

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 ADMINISTERED 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 [1st] 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 [2nd] 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 [3rd] 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 [4th] 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 [5th] 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 [6th] WHEREAS, Reclamation and DWR share responsibility for coordinating
42 operations of the CVP and the State Water Project, hereinafter referred to as “SWP,” and for
43 meeting Sacramento-San Joaquin Delta water quality objectives and other operational
44 requirements pursuant to the 1986 Coordinated Operations Agreement between Reclamation and
45 DWR, as amended; and

46 [7th] 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 [8th] 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 [9th] 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 [10th] 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 [11th] 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 [12th] 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 [13th] 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 [14th] 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 [15th] 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 Water” shall mean any water where an action has been taken to
96 make water available for transfer or exchange, consistent with Federal and State law and
97 Reclamation policy (similar to groundwater substitution or crop idling) from CVP Water
98 Service/Repayment Contractors, CVP Settlement Contractors, San Joaquin River Exchange
99 Contractors, any other CVP contractor, or from Reclamation, including any Non-Project Water
100 that has been acquired by a contractor not appropriated or acquired by the United States¹.

¹ Note that this definition excludes water transferred through Reclamation’s Accelerated Water Transfer Program and water exchanged through Article 5(a) of the Cross Valley Contracts.

101 (b) “Authority Managed Share of Expanded Reservoir” shall mean the storage
102 volume of the Expanded Reservoir commensurate with the Investors’ level of investment in the
103 Expansion Project.

104 (c) “Calendar Year” shall mean the period January 1 through December 31,
105 both dates inclusive.

106 (d) “Contracting Officer” shall mean the Secretary of the Interior's duly
107 authorized representative acting pursuant to this Agreement or applicable Federal Reclamation
108 law or regulation.

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

112 (f) “Coordination Agreement” shall mean the agreement provided for in
113 subarticle 4(j) of this Agreement.

114 (g) “Expanded Reservoir” shall mean the combined volume of storage in the
115 Federal Share and the Authority Managed Share of the expanded San Luis Reservoir resulting
116 from the Expansion Project.

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

121 (i) “Federal Share of Expanded Reservoir” shall mean the storage volume of
122 the Expanded Reservoir commensurate with the Federal level of investment in the Expansion
123 Project.

124 (j) “Federal Share of Historic Reservoir” shall mean the storage volume of
125 966 TAF in the Historic Reservoir.

126 (k) “Historic Reservoir” shall mean the total storage volume of 2.028 Million
127 Acre-Feet (“MAF”) in San Luis Reservoir.

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

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

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

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

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

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

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

148 (s) "San Luis Reservoir" shall mean the Historic Reservoir and the Expanded
149 Reservoir.

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

154 (u) "Shasta Critical Year/Critical Year" shall be consistent with the
155 definitions in Contracts No. 11r-1144 and 14-06-200-855A-R-1.

156 (u) "Spend Plan" shall mean the plan provided for in subarticle 3(e) of this
157 Agreement.

158 (v) "Substantial Completion" shall have the same meaning as defined in FAC
159 01-05 as amended or supplemented.

160 (w) "Water Coordinator" shall mean the individual provided for in subarticle
161 4(j)(4) of this Agreement.

162 (x) "Year" shall mean the period from and including March 1 of each Calendar
163 Year through the last day of February of the following Calendar Year.

