

For Internal Use

Reference Date: 05-11-2023

Contract No.: 22SD102178

Type: Pay-Go

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF RECLAMATION

Yakima Project, Storage Division

CONTRACT BETWEEN THE UNITED STATES OF AMERICA  
AND THE CITY OF YAKIMA FOR  
REPAYMENT OF SAFETY OF DAMS COSTS

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Contract No.: 22SD102178  
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**UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF RECLAMATION**

**YAKIMA PROJECT, STORAGE DIVISION**

**CONTRACT BETWEEN THE UNITED STATES OF AMERICA  
AND THE CITY OF YAKIMA FOR  
REPAYMENT OF SAFETY OF DAMS COSTS**

1. **THIS REPAYMENT CONTRACT**, hereinafter referred to as the "Contract," is made pursuant to the Reclamation Act of June 17, 1902 (32 Stat. 388) and acts amendatory thereof or supplementary thereto, including the Reclamation Safety of Dams Act of 1978 (Public Law 95-578; 43 U.S.C. § 506, et seq.), as amended; all of which are commonly referred to as the Federal Reclamation Laws, between the **UNITED STATES OF AMERICA**, hereinafter referred to as the "United States," acting through the Department of the Interior, Bureau of Reclamation, hereinafter referred to as "Reclamation," and the **CITY OF YAKIMA**, hereinafter referred to as the "Contractor," a municipal corporation existing under and by virtue of the laws of the State of Washington.

**WITNESSETH THAT:**

2. **EXPLANATORY RECITALS**

The following statements are made in explanation:

(a) **WHEREAS**, the United States completed construction of Kachess Dam in 1912 as a feature of the Storage Division, Yakima Project (Project); and

- (b) **WHEREAS**, the Reclamation Safety of Dams Act of 1978 (Public Law 95-578; 43 U.S.C. § 506, et seq.), as amended, authorizes the Secretary of the Interior, through Reclamation, to perform Safety of Dams modifications; and
- (c) **WHEREAS**, investigations and studies completed under Reclamation's Safety of Dams Program have confirmed that dam safety issues exist at Kachess Dam that contribute to the risk of failure, and Reclamation has concluded that the possibility of the failure modes and the associated potential loss of life, property damages, and loss of benefits requires that risk reduction actions be implemented at Kachess Dam; and
- (d) **WHEREAS**, the Commissioner of Reclamation has approved certain work to make the dam safe while providing project benefits and protecting downstream property and lives; and
- (e) **WHEREAS**, the need for Safety of Dams modifications at Kachess Dam results from new hydrologic or seismic data or changes in state-of-the-art criteria deemed necessary for safety purposes, and thus the Reclamation Safety of Dams Act of 1978 (Public Law 95-578; 43 U.S.C. §506, et seq.), as amended, and Reclamation policy provide that 15 percent of the costs incurred for the Safety of Dams modifications shall be allocated to authorized reimbursable purposes of the structure, and thus are reimbursable by the Irrigation and Municipal and Industrial water supply purposes users; and
- (f) **WHEREAS**, the Contractor is a Project water user that benefits from the Project and is responsible for repayment of its proportionate share of the reimbursable cost of the corrective Safety of Dams Modifications; and
- (g) **WHEREAS**, pursuant to the contract of December 22, 1952 (Contract No. I23r-629) and the May 2, 2011 Successor in Interest to a portion of the contract of July 21, 1926 (Contract I1r-37), as such contracts may have been supplemented and amended, the Contractor receives a

supply of water from Project Storage Division facilities, which includes Kachess Dam, for Municipal and Industrial use. Based on the amount of contracted Project water provided pursuant to the above-referenced contracts, the Contractor's proportionate share of the Total Reimbursable Cost allocable to Municipal and Industrial water supply is determined to be 44.18758 percent; and

(h) **WHEREAS**, the Contractor desires and is willing to repay its proportionate share of the reimbursable cost for the modification of Kachess Dam as the construction work proceeds, and Reclamation is agreeable to such arrangements as provided hereinafter; and

(i) **WHEREAS**, Reclamation has met all environmental compliance requirements for the execution of this Contract through preparation and issuance of an Environmental Assessment and Finding of No Significant Impact, PN-FONSI 22-07 approved on September 22, 2022.

