UNIVERSITY STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF RECLAMATION
AND
THE STATE OF NEVADA

ROBERT B. GRIFFITH WATER PROJECT

AMENDATORY, SUPPLEMENTARY, AND RESTATING CONTRACT BETWEEN THE
UNITED STATES AND THE STATE OF NEVADA FOR THE DELIVERY
OF WATER AND REPAYMENT OF PROJECT WORKS

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Preamble

1. THIS AMENDATORY AND SUPPLEMENTAL CONTRACT is made effective this
2nd day of March, 1992 ("Effective Date"), pursuant to the Act of Congress approved June 17,
1902 (32 Stat. 388), and acts amendatory thereof or supplementary thereto, all of which acts are
commonly known and referred to as the "Federal Reclamation Law," and particularly pursuant
to the Act of Congress approved December 21, 1928 (45 Stat. 1057), and acts amendatory
thereof or supplementary thereto, hereinafter referred to as the "Boulder Canyon Project Act,"
Reclamation Regulations as herein defined, the Independent Appropriations Act of September 13,
1983 (96 Stat. 1051), and the Act of Congress approved October 22, 1965 (79 Stat. 1068), as
amended, between the UNITED STATES OF AMERICA, hereinafter referred to as the
"United States," represented by the Secretary of the Interior, and the State of Nevada and its
COLORADO RIVER COMMISSION, hereinafter referred to as the "Commission," said
Commission acting in the name of the State of Nevada but as principal in its own behalf as well
as in behalf of the State of Nevada; the term "State" as used in this Contract shall mean both
the State of Nevada and its Commission;

WITNESSETH THAT:

Explanatory Recitals

2. (a) WHEREAS, by contract dated March 30, 1942, as amended, hereinafter referred to as the "1942 Contract," between the United States and the State, the United States agreed to deliver for use in Nevada: (i) so much water as may be necessary to supply the State a total quantity not to exceed the State's 300,000 acre-foot per year apportionment, exclusively for irrigation and domestic use within Nevada; and (ii) four percent (4%) of any excess or surplus water determined to be available for use in the Lower Colorado River Basin in Arizona, California, and Nevada under the Boulder Canyon Project Act and the Decree in Arizona v. California; and

(b) WHEREAS, the Act of Congress approved October 22, 1965 (79 Stat. 1068), as amended July 19, 1966 (80 Stat. 312), authorized the Secretary of the Interior to construct, operate, and maintain the Southern Nevada Water Project, hereinafter referred to as the "Project," for the principal purpose of delivering water for municipal and industrial use within Clark County, Nevada, and to contract with the State, acting through the Commission, for the delivery of water and for the repayment of the reimbursable construction costs; and

(c) WHEREAS, on August 25, 1967, the United States and the State acting through the Commission entered into a contract entitled "Delivery of Water and Construction of Project Works," which provided for the construction of the first stage of the Project; and

(d) WHEREAS, on August 4, 1977, the United States and the State, acting through the Commission, entered into Contract No. 7-07-30-W0004 for delivery of water and operation, maintenance, replacement, construction, and repayment of the Project, hereinafter referred to as the "1977 Contract," which provided for construction of the second stage of the Project; and said 1977 Contract was confirmed by a decree of the Eighth Judicial District Court of Nevada; and
WHEREAS, the Act of Congress approved December 22, 1982 (96 Stat. 1937), designated that the Project shall hereafter be known and designated as the "Robert B. Griffith Water Project"; and

WHEREAS, construction of the Robert B. Griffith Water Project has been completed and the responsibility for repayment, operation, maintenance, and replacement for the Robert B. Griffith Water Project has been assumed by the State, acting through its Commission; and

WHEREAS, operation and maintenance of the Southern Nevada Water System is carried out by the Las Vegas Valley Water District as an agent of the State, acting through the Commission, pursuant to chapter 167, Statutes of Nevada 1947 as amended, and the August 1, 1971, "Water Distribution and Quality Control Service Contract" between the District and the Commission; and

WHEREAS, the cities of Boulder City and Henderson and the Las Vegas Valley Water District have entitlements to Colorado River water separate from this Contract, and these entities desire to have access to the Robert B. Griffith Water Project to divert, treat, and transport their separate entitlements as provided in the amendatory, supplementary, and restating contract for delivery of water through the Southern Nevada Water System between the State and these entities, among others; and

WHEREAS, the Southern Nevada Water Authority, hereinafter referred to as the "Authority," was created pursuant to Nevada law by a cooperative agreement, and contemporaneously with this Contract is entering into a water delivery contract with the United States and the Commission for the remainder of Nevada’s Colorado River water entitlement, and the Authority desires to have access to the Robert B. Griffith Water Project to divert, treat, and transport its entitlement as provided in this Contract; and

WHEREAS, the parties desire to amend, supplement, and restate the 1977 Contract to, among other things, authorize the Commission to allow utilization of the
Robert B. Griffith Water Project for the foregoing purposes without affecting the Commission’s entitlement to water, including the priority thereof, or the Commission’s obligations to the United States thereunder;

NOW, THEREFORE, in consideration of the mutual covenants herein contained, the parties agree as follows:

Contract Purpose

3. This Contract amends, supplements, and restates the 1977 Contract No. 7-07-30-W0004, for the delivery of water and operation, maintenance, replacement, construction, and repayment of the Robert B. Griffith Water Project.

Definitions

4. As used in this Contract, unless the context otherwise requires:

(a) "Colorado River Compact" or "Compact" shall mean the compact or agreement signed at Santa Fe, New Mexico, on November 24, 1922, pursuant to an Act of Congress approved August 19, 1921 (42 Stat. 171), which Compact was approved in section 13(a) of the Boulder Canyon Project Act.

(b) "Commission Water User Contract" shall mean a subsidiary contract for the delivery of water between the Commission and a water purveyor or user executed pursuant to a primary water delivery contract between the United States and the Commission.

(c) "Contracting Officer" shall mean the Secretary, a duly appointed successor, or an authorized representative acting pursuant to this Contract or applicable Reclamation law or regulation.

(d) "Decree" shall mean the Decree of the Supreme Court of the United States in the case of Arizona v. California et al., entered March 9, 1964, 376 U.S. 340, as now issued, including the Court’s Supplemental Decree, entered January 9, 1979, 439 U.S. 419, amended April 16, 1984, 466 U.S. 144, or as may be further modified.

(e) "Domestic Use" shall mean the use of water for household, stock, municipal,
mining, milling, industrial (including electrical power generation), and other like purposes, but shall exclude the generation of hydroelectric power.

