

Contract No. 25-WC-40-1015

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR BUREAU OF RECLAMATION
STRAWBERRY VALLEY PROJECT
CONTRACT
FOR THE USE OF STRAWBERRY VALLEY PROJECT WATER
FOR MISCELLANEOUS PURPOSES

THIS CONTRACT, made this _____ day of _____, 2025, is entered into by and among the Lake Shore Irrigation Company, the Spanish Fork South Irrigation Company, the Spanish Fork East Bench Irrigation Company, the Spanish Fork West Field Irrigation Company, the Spanish Fork South East Irrigation Company, the Salem Irrigation and Canal Company, the Strawberry High Line Canal Company (SHLCC), the Mapleton Irrigation District, the Springville Irrigation District (collectively called the Canal Companies), PE & Lelia Whiting, J Hayes, Clinton Farmers, Soldier Fork Farmers, Salem City, Payson City, Spanish Fork City, and the Strawberry Water Users Association (SWUA) (each a Contract Party, and collectively, the Contract Parties), and United States of America (United States) acting through the Bureau of Reclamation (Reclamation or Contracting Officer), pursuant to the Act of June 17, 1902 (32 Stat. 388) (the Reclamation Act), and all acts amendatory thereof or supplementary thereto, particularly the Sale of Water for Miscellaneous Purposes Act of February 25, 1920 (43 USC § 521), collectively known as the federal Reclamation laws.

WITNESSETH:

WHEREAS, pursuant to the Reclamation Act, Reclamation constructed the Strawberry Valley Project (SVP or Project), consisting, in part, of the original Strawberry Dam, the Strawberry Reservoir, and the Strawberry Tunnel, for the purpose of collecting, storing, and conducting a trans-basin diversion of water from tributaries of the Duchesne River into south Utah County; and

WHEREAS, in connection with the SVP, Reclamation acquired the rights to water from certain sources, including water from tributaries of the Duchesne River, accretion flows in the Strawberry Tunnel, and natural high-water flows in the Spanish Fork River; and

WHEREAS, in 1940 Reclamation and SWUA entered into Amendatory Contract No. Ilr-78, which supersedes and takes the place of the contracts between the United States and SWUA dated September 28, 1926, and November 20, 1928, and which obligates SWUA to repay to Reclamation certain Project costs, operate and maintain certain Project facilities, and assume Reclamation's obligations under the Delivery Contracts; and

WHEREAS, under Reclamation law and policy, the 1991 Contract Water, the Accretion Flows, and the SVP High Flow Water (all as defined herein and collectively Project Water), are

currently restricted and limited to use for irrigation purposes, and uses incidental thereto, and are appurtenant to the lands on which they are used; and

WHEREAS, Project Water has historically been delivered by the Canal Companies to SVP Shareholders for irrigation purposes pursuant to contracts between such Canal Companies and Reclamation, which contracts have been assigned to SWUA; and

WHEREAS, south Utah County is experiencing high levels of population growth and development, which requires the use of water for municipal and industrial purposes; and

WHEREAS, the SWUA Board of Directors and the SHLCC Board of Directors have requested that the Secretary of the Interior (Secretary) allow the use of the Project Water for purposes other than Irrigation, under the authority of the Sale of Water for Miscellaneous Purposes Act of 1920.

NOW, THEREFORE, in consideration of the mutual and dependent covenants herein contained, the Parties hereto agree as follows:

