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UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF RECLAMATION

COLORADO RIVER STORAGE PROJECT
FLORIDA PROJECT, COLORADO

LONG-TERM WATER SERVICE CONTRACT BETWEEN
THE UNITED STATES
and
THE FLORIDA WATER CONSERVANCY DISTRICT

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LONG-TERM WATER SERVICE CONTRACT BETWEEN
THE UNITED STATES
and
THE FLORIDA WATER CONSERVANCY DISTRICT

THIS CONTRACT (Contract), made this ____ day of _____ 2013, pursuant to the Act of Congress approved June 17, 1902 (32 Stat. 388), and acts amendatory thereof or supplementary thereto, and particularly pursuant to the Colorado River Storage Project Act approved April 11, 1956 (70 Stat. 105) and the Reclamation Project Act approved August 4, 1939 (53 Stat. 1187); is between THE UNITED STATES OF AMERICA, hereinafter referred to as the United States, represented by the officer executing this Contract, his/her duly appointed successor or his/her duly authorized representative, hereinafter referred to as the Contracting Officer, and the FLORIDA WATER CONSERVANCY DISTRICT hereinafter referred to as the District,

WITNESSETH:

WHEREAS, the following statements are made in explanation:

(a) The United States has constructed Lemon Dam and Reservoir as the storage unit for the Florida Project (Project), a participating project of the Colorado River Storage Project; and

(b) The United States and the District entered into Contract No. 14-06-400-1322, dated December 29, 1960, providing for among other things, the delivery from Project Works to the District, water for the irrigation of irrigable land within the District, the repayment of irrigation costs associated with the Project, and the operation and maintenance of Project Works to be utilized for the aforementioned purposes; and

(c) The United States and the District entered into Long-Term Water Service Contract No. 09-WC-40-336, dated April 2, 2009, which provides for the delivery of up to 114 acre-feet of water from Project Works to the District for municipal and industrial uses, and other beneficial uses, other than commercial agricultural irrigation; and

1
2 (d) The District operates Lemon Dam and Reservoir in accordance with the terms and
3 conditions of contracts with the United States and the aforementioned Federal Reclamation
4 Laws, and the District currently supplies Project Water to the Florida water service area for
5 irrigation use, other uses incidental to irrigation, and municipal and industrial uses; and
6

7 (e) The District has demonstrated to the satisfaction of the Contracting Officer that the
8 District has projected future demand for water use such that the District has the capability and
9 expects to utilize fully for reasonable and beneficial use the quantity of Project Water to be made
10 available to it pursuant to this Contract; and
11

12 (f) Pursuant to the Findings of Fact, Conclusions of Law, Ruling of Referee, and Decree
13 in Case No. 07- CW 91, dated July 16, 2009, in Water Court, Water Division 7, Colorado, the
14 District has the decreed authority from the State of Colorado to utilize 2,500 acre-feet for uses
15 including: industrial, municipal, wildlife, wetlands, exchange, augmentation, hydropower,
16 irrigation, and fire protection; and
17

18 (g) There is a need for the additional long term provision of water for municipal and
19 industrial and other miscellaneous beneficial uses, other than commercial agricultural irrigation,
20 within the District boundaries; and
21

22 (h) Section 1 of the Act of April 11, 1956 (CRSP Act), provides for storing water for
23 beneficial consumptive use by participating projects of the Act; and
24

25 (i) Section 4 of the CRSP Act provides a general authorization for municipal and
26 industrial use, and other miscellaneous beneficial uses of water developed by participating
27 projects of the Act; and
28

29 (j) Section 9(c)(2) of the Act of August 4, 1939 (1939 Act), authorizes the Secretary to
30 enter into contracts to supply water for municipal water supply and miscellaneous purposes; and
31

32 (k) The United States and the District are willing to enter into this Contract pursuant to
33 Federal Reclamation law on the terms and conditions set forth below.
34

35 NOW, THEREFORE, in consideration of the mutual and dependent covenants
36 herein contained, the parties hereto agree as follows:
37

38 1. DEFINITIONS
39

40 For purposes of this Contract, the following terms are given the definitions stated herein:
41
42
43

1 (a) "Project Water Supply" or "Project Water" means all water appropriated or
2 otherwise acquired by the District as defined in Contract No. 14-06-400-1322 dated December
3 29, 1960, and as defined in the Florida Project Definite Plan Report, dated November 1959.
4

