

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF RECLAMATION  
California

PARTNERSHIP AGREEMENT  
BETWEEN THE UNITED STATES  
AND THE SITES PROJECT AUTHORITY  
PROVIDING FOR  
FEDERAL PARTICIPATION IN  
THE SITES PROJECT

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1           THIS AGREEMENT, effective the \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, (“Effective  
2   Date”) in pursuance generally of the Act of June 17, 1902 (32 Stat. 388), and acts amendatory  
3   thereof or supplementary thereto, including but not limited to, the Act of August 4, 1939 (53  
4   Stat. 1187; 43 U.S.C. Part 485), Sections 4007(c), 4007(e), 4007(f), and 4007(g) of the Water  
5   Infrastructure Improvements for the Nation Act (WIIN Act) of December 16, 2016 (Public Law  
6   114-322, 130 Stat. 1865) between THE UNITED STATES OF AMERICA acting by and  
7   through the Bureau of Reclamation, hereinafter referred to as the “Contracting Officer” or  
8   “Reclamation”, and the SITES PROJECT AUTHORITY, hereinafter referred to as the  
9   “Authority” or the “Sites Authority”, duly organized, existing, and acting pursuant to the laws of  
10   California. The United States and the Authority are referred to collectively as the “Parties,” and  
11   individually as a “Party.”

12           WITNESSETH, that.

**EXPLANATORY RECITALS**

[1<sup>st</sup>] WHEREAS, § 4007(g) of the WIIN Act authorizes the Secretary of the Interior, acting through the Commissioner, to partner or enter into an agreement regarding the water storage projects identified in § 103(d)(1) of the Water Supply, Reliability, and Environmental Improvement Act (Public Law 108-361; 118 Stat. 1684) with local joint powers authorities formed pursuant to State law by irrigation districts and other local water districts and local governments within the applicable hydrologic region, to advance those projects; and

[2<sup>nd</sup>] WHEREAS, the Sites Reservoir was identified in § 103(d)(1) of the Water Supply, Reliability, and Environmental Improvement Act (Public Law 108-361; 118 Stat. 1684); and

[3<sup>rd</sup>] WHEREAS, the Sites Project Authority, previously known as the Sites Joint Powers Authority, was formed as a California joint powers authority operating under and by virtue of Section 6500 et seq., of the California Government Code and formed in accordance with the Sites Project Authority Joint Exercise of Powers Agreement, as such agreement may be modified from time to time, with the primary purpose of pursuing the development and construction of the Sites Reservoir Project, a State-led storage project; and

[4<sup>th</sup>] WHEREAS, Reclamation completed the North-of-the-Delta Offstream Storage – Sites Feasibility Report (Feasibility Report) in December 2020 and the North-of-the-Delta Offstream Storage Investigation Feasibility Report Addendum in January 2023, which: 1) determined the potential Federal and non-Federal interest in the selected alternative; and

[5<sup>th</sup>] WHEREAS, § 4007(e) of the WIIN Act provides, “subject to compliance with State water rights laws, the right to use the capacity of a State-led storage project for which the Secretary of the Interior has entered into an agreement under this subsection shall be allocated in

such manner as may be mutually agreed to by the Secretary of the Interior and each other party to the agreement.”; and

[6<sup>th</sup>] WHEREAS, pursuant to § 4007(f)(1) of the WIIN Act, the California Water Commission determined that the State-led Sites Reservoir Storage Project is consistent with the California Water Quality, Supply, and Infrastructure Improvement Act and will provide the public ecosystem benefits for which the State of California is providing funding; and

[7<sup>th</sup>] WHEREAS, on November 2, 2023, the Authority and Reclamation released a joint Final Environmental Impact Report/Final Environmental Impact Statement, hereinafter FEIR/FEIS, for the Project; and the Authority certified the FEIR/FEIS and adopted the Project with Board Resolution 2023-02; and on [DATE], Reclamation signed its Record of Decision for the construction and operation of the Sites Project.

NOW, THEREFORE, it is agreed by and between the Parties hereto as follows:

### **DEFINITIONS**

1. When used herein unless otherwise distinctly expressed, or manifestly incompatible with the intent hereof, the following term:

(a) “Anadromous Fish Benefits” shall mean the Sites Water that Reclamation manages to meet Reclamation’s current environmental compliance obligations.

