

VERMIL UNIT  
CENTRAL UTAH PROJECT, UTAH  
CONTRACT  
BETWEEN  
UNITED STATES OF AMERICA  
AND  
UINTAH WATER CONSERVANCY DISTRICT  
1958

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF RECLAMATION  
COLORADO RIVER STORAGE PROJECT

CONTRACT BETWEEN THE UNITED STATES OF AMERICA  
AND THE UINTAH WATER CONSERVANCY DISTRICT

INDEX

Article Number	Article	Page
	Explanatory Recitals	1,2
1	General Definitions	2,3
2	Project Works	3,4,5,
3	Conditions Precedent to Construction	5
4	Payment Obligation	6,7
5	Development Period	7,8
6	Disposal of Water During Construction	9
7	Use and Allotment of Project Water	9,10
8	Operation and Maintenance of Project Works	10,11,12,13
9	Other Costs to be Paid by District	13,14
10	Reserve Fund for Operation and Maintenance	14,15
11	Title to Project Works to Remain in the United States	15
12	Acquisition of Lands and Interests in Lands	15,16
13	Inspection of Project Works	16,17
14	Agreed Charges a General Obligation of the District	17
15	Levy of Assessments, Tolls, and Charges	17
16	Optional Variable Repayment Plan	17,18
17	Penalty for Delinquent Payments	18
18	Defaults	18,19

Article Number	Article	Page
19	Responsibility for Distribution and Use of Water	19
20	Right to Beneficial Use of Water	20
21	Water Shortages, Waste, Seepage, and Return Flows	20
22	Lands for Which Water is Furnished: Limitations on Area	20,21
23	Amendment <del>or</del> Repeal of Federal Reclamation Laws	21
24	District to Keep Books and Records and Report Crop and Other Data	21,22
25	Access to Books and Records	22
26	Rules and Regulations	22
27	Public Use of Reservoirs	22,23
28	Disposition of Miscellaneous Revenues	23
29	Notices	23
30	Approval of Contracts by the United States	24
31	Changes in Organization of the District	24
32	Contingent Upon Appropriations or Allotment of Funds	24
33	Assurances Relating to Validity of Contract	25
34	Assignment Limited - Successors and Assigns Obligated	25
35	Discrimination Against Employees or Applicants for Employment Prohibited	25,26
36	Contingent Fee Clause	26
37	Officials Not to Benefit	26,27

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF RECLAMATION  
COLORADO RIVER STORAGE PROJECT

CONTRACT BETWEEN THE UNITED STATES OF AMERICA  
and the  
UINTAH WATER CONSERVANCY DISTRICT

THIS CONTRACT, made this 14<sup>th</sup> day of July, 1958,  
between THE UNITED STATES OF AMERICA, hereinafter called the United  
States, acting through the Secretary of the Interior, and pursuant to  
the Federal Reclamation Laws, and the UINTAH WATER CONSERVANCY DISTRICT,  
hereinafter called the District, organized and existing pursuant to the  
laws of the State of Utah, with its principal place of business and  
office at Vernal, Uintah County, Utah.

WITNESSETH, That:

WHEREAS, the following statements are made in explanation:

The Act of Congress approved April 11, 1956 (70 Stat. 105)  
authorized the construction, operation, and maintenance of the Central  
Utah Project, of which the Vernal Unit is a part thereof, which Unit is  
hereinafter called the Project and the United States has investigated,  
planned, and proposes to construct said Project for the diversion, storage,  
and distribution of water of Ashley Creek watershed for irrigation,  
municipal water, recreation, and fish and wildlife purposes.

The parties hereto desire to enter into a contract in  
accordance with and, subject to the provisions and conditions hereinafter  
set forth providing, among other things, for the delivery from project  
works to the District water for irrigation of irrigable land within the  
District, and for municipal purposes, and for the operation and the maintenance of project works to be utilized for the aforesaid purposes.

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

GENERAL DEFINITIONS

1. Where used in this contract:

a. "Secretary" or "Contracting Officer," or either of them, shall mean the Secretary of the United States Department of the Interior or his duly authorized representative.

b. "Federal Reclamation Laws" shall mean the Act of June 17, 1902 (32 Stat. 388) and all acts amendatory thereof or supplementary thereto.

c. "Project" shall mean the Vernal Unit of the Central Utah Project, Utah.

d. "Project Works" shall mean all works or facilities to be constructed under provisions of this contract, together with lands and rights-of-way for such works.

e. "Project Water" shall mean the water made available through the project works.

f. "Project Irrigation Water" shall mean that portion of the project water made available for irrigation purposes.

g. "Project Municipal Water" shall mean that portion of the project water made available for domestic, manufacturing, and industrial purposes.

h. "Transferred Works" shall mean those project works transferred to the District for care, operation, and maintenance.

i. "Irrigation Year" shall mean April 1 through October 31 of each calendar year, or such different period as may be established by mutual agreement in writing.

