

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

CONTRACT BETWEEN THE UNITED STATES AND  

---

DIVERTER OF WATER FROM SACRAMENTO RIVER SOURCES PROVIDING  
FOR PROJECT WATER SERVICE AND AGREEMENT ON DIVERSION OF  
WATER

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THIS CONTRACT, made this \_\_\_\_ day of \_\_\_\_\_, 2002,  
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. 1262), 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, between THE UNITED STATES OF AMERICA, hereinafter  
referred to as the United States, and \_\_\_\_\_, hereinafter referred to  
as the Contractor, a public agency of the State of California, duly organized, existing, and  
acting pursuant to the laws thereof, with its principal place of business in California;  
*(may change depending on contracting entity)*

WITNESSETH, That:

1 EXPLANATORY RECITALS

2 [1st] WHEREAS, the United States has constructed and is operating the Central  
3 Valley Project, California, for diversion, storage, carriage, distribution and beneficial use,  
4 for flood control, irrigation, municipal, domestic, industrial, fish and wildlife mitigation,  
5 protection and restoration, generation and distribution of electric energy, salinity control,  
6 navigation and other beneficial uses, of waters of the Sacramento River, the American  
7 River, the Trinity River, and the San Joaquin River and their tributaries; and

8 [2<sup>nd</sup>] WHEREAS, the Contractor ~~asserts that it~~ has rights to divert, is diverting,  
9 and will continue to divert for reasonable beneficial use, water from the natural flow of  
10 the Sacramento River and tributaries thereto, that would have been flowing therein if the  
11 Central Valley Project were not in existence; and [Contractor Specific – “Other” Rights]

12 [3<sup>rd</sup>] WHEREAS, the construction and operation of the integrated and  
13 coordinated Central Valley Project has changed and will further change the regimen of  
14 the Sacramento, American, San Joaquin, and Trinity Rivers and the Sacramento-San  
15 Joaquin Delta from unregulated flow to regulated flow; and

16 [4<sup>th</sup>] WHEREAS, the United States ~~asserts that it~~ has rights to divert, is diverting,  
17 and will continue to divert waters from said Rivers and said Delta in connection with the  
18 operation of said Central Valley Project, and

19 [5<sup>th</sup>] WHEREAS, the Contractor and the United States had a dispute over the  
20 respective rights of the parties to divert and use water from the regulated flow of the  
21 Sacramento River which threatened to result in litigation, and as a means to settle that  
22 dispute, entered into Contract No. \_\_\_\_\_, as amended, hereinafter referred to  
23 as the Existing Contract, which established terms for the delivery to the Contractor of

1 Central Valley Project Water, and the quantities of Base Supply the United States and the  
2 Contractor agreed may be diverted by the Contractor from the Sacramento River pursuant  
3 to such contract from \_\_\_\_\_ through March 31, 2004; and

4 [6<sup>th</sup>] WHEREAS, although the Contractor and the United States ~~has requested the~~  
5 ~~long-term renewal of the Existing Contract,~~ disagree with respect to the authority of the  
6 United States to change the quantities of Base Supply and/or Project water specified in  
7 this Contract from the quantities specified in the Existing Contract and that dispute is  
8 being litigated in a lawsuit entitled GCID v. United States of America, Civ. No. S-01-  
9 1816 GEB/JFM (E.D. CA), both the Contractor and the United States are willing to agree  
10 to the dismissal of that lawsuit without waiving or otherwise prejudicing their respective  
11 right to assert whatever arguments and defenses either of them believe is appropriate if  
12 that issue is subsequently litigated and enter into this Contract pursuant to the terms of  
13 the Existing Contract, Federal Reclamation law, and the laws of the State of California;  
14 ~~and the United States has determined that the Contractor has fulfilled all of its obligations~~  
15 ~~under~~; and

16 [7<sup>th</sup>] WHEREAS, to assure the Contractor of the enjoyment and use of the  
17 regulated flow of the said Rivers and the Delta, and to provide for the economical  
18 operation of the Central Valley Project by, and the reimbursement to, the United States  
19 for expenditures made for said Project;

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

1 DEFINITIONS

2 1. When used herein, unless otherwise expressed or incompatible with the intent  
3 hereof, the term:

4 (a) "Base Supply" shall mean the quantity of water established in Articles 3  
5 and 5 which ~~the United States agrees~~ may be diverted by the Contractor from the  
6 Sacramento River each month during the period April through October of each Year  
7 without payment to the United States for such quantities diverted;

8 (b) "Charges" shall mean the payments for Project Water which the  
9 Contractor is required by Federal Reclamation law to pay to the United States in addition  
10 to the Rates specified in this Contract as determined annually by the Contracting Officer  
11 pursuant to this Contract. The type and amount of each Charge shall be specified in  
12 Exhibit D;

13 (c) "Contract Total" shall mean the sum of the Base Supply and Project  
14 Water available for diversion by the Contractor for the period April 1 through October  
15 31;

16 (d) "Critical Year" shall mean any Year in which either of the following  
17 eventualities exists:

18 (1) The forecasted full natural inflow to Shasta Lake for the current Water  
19 Year, as such forecast is made by the United States on or before February 15 and  
20 reviewed as frequently thereafter as conditions and information warrant, is equal to or  
21 less than ~~three~~ 3.2 million ~~two hundred thousand (3,200,000)~~ acre-feet; or

22 (2) The total accumulated actual deficiencies below ~~four~~ 4 million  
23 ~~(4,000,000)~~ acre-feet in the immediately prior Water Year or series of successive prior

1 Water Years each of which had inflows of less than ~~four~~ 4 million (4,000,000) acre-feet,  
2 together with the forecasted deficiency for the current Water Year, exceed ~~eight hundred~~  
3 ~~thousand~~ (800,000) acre-feet. For the purpose of determining a Critical Year the  
4 computed inflow to Shasta Lake under present upstream development above Shasta Lake  
5 shall be used as the full natural inflow to Shasta Lake. In the event that major  
6 construction occurs above Shasta Lake after ~~April 1, 2004~~ September 1, 1963, which  
7 materially alters the present regimen of the stream systems contributing to Shasta Lake,  
8 the computed inflow to Shasta Lake used to define a Critical Year will, be adjusted to  
9 eliminate the effect of such material alterations. After consultation with the State of  
10 California, the National Weather Service, and other recognized forecasting agencies, the  
11 Contracting Officer will select the forecast to be used and will make the details of it  
12 available to the Contractor. The same forecasts used by the United States for the  
13 operation of the Project shall be used to make the forecasts hereunder;

14 (e) "CVPIA" shall mean the Central Valley Project Improvement Act, Title  
15 XXXIV of the Act of October 30, 1992 (106 Stat. 4706);

16 (f) "Eligible Lands" shall mean all lands to which Project Water may be  
17 delivered in accordance with Section 204 of the Reclamation Reform Act of October 12,  
18 1982 (96 Stat. 1263), as amended, hereinafter referred to as RRA;

