

# OWNER CONTRACTOR AGREEMENT MINOR PROJECT

Property Reserve Arizona, LLC ("Owner") and Deseret Services LLC ("Contractor") hereby enter into this *Owner Contractor Agreement Minor Project* ("Agreement") and hereby agree as follows:

**1. Project Site.**

Address ("Project Site"): 15901 W Waddell Rd, Surprise, AZ 85379

Project Type: New Construction – Residential Build to Rent Community

Project Name ("Project"): Elanto at Prasada

**2. Scope of the Work.** Contractor will furnish all labor, materials, tools, equipment, construction, and services necessary to complete the work as set forth in the attached Exhibit A (the "Work").

**3. Compensation.** Owner will pay Contractor for performance of the Contractor's obligations under the Agreement the sum of Four Thousand Nine Hundred Forty and NO/100 Dollars, (\$4,940.00), hereinafter the "Contract Sum." This Contract Sum includes all labor, materials, equipment, tools, costs, expenses, work and services of Contractor and its subcontractors necessary to perform the Work in accordance with the terms of this Agreement, including without limitation travel, communications, and copying costs.

**4. Payment.**

- Not more than once each month (unless Owner otherwise approves), Contractor will submit a payment request to Owner in proportion to the percentage of Work completed. Owner will pay Contractor for Work completed within thirty (30) days after Owner receives:

1. Contractor's payment request for Work to date;
2. a certification by Contractor that Contractor has paid for all labor, materials, and equipment relating to the Work covered by prior payment requests and that Contractor will pay for all labor, materials, and equipment relating to the Work covered by the current payment request; and
3. conditional and/or final waivers and releases of all mechanics' liens and claims of subcontractors, laborers, or material suppliers who supplied labor and/or materials for the Work covered by the payment request, as may be requested by Owner.

Owner may modify or reject the payment request if, in Owner's opinion, the Work for which payment is requested is not acceptable or is less complete than represented on the payment request.

- Contractor will timely pay subcontractors their portion of fees and expenses that Owner has paid to Contractor.
- No payment made, either in whole or in part, by Owner will be construed to be an acceptance of defective or improper materials or workmanship

**5. Extras and Change Orders.** Owner may order changes in the Work by altering, adding to, or deducting from the Work. In the event of such a change, the Contract Sum and/or the time of completion will be adjusted to reflect the change by means of a written "Change Order" signed by Contractor and Owner. Contractor will not commence work on any change until either: (a) Contractor and Owner have executed a written Change Order; or (b) Owner has issued a written order for the change acknowledging that there is a dispute regarding the compensation or time adjustment relating to the change. If Contractor proceeds with a change in the Work without complying with the preceding sentence, Contractor agrees that it will not be entitled to an increase in the Contract Sum or time for completion for such change.

**6. Correction of Work.** Contractor will promptly correct, at its own expense,

- any portion of the Work which
  1. fails to conform to the requirements of Exhibit A and the Agreement, or
  2. is rejected by Owner as defective or because it is damaged or rendered unsuitable during installation or resulting from failure to exercise proper protection.
- any defects due to faulty materials, equipment, or workmanship which appear within a period of one year from the date of completion of the Work or within such longer period of time as may be prescribed by law or the terms of any applicable special warranty required by the Agreement.

