

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

CONTRACT BETWEEN THE UNITED STATES AND
THE EMILE AND SIMONE FURLAN FAMILY TRUST,
DIVERTER OF WATER FROM SACRAMENTO RIVER SOURCES,
SETTLING WATER RIGHTS DISPUTES AND PROVIDING FOR PROJECT WATER

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THIS CONTRACT, hereinafter referred to as "Settlement Contract," is entered into by THE UNITED STATES OF AMERICA, hereinafter referred to as the United States, made this 10th day of April, 2006, pursuant to the applicable authority granted to it generally in 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, including but not limited to Sections 9 and 14 thereto, July 2, 1956 (70 Stat. 483), June 21, 1963 (77 Stat. 68), October 12, 1982 (96 Stat. 1263), October 27, 1986 (100 Stat. 3050), as amended, and Title XXXIV of the Act of October 30, 1992 (106 Stat. 4706), all collectively hereinafter referred to as Federal Reclamation law, and THE EMILE AND SIMONE FURLAN FAMILY TRUST, hereinafter referred to as the Contractor, acting pursuant to Sections 12003 and 12004 of the California Water Code, with its principal place of business in California;

WITNESSETH, that:

EXPLANATORY RECITALS

[1st] WHEREAS, the United States has constructed and is operating the Central Valley Project, California, for multiple purposes pursuant to its statutory authority; and

27 [2nd] WHEREAS, the Contractor has rights to divert, is diverting, and will continue to
28 divert for reasonable beneficial use, water from the natural flow of the Sacramento River and
29 tributaries thereto, that would have been flowing therein if the Central Valley Project were not in
30 existence; and

31 [3rd] WHEREAS, the construction and operation of the integrated and coordinated
32 Central Valley Project has changed and will further change the regimen of the Sacramento,
33 American, San Joaquin, and Trinity Rivers and the Sacramento-San Joaquin Delta from
34 unregulated flow to regulated flow; and

35 [4th] WHEREAS, the United States has rights to divert, is diverting, and will continue
36 to divert waters from said Rivers and said Delta in connection with the operation of said Central
37 Valley Project; and

38 [5th] WHEREAS, the Contractor's predecessor in interest, Emile Furlan and Simone
39 Furlan, and the United States had a dispute over the respective rights of the parties to divert and
40 use water from the regulated flow of the Sacramento River which threatened to result in
41 litigation, and as a means to settle that dispute entered into Contract No. 14-06-200-1175A, as
42 amended, hereinafter referred to as the Existing Contract, which established terms for the
43 delivery to the Contractor's predecessor in interest of Central Valley Project Water, and the
44 quantities of Base Supply the United States and the Contractor's predecessor in interest agreed
45 may be diverted by the Contractor's predecessor in interest from the Sacramento River pursuant
46 to such contract; and

47 [6th] WHEREAS, the Contractor's predecessor in interest conveyed the land to which
48 the Existing Contract was appurtenant to the Furlan Family Trust, and the Trust subsequently

49 assigned a portion of the Existing Contract to a third party which acquired a portion of the land
50 held by the Trust; and

51 [7th] WHEREAS, the United States and the Contractor disagree with respect to the
52 authority of the United States to change the quantities of Base Supply and/or Project Water
53 specified as available for diversion in this Settlement Contract from the quantities specified in
54 the Existing Contract, and other issues related thereto. That dispute was the subject of litigation
55 in a lawsuit entitled *Glenn-Colusa Irrigation District, et al. v. United States, et al.*
56 [Civ. No. S-01-1816 GEB/JFM (E.D. Cal.)], but that litigation was dismissed, without prejudice,
57 pursuant to a stipulation of dismissal filed by the parties thereto on August 29, 2002.

58 Notwithstanding that dismissal, the Contractor and the United States enter into this Settlement
59 Contract to renew the Existing Contract, pursuant to the terms of the Existing Contract, Federal
60 Reclamation law, and the laws of the State of California; and

61 [8th] WHEREAS, notwithstanding the facts contained in the previous recital, the U.S.
62 and the Contractor have agreed to adjust the amount of water under this Settlement Contract to
63 reflect the sale of land and partial assignment of contract referenced in the 6th Recital; and

64 [9th] WHEREAS, to assure the Contractor of the enjoyment and use of the regulated
65 flow of the said Rivers and the Delta, and to provide for the economical operation of the Central
66 Valley Project by, and the reimbursement to, the United States for expenditures made for said
67 Project;

68 NOW, THEREFORE, in consideration of the performance of the herein contained
69 provisions, conditions, and covenants, it is agreed as follows:

DEFINITIONS

70
71 1. When used herein, unless otherwise expressed or incompatible with the intent hereof, the
72 term:

73 (a) "Base Supply" shall mean the quantity of Surface Water established in Articles 3
74 and 5 which may be diverted by the Contractor from the Sacramento River each month during
75 the period April through October of each Year without payment to the United States for such
76 quantities diverted;

77 (b) "Basin-Wide Water Management Plan" shall mean the mutually agreeable
78 Sacramento River Basinwide Water Management Plan, dated October 11, 2004, developed by
79 Glenn-Colusa Irrigation District, Maxwell Irrigation District, Natomas Central Mutual Water
80 Company, Pelger Mutual Water Company, Princeton-Codora Glenn Irrigation District, Provident
81 Irrigation District, Reclamation District 108, Sutter Mutual Water Company, Anderson-
82 Cottonwood Irrigation District, Meridian Farms Water Company, Reclamation District 1004, and
83 the U.S. Bureau of Reclamation;

84 (c) "Charges" shall mean the payments for Project Water that the Contractor is
85 required to pay to the United States in addition to the "Rates" specified in this Settlement
86 Contract. The Contracting Officer will, on an annual basis, determine the extent of these
87 Charges. The type and amount of each Charge shall be specified in Exhibit D;

88 (d) "Contract Total" shall mean the sum of the Base Supply and Project Water
89 available for diversion by the Contractor for the period April 1 through October 31;

90 (e) "Critical Year" shall mean any Year in which either of the following eventualities
91 exists:

92 (1) The forecasted full natural inflow to Shasta Lake for the current Water
93 Year, as such forecast is made by the United States on or before February 15 and reviewed as
94 frequently thereafter as conditions and information warrant, is equal to or less than 3.2 million
95 acre-feet; or

96 (2) The total accumulated actual deficiencies below 4 million acre-feet in the
97 immediately prior Water Year or series of successive prior Water Years each of which had
98 inflows of less than 4 million acre-feet, together with the forecasted deficiency for the current
99 Water Year, exceed 800,000 acre-feet.

