



NEW APPLICATION  
**ORIGINAL**  
**Arizona Department of Transportation**  
**Office of the Director**  
 206 South Seventeenth Avenue Phoenix, Arizona 85007-3713



0000003315

Janet Napolitano  
 Governor

Victor M. Mendez  
 Director

Debra R. Brisk  
 Deputy Director

May 13, 2004

Railroad Safety Supervisor  
 Arizona Corporation Commission  
 1210 West Washington  
 Phoenix, Arizona 85007

Arizona Corporation Commission  
**DOCKETED**

**MAY 20 2004**

DOCKETED BY	<i>CR</i>
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RE: TRACS No. 010 PM 242 H6323 01C  
 Project No. STP-010-D(010)A  
 RAIL/HIGHWAY SAFETY PROGRAM  
 I-10 Frontage Roads @ MP 242  
 Union Pacific Railroad Company  
 AAR/DOT No: 741-091-D & 741-089-C

AZ CORP COMMISSION  
 DOCUMENT CONTROL

2004 MAY 20 A 8:24

RECEIVED

Dear Mr. Thompson:

RR-03639A-04-0379

Please furnish our office with an Opinion and Order to cover the installation of Signals described in the subject agreement. An agreement covering the work has been signed by the Railroad Company. A copy is attached for your information and files.

After we receive the Opinion and Order, we will send you a copy of our letter authorizing the Railroad to proceed with the work.

Sincerely,

John Sykes, Railroad Engineering Coordinator  
 Utility & Railroad Engineering Section  
 205 South 17th Ave, RM 357, MD 618E  
 Phoenix, AZ 85007-3212  
 (602) 712-7541

Attachment





# Arizona Department of Transportation

## Intermodal Transportation Division

Utility & Railroad Engineering Section

205 S. 17<sup>th</sup> Ave. Mail Drop 618E Phoenix, Arizona 85007

Phone 602.712.7541 Fax 602.712.3229

Janet Napolitano  
Governor

Victor M. Mendez  
Director

October 24, 2003

Bill Higgins  
Acting State  
Engineer

### RAILROAD CROSSING PROJECT

TRACS No.: 0940 PM 242 H6323 01C

Project No.: STP-010-D(010)P

Location: I-10 Frontage Roads @ MP 242

AAR/DOT No.: 741-091-D @ 741-089-C

ADOT Accounting No.: R1532BG03

### RAILROAD AGREEMENT

For

FEDERAL AID

Railroad Crossing Projects

UNION PACIFIC RAILROAD COMPANY

Agreement No. 1532-91-SPTC

RAIL/HIGHWAY SAFETY PROGRAM

SUMMARY OF ESTIMATE

Total

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Preliminary Engineering: \$10,000.00

Construction:

Signal Work \$87,777.00  
\*\$97,777.00

\* Railroad will invoice ADOT for 100% of total work.  
Railroad will separate Preliminary Engineering costs  
from Construction costs.

TRACS No. 0940 PM 242 H6323 01C  
Project No. STP-010-D(010)A  
Agreement No. 1531-91-ATSF  
EXHIBIT "A"  
Sheet 1 of 3

