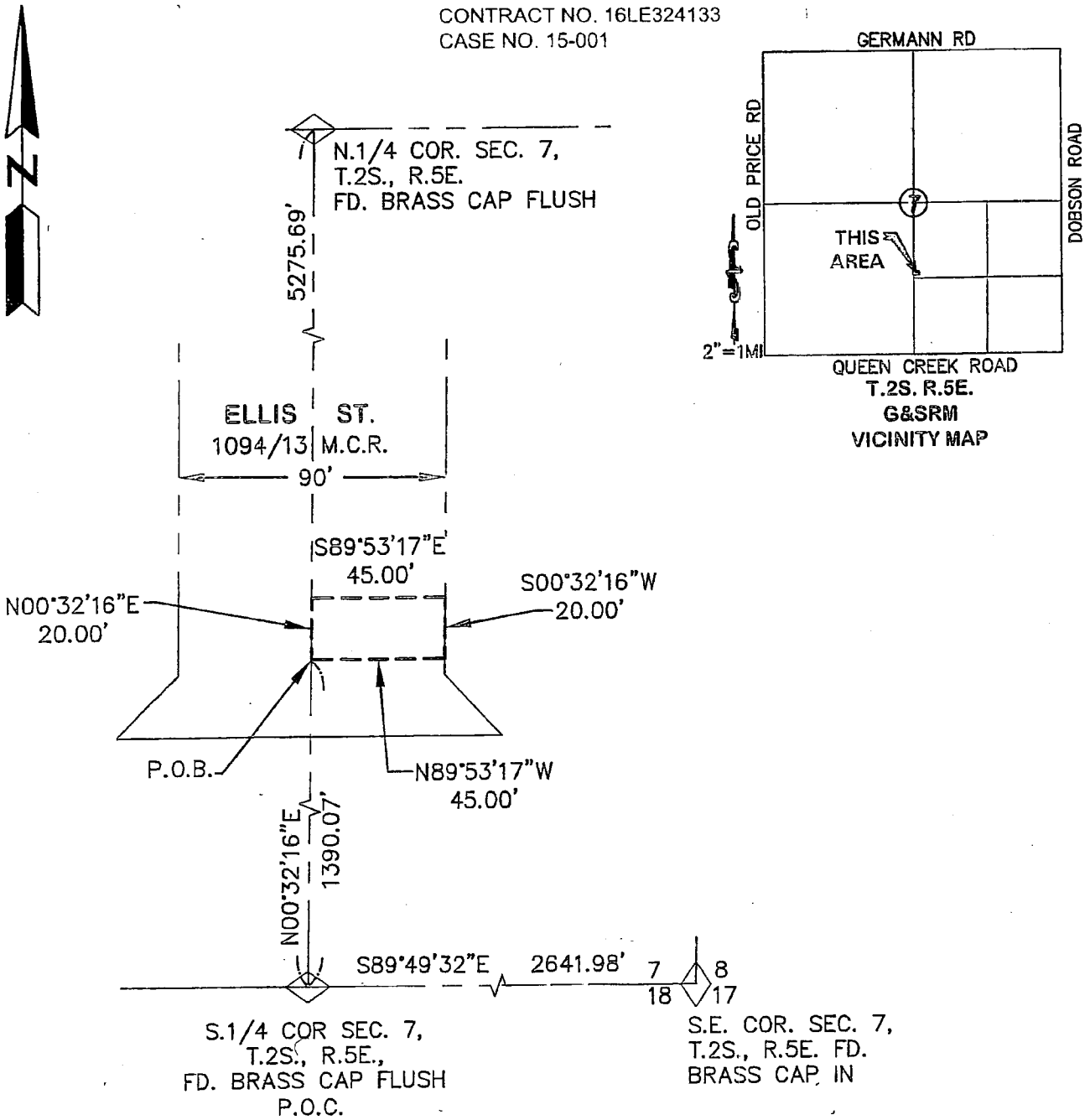
CONTAINING 0.020 ACRE, MORE OR LESS.

REGISTERED LAND SURVEYOR
CERTIFICATE NO. 29865
JAMES A. BRUCCI
Date Signed 10-7-15
ARIZONA, U.S.A.
Expires 3/31/2017

TITLE:	**PROPOSED U.S.A. FEE**
DATE:	10/07/15
DESC:	EAST ELLIS CROSS

HUNTER
ENGINEERING | CIVIL AND SURVEY
10450 N. 74TH ST., SUITE 200
SCOTTSDALE, AZ 85258
T 480 991 3985
F 480 991 3986
PROJ.NO.LGEC118-S
DWG: LGEC118-SRP-XB04

CONTRACT NO. 16LE324133
CASE NO. 15-001



P.O.C. = POINT OF COMMENCEMENT
P.O.B = POINT OF BEGINNING

REGISTERED LAND SURVEYOR
CERTIFICATE NO. 29865
JAMES A. BRUCCI
Date Signed 10-7-15
ARIZONA, U.S.A.
Expires 3/31/2017

TITLE: **PROPOSED U.S.A. FEE**
SCALE: 1"=50'
DATE: 10/07/15
DESC: EAST ELLIS CROSS

HUNTER
ENGINEERING | CIVIL AND SURVEY
10450 N. 74TH ST., SUITE 200
SCOTTSDALE, AZ 85258
T 480 991 3985
F 480 991 3986
PROJ.NO.LGEC118-S
DWG: LGEC118-SRP-XB04

EXHIBIT "B"
LEGAL DESCRIPTION
UNITED STATES OF AMERICA PARCEL

Contract No.
Case

QUITCLAIM DEED

FOR VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, and as complete satisfaction of an irrigation facility relocation requested by the Salt River Project Agricultural Improvement and Power District, an agricultural improvement district organized and existing under the laws of the State of Arizona, in which the UNITED STATES OF AMERICA received suitable lands by Contract Nos. and in accordance with the Act of June 17, 1902 (32 Stat. 388), and the Reclamation Project Act of 1939 (53 Stat. 1187), the United States does quitclaim unto

, their successors and assigns forever, all of the right, title and interest, if any, of the United States of America in and to property located in Maricopa County, Arizona and being more particularly described as follows:

See Attached Exhibit "A"

Excepting and reserving to the United States of America the reservation of a right-of-way for ditches or canals constructed or to be constructed by the authority of the United States, this reservation being of the same character and scope as that created with respect to certain public lands by the Act of August 30, 1890 (26 Stat. 371, 391), as it has been or may hereafter be amended.