100 For the purpose of determining a Critical Year, the computation of inflow to
101 Shasta Lake shall be performed in a manner that considers the extent of upstream development
102 above Shasta Lake during the year in question, and shall be used as the full natural flow to
103 Shasta Lake. In the event that major construction has occurred or occurs above Shasta Lake after
104 September 1, 1963, and which has materially altered or alters the regimen of the stream systems
105 contributing to Shasta Lake, the computed inflow to Shasta Lake used to define a Critical Year
106 will be adjusted to eliminate the effect of such material alterations. After consultation with the
107 State of California, the National Weather Service, and other recognized forecasting agencies, the
108 Contracting Officer will select the forecast to be used and will make the details of it available to
109 the Contractor. The same forecasts used by the United States for the operation of the Project
110 shall be used to make the forecasts hereunder;

111 (f) “CVPIA” shall mean the Central Valley Project Improvement Act, Title XXXIV
112 of the Act of October 30, 1992 (106 Stat. 4706);

113 (g) Omitted;

114 (h) Omitted;

115 (i) Omitted;

116 (j) Omitted;

117 (k) Omitted;

118 (l) "Project" shall mean the Central Valley Project owned by the United States and
119 managed by the Department of the Interior, Bureau of Reclamation;

120 (m) "Project Water" shall mean all Surface Water diverted or scheduled to be diverted
121 each month during the period April through October of each Year by the Contractor from the
122 Sacramento River which is in excess of the Base Supply. The United States recognizes the right
123 of the Contractor to make arrangements for acquisition of water from projects of others than the
124 United States for delivery through the Sacramento River and tributaries subject to written
125 agreement between Contractor and the United States as to identification of such water, which
126 water, when so identified, shall not be deemed Project Water under this Settlement Contract;

127 (n) "Rates" shall mean the payments for Project Water determined annually by the
128 Contracting Officer in accordance with the then current applicable water ratesetting policies for
129 the Project, as described in subdivision (a) of Article 8 of this Settlement Contract;

130 (o) "Secretary" or "Contracting Officer" shall mean the Secretary of the Interior, a
131 duly appointed successor, or an authorized representative acting pursuant to any authority of the
132 Secretary and through any agency of the Department of the Interior;

133 (p) "Surface Water" shall mean only those waters that are considered as surface water
134 under California law;

135 (q) "Water Year" shall mean the period commencing with October 1 of one year and
136 extending through September 30 of the next; and

137 (r) "Year" shall mean a calendar year.

138

TERM OF SETTLEMENT CONTRACT

139 2. (a) This Settlement Contract shall become effective April 1, 2006, and shall remain in
140 effect until and including March 31, 2046; Provided, that under terms and conditions mutually
141 agreeable to the parties hereto, renewals may be made for successive periods not to exceed 40
142 years each. The terms and conditions of each renewal shall be agreed upon not later than one
143 year prior to the expiration of the then existing Settlement Contract.

144 (b) With respect to Project Water and the portions of this Settlement Contract
145 pertaining thereto, upon written request by the Contractor of the Secretary made not later than
146 one year prior to the expiration of this Settlement Contract, whenever, account being taken of the
147 amount then credited to the costs of construction of water supply works, the remaining amount of
148 construction costs of water supply work which is properly assignable for ultimate return by the
149 Contractor as established by the Secretary of the Interior pursuant to (3) of Section 1 of Public
150 Law 643 (70 Stat. 483), probably can be repaid to the United States within the term of a contract
151 under subsection 9(d) of the 1939 Reclamation Project Act (53 Stat. 1187), the relevant portions
152 of this Settlement Contract may be converted to a contract under said subsection 9(d) upon terms
153 and conditions mutually agreeable to the United States and the Contractor. The Secretary shall
154 make a determination ten years after the date of execution of this Settlement Contract, and every
155 five years thereafter, of whether a conversion to a contract under said subsection 9(d) can be
156 accomplished pursuant to Public Law 643. Notwithstanding any provision of this Settlement
157 Contract, the Contractor reserves and shall have all rights and benefits under Public Law 643.

158

WATER TO BE FURNISHED TO CONTRACTOR

159 3. (a) Subject to the conditions, limitations, and provisions hereinafter expressed, the
160 Contractor is hereby entitled and authorized to divert from the Sacramento River at the locations

161 shown in Exhibit A, for beneficial use within the area delineated on Exhibit B, (both Exhibits are
162 attached hereto and made a part hereof), the Contract Total designated in Exhibit A, or any
163 revision thereof.

164 (b) No sale, transfer, exchange, or other disposal of any of the Contract Total
165 designated in Exhibit A or the right to the use thereof for use on land other than that shown on
166 Exhibit B shall be made by the Contractor without first obtaining the written consent of the
167 Contracting Officer. Such consent will not be unreasonably withheld and a decision will be
168 rendered in a timely manner. For short-term actions that will occur within one year or less, the
169 decision will be rendered within 30 days after receipt of a complete written proposal. For long-
170 term actions that will occur in a period longer than one year, the decision will be rendered within
171 90 days after receipt of a complete written proposal. For a proposal to be deemed complete by
172 the Contracting Officer, it must comply with all provisions required by State and Federal law,
173 including information sufficient to enable the Contracting Officer to comply with the National
174 Environmental Policy Act, the Endangered Species Act, and applicable rules or regulations then
175 in effect; Provided, that such consent does not authorize the use of Federal facilities to facilitate
176 or effectuate the sale, transfer, exchange or other disposal of Base Supply. Such use of Federal
177 facilities will be the subject of a separate agreement to be entered into between the Contractor
178 and Reclamation.

179 (c) For the purpose of determining whether Section 3405(a)(1)(M) of the CVPIA
180 applies to the Contractor as a transferor or transferee of Project Water, the Contracting Officer
181 acknowledges that the Contractor is within a county, watershed, or other area of origin, as those
182 terms are utilized under California law.

183 (d) Nothing herein contained shall prevent the Contractor from diverting water during
184 the months of November through March for beneficial use on the land shown on Exhibit B or
185 elsewhere to the extent authorized under the laws of the State of California.

186 (e) The United States assumes no responsibility for and neither it nor its officers,
187 agents, or employees shall have any liability for or on account of:

188 (1) The quality of water to be diverted by the Contractor;

189 (2) The control, carriage, handling, use, disposal, or distribution of water
190 diverted by the Contractor outside the facilities constructed and then being operated and
191 maintained by or on behalf of the United States;

192 (3) Claims of damage of any nature whatsoever, including but not limited to,
193 property loss or damage, personal injury, or death arising out of or connected with the control,
194 carriage, handling, use, disposal, or distribution of said water outside of the hereinabove referred
195 to facilities; and

196 (4) Any damage whether direct or indirect arising out of or in any manner
197 caused by a shortage of water whether such shortage be on account of errors in operation,
198 drought, or unavoidable causes.

199 (f) In addition to the provisions of subdivision (e) of Article 3 of this Contract, if
200 there is a shortage of Project Water because of actions taken by the Contracting Officer to meet
201 legal obligations then, except as provided in subdivision (a) of Article 30 of this Contract, no
202 liability shall accrue against the United States or any of its officers, agents, or employees for any
203 damage, direct or indirect, arising therefrom.