7. **Time of Completion.** Contractor will complete the Work and have it ready for Owner's inspection by the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_. Time is of the essence. In the event the Contractor fails to maintain the progress schedule, through no fault of the Owner, the Contractor shall, without additional compensation, accelerate the Work until Contractor is in accordance with the progress schedule. Notwithstanding, if Contractor is delayed at any time in the progress of the Work by any act or neglect of Owner, or by changes in the Work, or by strikes, lockouts, unusual delay in transportation, unavoidable casualties, abnormally adverse weather conditions, unknown subsurface conditions, hazardous materials, or acts of nature or other causes beyond Contractor's control, then the time for completion will be extended by the time that completion of the Work is delayed. However, Contractor expressly waives any damages for any such delays. Any claims for additional time for performance due to any such circumstances or events must be submitted by Contractor to Owner in writing within seven (7) days after the occurrence of such circumstance or event. Contractor shall be precluded from receiving additional time for performance arising out of any delays not timely submitted to the Owner pursuant hereto. Unless otherwise approved by Owner in writing, Contractor will not commence the Work until after the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.
8. **Hazardous Materials.** A Hazardous Material is any substance or material identified now or in the future as hazardous under any federal, state or local law or regulation, or any other substance or material that may be considered hazardous or otherwise subject to statutory or regulatory requirement governing handling, disposal and/or clean-up. In the event the Contractor encounters on the site material reasonably believed to be hazardous materials that have not been rendered harmless, the Contractor shall immediately stop Work in the area affected and report the condition to the Owner and Consultant in writing. The Work in the affected area shall be resumed in the absence of hazardous materials, or when it has been rendered harmless, by written agreement of the Owner and Contractor.
9. **Permits, Surveys, and Taxes.** Contractor will obtain and pay for all permits and licenses, and also pay any applicable taxes. Contractor will also obtain and pay for any surveys it needs to perform the Work.
10. **Compliance with Laws.** Contractor, its agents, employees, and subcontractors will act ethically and will comply with all applicable laws, ordinances, rules, regulations, and orders of any federal, State, or local public authorities relating to performance of the Work.
11. **Payment of Subcontractors and Materialmen.** Contractor will promptly pay for all labor, materials, and equipment used to perform the Work.
12. **Independent Contractor Relationship.** Contractor is not an agent or employee of Owner but is an independent contractor.
13. **Contractor's Insurance.**
- Prior to performing any work, Contractor will obtain, and maintain during the term of this Agreement the following insurance:
    - Workers Compensation Insurance or evidence of exemption.
    - Employers Liability Insurance with minimum limits of the greater of \$500,000 E.L. each accident, \$500,000 E. L. disease-each employee, \$500,000 E.L. disease-policy limit or as required by the law of the state in which the Project is located.
    - Commercial General Liability Insurance – ISO Form CG 00 01 (12/07) or equivalent Occurrence policy that will provide primary coverage to the additional insureds (Owner and consultants) in the event of any Occurrence, Claim, or Suit (which includes, without limitation, coverage for bodily injury, broad form property damage, and blanket contractual liability) with limits of the greater of: (1) Contractor's actual coverage amounts or (2) \$1,000,000 Each Occurrence and \$2,000,000 General Aggregate; and with an endorsement to the General Liability policy naming Owner and consultants as additional insureds.
    - Automobile Liability Insurance, with Combined Single Limit each accident in the amount of no less than \$500,000 and coverage applying to "Any Auto" or its equivalent.
  - Contractor will provide evidence of these insurance coverages to Owner by providing an ACORD 25 (2010/05) Form or its equivalent: (1) listing Owner as the Certificate Holder and Additional Insured on the

general liability and any excess liability policies, (2) listing the insurance companies providing coverage (all companies listed must be rated in A.M. Best Company Key Rating Guide-Property-Casualty and each company must have a rating of B+ Class VII or higher), (3) attaching the applicable endorsements for the Certificate of Liability Insurance, and (4) bearing the name, address and telephone number of the - producer and signed by an authorized representative of the producer. (The signature may be original, stamped, or electronic.) Notwithstanding the foregoing, Owner may, in writing and at its sole discretion, modify these insurance requirements.

- c. Contractor waives all rights against Owner and other additional insureds for recovery of damages to the extent these damages are covered by existing insurance. To the maximum extent permitted by law, Contractor hereby waives all rights of subrogation against Owner.

**14. Indemnity and Hold Harmless.**

- a. Contractor will indemnify, defend, and hold harmless Owner and Owner's representatives, employees, agents, architects, and consultants from and against any and all claims, liens, damages, liability, demands, costs, judgments, awards, settlements, causes of action, losses and expenses, including but not limited to attorney fees, consultant fees, expert fees, copy costs, and other expenses, arising out of or resulting from performance of or failure to perform the Work, attributable to bodily injury, sickness, disease, or death, or to injury to or destruction of real or personal property or intangibles, including loss of use resulting therefrom, except to the extent that such liability arises out of the negligence of Owner, its representatives, agents, and employees. This indemnity includes, without limitation, indemnification of Owner from all losses or injury to Owner's property, except to the extent that such loss or injury arises out of the negligence of Owner, its representatives, agents, and employees.
- b. In addition to the foregoing, Contractor will be liable to defend Owner in any lawsuit filed by any Subcontractor relating to the Project. Where liens have been filed against Owner's property, Contractor will obtain lien releases and record them in the appropriate county and/or local jurisdiction and provide Owner with a title free and clear from any liens of Subcontractors.

