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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 DEPARTMENT OF WATER RESOURCES  
11 OF THE STATE OF CALIFORNIA,  
12 AND  
13 COUNTY OF FRESNO  
14 PROVIDING FOR PROJECT WATER SERVICE

15 THIS CONTRACT, made this 8<sup>th</sup> day of June, 2006, 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, DEPARTMENT OF WATER RESOURCES OF THE STATE OF  
23 CALIFORNIA, hereinafter referred to as DWR, and COUNTY OF FRESNO, hereinafter referred to  
24 as the Contractor, a public agency of the State of California, duly organized, existing, and acting  
25 pursuant to the laws thereof;

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. 14-06-200-8292A-IR5, hereinafter referred to as the Interim Renewal Contract, which provided for the continued water service to the Contractor following expiration of Contract No. 14-06-200-8292A; 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. 14-06-200-8292A-IR9, hereinafter referred to as the Existing Interim Renewal Contract, from March 1, 2005, through February 28, 2006; 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, but anticipate that the environmental documentation necessary for execution of any long-term renewal contract will be delayed until March 2007 and may be delayed further for reasons beyond the control of the parties; and

WHEREAS, 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;

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

51                   INCORPORATION AND REVISION OF EXISTING INTERIM RENEWAL CONTRACT

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

55                   (a)       The first sentence in Subdivision (a) of Article 1 of the Existing Interim  
56 Renewal Contract is modified as follows: “This interim renewal contract shall be effective from  
57 March 1, 2006, and shall remain in effect through February 28, 2007, and thereafter will be renewed  
58 as described in Subdivision (a) of Article 2 of the Interim Renewal Contract if a long-term renewal  
59 contract has not been executed with an effective commencement date of March 1, 2007.”

60                   (b)       Subdivision (b) of Article 1 of the Existing Interim Renewal Contract is  
61 amended by deleting the date “February 15, 2006,” and replacing same with the date  
62 “February 15, 2007.”

63                   (c)       Subdivision (c) of Article 1 of the Existing Interim Renewal Contract is  
64 amended by deleting the dates “February 1, 2006,” “February 15, 2006,” and “February 28, 2006,”  
65 and replacing same with the dates “February 1, 2007,” “February 15, 2007,” and “February 28,  
66 2007,” respectively.

67 IN WITNESS WHEREOF, the parties hereto have executed this Contract as of the  
68 day and year first above written.

69 UNITED STATES OF AMERICA

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

By: *John F. Davis*  
Regional Director, Mid-Pacific Region  
Bureau of Reclamation

73 Approved as to Legal Form and  
74 Sufficiency:

DEPARTMENT OF WATER RESOURCES  
OF THE STATE OF CALIFORNIA

75 *Donna Sander*  
76 Chief Counsel (Acting)  
77 Department of Water Resources

By: *John S. ...*  
Director  
Department of Water Resources

78 (SEAL)

COUNTY OF FRESNO



By: *Paul ...*  
Chairman, Board of Supervisors

FEB 28 2006

81 Attest:

82 *Sherril ... Deputy*  
83 Clerk, Board of Supervisors  
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By: *Alon W. ...*  
Director, Planning and Resources  
Management Department

85 Approved as to Accounting Form:

Approved as to Legal Form:

86 *J. ...*  
87 Auditor-Controller/Treasurer/  
88 Tax Collector

By: *Susan F. Coberly, Deputy*  
County Counsel

89 BUDGET UNIT NO. 4360 / 0300  
Fund 0001  
Subclass 10000

ACCOUNT NO. 7010

90 (H:\PUB440\Interim Renewal Contracts - Drafts, charts, etc.\2006-2007 IRC's\CVC Revised 12-14-  
91 05\CVC-Cty of Fresno 12 mo-(3-1-06 - 2-28-07) Revised 12-14-05.doc



# Agenda Item 57

DATE: February 28, 2006  
 TO: Board of Supervisors  
 FROM: Alan Weaver, Director *Alan Weaver*  
 Department of Public Works and Planning  
 SUBJECT: INTERIM RENEWAL OF COUNTY CROSS VALLEY CANAL WATER CONTRACT

**RECOMMENDED ACTION:**

**Approve and authorize Chairman to sign Cross Valley Canal (CVC) Interim Renewal Contract.**

This action involves renewing, on an interim basis, the County's agreement with the Bureau of Reclamation, for 3,000 acre-feet of Central Valley Project (CVP) water. The interim agreement provides for continued service and supply until a long term agreement has been completed and executed. This Agreement was received by County staff on February 2, 2006 and must be renewed prior to March 1, 2006

**FISCAL IMPACT:**

All direct costs associated with the CVC Water Exchange Program are passed on to and recovered from the County CVC Water Reservation and allocation holders. The costs for administering the Cross Valley Canal Program are budgeted in the Public Works Org 4360/0300 and represent a general fund cost of approximately \$40,000 annually. However, as staff works toward a long-term (25 year) agreement with the U.S. Bureau of Reclamation, and concurrent with Board approval of that agreement, staff will present new contracts with water reservation-holders that will fully recover administrative costs. County costs for program administration are not fully recovered at this time.

**REGIONAL JOBS INITIATIVE IMPACT:**

This action will not impact the Regional Jobs Initiative.

ADMINISTRATIVE OFFICE REVIEW *[Signature]* Page 1 of 2  
 BOARD ACTION: DATE February 28, 2006 APPROVED AS RECOMMENDED  OTHER



Official Action of  
Board of Supervisors  
Deputy

UNANIMOUS  ANDERSON \_\_\_\_\_ CASE \_\_\_\_\_ LARSON \_\_\_\_\_ PEREA \_\_\_\_\_ WATERSTON \_\_\_\_\_

**DISCUSSION:**

In 1992, Congress passed the Central Valley Project Improvement Act (34 U.S.C.A., s3504, Public Law 102-575, hereinafter referred to as CVPIA) which addresses, among other things, renewal of the Central Valley Project water contracts. Long-term renewal of CVP Water Contracts is pending the resolution of the environmental review process. However, CVPIA provides for interim contracts on a shot-term basis.

On December 12, 1995, your Board approved an Amendatory Interim Renewal Contract, extending the original County contract to February 29, 1996. Since that time, your Board has approved several Interim Contract Renewals, the last being on February 1, 2005, which extends the Interim Contract Renewal contract period until February 28, 2006.

Concurrent with the Interim Contract Renewal period, the long-term (25-year) contract is being negotiated with the Bureau of Reclamation. The Interim Contract Renewal is not significantly different from Interim Contract Renewals previously approved by your Board. Staff anticipates bringing the long-term 25 year agreement to your Board for approval pending completion of the environmental process, and release by the Bureau.

The Interim Agreement is being approved to provide staff with adequate time to respond to the public concerns of the long-term renewal. County Counsel has reviewed and approved the Interim Renewal Agreement. Should your Board not approve the Interim Contract Renewal, the County's CVC Water Contract will expire on March 1, 2006.