

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

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3 SUBCONTRACT BETWEEN THE COUNTY OF COLUSA
4 AND THE COLUSA COUNTY WATER DISTRICT
5 PROVIDING FOR RESALE OF WATER UNDER CONTRACT BETWEEN
6 THE UNITED STATES OF AMERICA AND THE COUNTY OF COLUSA

7 This Subcontract is made this 25th day of February, 2005, by and between
8 the COUNTY OF COLUSA, hereinafter referred to as the County, acting through the Chairman
9 of the Board of Supervisors, with its principal place of business in Colusa, California, and the
10 COLUSA COUNTY WATER DISTRICT, hereinafter referred to as the Member Unit, acting
11 through the President and Secretary of the Board of Directors, with its principal place of business
12 in Arbuckle, California.

13 WITNESSETH, that:

14 EXPLANATORY RECITALS

15 [1st] WHEREAS, on March 1, 2005, in pursuance generally of the Act of June 17,
16 1902 (32 Stat. 388), and Acts amendatory thereof or supplementary thereto, the United States of
17 America and the County of Colusa entered into Contract No. 14-06-200-8310A-LTR1 providing
18 for water service, hereinafter referred to as Master Contract; and

19 [2nd] WHEREAS, pursuant to said Master Contract, the United States agreed to furnish
20 up to 20,000 acre-feet of water annually from the Tehama-Colusa Canal to the County; and

21 [3rd] WHEREAS, Article 39 of the Master Contract states:

22 “The Contractor [the County] may enter into subcontracts with Member Units for the
23 resale and distribution of water furnished pursuant to this Contract within the Contractor’s

24 Service Area. Each such Member Unit subcontract shall be subject to the obligations and
25 limitations imposed, and to the rights granted, by this Contract and shall so provide. The terms
26 and conditions of each Member Unit's subcontract shall be approved by the Contracting Officer
27 prior to the execution of such Member Unit subcontract, which approval shall be limited to a
28 determination that the subcontract is consistent with the provisions of this Contract. Nothing
29 herein or therein contained shall be deemed in any way to release the Contractor from its primary
30 liability to the United States hereunder with respect to each and all of the obligations undertaken
31 by the Contractor in this Contract.”; and

32 [4th] WHEREAS, the Member Unit is a public agency within the County's service area
33 organized for the purpose of obtaining a water supply from the Tehama-Colusa Canal and is
34 eligible to enter into a subcontract within the meaning of Article 39 of the Master Contract; and

35 [5th] WHEREAS, the Member Unit and the County have previously entered into and
36 performed under subcontracts between them for the resale and delivery by the County to
37 Member Unit of up to 5,965 acre-feet annually of Central Valley Project Water that the County
38 had rights to receive under it prior Master Contract with the United States (Contract
39 No. 14-06-200-8310A), dated November 18, 1975, and the interim renewal contracts related
40 thereto; and

41 [6th] WHEREAS, there is a present and potential need for water in the amount of 5,965
42 acre-feet annually for irrigation and/or municipal and industrial purposes with the boundaries of
43 the Member Unit, and that such a water supply to meet these present and potential needs can be
44 made available by and through the works constructed by the United States; and

45 [7th] WHEREAS, upon motion duly made and seconded, the Board of Supervisors of
46 the County voted at regular meetings thereof on January 15, 1980, January 21, 1986, and

47 September 8, 1987, to approve the resale to the Member Unit by subcontract of 5,965 acre-feet
48 of the County's annual entitlement of 20,000 acre-feet of water pursuant to the Master Contract,
49 subject to the prior approval of the Contracting Officer as defined in the Master Contract; and

50 [8th] WHEREAS, said Contracting Officer has given advance consent to and approval
51 of the form, terms, and conditions of the Subcontract between the County and the Member Unit.

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

54 INCORPORATION OF TERMS OF MASTER CONTRACT

55 1. This Subcontract is entered into pursuant to Article 39 of the Master Contract and
56 subject to the terms, conditions, obligations, and limitations imposed by the Master Contract
57 unless specifically provided to the contrary herein.

58 RESALE OF WATER

59 2. The County hereby resells to the Member Unit a quantity of water up to 5,965
60 acre-feet of the 20,000 acre-feet of water to which the County is annually entitled pursuant to
61 Article 3 of the Master Contract. The Member Unit will not be liable to the County for
62 administrative or other charges in connection with said resale of water.

63 POINTS OF DELIVERY--OPERATION AND MAINTENANCE
64 OF PUMPING PLANTS BY MEMBER UNITS

65 3. The water to be furnished to the Member Unit pursuant to this Subcontract shall
66 be delivered at approved turnouts on the Tehama-Colusa Canal and any additional point or points
67 of delivery either on the Tehama-Colusa Canal or another location or locations mutually agreed
68 to in writing by the Contracting Officer and the Contractor.

