

CITY CLERK ORIGINAL

C-8126
08/14/2012

PURCHASE AND SALE AGREEMENT

1. Parties

This Purchase and Sale Agreement is made as of the 14th of August, 2012, by and between **CITY OF GLENDALE**, an Arizona municipal corporation ("City"), and **SALT RIVER PROJECT AGRICULTURAL IMPROVEMENT AND POWER DISTRICT**, an agricultural improvement district organized and existing under the laws of the State of Arizona ("SRP").

2. Property

On the terms and conditions set forth herein, City agrees to sell and SRP agrees to purchase the real property consisting of approximately 6,006 square feet and described in **Exhibit A**, which is attached hereto and incorporated herein (the "Property").

3. Agreement

This Purchase and Sale Agreement (or, if separate escrow instructions are attached hereto, the attached escrow instructions and this Purchase and Sale Agreement collectively), shall be referred to as "Agreement." If any provisions of this Purchase and Sale Agreement conflict with the attached escrow instructions, this Purchase and Sale Agreement shall control. When executed by SRP and City, this Agreement shall constitute a purchase contract with respect to the Property and escrow instructions to the escrow agent. City and SRP shall open escrow with the Escrow Agent upon execution of this Agreement. The escrow agent is:

Chicago Title Insurance Agency
2555 E. Camelback Road, Suite 500
Phoenix, AZ 85016
Attn: Jack Knott, 602-667-1042

4. Close of Escrow

Consummation of the transaction provided for herein (the "Closing") shall occur at Escrow Agent's office at close of business **Ninety (90) calendar days** following the execution of this Agreement. Close of Escrow may occur sooner upon the mutual written agreement of both City and SRP. At or prior to Closing, each party shall execute and deliver such documents and perform such acts as are provided for herein to consummate the sale contemplated by this Agreement.

5. Purchase Price

The purchase price for the Property shall be **Twelve Thousand Dollars (\$12,000.00)**. Purchase price shall be payable as follows:

a) Simultaneously with opening of escrow, SRP shall deposit into escrow with the Escrow Agent **Two Thousand Dollars (\$2,000.00)** in cash, wire transfer of cash credit or certified check as earnest money to be paid to City at Closing and credited against the Purchase Price. The earnest money shall not be refunded to SRP except as provided in this Agreement.

b) At Closing, SRP shall pay City through escrow the balance of the purchase price, in cash, wire transfer of cash credit or certified check, subject to adjustment as provided herein.

6. Title Report

City shall convey title to the property to SRP subject only to the matters set forth in the preliminary title report approved by SRP. Such title report shall ensure marketable title to SRP in the full amount of the purchase price, shall describe the property to be purchased and shall contain no exceptions or conditions other than those expressly permitted herein.

7. Deed/Easement

Title to the Property shall be conveyed to SRP by Special Warranty Deed ("Deed") duly executed by City and recorded at the Closing. The Deed shall be in the form attached hereto as **Exhibit B**.

At close of escrow, SRP shall convey to City by Easement, in form attached hereto as **Exhibit C**, an ingress and egress easement over SRP's well site, of which the Property is a part.

8. Inspection of Sale Property

SRP shall be entitled to enter the Property at reasonable times after the opening of escrow to conduct such surveys, examinations, inspections or tests that may be reasonably necessary to determine if the Property is suitable for SRP's contemplated purposes. SRP shall have the right to conduct, and shall be responsible for, such surveys, examinations, inspections or tests as SRP deems necessary and appropriate and SRP shall comply with all federal, state and local laws which might in any way relate to such surveys, examinations, inspections or tests. SRP shall promptly restore the Property after every entry thereon. If SRP determines, in SRP's sole and absolute discretion, that the property is not suitable for SRP's contemplated purposes and it does not wish to purchase the Property, then SRP shall be entitled to terminate this Agreement by written notice delivered to City and Escrow Agent at any time before Close of Escrow (the "Feasibility Period"). If SRP fails to so

notify City and Escrow Agent prior to the expiration of the Feasibility Period, SRP shall be deemed to have waived its right to terminate this Agreement pursuant to this Section. In the event of such termination by SRP, the earnest money shall be refunded to SRP and, except as set forth in this Agreement, the parties hereto shall have no further obligations to each other under this Agreement. SRP shall defend and indemnify City from any obligations, liabilities, claims, damages, costs, expenses and fees (including reasonable attorneys' fees and costs) arising from any such entry, examinations, inspections, tests or restoration of the Property. Notwithstanding anything in this Agreement to the contrary, SRP's obligation to restore the Property and indemnify City shall survive the Closing or any termination of this Agreement. If SRP fails to consummate this transaction, SRP shall promptly deliver to City true and current copies of all data, reports, analyses, pro formas, test results, studies and other documents generated by the work conducted pursuant to this Section or otherwise in SRP's possession pertaining to the Property and copies of all items referred to therein, which are not confidential or proprietary.