DATE: 2003-03-31

ESTIMATE OF MATERIAL AND FORCE ACCOUNT WORK  
 BY THE  
 UNION PACIFIC RAILROAD

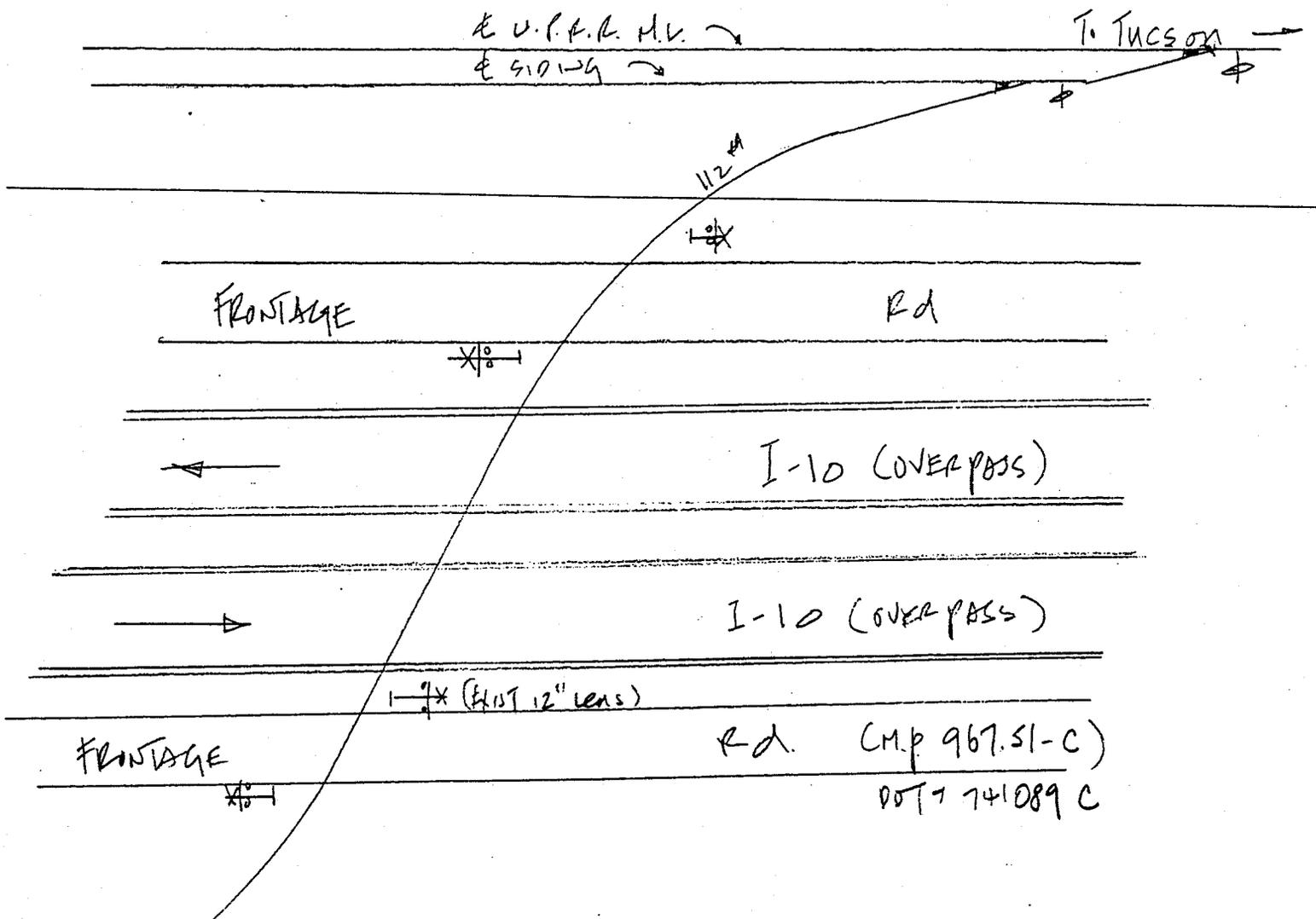
DESCRIPTION OF WORK:  
 REMOVE EXISTING FLASHERS, AND INSTALL NEW LED FLASHERS AT FRONTAGE ROAD  
 IN MARANA, AZ. M.P. 967.51 ON THE GILA SUB.  
 SIGNAL PROJECT MANAGER: LEE BURDEN 935-7680  
 RAILROAD TO PERFORM ALL WORK / COST DISTRIBUTED AS FOLLOWS:  
 SIGNAL - STATE OF ARIZONA 100% RECOLLECTIBLE

