

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

Contract No.
14-06-200-495-A
June 5, 1963

CONTRACT BETWEEN THE UNITED STATES AND WESTLANDS
WATER DISTRICT, PROVIDING FOR WATER SERVICE

Table of Contents

<u>Article No.</u>	<u>Title</u>	<u>Page No.</u>
	Preamble	1
	Explanatory Recitals	1- 3
1	Definitions	3- 4
2	Term of Contract	5- 6
3	Water to be Furnished to District--Use of Interceptor Drain	6- 9
4	Time for Delivery of Water	10-12
5	Use of Water Outside the District	12
6	Rate and Method of Payment for Water--Drainage Service	12-14
7	Adjustments	14
8	Need of District for More Water Than Agreed Quantity	15
9	Points of Delivery--Maintenance of Flows and Levels--Measurement and Responsibility for Distribution of Water	16-18
10	Limitations on Delivery of Water	18
11	United States Not Liable for Water Shortage	19-21
12	Municipal, Industrial, and Domestic Use of Water Furnished to District	22
13	Drainage Studies and Facilities	22
14	Agreed Charges a General Obligation of the District--Taxable Land	22-23
15	All Benefits Conditioned Upon Payment	23-24
16	Levy of Taxes and Assessments--Fixing of Rates and Tolls	24
17	Refusal of Water in Case of Default	24-25
18	Penalty Upon Delinquency in Payment	25
19	District to Keep Books and Records and Report Crop and Other Data	25-26
20	Inspection of Books and Records	26
21	Changes in Organization of District	27
22	Transfer of Care, Operation, and Maintenance of San Luis Unit	27

Table of Contents, continued

<u>Article No.</u>	<u>Title</u>	<u>Page No.</u>
23	Land Not to Receive Water Furnished to District by United States until Owners Thereof Execute Certain Contracts	27-29
24	Valuation and Sale of Excess Lands	29-31
25	Excess Lands	31-33
26	Amendment of Federal Reclamation Laws	34
27	Water Acquired by District Other than from the United States	34-36
28	Contingent upon Appropriations or Allotment of Funds	36
29	Officials Not to Benefit	36-37
30	Notices	37
31	Assignment--Waivers--Remedies Not Exclusive-- Opinions and Determinations	38
32	Assurance Relating to Validity of Contract	39

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CONTRACT BETWEEN THE UNITED STATES AND WESTLANDS
WATER DISTRICT PROVIDING FOR WATER SERVICE

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THIS CONTRACT, made this 5th day of June, 1963,
in pursuance generally of the Act of June 17, 1902 (32 Stat. 388),
and acts amendatory thereof or supplementary thereto, all collectively
hereinafter referred to as the Federal reclamation laws, between THE
UNITED STATES OF AMERICA, hereinafter referred to as the United States,
and the WESTLANDS WATER DISTRICT, hereinafter referred to as the
District, a political subdivision of the State of California, duly
organized, existing, and acting pursuant to the laws thereof, with its
principal place of business in Fresno, California,

WITNESSETH, That:

EXPLANATORY RECITALS

WHEREAS, the United States is constructing and operating
the Federal Central Valley Project for the purpose, among others, of
furnishing water for irrigation, municipal, domestic, and other
beneficial uses; and

WHEREAS, the United States is constructing the San Luis
Unit of the Federal Central Valley Project which will be operated
and used, in part, for the furnishing of water to the District pur-
suant to the terms of this contract; and

1 WHEREAS, the United States is providing an interceptor
2 drain designed to meet the drainage requirements of the San Luis
3 Unit of the Federal Central Valley Project; and

4 WHEREAS, investigations of the District lands and present
5 water supply indicate that irrigated and irrigable lands within the
6 boundaries of the District are at present in need of additional
7 water for irrigation and certain areas have a potential need of
8 water for irrigation, that ground water underlying the District is
9 seriously depleted and in need of replenishment, and that an ad-
10 ditional water supply to meet these present and potential needs can
11 be made available by and through the works constructed and to be
12 constructed by the United States; and

13 WHEREAS, the District desires to contract, pursuant to the
14 Federal reclamation laws and the laws of the State of California,
15 for the furnishing by the United States of a supplemental water supply
16 from the Project and for drainage service by means of the interceptor
17 drain for which the District will make payment to the United States
18 upon the basis, at the rate, and pursuant to the conditions herein-
19 after set forth; and

1 Act of June 3, 1960 (74 Stat. 156), in order to meet the drainage
2 requirements of the area served by the San Luis Unit which have
3 been calculated to be one hundred and fifty thousand (150,000)
4 acre-feet per year at a maximum rate of flow of two hundred
5 and fifty (250) cubic feet per second. Such physical works
6 shall not include those facilities necessary for the collection,
7 conveyance, and discharge of drain water for disposal by the
8 interceptor drain;

9 (e) "initial delivery date" shall mean the date announced
10 by the Contracting Officer when water from the San Luis Unit
11 first will be available for furnishing by the United States
12 pursuant to this contract;

13 (f) "year" shall mean the period January 1 through December 31;

14 (g) "newly irrigated land" shall mean land that has not
15 produced an irrigated crop during the five (5) years immediately
16 previous to the initial delivery date;

17 (h) "agricultural use" shall mean use of water primarily
18 in the commercial production of agricultural crops or livestock
19 including domestic use incidental thereto on tracts of land
20 operated in units of two (2) acres or more.