19 (g) "Excess Lands" shall mean all lands in excess of the limitations contained  
20 in Section 204 of the RRA, other than those lands exempt from acreage limitation under  
21 Federal Reclamation law;

22 (h) "Full Cost Rate" shall mean that water rate described in Sections  
23 205(a)(3) or 202(3) of the RRA, whichever is applicable;

1 (i) "Ineligible Lands" shall mean all lands to which Project Water may not be  
2 delivered in accordance with Section 204 of the RRA;

3 (j) "Landholder" shall mean a party that directly or indirectly owns or leases  
4 nonexempt land, as provided in 43 CFR 426.2;

5 (k) "Project" shall mean the Central Valley Project owned by the United  
6 States and managed by the Department of the Interior, Bureau of Reclamation;

7 (l) "Project Water" shall mean all water diverted or scheduled to be diverted  
8 each month during the period April through October of each Year by the Contractor from  
9 the Sacramento River which is in excess of the Base Supply. The United States  
10 recognizes the right of the Contractor to make arrangements for acquisition of water from  
11 projects of others than the United States for delivery through the Sacramento River and  
12 tributaries subject to written agreement between Contractor and the United States as to  
13 identification of such water which water when so identified shall not be deemed Project  
14 Water under this eContract;

15 (m) "Rates" shall mean the payments for Project Water determined annually  
16 by the Contracting Officer in accordance with the then current applicable water  
17 ratesetting policies for the Project, as described in subdivision (a) of Article 8 of this  
18 Contract;

19 (n) "Secretary" or "Contracting Officer" shall mean the Secretary of the  
20 Interior, a duly appointed successor, or an authorized representative acting pursuant to  
21 any authority of the Secretary and through any agency of the Department of the Interior;

22 (o) "Water Year" shall mean the period commencing with October 1 of one  
23 year and extending through September 30 of the next; and

1 (p) "Year" shall mean a calendar year.

2 TERM OF CONTRACT

3 2. (a) This contract shall become effective April 1, 2004, and shall remain in  
4 effect until and including March 31, 2044: Provided, ~~F~~that under terms and conditions  
5 mutually agreeable to the parties hereto, renewals may be made for successive periods  
6 not to exceed ~~forty (40)~~ years each. The terms and conditions of each renewal shall be  
7 agreed upon not later than one ~~(1)~~ year prior to the expiration of the then existing  
8 contract.

9 (b) Provided further, ~~That u~~Upon written request by the Contractor of the  
10 Secretary made not later than one ~~(1)~~ year prior to the expiration of this contract,  
11 whenever, account being taken of the amount then credited to the costs of construction of  
12 water supply works, the remaining amount of construction costs of water supply work  
13 which is properly assignable for ultimate return by the Contractor as established by the  
14 Secretary of the Interior pursuant to (3) of Section 1 of Public Law 643 (70 Stat. 483),  
15 probably can be repaid to the United States within the term of a contract under subsection  
16 (d), Section 9 of the 1939 Reclamation Project Act (53 Stat. 1187), then this contract may  
17 be converted to a contract under said subsection (d) upon terms and conditions mutually  
18 agreeable to the United States and the Contractor. The Secretary shall make a  
19 determination 10 years after the date of execution of this Contract, and every five years  
20 thereafter, of whether a conversion to a contract under said subsection (d) can be  
21 accomplished pursuant to Public Law 643.

22 Notwithstanding any provision of this contract, the Contractor reserves and  
23 shall have all rights and benefits under Public Law 643.



1 That in no event shall the total quantity scheduled for diversion or diverted by the  
2 Contractor from the Sacramento River:

3 (1) During the period April through October exceed the aggregate of the  
4 Contract Total for those months shown in Exhibit A or any revision thereof;

5 (2) During the period July through September exceed the aggregate of the  
6 Contract Total for those months shown in Exhibit A or any revision thereof; and

7 Provided, further, That with the prior written approval of the Contracting Officer, water  
8 to be diverted in April, May, or June may be diverted in September or October, or vice  
9 versa. The Contractor shall be charged a fee, based upon the appropriate components of  
10 the water ratesetting policy for the Project, for the Base Supply scheduled for diversion in  
11 April, May, or June that is diverted in September or October, or vice versa.

12 (e d) In the event conditions warrant, the Contracting Officer reserves the  
13 right to require the Contractor to submit, at least ~~seventy-two (72)~~ hours prior to the  
14 beginning of each weekly period, its estimate of daily diversion requirements for each  
15 such period from the Sacramento River: Provided, however, That changes during any  
16 such period may be made upon the giving of ~~seventy-two (72)~~ hours' notice thereof to the  
17 Contracting Officer.

18 (d e) No sale, transfer, exchange, or other disposal of any water (such as  
19 forbearance of diversions) or the right to the use thereof for use on land other than that  
20 shown on Exhibit B shall be made by the Contractor without:

21 (1) First obtaining the written consent of the Contracting Officer; and

1 (2) Compliance with all applicable State and Federal laws, including but  
2 not limited to the National Environmental Policy Act and the Endangered Species Act,  
3 and applicable guidelines or regulations then in effect.

4 (e f) Nothing herein contained shall prevent the Contractor from diverting  
5 water during the months of November through March for beneficial use on the land  
6 shown on Exhibit B to the extent authorized under the laws of the State of California.

7 (f g) The United States assumes no responsibility for and neither it nor its  
8 officers, agents, or employees shall have any liability for or on account of:

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

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

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

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

20 RETURN FLOW

21 4. The United States reserves the right to the use of all waste, seepage, and return  
22 flow water derived from water diverted by the Contractor hereunder and which escapes  
23 or is discharged beyond the boundaries of the lands shown on Exhibit B. Nothing herein

1 shall be construed as an abandonment or a relinquishment by the United States of the  
2 right to the use of any such water; Provided, ~~T~~hat this shall not be construed as claiming  
3 for the United States any right to such water which is recovered by the Contractor  
4 pursuant to California law from within the boundaries of the lands shown on Exhibit B,  
5 and which is being used pursuant to this eContract for surface irrigation or underground  
6 storage on the lands shown on Exhibit B by the Contractor. (*Colusa Basin Drain*  
7 *language may be required*)

8 CONSTRAINTS ON THE AVAILABILITY OF WATER

9 5. (a) In any Water Year that (1) the forecasted full natural inflow to Shasta Lake  
10 for the current Water Year, as such forecast is made by the United States on or before  
11 February 15 and reviewed as frequently thereafter as conditions and information warrant,  
12 is equal to or less than ~~three~~ 3.8 million ~~eight hundred thousand~~ ~~(3,800,000)~~ acre-feet; or

13 (2) If the total accumulated actual deficiencies in the full natural inflow to Shasta  
14 Lake in the immediately prior Water Year or series of successive prior Water Years, each  
15 of which had inflows of less than ~~four~~ 4 million ~~(4,000,000)~~ acre-feet, together with the  
16 forecasted deficiency for the current Water Year, are between 200,000 acre-feet and  
17 800,000 acre-feet, then the following reductions in the Contractor's monthly Contract

18 Total shall be imposed:

<u>Deficiency (acre-feet)</u>	<u>Reduction</u>
200,000 – 400,000	10 percent
400,001 – 600,000	15 percent
600,001 – 800,000	20 percent

24 (b) In a Critical Year, the Contractor's Base Supply and Project Water agreed  
25 to be diverted during the period April through October of the Year in which the principal

1 portion of the Critical Year occurs and, each monthly quantity of said period shall be  
2 reduced by twenty-five percent (~~25%~~).

