

ORIGINAL

See supplemental contract no-1
Jan. 13, 1972

Agreement

14-06-200-9755
December 30, 1961

AGREEMENT BETWEEN THE UNITED STATES OF
AMERICA AND THE DEPARTMENT OF WATER RESOURCES OF THE
STATE OF CALIFORNIA FOR THE CONSTRUCTION AND OPERATION
OF THE JOINT-USE FACILITIES OF THE SAN LUIS UNIT

1. THIS AGREEMENT, made this 30th day of December, 1961, in pursuance generally of the Act of Congress approved June 17, 1902, (32 Stat. 388), and all acts of Congress amendatory thereof or supplementary thereto, all of which are known as the federal reclamation laws, and particularly pursuant to the Act of June 3, 1960 (74 Stat. 156), and pursuant to the California Central Valley Project Act, which is Part 3, Division 6 (commencing at Section 11100) of the Water Code of California, and the California Water Resources Development Bond Act, Chapter 8 of Part 6 of Division 6 (commencing at Section 12930) of the California Water Code, between THE UNITED STATES OF AMERICA, herein styled "the United States," acting through the Bureau of Reclamation, Department of the Interior, represented by the contracting officer executing this agreement, and the STATE OF CALIFORNIA, acting by and through its Department of Water Resources, herein styled the "State."

WITNESSETH THAT:

EXPLANATORY RECITALS

2. WHEREAS, The California Water Resources Development Bond Act authorizes the construction of a reservoir near Los Banos in Merced

County and related facilities as an integral part of the State Water Resources Development System; and

3. WHEREAS, The Federal San Luis Act, Act of June 3, 1960, authorizes construction of the San Luis unit of the Federal Central Valley Project to furnish water to approximately 500,000 acres of land comprising the Federal San Luis unit service area in Merced, Fresno, and Kings counties and for other incidental purposes; and

4. WHEREAS, The State and Federal Acts previously referred to authorized the coordinated operation of certain San Luis unit facilities, known as the joint-use facilities, and an equitable sharing of the costs of these facilities by the State and the United States; and

5. WHEREAS, The United States and the Department of Water Resources of the State of California entered into an agreement on May 16, 1960, to provide for the coordinated operation of the Federal Central Valley Project and the State Feather River and Delta Diversion Projects, the first stage of the State Water Resources Development System; and

6. WHEREAS, The San Luis Reservoir site is a desirable location for off-stream storage required for the State Water Resources Development System and the San Luis Unit of the Federal Central Valley Project, and construction, operation, and maintenance of the joint-use facilities of the San Luis unit will bring about substantial reductions in cost outlays otherwise required of both the State and the United States, will efficiently develop water resources for the benefit of the people of California and the United States, will provide incidental

recreational opportunities, and will make possible the furnishing of water to water-short areas in both the Federal and State service areas at the earliest possible date; and

7. WHEREAS, The State is acquiring lands and interests in lands necessary for some of the joint-use facilities and is designing the San Joaquin-Southern California Aqueduct of the State Water Resources Development System so that it may be integrated with the joint-use facilities; and

8. WHEREAS, The responsibility of the State as a full participant in the construction, operation, and maintenance of the joint-use facilities is recognized and its obligation to State fiscal agencies, the legislature, and the bondholders in all matters is recognized so that officials of the State shall be in a position at all times to justify and explain fully all aspects of the joint-use facilities; and

9. WHEREAS, It is desirable at this time to agree on principles of the financing, design, construction, operation, and maintenance of the joint-use facilities.

NOW, THEREFORE, IT IS AGREED:

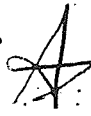
DEFINITIONS

10. As used in this agreement:

(a) The "Federal San Luis Act" shall mean the Act of June 3, 1960 (74 Stat. 156).

(b) The "joint-use facilities" shall mean:

(1) San Luis Dam and Reservoir

- (2) San Luis Forebay, related dam, and related wasteway
- (3) San Luis Pumping-Generating Plant
- (4) San Luis Canal, but not including water service turnouts and check structures and other appurtenances specifically associated with such turnouts. 
- (5) Flood retention basins, floodways, outlet channels, wasteways, equalizing reservoirs, check structures, and other structures as necessary for the proper operation and maintenance of the San Luis Canal
- (6) Mile 18 Pumping Plant
- (7) Switchyard and related electrical facilities at San Luis Pumping-Generating Plant and at Mile 18 Pumping Plant, including any necessary transmission facilities between such plants.