(f) "Entitlement" shall mean the right to the delivery and use of Colorado River water for a beneficial use existing under the Decree, a Secretarial Reservation, Federal statutes, a water delivery contract with the Secretary executed pursuant to Federal law, or a Commission Water User Contract.

(g) "First Stage" of the project shall mean all facilities constructed between 1968 and 1971.

(h) "Griffith Project" shall mean the Robert B. Griffith Water Project facilities constructed pursuant to the Act of October 22, 1965 (79 Stat. 1068), as amended on July 19, 1966 (80 Stat. 312), the facilities of which are generally shown in Exhibit B, attached hereto and made a part hereof.

(i) "Mainstream" shall mean the mainstream of the Colorado River downstream from Lee Ferry within the United States, including the reservoirs thereon.

(j) "Mexican Water Treaty" shall mean Executive A, Seventy-eighth Congress, second session, a treaty between the United States and the United Mexican States, signed at Washington, D.C., on February 3, 1944, relating to the utilization of the waters of the Colorado River and Tijuana River and of the Rio Grande River from Fort Quitman, Texas, to the Gulf of Mexico, and Executive H, Seventy-eighth Congress, second session, a protocol signed at Washington, D.C., on November 14, 1944, supplementary to the treaty.

(k) "Project Water" shall mean water which is delivered by the United States pursuant to article 7(a) hereof.

(l) "Project Water User" shall mean any entity contracting with the State, acting by and through the Commission, for delivery of Project Water through the Griffith Project;

(m) "Reclamation Regulations" shall mean any regulations adopted by the Secretary for administering Entitlements to Colorado River water or operating the
Colorado River in the Lower Colorado River Basin in Arizona, California, and Nevada.

(n) "Repayment Period" shall be the period of time in which the reimbursable Project costs are to be repaid to the United States;

(o) "Second Stage" of the Griffith Project shall mean all Griffith Project facilities constructed between 1977 and the Effective Date of this Contract, including any facilities constructed for replacement or maintenance of the Griffith Project.

(p) "Secretary" shall mean the Secretary of the Interior, a duly appointed successor, or an authorized representative acting pursuant to any authority of the Secretary and through any agency of the Department of the Interior.

(q) "Southern Nevada Water System" shall mean the Griffith Project and the State Facilities.

(r) "State Facilities" are works of the kind referred to in article 5 herein, constructed by and at the expense of the Commission, acting for the State, including the Alfred Merritt Smith Water Treatment Facility.

(s) "Year" shall mean a calendar year, unless otherwise designated by the Contracting Officer.

**Delivery of Water by the United States**

5. (a) Subject to the terms, conditions, and provisions of this Contract and insofar as reasonable diligence will permit, the United States shall, from storage available in Lake Mead, deliver to the Commission at the Griffith Project intake structure on Lake Mead such quantities of water as may be determined to be reasonably required for beneficial use by the Commission within the limitations hereinafter specified and to the extent such water is available for delivery in Nevada. Contingent upon compliance with the provisions of this Contract, the Commission shall have an Entitlement for an annual diversion not to exceed 299,000 acre-feet of Colorado River water plus system losses not to exceed 9,000 acre-feet per Year.
(b) The United States reserves the right to temporarily discontinue or reduce the amount of water to be delivered hereunder whenever such discontinuance or reduction is made necessary for purposes of investigations, inspections, replacements, maintenance, or repairs to any works whatsoever affecting, utilized in or, in the opinion of the Contracting Officer, necessary for delivery of water hereunder, it being understood that so far as feasible the United States will give reasonable notice in advance of such temporary discontinuance or reduction.

(c) No water shall be made available to the Commission pursuant to this Contract during any period in which the Commission is in arrears for more than six (6) months in the payment of any charges due the United States.

(d) The obligation of the United States to deliver water under this Contract is subject to:

(1) The availability of such water for use in Nevada under the provisions of the Colorado River Compact, the Boulder Canyon Project Act, the 1942 Contract, and the Decree.

(2) The Mexican Water Treaty.

(3) The express understanding and agreement by the Commission that this Contract is subject to the condition that Hoover Dam and Lake Mead will be used: first, for river regulation, improvement of navigation, and flood control; second, for irrigation and Domestic Use and satisfaction of present perfected rights in pursuance of Article VIII of the Colorado River Compact; and third, for power; and furthermore, that this Contract is made upon the express condition and with the express covenant that all rights hereunder shall be subject to and controlled by the Colorado River Compact and that the United States and the Commission shall observe and be subject to and controlled by said Colorado River Compact and Boulder Canyon Project Act in the construction, management, and operation of Hoover Dam, Lake Mead, canals, and other works, and the storage, diversion, delivery, and use of water to be delivered to the Commission.

(4) The condition that whenever, as determined by the Secretary in
compliance with the Decree, insufficient Mainstream water is available for release to satisfy the State’s 300,000 acre-foot per Year apportionment, deliveries of water shall be made under this Contract, and under contracts with others who have contracted or who may hereafter contract with the United States for delivery of water from the Mainstream of the Colorado River under the Boulder Canyon Project Act or other applicable Federal statute for use in Nevada, in accordance with the following priorities, shortages to be borne in the inverse order of priorities:

**First Priority:** Satisfaction of present perfected rights, as defined and provided for in the Decree.

**Second Priority:** Satisfaction of the perfected right (in addition to the present perfected right) of the United States for the Lake Mead National Recreation Area in annual quantities reasonably necessary to fulfill the purposes of the Recreation Area, with a priority date of April 25, 1930, as provided in the Decree.

**Third Priority:** Satisfaction of the requirements of the City of Boulder City, Nevada, to the extent authorized in the Act of September 2, 1958 (72 Stat. 1726), with a priority date of May 15, 1931, and as provided in the Decree.

**Fourth Priority:** Satisfaction of rights to the delivery of water under:


(ii) Contract No. 0-07-30-W0246, dated May 22, 1990, with the City of Henderson, Nevada. The right to the delivery of water under Contract No. 0-07-30-W0246 is co-equal in priority to the right to the delivery of water under the contracts described in subparagraph (i).
Fifth Priority: Satisfaction of rights to the delivery of water under:

(i) Contract No. 14-06-300-1523, dated February 12, 1965, assigned to Lakeview Company, for an annual diversion Entitlement of 120 acre-feet of Colorado River water, currently reduced to zero (0) acre-feet per Year.

(ii) Contract No. 5-07-30-W0089, dated April 9, 1965, assigned to Pacific Coast Building Products, Inc., for an annual diversion Entitlement of 928 acre-feet of Colorado River water.

