

**AMENDMENT NO. 1
TO
AMENDED AND RESTATED
BULK WATER DELIVERY AGREEMENT
CON - _____**

THIS AMENDMENT NO. 1 TO AMENDED AND RESTATED BULK WATER DELIVERY AGREEMENT (“Amendment”) is entered into this ____ day of February, 2018, by and between the Adaman Mutual Water Company (“Adaman”), an Arizona corporation, Adaman Irrigation Water Delivery District No. 36, a political subdivision of the State of Arizona (“AIWDD”) and the City of Goodyear (“City”), an Arizona municipal corporation. Collectively, Adaman, AIWDD, and the City are sometimes referred to herein as the “Parties” and individually as a “Party.”

RECITALS

WHEREAS, as of February ____, 2018, Adaman and City executed the Amended and Restated Bulk Water Delivery Agreement (the “Agreement”);

WHEREAS, the Parties intended in sections 4.3.1 and 4.3.2 of the Agreement that the City compensate Adaman a total of \$750,000 for the present value of the well, payable in payments as defined in those sections, including in section 4.3.2 application of a 4.00% fixed interest rate to a portion of the well value starting at \$650,000 (the “Principal”) until fully paid in monthly payments for 25 years; and

WHEREAS, the Parties wish to clarify in the Agreement, through this Amendment, that any amount of the Principal remaining unpaid after at least five years of monthly payments may be pre-paid by the City in its entirety in one final payment at any time without a pre-payment penalty, and with interest ceasing at the time of the remaining Principal pre-payment.

AGREEMENT

NOW, THEREFORE, in consideration of the terms, conditions, and covenants contained herein and for other valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties hereto agree as follows:

1. The Parties by this Amendment remove existing section 4.3.2 in the Agreement and replace it with the following new paragraph as follows:

4.3.2 The City shall remit to Adaman a payment of \$3,431.00 per month for 300 months, representing payment amortized over time of a Principal amount of \$650,000 plus four percent (4.00%) fixed interest. Adaman shall invoice the City for this payment when it sends the City the invoice referred to in Section 11.1 below by either including it in the invoice referred to in Section 11.1 below or by separate invoice. The City shall remit the \$3,431.00 within thirty (30) days from the date of the receipt of the invoice for such payment. Payments shall be applied first to interest then to principal. Notwithstanding the payment schedule in this section, in full satisfaction of the amounts due in this Section 4.3.2, the

City may pre-pay at any time starting in or after January 2023 the remaining Principal amount without pre-payment penalty. Upon payment in full, interest will cease to accrue.

- 2. Incorporation of Recitals. The Recitals set forth above are incorporated by this reference as if fully set forth herein and are acknowledged and agreed to by the Parties.
- 3. Effect of Amendment. Except as changed in this Amendment, the terms of the Agreement remain in effect and are unmodified.

IN WITNESS WHEREOF, the Parties hereto have caused this Amendment to be entered into on the day and year first above written.

ADAMAN MUTUAL WATER
COMPANY, an Arizona corporation

CITY OF GOODYEAR, a municipal
corporation and political subdivision of the
State of Arizona

By: _____
Name: Scott Schofield
Its: _____
Date _____

By: _____
Name: Brian Dalke
Its: City Manager
Date: _____

ADAMAN IRRIGATION WATER
DELIVERY DISTRICT NO. 36, a political
subdivision of the State of Arizona

ATTEST

Darcie McCracken, City Clerk

By: _____
Name: Scott Schofield
Its: _____
Date _____

APPROVED AS TO FORM

Roric Massey, City Attorney