TO HAVE AND TO HOLD all and singular said premises, together with the appurtenances, unto said Grantee, its successors, and assigns forever.

IN WITNESS WHEREOF, The United States of America has caused this Quitclaim Deed to be executed this _____ day of

_____, _____.

UNITED STATES OF AMERICA

By_____
Phoenix Area Office
Bureau of Reclamation

Contract No.
Case No

ACKNOWLEDGMENT

State of Arizona)
) ss.
County of Maricopa)

On this _____ day of _____, _____, before me,

_____, a Notary Public in and for said

County and State personally appeared _____,

Area Manager, Phoenix Area Office, Bureau of Reclamation,

Department of the Interior, **UNITED STATES of AMERICA**, known to me

to be the person described in the foregoing instrument, and

acknowledged to me that he executed the same on behalf of the

United States in the capacity therein stated and for the purpose

therein contained.

Notary Public in and for said
County and State

EXHIBIT "A"

DESCRIPTION OF REAL ESTATE
IN MARICOPA COUNTY, STATE OF ARIZONA

A PARCEL OF LAND IN THE SOUTHEAST QUARTER (SE¼) OF SECTION SEVEN (7), TOWNSHIP TWO (2) SOUTH, RANGE FIVE (5) EAST, OF THE GILA & SALT RIVER MERIDIAN, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

ALL THE AREA AS DESCRIBED IN THAT CERTAIN QUIT-CLAIM DEED FROM THE TANNER CONSTRUCTION COMPANY TO THE UNITED STATES OF AMERICA, DATED SEPTEMBER 25, 1945, RECORDED DECEMBER 7, 1945, IN BOOK 467 OF DEEDS, PAGE 303, RECORDS OF MARICOPA COUNTY, ARIZONA, LYING WITHIN THE SOUTHWEST QUARTER OF THE SOUTHEAST QUARTER (SW¼ SE¼) OF SAID SECTION 7.

EXCEPTING THEREFROM THE FOLLOWING DESCRIBED PORTION;

COMMENCING AT A BRASS CAP SET FLUSH MARKING THE SOUTH QUARTER CORNER OF SAID SECTION 7, FROM WHICH A BRASS CAP IN A HANDHOLE MARKING THE SOUTHEAST CORNER OF SAID SECTION 7 BEARS SOUTH 89°49'32" EAST, 2641.98 FEET, AND FROM WHICH A BRASS CAP SET FLUSH MARKING THE NORTH QUARTER CORNER OF SAID SECTION 7 BEARS NORTH 00°32'16" EAST, 5275.69 FEET,

THENCE NORTH 00°32'16" EAST, 1320.11 FEET TO A POINT ON THE NORTH LINE OF THE SOUTHWEST QUARTER OF THE SOUTHEAST QUARTER (SW¼ SE¼) OF SAID SECTION SEVEN (7),

THENCE SOUTH 89°53'45" EAST, ALONG SAID NORTH LINE, 1217.06 FEET TO THE <u>POINT OF BEGINNING</u>;

THENCE SOUTH 89°53'45" EAST, 20.00 FEET;

THENCE SOUTH 00°01'39" EAST, 30.00 FEET;

THENCE NORTH 89°53'45" WEST, 20.00 FEET;

THENCE NORTH 00°01'39" WEST, 30.00 FEET TO THE POINT OF BEGINNING.

SAID PARCEL CONTAINS AN AREA OF 0.90 ACRE, MORE OR LESS, AFTER SAID EXCEPTION HAS BEEN MADE, BASED ON A WIDTH OF 30 FEET AS DETERMINED BY SALT RIVER PROJECT AS THE HISTORIC WIDTH NEEDED TO OPERATE AND MAINTAIN SAID DITCH.

