

ARTICLE 2 - OBLIGATION OF THE GOVERNMENT:

a. Upon completion of the work performed by the owner hereunder and final acceptance thereof and delivery to the Government of the deed required in Article 1 hereof, the Government shall pay to the owner as full consideration therefor, the sum of \$111,268.69, less any partial payments heretofore made hereunder. At the request of the owner, partial payments will be made as the work progresses, on monthly estimates approved by the Government. This provision shall not be construed as relieving the owner from the responsibility for all materials and work, where such payments have been made or for the restoration of any damaged work, or as a waiver of the rights of the Government to require complete fulfillment of all the terms of this contract.

b. The Government shall convey to the owner, subject to the approval of the Secretary of the Army, an easement or right of way over the relocated route traversing the Government-owned land within the project area as indicated in "green" on drawing referred to in Article 1 hereof and marked Exhibit "A" on which to construct, maintain, and operate the relocated facilities herein provided for. Reserving, however, unto the Government, the right to flood any portion of the relocated right of way and facilities of the owner which are located below elevation 670 feet within the Reservoir area of the Project. The form and substance of the conveyance to be substantially as set forth in Exhibit "C", attached hereto and by this reference made a part hereof.

ARTICLE 3. OWNERSHIP AND CONDUCT OF THE WORK:

a. The facilities constructed hereunder shall be the property of the owner. The owner shall be responsible for all materials furnished and work performed by it.

b. The Government may award other contracts for additional or other work in connection with the same project or in the same vicinity. The owner shall conduct operations so as to cooperate fully with any such work being performed by the Government and/or Government contractors