1 amount then credited to the costs of construction of water
 2 supply works allocated to irrigation, the remaining amount of
 3 costs so allocated which is properly assignable for ultimate
 4 return by the District as established by the Secretary of the
 5 Interior pursuant to (3) of Section 1 of Public Law 643 (70 Stat.
 6 483) probably can be repaid to the United States within the term
 7 of a contract under subsection (d), Section 9 of the 1939
 8 Reclamation Project Act (53 Stat. 1187), this contract for the
 9 furnishing of water for agricultural use may be converted to a
 10 contract under said subsection (d) upon terms and conditions
 11 mutually agreeable to the United States and the District.

12 WATER TO BE FURNISHED TO DISTRICT--USE OF INTERCEPTOR DRAIN

13 3. (a) Each year for a period of five (5) years, commencing
 14 with the year in which the initial delivery date occurs, the
 15 United States shall furnish to the District, and the District each
 16 such year shall accept and pay, as provided in Article 6 hereof,
 17 for water from the San Luis Unit in the quantities specified in
 18 the schedule or any revision thereof submitted by the District
 19 in accordance with subdivision (a) of Article 4 hereof for each
 20 such year: Provided, That the United States shall not be obligated
 21 to furnish more than one million eight thousand (1,008,000)
 22 acre-feet of water during any such year.

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1 (b) Commencing with the 6th year and continuing through
2 the 15th year the United States shall furnish to the District
3 and the District shall accept and pay for, as provided in Article 6
4 hereof, four hundred thousand (400,000) acre-feet of water annually:
5 Provided, That the District may at any time or times during the
6 period described by this subdivision, by written notice furnished
7 to the United States in advance, increase the quantity of water
8 the United States shall furnish to the District and the District
9 shall accept and pay for annually during said period, but in no
10 event shall said annual quantity for the 6th year through the
11 year 1979 exceed one million eight thousand (1,008,000) acre-feet
12 and for the period commencing with the year 1980 and extending
13 through the 15th year exceed seven hundred and eighty-three thousand
14 (783,000) acre-feet plus such additional quantity as may be determined
15 pursuant to subdivision (c) hereof. At any time during said period,
16 the submission and approval of a schedule or any revision thereof
17 pursuant to subdivision (a) of Article 4 hereof for water in excess
18 of the quantity the District is required to accept and pay for
19 during that year shall constitute such a written notice.

20 (c) The maximum of seven hundred and eighty-three thousand
21 (783,000) acre-feet of water to be furnished to the District pursuant
22 to subdivisions (b) and (d) hereof has been computed on the premise
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1 that by eliminating overdraft a safe yield of two hundred and
2 twenty-five thousand (225,000) acre-feet of water of usable quality
3 will be available each year for pumping within the District from
4 the deep underground beneath what is generally referred to as
5 the Corcoran clay at an estimated average depth of three hundred
6 (300) feet. Prior to January 1, 1980, the United States and the
7 District by joint studies shall review the validity of this estimate
8 based on conditions existing after the initial delivery date.
9 In the event, as a result of such joint studies, the parties
10 determine upon a safe yield in a quantity less than two hundred
11 and twenty-five thousand (225,000) acre-feet, the quantity of
12 water to be furnished annually to the District pursuant to subdivisions (b)
13 and (d) hereof shall then be increased by the difference between
14 said yield of two hundred and twenty-five thousand (225,000) acre-feet
15 and the safe yield as determined by the joint studies; Provided,
16 however, That such increase shall not exceed one hundred and seventeen
17 thousand (117,000) acre-feet.

18 (d) Commencing the 16th year and each year thereafter
19 during the remainder of the term of this contract, the United
20 States shall furnish to the District for use on its eligible lands
21 and the District shall accept and pay for, as provided in Article 6
22 hereof, seven hundred and eighty-three thousand (783,000) acre-feet of
23 water plus such additional quantity as may be determined pursuant to
24 subdivision (c) hereof. If in any year during such period the District

1 is unable to so use any part of such total quantity of water, the
2 United States and the District by mutual agreement may reduce,
3 by a quantity equal to that which the District was unable to so
4 use, the quantity of water which the United States is obligated
5 to furnish and the District is obligated to accept and pay for
6 during the remainder of the term of this contract.

7 (e) If in any year after the Contracting Officer has ap-
8 proved a schedule or any revision thereof submitted by the District
9 the United States is unable to furnish any portion of the water in
10 the quantities and at the times requested in the schedule and the
11 District does not elect to receive and does not receive such water
12 at other times during such year, the District shall be entitled to an
13 adjustment as provided in Article 7.

14 (f) The right to the beneficial use of water furnished to
15 the District pursuant to the terms of this contract and any renewal
16 hereof shall not be disturbed so long as the District shall fulfill
17 all of its obligations under this contract and any such renewal.

18 (g) Drainage facilities of the District constructed in
19 accordance with Article 13 hereof may be connected to the interceptor
20 drain in such capacity and at such locations as may be mutually
21 agreed upon between the District and the United States.

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TIME FOR DELIVERY OF WATER

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2 4. (a) Before January 1 of each year the District shall
3 submit in writing to the Contracting Officer a schedule, subject
4 to the provisions of Article 3 hereof and satisfactory in form and
5 from an operational standpoint to the Contracting Officer, indi-
6 cating the desired times and quantities for the delivery of all
7 water pursuant to this contract during such year. The United
8 States shall within the provisions hereof attempt to deliver said
9 water in accordance with said schedule or any revision thereof
10 satisfactory to the Contracting Officer in form and from an
11 operational standpoint submitted by the District within a reason-
12 able time before the desired change of time or quantity, or both,
13 for delivery as nearly as may be feasible as conclusively deter-
14 mined by the Contracting Officer.