I. DEFINITIONS

- (a) 1920 Act - the Sale of Water for Miscellaneous Purposes Act of February 25, 1920 (43 USC § 521)
- (b) 1991 Contract - Contract No. 1-07-40-R1330 dated July 29, 1991, among Reclamation, Central Utah Water Conservancy District, and SWUA.
- (c) 1991 Contract Water – Water stored in the enlarged Strawberry Reservoir that is allocated for SVP purposes under the terms of the 1991 Contract.
- (d) Accretion Flows – Strawberry Tunnel accretion water that is physically available for direct flow diversion.
- (e) Carrier Water – Water retained by a Canal Company to ensure that changes in type or place of use do not negatively affect SVP Irrigators.
- (f) Contract Parties – From 1914 to 1926, Reclamation enacted contracts with the Contract Parties listed above to ensure the delivery and/or use of water from the SVP, as well as the operation and maintenance of federal facilities
- (g) SVP Irrigators – Any SVP Shareholder using SVP Irrigation Water for authorized purposes under Reclamation laws and policies.
- (h) SVP Irrigation Water – Project Water used for commercial irrigation purposes not incongruent with Reclamation Policy PEC P05, which states: the use of contract water to irrigate land primarily for the production of commercial agricultural crops or livestock, and domestic and other uses that are incidental thereto.
- (i) SVP Shareholder – The original Project Water application or contract holder who puts Project Water to beneficial use, or the successor in interest to such contract holder.
- (j) Miscellaneous Purposes – The use of Project Water for purposes other than irrigation, including but not limited to municipal and industrial uses, and all beneficial purposes allowed under state law.

- (k) Project Water – Collectively, the 1991 Contract Water, the Accretion Flows, and the SVP High Flow Water.
- (l) Project Water Rights—The water rights established under Utah law to beneficially use Project Water. Specifically, Certificates 2115 (Water Right No. 43-3001), 2116 (Water Right No. 43-3102), 2117 (Water Right No. 51-1004), 2118 (Water Right No. 51-1016), and 5893 (Water Right No. 43-1259).
- (m) SVP Service Area – The area in which Project Water may be delivered and/or used, as identified in the SVP Service Area Map attached to this Contract as Exhibit A.
- (n) SVP High Flow Water – Water utilized under water rights of the United States obtained for the SVP in the Spanish Fork River when flows are greater than 390 cubic feet per second (cfs).
- (o) Third-Party Contracts – The contracts between the SVP Shareholder(s) and the Contract Party(ies), and reviewed by Reclamation, allowing for the change of use of Project Water for Miscellaneous Purposes, or contracts for intercanal transfers.

II. APPROVAL OF PROJECT WATER FOR MISCELLANEOUS PURPOSES

Subject to the terms and conditions of this Contract, the provisions of the 1920 Act, and the terms and conditions of existing SVP contracts (including but not limited to the times of use and delivery locations), all Project Water is available to be used for Miscellaneous Purposes. Project Water may only change from its current use after the necessary Contract Parties enter into Third-Party Contracts with SVP Shareholders to use and deliver Project Water for Miscellaneous Purposes.

III. 1920 ACT COMPLIANCE

To comply with the 1920 Act, (1) this Contract must be approved by all applicable water users' associations, which Reclamation has determined consists of the Contract Parties; (2) a showing must be made that there is no other practical source of water supply for the purpose; and (3) the water furnished for Miscellaneous Purposes must not be detrimental to water service for the irrigation project or harm the rights of any prior appropriator.

These conditions are satisfied as follows:

- (a) Approval: The signature of each Contract Party to this Contract demonstrates its approval of this Contract.
- (b) No Other Practicable Source: Following extensive review of literature, reports, and other information, Reclamation has concluded that there are no other practicable sources of municipal and industrial water sufficient to meet the growth needs of south Utah County.
- (c) Protection of Irrigation: Reclamation has determined that the furnishing of Project Water for Miscellaneous Purposes under this Contract will not be detrimental to the irrigation purpose of the Project or harm the rights of any prior appropriator. The Contractual Protections section below outlines provisions for all current conveyance, operation and maintenance, and Contract Parties to remain whole.

1
2 IV. INTERCANAL TRANSFERS

3 Reclamation will not prohibit the transfer of Project Water between the Canal
4 Companies. All intercanal transfers will be in accordance with the rules and bylaws of the Canal
5 Companies involved in the transfer and must be approved in advance by the affected Canal
6 Companies. All intercanal transfers must protect SVP Irrigators through the provisions contained
7 herein for Carrier Water and OM&R payments to the original Canal Companies.

8
9 V. SVP SERVICE AREA

10 Project Water must be used exclusively within service area described in the SVP Service
11 Area map hereby attached as Exhibit A.

