

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

CONTRACT FOR CONVEYANCE OF NON-PROJECT WATER  
BETWEEN THE UNITED STATES  
AND  
EL DORADO IRRIGATION DISTRICT

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25                   WHEREAS, the Contractor has or will acquire a supply of Non-Project Water and  
26 has requested that the United States convey said Non-Project Water through Excess Capacity in  
27 Project Facilities for municipal and industrial (M&I) purposes; and

28                   WHEREAS, the Contractor and its customers have relied upon the sources of  
29 Non-Project Water, identified in Exhibit B, for more than 50 years, and Contractor considers  
30 them to be an essential portion of its water supply; and

31                   WHEREAS, the United States is willing to convey said Non-Project Water to the  
32 Contractor through Excess Capacity in Project Facilities, and that the conveyance of Non-Project  
33 Water by the United States through the Project Facilities, in accordance with the terms and  
34 conditions of this Contract, will not be detrimental to the water service of the Project; and

35                   WHEREAS, the Contractor and Contracting Officer recognize that this Contract  
36 does not grant any permission or entitlement to the Contractor to extract or divert from its  
37 sources the Non-Project Water supply conveyed pursuant to this Contract; and

38                   WHEREAS, the United States will consider, in good faith, the Contractor’s  
39 requests for future renewal of this Contract, to the extent that Excess Capacity in  
40 Project Facilities exists at the time of renewal, and to the extent that renewal of this Contract  
41 would not contravene then-applicable law, including but not limited to the Federal Reclamation  
42 laws and 43 U.S.C. Sections 523-525;

43                   NOW, THEREFORE, in consideration of the covenants herein contained, the  
44 parties hereto agree as follows:

DEFINITIONS

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1. When used herein, the term:
  - (a) "Calendar Year" shall mean the period January 1 through December 31, both dates inclusive;
  - (b) "Contracting Officer" shall mean the Secretary of the Interior's (Secretary) duly authorized representative acting pursuant to this Contract or applicable Reclamation law or regulation;
  - (c) "Contractor's Point of Delivery" shall mean the Folsom Lake Raw Water Pump Station on the south shore of the Folsom Reservoir or any replacement thereof;
  - (d) "Excess Capacity" shall mean the capacity of the Project Facilities not needed to store and/or convey Project Water as determined by the Contracting Officer;
  - (e) "M&I Water" shall mean all uses of Non-Project Water for other than the commercial production of agricultural crops or livestock, including domestic use incidental thereto;
  - (f) "Non-Project Water" shall mean water acquired by or available to the Contractor from the source(s) identified in Exhibit B, attached hereto and incorporated herein by reference;
  - (g) "Project" shall mean the Central Valley Project owned by the United States and operated by the Department of the Interior, Bureau of Reclamation;
  - (h) "Project Facilities" shall mean the Folsom Reservoir;
  - (i) "Project Water" shall mean all water that is developed, diverted, stored, or delivered by the United States in accordance with the statutes authorizing the Project and in

66 accordance with the terms and conditions of applicable water rights permits and licenses  
67 acquired by and/or issued to the United States pursuant to California law;

68 (j) "Rates" shall mean the payments determined annually by the Contracting Officer  
69 in accordance with the then-current applicable water ratesetting policies for the Project;

70 (k) "Secretary" shall mean the Secretary of the Interior, a duly appointed successor,  
71 or an authorized representative;

72 (l) "Water Service Contract" shall mean Contract No. 14-06-200-1357A between the  
73 United States and the Contractor, or in any amendment, extension, or renewal thereof, for a  
74 supply of Project Water;

75 (m) "Year" shall mean the period March 1 of each Calendar Year through the last day  
76 of February of the following Calendar Year, both dates inclusive.

77 TERM OF CONTRACT

78 2. (a) This Contract shall become effective on March 1, 2008, and shall remain in effect  
79 through February 29, 2048, unless terminated by operation of law or by mutual agreement of the  
80 parties hereto. Provided, that upon 30 days' advance written notice to the Contractor, this  
81 Contract may also be terminated by the Contracting Officer at an earlier date, if the  
82 Contracting Officer determines that the Contractor has not been complying with one or more of  
83 the terms and conditions of this Contract; Provided further, that the Contracting Officer may  
84 make a determination not to terminate this Contract if the Contractor can show full compliance  
85 or a time schedule for compliance that is satisfactory to the Contracting Officer within the 30-  
86 day notice period.