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1 (b) If the District during any month is furnished a
2 quantity of water in addition to that which it has requested for such
3 month in its schedule and accepts such additional water, the District
4 shall be deemed to have revised its schedule to call for such additional
5 water during such month, and the United States shall be deemed to have
6 accepted such revision as satisfactory. As soon thereafter as possible,
7 the District shall submit a revised schedule to the United
8 States for the remaining quantity to be delivered during that year.

9 (c) The District may at any time or times after the last
10 day of September of any year request water to be furnished in excess
11 of the quantity it is entitled to receive during any such year pursuant
12 to Articles 3 and 8 hereof. Payment for the water so requested at the
13 rate announced by the Contracting Officer pursuant to Article 6 hereof
14 shall be made in advance of delivery of such water. The United States
15 shall furnish such water in accordance with the schedule or any revision
16 thereof submitted by the District and approved by the Contracting
17 Officer to the extent such water is available and to the extent such
18 furnishing will not interfere with maintenance of or result in detriment
19 to the Project. The quantity of water furnished pursuant to this sub-
20 division shall be deducted from the quantity of water the United
21 States would otherwise be obligated to furnish and the District
22 obligated to accept and pay for during the next succeeding year. The

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1 amount paid by the District pursuant to this subdivision shall be
2 deducted from the amount of the payment the District would otherwise
3 be obligated to make during the next succeeding year.

4 USE OF WATER OUTSIDE THE DISTRICT

5 5. Water furnished to the District pursuant to this contract
6 shall not be sold or otherwise disposed of for use outside the
7 District without the written consent of the Contracting Officer.

8 RATE AND METHOD OF PAYMENT FOR WATER--DRAINAGE SERVICE

9 6. (a) Before December 15 of each year the Contracting Officer
10 shall notify the District in writing of the rate of payment to be made
11 by the District for water which the District is required to accept and
12 pay for during the ensuing year pursuant to the provisions of Article 3
13 hereof. The rate so announced may not be in excess of Eight Dollars (\$8)
14 per acre-foot and shall include a drainage service component of not to
15 exceed Fifty Cents (\$0.50) for the interceptor drain and a water service
16 component of not to exceed Seven Dollars and Fifty Cents (\$7.50). The
17 United States shall notify the District in writing when the interceptor
18 drain becomes available for service. The drainage service component
19 shall be included in the rate of payment beginning with the year fol-
20 lowing the date the District is notified that such service is available.

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1 (b) The District shall make payments to the United States
2 each year at the rate fixed as provided in subdivision (a) of this
3 article for the quantity of water which the District is required to
4 accept and pay for during such year pursuant to the provisions of
5 Article 3 hereof. The District shall pay one-half (1/2) of the amount
6 payable for said water to be furnished for the year before January 1
7 and shall pay the remainder of the amount payable for said water at
8 the time the quantity of water furnished to the District equals the
9 quantity for which payment has been made but in no event later than
10 July 1 or such other later date or dates of the respective year as
11 may be specified by the Contracting Officer in a written notice to
12 the District. Water requested by the District in excess of the
13 quantity it is required to accept and pay for that year shall be paid
14 for in full at the time or times such requests are made.

15 (c) In the event the District is unable, fails, or
16 refuses to accept delivery of the quantities of water available for
17 delivery to and required to be accepted by it pursuant to this
18 contract, or in the event the District in any year during the periods
19 described in subdivisions (b) and (d) of Article 3 hereof fails to
20 submit a schedule for delivery as provided in subdivision (a) of

1 Article 4 hereof, said inability, failure, or refusal shall not
2 relieve the District of its obligation to pay for such water and
3 the District agrees to make payment therefor in the same manner as
4 if said water had been delivered to and accepted by it in accordance
5 with this contract.

6 ADJUSTMENTS

7 7. The amount of any overpayment by the District by reason
8 of the quantity of water actually available for the District during
9 any year, as conclusively determined by the Contracting Officer,
10 having been less than the quantity of such water which the District
11 otherwise under the provisions of this contract would have been
12 required to receive and pay for shall be applied first to any accrued
13 indebtedness arising out of this contract then due and owing to the
14 United States by the District and any amount of such overpayment then
15 remaining shall, at the option of the District, be refunded to the
16 District or credited upon amounts to become due to the United States
17 from the District under the provisions hereof in the ensuing year.

1 NEED OF DISTRICT FOR MORE WATER THAN AGREED QUANTITY

2 8. In the event the District in any year requires a quantity
3 of water in addition to the maximum total quantity required to be
4 furnished by the United States and accepted and paid for by the
5 District during such year pursuant to Article 3 hereof, the United
6 States, upon receipt from the District of (1) a written notice re-
7 questing such additional water together with a schedule indicating
8 the desired times and quantities for the delivery thereof and (2)
9 payment as provided in Article 6 hereof, shall attempt to deliver such
10 additional water to the District in accordance with said schedule to
11 the extent that additional water is available for the District, as
12 determined by the Contracting Officer. The amount of any overpayment
13 by the District, by reason of the additional quantity of water furnished
14 to the District pursuant to this article having been less than the ad-
15 ditional quantity requested and paid for by the District, shall be
16 applied as provided in Article 7 hereof: Provided, That the inability,
17 failure, or refusal of the District to accept delivery of such ad-
18 ditional quantities of water when it is available shall not entitle
19 the District to any adjustment of payment for said water. The furnishing
20 by the United States and acceptance by the District of such additional
21 quantities of water shall neither entitle nor obligate the District to
22 receive such quantities in subsequent years.