164 **TERM OF AGREEMENT**

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

167 (b) The Contracting Officer may terminate this Agreement at any time before
168 the expiration of its term whenever the Contracting Officer determines that the Authority is in
169 substantial violation of the Agreement or otherwise in violation of Federal law or Reclamation
170 Policy; provided, that prior to the effective date of any such termination, the Contracting Officer
171 shall first notify the Authority in writing of, the specific purported deficiencies of the Authority
172 in carrying out the terms and conditions of this Agreement. It is the intent of the Parties that
173 disputes be resolved pursuant to this subarticle 2(b) as expeditiously as is reasonably possible
174 without the necessity of other relief at law or in equity. If after the designated representative of
175 the Authority has met with the Contracting Officer or his or her designated representative and
176 attempt in good faith and with the use of best efforts to resolve any dispute arising from the
177 purported deficiency an agreement is not reached, the Contracting Officer may issue a notice of
178 proposed termination, which includes the specific deficiencies of the Authority's performance
179 under this Agreement. The Authority shall have at least one hundred and twenty (120) days from
180 receipt of the written notice of proposed termination to correct all deficiencies referred to in said
181 written notice. Any termination pursuant to this Article shall be subject to the rights and
182 obligations of the Parties as more specifically set forth in this Agreement.

183 (c) The United States and the Authority jointly shall review this Agreement,
184 which review shall be performed at least every five (5) years. A more frequent review will occur
185 if determined to be appropriate by the Contracting Officer, or if requested by the Authority. The
186 review shall compare the relative success which each Party has had in meeting its objectives,
187 including, but not limited to, the Contributed Funds Agreement, an OM&R Agreement, a
188 Repayment Contract, a Spend Plan, and a Coordination Agreement, which agreements will be
189 exhibits to this Agreement. Exhibits to this Agreement, excluding Final Storage Benefits, will be
190 mutually agreed to and signed by the Parties and will be incorporated into this Agreement. As a
191 precondition to the granting of any benefits or performance of obligations in this Agreement, the
192 Parties must successfully execute the Spend Plan and the Contributed Funds Agreement, and the
193 Authority must deposit all funds identified as necessary in the Spend Plan which shall be
194 executed no later than one hundred and twenty (120) days after the execution of this Agreement.
195 Exhibits to this Agreement may require modification which may be accomplished without
196 amendment to this Agreement.

197 (d) This Agreement may be modified, amended, or terminated upon mutual
198 agreement of the Parties in writing. All duties and obligations of the Parties under this
199 Agreement will cease upon termination except as to any provisions that expressly survive the
200 termination of the Agreement.

201 (e) Upon termination, Reclamation would recognize the Authority's
202 contributed funds, pursuant to applicable Exhibits to this agreement and any outstanding bond
203 obligations issued prior to construction of the Expansion Project. Bond obligations issued prior
204 to construction and exclusively for construction of the Expansion Project shall be named in the
205 applicable Exhibits to this Agreement.

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COST SHARE

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

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

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

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

(1) The Parties have reviewed the Expansion Project costs incurred by the Authority and Reclamation prior to the effective date of this Agreement. The Parties acknowledge and agree that the Authority and Reclamation have incurred costs which, if

227 allowable, will be credited to each Party's cost share obligation under applicable Exhibits to this
228 Agreement.

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

233 (3) Environmental Mitigation and Compliance Costs: Either Party may
234 fund environmental mitigation and compliance activities associated with this Agreement. These
235 activities may include, but are not limited to, contracts for technical assistance in environmental
236 mitigation, funding of environmental mitigation commitments, and any actions to ensure
237 consistency with the State California Environmental Quality Act (CEQA) or Federal National
238 Environmental Policy Act (NEPA) laws and regulations.

239 (4) Cultural Resource Management Costs: Either Party may fund
240 cultural studies, investigations, and mitigation needs consistent with this Agreement.
241 Reclamation will be responsible for all necessary consultations with state offices, Indian tribes,
242 and interested parties pursuant to Section 106 of the National Historic Preservation Act of 1966,
243 as amended. Reclamation will be responsible for compliance and coordination with the Native
244 American Graves Protection and Repatriation Act of 1990.

245 (5) Permitting Costs: Additional permitting actions prior to
246 construction of the Expansion Project and prior to declaring the Expansion Project "Substantially
247 Complete" may be required. The Parties will jointly determine, as appropriate, the appropriate
248 Party to obtain any necessary permit(s), and the appropriate cost share for the permitting actions.

