

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

CONTRACT BETWEEN THE UNITED STATES OF AMERICA
AND
SAN LUIS & DELTA-MENDOTA WATER AUTHORITY
FOR THE REPAYMENT OF EXTRAORDINARY
MAINTENANCE COSTS FOR THE C.W. "BILL" JONES PUMPING PLANT

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Exhibit A – Payment Schedule(s)

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40 (b) “Existing Contract” shall mean Contract No. 8-07-20-X0354-X, dated
41 January 14, 2020 as amended and supplemented, between the United States and the Authority.

42 (c) “Extraordinary Maintenance Work” shall mean major, nonrecurring
43 maintenance on the C.W. “Bill” Jones Pumping Plant that is intended to ensure the continued
44 safe, dependable, and reliable delivery of authorized project benefits of the CVP.

45 (d) “Fiscal Year” shall mean the period October 1 through September 30 of
46 the following year.

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

49 (f) “Repayment Obligation” shall mean the entire sum of funds provided by
50 the United States to the Authority pursuant to this Contract, plus accrued interest, as determined
51 by the Contracting Officer.

52 (g) “Substantially Complete” or “Substantial Completion” shall mean the
53 Contracting Officer’s determination, after consultation with the Authority, that the XM Work for
54 a Unit outlined in the XM Work is sufficiently complete so that the United States or the
55 Authority can use, operate, or occupy the specific XM Work facilities for its intended purpose.

56 (h) “Unit” shall mean a Unit as defined in the XM Work.

57 (i) “XM Work” shall mean the Extraordinary Maintenance Work consisting
58 of a rewind of Unit #1, Unit #3, Unit #4, and Unit #5 of the C.W. “Bill” Jones Pumping Plant,
59 which includes, but is not necessarily limited to, replacing the existing windings and stator core,
60 and the refurbishment of the motor rotor poles.

61 (j) “Year” shall mean the period January 1 through December 31, both dates
62 inclusive.

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TERM OF THE CONTRACT

2. This Contract shall become effective on the date first written above and shall remain in effect until the Authority has fully repaid its Repayment Obligation to the United States as described in Article 5 herein.

DESCRIPTION OF XM WORK

3. The XM Work is to be performed by the Authority. The XM Work may be modified upon advanced written request by the Authority and advanced approval by the Contracting Officer in accordance with Federal Reclamation law and policy. All designs, specifications, and work performed under this Contract shall be approved in advance and in writing by the Contracting Officer, or as otherwise agreed to in writing at the exclusive discretion of the Contracting Officer. The Contracting Officer shall consider and not withhold approval of reasonable costs incurred for XM Work beginning March 1, 2020.

FUNDS TO BE PROVIDED

4. (a) Unless otherwise agreed at the exclusive discretion of the Contracting Officer, the United States, through Reclamation, shall provide the Authority with funds up to a total of \$12,700,000 for all XM Work pursuant to this Contract.

(b) The funds specified in 4(a) in combination with other federal funding received by the Authority for XM Work shall not exceed a maximum of eighty percent (80%) of the sum of costs incurred for XM Work, plus all costs incurred by the Authority directly associated with the rewind work on unit #2 and unit #6 since January 2017, including replacing the existing windings and stator core, and the refurbishment of the motor rotor poles.

(c) Any other external funding that the Authority receives or secures for XM Work shall be reported to the Contracting Officer within thirty (30) days of receipt of such

86 funding and shall be considered by the Contracting Officer when making any funds available to
87 the Authority pursuant to this Contract.

88 (d) The Contracting Officer may provide oversight and inspection of the
89 XM Work as determined by the Contracting Officer, which shall be reimbursable by the
90 Authority. The Contracting Officer, after consultation with the Authority, shall provide a
91 statement of work. The statement of work shall include an estimate of costs to be incurred by the
92 United States for any inspection and oversight activities to be performed by the Contracting
93 Officer, including but not limited to the cost of salaries, travel, per diem, leave of employees, and
94 overhead and general expense of the United States. The statement of work and cost estimate
95 shall be the basis for the Authority's estimated obligation for reimbursement of cost incurred by
96 United States. Should the Contracting Officer determine the actual costs are likely to exceed the
97 estimated costs, the Contracting Officer shall immediately notify and, after consultation with the
98 Authority, provide the Authority with a revised written estimate. The Contracting Officer will
99 retain sufficient funds, not otherwise provided by the Authority, to cover the estimated costs
100 from the funds provided in Article 4(a) of this Contract and will provide them to the Authority
101 each month, until the determination in Article 4(f) of this Contract is made, with an accounting
102 of the United States expenditures from the funds provided; *Provided, That* the Authority may
103 comment on each accounting. The oversight and inspection will be coordinated with the
104 Authority.

