

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

**AGREEMENT BETWEEN  
THE UNITED STATES AND  
THE SAN LUIS & DELTA-MENDOTA WATER AUTHORITY  
FOR THE MANAGEMENT OF THE EXPANDED SAN LUIS RESERVOIR  
AND COST SHARE OF CHARGES  
ASSOCIATED WITH RAISING OF THE B.F. SISK DAM  
AND INCREASED STORAGE CAPACITY  
OF THE FEDERALLY ADMINSTERED SAN LUIS RESERVOIR**

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1           THIS AGREEMENT, made this \_\_\_\_ day of \_\_\_\_\_, 2024, pursuant  
2 to the Reclamation Act of 1902 as amended (32 Stat. 388; 43 U.S.C. Part 391); including the Act  
3 of February 21, 1911 (36 Stat. 925), the Reclamation Project Act of 1939, as amended (53 Stat.  
4 1187; 43 U.S.C. Part 485); the San Luis Act of 1960, as amended (Public Law 86-488, 74 Stat.  
5 156); the Reclamation Safety of Dams Act of 1978 (Public Law 95-578, 92 Stat. 2471); the  
6 Reclamation Reform Act of 1982, as amended (Public Law 97-293, 96 Stat. 1261); and Section  
7 305 of the Reclamation States Emergency Drought Relief Act of 1991, enacted March 5, 1992  
8 (106 Stat. 59), the Central Valley Project Improvement Act of 1992, as amended (Public Law  
9 102-575, 106 Stat. 4706); and the Water Infrastructure Improvement for the Nation Act of 2016  
10 (Public Law 114-322, 130 Stat. 1865); made between the UNITED STATES BUREAU OF  
11 RECLAMATION hereinafter the United States or Reclamation, and represented by the officer

12 executing this Agreement, hereinafter referred to as the Contracting Officer, and the SAN LUIS  
13 & DELTA-MENDOTA WATER AUTHORITY, hereinafter referred to as the Authority,  
14 individually referred to as “Party” and collectively referred to as “Parties”.

#### 15 **EXPLANATORY RECITALS**

16 [1<sup>st</sup>] WHEREAS, the United States has constructed and is operating the Central Valley  
17 Project (“CVP”) for diversion, storage, carriage, and distribution of waters of the Sacramento  
18 River, the American River, the Trinity River, and the San Joaquin River and their tributaries for  
19 irrigation and other beneficial uses to serve CVP purposes; and

20 [2<sup>nd</sup>] WHEREAS, the United States holds title, and plans to continue to hold title to the  
21 B.F. Sisk Dam and San Luis Reservoir and authorized features of the San Luis Unit as provided  
22 for in the San Luis Act of 1960; and

23 [3<sup>rd</sup>] WHEREAS, the San Luis Act of 1960 (Public Law 86 – 488, 74 Stat. 156)  
24 authorized the Secretary of the Interior to construct, operate, and maintain an afterbay, forebay,  
25 conveyance facilities, and dam and Reservoir for the joint use by the State of California and the  
26 United States, and as provided in Section 2 of the Act, the Secretary was authorized to enter into  
27 an agreement with the State of California to provide for the coordinated operation of the San  
28 Luis Unit, which resulted in a 1961 Joint Coordination Agreement and subsequent amendatory  
29 and supplemental agreements of 1972 and 1997; and

30 [4<sup>th</sup>] WHEREAS, the United States was authorized to construct the San Luis Unit of  
31 the CVP, a joint use project, shared with the State of California and administered through the  
32 Department of Water Resources, hereinafter referred to as, (“DWR”) the operations of which are  
33 coordinated between Reclamation and DWR consistent with the 1961 Agreement and all  
34 supplements and amendments; and

35 [5<sup>th</sup>] WHEREAS, consistent with the San Luis Act of 1960, Reclamation and DWR  
36 share responsibility for the costs of operation, maintenance, and replacement of B.F. Sisk Dam  
37 and San Luis Reservoir, consistent with the 1961 Agreement Between the United States of  
38 America and The Department of Water Resources of the State of California for the Operation of  
39 the San Luis Unit and all supplements and amendments, Contract No. 14-06-200-9755 (1961  
40 Agreement); and

41 [6<sup>th</sup>] WHEREAS, the CVP and State Water Project, hereinafter referred to as (“SWP”),  
42 share responsibility for coordinating operations of the CVP and SWP and for meeting  
43 Sacramento-San Joaquin Delta water quality objectives and other operational requirements  
44 pursuant to the 1986 Coordinated Operations Agreement between Reclamation and DWR, as  
45 amended; and

46 [7<sup>th</sup>] WHEREAS, Reclamation, in coordination with DWR, initiated extraordinary  
47 maintenance work for the B.F. Sisk Safety of Dams Modification Project to improve the safety  
48 of the continued operation and maintenance of aforementioned dam; and

49 [8<sup>th</sup>] WHEREAS, consistent with Reclamation’s Directives and Standards at CMP 09-  
50 02 and FAC 06-05, Reclamation is authorized to assess the feasibility of increasing San Luis  
51 Reservoir storage capacity in conjunction with the Safety of Dams improvements to determine if  
52 there are additional project benefits and to ensure that it is in the best interest of the United  
53 States; and

54 [9<sup>th</sup>] WHEREAS, in accordance with the Reclamation Safety of Dams Act of 1978  
55 (Public Law 95-578, 92 Stat. 2471) and 43 U.S.C. § 509 b, to develop additional project benefits,  
56 through the B.F. Sisk Dam Safety of Dams Modification Report, in December 2020, the  
57 Expansion Project was determined to be feasible; and

58 [10<sup>th</sup>] WHEREAS, following the finding of feasibility, in accordance with §4007 of the  
59 Water Infrastructure and Improvement for the Nation Act, hereinafter referred to as, (“WIIN”),  
60 (Public Law 114-322), on October 20, 2023, Congress authorized construction and associated  
61 funding for the B.F. Sisk Dam Raise and Reservoir Expansion Project; and