87           (b)     The Contractor shall promptly notify the Contracting Officer if and when the  
88 Contractor ceases to have any right to the use of the Non-Project Water being conveyed pursuant  
89 to this Contract.

90                           CONVEYANCE, POINTS OF DELIVERY, AND MEASUREMENT OF  
91   NON-PROJECT WATER

92     3.     (a)     The Contractor may cause up to 4,560 acre-feet of Non-Project Water each Year  
93 to be introduced into the Folsom Reservoir from the source(s) identified in Exhibit B. The  
94 United States shall convey said water to the Contractor's Point of Delivery through  
95 Excess Capacity in Project Facilities in accordance with a schedule, or any revision or revisions  
96 thereof, submitted by the Contractor and approved by the Contracting Officer during the term  
97 hereof. If at any time the Contracting Officer determines that there will not be Excess Capacity  
98 in Project Facilities sufficient to receive, transport, and convey the Non-Project Water in  
99 accordance with the approved schedule, the Contracting Officer shall so notify the Contractor in  
100 writing. Within 24 hours of said notice, the Contractor shall revise its schedule accordingly.

101           (b)     The quantity(ies) of Non-Project Water conveyed to the Contractor through  
102 Project Facilities in any 30-day period shall not exceed the quantity of Non-Project Water  
103 previously introduced into the Folsom Reservoir by the Contractor. The Contractor will be  
104 responsible to forgo diversions or to make releases under its State water rights, and any permits  
105 or approvals issued by the California State Water Resources Control Board (SWRCB) relating to  
106 those rights to divert the natural flow of tributaries of the American River and/or from  
107 Contractor’s upstream reservoirs, of the quantity of water that equals the quantity that the  
108 Contractor has scheduled to introduce into the Folsom Reservoir, including the conveyance  
109 loss(es) identified in Exhibit B.

110           (c)     Exhibit B may be modified or replaced to reflect any changes to the source(s) of  
111 Non-Project Water or the quantity(ies) of conveyance loss(es), as determined by the  
112 Contracting Officer based on operational history, without amending this Contract.

113           (d)     The Non-Project Water shall be used for M&I purposes only.

114           (e)     Non-Project Water that is introduced into the Folsom Reservoir by the Contractor,  
115 and remains there for less than 30 days shall not be deemed unused water available to the  
116 United States for Project purposes. Conversely, Non-Project Water that is introduced into the  
117 Folsom Reservoir by the Contractor and remains there for 30 days or more shall be deemed to be  
118 unused water available to the United States for Project purposes. Non-Project Water delivered to  
119 Project Facilities shall be accounted for on a “first-in, first-out.” Similarly, Non-Project Water  
120 that is introduced into the Folsom Reservoir but not conveyed prior to the expiration of this  
121 Contract shall also be deemed unused water available to the United States for Project purposes.

122           (e.1)    In the event it becomes necessary for the Contracting Officer to spill water from  
123 the Folsom Dam for flood control or any other purpose, the quantity of water first obligated  
124 and/or spilled shall be deemed to be the Contractor’s Non-Project Water to the extent that such  
125 water has been and/or is being delivered into the Folsom Reservoir: Provided, That the  
126 Contracting Officer will to the extent possible inform the Contractor by written notice, or  
127 otherwise, of any impending obligation or spill from the Folsom Reservoir; Provided further,  
128 That to the extent the Contractor has Non-Project Water stored in the Folsom Reservoir and/or  
129 being delivered to the Folsom Reservoir after the Contractor has been so informed, such water so  
130 stored and/or being delivered shall be delivered to the Contractor at the Contractor’s request to

131 the extent the United States is able to do so as conclusively determined by the Contracting  
132 Officer.

133 (f) The Contractor shall be responsible for the acquisition and payment of all  
134 electrical power and associated transmission service charges required to pump the Non-Project  
135 Water at the Contractor’s Point of Delivery. Conveyance of Non-Project Water pursuant to this  
136 Contract will not be supported with Project-use power.

137 (g) Non-Project Water conveyed by the United States to the Contractor pursuant to  
138 this Contract will be conveyed to the Contractor's Point of Delivery, and/or any other additional  
139 point or points of delivery as may be mutually agreed to in writing by the Contracting Officer  
140 and the Contractor.