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RETURN FLOW

4. Nothing herein shall be construed as an abandonment or a relinquishment by the United States of any right it may have to the use of waste, seepage, and return flow water derived from water diverted by the Contractor hereunder and which escapes or is discharged beyond the boundaries of the lands shown on Exhibit B; Provided, that this shall not be construed as claiming for the United States any right to such water which is recovered by the Contractor pursuant to California law from within the boundaries of the lands shown on Exhibit B, and which is being used pursuant to this Settlement Contract for surface irrigation or underground storage for the benefit of the lands shown on Exhibit B by the Contractor.

CONSTRAINTS ON THE AVAILABILITY OF WATER

5. In a Critical Year, the Contractor shall have the option to:

- (a) Irrigate not in excess of 75 percent of its irrigable acreage shown on Exhibit A; or
- (b) Divert from the Sacramento River not in excess of 75 percent of the Contract Total shown on Exhibit A, subject to the installation of measurement equipment satisfactory to the Contracting Officer. The Contractor shall install, operate, and maintain this equipment at the Contractor's expense. The Contractor shall submit, by April 1 of that Critical Year, a written schedule to the Contracting Officer indicating the Contract Total to be diverted by the Contractor during each month of that Critical Year under this Settlement Contract.
- (c) The amount of any overpayment by the Contractor shall, at its option, be refunded or credited upon amounts to become due to the United States from the Contractor under the provisions hereof in the ensuing Year. To the extent of such deficiency such adjustment of overpayment shall constitute the sole remedy of the Contractor.

226 INTEGRATED WATER MANAGEMENT AND PARTNERSHIPS

227 6. The Contractor and United States desire to work together to maximize the reasonable
228 beneficial use of water for their mutual benefit. As a consequence, the United States and the
229 Contractor will work in partnership and with others within the Sacramento Valley, including
230 other contractors, to facilitate the better integration within the Sacramento Valley of all water
231 supplies including, but not limited to, the better management and integration of surface water and
232 groundwater, the development and better utilization of surface water storage, the effective
233 utilization of waste, seepage and return flow water, and other operational and management
234 options that may be identified in the future.

235 USE OF WATER FURNISHED TO CONTRACTOR

236 7. (a) Project Water furnished to the Contractor pursuant to this Settlement Contract
237 shall not be delivered or furnished by the Contractor for any purposes other than agricultural
238 purposes without the written consent of the Contracting Officer. For purposes of this Settlement
239 Contract, "agricultural purposes" includes, but is not restricted to, the irrigation of crops, the
240 watering of livestock, incidental domestic use including related landscape irrigation, and
241 underground water replenishment.

242 (b) The Contractor shall comply with requirements applicable to the Contractor in
243 biological opinion(s) prepared as a result of a consultation regarding the execution of this
244 Settlement Contract undertaken pursuant to Section 7 of the Endangered Species Act of 1973, as
245 amended, that are within the Contractor's legal authority to implement. The Existing Contract,
246 which evidences in excess of 40 years of diversions, for agricultural uses, of the quantities of
247 water provided for in Article 3, and the underlying water rights of the Contractor will be
248 considered in developing an appropriate base-line for the Biological Assessment prepared

249 pursuant to the Endangered Species Act, and in any other needed environmental review.
250 Nothing herein shall be construed to prevent the Contractor from challenging or seeking judicial
251 relief in a court of competent jurisdiction with respect to any biological opinion or other
252 environmental documentation referred to in this Article.

253 RATE AND METHOD OF PAYMENT FOR WATER

254 8. (a) The Contractor shall make payments to the United States as provided in this
255 Article for each acre of land irrigated from April 1, through October 31 each Year. Such
256 payments shall be at Rates and Charges established in accordance with: (i) the Secretary's then
257 current ratesetting policies for the Project; and (ii) applicable Reclamation law and associated
258 rules and regulations, or policies; Provided, that if the Contractor desires to use Project Water for
259 other than agricultural purposes the Rates and Charges set forth above will be adjusted by the
260 Contracting Officer to the applicable Rates and Charges for such purposes. The Rates and
261 Charges applicable to the Contractor upon execution of this Settlement Contract are set forth in
262 Exhibit D, as may be revised annually. The Secretary's ratesetting policies for the Project shall
263 be amended, modified, or superseded only through a public notice and comment procedure.

264 (b) The Contracting Officer shall notify the Contractor of the Rates and Charges as
265 follows:

266 (1) Prior to July 1 of each Year, the Contracting Officer shall provide the
267 Contractor an estimate of the Charges for Project Water that will be applied to the period
268 October 1, of the current Year, through September 30, of the following Year, and the basis for
269 such estimate. The Contractor shall be allowed not less than two months to review and comment
270 on such estimates. On or before September 15 of each Year, the Contracting Officer shall notify

271 the Contractor in writing of the Charges to be in effect during the period October 1 of the current
272 Year, through September 30, of the following Year, and such notification shall revise Exhibit D.

273 (2) Prior to October 1 of each Year, the Contracting Officer shall make
274 available to the Contractor an estimate of the Rates for Project Water for the following Year and
275 the computations and cost allocations upon which those Rates are based. The Contractor shall be
276 allowed not less than two months to review and comment on such computations and cost
277 allocations. By December 31 of each Year, the Contracting Officer shall provide the Contractor
278 with the final Rates to be in effect for the upcoming Year, and such notification shall revise
279 Exhibit D.

280 (c) The Contractor shall pay the United States for Project Water in the following
281 manner:

282 (1) With respect to Rates and Charges, on or before May 1 of each Year, the
283 Contractor shall pay the United States one-half the total amount payable pursuant to
284 subdivision (a) of this Article and the remainder shall be paid on or before July 1 or such later
285 date or dates as may be specified by the United States in a written notice to the Contractor.

286 (2) The amount to be paid on or before May 1 of each Year shall be based on
287 a written estimate, provided to the Contracting Officer by the Contractor on or before April 1 of
288 each Year, of the total area to be irrigated between April 1 and October 31 of that Year.

289 (3) The amount to be paid on or before July 1 shall be equal to the difference
290 between the amount paid on May 1 and the total amount due for the Year, based on the total area
291 actually irrigated from April 1 to July 1.

292 (4) If additional areas are placed under irrigation on or after July 1, but before
293 October 31, additional payment shall be made in advance of such additional irrigation at the
294 Rates and Charges shown in Exhibit D for each additional acre placed under irrigation.

295 (d) Payments to be made by the Contractor to the United States under this Settlement
296 Contract may be paid from any revenues available to the Contractor. All revenues received by
297 the United States from the Contractor relating to the delivery of Project Water or the delivery of
298 non-Project Water through Project facilities shall be allocated and applied in accordance with
299 Federal Reclamation law and the associated rules or regulations, and the then current Project
300 ratesetting policies for irrigation water.

301 (e) The Contracting Officer shall keep its accounts pertaining to the administration of
302 the financial terms and conditions of its long-term water service and Settlement Contracts, in
303 accordance with applicable Federal standards, so as to reflect the application of Project costs and
304 revenues. The Contracting Officer shall, each Year upon request of the Contractor, provide to
305 the Contractor a detailed accounting of all Project and Contractor expense allocations, the
306 disposition of all Project and Contractor revenues, and a summary of all water delivery
307 information. The Contracting Officer and the Contractor shall enter into good faith negotiations
308 to resolve any discrepancies or disputes relating to accountings, reports, or information.