REGISTERED LAND SURVEYOR
CERTIFICATE NO. 29865
JAMES A. BRUCCI
Date Signed 10-7-15
ARIZONA, U.S.A.
Expires 3/31/2017

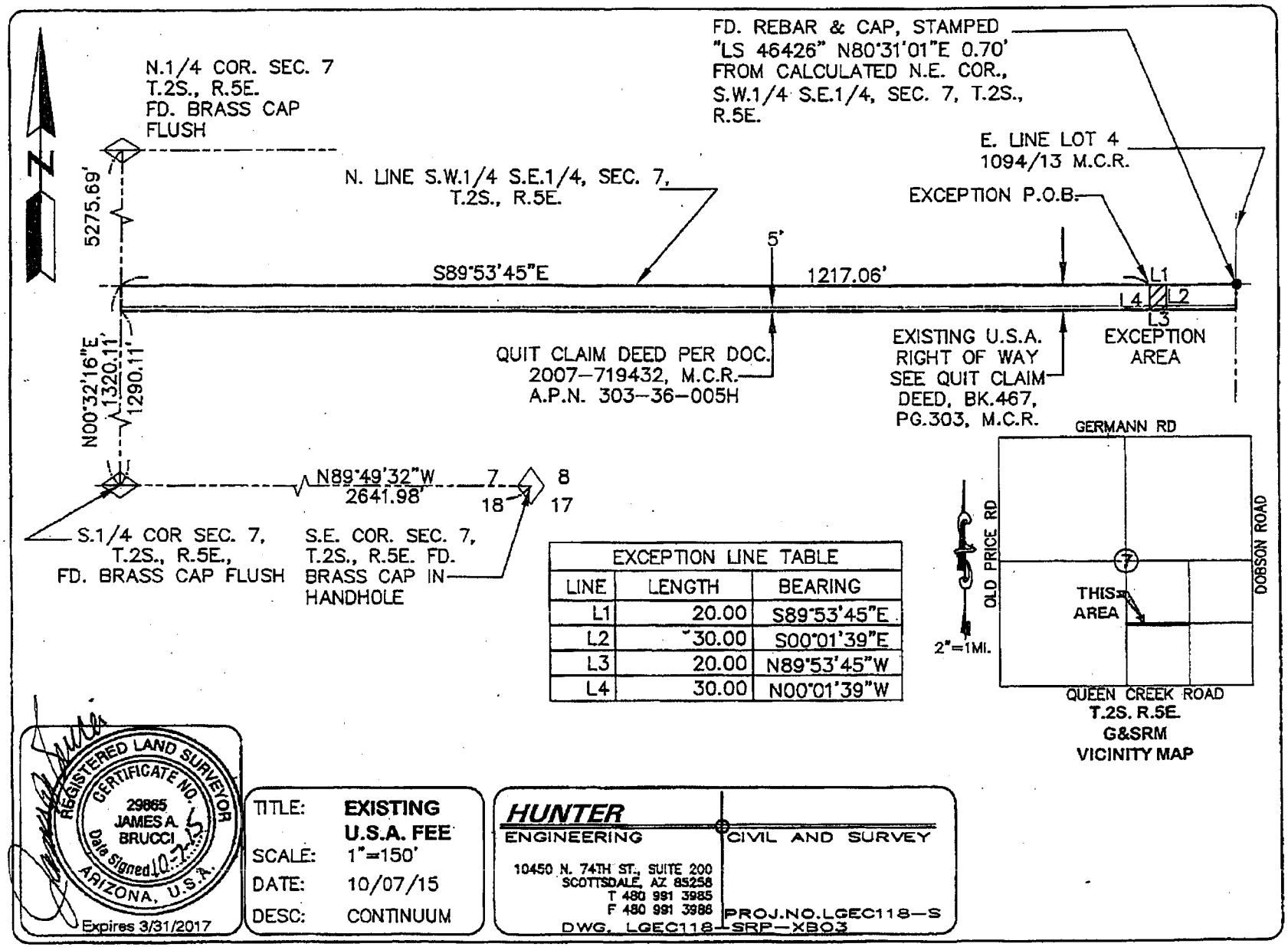
TITLE: **EXISTING U.S.A. FEE**

DATE: 10/07/15

DESC: CONTINUUM

HUNTER
ENGINEERING
CIVIL AND SURVEY
10450 N. 74TH ST., SUITE 200
SCOTTSDALE, AZ 85258
T 480 991 3985
F 480 991 3986

PROJ.NO.LGEC118-S
DWG. LGEC118-SRP-XB03



EXCEPTION LINE TABLE		
LINE	LENGTH	BEARING
L1	20.00	S89°53'45"E
L2	30.00	S00°01'39"E
L3	20.00	N89°53'45"W
L4	30.00	N00°01'39"W

REGISTERED LAND SURVEYOR
CERTIFICATE NO. 29865
JAMES A. BRUCCI
Date Signed 10-7-15
ARIZONA, U.S.A.
Expires 3/31/2017

TITLE: **EXISTING U.S.A. FEE**
SCALE: 1"=150'
DATE: 10/07/15
DESC: CONTINUUM

HUNTER
ENGINEERING | CIVIL AND SURVEY

10450 N. 74TH ST., SUITE 200
SCOTTSDALE, AZ 85258
T 480 991 3985
F 480 991 3986

PROJ.NO.LGEC118-S
DWG. LGEC118-SRP-XB03

SALT RIVER PROJECT
Land Department/PAB348
P. O. Box 52025
Phoenix, Arizona 85072-2025

SALT RIVER PROJECT
LAND USE LICENSE

DO NOT REMOVE
THIS PAGE IS PART OF THE ORIGINAL DOCUMENT

SALT RIVER PROJECT
LAND USE LICENSE

Salt River Project License No.:	57840-0
Salt River Project File No.:	2.57840
Effective Date:	Sept 1, 2016
Agent:	PJH

1. License Granted

WHEREAS, it is understood by the parties hereto that Licensor and the Salt River Valley Water Users' Association (Association) manage the Licensed Property pursuant to contracts with the United States of America (USA), which assign to Licensor the responsibility and authority for the care, operation, maintenance and management of the Salt River Reclamation Project ("Reclamation Project") of which the Licensed Property is a part, and;

WHEREAS, Licensor is willing to consent to Licensee's use of the Licensed Property in a manner that does not in any way compromise the contractual obligation or authority of Licensor to manage the Reclamation Project.

For valuable consideration acknowledged and received by Licensor, the **SALT RIVER PROJECT AGRICULTURAL IMPROVEMENT AND POWER DISTRICT**, an agricultural improvement district organized and existing under the laws of the State of Arizona ("Licensor"), grants **CITY OF CHANDLER**, an Arizona municipal corporation ("Licensee"), a revocable License granting the nonpossessory and nonexclusive right and privilege to enter upon and use certain real property, the Licensed Property, under the following terms and conditions. Nothing herein shall be construed as a conveyance of a real property interest in the Licensed Property.