(b) “Authorized Deferred Use” shall mean the use of excess capacity in the Tehama-Colusa Canal (TCC), as identified in the Feasibility Report, to convey Sites Water from the Red Bluff Pumping Plant to Sites Reservoir, as outlined in Exhibit C; such excess capacity is available as a result of Public Law 90-65 which provided that sufficient extra capacity and elevation in the TCC be provided to enable future water service to Yolo, Solano, Lake, and Napa

Counties for irrigation and other purposes, and to treat the cost of providing such extra capacity as a deferred obligation.

(c) “Capital Improvements” shall mean any activity that extends the useful life of a property, plant or equipment asset, expands the capacity or efficiency of an asset, or otherwise upgrades an asset to serve needs different from, or significantly greater than, an asset’s current use, or as defined in the current version of the *Blue Book* entitled Federal Replacements, Units, Service Lives, Factors, or in accordance with Federal law and accounting standards, or any other regulations, policies, guidelines, or instructions adopted thereunder.

(d) “Conveyance Capacity” shall mean the physical space in the Project’s downstream facilities to deliver Sites Water commensurate to investment in the Project.

(e) “Central Valley Project” or “CVP” shall mean the Central Valley Project owned by the United States and managed by the Department of the Interior, Bureau of Reclamation.

(f) “IL4 Water” shall mean Incremental Level 4 refuge water supply pursuant to the Central Valley Project Improvement Act, Title 34 of Public Law 102-575.

(g) “In-kind Services” shall mean eligible time and effort, real and personal property, and goods and services, as defined by the Department of the Interior. In-kind services may be applied to the cost-share, but the value of the in-kind contributions must be evaluated and documented as described in Article 4. Valuation of in-kind services shall be in accordance with 2 CFR Part 200.

(h) “Points of Acceptance” shall mean locations at which the Authority will make water supplies available to Reclamation outlined in Exhibit D to this agreement.

(i) “Points of Delivery” shall mean locations at which the Water Purveyor delivers water supplies made available by Reclamation to the refuges.

(j) “Project Use Energy (PUE)” shall mean the electrical capacity, energy, and associated ancillary service components required to provide the minimum electrical service using the most economical methods needed to operate and/or maintain Reclamation-owned facilities in conformance with project authorization.

(k) “Sites Authority” or “Authority” shall mean a California Joint Powers Authority operating under Section 6500 et seq., of the California Government Code and formed in accordance with the Sites Joint Powers Authority Agreement. The Sites Authority was established for the purpose of designing, constructing, owning, operating and maintaining the Project.

(l) “Sites Project” or “Project” shall mean the Sites Reservoir Project, owned and operated by the Sites Authority, identified in § 103(d)(1) of the Water Supply, Reliability, and Environmental Improvement Act (Public Law 108-361; 118 Stat. 1684) which has met the determinations required in § 4007(c)(2) of the WIIN Act and consists of the Project facilities outlined in Exhibit B of this Agreement, and the associated Sites Water.

(m) “Sites Reservoir” shall mean the 1.5 million acre-feet off-stream storage reservoir near Maxwell, California.

(n) “Sites Water” shall mean the water provided and obtained by the Sites Authority under the Authority’s water right [Order XXXX].

(o) “Storage Capacity” shall mean the physical space in Sites Reservoir and accompanying Sites Water commensurate with Federal investment in the Project.

(p) “Storage Partner” shall mean any investor in the Project.

(q) “Substantial Completion” shall mean the project has been fully constructed and Reclamation is able to derive the benefits outlined in the Feasibility Report and further defined in this Agreement associated with the Project.

(r) “Water Purveyor” shall mean contractors with which Reclamation has agreements to convey water to refuges.

### **TERM OF AGREEMENT**

2. This Agreement is effective on the date hereinabove written, hereinafter Effective Date, and will continue in perpetuity for so long as each of the Parties continue to have their obligations under this Agreement or until terminated.

(a) The Parties may mutually agree to terminate this Agreement along with associated agreements necessary for implementation of the Project; in which case, the Parties will meet and confer to come to mutual agreement regarding termination.