5 (b) "Project Works" means all works or facilities constructed for the Project by
6 Reclamation, together with any rights-of-way.
7

8 (c) "Reclamation Law" means the Act of June 17, 1902 (32 Stat. 388), and all
9 acts amendatory thereof or supplementary thereto, including the 1939 Act.
10

11 (d) "Secretary or Contracting Officer" means the United States Secretary of the
12 Department of the Interior or the Secretary's duly authorized representative.
13

14 (e) "Third-Party Contract" means a contract between the District and a Third-
15 Party Contractor, pursuant to this Contract and subject to the approval of the United States, for
16 delivery of water described herein, which is attached as Exhibit A to this Contract.
17

18 (f) "Third-Party Contractor" means any entity and/or persons entering into a
19 Third-Party Contract with the District and the United States for Project Water.
20

21 (g) "United States" means the United States of America acting by and through the
22 Bureau of Reclamation, hereinafter called "Reclamation".
23

24 (h) "Water Year" means the annual cycle established by the District commencing
25 on May 1 of each year and running through the following April 30.
26

27 (i) "2,500 AF Water" means the 2,500 acre-feet of water available for marketing
28 under a Third-Party Contract pursuant to this Contract. This water has been decreed for
29 beneficial use in Water Court, Division 7, Colorado, Case No. 07 CW 91, and is water for
30 Project uses that is in addition to the Project Water Supply.
31

32 2. CONTRACTING AUTHORITY
33

34 This Contract, executed under the authority of the Act of June 17, 1902 (32 Stat. 388),
35 and all acts amendatory thereof and supplementary thereto, particularly Section 9(c)(2) of the
36 1939 Act and the CRSP Act, is supplementary to existing contracts between the United States
37 and the District. This Contract establishes the terms and conditions for the use of the 2,500 AF
38 Water provided for industrial, municipal, wildlife, wetlands, exchange, hydropower, irrigation,
39 and fire protection uses, and other miscellaneous beneficial uses, other than commercial
40 agricultural irrigation, including but not limited to augmentation uses through Third-Party
41 Contracts as described in **Article** 4(a) (*Third-Party Contracts*) below. Hereafter, the 2,500 Water
42 delivered under approved Third-Party Contracts under the terms of this Contract shall be subject
43 to the conditions set forth herein.

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3. TERM OF CONTRACT

(a) This Contract shall remain in effect for 40 years from the date of execution entered above.

(b) The District may terminate this Contract at any time.

(c) Termination as above provided shall be accomplished by written notice by the District to the United States pursuant to **Article** 11 (*Notices*) herein, at least 1 year prior to the date of such termination.

(d) Upon failure of the District to perform its obligations under this Contract, the United States will notify the District in writing of the intent to terminate this agreement. The said Notice of Termination shall specify each failure of the District, and shall further provide that the District may, within a 90-day period from the date of said notice, present a detailed program to correct such deficiencies, and the United States shall review and reasonably accept such corrections and thereby waive the termination notice.

(e) Pursuant to the Act of June 21, 1963 (77 Stat. 68), renewal of this Contract may be performed upon written request from the District not less than one year prior to expiration of this Contract. Renewal of this Contract shall be upon such terms and conditions as may be mutually agreeable to the United States and the District. Any such renewal shall be subject to applicable Federal law, State law, and Reclamation policy in existence at the time of renewal.

4. THIRD-PARTY CONTRACTS

(a) When available, the District may store sufficient water in Lemon Reservoir to provide for an annual supply of up to 2,500 acre-feet of water for the District to sell under Third-Party Contracts, for the uses described in **Article** 2 (*Contracting Authority*) above, in the form attached hereto as Exhibit A. Any modifications to this Third-Party Contract form shall be satisfactory to and approved by the Contracting Officer.

(b) For purposes of **Article** 19 (*Equal Employment Opportunity*) of this Contract, approved Third-Party Contracts shall not be deemed to be subcontracts.

(c) The District and the Third-Party Contractors shall sign the Third-Party Contracts and then submit them to the Contracting Officer for his/her approval and signature. All Third-Party Contracts shall be submitted to the Contracting Officer at the following address: Bureau of Reclamation, Western Colorado Area Office, Southern Water Management Group Chief, 185 Suttle Street, Suite 2, Durango, CO 81303.