PID: 46239 AWO: MP, SUBDIV: 967.51, GILA  
 SERVICE UNIT: 16 CITY: MARANA STATE: AZ

DESCRIPTION	QTY	UNIT	LABOR	MATERIAL	RECOLL	UPRR	TOTAL
ENGINEERING WORK							
ENGINEERING			500		500		500
LABOR ADDITIVE 78%			966		966		966
SIG-HWY XNG			739		739		739
<b>TOTAL ENGINEERING</b>			<b>2205</b>		<b>2205</b>		<b>2205</b>
SIGNAL WORK							
MATL STORE EXPENSE				271	271		271
SALES TAX				216	216		216
SIGNAL				5420	5420		5420
<b>TOTAL SIGNAL</b>				<b>5907</b>	<b>5907</b>		<b>5907</b>
TRACK & SURFACE WORK							
CONTRACT				542	542		542
EQUIPMENT RENTAL				1785	1785		1785
LABOR ADDITIVE 78%			8002		8002		8002
PERSONAL EXPENSES				9375	9375		9375
SIG-HWY XNG			10260		10260		10260
TRANSPORTATION CHARGES				500	500		500
USAGE EQUIPMENT				2677	2677		2677
<b>TOTAL TRACK &amp; SURFACE</b>			<b>18262</b>	<b>14879</b>	<b>33141</b>		<b>33141</b>
LABOR/MATERIAL EXPENSE							
			20467	20786			
RECOLLECTIBLE/UPRR EXPENSE							
					41253	0	
ESTIMATED PROJECT COST							
							41253
EXISTING REUSEABLE MATERIAL CREDIT							
					0		
SALVAGE NONUSEABLE MATERIAL CREDIT							
					0		
RECOLLECTIBLE LESS CREDITS							

THE ABOVE FIGURES ARE ESTIMATES ONLY AND SUBJECT TO FLUCTUATION. IN THE EVENT OF AN INCREASE OR DECREASE IN THE COST OR QUANTITY OF MATERIAL OR LABOR REQUIRED, UPRR WILL BILL FOR ACTUAL CONSTRUCTION COSTS AT THE CURRENT EFFECTIVE RATE.

NTS



Signal Project

1. INSTALL ONE EACH NO 8 FLASHER  
Incl 4 EACH 12" LEOS
2. REMOVE 5 RETICED FLASHING ONE  
EACH NO 8 FLASHERS

TRACS No. 0940 PM 242 H6323 01C  
 Project No. STP-010-D(010)A  
 Agreement No. 1531-91-ATSF  
 EXHIBIT "B"  
 Sheet 1 of 2

MARANA - AZ

Prop'd CROSSING Improvement

Frontage Rd.

MP 967.51-C

DOT 741089 C

DATE: 2003-03-31

ESTIMATE OF MATERIAL AND FORCE ACCOUNT WORK  
 BY THE  
 UNION PACIFIC RAILROAD

DESCRIPTION OF WORK:

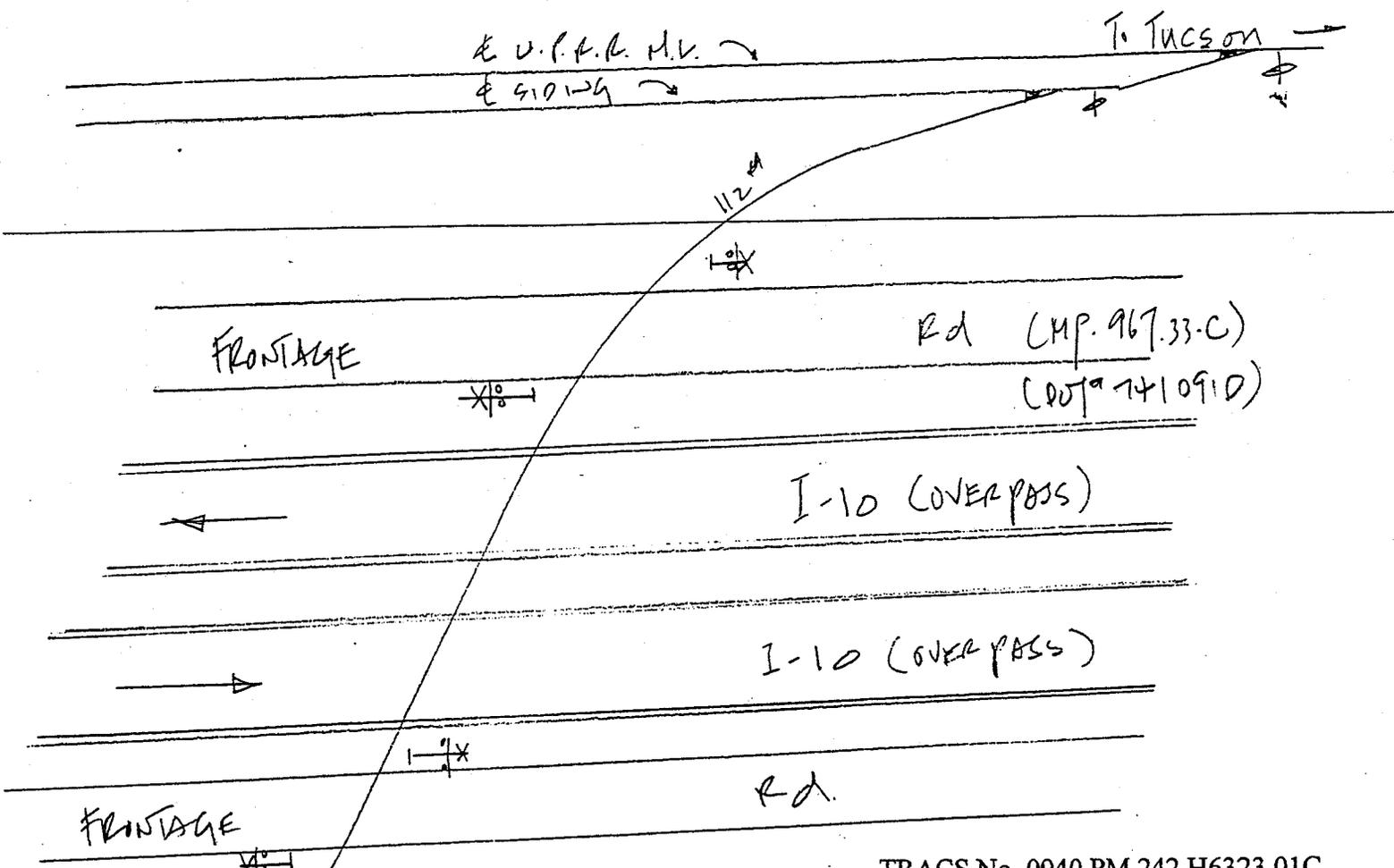
REMOVE EXISTING FLASHERS, UPGRADE FLASHER, AND INSTALL 2 NEW FLASHERS AT  
 FRONTAGE ROAD IN MARANA, AZ. M.P. 967.33 ON THE GILA SUB.  
 SIGNAL PROJECT MANAGER: LEE BURDEN 935-7680  
 RAILROAD TO PERFORM ALL WORK / COST DISTRIBUTED AS FOLLOWS:  
 SIGNAL - STATE OF ARIZONA 100% RECOLLECTIBLE

PID: 46238 AWO: MP,SUBDIV: 967.33, GILA  
 SERVICE UNIT: 16 CITY: MARANA STATE: AZ

DESCRIPTION	QTY	UNIT	LABOR	MATERIAL	RECOLL	UPRR	TOTAL
ENGINEERING WORK							
ENGINEERING			500		500		500
LABOR ADDITIVE 78%			966		966		966
SIG-HWY XNG			739		739		739
TOTAL ENGINEERING			2205		2205		2205
SIGNAL WORK							
MATL STORE EXPENSE				222	222		222
SALES TAX				178	178		178
SIGNAL				4456	4456		4456
TOTAL SIGNAL				4856	4856		4856
TRACK & SURFACE WORK							
CONTRACT				445	445		445
EQUIPMENT RENTAL				2142	2142		2142
LABOR ADDITIVE 78%			9602		9602		9602
PERSONAL EXPENSES				11250	11250		11250
SIG-HWY XNG			12311		12311		12311
TRANSPORTATION CHARGES				500	500		500
USAGE EQUIPMENT				3213	3213		3213
TOTAL TRACK & SURFACE			21913	17550	39463		39463
LABOR/MATERIAL EXPENSE			24118	22406			
RECOLLECTIBLE/UPRR EXPENSE					46524	0	
ESTIMATED PROJECT COST							46524
EXISTING REUSEABLE MATERIAL CREDIT					0		
SALVAGE NONUSEABLE MATERIAL CREDIT					0		
RECOLLECTIBLE LESS CREDITS							