PROJECT WORKS

2. a. Subject to the terms and conditions of this contract, the United States will undertake construction of project works and provide equipment as in the opinion of the Secretary are necessary for project purposes, within the limit of funds made available by the Congress, hereinafter described:

(i) The Fort Thornburgh Diversion Dam four miles northwest of Vernal, Utah, located on Ashley Creek.

(ii) Stanaker Dam, a rolled earth-fill structure, at the mouth of Stanaker Draw about three and one-half miles north of Vernal, Utah, creating a reservoir with a capacity of about 37,560 acre-feet.

(iii) Stanaker Feeder Canal extending for approximately 3.1 miles in an easterly direction from the Fort Thornburgh Diversion Dam to the Stanaker Reservoir with a capacity of approximately 400 second-feet.

(iv) Stanaker Service Canal beginning at the outlet of Stanaker Dam and extending in a southerly direction about 11.8 miles, and will have an initial capacity of about 300 cubic feet per second, reducing to approximately 20 cubic feet at the terminus.

(v) Water-saving pipe lines beginning at an existing municipal chlorination structure approximately four miles northwest of Vernal City and will consist of

pipelines approximating 17.3 miles in length, having an initial capacity of approximately 289 gallons per minute reducing in capacity to approximately 40 gallons per minute.

(vi) Stanaker Canal laterals consisting of approximately 1.6 miles of earth canals varying in capacity from 10 to 40 cubic feet per second to provide conveyance of irrigation water from Stanaker Service Canal to existing private canal systems crossed by the Service Canal.

(vii) Project drainage works, as may be determined necessary by the Contracting Officer after consultation with the Board of Directors of the District. The cost of constructing such drainage works shall not exceed the sum of six hundred seventy-five thousand dollars (\$675,000) of which sum, not to exceed one hundred thousand dollars (\$100,000), may be expended for improvement of existing canals.

(viii) The purchase or transfer of equipment determined by the Contracting Officer to be required in the care, operation, and maintenance of project works above described at book value at the date of transfer but not to exceed \$15,000.

b. In keeping with the purposes of the project, the Secretary may change the location or size of the project works, or may eliminate works from or add works to those described above, and the Secretary's decision on such changes, eliminations, or additions shall be conclusive. Nothing contained herein shall be construed to indicate

the order in which the works described in Article 2(a) will be constructed or acquired.

c. The United States shall have the right at any time after construction to increase the capacity of the project works or any unit or feature thereof for other than project purposes without cost to the District, provided that the District's use of project water shall not be impaired thereby. The right of use of such increased capacity is reserved to the United States.

#### CONDITIONS PRECEDENT TO CONSTRUCTION

3. The United States shall be under no obligation to commence, or having commenced, to continue construction of project works until:

a. Allotments of irrigation and municipal water are made and water disposal contracts are executed satisfactory to the Contracting Officer; and

b. The United States and the District make such contracts as the Contracting Officer deems necessary with Vernal City and Maeser town for use of their facilities, the Ashley Central Irrigation Company for the modification and replacement of the Ashley Central Canal, the Utah Power & Light Company for modification of its right to the use of the flow of Ashley Springs tributary to Ashley Creek for power generation, Ashley Valley Reservoir Company for use of its reservoirs and others for the use and exchange of water including direct flow and storage rights and for the use, necessary improvement or modification, and operation and maintenance of their irrigation systems.



PAYMENT OBLIGATION

4. a. The District hereby agrees to pay to the United States in the manner herein provided the sum of One Million Five Hundred Thousand Dollars (\$1,500,000) herein designated the District Irrigation repayment obligation which is payable by the District, in fifty (50) successive equal annual installments, commencing December 31 of the calendar year next succeeding the end of the development period established in accordance with Article 5 of this contract, Provided, however, that in the event the District elects to make payments under the variable repayment plan as provided in Article 16 of this contract, the annual installments shall be increased or decreased in accordance with such plan, and be it further Provided, that if the District at any time determines that payments should be levied by land classes to the extent permitted by the Water Conservancy District Act, it is hereby agreed that such differential payments as are then agreed to may be required for completion of payments within the period provided under this contract and the water allotment contracts to be executed in conformance with Article 7(b) shall so provide. These payments shall be exclusive of operation, maintenance, and replacement costs which are to be paid as provided in Article 8.

b. The District hereby agrees to pay to the United States for the delivery of a municipal water supply of 1,600 acre-feet annually the amounts hereinafter set out. Such payments shall be made on or before January 1 of each year and shall commence with the year in which the Secretary notifies the District water is available from the works to be constructed under Article 2 of this contract. The

Secretary shall notify the District on or before July 1 of the year preceding the first year in which water shall be available. Payments shall be made in the following annual amounts:

Years 1 - 10, incl.	\$23,900
Years 11 - 20, incl.	\$27,700
Years 21 - 30, incl.	\$31,500
Years 31 - 40, incl.	\$35,470

Advance payment of the aforesaid amounts and of any charges to be made to the United States under Article 8 of this contract shall entitle the District during the period covered by such payments to the delivery of the municipal water specified above, Provided, that at the end of forty years the future delivery of municipal water shall be subject to a negotiated contract, pursuant to Section 9(c) of the Reclamation Project Act of 1939 (53 Stat. 1187).