1 (d) All Third-Party Contracts shall have a term equal to or less than the term of
2 this Contract.

3
4 (e) All Third-Party Contracts shall refer to and be subject to the terms and
5 conditions of this Contract.

6
7 5. DELIVERY OF WATER

8
9 (a) Pursuant to this Contract and the provisions of the 1939 Act, the District is
10 hereby authorized to use a maximum of 2,500 acre-feet annually of water for industrial,
11 municipal, wildlife, wetlands, exchange, hydropower, irrigation, and fire protection uses, and
12 other miscellaneous beneficial uses, other than commercial agricultural irrigation, including but
13 not limited to augmentation uses through Third-Party Contracts as described in **Article** 4(a)
14 (*Third-Party Contracts*), above.

15
16 (b) Water stored under this Contract, but not used within the Water Year stored,
17 including any water purchased by a Third Party Contractor not called for by the end of the Water
18 Year, shall be available to the District to satisfy its obligations under Third-Party Contracts for
19 the following Water Year or to reallocate within the project pool at the District's option, but shall
20 not be used to increase the maximum allowed pursuant to Paragraph 5(a) above. Nothing herein
21 is intended to limit the ability of the District to store 2,500 AF of water each year under this
22 Contract.

23
24 6. RATE AND METHOD OF PAYMENT FOR DELIVERY OF WATER

25
26 (a) The District shall pay the United States annually only for the quantity of water
27 it has sold using Third-Party Contracts approved and executed by the Contracting Officer
28 pursuant to **Article** 4(a) (*Third-Party Contracts*) above, whether or not such water is released
29 pursuant to **Article** 5 (*Delivery of Water*). The payment rate for delivery of water pursuant to this
30 Contract will be reviewed and adjusted annually in accordance with the established Debt Service
31 Methodology used for pricing water service from the Colorado River Storage Project. The Debt
32 Service Methodology is based upon the costs of servicing a portion of the Federal debt incurred
33 in developing water for consumptive uses in the Colorado River Storage Project initial units
34 (Navajo, Wayne N. Aspinall, Glen Canyon, and Flaming Gorge). The debt to be serviced by this
35 Contract, established as of January 1, 2013 is \$1,756.08 per acre-foot, or \$4,390,200 for a total
36 contractual water supply of 2,500 acre-feet annually.

37
38 (b) The first year per acre-foot rate of \$83.78 will be charged for any approved
39 Third-Party Contract and is calculated from an amortization of the total debt service amount of
40 \$4,390,200, using the annuity due formula, a 40-year payment term, and an interest rate of 3.62
41 percent, which is the 2011 annual average rate for 20-year Treasury constant maturities.

42
43 (c) For each succeeding year thereafter, the cumulative debt to be serviced from

1 currently executed Third-Party Contracts shall be recalculated as of each January 15, in
2 accordance with the following:

3

$$4 \quad D_n = D_{n-1} - P_{n-1} + N_n + I_{n-1} \pm \Delta R_{n-1}$$

5

6 Where: D_n = The recalculated total debt to be serviced by the District only for water sold
7 under all approved third-party contracts.

8 D_{n-1} = The debt to be serviced by the District as it existed at the beginning of the
9 previous year.

10 P_{n-1} = Payments for water service made by the District for the previous year's
11 approved third-party contracts.

12 N_n = New debt to be serviced on water sold under approved third-party contracts
13 during the previous year. The amount of new debt added each year is
14 calculated by: \$4,390,200 x (total # of acre-feet sold under approved third-
15 party contracts that year/2,500 acre-feet)

16 I_{n-1} = Interest accrued for the previous year based on the annual average interest rate
17 of the previous 2 years for 20-year Treasury constant maturities.

18 ΔR_{n-1} = A pro rata share of any change during the previous year in multipurpose costs
19 allocated to consumptive use for the consolidated Colorado River Storage
20 Project.

21

22 The rate per acre-foot for payments after the first year shall then be determined in accordance to
23 the following procedure:

24

25 STEP 1: D_n for the year of calculation is divided by the total number of acre-feet sold under
26 approved third-party contracts during the previous year = X.