3 (c) The amount of any overpayment by the Contractor shall, at its option, be  
4 refunded or credited upon amounts to become due to the United States from the  
5 Contractor under the provisions hereof in the ensuing Year. To the extent of such  
6 deficiency such adjustment of overpayment shall constitute the sole remedy of the  
7 Contractor.

### 8 INTEGRATED WATER MANAGEMENT AND PARTNERSHIPS

9 6. The Contractor and United States desire to work together to maximize the  
10 reasonable beneficial use of water to their mutual benefit. As a consequence, the United  
11 States will work in partnership with the Contractor and others within the Sacramento  
12 Valley to facilitate the better integration within the Sacramento Valley of all water  
13 supplies including, but not limited to, the better management and integration of surface  
14 water and groundwater, the development and better utilization of surface water storage,  
15 the effective utilization of waste, seepage and return flow water, and other operational  
16 and management options that may be identified in the future.

### 17 USE OF WATER FURNISHED TO CONTRACTOR

18 ~~67.~~ (a) Project Water furnished to the Contractor pursuant to this eContract shall  
19 not be delivered or furnished by the Contractor for any purposes other than agricultural  
20 purposes without the written consent of the Contracting Officer. ~~, including,~~ For  
21 purposes of this Contract, “agricultural purposes” includes, but is not restricted to, the  
22 watering of livestock, incidental domestic use including related landscape irrigation, or  
23 underground water replenishment ~~without written consent of the Contracting Officer.~~

1 (b) The Contractor shall comply with requirements applicable to the  
2 Contractor in biological opinion(s) prepared as a result of a consultation regarding the  
3 execution of this Contract undertaken pursuant to Section 7 of the Endangered Species  
4 Act of 1973, as amended, that are within the Contractor's legal authority to implement.  
5 The Contractor shall comply with the limitations or requirements imposed by  
6 environmental documentation applicable to the Contractor and within its legal authority  
7 to implement ~~regarding specific activities, including conversion of Irrigation Water to~~  
8 ~~M&I Water~~. Nothing herein shall be construed to prevent the Contractor from  
9 challenging or seeking judicial relief in a court of competent jurisdiction with respect to  
10 any biological opinion or other environmental documentation referred to in this Article.

11 RATE AND METHOD OF PAYMENT FOR WATER

12 78. (a) The Contractor shall make payments to the United States as provided in  
13 this Article for all Project Water shown in Exhibit A of this eContract at Rates and  
14 Charges established in accordance with: (i) the Secretary's then-current ratesetting  
15 policies for the Project; and (ii) applicable Reclamation law and associated rules and  
16 regulations, or policies: Provided, ~~F~~that if the Contractor desires to use Project Water for  
17 other than agricultural use the Rates and Charges set forth above will be adjusted by the  
18 Contracting Officer to the applicable Rates and Charges for such use. The Rates and  
19 Charges applicable to the Contractor upon execution of this Contract are set forth in  
20 Exhibit "D", as may be revised annually. The Secretary's ratesetting policies for the  
21 Project shall be amended, modified, or superseded only through a public notice and  
22 comment procedure.

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

3 (1) Prior to July 1 of each Year, the Contracting Officer shall provide the  
4 Contractor an estimate of the Charges for Project Water that will be applied to the period  
5 October 1, of the current Year, through September 30, of the following Year, and the  
6 basis for such estimate. The Contractor shall be allowed not less than two (~~2~~) months to  
7 review and comment on such estimates. On or before September 15 of each Year, the  
8 Contracting Officer shall notify the Contractor in writing of the Charges to be in effect  
9 during the period October 1 of the current Year, through September 30, of the following  
10 Year, and such notification shall revise Exhibit "D."

11 (2) Prior to October 1 of each Year, the Contracting Officer shall make  
12 available to the Contractor an estimate of the Rates for Project Water for the following  
13 Year and the computations and cost allocations upon which those Rates are based. The  
14 Contractor shall be allowed not less than two (~~2~~) months to review and comment on such  
15 computations and cost allocations. By December 31 of each Year, the Contracting  
16 Officer shall provide the Contractor with the final Rates to be in effect for the upcoming  
17 Year, and such notification shall revise Exhibit "D".

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

20 (1) With respect to Rates, prior to May 1 of each Year, the Contractor  
21 shall pay the United States one-half (~~1/2~~) the total amount payable pursuant to  
22 subdivision (a) of this Article and the remainder shall be paid prior to July 1 or such later  
23 date or dates as may be specified by the United States in a written notice to the

1 Contractor: Provided, however, That if at any time during the Year the amount of Project  
2 Water diverted by the Contractor shall equal the amount for which payment has been  
3 made, the Contractor shall pay for the remaining amount of such water as shown in  
4 Exhibit A in advance of any further diversion of Project Water.

5 (2) With respect to Charges, the Contractor shall also make a payment to  
6 the United States, in addition to the Rate(s) in subdivision (c)(1) of this Article, at the  
7 Charges then in effect, before the end of the month following the month of delivery or  
8 transfer. The payments shall be consistent with the quantities of Project Water delivered  
9 or transferred. Adjustment for overpayment or underpayment of Charges shall be made  
10 through the adjustment of payments due to the United States for Charges for the next  
11 month. Any amount to be paid for past due payment of Charges shall be computed  
12 pursuant to Article ~~12~~ 13 of this Contract.

13 (d) Payments to be made by the Contractor to the United States under this  
14 Contract may be paid from any revenues available to the Contractor.

15 (d1) (*Contractor Specific*) All revenues received by the United States from  
16 the Contractor relating to the delivery of Project Water or the delivery of non-Project  
17 water through Project facilities shall be allocated and applied in accordance with Federal  
18 Reclamation law and the associated rules or regulations, and the then current Project  
19 ratesetting policies for Irrigation Water.

