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

9 INTERIM RENEWAL CONTRACT AMONG THE UNITED STATES,  
10 THE DEPARTMENT OF WATER RESOURCES  
11 OF THE STATE OF CALIFORNIA,  
12 AND  
13 COUNTY OF TULARE  
14 PROVIDING FOR PROJECT WATER SERVICE

15 THIS CONTRACT, made this 20<sup>th</sup> day of May, 2005, in  
16 pursuance generally of the Act of June 17, 1902 (32 Stat. 388), and acts amendatory or  
17 supplementary thereto, including, but not limited to, the acts of August 26, 1937 (50 Stat. 844), as  
18 amended and supplemented, August 4, 1939 (53 Stat. 1187), as amended and supplemented, July 2,  
19 1956 (70 Stat. 483), June 21, 1963 (77 Stat. 68), October 12, 1982 (96 Stat. 1263), as amended and  
20 Title XXXIV of the Act of October 30, 1992 (106 Stat. 4706), all collectively hereinafter referred to  
21 as Federal Reclamation law, among THE UNITED STATES OF AMERICA, hereinafter referred to  
22 as the United States, THE DEPARTMENT OF WATER RESOURCES OF THE STATE OF  
23 CALIFORNIA, hereinafter referred to as DWR, and COUNTY OF TULARE, hereinafter referred  
24 to as the Contractor, a public agency of the State of California, duly organized, existing, and acting  
25 pursuant to the laws thereof, with its principal place of business in Visalia, California;

26 WITNESSETH, That:

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EXPLANATORY RECITALS

WHEREAS, the United States, DWR, and the Contractor entered into an interim renewal contract identified as Contract No. 14-06-200-8293A-IR5, hereinafter referred to as the Interim Renewal Contract, which provided for the continued water service to the Contractor following expiration of Contract No. 14-06-200-8293A; and

WHEREAS, the United States, DWR, and the Contractor have entered into successive renewals of the Interim Renewal Contract, the most recent of which is Contract No. 14-06-200-8293A-IR8, hereinafter referred to as the Existing Interim Renewal Contract from March 1, 2004, through February 28, 2005; and

WHEREAS, the United States, DWR, and the Contractor have made significant progress in their negotiations of a long-term renewal contract, believe that further negotiations on the long-term renewal contract would be beneficial, and mutually commit to continue to negotiate to seek to reach agreement, and the Contractor has requested a subsequent interim renewal contract pursuant to Subdivision (b)(1) of Article 2 of the Interim Renewal Contract and Article 1 of the Existing Interim Renewal Contract; and

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

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

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

INCORPORATION AND REVISION OF EXISTING INTERIM RENEWAL CONTRACT

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

52           (a)     The first sentence in Subdivision (a) of Article 1 of the Existing Interim  
53 Renewal Contract is modified as follows: "This interim renewal contract shall be effective from  
54 March 1, 2005, and shall remain in effect through February 28, 2006, and thereafter will be renewed  
55 as described in Subdivision (a) of Article 2 of the Interim Renewal Contract."

56           (b)     Subdivision (b) of Article 1 of the Existing Interim Renewal Contract is  
57 amended by deleting the date "February 15, 2005," and replacing same with the date  
58 "February 15, 2006."

59           (c)     Subdivision (c) of Article 1 of the Existing Interim Renewal Contract is  
60 amended by deleting the dates "February 1, 2005," "February 15, 2005," and "February 28, 2005,"  
61 and replacing same with the dates "February 1, 2006," "February 15, 2006," and "February 28,  
62 2006," respectively.

63 IN WITNESS WHEREOF, the parties hereto have executed this interim renewal  
64 contract as of the day and year first above written.