(c) The "Federal San Luis unit service area" shall mean the area of approximately 500,000 acres in Merced, Fresno, and Kings counties, as described in the report of the Department of the Interior entitled, "San Luis Unit, Central Valley Project," dated December 17, 1956.

(d) The "State service area" shall mean the area served by the State through the joint-use facilities which shall be limited to areas outside the Federal San Luis Unit service area as described in the report of the Department of the Interior entitled, "San Luis Unit, Central Valley Project," dated December 17, 1956.

(e) "Elevations" are with reference to the United States Coast and Geodetic Survey datum unless otherwise stated.

(f) Any number used herein to specify a rate of flow of water, a volume of water, an elevation, or other physical quantity or dimension shall be deemed to include a tolerance consistent with reasonable and accepted engineering practice.

(g) "Fiscal Year" shall mean the period July 1 through the succeeding June 30.

(h) The "agreement of May 16, 1960" shall mean the agreement entitled, "AGREEMENT BETWEEN THE UNITED STATES OF AMERICA AND THE DEPARTMENT OF WATER RESOURCES OF THE STATE OF CALIFORNIA FOR THE COORDINATED OPERATION OF THE FEDERAL CENTRAL VALLEY PROJECT AND THE STATE FEATHER RIVER AND DELTA DIVERSION PROJECTS" dated May 16, 1960 and bearing Contract Number 14-06-200-8363.

TERM OF AGREEMENT

11. This agreement shall remain in full force and effect until terminated by the mutual consent of the parties.

CHARACTERISTICS OF JOINT-USE FACILITIES

12. (a) San Luis Reservoir shall have a gross storage capacity of 2,100,000 acre-feet with a corresponding maximum water surface elevation under normal operating conditions of 544.0 feet. Elevation of the minimum operating level for San Luis Reservoir shall be 326.0 feet, below which there will exist an inactive storage capacity of 80,000 acre-feet.

(b) San Luis Forebay and Reach No. 1 of San Luis Canal shall have a combined active storage capacity of at least 20,000 acre-feet with the water surface fluctuating under normal operation conditions

between elevations of 217.0 feet and 225.0 feet measured at the San Luis forebay.

(c) San Luis Pumping-Generating Plant shall be designed to lift 11,000 cubic feet of water per second from San Luis Forebay into San Luis Reservoir when the water surface in San Luis Reservoir is at an elevation of 505.0 feet. The Pumping-generating plant shall be designed to allow 13,100 cubic feet of water per second to return from San Luis Reservoir to San Luis Forebay when the water surface in San Luis Reservoir is at an elevation of 425.0 feet.

(d) San Luis Canal shall consist of five reaches described in the following table:

Reach: No.	Start of reach	End of reach	Approx. length : Miles	Design capacity : cubic-feet : per second
1	San Luis Forebay	Mile 18 Pumping Plant	18	13,100
2	Mile 18 Pumping Plant	Panoche Creek	26	13,100
3	Panoche Creek	Five Points	34	11,800
4	Five Points	Arroyo Passajero	13	9,350
5	Arroyo Passajero	Kettleman City	16	8,350

San Luis Canal as a joint-use facility shall end at the northern boundary of the right-of-way for Milham Avenue west of Kettleman City and shall be designed and built to convey 7,000 cubic feet of water per second at that point with a water surface elevation of 313.5 feet under normal operating conditions.

(e) Mile 18 Pumping Plant shall be located at a point near the intersection of Mercy Hot Springs Road and Pipeline Road for the purpose of lifting water from Reach 1 to Reach 2 of San Luis Canal. The Mile 18 Pumping Plant shall be designed to transfer 13,100 cubic feet of water per second from the lower end of Reach 1 to the upper end of Reach 2.

CONSTRUCTION OF FACILITIES

13. (a) The United States shall design and construct the joint-use facilities with funds appropriated by the Congress and funds advanced by the State as provided in Article 17 and with consultations with the State as provided in the following provisions of this article.

(b) The joint-use facilities shall be designed and constructed by the United States in such a manner as to permit their integration and coordinated operation with other units of the Federal Central Valley Project and the State Water Resources Development System substantially as described in the California Water Resources Development Bond Act. The coordinated operation to be considered during design and construction shall be that described in Article 19(c) herein to the extent that operational criteria have been agreed upon by the State and the United States at the time of design.