309 (f) The parties acknowledge and agree that the efficient administration of this
310 Settlement Contract is their mutual goal. Recognizing that experience has demonstrated that
311 mechanisms, policies, and procedures used for establishing Rates and Charges and/or for making
312 and allocating payments, other than those set forth in this Article may be in the mutual best
313 interest of the parties, it is expressly agreed that the parties may enter into agreements to modify

314 the mechanisms, policies, and procedures for any of those purposes while this Settlement
315 Contract is in effect without amendment of this Settlement Contract.

316 (g) For the term of this Settlement Contract, Rates under the respective ratesetting
317 policies for the Project will be established to recover only reimbursable operation and
318 maintenance (including any deficits) and capital costs of the Project, as those terms are used in
319 the then-current Project ratesetting policies, and interest, where appropriate, except in instances
320 where a minimum Rate is applicable in accordance with the relevant Project ratesetting policy.
321 Proposed changes of significance in practices which implement the ratesetting policies for the
322 Project will not be implemented until the Contracting Officer has provided the Contractor an
323 opportunity to discuss the nature, need, and impact of the proposed change. The Contractor
324 retains all rights to challenge the validity of Rates and Charges imposed pursuant to this
325 Settlement Contract, including but not limited to operation and maintenance expenses and
326 operation and maintenance deficits, in an appropriate administrative or judicial proceeding.

327 (h) Except as provided in subsection 3405(a)(1)(B) of the CVPIA, the Rates for
328 Project Water transferred, exchanged, or otherwise disposed of, by the Contractor shall be the
329 Contractor's Rates adjusted upward or downward to reflect the changed costs of delivery (if any)
330 of the transferred, exchanged, or otherwise disposed of Project Water to the transferee's point of
331 delivery in accordance with the then-current ratesetting policies for the Project. Except as
332 provided in subsection 3407(d)(2)(A) of the CVPIA, the Charges for Project Water transferred,
333 exchanged, or otherwise disposed of, by the Contractor shall be the Contractor's Charges
334 specified in Exhibit D. If the Contractor is receiving lower Rates and Charges because of
335 inability to pay and is transferring, exchanging, or otherwise disposing of Project Water to
336 another entity whose Rates and Charges are not adjusted due to inability to pay, the Rates and

337 Charges for transferred, exchanged, or otherwise disposed of Project Water shall be the
338 Contractor's Rates and Charges unadjusted for ability to pay.

339 (i) Pursuant to the Act of October 27, 1986 (100 Stat. 3050), the Contracting Officer
340 is authorized to adjust determinations of ability to pay every five years.

341 (j) Each payment to be made pursuant to subdivisions (a) and (c) of this Article shall
342 be made at the office of the Bureau of Reclamation, MP Region: Mid-Pacific, P.O. Box 894242,
343 Los Angeles, CA 90189-4242, or at such other place as the United States may designate in a
344 written notice to the said Contractor. Payments shall be made by cash transaction, wire, or any
345 other mechanism as may be agreed to in writing by the Contractor and the Contracting Officer.
346 In event there should be a default in the payment of the amount due, the delinquent payment
347 provisions of Article 13 shall apply. The Contractor shall not be relieved of the whole or any
348 part of its said obligation by, on account of, or notwithstanding, as the case may be its failure,
349 refusal, or neglect to divert the quantity of Project Water shown on Exhibit A.

350 AGREEMENT ON WATER QUANTITIES

351 9. (a) During the term of this Settlement Contract and any renewals thereof:

352 (1) It shall constitute full agreement as between the United States and the
353 Contractor as to the quantities of water and the allocation thereof between Base Supply and
354 Project Water which may be diverted by the Contractor from the Sacramento River for beneficial
355 use on the land shown on Exhibit B from April 1 through October 31, which said diversion, use,
356 and allocation shall not be disturbed so long as the Contractor shall fulfill all of its obligations
357 hereunder;

358 (2) Neither party shall claim any right against the other in conflict with the
359 provisions of Article 9(a)(1) hereof.

360 (b) Nothing herein contained is intended to or does limit rights of the Contractor
361 against others than the United States or of the United States against any person other than the
362 Contractor; Provided, however, that in the event the Contractor, the United States, or any other
363 person shall become a party to a general adjudication of rights to the use of water of the
364 Sacramento River system, this Settlement Contract shall not jeopardize the rights or position of
365 either party hereto or of any other person and the rights of all such persons in respect to the use
366 of such water shall be determined in such proceedings the same as if this Settlement Contract had
367 not been entered into, and if final judgment in any such general adjudication shall determine that
368 the rights of the parties hereto are different from the rights as assumed herein, the parties shall
369 negotiate an amendment to give effect to such judgment. In the event the parties are unable to
370 agree on an appropriate amendment they shall, within 60 days of determining that there is an
371 impasse, employ the services of a neutral mediator, experienced in resolving water rights
372 disputes, to assist in resolving the impasse. The cost of the mediation will be shared equally. A
373 failure to reach agreement on an amendment within 60 days of the end of mediation will cause
374 the immediate termination of this Settlement Contract.

375 (c) In the event that the California State Water Resources Control Board or a court of
376 competent jurisdiction issues a final decision or order modifying the terms and conditions of the
377 water rights of either party to this Settlement Contract in order to impose Bay-Delta water
378 quality obligations, the Contractor and the United States shall promptly meet to determine
379 whether or not to modify any of the terms of this Settlement Contract to comply with the final
380 decision or order. If within 60 days of the date of the issuance of the final decision or order the
381 parties are not able to reach agreement regarding either the need to modify this Settlement
382 Contract or the manner in which this Settlement Contract is to be modified, the parties shall

383 promptly retain a neutral mediator, experienced in resolving water right disputes, to assist the
384 parties in resolving their dispute. The cost of the mediator shall be shared equally. In the event
385 that either of the parties to this Settlement Contract determines that the parties will not be able to
386 develop mutually-agreeable modification(s) to this Settlement Contract even with the assistance
387 of a mediator, either of the parties to this Settlement Contract may attempt to resolve the impasse
388 by seeking appropriate judicial relief including, but not limited to, filing a general adjudication of
389 the rights to the use of water in the Sacramento River system. The foregoing provisions of this
390 sub-article shall only apply to the incremental obligations contained within a final decision or
391 order of the State Water Resources Control Board that reflects a modification to the obligations
392 imposed in State Water Resources Control Board Revised Water Rights Decision 1641 dated
393 March 15, 2000, and its associated 1995 Water Quality Control Plan which, taken together, will
394 be considered the baseline for the application of the provisions of this sub-article.