2. Purpose

Licensee shall make the Licensed Property available for use by the general public and may use the Licensed Property only for roadway, landscaping and water and sewer utilities. Licensee shall not use the Licensed Property for any other purpose without the prior written approval of Licensor. Licensee acknowledges that, but for this License, it has no rights to use or occupy the Licensed Property, and represents that it makes no claim to such rights.

3. Licensed Property

The Licensed Property shall mean: All that property as described in Exhibit "A" and Exhibit "B" attached hereto.

4. Compensation

4.1 Licensee shall reimburse Licensor, for all federal, state and local excise, sales, privilege, gross receipts and other similar taxes lawfully imposed on and paid by Licensor as a result of any License Fees received by Licensor under this License; provided, however, that this Section shall not apply to income taxes. Licensee shall pay all property taxes, if any, levied on the Licensed Property.

4.2 All amounts paid by Licensee to Licensor as a result of damages, costs, expenses and sums incurred by Licensor hereunder as a result of Licensee's default shall be deemed to be License Fees.

4.3 Any payment due under this License that is not paid within 30 days of its due date shall bear interest from the date such payment was due at the rate of eighteen percent (18%) per annum. Licensor shall have all the rights and remedies provided herein and by law for Licensee's failure to pay any of the compensation specified in this Section 4.

4.4 Within 30 days of Licensor's delivery of an invoice therefore, Licensee shall pay any incremental increase in Licensor's operation and maintenance costs on the Licensed Property resulting from Licensee's exercise of its rights hereunder. Licensor shall incur no liability for any costs of repairing or replacing Licensee's improvements within the Licensed Property, damaged as a result of Licensor's operation and maintenance of its facilities, unless due to negligent or willful acts or omissions of Licensor or its agents or employees.

4.5 In the event of non-payment by Licensee of any amount due hereunder, Licensor's remedies shall include, though not be limited to, the collection of past due compensation and termination of this License.

5. Term

The term of this License shall be for Twenty Five Years (25) Licensed Years (as defined below) beginning September 1, 2016 and ending August 31, 2041. Unless earlier terminated pursuant to the terms set forth herein, and may be renewed upon written agreement by the parties. For purposes of this License, the term "License Year" shall mean each twelve (12) month period during the term of this License commencing on September 1 and ending at midnight on the next succeeding August 31.

6. Default

If a party ("Defaulting Party") fails (i) to make payment required herein by its due date or (ii) perform an obligation under this License within 30 days after written notice is given to the Defaulting Party of its failure to perform such obligation on the date when such performance was due (or, if such default cannot reasonably be cured within 30 days, then within such longer period as is determined by the non-defaulting party to be necessary to cure such default, provided the Defaulting Party commences to cure such default within the 30 day period), then, upon the expiration of the applicable cure period, if any, the non-defaulting party may terminate this License upon not less than 30 days prior written notice to the Defaulting Party.

7. Rights of the United States of America

7.1 This License is subject to the paramount rights and regulatory jurisdiction of the USA in and to the Licensed Property, federal reclamation law, and all agreements existing and to be made between and among the USA, the Association, and Licensor regarding the management, care, operation and maintenance of the Reclamation Project.

7.2 The USA reserves the right of its officers, agents, and employees at all times to have unrestricted access and ingress to, passage over, and egress from all of said lands, to make investigations of all kinds, dig test pits and drill test holes, to survey for and construct reclamation and irrigation works and other structures incident to Federal Reclamation Projects, or for any purpose whatsoever. The USA will make every reasonable effort to keep damages to a minimum.

8. Successors and Assigns

The privileges granted to Licensee herein shall not inure to or benefit any person or entity other than Licensee, either through assignment or sublicense. Any attempt by Licensee to so assign or sublicense all or any portion of the Licensed Property for any purpose whatsoever shall void this License.

9. Termination of the License

9.1 Either party or the USA may terminate this License without cause upon not less than sixty (60) days written notice.

9.2 The USA or Licensor may, at any time and at no cost or liability to the USA or Licensor, terminate this License if the USA or Licensor determines that any of the following apply:

(i) The use has become incompatible with authorized project purposes, project operations, safety, and security;

(ii) A higher public use is identified through a public process described at 43 CFR § 429.32(a)(1); or

(iii) Termination is necessary for operational needs of the project.

9.3 The USA or Licensor may, at any time and at no cost or liability to the USA or Licensor, terminate this License if the USA or Licensor determines that the Licensee has failed to use the Licensed Property for its intended purpose. Further, failure to construct improvements pursuant to Section 15 hereof within the timeframe specified in the terms of the License may constitute a presumption of abandonment of the requested use and cause termination of the License.

9.4 Upon the expiration, termination, or revocation of this License, if all License Fees and damage claims due the USA and Licensor have been paid, the Licensee shall remove all structures, equipment, or other improvements made by it from the Licensed Property at no cost to the USA or Licensor. Upon failure to remove any such improvements within thirty (30) days of the

expiration, termination, or revocation, any remaining improvements shall, at the option of the USA or Licensor, be removed or become the property of the USA or Licensor. The Licensee shall pay all expenses of the USA or Licensor, or their assigns, related to the removal of such improvements.