12
13 VI. APPURTENANCE

14 Prior to the execution of this Contract, Reclamation irrigation water, including Project
15 Water, was appurtenant to the farmland upon which it was historically used pursuant to Article 8
16 of the Reclamation Act of 1902. Project Water will no longer be considered appurtenant to the
17 farmland on which it has historically been put to beneficial use, and may be used anywhere within
18 the SVP Service Area, subject to applicable Third-Party Contracts. The federal suspension and
19 transfer process is no longer applicable to the Project Water used for Miscellaneous Purposes under
20 this Contract, subject to delivery capacity at the discretion of the Canal Company.

21
22 VII. WATER RIGHTS AND USE

23 The Project Water Rights appropriated for the SVP are held in the name of the United
24 States. The right to use and distribute Project Water is subject to federal law and contracts, and
25 applicable State law and policies, rules, and regulations. This Contract does not create, enlarge, or
26 diminish non-Project water rights held by any of the parties. Further, no third-party may claim a
27 water right based on any legal theory arising under State or federal law, before any State or federal
28 judicial or administrative body based on the use of Project Water under this Contract.

29
30 VIII. CONTRACTUAL PROTECTIONS

31 In accordance with the 1920 Act, the furnishing of Project Water for Miscellaneous
32 Purposes allowed herein must not be detrimental to water service for the irrigation Project.
33 Ensuring continued revenue and a sufficient flow of Carrier Water to the SVP Irrigators as
34 provided below, fulfills this provision.

35
36 Each time a Third-Party Contract is entered into pursuant to this Contract, the then current Canal
37 Company, must retain sufficient Carrier Water to ensure the supply of Project Water to remaining
38 SVP Irrigators. Any modifications to the location of use within the Service Area or type of use
39 contemplated under this Contract are subject to meeting this requirement. In calculating the

amount of required Carrier Water, the parties to such Third-Party Contract will consult with each other. The quantity of Project Water required to be delivered by SWUA to meet Carrier Water obligations may be adjusted from time to time, at the request of either SWUA or the Canal Company; it being the intent of the parties that Carrier Water will at all times be delivered in an amount sufficient, but not materially in excess, of the amount necessary to protect then remaining SVP Shareholders. If the affected parties cannot come to an agreement regarding the quantity of Carrier Water required, Reclamation will review the relevant data and make a final decision. Each Canal Company agrees to maintain its conveyance facilities in a reasonable state of repair for the purpose of minimizing water losses and the required amount of Carrier Water. Carrier Water in the agreed upon amounts will continue to be delivered to the Canal Company until no longer needed for the intended purpose, at which time SWUA will be entitled to allocate unused Carrier Water to one or more SVP Shareholders, in an equitable manner.

Additionally, the furnishing of water for Miscellaneous Purposes may not harm the rights of any prior appropriator. Reclamation has found and determined that the furnishing of Project Water for Miscellaneous Purposes as provided in this Contract and the Third-Party Contracts do not harm any prior appropriators.

In each Third-Party Contract in which Project Water is authorized to be moved out of a Canal Company's facilities, the SVP Shareholder will agree to continue payment to such Canal Company of all assessments, fees, and other charges to which such Canal Company is contractually entitled, regardless of whether or not such SVP Shareholder utilizes the Canal Company's facilities.

This Contract is not intended to compel SVP Shareholder to modify their water use, but establishes a process to change the end-use of Project Water at such a time as the SVP Shareholder desires.

IX. THIRD-PARTY CONTRACTS

Prior to the change of use of Project Water for Miscellaneous Purposes, or the transfer of Project Water from one Canal Company to another for continued Irrigation use on different land, a Third-Party Contract must be entered into by and between (1) the requesting SVP Shareholder (which may be a City), (2) the Contract Parties responsible for delivery of the Project Water to that SVP Shareholder, (3) the Canal Company from which the Project water is being moved (if applicable), (4) the Canal Company to which the Project water is being moved (if applicable), and (5) SWUA. with. All Third-Party Contracts must be reviewed by Reclamation to ensure that the 1920 Act and this Contract are followed. Approval and execution of each Third-Party Contract by the applicable parties, and review of each Third-Party Contract by Reclamation, will not be unreasonably withheld, conditioned or delayed. Third-Party Contracts must be in substantially the same form as Exhibit A attached hereto. Other contracts associated with the transactions contemplated in the Third-Party Contract may not contain provisions that contravene the terms and conditions of this Contract and the Third-Party Contract.