(c) Construction of the joint-use facilities shall be carried out in accordance with Exhibit 1, attached hereto, entitled, "Control Schedule for San Luis Joint-Use Facilities," provided that the conditions of Section 1(a) of the Federal San Luis act regarding commencement of construction have been met.

(d) To accomplish the foregoing, the United States and the State must cooperate and consult closely in all stages of the design and construction of the joint-use facilities. During the design stage in particular, representatives of the two agencies shall review design progress and shall confer on the establishment of basic design criteria, the operational plan, and the overall program for construction of the joint-use facilities.

(e) The State may assign a representative to the Denver office and a representative to each San Luis unit field office of the Bureau of Reclamation to provide liaison services between the State and the United States and to facilitate the coordination of the work and the transmission of information. The United States shall provide necessary office space and minor office services. The United States will keep the representatives of the State informed on the progress of design and construction and on problems of concern to the State.

(f) Quarterly progress reports on design and construction, including costs thereof, in the form normally used by the United States, will be furnished by the United States for information of the State. By reports and by joint conferences the State shall be kept completely informed of the progress on and costs of the joint-use facilities. The United States shall furnish such other information in its possession as may be required by the State to prepare analyses, estimates, and reports as may be reasonably required from time to time.

(g) The United States shall make available at Denver to the State for review and comment, bid notices, plans and specifications for construction of major portions of the joint-use facilities as they become available.

LANDS AND INTERESTS IN LANDS

14. (a) Promptly after the execution of this agreement and for the purposes of this agreement the State shall convey to the United States title that is satisfactory to the United States to all lands and interests in lands that it has acquired up to that time or otherwise owns and which are required for the joint-use facilities.

(b) The State shall upon the request of the United States acquire such additional lands and interests in lands as are designated by the United States as necessary for purposes of the joint-use facilities. After any acquisition pursuant to this article and prior to the commencement of any construction thereon the State shall convey to the United States title to lands and interests in lands satisfactory to the United States: Provided, That the State furnish an appraisal report to the United States: Provided further, That the United States may proceed with the acquisition of the lands and interests in lands if the State fails to complete acquisition in accordance with a time schedule specified by the United States as adequate to avoid delay in construction.

COST OF CONSTRUCTION

15. (a) The cost of construction of the joint-use facilities to be allocated in accordance with Article 16 of this agreement shall include:

- (1) Payments made to contractors and force account costs for performance of the actual construction work.
- (2) Costs of acquiring lands and interests in lands including legal, appraisal, and other administrative expenses directly attributable to such acquisition work.
- (3) Surveys, studies, exploration, designs, preparation and review of plans and specifications in support of the construction of the joint-use facilities, and the supervision and inspection of construction work.
- (4) Maintenance and repair costs incurred and costs of replacements made during construction, in accordance with Article 20(c) herein.
- (5) Cost of equivalent replacement for road utility, and other relocations.
- (6) Cost of initial complement of heavy equipment required for operation and maintenance.
- (7) Indirect costs distributed in the customary manner of the agency which incurred the related direct cost.
- (8) Other expenditures actually incurred in the construction of the joint-use facilities, including the payment of claims.

(b) Expenses incurred by either the State or the United States prior to July 1, 1959, are specifically excluded from the cost of construction to be allocated in accordance with Article 16 of this agreement.

(c) All costs incurred specifically for recreational development, or specifically for fish and wildlife enhancement are excluded from the cost of construction to be allocated in accordance with Article 16 of this agreement.

SEARING OF COSTS OF CONSTRUCTION

16. The State shall pay 55 percent and the United States shall pay 45 percent of the actual total cost of construction as specified in Article 15.

PAYMENT OF STATE SHARE OF CASH EXPENDITURES FOR CONSTRUCTION

17. (a) The State's contribution to the cash expenditures for construction shall be made in advance installments on or before the first day of each month under the schedule provided in (b) of this Article, based upon the State's percentage specified in Article 16 of the estimated total expenditures to be made during that month: Provided, That adjustments for over-payments or under-payments shall be made quarterly. To the extent provided in subdivision (c) of this Article, the monthly State contribution shall be in the form of credits as therein specified.