20 (e) The Contracting Officer shall keep its accounts pertaining to the  
21 administration of the financial terms and conditions of its long-term water service and  
22 settlement contracts, in accordance with applicable Federal standards, so as to reflect the  
23 application of Project costs and revenues. The Contracting Officer shall, each Year upon

1 request of the Contractor, provide to the Contractor a detailed accounting of all Project  
2 and Contractor expense allocations, the disposition of all Project and Contractor  
3 revenues, and a summary of all water delivery information. The Contracting Officer and  
4 the Contractor shall enter into good faith negotiations to resolve any discrepancies or  
5 disputes relating to accountings, reports, or information.

6 (f) The parties acknowledge and agree that the efficient administration of this  
7 Contract is their mutual goal. Recognizing that experience has demonstrated that  
8 mechanisms, policies, and procedures used for establishing Rates and Charges and/or for  
9 making and allocating payments, other than those set forth in this Article may be in the  
10 mutual best interest of the parties, it is expressly agreed that the parties may enter into  
11 agreements to modify the mechanisms, policies, and procedures for any of those purposes  
12 while this Contract is in effect without amendment of this Contract.

13 (g) For the term of this eContract, Rates under the respective ratesetting  
14 policies for the Project will be established to recover only reimbursable operation and  
15 maintenance (including any deficits) and capital costs of the Project, as those terms are  
16 used in the then-current Project ratesetting policies, and interest, where appropriate,  
17 except in instances where a minimum Rate is applicable in accordance with the relevant  
18 Project ratesetting policy. Proposed changes of significance in practices which  
19 implement the ratesetting policies for the Project will not be implemented until the  
20 Contracting Officer has provided the Contractor an opportunity to discuss the nature,  
21 need, and impact of the proposed change.

22 (h) Except as provided in subsections 3405(a)(1)(B) and ~~3405(f)~~  
23 3407(d)(2)(a) of the CVPIA, the Rates for Project Water transferred, exchanged, or

1 otherwise disposed of, by the Contractor shall be the Contractor's Rates adjusted upward  
2 or downward to reflect the changed costs of delivery (if any) of the transferred,  
3 exchanged, or otherwise disposed of Project Water to the transferee's point of delivery in  
4 accordance with the then-current ratesetting policies for the Project. If the Contractor is  
5 receiving lower Rates and Charges because of inability to pay and is transferring,  
6 exchanging, or otherwise disposing of Project Water to another entity whose Rates and  
7 Charges are not adjusted due to inability to pay, the Rates and Charges for transferred,  
8 exchanged, or otherwise disposed of Project Water shall be the Contractor's Rates and  
9 Charges unadjusted for ability to pay.

10 (i) Pursuant to the Act of October 27, 1986 (100 Stat. 3050), the Contracting  
11 Officer is authorized to adjust determinations of ability to pay every five ~~(5)~~ years.

12 (j) Each payment to be made pursuant to subdivisions (a) and (b) of this  
13 Article shall be made at the office of the Bureau of Reclamation, Mid-Pacific Region,  
14 File No. 11546, P.O Box 6000, San Francisco, California, 94160-1546, or at such other  
15 place as the United States may designate in a written notice to the said Contractor.

16 Payments shall be made by cash transaction, wire, or any other mechanism as may be  
17 agreed to in writing by the Contractor and the Contracting Officer. In event there should  
18 be a default in the payment of the amount due, the delinquent payment provisions of  
19 Article ~~12~~ 13 shall apply. The Contractor shall not be relieved of the whole or any part of  
20 its said obligation by, on account of, or notwithstanding, as the case may be:

21 (1) Its failure, refusal, or neglect to divert the quantity of Project Water as  
22 hereinabove provided;

1 (2) The default in payment to it by any water user of assessments, tolls, or  
2 other charges levied by or owing to said Contractor;

3 (3) Any judicial determination that any assessment, toll, or other charge  
4 referred to in subsection 8(c)(2) of this Contract is irregular, void, or ineffectual; or

5 (4) Any injunctive process enjoining or restraining the Contractor from  
6 making or collecting any such assessment, toll, or other charge referred to in subsection  
7 8(c)(2) of this Contract.

8 AGREEMENT ON WATER QUANTITIES

9 §9. (a) During the term of this eContract and any renewals thereof:

10 (1) It shall constitute full agreement as between the United States and the  
11 Contractor as to the quantities of water and the allocation thereof between Base Supply  
12 and Project Water which may be diverted by the Contractor from the Sacramento River  
13 for beneficial use on the land shown on Exhibit B which said diversion, use, and  
14 allocation shall not be disturbed so long as the Contractor shall fulfill all of its obligations  
15 hereunder;

16 (2) Neither party shall ~~not~~ claim any right against the ~~United States~~ other  
17 party in conflict with the provisions ~~hereof~~ of this Article 9(a).

18 (b) Nothing herein contained is intended to or does limit rights of the  
19 Contractor against others than the United States or of the United States against any  
20 person other than the Contractor: Provided, however, That in the event the Contractor,  
21 the United States, or any other person shall become a party to a general adjudication of  
22 rights to the use of water of the Sacramento River system, this eContract shall not  
23 jeopardize the rights or position of either party hereto or of any other person and the

1 rights of all such persons in respect to the use of such water shall be determined in such  
2 proceedings the same as if this eContract had not been entered into, and if final judgment  
3 in any such general adjudication shall determine that the rights of the parties hereto are  
4 different from the rights as assumed herein, the United States shall submit it to the  
5 Contractor an amendment to give effect to such judgment and the eContract shall be  
6 deemed to have been amended accordingly unless within ~~sixty~~ (60) days after submission  
7 of such amendment to the Contractor, the Contractor elects to terminate the eContract or  
8 within the same period of time the parties agree upon mutually satisfactory amendments  
9 to give effect to such judgment: Provided, further, That if, during the term of this  
10 Contract, the Contractor's or the United States' water rights are adjusted or affected, or  
11 the responsibility to meet flow, water quality and/or environmental requirements under  
12 those water rights is modified (e.g., changes to the Delta Water Quality Control Plan and  
13 associated water right actions), by or through any final administrative or judicial  
14 proceeding, the Contractor and the United States shall negotiate appropriate adjustments  
15 to this eContract.

16 (c) In the event this eContract terminates, the rights of the parties to thereafter  
17 divert and use water shall exist as if this eContract had not been entered into; and the fact  
18 that as a compromise settlement of a controversy as to the respective rights of the parties  
19 to divert and use water and the yield of such rights during the term hereof, this eContract  
20 places a limit on the Contract Total to be diverted annually by the Contractor during the  
21 eContract term and segregates it into Base Supply and Project Water shall not jeopardize  
22 the rights or position of either party with respect to its water rights or the yield thereof at  
23 all times after the eContract terminates. It is further agreed that the Contractor at all

1 times will first use water to the use of which it is entitled by virtue of its own water  
2 rights, and neither the provisions of this eContract, action taken thereunder, nor payments  
3 made thereunder to the United States by the Contractor shall be construed as an  
4 admission that any part of the water used by the Contractor during the term of this  
5 eContract was in fact water to which it would not have been entitled under water rights  
6 owned by it nor shall receipt of payments thereunder by the United States from the  
7 Contractor be construed as an admission that any part of the water used by the Contractor  
8 during the term of this eContract was in fact water to which it would have been entitled  
9 under water rights owned by it.