**NOW, THEREFORE**, in consideration of the mutual covenants and stipulations herein contained, it is mutually agreed by and between the parties hereto as follows:

### 3. **DEFINITIONS**

The following terms, whenever used in this Contract, shall have the following respective meanings:

(a) "Contracting Officer" means the Regional Director of the Columbia-Pacific Northwest Interior Region 9 of the United States Bureau of Reclamation, as the Federal official authorized to execute and administer this Contract on behalf of the United States in accordance with applicable Federal Reclamation Law, regulation, and policy.

(b) "Contractor's Repayment Obligation" means the Contractor's share of the Total Reimbursable Cost to correct the deficiencies at Kachess Dam.

- (c) “Interest During Construction” or “IDC” means the amount of annual interest that accrues on Federal expenditures during the period of construction of the Safety of Dams Modifications.
- (d) “Irrigation Use” means the use of water to irrigate land primarily for the production of commercial agricultural crops or livestock, and domestic and other uses that are incidental thereto.
- (e) “Municipal and Industrial Use” means the use of water for municipal, industrial, and miscellaneous other purposes not falling under the definition of Irrigation use or within another category of water use under an applicable Federal authority.
- (f) “Safety of Dams Act” means the Reclamation Safety of Dams Act of 1978 (Public Law 95-578; 43 U.S.C. § 506, *et seq.*), as amended by the Reclamation Safety of Dams Act Amendments of August 28, 1984 (Public Law 98-404), October 27, 2000 and several subsequent Acts, including (Public Law 106-377), December 3, 2004 (Public Law 107-117, Public Law 108-439), and December 18, 2015 (Public Law 114-113).
- (g) “Safety of Dams Modifications” means any work or modifications identified by Reclamation as necessary to correct safety deficiencies at Kachess Dam.
- (h) “Substantial Completion” means the point that Reclamation determines, in its sole discretion, that the Safety of Dams Modifications work is far enough along that the dam safety risk has been reduced to an acceptable level.
- (i) “Total Reimbursable Cost” means 15 percent of the actual total Safety of Dams Modifications cost to correct the deficiencies at Kachess Dam, as provided in the Safety of Dams Act and Reclamation policy.

4. **CONTRACT TERM AND SCOPE**

(a) This Contract shall become effective upon the date of signature of the last signatory party herein, and its provisions shall remain in effect until the Contractor has paid all amounts owed to the United States under this Contract.

(b) This Contract does not affect other contracts between the United States and the Contractor unless the terms of those other contracts are contrary to the terms of this Contract, in which case the terms of this Contract shall prevail. This Contract shall not be deemed a new or amended contract for the purposes of Section 203(a) of the Reclamation Reform Act of 1982 (96 Stat. 1263 to 1274).

5. **SAFETY OF DAMS MODIFICATIONS WORK TO BE PERFORMED**

(a) The United States will finance and perform all construction of the Safety of Dams Modifications work. The Safety of Dams Modifications work is anticipated to begin in calendar year 2023 and is estimated to be Substantially Complete in calendar year 2027. The Safety of Dams Modifications are projected to include the following work, described below, as may be further defined by the Contracting Officer:

- (1) Clearing and grubbing of trees in the construction project area.
- (2) Development of access roads and construction contractor use areas.
- (3) Upgrade electrical service to dam site.
- (4) Fabrication and delivery of pipes.
- (5) Excavation of foundation for outlet works conduit extension.
- (6) Construction of conduit extension.
- (7) Placement of a four-sided diaphragm filter around conduit extension.
- (8) Installation of concrete around the pipe downstream of the conduits.

(9) Construction of a stability berm above the filter zone.

(10) Installation of a drainage system and inspection well.