249 (6) Administrative Costs: Reclamation will reserve sufficient funding
250 from Federal appropriations to cover its administrative and management costs associated with
251 the Expansion Project. This amount will be considered part of the overall Federal contribution.
252 Reclamation will provide an estimate of the administrative costs for this Expansion Project
253 which will be reviewed with the Authority. The Authority will reserve sufficient funding to pay
254 for its administrative costs for the non-Federal share of the Expansion Project. These costs will
255 be considered contributions to the non-Federal share of the Expansion Project and reported
256 pursuant to subarticle 3(f) of this Agreement. Administrative costs include, unless otherwise
257 defined by contracts: project management, construction management, accounting and
258 administrative management, legal support and review, travel, general meetings related to the
259 Expansion Project, contract/agreement technical meetings and negotiations, and other supportive
260 services and activities necessary for the construction and operation of the Expansion Project
261 prior to the determination of Substantial Completion.

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

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

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

276 (c) Reclamation and the Authority have proposed using their collective funds
277 to fund parts of the Expansion Project. A contributed funds agreement may be necessary to help
278 facilitate transfer of funds to Reclamation from the Authority. Such an agreement, if needed, will
279 be an exhibit to this Agreement. Any funds contributed to Reclamation for the Expansion Project
280 will be considered part of the cost of this Expansion Project and shared in accordance with
281 subarticle 3(a)(1).

282 (d) There may be times when Reclamation provides funds to the Authority.
283 These funds will be provided through a financial assistance agreement. Any funds provided to
284 the Authority for the Expansion Project will be considered part of the cost of this Expansion
285 Project and shared in accordance with subarticle 3(a)(1).

286 (e) Reclamation and the Authority will develop and execute a Spend Plan
287 containing mutually agreeable terms for the Authority to commit funding required under the
288 WIIN Act and to track costs and account for funds expended. The Spend Plan will be an exhibit
289 to this Agreement.

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

293 (g) Repayment: As currently formulated, Reclamation does not anticipate the
294 need for a Repayment Contract for repayment of costs associated with the design and
295 construction of the Expansion Project. Reclamation and the Authority will, at the quarterly
296 check-ins described in subarticle (f) above, review the need for a Repayment Contract. If a
297 Repayment Contract is necessary, Reclamation will seek delegated authority from the
298 Commissioner to negotiate and execute said contract, which will be an exhibit to this Agreement.
299 The Parties will closely monitor the potential for reimbursable costs and the need for a
300 Repayment Contract and conduct any necessary financial analysis, in accordance with PEC 11-
301 01, prior to executing any such contract.

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

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

308 (h) The duties and obligations of the Parties under subarticles 3(a)(1), 3(b)(1),
309 3(d), and 3(g) would expressly survive termination of this Agreement.

310 **MANAGEMENT OF EXPANDED RESERVOIR**

311 4. Responsibility for the costs of operation, maintenance, and replacement of B.F.
312 Sisk Dam and San Luis Reservoir will continue to be governed by agreements between the
313 United States and the State of California; the Authority and the Investors shall neither execute

314 nor be a party to any agreement with the State of California for the operation and maintenance of
315 the B.F. Sisk Dam and the Historic Reservoir or the Expanded Reservoir.

316 (a) The Parties will draft and finalize an OM&R Agreement for the Expansion
317 Project prior to the first entry of any water subject to this Agreement into any CVP facilities. All
318 future OM&R costs associated with the Expansion Project will be commensurate to each Party's
319 final investment, unless otherwise agreed to in writing by the Parties pursuant to this Agreement.

320 (b) Nothing in this Agreement shall imply or convey any rights or process to
321 the Authority or their assignees for rights or privileges to water or operations in the Federal
322 Share of Expanded Reservoir or the Historic Reservoir and the Authority agrees that it shall not
323 seek these rights outside of this Agreement.

