

Appendix B5

Solano County Water Agency
Agreement with
the Solano Irrigation District for
Participating Agency Contract for
Solano Project Water Service

**SOLANO COUNTY WATER AGENCY
AGREEMENT WITH THE SOLANO IRRIGATION DISTRICT
FOR PARTICIPATING AGENCY CONTRACT
FOR SOLANO PROJECT WATER SERVICE**

THIS CONTRACT, made and entered into this 1st day of March, 1999, by and between SOLANO COUNTY WATER AGENCY, a public corporation, created and existing under and by virtue of Chapter 578 of the 1989 Statutes of the State of California, as amended, hereinafter referred to as "the Agency", and the Solano Irrigation District, an irrigation district, organized and existing under and by virtue of Division 11 of the Water Code of the State of California, hereinafter referred to as "the Participating Agency."

EXPLANATORY RECITALS

WHEREAS, the predecessor in interest to the Agency and the Secretary of the Interior entered into an agreement for water service in 1955 whereby the Agency has been furnished water service by the United States from the Solano Project for the use and benefit of the Agency's Participating Agencies; and

WHEREAS, the Participating Agency and the Agency entered into a water service contract for an allocation of the water service provided to the Agency by the United States in 1955; and

WHEREAS, the Board of Directors of the Agency on behalf of the Agency and the Secretary of the Interior have executed an agreement entitled "Renewal Contract Between the United States and Solano County Water Agency Providing for Project Water Service" dated March 1, 1999, and Numbered 14-06-200-4090, whereby the Agency will

be furnished by the United States water service consisting of a water supply from the Solano Project for the use and benefit of the Agency's Participating Agencies, including this Participating Agency; and

WHEREAS, the lands and inhabitants of the Participating Agency continue to be in need of water for beneficial uses, and the Participating Agency desires to renew its contract with the Agency; and

WHEREAS, the Agency desires to continue to make available to its Participating Agencies, including this Participating Agency, all the water made available to the Agency from the Solano Project under such terms and conditions which, as far as practical and consistent with the ultimate use of the water, shall be fair and equal for all Participating Agencies, and consistent with the amount of Project Water which has been received from the Agency by the Participating Agency.

WITNESSETH:

In consideration of the mutual and dependent covenants herein contained, the parties hereto agree as follows:

Section 1. Definitions. When used herein, unless otherwise distinctly expressed or manifestly incompatible with the intent hereof, the term:

(a) "Act" shall mean the Solano County Water Agency Act, being Chapter 578 of the 1989 Statutes of the State of California as the same may hereafter be amended or re-enacted.

(b) "Calendar Year" shall mean the period from January 1 through December

31, both dates inclusive.

(c) "The Canal" shall mean the Putah South Canal.

(d) "Contract Year" or "Year" shall mean the period from and including the first day of March of each Calendar Year through and including the last day of February of the following Calendar Year.

(e) "Irrigation Water" shall mean Project Water which is primarily used in the production of commercial agricultural crops or livestock, including domestic use incidental thereto, and watering of livestock.

(f) "M&I Water" shall mean Project Water other than Irrigation Water. M&I Water shall include water used for purposes such as the watering of landscaping or pasture for animals (e.g., horses) which are kept for personal enjoyment or water delivered to landholdings operated in units of less than two (2) acres, or such larger landholding size, if any, specified in a water service contract between a Participating Agency and the United States, unless the Agency or Participating Agency establishes to the satisfaction of the Contracting Officer that the use of water delivered to any such landholding is a use described in subdivision (e) of this Section;

(g) "The Master Contract" shall mean that contract between the United States of America and the Agency entitled "Contract between the United States and Solano County Water Agency Providing for Project Water Service" dated March 1, 1999, and Numbered 14-06-200-4090, and the same as it may hereafter be revised, amended, supplemented or replaced by a similar contract between the same parties.