62 [11<sup>th</sup>] WHEREAS, in accordance with Section 4007(e) of the WIIN Act, which  
63 provides “[s]ubject to compliance with State water rights laws, the right to use capacity of a  
64 *federally owned storage project... shall be allocated in such a manner as may be mutually*  
65 *agreed to by the Secretary of the Interior and each party to the agreement,”* the Parties agree that  
66 this Agreement, as may be amended, provides for the mutually agreeable use of the Expanded  
67 Reservoir to the extent consistent with Federal Law; and

68 [12<sup>th</sup>] WHEREAS, the Authority certified, and Reclamation signed, a Record of  
69 Decision on October 20, 2023, for the Environmental Impact Statement/Report entitled B.F. Sisk  
70 Dam Raise and Reservoir Expansion Project, selecting the Dam Raise Alternative; and

71 [13<sup>th</sup>] WHEREAS, consistent with WIIN §4007(b)(2), Reclamation and the Authority  
72 agree to enter into this Agreement for up to 50% Federal share of the costs of the Expansion  
73 Project including, but not limited to, planning, design, and construction, and as further defined in  
74 this Agreement; and

75 [14<sup>th</sup>] WHEREAS, consistent with WIIN §4007(e), Reclamation representing the United  
76 States, and the Authority, through the B.F. Sisk Dam Raise and Reservoir Expansion Project  
77 Activity Agreement, as may be amended or supplemented, representing Investors who will  
78 collectively share in the costs and benefits of the Expansion Project, desire to use the Expansion  
79 Project in a such a manner as may be mutually agreeable to the Parties hereto; and

80 [15<sup>th</sup>] WHEREAS, other agreements and/or contracts necessary for commencing design,  
81 construction, and/or operation of the Expanded Reservoir may be necessary and may be  
82 incorporated into this Agreement, and which may include, but are not limited to, a contributed  
83 funds agreement providing for the contribution of funds from Federal cost share partners  
84 (§4007(b)(3)(b)) and §4011(e)(2)), an OM&R Agreement, a Repayment Contract providing for  
85 repayment of reimbursable obligations (§4007(b)(3)(c) and 4011(e)(2)), as appropriate, a Spend  
86 Plan; and a Coordination Agreement; and which may require further delegation of authority from  
87 the Commissioner of Reclamation to negotiate and make a part of this Agreement; and

88 NOW, THEREFORE, the Parties desire to manage the additional capacity associated  
89 with the expansion of San Luis Reservoir and share in the costs pertaining to the Expanded  
90 Reservoir consistent with and in consideration of the mutual and dependent covenants herein, the  
91 Parties hereto agree as follows:

#### 92 **DEFINITIONS**

93 1. When used herein unless otherwise distinctly expressed, or manifestly  
94 incompatible with the intent of the Parties as expressed in this Agreement, the term:

95 (a) “Acquired Project Water” shall mean Project Water acquired by an  
96 Investor, from another CVP Water Service/Repayment Contractor or, Sacramento River  
97 Settlement Contractor, San Joaquin River Exchange Contractor, or from Reclamation.

98 (b) “Calendar Year” shall mean the period January 1 through December 31,  
99 both dates inclusive.

100 (c) “Contracting Officer” shall mean the Secretary of the Interior's duly  
101 authorized representative acting pursuant to this Agreement or applicable Federal Reclamation  
102 law or regulation.

103 (d) “Contributed Funds Agreement” shall mean the agreement by which the  
104 Authority contributes to the cost of the Expansion Project, entered into pursuant to the Sundry  
105 Civil Appropriations Act of March 4, 1921 (Pub. L. 66-389; 41 Stat. 1404; 43 USC 395).

106 (e) “Coordination Agreement” shall mean the agreement provided for in  
107 subarticle 4(g) of this Agreement.

108 (f) “Expanded Reservoir” shall mean the combined volume of storage in the  
109 Federal Share and the Investor Share of the expanded San Luis Reservoir resulting from the  
110 Expansion Project.

111 (g) “Expansion Project” shall mean the B.F. Sisk Dam Raise and Reservoir  
112 Expansion Project, consistent with the Record of Decision, dated October 20, 2023, as may be  
113 amended or supplemented, which would raise B.F. Sisk Dam an additional ten feet and provide  
114 an additional estimated 130 thousand acre feet (TAF) of storage in San Luis Reservoir.

115 (h) “Federal Share of Expanded Reservoir” shall mean the storage volume of  
116 the Expanded Reservoir commensurate with the Federal level of investment in the Expansion  
117 Project.

118 (i) “Federal Share of Historic Reservoir” shall mean the storage volume of  
119 966 TAF in the Historic Reservoir.



120 (j) “Historic Reservoir” shall mean the total storage volume of 2.028 Million  
121 Acre-Feet (“MAF”) in San Luis Reservoir.

122 (k) “Investor Share of Expanded Reservoir” shall mean the storage volume of  
123 the Expanded Reservoir commensurate with the Investors’ level of investment in the Expansion  
124 Project.

125 (l) “Investors” shall mean those entities and/or organizations that are  
126 represented by the Authority pursuant to the B.F. Sisk Dam Raise and Reservoir Expansion  
127 Project Activity Agreement and all supplements and amendments.

128 (m) “Municipal and Industrial Water Shortage Policy” or “M&I Water  
129 Shortage Policy” shall mean the policy intended to provide clear and objective guidelines on the  
130 water supplies available from the CVP during a Condition of Shortage, as that term is defined in  
131 the Water Service/Repayment Contracts.

132 (n) “Non-Project Water” shall mean all water acquired that has not been  
133 appropriated or acquired by the United States and as further described herein.

134 (o) “Operation, Maintenance and Replacement Agreement” or “OM&R  
135 Agreement” shall mean the agreement between the United States and the Authority providing for  
136 the operation, maintenance, and replacement of the Expansion Project.

137 (p) “Parties” shall mean Reclamation on behalf of the United States and the  
138 Authority on behalf of the Investors.

139 (q) “Project Water” shall mean all water that is developed, diverted, stored, or  
140 delivered by the Secretary in accordance with the statutes authorizing the Project and in  
141 accordance with the terms and conditions of water rights acquired pursuant to California law.