141 (h) The Contractor shall utilize the Non-Project Water conveyed pursuant to this  
142 Contract in accordance with all requirements of any applicable Biological Opinion(s).

143 (i) All Non-Project Water conveyed to the Contractor pursuant to this Contract shall  
144 be measured and recorded with equipment furnished, installed, operated, and maintained by the  
145 Contractor. Upon request by the Contracting Officer, the Contractor shall investigate the  
146 accuracy of such measurements and shall take all necessary steps to adjust any errors appearing  
147 therein.

148 SCHEDULING AND REPORTING OBLIGATIONS OF THE CONTRACTOR

149 4. (a) On or before each March 1, or at such other times as the Contracting Officer  
150 determines to be necessary, the Contractor shall submit to the Contracting Officer a written  
151 schedule, satisfactory to the Contracting Officer, showing the dates and estimated monthly  
152 quantities of Non-Project Water to be introduced into the Folsom Reservoir and conveyed by the

153 United States to the Contractor pursuant to this Contract for the upcoming Year. During each  
154 month, the Contractor will revise said schedule if necessary to reflect the actual quantity(ies) of  
155 Non-Project Water introduced into the Folsom Reservoir and conveyed by the United States to  
156 the Contractor pursuant to this Contract.

157 (b) For each month, before the 10th day of the succeeding month, the Contractor shall  
158 furnish a monthly report of daily operations that is satisfactory to the Contracting Officer which  
159 tabulates the Contractor's rights to the natural flow in the South Fork of the American River and  
160 its tributaries, the quantity of Non-Project Water introduced into the Folsom Reservoir pursuant  
161 to this Contract, and the actual daily quantities of Non-Project Water taken by the Contractor at  
162 the Contractor's Point of Delivery. At the same time, the Contractor shall provide the  
163 Contracting Officer with operational reports demonstrating that the Contractor has operated its  
164 upstream reservoirs and other facilities in such a manner as to make sufficient water available in  
165 Project Facilities for subsequent delivery of Non-Project Water to the Contractor pursuant to the  
166 Contractor's direct diversion and re-diversion rights under its State water rights for each month.  
167 The reports shall include the quantity(ies) of releases from the Contractor's upstream storage; the  
168 quantity(ies) of foregone diversions; the quantity(ies) of Non-Project Water introduced into  
169 Project Facilities; and water flows in Weber Creek downstream from Farmers Free Ditch, in  
170 Hangtown Creek downstream from Gold Hill Ditch, in Slab Creek downstream from  
171 Summerfield Ditch, and in Weber Creek near the confluence with the South Fork American  
172 River. The reports to the Contracting Officer shall be provided in paper and electronic formats  
173 approved by the Contracting Officer, with measurements of water in daily mean cubic feet per  
174 second and monthly acre-feet. In addition, the Contractor shall provide the Contracting Officer

175 with copies of all reports on water rights, stream flows and diversions that are required during  
176 the term of this Contract by the California SWRCB under License 2184, or by the California  
177 Department of Fish and Game under any operating agreement.

178 (c) The Contractor shall advise the Contracting Officer on or before the 10th calendar  
179 day of each month of the actual daily quantities of Non-Project Water taken during the previous  
180 month by the Contractor at the Contractor's Point of Delivery pursuant to this Contract.

181 PAYMENT FOR CONVEYANCE

182 5. (a) The Rates to be paid to the United States for Non-Project Water conveyed  
183 pursuant to this Contract are set forth in Exhibit A and are subject to annual adjustment pursuant  
184 to the then-current M&I Ratesetting Policy for the Project to cover all costs incurred from the  
185 conveyance of Non-Project Water.

186 (b) By January 31 of each Calendar Year, the Contracting Officer shall provide the  
187 Contractor with the final Rates to be in effect for the upcoming Year, and such notification shall  
188 revise Exhibit A without amending this contract.

189 (c) The Contractor shall pay for Non-Project Water conveyed pursuant to this  
190 Contract at the cost-of-service rate as calculated in accordance with the then-current M&I  
191 Ratesetting Policy for the Project.

192 (d) At the time the Contractor submits an initial schedule for the conveyance of  
193 Non-Project Water pursuant to subdivision (a) of Article 4 of this Contract, the Contractor shall  
194 pay the Contracting Officer one-half of the total amount payable for the Non-Project Water  
195 scheduled to be conveyed for the Year. The Contractor shall pay the remainder of the amount

196 payable for Non-Project Water scheduled to be conveyed for the Year on or before June 1 of the  
197 respective Year. Non-Project Water shall not be conveyed in advance of payment.