324 (c) The Parties agree that Reclamation and DWR retain the sole discretion
325 over the operations of the Historic Reservoir.-Operations of the Expanded Reservoir will be
326 consistent with existing laws, agreements, and obligations and pursuant to the terms of this
327 Agreement and in consultation with the Authority through the Water Coordinator.

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

332 (e) Authority Managed Share of Expanded Reservoir:

333 (1) The Parties agree that the Investors, through the Authority, possess
334 the ability to partner with non-Investor parties regarding the use, marketing, and/or lease of

335 capacity within the Authority Managed Share of Expanded Reservoir and/or the storage of water
336 in the Authority Managed Share of Expanded Reservoir. The Authority shall indemnify the
337 United States, its officers, employees, and agents of damage or claim of any nature whatsoever
338 for which there is any legal responsibility derived from these third-party agreements.

339 (2) The Authority agrees to use the Authority Managed Share of
340 Expanded Reservoir to store Acquired Water, and/or Project Water consistent with the terms of
341 this Agreement.. If an Investor has any water type available to store in the Authority Managed
342 Share of Expanded Reservoir at the same time that Reclamation has Project Water available to it
343 to fill the Expanded Reservoir, and conveyance capacity is deemed available, the Investor may
344 determine which water type will be (or is) stored on its behalf in the Authority Managed Share of
345 Expanded Reservoir. Water stored in the Authority Managed Share of Expanded Reservoir will
346 not be subject to the San Luis Rescheduling Guidelines and will not be displaced, or “spill,”
347 upon the filling of the Federal Share of Historic Reservoir.

348 (3) Acquired Water

349 (i) With the exception of Non-Project Water that may already
350 exist in the Historic Reservoir and/or SWP water conveyed through the SWP or under agreement
351 with Reclamation, Non-Project Water is subject to a contract for the use of excess conveyance
352 capacity in Federal facilities, pursuant to Federal Reclamation Law and Policy, in order to
353 convey Non-Project Water to or from the Historic Reservoir.

354 (ii) Storage of Acquired Water in the Authority Managed Share
355 of Expanded Reservoir will not require a contract for non-Project use of excess capacity.
356 However, any Non-Project Water that is stored in the Authority Managed Share of Expanded

357 Reservoir that may be moved into and accounted for in the Historic Reservoir will require such a
358 contract for storage in the Historic Reservoir.

359 (iii) For the purpose of this Agreement, San Joaquin River
360 Restoration water recaptured consistent with permits issued by the State Water Resources
361 Control Board, if acquired through agreement and/or stored under agreement, acknowledged by
362 Reclamation, will be treated as Acquired Water and may be stored in the Authority Managed
363 Share of Expanded Reservoir.

364 (iv) Reclamation will not use Acquired Water for any purpose
365 unless and until the Parties first mutually agree in writing to water or monetary compensation,
366 subject to appropriations, or a combination thereof, prior to its use².

367 a. In the case of a publicly declared emergency, as
368 declared by the appropriate authority³ and which affects water supply, Reclamation, in
369 communication and coordination with the Authority, may use Acquired Water to meet the needs
370 of that emergency, if those needs cannot be met from any other reasonable sources of water
371 under Reclamation's discretion.

372 b. Compensation for the use of Acquired Water will be
373 made if the water cannot be returned prior to the scheduled contractor need of the supply.

374 (v) M&I Shortage – Acquired Water in the Authority
375 Managed Share of Expanded Reservoir will be considered acquired by Investors to meet

² Subject to appropriations, monetary compensation will be fair market value of water as provided for under Federal Law of either the price of the water when it was acquired by the Contractor or acquired by Reclamation whichever is greater.

³ Reclamation anticipates a declaration would be made by a County Supervisor, Federally Recognized Tribal head, Governor of the State of California, the United States Congress, or President of the United States.