(h) "Participating Agency" shall mean any water district, reclamation district, irrigation district, water conservation district, municipality, flood control district, other

public entity, city or political subdivision of the state empowered by law to appropriate water and to deliver water to water users, the territory of which lies principally within Solano County, or any state agency, which Participating Agency enters into a contract with the Agency for (a) the repayment in whole or in part to the Agency or any other person, corporation, public agency, or the United States of any or all of the construction costs of the Project (b) the underwriting in whole or part of any or all of those construction costs, (c) the repayment in whole or in part to the Agency or any other person, corporation, public agency, or the United States of any or all of the cost of furnishing Project Water to the Participating Agency or the underwriting in whole or in part of the cost, or (d) the payment in whole or in part for Project Water to be furnished or sold to that Participating Agency by the Agency, or the United States.

(i) "Project" shall mean the Solano Project, California, of the Bureau of Reclamation, consisting of Monticello Dam and Reservoir, Putah Diversion Dam and Reservoir, and Putah South Canal, substantially as described and set forth in the House Document No. 65, 81st Congress, 1st Session.

(j) "Project Water" shall mean all water that is developed, diverted, stored, or delivered by the United States and made available through the Agency to the Participating Agency in accordance with the statutes authorizing the Project and in accordance with the terms and conditions of applicable water rights permits and licenses acquired by and/or issued to the United States and/or the Agency and Participating Agencies pursuant to California law for the Solano Project which are now in effect and as may in the future be modified.

(k) "Secretary" or "Contracting Officer" shall mean the Secretary of the

United States Department of the Interior or his or her duly authorized representative.

Section 2. Term of Contract. This contract shall become effective on March 1, 1999, and shall remain in effect until the end of the term of the Master Contract; provided, that in the event that the Agency, at its option, extends or renews the Master Contract, then the Participating Agency, at its option, may extend or renew this contract, subject to the terms of the Master Contract as so extended or renewed and subject to such rates for water service as shall then be established by the Agency; provided further, that whenever the Master Contract is terminated, or suspended, in the manner and for a cause or causes specified in the Master Contract, this contract shall be similarly terminated or suspended.

Section 3. Quantities of Water to be Furnished. The Agency shall furnish to the Participating Agency, and the Participating Agency shall pay to the Agency for, a water service consisting of up to 141,000 acre feet per year for water from the Project. The Agency will not enter into any new contracts, or amend any existing contracts, with any Participating Agencies if such new contract or amendment would cause the total amount of water to be furnished to all Participating Agencies to exceed 192,350 acre feet per year, which is the current amount of Project Water currently contracted for with the existing Participating Agencies, without the prior written concurrence of all other existing Participating Agencies.

Section 4. Time for Delivery of Water. The Participating Agency shall submit, in writing, to the Agency, prior to February 15 of each Contract Year during the term thereof, a schedule, in a form satisfactory to the Agency, of water deliveries to be made to the Participating Agency during the following Contract Year.

Section 5. Rate and Method of Payment.

(a) The Participating Agency shall pay the Agency for all water furnished from the Project a base rate, per acre foot, which shall be announced each year by the Agency, provided, however, that the base rate so announced shall not be in excess of \$2.65 per acre foot for Irrigation Water or \$15.00 per acre foot for M&I Water, during the entire term of this contract, except as provided herein. If the rates for Project Water charged to the Agency by the Contracting Officer, as identified in Article 5(a) and 5(b) of the Master Contract, increase beyond \$2.65 per acre foot for Irrigation Water or \$15.00 per acre foot for M&I Water, the Agency may adjust the rates identified in this subdivision, for all Participating Agencies, to recover all or part of the new rates so charged to the Agency by the Contracting Officer. Such adjustment will result in new rates, but the ratio between M&I Water and Irrigation Water rates shall be the same as between \$15.00 and \$2.65. The new rates under this subdivision will be applied uniformly to M&I Water users and Irrigation Water users, meaning that all Participating Agencies using M&I Water will pay the same rate and all Participating Agencies using Irrigation Water will pay the same rate. It is the intent of the Agency that rates under this Section 5(a) be the same as the rates charged to the Agency by the Contracting Officer pursuant to Articles 5(a) and 5(b) of the Master Contract, including the expectation that after payout of