105 (e) Funds may be provided to the Authority in advance of the XM Work;
106 *Provided, That* the Authority must provide the Contracting Officer justification for the
107 immediate need for the requested advance of funds; and *Provided further*, the Contracting

108 Officer shall have the final determination of whether or not to grant the requested advance of
109 funds, and if granted, how, and when any installments may be transmitted.

110 (f) All funds provided to the Authority shall be deposited and maintained in a
111 non-interest bearing fully insured or secured account, until such time as the Authority applies the
112 funds against the XM Work; *Provided, That* the Authority shall use the funds solely to finance
113 the XM Work; *Provided further,* That the Authority shall return any and all unexpended,
114 unobligated, or unencumbered funds within thirty (30) days after the date on which the
115 Contracting Officer determines and notifies the Authority in writing that the XM Work is
116 Substantially Complete.

117 (g) Funds will no longer be provided once the Contracting Officer determines
118 that: (1) the XM Work is Substantially Complete; or (2) the Authority no longer requires
119 additional funds to complete the XM Work; or (3) the amount provided in accordance with
120 Article 4(a) of this Contract has been expended.

121 AUTHORITY'S REPAYMENT OBLIGATION

122 5. (a) The Authority shall be obligated to repay the Repayment Obligation,
123 which will consist of up to four (4) repayment blocks, one for each Unit identified in the XM
124 Work.

125 (b) The interest rate used for computing interest on funds provided for XM
126 Work in progress and interest on the unpaid balance of the Repayment Obligation in accordance
127 with this Contract is the Department of the Treasury rate as of the beginning of the Fiscal Year in
128 which each Unit outlined in the XM Work under this Contract has commenced, on the basis of
129 average market yields on outstanding marketable obligations of the United States with the
130 remaining periods of maturity comparable to the applicable reimbursement period of the XM

131 Work, adjusted to the nearest 1/8 of 1 percent on the unamortized balance of any portion of the
132 Repayment Obligation. Each repayment block will be subject to interest accrual which shall
133 commence on each date funds are advanced by the United States to the Authority and be
134 computed on an annual basis on the unpaid balance of the Repayment Obligation for XM Work
135 under that block, as determined by the Contracting Officer.

136 (c) Interest accrual shall commence on funds retained by the United States
137 when expended and shall be computed as provided in Article 5(b) of this Contract.

138 (d) The first installment for each repayment block shall be due and payable on
139 or before the last day of February of the Year following the date on which the Contracting
140 Officer determines and notifies the Authority in writing that a Unit outlined in the XM Work is
141 Substantially Complete.

142 (e) As soon as practicable following the determination that the XM Work on a
143 Unit is Substantially Complete, and after consultation with the Authority, the Contracting Officer
144 shall provide the Authority with a repayment schedule(s) requiring equal annual installments
145 within the term provided in Article 5(f) of this Contract, beginning with the first installment as
146 provided in Article 5(d) of this Contract, which schedule(s) shall be incorporated into this Contract
147 as Exhibit "A", and may be updated by the Contracting Officer without amendment of this Contract.

148 (f) The obligation for repayment for each repayment block will be repaid within
149 twenty-three (23) years from the first installment of each block.

150 (g) The Authority may, at any time, prepay all or a portion of the unpaid
151 Repayment Obligation balance as provided herein without penalty, notwithstanding any interest
152 accrued.

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PRESERVATION OF EXISTING CONTRACT

6. Except as specifically provided herein, the Existing Contract shall continue in full force and effect as originally written, executed, and amended. Any dispute between this Contract and the Existing Contract shall be resolved pursuant to Article 8 of this Contract.