Third-Party Contracts may be amended only by written amendment signed by all parties and reviewed by Reclamation.

All Third-Party Contracts must contain the following terms:

- a) A term governing Carrier Water, as provided in Article VIII above.
- b) A term governing continued SVP Shareholder payments to the Canal Company, as provided in Article VIII above.
- c) An acknowledgement that no SVP Shareholder may claim a water right based on any legal theory arising under State or federal law or before any State or federal judicial or administrative body based on the use of Project Water under this Contract.
- d) An acknowledgement that the right to use Project Water for Miscellaneous Purposes is based strictly on the execution of federal contracts.
- e) An acknowledgement that the SVP Shareholder is subject to this Contract and federal laws, state laws, and regulations applicable to Project Water.
- f) A term specifying that if there are any conflicts between this Contract and any Third-Party Contract, this Contract will govern.
- g) A term that requires the SVP Shareholder to establish and maintain records acceptable to the Secretary pertaining to the SVP Shareholder's receipt and use of Project Water, and other matters as the Secretary may reasonably require. Records will be furnished to the Secretary in such form and on such date or dates as the Secretary may reasonably require.
- h) A provision that all other contracts stemming from the Third-Party Contracts will be subject to all the terms and conditions of the 1920 Act Contract and the Third-Party Contract.\
- i) Any changes in the place of use, point or points of diversion, or other aspects of use of Project Water that are contemplated in a Third-Party Contract but not authorized under the Project Water Rights, may only be allowed following the filing and approval of any additionally required change application, pursuant to State water law.

X. WATER DEDICATION AGREEMENTS

Reclamation will no longer sign water dedication agreements to dedicate Project Water to municipalities. All existing water dedication agreements will remain valid and enforceable, unless the parties thereto, desire to replace an existing water dedication agreement with a Third-Party Contract.

XI. INTERFERENCE

No party to this Contract will unduly interfere, inhibit, or otherwise limit any other party from exercising the rights, privileges, and powers authorized under this Contract and applicable law.

XII. ENVIRONMENTAL COMPLIANCE

Environmental compliance for this Contract was provided under Environmental Assessment No. PRO-EA-22-04 and accompanying Finding of No Significant Impact dated August 19, 2024.

1 XIII. CONTRACT EXECUTION AND TERM

2 This Contract will be effective the date it is signed by Reclamation and any single other
3 party and will continue for the life of the Project. Additional Contract Parties may sign this
4 Contract and participate in the 1920 Act Conversion, subject to the provisions of the 1920 Act,
5 any needed environmental compliance. Modification or amendment of this Contract requires the
6 written approval of all parties affected by such modification or amendment. This Contract may be
7 terminated only upon the approval of all parties, or pursuant to court order. No Contract Party that
8 has not signed this Contract may enter into Third-Party Contracts for Miscellaneous Use.

9
10 XIV. SEVERABILITY
11

12 In the event that any one or more of the provisions contained herein is, for any reason, held
13 to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability
14 will not affect any other provisions of this Contract, but this Contract is to be construed as if such
15 invalid, illegal or unenforceable provisions had never been contained herein, unless the deletion
16 of such provision or provisions would result in such a material change so as to cause the
17 fundamental benefits afforded the parties by this Contract to become unavailable or materially
18 altered.

19
20 XV. COMPLIANCE WITH LEGAL REQUIREMENTS
21

22 All Contract Parties will comply with all applicable federal, State, and local laws, executive
23 orders, rules and regulations applicable to its performance under this Contract.