POINTS OF DELIVERY--MAINTENANCE OF FLOWS AND LEVELS--MEASUREMENT
AND RESPONSIBILITY FOR DISTRIBUTION OF WATER

1
2 9. (a) The water to be furnished to the District pursuant
3 to this contract will be delivered at such points on the San Luis
4 Canal as may be mutually agreed upon in writing by the Contracting
5 Officer and the District Provided however, That in the event the
6 United States shall have reached the construction of the portion of
7 the San Luis Unit which probably will embrace such points and the
8 locations have not been so agreed upon, such points shall be
9 established between mile 33 and mile 101 of the San Luis Canal at
10 locations that in the conclusive determination of the Contracting
11 Officer will best serve the needs of the District.

12 (b) All water delivered pursuant to this contract shall
13 be measured by the United States at the points of delivery with
14 equipment installed, operated, and maintained by the United States.
15 Upon the request of the District, the accuracy of such measurements
16 will be investigated by the Contracting Officer and any errors ap-
17 pearing therein adjusted.

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1 (c) The United States shall not be responsible for the
2 control, carriage, handling, use, disposal, or distribution of water
3 which may be furnished at the delivery points established pursuant to
4 subdivision (a) of this article, nor for claim of damage of any nature
5 whatsoever, including but not limited to property damage, personal
6 injury or death, arising out of or connected with the control,
7 carriage, handling, use, disposal, or distribution of such water
8 beyond such delivery points: Provided, That the United States reserves
9 the right to the use of all waste, seepage, and return-flow water
10 derived from water furnished to the District hereunder and which
11 escapes or is discharged beyond the District's boundaries and nothing
12 herein shall be construed as an abandonment or a relinquishment by the
13 United States of the right to use any such water, but this shall not
14 be construed as claiming for the United States any right, as waste,
15 seepage, or return flow, to water being used pursuant to this contract
16 for surface irrigation or underground storage within the District's
17 boundaries by the District or those claiming by, through, or under the
18 District.

19 (d) The United States may temporarily discontinue or reduce
20 the quantity of water to be furnished to the District or the service
21 of the interceptor drain as herein provided for the purpose of such
22 investigation, inspection, maintenance, repair, or replacement as may
23 be reasonably necessary of any of the Project facilities used in the
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1 furnishing of water to the District or any part thereof or to the
2 interceptor drain, but so far as feasible the United States will give
3 the District due notice in advance of such temporary discontinuance
4 or reduction, except in case of emergency, in which case no notice
5 need be given. In the event of any such discontinuance or reduction,
6 the United States will upon the resumption of service approximate
7 delivery of the quantity of water which would have been furnished to
8 the District in the absence of such contingency.

9 LIMITATIONS ON DELIVERY OF WATER

10 10. Pursuant to the provisions of the Act of June 3, 1960
11 (74 Stat. 156), no water provided pursuant to this contract shall
12 be delivered to any water user in the District for the production
13 on newly irrigated lands of any basic agricultural commodity, as
14 defined in the Agricultural Act of 1949, or any amendment thereof,
15 if the total supply of such commodity, as estimated by the Secretary
16 of Agriculture for the marketing year in which the bulk of the crop
17 would normally be marketed will be in excess of the normal supply as
18 defined in Section 301(b)(10) of the Agricultural Adjustment Act of
19 1938, as amended, unless the Secretary of Agriculture calls for an
20 increase in production of such commodity in the interest of national
21 security.

1 (iii) The total quantity of water agreed to be
2 accepted by the District during the respective year, under
3 Article 3 hereof, shall be divided by the contractual commitments,
4 the quotient thus obtained being hereinafter referred to as
5 the District's contractual entitlement; and

6 (iv) The available supply shall be multiplied by
7 the District's contractual entitlement and the result shall
8 be the quantity of water required to be delivered by the United
9 States to the District for the respective year, but in no event
10 shall such amount exceed the total quantity of water agreed
11 to be accepted by the District pursuant to Article 3 hereof.

12 Insofar as determined by the Contracting Officer to be practicable,
13 the United States will, in the event a shortage appears probable,
14 notify the District of such determinations in advance of the irrigation
15 season.

16 (b) In the event that in any year there is delivered
17 to the District by reason of any shortage or apportionment as provided
18 in subdivision (a) of this article or any discontinuance or reduction
19 of service as set forth in subdivision (d) of Article 9 hereof, less than
20 the quantity of water which the District otherwise would be entitled
21 to receive, there shall be made an adjustment on account of the
22 amounts paid to the United States by the District for water for said year in
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1 a manner similar to that provided for in Article 7. To the extent
2 of such deficiency, such adjustment shall constitute the sole
3 remedy of the District or anyone having or claiming to have by,
4 through, or under the District the right to the use of any of the
5 water supply provided for herein.

6 (c) The United States assumes no responsibility with
7 respect to and does not warrant the quality of the water to be
8 furnished pursuant to this contract: Provided, That the District
9 shall not be obligated to accept and pay for any water which contains
10 in excess of three hundred (300) parts by weight of chloride per one
11 million (1,000,000) parts of water. To the extent that any adjustment
12 is necessary because of the existence of chloride in the water
13 available for furnishing to the District in excess of the quantity
14 herein specified and because of previous payments by the District,
15 such adjustment shall be made in a manner similar to that provided
16 in Article 7 hereof. No adjustment shall be made hereunder in
17 relation to any water actually furnished to and used by, through,
18 or under the District for any purpose.