10. Maintenance of Licensed Property & Interface with Licensor's Use of Licensed Property

10.1 Licensee, at its own expense, shall maintain all of the Licensed Property in reasonably good, sanitary and safe condition. Subject to the conditions set forth herein, Licensor reserves to itself and Association, a right of access to the Licensed Property for the construction, use, operation, maintenance, relocation and removal of any existing and future electric or water distribution or transmission facilities. Any such construction, use, operation, maintenance, relocation or removal shall be performed in a manner designed to avoid, to the extent feasible, disturbance to Licensee's improvements and Licensee's use and enjoyment of the Licensed Property. Licensor shall give Licensee at least thirty (30) days prior written notice of any such construction, use, operation, maintenance, relocation or removal that will materially disrupt Licensee's use and enjoyment of the Licensed Property or the Licensee's improvements; provided, however, that such notice may be given in such shorter period as Licensor determines to be reasonable under prevailing circumstances, or with no notice in the event of an emergency where no notice is feasible. Nothing in this License shall be construed to deny or lessen the powers and privileges granted Licensor by the laws of the State of Arizona. Licensor shall not be liable to Licensee for any damage to Licensee's improvements located upon the Licensed Property, unless due to negligent or willful acts or omissions of Licensor or its agents or employees.

10.2 If Licensee defaults in the performance of the obligations set forth in Section 10.1, and Licensor gives notice of the default, Licensee shall correct such default to the reasonable satisfaction of Licensor within the required period of time set forth in the notice of default (the "Correction Period"), which period of time shall be reasonable under the circumstances. If Licensee fails to correct the default within the Correction Period, Licensor may take any action reasonably determined by Licensor to be necessary to correct such default, including without limitation making any repair or modification to or removing any of Licensee's improvements. Licensee shall reimburse Licensor for the reasonable costs it incurs to correct such default within thirty (30) days after Licensor presents Licensee with a statement of such costs. Licensee shall release Licensor and Association from all damages resulting to Licensee from the correction of such default, including, without limitation, those damages arising from all repairs or modifications to or removal of any of Licensee's improvements.

10.3 The USA, acting through Reclamation, Department of the Interior, reserves rights to construct, operate, and maintain public works now or hereafter authorized by the Congress without liability for termination of the License or other damage to Licensee's activities or facilities.

11. Nonexclusive Rights

This License is nonexclusive and nothing herein shall be construed to prevent or restrict Licensor from granting other privileges to use the Licensed Property in a manner Licensor or the USA deems not inconsistent with Licensee's use of the Licensed Property in accordance with this

License.

12. Existing Easements and Licenses

This License is subject to all existing encumbrances of record, including easements and licenses. It shall be Licensee's obligation and responsibility to ascertain the rights of all third parties in the Licensed Property. Licensor consents only to the use of the Licensed Property for the purposes described herein, in its capacity as manager of the Licensed Property and on behalf of the USA. Nothing in this License shall be construed as Licensor's representation, warranty, approval or consent regarding rights in the Licensed Property held by other parties. Licensee shall indemnify and hold Licensor, the USA and the Association harmless from any liability arising out of any dispute or claim regarding actual or alleged interests in the Licensed Property, affecting Licensee's interests created herein, and shall release Licensor, the USA and Association from any such claims on its own behalf.

13. Indemnification

13.1 To the extent not prohibited by law or expressly excepted herein, Licensee, its successors and assigns ("Indemnitors"), shall indemnify, release, and hold harmless Licensor and Association ("Indemnitees") and the directors, officers, employees, agents, successors and assigns thereof, for, from and against any damage, loss or liability caused in whole or in part by Licensee, regardless of whether caused in part by Indemnitees or any of them, and suffered by Indemnitees as a result of any claim, demand, lawsuit or action of any kind, whether such damage or loss is to person or property, arising out of, resulting from or caused by: (a) the acts or omissions of Licensee, its agents, contractors, officers, directors, or employees; (b) Licensee's use or occupancy of the Licensed Property for the purposes contemplated by this License, including but not limited to claims by third parties who are invited or permitted onto the Licensed Property, either expressly or impliedly, by Licensee or by the nature of Licensee's improvement or other use of the Licensed Property pursuant to this License; (c) Licensee's failure to comply with or fulfill its obligations established by this License or by law. Such obligation to indemnify shall extend to and encompass all costs incurred by Licensor in defending against such claims, demands, lawsuits or actions, including but not limited to attorney, witness and expert witness fees, and any other litigation related expenses. Indemnitors' obligation pursuant to this Section shall not extend to any damage, loss or liability as a result of any claim, demand, lawsuit or action of any kind, whether such damage, loss or liability is to person or property arising out of, resulting from or caused by the sole, exclusive acts or omissions of Indemnitees, their contractors, directors, officers, employees, agents, successors or assigns for which Licensor shall indemnify, release and hold harmless Indemnitors. Licensor's obligation to indemnify Indemnitors shall extend to and encompass all costs incurred by Indemnitors in defending against such claims, demands, lawsuits or actions, including but not limited to attorney, witness and expert witness fees, and any other litigation related expenses. The provisions of this Section shall survive termination of this License.

13.2 The Licensee agrees to indemnify the USA for, and hold the USA and all of its representatives harmless from, all damages resulting from suits, actions, or claims of any character brought on account of any injury to any person or property arising out of any act, omission, neglect, or misconduct in the manner or method of performing any construction, care, operation, maintenance, supervision, examination, inspection, or other activities of the Licensee.

14. Insurance

Without limiting any liabilities or any other obligations of Licensee, Licensee shall provide and maintain, with forms and insurers acceptable to Licensor, and until all obligations under the License are satisfied, the minimum insurance coverages, as follows:

14.1 If applicable, worker's compensation insurance to cover obligations imposed by applicable federal and state statutes and employer's liability insurance with a minimum limit of One Million and No/100 Dollars ($1,000,000.00).

14.2 General liability insurance with a minimum combined single limit of Two Million Dollars ($2,000,000.00) each occurrence or current homeowner's liability policy. The policy shall include coverage for bodily injury liability, property damage liability, and for liability assumed under this License.

14.3 If applicable, comprehensive automobile liability insurance with a combined single limit for bodily injury and property damage of not less than Two Million and No/100 Dollars ($2,000,000.00) each occurrence with respect to Licensee's vehicle, whether owned, hired or non-owned, assigned to or used in the performance of the work.