) pay the same rate. It is the intent of the Agency that rates under this Section 5(a) be the same as the rates charged to the Agency by the Contracting Officer pursuant to Articles 5(a) and 5(b) of the Master Contract, including the expectation that after payout of Project capital costs the rates in Article 5(a) and 5(b) will be adjusted or eliminated, except if additional funding is needed from the Participating Agencies for replacement and improvement of Solano Project facilities. Any increase in the rates in this Section 5(a) shall only be imposed, consistent with applicable law, after consultation with the Participating Agencies and review and comment by the Agency's Advisory Commission.

) (b) In addition to the base rate described in subdivision (a) of this Section, the Agency may assess an additional charge to the Participating Agency to pay for an Administrative Charge, as described in Article 1(b) of the Master Contract, assessed to the Agency by the Contracting Officer, if the annual Administrative Charge is estimated, through the process described in Article 5(d) of the Master Contract, to be greater than \$100,000 per year. This additional charge will be apportioned to Participating Agencies such that the ratio between M&I Water and Irrigation Water rates under this subsection shall be the same as between \$15.00 and \$2.65. The new rates under this subdivision will be applied uniformly to M&I Water users and Irrigation Water users, meaning that all Participating Agencies using M&I Water will pay the same rate and all Participating Agencies using Irrigation Water will pay the same rate.

) (c) In addition to the charges described in subdivisions (a) and (b) of this Section, the Agency may assess an additional charge to the Participating Agency to pay for improvements, modifications, and/or additions to the Project, as described in Article 5(f) of the Master Contract, assessed to the Agency by the Contracting Officer. The Agency

) will determine how this charge will be apportioned to Participating Agencies, consistent with applicable law, and after consultation with Participating Agencies and review and comment by the Agency's Advisory Commission. The Agency shall spread this additional charge to the Participating Agency over a reasonable period of repayment

(d) Each Contract Year, the Participating Agency will pay to the Agency, the amount due to the Agency for the quantities of water to be made available to the Participating Agency pursuant to the terms hereof, excluding any Project Water stored in the Project pursuant to Section 11 of this Agreement which has already been paid for, as follows: the Participating Agency shall pay one-half of the amount payable for each Contract Year on or before February 1 preceding such Contract Year, and shall pay the remainder of said amount on or before August 1 of said Contract Year.

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Section 6. Point of Delivery, Measurement and Responsibility for Distribution.

(a) The Project Water to be furnished to the Participating Agency pursuant to this contract shall be made available to the Participating Agency at such turnout or turnouts from the Canal, and any additional point or points of delivery either on Project facilities or another location or locations mutually agreed to in writing by the Agency and the Contracting Officer, which writing shall also address measuring points and obligations of additional location or locations.

(b) All water furnished pursuant to this contract shall be measured either by the Agency or the Participating Agency at each point of delivery established pursuant to Section 6(a) hereof, with equipment satisfactory to the Agency which, if not provided by the United States, shall be installed, operated and maintained at the expense of the

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upon request of the Participating Agency, the accuracy of such measurements will be investigated by the Agency. Any error appearing therein will be adjusted. The Participating Agency may inspect such measuring equipment for the purpose of determining the accuracy thereof. For equipment provided by the Participating Agency, all determinations relative to the measurement of water shall be made by the Participating Agency and upon the request of the Agency, the accuracy of such measurements will be investigated by the Participating Agency. Any errors appearing therein will be adjusted. The Agency may inspect such measuring equipment for the purposes of determining the accuracy thereof.