(b) Each year on or before January 30, the United States shall furnish to the State a schedule setting forth the estimated cash expenditures to be incurred for construction by months during the ensuing fiscal year and shall furnish any revisions of such schedule.

(c) The State shall receive credit for the cost of lands and interests in lands conveyed by it to and accepted by the United States, for funds advanced by it to the United States for the preparation of designs and specifications and for other advances made and expenses incurred by the State which may properly be considered construction costs under Article 15. Following accrual, such credits shall be applied monthly commencing July 1, 1962, until the credits are liquidated.

(d) Upon completion of construction and transfer of the joint-use facilities or any operable unit thereof to a care, operation, and maintenance status, the United States shall submit to the State a final accounting of all costs and expenses incurred in connection with such construction, the amount of the total costs to be borne by each party, and the total contributions made by each party. Any necessary adjustments will then be made as soon as practicable thereafter to reflect accurately the proper amount of total costs of construction to be borne by each party.

FAILURE TO COMPLETE CONSTRUCTION

18. (a) If at any time after commencement of construction, it is determined by the United States that it will not complete construction of the joint-use facilities by virtue of the failure of Congress to make annual appropriations required for such purpose or for other cause, the State may elect to assume control of the joint-use facilities and complete construction of such facilities for its own use: Provided, That the consent of the Congress of the United States is obtained: Provided further, That the State shall reimburse

the United States without interest for all contributions made by the United States toward the cost of the joint-use facilities of which the State assumes control pursuant to this provision.

(b) If at any time after commencement of construction it is determined by the State that it will not make the payments herein contemplated in order to complete construction, subject to applicable law, the United States reserves the right to complete only such construction as may be necessary to operate the San Luis Unit as a part of the Federal Central Valley Project under Section 1 of the Federal San Luis Act.

OPERATION AND USE OF JOINT-USE FACILITIES

19. (a) The rights to use of the capacities of the joint-use facilities are allocated as follows:

Feature	State Share %	Federal Share %
San Luis Reservoir	52.38	47.62
San Luis Forebay	52.38	47.62
San Luis Pumping-Generating Plant	52.38	47.62
San Luis Canal, Reach 1	52.38	47.62
Mile 18 Pumping Plant	54.20	45.80
San Luis Canal		
Reach 2	54.20	45.80
Reach 3	60.17	39.83
Reach 4	75.41	24.59
Reach 5	84.43	15.57

Handwritten notes:
 Reach 1
 Reach 2
 Reach 3
 Reach 4
 Reach 5
 Total
 52.38
 52.38
 52.38
 52.38
 54.20
 54.20
 60.17
 75.41
 84.43
 47.62
 47.62
 47.62
 47.62
 45.80
 45.80
 39.83
 24.59
 15.57

(b) The Congress has provided in the Federal San Luis Act and it is understood and further agreed that during the repayment period and so long thereafter as title to the works remains in the United States, the United States shall not be restricted in the use of its allocated capacities of the joint-use facilities of the San Luis Unit which shall be sufficient to carry out the purposes of Section 1 of the Federal San Luis Act and the planned and authorized operation of the Federal Central Valley Project under Federal Reclamation Law. The operation of the joint-use facilities also shall be subject to the obligations and limitations set forth in Subsections (h), (i), and (j) of Section 3 of the Federal San Luis Act. The State shall not be restricted in the exercise of its allocated right to the use of the capacities of the joint-use facilities for water service outside the Federal San Luis Unit.

(c) The operation of the joint-use facilities shall be coordinated with other features of the Federal Central Valley Project and the State Water Resources Development System enumerated in the agreement of May 16, 1960, in order to make sufficient water available to meet, insofar as possible, the annual diversion requirements of the United States and the State as set forth in Article 12 of that agreement.

(d) In the event an obligation to reimburse the United States arises under Subsection (i) of Section 3 of the Federal San Luis Act, reimbursement shall be in accordance with terms specified by notice from the United States: Provided, That before making a determination that reimbursement is required under said subsection, the United States shall afford the State opportunity to be heard.

TRANSFER OF CARE, OPERATION, AND MAINTENANCE

20. (a) As the joint-use facilities or an operable unit thereof near completion, the United States shall notify the State, and the State shall furnish operating personnel to begin operation and maintenance of the completed works under the direction of the United States. After actual operation of such works has demonstrated to the satisfaction of the State that the design and construction has been properly executed, the United States shall initiate arrangements for an inspection preparatory to transfer from construction status to operation and maintenance status under the State. The inspection shall be made by representatives of the State and United States. Upon agreement by the State and the United States that the joint facility or unit is suitable for operation and maintenance status, and upon agreement as to operating criteria, the State shall assume responsibility for its care, operation, and maintenance.