198 (e) All revenues received from the use of Project facilities, pursuant to subdivision (a)  
199 of this Article for conveyance of Non-Project M&I water, shall be deposited into the  
200 Reclamation fund for use under the terms of the Reclamation Act as provided in Section 3 of the  
201 Act of February 21, 1911 (36 Stat. 925); Provided, that if the Act of February 21, 1911, is  
202 amended, superseded, or replaced, any new provisions addressing the distribution of revenues  
203 will apply to this Contract at the earliest possible date under the law.

204 (f) No refund shall be made by the United States to the Contractor of the payments  
205 made for conveyance of Non-Project Water introduced into the Folsom Reservoir which remains  
206 in said reservoir for more than 30 days as described in subdivision (e) of Article 3.

207 (g) If at any time the Contractor diverts more Non-Project Water from  
208 Project Facilities than the quantity that was introduced pursuant to subdivision (b) of Article 3 of  
209 this Contract, that additional amount of Non-Project Water shall be deemed Project Water for  
210 M&I purposes, and payment shall be made at the applicable rate identified in the Contractor's  
211 Water Service Contract. Further, this Project Water will be deducted from the quantity of  
212 Project Water to which the Contractor is entitled under the Contractor's Water Service Contract.

213 (h) If the conditions identified in subdivision (g) of this Article arise, and it is  
214 determined by the Contracting Officer that the Contractor has utilized all of its Project Water  
215 available under the Contractor's Water Service Contract, the Contractor shall release additional  
216 Non-Project Water to be introduced into the Folsom Reservoir which is sufficient to equal the  
217 quantity of water actually used, including the quantity(ies) of conveyance loss(es) specified in

218 Exhibit B, and shall pay for this additional Non-Project Water at the Rates identified in  
219 Exhibit A.

220 UNITED STATES NOT RESPONSIBLE FOR CONVEYANCE OF NON-PROJECT WATER

221 6. The United States shall not be responsible for the control, care, or distribution of the  
222 Non-Project Water before it is introduced into the Folsom Reservoir or after it is conveyed to the  
223 Contractor's Point of Delivery.

224 ADJUSTMENTS

225 7. If the Contracting Officer determines the quantity of Non-Project Water conveyed to the  
226 Contractor pursuant to this Contract is less than the quantity for which the Contractor would  
227 otherwise have been required to pay, the amount of any overpayment by the Contractor shall be  
228 applied first to any accrued indebtedness arising out of this Contract then due and owing to the  
229 United States by the Contractor. Any amount of such overpayment then remaining shall be  
230 refunded or credited to the Contractor, as directed by the Contractor.

231 UNITED STATES NOT LIABLE

232 8. The Contractor hereby releases and agrees to defend and indemnify the United States and  
233 its officers, agents, and employees from every claim for damage to persons or property, direct or  
234 indirect, resulting from the Contractor's performance of this Contract, including the introduction  
235 of Non-Project Water into the Folsom Reservoir and the diversion and/or extraction of  
236 Non-Project Water from Project Facilities. The Contractor further releases the United States and  
237 its officers, agents, and employees from every claim for damage to persons or property, direct or  
238 indirect, resulting from the Contracting Officer's determinations of the amount of Excess  
239 Capacity available in Project Facilities for the conveyance of Non-Project Water to the

240 Contractor, and any legal or physical inability by the Contractor to extract or divert from its  
241 source(s) any of the Non-Project Water. Nothing contained in this Article shall be construed as  
242 an assumption of liability by the Contractor with respect to such matters.

243 OPINIONS AND DETERMINATIONS

244 9. (a) Where the terms of this Contract provide for actions to be based upon the opinion  
245 or determination of either party to this Contract, said terms shall not be construed as permitting  
246 such action to be predicated upon arbitrary, capricious, or unreasonable opinions or  
247 determinations. Both parties, notwithstanding any other provisions of this Contract, expressly  
248 reserve the right to relief from and appropriate adjustment for any such arbitrary, capricious, or  
249 unreasonable opinion or determination. Each opinion or determination by either party shall be  
250 provided in a timely manner.

