

## Public Law 85-900

## AN ACT

September 2, 1958  
[H. R. 9147]

To provide for the disposal of certain Federal property in the Boulder City area, to provide assistance in the establishment of a municipality incorporated under the laws of Nevada, and for other purposes.

Boulder City  
Act of 1958.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That it is the purpose of this Act to authorize the disposal of certain Federal property in that area in Clark County in the State of Nevada commonly known as Boulder City, now a part of the Boulder Canyon project, in order that the people of that area may enjoy local self-government and to facilitate the establishment by them of a municipal corporation under the laws of the State of Nevada.

## Definitions.

SEC. 2. Wherever the following terms are used in this Act, they shall be interpreted as follows:

43 USC 618 et  
seq.

(a) "Adjustment Act" shall mean the Boulder Canyon Project Adjustment Act (54 Stat. 774);

(b) "Appraised value" shall be current fair market value;

(c) "Boulder City municipal area" shall consist of and include the tract of land particularly described as follows:

Lots 9, 10, 11, 12, south half north half, south half section 1; lots 8, 9, 10, 16, that portion of lot 21 lying south of the right-of-way of United States Highway 93-466 and east of the right-of-way of United States Highway 95, both as hereinafter specifically defined, southeast quarter northeast quarter, east half southeast quarter section 2; that part of lot 1 lying east of the right-of-way of United States Highway 95 and south of right-of-way of United States Highway 93-466, those parts of lots 4, 5, 8, lying east of the right-of-way of United States Highway 95, east half east half section 11; all sections 12 and 13; those parts of lots 1, 4, 5, 8, lying east of the right-of-way of United States Highway 95, east half east half section 14; lots 1, 4, 5, northeast quarter northeast quarter section 23; lots 1, 2, 3, 4, north half north half section 24; township 23 south, range 63 east; lots 8, 9, 10, section 1; all fractional sections 12, 13, 24, township 23 south, range 63½ east; south half south half section 28; south half south half section 29; lot 12, southeast quarter southwest quarter, south half southeast quarter section 30; lots 5, 8, 9, 12, east half west half, east half section 31; all sections 32 and 33; south half section 34, south half section 35, township 22 south, range 64 east; all sections 2, 3, 4, 5; lots 8, 9, 10, 11, 14, 15, 17, south half northeast quarter, southeast quarter northwest quarter, east half southwest quarter, southeast quarter section 6; all sections 7, 8, 9, 10, 11, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, township 23 south, range 64 east, Mount Diablo base and meridian, State of Nevada, containing 21,674.23 acres, more or less.

That portion of the east boundary of the right-of-way of United States Highway 95, together with a portion of the south boundary of the right-of-way of United States Highway 93-466 lying within the west half east half of sections 2, 11, and 14, township 23 south, range 63 east, Mount Diablo base and meridian, with which it is required that the proposed west boundary of Boulder City shall conform, and to which reference was made in the foregoing description, is more specifically described as follows:

Beginning at the point of intersection of the east side of the right-of-way of Highway 95 with the original west boundary of the Boulder Canyon Project Reservation, this beginning point being located 2,315 feet north of corner numbered 2, the southwest corner of the said reservation.

Thence with the east side of the right-of-way of Highway 95, as defined by State highway map, project numbered 006-1, (1), north 9 degrees 40 minutes east, 2,156 feet to a point of curve bearing toward the west.

Thence with the curve, with a central angle of 13 degrees 06 minutes, and a radius of 5,200 feet, for a curve distance of 1,188.92 feet to a point of tangency.

Thence north 3 degrees 26 minutes west for a tangent distance of 4,979.48 feet to a point of curve bearing toward the east.

Thence with curve, with a central angle of 19 degrees and a radius of 1,800 feet for a curve distance of 596.98 feet to a point of tangency.

Thence north 15 degrees 34 minutes east for a tangent distance of 563.22 feet to a point of curve bearing toward the west.