24
25 STANDARD ARTICLES

26 XVI. CHARGES FOR DELINQUENT PAYMENTS

27 (a) The Contract Party will be subject to interest, administrative, and penalty charges on
28 delinquent payments. If a payment is not received by the due date, the Contract Party will pay an
29 interest charge on the delinquent payment for each day the payment is delinquent beyond the due
30 date. If a payment becomes 60 days delinquent, the Contract Party will pay, in addition to the
31 interest charge, an administrative charge to cover additional costs of billing and processing the
32 delinquent payment. If a payment is delinquent 90 days or more, the Contract Party will pay, in
33 addition to the interest and administrative charges, a penalty charge for each day the payment is
34 delinquent beyond the due date, based on the remaining balance of the payment due at the rate of
35 6 percent per year. The Contract Party will also pay any fees incurred for debt collection services
36 associated with a delinquent payment.

37 (b) The interest rate charged will be the greater of either the rate prescribed quarterly in
38 the Federal Register by the Department of the Treasury for application to overdue payments, or
39 the interest rate of 0.5 percent per month. The interest rate charged will be determined as of the
40 due date and remain fixed for the duration of the delinquent period.

(c) When a partial payment on a delinquent account is received, the amount received will be applied first to the penalty charges, second to the administrative charges, third to the accrued interest, and finally to the overdue payment

XVII. GENERAL OBLIGATION-BENEFITS CONDITIONED UPON PAYMENT

(a) The obligation of the Contract Party to pay Reclamation as provided in this contract is a general obligation of the Contract Party notwithstanding the manner in which the obligation may be distributed among the Contract Party's water users and notwithstanding the default of individual water users in their obligation to the Contract Party.

(b) The payment of charges becoming due pursuant to this contract is a condition precedent to receiving benefits under this contract. Reclamation will not make water available to the Contract Party through Project facilities during any period in which the Contract Party is in arrears in the advance payment of any operation and maintenance charges due Reclamation or in arrears for more than 12 months in the payment of any construction charges due Reclamation. The Canal Companies will not deliver water under the terms and conditions of this contract for lands or parties that are in arrears in the advance payment of water rates or operation and maintenance charges levied or established by the Canal Companies.

XVIII. CONFIRMATION OF CONTRACT

Promptly after the execution of this contract, each Contract Party will provide evidence to the Contracting Officer that, pursuant to the laws of the State of Utah, the Contract Party is a legally constituted entity and the contract is lawful, valid, and binding on the Contract Party. This contract will not be binding on Reclamation until the Contract Party provides evidence to the Contracting Officer's satisfaction. In addition to other forms of evidence to meet the requirements of this Article, the Contract Party may provide or the Contracting Officer may require a certified copy of a final decree of a court of competent jurisdiction in the State of Utah, confirming the proceedings on the part of the Contract Party for the authorization of the execution of this contract.

XIX. NOTICES

Any notice, demand, or request authorized or required by this contract will be deemed to have been given, on behalf of the Contract Party, when mailed, postage prepaid, or delivered to the Upper Colorado Basin Regional Director, Bureau of Reclamation, 125 S. State Street, SLC, UT 84138 and on behalf of Reclamation, when mailed, postage prepaid, or delivered to the _____ of the Contract Party, . . . The designation of the addressee or the address may be changed by notice given in the same manner as provided in this article for other notices.

XX. CONTINGENT ON APPROPRIATION OR ALLOTMENT OF FUNDS

The expenditure or advance of any money or the performance of any obligation of Reclamation under this contract will be contingent upon appropriation or allotment of funds. Absence of appropriation or allotment of funds will not relieve the Contract Party from any obligations under this contract. No liability will accrue to Reclamation in case funds are not appropriated or allotted.

1 XXI. OFFICIALS NOT TO BENEFIT

2 No Member of or Delegate to the Congress, Resident Commissioner, or official of the
3 Contract Party will benefit from this contract other than as a water user or landowner in the same
4 manner as other water users or landowners.

5
6 XXII. CHANGES IN CONTRACT PARTY'S ORGANIZATION

7 While this contract is in effect, no change may be made in the Contract Party's
8 organization, by inclusion or exclusion of lands or by any other changes which may affect the
9 respective rights, obligations, privileges, and duties of either Reclamation or the Contract Party
10 under this contract including, but not limited to, dissolution, consolidation, or merger, except
11 upon the Contracting Officer's written consent.