142 (r) “Repayment Contract” shall mean a new contract resulting from the  
143 Expansion Project, if any, the purpose of which is to recover any reimbursable costs, entered into  
144 pursuant to Section 9(c)(1) and/or 9(d) of the Reclamation Project Act of 1939, as amended.

145 (s) “San Luis Reservoir” shall mean the Historic Reservoir and the Expanded  
146 Reservoir.

147 (t) “San Luis Rescheduling Guidelines” shall mean the Rescheduling  
148 Guidelines for the Federal Share of Storage in San Luis Reservoir, Central Valley Project,  
149 California Great Basin Region, dated January 31, 2022, as may be amended or superseded,  
150 which apply only to the Historic Reservoir.

151 (u) “Spend Plan” shall mean the plan provided for in subarticle 3(e) of this  
152 Agreement.

153 (v) “Substantial Completion” shall have the same meaning as defined in FAC  
154 01-05 as amended or supplemented.

155 (w) “Water Master/Manager” shall mean the individual provided for in  
156 subarticle 4(c)(3)(i) of this Agreement.

157 (x) “Year” shall mean the period from and including March 1 of each Calendar  
158 Year through the last day of February of the following Calendar Year.

159 **TERM OF AGREEMENT**

160 2. (a) This Agreement is effective on the date hereinabove written, and will  
161 remain in full force during the duration of the useful life of the Project or until terminated.

162 (b) The Contracting Officer may terminate this Agreement at any time before  
163 the expiration of its term whenever the Contracting Officer determines that the Authority is in  
164 substantial violation of the Agreement as provided in this Article 2(b) or otherwise in violation  
165 of Federal law or Reclamation Policy; provided, that prior to the effective date of any such  
166 termination, the Contracting Officer shall first notify the Authority in writing of, the specific  
167 purported deficiencies of the Authority in carrying out the terms and conditions of this  
168 Agreement. It is the intent of the Parties that disputes be resolved pursuant to this Article 2(b) as  
169 expeditiously as is reasonably possible without the necessity of other relief at law or in equity. If  
170 after the designated representative of the Authority has met with the Contracting Officer or his or  
171 her designated representative and attempt in good faith and with the use of best efforts to resolve  
172 any dispute arising from the purported deficiency an agreement is not reached, the Contracting  
173 Officer may issue a notice of proposed termination, which includes the specific deficiencies of  
174 the Authority's performance under this Agreement. The Authority shall have at least ninety (90)  
175 days from receipt of the written notice of proposed termination to correct all deficiencies referred  
176 to in said written notice. Any termination pursuant to this Article shall be subject to the rights  
177 and obligations of the Parties as more specifically set forth in this Agreement.

178 (c) The United States and the Authority jointly shall review this Agreement,  
179 which review shall be performed at least every five (5) years. A more frequent review will occur  
180 if determined to be appropriate by the Contracting Officer, or if requested by the Authority. The  
181 review shall compare the relative success which each party has had in meeting its objectives,

182 including, but not limited to, the Contributed Funds Agreement, an OM&R Agreement, a  
183 Repayment Contract, a Spend Plan, and a Coordination Agreement, which agreements will be  
184 exhibits to this Agreement. These exhibits may require modification, which will be mutually  
185 agreed upon without amendment to this Agreement.

186 (c) This Agreement may be modified, amended, or terminated upon mutual  
187 agreement of the Parties in writing. All duties and obligations of the Parties under this  
188 Agreement will cease upon termination except as to any provisions that expressly survive the  
189 termination of the Agreement.

190 (d) Nothing contained in this Agreement shall be construed as in any manner  
191 abridging, limiting, or depriving the United States or the Authority or Investors of any means of  
192 enforcing any remedy, either at law or in equity, for the breach of any of the provisions hereof  
193 which it would otherwise have. Any waiver at any time by either Party to this Agreement of its  
194 rights with respect to a default, or any other matter arising in connection with this Agreement,  
195 shall not be deemed to be a waiver with respect to any subsequent default or matter.

### 196 **COST SHARE**

197 3. As provided for in WIIN §4007(b)(2), Reclamation may fund up to 50% of the  
198 Expansion Project costs so long as the benefits from the Expansion Project are commensurate  
199 with the Federal investment.

200 (a) Reclamation has the authority to share up to 50% of the costs of the  
201 Expansion Project; however, Reclamation and the Authority have agreed to an initial 70%  
202 Investor Share of Expanded Reservoir and a 30% Federal Share of Expanded Reservoir.

203 (1) Upon the determination of “Substantial Completion” of  
204 construction of the Expansion Project, Reclamation and the Authority will meet and confer  
205 within a reasonable time frame to complete a final accounting of Expansion Project benefits to  
206 determine and mutually agree upon final storage benefits of the Expansion Project and the  
207 allocation to Reclamation and the Authority. The final storage benefits attributable to the Parties  
208 will be documented in an exhibit to this Agreement. Reclamation, in coordination with the  
209 Authority, will assess the Expansion Project costs and make a determination of which Expansion  
210 Project costs are reimbursable and which Expansion Project costs are non-reimbursable.

211 (b) Eligible Expansion Project costs are as follows and will be shared in  
212 accordance with Article 3(a)(1) of this Agreement:

213 (1) The Parties have reviewed the Expansion Project costs incurred by  
214 the Authority and the Investors and Reclamation prior to the effective date of this Agreement.  
215 The Parties acknowledge and agree that the Investors have incurred costs totaling \$\_\_\_\_\_ and  
216 Reclamation has incurred costs totaling \$\_\_\_\_\_, which allowable amounts will be credited  
217 to each Party’s cost share obligation under this Agreement.

218 (2) Planning Costs: In an effort to reach a finding that the Expansion  
219 Project is feasible, certain planning level investigations were necessary and may continue to be  
220 necessary prior to commencement of construction. Such planning investigations will be  
221 consistent with Reclamation’s Directives and Standards in accordance with CMP 09-02.