Thence with the curve, with a central angle of 21 degrees 22 minutes 20 seconds and a radius of 2,200 feet for a curve distance of 820.63 feet to a highway monument marking the intersection of the east side of the right-of-way of Highway 95 with the south side of the right-of-way of Highway 93-466 leading to Boulder City.

Thence with the south side of the right-of-way of Highway 93-466 as it curves in a southeasterly direction with a central angle of 4 degrees 11 minutes 10 seconds and a radius of 3,700 feet with a chord bearing of south 54 degrees 08 minutes 40 seconds east for a curve distance of 270.32 feet to a point on a north and south sixteenth section line dividing the east half of section 2, township 23 south, range 63 east, Mount Diablo meridian, said point being south 00 degrees 05 minutes west 66.73 feet from the one-sixteenth section corner, marking the southeast corner of lot 21, section 2, township 23 south, range 63 east, Mount Diablo meridian, and a corner to the proposed Boulder City boundary, as first described hereinabove.

(d) "Boulder City Municipal Fund" shall mean the fund in the Treasury created by section 6 of this Act;

(e) "City" shall mean Boulder City, Nevada, prior to its incorporation as a municipality under the laws of the State of Nevada;

(f) "Colorado River Dam Fund" shall mean the special fund in the Treasury created by section 2 of the Project Act;

(g) "Department" shall mean the Department of the Interior;

(h) "Municipal operations" shall mean the financing, operation, maintenance, replacement, and expansion of municipal facilities and utilities and other operations of a municipal character;

(i) "Municipality" shall mean Boulder City, Nevada, after its incorporation as a municipality under the laws of the State of Nevada;

(j) "Persons employed by the Federal Government within or near the Boulder City municipal area" shall, in addition to the ordinary meaning of the term, include (1) retired employees who were so employed immediately prior to their retirement, (2) persons who were so employed on May 15, 1958, but who, because of a reduction in force, have ceased being so employed at the time property is offered for sale under subsections 3 (b) (1) and 3 (b) (2) of this Act, and (3) persons who have been so employed but who are, at the time property is offered for sale under subsections 3 (b) (1) and 3 (b) (2) of this Act, temporarily absent on other assignment (including foreign assignments) for the interest or convenience of the Federal Government. For the purpose of subsection 3 (b) (2) of this Act, persons referred to in this subsection under (1), (2), and (3) shall be limited to those whose permanent residence is within the Boulder City municipal area.

(k) "Persons employed by the United States for purposes other than the construction, operation, and maintenance of the project" shall mean all persons who are so employed and who are resident in the municipality;

Definitions.

43 USC 617a.

(1) "Persons employed in the construction, operation, and maintenance of the project" shall mean all persons who are so employed, whether by a Federal agency or by an agent designated pursuant to section 9 of the Adjustment Act, and who are resident in the municipality. This term shall not include persons employed in municipal operations of the municipality;

43 USC 618h.

(m) "Project" shall mean the works authorized by the Project Act to be constructed and owned by the United States, exclusive of the diversion dam, main canal, and appurtenances mentioned therein, now known as the All-American Canal System;

43 USC 617 et seq.

(n) "Project Act" shall mean the Boulder Canyon Project Act (45 Stat. 1057);

43 USC 617 et seq.

(o) "Secretary" shall mean the Secretary of the Interior.

Sale of certain housing.

SEC. 3. (a) The Secretary is authorized to sell such dwelling houses, duplex houses or units thereof, and garages, with furniture, fixtures, and appurtenances, as are owned by the United States within the Boulder City municipal area and are not needed in connection with the administration, operation, and maintenance of Federal activities located within or near the Boulder City municipal area.

(b) Except in the case of property determined to be substandard under subsection (c) of this section, the following system of priority shall be established with respect to property authorized to be sold under subsection (a) of this section:

Purchase right.