395 (d) In the event this Settlement Contract terminates, the rights of the parties to
396 thereafter divert and use water shall exist as if this Settlement Contract had not been entered into;
397 and the fact that as a compromise settlement of a controversy as to the respective rights of the
398 parties to divert and use water and the yield of such rights during the term hereof, this Settlement
399 Contract places a limit on the Contract Total to be diverted annually by the Contractor during the
400 Settlement Contract term and segregates it into Base Supply and Project Water shall not
401 jeopardize the rights or position of either party with respect to its water rights or the yield thereof
402 at all times after the Settlement Contract terminates. It is further agreed that the Contractor at all
403 times will first use water to the use of which it is entitled by virtue of its own water rights, and
404 neither the provisions of this Settlement Contract, action taken thereunder, nor payments made
405 thereunder to the United States by the Contractor shall be construed as an admission that any part

406 of the water used by the Contractor during the term of this Settlement Contract was in fact water
407 to which it would not have been entitled under water rights owned by it nor shall receipt of
408 payments thereunder by the United States from the Contractor be construed as an admission that
409 any part of the water used by the Contractor during the term of this Settlement Contract was in
410 fact water to which it would have been entitled under water rights owned by it.

411 MEASUREMENT OF WATER

412 10. (a) All water diverted by the Contractor from the Sacramento River will be diverted
413 at the existing point or points of diversion shown on Exhibit A or at such other points as may be
414 mutually agreed upon in writing by the Contracting Officer and the Contractor.

415 (b) The right of ingress to and egress from all points of diversion is hereby granted to
416 all authorized employees of the United States. The Contractor also hereby grants to the United
417 States the right to install, operate, maintain, and replace measuring equipment on diversion or
418 carriage facilities at each point of diversion as the Contracting Officer deems necessary.

419 (c) The Contractor shall not modify, alter, remove, or replace diversion facilities or
420 do any other act which would alter the effectiveness or accuracy of the measuring equipment
421 installed by the United States or its representatives unless and until the Contracting Officer has
422 been notified with due diligence and has been given an opportunity to modify such measuring
423 equipment in such manner as may be necessary or appropriate. In the event of an emergency the
424 Contractor shall notify the United States within a reasonable time thereafter as to the existence of
425 the emergency and the nature and extent of such modification, alteration, removal, or
426 replacement of diversion facilities.

427 (d) The Contractor shall pay the United States for the costs to repair, relocate, or
428 replace measurement equipment when the Contractor modifies, alters, removes, or replaces
429 diversion or carriage facilities.

430 RULES AND REGULATIONS

431 11. The parties agree that the delivery of Project Water for irrigation use or use of Federal
432 facilities pursuant to this Settlement Contract is subject to Federal Reclamation law, including
433 but not limited to, the Reclamation Reform Act of 1982 (43 U.S.C.390aa et seq.), as amended
434 and supplemented, and the rules and regulations promulgated by the Secretary of the Interior
435 under Federal Reclamation law.

436 GENERAL OBLIGATION--BENEFITS CONDITIONED UPON PAYMENT

437 12. (a) The obligation of the Contractor to pay the United States as provided in this
438 Settlement Contract is a general obligation of the Contractor notwithstanding the manner in
439 which the obligation may be distributed among the Contractor's water users and notwithstanding
440 the default of individual water users in their obligations to the Contractor.

441 (b) The payment of Charges becoming due hereunder is a condition precedent to
442 receiving benefits under this Settlement Contract. The United States shall not make water
443 available to the Contractor through Project facilities during any period in which the Contractor
444 may be in arrears in the advance payment of water Rates due the United States. The Contractor
445 shall not furnish water made available pursuant to this Settlement Contract for lands or parties
446 which are in arrears in the advance payment of water rates levied or established by the
447 Contractor.

448 (c) With respect to subdivision (b) of this Article, the Contractor shall have no
449 obligation to require advance payment for water Rates which it levies.

450 CHARGES FOR DELINQUENT PAYMENTS

451 13. (a) The Contractor shall be subject to interest, administrative and penalty charges on
452 delinquent installments or payments. When a payment is not received by the due date, the
453 Contractor shall pay an interest charge for each day the payment is delinquent beyond the due
454 date. When a payment becomes 60 days delinquent, the Contractor shall pay an administrative
455 charge to cover additional costs of billing and processing the delinquent payment. When a
456 payment is delinquent 90 days or more, the Contractor shall pay an additional penalty charge of
457 six percent per year for each day the payment is delinquent beyond the due date. Further, the

458 Contractor shall pay any fees incurred for debt collection services associated with a delinquent
459 payment.

460 (b) The interest charge rate shall be the greater of the rate prescribed quarterly in the
461 Federal Register by the Department of the Treasury for application to overdue payments, or the
462 interest rate of one-half of one percent per month prescribed by Section 6 of the Reclamation
463 Project Act of 1939 (Public Law 76-260). The interest charge rate shall be determined as of the
464 due date and remain fixed for the duration of the delinquent period.

465 (c) When a partial payment on a delinquent account is received, the amount received
466 shall be applied, first to the penalty, second to the administrative charges, third to the accrued
467 interest, and finally to the overdue payment.

468 QUALITY OF WATER

469 14. The operation and maintenance of Project facilities shall be performed in such manner as
470 is practicable to maintain the quality of raw water made available through such facilities at the
471 highest level reasonably attainable as determined by the Contracting Officer. The United States
472 does not warrant the quality of water and is under no obligation to construct or furnish water
473 treatment facilities to maintain or better the quality of water.

474 WATER AND AIR POLLUTION CONTROL

475 15. The Contractor, in carrying out this Settlement Contract, shall comply with all applicable
476 water and air pollution laws and regulations of the United States and the State of California, and
477 shall obtain all required permits or licenses from the appropriate Federal, State, or local
478 authorities.

479 EQUAL OPPORTUNITY

480 16. During the performance of this Settlement Contract, the Contractor agrees as follows:

481 (a) The Contractor will not discriminate against any employee or applicant for
482 employment because of race, color, religion, sex, or national origin. The Contractor will take
483 affirmative action to ensure that applicants are employed, and that employees are treated during
484 employment, without regard to their race, color, religion, sex, or national origin. Such action
485 shall include, but not be limited to, the following: Employment, upgrading, demotion, or
486 transfer; recruitment or recruitment advertising; layoff or termination, rates of payment or other
487 forms of compensation; and selection for training, including apprenticeship. The Contractor

488 agrees to post in conspicuous places, available to employees and applicants for employment,
489 notices to be provided by the Contracting Officer setting forth the provisions of this
490 nondiscrimination clause.

491 (b) The Contractor will, in all solicitations or advertisements for employees placed by
492 or on behalf of the Contractor, state that all qualified applicants will receive consideration for
493 employment without discrimination because of race, color, religion, sex, or national origin.

494 (c) The Contractor will send to each labor union or representative of workers with
495 which it has a collective bargaining agreement or other contract or understanding, a notice, to be
496 provided by the Contracting Officer, advising the said labor union or workers' representative of
497 the Contractor's commitments under Section 202 of Executive Order 11246 of September 24,
498 1965, and shall post copies of the notice in conspicuous places available to employees and
499 applicants for employment.