14.4 The policies required by Sections 14.2 and 14.3 hereof shall be endorsed to include Licensor, members of its governing bodies, its officers, agents and employees as additional insureds and shall stipulate that the insurance afforded for Licensor, members of its governing bodies, its officers, agents and employees shall be primary insurance and that any insurance carried by Licensor, members of its governing bodies, its officers, agents or employees shall be excess and not contributory insurance.

14.5 Licensee shall waive their rights of recovery and require its insurers providing the required coverages to waive all rights of subrogation against Licensor and members of its governing bodies, its officers, agents and employees for matters arising out of this License.

14.6 Upon execution of this License, Licensee shall furnish Licensor with Certificates of Insurance as evidence that policies providing the required coverages, conditions and limits are in full force and effect. Such certificates shall provide that not less than thirty (30) days advance notice of cancellation, termination, or alteration shall be sent directly to Licensor addressed as follows:

Manager, Land Rights Management, PAB348
Salt River Project
P.O. Box 52025
Phoenix, Arizona 85072-2025

14.7 The insurance policies may provide coverages that include deductibles or self-insured retentions. Licensee shall be solely responsible for deductibles and/or self-insured retentions, and SRP, at its option, may require Licensee to secure the payment of such deductibles or self-insured retentions by a surety bond or an irrevocable and unconditional letter of credit.

15. Construction

15.1 Prior to making any improvements on the Licensed Property, Licensee shall submit to Licensor for its approval final construction documents and plans showing the location of any such improvements. Licensor shall approve or disapprove such documents and plans within 30 days. If applicable, Licensee shall obtain a Construction License from Water Engineering prior to the start of construction. Construction on the Licensed Property shall be performed only in accordance with approved construction documents and plans. At least ten (10) days prior to the beginning of any construction on the Licensed Property, Licensee shall give Licensor notice of the date that construction will begin and a schedule listing all construction activities and the dates when such construction activities will be performed. Licensee shall give Licensor written notice of all changes in the schedule and delays in construction immediately upon it being reasonably foreseeable that such change or delay will occur.

15.2 Licensee's improvements constructed, installed, operated and maintained on the Licensed Property shall not interfere with Licensor's use of Licensor's existing or any future irrigation or electric facilities on or adjacent to the Licensed Property.

15.3 Licensor may request Licensee to alter the scheduling of construction undertaken pursuant to Section 15.1 but only when and to the extent necessary to prevent any material interference with Licensor's use of the Licensed Property, and if such improvements do interfere with Licensor's use, Licensor may request Licensee to relocate Licensee's material, facilities and improvements as deemed necessary by Licensor.

15.4 If relocation of Licensee's materials, facilities, or improvements is necessitated by Licensor's use of existing facilities or the construction of improvements by or on behalf of Licensor, Licensee shall bear the entire actual cost of relocating said materials, facilities and improvements.

15.5 Licensor shall not exercise its right to require relocation of Licensee's facilities, materials, and improvements in an unreasonable or arbitrary manner, and warrants to Licensee that as of the date of this License, relocation of Licensee's facilities is not expected or anticipated as a result of Licensor's existing plans for the Licensed Property.

16. Permits, Statutes and Codes

16.1 Licensee shall comply with all requirements of all statutes, acts, ordinances, regulations, codes, and standards of legally constituted authorities with jurisdiction, applicable to Licensee's use of the Licensed Property. Licensee shall obtain or cause to be obtained at its expense, all permits, approvals and authorizations required by Licensee's actions pursuant to this License.

16.2 The USA or Licensor may, at any time and at no cost or liability to the USA or Licensor, terminate any License if the Licensee fails to comply with all applicable Federal, State, and local laws, regulations, ordinances, or terms and conditions of any License, or to obtain any required permits or authorizations.

17. Licensor's Right to Inspect

17.1 Licensor, Association or the USA may enter any part of the Licensed Property at all reasonable times to make an inspection thereof. During any construction by Licensee, Licensor may inspect all trenching, backfilling and other related construction activity that potentially affects Licensor's facilities, and require conformance with all Licensor's requirements and specifications related thereto.

17.2 Licensee shall release Licensor, Association and the USA from any claims for damages arising out of any delay caused by Licensor in permitting or inspecting any work on the Licensed Premises. The provisions of this Section shall survive termination of this License.

18. Service of Notice

All notices, demands and invoices required or permitted by this License shall be in writing and shall be considered to have been properly delivered: (i) if mailed, three (3) business days after deposit in the U.S. mail, postage prepaid, return receipt requested, addressed as follows; (ii) if sent by overnight delivery service, on the next business day after deposit with such service, addressed as follows; (iii) if personally delivered, or (iv) if by email on the date of delivery service to:

Mail

Notices to Licensor
Attn: Manager, PAB348
SALT RIVER PROJECT
Land Rights Management
P.O. Box 52025
Phoenix, AZ 85072-2025

Notices to Licensee
Attn: Erich Kuntze
Real Estate Opeartions Coordinator
City of Chandler
Mail Stop 400
P.O. Box 4008
Chandler, AZ 84244-4008

Hand /Certified Delivery

Notices to Licensor
Attn: Manager, PAB348
SALT RIVER PROJECT
Land Rights Management
2727 E. Washington Street
Phoenix, AZ 85034-1422

Notices to Licensee
Attn: Eric Kuntze
Real Estate Coordinator
City of Chandler
Mail Stop 400
P.O. Box 4008
Chandler, AZ 85224-4008

Either party may change its address or the designated person to receive notification hereunder by giving notice of such change in the manner provided above.