Sixth Priority: Satisfaction of rights to the delivery of water under Contract No. 14-06-300-2130, Amendment No. 1, dated March 2, 1992, among the Secretary, the Commission, and the Las Vegas Valley Water District for an annual diversion Entitlement of 15,407 acre-feet of Colorado River water.

Seventh Priority: Satisfaction of rights to the delivery of water under:

(i) A Secretarial Reservation to be made for an annual diversion Entitlement of up to 300 acre-feet of Colorado River water to be used in Nevada at Federal facilities or on Federal lands adjacent to the Colorado River.

(ii) Contract No. 14-06-300-2405, dated October 18, 1972, among the Secretary, the Commission, and the Nevada Department of Wildlife for an annual consumptive use Entitlement of 25 acre-feet of Colorado River water.

(iii) Contract No. 9-07-30-W0011, dated November 8, 1978, among the Secretary, the Commission, and the Boy Scouts of America for an annual diversion Entitlement of 10 acre-feet of Colorado River water.

(iv) A Commission Water User Contract between the
Commission and the United States, for and in behalf of the United States Air Force, Contract No. F26600-78-DO011, dated January 23, 1978, for an annual diversion Entitlement of 4,000 acre-feet of Colorado River water. This contract was entered into pursuant to the contract described in sub-subparagraph (i) of the Eighth Priority.

**Eighth Priority:** Satisfaction of rights to the delivery of water under:

(i) This Contract No. 7-07-30-W0004, Amendment No. 1, dated March 2, 1992, between the Secretary and the Commission for an annual diversion Entitlement of 299,000 acre-feet of Colorado River water (which includes the 4,000 acre-feet described in sub-subparagraph (iv) of the Seventh Priority) plus system losses not to exceed 9,000 acre-feet per Year.

(ii) Contract No. 2-07-30-W0269, dated March 2, 1992, among the Secretary, the Commission, and the Big Bend Water District for an annual diversion Entitlement not to exceed 10,000 acre-feet of Colorado River water.

(iii) Contract No. 2-07-30-W0266, dated March 2, 1992, among the Secretary, the Commission, and the Authority for the remainder of Nevada’s apportionment and surplus Entitlement for use in Nevada.

(iv) Any contract for a well drawing Colorado River water executed by the Contracting Officer as described in article 22 of said Contract No. 2-07-30-W0266.

Shortages shall be borne by each contractor described in this Eighth Priority in the same proportion as its water delivery Entitlement without regard to
shortages bears to the aggregate water delivery Entitlements of all such contractors without regard to shortages. If, however, a shortage-sharing agreement is entered into between two or more of such contractors, then the aggregate shortage to be borne by all parties to such agreement, as calculated in accordance with the next preceding sentence, shall be shared among the parties as provided in the agreement.

**Ninth Priority:** Satisfaction of rights to the delivery of water arising after the Effective Date of this Contract under contracts for the delivery of Colorado River water entered into with the Secretary, or otherwise, except the contracts described in sub-subparagraph (iv) of the Eighth Priority, and except as provided in paragraph 5(d)(5).

(5) The priority of Contract No. 14-06-300-1876, dated October 26, 1966, between the Secretary and the Commission pursuant to which the Commission entered into Contract No. 14-06-300-1877, dated October 26, 1966, with the Southern California Edison Company for an annual diversion Entitlement currently reduced to 23,000 acre-feet of Colorado River water shall not be affected by the provisions of this Contract. The priority of any water delivery contract committing any portion of such water to the Southern California Edison Company entered into on or before the expiration or termination of Contract No. 14-06-300-1877, shall not be higher than the priority accorded such water in Contract No. 14-06-300-1876, and is not included in the Ninth Priority described in paragraph 5(d)(4) unless expressly given that priority in that committing water delivery contract.

(e) Subject to the terms, conditions, and provisions set forth herein, this Contract is for permanent service.

(f) Delivery of water by the United States under this Contract shall discharge, to that extent, the obligation of the United States to deliver water to the State under the 1942 Contract.
Use of Project Water

6. (a) Beneficial use shall be the basis, the measure, and the limit of the right to the use of Project Water.

(b) The Commission shall make contracts for the use of Project Water for municipal and industrial uses in accordance with the applicable Federal and State laws and the provisions of this Contract. The contract or any amendments thereto must be approved in writing by the Contracting Officer prior to becoming effective.

(c) Unless otherwise authorized in writing by the Contracting Officer, water delivered and used hereunder shall be put exclusively to beneficial Domestic Use within Clark County, Nevada. Water delivered outside of Clark County, Nevada, for purposes of storage or exchange, pursuant to agreements approved by the Contracting Officer, shall be deemed in compliance with the provisions of this subarticle.

Delivery of Non-Project Water

7. The Commission shall have the right to use and authorize the use of the Griffith Project for the purpose of diverting, delivering, and conveying from Lake Mead, non-Project Water to which the City of Boulder City, the Las Vegas Valley Water District, the City of Henderson, and the Authority may have a right. The availability of such non-Project Water to the Entitlement holder, the diversion thereof from Lake Mead, and the payment of any fees to the United States and to the Commission with respect to such diversions all shall be governed by the terms of the contract giving the right to divert such water from Lake Mead. The use of the Southern Nevada Water System to transport and treat such water, including charges therefor, shall be governed by the terms of this Contract applicable to the operation and repayment of the Southern Nevada Water System.

Scheduling of Water Deliveries

8. (a) At least sixty (60) days prior to the beginning of each Year or as otherwise reasonably required by the Contracting Officer, the Commission shall provide an annual water
order to the Contracting Officer which shall include a monthly schedule of the amount of Colorado River water it will divert from all points of diversion by point of diversion. The Commission shall submit in writing such additional information respecting the quantities of water to be diverted monthly at each diversion point and the rate and frequency of such diversions as the Contracting Officer may otherwise reasonably require.

(b) The Commission shall promptly amend its annual water order whenever the Commission determines that it can divert and put to beneficial use a quantity of water different than that previously specified in an annual water order or amended annual water order.

(c) The diversion by the Commission from the Mainstream of the Colorado River during any Year of any water not previously ordered pursuant to this article or any water in excess of the maximum quantity of water which the Commission is entitled to divert hereunder shall be deemed a material breach of this Contract.

