

**BOARD OF DIRECTORS
SANTA CLARA VALLEY WATER DISTRICT**

RESOLUTION NO. 20-

**APPROVAL OF SECOND AMENDMENT TO CONTRACT BETWEEN
UNITED STATES AND SANTA CLARA VALLEY WATER DISTRICT
FOR WATER SERVICE AND OPERATION AND MAINTENANCE OF
CERTAIN WORKS OF THE SAN FELIPE DIVISION**

WHEREAS, the United States of America ("United States") has constructed and is operating the Central Valley Project (CVP) for diversion, storage, carriage, distribution and beneficial use, for flood control, irrigation, municipal, domestic, industrial, fish and wildlife mitigation, protection and restoration, generation and distribution of electric energy, salinity control, navigation and other beneficial uses, of water of the Sacramento River, the American River, the Trinity River, and the San Joaquin River and their tributaries; and

WHEREAS, the Santa Clara Valley Water District ("Valley Water") and United States entered into a contract for delivery of CVP water to Valley Water, Contract No. 7-07-20-W0023, dated June 7, 1977 ("CVP Contract"), which established terms for such water delivery from January 1, 1988 through December 31, 2027; and

WHEREAS, in 1992, the United States Congress enacted the Central Valley Project Improvement Act ("CVPIA") (106 Stat. 4706), which addressed the renewal of existing long-term water service contracts and established that certain terms should be included in contracts renewed or amended after January 1, 1988; and

WHEREAS, on March 28, 2007, the United States and Valley Water entered into an amendment to the CVP Contract ("First Amendment") to promote compliance with the CVPIA, consistent with the goal of ensuring a reliable long-term water supply for Valley Water; and

WHEREAS, the First Amendment also resulted in the conversion of a portion of Valley Water's water service contract into a repayment contract whereby payment of Valley Water's share of San Felipe Division capital costs are repaid pursuant to a 30-year schedule commencing on January 1, 2007, and ending on July 1, 2036; and

WHEREAS, Valley Water was created by the Legislature of the State of California under the Santa Clara Valley Water District Act, California Water Code Appendix, Chapter 60, ("District Act") as a special water district with an independent Board of Directors; and

WHEREAS, Section 4(a) of the District Act identifies the purposes of the District Act to authorize Valley Water to provide comprehensive water management for all beneficial uses; and protection from flooding within Santa Clara County; and

WHEREAS, imported water from Valley Water's CVP contract is a major component of Valley Water's water portfolio to ensure its comprehensive water management in Santa Clara County; and

WHEREAS, Section of 5(12) of the District Act authorizes Valley Water to enter into contracts and do all acts necessary for the full exercise of all powers vested in the district or any of the officers thereof, by the District Act, including ensuring Valley Water's comprehensive water management in Santa Clara County; and

WHEREAS, Valley Water now seeks to exercise its authority under the District Act to enter into the Second Amendment to Contract Between United States and Santa Clara Valley Water District for Water Service and Operation and Maintenance of Certain Works of the San Felipe Division ("Second Amendment"), attached hereto as Exhibit A, which, if executed, will update Article 9 to provide for the delivery of CVP water to Valley Water at additional point or points of delivery mutually agreed upon by the parties; and

WHEREAS, additional point or points of delivery of Valley Water's CVP water will improve Valley Water's efforts to comprehensively manage water for all beneficial uses in Santa Clara County.

NOW, THEREFORE BE IT RESOLVED that the Board of Directors of the Santa Clara Valley Water District does hereby approve execution of the Second Amendment, attached hereto as Exhibit A; and

BE IT FURTHER RESOLVED that the Chief Executive Officer is hereby authorized to execute the Second Amendment on behalf of the Santa Clara Valley Water District.

PASSED AND ADOPTED by the Board of Directors of the Santa Clara Valley Water District by the following vote on November 17, 2020.

AYES: Directors

NOES: Directors

ABSENT: Directors

ABSTAIN: Directors

SANTA CLARA VALLEY WATER DISTRICT

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Chair, Board of Directors

ATTEST: MICHELE L. KING, CMC

Clerk, Board of Directors

EXHIBIT A COVERSHEET

SECOND AMENDMENT TO CONTRACT BETWEEN UNITED STATES AND SANTA CLARA VALLEY WATER DISTRICT FOR WATER SERVICE AND OPERATION AND MAINTENANCE OF CERTAIN WORKS OF THE SAN FELIPE DIVISION

No. of Pages: 123

Exhibit Attachments: None

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