69 ASSUMPTION OF ADMINISTRATIVE RESPONSIBILITIES BY MEMBER UNIT

70 4. The Member Unit, rather than the County, shall perform the following
71 administrative responsibilities with respect to the resale of water pursuant to this Subcontract:

72 (a) The Member Unit shall submit water use schedules to the United States in
73 the manner provided for in Article 4 of the Master Contract;

74 (b) The Member Unit shall make payment, on behalf of the County, to the
75 United States for water furnished pursuant to the Subcontract and in the manner and at the rates
76 provided for in Article 7 of the Master Contract. The County shall return to the Member Unit
77 any refund resulting from adjustments pursuant to Article 7 of the Master Contract.

78 (c) The Member Unit, on behalf of the County, shall pay interest on
79 delinquent payment for water furnished pursuant to this Subcontract in the manner provided for
80 in Article 20 of the Master Contract.

81 (d) The Member Unit, on behalf of the County, shall establish and maintain
82 the books, records, and reports pertaining to the Member Unit's financial transactions, land use
83 and crop census, water use, and other matters in the manner provided in Article 30 of the Master
84 Contract.

85 TERM OF SUBCONTRACT

86 5. The term of this Subcontract shall be the same as the term of the Master Contract.

87 CONTRACTS FOR RESALE OF WATER

88 6. The Member Unit may enter into contracts, transfers, or exchanges of water
89 furnished pursuant to this Subcontract in the manner provided for in Article 9 of the Master
90 Contract.

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GENERAL OBLIGATION OF THE COUNTY

7. Nothing herein contained shall be deemed in any way to release the County from its primary liability to the United States pursuant to the Master Contract with respect to each and all of the obligations undertaken by the County in said Master Contract.

GENERAL OBLIGATION OF THE MEMBER UNIT

8. (a) The Member Unit as a whole is obligated to pay the charges becoming due as provided in this Subcontract notwithstanding the individual default in the payment to the Member Unit by individual water users of assessments, tolls, or other charges levied by the Member Unit. The lands which may be charged with any taxes or assessments under this Subcontract are hereby designated as all the lands within the service area of the Member Unit.

(b) The Member Unit will cause to be levied and collected all necessary assessments, standby charges, or water tolls, and will use all of the authority and resources of the Member Unit to meet its obligations hereunder to make in full all payments to be made pursuant to this Subcontract on or before the dates such payments become due and to meet its other obligations under this Subcontract. The Member Unit may, either or both, require the payment of service or standby charges or levy assessments for such water or service.

COUNTY TO BE HELD HARMLESS

9. The Member Unit shall hold the County harmless from every claim for damage to persons or property, and from each and every obligation, arising out of, or connected with, the performance by the Member Unit of this Subcontract.

NOTICES

10. Any notice, demand, or request authorized or required by this Subcontract shall be deemed to have been given when mailed, postage prepaid, or delivered to the Area Manager,

114 Northern California Area Office, Bureau of Reclamation, 16349 Shasta Dam Boulevard, Shasta
115 Lake, California 96019, on behalf of the United States; to the Board of Supervisors, County of
116 Colusa, 546 Jay Street, Colusa, California 95932, on behalf of the County; and to the Board of
117 Directors, P. O Box 337, Arbuckle, California 95912, on behalf of the Member Unit. The
118 designation of the addressee or the address may be changed by notice given in the same manner
119 as provided in this Article for other notices.

120 ASSIGNMENT LIMITED--SUCCESSORS AND ASSIGNS OBLIGATED

121 11. (a) The provisions of this Subcontract shall apply to and bind the successors
122 and assigns of the parties hereto, but no assignment or transfer of this Subcontract or any right or
123 interest therein shall be valid until approved in writing by the Contracting Officer.

124 (b) The assignment of any right or interest in this Subcontract by either party
125 shall not interfere with the rights or obligations of the other party to this Subcontract absent the
126 written concurrence of said other party.

127 (c) The Contracting Officer shall not unreasonably condition or withhold his
128 approval of any proposed assignment.

129 OFFICIALS NOT TO BENEFIT

130 12. No Member of or Delegate to Congress, Resident Commissioner, or official of the
131 Member Unit shall benefit from this Subcontract other than as a water user or landowner in the
132 same manner as other water users or landowners.

133 CONFIRMATION OF SUBCONTRACT

134 13. The Member Unit, upon execution of this Subcontract, shall promptly secure a
135 final decree of the proper court of the State of California, if appropriate, approving and
136 confirming this Subcontract and decreeing and adjudging it and the apportionment of the benefits

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

140 AMENDMENTS OF MASTER CONTRACT

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

145 IN WITNESS WHEREOF, the parties hereto have executed this Subcontract the day and
146 year here and above written.

147 COUNTY OF COLUSA

148 By: *David C. Womble*
149 Chairman, Board of Supervisors

150 Attest:

151 *Amy Guinnup, Deputy*
152 County Clerk and Ex-Officio Clerk of the
153 Board of Supervisors of the County of Colusa

154 (SEAL)