251 (b) The Contracting Officer shall have the right to make determinations necessary to  
252 administer this Contract that are consistent with the expressed and implied provisions of this  
253 Contract, the laws of the United States and the State of California, and the rules and regulations  
254 promulgated by the Secretary. Such determinations shall be made in consultation with the  
255 Contractor to the extent reasonably practicable.

256 CONTRACTOR TO PAY CERTAIN MISCELLANEOUS COSTS

257 10. In addition to all other payments to be made by the Contractor pursuant to this Contract,  
258 the Contractor shall pay to the United States, within 60 days after receipt of a bill and detailed  
259 statement submitted by the Contracting Officer to the Contractor, for such specific items of  
260 direct cost incurred by the United States for work requested by the Contractor associated with  
261 this Contract plus indirect costs in accordance with applicable Reclamation policy and

262 procedures. All such amounts referred to in this Article shall not exceed the amount agreed to in  
263 writing in advance by the Contractor. This Article shall not apply to costs for routine contract  
264 administration.

265 WATER CONSERVATION

266 11. Prior to the delivery of water provided from or conveyed through Federally-constructed  
267 or Federally-financed facilities pursuant to this Contract, the Contractor shall develop a water  
268 conservation plan, as required by Section 210(b) of the Reclamation Reform Act of 1982 and  
269 Part 427.1 of the Water Conservation Rules and Regulations effective January 1, 1998.

270 MEDIUM FOR TRANSMITTING PAYMENTS

271 12. (a) All payments from the Contractor to the United States under this Contract shall be  
272 by the medium requested by the United States on or before the date payment is due. The  
273 required method of payment may include checks, wire transfers, or other types of payment  
274 specified by the United States.

275 (b) Upon execution of the Contract, the Contractor shall furnish the  
276 Contracting Officer with the Contractor’s taxpayer’s identification number (TIN). The purpose  
277 for requiring the Contractor’s TIN is for collecting and reporting any delinquent amounts arising  
278 out of the Contractor’s relationship with the United States.

279 CHARGES FOR DELINQUENT PAYMENTS

281 13. (a) The Contractor shall be subject to interest, administrative and penalty charges on  
282 delinquent payments. If a payment is not received by the due date, the Contractor shall pay an  
283 interest charge on the delinquent payment for each day the payment is delinquent beyond the due  
284 date. If a payment becomes 60-days delinquent, in addition to the interest charge, the Contractor  
285 shall pay an administrative charge to cover additional costs of billing and processing the  
286 delinquent payment. If a payment is delinquent 90 days or more, in addition to the interest and  
287 administrative charges, the Contractor shall pay a penalty charge for each day the payment is  
288 delinquent beyond the due date, based on the remaining balance of the payment due at the rate of  
289 6 percent per year. The Contractor shall also pay any fees incurred for debt collection services  
290 associated with a delinquent payment.

291 (b) The interest charge rate shall be the greater of the rate prescribed quarterly in the  
292 *Federal Register* by the Department of the Treasury for application to overdue payments or the  
293 interest rate of 0.5 percent per month. The interest charge rate will be determined as of the due  
294 date and remain fixed for the duration of the delinquent period.

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

298 PROTECTION OF WATER AND AIR QUALITY

299 14. (a) Project facilities used to make available and deliver water to the Contractor shall  
300 be operated and maintained in the most practical manner to maintain the quality of the water at  
301 the highest level possible as determined by the Contracting Officer: Provided, That the  
302 United States does not warrant the quality of the water delivered to the Contractor and is under  
303 no obligation to furnish or construct water treatment facilities to maintain or improve the quality  
304 of water delivered to the Contractor.

305 (b) The Contractor shall comply with all applicable water and air pollution laws and  
306 regulations of the United States and the State of California; and shall obtain all required permits  
307 or licenses from the appropriate Federal, State, or local authorities necessary for the delivery of  
308 water by the Contractor; and shall be responsible for compliance with all Federal, State, and  
309 local water quality standards applicable to surface and subsurface drainage and/or discharges  
310 generated through the use of Federal or Contractor’s facilities or Project Water provided by the  
311 Contractor within the Contractor’s Project Water Service Area.

312 (c) This Article shall not affect or alter any legal obligations of the Secretary to  
313 provide drainage or other discharge services.