Measurement of Water and Inspection

9. (a) To the extent practicable, the water delivered hereunder or returned shall be measured or accounted for at each point of diversion or return flow by totalizing measuring and controlling devices, automatic gauges, or otherwise. These measuring and controlling devices, or automatic gauges, shall be furnished, installed, and maintained in a manner satisfactory to the Contracting Officer, by and at the expense of the Commission, but they shall be and remain at all times under the control of the Contracting Officer. If for any reason any of said measuring or controlling devices are not installed or, if subsequent to their installation, for any reason they fail to operate satisfactorily in the opinion of the Contracting Officer, the Contracting Officer will, from the best information available, determine the amount of water received hereunder or returned by the Commission. The Contracting Officer shall at all times have a right of access over any land or right-of-way of the Commission for the purpose of inspecting diversion or return flow facilities, including turnouts, gates, checks, pumps, pipelines, equipment, and appurtenances, and the measuring and controlling devices or automatic gauges.
(b) The Contracting Officer may, from time to time, cause an inspection of the measuring devices to be made for the purpose of determining the accuracy and condition thereof. Such inspection may be made by the Contracting Officer only after written notice thereof to the Commission. If said measuring devices are found to be defective or inaccurate, the Commission shall, upon notification thereof by the Contracting Officer, promptly make or cause to be made any and all necessary repairs to, or replacement of, said measuring devices. In case of neglect or failure of the Commission to make such repairs, the Contracting Officer may cause the repairs to be made and the cost thereof shall be paid by the Commission within thirty (30) days following receipt of a bill therefor.

Books, Records, and Reports

10. (a) The Commission shall maintain a weekly record of water diversions, and to the extent practicable, return flows and shall, on or before the 10th day of each month or as otherwise reasonably required by the Contracting Officer, make full and complete written reports to the Contracting Officer on forms to be approved by or designated and supplied by the Contracting Officer, and by the 20th day of each January or as otherwise reasonably required by the Contracting Officer, make full and complete written reports to the Contracting Officer on forms to be approved by or designated and supplied by the Contracting Officer for said purpose as to all Colorado River water delivered to or diverted by the Commission hereunder and water returned during the preceding Year or other reporting period if so established.

(b) The Commission shall establish and maintain accounts and other books and records pertaining to administration of the terms and conditions of this Contract, including: the Commission's financial transactions; water supply data; project operation; maintenance and replacement logs; project land and right-of-way use agreements; the water user's land-use (statistical data), landownership, land-leasing and water-use data; and other relevant matters that the Contracting Officer or the Commission may require. Reports thereon shall be furnished to the Contracting Officer in such form and on such date or dates as the Contracting Officer may
require. Subject to applicable Federal laws and regulations, each party to this Contract shall have the right during office hours to examine and make copies of the other parties' nonprivileged books and records relating to matters covered by this Contract.

Operation and Maintenance of the Griffith Project

11. (a) The First Stage of the Griffith Project was completed and administration, operation, and maintenance were transferred to the State in 1971. The Second Stage of the Griffith Project was completed and administration, operation, and maintenance were transferred to the State in 1984. The Commission, without expense to the United States, shall care for, operate, maintain, or replace the Griffith Project in full compliance with the terms of this Contract, and in such manner that said transferred works will remain in good and efficient condition.

(b) The Commission shall promptly make any and all repairs to the Griffith Project being operated by it which are necessary for proper care, operation, and maintenance. In case of neglect or failure of the Commission to initiate such repairs within 60 days following written notification, the Contracting Officer may cause the repairs to be made, and the cost thereof shall be paid by the Commission within 60 days after a bill is submitted by the Contracting Officer unless the Contracting Officer should agree to other terms.

(c) No substantial change shall be made by the Commission in the Griffith Project without first obtaining the written consent of the Contracting Officer.

(d) The Commission shall hold the United States, its officers, agents, and employees harmless as to any and all damages which may in any manner grow out of the care, operation, and maintenance of the Griffith Project.

(e) In the event the Commission is found to be operating the Griffith Project or any part thereof in violation of this Contract, then at the election of the Contracting Officer the United States may take over from the Commission the care, operation, and maintenance of the Griffith Project by giving 60 days' written notice to the Commission of such election and of the
effective date thereof. Thereafter, during the period of operation by the United States, the
Commission shall pay to the United States monthly in advance the cost of operation,
maintenance, and replacement of such works as prescribed in notices from the
Contracting Officer to the Commission. Such works may be retransferred to the Commission
in the manner originally transferred.

Review and Inspection of the Griffith Project for
Determining Adequacy of Maintenance

12. (a) The Contracting Officer may, from time to time, review the maintenance of
the Griffith Project with a view of assisting the Commission in determining the condition of
facilities and the adequacy of the maintenance program. This review may include any or all of
the Griffith Project. A report of the review, including recommendations, if any, will be
prepared and copies will be furnished to the Commission.

(b) If deemed necessary by the Contracting Officer or requested by the
Commission, special inspections of the Griffith Project and of the Commission’s books and
records may be made to ascertain the extent of any operation and maintenance deficiencies, to
determine the remedial measures required for their correction, and to assist the Commission in
solving specific problems. Any special inspection or audit shall, except in a case of emergency,
be made after written notice to the Commission and the actual cost thereof shall be paid by the
Commission to the United States.

Administration of Griffith Project Lands

13. The lands and rights-of-way acquired and needed by the United States for the
purposes of care, operation, and maintenance of Griffith Project works may be used by the
Contractor for such purposes. The Contractor shall ensure that no unauthorized encroachment
occurs on Griffith Project lands and rights-of-way. The Contractor shall not issue rights-of-way
across Griffith Project land, issue land rights to Griffith Project lands, or issue leases, licenses,
permits, or special use agreements involving Griffith Project land, rights-of-way, or transferred
works. All such land use instruments shall only be issued by the Contracting Officer.

Title to Griffith Project Works

14. Title to the Griffith Project shall remain in the United States until otherwise provided by Congress, notwithstanding transfer of the care, operation, maintenance, or replacement of said Griffith Project to the Commission; Provided, however, that when all of the costs allocable to reimbursable purposes incurred by the United States in constructing, operating, maintaining, or replacing the Griffith Project, together with appropriate interest charges, have been returned to the United States, the State shall have the permanent right to use the Griffith Project in accordance with this Contract. Should Congress so provide, title to the Griffith Project may be transferred to the State.

State Facilities; Issuance of Bonds

15. (a) In addition to and apart from the Griffith Project defined in subarticle 4(h) hereof, the Commission may acquire filtration plants, regulatory or storage reservoirs, distribution systems, electric transmission lines and related facilities, and other facilities to make water available to Project Water Users.