500 (d) The Contractor will comply with all provisions of Executive Order No. 11246 of
501 September 24, 1965, as amended, and of the rules, regulations, and relevant orders of the
502 Secretary of Labor.

503 (e) The Contractor will furnish all information and reports required by said amended
504 Executive Order and by the rules, regulations, and orders of the Secretary of Labor, or pursuant
505 thereto, and will permit access to its books, records, and accounts by the Contracting Officer and
506 the Secretary of Labor for purposes of investigation to ascertain compliance with such rules,
507 regulations, and orders.

508 (f) In the event of the Contractor's noncompliance with the nondiscrimination clauses
509 of this Settlement Contract or with any of the said rules, regulations, or orders, this Settlement
510 Contract may be canceled, terminated, or suspended, in whole or in part, and the Contractor may
511 be declared ineligible for further Government contracts in accordance with procedures
512 authorized in said amended Executive Order, and such other sanctions may be imposed and
513 remedies invoked as provided in said Executive Order, or by rule, regulation, or order of the
514 Secretary of Labor, or as otherwise provided by law.

515 (g) The Contractor will include the provisions of paragraphs (a) through (g) in every
516 subcontract or purchase order unless exempted by the rules, regulations, or orders of the
517 Secretary of Labor issued pursuant to Section 204 of said amended Executive Order, so that such
518 provisions will be binding upon each subcontractor or vendor. The Contractor will take such
519 action with respect to any subcontract or purchase order as may be directed by the Secretary of
520 Labor as a means of enforcing such provisions, including sanctions for noncompliance:
521 Provided, however, that in the event the Contractor becomes involved in, or is threatened with,
522 litigation with a subcontractor or vendor as a result of such direction, the Contractor may request
523 the United States to enter into such litigation to protect the interests of the United States.

524 17. Omitted.

525 18. Omitted.

526

BOOKS, RECORDS, AND REPORTS

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19. The Contractor shall establish and maintain accounts and other books and records pertaining to administration of the terms and conditions of this Settlement Contract, including: the Contractor's financial transactions, water supply data, and Project land and right-of-way agreements; the water users' land-use (crop census), land ownership, land-leasing and water use data; and other matters that the Contracting Officer may require. Reports thereon shall be furnished to the Contracting Officer in such form and on such date or dates as the Contracting Officer may require. Subject to applicable Federal laws and regulations, each party to this Settlement Contract shall have the right during office hours to examine and make copies of each other's books and official records relating to matters covered by this Settlement Contract.

536

CHANGE OF PLACE OF USE

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538

20. Unless the written consent of the United States is first obtained no change shall be made in the place of water use shown on Exhibit B.

539

21. Omitted.

540

NOTICES

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22. Any notice, demand, or request authorized or required by this Settlement Contract shall be deemed to have been given, on behalf of the Contractor, when mailed, postage prepaid, or delivered to the Area Manager, Northern California Area Office, Bureau of Reclamation, 16349 Shasta Dam Boulevard, Shasta Lake, California 96019, and on behalf of the United States, when mailed, postage prepaid, or delivered to The Emile and Simone Furlan Family Trust, 22122 Karnak Road, Knights Landing, California 95645-9405. The designation of the addressee or the address may be changed by notice given in the same manner as provided in this Article for other notices.

549

ASSIGNMENT LIMITED--SUCCESSORS AND ASSIGNS OBLIGATED

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551
552

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

553

(b) The assignment of any right or interest in this Settlement Contract by either party

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shall not interfere with the rights or obligations of the other party to this Settlement Contract

555

absent the written concurrence of said other party.

556

(c) The Contracting Officer shall not unreasonably condition or withhold his approval

557

of any proposed assignment.

OFFICIALS NOT TO BENEFIT

558 24. No Member of or Delegate to Congress, Resident Commissioner, or official of the
559 Contractor shall benefit from this Settlement Contract other than as a water user or landowner in
560 the same manner as other water users or landowners.

561 CONTINGENT UPON APPROPRIATION OR ALLOTMENT OF FUNDS

562 25. The expenditure or advance of any money or the performance of any obligation of the
563 United States under this Settlement Contract shall be contingent upon appropriation or allotment
564 of funds. Absence of appropriation or allotment of funds shall not relieve the Contractor from
565 any obligations under this Settlement Contract. No liability shall accrue to the United States in
566 case funds are not appropriated or allotted.

567 CONFIRMATION OF SETTLEMENT CONTRACT

568 26. The Contractor, after the execution of this Settlement Contract, shall promptly seek to
569 secure a decree of a court of competent jurisdiction of the State of California, if appropriate,
570 confirming the execution of this Settlement Contract. The Contractor shall furnish the United
571 States a certified copy of the final decree, the validation proceedings, and all pertinent supporting
572 records of the court approving and confirming this Settlement Contract, and decreeing and
573 adjudging it to be lawful, valid, and binding on the Contractor. This Settlement Contract shall
574 not be binding on the United States until such final decree has been secured.

575 27. Omitted.

576 PRIVACY ACT COMPLIANCE

577 28. (a) The Contractor shall comply with the Privacy Act of 1974 (5 U.S.C. 552a) (the
578 Act) and the Department of the Interior rules and regulations under the Act (43 CFR 2.45 et seq.)
579 in maintaining Landholder acreage certification and reporting records, required to be submitted
580 to the Contractor for compliance with Sections 206 and 228 of the Reclamation Reform Act of
581 1982 (96 Stat. 1266), and pursuant to 43 CFR 426.18.

582 (b) With respect to the application and administration of the criminal penalty
583 provisions of the Act (5 U.S.C. 552a(i)), the Contractor and the Contractor's employees
584 responsible for maintaining the certification and reporting records referenced in (a) above are
585 considered to be employees of the Department of the Interior. See 5 U.S.C. 552a(m).

586 (c) The Contracting Officer or a designated representative shall provide the
587 Contractor with current copies of the Interior Department Privacy Act regulations and the Bureau
588 of Reclamation Federal Register Privacy Act System of Records Notice (Acreage Limitation--
589 Interior, Reclamation-31) which govern the maintenance, safeguarding, and disclosure of
590 information contained in the Landholder's certification and reporting records.

591 (d) The Contracting Officer shall designate a full-time employee of the Bureau of
592 Reclamation to be the System Manager who shall be responsible for making decisions on denials
593 pursuant to 43 CFR 2.61 and 2.64 amendment requests pursuant to 43 CFR 2.72. The Contractor
594 is authorized to grant requests by individuals for access to their own records.

595 (e) The Contractor shall forward promptly to the System Manager each proposed
596 denial of access under 43 CFR 2.64; and each request for amendment of records filed under 43
597 CFR 2.71; notify the requester accordingly of such referral; and provide the System Manager
598 with information and records necessary to prepare an appropriate response to the requester.
599 These requirements do not apply to individuals seeking access to their own certification and
600 reporting forms filed with the Contractor pursuant to 43 CFR 426.18, unless the requester elects
601 to cite the Privacy Act as a basis for the request.