314 (d) If it is determined by the Contracting Officer that the quality of the source of the  
315 Non-Project Water, identified in Exhibit B, conveyed pursuant to this Contract will significantly  
316 degrade the quality of Project Water in the Folsom Reservoir, the Contractor, upon receipt of  
317 written notice from the Contracting Officer, shall arrange for the immediate termination of the  
318 introduction of such source of Non-Project Water into Project Facilities.

319 GENERAL OBLIGATION--BENEFITS CONDITIONED UPON PAYMENT

320 15. (a) The obligation of the Contractor to pay the United States as provided in this  
321 Contract is a general obligation of the Contractor notwithstanding the manner in which the  
322 obligation may be distributed among the Contractor's water users and notwithstanding the default  
323 of individual water users in their obligations to the Contractor.

324 (b) The payment of charges becoming due pursuant to this Contract is a condition  
325 precedent to receiving benefits under this Contract. The United States shall not make water  
326 available to the Contractor through Project facilities during any period in which the Contractor is  
327 in arrears in the advance payment of water rates due the United States. The Contractor shall not  
328 deliver water under the terms of this Contract for lands or parties which are in arrears in the  
329 advance payment of water rates levied or established by the Contractor.

330 COMPLIANCE WITH FEDERAL RECLAMATION LAWS

331 16. (a) The parties agree that the delivery of water or the use of Federal facilities  
332 pursuant to this Contract is subject to Federal Reclamation law, as amended and supplemented,  
333 and the rules and regulations promulgated by the Secretary under Federal Reclamation law.  
334 (b) The Contracting Officer shall have the right to make determinations necessary to  
335 administer this Contract that are consistent with the expressed and implied provisions of this  
336 Contract, the laws of the United States and the State, and the rules and regulations promulgated  
337 by the Secretary. Such determinations shall be made in consultation with the Contractor.

338 EQUAL EMPLOYMENT OPPORTUNITY

339 17. During the performance of this Contract, the Contractor agrees as follows:  
340 (1) The Contractor will not discriminate against any employee or applicant for  
341 employment because of race, color, religion, sex, disability, or national origin. The Contractor  
342 will take affirmative action to ensure that applicants are employed, and that employees are  
343 treated during employment, without regard to their race, color, religion, sex, disability, or  
344 national origin. Such action shall include, but not be limited to, the following: employment,  
345 upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination;  
346 rates of pay or other forms of compensation; and selection for training, including apprenticeship.  
347 The Contractor agrees to post in conspicuous places, available to employees and applicants for  
348 employment, notices to be provided by the Contracting Officer setting forth the provisions of  
349 this nondiscrimination clause.  
350 (2) The Contractor will, in all solicitations or advertisements for employees placed by  
351 or on behalf of the Contractor, state that all qualified applicants will receive consideration for  
352 employment without regard to race, color, religion, sex, disability, or national origin.  
353 (3) The Contractor will send to each labor union or representative of workers with  
354 which it has a collective bargaining agreement or other contract or understanding, a notice, to be  
355 provided by the Contracting Officer, advising the said labor union or workers’ representative of  
356 the Contractor’s commitments under Section 202 of Executive Order 11246 of September 24,  
357 1965, and shall post copies of the notice in conspicuous places available to employees and  
358 applicants for employment.  
359 (4) The Contractor will comply with all provisions of Executive Order No. 11246 of  
360 September 24, 1965, as amended, and of the rules, regulations, and relevant orders of the  
361 Secretary of Labor.  
362 (5) The Contractor will furnish all information and reports required by Executive  
363 Order 11246 of September 24, 1965, and by the rules, regulations, and orders of the Secretary of  
364 Labor, or pursuant thereto, and will permit access to its books, records, and accounts by the  
365 Contracting Officer and the Secretary of Labor for purposes of investigation to ascertain  
366 compliance with such rules, regulations, and orders.  
367 (6) In the event of the Contractor's noncompliance with the nondiscrimination clauses  
368 of this Contract or with any of the such rules, regulations, or orders, this Contract may be  
369 canceled, terminated or suspended in whole or in part, and the Contractor may be declared  
370 ineligible for further Government contracts in accordance with procedures authorized in

371 Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and  
372 remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule,  
373 regulation, or order of the Secretary of Labor, or as otherwise provided by law.