(1) Persons employed by the Federal Government within or near the Boulder City municipal area (and surviving spouses of such persons who have not remarried) who are tenants in Federal housing in Boulder City shall be offered the opportunity to purchase the property in which they are tenants at the appraised value as established under subsection (d) of this section. This right of priority shall expire unless notice of intent to purchase has been received by the Secretary before the expiration of sixty days after the date on which the property has been offered for sale, and shall be deemed abandoned unless before the expiration of sixty days after the Secretary's tender of the instrument of transfer the prospective purchaser concludes the sale;

Applicants.

(2) Persons employed by the Federal Government within or near the Boulder City municipal area may apply to purchase housing not purchased under subsection (b) (1) of this section. Applicants to purchase shall be placed in order of opportunity to choose pursuant to a public drawing, but spouses of such applicants shall not be entitled to apply. Sales shall be made at the appraised value as established under subsection (d) of this section, and selections and purchases by successful applicants shall be concluded within limits of time to be established by the Secretary. A purchase under subsection (b) (1) or (b) (2) of this section shall render the purchaser and any spouse of such purchaser ineligible thereafter to purchase under subsection (b) (1) or (b) (2); and

Unsold property.

(3) Property subject to disposal under this section and not sold pursuant to subsections (b) (1) and (b) (2) of this section shall be opened to bids from the general public, and shall be sold to the highest responsible bidder.

Eligibility to purchase.

In the event that incorporation of the municipality shall be effected within four years after the date of this Act, persons purchasing housing under this subsection or their successors, assigns, or legal representatives, shall be entitled to a reduction in the purchase price (or rebate as appropriate) of 10 per centum: *Provided*, That no person who has purchased a house under the Act of May 25, 1948 (62 Stat. 268), shall be eligible for such reduction.

Substandard property.

(c) Where the Secretary determines that property authorized to be sold under subsection (a) of this section is substandard, he shall sell

such property only for off-site use, such property to be opened to bids from the general public for sale to the highest responsible bidder.

(d) The appraised value of all property to be sold under subsections (b) (1) and (b) (2) of this section, and of all lots leased or to be leased by the United States for the purpose of maintaining, locating, or erecting permanent structures thereon, shall be determined by an appraiser or appraisers to be designated by the Administrator of Housing and Home Finance Agency at the request of the Secretary. Said appraisals shall be made promptly after the date of this Act, or immediately prior to the granting of any lease of lands not previously appraised, as the case may be. The representatives of the Boulder City community, as determined by the Secretary, shall be granted an opportunity to offer advice in connection with such appraisals.

Appraisals.

(e) (1) Except as otherwise provided in this subsection, the Secretary is authorized to dispose of such multiple-unit garages, and such apartment houses together with furniture, fixtures, and appurtenances, including, without being limited to, any appurtenant garages, as are owned by the United States within the Boulder City municipal area. Such property shall be offered to the general public and sold to the highest responsible bidder.

Disposal of certain property.

(2) Of the property subject to disposal under this section, the Secretary is authorized to lease, to the corporation owning and operating the Boulder City hospital, for the purpose of providing living accommodations for employees of the hospital, not more than two dwelling houses, or not more than one dwelling house and one apartment-house building containing not more than six apartment units, together with furniture, and appurtenances, including, without being limited to, any appurtenant garage or garages. Upon incorporation of the municipality, the Secretary may transfer said property, together with the land on which it is situated, to the municipality without cost, subject to existing leases.

(f) (1) Except in the case of property determined to be substandard under subsection (c) of this section, the Secretary shall, pursuant to the first proviso under the heading "Boulder Canyon Project" in the Interior Department Appropriation Act, 1941 (54 Stat. 406, 437), lease to the purchasers thereof the lots on which structures sold under this section are situated. Any such lease shall be executed prior to transfer of title to the purchaser and shall incorporate the conditions enumerated in the proviso of subsection 4 (a) of this Act.

Leases.