376 individual Public Health and Safety responsibilities and will not be counted against an Investor’s
377 Public Health and Safety available supply consistent with the documented “Guidelines for
378 Implementing the M&I WSP” Section B.2.i, as may be amended or superseded.

379 (5) Project Water

380 (i) Article 3(a) Water: Following the CVP contract allocation
381 of Water Made Available under Article 3(a) of an Investor’s Water Service/Repayment Contract,
382 the Water Coordinator may inform Reclamation as to the amount of water to be accounted for
383 under this subarticle, up to the maximum storage capacity of the Authority Managed Share of
384 Expanded Reservoir.

385 (ii) Article 3(f) Water: Each Investor holds a Repayment
386 Contract that provides a mechanism for Reclamation to make water available to each Investor in
387 addition to the Investor’s CVP contract allocation in a given Year. This mechanism is most often
388 described in Article 3(f) of the Investors’ Repayment Contracts, and so such water is referred to
389 as “Article 3(f) water”. For the purpose of this Agreement, the Contracting Officer will make
390 Article 3(f) water available to Investors in addition to the Investors’ CVP contract allocation in
391 every Year that Article 3(f) water is available, as described below:

392 (a) Following the filling of the Federal Share of
393 Historic Reservoir, Reclamation will make a determination that Article 3(f) water is available to
394 all south-of-Delta CVP Water Service/Repayment Contractors capable of taking Article 3(f)
395 water.

396 (b) Upon making Article 3(f) water available,
397 Reclamation will fill the Authority Managed Share of Expanded Reservoir and the Federal Share
398 of Expanded Reservoir on a proportionate basis in accordance with this Agreement.

399 (1) Reclamation will fill the Expanded
400 Reservoir until such a time that the Authority Managed Share of Expanded Reservoir is full or
401 the Authority Managed Share and the Federal Share of Expanded Reservoir are full.

402 (2) Any Article 3(f) water used to fill a portion
403 of the Authority Managed Share of Expanded Reservoir will be allocated by the Water
404 Coordinator within the Authority Managed Share of the Expanded Reservoir.

405 (3) Water made available under this subarticle
406 4(e)(5)(ii) and stored in the Authority Managed Share of Expanded Reservoir can be scheduled
407 for delivery at a later date in coordination with the Water Coordinator.

408 (c) Reclamation, at its discretion and in coordination
409 with the Water Coordinator, will only use Project Water in the Authority Managed Share of
410 Expanded Reservoir (1) to meet the unmet required deliveries for south-of-Delta San Joaquin
411 River Exchange Contractors and Settlement Contractors, the unmet required CVPIA allocation
412 for south-of-Delta Level 2 refuges, and the unmet required public health and safety needs as
413 defined by the M&I Water Shortage Policy as may be amended or superseded; (2) after all
414 available CVP water supplies stored in the Federal Share of Historic Reservoir and Federal Share
415 of Expanded Reservoir to include the South of Delta Drought Plan have been used or projected
416 to be used; and (3)-in coordination with all other available CVP water supplies; Reclamation
417 intends to use Project Water prior to Acquired Water.

418 (6) If Reclamation uses Acquired Water or Project Water stored in the
419 Authority Managed Share of Expanded Reservoir to meet the enumerated CVP purposes above,
420 Reclamation shall reimburse or credit the Authority for the applicable OM&R costs. Therefore,
421 the quantity of Project Water or Acquired Water used by Reclamation will be included in the
422 calculation of that Year's Federal OM&R cost obligation allocated by DWR for the Expanded
423 Reservoir and will be deducted from the Authority's share of OM&R cost obligation for the Year
424 in which Acquired Water or Project Water was used by Reclamation.