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1 MUNICIPAL, INDUSTRIAL, AND DOMESTIC USE OF WATER FURNISHED TO DISTRICT

2 12. Water furnished in accordance with Article 3 of this contract
3 is for agricultural use. Before water furnished under this contract
4 may be delivered by the District for municipal, industrial, and
5 domestic uses, the parties hereto shall agree upon the measurement
6 of such water, the water service rates payable to the United States
7 on account of the delivery for such purposes, and the time for payment
8 therefor.

9 DRAINAGE STUDIES AND FACILITIES

10 13. To aid in determining the source and solution of future
11 potential drainage problems the District shall, in a manner satis-
12 factory to the Contracting Officer, initiate and maintain a program
13 of ground-water observation in order to delineate shallow water table
14 areas and shall furnish annually to the Contracting Officer, during the
15 term of this contract and any renewal thereof, records and analyses of
16 such observations as they relate to potential drainage problems. The
17 District shall construct such drainage works as are necessary to
18 protect the irrigability of lands within the District.

19 AGREED CHARGES A GENERAL OBLIGATION OF THE DISTRICT--TAXABLE LAND

20 14. The District as a whole is obligated to pay to the United
21 States the charges becoming due as provided in this contract notwith-
22 standing the default in the payment to the District by individual water
23 users of assessments, tolls, or other charges levied by the District.
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1 The lands which may be charged with any taxes or assessments under
2 this contract are hereby designated and described as all the lands
3 in the District.

4 ALL BENEFITS CONDITIONED UPON PAYMENT

5 15. Should any assessment or assessments required by the terms
6 of this contract and levied by the District against any tract of land
7 or water user in the District and necessary to meet the obligations
8 of the District hereunder be judicially determined to be irregular
9 or void, or should the District or its officers be enjoined or restrained
10 from making or collecting any assessments upon such land or from
11 such water user as provided for herein, then such tract shall have
12 no right to any water furnished to the District pursuant to this
13 contract, and no water made available by the United States pursuant
14 hereto shall be furnished for the benefit of any such lands or water
15 users, except upon the payment by the landowner of his assessment
16 or a toll charge for such water, notwithstanding the existence of
17 any contract between the District and the owner or owners of such
18 tract. Contracts, if any, between the District and the water users
19 involving water furnished pursuant to this contract shall provide
20 that such use shall be subject to the terms of this contract. It
21 is further agreed that the payment of charges at the rate and upon
22 the terms and conditions provided for herein is a prerequisite to the
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1 right to the use of water furnished to the District pursuant to
2 this contract, and no irregularity in levying taxes or assessments
3 by the District nor lack of authority in the District, whether affecting
4 the validity of District taxes or assessments or not, shall be held
5 to authorize or permit any water user of the District to demand water
6 made available pursuant to this contract unless charges at the rate
7 and upon the terms and conditions provided for herein have been
8 paid by such water user.

9 LEVY OF TAXES AND ASSESSMENTS--FIXING OF RATES AND TOLLS

10 16. The District shall cause to be levied and collected all
11 necessary taxes and assessments and shall use all of the authority
12 and resources of the District to make in full all payments to be
13 made pursuant to this contract on or before the date such payments
14 become due and to meet its other obligations under this contract.
15 The District may, either or both, require the payment of toll charges
16 or levy assessments for such water supplied hereunder.

17 REFUSAL OF WATER IN CASE OF DEFAULT

18 17. No water shall be furnished to the District or by the
19 District to or for the use of any lands or parties therein during
20 any period in which the District may be in arrears in the advance
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1 payment of charges accruing under this contract. No water shall be
2 furnished to or by the District pursuant to this contract for lands
3 or parties which are in arrears in the payment to the District of
4 any assessments, rates, tolls, or rental charges of the District
5 levied or established by the District and necessary for the purpose
6 of raising revenues to meet the payment by the District to the United
7 States of the District's obligation under this contract.

8 PENALTY UPON DELINQUENCY IN PAYMENT

9 18. Upon every charge or installment of money required to be
10 paid by the District to the United States pursuant to this contract
11 which shall remain unpaid after the same shall have become due and
12 payable, there shall be imposed a penalty of one-half (1/2) of
13 one (1) percent per month of the amount of such delinquent charge or
14 installment from and after the date when the same becomes due until
15 paid, and the District hereby agrees to pay said penalty: Provided,
16 That no penalty shall be charged to or be paid by the District unless
17 such delinquency continues for more than thirty (30) days.

18 DISTRICT TO KEEP BOOKS AND RECORDS AND REPORT CROP AND OTHER DATA

19 19. The District shall establish and maintain account and other
20 books and records sufficient to enable it to furnish, insofar as the
21 District is permitted to do so by the laws of the State of California,
22 to the Bureau of Reclamation reports and statements to such an extent
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1 and in such manner and form as may be prescribed by the United
2 States as to information pertaining to (1) accounts and financial
3 transactions of the District, insofar as such information pertains
4 to this contract and operations thereunder, and (2) crops raised
5 and agricultural and livestock products produced on the lands within
6 the District, a report thereon to be furnished to the Contracting
7 Officer annually before December 31.

8 INSPECTION OF BOOKS AND RECORDS

9 20. Subject to applicable Federal laws and regulations, the
10 proper officers or agents of the District shall have full and free
11 access at all reasonable times to the Project account books and
12 official records of the Bureau of Reclamation, insofar as the same
13 pertain to the matters and things provided for in this contract,
14 with the right at any time during office hours to make copies thereof,
15 and the proper representatives of the United States shall have
16 similar rights with respect to the account books and records of
17 the District.