222 (3) Environmental Mitigation and Compliance Costs: Either Party may  
223 fund environmental mitigation and compliance activities associated with this Agreement. These  
224 activities may include, but are not limited to, contracts for technical assistance in environmental

225 mitigation, funding of environmental mitigation commitments, and any actions to ensure  
226 consistency with the State California Environmental Quality Act (CEQA) or Federal National  
227 Environmental Policy Act (NEPA) laws and regulations.

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

230 Reclamation will be responsible for all necessary consultations with state offices, Indian tribes,  
231 and interested parties pursuant to Section 106 of the National Historic Preservation Act of 1966,  
232 as amended. Reclamation will be responsible for compliance and coordination with the Native  
233 American Graves Protection and Repatriation Act of 1990.

234 (5) Permitting Costs: Additional permitting actions prior to  
235 construction of the Expansion Project and prior to declaring the Expansion Project “Substantially  
236 Complete” may be required. The Parties will jointly determine, as appropriate, the appropriate  
237 Party to obtain any necessary permit(s), and the appropriate cost share for the permitting actions.

238 (6) Administrative Costs: Reclamation will reserve sufficient funding  
239 from Federal appropriations to cover its administrative and management costs associated with  
240 the Expansion Project. This amount will be considered part of the overall Federal contribution.  
241 Reclamation will provide an estimate of the administrative costs for this Expansion Project  
242 which will be reviewed with the Authority. The Authority will reserve sufficient funding to pay  
243 for its administrative costs for the non-Federal share of the Expansion Project. These costs will  
244 be considered contributions to the non-Federal share of the Expansion Project and reported  
245 pursuant to subarticle 3(f) of this Agreement. Administrative costs include, unless otherwise  
246 defined by contracts: project management, construction management, accounting and

247 administrative management, legal support and review, travel, general meetings related to the  
248 Expansion Project, contract/agreement technical meetings and negotiations, and other supportive  
249 services and activities necessary for the construction and operation of the Expansion Project  
250 prior to the determination of Substantial Completion.

251 (7) Design Costs: Either party may pay for part or all of various design  
252 costs for the Expansion Project. Reclamation will be responsible for design of the embankment  
253 of the San Luis Reservoir, but the Authority may contribute funds that will count towards the  
254 cost share. There may be the need for modifications during construction that may require further  
255 design work. These costs will be shared in accordance with Article 3(a)(1).

256 (8) Construction Costs: Reclamation will serve as the procurement  
257 agency for, and will manage, the primary construction contract with respect to the embankment  
258 raise. All costs for this contract will be funded directly by Reclamation or with funds  
259 contributed to Reclamation by the Authority or the Investors.

260 (9) Other Design and Construction Costs: Either party may pay for  
261 part, or all of the remaining non-embankment design and construction costs of associated  
262 facilities affected or involved with the Expansion Project including, but not limited to, recreation  
263 facilities, power improvements to existing facilities, improvements to pumps, transportation, and  
264 other various components of the Expansion Project.

265 (c) Reclamation and the Authority have proposed using their collective funds  
266 to fund parts of the Expansion Project. A contributed funds agreement may be necessary to help  
267 facilitate transfer of funds to Reclamation from the Authority. Such an agreement, if needed, will  
268 be an exhibit to this Agreement. Any funds contributed to Reclamation for the Expansion Project

269 will be considered part of the cost of this Expansion Project and shared in accordance with  
270 Article 3(a)(1).

271 (d) There may be times when Reclamation provides funds to the Authority.  
272 These funds will be provided through a financial assistance agreement. Any funds provided to  
273 the Authority for the Expansion Project will be considered part of the cost of this Expansion  
274 Project and shared in accordance with Article 3(a)(1).

275 (e) Within sixty (60) days of the execution of this Agreement, if not before,  
276 Reclamation and the Authority will develop a Spend Plan containing mutually agreeable terms to  
277 track costs and account for funds expended. The Spend Plan will be an exhibit to this Agreement.

278 (f) Reclamation and the Authority will establish, at a minimum, quarterly  
279 check-ins regarding costs expended for the Expansion Project and to discuss other items,  
280 including but not limited to, funding and any additional financial agreements.

281 (g) Repayment: As currently formulated, Reclamation does not anticipate the  
282 need for a Repayment Contract for repayment of costs associated with the design and  
283 construction of the Expansion Project. Reclamation and the Authority will, at the quarterly  
284 check-ins described in sub-article (f) above, review the need for a Repayment Contract. If a  
285 Repayment Contract is necessary, Reclamation will seek delegated authority from the  
286 Commissioner to negotiate and execute said contract, which will be an exhibit to this Agreement.  
287 The Parties will closely monitor the potential for reimbursable costs and the need for a  
288 Repayment Contract and conduct any necessary financial analysis, in accordance with PEC 11-  
289 01, prior to executing any such contract.



290 (1) It is anticipated that the Federal share of costs associated with the  
291 Expansion Project will be used for purposes deemed to be non-reimbursable, therefore the  
292 Federal share of costs associated with the Expansion Project will be non-reimbursable.

293 (2) If reimbursable benefits are identified upon the final allocation of  
294 costs, Reclamation will establish appropriate recovery of said reimbursable costs consistent with  
295 Reclamation law and policy.

296 **MANAGEMENT OF EXPANDED RESERVOIR**

297 4. Responsibility for the costs of operation, maintenance, and replacement of B.F.  
298 Sisk Dam and San Luis Reservoir will continue to be governed by agreements between the  
299 United States and the State of California; the Authority and the Investors shall neither execute  
300 nor be a party to any agreement with the State of California for the operation and maintenance of  
301 the B.F. Sisk Dam and the Historic Reservoir or the Expanded Reservoir.

302 (a) The Parties will draft and finalize an OM&R Agreement for the Expansion  
303 Project prior to the first entry of any water subject to this Agreement into any CVP facilities. All  
304 future OM&R costs associated with the Expansion Project will be commensurate to each Party's  
305 final investment.

306 (b) Nothing in this Agreement shall imply or convey any rights or process to  
307 the Authority, the Investors, or their assignees for rights or privileges to water or operations in  
308 the Federal Share of the Expanded Reservoir or the Historic Reservoir and the Authority agrees  
309 that it shall not seek these rights outside of this Agreement.