#### 10 MEASUREMENT OF WATER

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

15 (b) All water diverted from the Sacramento River pursuant to this eContract  
16 will be measured or caused to be measured by the United States at each point of diversion  
17 with existing equipment or equipment to be installed, operated, and maintained by the  
18 United States, and/or others, under contract with and at the option of the United States.  
19 The equipment and methods used to make such measurement shall be in accordance with  
20 sound engineering practices. Upon request of the Contractor, the accuracy of such  
21 measurements will be investigated by the Contracting Officer and any errors appearing  
22 therein will be corrected.

1 (c) The right of ingress to and egress from all points of diversion is hereby  
2 granted to all authorized employees of the United States. The Contractor also hereby  
3 grants to the United States the right to install, operate, maintain and replace such  
4 equipment on diversion or carriage facilities at each point of diversion as the Contracting  
5 Officer deems necessary.

6 (d) The Contractor shall not modify, alter, remove, or replace diversion  
7 facilities or do any other act which would alter the effectiveness or accuracy of the  
8 measuring equipment installed by the United States or its representatives unless and until  
9 the Contracting Officer has been notified with due diligence and has been given an  
10 opportunity to modify such measuring equipment in such manner as may be necessary or  
11 appropriate. In the event of an emergency the Contractor shall notify the United States  
12 within a reasonable time thereafter as to the existence of the emergency and the nature  
13 and extent of such modification, alteration, removal, or replacement of diversion  
14 facilities.

15 (e) The Contractor shall pay the United States for the costs to repair, relocate,  
16 or replace measurement equipment when the Contractor modifies, alters, removes, or  
17 replaces diversion or carriage facilities.

18 (f) (*Contractor Specific*) By \_\_\_\_\_[DATE] \_\_\_\_\_, the  
19 Contractor shall ensure that, unless the Contractor establishes an alternative measurement  
20 program satisfactory to the Contracting Officer, all surface water delivered for irrigation  
21 purposes on the lands delineated on Exhibit B is measured at each agricultural turnout.  
22 The water measuring devices or water measuring methods of comparable effectiveness  
23 must be acceptable to the Contracting Officer. The Contractor shall be responsible for

1 installing, operating, and maintaining and repairing all such measuring devices and  
2 implementing all such water measuring methods at no cost to the United States. The  
3 Contractor shall inform the Contracting Officer in writing by April 30 of each Year of the  
4 monthly volume of surface water delivered to the lands delineated on Exhibit B during  
5 the previous Year. This information will be used by Reclamation to satisfy the water  
6 measurement requirements of the Contractor's water conservation plan, as set forth in  
7 Article ~~28~~ 29 of this Contract.

8 (g) All new surface water delivery systems installed within the lands  
9 delineated on Exhibit B after the effective date of this Contract shall also comply with the  
10 measurement provisions described in this Article.

#### 11 RULES AND REGULATIONS

12 ~~40~~11. The parties agree that the delivery of Project Water for irrigation use or use  
13 of Federal facilities pursuant to this Contract is subject to Federal Reclamation law,  
14 including but not limited to, the Reclamation Reform Act of 1982 (43 U.S.C.390aa et  
15 seq.), as amended and supplemented, and the rules and regulations promulgated by the  
16 Secretary of the Interior under Federal Reclamation law.

#### 17 GENERAL OBLIGATION--BENEFITS CONDITIONED UPON PAYMENT

18  
19 ~~41~~12. (a) The obligation of the Contractor to pay the United States as provided  
20 in this Contract is a general obligation of the Contractor notwithstanding the manner in  
21 which the obligation may be distributed among the Contractor's water users and  
22 notwithstanding the default of individual water users in their obligations to the  
23 Contractor.

24  
25 (b) The payment of charges becoming due hereunder is a condition precedent  
26 to receiving benefits under this Contract. The United States shall not make water  
27 available to the Contractor through Project facilities during any period in which the  
28 Contractor may be in arrears in the advance payment of water rates due the United States.  
29 The Contractor shall not furnish water made available pursuant to this Contract for lands

1 or parties which are in arrears in the advance payment of water rates levied or established  
2 by the Contractor.

3  
4 (c) With respect to subdivision (b) of this Article, the Contractor shall have  
5 no obligation to require advance payment for water rates which it levies.

6  
7 CHARGES FOR DELINQUENT PAYMENTS

8  
9 ~~12~~<sup>13</sup>. (a) The Contractor shall be subject to interest, administrative and penalty  
10 charges on delinquent installments or payments. When a payment is not received by the  
11 due date, the Contractor shall pay an interest charge for each day the payment is  
12 delinquent beyond the due date. When a payment becomes ~~sixty (60)~~ days delinquent,  
13 the Contractor shall pay an administrative charge to cover additional costs of billing and  
14 processing the delinquent payment. When a payment is delinquent ~~ninety (90)~~ days or  
15 more, the Contractor shall pay an additional penalty charge of six ~~(6%)~~ percent per year  
16 for each day the payment is delinquent beyond the due date. Further, the Contractor shall  
17 pay any fees incurred for debt collection services associated with a delinquent payment.

18  
19 (b) The interest charge rate shall be the greater of the rate prescribed quarterly  
20 in the Federal Register by the Department of the Treasury for application to overdue  
21 payments, or the interest rate of one-half of one ~~(0.5%)~~ percent per month prescribed by  
22 Section 6 of the Reclamation Project Act of 1939 (Public Law 76-260). The interest  
23 charge rate shall be determined as of the due date and remain fixed for the duration of the  
24 delinquent period.

25  
26 (c) When a partial payment on a delinquent account is received, the amount  
27 received shall be applied, first to the penalty, second to the administrative charges, third  
28 to the accrued interest, and finally to the overdue payment.

29  
30 QUALITY OF WATER

31 ~~13~~<sup>14</sup>. The operation and maintenance of Project facilities shall be performed in  
32 such manner as is practicable to maintain the quality of raw water made available through  
33 such facilities at the highest level reasonably attainable as determined by the Contracting  
34 Officer. The United States does not warrant the quality of water and is under no  
35 obligation to construct or furnish water treatment facilities to maintain or better the  
36 quality of water.

1 WATER AND AIR POLLUTION CONTROL

2 ~~14~~15. The Contractor, in carrying out this Contract, shall comply with all  
3 applicable water and air pollution laws and regulations of the United States and the State  
4 of California, and shall obtain all required permits or licenses from the appropriate  
5 Federal, State, or local authorities.