27

1 STEP 2: Amortize X, using the annuity due formula, with the interest rate as described above
2 and for the number of years equal to 40 minus the number of years this Contract has been in
3 effect.
4

5 (d) The first annual payment for water service by the District for each Third-Party
6 Contract shall be submitted along with the Third-Party Contract pursuant to **Article 4(c)** (*Third-*
7 *Party Contracts*) herein. The amount due the United States shall be based on increments of 0.5
8 acre-foot.
9

10 (e) For each annual payment thereafter, the United States will bill the District by
11 February 15, and the District agrees to pay for the amount of water sold under approved Third-
12 Party Contracts at the then-current rate calculated according to the above procedure and based on
13 increments of 0.5 acre-foot. Upon receipt of such bill for water, the District shall remit payment
14 to the United States within 60 days from the date of said bill.
15

16 (f) All payments from the District to the United States under this Contract shall
17 be by the medium requested by the United States on or before the date payment is due. The
18 required method of payment may include checks, wire transfers, or other types of payment
19 specified by the United States.
20

21 (g) Federal revenues generated pursuant to this Contract shall be credited in
22 accordance with Section 5 of the CRSP Act.
23

24 (h) The water released and charged by the District under approved Third-Party
25 Contracts shall consist of the following components without regard to priority:

- 26 1. Annual per acre-foot charge associated with the District's irrigation repayment
27 obligation pursuant to Contract No. 14-06-400-1322, until payout in fiscal
28 year 2021;
- 29 2. The per acre-foot rate as described in **Article 6(b)** (*Rate & Method*);
- 30 3. Annual costs associated with the administration of this Contract;
- 31 4. Annual system improvement costs and water conservation activity
32 costs, which are associated with the Project Works; and
- 33 5. Annual costs for operation and maintenance of the Project Works; and
- 34 6. Annual replacement costs associated with the Florida Project.
35

36 (i) The District shall retain that portion of charges described in **Articles 6(h)3,**
37 **6(h)4, 6(h)5, and 6(h)6** (*Rate & Method*) above, provided that they cannot apply these revenues
38 to any portion of their repayment obligation under Contract No. 14-06-400-1322. Revenues
39 collected under **Article 6(h)6** (*Rate & Method*) above, shall be applied to the Project Works.
40

41 7. MEASUREMENT AND RESPONSIBILITY FOR DISTRIBUTION

1
2 (a) The water to be released pursuant to this Contract shall be measured by
3 facilities of the United States and delivered into the Florida River at the outlet works of Lemon
4 Dam. The Third-Party Contractor shall suffer all distribution and administration losses from the
5 point of such delivery to the place of use.
6

7 (b) The District shall hold the United States harmless on account of damage or
8 claim of damage of any nature whatsoever, including property damage, personal injury, or death
9 arising out of or connected with the control, carriage, handling, use, disposal, or distribution of
10 such water by the District.
11

12 (c) This Contract and all water taken pursuant hereto shall be subject to and
13 controlled by the Colorado River Compact, dated November 24, 1922, and proclaimed by the
14 President of the United States on June 25, 1929, the Boulder Canyon Project Act approved on
15 December 21, 1928, the Boulder Canyon Project Adjustment Act of July 19, 1940, Upper
16 Colorado River Basin Compact dated October 11, 1948, the Mexican Water Treaty of February
17 3, 1944, and the Colorado River Basin Project Act of September 30, 1968, Public Law 90-537.
18

19 (d) In the event water available to the District is required to be curtailed under and
20 by reason of the provisions of the foregoing Acts, including the reaching of maximum use of
21 water allotted to the State of Colorado, no liability shall be attached to the United States for such
22 curtailment, and the District agrees to the reduction of the amount of water taken hereunder, as
23 the Secretary determines necessary, to comply with the provisions of said Acts.
24

25 8. WATER SHORTAGE ADJUSTMENTS
26

27 In any year in which there may occur a shortage, the United States reserves the right to
28 apportion the available water supply among the District and others entitled, under existing and
29 future contract(s), to receive water from the same Project Water Supply all in a manner to be
30 prescribed by the Contracting Officer.
31

32 STANDARD ARTICLES
33

34 9. CHARGES FOR DELINQUENT PAYMENTS
35

36 (a) The District shall be subject to interest, administrative, and penalty charges on
37 delinquent payments. If a payment is not received by the due date, the District shall pay an
38 interest charge on the delinquent payment for each day the payment is delinquent beyond the due
39 date. If a payment becomes 60 days delinquent, the District shall pay, in addition to the interest
40 charge, an administrative charge to cover additional costs of billing and processing the
41 delinquent payment. If a payment is delinquent 90 days or more, the District shall pay, in
42 addition to the interest and administrative charges, a penalty charge for each day the payment is
43 delinquent beyond the due date, based on the remaining balance of the payment due at the rate of

1 6 percent per year. The District shall also pay any fees incurred for debt collection services
2 associated with a delinquent payment.