310 (c) The Parties agree that Reclamation and DWR retain the sole discretion  
311 over the operations of the Historic Reservoir. Operations of the Expanded Reservoir will be

312 consistent with existing laws, agreements, and obligations and pursuant to the terms of this  
313 Agreement and in consultation with the Investors through the Water Master/Manager.

314 (d) Federal Share of Expanded Reservoir: The management of any water in  
315 the Federal Share of the Expanded Reservoir is at the sole discretion of Reclamation and will be  
316 managed in such a way to be consistent with State and Federal law and existing and future  
317 agreements, guidelines, and programs for Federal benefits.

318 (e) Investor Share of Expanded Reservoir: Investors agree to use the  
319 Investor Share of the Expanded Reservoir consistent with the terms of this Agreement, and the  
320 Parties agree that the Investors possess the ability to partner with non-Investor parties regarding  
321 the use, marketing, and/or lease of capacity within the Investor Share of the Expanded Reservoir  
322 and/or the storage of water in the Investor Share of the Expanded Reservoir. The Investors shall  
323 indemnify the United States, its officers, employees, and agents of damage or claim of any nature  
324 whatsoever for which there is any legal responsibility derived from these third-party agreements.  
325 Any water in the Investor Share of the Expanded Reservoir will not be displaced by filling of the  
326 Historic Reservoir. Reclamation may allow Non-Project Water, Acquired Project Water, or  
327 Project Water to fill the Investor Share of the Expanded Reservoir, as requested by the Investors,  
328 in coordination with the Water Master/Manager. Non-Project Water, Acquired Project Water,  
329 and Project Water may be stored in the Investor Share of the Expanded Reservoir and moved out  
330 of the Investor Share of the Expanded Reservoir subject to the terms of this Agreement. If an  
331 Investor has any water type available to it and if the conveyance capacity is available, upon  
332 Reclamation's determination, to move into the Investor Share of the Expanded Reservoir at the  
333 same time that Reclamation has Project Water available to it to fill the Expanded Reservoir, the

334 Investor may determine which water type will be (or is) stored on its behalf in the Investor Share  
335 of the Expanded Reservoir.

336 (1) Non-Project Water

337 (i) With the exception of State Water Project water that may  
338 already exist in the Historic Reservoir and/or is conveyed through the State Water Project or  
339 under agreement with Reclamation, and Non-Project Water that may already exist in the Historic  
340 Reservoir, Non-Project Water is subject to a contract for the use of excess conveyance capacity  
341 in Federal facilities, pursuant to the Warren Act (Act of February 21, 1911 (36 Stat. 925)), in  
342 order to convey Non-Project Water to or from the Historic Reservoir.

343 (ii) Storage of Non-Project Water in the Investor Share of the  
344 Expanded Reservoir will not require a Warren Act Contract. However, any water that is stored in  
345 the Investor share of the Expanded Reservoir that may be moved into and accounted for in the  
346 Historic Reservoir will require a Warren Act Contract for storage in the Historic Reservoir.

347

348 (iii) For the purpose of this Agreement and consistent with the  
349 San Luis Rescheduling Guidelines, unless otherwise amended, San Joaquin River Restoration  
350 water recaptured consistent with permits issued by the State Water Resources Control Board, if  
351 acquired by an Investor or a non-Investor party through agreement with an Investor, will be  
352 treated as having the same priority as Non-Project Water and may be storable in the Investor  
353 Share of the Expanded Reservoir if acquired by an Investor.

354 (iv) The Parties agree that as long as Non-Project Water is  
355 stored in the Investor Share of the Expanded Reservoir it will not be subject to the San Luis  
356 Rescheduling Guidelines, and will not be displaced upon the Federal portion of the Historic  
357 Reservoir filling; further, Reclamation will not use Non-Project Water to meet authorized CVP  
358 purposes as defined in subarticle 4(e)(4) of this Agreement until: (1) all available Federal  
359 supplies have been used by Reclamation, and (2) the Parties first mutually agree in writing to  
360 water or monetary compensation, subject to appropriations, or a combination thereof, prior to its  
361 use.

362 (v) M&I Shortage - Non-Project Water in the Investor Share of  
363 the Expanded Reservoir will not be subject to nor accounted against an Investor's available  
364 water, as contemplated in the M&I Water Shortage Policy, as may be amended or superseded, to  
365 meet minimum public health and safety needs.

366 (2) Acquired Project Water

367 (i) The Parties agree that Acquired Project Water stored in the  
368 Investor Share of the Expanded Reservoir will not be subject to the San Luis Rescheduling  
369 Guidelines, and will not "spill" when the Historic Reservoir fills. Reclamation will only use  
370 Acquired Project Water stored in the Investor Share of the Expanded Reservoir: (1) for seniors,  
371 L2 and PH&S; (2) in combination with all other CVP water supplies, (3) in coordination with  
372 the Water Coordinator per section; and (4) with agreed upon compensation for Reclamation use  
373 of Acquired Project Water as follows:

374 [place holder for suite of compensation alternatives]

375

376 (ii) M&I Shortage - Acquired Project Water in the Investor  
377 Share of the Expanded Reservoir will be subject to the M&I Water Shortage Policy.

378 (3) Project Water

379 (i) Article 3(a) Water: Following the allocation of Water  
380 Made Available under Article 3(a) of an Investor’s Water Service/Repayment Contract, an  
381 Investor may direct the movement of allocated contract supply to the Investor Share of the  
382 Expanded Reservoir, up to the maximum storage capacity of the Investor Share of the Expanded  
383 Reservoir.

384 (iii) The Parties agree that Project Water stored in the Investor  
385 Share of the Expanded Reservoir will not be subject to the San Luis Rescheduling Guidelines,  
386 and will not “spill” when the Historic Reservoir fills. Reclamation, at its discretion, will only use  
387 Project Water in the Investor Share of the Expanded Reservoir to meet authorized CVP purposes  
388 as defined in subarticle 4(e)(4) of this Agreement in coordination with the Water  
389 Master/Manager. If Reclamation uses Project Water stored in the Investor Share of the Expanded  
390 Reservoir to meet CVP purposes, Reclamation shall reimburse or credit the Investors for the  
391 applicable OM&R costs. Therefore, the quantity of Project Water used by Reclamation will be  
392 included in the calculation of that Year’s Federal OM&R cost obligation allocated by DWR for  
393 the Expanded Reservoir and will be included in the calculation for the Authority’s share of  
394 OM&R cost obligation for the Year in which Project Water was used by Reclamation.