(b) Nothing in this Contract shall be construed to deny the right of the Commission;

(1) To provide water treatment for municipal water or to construct, lease, purchase, or otherwise acquire such State Facilities as are required therefor or to issue bonds or other securities to finance the acquisition and construction of such State Facilities;

(2) To administer, operate, maintain, or replace such State Facilities free of all supervision, control by, or responsibility of the United States except to the extent it interconnects or impacts Griffith Project facilities;

(3) To impose separate charges or to levy separate assessments, or both, for water treated or distributed by means of such State Facilities, in addition to those charges and assessments identified with the Griffith Project and required to meet the obligations of the
State to the United States under this Contract; or

(4) To include, in the operation and maintenance charges of the Commission to Project Water Users, the cost and expense of treating water to be delivered to said Project Water Users in order to make said water suitable for human consumption or to include in said charges the amounts required to be paid by the Commission for the acquisition and operation and maintenance of the State Facilities including electric transmission lines and related facilities.

(c) (1) Except as hereinafter set forth in paragraph (c)(2) of this article and except as to revenues necessary to defray the costs of the Commission in the administration, operation, maintenance, and replacement of the Griffith Project, the United States shall have a prior claim to that part of the Commission’s revenues from its Commission Water User Contracts with Project Water Users as may be necessary in each Year to assure the prompt payment of the amounts due the United States under this Contract in such Year, and such prior claim is hereby expressly recognized by the State. At such time or times as the said revenues received by the Commission from the sale of Project Water are insufficient to meet the obligations of the State to the United States under this Contract, and it becomes necessary to supplement such revenues with ad valorem or other taxes or assessments as are legally permissible under the constitution and laws of the State, the United States shall have a prior claim to such part of the proceeds of said ad valorem or other taxes or assessments as are required to meet the obligations of the State to the United States under this Contract.

(2) In the event that the Commission shall include in the assessments levied or the price charged Project Water Users for Project Water the costs and expenses described in subarticle (b) of this article, such portion of the proceeds of the Commission shall for all purposes of this Contract be deemed to be "separate charges" made and imposed by the Commission for the purposes set forth in subarticle (b) of this article and shall not be subject to any claim of the United States. Except as provided in paragraph (c)(1) of this article, at such
time or times that said separate charges received by the Commission from the sale of Project Water are insufficient to meet the obligations of the State for the treatment of water by means of State Facilities, and it becomes necessary to supplement such separate charges with ad valorem or other taxes or assessments as are regularly permissible under the constitution and laws of the State that portion of the proceeds of ad valorem or other taxes or assessments shall not be subject to any claim of the United States.

(d) The Commission and State jointly hereby expressly relieve and release the United States, its officers, agents, and employees, from any liability or responsibility whatsoever either for the adequacy of transmission lines and facilities which were originally described as being part of the Griffith Project and which, pursuant to subsequent agreement of the parties, were constructed by the State, and for any consequences arising out of the construction of lines by or on behalf of the State.

Repayment of Obligation

16. The Commission is obligated for and shall pay to the United States on account of construction and operation and maintenance during construction by the United States, all costs of the Griffith Project funded by the United States. The repayment obligation for each stage shall be paid to the United States in 50 successive annual payments in accordance with article 18. The obligation and balance shall be repaid in accordance with the repayment schedule contained in Exhibit A, attached hereto and made a part hereof.

Charges Payable to the United States for Water Delivery

17. In addition to construction charges, operation and maintenance charges, interest charges, and other charges provided for in articles 12, 14, 16, and 19 hereof, the Commission shall pay the following charges to the United States:

(a) Water Diversion Fee: A charge of fifty cents ($0.50) per acre-foot of Colorado River water diverted in the prior month by the Commission hereunder, per month, during the Hoover Dam cost Repayment Period for credit to the United States for partial
repayment for the cost of constructing, operating, and maintaining Hoover Dam, and following
the Hoover Dam cost Repayment Period, such charge as may thereafter be prescribed by
Congress.

(b) Administrative Fee: An annual administrative fee at a minimum rate of two
thousand dollars ($2,000.00) per Year to compensate the United States for the expenses
reasonably to be incurred by the Contracting Officer in the routine administration of this
Contract and its Entitlement. The administrative fee for the Year in which this Contract
becomes effective shall be paid within sixty (60) days of the Effective Date and thereafter the
fee for the Year shall be paid in accordance with article 18. The Contracting Officer may revise
such charge as of January 1 of any Year upon ninety (90) days' advance notice to the
Commission if the Contracting Officer determines that a different charge is necessary to cover
such routine expenses. Upon request, the Contracting Officer shall give the Commission a
written explanation of the basis for the Contracting Officer's administrative fee, including how
it is derived and how the United States' administrative costs are apportioned among contractors
in Nevada or in the Lower Colorado River Basin in Arizona, California, and Nevada, including
the Commission.

(c) Other Fees or Charges: Additional fees to compensate the United States for
other expenses to be reasonably incurred by the United States in the administration of this
Contract or the Entitlement hereunder. Such fees or charges may be only for non-recurring
activities or work unique to the administration of this Contract or the Entitlement hereunder.
The fees or charges shall be the Commission's proportionate share of actions to be taken by or
on behalf of the Contracting Officer which are of such a nature that they benefit the Commission
the Project Water Users. The Contracting Officer shall not undertake any actions which would
obligate the Commission to pay such fees or charges without first consulting with the
Commission regarding the scope of the work, providing an estimate of the charges, and
obtaining the consent of the Commission.
Miscellaneous Costs Relating to the Griffith Project Facilities: In addition to all other payments to be made by the Commission as provided in articles 12, 14, 16, and 19, the Commission shall pay miscellaneous costs relating to the Griffith Project Facilities. These miscellaneous costs shall be paid, except as provided in paragraph (3), during the Repayment Period, to the United States, on or before April 1 of the Year following that in which they are incurred or as reasonably required by the Contracting Officer, and after a statement thereof is furnished by the United States at least 60 days prior to the due date. The miscellaneous costs consist of the following:

1. All costs incurred by the United States for administration, engineering, supervision, and general expenses as, in the opinion of the Contracting Officer, are properly and equitably chargeable to the Griffith Project and to the Commission; and

2. All costs of inspection and repair of the Griffith Project and audit of books and records incurred by the United States in carrying out the provisions of this Contract.