THE ABOVE FIGURES ARE ESTIMATES ONLY AND SUBJECT TO FLUCTUATION. IN THE EVENT OF AN INCREASE OR DECREASE IN THE COST OR QUANTITY OF MATERIAL OR LABOR REQUIRED, UPRR WILL BILL FOR ACTUAL CONSTRUCTION COSTS AT THE CURRENT EFFECTIVE RATE.

NTS



Rd (M.P. 967.33-C)  
(DOT # 7410910)

I-10 (OVERPASS)

Rd.

TRACS No. 0940 PM 242 H6323 01C  
Project No. STP-010-D(010)A  
Agreement No. 1531-91-ATSF  
EXHIBIT "B"  
Sheet 2 of 2

Signal Project

1. INSTALL ONE EACH NO 8 FLASHERS WITH 4 EACH 12" LEDs
2. REMOVE & REMOVE EXIST. ONE EACH NO 8 FLASHERS
3. REPLACE 4 EACH EXISTING 8" LEDs WITH 12" LEDs

MARAJA - AZ

Prop's Crossing Improvem

Frontage Rd.

M.P. 967-33.C

DOT # 7410910

STATE OF ARIZONA  
DEPARTMENT OF TRANSPORTATION

Agreement No. 1532-91-SPTC

Agreement Addendum No. 1

Company's Name: The Union Pacific Railroad Company  
Address: 101 S. Watson Road, Arlington, TX 76010

The purpose of this addendum is to modify the Company name as stated herein:

WHEREAS: Agreement No. 1532-91-SPTC terms the "RAILROAD" as SOUTHERN PACIFIC TRANSPORTATION COMPANY.

WHEREAS: Agreement No. 1532-91-SPTC is revised to term the "RAILROAD" as the UNION PACIFIC RAILROAD COMPANY.

THEREFORE: The parties hereto agree that Agreement No. 1532-91-SPTC is hereby amended as shown herein. All other provisions of Agreement No. 1532-91-SPTC shall remain unabrogated.

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

ARIZONA DEPARTMENT OF TRANSPORTATION

UNION PACIFIC RAILROAD COMPANY

By



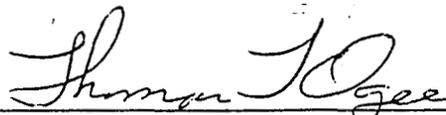
WILLIAM R. BRISCOE, P.E.

Utility & Railroad Engineering Section  
*J. Patrick Hackett*

Date

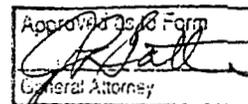
2-18-99

By



CHIEF ENGINEER

Date



A. G. CONTRACT NO. KR95-1689-TF

**ARIZONA DEPARTMENT OF TRANSPORTATION**  
**HIGHWAYS DIVISION**  
UTILITY AND RAILROAD ENGINEERING SECTION

MASTER  
RAILROAD AGREEMENT  
For  
FEDERAL AID  
Railroad Crossing Projects

SOUTHERN PACIFIC TRANSPORTATION COMPANY  
Agreement No. 1532-91-SPTC  
RAIL/HIGHWAY SAFETY PROGRAM

THIS AGREEMENT by and between SOUTHERN PACIFIC TRANSPORTATION COMPANY, a Delaware corporation, herein termed "RAILROAD," and STATE OF ARIZONA, DEPARTMENT OF TRANSPORTATION, HIGHWAYS DIVISION, herein termed "STATE".