43 USC 617u.

(2) At the expiration of fiscal year 1963, unless incorporation of the municipality shall previously have been achieved, the Secretary may (A) negotiate the sale of the lessees thereof of all leased lands within the Boulder City municipal area, and (B) sell to the highest responsible bidder at not less than the appraised value as determined by the Secretary any other lands within the Boulder City municipal area not needed for Federal purposes, including the purposes of this Act.

Sale of leased land.

(g) Except in the case of property determined to be substandard under subsection (c) of this section, the Secretary may sell any structure authorized to be sold under this section which is unsold at the time of incorporation of the municipality together with the land on which it is situated. Such sales shall be made, as near as may be, in accordance with the procedures and the system of priority established under subsections (b) (1), (b) (2), (b) (3), and (e) of this section; and, where applicable, the appraised value shall be the combined appraised value of structure and land.

Sale of unsold property.

(h) In the event that the Secretary finds that financing on reasonable terms is not available from other sources, he may, in order to facilitate the sale of property to be sold under subsections (b) (1) and

Notes and mortgages.

(b) (2) of this section, except, in partial payment of the purchase price of the property, notes secured by first mortgages on such terms and conditions as he deems appropriate. The maturity and percentage of appraised value in connection with such notes and mortgages shall not exceed those prescribed under section 223 (a) of the National Housing Act, as herein further amended, and the interest rate shall equal the interest rate plus the premium being charged (and any periodic service charge being authorized by the Federal Housing Commissioner for properties of similar character) under section 223 (a) of the National Housing Act, as herein further amended, at the effective date of such notes and mortgages. The Secretary may sell any such notes and mortgages on such terms as he deems appropriate.

71 Stat. 298.  
12 USC 1715n.

Rules and regulations.

(i) In establishing rules and regulations governing sales of property under this section and in determining the terms and conditions of such sales, the Secretary shall consult with representatives of the Boulder City community, as determined by him.

Transfer of improved lands.

SEC. 4. (a) Upon incorporation of the municipality, the Secretary shall be authorized to transfer to the municipality without cost, subject to any existing leases granted by the United States, all improved lands within the Boulder City municipal area the improvements to which are privately owned and such unimproved lands within that area as the Secretary determines are not required in connection with the administration, operation, and maintenance of Federal activities located within or near the Boulder City municipal area, and to assign to the municipality without cost any leases granted by the United States on such lands: *Provided*, That any such lease shall provide, or, at the request of the holder of an existing lease, shall be amended to provide, (1) that, in the event the leased property shall be transferred to the municipality pursuant to this section, the holder of any such lease shall, for a period of two years after the date of incorporation of the municipality, be entitled to exercise an option to purchase the leased property at the original appraised value as determined pursuant to subsection 3 (d) of this Act, and shall, after the end of the aforesaid two-year period and until the expiration of the lease, be entitled to exercise an option to purchase the leased property at its appraised value as determined by a qualified appraiser or appraisers to be appointed by the governing authority of the municipality; (2) that all determinations of appraised value with respect to the aforesaid property shall be made without reference to improvements on the leased property made or acquired at the expense of the current or any former lessee thereof; and (3) that, in the event that incorporation of the municipality shall be effected within four years after the date of this Act, the holder of the lease shall be entitled to a reduction in the price of any purchase under the aforesaid option of 10 per centum of the purchase price.

Determination of boundaries; granting of leases.

(b) In that part of Boulder City where federally owned lands not under lease are occupied by privately owned structures and which is commonly referred to as Lakeview Addition, the Secretary shall determine, by such method as may be appropriate, lot lines to conform, as nearly as is reasonable and feasible in his judgment, to the existing pattern of land occupancy. On submission of satisfactory proof of ownership, the Secretary shall offer to the owner a lease, in accordance with the terms of the first proviso under the heading "Boulder Canyon Project" in the Interior Department Appropriation Act, 1941 (54 Stat. 406, 437), of the lot his structure is occupying, as determined and defined by the Secretary. Or, on request of any such owner, the Secretary may, in his discretion, lease to such owner, in lieu of the lot his structure is occupying, another lot in the Boulder City municipal area, to be approved by the Secre-