3. In the event that any claim of whatsoever nature arising out of the obligations of the United States hereunder is heretofore or hereafter made against the United States and results in costs which are wholly or partly chargeable against the Commission, the Commission shall pay to the United States such portion of said costs allocable to the Commission in a lump sum or in not more than 10 equal annual payments, plus interest on the unpaid balance at the annual rate of three and one-quarter percent (3-1/4%), all as determined by the Contracting Officer. If payable in installments, the first of such payments shall be payable on December 31 next succeeding the delivery to the Commission of written demand for payment of its portion of said costs, which demand shall not be given later than October 1 of any Year, and the remaining payments shall be payable on each December 31 thereafter until all of the Commission’s portion of said costs has been paid in full.

Billing Procedure

18. (a) The United States shall submit a bill to the Commission on or before
January 25 of each Year separately stating the amount of the annual fees or charges and separately invoicing the repayment obligation under article 16 due to the United States pursuant to this Contract. The Commission shall pay each such fee or charge on or before March 20 of that Year.

(b) The United States shall submit a bill to the Commission for the water diversion fee provided in subarticle 17 (a) on or before the 10th day of each month immediately following the month during which the water is delivered or diverted, and payment shall be due on the first day of the month immediately succeeding the month the bill is submitted to the Commission.

Charges for Delinquent Payments

19. (a) The Commission shall be subject to interest, administrative, and penalty charges on delinquent installments or payments due under this Contract. When a payment is not received by the due date, the Commission shall pay an interest charge for each day the payment is delinquent beyond the due date plus any charge or penalty imposed on the Commission by the Contracting Officer pursuant to this Contract as a result of the Commission's delinquency. When a payment becomes sixty (60) days delinquent, the Commission shall pay to the Contracting Officer additional administrative charge equal to the United States' additional costs of billing and processing the delinquent payment. When a payment is delinquent ninety (90) days or more, the Commission shall pay an additional penalty charge of 6 percent (6%) per Year for each day the payment is delinquent beyond the due date. Further, the Commission shall pay any costs and fees, other than attorneys' fees, incurred by the Contracting Officer for debt collection services or litigation associated with a delinquent payment.

(b) The interest rate shall be the greater of the rate prescribed quarterly in the Federal Register by the Department of the Treasury for application to overdue payments, or the rate of one-half percent (0.5%) per month prescribed by section 6 of the Reclamation Project Act of 1939 (Public Law 76-260). The interest charge rate shall be determined as of the due date and remain fixed for the duration of the delinquent period.
(c) When a partial payment on a delinquent account is received, the amount received shall be applied first to the penalty, second to the administrative charges, third to the accrued interest, and finally to the overdue payment.

**Reserve Fund**

20. Commencing in 1972, establishment of the required reserve fund was begun by the Commission with minimum annual payments of $25,000 which were intended to continue until a total of $250,000 had been accumulated for use during periods of special stress for protection of First Stage facilities. To protect the Griffith Project, annual payments of not less than $25,000 will continue until a total amount of $500,000 has been accumulated which will be the amount of the minimum required reserve fund for Griffith Project use as hereinafter set forth. Expenditures shall be made from such reserve fund only for meeting major unforeseen extraordinary costs of operation and maintenance, repair, betterment, and replacement of the Griffith Project, and for operation and maintenance during periods of special stress, such as may be caused by drought, hurricane, storms, or other like emergencies. Whenever said reserve fund is reduced below $500,000 by expenditures therefrom, it shall be restored by the accumulation of annual deposits of $50,000 or if said expenditure is less than $50,000, it shall be restored by not less than the amount of the expenditure, commencing with the next Year following that in which the fund is reduced below said amount. During any period in which any of the Griffith Project works are operated and maintained by the United States, such fund shall be available for like use by the United States. At the option of the Commission, the reserve fund may be invested to the extent permitted by law; Provided, That such reserve fund may be made available within a reasonable time to meet the expenses for the purpose for which it was accumulated; Provided, further, That upon agreement of the parties said fund and the annual installments may be adjusted to reflect the addition, deletion, or changes in Griffith Project facilities and operation and maintenance costs not contemplated when this Contract was executed.
21. The Commission shall include a provision substantially in the following form in each contract for the use of Project Water made on or after the Effective Date of this Contract pursuant to subarticle 6(b).

(a) Within one (1) year after the Effective Date of this Contract, each Project Water User shall submit in writing to the Contracting Officer an effective water conservation program acceptable to the Contracting Officer. The water conservation program shall contain definite water conservation objectives, appropriate economically feasible water conservation measures, time schedules for meeting those objectives, and other pertinent information requested by the Contracting Officer. At subsequent five (5)-year intervals, each Project Water User shall update its water conservation program by submitting to the Contracting Officer for review information regarding the effectiveness and status of the program. The information shall include: (i) an evaluation of water conservation accomplishments in the previous five (5) years; (ii) a discussion of future water conservation opportunities; and (iii) revised or new water conservation objectives, measures, and time schedules. Based on the conclusions from the review and pursuant to consultation with the Contracting Officer, the Project Water User shall continue or revise the existing water conservation program as determined by the Contracting Officer. All submissions made to the Contracting Officer under this article shall be made at the same time to the Commission. The Contracting Officer shall have the right to enforce the requirements of this article directly against any Project Water User defaulting in its obligation under this article.

(b) Submission by the Authority of a water conservation program which is applicable to the service area of a Project Water User and which takes into account delivery of Project Water pursuant to this Contract, and acceptance thereof by the Contracting Officer shall constitute compliance by the Project Water User with the requirements of this article.
22. (a) There is reserved to the Secretary the right, at intervals of five (5) years beginning five (5) years after the Effective Date of this Contract, to review the existing and potential future needs of each Project Water User for the Project Water to which it is entitled under a contract executed with the Commission pursuant to subarticle 6 (b). The Secretary shall give the Commission and the Project Water User reasonable prior notice of any such review and shall afford the Commission and the Project Water User an opportunity to be heard.

(b) In determining the existing and potential future needs of a Project Water User, the Secretary shall consider, among other things:

(1) Reasonable representations of water availability in connection with covenants given to obtain financing (by issuance of bonds or other forms of securities) for the construction, acquisition, improvement, or extension of works of improvement for the treatment or delivery of the water obtained hereunder, to the extent of the amount of the water needed to generate the revenue necessary to support and secure the repayment of the bonds or other forms of financing;

(2) The capacity of works of improvement constructed or otherwise acquired for the treatment or delivery of water obtained hereunder;

(3) Past growth and long-term projections of growth;

(4) Economic downturns or other events which may cause a temporary lessening of demand for water or a slowdown in projected growth;

(5) The existence of circumstances reasonably indicating a long-term lack of need for any unused portion of such water; and

(6) Restrictions on use required by the Secretary pursuant to applicable Federal regulations.