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THE UNITED STATES OF AMERICA

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

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

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70 Approved as to Legal Form and  
71 Sufficiency:  
*[Signature]*  
72 Chief Counsel  
73 Department of Water Resources  
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THE DEPARTMENT OF WATER RESOURCES  
OF THE STATE OF CALIFORNIA  
By: *[Signature]*  
Director  
Department of Water Resources

75 (SEAL)

COUNTY OF TULARE

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78 Attest:

79 *Warrak Bush*  
80 Clerk, Board of Supervisors

By: *[Signature]*  
Chairman, Board of Supervisors

81 (H:\pub 440\Interim Renewal Contracts - Drafts, charts, etc.\CVC-Cty of Tulare 2005-2006  
82 IRC.doc)

By: *[Signature]*  
County Counsel 1-25-05

EXHIBIT A  
COUNTY OF TULARE  
Water Rates and Charges

CONTRACT NO. 14-06-200-8293A-IR9

2005 Rates Per Acre-Foot

	<u>Banks Joint Point Pumping</u>		<u>Water Delivered in the Delta</u>	
	<u>Irrigation Water</u>	<u>M&amp;I Water</u>	<u>Irrigation Water</u>	<u>M&amp;I Water</u>
<b>O&amp;M AND COST-OF-SERVICE RATES:</b>				
Capital Rates:	\$5.64	\$6.78	\$4.16	\$4.42
<b>O&amp;M Rates:</b>				
Water Marketing	\$6.61	\$3.89	\$6.61	\$3.89
Storage	\$5.93	\$6.67	\$5.93	\$6.67
Direct Pumping (Project Use Energy)	\$3.33	\$3.33	\$0.00	\$0.00
<b>Deficit Rates:</b>				
Non-Interest Bearing				
Interest Bearing	\$2.62	\$27.84	\$2.62	\$27.84
CFO/PFR Adj. Rate: **	\$2.62	\$0.00	\$2.62	\$0.00
<b>TOTAL COST-OF-SERVICE RATES:</b>	<b>\$26.75</b>	<b>\$48.51</b>	<b>\$21.94</b>	<b>\$42.82</b>
M&I Full Cost Rate:		\$52.55		\$45.45
<b>FULL-COST RATES:</b>				
Section 202(3) Rate is applicable to a Qualified recipient or to a Limited Recipient receiving irrigation water on or before October 1, 1981.	\$36.02		\$29.05	
Section 205(a)(3) Rate is applicable to a Limited Recipient that did not receive irrigation water on or before October 1, 1981.	\$38.59		\$30.91	
<b>SURCHARGES UNDER P.L 102-575 TO RESTORATION FUND*</b>				
Restoration Payments [3407(d)(2)(A)]	\$7.93	\$15.87	\$7.93	\$15.87

\* The surcharges are payments in addition to the water rates and were determined pursuant to Title XXXIV of Public Law 102-575. Restoration fund surcharges under P.L. 102-575 are on a fiscal year basis (10/1/04-9/30/05).

\*\*Chief Financial Officer (CFO) Adjustment and Provision for Replacement (PFR) expense is being distributed over a 5-year period beginning in FY 2003 for those contractors that requested that the cost be deferred.

Cross Valley Canal contract water can be pumped and delivered through the State and/or Federal side of facilities. For the 2005 long-term contractor water rate calculations, these contractors will not be allocated Conveyance and Conveyance Pumping costs.

Direct pumping costs will be limited to Project Use Energy only for Dos Amigos and State Delta (Banks) Pumping Plants. If water is delivered from Millerton Lake via the Friant Kern Canal a "Special Rate" will be applied for this circumstance.

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BEFORE THE BOARD OF SUPERVISORS  
COUNTY OF TULARE, STATE OF CALIFORNIA

IN THE MATTER OF APPROVING )  
THE INTERIM RENEWAL CONTRACT )  
BETWEEN THE UNITED STATES, THE ) RESOLUTION NO. 2005-0075  
STATE OF CALIFORNIA AND THE )  
COUNTY OF TULARE PROVIDING ) AGREEMENT NO. 22214  
FOR PROJECT WATER SERVICE. )

WHEREAS, this County entered into a "Contract between the County of Tulare (County) the State of California (State) and the United States, providing for water service from the Central Valley Project", dated November 10, 1975, Contract 14-06-200-8293A; and