9. Liquidated Damages

If SRP defaults hereunder, actual damages to City will be difficult to calculate, but the earnest money described above is a reasonable approximation thereof. Accordingly, if SRP defaults, City's sole remedy shall be to terminate this Agreement and retain the earnest money.

10. Indemnity

Each party to this Agreement agrees to indemnify each other party and hold it harmless for, from and against all claims, damages, costs and expenses (including attorneys' fees) attributable, directly or indirectly, to the breach by such indemnifying party of any obligation hereunder, or the inaccuracy of any representation or warranty made by such indemnifying party herein, or in any instrument delivered pursuant thereto, or in connection with the transactions contemplated hereby. In addition, the City hereby covenants and agrees to indemnify and hold SRP harmless for, from and against any and all claims, damages, costs and expenses (including attorneys' fees) relating in any way to the Property and accruing prior to the close of escrow, even though now unknown and unsuspected. These obligations survive close of escrow.

11. Escrow Cancellation Fees

If the escrow fails to close because of the City's default, the City shall be liable for all customary escrow cancellation charges. If the escrow fails to close because of SRP's default, SRP shall be liable for all customary escrow cancellation charges. If the escrow fails to close for

any other reason, SRP and City will each be liable for one-half of all customary escrow cancellation charges. If the escrow fails to close, all other obligations (except those which specifically survive termination) under this Agreement shall terminate.

12. Prorations; Closing Costs

City and SRP shall each pay their respective attorneys' fees, if any. All recording charges, policy of title insurance costs, other costs of closing, and Title and Escrow Agent's fees shall be paid for by SRP. Escrow Agent will prorate between the parties, as of closing of Escrow, based on the latest information available to Escrow Agent, county, city and special district (if any) taxes, assessments and bonds for the Property. Any delinquent taxes on the Property shall be paid at the Close of Escrow from funds accruing to City. Any refund in connection with real estate taxes relating to the Property attributable to the period prior to the Closing shall be paid to City. SRP and City shall reasonably cooperate to produce at least one business day prior to Closing, a schedule of prorations in accordance with the provisions of this Agreement which is as complete and accurate as is then reasonably possible. All prorations which can be so reasonably estimated shall be made through the Closing. SRP and City agree that there has not been and shall be no broker or representative acting for either party in this transaction that is entitled to a fee or commission.

13. Approvals, Representations and Warranties

SRP makes the following representations and warranties:

- (i) Authority. SRP has full power and authority to enter into and to perform its obligations under this Agreement. The persons executing this Agreement on behalf of SRP have full power and authority to do so and to perform every act and to execute and deliver every document and instrument necessary or appropriate to consummate the transactions contemplated hereby;
- (ii) Actions. All actions on the part of SRP which are required for the execution, delivery, and performance by SRP of this Agreement and each of the documents and agreements to be delivered by SRP at the closing have been duly and effectively taken;
- (iii) Enforceable Nature of Agreement. This Agreement and each of the documents and agreements to be delivered by SRP at the closing

constitutes a legal, valid and binding obligation of SRP, enforceable against SRP in accordance with its terms.

The City makes the following representations and warranties which shall apply to the Property:

- (i) Authority. City has full power and authority to enter into and to perform its obligations under this Agreement. The persons executing this Agreement on behalf of City have full power and authority to do so and to perform every act and to execute and deliver every document and instrument necessary or appropriate to consummate the transactions contemplated hereby;
- (ii) Actions. All actions on the part of City which are required for the execution, delivery, and performance by City of this Agreement and each of the documents and agreements to be delivered by City at the closing have been duly and effectively taken;
- (iii) Enforceable Nature of Agreement. This Agreement and each of the documents and agreements to be delivered by City at the closing constitutes a legal, valid and binding obligation of City, enforceable against City in accordance with its terms.

The representations and warranties above constitute a material part of this Agreement, are true and accurate as of the date of this Agreement, will be true and accurate as of the close of escrow and shall survive the close of escrow.