6 EQUAL OPPORTUNITY

7  
8 ~~15~~16. During the performance of this Contract, the Contractor agrees as follows:  
9

10 (a) The Contractor will not discriminate against any employee or applicant  
11 for employment because of race, color, religion, sex, or national origin. The Contractor  
12 will take affirmative action to ensure that applicants are employed, and that employees  
13 are treated during employment, without regard to their race, color, religion, sex, or  
14 national origin. Such action shall include, but not be limited to, the following:  
15 Employment, upgrading, demotion, or transfer; recruitment or recruitment advertising;  
16 layoff or termination, rates of payment or other forms of compensation; and selection for  
17 training, including apprenticeship. The Contractor agrees to post in conspicuous places,  
18 available to employees and applicants for employment, notices to be provided by the  
19 Contracting Officer setting forth the provisions of this nondiscrimination clause.  
20

21 (b) The Contractor will, in all solicitations or advertisements for employees  
22 placed by or on behalf of the Contractor, state that all qualified applicants will receive  
23 consideration for employment without discrimination because of race, color, religion,  
24 sex, or national origin.  
25

26 (c) The Contractor will send to each labor union or representative of workers  
27 with which it has a collective bargaining agreement or other contract or understanding, a  
28 notice, to be provided by the Contracting Officer, advising the said labor union or  
29 workers' representative of the Contractor's commitments under Section 202 of Executive  
30 Order 11246 of September 24, 1965, and shall post copies of the notice in conspicuous  
31 places available to employees and applicants for employment.  
32

33 (d) The Contractor will comply with all provisions of Executive Order No.  
34 11246 of September 24, 1965, as amended, and of the rules, regulations, and relevant  
35 orders of the Secretary of Labor.  
36

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

1  
2 (f) In the event of the Contractor's noncompliance with the nondiscrimination  
3 clauses of this Contract or with any of the said rules, regulations, or orders, this Contract  
4 may be canceled, terminated, or suspended, in whole or in part, and the Contractor may  
5 be declared ineligible for further Government contracts in accordance with procedures  
6 authorized in said amended Executive Order, and such other sanctions may be imposed  
7 and remedies invoked as provided in said Executive Order, or by rule, regulation, or  
8 order of the Secretary of Labor, or as otherwise provided by law.  
9

10 (g) The Contractor will include the provisions of paragraphs (a) through (g)  
11 in every subcontract or purchase order unless exempted by the rules, regulations, or  
12 orders of the Secretary of Labor issued pursuant to Section 204 of said amended  
13 Executive Order, so that such provisions will be binding upon each subcontractor or  
14 vendor. The Contractor will take such action with respect to any subcontract or purchase  
15 order as may be directed by the Secretary of Labor as a means of enforcing such  
16 provisions, including sanctions for noncompliance: Provided, however, ~~T~~that in the  
17 event the Contractor becomes involved in, or is threatened with, litigation with a  
18 subcontractor or vendor as a result of such direction, the Contractor may request the  
19 United States to enter into such litigation to protect the interests of the United States.  
20

21 COMPLIANCE WITH CIVIL RIGHTS LAWS AND REGULATIONS  
22 *(For Districts Only)*  
23

24 ~~16~~17. (a) The Contractor shall comply with Title VI of the Civil Rights Act of  
25 1964 (42 U.S.C. 2000d), Section 504 of the Rehabilitation Act of 1975 (P.L. 93-112, as  
26 amended), the Age Discrimination Act of 1975 (42 U.S.C. 6101, et seq.) and any other  
27 applicable civil rights laws, as well as with their respective implementing regulations and  
28 guidelines imposed by the U.S. Department of the Interior and/or Bureau of Reclamation.  
29

30 (b) These statutes require that no person in the United States shall, on the  
31 grounds of race, color, national origin, handicap, or age, be excluded from participation  
32 in, be denied the benefits of, or be otherwise subjected to discrimination under any  
33 program or activity receiving financial assistance from the Bureau of Reclamation. By  
34 executing this Contract, the Contractor agrees to immediately take any measures  
35 necessary to implement this obligation, including permitting officials of the United States  
36 to inspect premises, programs, and documents.  
37

38 (c) The Contractor makes this agreement in consideration of and for the  
39 purpose of obtaining any and all Federal grants, loans, contracts, property discounts, or  
40 other Federal financial assistance extended after the date hereof to the Contractor by the  
41 Bureau of Reclamation, including installment payments after such date on account of  
42 arrangements for Federal financial assistance which were approved before such date.  
43 The Contractor recognizes and agrees that such Federal assistance will be extended in  
44 reliance on the representations and agreements made in this Article, and that the United  
45 States reserves the right to seek judicial enforcement thereof.

1  
2 MINGLING OF CONTRACTOR'S PROJECT AND NON-PROJECT WATER

3 ~~17~~18. (a) Project Water must of necessity be transported by the Contractor to its  
4 water users by means of the same works and channels used for the transport of its non-  
5 Project Water including Base Supply. Notwithstanding such mingling of water, the  
6 provisions of Article 11 hereof shall be applicable only to Project Water, and such  
7 mingling of water shall not in any manner subject to the provisions of Article 11 hereof  
8 the Contractor's non-Project ~~w~~Water including Base Supply.

9 (b) If required in accordance with subdivision (c) of this Article, the  
10 Contractor shall install and maintain such measuring equipment and distribution facilities  
11 and maintain such records as may be necessary to determine the amounts of water  
12 delivered to Excess Lands served by the Contractor. The Contractor shall not within any  
13 month deliver to Ineligible Lands water in excess of the non-Project Water, including  
14 Base Supply, for that month. The Contracting Officer or authorized representative shall  
15 have the right at all reasonable times to inspect such records and measuring equipment.

16 (c) The Contractor will not be considered in violation of the requirement that  
17 Project Water be delivered only to Eligible Lands during any month of the irrigation  
18 season that the water requirement for beneficial use on Eligible Lands for that month is  
19 equal to or in excess of the Project Water for that month as shown on Exhibit A or any  
20 revision thereof pursuant to subdivision (b) of Article 3. The water requirement for  
21 beneficial use on Eligible Lands will be determined by multiplying:

22 (1) the number of irrigable acres of the particular types of crops grown in  
23 that year on the acreage designated as eligible by

1 (2) the Unit Duties as set forth in Exhibit C attached hereto and made a  
2 part hereof, or by such other Unit Duties mutually agreed upon by the Contractor and the  
3 Contracting Officer. In order to make the computation of the water requirement for  
4 Eligible Lands, on April 1 of each Year and concurrently with its order for water for the  
5 irrigation season, the Contractor shall designate the acreage of and type of crops to be  
6 grown on its Eligible Lands that irrigation season. During any month the water  
7 requirement as above determined for crops growing on Eligible Lands during such month  
8 is equal to or in excess of the Project Water for that month as provided herein the  
9 Contractor shall not be required to measure the water delivered to Excess Lands. Any  
10 month the said water requirement is less than the amount of Project Water as provided  
11 herein, the Contractor will be required to measure water delivered to excess land in  
12 accordance with subdivision (b) hereof.