(c) The Agency shall not be responsible, beyond the aforesaid points of delivery, for the control, carriage, handling, use, disposal, or distribution of water which may be furnished hereunder, and the Participating Agency shall hold the Agency and the United States, their officers, agents and employees harmless from legal liability for damages of any nature whatsoever arising out of any actions or omissions by the Participating Agency, its officers, agents and employees related to the control, carriage, handling, use, disposal, or distribution of water beyond the aforesaid points of delivery. The Agency waives all right, title, and interest in or to any water, seepage, drainage, over-flow or return flow derived from water furnished under this contract, provided, however, that nothing herein shall in any manner affect the right of the United States of America, to waste, seepage and return flow which escapes or is discharged beyond the boundaries of the Agency, as specified in Article 10(c) of the Master Contract.

Section 7. Sales, Transfers and Exchanges of Project Water.

(a) The Participating Agency may deliver or cause to be delivered any water furnished hereunder, including a sale, transfer or exchange of Project Water to another Participating Agency, or any other public agency in Solano County, for use on lands within Agency's Service Area as defined in Article 1(c) of the Master Contract upon prior written notification to the Agency and subject to the restrictions in this Section.

(b) The Participating Agency shall not, directly or indirectly, deliver or cause to be delivered any water furnished hereunder, including a sale, transfer or exchange of Project Water, for use on lands outside the Agency's Service Area as defined in Article 1(c) of the Master Contract.

(c) Notwithstanding subsection (b) above, a Participating Agency may deliver or cause to be delivered any water furnished hereunder, including a sale, transfer or exchange of Project Water, outside the Agency's Service Area as defined in Article 1 (c) of the Master Contract, under the following conditions:

(1) The Participating Agency shall cause the lands to which the water is to be delivered to be added to the Agency's Service Area, in accordance with California Law, including obtaining approval of the Agency and, if necessary, the Contracting Officer, and at the cost of the Participating Agency. The contents of the petition to the State Water Resources Control Board, and any terms and conditions to be imposed upon the grant of any such petition, shall be approved by the Agency.

(2) The Participating Agency must first offer the water proposed to be delivered, under substantially the same terms and conditions, to all other Participating Agencies. The Participating Agencies shall have 30 days to

respond in writing to the proposing Participating Agency as to their intention to exercise this right of first refusal. Any Participating Agency exercising its right of first refusal will then have an additional 60 days to complete a transaction to exercise this right of first refusal. Any exercise of this right of first refusal must be for the full amount of the proposal. If more than one Participating Agency exercises the right of first refusal, water to be made available by the proposal will be apportioned, among the Participating Agencies exercising the right of first refusal, upon the basis of the amount of Project Water each Participating Agency is entitled to receive pursuant to its contract with the Agency, or some other apportionment agreed to by the Participating Agencies exercising the right of first refusal. This subsection (2) does not apply to annexations of lands by a Participating Agency inside Solano County.

(d) Any existing sales, transfers or exchanges of Project Water existing as of the date of this Contract that have been approved by the Agency shall be deemed approved under this Contract.

Section 8. Water Shortages. There may occur at times, during any year, a shortage in the quantity of water available for furnishing to the Agency for distribution to Participating Agencies. If there is a reduction in the Project Water available to the Agency during any Year because of errors in physical operations of the Project, drought, other physical causes beyond the control of the Contracting Officer, or actions taken by the Contracting Officer to meet legal obligations, no liability shall accrue against the

Agency or the United States or any of its officers, agents, or employees for any damage, direct or indirect, arising therefrom, so long as actions based upon the opinions or determinations of the Contracting Officer are consistent with the standards in Article 23 of the Master Contract. In any year in which there may occur a shortage from any cause so that the total quantity of water made available to the Agency is less than the total of all quantities contracted for by this Participating Agency and other Participating Agencies, the Agency shall apportion the water supply available to the Agency among all Participating Agency entitled to receive water from the Project, in proportion to their contractual entitlements to Project Water, as specified in Section 3 of the agreement for each Participating Agency. Within seven (7) days of the receipt by the Agency from the Contracting Officer of notice of an actual or probable shortage, the Agency will transmit a true copy of such notice to all Participating Agencies.