SEVERABILITY

7. In the event that any one or more of the provisions contained herein shall, for any reason, be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provisions of this Contract, but this Contract shall be construed as if such invalid, illegal, or unenforceable provisions had never been contained herein, unless the deletion of such provisions would result in such a material change so as to cause the fundamental benefits afforded the parties to this Contract to become unavailable or materially altered.

RESOLUTION OF DISPUTES

8. Should any dispute arise concerning any provision of this Contract, the Area Manager, South-Central California Area Office, shall meet and confer with the Authority in an attempt to resolve the dispute within sixty (60) days. If the dispute has not been resolved within the sixty (60) days, it shall be referred to the Contracting Officer to resolve the dispute within ninety (90) days.

ENVIRONMENTAL COMPLIANCE

9. (a) The Authority will comply with any applicable environmental measures contained in any environmental documentation prepared in connection with the XM Work.
(b) The Authority will comply with all Federal, state, local, and tribal law, and requirements imposed for protection of the environment and Indian trust assets, including, but

176 not limited to, the Native American Graves Protection and Repatriation Act (Pub. L. 101-601,
177 104 Stat. 3048, 25 U.S.C. §3001 et seq.) and the Archaeological Resources Protection Act of
178 1979 (Pub. L. 96-95, 93 Stat. 721, 16 U.S.C. §470aa et seq.).

179 CONTRACTS WITH THIRD PARTIES

180 10. (a) The Authority shall advertise each XM Work construction (as
181 “construction” is defined in the Federal Acquisition Regulations (FAR) at 48 C.F.R. § 2.101),
182 equipment, or supply contract exceeding \$25,000 (twenty-five thousand dollars) for competitive
183 bidding. Any action proposed by the Authority other than making the award to the lowest
184 responsible bidder shall be subject to the Contracting Officer’s approval.

185 (b) For all XM Work construction contracts exceeding \$100,000 (one hundred
186 thousand dollars), the Authority shall require construction contractors to furnish performance and
187 payment bonds, each in amounts equal to at least 100 percent of the contract price. For
188 construction contracts exceeding \$30,000 (thirty thousand dollars), but not exceeding \$100,000
189 (one hundred thousand dollars), the Contracting Officer shall select at least two of the payment
190 protections set forth in the FAR at 48 C.F.R. § 28.102-1(b)(1), and the Authority shall require the
191 construction contractor to secure one of the selected protections. Supply and equipment
192 contractors may be required to furnish performance bonds on supply or equipment contracts
193 exceeding \$100,000 (one hundred thousand dollars) when the contract calls for substantial
194 progress payments before delivery of end items.

195 (c) The United States shall not be a party to or obligated in any manner by
196 contracts entered into between the Authority and other parties pursuant to this Contract.

197 FAILURE TO COMPLETE WORK

198 11. (a) In the event that the Authority fails to complete the work to be performed
199 pursuant to this Contract for any reason other than the failure of the United States to appropriate
200 and allocate funds, the Authority shall, upon receipt of written notice from the Contracting
201 Officer, suspend payment on all current contracts and return to the United States any unexpended
202 balance of funds advanced by the United States and contributed by the Authority in such
203 amounts as determined to be equitable by the Contracting Officer. Following delivery of the
204 notice, the Contracting Officer may adopt either of the following two alternatives:

205 (1) Perform, or cause to be performed, all or any part of the work
206 remaining under this Contract and within the limits of the funds provided herein
207 by the United States and by the Authority for the XM Work, as well as operate
208 and maintain the XM Work concurrently. The Authority shall transfer to the
209 United States custody and use of all equipment, materials, and supplies used or
210 useful in the performance of the work; permit the United States, its contractors,
211 and its agents ingress to and egress from lands, C.W. “Bill” Jones Pumping Plant,
212 and facilities of the Authority for the performance of such work; and assign to the
213 United States the Authority’s interest in any contract for the performance of work

214 or the supplying of equipment or material in connection with such work where
215 requested by the United States and agreed to by the other contracting party; or

216 (2) Declare the XM Work Substantially Complete within the
217 provisions of this Contract by giving written notice to the Authority that (a) the
218 construction work on a feature is Substantially Complete, or (b) the feature is
219 providing benefits and services for the intended purpose(s), or (c) the feature is
220 generating revenue, where applicable. Repayment of the loan obligation shall be
221 carried out in accordance with the provisions of this Contract; *Provided, That* the
222 first annual payment shall become due on the last day of February in the year
223 following the year in which the Authority is notified of such declaration of
224 Substantial Completion.