13 BOOKS, RECORDS, AND REPORTS

14 ~~18~~<sup>19</sup>. The Contractor shall establish and maintain accounts and other books and  
15 records pertaining to administration of the terms and conditions of this Contract,  
16 including: the Contractor's financial transactions, water supply data, and Project land and  
17 right-of-way agreements; the water users' land-use (crop census), land ownership, land-  
18 leasing and water use data; and other matters that the Contracting Officer may require.  
19 Reports thereon shall be furnished to the Contracting Officer in such form and on such  
20 date or dates as the Contracting Officer may require. Subject to applicable Federal laws  
21 and regulations, each party to this Contract shall have the right during office hours to  
22 examine and make copies of each other's books and official records relating to matters  
23 covered by this Contract.

24 CHANGE OF PLACE OF USE OR ORGANIZATION

25  
26 ~~19~~<sup>20</sup>. (a) Unless the written consent of the United States is first obtained no  
27 change shall be made in the place of water use shown on Exhibit B.

28 (b) While this ~~e~~<sup>c</sup>Contract is in effect, no change shall be made in the area of  
29 the Contractor as shown on its Exhibit B, by inclusion or exclusion of lands, by

1 dissolution, consolidation, or merger or otherwise, except upon the Contracting Officer's  
2 written assent thereto.

3 (c) In the event lands are excluded from the area of the Contractor, as  
4 provided herein, the quantity of Project Water to be diverted may be decreased pursuant  
5 to a supplemental agreement to be executed in respect thereto.

6 CONSOLIDATION OF CONTRACTING ENTITIES

7 ~~20~~21. Consolidation of Contractors may be approved by the Contracting Officer  
8 provided: (i) the Contracting Officer approves the form and organization of the resulting  
9 entity and the utilization by it of the Contract Total; and (ii) the obligations of the  
10 Contractor are assumed by such entity.

11 No such consolidation shall be valid unless and until approved by the Contracting  
12 Officer.

13 NOTICES

14 ~~21~~22. Any notice, demand, or request authorized or required by this Contract  
15 shall be deemed to have been given, on behalf of the Contractor, when mailed, postage  
16 prepaid, or delivered to the Area Manager, Northern California Area Office, Bureau of  
17 Reclamation, 16349 Shasta Dam Blvd., Shasta Lake, California, 96019, and on behalf of  
18 the United States, when mailed, postage prepaid, or delivered to the Board of Directors  
19 /City Council of the \_\_\_\_\_. The designation of the addressee or  
20 the address may be changed by notice given in the same manner as provided in this  
21 Article for other notices.

22  
23 ASSIGNMENT LIMITED--SUCCESSORS AND ASSIGNS OBLIGATED

24  
25 ~~22~~23. (a) The provisions of this Contract shall apply to and bind the  
26 successors and assigns of the parties hereto, but no assignment or transfer of this Contract  
27 or any right or interest therein shall be valid until approved in writing by the Contracting  
28 Officer.

29  
30 (b) The assignment of any right or interest in this Contract by either party  
31 shall not interfere with the rights or obligations of the other party to this Contract absent  
32 the written concurrence of said other party.

33

1 (c) The Contracting Officer shall not unreasonably condition or withhold his  
2 approval of any proposed assignment.

3  
4 OFFICIALS NOT TO BENEFIT

5  
6 ~~23~~<sup>24</sup>. (a) No Member of or Delegate to Congress, Resident Commissioner, or  
7 official of the Contractor shall benefit from this Contract other than as a water user or  
8 landowner in the same manner as other water users or landowners.

9  
10 (b) No officer or member of the governing board of the Contractor shall  
11 receive any benefit that may arise by reason of this eContract other than as a landowner  
12 within the Contractor's service area and in the same manner as other landowners within  
13 the said service area.

14  
15 CONTINGENT UPON APPROPRIATION OR ALLOTMENT OF FUNDS

16  
17 ~~24~~<sup>25</sup>. The expenditure or advance of any money or the performance of any  
18 obligation of the United States under this Contract shall be contingent upon appropriation  
19 or allotment of funds. Absence of appropriation or allotment of funds shall not relieve  
20 the Contractor from any obligations under this Contract. No liability shall accrue to the  
21 United States in case funds are not appropriated or allotted.

22  
23 CONFIRMATION OF CONTRACT

24 ~~25~~<sup>26</sup>. The Contractor, after the execution of this Contract, shall promptly seek to  
25 secure a decree of a court of competent jurisdiction of the State of California, if  
26 appropriate, confirming the execution of this eContract. The Contractor shall furnish the  
27 United States a certified copy of the final decree, the validation proceedings, and all  
28 pertinent supporting records of the court approving and confirming this Contract, and  
29 decreeing and adjudging it to be lawful, valid, and binding on the Contractor. This  
30 Contract shall not be binding on the United States until such final decree has been  
31 secured.

32 UNAVOIDABLE GROUNDWATER PERCOLATION

33 ~~26~~<sup>27</sup>. To the extent applicable, the Contractor shall not be deemed to have  
34 delivered Project Water to Excess Lands or Ineligible Lands if such lands are irrigated  
35 with groundwater that reaches the underground strata as an unavoidable result of the  
36 delivery of Project Water by the Contractor to Eligible Lands.

37 PRIVACY ACT COMPLIANCE

38  
39 ~~27~~<sup>28</sup>. (a) The Contractor shall comply with the Privacy Act of 1974 (5 U.S.C.  
40 552a) (the Act) and the Department of the Interior rules and regulations under the Act (43

1 CFR 2.45 et seq.) in maintaining Landholder acreage certification and reporting records,  
2 required to be submitted to the Contractor for compliance with Sections 206 and 228 of  
3 the Reclamation Reform Act of 1982 (96 Stat. 1266), and pursuant to 43 CFR 426.18.  
4

5 (b) With respect to the application and administration of the criminal penalty  
6 provisions of the Act (5 U.S.C. 552a(i)), the Contractor and the Contractor's employees  
7 responsible for maintaining the certification and reporting records referenced in (a) above  
8 are considered to be employees of the Department of the Interior. See 5 U.S.C. 552a(m).  
9

10 (c) The Contracting Officer or a designated representative shall provide the  
11 Contractor with current copies of the Interior Department Privacy Act regulations and the  
12 Bureau of Reclamation Federal Register Privacy Act System of Records Notice (Acreage  
13 Limitation--Interior, Reclamation-31) which govern the maintenance, safeguarding, and  
14 disclosure of information contained in the Landholder's certification and reporting  
15 records.  
16

17 (d) The Contracting Officer shall designate a full-time employee of the  
18 Bureau of Reclamation to be the System Manager who shall be responsible for making  
19 decisions on denials pursuant to 43 CFR 2.61 and 2.64 amendment requests pursuant to  
20 43 CFR 2.72. The Contractor is authorized to grant requests by individuals for access to  
21 their own records.  
22