43 USC 617u.

tary, on condition that such owner agree to clear and vacate the former lot and to relocate or build on the lieu lot a habitable structure. Where the removal of any structure becomes necessary in order to accomplish the subdivision, the Secretary may acquire or relocate such structure. The continuing validity of any lease granted under this subsection shall be conditioned on the lessee's making proper connections to water, electric, and sewerage systems, and may be conditioned on the lessee's rehabilitation, replacement, or relocation of any or all structures occupying the land in order to bring about closer conformance with general standards prevailing in the community. Unless incorporation of the municipality shall previously have been achieved, the Secretary, at the expiration of fiscal year 1963, may terminate and may renegotiate, on such terms and conditions as he may prescribe, any lease of a lot granted under this subsection, except a lease of a lieu lot. The Secretary's determinations under this subsection shall be final and conclusive.

SEC. 5. (a) Subject to the provisions of subsection 9 (a) and section 11 of this Act, the Secretary shall transfer all activities and functions of a municipal character to the municipality upon its incorporation.

Transfer of functions, title, etc.

(b) The Secretary is authorized to transfer to the appropriate school district all right, title, and interest of the United States to all the school buildings and related equipment and facilities, and to lands upon which they are situated, owned by the United States in the Boulder City municipal area.

(c) Upon its incorporation, the Secretary shall transfer to the municipality, subject to the limitation contained in subsection (d) of this section, all real and personal property, including, but not limited to, buildings, lands, equipment, facilities, works, and utilities, owned by the United States, and used primarily in the performance of activities and functions to be transferred under subsection (a) of this section.

(d) The Secretary shall determine which contracts to which the United States is now a party concern activities and functions to be transferred under subsection (a) of this section and are properly assignable to the municipality. The Secretary shall assign such contracts to the municipality upon its incorporation, and the acceptance of such assignment by the municipality shall be a condition precedent to the transfer of property under subsection (c) of this section.

SEC. 6. (a) There is hereby established in the Treasury a special fund to be known as the Boulder City Municipal Fund. All proceeds from the disposal under this Act of Federal property lying within the Boulder City municipal area shall be deposited in such fund.

Boulder City Municipal Fund.

(b) (1) Moneys in the Boulder City Municipal Fund are hereby appropriated for expenditure at the direction of the Secretary for payment of the expenses of the disposal of property under sections 3, 4, and 5 of this Act, including the cost of subdividing land and affecting the necessary acquisition or relocation of structures under subsection 4 (b) of this Act and the payment of rebates, where appropriate, to vendees of the United States entitled to the special benefit provided under section 3 of this Act for attainment of early incorporation of the municipality.

Appropriations.

(2) There are hereby authorized to be appropriated from moneys in the Boulder City Municipal Fund, or from general funds, (A) an amount not to exceed \$75,000 for payment to the municipality for replacement and rehabilitation of municipal facilities and utilities, such payment to be diminished by an amount, as estimated by the Secretary, equal to the revenues which would otherwise probably have accrued to the United States from municipal operations of the city

between the date of incorporation of the municipality and the end of the fiscal year in which such date falls; and (B) an amount not to exceed \$150,000 for expenditure by the Secretary for such initial construction or improvement of, or additions to, street, water, electric, and sewerage systems for that part of Boulder City referred to in subsection 4 (b) of this Act as Lakeview Addition as the Secretary may deem necessary toward conformance with general standards for such utilities and facilities prevailing in the community.