395 (iii) Article 3(f) Water: Consistent with Article 3(f) of an  
396 Investor’s Water Service/Repayment Contract, the Contracting Officer will make Project Water  
397 available to Investors as described below:

398 a. Following the filling of the Federal Share of  
399 Historic Reservoir, Reclamation will make Article 3(f) water available to all south-of-Delta CVP  
400 contractors capable of taking Article 3(f) water.

401 b. Upon making Article 3(f) water available,  
402 Reclamation will fill the Investor Share of the Expanded Reservoir and the Federal Share of the  
403 Expanded Reservoir on a proportionate basis in accordance with this Agreement.

404 1. Reclamation will fill the Expanded  
405 Reservoir until such a time that the Investor Share of the Expanded Reservoir is full or the  
406 Investor Share and the Federal Share of the Expanded Reservoir are full.

407 2. Any Article 3(f) water used to fill a portion  
408 of the Investor Share of the Expanded Reservoir will be allocated to each Investor that has  
409 available capacity in the Expanded Reservoir.

410 3. Water made available under this article and  
411 stored in the Investor Share of the Expanded Reservoir can be scheduled for delivery at a later  
412 date at the discretion of the Investors and subject to available capacity.

413 (4) To the extent the subarticles above reference Reclamation's ability  
414 to utilize water stored in the Investor Share of the Expanded Reservoir for authorized CVP  
415 purposes under certain circumstances, the Parties agree that "authorized CVP purposes," as used  
416 herein, include: the unmet minimum deliveries for south-of-Delta San Joaquin River Exchange  
417 Contractors and Settlement Contractors in Shasta Critical Years, the unmet minimum CVPIA  
418 allocation for south-of-Delta Level 2 refuges, and the unmet public health and safety needs as  
419 defined by the M&I Water Shortage Policy as may be amended or superseded.

420 (f) Losses - All water in the Investor Share of the Expanded Reservoir will be  
421 subject to water loss criteria that is applied with proportionality based on reservoir losses caused  
422 by evaporation and seepage and charged to Reclamation as part of its joint operations with  
423 DWR.

424 (g) Displaced Project Water: In order to store Non-Project or Acquired Project  
425 Water in the Investor Share of the Expanded Reservoir, the Investor, through the Water  
426 Coordinator and in coordination with Reclamation, may move Project Water out of the Investor  
427 Share of the Expanded Reservoir in the following way in order of priority:

- 428 (i) Project Water moves from Investor Share of  
429 Expanded Reservoir to the Federal Share of the  
430 Historic Reservoir unless the Federal Share of the  
431 Historic Reservoir is full;
- 432 (ii) If the Federal Share of Historic Reservoir is full,  
433 Project Water then goes to the Federal Share of  
434 Expanded Reservoir; and
- 435 (iii) If there is no available storage space in the Federal  
436 Share of Expanded Reservoir, Project Water in the  
437 Investor Share of the Expanded Reservoir would be  
438 made available by Reclamation to CVP contractors,  
439 per existing CVP Water Service/Repayment  
440 Contracts, and subject to applicable statutes,  
441 regulations, guidelines, and policies.

442 (iv) Reclamation will retain full discretion as to the  
443 disposition of the Project Water.

444

445 (h) Points of Delivery

446 (1) Any Project Water, as defined by this Agreement, will be delivered  
447 at the point(s) of delivery as specified in the applicable Water Service/Repayment Contract.

448 (2) Any Acquired Project Water or Non-Project Water will be  
449 considered delivered to the Investor's Share of the Expanded Reservoir and will be accounted for  
450 consistent with all applicable State and Federal laws, contracts, and policy.

451 (i) Operation and Maintenance Costs of the San Luis Reservoir – As a result  
452 of the Expanded Reservoir, Reclamation may have an increased share of the cost of the operation  
453 and maintenance of the B.F. Sisk Dam and San Luis Reservoir. The Parties agree that costs will  
454 be paid consistent with existing laws, agreements, and policy, as may be amended or superseded.  
455 Further, the Authority agrees it will specifically pay for OM&R costs associated with the  
456 Investor Share of the Expanded Reservoir; the details regarding such payment and costs will be  
457 defined in an OM&R Agreement, which will be an Exhibit to this Agreement.

458 (j) Coordination – Prior to the operation of the Expanded Reservoir,  
459 Reclamation and the Authority will develop a Coordination Agreement to coordinate and  
460 communicate and define roles and responsibilities prior to the storage of water in the Expanded  
461 Reservoir, which will be an Exhibit to this Agreement. The Coordination Agreement will,  
462 among other things:



- 463 (1) Define the frequency of coordination between the Parties.
- 464 (2) Establish a Reclamation approved accounting methodology and  
465 system of accounting for water in the investor share of the Expanded Reservoir;
- 466 (3) Provide for a dispute resolution process.
- 467 (4) Provide for a Water Master/Manager. The Parties agree that a  
468 Water Master/Manager will be provided and paid for by the Authority who will coordinate with  
469 Reclamation regarding the management of any water moving into, stored in, or moving out of  
470 the Investor Share of the Expanded Reservoir, who will account for the water in the Investor  
471 Share of Expanded Reservoir, and who will be responsible for the provisional data and  
472 coordinating with Reclamation on reconciliation at the end of the contract year and prior to  
473 initial allocations of the following Year.
- 474 (i) Describe the methods through which Reclamation will  
475 share forecasting and allocation information with the Water Master/Manager on behalf of the  
476 Authority and through which the Parties will acquire access to conveyance capacity.

477 **EXISTING CONTRACTS**

478 5. Nothing in this Agreement, in any way, alters, changes, or amends the Investors'  
479 existing Water Service/Repayment Contracts with the United States.