Section 9. Adjustments. The amount of any overpayment by the Participating Agency, by reason of the amount of water actually available hereunder from the Project during any Contract Year having been less than the quantity of such water which the Participating Agency otherwise would have been required to pay for under the provisions of this contract, shall be applied first to any accrued indebtedness arising out of this contract, then due and owing to the Agency by the Participating Agency, and any amount of such overpayment thereafter remaining shall, at the option of the Participating Agency, be refunded to the Participating Agency or credited upon amounts to become due to the Agency from the Participating Agency under the provisions of this contract in the ensuing Contract Year.

Section 10. Non-responsibility for Quality of Water. Neither the Agency nor the United States assumes any responsibility with respect to the quality of the water to be furnished pursuant to this contract, and neither the Agency nor the United States warrants the quality of any such water. The Agency shall continue to cooperate with the Contracting Officer and Participating Agencies on programs and projects to improve the quality of water delivered by the Project including, but not limited to, measures to control erosion, sedimentation, and pollutants in the watershed of Monticello Reservoir.

Section 11. Storage of Water.

(a) To the extent that storage space in Monticello Reservoir is available, the Agency, upon the request of the Participating Agency, shall withhold delivery of and store in Monticello Reservoir, for and on behalf of the Participating Agency, any such unused quantities of water required to be furnished to the Participating Agency by the Agency pursuant to this contract. To the extent that such water can be delivered without impacting the delivery of Project Water to any Participating Agency for the current Water Year, such water shall therefore be made available to the Participating Agency in accordance with a schedule to be furnished by the Participating Agency. If two or more Participating Agencies request storage of water in Monticello Reservoir, the available storage space will be apportioned each year upon the basis of the amount of water each of such Participating Agencies is entitled to receive pursuant to its contract with the Agency.

(b) In the event any water is so stored by any Participating Agency, and it becomes necessary to release water from Monticello Reservoir because of the lack of storage capacity or in the event that water spills from Monticello Reservoir, water so released or spilled shall, up to the amount stored for and on behalf of the Participating Agencies, be deemed to be water stored for and on behalf of such Participating Agencies. If only a portion of the stored water is released or spilled, the amount of such release or spill shall be apportioned to each Participating Agency in proportion to the amount of stored water each Participating Agency possessed immediately prior to the release or spill.

(c) No payment to the Agency is required when stored water is released to the Participating Agency because the stored water is paid for, during the Year of allocation, as part of the Participating Agency's annual Project Water supply pursuant to Section 5(a) of this agreement.

Section 12. Measurement of Water within the Participating Agency.

(a) Within five (5) years of the effective date of this contract, the Participating Agency shall ensure that, unless the Participating Agency establishes an alternative measurement program satisfactory to the Contracting Officer, all Irrigation Water delivered within each of the Participating Agency's service areas is measured at each agricultural turnout and all M&I Water delivered within each of the Participating Agency's service areas is measured at each municipal and industrial service connection. All water measuring devices or water measuring methods of comparable effectiveness must be acceptable to the Contracting Officer. The Participating Agency shall be

) responsible for installing, operating, and maintaining and repairing all such measuring devices and implementing all such water measuring methods at no cost to the Agency or the United States. The Participating Agency shall use the information obtained from such water measuring devices or water measuring methods to ensure proper management of the water; to bill water users for water delivered by the Participating Agency; and, if applicable, to record M&I Water delivered by customer class as defined in its water conservation plan. Nothing herein contained, however, shall preclude any Participating Agency from establishing and collecting any charges, assessments or other revenues authorized by California law.

) (b) All new surface water delivery systems installed within the Participating Agency's service area after the effective date of this contract shall comply with the measurement provisions described in subdivision (a) of this Section.

Section 13. Water Conservation.

(a) The parties acknowledge that, as of the date of execution of this contract, the Agency and each Participating Agency that is obligated to do so have developed and are implementing water conservation plans (i) which contain definite water conservation goals, appropriate economically feasible water conservation measures, and a time schedule for meeting the water conservation goals, (ii) which meet or exceed (a) the requirements of Federal law and (b) the criteria entitled "U.S. Bureau of Reclamation, Mid-Pacific Region Criteria for Evaluating Water Management Plans," and (iii) and which shall be updated at least every five (5) years.