15. **Termination by Owner for Convenience.** Notwithstanding any other provision contained in the Agreement, Owner may, without cause and in its absolute discretion, terminate this Agreement at any time. In the event of such termination, Contractor will be entitled to recover from Owner the percentage of the Contract Sum equal to the percentage of the Work which Owner determines has been completed on the Project Site as of the date of termination together with any out of pocket loss Contractor has sustained with respect to materials and equipment as a result of the termination prior to completion of the Work, less any offsets. Contractor will not be entitled to unearned profits or any other compensation as a result of the termination and hereby waives any claim therefor. Contractor will provide to Owner all warranty, as built, inspection, and other close out documents as well as materials that Contractor has in its possession or control at the time of termination. Owner may, in Owner's sole discretion, take legal assignment of subcontracts and other contractual rights of Contractor. Without limitation, Contractor's indemnities and obligations as well as all warranties relative to Work provided through the date of termination survive a termination hereunder.

16. **Assignment.** Contractor will not assign any right or obligation hereunder without the prior written consent of the Owner, which consent may be granted or withheld in Owner's absolute discretion.

17. **Owner Provided Items.** Owner may provide furnishings, equipment, and/or other items for the Project. Contractor will install items furnished by Owner and/or receive, store, and protect such items on site until the date Owner accepts the Project.

18. **Product Requirements.** Contractor will provide products that comply with Agreement, are undamaged, and, unless otherwise indicated, are new and unused at time of installation. Contractor will provide products complete with accessories, trim, finish, safety guards, and other devices and details needed for complete installation and for intended use and effect.

19. **Safety Hazards.** Contractor will ensure that no work will be performed that may pose an undue safety hazard to Contractor, Contractor's employees, or any other person. Contractor will ensure that Contractor, its agents,

and employees comply with all applicable safety laws, standards, and requirements, while performing Work under this agreement.

20. **Work Restrictions**. Contractor will ensure that Contractor, its agents, employees, and subcontractors:
  - a. Confine operations to areas within Contract limits as defined by Owner. Do not disturb portions of site beyond Contract limits.
  - b. Do not use or consume alcohol or cannabis, or illegally use drugs, upon the Project Site or enter upon or perform any Work on the Project Site while under their influence.
  - c. Do not smoke or vape anything on the Project Site. Do not use tobacco in any form on the Project Site.
  - d. Do not perform Work on the Project Site on Sundays except for emergency work.
  - e. Refrain from using profanity or being discourteous or uncivil to others on the Project Site or while performing Work under this Agreement.
  - f. Do not view or allow pornographic or other indecent materials on the Project Site.
  - g. Do not play obnoxious and/or loud music on the Project Site. Do not play any music within existing facilities.
  - h. Refrain from wearing immodest, offensive, or obnoxious clothing while on the Project Site.
  - i. Do not bring weapons on the Project Site, except those carried by law enforcement officers and/or other uniformed security personnel who have been retained by Owner or Contractor to provide security services.
  - j. Display on their persons at all times while on the Project Site visible identification of their association with Contractor or subcontractor (i.e., via uniform and/or identification card or badge).
21. **Ownership of Materials, Products, and Intellectual Property Rights**. Owner will retain ownership and intellectual property rights in all plans, designs, drawings, documents, concepts, and materials provided by or on behalf of Owner to Contractor and to all work products of Contractor and its subcontractors for products, services, and Work provided under this Agreement, such products, services, and Work of Contractor and its subcontractors constituting works made for hire. Neither Contractor nor its subcontractors will reuse any portion of such items provided by Owner or work products developed by Contractor or its subcontractors for Owner pursuant to this Agreement or disclose any such items to any third party without the prior written consent of Owner. Owner may withhold its consent in its absolute discretion. Contractor shall obtain the written agreement of each of its subcontractors to the terms of this section prior to permitting the subcontractor to perform any work or services contemplated by this Agreement.
22. **Comply with Intellectual Property Rights of Others**. Contractor represents and warrants that no Work or services (with its means, methods, goods, and services attendant thereto), provided to Owner will infringe or violate any right of any third party and that Owner may use and exploit such Work, means, methods, goods, and services without liability or obligation to any person or entity (specifically and without limitation, such Work, means, methods, goods, and services will not violate rights under any patent, copyright, trademark, or other intellectual property right or application for the same).
23. **Ownership and Use of Renderings and Photographs**. Renderings, photographs, and/or other images of or representing the services, Work, or any improvement on or relative to the Project Site, whether created before, during, or at completion of construction (and whether created by Owner, Contractor, or Contractor's subcontractors), are the property of the Owner. Contractor hereby transfers and assigns to Owner all ownership and intellectual property rights that Contractor and/or its subcontractors may have in and to all such renderings, photographs, and other images. The Owner reserves all rights including copyrights and other intellectual property rights to such renderings, photographs, and other images. No such renderings, photographs, or other images shall be used or distributed without written consent of the Owner.
24. **Public Statements**. Contractor will not make any statements or provide any information to the media about the Project or Work without the prior written consent of Owner. If Contractor receives any requests for information from media, Contractor will refer such requests to Owner.
25. **Confidentiality**. Contractor shall ensure that Contractor and its subcontractors, and the employees, agents and representatives of Contractor and its subcontractors, maintain in strict confidence, and shall use and