(c) Except for such sums as may be required for expenditures under subsection (b) (1) of this section, all moneys remaining in and accruing to the Boulder City Municipal Fund either (1) after the date of incorporation of the municipality, or (2) after the expiration of fiscal year 1963, if such incorporation shall not then have been achieved, shall be divided into two parts, as determined by the Secretary, representing project and nonproject investments in the property yielding the moneys deposited in the Boulder City Municipal Fund. Said parts shall be covered into the general fund of the Treasury, but the first part shall constitute a payment to the Treasury diminishing the obligation under section 2 of the Adjustment Act to repay advances and readvances to the Colorado River Dam Fund, and the rates computed pursuant to section 1 of said act shall reflect such diminution: *Provided*, That, solely for the purpose of effecting the aforesaid division, the principal of all mortgage obligations held by the United States pursuant to section 3 of this Act shall then be deemed to have been paid in full into the Boulder City Municipal Fund; and all moneys thereafter received by the United States in payment of principal, interest, or other charges under such mortgage obligations shall be covered into the general fund of the Treasury, except as such moneys may initially be required to repay the outstanding portion of any loan under subsection (d) of this section.

(d) The Secretary, if he deems it necessary, may arrange for the loan of moneys from the Colorado River Dam Fund to the Boulder City Municipal Fund in order that he may make expenditures pursuant to subsections (b) (1) and (b) (2) of this section prior to the receipt of sufficient revenue from the disposal of property under this Act, the loans to be repaid out of such revenues.

(e) Upon its incorporation, the Secretary shall cause to be paid over to the municipality all unobligated balances from appropriations available for municipal operations of the city, less the estimated cost for the remainder of the fiscal year after incorporation of furnishing water to the municipality pursuant to section 9 of this Act.

SEC. 7. Nothing in this Act shall affect any component of the rates and charges for electrical energy generated at Hoover Dam for amortization of the cost of works and improvements on land, including the school buildings and related facilities and equipment, within the Boulder City municipal area, transferred to non-Federal ownership pursuant to this Act less that part of such cost allocated by the Secretary to nonproject purposes pursuant to those portions of the Interior Department Appropriations Acts, 1949 and 1950 (62 Stat. 1112, 1130; 63 Stat. 765, 784), under the headings "Colorado River Dam Fund" which, in the case of each statute, follow the first sentence thereof. Effective at the beginning of the first full fiscal year after the date of incorporation of the municipality, if achieved before the expiration of fiscal year 1963, the aforesaid provisions of law are hereby repealed.

SEC. 8. From the electrical energy reserved to the United States under article 4 of the "General Regulations for Generation and Sale of Power in Accordance With the Boulder Canyon Project Adjustment Act," promulgated by the Secretary on May 20, 1941, the Sec-

General fund.

43 USC 618a.

43 USC 618.

Loans.

Payments.

43 USC 618p.

Repeals.

Kilowatts.

43 USC 618 et seq.

retary is authorized to deliver, at the Boulder City substation, at rates determined on the basis of (a) the Adjustment Act and (b) any other costs incurred in connection with such delivery, up to a maximum demand of seventeen thousand kilowatts to the municipality for its own use or for resale for use within the Boulder City municipal area less such capacity as is required by the United States for pumping water delivered to the municipality pursuant to section 9 of this Act: Provided, That should the present electrical energy requirements of the Bureau of Mines in Boulder City be substantially curtailed or discontinued, the maximum demand for the use of the municipality may be increased at the discretion of the Secretary up to nineteen thousand five hundred kilowatts less such capacity as is required by the United States for pumping water delivered to the municipality pursuant to section 9 of this Act: *Provided further*, That the electrical energy delivered hereunder to the municipality in any one year shall not exceed eighty million kilowatt-hours, less such energy as is required by the United States for pumping water delivered to the municipality pursuant to section 9 of this Act, and that this amount shall be reduced in any year in which there is a deficiency in electrical energy available from the Boulder Canyon project in the same proportion as firm energy delivered to allottees is reduced in such year below firm energy as defined in said general regulations.

Limitation.

