

Termination concepts for discussion purposes – Reclamation reserves the right to make changes in final version.

### **TERM OF AGREEMENT**

(2) If termination occurs following the determination of Substantial Completion of construction of the Expansion Project, the Parties will meet and confer to the following:

(i) Mutually Agreeable Termination – subject to appropriations and the availability of funds, in the event that the Parties agree to terminate this agreement for matter of convenience, Reclamation will, in a timely manner, reimburse the Authority’s contributed funds in the following way.

(a) 0 – 20 years 100% of the contributed funds including any remaining original financial obligations

(b) 21-30 years 50% of the contributed funds including any remaining original financial obligations

(c) 31 years and beyond 0% of the contributed funds including any remaining original financial obligations

(ii) Breach of Contract due to violation of law:

(a) If the Contracting Officer determines there has been a violation of relevant law, then Reclamation shall have no obligation to repay any costs associated with the Cost Share or remaining original financial obligations.

(1) If a member who is subject to the Authority’s Activity Agreement or similar binding agreement as provided for in this Agreement is in violation of Federal or State Law, the Authority may elect to remove that entity from the Participation. Failure to remove the violating entity in a timely manner will result in termination of this Agreement with no further obligation by the United States to repay any costs associated

with the Cost Share or remaining financial obligations to any member represented by the Authorities agreements for this project.

(b) Breach of contract provisions.

(iii) Repayment of Costs: Pursuant to Reclamation Law,

Reclamation will recover any costs accrued by Reclamation resulting from the termination of this Agreement.

Anderson Ranch Language:

### **2.3 Term and Termination of Contract**

Subject to the terms, conditions, and provisions set forth herein, this contract shall become effective on the date first written above, which shall be the date the contract is signed by the Contracting Officer. This contract shall remain in effect until terminated by mutual written agreement of the parties or as set forth below.

(a) At any time before Reclamation issues its solicitation of the construction contract, the Board may terminate this contract. If the ROD does not select the 6-ft Dam Raise and does not provide for contracting solely with the Board for the New Space, either party may terminate this Contract. In the event of termination, neither party shall be entitled to reimbursement of costs incurred up to the effective date of termination; however, adjustment of costs will be made to ensure the Cost-Share Ratio is met. Parties may agree to renegotiate a subsequent contract.

(b) After the stage covered by subsection (a) above, and prior to Substantial Completion of the Anderson Ranch Dam Raise Project, this contract may be terminated by:

- (i) The Board sending notice of termination to Reclamation.
- (ii) Reclamation, if adequate funding is not forthcoming during construction of the Anderson Ranch Dam Raise Project. Reclamation shall provide the Board written notice of intent to terminate and allow the Board sixty days to pay all amounts due. If the Board does not pay all amounts due within the sixty-day period, termination of this contract is effective.

Upon such termination, the Board is liable for all costs associated with necessary

remediation actions. Payment for remediation will be negotiated before solicitation of the construction contract in conjunction with section 4.2(b).

(c) After substantial completion, the Board may terminate the contract, upon assignment to Reclamation of any water rights(s) IWRB may hold for the Anderson Ranch Dam Raise Project.