225 (b) In the event the United States shall proceed as provided in (a)(1) of this
226 Article, the United States may, at any time and regardless of the progress of work performed
227 thereunder, declare the XM Work Substantially Complete by giving written notice thereof to the
228 Authority, in which event the provisions of (a)(2) of this Article shall apply; *Provided, That* the
229 loan obligation shall not exceed the limitation specified in this Contract, including all
230 expenditures made pursuant to provisions of (a)(1) of this Article.

231 (c) Upon giving written notice of XM Work Substantial Completion to the
232 Authority as provided above, the United States shall have the right, without further notice, to
233 take over the care, operation, and maintenance of the Units outlined in the XM Work.

234 CHARGES FOR DELINQUENT PAYMENTS

235 12. (a) The Authority shall be subject to interest, administrative, and penalty
236 charges on delinquent payments. If a payment is not received by the due date, the Authority
237 shall pay an interest charge on the delinquent payment for each day the payment is delinquent
238 beyond the due date. If a payment becomes sixty (60) days delinquent, the Authority shall pay,
239 in addition to the interest charge, an administrative charge to cover additional costs of billing and
240 processing the delinquent payment. If a payment is delinquent ninety (90) days or more, the
241 Authority shall pay, in addition to the interest and administrative charges, a penalty charge for
242 each day the payment is delinquent beyond the due date, based on the remaining balance of the
243 payment due at the rate of six (6) percent per year. The Authority shall also pay any fees
244 incurred for debt collection services associated with a delinquent payment.

245 (b) The interest rate charged shall be the greater of either the rate prescribed
246 quarterly in the *Federal Register* by the Department of the Treasury for application to overdue
247 payments, or the interest rate of 0.5 percent per month. The interest rate charged will be
248 determined as of the due date and remain fixed for the duration of the delinquent period.

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

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BOOKS, RECORDS, AND REPORTS

253 13. The Authority shall establish and maintain accounts and other books and records
254 pertaining to administration of the terms and conditions of this Contract, including the
255 Authority's financial transactions; water supply data; project operation, maintenance, and
256 replacement logs; project lands and rights-of-way use agreements; and other matters that the
257 Contracting Officer may require. Reports shall be furnished to the Contracting Officer in such
258 form and on such date or dates as the Contracting Officer may require. Subject to applicable
259 Federal law and regulations, each party to this Contract shall have the right during officer hours
260 to examine and make copies of the other party's books and records relating to matters covered by
261 this Contract.

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RULES, REGULATIONS, AND DETERMINATIONS

263 14. (a) The parties agree that the delivery of water or the use of Federal facilities
264 pursuant to this Contract is subject to Federal reclamation law, as amended and supplemented,
265 and the rules and regulations promulgated by the Secretary of the Interior under Federal
266 reclamation law.

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

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GENERAL OBLIGATION—BENEFITS CONDITIONED UPON PAYMENT

273 15. (a) The obligation of the Authority to pay the United States as provided in this
274 Contract is a general obligation of the Authority notwithstanding the manner in which the
275 obligation may be distributed among the Authority's water users and notwithstanding the default
276 of individual water users in their obligation to the Authority.

277 (b) The payment of charges becoming due pursuant to this Contract is a
278 condition precedent to receiving benefits under this Contract.

279

NOTICES

280 16. (a) Any notice, demand, or request authorized or required by this Contract
281 shall be deemed to have been given, on behalf of the Authority, when mailed, postage prepaid, or
282 delivered to the Area Manager, South-Central California Area Office, 1243 N Street, Fresno,
283 California 93721, Bureau of Reclamation, and on behalf of the United States, when mailed,
284 postage prepaid, or delivered to the Executive Director of the San Luis & Delta-Mendota Water
285 Authority, PO Box 2157, Los Banos, CA 93635. The designation of the addressee or the address
286 may be changed by notice given in the same manner as provided in this Article for other notices.

287 (b) This Article 16 shall not preclude the effective service of such notices by
288 other measures.

