

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF RECLAMATION  
Central Valley Project, California

INTERIM RENEWAL CONTRACT AMONG THE UNITED STATES,  
DEPARTMENT OF WATER RESOURCES  
OF THE STATE OF CALIFORNIA,  
AND  
KERN-TULARE WATER DISTRICT  
PROVIDING FOR PROJECT WATER SERVICE

THIS CONTRACT, made this \_\_\_\_\_ day of \_\_\_\_\_, 2010,  
in pursuance generally of the Act of June 17, 1902 (32 Stat. 388), and acts amendatory or  
supplementary thereto, including, but not limited to, the acts of August 26, 1937 (50 Stat. 844),  
as amended and supplemented, August 4, 1939 (53 Stat. 1187), as amended and supplemented,  
July 2, 1956 (70 Stat. 483), June 21, 1963 (77 Stat. 68), October 12, 1982 (96 Stat. 1263),  
as amended, and Title XXXIV of the Act of October 30, 1992 (106 Stat. 4706), all collectively  
hereinafter referred to as Federal Reclamation law, among the UNITED STATES OF  
AMERICA, hereinafter referred to as the United States, DEPARTMENT OF WATER  
RESOURCES OF THE STATE OF CALIFORNIA, hereinafter referred to as DWR, and  
KERN-TULARE WATER DISTRICT, hereinafter referred to as the Contractor, a public agency  
of the State of California, duly organized, existing, and acting pursuant to the laws thereof;

WITNESSETH, That:

EXPLANATORY RECITALS

WHEREAS, the United States, DWR, and Rag Gulch Water District (District)  
entered into an interim renewal contract identified as Contract No. 14-06-200-8367A-IR5,

28 hereinafter referred to as the Interim Renewal Contract, which provided for the continued water  
29 service to the District following expiration of Contract No. 14-06-200-8367A; and

30 WHEREAS, the United States, DWR, and the District have entered into successive  
31 renewals of the Interim Renewal Contract, the most recent of which is Contract  
32 No. 14-06-200-8367A-IR12, hereinafter referred to as the Existing Interim Renewal Contract,  
33 from March 1, 2008, through February 28, 2010; and

34 WHEREAS, on April 22, 2008, the Contractor and the District filed an application with  
35 the Local Agency Formation Commission of Kern County (LAFCo) requesting approval to  
36 consolidate the 2 districts for purposes of streamlining the operation and governance of the  
37 districts; and

38 WHEREAS, on December 10, 2008 LAFCo officially approved the reorganization  
39 pursuant to the Cortese Knox Hertzberg Local Government Reorganization Act of 2000; and

40 WHEREAS, the terms and conditions of the consolidation set January 1, 2009 as the  
41 effective date of the consolidation; at such time Kern-Tulare became the surviving special  
42 district and succeeded to all rights, duties, and obligations of Rag Gulch, and Rag Gulch was  
43 officially dissolved and assumed by Kern-Tulare; and

44 WHEREAS, as of January 1, 2009, Assignment Agreement No.  
45 14-06-200-8367A-IR12A, between the Contractor and the United States, was effective and  
46 assigned all rights and obligations to the Contractor of the Existing Renewal Contract; and

47 WHEREAS, the United States, DWR, and the Contractor have made significant progress  
48 in their negotiations of a long-term renewal contract, believe that further negotiations on the  
49 long-term renewal contract would be beneficial, and mutually commit to continue to negotiate to  
50 seek to reach agreement, but anticipate that the environmental documentation necessary for

51 execution of any long-term renewal contract will be delayed until March 2011, and may be  
52 delayed further for reasons beyond the control of the parties; and

53 WHEREAS, the Contractor has requested a subsequent interim renewal contract  
54 pursuant to subdivision (b)(1) of Article 2 of the Interim Renewal Contract and Article 1 of the  
55 Existing Interim Renewal Contract; and

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

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

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

62 INCORPORATION AND REVISION OF  
63 EXISTING INTERIM RENEWAL CONTRACT

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

67 (a) The first sentence in subdivision (a) of Article 1 of the Existing Interim  
68 Renewal Contract is modified as follows: “This interim renewal contract shall be effective from  
69 March 1, 2010, and shall remain in effect through February 29, 2012, and thereafter will be  
70 renewed as described in subdivision (a) of Article 2 of the Interim Renewal Contract, if a  
71 long-term renewal contract has not been executed with an effective commencement date of  
72 March 1, 2012.”

73                   (b)     Subdivision (b) of Article 1 of the Existing Interim Renewal Contract is  
74 amended by deleting the date “February 15, 2010,” and replacing same with the date  
75 “February 15, 2012.”

76                   (c)     Subdivision (c) of Article 1 of the Existing Interim Renewal Contract is  
77 amended by deleting the dates “February 1, 2010,” “February 15, 2010,” and “February 28,  
78 2010,” and replacing same with the dates “February 1, 2012,” “February 15, 2012,” and  
79 “February 29, 2012,” respectively.

80 IN WITNESS WHEREOF, the parties hereto have executed this contract as of the  
81 day and year first above written.

82 UNITED STATES OF AMERICA

83 By: \_\_\_\_\_  
84 Regional Director, Mid-Pacific Region  
85 Bureau of Reclamation

86 Approved as to Legal Form and  
87 Sufficiency: DEPARTMENT OF WATER RESOURCES  
OF THE STATE OF CALIFORNIA

88 \_\_\_\_\_ By: \_\_\_\_\_  
89 Chief Counsel Director  
90 Department of Water Resources Department of Water Resources

91 (SEAL) KERN-TULARE WATER DISTRICT

92  
93  
94 By: \_\_\_\_\_  
95 President, Board of Directors

96 Attest:

97 \_\_\_\_\_  
98 Secretary