480 **DISPUTE RESOLUTION**

481 6. Should any dispute arise concerning any provisions of this Agreement, or the Parties'  
482 rights and obligations thereunder, the Parties shall meet and confer in an attempt to resolve the  
483 dispute. Prior to the Authority commencing any legal action, or the Contracting Officer referring  
484 any matter to the Department of Justice, the Party shall provide to the other Party thirty (30)

485 days' written notice of the intent to take such action; *Provided, That* such notice shall not be  
486 required where a delay in commencing an action would prejudice the interests of the Party that  
487 intends to file suit. During the thirty (30)-day notice period, the Parties shall meet and confer in  
488 an attempt to resolve the dispute. Except as specifically provided, nothing herein is intended to  
489 waive or abridge any right or remedy that the Authority or the United States may have.

490 **WAIVER OF NON-COMPLIANCE WITH ANY PROVISION OF THIS AGREEMENT**

491 7. The waiver by either Party to this Agreement as to any non-compliance with any  
492 provision of this Agreement shall not be construed as a waiver of any other non-compliance with  
493 any provision of this Agreement or as authority of the other Party to continue such non-  
494 compliance with any provision of this Agreement or to make, do, or perform, or not make, do, or  
495 perform, as the case may be, any act or thing which would constitute non-compliance with any  
496 provision of this Agreement.

497 **OPINIONS AND DETERMINATIONS**

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

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

513 **NOTICES**

514 9. Any notice, demand, or request authorized or required by this Agreement shall be  
515 deemed to have been given, on behalf of the Authority, when mailed, postage prepaid, or delivered  
516 to the Regional Director, California Great Basin Region, Bureau of Reclamation, 2800 Cottage  
517 Way, Sacramento, CA, 95825, and on behalf of the United States, when mailed, postage prepaid,  
518 or delivered to the San Luis & Delta-Mendota Water Authority, 842 6<sup>th</sup> Street, Los Banos, CA  
519 93635.

520

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

522 10. The expenditure or advance of any money or the performance of any obligation of  
523 the United States under this Agreement shall be contingent upon appropriation or allotment of  
524 funds. Absence of appropriation or allotment of funds shall not relieve the Authority from any  
525 obligations under this Agreement. No liability shall accrue to the United States in case funds are  
526 not appropriated or allotted.

527 **OFFICIALS NOT TO BENEFIT**

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

531 **ASSIGNMENT LIMITED - SUCCESSORS AND ASSIGNS OBLIGATED**

532 12. The provisions of this Agreement shall apply to and bind the successors and  
533 assigns of the parties hereto, but no assignment or transfer of this Agreement or any right or  
534 interest therein by either party shall be valid until approved in writing by the other party.

535 **BOOKS, RECORDS, AND REPORTS**

536 13. The Authority shall establish and maintain accounts and other books and records  
537 pertaining to administration of the terms and conditions of this Agreement, including the  
538 Authority's financial transactions; water supply data; project operation, maintenance, and  
539 replacement logs; project land and rights-of-way use agreements; the water users' land-use (crop

540 census), land-ownership, land-leasing, and water-use data; and other matters that the Contracting  
541 Officer may require. Reports shall be furnished to the Contracting Officer in such form and on  
542 such date or dates as the Contracting Officer may require. Subject to applicable Federal laws and  
543 regulations, each party to this Agreement shall have the right during office hours to examine and  
544 make copies of the other party's books and records relating to matters covered by this  
545 Agreement.

546 **COMPLIANCE WITH FEDERAL RECLAMATION LAWS**

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

552 **PROTECTION OF WATER AND AIR QUALITY**

553 15. (a) The Contractor, without expense to the United States, will care for,  
554 operate, and maintain transferred works in a manner that preserves the quality of the water at the  
555 highest feasible level as determined by the Contracting Officer.

556 (b) The United States will care for, operate, and maintain reserved works in a  
557 manner that preserves the quality of the water at the highest feasible level as determined by the  
558 Contracting Officer. The United States does not warrant the quality of the water delivered to the  
559 Contractor and is under no obligation to furnish or construct water treatment facilities to  
560 maintain or improve the quality of water delivered to the Contractor.

561 (c) The Contractor will comply with all applicable water and air pollution  
562 laws and regulations of the United States and the State of California; and will obtain all required  
563 permits or licenses from the appropriate Federal, State, or local authorities necessary for the  
564 delivery of water by the Contractor; and will be responsible for compliance with all Federal,  
565 State, and local water quality standards applicable to surface and subsurface drainage and/or  
566 discharges generated through the use of Federal or Contractor facilities or project water provided  
567 by the Contractor within its Project Water Service Area.

568 (d) This article will not affect or alter any legal obligations of the Secretary to  
569 provide drainage or other discharge services.

570 **WATER CONSERVATION**

571 16. Prior to the delivery of water provided from or conveyed through federally  
572 constructed or federally financed facilities pursuant to this Agreement, the Contractor shall  
573 develop a water conservation plan, as required by subsection 210(b) of the Reclamation Reform  
574 Act of 1982 and 43 C.F.R. 427.1 (Water Conservation Rules and Regulations).

575

**EQUAL EMPLOYMENT OPPORTUNITY**

576 17. The following language is required by Executive Order No. 11246 of September  
577 24, 1965, in all government contracts unless and until it is superseded or amended.

578

During the performance of this Agreement, the Authority agrees as follows:

579

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

589

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

593

(c) The Authority will not discharge or in any other manner discriminate  
594 against any employee or applicant for employment because such employee or applicant has  
595 inquired about, discussed, or disclosed the compensation of the employee or applicant or another  
596 employee or applicant. This provision shall not apply to instances in which an employee who has  
597 access to the compensation information of other employees or applicants as a part of such  
598 employee's essential job functions discloses the compensation of such other employees or  
599 applicants to individuals who do not otherwise have access to such information, unless such  
600 disclosure is in response to a formal complaint or charge, in furtherance of an investigation,  
601 proceeding, hearing, or action, including an investigation conducted by the employer, or is  
602 consistent with the Authority's legal duty to furnish information.

