

AGREEMENT AMONG  
THE UNITED STATES OF AMERICA, THROUGH THE  
DEPARTMENT OF THE INTERIOR,  
BUREAU OF RECLAMATION,  
THE CENTRAL ARIZONA WATER CONSERVATION DISTRICT,  
THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA,  
DENVER WATER, AND  
THE SOUTHERN NEVADA WATER AUTHORITY,  
FOR A PILOT PROGRAM FOR FUNDING THE CREATION OF COLORADO RIVER  
SYSTEM WATER THROUGH VOLUNTARY WATER CONSERVATION AND  
REDUCTIONS IN USE

1. PREAMBLE: THIS AMENDMENT NO. 2 (“Amendment No. 2”) is entered into this 8<sup>th</sup> day of March, 2016 (“Effective Date”), by and between the UNITED STATES OF AMERICA (“United States”), represented by the Secretary of the Interior (“Secretary”) acting through the officials executing this Agreement, the CENTRAL ARIZONA WATER CONSERVATION DISTRICT, a multi-county water conservation district duly organized and existing under the laws of the State of Arizona (“CAWCD”), THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA, a regional public water district duly organized under California law (“MWD”), the CITY AND COUNTY OF DENVER, acting by and through its BOARD OF WATER COMMISSIONERS, a municipal corporation and political subdivision of the State of Colorado (“Denver Water” or “DW”), and the SOUTHERN NEVADA WATER AUTHORITY, a political subdivision of the State of Nevada (“SNWA”), each being referred to individually as “Party” and collectively as the “Parties”, and pursuant to the Act of Congress approved June 17, 1902 (32 Stat. 388), designated the Reclamation Act, and acts amendatory thereof or supplementary thereto, the Act of March 4, 1921 referred to as the Contributed Funds Act (41 Stat. 1404, 43 U.S.C. § 395), the Act of January 12, 1927 (44 Stat. 957, 43 U.S.C. § 397a), the Act of December 21, 1928 (45 Stat. 1057), designated the Boulder Canyon Project Act, the Act of April 11, 1956 (70 Stat. 105), designated the Colorado River Storage Project Act;

the Act of September 30, 1968 (82 Stat. 885), designated the Colorado River Basin Project Act, the Act of June 24, 1974 (88 Stat. 266), designated the Colorado River Basin Salinity Control Act, as amended, the Act of March 30, 2009 (123 Stat. 991), known as the Omnibus Public Land Management Act, and consistent with Section 206 of Title II of Division D of the Consolidated and Further Continuing Appropriations Act, 2015 (Public Law 113-235).

2. RECITALS:

2.1 WHEREAS, on July 30, 2014, the Parties entered into Agreement No. 14-XX-30-W0574 for a Pilot Program for Funding the Creation of Colorado River System Water Through Voluntary Water Conservation and Reductions in Use (“the 2014 Funding Agreement”) which was amended on August 12, 2015 to increase Reclamation’s funding ceiling for the Pilot Program; and

2.2 WHEREAS, the Parties desire to further amend the 2014 Funding Agreement, as amended, to provide for increased funding from a Party by notifying the other Parties in writing without the need to further amend the 2014 Funding Agreement.

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

3. PURPOSE OF AMENDMENT NO. 2: The purpose of this Amendment No. 2 is to clarify provisions in the 2014 Funding Agreement, as amended, for providing additional funding for the Pilot Program.

4. AMENDMENT OF AGREEMENT NO. 14-XX-30-W0574, AS AMENDED:

4.3 Section 6.4 is hereby added to Section 6 of the 2014 Funding Agreement, as amended.

“6.4 Additional Funding. Notwithstanding (1) the up to \$6 million funding contribution from the United States, through Reclamation, specified in Section 6.1, and (2) the up to \$2 million funding contribution from a Local Funding Agency specified in Section 6.2, a Party may provide additional funding to the Pilot Program including funding originating from another entity as provided