(b) Upon assumption of care, operation, and maintenance pursuant to this Article, the State will operate and maintain such facilities or unit in such a manner that the works shall remain in good and efficient condition to perform the storage and conveyance of water as well and as efficiently as on the date of transfer. No change which is substantial in the opinion of either party shall be made by the State in any of the joint-use facilities without first obtaining the written consent of the United States.

(c) Each joint-use facility or operable unit including appurtenant facilities, equipment, supplies, manuals, and records shall be transferred as a complete unit, insofar as possible, ready for

operation in all respects. All replacements, repairs, and maintenance necessary while in construction status shall be made prior to the transfer and the costs shall be treated as construction costs and allocated accordingly.

(1) "Appurtenant facilities" shall include necessary office space, shops, warehouses, personnel housing, communications systems, and any other facilities required for full operation.

(2) "Records" shall include drawings or maps which show all lands, and interests in lands acquired, except temporary construction easements. Right-of-way boundaries shall be referenced to major structures of completed works or to erected permanent monuments. In the case of canals and pipelines, right-of-way boundaries shall be referenced to the center line, as well as major structures, at frequent intervals. The records also shall include "as-built" construction drawings which shall be brought completely up to date before transfer or as soon thereafter as can be reasonably done. In the case of canals and pipelines, which are constructed in sections but transferred as a whole, the "as-built" drawings shall be brought up to date at the conclusion of each contract or as soon thereafter as can be reasonably done.

(d) The State shall undertake promptly any maintenance and replacements on the joint-use facilities which are determined by either party to be necessary. In case of neglect or failure of the State to undertake such maintenance and replacements, after reasonable notice, the United States may cause the work to be done. The cost of maintenance and replacement shall be allocated between the State and

the United States as provided in Article 21 hereof, except that costs which the State and the United States shall agree are for extraordinary maintenance and replacements shall be allocated in accordance with Article 16 hereof.

(e) The United States may from time to time make an appropriate inspection of the facilities and of the books and records of the State to ascertain whether the requirements of this agreement are being satisfactorily performed by the State. Such inspections may include physical inspection of all properties and the operations thereof and audit of the books and records of the State. The cost of such inspections shall be included as a part of the operation and maintenance expense of the joint-use facilities.

CARE, OPERATION, MAINTENANCE, AND REPLACEMENT COSTS

21. (a) The United States and the State shall each pay annually an equitable share of the operation, maintenance, and replacement costs of the joint-use facilities, including claims paid by either party. The method of computation of the share to be paid by each agency shall be mutually agreed to by the State and the United States before the transfer of care, operation, and maintenance of joint-use facilities.

(b) Prior to and following completion of construction and prior to transfer of the joint-use facilities to the State for care, operation and maintenance, all costs of operation including costs of State operating personnel provided under Article 20(a), shall be allocated in accordance with this article.

amended by 37(6) in Supplemental Agreement
(c)

In order that the United States may adequately justify each of its annual requests to Congress for care, operation, maintenance, and replacement funds, the State, on or before September 1 each year, shall submit to the United States for review and for inclusion in the budget to be submitted to Congress a written proposal describing care, operation, maintenance, and replacement work which the State intends to accomplish during the following fiscal year. The proposal shall set forth the estimated total costs to be incurred for care, operation, maintenance, and replacement and the amount of such costs to be paid by the United States. The State also shall furnish any subsequent revisions of these estimated costs. At monthly intervals during the fiscal year, or less frequently if the parties so agree, the United States shall advance to the State its estimated share of such costs. The appropriate share of each agency's costs shall be adjusted to the actual costs after the end of each fiscal year.

(d) The United States shall be responsible for and shall reimburse the State for the total cost of care, operation, maintenance, and replacement of any facility which is part of the Federal San Luis unit but not part of the joint-use facilities and which is operated by the State at the request of the United States.