374 (7) The Contractor will include the provisions of paragraphs (1) through (6) in every  
375 subcontract or purchase order unless exempted by the rules, regulations, or orders of the  
376 Secretary of Labor issued pursuant to Section 204 of Executive Order 11246 of September 24,  
377 1965, so that such provisions will be binding upon each subcontractor or vendor. The Contractor  
378 will take such action with respect to any subcontract or purchase order as may be directed by the  
379 Secretary of Labor as a means of enforcing such provisions, including sanctions for  
380 noncompliance: Provided, however, That in the event the Contractor becomes involved in, or is  
381 threatened with, litigation with a subcontractor or vendor as a result of such direction, the  
382 Contractor may request the United States to enter into such litigation to protect the interests of  
383 the United States.

384 BOOKS, RECORDS AND REPORTS

385 18. (a) The Contractor shall establish and maintain accounts and other books and records  
386 pertaining to administration of the terms and conditions of this Contract, including the  
387 Contractor's financial transactions; water supply data; project operation, maintenance, and  
388 replacement logs; project land and rights-of-way use agreements; the water users' land-use  
389 (crop census), land-ownership, land-leasing, and water-use data; and other matters that the  
390 Contracting Officer may require. Reports shall be furnished to the Contracting Officer in such  
391 form and on such date or dates as the Contracting Officer may require. Subject to applicable  
392 Federal laws and regulations, each party to this Contract shall have the right during office hours  
393 to examine and make copies of the other party's books and records relating to matters covered by  
394 this Contract.

395 (b) Notwithstanding the provisions of subdivision (a) of this Article, no books,  
396 records, or other information shall be requested from the Contractor by the Contracting Officer  
397 unless such books, records, or information are reasonably related to the administration or  
398 performance of this Contract. Any such request shall allow the Contractor a reasonable period of  
399 time within which to provide the requested books, records, or information.

400 CONTINGENT ON APPROPRIATION OR ALLOTMENT OF FUNDS

401 19. The expenditure or advance of any money or the performance of any obligation of the  
402 United States under this Contract shall be contingent upon appropriation or allotment of funds.  
403 Absence of appropriation or allotment of funds shall not relieve the Contractor from any  
404 obligations under this Contract. No liability shall accrue to the United States in case funds are  
405 not appropriated or allotted.

406                    ASSIGNMENT LIMITED--SUCCESSORS AND ASSIGNS OBLIGATED

407    20.    The provisions of this Contract shall apply to and bind the successors and assigns of the  
408 parties hereto, but no assignment or transfer of this Contract or any right or interest therein shall  
409 be valid until approved in writing by the other party.

410                    OFFICIALS NOT TO BENEFIT

411    21.    No Member of or Delegate to Congress, Resident Commissioner or official of the  
412 Contractor shall benefit from this Contract other than as a water user or landowner in the same  
413 manner as other water users or landowners.

414                    COMPLIANCE WITH CIVIL RIGHTS LAWS AND REGULATIONS

415    22.    (a)    The Contractor shall comply with Title VI of the Civil Rights Act of 1964  
416 (42 U.S.C. 2000d), Section 504 of the Rehabilitation Act of 1975 (Public Law 93-112, as  
417 amended), the Age Discrimination Act of 1975 (42 U.S.C. 6101, *et seq.*) Title III of the  
418 Americans with Disabilities Act of 1990, and any other applicable civil rights laws, as well as  
419 with their respective implementing regulations and guidelines imposed by the United States  
420 Department of the Interior and/or Reclamation.

421            (b)    These statutes require that no person in the United States shall be excluded from  
422 participation in, be denied the benefits of, or be otherwise subjected to discrimination under any  
423 program or activity receiving financial assistance from Reclamation on the grounds of race,  
424 color, national origin, disability, or age. By executing this Contract, the Contractor agrees to  
425 immediately take any measures necessary to implement this obligation, including permitting  
426 officials of the United States to inspect premises, programs, and documents.

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

434            (d)    Complaints of discrimination against the Contractor shall be investigated by the  
435 Contracting Officer’s Office of Civil Rights.

436                    CHANGES IN CONTRACTOR’S ORGANIZATION

437    23.    While this Contract is in effect, no change may be made in the Contractor’s organization,  
438 by inclusion or exclusion of lands or by any other changes which may affect the respective  
439 rights, obligations, privileges, and duties of either the United States or the Contractor under this

440 Contract, including, but not limited to, dissolution, consolidation, or merger, except upon the  
441 Contracting Officer’s written consent.<sup>1</sup>

442

443

CONFIRMATION OF CONTRACT

444 24. The Contractor, after the execution of this Contract, shall furnish to the Contracting  
445 Officer evidence that pursuant to the laws of the State of California, the Contractor is a legally  
446 constituted entity and the Contract is lawful, valid, and binding on the Contractor. This Contract  
447 shall not be binding on the United States until such evidence has been provided to the  
448 Contracting Officer’s satisfaction.