19. Waiver

This License may not be modified or any provision waived except by written agreement executed by both Licensor and Licensee. The waiver by either party of any breach or failure to provide full performance under any of the terms and conditions of this License, or the failure of a party to exercise, or any delay in exercising, any rights or remedies provided herein or by law, or the failure of a party to notify the other properly in the event of a breach hereunder shall not be construed as a waiver of any other term of condition herein, or of any subsequent or continuing breach of the same or any other term or condition.

20. Attorneys' Fees Upon Default

If either party brings or defends any legal action, suit or proceeding based on rights or obligations arising from this License, the successful party shall be entitled to recover reasonable litigation expenses, court costs and reasonable attorneys' fees, as determined by a court, in any such action, suit or proceeding. The foregoing shall not in any way limit or restrict any other right or remedy at law or equity otherwise available to such party.

21. Force Majeure

21.1 If either party is rendered unable, wholly or in part, by force majeure to carry out its obligations under this License, other than the obligation of Licensee to make payments of amounts due hereunder, then the obligations of both Licensee and Licensor, so far as they are affected by such force majeure, shall be suspended during the continuance of any inability so caused, but for no longer period, and such cause shall so far as possible be remedied within a reasonable time. The term "force majeure" as used herein shall mean acts of God, strikes, lockouts, or other industrial disturbances, acts of public enemies, wars, blockades, insurrections, riots, epidemics, landslides, lightning, earthquakes, fires, storms, floods, washouts, interruptions by government not due to the fault of the parties, civil disturbances, explosions, or unforeseeable action or nonaction by governmental bodies in approving the applications for approvals or permits or any material change in circumstances arising out of legislation, regulation or litigation. Nothing in this Section shall require Licensor to settle a strike.

21.2 The USA may, at any time and at no cost or liability to the USA, terminate this License in the event of a natural disaster, a national emergency, a need arising from security requirements, or an immediate and overriding threat to public health and safety.

22. Entire Agreement; Changes After Execution

This License, including its specified addenda and exhibits, if any, constitutes the entire agreement between the parties, and any amendment hereto must be in writing and signed by both parties.

23. Governing Law, Venue and Waiver of Trial by Jury

23.1 This License shall be interpreted, governed by, and construed in accordance with the substantive and procedural laws of the State of Arizona, without regard to conflicts of law principles. Licensor and Licensee agree that any action, suit, or proceeding arising out of, or in any way connected with this License, shall be initiated and prosecuted in a state or federal court of competent jurisdiction located in Maricopa County, Arizona, and the parties irrevocably submit to the jurisdiction and venue of such court. To the fullest extent permitted by law, each party hereby irrevocably waives any and all rights to a trial by jury and covenants and agrees that it will not request a trial by jury with respect to any legal proceeding arising out of or in any way connected with this License.

23.2 Each provision of this License shall be interpreted in such a manner as to be valid under applicable law, but if any provision of this License shall be deemed or determined by competent authority to be invalid or prohibited hereunder, such provision shall be ineffective and void only to the extent of such invalidity or prohibition, but shall not be deemed ineffective or invalid as to the remainder of such provision or any other remaining provisions, or of the License as a whole.

24. Water Damage

Except when the result of the negligent or willful act or omission of Licensor or Association or their directors, officers, employees, agents or assigns, neither Licensor, Association or the USA shall be liable for any loss sustained by Licensee, its officers, employees, agents or invitees on the Licensed Property because of water damage resulting from any source whatsoever, including, but not limited to, flood, drainage or run-off, irrespective of any prior knowledge by Licensor of the possibility of such flood, drainage or run-off, arising from or in connection with the operation or maintenance of any Reclamation Project dam, canal or other facility.

25. Transactional Conflict of Interest

Notice is hereby given of A.R.S. § 38-511.

26. Approvals

Each party agrees that if any consent or approval shall be required of such party, such consent or approval shall not be unreasonably withheld.

27. Reservation of Remedies

Unless otherwise provided herein, each party shall have available to it, all remedies provided by law or equity.

28. Archaeological and Environmental Compliance

28.1 Licensee shall immediately provide an oral notification to Reclamation (hereinafter described) authorized official and Licensor of the discovery of any and all antiquities or other objects of archaeological, cultural, historic, or scientific interest on the Licensed Property. The License shall follow up with a written report of their finding(s) to Reclamation authorized official and Licensor within forty-eight (48) hours. Objects under consideration include, but are not limited to, historic or prehistoric ruins, human remains, funerary objects, and artifacts discovered as a result of activities under this License. The Licensee shall immediately cease the activity in the area of discovery, make a reasonable effort to protect such discovery, and wait for written approval from Reclamation authorized official and Licensor before resuming the activity. Protective and mitigative measures specified by Reclamation authorized official and Licensor shall be the responsibility of the Licensee.

28.2 Licensee through the Licensor shall obtain a final environmental clearance from Reclamation prior to construction on the Licensed Property.

28.3 Licensee shall notify Licensor's staff archaeologist should any cultural resources or human remains be found on the Licensed Property, and when appropriate, shall be responsible for other notifications and legal requirements as required by the Archeological Resource Protection Act and the Native American Graves Protection and Repatriation Act and ensuing 43 C.F.R. 10 regulations. All costs are the responsibility of the Licensee.

28.4 (a). Licensee may not allow contamination or pollution on Licensed Property, waters or facilities by its employees or agents and shall take reasonable precautions to prevent such contamination or pollution by third parties. Substances causing contamination or pollution shall include, but are not limited to hazardous materials, thermal pollution, refuse, garbage, sewage effluent, industrial waste, petroleum products, mine tailings, mineral salts, misused pesticides, pesticide containers, or any other pollutants.

(b). Licensee shall comply with all applicable Federal, State, and local laws and regulations, and Reclamation policies and directives and standards, existing or hereafter enacted or promulgated, concerning any hazardous material that will be used, produced, transported, stored, or disposed of on or in Federal lands, waters or facilities.