14. Notices

All notices shall be in writing and shall be sent registered or certified mail, postage prepaid, or by personal delivery or by fax, to the respective parties at the following addresses:

If to City:

City of Glendale
ATTN: Property Manager
5850 W. Glendale Ave., Suite 315
Glendale, AZ 85301
Phone: 623-930-3630

With a copy to: City of Glendale
City Attorney's Office
5850 W. Glendale Avenue, Suite 450
Glendale, Arizona 85301
Phone: 623-930-2930

If to SRP by mail: Salt River Project Agricultural
Improvement and Power District
Attention: Geoff Heidke
Land Department, PAB350
Post Office Box 52025
Phoenix, AZ 85072-2025
Fax: 602-629-8497; Phone: 602-236-5003

If to SRP
by personal delivery: Salt River Project Agricultural
Improvement and Power District
1521 N. Project Dr.
Main Lobby
Tempe, AZ 85281
Attn: Geoff Heidke, PAB 350

If to Escrow Agent: Mr. Jack Knott
Chicago Title Insurance Company
2555 E. Camelback Road, Suite 500
Phoenix, AZ 85016
Phone: 602-667-1042

Notice shall be deemed effective upon the earlier of seventy-two (72) hours after deposit in the United States mail in the manner provided above or upon delivery to the respective addresses set forth above or at the appropriate fax numbers set forth above.

15. Parties in Interest

All of the terms and provisions of this Agreement shall be binding upon and shall inure to the benefit of and be enforceable by the successors and assigns of City and SRP; nothing in this Agreement (expressed or implied) is intended to confer upon any other person or entity any rights or remedies under or by reason of this Agreement.

16. Time

Time is of the essence hereof.

17. Time Periods

Except as expressly provided for herein, the time for performance of any obligation or taking any action under this Agreement is considered to expire at 5:00 p.m. (Phoenix time) on

the last day of the applicable time period. If the time for the performance of any obligation or taking any action under this Agreement expires on a Saturday, Sunday or legal holiday, the time for performance or taking the action is extended to the next succeeding day which is not a Saturday, Sunday or legal holiday.

18. Paragraphs and Other Headings

Paragraphs and other headings contained in this Agreement are for reference purposes only and shall not in any way affect the meaning or interpretation of the text of this Agreement.

19. Entire Agreement

This Agreement, together with the exhibits attached hereto, constitutes the entire agreement between the parties pertaining to the subject matter contained herein. All prior and contemporaneous agreements, representations and understandings, written or oral, are superseded by this Agreement. No supplement, modification or amendment of this Agreement shall be binding unless in writing and executed by the parties. If any one or more of the provisions of this Agreement or the applicability of any provision to a specific situation is held invalid or unenforceable, the provision shall be modified to the minimum extent necessary to make it or its application valid and enforceable, and the validity and enforceability of all other provisions of this Agreement and all other applications of such provisions shall not be affected by any such invalidity or unenforceability.

20. Governing Law

This Agreement and all documents executed pursuant hereto shall be construed and enforced in accordance with the laws of the State of Arizona, without regard to conflicts of law principles. SRP and City agree that any action, suit, or proceeding arising out of or relating to this Agreement 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 jurisdictions and venue of such court. To the fullest extent permitted by law, SRP and City hereby irrevocably waive any and all rights to a trial by jury, with respect to any legal proceeding arising out of or relating to this Agreement.

21. Waiver

No waiver of any of the provisions of this Agreement shall constitute a waiver of any other provision nor shall any waiver be a continuing waiver. Except as expressly provided in this Agreement, no waiver shall be binding unless executed in writing by the party making the waiver.

Either party may waive any provision of this Agreement intended for its benefit; provided, however, such waiver shall in no way excuse the other party from the performance of any of its other obligations under this Agreement.

22. Risk of Loss

Except as otherwise provided, the risk of loss or damage to the Property and all liability to third persons will be borne by City until the Property has been delivered to SRP. This obligation survives close of escrow.

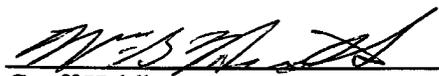
23. Further Documentation

Each party agrees in good faith to execute such further or additional documents as may be necessary or appropriate to carry out the intent and purpose of this Agreement.

[Remainder of this page intentionally blank. Signatures follow.]

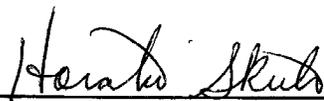
IN WITNESS WHEREOF, the parties hereto have executed this Agreement this 14th day of August, 2012.