3
4 (b) The interest rate charged shall be the greater of either the rate prescribed
5 quarterly in the Federal Register by the Department of the Treasury for application to overdue
6 payments, or the interest rate of 0.5 percent per month. The interest rate charged will be
7 determined as of the due date and remain fixed for the duration of the delinquent period.

8
9 (c) When a partial payment on a delinquent account is received, the amount
10 received shall be applied first to the penalty charges, second to the administrative charges, third
11 to the accrued interest, and finally to the overdue payment.

12
13 10. GENERAL OBLIGATION--BENEFITS CONDITIONED UPON PAYMENT

14
15 (a) The obligation of the District to pay the United States as provided in this
16 Contract is a general obligation of the District notwithstanding the manner in which the
17 obligation may be distributed among the District's water users and notwithstanding the default of
18 individual water users in their obligations to the District.

19
20 (b) The payment of charges becoming due pursuant to this Contract is a condition
21 precedent to receiving benefits under this Contract. The United States shall not make water
22 available to the District through the Florida Project facilities during any period in which the
23 District is in arrears in the advance payment of water rates due the United States. The District
24 shall not deliver water under the terms and conditions of this Contract for lands or parties that are
25 in arrears in the advance payment of water rates as levied or established by the District.

26
27 11. NOTICES

28
29 Any notice, demand, or request authorized or required by this Contract shall be
30 deemed to have been given on behalf of the District when mailed, postage prepaid, or delivered
31 to the Regional Director, Upper Colorado Region, Bureau of Reclamation, 125 South State
32 Street, Room 6107, Salt Lake City, Utah 84138-1102 and on behalf of the United States when
33 mailed, postage prepaid, or delivered to the President, Florida Water Conservancy District, 1523
34 County Road 243, Durango, Colorado 81301, with a copy to P.O. Box 1157, Durango, Colorado
35 81302. The designation of the addressee or the address may be changed by notice given in the
36 same manner as provided in this Article for other notices.

37
38 12. ASSIGNMENT LIMITED--SUCCESSORS AND ASSIGNS OBLIGATED

39
40 The provisions of this Contract shall apply to and bind the successors and assigns
41 of the parties hereto, but no assignment or transfer of this Contract or any right or interest therein
42 by either party shall be valid until approved in writing by the other party.

1 13. CONTINGENT UPON APPROPRIATION OR ALLOTMENT OF FUNDS

2
3 The expenditure or advance of any money or the performance of any obligation of
4 the United States under this Contract shall be contingent upon appropriation or allotment of
5 funds. Absence of appropriation or allotment of funds shall not relieve the District from any
6 obligations under this Contract. No liability shall accrue to the United States in case funds are
7 not appropriated or allotted.

8
9 14. BOOKS, RECORDS, AND REPORTS

10
11 The District shall establish and maintain accounts and other books and records
12 pertaining to administration of the terms and conditions of this Contract, including the District's
13 financial transactions; water supply data; project operation, maintenance, and replacement logs;
14 project land and rights-of-way use agreements; the water users' land-use (crop census), land-
15 ownership, land-leasing, and water-use data; and other matters that the Contracting Officer may
16 require. Reports shall be furnished to the Contracting Officer in such form and on such date or
17 dates as the Contracting Officer may require. Subject to applicable Federal laws and regulations,
18 each party to this Contract shall have the right during office hours to examine and make copies of
19 the other party's books and records relating to matters covered by this Contract.

20
21 15. RULES, REGULATIONS, AND DETERMINATIONS

22
23 (a) The parties agree that the delivery of water or the use of Federal facilities
24 pursuant to this Contract is subject to Federal Reclamation law, as amended and supplemented,
25 and the rules and regulations promulgated by the Secretary of the Interior under Federal
26 Reclamation law.