SEC. 9. (a) Because of its climate and its location with respect to the only source of water, Boulder City faces extraordinary difficulties in connection with a domestic water supply. In recognition of this fact, the existing water supply system from Hoover Dam to, but not including, the Boulder City storage tanks shall be retained by the United States and shall be operated and maintained by the Secretary in order to supply water to the municipality at said storage tanks, for domestic, industrial, and municipal purposes, at a maximum rate of delivery of three thousand six hundred and fifty gallons a minute: *Provided*, That the cost of supplying such water, to the extent of not more than \$150,000 in any one year, shall be borne as provided in subsection (c) of this section: *Provided further*, That the municipality shall assume (i) all additional costs of supplying water under this section and (ii) all costs of filtration and treatment of water supplied under this section. There shall be no charge under the contract between the United States and the State of Nevada dated March 30, 1942, as amended, for water delivered in accordance with this section. Such delivery shall be subject to the availability of water for use in the State of Nevada under the provisions of the Colorado River compact and the Project Act and, except as hereinabove provided with respect to the charge for water, shall be in accordance with the terms of the aforesaid contract.

Water supply.

43 USC 617 et seq.

(b) As of the end of each year of project operation, or fraction thereof, after incorporation of the municipality, the Secretary shall determine the number of all persons employed in the construction, operation, and maintenance of the project and the number of all persons employed by the United States for purposes other than the construction, operation, and maintenance of the project.

Number of employees.

(c) The Secretary shall divide the cost for each year of project operation, or fraction thereof, after the incorporation of the municipality, of supplying water under subsection (a) of this section into two parts. The first such part shall bear the same ratio to the second such part as the number of all persons employed in the construction, operation, and maintenance of the project, as determined by the Secretary under subsection (b) of this section, bears to the number of all persons employed by the United States for purposes other than

Cost of operation.



construction, operation, and maintenance of the project, as determined by the Secretary under subsection (b) of this section. Notwithstanding the provisions of this subsection, the first part as aforesaid shall in no instance exceed 65 per centum of the total cost of furnishing water under subsection (a) of this section. Such total cost, less a sum equal to part 1 as aforesaid, shall constitute an amount whereby the obligation under section 2 of the Adjustment Act to repay to the Treasury advances and readvances to the Colorado River Dam Fund shall be diminished annually; and the rates computed pursuant to section 1 of said Act shall reflect such diminution.

43 USC 618a.

Additional water requirement.

(d) If the requirements of the municipality shall at any time exceed three thousand six hundred and fifty gallons a minute, the Secretary may furnish whatever additional water and whatever additional carrying capacity may be needed. The municipality shall bear the full cost of furnishing such additional water; and before the commencement of any construction to provide additional carrying capacity, the municipality shall enter into a repayment contract for the return to the United States of the full cost of furnishing such additional carrying capacity over a period of not more than forty years from the date when the facilities providing such additional carrying capacity are placed in service. Interest not exceeding the rate of  $\frac{3}{4}$  per centum per annum of the unamortized construction costs shall be paid.

Investigation.

(e) At the end of each period of five years after the date of incorporation of the municipality, the Secretary shall investigate the need for continuation of all or part of the assistance to the municipality provided under this section and shall report his findings and recommendations to the Congress as soon thereafter as practicable.

Restrictions.

SEC. 10. In all sales, leases, transfers, and grants of Federal real property situated within the Boulder City municipal area the Secretary shall attach conditions involving such use restrictions as he may deem reasonable and necessary to preserve those community standards consistent with the national use and enjoyment of the project. Such restrictions shall include, without being limited to, restrictions against use of the property for the manufacture, sale, or distribution of intoxicating liquors (except light wines and beer or similar malt beverages and only to the extent that such manufacture, sale, or distribution is in accordance with State and local laws), or narcotics, or habit-forming drugs, or for gambling, prostitution, or lewd or immoral conduct. The sale or distribution of intoxicating liquors, narcotics, or habit-forming drugs in accordance with State and local laws for medical or pharmaceutical purposes shall be deemed not a violation of such conditions. Upon a determination, as hereinafter provided, that there has been a breach of any such condition by, or with the express or implied consent of, the grantee, his successors, assigns, or legal representatives, the United States shall have, and the Secretary shall thereupon exercise, the right to reenter the property or any part thereof and declare all right, title, and interest in and to the property or part thereof forfeited to the United States. Determination of a breach as aforesaid shall be by appropriate proceedings which the Attorney General of the United States shall institute, on recommendation of the Secretary, in the United States district court for the district in which the property is located. Nothing contained herein shall prejudice the cancellation of leases for breach of similar conditions or covenants contained therein or the enforcement by other appropriate means of such conditions or covenants.