425 (7) If Reclamation anticipates a need for any water stored in the
426 Authority Managed Share of Expanded Reservoir based on 90% exceedance forecasts, on or
427 before February 20 of each Year, Reclamation will inform the Authority, in coordination with
428 the Water Coordinator, of this potential need. On or before March 1, the Authority, through the
429 Water Coordinator, will submit a schedule to Reclamation for the delivery of water stored in the
430 Authority Managed Share of Expanded Reservoir in accordance with the noticing and scheduling
431 provision located in the applicable Investor Water Service/Repayment Contract that shows the
432 volumes of water to be delivered. Schedules will need to demonstrate delivery of water on or
433 before April 1 of each Year. Reclamation shall use all reasonable means to deliver the water to
434 the contractor in accordance with the initial schedule submitted by the contractor, or any written
435 revision(s) deemed satisfactory to the Contracting Officer, thereto submitted within a reasonable
436 time prior to the date(s) on which the requested change(s) is/are to be implemented.

437 (f) Displacement of Project Water – In order to store Non-Project Water or
438 Acquired Project Water in the Authority Managed Share of Expanded Reservoir, the Water
439 Coordinator, in coordination with Reclamation, will if needed, move Project Water out of the
440 Authority Managed Share of Expanded Reservoir. Project Water can be transferred, exchanged,

441 or delivered subject to applicable statutes, regulations, guidelines, and policies. If the Project
442 Water cannot be timely transferred, exchanged, or delivered, it will move in the following way
443 and in the following order of priority:

444 (1) Project Water moves from the Authority Managed Share of
445 Expanded Reservoir to the Historic Reservoir unless the Historic Reservoir is full.

446 (2) If the Historic Reservoir is full, then the Project Water moves to
447 the Federal Share of Expanded Reservoir; and

448 (3) If the Project Water cannot be moved as described above, then
449 Reclamation can make the Project Water available to CVP contractors per existing CVP Water
450 Service/Repayment Contracts, and subject to applicable regulations, guidelines, and policies.
451 Reclamation will retain full discretion as to the disposition of the Project Water.

452 (g) Losses – All water in the Authority Managed Share of Expanded
453 Reservoir will be subject to water loss criteria that is applied based on reservoir losses caused by
454 evaporation and seepage and charged to Reclamation as part of its joint operations with DWR,
455 with the Authority and Reclamation sharing losses proportionate to the water then-stored in the
456 Expanded Reservoir.

457 (h) Operation and Maintenance Costs of the San Luis Reservoir – As a result
458 of the Expanded Reservoir, Reclamation may have an increased share of the cost of the operation
459 and maintenance of the B.F. Sisk Dam and San Luis Reservoir. The Parties agree that costs will
460 be paid consistent with existing laws, agreements, and policy, as may be amended or superseded.
461 Further, the Authority agrees it will specifically pay for OM&R costs associated with the

462 Authority Managed Share of Expanded Reservoir; the details regarding such payment and costs
463 will be defined in an OM&R Agreement, which will be an Exhibit to this Agreement.

464 (i) Coordination Agreement – Prior to the operation of the Expanded
465 Reservoir, Reclamation and the Authority will develop a Coordination Agreement to coordinate
466 and communicate and define roles and responsibilities prior to the storage of water in the
467 Expanded Reservoir, which will be an Exhibit to this Agreement. The Coordination Agreement
468 will, among other things:

469 (1) Define the frequency of coordination between the Parties.

470 (2) Establish a Reclamation approved accounting methodology and
471 system of accounting for water in the Authority Managed Share of Expanded Reservoir.

472 (3) Provide for a dispute resolution process.

473 (4) Provide for a Water Coordinator. The Parties agree that a Water
474 Coordinator will be provided and paid for by the Authority who will coordinate with
475 Reclamation regarding the management of any water moving into, stored in, or moving out of
476 the Authority-Managed Share of Expanded Reservoir, who will account for the water in the
477 Authority-Managed Share of Expanded Reservoir, and who will be responsible for the
478 provisional data and coordinating with Reclamation on reconciliation at the end of the contract
479 year and prior to initial allocations of the following Year.