602 WATER CONSERVATION

603 29. (a) Prior to the diversion of Project Water, the Contractor shall be implementing an
604 effective water conservation and efficiency program based on the Basin-Wide Water
605 Management Plan and/or Contractor's water conservation plan that has been determined by the
606 Contracting Officer to meet the conservation and efficiency criteria for evaluating water
607 conservation plans established under Federal law. The water conservation and efficiency
608 program shall contain definite water conservation objectives, appropriate economically feasible
609 water conservation measures, and time schedules for meeting those objectives. Continued
610 diversion of Project Water pursuant to this Settlement Contract shall be contingent upon the
611 Contractor's continued implementation of such water conservation program. In the event the
612 Contractor's water conservation plan or any revised water conservation plan completed pursuant
613 to subdivision (d) of Article 29 of this Settlement Contract have not yet been determined by the
614 Contracting Officer to meet such criteria, due to circumstances which the Contracting Officer
615 determines are beyond the control of the Contractor, Project Water deliveries shall be made
616 under this Settlement Contract so long as the Contractor diligently works with the Contracting
617 Officer to obtain such determination at the earliest practicable date, and thereafter the Contractor

618 immediately begins implementing its water conservation and efficiency program in accordance
619 with the time schedules therein.

620 (b) The Contractor shall submit to the Contracting Officer a report on the status of its
621 implementation of the water conservation plan on the reporting dates specified in the then
622 existing conservation and efficiency criteria established under Federal law.

623 (c) At five-year intervals, the Contractor shall revise its water conservation plan to
624 reflect the then current conservation and efficiency criteria for evaluating water conservation
625 plans established under Federal law and submit such revised water management plan to the
626 Contracting Officer for review and evaluation. The Contracting Officer will then determine if
627 the water conservation plan meets Reclamation's then current conservation and efficiency
628 criteria for evaluating water conservation plans established under Federal law.

629 (d) If the Contractor is engaged in direct groundwater recharge, such activity shall be
630 described in the Contractor's water conservation plan.

631 OPINIONS AND DETERMINATIONS

632 30. (a) Where the terms of this Settlement Contract provide for actions to be based upon
633 the opinion or determination of either party to this Settlement Contract, said terms shall not be
634 construed as permitting such action to be predicated upon arbitrary, capricious, or unreasonable
635 opinions or determinations. Both parties, notwithstanding any other provisions of this Settlement
636 Contract, expressly reserve the right to seek relief from and appropriate adjustment for any such
637 arbitrary, capricious, or unreasonable opinion or determination. Each opinion or determination
638 by either party shall be provided in a timely manner. Nothing in subdivision (a) of Article 30 of
639 this Settlement Contract is intended to or shall affect or alter the standard of judicial review

640 applicable under Federal law to any opinion or determination implementing a specific provision
641 of Federal law embodied in statute or regulation.

642 (b) The Contracting Officer shall have the right to make determinations necessary to
643 administer this Settlement Contract that are consistent with the provisions of this Settlement
644 Contract, the laws of the United States and of the State of California, and the rules and
645 regulations promulgated by the Secretary of the Interior. Such determinations shall be made in
646 consultation with the Contractor to the extent reasonably practicable.

647 CONTRACTOR TO PAY CERTAIN MISCELLANEOUS COSTS

648 31. (a) In addition to all other payments to be made by the Contractor pursuant to this
649 Settlement Contract, the Contractor shall pay to the United States, within 60 days after receipt of
650 a bill and detailed statement submitted by the Contracting Officer to the Contractor for such
651 specific items of direct cost incurred by the United States for work requested by the Contractor
652 associated with this Settlement Contract plus indirect costs in accordance with applicable Bureau
653 of Reclamation policies and procedures. All such amounts referred to in this Article shall not
654 exceed the amount agreed to in writing in advance by the Contractor. This Article shall not
655 apply to costs for routine contract administration.

656 (b) All advances for miscellaneous costs incurred for work requested by the
657 Contractor pursuant to Article 31 of this Settlement Contract shall be adjusted to reflect the
658 actual costs when the work has been completed. If the advances exceed the actual costs incurred,
659 the difference will be refunded to the Contractor. If the actual costs exceed the Contractor's
660 advances, the Contractor will be billed for the additional costs pursuant to Article 31 of this
661 Settlement Contract.

662

WAIVER OF DEFAULT

663 32. The waiver by either party to this Settlement Contract as to any default shall not be
664 construed as a waiver of any other default or as authority of the other party to continue such
665 default or to make, do, or perform, or not to make, do, or perform, as the case may be, any act or
666 thing which would constitute a default.

667 CONTRACT ASSIGNMENT OR TERMINATION UPON TRANSFER OF LAND

668 33. (a) The rights and obligations of the Contractors may be transferred in connection
669 with the transfer of title to the land or any portion thereof delineated on Exhibit B on the
670 following terms and conditions:

671 (1) A voluntary *inter vivos* transfer may be made, upon mutual agreement of
672 the United States and the Contractors, to a person eligible to hold title to the land as a nonexcess
673 landowner; and

674 (2) In the event the title of the Contractors to such land, or any portion
675 thereof, is transferred by operation of law, such as by conveyance in satisfaction of a mortgage,
676 by inheritance, or by device, the rights and obligations of the Contractors shall pass with the title
677 and the land shall be subject to provisions of Reclamation law pertaining to such transfers. Any
678 transfer of the rights and obligations of this Settlement Contract by the person acquiring title by
679 operation of law shall be in accordance with provisions of subsection (1) above.

680 (b) The Contractors shall notify the Contracting Officer in writing of any proposed
681 transfer of this Settlement Contract. In addition, in the case of a partial assignment the
682 Contractors shall:

683 (1) Designate the proportionate quantities of Base Supply and Project Water
684 which they desire to assign; and

685 (2) Furnish the United States with a copy of the deed transferring title.

686 (c) No transfer of this Settlement Contract shall be effective unless and until
687 approved by the Contracting Officer, and, if approved, shall be effective from the date of such
688 approval.

689 (d) Upon mutual agreement between the United States and the Contractor, this
690 Settlement Contract or a portion thereof may be terminated and the new landowner will have the
691 privilege of entering into a Settlement Contract for water service for a proportionate share of the
692 Contract Total provided he is duly qualified to receive water for such land.

693 TERMINATION

694 34. This Settlement Contract will terminate upon mutual agreement of the parties prior to the
695 end of the term or any renewal thereof.

696 IN WITNESS WHEREOF, the parties hereto have executed this Settlement Contract as of the
697 day and year first hereinabove written.

698 THE UNITED STATES OF AMERICA

699 APPROVED AS TO LEGAL
700 FORM AND SUFFICIENCY
701 *James E. [Signature]*
OFFICE OF REGIONAL SOLICITOR
DEPARTMENT OF THE INTERIOR

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

702 (SEAL)

703 EMILE AND SIMONE FURLAN FAMILY TRUST

704 *Simone Furlan*
705 Trustee

ALL-PURPOSE ACKNOWLEDGEMENT

State of California }
 County of Sutter } SS.