12
13 XXIII. ASSIGNMENT LIMITED – SUCCESSORS AND ASSIGNS OBLIGATED

14 The provisions of this contract will apply to and bind the successors and assigns of the
15 parties hereto, but no assignment or transfer of this contract or any right or interest therein by
16 either party will be valid until approved in writing by the other party.

17
18 XXIV. BOOKS, RECORDS, AND REPORTS

19 The Contract Party will establish and maintain accounts and other books and records
20 pertaining to administration of the terms and conditions of this contract, including the Contract
21 Party's financial transactions; water supply data; project operation, maintenance, and replacement
22 logs; project land and rights-of-way use agreements; the water users' land-use (crop census),
23 land-ownership, land-leasing, and water-use data; and other matters that the Contracting Officer
24 may require. Reports will be furnished to the Contracting Officer in such form and on such date
25 or dates as the Contracting Officer may require. Subject to applicable Federal laws and
26 regulations, each party to this contract will have the right during office hours to examine and
27 make copies of the other party's books and records relating to matters covered by this contract.

28
29 XXV. RULES, REGULATIONS, AND DETERMINATIONS

30 (a) The parties agree that the delivery of water or the use of Federal facilities pursuant to
31 this contract is subject to Federal reclamation law, as amended and supplemented, and the rules
32 and regulations promulgated by the Secretary of the Interior under Federal reclamation law.¹

33 (b) The Contracting Officer will have the right to make determinations necessary to
34 administer this contract that are consistent with its expressed and implied provisions, the laws of
35 Reclamation and the State of Utah, and the rules and regulations promulgated by the Secretary of
36 the Interior. Such determinations will be made in consultation with the Contract Parties.

37
38 XXVI. PROTECTION OF WATER AND AIR QUALITY

39 (a) The operation and maintenance entities, without expense to Reclamation, will care
40 for, operate and maintain transferred works in a manner that preserves the quality of the water at
41 the highest feasible level as determined by the Contracting Officer.

42 (b) Reclamation does not warrant the quality of the water delivered to the Contract Party
43 and is under no obligation to furnish or construct water treatment facilities to maintain or
44 improve the quality of water delivered to the Contract Party.

45 (c) The Contract Party will comply with all applicable water and air pollution laws and
46 regulations of Reclamation and the State of Utah; and will obtain all required permits or licenses

1 from the appropriate federal, State, or local authorities necessary for the delivery of water by the
2 Contract Party; and will be responsible for compliance with all federal, State, and local water
3 quality standards applicable to surface and subsurface drainage and/or discharges generated
4 through the use of Federal facilities or project water provided to the Contract Parties within its
5 Project Water Service Area.

6 (d) This article will not affect or alter any legal obligations of the Secretary to provide
7 drainage or other discharge services.
8

9 XXVII. WATER CONSERVATION

10 Prior to the delivery of water provided from or conveyed through federally constructed or
11 federally financed facilities pursuant to this contract, the Contract Party will develop a water
12 conservation plan, as required by subsection 210(b) of the Reclamation Reform Act of 1982 and
13 43 C.F.R. 427.1 (Water Conservation Rules and Regulations).
14

15 XXVIII. COMPLIANCE WITH CIVIL RIGHTS LAWS AND REGULATIONS

16 (a) The Contract Party will comply with Title VI of the Civil Rights Act of 1964 (Pub. L.
17 88-352; 42 U.S.C. § 2000d), the Rehabilitation Act of 1973 (Pub. L. 93-112, Title V, as
18 amended; 29 U.S.C. § 791, et seq.), the Age Discrimination Act of 1975 (Pub. L. 94-135, Title
19 III; 42 U.S.C. § 6101, et seq.), [Title II of the Americans with Disabilities Act of 1990 (Pub. L.
20 101-336; 42 U.S.C. § 12131, et seq.)] [Title III of the Americans with Disabilities Act of 1990
21 (Pub. L. 101-336; 42 U.S.C. § 12181, et seq.)], and any other applicable civil rights laws, and
22 with the applicable implementing regulations and any guidelines imposed by the U.S.
23 Department of the Interior and/or Bureau of Reclamation.