#### DEVELOPMENT PERIOD

5. a. The development period for the irrigable lands of the project to be served is hereby fixed at three (3) years from and including the first year in which the project works are so far completed as to be available for use and the project irrigation water supply is available for delivery to substantially all of the Project irrigable lands as determined and announced by the Contracting Officer in a notice to the District.

b. The United States may operate and maintain the project works during the development period as provided in Article 8 hereof.

In such event the charge to the District during such period will be fixed with the object of collecting during the whole of said development period an amount equal to the total costs of such operation and maintenance by the United States. Charges will be determined and announced on or before July 1, immediately preceding the commencement of the development period and on or before July 1, each year in advance of the irrigation year for which they are announced, and if necessary supplemental notices may be issued as provided in Article 8 (f). The District shall pay such charges pursuant to the provisions of the announcement.

c. The amount by which the charges paid by the District pursuant to subsection (b) hereof are less than the actual costs of operation and maintenance of the project works incurred by the United States during the development period shall be paid to the United States by the District in the year immediately following the expiration of the development period in a manner prescribed by the Contracting Officer, and the amount by which the charges paid by the District during the development period pursuant to subsection (b) hereof are in excess of the actual costs of operation and maintenance of the project works of such period shall be credited to the District irrigation repayment obligation in a manner to be determined by the Contracting Officer.

d. During any period of time the United States is operating and maintaining the project works, the District shall pay operation and maintenance costs properly assignable to project municipal water at the time and in a manner to be provided in an appropriate notice to be issued by the Secretary.

#### DISPOSAL OF WATER DURING CONSTRUCTION

6. Any project water available during construction of the project works may be disposed of by the Contracting Officer at rental or other charges fixed by him to: (1) irrigation users until commencement of the development period and (2) municipal users until the Secretary notifies the District that water is available as provided in Article 4 b.

#### USE AND ALLOTMENT OF PROJECT WATER

7. a. Except as limited by Article 4(b) the district shall have the permanent right to use and dispose of the annual yield of water from project works. Project water in excess of that necessary to satisfy project water requirements in any year shall be retained in Stanaker Reservoir to the extent of the capacity available therefor, for use during succeeding years. There shall be no individual holdover rights in the Stanaker Reservoir beyond the commencement of the succeeding irrigation year.

b. The District shall make water allotments and contracts for the disposal of project water in accordance with the Utah Water Conservancy District Act. Such water allotments and contracts shall be upon terms satisfactory to the Contracting Officer, shall be approved by him in advance, and shall not be amended or otherwise affected without his written consent.

c. This agreement and all works or facilities constructed pursuant hereto shall be subject to and controlled by the Colorado River Compact dated November 24, 1922, and proclaimed by the President of the United States June 25, 1929, the Boulder Canyon Project Act approved December 21, 1928, the Boulder Canyon Project Adjustment Act of July 19,

1940, the Upper Colorado River Basin Compact dated October 11, 1948, and the Mexican Water Treaty of February 3, 1944, and no right or claim of right to the use of the waters of the Colorado River shall be aided or prejudiced thereby.

d. There is hereby reserved to the United States certain capacities in Stanaker Reservoir including the water filling such capacity as follows:

(i) 2,170 acre-feet for flood surcharge below the bottom of the outlet sill of the spillway,

(ii) 1,094 acre-feet above the sill of the outlet works herein designated inactive capacity, and

(iii) 3,266 acre-feet representing dead storage below the sill of the outlet works.

OPERATION AND MAINTENANCE OF PROJECT WORKS

8. a. The District shall, at its own cost and expense when notified by the Secretary, assume the care, operation, and maintenance of the project works herein described, or any part thereof after completion of construction by the United States.

b. The District shall care for and operate and maintain the works transferred hereunder in such manner that the same shall remain in good and efficient condition and of equal capacity for the carriage, control, and distribution of water as when received from the United States hereunder, and shall use all practicable methods including water measurement to insure the economical and beneficial use of water. The United States shall furnish the District with criteria governing the operations of the project including regulation of water storage, deliveries, and

exchanges, and the District agrees to follow such criteria. In connection with any such transfer of works hereunder, the United States shall furnish the District with items of operating equipment which are determined by the Contracting Officer in accordance with Article 2(a)(viii) to be required in the Project operation and shall transfer title thereof to the District at the time said equipment is furnished to the District for its use in the care, operation, and maintenance of works. After the care, operation, and maintenance of any such works or equipment shall have been assumed by the District, the District shall hold the United States, its officers, agents, attorneys, employees, and successors or assigns harmless from every claim for damages to persons or property, direct or indirect and of whatever nature, arising out of or in any manner connected with the care, operation, and maintenance thereof. No substantial change shall be made by the District in any of the project works without first obtaining the written consent of the Contracting Officer.