Should it appear necessary or desirable to the Contracting Officer either before or during construction, Safety of Dams Modifications work may be modified in design or location, work may be eliminated, or other work may be added thereto, in keeping with the objectives of this Contract. The Contracting Officer will notify the Contractor, in advance, of any substantial change in modification requirements or work.

(b) The Contracting Officer shall determine and notify the Contractor in writing when the work as described in this article is Substantially Complete.

6. **COST OF MODIFICATIONS AND CONTRACTOR'S REPAYMENT OBLIGATION**

(a) The total estimated cost for Safety of Dams Modifications is thirty-seven million (\$37,000,000) dollars, of which fifteen percent (15%), or an estimated five million five hundred and fifty thousand dollars ( $\$5,550,000 = \$37,000,000 \times 0.15$ ) is the Total Reimbursable Cost.

(b) Based on economic benefit calculations performed by Reclamation ninety-three percent (93%) of the Total Reimbursable Cost is to be allocated to Irrigation water supply and is estimated to be five million one hundred sixty-one thousand and five hundred dollars ( $\$5,161,500 = \$5,550,000 \times 0.93$ ), hereinafter referred to as the "Allocated Reimbursable Cost to Irrigation Water Supply." Seven percent (7%) of the Total Reimbursable Cost is to be allocated to Municipal and Industrial water supply and is estimated to be three hundred eighty-eight thousand and five hundred dollars ( $\$388,500 = \$5,550,000 \times 0.07$ ), hereinafter referred to as the "Allocated Reimbursable Cost to Municipal and Industrial Water Supply."

(c) The Contractor's Repayment Obligation is the Contractor's proportionate share of the Allocated Reimbursable Cost to Municipal and Industrial Water Supply and shall be 44.18758 percent of the Allocated Reimbursable Cost to Municipal and Industrial Water Supply. Accordingly, the Contractor's Repayment Obligation is estimated to be one hundred seventy-one thousand six hundred sixty-nine dollars (\$171,669 = \$388,500 x 0.4418758). This obligation may be adjusted under the provisions of Article 8 and Article 9 of this Contract.

(d) The Contractor understands that the figures in sub-articles 6(a)-(c) above are estimates only and that the Contractor is responsible for its proportionate share of the actual cost of Safety of Dams Modifications. It is understood that the total costs of Safety of Dams Modifications may exceed the estimated costs due to circumstances encountered during the performance of the Safety of Dams Modifications. If this occurs, the Contractor is responsible for its proportionate share of the additional costs. Likewise, if the actual costs are less than the estimated costs, it is understood that the Contractor is only responsible for its proportionate share of the actual costs.

(e) The Contracting Officer, at his/her discretion, will make reasonable efforts to complete the Safety of Dams Modifications within the cost estimate in sub-article 6(a) above. If it becomes evident during the course of the Safety of Dams Modifications that the costs will exceed the estimate, the Contracting Officer will inform the Contractor of this conclusion in writing with documentation of the reason for the additional costs and an itemized summary of the costs incurred.

7. Omitted.

8. **MUNICIPAL AND INDUSTRIAL WATER SUPPLY ALLOCATION -  
REPAYMENT OF CONTRACTOR'S OBLIGATION**

(a) Annual Payments During the Construction Period:



(1) The Contractor agrees to make annual payments for the repayment of the Contractor's Repayment Obligation, without interest, in the same proportion to Reclamation's expenditure of Safety of Dams Program funds, beginning in the year that the Safety of Dams Modifications work is initiated through the year in which the Contracting Officer provides the Contractor with written notice of the Substantial Completion of the Safety of Dams Modifications work. On or before September 1 of each year during the construction period of the Safety of Dams Modifications work the Contractor shall pay to the United States its annual amount identified as due and payable on the schedule shown in Exhibit B, which may be updated, as provided herein, from time to time without amendment of this Contract.

(2) After the execution of this Contract, the Contractor may request that any portion of a required annual payment(s), including the full amount(s), be postponed and added to the amount scheduled to become due in a subsequent or later year during the construction period: Provided, that such a request be made in writing to the Contracting Officer at least one-hundred eighty (180) days prior to the required annual payment becoming due: Provided, further, that unless and until the Contracting Officer grants written approval to the Contractor, as provided in sub-article 8(b), the Contractor shall make its annual payments as scheduled in Exhibit B.