(c) The Secretary may reduce the maximum amount of Project Water deliverable to the Commission pursuant to subarticle 5(a) if, and to the extent, the Secretary determines that:
(i) the Project Water User will not have a future need for such water; and (ii) no other Project Water User will have a future need for such water. The Secretary shall give the Commission and the Project Water User notice of such reduction and of the basis for the Secretary’s determination.

(d) Subarticle (a) will become operational only if either of the following events takes place:

1. As to Project Water committed to a Project Water User by a contract executed pursuant to subarticle 6(b), if that Project Water User ceases to be a member of the Authority;
2. As to all Project Water, if the Authority ceases to be a public entity capable of complying with the terms of contract No. 2-07-30-W0266 or ceases to have municipal water purveyors in Clark County, Nevada, among its members.

Bureau of Reclamation Regulations

23. (a) If the Secretary adopts any regulations for administering Entitlements to Colorado River water, prescribing determinations or appeals procedures, or for operating the Colorado River in the Lower Colorado River Basin in Arizona, California, and Nevada, the terms, definitions, or provisions of this Contract shall be revised accordingly to conform with the regulations.

(b) Subarticle (a) shall not apply to regulations relating to the following subjects:
(i) reductions in or termination of any of the Entitlements set forth in article 5; (ii) priorities set forth in subarticle 5(d); and (iii) termination of this Contract.

Determinations; Appeals

24. (a) The parties agree that the delivery of water or the use of Federal facilities pursuant to this Contract is subject to Reclamation law and applicable Reclamation Regulations.

(b) The Contracting Officer shall have the right to make determinations necessary to administer this Contract that are consistent with the Contract, the laws of the United States
or the State, and applicable Reclamation Regulations. Such determinations shall be made in consultation with the Commission.

(c) (1) The Commission shall have a right to administratively appeal any determination, notice, or other decision of the Contracting Officer under articles 17 and 26 by filing with the Commissioner of Reclamation, hereinafter called "Commissioner": (i) a notice of appeal within thirty (30) days of the date that notice of such decision is given to the Commission; and (ii) a detailed statement of the basis for the appeal within thirty (30) days of the date of filing such notice of appeal. The decision of the Commissioner shall constitute the final decision of the Secretary for purposes of judicial review.

(2) For purposes of judicial review, all other determinations, notices, and other decisions of the Contracting Officer given pursuant to this Contract shall become and constitute the final decision of the Secretary sixty (60) days after the date that notice of such other determinations, notices, and other decisions is given to the Commission, unless modified or rescinded by the Contracting Officer within such sixty (60)-day period.

(3) Except as provided in this paragraph, all determinations, notices, or other decisions of the Contracting Officer made pursuant to this Contract shall be immediately effective when made. If a notice of appeal is filed with the Commissioner under paragraph (1), the filing of the notice of appeal shall suspend the immediate effectiveness of the decision unless the Commissioner expressly determines that the decision shall remain immediately effective. In such a case the Commission may treat the decision as the final agency decision for purposes of judicial review.

Notices

25. Any notice, demand, or request authorized or required by this Contract shall be deemed to have been given, and where required to be given to a party shall be given at the same time to each of the other parties, by mailing it, postage prepaid, or
delivering it to the other parties as follows:

(1) Regional Director  
Lower Colorado Region  
Bureau of Reclamation  
P.O. Box 61470  
Boulder City, Nevada 89006-1470;

(2) Director  
Colorado River Commission of the State of Nevada  
Mail Room Complex  
Las Vegas, Nevada 89158.

The designation of the addressee or the address may be changed by notice given in the same manner as provided in this article for other notices.

**Termination**

26. (a) The United States reserves the right to terminate this Contract by written notice thereof to the Commission:

(1) If the Commission is in arrears for more than six (6) months in the payment of any fee or charge due to be paid by it hereunder to the United States.

(2) If the Commission defaults by failing or refusing to meet any material obligation to the United States under this Contract and the Commission fails to cure such default within thirty (30) days after service of written notice of default upon the Commission by the Contracting Officer specifying the nature of the default or within such longer period of time as is reasonably necessary to cure the default.

(b) The Commission shall have a right to appeal a notice of termination pursuant to subarticle 24(c). The filing of a notice of appeal shall suspend the effectiveness of the termination until a final decision is made by the Commissioner unless the Commissioner determines the termination shall be made immediately effective. If the Commissioner determines that the termination shall be made immediately effective, the termination shall be deemed final agency action for purposes of judicial review.

(c) The termination of this Contract does not relieve the Commission of any obligation then owing under this Contract to the United States.

(d) If this Contract is lawfully terminated pursuant to this article, the Commission hereby covenants and agrees to hold the United States harmless from any claims, damages, or
alleged causes of action claimed to have resulted from such action. Nothing contained in this
Contract shall relieve the Commission from any obligation to make the United States whole for
the period of this Contract for all losses or damages occasioned by the failure of the Commission
to pay for water delivered to or diverted by it hereunder.

Quality of Water

27. The operation and maintenance of Federal facilities shall be performed in such
manner as is practicable to maintain the quality of raw water made available through such
facilities at the highest level reasonably attainable as determined by the Contracting Officer. The
United States does not warrant the quality of water and is under no obligation to construct or
furnish water treatment facilities to maintain or better the quality of water.

Water and Air Pollution Control

28. The Commission, in carrying out this Contract, shall comply with all applicable water
and air pollution laws and regulations of the United States and the State and shall obtain or cause
to be obtained all required permits or licenses from the appropriate Federal, State, or local
authorities.

Releases and Indemnification

29. (a) Except as provided in subarticle (c), the Commission hereby releases and
agrees that it shall indemnify and hold harmless the United States and its officers, agents,
employees, and successors or assigns, from every claim for damages to persons or property,
direct or indirect, and of whatever nature, except for gross negligence, arising by reason of the
diversion, pumping, transportation, or use by the Commission of water delivered under this
Contract.

(b) Water shall be delivered hereunder without treatment of any kind and without
any warranty whatsoever by the United States as to the quality or fitness of such water for the
uses or purposes of the Commission. Except as provided in subarticle (c), consistent with
applicable Federal law, the Commission hereby expressly relieves and releases the United States
and its officers, agents, and employees, from any liability or responsibility whatsoever, except for gross negligence, for the quality, composition, or contents of the water delivered hereunder, or for any lack of fitness of such water for any use thereof intended by the Commission.