WITNESSETH:

The parties hereto desire to set forth by this instrument their understanding and agreements with respect to the installation, at various times, of railroad warning devices and/or surface crossing materials with track rehabilitation, if required, throughout the State of Arizona, where a roadway crosses the property and tracks of RAILROAD.

Agreement No. 1532-91-SPTC

AGREEMENT:

NOW THEREFORE, it is mutually agreed as follows:

1. The work to be performed by RAILROAD under this agreement is hereinafter referred to as "PROJECT".

2. RAILROAD agrees to furnish all labor, materials, tools, and equipment necessary to install such warning devices including necessary actuating and operating circuits and adequate instrument housing and/or roadway crossing materials with track rehabilitation, if required, upon its property at certain designated grade crossings.

Said installation shall comply with the latest standards prescribed by the Association of American Railroads and the Manual On Uniform Traffic Control Devices, Part VIII.

3. RAILROAD will prepare both a cost estimate, marked Exhibit "A" and a location plan marked, Exhibit "B", showing the general details of each PROJECT and send them to STATE for acceptance.

4. It is agreed that the work to be performed by RAILROAD is a part of a Federal-Aid project. Pursuant to the provisions of Federal-Aid Policy Guide Subchapter G, Part 646 Subpart B, there is no ascertainable net benefit to RAILROAD, and STATE agrees to reimburse RAILROAD for one hundred percent (100%) of the cost and expense incurred by RAILROAD in furnishing of materials and performing the work as described in the Cost Estimate, marked EXHIBIT "A", attached to and made a part hereof.

5. It is understood and agreed that the STATE is acting solely as an agent for the project sponsor in securing and administering Federal funds and STATE assumes no other liability hereunder for the project sponsor.

6. Prior to commencing construction of each PROJECT, Railroad agrees to notify STATE, in writing, of the actual construction start date. Upon completion of each PROJECT, RAILROAD agrees to notify STATE, in writing, of the actual completion date. The construction start date shall not be prior to receiving a notice to proceed from STATE. Construction progress payments shall not be made without the actual construction start date. Final payment shall not be made without the actual construction completion date.

7. The work for each PROJECT shall be performed by RAILROAD forces on an actual cost basis, and as supported by the analysis of estimated costs set forth in Exhibit "A". The actual cost shall be payable in payments as follows:

- a. RAILROAD will order the materials for each PROJECT, and may invoice the STATE upon receipt, for materials and related costs, as set forth in Exhibit "A".
- b. RAILROAD may submit monthly invoices for work performed and materials installed unless invoiced under subparagraph a.
- c. Minimum payment, except for final invoice, is \$5,000.
- d. Upon completion of all work under each PROJECT, RAILROAD shall arrange for a joint close-out inspection of the completed PROJECT. Upon determination by STATE that the work has been completed in accordance

with Exhibits "A" and "B", RAILROAD will submit final and complete invoice to the STATE. STATE agrees to pay RAILROAD the difference between the final invoice and any previous payments for PROJECT. Any amount with which STATE disagrees shall be paid under protest, subject to resolution.

- e. All invoices will be paid by STATE within sixty (60) days of receipt.

All expenses incurred by RAILROAD for work which STATE is obligated to reimburse RAILROAD hereunder, including all work incidental to such work but not specifically mentioned herein, shall be subject to the provisions of the Federal-Aid Policy Guide Subchapter B Part 140 Subpart I.

8. Pursuant to A.R.S. Sections 35-214, 35-215 and 41-1279.04, the books of RAILROAD shall be open for inspection and audit by authorized representatives of STATE and the Federal Government for a period of not less than five (5) years from the date final payment has been received by RAILROAD. State agrees to pay RAILROAD any sums found to be owing as a result of an audit within sixty (60) days of receipt of the audit by the Utility and Railroad Engineering Section of STATE. RAILROAD agrees to reimburse STATE, within sixty (60) days of notification for any amount STATE disallows as a result of its audit. Any audit exceptions with which RAILROAD disagrees shall be paid to STATE under protest subject to resolution.