c. If, in the opinion of the Contracting Officer, the District shall have failed at any time, or from time to time, to perform substantially any provision of this contract, the Contracting Officer may give the District written notice specifying the respects in which the District has failed so to perform, and in the event the District fails to cure or take appropriate steps to cure such default within 30 days after the giving of such notice, the Contracting Officer may, on 30 days' written notice to the District, take over the operation and maintenance of all or any part of the project works including equipment of the District used for such purposes. Such operation and maintenance by the United

States shall continue until the Contracting Officer determines that the District is again capable of operating all or any part of the project works then being operated and maintained by the United States, and upon written notice to the District, establishing the effective date, may retransfer to the District operation and maintenance of all or any part of the project works. Upon receipt of such notice, the District shall accept the care, operation, and maintenance of such project works in accordance with this contract.

d. In the event the care, operation, and maintenance of the transferred works is resumed by the United States the District shall advance to the United States within ten (10) days after written demand by the Contracting Officer, the estimated cost of all such care, operation, and maintenance by the United States, during the period commencing with the date that the care, operation, and maintenance of such works is assumed by the United States and terminating on the first day of January next succeeding.

e. During all periods in which the project works are operated and maintained by the United States the cost of such operation and maintenance shall be paid in advance by the District to the United States. Payments under this subsection shall be on the basis of annual estimates made by the Contracting Officer. Except as provided in subsection (d) of this article a notice of the estimates shall be furnished to the District on or before July 1 of the year preceding the one for which the notice is issued. The District shall pay the amounts set out in any such notice on or

before December 31 of the year in which the notice is given, Provided, That if the care, operation, and maintenance of the transferred works is resumed by the United States in any year after the aforesaid date of July 1, notice shall be given the District as promptly as possible of the costs of such operation and maintenance and the payment thereof shall be made as provided herein.

f. Whenever, in the opinion of the Contracting Officer, funds so advanced will be inadequate to operate and maintain the works being operated by the United States, he may give a supplemental notice stating therein the amount of additional funds required, and the District shall advance that amount on or before the date specified in the supplemental notice. If funds advanced by the District under this article exceed the actual cost of operation and maintenance for such works for the year for which advanced, the surplus shall be credited to any amounts thereafter to become due from the District.

#### OTHER COSTS TO BE PAID BY DISTRICT

9. a. In addition to all other payments required by this contract, the District shall pay to the United States, to the extent required by the Contracting Officer, on or before March 1 of the year following that in which they have been incurred, the following costs: (1) inspections under the provisions of Article 13 of this contract; (2) crop production censuses and other reports to the extent not furnished as required in Article 24; (3) land classification or reclassification to the extent that such costs are prescribed by the Federal Reclamation Law to be repaid by water users; (4) protection of project water rights; and (5) special work requested by the District.



b. In the event that there are no funds available to the United States with which to do the work covered by subsection (a) of this article, the District will pay, in advance, to the United States the cost of such work as estimated by the Contracting Officer. If such costs are less than the funds advanced, appropriate credit will be given upon the next installment on the District irrigation repayment obligation thereafter becoming due.

#### RESERVE FUND FOR OPERATION AND MAINTENANCE

10. a. Beginning in the first calendar year of the development period and continuing until such time as all sums of money becoming due hereunder shall have been paid to the United States, the District shall accumulate and maintain, in the manner hereinafter provided, a reserve fund which shall be available for the purposes and in the circumstances herein mentioned.

b. Such reserve fund shall be accumulated by the District in annual amounts of not less than \$5,000 during each year of the development period, and shall be accumulated annually thereafter until the aggregate reserve fund shall total not less than \$15,000, which total amount shall be maintained, provided, however, that the District shall be required to replenish the reserve fund by amounts of not less than \$3,000 annually unless a lesser amount will replenish said fund to \$15,000 in one year.

c. The reserve fund shall be available only for the purposes of meeting the extraordinary and unforeseen costs of operation, maintenance, and replacement of the project works which are determined to be costs in excess of the ordinary costs of such operation and maintenance. The District shall advise the Contracting Officer in advance of the amount and the purposes for which the reserve fund is to be utilized.

d. The reserve fund shall be invested or deposited and maintained apart from other District funds, upon conditions concerning its liquidation or withdrawal and in a depository or investment satisfactory to the Contracting Officer.

e. During such times as the works constructed hereunder are operated and maintained by the United States in accordance with the provisions herein, the reserve fund shall be available for use by the United States for the purposes specified in this article.