(b) The Participating Agency shall, promptly upon its adoption, submit to the Agency a copy of any material revision to the Participating Agency's water conservation plan for the Agency's submittal to the Contracting Officer.

(c) The Participating Agency shall submit to the Agency by February 1, of each Calendar Year, a report of the status of implementation of its water conservation plan for the Agency's submittal to the Contracting Officer.

(d) (1) If at any time the Contracting Officer concludes that the Participating Agency's water conservation plan does not substantially conform to the requirements of Federal law or rules or regulations promulgated by the Contracting Officer pursuant to Federal law, then the Participating Agency shall amend its respective water conservation plan as necessary to meet the requirements of such law, rule, or regulation.

(2) If at any time the Contracting Officer concludes that the Participating Agency's water conservation plan is materially inconsistent with any water conservation criteria adopted by the Contracting Officer pursuant to Reclamation law then in effect, the Contracting Office shall promptly notify the Participating Agency of his conclusion and the reasons for it. Thereafter, the Contracting Officer and the Participating Agency shall promptly confer for the purpose of reaching agreement as to any changes that will be made to the water conservation plan in light of such criteria.

Section 14. Agreed Charges a General Obligation. The obligations of the Participating Agency arising out of or pursuant or incidental to this contract or the Master

Contract including, without limiting the generality of the foregoing, the obligations of the Participating Agency to pay to the Agency the sums becoming due the Agency for water furnished hereunder, shall constitute a general obligation of the Participating Agency and the Participating Agency shall use all the powers and resources available to it under the law, including but not limited to causing to be levied, imposed and collected all necessary taxes, assessments, tolls and charges, to collect the funds necessary for and to pay its obligations to the Agency under this contract. The general obligations of the Participating Agency to pay to the Agency the sums due the Agency, pursuant to this contract shall not in any way be reduced, postponed or otherwise affected by the individual default in the payment to the Participating Agency by individual water users of assessments, tolls, or other charges levied or owing to the Participating Agency.

Section 15. Defaults. Should the Participating Agency fail to make any payment to the Agency when the same shall become due for water to be furnished to the Participating Agency pursuant to this contract, the Agency may thereafter take actions to enforce the terms of the contract .

Section 16. Penalty for Late Payment. The Agency shall bill Participating Agencies at least 60 days prior to February 1 and August 1 of each year. If full payment is not received by the Agency by February 1 and August 1, the Participating Agency shall remain obligated to pay the full amount due, plus pay the Agency interest on the full amount due at the annual interest rate equivalent to the interest earned on investments in the State of California Treasurer's Office Local Agency Investment Fund plus two

percent (2%), based on the most current reported interest rate, for the time period the payment is not paid beyond applicable February 1 or August 1 date.

Section 17. Participating Agency to Keep Books, Records and Other Data. The Participating Agency shall establish and maintain account and other books and records sufficient to enable the Agency to furnish to the United States reports and statements, to such extent and in such manner and form as may be prescribed by the United States. At the direction of the Agency, the Participating Agency shall provide directly to the Contracting Officer any information, required in the Master Contract, pertaining to the Participating Agency's use of Project Water.

Section 18. Service Area of the Participating Agency. Upon request by the Agency, the Participating Agency will furnish the Agency with maps showing the service area or areas of its water distribution system. The Participating Agency will not serve Project Water outside of the Agency's Service Area, as defined in Article 1(c) of the Master Contract.

Section 19. Limitations on Obligation of Agency to Furnish Water.

(a) Notwithstanding any provisions of this contract to the contrary, the obligation of the Agency to furnish water hereunder shall be limited to the times and to the extent that water and facilities necessary for furnishing the same are available to the Agency as determined by the Contracting Officer.