(b) Postponement of Annual Payments – Interest Charges Applicable:

(1) The total amount of the Contractor's required annual payment(s) requested to be postponed shall be subject to Interest During Construction charges and accrual during the postponement period until the amounts are repaid.

(2) The interest rate used for determining the Interest During Construction charges applicable to the amount of postponed annual payment(s) shall be the rate determined by the

Secretary of the United States Treasury which is in effect for the fiscal year in which federal funds are expended for the Safety of Dams Modifications work.

(3) Within sixty (60) days of receipt of the Contractor's request made pursuant to sub-article 8(a)(2), the Contracting Officer will provide written notice of approval of Contractor's request. A revised and updated Exhibit B will be issued by the Contracting Officer at such time.

(c) Prepayments Authorized:

Notwithstanding the schedule of payments provided in Exhibit B, the Contractor may prepay all or any portion of the outstanding balance of the Contractor's Repayment Obligation prior to the payment becoming due.

9. STATEMENT OF COSTS

The costs which make up the various obligations to be paid by the Contractor to the United States under this Contract shall embrace all expenditures of whatsoever nature or kind in discharge of the obligations undertaken pursuant to Article 5(a), including, but without limitation by reason of this enumeration, cost of surveys and investigations, labor, property, material and equipment, engineering, legal work, superintendence, administration, overhead, general inspection services, and claims of all kinds, whether or not involving the negligence of officers, agents, or employees of the United States. The Contracting Officer's determinations as to what costs are properly chargeable under this Contract, and as to the classification of those charges for repayment purposes, shall be conclusive.

10. TITLE

Title to the works and facilities constructed, repaired, or replaced pursuant to this Contract shall be and remain in the United States.

## 11. **STANDARD PROVISIONS**

The Standard Provisions applicable to this Contract are listed below. The full text of these articles is attached as Exhibit A and is hereby made a part of the Contract.

- a. Charges for Delinquent Payments
- b. General Obligation - Benefits Conditioned Upon Payment
- c. Confirmation of Contract
- d. Notices
- e. Contingent on Appropriation or Allotment of Funds
- f. Officials Not to Benefit
- g. Changes in Contractor's Organization
- h. Books, Records, and Reports
- i. Equal Employment Opportunity
- j. Compliance with Civil Rights Laws and Regulations
- k. Certification of Nonsegregated Facilities
- l. Medium for Transmitting Payments
- m. Contract Drafting Considerations

IN WITNESS WHEREOF, the parties hereto have signed their names as of the day and  
year first above written.

**CITY OF YAKIMA**

By: [Signature]

Title: City manager

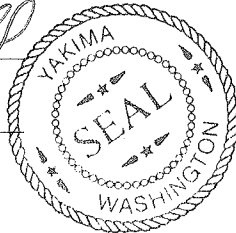
Date: Aug. 2, 2022

(SEAL)

CITY CONTRACT NO: 2022-128  
RESOLUTION NO: 12-2022-093

ATTEST:

By: [Signature]  
Title: City Clerk



**THE UNITED STATES OF AMERICA**

By: [Signature]  
Regional Director  
U.S. Bureau of Reclamation  
Columbia-Pacific Northwest Interior  
Region 9

Date: 5/11/2023

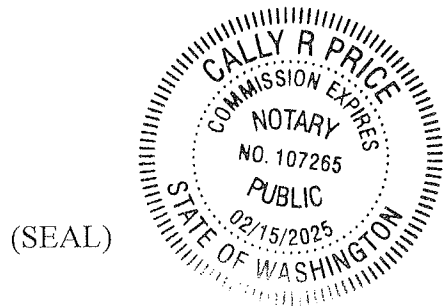
STATE OF WASHINGTON)

:SS

County of Yakima)

On this 2 day of August, 2022, personally appeared before me Robert Harrison and \_\_\_\_\_, known to me to be the official(s) of the CITY OF YAKIMA that executed the within and foregoing instrument and acknowledged said instrument to be the free and voluntary act and deed of said CITY OF YAKIMA and on oath stated they are authorized to execute said instrument.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal as of the day and year first above written.



