

# Draft Procedures and Forms to Be Used in Administering the Sacramento River Settlement Contracts

(NCAO DRAFT 10-31-02)

## Standard Form Contractors

1. Before April 1, the Contractor is required to submit a written schedule to the Contracting Officer indicating the quantity of Base Supply and Project Water to be diverted by the Contractor during each month. (See Addendum A, Water Schedule) [Article 3(c)]

If the schedule varies from the monthly water quantities in Exhibit A of the contract, the Contracting Officer will verify that the scheduled quantities for the contract period (April through October) and the critical period (July through August for Anderson-Cottonwood ID and Glenn-Colusa ID; July through September for all others) do not exceed the maximum quantities in Exhibit A.

[Article 3(c)(2)(i) and (ii)]

2. On April 1 of each Year and concurrently with its water schedule for the irrigation season, the Contractor is required to provide information to the Contracting Officer necessary to calculate the water requirement on Eligible Land. Form LS-924, Summary of Water Requirements for Crops Grown on Eligible Land is to be used for that purpose. (See Addendum B, LS-924)

The Contracting Officer will compare the monthly water requirements for Eligible Land shown in Column 7 of Form LS-924 with the monthly quantities of Project Water on Exhibit A or scheduled revision. If in any month the Project Water scheduled exceeds the water requirement for Eligible Land, the Contractor is to be informed in writing to install equipment to measure the water diversions to Ineligible Land in accordance with the mingling provision of the contract.

[Article 18(c)]

3. Prior to May 1, the Contracting Officer will send a bill to each contractor for 1/2 the total amount payable. (See Addendum C, Example of 1<sup>st</sup> half-payment) [Article 8(c)(1)]

4. Prior to July 1, the Contracting Officer will send a bill to each contractor for the remaining amount payable. (See Addendum D, Example of 2<sup>nd</sup> half-payment)

[Article 8(c)(1)]

5. If at any time during the Year, the amount of Project Water diverted equals the amount for which payment has been made, the Contractor shall pay for the remaining amount of such water as shown in Exhibit A in advance of further Project Water diversions. [Article 8(c)(1)]

## Draft Procedures and Forms to Be Used in Administering the Sacramento River Settlement Contracts (page 2)

(NCAO DRAFT 10-31-02)

6. The allocation of actual water diversions between Base Supply and Project Water shall be based on the following procedures (See Addendum E, Example of Fiscal Accounting of Monthly Diversions with Base Supply Rescheduling):

(a) All diversions will be accounted for on a monthly basis.

(b) The Contracting Officer will accomplish measurement of water diversions on the first day of each month.

(c) Water diversions will be allocated first to the Base Supply quantity and then to the Project Water quantity available for that month as specified in Exhibit A of the contract.

(i) An exception to this methodology will be made if the quantity of Project Water diverted exceeds the water requirement for Eligible Land and there is sufficient Base Supply to cover the quantity of the diversion above the Eligible Land requirement.

(ii) If there is not sufficient Base Supply available, the Contracting Officer must make up the difference with Project Water. The Contractor shall pay Reclamation the applicable Full-Cost Rate and Charge, unadjusted for ability to pay, for each acre-foot of Project Water diverted to Ineligible Land.

(d) The Contracting Officer will provide a statement of water diversions to the Contractor no later than the 10<sup>th</sup> of the month following the month in which the water is diverted.

(e) The Contractor will advise the Contracting Officer, in writing, no later than the 15<sup>th</sup> of the month following the month in which the water is diverted, of the source of water diverted in excess of the Base Supply and Project Water quantities available for that month.

(f) The Contractor will remit payment to the Contracting Officer for the rescheduling fee required by Article 3(c)(1) before the end of the month following the month into which Base Supply is rescheduled from another month. No rescheduling fee applies to Project Water moved into a month from another month.

(g) The Contractor will remit payment to the Contracting Officer for Restoration Fund Charges required by Article 3(c)(2) before the end of the month following the month of delivery or transfer of Project Water.

## Draft Procedures and Forms to Be Used in Administering the Sacramento River Settlement Contracts (page 3)

(NCAO DRAFT 10-31-02)

(h) In addition to Base Supply and Project Water, any other water to be diverted must be identified in the schedule to be submitted by the Contractor to the Contracting Officer prior to diversion of that other water. [Article 3(b)]