289 CONTINGENT ON APPROPRIATION OR ALLOTMENT OF FUNDS

290 17. The expenditure or advance of any money or the performance of any obligation of
291 the United States under this Contract shall be contingent upon appropriation or allotment of
292 funds. Absence of appropriation or allotment of funds shall not relieve the Authority from any
293 obligations under this Contract. No liability shall accrue to the United States in case funds are
294 not appropriated or allotted

295 OFFICIALS NOT TO BENEFIT

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

299 ASSIGNMENT LIMITED—SUCCESSORS AND ASSIGNS OBLIGATED

300 19. The provisions of this Contract shall apply to and bind the successors and assigns
301 of the respective parties, but no assignment or transfer of this Contract or any right or interest
302 therein by either party shall be valid until approved in writing by the other party.

303 EQUAL EMPLOYMENT OPPORTUNITY

304 20. During the performance of this Contract, the Authority agrees as follows:

305 (a) The Authority will not discriminate against any employee or applicant for
306 employment because of race, color, religion, sex, sexual orientation, gender identity, or national
307 origin. The Authority will take affirmative action to ensure that applicants are employed, and
308 that employees are treated during employment, without regard to their race, color, religion, sex,
309 sexual orientation, gender identity, or national origin. Such action shall include, but not be
310 limited to, the following: employment, upgrading, demotion, or transfer; recruitment or
311 recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and
312 selection for training, including apprenticeship. The Authority agrees to post in conspicuous
313 places, available to employees and applicants for employment, notices to be provided by the
314 Contracting Officer setting forth the provisions of this nondiscrimination clause.

315 (b) The Authority will, in all solicitations or advertisements for employees
316 placed by or on behalf of the Authority, state that all qualified applicants will receive
317 consideration for employment without regard to race, color, religion, sex, sexual orientation,
318 gender identity, or national origin.

319 (c) The Authority will not discharge or in any other manner discriminate
320 against any employee or applicant for employment because such employee or applicant has
321 inquired about, discussed, or disclosed the compensation of the employee or applicant or another
322 employee or applicant. This provision shall not apply to instances in which an employee who
323 has access to the compensation information of other employees or applicants as a part of such
324 employee's essential job functions discloses the compensation of such other employees or
325 applicants to individuals who do not otherwise have access to such information, unless such

326 disclosure is in response to a formal complaint or charge, in furtherance of an investigation,
327 proceeding, hearing, or action, including an investigation conducted by the employer, or is
328 consistent with the Authority's legal duty to furnish information.

329 (d) The Authority will send to each labor union or representative of workers
330 with which he has a collective bargaining agreement or other contract or understanding, a notice,
331 to be provided by the agency Contracting Officer, advising the labor union or workers'
332 representative of the Authority's commitments under Section 202 of Executive Order 11246 of
333 September 24, 1965, and shall post copies of the notice in conspicuous places available to
334 employees and applicants for employment.

335 (e) The Authority will comply with all provisions of Executive Order No.
336 11246 of September 24, 1965, and of the rules regulations and relevant orders of the Secretary of
337 Labor.

338 (f) The Authority will furnish all information and reports required by
339 Executive Order No. 11246 of September 24, 1965, and by the rules, regulations and orders of
340 the Secretary of Labor, or pursuant thereto, and will permit access to his books, records and
341 accounts by the Contracting Agency and the Secretary of Labor for purposes of investigation to
342 ascertain compliance with such rules, regulations and orders.

343 (g) In the event of the Authority's noncompliance with the nondiscrimination
344 clauses of this Contract or with any of the said rules, regulations or orders, this Contract may be
345 canceled, terminated or suspended, in whole or in part and the Authority may be declared
346 ineligible for further Government contracts in accordance with procedures authorized in
347 Executive Order No. 11246 of September 24, 1965, and such other sanctions may be imposed
348 and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule,
349 regulation, or order of the Secretary of Labor, or as otherwise provided by law.

