

FIRST AMENDMENT TO AGREEMENT BETWEEN THE ARIZONA WATER BANKING AUTHORITY AND THE METROPOLITAN DOMESTIC WATER IMPROVEMENT DISTRICT PROVIDING FOR THE STORAGE OF CENTRAL ARIZONA PROJECT WATER AT THE AVRA VALLEY RECHARGE PROJECT

This AMENDMENT (“Amendment”) dated _____, 2015, amends and supplements the agreement titled “Agreement between the Arizona Water Banking Authority and the Metropolitan Domestic Water Improvement District Providing for the Storage of Central Arizona Project Water at the Avra Valley Recharge Project,” dated December 20, 2010 (the “Agreement”) by and among Arizona Water Banking Authority (“Authority”) and the Metropolitan Domestic Water Improvement District (“District”)(collectively, the “Parties”).

In consideration of the mutual agreements set forth in the Agreement and this Amendment,

1. All terms referred to herein and not otherwise defined shall have the meaning ascribed to them under the Agreement. This Amendment shall become effective on the date of execution by the Parties.
2. The Parties agree that as of the date of execution of this Amendment, Section 5.1 of the Agreement is to read as follows:

The Agreement shall remain effective, except as provided in paragraph 3 below, as long as the District continues to have a valid Underground Storage Facility in place and will terminate on the date of expiration of the Arizona Department of Water Resources Constructed Underground Storage Facility Permit, Permit No. 71-564896 (the “Permit”), and any amendments thereto, unless the Agreement is sooner terminated or canceled in accordance with Subsections 11.4 or Sections 14, 27, 23, 30 and 31 hereof. It is the intent of the Parties that the District will continue to extend the effective date of the Permit, as needed in order to continue to extend the term of the Agreement. In the event the District decides not to further extend the effective date of the Permit, resulting in the termination of this Agreement, the District will inform the Authority of such intent prior to the approval of the Authority’s December Annual Plan of Operation.

3. The Parties further agree that as of the date of execution of this Amendment, the date “December 31, 2015” in Section 5.2 of the Agreement is revised to read “December 31, 2035.”

In the event of any inconsistency between the provisions of this Amendment and those of the Agreement, this Amendment shall prevail. For the avoidance of doubt, except as expressly set forth herein, the Agreement shall remain unchanged and in full force and effect.

The undersigned warrant their authority to bind the Parties on whose behalf their signatures are made to the provisions of this Amendment, which shall be binding on all Parties, their successors and assigns.

IN WITNESS THEREOF, the Parties hereto have executed this Amendment effective date day and year first above-written.

ARIZONA WATER BANKING AUTHORITY

Attest: _____
Secretary

By: _____
Chairman

METROPOLITAN DOMESTIC WATER
IMPROVEMENT DISTRICT

Attest: _____
Secretary

By: _____
Chairman