Cally R. Price  
Notary Public in and for the  
State of Washington  
Residing at: Yakima  
My commission expires: 2/15/2025

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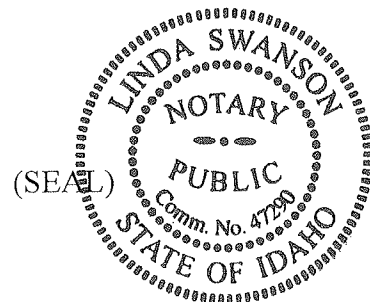
STATE OF IDAHO )

: SS

County of Ada )

On this 11<sup>th</sup> day of May, 2023, personally appeared before me Jennifer J. Carrington, known to me to be the official of the UNITED STATES OF AMERICA that executed the within and foregoing instrument and acknowledged said instrument to be the free and voluntary act and deed of said UNITED STATES OF AMERICA, for the uses and purposes therein mentioned, and on oath stated that they are authorized to execute said instrument.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal as of the day and year first above written.



Linda Swanson  
Notary Public in and for the  
State of IDAHO  
Residing at: Meridian, ID  
My commission expires: 6/2/2024

## EXHIBIT A

### STANDARD PROVISIONS

#### CHARGES FOR DELINQUENT PAYMENTS

a. (1) The Contractor shall be subject to interest, administrative, and penalty charges on delinquent payments. If a payment is not received by the due date, the Contractor shall pay an interest charge on the delinquent payment for each day the payment is delinquent beyond the due date. If a payment becomes 60 days delinquent, the Contractor shall pay, in addition to the interest charge, an administrative charge to cover additional costs of billing and processing the delinquent payment. If a payment is delinquent 90 days or more, the Contractor shall pay, in addition to the interest and administrative charges, a penalty charge for each day the payment is delinquent beyond the due date, based on the remaining balance of the payment due at the rate of 6 percent per year. The Contractor shall also pay any fees incurred for debt collection services associated with a delinquent payment.

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

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

#### GENERAL OBLIGATION--BENEFITS CONDITIONED UPON PAYMENT

b. (1) The obligation of the Contractor to pay the United States as provided in this Contract is a general obligation of the Contractor notwithstanding the manner in which the obligation may be distributed among the Contractor's water users and notwithstanding the default of individual water users in their obligations to the Contractor.

(2) The payment of charges becoming due pursuant to this Contract is a condition precedent to receiving benefits under this Contract. The United States shall not make water available to the Contractor through Yakima Project, Storage Division facilities during any period in which the Contractor is in arrears in the advance payment of the any operation and maintenance charges due the United States or in arrears for more than 12 months in the payment of any construction charges due the United States. The Contractor shall not deliver water under the terms and conditions of this Contract for lands or parties that are in arrears in the advance payment of operation and maintenance charges or in arrears more than 12 months in the payment of construction charges as levied or established by the Contractor.

## CONFIRMATION OF CONTRACT

c. Promptly after the execution of this Contract, the Contractor will provide evidence to the Contracting Officer that, pursuant to the laws of the State of Washington, the Contractor is a legally constituted entity and the contract is lawful, valid, and binding on the Contractor. This Contract will not be binding on the United States until the Contractor provides evidence to the Contracting Officer's satisfaction. In addition to other forms of evidence to meet the requirements of this article, the Contractor 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 Washington, confirming the proceedings on the part of the Contractor for the authorization of the execution of this Contract.

## NOTICES

d. Any notice, demand, or request authorized or required by this Contract shall be deemed to have been given, on behalf of the Contractor, when mailed, postage prepaid, or delivered to the Regional Director, Columbia-Pacific Northwest Interior Region 9, Bureau of Reclamation, 1150 North Curtis Road, Suite 100, Boise, Idaho 83706-1234, and on behalf of the United States, when mailed, postage prepaid, or delivered to City Manager, City of Yakima, 129 North Second Street, Yakima, Washington 98901. 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.