#### TITLE TO PROJECT WORKS TO REMAIN IN THE UNITED STATES

11. Title to the project works constructed or acquired by the United States shall remain in the United States notwithstanding transfer of the care, operation, and maintenance of any of said works to the District, provided, however, that title to equipment may be transferred as set out in Article 8.

#### ACQUISITION OF LANDS AND INTERESTS IN LANDS

12. a. The United States shall not be obligated to commence construction work on any feature of the works described in Article 2 until all rights-of-way required for that feature have been secured or valid contracts entered into covering the purchase thereof in accordance with the provisions of this article.

b. The District shall, when requested in writing by the contracting officer, perform any or all actions necessary in connection with the acquisition of lands required by the United States for the construction, operation, and maintenance of the project works. Prices to be paid for lands so acquired shall be approved in advance

by the Contracting Officer and such acquisitions shall be on forms approved in advance by the United States. Payment for the cost of the lands including approved acquisition expense will be made by the United States.

c. Where rights-of-way over lands needed for the project have been reserved under Acts of Congress or granted under State law, the United States may reimburse the owners of servient lands for the value of improvements which may be taken or destroyed. The District shall secure the execution of contracts for the purchase of such improvements and for reimbursement of owners of improvements so taken or destroyed using forms of contracts satisfactory to the Contracting Officer, and payment shall be made in the manner provided by subsection (a) of this article.

#### INSPECTION OF PROJECT WORKS

13. After the District shall have taken over the care, operation, and maintenance of any of the transferred works, the Contracting Officer may, from time to time, cause an appropriate inspection of the project works to be made to ascertain whether the requirements of the contract are being performed satisfactorily by the District. Such inspections may include physical inspection of all properties and audit of the books and records of the District. Any such inspections or audit shall, except in case of an emergency, be made after written notice to the District and the actual expense thereof shall be paid by the District to the United States in the manner provided in Article 9 hereof. The Contracting Officer may require the District either to make repairs or to do any other work which, in his opinion, is necessary for the proper and

safe upkeep of the works. If the District fails to make needed repairs or to do other maintenance work, then the United States may do the necessary work and shall charge the cost thereof to the District, which cost the District agrees to pay within thirty (30) days after notice of the amount due.

#### AGREED CHARGES A GENERAL OBLIGATION OF THE DISTRICT

14. The District as a whole is obligated to pay to the United States the charges becoming due as provided in this contract, notwithstanding the default in the payment to the District by individual water users of assessments, tolls, or other charges levied by the District.

#### LEVY OF ASSESSMENTS, TOLLS, AND CHARGES

15. The District shall cause to be levied and collected all necessary assessments, tolls, and other charges, and will use all of the authority and resources of the District to meet the obligations of the District to make in full all payments to be made pursuant to this contract on or before the date such payments become due and to meet its other obligations under this contract. Until such payments have been made in full, the District agrees to levy and collect the ad valorem taxes to the extent permitted under Section 73-9-16, Utah Code Annotated, 1953, as amended.

#### OPTIONAL VARIABLE REPAYMENT PLAN

16. On or before August 1 of any year after the annual installments commence as provided by Article 4, the District, by notice to the United States, in writing, may elect that beginning with the next succeeding calendar year the District will thereafter make payment of those costs allocated to irrigation under Article 4 in accordance

with the normal and percentage plan authorized by Section 4 of the Reclamation Project Act of 1939 (53 Stat. 1187), or such other variable repayment plan as may be authorized by law and agreed upon by the parties hereto.

#### PENALTY FOR DELINQUENT PAYMENTS

17. Every installment or charge required to be paid to the United States under this contract and which shall remain unpaid after it shall have become due and payable, shall be subject to a penalty of one-half of one percent ( $\frac{1}{2}\%$ ) per month from the date of delinquency.

#### DEFAULTS

18. a. Should the District fail to levy the assessments, tolls, or other charges against any tract of land in the District required to be levied, or having levied, should the District be prevented from collecting such assessments, tolls, or other charges by any judicial proceedings, or otherwise fail to collect them, no such tract of land shall be entitled to receive water to be delivered under this contract or to the use of the project works.

b. No water shall be delivered to the District pursuant to this contract, or by the District through project works or otherwise, to or for the use of persons or lands therein during any period in which the District may be:

- (1) More than 12 months in arrears in the payment to the United States of any construction charges accrued under Article 4(a) of this contract.

(2) In arrears in the advance payment to the United States of any charges under Article 4(b) and of the operation and maintenance charges fixed under Article 8 of this contract.

c. No water shall be delivered by the District through project works or otherwise to any person or lands therein which may be in arrears in the payment to the District of any assessments, tolls, or other charges levied or established by the District for the purpose of raising revenues to meet the payment by the District to the United States of any of the District's obligations under this contract.

d. All rights of action for breach of this contract are reserved to the United States as provided in Section 3737 of the Revised Statutes of the United States, as amended (41 U.S.C. 15).