(b) Repayment: Pursuant to Reclamation law, Reclamation may be required to recover costs it incurs resulting from participation in the Project.

(c) The United States and the Authority jointly shall review this Agreement, which review shall be performed at least every five (5) years. A more frequent review will occur if determined to be appropriate by the Parties to measure success based off project milestones and Exhibit A.

(d) This Agreement may be modified or amended upon written mutual agreement of the Parties. Exhibits to this Agreement may be modified upon mutual agreement without amendment to this Agreement. The Parties will meet and confer and come to mutual agreement to update Exhibits as needed.



**FEDERAL PARTICIPATION IN THE SITES PROJECT**

3. Water Infrastructure Improvements for the Nation Act § 4007 gives Reclamation the authority to participate up to twenty-five (25) percent in State-led storage projects.

(a) Reclamation will receive, at minimum, a sixteen (16) percent Storage Capacity share, associated developed Sites Water, and Conveyance Capacity to achieve operational flexibility and Anadromous Fish Benefits as identified in the November 2022 North of Delta Off-stream Storage Investigation Feasibility Report Addendum (Addendum).

(b) Reclamation will have the right of first refusal to further invest in the Project, prior to the Authority offering the space to other entities, in accordance with Article 14.

**COSTS ASSOCIATED WITH THE SITES PROJECT**

4. All Project costs associated with this Agreement shall be compliant with Federal law.

(a) Upon the determination of Substantial Completion of construction of the Sites Project, Reclamation and the Authority will meet and confer to complete a final accounting of the Sites Project and the associated benefits within 180 days to determine and mutually agree upon final investment in the Project and the allocation of Storage Capacity and Conveyance Capacity to Reclamation. If an extension is desired by either Party, the Parties will meet and confer to determine a reasonable time frame. The final Storage Capacity and Conveyance Capacity attributable to Reclamation's final investment will be documented in Exhibit E to this Agreement and will be monitored throughout the duration of this Agreement on a quarterly basis in accordance with Article 4 (g).

(b) The Authority's and Reclamation's costs prior to the Effective Date of this Agreement will be credited in Exhibit A to each Party's share of costs associated with the Sites Project in accordance with Article 4.

(c) If the Parties identify costs that are not defined in this Agreement but believe they should be allowable, the Parties will meet and confer to come to mutual agreement on such costs. After mutual agreement in writing, the parties will label these costs as allowable without amendment to this Agreement

(d) Allowable costs include, but are not limited to:

(i) Costs associated with upfront Federal investment include but are not limited to:

(1) Planning Costs: Certain planning level investigations were necessary and may continue to be necessary prior to commencement of construction. Such planning investigations will be consistent with Reclamation's Directives and Standards.

(2) Environmental Compliance Costs: Either Party may fund respective environmental compliance and activities associated with this Agreement. These activities may include, but are not limited to, contracts for technical assistance in environmental mitigation, funding of environmental mitigation commitments, and any actions that ensure necessary compliance with the laws and regulations applicable to either Party.

(3) Cultural Resource Management Costs: Either Party may fund cultural studies, investigations, and mitigation needs consistent with this Agreement.

Reclamation will be the lead Federal agency for all necessary activities pursuant to Section 106 of the National Historic Preservation Act of 1966, as amended.

(4) Permitting Costs: Additional permitting actions prior to construction of the Sites Project and prior to declaring the Sites Project Substantially Complete may be required. The Parties will jointly determine, as appropriate, the appropriate Party to obtain any necessary permit(s) and the appropriate share of costs for the permitting actions.

(5) Administrative Costs: Include, unless otherwise defined by contracts: project management, construction management, accounting and administrative management, legal support and review, operations coordination, travel, general meetings related to the Sites Project, contract/agreement technical meetings and negotiations, and other supportive services and activities necessary for the construction and operation of the Sites Project prior to the determination of Substantial Completion. Reclamation's administrative and management costs associated with the Sites Project will be considered part of the overall Federal investment into the Sites Project. Reclamation will provide an estimate of the administrative costs for the Sites Project in the Spend Plan which will be mutually agreed upon with the Authority. The Authority will reserve sufficient funding to pay for its administrative costs for the non-Federal share of the Sites Project.