24 (b) These statutes prohibit any person in the United States from being excluded from
25 participation in, being denied the benefits of, or being otherwise subjected to discrimination
26 under any program or activity receiving financial assistance from the Bureau of Reclamation on
27 the grounds of race, color, national origin, disability, or age. By executing this contract, the
28 Contract Party agrees to immediately take any measures necessary to implement this obligation,
29 including permitting officials of Reclamation to inspect premises, programs, and documents.

30 (c) The Contract Party makes this agreement in consideration of and for the purpose of
31 obtaining any and all Federal grants, loans, contracts, property discounts, or other Federal
32 financial assistance extended after the date hereof to the Contract Party by the Bureau of
33 Reclamation, including installment payments after such date on account of arrangements for
34 Federal financial assistance which were approved before such date. The Contract Party
35 recognizes and agrees that such Federal assistance will be extended in reliance on the
36 representations and agreements made in this article and that Reclamation reserves the right to
37 seek judicial enforcement thereof.

38 (d) Complaints of discrimination against the Contract Party will be investigated by the
39 Contracting Officer's Office of Civil Rights.
40

41 XXIX. MEDIUM FOR TRANSMITTING PAYMENTS

42 (a) All payments from the Contract Party to Reclamation under this contract will be by
43 the medium requested by Reclamation on or before the date payment is due. The required
44 method of payment may include checks, wire transfers, or other types of payment specified by
45 Reclamation.

1 (b) Upon execution of the contract, the Contract Party will furnish the Contracting
2 Officer with the Contract Party's taxpayer's identification number (TIN). The purpose for
3 requiring the Contract Party's TIN is for collecting and reporting any delinquent amounts arising
4 out of the Contract Party's relationship with Reclamation.

5
6 **XXX. CONTRACT DRAFTING CONSIDERATIONS**

7 This Contract has been negotiated and reviewed by the parties hereto, each of whom is
8 sophisticated in the matters to which this Contract pertains. Articles 1 through 31 of this Contract
9 have been drafted, negotiated, and reviewed by the parties, and no one party will be considered
10 to have drafted the stated articles

11
12 **XXXI. AVAILABILITY AND ALLOCATION OF WATER**

13 (a) In its operation of the Project, the Contracting Officer will use all reasonable means to
14 guard against a condition of shortage in the quantity of water to be made available to the
15 Contract Party pursuant to this Contract. In the event the Contracting Officer determines that a
16 condition of shortage appears probable, the Contracting Officer will notify the Contract Party of
17 said determination as soon as practicable.

18 (b) If there is a condition of shortage because of inaccurate runoff forecasting or other
19 similar operational errors affecting the Project; drought and other physical or natural causes
20 beyond the control of the Contracting Officer; or actions taken by the Contracting Officer to
21 meet current and future legal obligations, then no liability will accrue against Reclamation or any
22 of its officers, agents, or employees for any damage, direct or indirect, arising therefrom.

IN WITNESS WHEREOF, the Parties hereto have caused this Contract to be duly
executed the day and year first written above.

REVIEWED FOR LEGAL SUFFICIENCY:
UNITED STATES OF AMERICA

Office of the Regional Solicitor

Regional Director
Bureau of Reclamation
Interior Region 7 – Upper Colorado Basin

LAKE SHORE IRRIGATION COMPANY
SPANISH FORK SOUTH IRRIGATION CO.
THE SPANISH FORK SOUTH IRRIGATION COMPANY
EAST BENCH CANAL COMPANY
SPANISH FORK WEST FIELD IRRIGATION CO.
SPANISH FORK SOUTH EAST IRRIGATION COMPANY
FARMERS OF CLINTON UNIT
SPANISH FORK CITY
PAYSON CITY
STRAWBERRY HIGH LINE CANAL COMPANY
SALEM IRRIGATION AND CANAL COMPANY
P.E. & LELIA WHITING
JOHN H. HAYES, JOHN I. HAYES, AND BESEY A. HAYES
FARMERS OF SOLIDER FORK UNIT
SPRINGVILLE IRRIGATION DISTRICT
MAPLETON IRRIGATION DISTRICT
TOWN OF SALEM
STRAWBERRY WATER USERS ASSOCIATION