RESPONSIBILITY FOR DISTRIBUTION AND USE OF WATER

19. a. The District shall be responsible for the control, carriage, handling, distribution, and use of all water delivered or taken hereunder and shall hold the United States, its officers, agents, employees, and successors or assigns harmless from every claim for damages to persons or property, direct or indirect, and of whatever nature, arising out of or in any manner connected with the control, carriage, handling, distribution, or use of such water. The District shall not use any of the irrigation water taken or delivered hereunder on any lands other than those irrigable lands which are situated within the Project and which have executed water allotment petitions as provided in Article 7.

b. Pursuant to the provisions of the Act of Congress approved April 11, 1956 (Public Law 485, 84th Congress, 2d Session), for a period of ten years from the date of enactment of said act, no water from any participating project authorized by said act shall be delivered to any water user through the works of the Vernal Unit for the production on newly irrigated lands of the Utah Water Conservancy District of any basic agricultural commodity, as defined in the Agricultural Act of 1949, or any amendment thereof, if the total supply of such commodity for the marketing year in which the bulk of the crop would normally be marketed is in excess of the normal supply as defined in Section 301(b)(10) of the Agricultural Adjustment Act of 1938, as amended, unless the Secretary of Agriculture calls for an increase in the production of such commodity in the interest of national security.

#### RIGHT TO BENEFICIAL USE OF WATER

20. Beneficial use shall be the basis, the measure and the limit of the right to the use of project water. Such water shall be used on lands within the Project and by municipal and miscellaneous users who contract for the use thereof.

#### WATER SHORTAGES, WASTE, SEEPAGE, AND RETURN FLOWS

21. a. On account of drouth or other causes, there may occur at times during any year a shortage in the quantity of water available for delivery to the Project by the United States pursuant to this contract. In no event shall any liability accrue against the United States or any of its officers or employees for any damage, direct or indirect, arising out of any such shortage.

b. The United States claims all of the waste, seepage, and return flow water derived from water delivered pursuant to this contract and the same is hereby reserved and retained by the United States for beneficial use on the project.

c. During periods of water shortage, municipal water uses shall have first priority to the available project water supply.

LANDS FOR WHICH WATER IS FURNISHED: LIMITATIONS ON AREA

22. Pursuant to the provision of the Federal Reclamation Laws, water made available hereunder shall not be delivered to more than one hundred sixty (160) irrigable acres in the beneficial ownership of any one person or other entity or of more than 320 irrigable acres held in the beneficial ownership of husband and wife as joint tenants or as tenants in common except that delivery may be made to lands held in excess of this limitation pursuant to the provisions of Section 46 of the Act of May 25, 1926 (44 Stat. 649), as amended by the Act of July 11, 1956 (70 Stat. 524). In the case of an individual either having stock in two or more corporations which have title to irrigable lands within the District, or owning irrigable lands in his own name and having stock in a corporation or corporations which have irrigable lands within the District, the Individual's proportionate stockholdings in such corporations shall be regarded as proportionate interests in the corporations' landholdings for the purposes of the application of the acreage limitation stated in this article.



AMENDMENT OR REPEAL OF FEDERAL RECLAMATION LAWS

23. In the event that the Congress of the United States may repeal or amend any of the provisions of the Federal Reclamation Laws, the United States agrees, at the option of the District, to negotiate amendments of appropriate articles of this contract, consistent with the provisions of the laws affecting any such repeal or amendment.

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

24. The District shall establish and maintain accounts and other books and records and furnish to the United States reports and statements as to information contained therein pertaining to:

- a. Accounts and financial transactions of the District.
- b. Crops raised and agricultural or livestock products produced on the lands within the District.
- c. Water supply and the disposition thereof.

Reports thereon shall be furnished to the United States on such date or dates as may be fixed by the Contracting Officer.

ACCESS TO BOOKS AND RECORDS

25. Each party shall have the right, during office hours, to inspect and to make copies of the other party's books and official records relating to matters covered by this contract.

RULES AND REGULATIONS

26. There is reserved to the Contracting Officer the right, so far as the purport thereof may be consistent with the provisions of

this contract, to make rules and regulations and to add to or to modify them as may be deemed proper and necessary to carry out this contract, and to supply necessary details of its administration, and the District agrees to observe such rules and regulations.

#### PUBLIC USE OF RESERVOIRS

27. Public recreation, including boating, fishing, and hunting will be allowed on or in project reservoirs. Fishing and hunting on or in said reservoirs will be allowed in accordance with State and Federal laws without payment of any charge or fee except as required by such laws. The Contracting Officer may promulgate or approve such rules and regulations as he may deem necessary and proper for project purposes, for the protection of the works, and for public health and safety, including the establishment of charges for boating and use of recreation facilities, the revenues from which may be disposed of by the United States in conformance with any agreements with respect to administration of recreation. Such agreements shall be made by the United States after consultation with the Board of Directors of the District. Nothing in this Article shall affect the use of project reservoirs for recreation in accordance with Section 8 of the Act of Congress approved April 11, 1956 (70 Stat. 105). Public use of reservoirs as provided herein or as provided in said Section 8 shall be consistent with the primary purposes of the project.