480 (5) Describe the coordination process referenced in subarticle 4(e)(6)
481 above, including but not limited to the frequency and methods through which Reclamation will

482 share forecasting and allocation information with the Water Coordinator on behalf of the
483 Authority.

484 (6) Describe the methods through which the Parties will acquire access
485 to conveyance capacity.

486 **COORDINATION AND COOPERATION**

487 5. (a) In order to further the goals and objectives of this Agreement, Reclamation and
488 the Authority shall communicate, coordinate, and cooperate with each other. The
489 communication, coordination, and cooperation provided for hereunder shall extend to all
490 provisions of this Agreement. Each Party shall retain exclusive decision-making authority for all
491 actions, opinions, and determinations to be made by the respective Party.

492 (b) Nothing in this Article shall be construed to limit or constrain
493 Reclamation's ability to communicate, coordinate, and cooperate with the Authority or to make
494 decisions in a timely fashion as needed to protect health, safety, or the physical integrity of
495 structures or facilities.

496 **EXISTING CONTRACTS**

497 6. Nothing in this Agreement, in any way, alters, changes, or amends existing Water
498 Service/Repayment Contracts with the United States.

499 **DISPUTE RESOLUTION**

500 7. Should any dispute arise concerning any provisions of this Agreement, or the
501 Parties' rights and obligations thereunder, the United States and the Authority shall meet and
502 confer in an attempt to resolve the dispute. Prior to the Authority commencing any legal action,
503 or the Contracting Officer referring any matter to the Department of Justice, the party shall

504 provide to the other party thirty (30) days' written notice of the intent to take such action;
505 *Provided, That* such notice shall not be required where a delay in commencing an action would
506 prejudice the interests of the party that intends to file suit. During the thirty (30)-day notice
507 period, the parties shall meet and confer in an attempt to resolve the dispute. Except as
508 specifically provided, nothing herein is intended to waive or abridge any right or remedy that the
509 Authority or the United States may have.

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

511 8. (a) The waiver by either Party to this Agreement as to any non-compliance
512 with any provision of this Agreement shall not be construed as a waiver of any other non-
513 compliance with any provision of this Agreement or as authority of the other Party to continue
514 such non-compliance with any provision of this Agreement or to make, do, or perform, or not
515 make, do, or perform, as the case may be, any act or thing which would constitute non-
516 compliance with any provision of this Agreement.

517 (b) Nothing contained in this Agreement shall be construed as in any manner
518 abridging, limiting, or depriving the United States, represented by the Contracting Officer, or the
519 Authority of any means of enforcing any remedy, either at law or in equity, for the breach of any
520 of the provisions hereof which it would otherwise have.

521 **OPINIONS AND DETERMINATIONS**

522 9. (a) Where the terms of this Agreement provide for actions to be based upon
523 the opinion or determination of either party to this Agreement, said terms shall not be construed
524 as permitting such action to be predicated upon arbitrary, capricious, or unreasonable opinions or
525 determinations. Both Parties, notwithstanding any other provisions of this Agreement, expressly

526 reserve the right to seek relief from and appropriate adjustment for any such arbitrary, capricious,
527 or unreasonable opinion or determination. Each opinion or determination by either Party shall be
528 provided in a timely manner. Nothing in this subdivision (a) of this Article is intended to or shall
529 affect or alter the standard of judicial review applicable under Federal law to any opinion or
530 determination implementing a specific provision of Federal law embodied in statute or
531 regulation.

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

537 **NOTICES**

538 10. Any notice, demand, or request authorized or required by this Agreement shall be
539 deemed to have been given, on behalf of the Authority, when mailed, postage prepaid, or delivered
540 to the Regional Director, California Great Basin Region, Bureau of Reclamation, 2800 Cottage
541 Way, Sacramento, CA, 95825, and on behalf of the United States, when mailed, postage prepaid,
542 or delivered to the San Luis & Delta-Mendota Water Authority, 842 6th Street, Los Banos, CA
543 93635.
544

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

546 11. The expenditure or advance of any money or the performance of any obligation of
547 the United States under this Agreement shall be contingent upon appropriation or allotment of
548 funds. Absence of appropriation or allotment of funds shall not relieve the Authority from any
549 obligations under this Agreement. No liability shall accrue to the United States in case funds are
550 not appropriated or allotted.