155 COLUSA COUNTY WATER DISTRICT

156 By: *W. Raymond [unclear]*
157 President, Board of Directors

158 By: *Deborah [unclear]*
159 Secretary, Board of Directors

160 Approved:

161 THE UNITED STATES OF AMERICA

162 By: *[Signature]*
163 Regional Director, Mid-Pacific Region
164 Bureau of Reclamation

APPROVED AS TO LEGAL
FORM AND SUFFICIENCY
James E. Turner
OFFICE OF REGIONAL SOLICITOR
DEPARTMENT OF THE INTERIOR

165 (H:\public\Willows Final LTRC's\Willows LTRC's\2005-01-31 Colusa County WD Final Draft
166 Subcontract form.doc)

BOARD OF DIRECTORS
COLUSA COUNTY WATER DISTRICT
RESOLUTION No. 04-5

RESOLUTION APPROVING SUBCONTRACT BETWEEN THE COUNTY OF COLUSA
AND THE COLUSA COUNTY WATER DISTRICT
PROVIDING FOR RESALE OF WATER UNDER CONTRACT BETWEEN
THE UNITED STATES OF AMERICA AND THE COUNTY OF COLUSA AND
APROVING NOTICE OF EXEMPTION UNDER THE CALIFORNIA ENVIRONMENTAL
QUALITY ACT

AS A BASIS AND PREMISE for this Resolution, the Board of Directors of
COLUSA COUNTY WATER DISTRICT finds and states as follows:

1. On December 9, 1980, Colusa County Water District ("District") and the
County of Colusa ("County") entered into a sub-contract providing for water service, designated
Contract No. 1-07-20-W0220 ("Original Sub-contract").
2. The Original Sub-contract was subject to approval by the United States of
America.
3. The Original Sub-contract expired on February 28, 1995.
4. In advance of the expiration of the Original Sub-contract, the District,
County, and the United States entered into a Renewal of Sub-contract agreement in accordance
with the Central Valley Project Improvement Act, pending completion of a Programmatic
Environmental Impact Statement ("PEIS").
5. The County of Colusa and the United States engaged in a series of
negotiations commencing in 1999 and completed on April 28, 2004, resulting in a proposed
Long-Term Renewal Contract for the County designated Contract No. 14-06-200-8310-A-LTR1.

6. The form of the Sub-contract reflects the results of the negotiations and contains the terms and conditions that the District and the County of Colusa tentatively agreed upon and has been tentatively approved by the United States.

7. Prior to execution of the Sub-contract, the United States must publish the proposed contract for the 60-day public review, complete analysis of renewal of the contract under the National Environmental Policy Act and complete consultations with other federal agencies under the federal Endangered Species Act.

8. The parties intend that the Sub-contract will be ready for execution no later than March 1, 2005, and will be effective as of that date.

9. Prior to execution of the Sub-contract, the District must analyze the action under the California Environmental Quality Act ("CEQA"). The District has previously analyzed its interim renewals of the Original Sub-contract under CEQA, and has found them to be exempt. The District believes that its execution of the Sub-contract is similarly exempt.

NOW, THEREFORE, be it RESOLVED, ADJUDGED and ORDAINED that:

1. COLUSA COUNTY WATER DISTRICT approves *the Sub-contract Between the County of Colusa and the Colusa County Water District Providing Resale of Water under contract between the United States of America and The County of Colusa, Contract No. 1-70-20-W0220-R-1.*

2. Once the 60-day public review period and the United States' environmental review and ESA consultations are completed, if the County of Colusa presents the District with a Sub-contract that is in substantially the same form as present at this meeting, then the District's officers are authorized to execute that Sub-contract, without further action of this Board.

3. The CEQA Notice of Exemption presented at this meeting is hereby approved and adopted, and the Secretary shall file the same with the appropriate County Clerks(s) for posting in accordance with CEQA. In accordance with this finding of exemption, no fee is due under the Fish and Game Code Section 711.4.

4. The District's officers, staff and consultants are authorized and directed to do all things necessary and appropriate to carry out this Resolution and to ensure continued and uninterrupted water service to the District under its water service contracts.

PASSED AND ADOPTED at a regular meeting on May 12, 2004 of the Board of Directors by the following vote:

AYES: H. R. Charter, Douglas Griffin, Thomas Charter, Donald Peart,
Lawrence Rominger

NOES: None

ABSENT: None



President

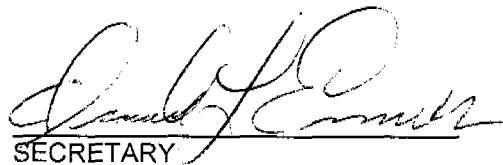
ATTEST:



Secretary

I Cloyde L. Emrick, the duly and regularly appointed Secretary of the COLUSA COUNTY WATER DISTRICT, hereby certify that the foregoing is a true, correct and exact copy of a resolution of the Board of Directors of the COLUSA COUNTY WATER DISTRICT, duly and regularly passed and adopted at a regular meeting of the said Board of Directors at Arbuckle, California on May 12, 2004 the original of which is on file in my office and duly and regularly entered in the official records of proceedings of the Board of Directors of the COLUSA COUNTY WATER DISTRICT.

DATED: 2/22, 2005


SECRETARY