

6 UNITED STATES  
7 DEPARTMENT OF THE INTERIOR  
8 BUREAU OF RECLAMATION  
9 Central Valley Project, California

10 INTERIM RENEWAL CONTRACT BETWEEN THE UNITED STATES  
11 AND  
12 MERCY SPRINGS WATER DISTRICT  
13 PROVIDING FOR PROJECT WATER SERVICE

14 THIS CONTRACT, made this 27<sup>th</sup> day of February, 2004, in  
15 pursuance generally of the Act of June 17, 1902 (32 Stat. 388), and acts amendatory or supplementary  
16 thereto, including, but not limited to, the acts of August 26, 1937 (50 Stat. 844), as amended and  
17 supplemented, August 4, 1939 (53 Stat. 1187), as amended and supplemented, July 2, 1956 (70 Stat.  
18 483), June 21, 1963 (77 Stat. 68), October 12, 1982 (96 Stat. 1263), as amended and Title XXXIV of  
19 the Act of October 30, 1992 (106 Stat. 4706), all collectively hereinafter referred to as Federal  
20 Reclamation law, between THE UNITED STATES OF AMERICA, hereinafter referred to as the  
21 United States, and MERCY SPRINGS WATER DISTRICT, hereinafter referred to as the Contractor, a  
22 public agency of the State of California, duly organized, existing, and acting pursuant to the laws  
23 thereof, with its principal place of business in Firebaugh, California;

24 WITNESSETH, That:

25 EXPLANATORY RECITALS

26 WHEREAS, the United States and the Contractor entered into an interim renewal  
27 contract identified as Contract No. 14-06-200-3365A-IR5-A, hereinafter referred to as the Interim

28 Renewal Contract, which provided for the continued water service to the Contractor following expiration  
29 of Contract No. 14-06-200-3365A; and

30 WHEREAS, the United States and the Contractor have entered into successive renewals  
31 of the Interim Renewal Contract, the most recent of which is Contract No. 14-06-200-3365A-IR7-A,  
32 hereinafter referred to as the Existing Interim Renewal Contract from March 1, 2003, through  
33 February 29, 2004; and

34 WHEREAS, the Contractor entered into the “Agreement for Partial Assignment of Water  
35 Service Contract” dated May 14, 1999, assigning 6,260 acre-feet of its contract water supply to Pajaro  
36 Valley Water Management Agency, Westlands Water District Distribution District No. 1, and Santa  
37 Clara Valley Water District; and

38 WHEREAS, the Contractor entered into a subsequent agreement entitled “Agreement for  
39 Partial Assignment of Water Service Contract” dated March 1, 2003, assigning 4,198 acre-feet of its  
40 contract water supply to Westlands Water District Distribution District No. 2; and

41 WHEREAS, the United States and the Contractor have made significant progress in their  
42 negotiations of a long-term renewal contract, believe that further negotiations on the long-term renewal  
43 contract would be beneficial, and mutually commit to continue to negotiate to seek to reach agreement,  
44 but anticipate that the environmental documentation necessary for execution of any long-term renewal  
45 contract will be delayed at least an additional 7 months, and may be delayed further for reasons beyond  
46 the control of the parties; and

47 WHEREAS, the Contractor has requested a subsequent interim renewal contract pursuant  
48 to Subdivisions (a) and (b)(1) of Article 2 of the Interim Renewal Contract and Article 1 of the Existing  
49 Interim Renewal Contract; and

50 WHEREAS, the United States has determined that the Contractor has to date fulfilled all  
51 of its obligations under the Existing Interim Renewal Contract; and

52                   WHEREAS, the United States is willing to renew the Existing Interim Renewal Contract  
53 pursuant to the terms and conditions set forth below;

54                   NOW, THEREFORE, in consideration of the mutual and dependent covenants herein  
55 contained, it is hereby mutually agreed by the parties hereto as follows:

56                   INCORPORATION AND REVISION OF EXISTING INTERIM RENEWAL CONTRACT

57                   1.       The terms and conditions of the Existing Interim Renewal Contract are hereby  
58 incorporated by reference into this Contract with the same force and effect as if they were included in  
59 full text with the exception of Article 1 thereof, which is revised as follows:

60                   (a)       The first sentence in Subdivision (a) of Article 1 of the Existing Interim  
61 Renewal Contract is modified as follows: "This interim renewal contract shall be effective from  
62 March 1, 2004, and shall remain in effect through February 28, 2006, and thereafter will be renewed as  
63 described in Subdivision (a) of Article 2 of the Interim Renewal Contract if a long-term renewal contract  
64 has not been executed with an effective commencement date of March 1, 2006; Provided, that if a long-  
65 term renewal contract has been executed with an effective commencement date of March 1, 2005, this  
66 interim renewal contract shall expire on February 28, 2005."

67                   (b)       Subdivision (b) of Article 1 of the Existing Interim Renewal Contract is amended  
68 by deleting the date "February 15, 2004," and replacing same with the date "February 15, 2006."

69                   (c)       Subdivision (c) of Article 1 of the Existing Interim Renewal Contract is amended  
70 by deleting the dates "February 1, 2004," "February 15, 2004," and "February 29, 2004," and replacing  
71 same with the dates "February 1, 2006," "February 15, 2006," and "February 28, 2006," respectively.