(6) Design and Review Costs: Reclamation's design and review costs associated with the Sites Project will be considered part of the overall Federal investment into the Sites Project. Reclamation will provide an estimate of the design and review costs for the Sites Project, if requested. Either Party may pay for part or all of various design costs for the Sites Project. The Authority will be designer of record for the Sites Project. There may be the need for modifications during construction that may require further design work. If a Party's benefits are believed to be impacted by a change in the design, it will be considered

material. Material changes in the design will require the Parties to meet and confer on the best course of action and to determine if the additional cost is beneficial to the project and allowable.

(7) Construction Costs: The Authority will serve as the procurement lead for the construction contract and will manage the primary construction contract with respect to the Sites Project. All costs for this contract will be funded directly by the Authority or with funds contributed by Reclamation to the Authority. If a Party's benefits are believed to be impacted by a change in the construction contract, it will be considered material. Material changes in the construction contract will require the Parties to meet and confer on the best course of action and to determine if the additional cost is beneficial to the project and allowable.

(8) Authorized Deferred Use: Reclamation's investment in the Sites Reservoir Project includes the Authorized Deferred Use for the Tehama-Colusa Canal of \$54,400,000 as an in-kind contribution. The Tehama-Colusa Canal was sized to provide sufficient extra capacity and elevation to enable future water service to Yolo, Solano, Lake and Napa Counties for irrigation and other purposes, and to treat the cost of providing such extra capacity as a deferred obligation.

(ii) Expected Future Costs Associated with Federal Participation in the Project include, but are not limited to:

(1) Operation, Maintenance, & Replacement (OM&R) Costs: The Authority will be responsible for OM&R of the Sites Project. The Authority will identify the annual OM&R costs attributable to Reclamation's operational flexibility and Anadromous Fish Benefits. Reclamation will address the attributable portion of those costs subject to

appropriations and the Contracting Officer's determination. Reclamation's portion of the OM&R costs will be consistent with the Addendum.

(2) In-kind Services: To facilitate continued Project operations, Reclamation's In-kind Services will count toward Reclamation's contribution to ongoing expected future costs associated with Federal participation in the Project.

a. IL4 Water Costs: While the Authority is responsible for delivering water supply to the Points of Acceptance, Reclamation's costs for wheeling water from the Points of Acceptance to the Points of Delivery shall be considered an In-kind Service.

(e) Non-allowable Costs include, but are not limited to:

(i) Any interest or fees related to financing activity of the Sites Authority and their Storage Partners shall not be paid by Reclamation.

(ii) The Authority is not currently part of the Central Valley Project, and as such, will not receive Project Use Energy. If legislation is passed or it is otherwise determined that the Authority is subject to Project Use Energy in the future, the Parties will meet and confer and come to mutual agreement on the handling of these costs. After mutual agreement in writing, the Parties will label these costs as allowable without amendment to this Agreement.

(f) Within 180 days of this Agreement's execution, Reclamation and the Authority will develop Exhibit A, a spend plan containing mutually agreeable terms for Reclamation to commit funding under § 4007 of the WIIN Act and to track costs and account for funds expended. Exhibit A may be modified by mutual agreement without amendment to this Agreement.

(g) Reclamation and the Authority will establish, at a minimum, quarterly check-ins to monitor actual expenditures related to the Sites Project relative to the Parties'

respective expectations, and to discuss other items, including but not limited to, funding and any additional agreements. If there is a deficiency in expenditures under Exhibit A, the Parties will meet and confer to agree upon a schedule to remedy the deficiency. If the Authority fails to resolve a deficiency within the agreed-upon schedule, then Reclamation may seek termination or other remedies prescribed in this Agreement.

**LEASE OR SALE OF STORAGE CAPACITY, CONVEYANCE CAPACITY, AND  
SITES WATER**

5. Reclamation shall have right of first refusal in the purchase or lease of other Storage Partners' Storage Capacity and Conveyance Capacity in the Project, in accordance with Article 14. Reclamation may elect to lease its Storage Capacity and Conveyance Capacity, and the Authority will assist Reclamation to the extent practicable.

**OPERATION OF SITES RESERVOIR**

6. The Sites Authority will operate and maintain the Sites Reservoir in good faith and in accordance with all applicable agreements, law, environmental requirements, water rights, and with approval from the Bureau of Reclamation's Central Valley Operations office.