## CONTINGENT ON APPROPRIATION OR ALLOTMENT OF FUNDS

e. The expenditure or advance of any money or the performance of any obligation of the United States under this Contract shall be contingent upon appropriation or allotment of funds. Absence of appropriation or allotment of funds shall not relieve the Contractor from any obligations under this Contract. No liability shall accrue to the United States in case funds are not appropriated or allotted.

## OFFICIALS NOT TO BENEFIT

f. No Member of or Delegate to the Congress, Resident Commissioner or official of the Contractor shall benefit from this Contract other than as a water user or landowner in the same manner as other water users or landowners.

## CHANGES IN CONTRACTOR'S ORGANIZATION

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

## BOOKS, RECORDS, AND REPORTS

h. The Contractor shall establish and maintain accounts and other books and records pertaining to administration of the terms and conditions of this Contract, including the Contractor's water supply data; water-use data; and other matters that the Contracting Officer may require. Reports shall be furnished to the Contracting Officer in such form and on such date or dates as the Contracting Officer may require. Subject to applicable Federal laws and regulations, each party to this Contract shall have the right during office hours to examine and make copies of the other party's books and records relating to matters covered by this Contract.

## EQUAL EMPLOYMENT OPPORTUNITY

i. During the performance of this Contract, the Contractor agrees as follows:

(1) The Contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, gender identity, or national origin. The Contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, sexual orientation, gender identity, 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 Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Contracting Officer setting forth the provisions of this nondiscrimination clause.

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

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

(4) The Contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency Contracting Officer, advising the labor union or workers' representative of the Contractor's commitments under section 202 of Executive Order No. 11246



of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

(5) The Contractor will comply with all provisions of Executive Order No. 11246 of Sept. 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.

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

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

(8) The Contractor will include the provisions of paragraphs (1) through (8) in every subcontract or purchase order unless exempted by the rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order No. 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The Contractor will take such action with respect to any subcontract or purchase order as may be directed by the Secretary of Labor as a means of enforcing such provisions, including sanctions for noncompliance: *Provided, however*, that in the event the Contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction, the Contractor may request the United States to enter into such litigation to protect the interests of the United States.

#### COMPLIANCE WITH CIVIL RIGHTS LAWS AND REGULATIONS

j. (1) The Contractor shall comply with Title VI of the Civil Rights Act of 1964 (Pub. L. 88-352; 42 U.S.C. § 2000d), the Rehabilitation Act of 1973 (Pub. L. 93-112, Title V, as amended; 29 U.S.C. § 791, et seq.), the Age Discrimination Act of 1975 (Pub. L. 94-135, Title III; 42 U.S.C. § 6101, et seq.), Title II of the Americans with Disabilities Act of 1990 (Pub. L. 101-336; 42 U.S.C. § 12131, et seq.), and any other applicable civil rights laws, and with the applicable implementing regulations and any guidelines imposed by the U.S. Department of the Interior and/or Bureau of Reclamation.

(2) These statutes prohibit any person in the United States from being excluded from participation in, being denied the benefits of, or being otherwise subjected to discrimination under any program or activity receiving financial assistance from the Bureau of Reclamation on

the grounds of race, color, national origin, disability, or age. By executing this Contract, the Contractor agrees to immediately take any measures necessary to implement this obligation, including permitting officials of the United States to inspect premises, programs, and documents.

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

(4) Complaints of discrimination against the Contractor shall be investigated by the Contracting Officer's Office of Civil Rights.