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1 value of such lands at the date of the appraisal without reference
2 to the construction of the Project, all as hereinafter provided,
3 and agreeing to the sale of such excess lands under terms and conditions
4 satisfactory to the Secretary and at prices not to exceed those fixed
5 as hereinafter provided. No sale of any excess lands shall carry
6 the right to receive water made available pursuant to this contract
7 unless and until the purchase price involved in such sale is approved
8 by the Contracting Officer and upon proof of fraudulent representation
9 as to the true consideration involved in such sales the United States
10 may instruct the District by written notice to refuse to furnish any
11 water subject to this contract to the land involved in such fraudulent
12 sales, and the District thereafter shall not furnish said water
13 to such lands until such written notice is withdrawn.

14 (b) If Project water furnished to the District pursuant
15 to this contract reaches the underground strata of excess land owned
16 by a large landowner, as defined in subdivision (a) of Article 25
17 hereof, who has not executed a recordable contract and the large
18 landowner pumps such Project water from the underground, the District
19 will not be deemed to have furnished such water to said lands within
20 the meaning of this contract if such water reached the underground
21 strata of the aforesaid excess land as an unavoidable result of
22 the furnishing of Project water by the District to nonexcess lands
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1 or to excess lands with respect to which a recordable contract has
2 been executed.

3 VALUATION AND SALE OF EXCESS LANDS

4 24. (a) The value of the excess irrigable lands within the
5 District held in private ownership of large landowners as defined
6 in the next succeeding article hereof, for the purposes of this
7 contract, shall be appraised in a manner to be prescribed by the
8 Secretary. At the option of a large landowner, however, the value
9 of such land may be appraised, subject to the approval thereof by
10 the Secretary, by three appraisers. One of said appraisers shall
11 be designated by the Secretary and one shall be designated by the
12 District and the two appraisers so appointed shall name the third.
13 If the appraisers so designated by the Secretary and the District
14 are unable to agree upon the appointment of the third, the Presiding
15 Justice of the Fifth District Court of Appeal of the State of California
16 shall be requested to designate the third appraiser.

17 (b) The following principles shall govern the appraisal:

18 (i) No value shall be given such lands on account
19 of the existing or prospective possibility of securing water
20 from the Project;

21 (ii) The value of improvements on the land at the time
22 of said appraisal shall be included therein, but shall also
23 be set forth separately in such appraisal.

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1 (c) The excess land of any large landowner shall be reappraised
2 at the instance of the United States or at the request of said landowner.
3 The cost of the first two appraisals of each tract of excess land
4 shall be paid by the United States. The cost of each appraisal
5 thereafter shall be paid by the party requesting such appraisal.

6 (d) Any improvements made or placed on the appraised
7 land after the appraisal hereinabove provided for prior to sale
8 of the land by a large landowner shall be appraised in like manner.

9 (e) Excess irrigable lands sold by large landowners within
10 the District shall not carry the right to receive water made available
11 pursuant to this contract for such lands and the District agrees to
12 refuse to furnish such water to lands so sold until, in addition
13 to compliance with the other provisions hereof, a verified statement
14 showing the sale price upon any such sale shall have been filed
15 with the District and said sale price is not in excess of the appraised
16 value fixed as provided herein.

17 (f) The District agrees to take all reasonable steps
18 requested by the Contracting Officer to ascertain the occurrence
19 and conditions of all sales of irrigable land of large landowners
20 in the District made subsequent to the execution of this contract
21 and to inform the United States concerning the same.

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1 (i) Before any water is furnished by the District
2 to his excess land, execute a valid recordable contract in
3 form prescribed by the United States, agreeing to the provisions
4 contained in this article and Articles 23 and 24 hereof and
5 agreeing to dispose of his excess land in accordance therewith
6 to persons who can take title thereto as nonexcess land as
7 herein provided and at a price not to exceed the approved,
8 appraised value of such excess land and within a period of
9 ten (10) years after the date of the execution of said recordable
10 contract and agreeing further that if said land is not so
11 disposed of within said period of ten (10) years, the Secretary
12 shall have the power to dispose of said land at the appraised
13 value thereof fixed as provided herein or such lower price
14 as may be approved by the owner of such land, subject to the
15 same conditions on behalf of such large landowner; and the
16 District agrees that it will refuse to furnish said water to
17 any large landowner other than for his nonexcess land until
18 such owner meets the conditions precedent herein stated;

19 (ii) Within thirty (30) days after the date of notice
20 from the United States requesting such large landowner to designate
21 his irrigable lands within the District which he desires to designate
22 as nonexcess lands, file in the office of the District, in
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1 duplicate, one copy thereof to be furnished by the District
2 to the Bureau of Reclamation, his written designation and description
3 of lands so selected to be nonexcess land and upon failure
4 to do so the District shall make such designation and mail
5 a notice thereof to such large landowner, and in the event
6 the District fails to act within such period of time as the
7 Contracting Officer considers reasonable, such designation
8 will be made by the Contracting Officer, who will mail a notice
9 thereof to the District and the large landowner. The large
10 landowner shall become bound by any such action on the part
11 of the District or the Contracting Officer and the District
12 will furnish said water only to the land so designated to be
13 nonexcess land. A large landowner may with the consent of
14 the Contracting Officer designate land other than that previously
15 designated as nonexcess land: Provided, That an equal acreage
16 of the land previously designated as nonexcess shall, upon
17 such new designation, become excess land thereafter subject
18 to the provisions of this article and Articles 23 and 24 of this
19 contract and shall be described in an amendment of such recordable
20 contract as may have been executed by the large landowner in
21 the same manner as if such land had been excess land at the
22 time of the original designation.