On 3/30/2006 before me, LAVERNE M. DRIVER, Notary,
(DATE) (NOTARY)
 personally appeared SIMONE FURLAN, Trustee
SIGNER(S)

personally known to me - OR - proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



WITNESS my hand and official seal.

Laverne M. Driver
NOTARY'S SIGNATURE

OPTIONAL INFORMATION

The information below is not required by law. However, it could prevent fraudulent attachment of this acknowledgment to an unauthorized document.

CAPACITY CLAIMED BY SIGNER (PRINCIPAL)

- INDIVIDUAL
- CORPORATE OFFICER
- _____ TITLE(S)
- PARTNER(S)
- ATTORNEY-IN-FACT
- TRUSTEE(S)
- GUARDIAN/CONSERVATOR
- OTHER: _____
- _____
- _____

DESCRIPTION OF ATTACHED DOCUMENT

TITLE OR TYPE OF DOCUMENT

NUMBER OF PAGES

DATE OF DOCUMENT

OTHER

SIGNER IS REPRESENTING:
NAME OF PERSON(S) OR ENTITY(IES)

RIGHT THUMBPRINT
 OF
 SIGNER



Exhibit A

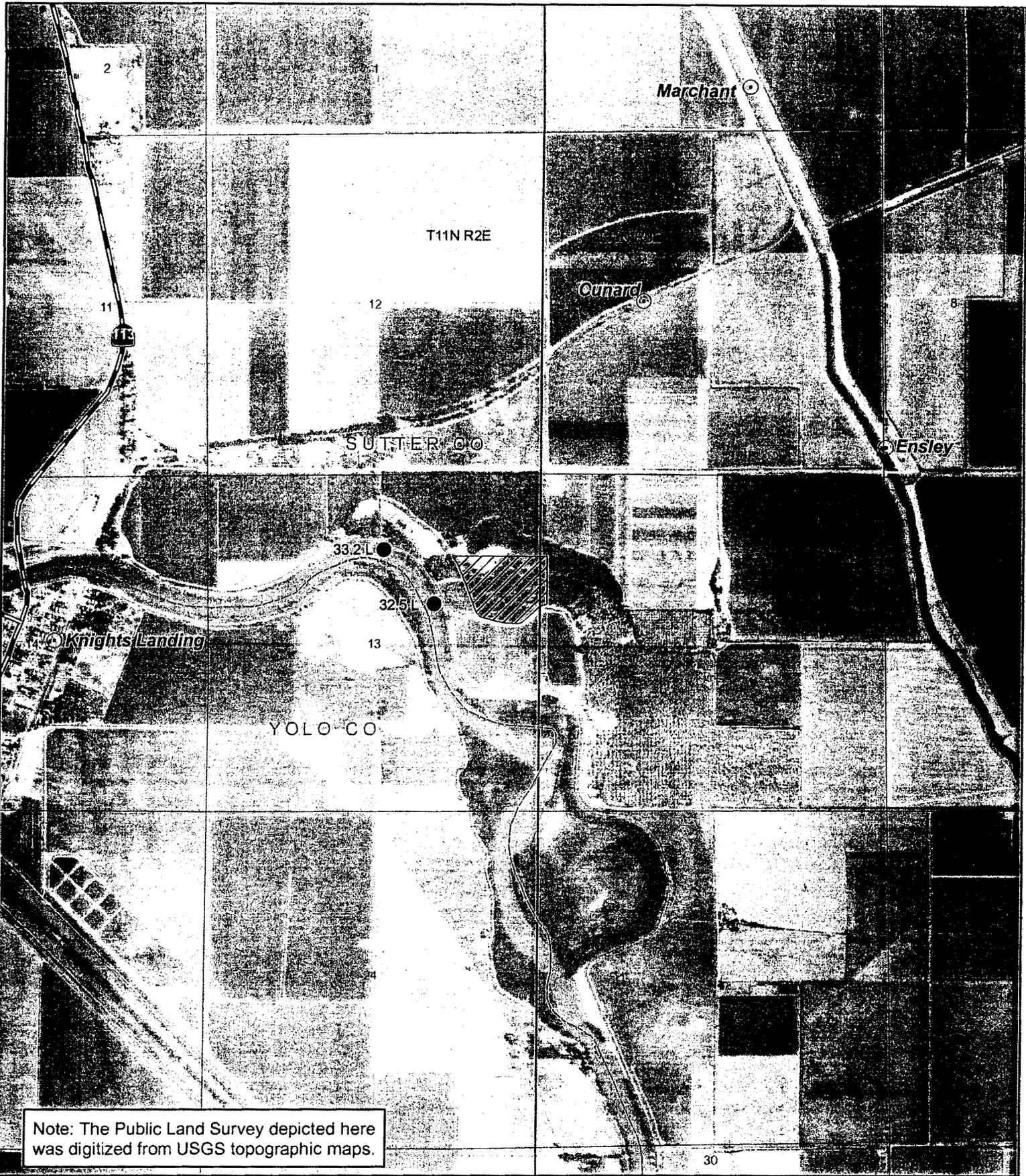
THE EMILE and SIMONE FURLAN FAMILY TRUST
Sacramento RiverSCHEDULE OF MONTHLY DIVERSIONS OF WATER

	Base Supply (AF)	Project Water (AF)	Contract Total (AF)
April	01	00	01
May	09	00	09
June	11	02	13
July	02	12	14
August	00	12	12
September	00	04	04
October	00	00	00
<i>Total</i>	23	30	53

Irrigable Acres: 24

Points of Diversion: 32.5L

Dated: 03-15-2006

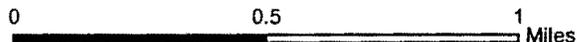


Note: The Public Land Survey depicted here was digitized from USGS topographic maps.

The Emile and Simone Furlan Family Trust

Contract No. 14-06-200-1175A-R-1
Exhibit B

-  Contractor's Service Area
-  Point of Diversion



725-202-53

Exhibit C

Omitted

Exhibit D

THE EMILE and SIMONE FURLAN FAMILY TRUST
Sacramento River

2006 Water Rates and Charges per Irrigated Acre

	Irrigation
Cost of Service Rate	\$33.94
Full Cost Rates	
<i>Section 202(3) Rate</i>	<i>\$43.17</i>
Applicable to a Qualified Recipient or to a Limited Recipient receiving irrigation water on or before October 1, 1981	
<i>Section 205(a)(3) Rate</i>	<i>\$47.49</i>
Applicable to a Limited Recipient who did not receive irrigation water on or before October 1, 1981.	
Charges Under P.L. 102-575 To The Restoration Fund¹	\$14.79
Restoration Payments (3407(d)(2)(A))	

¹ Restoration fund charges are payments in addition to the water rates and were determined pursuant to Title XXXIV of Public Law 102-575. Restoration fund charges are on a fiscal year basis (10/1 - 9/30).