SUBCONTRACT BETWEEN THE COUNTY OF COLUSA AND THE 4-M WATER DISTRICT PROVIDING FOR RESALE OF WATER UNDER CONTRACT BETWEEN THE UNITED STATES OF AMERICA AND THE COUNTY OF COLUSA

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1 2 3	R. O. Draft 05-11/2004 Contract No. 0-07-20-W0183-R-1			
4 5 6 7	SUBCONTRACT BETWEEN THE COUNTY OF COLUSA AND THE 4-M WATER DISTRICT PROVIDING FOR RESALE OF WATER UNDER CONTRACT BETWEEN THE UNITED STATES OF AMERICA AND THE COUNTY OF COLUSA			
8	This Subcontract is made this day of, 2004, by and between the			
9	COUNTY OF COLUSA, hereinafter referred to as the County, acting through the Chairman of			
10	the Board of Supervisors, with its principal place of business in Colusa, California, and the 4-M			
11	WATER DISTRICT, hereinafter referred to as the Member Unit, acting through the President			
12	and Secretary of the Board of Directors, with its principal place of business in Maxwell,			
13	California.			
14	WITNESSETH, that:			
15	EXPLANATORY RECITALS			
16	[1 st] WHEREAS, on,, 2004, in pursuance generally of the Act			
17	of June 17, 1902 (32 Stat. 388), and Acts amendatory thereof or supplementary thereto, the			
18	United States of America and the County of Colusa entered into Contract			
19	No. 14-06-200-8310A-R-1 providing for water service, hereinafter referred to as Master			
20	Contract; and			
21	[2 nd] WHEREAS, pursuant to said Master Contract, the United States agreed to furnish			
22	up to 20,000 acre-feet of water annually from the Tehama-Colusa Canal to the County; and			

2 "The Contractor [the County] may enter into subcontracts with Member Units for the 3 resale and distribution of water furnished pursuant to this Contract within the Contractor's 4 Service Area. Each such Member Unit subcontract shall be subject to the obligations and 5 limitations imposed, and to the rights granted, by this Contract and shall so provide. The terms 6 and conditions of each Member Unit's subcontract shall be approved by the Contracting Officer 7 prior to the execution of such Member Unit subcontract, which approval shall be limited to a 8 determination that the subcontract is consistent with the provisions of this Contract. Nothing 9 herein or therein contained shall be deemed in any way to release the Contractor from its primary 10 liability to the United States hereunder with respect to each and all of the obligations undertaken 11 by the Contractor in this Contract."; and [4th] 12 WHEREAS, the Member Unit is a public agency within the County's service area organized for the purpose of obtaining a water supply from the Tehama-Colusa Canal and is 13 14 eligible to enter into a subcontract within the meaning of Article 39 of the Master Contract; and [5th] 15 WHEREAS, the Member Unit and the County have previously entered into and 16 performed under subcontracts between them for the resale and delivery by the County to 17 Member Unit of up to 5,700 acre-feet annually of Central Valley Project Water that the County 18 had rights to receive under it prior Master Contract with the United States (Contract No. 14-06-19 200-8310A), dated November 18, 1975, and the interim renewal contracts related thereto; and [6th] 20 WHEREAS, there is a present and potential need for water in the amount of 5,700 21 acre-feet annually for irrigation and/or municipal and industrial purposes with the boundaries of 22 the Member Unit, and that such a water supply to meet these present and potential needs can be 23 made available by and through the works constructed by the United States; and

WHEREAS, Article 39 of the Master Contract states:

 $[3^{rd}]$

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1	[7 th] WHEREAS, upon motion duly made and seconded, the Board of Supervisors of
2	the County voted unanimously, at a regular meeting thereof on June 20, 1978, to approve the
3	resale to the Member Unit by subcontract of 5,700 acre-feet of the County's annual entitlement
4	of 20,000 acre-feet of water pursuant to the Master Contract, subject to the prior approval of the
5	Contracting Officer as defined in the Master Contract; and
6	[8 th] WHEREAS, said Contracting Officer has given advance consent to and approval
7	of the form, terms, and conditions of the Subcontract between the County and the Member Unit.
8	NOW, THEREFORE, in consideration of the mutual and dependent covenants herein
9	contained, it is hereby mutually agreed by the parties hereto as follows:
10	INCORPORATION OF TERMS OF MASTER CONTRACT
11	1. This Subcontract is entered into pursuant to Article 39 of the Master Contract and
12	subject to the terms, conditions, obligations, and limitations imposed by the Master Contract
13	unless specifically provided to the contrary herein.
14	RESALE OF WATER
15	2. The County hereby resells to the Member Unit a quantity of water up to 5,700
16	acre-feet of the 20,000 acre-feet of water to which the County is annually entitled pursuant to
17	Article 3 of the Master Contract. The Member Unit will not be liable to the County for
18	administrative or other charges in connection with said resale of water.
19 20	POINTS OF DELIVERYOPERATION AND MAINTENANCE OF PUMPING PLANTS BY MEMBER UNITS
21	3. The water to be furnished to the Member Unit pursuant to this Subcontract shall
22	be delivered at approved turnouts on the Tehama-Colusa Canal and any additional point or points
23	of delivery either on the Tehama-Colusa Canal or another location or locations mutually agreed
24	to in writing by the Contracting Officer and the Contractor.

2 4. The Member Unit, rather than the County, shall perform the following 3 administrative responsibilities with respect to the resale of water pursuant to this Subcontract: 4 (a) The Member Unit shall submit water use schedules to the United States in 5 the manner provided for in Article 4 of the Master Contract; 6 The Member Unit shall make payment, on behalf of the County, to the (b) 7 United States for water furnished pursuant to the Subcontract and in the manner and at the rates 8 provided for in Article 7 of the Master Contract. The County shall return to the Member Unit 9 any refund resulting from adjustments pursuant to Article 7 of the Master Contract. 10 (c) The Member Unit, on behalf of the County, shall pay interest on 11 delinquent payment for water furnished pursuant to this Subcontract in the manner provided for 12 in Article 20 of the Master Contract. 13 The Member Unit, on behalf of the County, shall establish and maintain (d) 14 the books, records, and reports pertaining to the Member Unit's financial transactions, land use 15 and crop census, water use, and other matters in the manner provided in Article 30 of the Master 16 Contract. 17 TERM OF SUBCONTRACT 18 5. The term of this Subcontract shall be the same as the term of the Master Contract. 19 CONTRACTS FOR RESALE OF WATER 20 6. The Member Unit may enter into contracts, transfers, or exchanges of water 21 furnished pursuant to this Subcontract in the manner provided for in Article 9 of the Master 22 Contract.

ASSUMPTION OF ADMINISTRATIVE RESPONSIBILITIES BY MEMBER UNIT

1

1	GENERAL OBLIGATION OF THE COUNTY		
2	7. Nothing herein contained shall be deemed in any way to release the County from		
3	its primary liability to the United States pursuant to the Master Contract with respect to each and		
4	all of the obligations undertaken by the County in said Master Contract.		
5	GENERAL OBLIGATION OF THE MEMBER UNIT		
6	8. (a) The Member Unit as a whole is obligated to pay the charges becoming due		
7	as provided in this Subcontract notwithstanding the individual default in the payment to the		
8	Member Unit by individual water users of assessments, tolls, or other charges levied by the		
9	Member Unit. The lands which may be charged with any taxes or assessments under this		
10	Subcontract are hereby designated as all the lands within the service area of the Member Unit.		
11	(b) The Member Unit will cause to be levied and collected all necessary		
12	assessments, standby charges, or water tolls, and will use all of the authority and resources of the		
13	Member Unit to meet its obligations hereunder to make in full all payments to be made pursuant		
14	to this Subcontract on or before the dates such payments become due and to meet its other		
15	obligations under this Subcontract. The Member Unit may, either or both, require the payment		
16	of service or standby charges or levy assessments for such water or service.		
17	COUNTY TO BE HELD HARMLESS		
18	9. The Member Unit shall hold the County harmless from every claim for damage to		
19	persons or property, and from each and every obligation, arising out of, or connected with, the		
20	performance by the Member Unit of this Subcontract.		
21	<u>NOTICES</u>		
22	10. Any notice, demand, or request authorized or required by this Subcontract shall be		
23	deemed to have been given when mailed, postage prepaid, or delivered to the Area Manager,		