(c) The agreement by the Commission to relieve, release, indemnify, and hold the United States harmless under subarticles (a) and (b) shall not extend to any cause of action against the United States which is not based on this Contract or which arises out of contamination of water delivered or diverted hereunder which is caused by an act or omission of the United States.

(d) The Commission hereby covenants and agrees that the United States and its officers, agents, employees, and successors or assigns, shall not be liable for damages caused by suspensions or reductions in delivery of water which occur for any reason whatsoever, except for gross negligence, including, but not limited to, the operation of subarticles 5(b), (c), and (d), an insufficient supply of water as determined by the Secretary, or by hostile diversion, drought, or interruption of service occasioned by necessary repairs to any of the works by means of which water is stored or for damages caused by floods, unlawful acts, or unavoidable accidents.

Priority of Claims of the United States

30. Claims of the United States arising out of this Contract shall have priority over all others, secured or unsecured, to the extent provided by applicable law.

Contingent on Appropriation or Allotment of Funds

31. The expenditure or advance of any money or the performance of any obligation by the United States under this Contract shall be contingent upon the appropriation or allotment of funds. Absence of appropriation or allotment of funds shall not relieve the Commission from any obligations under this Contract. No liability shall accrue to the United States in case funds are not appropriated or allocated.

Effect of Waiver of Breach of Contract

32. All rights of action for breach of any of the provisions of this Contract are reserved
to the United States as provided in section 3737 of the Revised Statutes of the United States, and
in a similar manner to the Commission. The waiver of a breach of any of the provisions of this
Contract shall not be deemed to be a waiver of any provision hereof, or of any other subsequent
breach of any provisions hereof.

Remedies Under Contract Not Exclusive

33. Nothing contained in this Contract shall be construed as in any manner abridging,
limiting, or depriving the United States or the Commission of any means of enforcing any
remedy either at law or in equity for the breach of any of the provisions hereof which it would
otherwise have.

Assignment Limited; Successors and Assigns Obligated

34. (a) No assignment or transfer of this Contract or any part or interest therein shall
be valid until approved in writing by the Contracting Officer.
(b) The provisions of this Contract shall apply to and bind the successors and
assigns of the parties hereto.

Officials Not to Benefit

35. No Member of or Delegate to Congress, Resident Commissioner, or official of the
Commission shall benefit from this Contract other than as a water user or landowner in the same
manner as other water users or landowners.

Uncontrollable Forces

36. No party shall be considered to be in default in respect to any obligation hereunder,
if prevented from fulfilling such obligation by reason of Uncontrollable Forces, the term
"Uncontrollable Forces" being deemed, for the purposes of this Contract, to mean any cause
beyond the control of the party affected, including but not limited to drought, failure of
facilities, flood, earthquake, storm, lightning, fire, epidemic, war, riot, civil disturbance, labor
disturbance, sabotage, and restraint by court or public authority, which by exercise of due
diligence and foresight, such party could not reasonably have been expected to avoid. Any party
rendered unable to fulfill any obligation by reason of Uncontrollable Forces shall exercise due
diligence to remove such inability with all reasonable dispatch.

Equal Opportunity

37. During the performance of this Contract, the Commission agrees as follows:

(a) The Commission will not discriminate against any employee or applicant for
employment because of race, color, religion, sex, or national origin. The Commission 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; layoff or termination; rates of pay or other
forms of compensation; and selection for training, including apprenticeship. The Commission
agrees to post in conspicuous places, available to employees and applicants for employment,
notices to be provided by the Contracting Officer setting forth the provisions of this
nondiscrimination clause.

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

(c) The Commission will send to each labor union or representative of workers
with which it has a collective bargaining agreement or other contract or understanding, a notice,
to be provided by the Contracting Officer, advising said labor union or workers' representative
of the Commission's commitments under section 202 of Executive Order 11246 of
September 24, 1965, as amended, and shall post copies of the notice in conspicuous places
available to employees and applicants for employment.

(d) The Commission will comply with all provisions of Executive Order
No. 11246 of September 24, 1965, as amended, and of the rules, regulations, and relevant
orders of the Secretary of Labor.

(e) The Commission will furnish all information and reports required by said amended Executive Order and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to its books, records, and accounts by the Contracting Officer and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

(f) In the event of the Commission's noncompliance with the nondiscrimination clauses of this Contract or with any of such rules, regulations, or orders, this Contract may be canceled, terminated, or suspended, in whole or in part, and the Commission may be declared ineligible for further Government contracts in accordance with procedures authorized in said amended Executive Order, and such other sanctions may be imposed and remedies invoked as provided in said amended Executive Order, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

(g) The Commission will include the provisions of subarticles (a) through (g) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of said amended Executive Order, so that such provisions will be binding upon each subcontractor or vendor. The Commission will take such action with respect to any subcontract or purchase order as may be directed by the Secretary of Labor as a means of enforcing such provisions, including sanctions for noncompliance; Provided, however, that in the event the Commission becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction, the Commission may request the United States to enter into such litigation to protect the interests of the United States.

Compliance with Civil Rights Laws and Regulations

applicable civil rights laws, as well as with their respective implementing regulations and guidelines imposed by the Department of the Interior or the Bureau of Reclamation, hereinafter called "Reclamation."

(b) These statutes require that no person in the United States shall, on the grounds of race, color, national origin, handicap, or age, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity receiving financial assistance from Reclamation. By executing this Contract, the Commission agrees to immediately take any measures necessary to implement this obligation, including permitting officials of the United States to inspect premises, programs, and documents.

(c) The Commission makes this agreement in consideration of and for the purpose of obtaining any and all Federal grants, loans, contracts, property discounts or other Federal financial assistance extended after the date hereof to the Commission by Reclamation, including installment payments after such date on account of arrangements for Federal financial assistance which were approved before such date. The Commission recognizes and agrees that such Federal assistance will be extended in reliance on the representations and agreements made in this article, and that the United States reserves the right to seek judicial enforcement thereof.
IN WITNESS WHEREOF, the parties hereto have executed this Contract No. 7-07-30-W0004, Amendment No. 1, the day and Year first above written.

UNITED STATES OF AMERICA

By: [Signature]
Commissioner
Bureau of Reclamation

STATE OF NEVADA, acting through its COLORADO RIVER COMMISSION

By: [Signature]
Chairman

Approved as to form:

By: [Signature]
Attorney General of the State of Nevada

Ratified and approved:

By: [Signature]
Governor of the State of Nevada
# EXHIBIT A

## FINAL REPAYMENT SCHEDULE

**ROBERT B. GRIFFITH PROJECT**

**FEBRUARY 27, 1992**

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**TOTALS**

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