27
28 (b) The Contracting Officer shall have the right to make determinations necessary
29 to administer this Contract that are consistent with its provisions, the laws of the United States,
30 the State of Colorado and the rules and regulations promulgated by the Secretary of the Interior.
31 Such determinations shall be made in consultation with the District.

32
33 16. CHANGES IN DISTRICT'S ORGANIZATION

34
35 While this Contract is in effect, no change may be made in the District's
36 organization, by inclusion or exclusion of lands or by any other changes which may affect the
37 respective rights, obligations, privileges, and duties of either the United States or the District
38 under this Contract including, but not limited to, dissolution, consolidation, or merger, except
39 upon the Contracting Officer's written consent.

40
41 17. PROTECTION OF WATER AND AIR QUALITY

42
43 (a) Project facilities used to make available and deliver water to the District shall

1 be operated and maintained in the most practical manner to maintain the quality of the water at
2 the highest level possible as determined by the Contracting Officer: *Provided, That* the United
3 States does not warrant the quality of the water delivered to the District and is under no
4 obligation to furnish or construct water treatment facilities to maintain or improve the quality of
5 water delivered to the District.
6

7 (b) The District shall comply with all applicable water and air pollution laws and
8 regulations of the United States and the State of Colorado; and shall obtain all required permits
9 or licenses from the appropriate Federal, State, or local authorities necessary for the delivery of
10 water by the District; and shall be responsible for compliance with all Federal, State, and local
11 water quality standards applicable to surface and subsurface drainage and/or discharges generated
12 through the use of Federal or District facilities or Project Water provided by the District within
13 the District's Project Water Service Area.
14

15 (c) This Article shall not affect or alter any legal obligations of the Secretary to
16 provide drainage or other discharge services.
17

18 18. OFFICIALS NOT TO BENEFIT

19
20 No Member of or Delegate to the Congress, Resident Commissioner, or official of
21 the District shall benefit from this Contract other than as a water user or landowner in the same
22 manner as other water users or landowners.
23

24 19. EQUAL EMPLOYMENT OPPORTUNITY

25
26 During the performance of this Contract, the District agrees as follows:
27

28 (a) The District will not discriminate against any employee or applicant for
29 employment because of race, color, religion, sex, disability, or national origin. The District will
30 take affirmative action to ensure that applicants are employed, and that employees are treated
31 during employment, without regard to their race, color, religion, sex, disability, or national
32 origin. Such action shall include, but not be limited to the following: employment, upgrading,
33 demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay
34 or other forms of compensation; and selection for training, including apprenticeship. The
35 District agrees to post in conspicuous places, available to employees and applicants for
36 employment, notices to be provided by the Contracting Officer setting forth the provisions of this
37 nondiscrimination clause.
38

39 (b) The District will, in all solicitations or advertisements for employees placed
40 by or on behalf of the District, state that all qualified applicants will receive consideration for
41 employment without regard to race, color, religion, sex, disability, or national origin.
42

1 (c) The District will send to each labor union or representative of workers with
2 which it has a collective bargaining agreement or other contract or understanding, a notice, to be
3 provided by the Contracting Officer, advising the labor union or workers' representative of the
4 District's commitments under section 202 of Executive Order 11246 of September 24, 1965 (EO
5 11246), and shall post copies of the notice in conspicuous places available to employees and
6 applicants for employment.
7

8 (d) The District will comply with all provisions of EO 11246, and of the rules,
9 regulations, and relevant orders of the Secretary of Labor.
10

11 (e) The District will furnish all information and reports required by EO 11246,
12 and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will
13 permit access to his books, records, and accounts by the Contracting Agency and the Secretary of
14 Labor for purposes of investigation to ascertain compliance with such rules, regulations, and
15 orders.
16

17 (f) In the event of the District's noncompliance with the nondiscrimination
18 clauses of this Contract or with any of such rules, regulations, or orders, this Contract may be
19 canceled, terminated or suspended in whole or in part and the District may be declared ineligible
20 for further Government contracts in accordance with procedures authorized in EO 11246, and
21 such other sanctions may be imposed and remedies invoked as provided in EO 11246 or by rule,
22 regulation, or order of the Secretary of Labor, or as otherwise provided by law.
23