SRP: **SALT RIVER PROJECT AGRICULTURAL
IMPROVEMENT AND POWER DISTRICT**



Geoff Heidke
Senior Land Management Agent, Land Acquisitions

CITY: **CITY OF GLENDALE, an Arizona municipal
corporation**



Horatio Skeete, Acting City Manager

ATTEST:



Pamela Hanna, City Clerk (SEAL)

APPROVED AS TO FORM:



Craig Tindall, City Attorney

Escrow Agent hereby accepts employment to handle the escrow established by this Agreement in accordance with the terms set forth in this Agreement.

Chicago Title Insurance Company

Jack Knott, Escrow Officer

IN WITNESS WHEREOF, the parties hereto have executed this Agreement this 14th day of August, 2012.

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IMPROVEMENT AND POWER DISTRICT**



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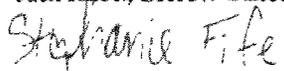
Jack Knott, Escrow Officer


EXHIBIT A

A portion of the Northwest quarter of Section 30, Township 3 North, Range 2 East of the Gila and Salt River Base and Meridian, Maricopa County, Arizona and being more particularly described as follows:

COMMENCING at the North quarter corner of said Section 30, being a brass cap flush marked "City of Glendale", from which the Northwest corner of said Section 30, being a brass cap in a hand hole, bears South 88 degrees 44 minutes 10 seconds West, a distance of 2447.38 feet, (basis of bearing):

THENCE South 88 degrees 44 minutes 10 seconds West, along the North line of the Northwest quarter of said Section 30, a distance of 120.04 feet;

THENCE South 00 degrees 08 minutes 02 seconds West, a distance of 45.01 feet to a point on the South right-of-way line of Peoria Avenue (45 feet wide) and the POINT OF BEGINNING;

THENCE North 88 degrees 44 minutes 10 seconds East, along the South right-of-way line of Peoria Avenue, a distance of 38.03 feet to a point on the West line of a parcel described in a deed recorded as document number 87-0536351 of the Recorder's Office of Maricopa County;

THENCE South 00 degrees 08 minutes 02 seconds West, along the West line of said parcel, a distance of 33.01 feet;

THENCE North 88 degrees 44 minutes 10 seconds East; along the South line of said parcel, a distance of 16.99 feet;

THENCE South 82 degrees 16 minutes 59 seconds East, along the South line of said parcel, a distance of 7.00 feet;

THENCE South 67 degrees 06 minutes 52 seconds East, along the South line of said parcel, a distance of 7.00 feet;

THENCE South 51 degrees 56 minutes 44 seconds East, along the South line of said parcel, a distance of 7.00 feet;

THENCE South 36 degrees 46 minutes 37 seconds East, along the South line of said parcel, a distance of 7.00 feet;

THENCE South 24 degrees 35 minutes 37 seconds East, along the South line of said parcel, a distance of 4.25 feet;

THENCE North 88 degrees 44 minutes 10 seconds East, a distance of 13.11 feet to a point on the West right-of-way line of 63rd Avenue (27 feet wide);

(Exhibit A, continued)

THENCE South 00 degrees 08 minutes 02 seconds West, along the West right-of-way line of 63rd Avenue, a distance of 37.02 feet;

THENCE South 88 degrees 44 minutes 10 seconds West, a distance of 93.03 feet;

THENCE North 00 degrees 08 minutes 02 seconds East, a distance of 88.03 feet to the POINT OF BEGINNING.

Said parcel contains 0.138 acre or 6,006 square feet.

EXHIBIT A

A portion of the Northwest quarter of Section 30, Township 3 North, Range 2 East of the Gila and Salt River Base and Meridian, Maricopa County, Arizona and being more particularly described as follows:

COMMENCING at the North quarter corner of said Section 30, being a brass cap flush marked "City of Glendale", from which the Northwest corner of said Section 30, being a brass cap in a hand hole, bears South 88 degrees 44 minutes 10 seconds West, a distance of 2447.38 feet, (basis of bearing):

THENCE South 88 degrees 44 minutes 10 seconds West, along the North line of the Northwest quarter of said Section 30, a distance of 120.04 feet;

THENCE South 00 degrees 08 minutes 02 seconds West, a distance of 45.01 feet to a point on the South right-of-way line of Peoria Avenue (45 feet wide) and the POINT OF BEGINNING;

THENCE North 88 degrees 44 minutes 10 seconds East, along the South right-of-way line of Peoria Avenue, a distance of 38.03 feet to a point on the West line of a parcel described in a deed recorded as document number 87-0536351 of the Recorder's Office of Maricopa County;

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(Exhibit A, continued)

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THENCE North 00 degrees 08 minutes 02 seconds East, a distance of 88.03 feet to the POINT OF BEGINNING.