449

CONTRACT DRAFTING CONSIDERATIONS

450 25. Articles 1 through 26 of this Contract have been drafted, negotiated, and reviewed by the  
451 parties hereto, each of whom is sophisticated in the matters to which this Contract pertains, and  
452 no one party shall be considered to have drafted the stated articles.

453

454

NOTICES

455 26. Any notice, demand, or request authorized or required by this Contract shall be deemed  
456 to have been given, on behalf of the Contractor, when mailed, postage prepaid, or delivered to  
457 the Area Manager, Bureau of Reclamation, 7794 Folsom Dam Road, Folsom, California  
458 95630-1799, and on behalf of the United States, when mailed, postage prepaid, or delivered to  
459 the Board of Directors of the El Dorado Irrigation District, Attention: General Manager,  
460 2890 Mosquito Road, Placerville, California 95667. The designation of the addressee or the  
461 address may be changed by notice given in the same manner as provided in this Article for other  
462 notices.

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1 As this standard article pertains to irrigation contracts, and not M&I contracts, the Parties have requested this Article be removed.



EXHIBIT A

2008 WATER RATES

Central Valley Project Warren Act Contracts,  
Municipal and Industrial Water,  
Per Acre-Foot

<u>Cost Component</u>	<u>Cost of Service</u>
Water Marketing	\$ 3.89
Storage	
O&M	\$ 6.67
Capital	<u>\$ 5.15</u>
Total Cost of Service	<u>\$15.71</u>

**WILL BE REPLACED WITH FINAL 2008 RATES WHEN THEY BECOME AVAILABLE**

EXHIBIT B

SOURCE(S) OF NON-PROJECT WATER

The sources of Non-Project Water shall be water acquired by the Contractor, or available to the Contractor under its pre-1914 water rights for Slab Creek (Summerfield Ditch), Hangtown Creek (Gold Hill Ditch), and Weber Creek (Farmers’ Free Ditch), and from additional water rights in Weber Reservoir (License 2184).

The season of diversion at the Contractor’s Point of Delivery shall be limited annually to April 1 through November 15; Provided, That the season for diversion from Hangtown Creek and Weber Creek (including Farmers’ Free Ditch and Weber Reservoir) shall be limited annually to May 15 through November 15.

For the purposes of this Contract, the “Conveyance Loss” shall be 15 percent.

The amount of Non-Project Water made available for diversion at the Contractor’s Point of Delivery shall be the sum of:

1) The quantity of Non-Project Water measured at the lower Weber Creek gage (Gage W-5). This quantity represents the amount of Non-Project Water made available from the combined sources of Weber Dam (Gage W-3), Weber Creek (Gage W-4), and Hangtown Creek (Gage H-4). Provided, That the daily maximum amount of Non-Project Water for which the Contract shall be credited for diversion at the Contractor’s Point of Delivery under the Hangtown Creek and Weber Creek water rights shall not exceed the total of: the releases measured at Gage W-3 (less Conveyance Loss), plus 6.74 acre-feet (af) per day for Hangtown Creek, plus 8.43 acre-feet per day for Farmers Free Ditch<sup>1</sup>; and

2) The quantity of Non-Project Water measured at the Slab Creek gage (Gage S-42), less the Conveyance Loss; Provided, That the daily maximum amount of Non-Project Water for which the Contractor shall be credited for diversion at the Contractor’s Point of Delivery under the Slab Creek water right shall not exceed 16.86 acre-feet per day<sup>2</sup>; Provided further, That when the flow in Slab Creek is less than 4 cubic feet per second (cfs), no water shall be made available for diversion by the Contractor from Slab Creek.

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1 Calculation for Maximum acre-feet per day = **[[Weber Reservoir Releases + 4 cfs (Hangtown Creek) + 5 cfs (Weber Creek)] x {1 - Conveyance Loss} x {1.9835 (af/day)/cfs}]**

2 Calculation for Maximum acre-feet per day = **[[10 cfs (Slab Creek) x (1-Conveyance Loss)] x {1.9835 (af/day)/cfs}]**