disclose only as authorized by Owner all Confidential Information of Owner that Contractor receives in connection with the performance of this Agreement. Notwithstanding the foregoing, Contractor may use and disclose any information to the extent required by an order of any court or governmental authority, but only after it has notified Owner and Owner has had an opportunity to obtain reasonable protection for such information in connection with such disclosure. For purposes of this Agreement, "Confidential Information" means:

- a. The name or address of any affiliate, customer or contractor of Owner or any information concerning the transactions of any such person with Owner;
- b. Any contracts, agreements, business plans, budgets or other financial information, renderings, photographs, and materials provided by Owner, relating to the Work or any improvement on the Project Site to the extent such has not been made available to the public by the Owner;
- c. Any other information that is marked or noted as confidential at the time of its disclosure.

26. **No Commercial use of Transaction or Relationship.**

- b. Without the prior written consent of Owner, which Owner may grant or withhold in its sole discretion, neither Contractor nor Contractor's affiliates, officers, directors, agents, representatives, shareholders, members, subcontractors, or employees shall make any private commercial use of their relationship to Owner or the Project, including, without limitation:
  1. By referring to this Agreement, Owner, or the Project verbally or in any sales, marketing or other literature, letters, client lists, press releases, brochures or other written materials except as may be necessary for Contractor to perform Contractor's obligations under the terms of this Agreement;
  2. By using or allowing the use of any renderings or photographs of any part of the Work or any improvement on the Project Site, or of any service marks, trademarks or trade names or other intellectual property now or which may hereafter be associated with, owned by or licensed by Owner in connection with any work, service, or product; or
  3. By contracting with or receiving money or anything of value from any person or commercial entity to facilitate such person or entity obtaining any type of commercial identification, advertising or visibility in connection with the Owner or Project.
- c. Notwithstanding the foregoing, Contractor may include a reference to Owner and the Project in a professional résumé or other similar listing of Contractor's references without seeking Owner's written consent in each instance; provided, that such reference to the Owner or the Project is included with at least several other similar references to projects of different owners and is given no more prominence than such other references.

27. **Signature or Identification.** Unless Contractor obtains prior written approval from Owner indicating otherwise, Contractor will not place Contractor's name, symbol, logo, or other identification of authorship on the Work performed and/or provided pursuant to this Agreement.

28. **Limitations/ Repose Period.** The limitation / repose period for the Owner to bring claims and commence legal action against Contractor relative to the Project, whether based in contract, tort, or otherwise, is a period of the later of: (i) ten (10) years after the date of completion or abandonment of the Project or (ii) such longer time as permitted by law.

29. **Applicable Law.** The parties acknowledge that the Agreement has substantial connections to the State of Utah. The Agreement will be deemed to have been made, executed, and delivered in Salt Lake City, Utah. To the maximum extent permitted by law, (i) the Agreement and all matters related to its creation and performance will be governed by and enforced in accordance with the laws of the State of Utah, excluding conflicts of law rules, and (ii) all disputes arising from or related to the Agreement will be decided only in a state or federal court located in Salt Lake City, Utah and not in any other court or state. Toward that end, the parties hereby consent to the jurisdiction of the state and federal courts located in Salt Lake City, Utah and waive any other venue to which they might be entitled by virtue of domicile, habitual residence, place of business, or otherwise.

30. **Entire Agreement.** This Agreement contains the entire and integrated agreement between the parties hereto and supersedes all prior negotiations, representations, or agreements, either written or oral, relating to the Project. This Agreement may be amended only by a writing signed by both parties. This Agreement will not be construed to create a contractual relationship of any kind between any persons or entities other than Owner and Contractor.
31. **Enforcement.** In the event either party commences legal action to enforce or rescind any term of the Agreement, the prevailing party will be entitled to recover its attorney fees and costs, including without limitation all copy costs and expert and consultant fees and expenses, in that action and on all appeals, from the other party.
32. **Access.** Contractor shall not access the Project Site without prior Owner authorization.
33. **Effective Date.** The effective date of this Agreement is the date indicated by Owner's signature.