Said parcel contains 0.138 acre or 6,006 square feet.

EXHIBIT C

WHEN RECORDED MAIL TO:

City Clerk, City of Glendale
5850 West Glendale Avenue
Glendale, Arizona 85301

IRRIGATION FACILITIES AND WELLSITE EASEMENT

Maricopa County
Parcel #143-12-972, 5A, 1Z
NW4 S30 T3N-R2E

Agt. WGH
Job # RC1-80013-203
W _____ C _____

SALT RIVER PROJECT AGRICULTURAL IMPROVEMENT AND POWER DISTRICT,
an agricultural improvement district organized and existing under the laws of the State of Arizona,

hereinafter called Grantor, for and in consideration of the sum of One Dollar, and other valuable consideration, receipt of which is hereby acknowledged, does hereby grant and convey to **CITY OF GLENDALE, an Arizona municipal corporation**, its agents, employees, contractors and permittees and their respective successors and assigns, hereinafter called the Grantee, an easement in, upon, over, under, across, through and along the lands hereinafter described (such lands hereinafter described being sometimes referred to herein as the "Easement Property"), to operate and maintain one or more water or irrigation pumping stations, together with all pipes, and other improvements, appliances, appurtenances and fixtures (collectively "Facilities") for the pumping, treatment and/or distribution of water, together with the right of ingress and egress to, from, across and along the Easement Property.

The lands in, upon, over, under, across, through and along which this easement is granted are situated in the County of Maricopa, State of Arizona, and are more particularly described as:

A portion of the Northwest Quarter of Section 30 of Township 3 North, Range 2 East of the Gila and Salt River Base and Meridian, Maricopa County, Arizona, more particularly described as follows:

COMMENCING at the North Quarter corner of said Section 30, being a brass cap flush, marked "City of Glendale", from which the Northwest corner of said Section 30, being a brass cap in a hand hole, bears South 88 degrees 44 minutes 10 seconds West, a distance of 2447.38 feet (basis of bearing);

thence South 88 degrees 44 minutes 10 seconds West, along the north line of the Northwest Quarter of said Section 30, a distance of 120.04 feet;

thence South 00 degrees 08 minutes 02 seconds West, a distance of 45.01 feet to the Northwest corner of the herein described parcel and the **POINT OF BEGINNING**;

thence North 88 degrees 44 minutes 10 seconds East, along the south right-of-way line of Peoria Avenue, a distance of 38.03 feet;

thence North 00 degrees 08 minutes 02 seconds East, a distance of 1.00 foot;

thence North 88 degrees 44 minutes 10 seconds East, continuing along the south right-of-way line of Peoria Avenue, a distance of 48.00 feet;

thence South 45 degrees 37 minutes 09 seconds East, along said right-of-way, a distance of 20.93 feet to a point on the west right-of-way line of 63rd Avenue;

thence South 00 degrees 08 minutes 02 seconds West, along the west right-of-way line of 63rd Avenue, a distance of 37.03 feet;

thence South 88 degrees 44 minutes 10 seconds West, a distance of 8.00 feet;

thence South 00 degrees 08 minutes 02 seconds West, continuing along the west right-of-way line of 63rd Avenue, a distance of 37.02 feet;

thence South 88 degrees 44 minutes 10 seconds West, a distance of 93.03 feet;

thence North 00 degrees 08 minutes 02 seconds East, a distance of 88.03 feet to the **POINT OF BEGINNING**.

Grantee shall have the right (but not the obligation) to trim, cut and clear away trees, brush or other vegetation on the Easement Property whenever in its judgment the same shall be necessary for the convenient and safe exercise of the rights herein granted.

In the event Grantee records a document to formally abandon the easement granted herein, all Grantee's rights hereunder shall cease, except the right to remove any and all property placed upon the Easement Property within a reasonable time subsequent to such abandonment.

The covenants and agreements herein set forth shall extend and inure in favor and to the benefit of and shall be binding on the heirs, administrators, executors, personal representatives, legal representatives, successors (including successors in ownership and estate), assigns and lessees of the Grantor and Grantee.

The individual executing this document represents and warrants: (i) that he or she is authorized to do so on behalf of Grantor; (ii) that he or she has full legal power and authority to bind Grantor in accordance with the terms herein and, if necessary, has obtained all required consents or delegations of such power and authority (whether from any partner, owner, spouse, shareholder, director, member, manager, creditor, investor, developer, governmental authority, judicial or administrative body, association, or other person or entity); and (iii) that the execution, delivery, and performance by Grantor of this document and all others relating to the