603

(d) The Authority will send to each labor union or representative of workers  
604 with which he has a collective bargaining agreement or other contract or understanding, a notice,  
605 to be provided by the agency Contracting Officer, advising the labor union or workers'  
606 representative of the Authority's commitments under section 202 of Executive Order No. 11246  
607 of September 24, 1965, and shall post copies of the notice in conspicuous places available to  
608 employees and applicants for employment.

609

(e) The Authority will comply with all provisions of Executive Order No.  
610 11246 of Sept. 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of  
611 Labor.

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

617 (g) In the event of the Authority's noncompliance with the nondiscrimination  
618 clauses of this Agreement or with any of such rules, regulations, or orders, this Agreement may  
619 be canceled, terminated or suspended in whole or in part and the Authority may be declared  
620 ineligible for further Government contracts in accordance with procedures authorized in  
621 Executive Order No. 11246 of Sept. 24, 1965, and such other sanctions may be imposed and  
622 remedies invoked as provided in Executive Order No. 11246 of September 24, 1965, or by rule,  
623 regulation, or order of the Secretary of Labor, or as otherwise provided by law.

624 (h) The Authority will include the provisions of paragraphs (a) through (h) in  
625 every subcontract or purchase order unless exempted by the rules, regulations, or orders of the  
626 Secretary of Labor issued pursuant to section 204 of Executive Order No. 11246 of September  
627 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The  
628 Authority will take such action with respect to any subcontract or purchase order as may be  
629 directed by the Secretary of Labor as a means of enforcing such provisions, including sanctions  
630 for noncompliance: Provided, however, that in the event the Authority becomes involved in, or is  
631 threatened with, litigation with a subcontractor or vendor as a result of such direction, the  
632 Authority may request the United States to enter into such litigation to protect the interests of the  
633 United States.

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

635 18. (a) The Authority shall comply with Title VI of the Civil Rights Act of 1964  
636 (Pub. L. 88-352; 42 U.S.C. § 2000d), the Rehabilitation Act of 1973 (Pub. L. 93-112, Title V, as  
637 amended; 29 U.S.C. § 791, et seq.), the Age Discrimination Act of 1975 (Pub. L. 94-135, Title  
638 III; 42 U.S.C. § 6101, et seq.), Title II of the Americans with Disabilities Act of 1990 (Pub. L.  
639 101-336; 42 U.S.C. § 12131, et seq.), and any other applicable civil rights laws, and with the  
640 applicable implementing regulations and any guidelines imposed by the U.S. Department of the  
641 Interior and/or Bureau of Reclamation.

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

649 (c) The Authority makes this agreement in consideration of and for the  
650 purpose of obtaining any and all Federal grants, loans, contracts, property discounts, or other  
651 Federal financial assistance extended after the date hereof to the Authority by the Bureau of

652 Reclamation, including installment payments after such date on account of arrangements for  
 653 Federal financial assistance which were approved before such date. The Authority recognizes  
 654 and agrees that such Federal assistance will be extended in reliance on the representations and  
 655 agreements made in this article and that the United States reserves the right to seek judicial  
 656 enforcement thereof.

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

659 **CERTIFICATION OF NONSEGREGATED FACILITIES**

660 19. The Authority hereby certifies that it does not maintain or provide for its  
 661 employees any segregated facilities at any of its establishments and that it does not permit its  
 662 employees to perform their services at any location under its control where segregated facilities  
 663 are maintained. It certifies further that it will not maintain or provide for its employees any  
 664 segregated facilities at any of its establishments and that it will not permit its employees to  
 665 perform their services at any location under its control where segregated facilities are  
 666 maintained. The Authority agrees that a breach of this certification is a violation of the Equal  
 667 Employment Opportunity clause in this Agreement. As used in this certification, the term  
 668 "segregated facilities" means any waiting rooms, work areas, rest rooms and wash rooms,  
 669 restaurants and other eating areas, time clocks, locker rooms and other storage or dressing areas,  
 670 parking lots, drinking fountains, recreation or entertainment areas, transportation, and housing  
 671 facilities provided for employees which are segregated by explicit directive or are in fact  
 672 segregated on the basis of race, creed, color, or national origin, because of habit, local custom,  
 673 disability, or otherwise. The Authority further agrees that (except where it has obtained identical  
 674 certifications from proposed subcontractors for specific time periods) it will obtain identical  
 675 certifications from proposed subcontractors prior to the award of subcontracts exceeding \$10,000  
 676 which are not exempt from the provisions of the Equal Employment Opportunity clause; that it  
 677 will retain such certifications in its files; and that it will forward the following notice to such  
 678 proposed subcontractors (except where the proposed subcontractors have submitted identical  
 679 certifications for specific time periods):

680

681 NOTICE TO PROSPECTIVE SUBCONTRACTORS OF REQUIREMENT FOR  
 682 CERTIFICATIONS OF NONSEGREGATED FACILITIES

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

688 **MEDIUM FOR TRANSMITTING PAYMENTS**

689 17. (a) All payments from the Authority to the United States under this  
 690 Agreement shall be by the medium requested by the United States on or before the date payment

691 is due. The required method of payment may include checks, wire transfers, or other types of  
692 payment specified by the United States.

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

697 **AGREEMENT DRAFTING CONSIDERATIONS**

698 20. This Agreement has been negotiated and reviewed by the parties hereto, each of  
699 whom is sophisticated in the matters to which this Agreement pertains. Articles [redacted] through [redacted] of  
700 this Agreement have been drafted, negotiated, and reviewed by the parties, and no one party shall  
701 be considered to have drafted the stated articles.

702  
703  
704  
705



706  
707 IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day  
708 and year first above written.

709

710 THE UNITED STATES OF AMERICA

711 By: \_\_\_\_\_  
712 Regional Director  
713 Interior Region 10: California-Great Basin  
714 Bureau of Reclamation  
715

716 San Luis & Delta-Mendota Water Authority  
717 (SEAL)

718 By: \_\_\_\_\_  
719 Chair, Board of Directors  
720

720 Attest:

721 \_\_\_\_\_  
722 Secretary  
723