24 (g) The District will include the provisions of paragraphs (a) through (g) in every
25 subcontract or purchase order unless exempted by the rules, regulations, or orders of the
26 Secretary of Labor issued pursuant to section 204 of EO 11246, so that such provisions will be
27 binding upon each subcontractor or vendor. The District will take such action with respect to any
28 subcontract or purchase order as may be directed by the Secretary of Labor as a means of
29 enforcing such provisions, including sanctions for noncompliance: *Provided, however*, that in
30 the event the District becomes involved in, or is threatened with, litigation with a subcontractor
31 or vendor as a result of such direction, the District may request that the United States enter into
32 such litigation to protect the interests of the United States.
33

34 20. COMPLIANCE WITH CIVIL RIGHTS LAWS AND REGULATIONS

35

36 (a) The District shall comply with Title VI of the Civil Rights Act of 1964
37 (Pub. L. 88-352; 42 U.S.C. § 2000d), the Rehabilitation Act of 1973 (Pub. L. 93-112, Title V, as
38 amended; 29 U.S.C. § 791, et seq.), the Age Discrimination Act of 1975 (Pub. L. 94-135,
39 Title III; 42 U.S.C. § 6101, et seq.), [Title II of the Americans with Disabilities Act of 1990 (Pub.
40 L. 101-336; 42 U.S.C. § 12131, et seq.),] [Title III of the Americans with Disabilities Act of
41 1990 (Pub. L. 101-336; 42 U.S.C. § 12181, et seq.),] and any other applicable civil rights laws,
42 and with the applicable implementing regulations and any guidelines imposed by the U.S.
43 Department of the Interior and/or Bureau of Reclamation.

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2 (b) These statutes prohibit any person in the United States from being excluded
3 from participation in, being denied the benefits of, or being otherwise subjected to discrimination
4 under any program or activity receiving financial assistance from the Bureau of Reclamation on
5 the grounds of race, color, national origin, disability, or age. By executing this Contract, the
6 District agrees to immediately take any measures necessary to implement this obligation,
7 including permitting officials of the United States to inspect premises, programs, and documents.
8

9 (c) The District makes this agreement in consideration of and for the purpose of
10 obtaining any and all Federal grants, loans, contracts, property discounts, or other Federal
11 financial assistance extended after the date hereof to the District by the Bureau of Reclamation,
12 including installment payments after such date on account of arrangements for Federal financial
13 assistance which were approved before such date. The District recognizes and agrees that such
14 Federal assistance will be extended in reliance on the representations and agreements made in
15 this Article and that the United States reserves the right to seek judicial enforcement thereof.
16

17 (d) Complaints of discrimination against the District shall be investigated by the
18 Contracting Officer's Office of Civil Rights.
19

20 21. MEDIUM FOR TRANSMITTING PAYMENTS

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

26 (b) Upon execution of the contract, the District shall furnish the Contracting
27 Officer with the District's taxpayer's identification number (TIN). The purpose for requiring the
28 District's TIN is for collecting and reporting any delinquent amounts arising out of the District's
29 relationship with the United States.
30

31 22. CONSTRAINTS ON THE AVAILABILITY OF WATER

32
33 (a) In its operation of the Project, the Contracting Officer will use all reasonable
34 means to guard against a condition of shortage in the quantity of water to be made available to
35 the District pursuant to this Contract. In the event the Contracting Officer determines that a
36 condition of shortage appears probable, the Contracting Officer will notify the District of said
37 determination as soon as practicable.

38 (b) If there is a condition of shortage because of errors in physical operations of
39 the Project, drought, other physical causes beyond the control of the Contracting Officer or
40 actions taken by the Contracting Officer to meet current and future legal obligations, then no
41 liability shall accrue against the United States or any of its officers, agents, or employees for any
42 damage, direct or indirect, arising therefrom.
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CONTRACT DRAFTING CONSIDERATIONS

This Contract has been, negotiated and reviewed by the parties hereto, each of whom is sophisticated in the matters to which this Contract pertains. **Articles 1 through 22** of this Contract have been drafted, negotiated, and reviewed by the parties, and no one party shall be considered to have drafted the stated Articles.



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

Approved:

UNITED STATES OF AMERICA

Office of the Regional Solicitor

Regional Director
Upper Colorado Region
Bureau of Reclamation

Attest:

FLORIDA WATER CONSERVANCY DISTRICT

Secretary

Phillip S Craig, President

Exhibits: A – Third-Party Contract (Example)