9. All invoices shall contain STATE's project number and agreement number. The invoice shall be sent to:

ARIZONA DEPARTMENT OF TRANSPORTATION  
Utility and Railroad Engineering Section  
205 South 17th Ave. Mail Drop 618E  
Phoenix, Arizona 85007-3212

10. Once installation of railroad warning devices and/or roadway crossing material has been completed, RAILROAD shall maintain, in kind, the railroad warning devices and the crossing material two feet outside of each rail as long as they remain in place. However, RAILROAD shall be entitled to receive any contribution toward the cost of such maintenance as may be now or hereafter made available by means of any law, ordinance, regulation, order, grant or by other means or sources.

11. Claims and disputes between STATE and RAILROAD involving sums less than \$100,000 and arising out of the terms of this Agreement relating to work performed, invoicing and similar matters, shall be subject to arbitration, at the request of either party, in accordance with the Construction Industry Arbitration Rules of the American Arbitration Association then obtaining; provided, however, that claims or disputes arising out of personal injury, death, property damage, or environmental incidents shall not be subject to arbitration without the concurrence of both parties, except to the extent otherwise required by the rules of Arizona courts.

12. In compliance with the regulations of the United States Department of Transportation, RAILROAD hereby agrees to comply fully with all of the provisions of Appendix "A", attached hereto and by this reference made a part of this Agreement; provided, however, that Appendix "A" shall be applicable only in those cases where RAILROAD does not perform the work contemplated in this Agreement with its own forces.

13. This Agreement is subject to the budgetary limitations set forth in Arizona Revised Statutes Subsection 28-1823 through 28-1826 inclusive and is further subject to the provisions of Chapter 1 of Title 35, Arizona Revised Statutes.

14. STATE and RAILROAD each agrees to be liable to the other party for its own acts of negligence and the negligence of its own employees.

15. This Agreement shall inure to the benefit of and be binding upon the successors and assigns of RAILROAD and the assigns of STATE.

16. RAILROAD is required to comply with Executive Order 75-5, "Non-Discrimination in Employment by Government Contractors and Subcontractors," which is hereby included in its entirety by reference and considered a part of this Agreement.

17. Pursuant to A.R.S. Subsection 38-511, STATE may cancel this Agreement, without penalty or further obligation, if any person significantly involved in initiating, negotiating, securing, drafting or creating the Agreement on behalf of STATE or any of its departments or agencies is, at any time while this Agreement or any extension of it is in effect, an employee of any other party to this Agreement with respect to the subject matter of this Agreement.

:  
:  
:  
:  
:  
:

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year signed by both parties.

SOUTHERN PACIFIC  
TRANSPORTATION COMPANY

ARIZONA DEPART. OF TRANSPORTATION  
HIGHWAY DIVISION

By Janice L. Mosler  
Its MANAGER-CONTRACTS

By William R. Briscoe  
Manager of Utility & Railroad  
Engineering Section

Date October 2, 1995

Date 10-17-95

Approved as to Form  
William R. Briscoe  
ATTORNEY 10/3/95

STATE OF COLORADO )  
 ) ss.  
COUNTY of DENVER )

The foregoing instrument was acknowledged before me this 2nd day of October, 1995, by Ms. J. L. Mosler, the MANAGER-CONTRACTS of SOUTHERN PACIFIC TRANSPORTATION COMPANY, a Delaware corporation, on behalf of the corporation.

My Commission Expires  
ALISON DILGES



Notary Public Alison Dilges

My Commission Expires 2-11-97

STATE OF ARIZONA )  
 ) ss.  
COUNTY of MARICOPA )

The foregoing instrument was acknowledged before me this 17 day of October, 1995, by William R. Briscoe, the Manager of Utility and Railroad Engineering Section of the Arizona Department of Transportation, on behalf of the STATE.

My Commission Expires:  
March 23, 1996

Connie Moore  
Notary Public

Agreement No. 1532-91-SPTC

APPENDIX A  
(Revised)

II EQUAL OPPORTUNITY

1. Selection of Labor:

During the performance of this contract, the contractor shall not discriminate against labor from any other State, possession or territory of the United States.