551 **OFFICIALS NOT TO BENEFIT**

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

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

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

559 **BOOKS, RECORDS, AND REPORTS**

560 14. The Authority shall establish and maintain accounts and other books and records
561 pertaining to administration of the terms and conditions of this Agreement, including the
562 Authority’s financial transactions; water supply data; project operation, maintenance, and
563 replacement logs; project land and rights-of-way use agreements; the water users’ land-use (crop
564 census), land-ownership, land-leasing, and water-use data; and other matters that the Contracting
565 Officer may require. Reports shall be furnished to the Contracting Officer in such form and on
566 such date or dates as the Contracting Officer may require. Subject to applicable Federal laws and
567 regulations, each party to this Agreement shall have the right during office hours to examine and
568 make copies of the other party’s books and records relating to matters covered by this
569 Agreement.

570 **COMPLIANCE WITH FEDERAL RECLAMATION LAWS**

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

576 **EQUAL EMPLOYMENT OPPORTUNITY**

577 16. The following language is required by Executive Order No. 11246 of September
578 24, 1965, in all government contracts unless and until it is superseded or amended.

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

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

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

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

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

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

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

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

625 (h) The Authority will include the provisions of paragraphs (a) through (h) in
626 every subcontract or purchase order unless exempted by the rules, regulations, or orders of the
627 Secretary of Labor issued pursuant to section 204 of Executive Order No. 11246 of September
628 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The
629 Authority will take such action with respect to any subcontract or purchase order as may be

630 directed by the Secretary of Labor as a means of enforcing such provisions, including sanctions
 631 for noncompliance: Provided, however, that in the event the Authority becomes involved in, or is
 632 threatened with, litigation with a subcontractor or vendor as a result of such direction, the
 633 Authority may request the United States to enter into such litigation to protect the interests of the
 634 United States.

635

COMPLIANCE WITH CIVIL RIGHTS

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

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

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

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

660

CERTIFICATION OF NONSEGREGATED FACILITIES

661 18. The Authority hereby certifies that it does not maintain or provide for its
 662 employees any segregated facilities at any of its establishments and that it does not permit its
 663 employees to perform their services at any location under its control where segregated facilities
 664 are maintained. It certifies further that it will not maintain or provide for its employees any
 665 segregated facilities at any of its establishments and that it will not permit its employees to
 666 perform their services at any location under its control where segregated facilities are
 667 maintained. The Authority agrees that a breach of this certification is a violation of the Equal
 668 Employment Opportunity clause in this Agreement. As used in this certification, the term

669 "segregated facilities" means any waiting rooms, work areas, rest rooms and wash rooms,
670 restaurants and other eating areas, time clocks, locker rooms and other storage or dressing areas,
671 parking lots, drinking fountains, recreation or entertainment areas, transportation, and housing
672 facilities provided for employees which are segregated by explicit directive or are in fact
673 segregated on the basis of race, creed, color, or national origin, because of habit, local custom,
674 disability, or otherwise. The Authority further agrees that (except where it has obtained identical
675 certifications from proposed subcontractors for specific time periods) it will obtain identical
676 certifications from proposed subcontractors prior to the award of subcontracts exceeding \$10,000
677 which are not exempt from the provisions of the Equal Employment Opportunity clause; that it
678 will retain such certifications in its files; and that it will forward the following notice to such
679 proposed subcontractors (except where the proposed subcontractors have submitted identical
680 certifications for specific time periods):

681

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

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

689

MEDIUM FOR TRANSMITTING PAYMENTS

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

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

698

AGREEMENT DRAFTING CONSIDERATIONS

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

703

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