All conditions attached pursuant to this section shall continue in full force and effect until, by election or referendum held especially for this purpose not less than three years after incorporation of the mu-

municipality, a majority of the registered voters of the municipality participating in such election shall have voted to dispense with all the aforesaid conditions simultaneously.

SEC. 11. The Secretary is authorized to enter into contracts with the municipality whereby either party might undertake to render to the other such services in aid of the performance of activities and functions of the municipality and of the Department within or near Boulder City as will in the Secretary's judgment contribute substantially to the efficiency or economy of the operations of the Department.

SEC. 12. Paragraph (3) of subsection 223 (a) of the National Housing Act, as amended, is hereby amended by changing the final semicolon in the paragraph to a comma and adding at the end of the paragraph the following: "of any permanent housing under the jurisdiction of the Department of the Interior constructed under the Boulder Canyon Project Act of December 21, 1928, as amended and supplemented, located within the Boulder City municipal area: *Provided*, That for purposes of the application of this title to sales by the Secretary of the Interior pursuant to subsections 3 (b) (1) and 3 (b) (2) of the Boulder City Act of 1958, the selling price of the property involved shall be deemed to be the appraised value; or".

SEC. 13. The provisions of this Act for the disposal of federally owned property are to be carried out notwithstanding any other provisions of law: *Provided*, That nothing in this Act shall be deemed to affect any existing right-of-way heretofore granted under the provisions of the Project Act or otherwise, or any rights reserved to the United States in connection with grants of such rights-of-way.

SEC. 14. This Act shall be a supplement to the Project Act and the Adjustment Act, and said Acts shall govern the administration of this Act, except as is otherwise herein provided.

SEC. 15. The Secretary is hereby authorized, subject only to the provisions of this Act, to perform such acts, to delegate such authority, and to prescribe such rules and regulations and establish such terms and conditions as he may deem necessary and proper for the purpose of carrying the provisions of this Act into full force and effect.

SEC. 16. Except as provided in subsection (f) (2) of section 3, subsection (b) of section 4, and subsection (c) of section 6 of this Act, all authority of the Secretary under this Act shall terminate at the expiration of fiscal year 1963, unless incorporation of the municipality shall previously have been achieved.

SEC. 17. The second and third provisos of the penultimate paragraph under the heading "Office of Education" in the Departments of Labor and Health, Education, and Welfare Appropriation Act, 1954 (67 Stat. 245, 250), are hereby repealed.

SEC. 18. This Act may be cited as the "Boulder City Act of 1958".  
Approved September 2, 1958.

## Public Law 85-901

### AN ACT

To amend the District of Columbia Public School Food Services Act.

September 2, 1958  
[S. 1764]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That section 6 of the District of Columbia Public School Food Services Act (65 Stat. 369; sec. 31-1405, D. C. Code, 1951 edition) is amended by adding before the period the following: "and for reimbursement of the District of Columbia Public School Food Services Fund for lunches served in accordance with section 9 of the National School Lunch Act (60 Stat.

Contracts.

71 Stat. 298,  
12 USC 1715n.

43 USC 617 et  
seq.

Ante, p. 1728.

43 USC 617 et  
seq.

43 USC 617 et  
seq.  
43 USC 618o,  
Delegation of au-  
thority.

Termination.

Repeals.

43 USC 617v.  
Short title.

D.C. school  
lunches.  
Payment.