(a) Sites Reservoir will be operated in a manner that is mutually beneficial to all Parties and avoids harm to the Central Valley Project, its contractors, its water rights, and its facilities.

(b) The Authority will care for and OM&R the Project in full compliance with the terms of this Agreement and in such a manner that the Project remains in good and efficient condition, subject to exercise of discretion to fund and carry out Capital Improvements.

(c) Necessary repairs of the Project will be made promptly by the Authority. In case of unusual conditions or serious deficiencies in the OM&R of the Project threatening or causing interruption of water service, the Contracting Officer may issue to the Authority a special written notice of those necessary repairs.

(i) Reclamation's deliveries will take priority over any other Storage Partner in the Sites Project to provide the Central Valley Project operational flexibility and Anadromous Fish Benefits to ensure commitments are met.

(ii) Reclamation's share of Sites Water diversions will be commensurate with Storage Capacity.

(iii) The Authority will deliver Sites Water to the Points of Acceptance to meet the Project's IL4 Water obligations pursuant to the State of California investment, without any cost to Reclamation, as described in Exhibit D.

(iv) The Parties, along with the California Department of Water Resources, will enter into Exhibit G prior to the operation of the Project and will identify coordination processes for Sites Water diversions and releases.

(v) The Central Valley Operations office will maintain its operational independence on operations of the Central Valley Project. No Party shall operate in such a manner that may be arbitrary or capricious and intentionally harms another Party's benefits.

(vi) The Authority will be responsible for providing power to operate and maintain the Sites Reservoir and to convey Sites Water.

#### **ENVIRONMENTAL AND CULTURAL COVERAGE AND COMPLIANCE**

7. Reclamation will serve as the ESA Section 7 consultation lead for Construction and Operation of Sites Reservoir. During construction and initial phases of the project, the Sites

Authority will operate the Project in such a way that will result in agreed upon benefits to both parties. As such, environmental compliance needs may change or require additional documentation such as updated incidental take statements.

(a) The parties agree that Reclamation will consult on the operation of the Sites Project as Section 7 lead, treating the operation of Sites Reservoir as a specific division of the CVP. Reclamation would seek incidental take specific to effects from the operation of Sites Reservoir.

(b) It is the understanding of the Parties that reconsultation on the CVP does not automatically require a change to the specific Sites Project division. Both Parties agree to meet and confer before any such reconsultation implicates the operation of Sites Reservoir or the terms and conditions for the operation of Sites Reservoir. In any consultation, Reclamation will coordinate with the Authority to maintain and maximize the anticipated benefits of the Sites Project without harm to the CVP. If it is determined that reconsultation on the Sites Project is required, it must meet one of the following criteria in accordance with the Endangered Species Act, Title 50 CFR § 402.16(a) as amended.

#### **DISPUTE RESOLUTION**

8. Should any dispute arise concerning any provision(s) of this Agreement, or the Parties' rights and obligations thereunder, the United States and the Authority shall meet and confer in an attempt to resolve the dispute. Prior to commencing any legal action, or Reclamation referring any matter to the Department of Justice, the Party shall provide to the other Party thirty (30) days' written notice of the intent to take such action; *Provided, That* such notice shall not be required where a delay in commencing an action would prejudice the interests of the Party that intends to file suit. During the thirty (30)-day notice period, the Parties shall meet and confer in



an attempt to resolve the dispute. Except as specifically provided, nothing herein is intended to waive or abridge any right or remedy that the Sites Authority or the United States may have.

(a) Reclamation shall have no responsibility to participate in or resolve disputes between the Authority and any of the Storage Partners regarding this Agreement.

(b) If the Sites Authority seeks to resolve a dispute with a Storage Partner, such resolution cannot impact Reclamation's investment or benefits without Reclamation's consent.

### **OPINIONS AND DETERMINATIONS**

9. Where the terms of this Agreement provide for actions to be based upon the opinion or determination of either Party to this Agreement, said terms shall not be construed as permitting such action to be predicated upon arbitrary, capricious, or unreasonable opinions or determinations. Both Parties, notwithstanding any other provisions of this Agreement, expressly reserve the right to seek relief from and appropriate adjustment for any such arbitrary, capricious, or unreasonable opinion or determination. Each opinion or determination by either Party shall be provided in a timely manner. Nothing in this subdivision (a) of this Article is intended to or shall affect or alter the standard of judicial review applicable under Federal law to any opinion or determination implementing a specific provision of Federal law embodied in statute or regulation.