RIGHT OF UNITED STATES TO ASSUME CARE, OPERATION, AND MAINTENANCE

22. (a) If the State shall have failed at any time, or from time to time, to comply with Articles 19, 20, and 21 of this agreement, the United States may give the State written notice specifying the respect in which the State shall have failed to perform, and in the

event the State fails to commence and diligently prosecute to completion the appropriate remedial measures to cure such default within a reasonable time fixed in the notice (but not less than 60 days) following the giving of such notice, the United States may take over the care, operation, and maintenance of the joint-use facilities, and thereafter care for, operate, and maintain the same. The State shall make available to the United States all appurtenant facilities, equipment, supplies, manuals and records required by the United States.

(b) Whenever the United States shall have assumed care, operation, and maintenance of the facilities pursuant to the provisions of Subdivision (a) of this Article, the United States, upon written request by the State accompanied by assurances satisfactory to the United States may, upon 60 days' written notice to the State, return care, operation, and maintenance of the facilities to the State under the provisions of this agreement. In like manner, at any time during the period of care, operation, and maintenance by the United States, when in the opinion of the United States the State is in a position to resume care, operation, and maintenance of the transferred works, care, operation, and maintenance thereof or any part thereof shall be retransferred to the State.

(c) During periods in which the United States has assumed the care, operation, and maintenance of the joint-use facilities the United States shall submit a statement to the State setting forth the estimated total costs to be incurred for care, operation, maintenance, and replacement during the next fiscal year and the amount of such costs to

be paid by the State and also shall furnish any subsequent revisions of these estimates. At monthly intervals, or less frequently if the parties so agree, the State shall advance to the United States its estimated share of such costs. The appropriate share of any unobligated balance shall be returned to the State after the end of the fiscal year.

RECREATIONAL FACILITIES

23. The State shall complete plans for recreational development and shall incorporate in such plans reasonable incidental use of joint-use facilities for recreational purposes. The State shall construct, operate, and maintain all facilities other than joint-use facilities required to carry out such plans, and the cost of such construction, care, operation, and maintenance shall not be included in the cost of the construction, care, operation, and maintenance of the joint-use facilities. To the extent authorized and as agreed to by the parties, the United States shall make available to the State an appropriate share of the cost of construction of public recreational facilities.

TRANSFER OF MANAGEMENT OF FISH AND WILDLIFE RESOURCES

24. The transfer of management of fish and wildlife resources and management of the recreational and related aspects of the joint-use facilities, including water service for all reservoir and forebay perimeter uses other than agricultural uses, to appropriate State agencies or to the counties may be made as mutually agreed to by the parties to this agreement: Provided, That the United States shall be the marketing agency for water served directly from San Luis Reservoir and Forebay for agricultural purposes.

CONTINGENT PROVISIONS

25. Performance by the State and the United States shall be contingent on the following events: (1) The availability of Federal appropriations therefor; (2) The availability of State funds.

NOTICES

26. Any notice or announcement which the provisions hereof contemplate shall be given to one of the parties hereto by the other shall be deemed to have been given if deposited in the United States Post Office, on the part of the United States in a postage-prepaid envelope addressed to the Department of Water Resources at its office at Sacramento, California, or such other address as from time to time may be designated by the Director in a written notice to the contracting officer, and on the part of the State in a postage-prepaid envelope addressed to the Bureau of Reclamation, United States Department of the Interior, Sacramento, California, or such other address as from time to time may be designated by the contracting officer in a written notice to the State: Provided, however, That this article shall not preclude the effective service of any such notice or announcement by other means.

OFFICIALS NOT TO BENEFIT

27. No member of or delegate to Congress or resident commissioner shall be admitted to any share or part of this agreement or to any benefit that may arise herefrom, but this restriction shall not be construed to extend to this agreement if made with a corporation or company for its general benefit.

NONDISCRIMINATION

28. In connection with the performance of work under this contract, the State agrees as follows:

(a) The State will not discriminate against any employee or applicant for employment because of race, creed, color, or national origin. The State will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, creed, color or national origin. Such action shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination, rates of pay or other forms of compensation; and selection for training, including apprenticeship. The State agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the United States setting forth the provisions of this nondiscrimination clause.

(b) The State will, in all solicitations or advertisements for employees placed by or on behalf of the State, state that all qualified applicants will receive consideration for employment without regard to race, creed, color, or national origin.

(c) The State 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 United States, advising the said labor union or workers' representative of the State's commitments under this section, and

shall post copies of the notice in conspicuous places available to employees and applicants for employment.