in Section 6.3. If a Party provides additional funding, the Parties may make such funding available for proposed System Conservation projects notwithstanding the funding limit in Section 5.6, as amended. A Party that intends to provide such additional funds will notify and consult with the other Parties. During the consultation process, the geographic distribution of additional funds between potential projects in the Upper and Lower Basins for proposed System Conservation projects will be determined by the Parties. If, after the consultation among the Parties there are no objections from any Party, no sooner than 15 days after consultation with the other Parties, the Party that intends to provide the additional funds will notify the other Parties in writing of the amount and timing of availability of such additional funds; provided however, if during the consultation there is an objection from any Party, the Parties agree to meet and consult before any additional funding is provided. Such written notification shall be considered an exhibit to this Agreement. Any unobligated additional funds after implementing this Agreement shall be returned to each Party in proportion to the total amount of funds contributed.”

5. OTHER PROVISIONS UNAFFECTED: Except as expressly modified by this Amendment No. 2, all other provisions of Agreement No. 14-XX-30-W0574, and Amendment No. 1 remain in full force and effect.

6. COUNTERPARTS: This Amendment No. 2 may be executed in counterparts, each of which shall be an original and all of which, together, shall constitute only one Amendment No. 2.

IN WITNESS WHEREOF, the Parties hereto have executed this Amendment No. 2 on the day and year first written above.

Approved as to legal sufficiency:

**THE UNITED STATES OF AMERICA**

By:   
\_\_\_\_\_  
Robert Snow, Esq.  
Attorney-Advisor

By:   
\_\_\_\_\_  
Terrance J. Fulp, Ph.D.  
Lower Colorado Regional Director  
Bureau of Reclamation

By: \_\_\_\_\_  
Brent Rhees, P.E.  
Upper Colorado Regional Director  
Bureau of Reclamation

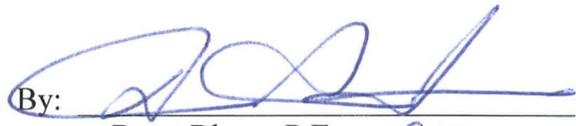
IN WITNESS WHEREOF, the Parties hereto have executed this Amendment No. 2 on the day and year first written above.

Approved as to legal sufficiency:

**THE UNITED STATES OF AMERICA**

By: \_\_\_\_\_  
Robert Snow, Esq.  
Attorney-Advisor

By: \_\_\_\_\_  
Terrance J. Fulp, Ph.D.  
Lower Colorado Regional Director  
Bureau of Reclamation

By:  \_\_\_\_\_  
Brent Rhees, P.E. *for*  
Upper Colorado Regional Director  
Bureau of Reclamation

Approved as to form:

**CENTRAL ARIZONA WATER  
CONSERVATION DISTRICT**

By:   
\_\_\_\_\_  
Jay M. Johnson  
General Counsel

By:   
\_\_\_\_\_  
Theodore C. Cooke  
Interim General Manager

Approved as to form:

**THE METROPOLITAN WATER  
DISTRICT OF SOUTHERN  
CALIFORNIA**

By:   
\_\_\_\_\_  
Marcia L. Scully  
General Counsel

By:   
\_\_\_\_\_  
Jeffrey Kightlinger  
General Manager

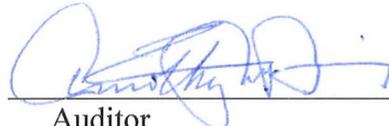
Attest:

**CITY AND COUNTY OF DENVER,  
acting by and through its  
BOARD OF WATER  
COMMISSIONERS**

By:   
Legal Division

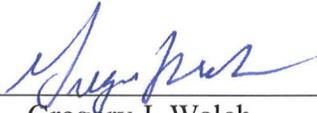
By:   
James S. Lochhead  
CEO/Manager

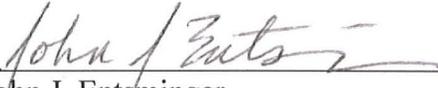
**REGISTERED AND  
COUNTERSIGNED:  
CITY AND COUNTY OF DENVER**

By:   
Auditor

Approved as to form:

**SOUTHERN NEVADA WATER  
AUTHORITY**

By:   
\_\_\_\_\_  
Gregory J. Walch  
General Counsel

By:   
\_\_\_\_\_  
John J. Entsminger  
General Manager