350 (h) The Authority will include the provisions of paragraphs (a) through (h) in
351 every subcontract or purchase order unless exempted by the rules, regulations, or orders of the
352 Secretary of Labor issued pursuant to Section 204 of said Executive Order No. 11246 of
353 September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor.
354 The Authority will take such action with respect to any subcontract or purchase order as may be
355 directed by the Secretary of Labor as a means of enforcing such provisions, including sanctions
356 for noncompliance: *Provided, however*, that in the event the Authority becomes involved in, or is
357 threatened with, litigation with a subcontractor or vendor as a result of such direction, the
358 Authority may request the United States to enter into such litigation to protect the interests of the
359 United States.

360 COMPLIANCE WITH CIVIL RIGHTS LAWS AND REGULATIONS

361 21. (a) The Authority shall comply with Title VI of the Civil Rights Act of 1964
362 (Pub. L. 88-352; 42 U.S.C. § 2000d), the Rehabilitation Act of 1975 (Pub. L. 93-112, Title V, as
363 amended; 29 U.S.C. §791, et. Seq.), the Age Discrimination Act of 1975 (Pub. L. 94-135, Title
364 III; 42 U.S.C. § 6101, et seq.), Title III of the Americans with Disabilities Act of 1990 (Pub. L.
365 101-336; 42 U.S.C. § 12181, et seq.), and any other applicable civil rights laws, and with the

366 applicable implementing regulations and any guidelines imposed by the U.S. Department of the
367 Interior and/or Bureau of Reclamation.

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

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

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

385 CERTIFICATION OF NONSEGREGATED FACILITIES

386 22. The Authority hereby certifies that it does not maintain or provide for its
387 employees any segregated facilities at any of its establishments and that it does not permit its
388 employees to perform their services at any location under its control where segregated facilities
389 are maintained. It certifies further that it will not maintain or provide for its employees any
390 segregated facilities at any of its establishments and that it will not permit its employees to
391 perform their services at any location under its control where segregated facilities are
392 maintained. The Authority agrees that a breach of this certification is a violation of the Equal
393 Employment Opportunity clause in this Contract. As used in this certification, the term
394 "segregated facilities" means any waiting rooms, work areas, rest rooms and wash rooms,
395 restaurants and other eating areas, time clocks, locker rooms and other storage or dressing areas,
396 parking lots, drinking fountains, recreation or entertainment areas, transportation, and housing
397 facilities provided for employees which are segregated by explicit directive or are in fact
398 segregated on the basis of race, creed, color, or national origin, because of habit, local custom,
399 disability, or otherwise. The Authority further agrees that (except where it has obtained identical
400 certifications from proposed subcontractors for specific time periods) it will obtain identical
401 certifications from proposed subcontractors prior to the award of subcontracts exceeding \$10,000
402 which are not exempt from the provisions of the Equal Employment Opportunity clause; that it
403 will retain such certifications in its files; and that it will forward the following notice to such
404 proposed subcontractors (except where the proposed subcontractors have submitted identical
405 certifications for specific time periods):

406 NOTICE TO PROSPECTIVE SUBCONTRACTORS OF REQUIREMENT FOR
407 CERTIFICATIONS OF NONSEGREGATED FACILITIES

408 A Certification of Nonsegregated Facilities must be submitted prior to the award of a
409 subcontract exceeding \$10,000 which is not exempt from the provisions of the Equal
410 Employment Opportunity clause. The certification may be submitted either for each subcontract
411 or for all subcontracts during a period (i.e., quarterly, semiannually, or annually). Note: The
412 penalty for making false statements in offers is prescribed in 18 U.S.C. § 1001.

413 MEDIUM FOR TRANSMITTING PAYMENTS

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

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

422 CONTRACT DRAFTING CONSIDERATIONS

423 24. This Contract has been negotiated and reviewed by the parties hereto, each of
424 whom is sophisticated in the matters to which this Contract pertains. Articles 1 through 24 of
425 this Contract have been drafted, negotiated, and reviewed by the parties, and no one party shall
426 be considered to have drafted the stated Articles.

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

UNITED STATES OF AMERICA

By: _____
Regional Director
Interior Region 10: California-Great Basin
Bureau of Reclamation

(SEAL)

SAN LUIS & DELTA-MENDOTA
WATER AUTHORITY

By: _____
Chief Operating Officer

Attest:

By: _____
General Counsel

EXHIBIT A

San Luis & Delta-Mendota Water Authority
Delta Division, Central Valley Project

PAYMENT SCHEDULE(s)

DRAFT