#### DISPOSITION OF MISCELLANEOUS REVENUES

28. All revenues derived from the rental or sale of land, interests in land, or other property acquired for project purposes and

not required for operation and maintenance of the project works shall belong to the United States and not be credited to the District.

#### NOTICES

29. a. Any notice authorized or required to be given to the United States shall be delivered or mailed, postage prepaid, to the Regional Director, Region 4, Bureau of Reclamation, Salt Lake City, Utah. Any notice authorized or required to be given to the District shall be delivered or mailed, postage prepaid, to the Uintah Water Conservancy District, Vernal, Utah.

b. The designation of the addressee or the address given above may be changed by notice given in the same manner as provided in this article for other notices.

#### APPROVAL OF CONTRACTS BY THE UNITED STATES

30. No contract made by the District affecting the project works, or relating to the delivery or distribution of water, except contracts for the usual labor, equipment, supplies, and service in connection with the operation and maintenance by the District of the said works, shall be valid until approved by the Contracting Officer.

#### CHANGES IN ORGANIZATION OF THE DISTRICT

31. While this contract is in effect, no change shall be made in the District, by inclusion or exclusion of lands, by dissolution, consolidation, or merger or otherwise, except upon the Contracting Officer's written consent thereto.

CONTINGENT UPON APPROPRIATIONS OR ALLOTMENT OF FUNDS

32. The expenditure of any money or the performance of any work by the United States herein provided for, which may require appropriations of money by Congress or the allotment of funds, shall be contingent upon such appropriations or allotments being made. The failure of Congress to so appropriate funds or the failure of an allotment of funds shall not relieve the District from any obligations under this contract nor give the District the right to terminate this contract or to any of its executory features. No liability shall accrue against the United States in case of such funds not being appropriated or allotted.

ASSURANCES RELATING TO VALIDITY OF CONTRACT

33. This contract shall not be binding upon the United States nor shall any water be delivered pursuant to this contract until the proceedings on the part of the District for the authorization of the execution of this contract shall have been confirmed by decree of a court of competent jurisdiction or pending appellate action if ground for appeal be laid. Upon the execution of this contract, the District diligently shall prosecute to final conclusion such confirmation proceedings. The District, at its cost, shall furnish to the United States two certified copies of such decree and of all pertinent supporting records.

ASSIGNMENT LIMITED - SUCCESSORS AND ASSIGNS OBLIGATED

34. The provisions of this contract shall apply to and bind the successors and assigns of the parties hereto, but no assignment or

transfer of this contract or any part or interest therein shall be valid until approved by the Secretary.

DISCRIMINATION AGAINST EMPLOYEES OR APPLICANTS  
FOR EMPLOYMENT PROHIBITED

35. a. In connection with the performance of work under this contract, the District agrees not to discriminate against any employee or applicant for employment because of race, religion, color, or national origin. The aforesaid provision 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 District agrees to post hereafter in conspicuous places, available for employees and applicants for employment, notices to be provided by the Secretary setting forth the provisions of the nondiscrimination clause.

b. The District further agrees to insert the foregoing provisions in all subcontracts hereunder, except subcontracts for standard commercial supplies or raw materials.

CONTINGENT FEE CLAUSE

36. The District warrants that no person or selling agency has been employed or retained to solicit or secure this contract upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by the District for the purpose of securing business. For breach or violation of this warranty the Government shall have the right to annul this contract

without liability or in its discretion to deduct from the contract price or consideration the full amount of such commission, percentage, brokerage, or contingent fee.

OFFICIALS NOT TO BENEFIT

37. No member of or Delegate to Congress or Resident Commissioner shall be admitted to any share or part of this contract or to any benefit that may arise herefrom, but this restriction shall not be construed to extend to this contract if made with a corporation or company for its general benefit.

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

THE UNITED STATES OF AMERICA

Appd. Sol. Off.

/s/ T. O. Parker

By /s/ E. O. Larson

Regional Director

Bureau of Reclamation

Acting under authority delegated  
by the Secretary of the Interior

UINTAH WATER CONSERVANCY DISTRICT

(SEAL)

By /s/ C. R. Henderson

President

ATTEST:

/s/ L. Y. Siddoway

Secretary

C O P Y

R E S O L U T I O N

WHEREAS, the Board of Directors of the Uintah Water Conservancy District of Uintah County, State of Utah, has considered a draft of contract proposed to be entered into between the United States of America and the District to repay the reimbursable costs of the Vernal Unit, Central Utah Project, authorized pursuant to the Act of Congress of April 11, 1956 (70 Stat. 105).