(a) The Contracting Officer shall have the right to make determinations necessary to administer this Agreement that are consistent with the provisions of this Agreement, the laws of the United States, and the rules and regulations promulgated by the Secretary. Such determinations shall be made in consultation with the Authority to the extent reasonably practicable.

(b) Nothing in this Agreement, or performance hereunder, constitutes a waiver of the Parties' respective positions, opinions, or interpretations of California water rights law, whatever they may be, in circumstances where there is no mutual agreement, as applicable herein, for the use of the Sites Reservoir.

### **WATER MEASUREMENT**

10. All Sites Water pursuant to this Agreement shall be measured and recorded with equipment furnished, installed, operated, and maintained by the Authority at the point(s) of delivery or diversion established pursuant to Exhibit D.

(a) Within 1 year after Substantial Completion, the Authority shall ensure that, the water measuring devices are installed and acceptable to the Contracting Officer. The Authority shall be responsible for installing, operating, maintaining, and repairing all such measuring devices at no cost to the United States. The equipment and methods used to make such measurement shall be in accordance with sound engineering practices. Upon request of the Contracting Officer, the accuracy of such measurements will be investigated by the Sites Authority and any errors appearing therein will be corrected.

(b) The right of ingress to and egress from all point(s) of delivery or diversion is hereby granted to all authorized employees of the United States.

### **SEVERABILITY**

11. In the event that any one or more of the provisions contained herein is, for any reason, held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability will not affect any other provisions of this Agreement, but this Agreement is to be construed as if such invalid, illegal or unenforceable provisions had never been contained

herein, unless the deletion of such provision or provisions would result in such a material change so as to cause the fundamental benefits afforded the Parties by this Agreement to become unavailable or materially altered.

### **HOLD HARMLESS**

12. The Authority shall indemnify, defend, and hold harmless the United States, its officers, agents, and employees from and against any and all claims, damages, losses, liabilities, and expenses arising out of or resulting from the United States' work under this agreement, or the design, operation, or maintenance of the Sites Project, provided the claims, damages, losses, liabilities, or expenses are not the result of any willful or negligent acts or omissions on the part of the United States. The Authority will not assert that Reclamation, its Director, officers, agents or employees, are liable for damages of any nature whatsoever arising out of any actions or omissions by the Authority, its directors, officers, agents or employees, related to the Authority's performance of this Agreement, where such liability is caused by an act, error or omission of the Authority, its director, officers, agents or employees.

### **NOTICES**

13. Any notice, demand, or request authorized or required by this Agreement shall be deemed to have been given, on behalf of the Authority, when mailed, postage prepaid, or delivered to the Regional Director, California Great Basin Region, Bureau of Reclamation, 2800 Cottage Way, Sacramento, CA, 95825, and on behalf of the United States, when mailed, postage prepaid, or delivered to the Sites Project Authority, 122 Old Highway 99 West, Maxwell, CA 95955.

### **CONTINGENT ON APPROPRIATION OR ALLOTMENT OF FUNDS**

14. The expenditure or advance of any money or the performance of any obligation of the United States under this Agreement shall be contingent upon appropriation or allotment of

funds. Absence of appropriation or allotment of funds shall not relieve the Authority from any obligations under this Agreement. No liability shall accrue to the United States in case funds are not appropriated or allotted.

#### **OFFICIALS NOT TO BENEFIT**

15. No Member of or Delegate to the Congress, Resident Commissioner, or official of the Authority shall benefit from this Agreement other than as a water user or landowner in the same manner as other water users or landowners.

#### **ASSIGNMENT LIMITED – SUCCESSORS AND ASSIGNS OBLIGATED**

16. (a) The provisions of this Agreement shall apply to and bind the successors and assigns of the Parties hereto, but no assignment or transfer of this Agreement or any right or interest therein by either Party shall be valid until approved in writing by the other Party.