23 (e) The Contractor shall forward promptly to the System Manager each  
24 proposed denial of access under 43 CFR 2.64; and each request for amendment of records  
25 filed under 43 CFR 2.71; notify the requester accordingly of such referral; and provide  
26 the System Manager with information and records necessary to prepare an appropriate  
27 response to the requester. These requirements do not apply to individuals seeking access  
28 to their own certification and reporting forms filed with the Contractor pursuant to 43  
29 CFR 426.18, unless the requester elects to cite the Privacy Act as a basis for the request.  
30

### 31 WATER CONSERVATION

32 ~~28~~<sup>29</sup>. (a) Prior to the diversion of Project Water, the Contractor shall be  
33 implementing an effective water conservation and efficiency program based on the  
34 Contractor's water conservation plan that has been determined by the Contracting Officer  
35 to meet the conservation and efficiency criteria for evaluating water conservation plans  
36 established under Federal law. The water conservation and efficiency program shall  
37 contain definite water conservation objectives, appropriate economically feasible water  
38 conservation measures, and time schedules for meeting those objectives. Continued

1 diversion of Project Water pursuant to this Contract shall be contingent upon the  
2 Contractor's continued implementation of such water conservation program. In the event  
3 the Contractor's water conservation plan or any revised water conservation plan  
4 completed pursuant to subdivision (c) of Article ~~28~~ 29 of this Contract have not yet been  
5 determined by the Contracting Officer to meet such criteria, due to circumstances which  
6 the Contracting Officer determines are beyond the control of the Contractor, Project  
7 Water deliveries shall be made under this Contract so long as the Contractor diligently  
8 works with the Contracting Officer to obtain such determination at the earliest practicable  
9 date, and thereafter the Contractor immediately begins implementing its water  
10 conservation and efficiency program in accordance with the time schedules therein.

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

15 (c) At five (5)-year intervals, the Contractor shall revise its water  
16 conservation plan to reflect the then current conservation and efficiency criteria for  
17 evaluating water conservation plans established under Federal law and submit such  
18 revised water management plan to the Contracting Officer for review and evaluation.  
19 The Contracting Officer will then determine if the water conservation plan meets  
20 Reclamation's then current conservation and efficiency criteria for evaluating water  
21 conservation plans established under Federal law.

22 (d) If the Contractor is engaged in direct ground-water recharge, such activity  
23 shall be described in the Contractor's water conservation plan.

OPINIONS AND DETERMINATIONS

1  
2  
3       ~~29~~30. (a) Where the terms of this Contract provide for actions to be based upon  
4 the opinion or determination of either party to this Contract, said terms shall not be  
5 construed as permitting such action to be predicated upon arbitrary, capricious, or  
6 unreasonable opinions or determinations. Both parties, notwithstanding any other  
7 provisions of this Contract, expressly reserve the right to seek relief from and appropriate  
8 adjustment for any such arbitrary, capricious, or unreasonable opinion or determination.  
9 Each opinion or determination by either party shall be provided in a timely manner.  
10 Nothing in subdivision (a) of Article ~~29~~ 30 of this Contract is intended to or shall affect  
11 or alter the standard of judicial review applicable under federal law to any opinion or  
12 determination implementing a specific provision of federal law embodied in statute or  
13 regulation.

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

CONTRACTOR TO PAY CERTAIN MISCELLANEOUS COSTS

19  
20       ~~30~~31. (a) In addition to all other payments to be made by the Contractor pursuant  
21 to this Contract, the Contractor shall pay to the United States, within ~~sixty~~ (60) days after  
22 receipt of a bill and detailed statement submitted by the Contracting Officer to the  
23 Contractor for such specific items of direct cost incurred by the United States for work  
24 requested by the Contractor associated with this Contract plus indirect costs in

1 accordance with applicable Bureau of Reclamation policies and procedures. All such  
2 amounts referred to in this Article shall not exceed the amount agreed to in writing in  
3 advance by the Contractor. This Article shall not apply to costs for routine contract  
4 administration.

5 (b) All advances for miscellaneous costs incurred for work requested by the  
6 Contractor pursuant to Article ~~30~~ 31 of this Contract shall be adjusted to reflect the actual  
7 costs when the work has been completed. If the advances exceed the actual costs  
8 incurred, the difference will be refunded to the Contractor. If the actual costs exceed the  
9 Contractor's advances, the Contractor will be billed for the additional costs pursuant to  
10 Article 30 of this Contract.

11 WAIVER OF DEFAULT

12 ~~31~~32. The waiver by either party to this eContract as to any default shall not be  
13 construed as a waiver of any other default or as authority of the other party to continue  
14 such default or to make, do, or perform, or not to make, do, or perform, as the case may  
15 be, any act or thing which would constitute a default.

16 IN WITNESS WHEREOF, the parties hereto have executed this eContract as  
17 of the day and year first hereinabove written.

18  
19 THE UNITED STATES OF AMERICA

20  
21  
22  
23 By: \_\_\_\_\_  
24 Regional Director, Mid-Pacific Region  
25 Bureau of Reclamation  
26

27  
28 (SEAL)  
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(Contractor)

By: \_\_\_\_\_  
President

ATTEST:

\_\_\_\_\_  
Secretary

(I:\Sac River Renewal\Contract Draft and Support Docs\Sac R Std Form Draft 6-21.doc)

1 EXHIBIT D

2  
3 2002 Water Rates and Charges for Contract No. ##-##-###-#####  
4 Contractor Name - Sacramento River

5  
6  
7  
8 Per Acre-Foot

9  
10 COST OF SERVICE RATES:

11 Capital Rates	\$ 4.24
12 O&M Rates:	
13	
14 Water Marketing	5.66
15 Storage	4.87
16 Deficit Rates:	
17	
18 Interest Bearing	<u>3.34</u>
19	
20	
21 TOTAL	<u>\$18.11</u>

22  
23  
24  
25 FULL-COST RATES:

26	
27 <u>Section 202(3)</u> Rate is applicable to a	
28 Qualified Recipient or to a Limited	
29 Recipient receiving irrigation water	
30 on or before October 1, 1981.	<u>\$22.12</u>
31	
32 <u>Section 205(a)(3)</u> Rate is applicable to a Limited	
33 Recipient that did <u>not</u> receive irrigation water on or	
34 before October 1, 1981.	<u>\$24.47</u>

35  
36  
37 CHARGES UNDER P.L. 102-575 TO THE  
38 RESTORATION FUND 1/

39	
40 Restoration Payments (3407(d)(2)(A))	<u>\$ 7.54</u>

41  
42  
43 1/ Restoration fund charges are payments in addition to the water rates and were  
44 determined pursuant to Title XXXIV of Public Law 102-575. Restoration fund charges  
45 are on a fiscal year basis (10/1 - 9/30).