2. Employment Practices:

During the performance of this contract, the contractor agrees as follows:

a. The contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, sex, or national origin. Such action shall include, but not be limited to the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoffs or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the State highway department setting forth the provisions of this nondiscrimination clause.

b. The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, or national origin.

c. The contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice to be provided by the State highway department advising the said labor union or workers' representative of the contractors commitments under this section II-2 and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

d. The contractor will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations (41 CFR, Part 60) and relevant orders of the Secretary of Labor.

e. The contractor will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by rules, regulations and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records and accounts by the Federal Highway Administration and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations and orders.

f. In the event of the contractor's noncompliance with the non-discrimination clauses of this contract or with any of the said rules, regulations or orders, this contract may be canceled, terminated or suspended in whole or in part and the contractor may be declared ineligible for further Government contracts or Federally-assisted construction contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation or order of the Secretary of Labor, or as otherwise provided by law.

g. The contractor will include the provisions of this Section II-2 in every subcontract or purchase order unless exempted by rules, regulations or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as the State highway department or the Federal Highway Administration may direct as a means of enforcing such provisions including sanctions for noncompliance: Provided, however, that in the event a contractor becomes involved in, or is threatened with litigation with a subcontractor or vendor as a result of such direction by the Federal Highway Administration, the contractor may request the United States to enter into such litigation to protect the interests of the United States.

3. Selection of Subcontractors, Procurement of Materials, and Leasing of Equipment:

During the performance of this contract, the contractor, for itself, its assignees and successors in interest (hereinafter referred to as the "contractor") agrees as follows:

a. Compliance With Regulations: The contractor shall comply with the Regulations relative to nondiscrimination in federally-assisted programs of the Department of Transportation, Title 49, Code of Federal Regulations, Part 21, as they may be amended from time to time. (hereinafter referred to as the Regulations), which are herein incorporated by reference and made a part of this contract.

b. Nondiscrimination: The contractor, with regard to the work performed by it during the contract, shall not discriminate on the grounds of race, color, or national origin in the selection and retention of subcontractors, including procurements of materials and leases of equipment. The contractor shall not participate either directly or indirectly in the discrimination prohibited by section 21.5 of the Regulations, including employment practices when the contract covers a program set forth in Appendix B of the Regulations.

c. Solicitations for Subcontracts, Including Procurements of Materials and Equipment: In all solicitations either by competitive bidding or negotiation made by the contractor for work to be performed under a subcontract, including procurements of materials or leases of equipment, each potential subcontractor or supplier shall be notified by the contractor of the contractor's obligations under this contract and the Regulations relative to nondiscrimination on the grounds of race, color, or national origin.

d. Information and Reports: The contractor shall provide all information and reports required by the Regulations, or directives issued pursuant thereto, and shall permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the State highway department or the Federal Highway Administration to be pertinent to ascertain compliance with such Regulations or directives. Where any information required of a contractor is in the exclusive possession of another who fails or refuses to furnish this information the contractor shall so certify to the State highway department, or the Federal Highway Administration as appropriate, and shall set forth what efforts it has made to obtain the information.

e. Sanctions for Noncompliance: In the event of the contractor's noncompliance with the nondiscrimination provisions of this contract, the State highway department shall impose such contract sanctions as it or the Federal Highway Administration may determine to be appropriate, including, but not limited to:

(1) withholding of payments to the contractor under the contract until the contractor complies, and/or

(2) cancellation, termination or suspension of the contract, in whole or in part.

f. Incorporation of Provisions: The contractor shall include the provision of this paragraph 3 in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Regulations, or directives issued pursuant thereto. The contractor shall take such action with respect to any subcontractor or procurement as the State highway department or the Federal Highway Administration may direct as a means of enforcing such provisions including sanctions for noncompliance. Provided, however, that, in the event a contractor becomes involved in, or is threatened with, litigation with a subcontractor or supplier as a result of such direction, the contractor may request the State highway department to enter into such litigation to protect the interests of the State, and, in addition, the contractor may request the United States to enter into such litigation to protect the interests of the United States.