1 Northern California Area Office, Bureau of Reclamation, 16349 Shasta Dam Boulevard, Shasta 2 Lake, California 96019, on behalf of the United States; to the Board of Supervisors, County of 3 Colusa, 546 Jay Street, Colusa, California 95932, on behalf of the County; and to the Board of 4 Directors, P.O. Box 338, Maxwell, California 95955, on behalf of the Member Unit. The 5 designation of the addressee or the address may be changed by notice given in the same manner 6 as provided in this Article for other notices. 7 ASSIGNMENT LIMITED--SUCCESSORS AND ASSIGNS OBLIGATED 8 11. (a) The provisions of this Subcontract shall apply to and bind the successors 9 and assigns of the parties hereto, but no assignment or transfer of this Subcontract or any right or 10 interest therein shall be valid until approved in writing by the Contracting Officer. 11 The assignment of any right or interest in this Subcontract by either party (b) 12 shall not interfere with the rights or obligations of the other party to this Subcontract absent the 13 written concurrence of said other party. 14 The Contracting Officer shall not unreasonably condition or withhold his (c) 15 approval of any proposed assignment. 16 OFFICIALS NOT TO BENEFIT 17 12. No Member of or Delegate to Congress, Resident Commissioner, or official of the 18 Member Unit shall benefit from this Subcontract other than as a water user or landowner in the 19 same manner as other water users or landowners. 20 CONFIRMATION OF SUBCONTRACT 13. 21 The Member Unit, upon execution of this Subcontract, shall promptly secure a 22 final decree of the proper court of the State of California, if appropriate, approving and 23 confirming this Subcontract and decreeing and adjudging it and the apportionment of the benefits

- 1 made thereunder to be lawful, valid, and binding on the Member Unit. The Member Unit shall
- 2 furnish to the County and the United States a certified copy of such decree and pertinent
- 3 supporting records or a document describing why securing such a decree was unnecessary.

AMENDMENTS OF MASTER CONTRACT

- 5 14. The County and the Member Unit agree that neither party will take any action,
- 6 without the prior written consent of the other party, which would result in an amendment to the
- 7 Master Contract or this Subcontract which would increase the rates of payment for or the amount
- 8 of water furnished pursuant thereto.

4

1	IN WITNESS WHEREOF, the parties hereto have executed this Subcontract the day and		
2	year here and above written.		
3		COU	NTY OF COLUSA
4 5		By:	Chairman, Board of Supervisors
3			Chairman, Board of Supervisors
6	Attest:		
7			
8 9	County Clerk and Ex-Officio Clerk of the Board of Supervisors of the County of Colu	ısa	
10		4-M `	WATER DISTRICT
11		By:	President, Board of Directors
12			President, Board of Directors
13		By: _	Secretary, Board of Directors
14			Secretary, Board of Directors
15	Approved:		
16	THE UNITED STATES OF AMERICA		
17	By:		
18 19	Regional Director, Mid-Pacific Reg Bureau of Reclamation	ion	
17	Bureau of Reclamation		
20	(I:\LTRC\Draft LTRC\05-11-04 4M WD Fi	inal Dr	aft Subcontract form.doc)