NOW, THEREFORE, be it resolved that the Board of Directors hereby approves the draft designated "F. S. Draft 4/29/58 as amended 5/6/58", titled "Contract Between the United States of America and the Uintah Water Conservancy District." and urgently requests the Secretary of the Interior to approve said draft for execution as soon as possible.

Upon such approval, the Board will call an election within the District as provided by law, and will recommend favorable action by the electors, and upon a favorable vote of said electorate, will direct the President and Secretary of the District to execute said contract.

C E R T I F I C A T E

I, L. Y. Siddoway, Secretary of the Board of Directors of the Uintah Water Conservancy District, do hereby certify that the foregoing is a full, true, and correct copy of a resolution duly adopted by the Board of Directors of the Uintah Water Conservancy District at a special meeting held on the 6th day of May, 1958.

I further certify seven directors were present at said meeting, that seven directors voted in favor of said resolution, and that no directors voted against said resolution.

I further certify that the total number of directors of the Uintah Water Conservancy District is seven.

Dated at Vernal, Utah, this 7th day of May, 1958.

/s/L. Y. Siddoway  
L. Y. Siddoway, Secretary

SEAL

Certificate of Canvass of Returns of July 8, 1958 Election  
of the Uintah Water Conservancy District, and Resolution  
Declaring Results of Election and Authorizing Execution  
of the Repayment Contract with the United States

---

WHEREAS, the Board of Directors of the Uintah Water Conservancy District, sitting as a canvassing board, held a meeting on July 14, 1958, at Vernal, Utah, for the purpose of canvassing the returns of a special election held in the District on July 8, 1958, for the purpose of voting on the following proposition:

P R O P O S I T I O N

Shall the Uintah Water Conservancy District enter into a contract with the United States of America for the construction of works and the acquisition of a water supply for the District on the terms and conditions of the contract set forth in the resolution by which this election is called?

and,

WHEREAS, the Secretary <sup>of the</sup> presented the notice of the special election, the proof of publication thereof, the certificate of the judges and officers of the election, tally sheets, poll books, ballots and other documents connected with said election, and this body examined the said documents, determined that the said election was duly authorized, called, noticed, and held as provided by law, and determined the result of the election.

IT IS CERTIFIED, That the result of the vote on the proposition hereinabove stated, is as follows:

YES - 1317

NO - 22



/s/ C. R. Henderson  
C. R. Henderson

/s/ Curtis D. Dudley  
Curtis D. Dudley

/s/ B. H. Stringham  
B. H. Stringham

/s/ H. Leroy Morrill  
H. Leroy Morrill

/s/ L. P. Christensen  
L. P. Christensen

/s/ Grant Pickup  
Grant Pickup

/s/ Leland Sowards  
Leland Sowards

The canvassing body adjourned and thereupon reconvened as the Board of Directors of the District and adopted the following:

R E S O L U T I O N

WHEREAS, the duly appointed canvassing body has certified to this Board that a special election was duly and regularly called and held on July 8, 1958, as provided by law, that returns of election have been examined, and the votes counted and that it has been determined by said canvassing body that at said special election a majority of qualified electors of the District who voted on the proposition submitted to the electors, voted in favor of the proposition,

BE IT RESOLVED that the President and Secretary, be and they are hereby authorized and directed to execute on behalf of the District a contract with the United States for the construction of the works of the Vernal Unit of the Central Utah Project and the acquisition of the water for the District upon the terms and conditions of the draft of contract heretofore approved by the Board of Directors and duly authorized at the said special election.

DATED this 14th day of July, 1958.

ATTEST: /s/ L. Y. Siddoway  
L. Y. Siddoway, Secretary

/s/ C. R. Henderson  
C. R. Henderson, Chairman of the Board

(SEAL)

C E R T I F I C A T E

STATE OF UTAH        )  
                          ( ss.  
COUNTY OF UINTAH    )

I, L. Y. SIDDOWAY, the duly chosen, qualified, and acting Secretary of the Board of Directors of the Uintah Water Conservancy District, Utah, do hereby certify that the foregoing constitutes a true and correct copy of the certificate of the Board of Directors of the District sitting as a canvassing body and of a resolution of the Board sitting as the Board of Directors made and adopted at meetings held at Vernal, Utah, within said District on the 14th day of July, 1958, as recorded in the regular official Book of Minutes of the Proceedings of the Board of Directors kept in my office, that said proceedings were duly had and taken as herein shown, that all members of the Board were given due legal and timely notice of said meeting, that the meeting therein shown was called, held, and conducted in accordance with law, and in full conformity therewith, and that the persons therein named were present at said meeting as therein shown.

IN TESTIMONY WHEREOF, I have hereunto set my hand and set the official seal of the District, this 14th day of July, 1958.

/s/ L. Y. Siddoway  
L. Y. Siddoway, Secretary  
Board of Directors of the Uintah  
Water Conservancy District, Utah

(SEAL)