(d) The State will comply with all provisions of Executive Order No. 10925 of March 6, 1961, and of the rules, regulations, and relevant orders of the President's Committee on Equal Employment Opportunity created thereby.

(e) The State will furnish all information and reports required by Executive Order No. 10925 of March 6, 1961, and by the rules, regulations, and orders of the said Committee, or pursuant thereto, and will permit access to its books, records, and accounts by the United States and the Committee for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

(f) In the event of the State's non-compliance with the nondiscrimination clauses of this contract or with any of the said rules, regulations, or orders, this contract may be cancelled in whole or in part and the State may be declared ineligible for further government contracts in accordance with procedures authorized in Executive Order No. 10925 of March 6, 1961, and such other sanctions may be imposed and remedies invoked as provided in the said Executive Order or by rule, regulation, or order of the President's Committee on Equal Employment Opportunity, or as otherwise provided by law.

(g) The State will include the provisions of the foregoing paragraphs (a) through (f) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the President's Committee on Equal Employment Opportunity issued.

pursuant to section 303 of Executive Order No. 10925 of March 6, 1961, so that such provisions will be binding upon each subcontractor or vendor. The State will take such action with respect to any subcontract or purchase order as the United States may direct as a means of enforcing such provisions, including sanctions for non-compliance: Provided, however, That in the event the State becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the United States, the State may request the United States to enter into such litigation to protect the interest of the United States.

REMEDIES UNDER AGREEMENT NOT EXCLUSIVE--WAIVERS

29. Nothing contained in this agreement shall be construed as in any manner abridging, limiting, or depriving the United States or the State of any means of enforcing any remedy, either at law or in equity, for the breach of any of the provisions hereof which it would otherwise have. Any waiver at any time by either party to this agreement of its rights with respect to a default, or any other matter arising in connection with this agreement, shall not be deemed to be a waiver with respect to any subsequent default or matter.

INSPECTION OF RECORDS

30. Subject to applicable laws and regulations, the proper officers or agents of either party shall have full and free access at all reasonable times to the account books and official records of the other party, insofar as the same pertains to the matters and things provided for in this agreement, with the right at any time during office hours to make copies thereof.

SUCCESSORS AND ASSIGNS BOUND--LIMITATION

31. This agreement shall be binding upon and inure to the benefit of the successors and assigns of the respective parties hereto, but neither party shall make an assignment under this agreement without the consent of the other.

IN WITNESS WHEREOF, the parties hereto, by their respective officers thereunto duly authorized, have duly executed these presents on the day and year first hereinabove written.

Approved as to Legal Form
and Sufficiency:

/s/ Frank B. Horne
Regional Solicitor
Department of the Interior

Approved as to Legal Form
and Sufficiency:

/s/ P. A. Towner
Chief Counsel, Department
of Water Resources

THE UNITED STATES OF AMERICA

By /s/ H. P. Dugan
Regional Director, Region 2
Bureau of Reclamation

STATE OF CALIFORNIA

By /s/ William E. Warne
Director
Department of Water Resources

By /s/ Edmund G. Brown
Governor of California

CONTROL SCHEDULE FOR SAN LUIS JOINT-USE FACILITIES

EXHIBIT 1

JOINT-USE FACILITY	ESTIMATED TOTAL	FISCAL YEARS							BALANCE TO COMPLETE
		1962	1963	1964	1965	1966	1967	1968	
Son Luis Dam and Reservoir	10,530,000		AWARD					AWARD	
Son Luis Forebay Dam and Reservoir	10,670,000			AWARD			AWARD		AWARD
Son Luis Pumping - Generating Plant	91,400,000		AWARD				NO		AWARD
Son Luis Canal and Kettleman Wasteway	15,078,500		AWARD						AWARD
Flood Retention Basins, Floodways, Etc	33,097,000			AWARD					AWARD
Mile 18 Pumping Plant	36,330,000		AWARD						AWARD
Switchyards, Trans. Lines, Electrical Facilities	7,135,000								AWARD
Total Joint Features	429,489,000								AWARD
State	239,212,000								AWARD
Federal	194,277,000								AWARD

① Complete all work to permit 400,000 acft. storage in San Luis Reservoir and to permit pumping 4200 cfs from forebay.

② Installation of some pumping units may be delayed as agreed upon by the parties.

COMPLETE
DEC 1969