(b) The Agency shall not be liable for failure to perform any portion of this contract to the extent that such failure is caused by the failure of the United States to perform any obligation imposed on the United States by the Master Contract; provided, however, that the obligations of the Participating Agency hereunder shall be reduced to the extent that the Agency is prevented from performing as aforesaid; and provided, further, that the Agency shall diligently and promptly pursue all rights and remedies available to it to enforce the rights of the Agency, this Participating Agency and other Participating Agencies against the United States under the Master Contract relative to such failure to perform.

Section 20. Applicability of Master Contract. This contract is subject to the obligations and limitations imposed by the Master Contract. The Master Contract is hereby incorporated herein by this reference to all respects as though set forth in full at this point. The Participating Agency hereby expressly agrees to the provisions of the Master Contract imposing obligations and limitations upon it, including the Biological Opinion, referenced in Section 3 (b) of the Master Contract which will impose requirements on the Participating Agency. If there is any conflict between the Master Contract and this Participating Agency Contract, the Master Contract will govern.

Section 21. Duties of Agency. The Agency hereby covenants and agrees promptly and completely to fulfill its obligations under this contract and the Master Contract and to apply and to pay to the United States for credit against obligations of the Agency for the Participating Agency under the Master Contract all sums received by the

Agency from the Participating Agency hereunder, as long as these financial obligations still exist pursuant to the Master Contract.

Section 22. Existing Water Rights. The provisions of this contract shall not be applicable to or affect water or water rights now owned or hereafter acquired, other than from the United States or the Agency, by the Participating Agency or by any landowner therein, nor shall this contract be construed as limiting or curtailing any rights which the Participating Agency or any landowner therein acquires or has available to it or him under the Federal Reclamation laws.

Section 23. Contingent Upon Appropriations or Allotments of Funds. The expenditure of any money or the performance of any work or service by the United States provided for in the Master Contract which may require appropriations of money by Congress or the allotment of funds, shall be contingent upon such appropriations or allotments being made. The failure of Congress to so appropriate funds or the failure of an allotment of funds shall not relieve the Participating Agency from any obligations under this contract and no liability shall accrue to the Agency in case such funds are not so appropriated or allotted: Provided, that in the event that water deliveries are halted or curtailed, as a result of such failure to appropriate or allot funds, the obligation of the Participating Agency to make payments pursuant to this contract shall be reduced to the extent of such halting or curtailment of service.

Section 24. Notices. All notices that are required, either expressly or by implication, to be given by any party to the other under this contract shall be delivered or mailed, United States first-class postage prepaid, addressed as follows:

For the Agency: SOLANO COUNTY WATER AGENCY
508 Elmira Road
Vacaville, California 95687
Attention: General Manager

For the Participating Agency SOLANO IRRIGATION DISTRICT
508 Elmira Road
Vacaville, CA 95687
Attention: Secretary-Manager

Notice shall be deemed given (a) two calendar days following mailing via regular or certified mail, returned receipt requested, (b) one business day after deposit with any one day delivery service assuring "next day" deliver, (c) upon actual receipt of notice, or (d) upon transmission, if by facsimile, whichever is earlier. The parties shall promptly give written notice to each other of any change of address and mailing or shipment to the addresses stated herein shall be deemed sufficient unless written notification of a change of address has been received; provided, however, that this Section shall not preclude the effective service of any such notice or announcement by other means.

Section 25. Waiver of Breaches. Any waiver at any time by either party to this contract of its rights with respect to a breach or default, or any other matter arising in connection with this contract, shall not be deemed to be a waiver with respect to any subsequent breach, default or matter.

Section 26. Assignment Prohibited. The provisions of this contract shall apply to and bind the successors and assigns of the respective parties, but no assignment or transfer of this contract, or any part thereof or interest therein, excepting transfers and exchanges of Project Water pursuant to Section 7 of this agreement, shall be valid until and unless approved by the Agency in writing.

Section 27. Reasonableness of Determination. Where the terms of this contract provide for action to be based upon the opinion or determination of either party to this contract, or of the Contracting Officer, said terms shall not be construed as permitting such actions to be predicated upon arbitrary, or unreasonable opinions or determinations.