#### CERTIFICATION OF NONSEGREGATED FACILITIES

k. The Contractor hereby certifies that it does not maintain or provide for its employees any segregated facilities at any of its establishments and that it does not permit its employees to perform their services at any location under its control where segregated facilities are maintained. It certifies further that it will not maintain or provide for its employees any segregated facilities at any of its establishments and that it will not permit its employees to perform their services at any location under its control where segregated facilities are maintained. The Contractor agrees that a breach of this certification is a violation of the Equal Employment Opportunity clause in this Contract. As used in this certification, the term "segregated facilities" means any waiting rooms, work areas, rest rooms and wash rooms, restaurants and other eating areas, time clocks, locker rooms and other storage or dressing areas, parking lots, drinking fountains, recreation or entertainment areas, transportation, and housing facilities provided for employees which are segregated by explicit directive or are in fact segregated on the basis of race, creed, color, or national origin, because of habit, local custom, disability, or otherwise. The Contractor further agrees that (except where it has obtained identical certifications from proposed subcontractors for specific time periods) it will obtain identical certifications from proposed subcontractors prior to the award of subcontracts exceeding \$10,000 which are not exempt from the provisions of the Equal Employment Opportunity clause; that it will retain such certifications in its files; and that it will forward the following notice to such proposed subcontractors (except where the proposed subcontractors have submitted identical certifications for specific time periods):

#### NOTICE TO PROSPECTIVE SUBCONTRACTORS OF REQUIREMENT FOR CERTIFICATIONS OF NONSEGREGATED FACILITIES

A Certification of Nonsegregated Facilities must be submitted prior to the award of a subcontract exceeding \$10,000 which is not exempt from the provisions of the Equal Employment Opportunity clause. The certification may be submitted either for each subcontract

or for all subcontracts during a period (i.e., quarterly, semiannually, or annually). Note: The penalty for making false statements in offers is prescribed in 18 U.S.C. § 1001.

#### MEDIUM FOR TRANSMITTING PAYMENTS

l. (1) All payments from the Contractor to the United States under this Contract shall be by the medium requested by the United States on or before the date payment is due. The required method of payment may include checks, wire transfers, or other types of payment specified by the United States.

(2) Upon execution of the Contract, the Contractor shall furnish the Contracting Officer with the Contractor's taxpayer's identification number (TIN). The purpose for requiring the Contractor's TIN is for collecting and reporting any delinquent amounts arising out of the Contractor's relationship with the United States.

#### CONTRACT DRAFTING CONSIDERATIONS

m. This Contract has been negotiated and reviewed by the parties hereto, each of whom is sophisticated in the matters to which this Contract pertains.

## EXHIBIT B

### SCHEDULE OF ESTIMATED PAYMENTS OF CONTRACTOR'S SAFETY OF DAMS REPAYMENT OBLIGATION

The total estimated cost for the Safety of Dams Modifications is thirty-seven million (\$37,000,000) dollars. The Total Reimbursable Cost is estimated at five million five hundred and fifty thousand dollars ( $\$5,550,000 = \$37,000,000 \times 0.15$ ). Based on economic benefit calculations performed by Reclamation ninety-three percent (93%) of the Total Reimbursable Cost is to be allocated to the Irrigation water supply and is estimated to be five million one hundred sixty-one thousand and five hundred dollars ( $\$5,161,500 = \$5,550,000 \times 0.93$ ). Seven percent (7%) of the Total Reimbursable Cost is to be allocated to Municipal and Industrial water supply and is estimated to be three hundred eighty-eight thousand and five hundred dollars ( $\$388,500 = \$5,550,000 \times 0.07$ ).

As provided in Article 6 of the Contract, the Contractor's Repayment Obligation is the Contractor's proportionate share of the Allocated Reimbursable Cost to Municipal and Industrial Water Supply, which is 44.18758 percent of \$388,500 and estimated to be \$171,669.

Based on the currently anticipated construction schedule and budget for the Safety of Dams Modifications work the Contractor's annual payments during the period of construction are:

Payment Date Due	Payment Amount
September 1, 2023	\$56,651
September 1, 2024	\$92,701
September 1, 2025	\$11,330
September 1, 2026	\$6,009
September 1, 2027	\$4,978

The Contractor's Repayment Obligation and the estimated payment amounts displayed above do not reflect any adjustment for the assessment and accumulation of Interest During Construction, which may become due in accordance with the terms of Article 8, in which case the Contractor will be provided a revised Exhibit B by the Contracting Officer.