1 AMENDMENT OF FEDERAL RECLAMATION LAWS

2 26. In the event that the Congress of the United States repeals
3 the so-called excess-land provisions of the Federal reclamation laws,
4 Articles 23, 24, and 25 of this contract will no longer be of any
5 force or effect, and, in the event that the Congress amends the
6 excess-land provisions or other provisions of the Federal reclamation
7 laws, the United States agrees, at the option of the District, to
8 negotiate amendments of appropriate articles of this contract, all
9 consistently with the provisions of such repeal or amendment.

10 WATER ACQUIRED BY DISTRICT OTHER THAN FROM THE UNITED STATES

11 27. (a) The provisions of this contract shall not be ap-
12 plicable to or affect water or water rights now owned or hereafter
13 acquired by the District or landowners within the District other
14 than from the United States. Water furnished pursuant to the terms
15 of this contract may be transported by means of the same distribution
16 facilities as water now available or which may become available to
17 the District or landowners within the District other than pursuant
18 to the terms of this contract if the Contracting Officer deter-
19 mines that such mingling is necessary to avoid a duplication
20 of facilities; and notwithstanding such mingling of

1 water, the provisions of this contract shall be applicable to the
2 quantity of water furnished to the District pursuant to the terms
3 hereof, and such mingling of water shall not in any manner subject
4 to the provisions of this contract the quantity of water acquired
5 by or available to the District or landowners within the District
6 other than from the United States.

7 (b) With respect to the distribution works or portions
8 thereof in which mingling is permitted as provided in subdivision (a)
9 hereof, the District:

10 (i) Will be responsible for the operation and maintenance
11 of separate outlets from the distribution system for nonexcess
12 and excess lands as defined in Article 25 hereof. At the request
13 of the Contracting Officer the District will be responsible
14 for the installation, operation, and maintenance of water-measuring
15 equipment at delivery points to excess lands and, further,
16 will be responsible for the installation, operation, and maintenance
17 of similar equipment for measuring the water available to the
18 District or landowners within the District other than from
19 the Project, and the Contracting Officer may check and inspect
20 said equipment at any time;

21 (ii) Agrees that the quantity of water furnished
22 to it by the United States during each 24-hour period will
23 be delivered by the District only to eligible land through
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1 the aforesaid outlets to eligible lands. The District shall
2 be deemed to be in breach of this article and Articles 23,
3 24, and 25 of this contract if at any time there is furnished
4 to all excess lands not covered by recordable contracts and
5 served by the distribution works or portions thereof in which
6 mingling is permitted, a quantity of water which is greater
7 than that which the District or landowners within the District
8 have introduced into said system from the supply available
9 other than pursuant to this contract.

10 CONTINGENT UPON APPROPRIATIONS OR ALLOTMENT OF FUNDS

11 28. The expenditure of any money or the performance of any
12 work by the United States hereunder which may require appropriations
13 of money by the Congress or the allotment of funds shall be contingent
14 upon such appropriations or allotment being made. The failure of
15 the Congress so to appropriate funds or the absence of an allotment
16 of funds shall not relieve the District from any obligations then
17 accrued under this contract, and no liability shall accrue to the
18 United States in case such funds are not appropriated or allotted.

19 OFFICIALS NOT TO BENEFIT

20 29. (a) No Member of or Delegate to Congress or Resident
21 Commissioner shall be admitted to any share or part of this contract
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1 or to any benefit that may arise herefrom, but this restriction shall
2 not be construed to extend to this contract if made with a corporation
3 or company for its general benefit.

4 (b) No official of the District shall receive any benefit
5 that may arise by reason of this contract other than as a landowner
6 within the District and in the same manner as other landowners within
7 the District.

8 NOTICES

9 30. Any notice or announcement which the provisions hereof
10 contemplate shall be given to one of the parties hereto by the other
11 shall be deemed to have been given if deposited in the United States
12 Post Office on the part of the United States in a franked or postage-
13 prepaid envelope addressed to the District at its office in Fresno,
14 California, and on the part of the District in a postage-prepaid
15 envelope addressed to the Bureau of Reclamation, United States
16 Department of the Interior, Sacramento, California, or such other
17 address as from time to time may be designated by the Contracting
18 Officer in a written notice to the District: Excluded however.
19 That this article shall not preclude the effective service of any
20 such notice or announcement by other means.

ASSIGNMENT--WAIVERS--REMEDIES NOT EXCLUSIVE--
OPINIONS AND DETERMINATIONS

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3 31. (a) The provisions of this contract shall apply to and bind
4 the successors and assigns of the respective parties, but no assign-
5 ment or transfer of this contract or any part thereof or interest
6 therein shall be valid until and unless approved by the United States.

7 (b) Any waiver at any time by either party to this contract
8 of its rights with respect to a default, or any other matter arising
9 in connection with this contract, shall not be deemed to be a waiver
10 with respect to any subsequent default or matter.

11 (c) Nothing contained in this contract shall be construed
12 as in any manner abridging, limiting, or depriving the United States
13 of any means of enforcing any remedy, either at law or in equity,
14 for the breach of any provisions hereof which it would otherwise have.

15 (d) Where the terms of this contract provide for matters
16 being done to the satisfaction of a representative of either party
17 hereto, or for action to be based upon the opinion or conclusive
18 determination of such a representative of either party hereto, such
19 terms are not intended to be and shall never be construed as permit-
20 ting such satisfaction, opinion, or determination of such a representa-
21 tive of either party to this contract to be arbitrary, capricious, or
22 unreasonable; and the District, notwithstanding any other provisions
23 of the contract, expressly reserves the right to relief from and
24 appropriate adjustment for any such arbitrary, capricious, or
25 unreasonable satisfaction, opinion, or determination.