(c). "Hazardous material" means any substance, pollutant, or contaminant listed as hazardous under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 as amended, 42 U.S.C. § 9601, et seq., and the regulations promulgated pursuant to that Act.

(d). Upon discovery of any event which may or does result in contamination or pollution of Licensed Property, waters or facilities, Licensee shall initiate any necessary emergency measures to protect health, safety and the environment and shall report such discovery and full details of the actions taken to the Licensor. Reporting is timely if made within twenty-four (24) hours of the time of discovery if it is an emergency or by the first working day if it is a non-emergency. An emergency is a situation that requires immediate action to reduce or avoid endangering public health and safety or the environment.

(e). Violation of any of the provisions of this Article 28, as determined by the Licensor, may constitute grounds for termination of this Agreement. Such violations require immediate corrective action by Licensee and shall make Licensee liable for the cost of full and

complete remediation and/or restoration of any Licensed Property, waters or facilities that are adversely affected as a result of the violation.

28.5 Licensee hereby assumes and accepts all liability and responsibility for initiation and completion of response, cleanup, and corrective and remedial action, and the cost thereof, required on the Licensed Property and any other affected premises, due to any action taken by Licensee or its agents, officers, directors, or employees that that results in release of any hazardous substance within the meaning of the Federal Comprehensive Environmental Response, Compensation and Liability Act -- 42 U.S.C. § 9601 et seq., or the Arizona Environmental Quality Act -- A.R.S. § 49-101 et seq., as such laws have been or are amended from time to time, or regulated substance within the meaning of Subtitle I of the Federal Resource Conservation and Recovery Act (Underground Storage Tanks) -- 42 U.S.C. § 6991a et seq., or the Arizona Underground Storage Tank Law -- A.R.S. § 49-1001 et seq., as such laws have been or are amended from time to time. This Section 28 shall survive termination of this License.

29. Deleted Intentionally

30. Officials Not to Benefit

No Member of Congress shall be admitted to any share or part of any contract or agreement made, entered into, or accepted by or on behalf of the United States, or to any benefit to arise thereupon, pursuant to 41 U.S.C. § 22.

31. Illegal Use

Any activity deemed to be illegal on the Licensed Property will be cause for immediate termination of this License.

32. Bonding

Licensee shall provide a bond in the amount of $0.00, to be maintained until all construction activities of this project and restoration of the disturbed areas have been completed and accepted in writing by Reclamation or Licensor. Upon completion, or partial completion, of these restoration requirements, Reclamation or Licensor, may terminate or allow partial reduction of the amount of the bond requirement.

33. Pest Control

33.1 The Licensee shall not permit the use of any pesticides on Licensed Property without prior written approval by Reclamation or Licensor. The Licensee shall submit to Reclamation or Licensor for approval an Integrated Pest Management Plan (IPMP) thirty (30) days in advance of pesticide application.

33.2 All pesticides used shall be in accordance with the current registration, label direction, or other directives regulating their (State Department of Agricultural, Department of Ecology, OSHA, etc.) and with applicable Reclamation policy and directives and standards.

Applicators will meet applicable State training or licensing requirements. Records maintenance shall be in accordance with State requirement and such records shall be furnished to Reclamation or Licensor not later than five (5) working days after any application of a pesticide.

33.3 Any equipment, tools, and machines used for pesticide application shall be in good repair and suitable for such use. Equipment shall be calibrated prior to the spraying season and as deemed necessary by Reclamation or Licensor.

33.4 Mixing, disposal, and cleaning shall be done where pesticide residues cannot enter storm drains, sewers, or other non-target areas.

33.5 The Licensee shall initiate any necessary measures for containment and cleanup of pesticide spills. Spills shall be reported to Licensor or Reclamation Contracting Officer with full details of the actions taken. Reporting may be within a reasonable time period. A reasonable time period means within twenty-four (24) hours of the spill if it is an emergency or by the first working day if it is a non-emergency. An emergency is any situation that requires immediate action to reduce or avoid endangering public health and safety or the environment.

33.6 Aerial application of pesticides is prohibited without the prior written consent by Licensor or Reclamation's designated representative.

33.7 The Licensee agrees to include the provisions contained in paragraphs 33.1 through 33.6 of this Section in any subcontract or third-party contract it may enter into pursuant to this License.

IN WITNESS WHEREOF, the parties hereto have executed this License this _____ day of _____, 20___.

LICENSOR:

SALT RIVER PROJECT AGRICULTURAL IMPROVEMENT AND POWER DISTRICT

By: _____

Its: _____

STATE OF ARIZONA)
) ss.
COUNTY OF MARICOPA)

On this ____ day of _____, 20____, the foregoing instrument was acknowledged before me by _____ a _____ of the Land Department, **SALT RIVER PROJECT AGRICULTURAL IMPROVEMENT DISTRICT**, an agricultural improvement district organized and existing under the laws of the State of Arizona ("SRP"), on behalf of SRP.

My Commission Expires:

_____
Notary Public

IN WITNESS WHEREOF, _____, _____ has caused its name to be executed by its duly authorized representative(s), this ____ day of _____, 20___.

LICENSEE:

CITY OF CHANDLER, an Arizona municipal corporation

By: _____

Its: _____

ATTEST:

By: _____

Its: _____

APPROVED AS TO FORM:

By: _____

GAB

Its: _____

STATE OF ARIZONA)
) ss
COUNTY OF MARICOPA)

On this _____ day of _____, 20___, before me, the undersigned, personally appeared_____, of _____, and such authorized representative(s) acknowledged that this document was executed on behalf of the corporation for the purposes therein contained.

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

My Commission Will Expire:

_____
Notary Public