WHEREAS, said Contract expired on December 31, 1995; and

WHEREAS, the County executed the Amendatory Contract to extend its term by two months in order to provide for this County to be on a "water year" basis, as are most Central Valley Project contractors, in order to provide for ease of administration; and

WHEREAS, the County, the State, and the United States entered into Contract No. 14-06-200-8293A-IR1, which provided for the continued water service to County from March 1, 1996, through February 28, 1998; and

WHEREAS, the County, the State, and the United States entered into Contract No. 14-06-200-8293A-IR2, which provided for the continued water service from March 1, 1998 through February 29, 2000; and

WHEREAS, the County, the State, and the United States entered into Contract No. 14-06-200-8293A-IR3, which provided for the continued water service from March 1, 2000 through November 30, 2000; and

WHEREAS, the County, the State, and the United States entered into Contract No. 14-06-200-8293A-IR4, which provided for the continued water service from November 30, 2000 through February 28, 2001; and

WHEREAS, the County, the State, and the United States entered into Contract No. 14-06-200-8293A-IR5, which provided for the continued water service from March 1, 2001 through February 28, 2002; and

WHEREAS, the County, the State, and the United States entered into Contract No. 14-06-200-8293A-IR6, which provided for the continued water service from March 1, 2002 through February 28, 2003; and

WHEREAS, the County, the State and the United States entered into Contract No. 14-06-200-8293A-IR7, which provided for the continued water service from March 1, 2003 through February 29, 2004; and

1 WHEREAS, the County, the State, and the United States entered into Contract No. 14-  
2 06-200-8293A-IR8, hereinafter referred to as the Existing Interim Renewal Contract, which provided for  
3 the continued water service from March 1, 2004 through February 28, 2005; and  
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5 WHEREAS, the County has requested a subsequent interim renewal contract pursuant to the  
6 Existing Interim Renewal Contract, Federal Reclamation law and the laws of the State of California, for  
7 water service from the Central Valley Project; and  
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9 WHEREAS, the Bureau of Reclamation of the Department of Interior of the United States of  
10 America has submitted a contract to the County entitled "Interim Renewal Contract between the United  
11 States, the Department of Water Resources of the State of California and the County of Tulare providing  
12 for Project Water Service"; and  
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14 WHEREAS, the State has indicated that it is willing to execute said Contract; and  
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16 WHEREAS, the County has verified the terms and conditions of this Interim Renewal Contract  
17 and finds it to be acceptable to the County.  
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19 NOW, THEREFORE, BE IT RESOLVED, by this Board of Supervisors the following:  
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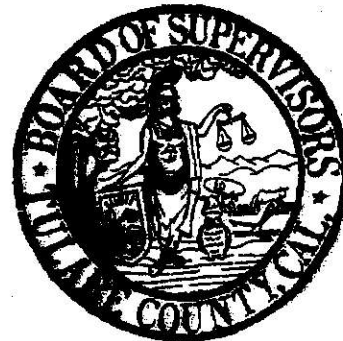
- 21 1. The County approves and authorizes the Chairman to sign the Interim Renewal  
22 Contract.  
23
- 24 2. The County authorizes the Resource Management Agency staff and Dennis R. Keller to do  
25 all things necessary and proper to comply with the interim renewal process.  
26
- 27 3. The County directs the Clerk of the Board of Supervisors to transmit a certified copy of this  
28 Resolution to the Bureau of Reclamation.  
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30 Upon motion of Supervisor Maples, seconded by Supervisor Cox, the  
31 foregoing Resolution was adopted by the Board of Supervisors, at an official meeting held 2/15/2005  
32 February 15, 2005, by the following vote.  
33

34 AYES: Supervisors Ishida, Conway, Cox, Worthley, and Maples.  
35 NOES: None  
36 ABSTAIN: None  
37 ABSENT: None  
38

39 ATTEST: C. BRIAN HADDIX  
40 County Administrative Officer  
41 Clerk of the Board of Supervisors  
42

43 By Wanna K. Bull



RMA  
County  
Counsel  
CAO  
Auditor

2/15/05  
WKB