1 ASSURANCE RELATING TO VALIDITY OF CONTRACT

2 32. (a) Promptly after the execution and delivery of this
3 contract the District shall file and prosecute to a final decree,
4 including any appeal therefrom to the highest court of the State of
5 California, in a court of competent jurisdiction a special proceeding
6 for the judicial examination, approval, and confirmation of the pre-
7 ceedings had for the organization of the District and the proceedings
8 of the District Board of Directors and of the District leading up to
9 and including the making of this contract and the validity of the
10 provisions thereof; and this contract shall not be binding on the
11 United States until said District organization, proceedings, and
12 contract shall have been so confirmed by a court of competent juris-
13 diction or pending appellate action in any court if ground for appeal
14 be laid: Provided, That nothing herein contained shall require the
15 District to assume the responsibility of prosecuting judicial review
16 beyond the highest court of the State of California.

17 (b) This contract shall be indivisible for purposes of
18 validation and shall not be binding on the United States or the
19 District unless validated in each and all of its terms and conditions
20 as executed by the parties.

1 IN WITNESS WHEREOF, the parties hereto have executed this
2 contract the day and year first above written.
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THE UNITED STATES OF AMERICA

5 Frank B. Stone

By R. J. Campbell
Regional Director, Region 2
Bureau of Reclamation

WESTLANDS WATER DISTRICT

By [Signature]
President

(SEAL)--Affixed

14 Attest: [Signature]
16 Secretary

RESOLUTION NUMBER 121-62

WHEREAS, Westlands Water District and the Bureau of Reclamation, United States Department of the Interior, have been negotiating for the execution of a contract under the terms of which the United States would provide water service to this District from the San Luis Unit of the Central Valley Project; and

WHEREAS, the Bureau of Reclamation has submitted to Westlands Water District a draft of contract marked 'R.O. Draft 12/7-1962' under the terms of which such service would be provided; and

WHEREAS, This District is in serious need of a supplemental water supply; and

WHEREAS, this District was formed in contemplation of the acquisition of a supplemental water supply from the San Luis Unit of the Central Valley Project; and

WHEREAS, said draft of contract marked 'R.O. Draft 12/7-1962' is considered by this Board to be satisfactory and that it would be in the best interests of this District to execute said contract.

NOW, THEREFORE, BE IT RESOLVED, that the draft of proposed contract marked 'R.O. Draft 12/7-1962' between the United States and Westlands Water District be, and it is, hereby approved.

BE IT FURTHER RESOLVED, that the Manager-Chief Counsel of this District be, and he is, hereby authorized and instructed to take the necessary steps to complete the statutory and other procedures required to be met prior to the execution of said contract; and

BE IT FURTHER RESOLVED, that, upon the approval by the Secretary of the Interior of said form of contract and after approval

RESOLUTION No. 125-63

WHEREAS Westlands Water District has heretofore approved a proposed draft of contract marked R.O. Draft 12/7-1962, for water service to this District from the San Luis Unit of the Central Valley Project; and

WHEREAS, said form of contract was submitted to the Secretary of the Interior for approval on behalf of the United States; and

WHEREAS the President of the United States and the Secretary of the Interior have approved said draft of contract subject to certain amendments, which amendments are incorporated in a draft of said contract marked R.O. Draft 12/7-1962, Rev. W.O. 1-4-63, Rev. W.O. 1-21-63, and

WHEREAS, said draft of contract, as amended, is satisfactory to Westlands Water District; and

WHEREAS, said draft of contract, under the provisions of Section 35885 of the Water Code of California requires the approval of the California Districts Securities Commission prior to execution.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of Westlands Water District do, and it does, hereby approve, for execution, the proposed contract between the United States of America and the Westlands Water District, which contract is marked R.O. Draft 12/7-1962, Rev. W.O. 1-4-63, Rev. W.O. 1-21-63.

BE IT FURTHER RESOLVED, that the California Districts Securities Commission be, and it is, hereby requested to approve said form of contract marked R.O. Draft 12/7-1962, Rev. W.O. 1-4-63, Rev. W.O. 1-21-63.

BE IT FURTHER RESOLVED, that Ralph M. Brody, Manager-Chief Counsel for this District be, and he is, hereby authorized and directed to petition said California Districts Securities Commission for such approval and to execute all necessary documents for and on behalf of Westlands Water District required for obtaining such approval of the California Districts Securities Commission.

AYES: GIFFEN, DIENER, BAKER, BENSON, ROBINSON, THOMAS, van LOBEN SELS

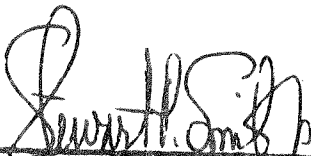
NOES: NONE

ABSENT: NONE

STATE OF CALIFORNIA)
) ss
 COUNTY OF FRESNO)

STEWART P. SMITH does hereby certify that he is the duly appointed, qualified and acting Secretary of WESTLANDS WATER DISTRICT, a public district organized under the laws of the State of California with its offices at Fresno, California; that the foregoing Resolution Number 125-63 was duly and regularly adopted by the Board of Directors of WESTLANDS WATER DISTRICT at a meeting of said Board of Directors duly called and held on the 11th day of February, 1963 at the offices of said WESTLANDS WATER DISTRICT at which a quorum of said Directors was present and acting; and that said Resolution is still in full force and effect.

DATED: June 5, 1963



 STEWART P. SMITH
 Secretary, Westlands Water District