Section 28. Equal Opportunity. During the performance of this contract, the Participating Agency agrees as follows:

(a) The Participating Agency will not discriminate against any employee or applicant for employment because of race, religion, color, sex, or national origin. The participating Agency will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, or national origin. Such action shall include, but not be limited to, the following: Employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; lay-off or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Participating Agency agrees to post in conspicuous places, available for employees and applicants for employment, notices to

be provided by the Contracting Officer setting forth the provisions of this nondiscrimination clause.

(b) The Participating Agency will, in all solicitations or advertisements for employees placed by or on behalf of the Participating Agency, state that all qualified applicants will receive consideration for employment without discrimination because of race, color, religion, sex, or national origin.

(c) The Participating Agency will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the Contracting Officer, advising the said labor union or workers' representative of the Participating Agency's commitments under Section 202 of Executive Order No. 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

(d) The Participating Agency will comply with all provisions of Executive Order No. 11246 of September 24, 1965, as amended, and of the rules, regulations, and relevant orders of the Secretary of Labor.

(e) The Participating Agency will furnish all information and reports required by said amended Executive Order and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to its books, records, and accounts by the Contracting Officer and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

(f) In the event of the Participating Agency's noncompliance with the nondiscrimination clauses of this contract or with any of the said rules, regulations, or

orders, this contract may be canceled, terminated, or suspended, in whole or in part, and the Participating Agency may be declared ineligible for further Government contracts in accordance with procedures authorized in said amended Executive Order, and such other sanctions may be imposed and remedies invoked as provided in said Executive Order, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

(g) The Participating Agency will include the provisions of subdivisions (a) through (g) in every subcontract or purchase order unless exempted by the rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of said amended Executive Order, so that such provisions will be binding upon each subcontractor or vendor. The Participating Agency will take such action with respect to any subcontract or purchase order as may be directed by the Secretary of Labor as a means of enforcing such provisions, including sanctions for noncompliance: Provided, however, That in the event the Participating Agency becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction, the Participating Agency may request the United States to enter into such litigation to protect the interests of the United States.

The provisions of this section do not refer to or cover any activities of the Participating Agency which are not related to or involved in the performance of the Master Contract.

Section 29. Federal Reclamation Law. The Participating Agency acknowledges and agrees that the delivery of water or use of federal facilities pursuant to this Contract is subject to Federal Reclamation law, as defined in the Master Contract.

Section 30. Levy of Taxes and Assessments. The Participating Agency shall cause to be levied, imposed and collected, as a term of this renewal agreement, all taxes, assessments, tolls and charges to pay the amounts required herein, and will use all of the authority and resources of the Participating Agency to make in full all payments to be made to the Agency pursuant to this contract on or before the date such payments become due and to meet its other obligations hereunder.


Section 31. Validation. The Agency, with the cooperation of the Participating Agency, after the execution of this contract, shall promptly seek to secure a decree of a court of competent jurisdiction of the State of California, confirming the execution of this contract. The Agency shall furnish the Participating Agency a certified copy of the final decree, the validation proceedings, and all pertinent supporting records of the court approving and confirming this contract, and decreeing and adjudging it to be lawful, valid, and binding on the Participating Agency.

Section 32. Entire Agreement. This contract constitutes the entire agreement between the Participating Agency and the Agency, and supersedes the preceding Participating Agency Contract between the parties dated June 28, 1955, any oral agreement, statement or promise between them relating to the subject matter of this contract. Any amendment, including oral modification, must be reduced to writing and signed by both parties to be effective.


IN WITNESS WHEREOF, the parties hereto have hereunto affixed their names the day and first year hereinabove written.


SOLANO COUNTY WATER AGENCY

By 
George Pettygrove, Chairman

Attest: 
David Okita, Secretary and
General Manager

SOLANO IRRIGATION DISTRICT

By 
Marian Maginnis, President

Attest: 
Robert Isaac, Secretary-Manager