(b) Reclamation shall not unreasonably withhold its consent to an assignment of the Authority's rights and obligations under this Agreement to a third party.

#### **BOOKS, RECORDS, AND REPORTS**

17. The Authority shall establish and maintain accounts and other books and records pertaining to administration of the terms and conditions of this Agreement, including the Authority's financial transactions; water supply data; project operation, maintenance, and replacement logs; project land and rights-of-way use 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 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 Agreement shall have the right during office hours to examine and make copies of the other Party's books and records relating to matters covered by this Agreement.

#### **COMPLIANCE WITH LAWS**

18. (a) The Parties agree that the delivery of irrigation water or use of Federal facilities pursuant to this Agreement is subject to Federal reclamation law, including but not limited to the Reclamation Reform Act of 1982 (43 U.S.C. 390aa, et seq.), as amended and supplemented, and the rules and regulations promulgated by the Secretary of the Interior under Federal reclamation law.

(b) The Contracting Officer shall have the right to make determinations necessary to administer this Agreement that are consistent with its expressed and implied provisions, the laws of the United States and the rules and regulations promulgated by the Secretary of the Interior. Such determinations shall be made in consultation with the Authority.

(c) In protecting the interests of the United States, Reclamation's contracts and its contracting process must comply with all applicable Federal, state, tribal, and local laws. The Authority shall comply with all applicable Federal, State, and local laws, executive orders, rules and regulations applicable to its performance under this contract. These laws may include environmental, civil rights, and cultural resources protection laws, among others, as well as laws that may be later enacted. Reclamation's water-related contracts will be drafted in a manner that allows Reclamation to take actions necessary to comply with all applicable laws.

#### **COMPLIANCE WITH CIVIL RIGHTS**

19. (a) The Authority shall comply with Title VI of the Civil Rights Act of 1964 (Pub. L. 88-352; 42 U.S.C. § 2000d), the Rehabilitation Act of 1973 (Pub. L. 93-112, Title V, as amended; 29 U.S.C. § 791, et seq.), the Age Discrimination Act of 1975 (Pub. L. 94-135, Title III; 42 U.S.C. § 6101, et seq.), Title II of the Americans with Disabilities Act of 1990 (Pub. L. 101-336; 42 U.S.C. § 12131, et seq.), and any other applicable civil rights laws, and with the applicable implementing regulations and any guidelines imposed by the U.S. Department of the Interior and/or Bureau of Reclamation.

(b) These statutes prohibit any person in the United States from being excluded from participation in, being denied the benefits of, or being otherwise subjected to discrimination under any program or activity receiving financial assistance from the Bureau of Reclamation on the grounds of race, color, national origin, disability, or age. By executing this Agreement, the Authority agrees to immediately take any measures necessary to implement this obligation, including permitting officials of the United States to inspect premises, programs, and documents.

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

(d) Complaints of discrimination against the Authority shall be investigated by the Contracting Officer's Office of Civil Rights.

**MEDIUM FOR TRANSMITTING PAYMENTS**

20. (a) All payments from the Authority to the United States under this Agreement shall be by the medium requested by the United States on or before the date payment is due. The required method of payment may include checks, wire transfers, or other types of payment specified by the United States.

(b) Upon execution of the Agreement, the Authority shall furnish the Contracting Officer with the Authority's taxpayer's identification number (TIN). The purpose for requiring the Authority's TIN is for collecting and reporting any delinquent amounts arising out of the Authority's relationship with the United States.

**AGREEMENT DRAFTING CONSIDERATIONS**

21. This Agreement has been negotiated and reviewed by the parties hereto, each of whom is sophisticated in the matters to which this Agreement pertains. The double-spaced Articles of this Agreement have been drafted, negotiated, and reviewed by the parties, and no one party shall be considered to have drafted the stated articles. Single-spaced articles are standard articles pursuant to Reclamation policy.

452 IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the day  
453 and year first above written.

454 (SEAL) THE UNITED STATES OF AMERICA

455 By: \_\_\_\_\_  
456 Regional Director  
457 Interior Region 10: California-Great Basin  
458 Bureau of Reclamation

459 SITES WATER AUTHORITY

460 By: \_\_\_\_\_  
461 Chair, Board of Directors  
462 Attest:

463 \_\_\_\_\_