<b>OWNER:</b> <u>Property Reserve Arizona, LLC</u>	<b>CONTRACTOR:</b> <u>Desert Services LLC</u>
By: <u>Representative Designated</u>	By: <u>Authorized Representative</u>
(Print Name:) <u>Brett Hopper</u>	(Print Name:) <u>Jared Aiken</u>
Title: <u>Manager</u>	Title: <u>SWPPP &amp; BMP Estimator</u>
Address: <u>51 S Main Street, Ste. 301</u> <u>Salt Lake City, UT 84111</u>	Address: <u>PO Box 236</u> <u>Scottsdale, AZ 85252</u>
Telephone No: <u>801-321-8700</u>	Telephone No: <u>480-513-8986</u>
Email: <u>brett.hopper@propertyreserve.org</u>	Email: <u>Jared@desertservices.net</u>
Effective Date: _____	Fed. I.D. or SSN: _____ License No: _____

**EXHIBIT A**  
**(Scope of Work)**

**SWPPP ESTIMATE FOR: PRASADA CLUBHOUSE  
 WADDELL RD AND LEGACY PARC BLVD, SURPRISE, AZ 85379**  
**Estimate #1222609**

Item	Description	Item Total
	<b>A. Compliance &amp; Administrative Requirements</b>	\$0.00
SWPPP Narrative	Preparation of project-specific SWPPP Narrative per EPA and ADEQ requirements. Narrative-only projects (no BMP installations) are billed separately. \$1,350.00	\$0.00
SWPPP Sign	Preparation, and installation of required SWPPP signage. EPA and ADEQ specifications. \$295	\$0.00
Dust Control Sign	City-approved prepared and installed to local municipal requirements. \$595	\$0.00
Fire Access Sign	City-approved signage, installed per local fire department standards. \$695	\$0.00
Permit Filing	Dust Control Permit Filing Includes jurisdictional filing fee and acreage-based permit costs. Expedited processing available upon request.	\$0.00
Spill Kit	Provision of spill response materials in. EPA and ADEQ stormwater compliance requirements. \$360	\$0.00
Misc	Third-Party Compliance & Billing Platform Fees Includes Textura, Procore, GC Pay, and similar required systems. \$100	\$0.00
Misc	CCIP/OCIP/Insurance portal fees/Prequal portal fees \$250	\$0.00
	<b>B. Control Measures (CMs - BMP Installation &amp; Materials)</b>	\$0.00
	<b>Perimeter &amp; Sediment Control CMs</b>	\$0.00
Compost Filter Sock	Installation of EPA-approved compost filter sock (linear foot). • 9" Sock equivalent to silt fence where permitted • Additional staking required for slopes steeper than 4:1	\$4,675.00
	Silt Fence alternate (If Required by Jurisdiction): Installation of wire-backed silt fence using steel T-posts. • Installed via Tommy Slice Method • Safety caps included • Gravel backfill not required with this installation method • \$5.50 per linear foot	\$0.00
Concrete Rolloff	15 Cubic Yard Rolloff System Additional relocation charges or contaminated water pump-off fees may apply if required. \$770	\$0.00
	<b>Track-Out &amp; Stabilized Access CMs</b>	\$0.00
Rock Entrance	Installed with rock and filter fabric per approved SWPPP plan. Material availability and site conditions may affect final quantities. \$2,625	\$0.00
Track Out Grate	• Installation Included when rented from Desert Services and installed with rock entrance • Monthly rental: \$350 per set (2) • Maintenance not included • Removal billed at standard mobilization rate	\$0.00
	<b>Inlet Protection CMs</b>	\$0.00
Inlet Protection	Installation of fabric inlet protection at storm drain inlets. \$152	\$0.00
Ertech Curb Protection	Installation of Ertech fabric curb inlet protection. (7' Sections) \$195	\$0.00
	<b>C. Monitoring, Inspections &amp; Ongoing Compliance</b>	\$0.00
Inspections	Estimated Duration: 9 Months • Performed every 14 days and after qualifying rain events • Includes additional inspections in months exceeding four weeks • Additional inspections due to rain or schedule extensions billed separately \$205	\$0.00
Mobilization Charge	Any additional trips for BMP installations will be billed at the same price	\$265.00
	<b>Total</b>	<b>\$4,940.00</b>