

**AGENDA DATE: August 8, 2006**



# RESOURCE MANAGEMENT AGENCY

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Britt L. Fussel	Engineering
Deborah Kruse	Development Services
Jean P. Brou	Transportation
George Finney	Long Range Planning
Deborah West	Support Services
Roger Hunt	Administrative Services

HENRY HASH, DIRECTOR

THOMAS W. SHERRY, ASSOCIATE DIRECTOR

## AGENDA ITEM

ITEM NO. \_\_\_\_\_  
District 5

### SUBJECT:

Letter Agreements between the Lindsay-Strathmore Irrigation District, Styrotek, Inc. and the county of Tulare for the transfer and conveyance of Class I Water.

### REQUEST(S):

1. Approve the Agreement with the Lindsay-Strathmore District and Styrotek, Inc., for the transfer and conveyance of Class I Water;
2. Authorize the Chairman to sign the Agreement;
3. Authorize the Resource Management Agency and Dennis R. Keller to take necessary actions to comply with the provisions of the Agreements;

### SUMMARY:

On February 28, 2006, the Board approved and authorized the Chairman to execute Interim Renewal Contract Number 14-06-200-8293A-IR10 with the United States Department of the Interior Bureau of Reclamation (BOR). That contract allowed the County's Cross Valley Canal (CVC) subcontractors to participate in receiving any available contract water. An opportunity arose for Styrotek, Inc. to purchase 6 acre-feet of water from the Lindsay-Strathmore Irrigation District (LSID). Arrangements for delivery of and payment for the water were made. The subject agreements provide for the necessary legal documentation of these transactions.

Payment has been made by Styrotek, Inc. to LSID.

### Background:

On November 10, 1975 the County of Tulare entered into a "Contract between the United States, State of California and the County of Tulare, providing for water service from the Central Valley Project." This contract expired on December 31, 1995 and was initially extended for two months under an Amendatory Contract. Upon the expiration of the Amendatory Contract, the County entered into a series of interim renewal agreements, which extended water service from the Central Valley Project (CVP). The purpose of these

agreements is to allow the County to receive CVP water, in its role as Cross Valley Canal Contractor, on behalf of County subcontractors. The County is intended to be a pass-through agency for these subcontractors. All costs and expenses associated with this water service is to be paid by the subcontractors based on their individual agreements with the County.

**FINANCING:**

All expenses for administration of the CVC contract incurred by County staff and consultant are received through the billing of the water charges to the subcontractors. Therefore, the County has no net costs.

**ALTERNATIVES:**

Do not approve the Agreements. The U.S. Bureau of Reclamation's (BOR) documentation for water conveyance services would not be completed and these water conveyance transactions would not be consummated.

**INVOLVEMENT OF OTHER DEPARTMENTS OR AGENCIES:**

The agreement was reviewed by County Counsel.


**SIGNATURE REQUIREMENTS:**

The Chairman of the Board to sign the Letter Agreements.

County Administrative Officer/Clerk of the Board of Supervisors or authorized Deputy to attest to the Resolution and the Agreements.

**ADMINISTRATIVE SIGN OFF:**

**RESOURCE MANAGEMENT AGENCY**

  
\_\_\_\_\_  
Britt Fussel  
Assistant Director – Engineering  
County Surveyor

  
\_\_\_\_\_  
Henry Hash, Director

**Submittal Date: July 26, 2006**

**BEFORE THE BOARD OF SUPERVISORS**  
**COUNTY OF TULARE, STATE OF CALIFORNIA**

IN THE MATTER OF APPROVING THE LETTER )	
AGREEMENT BETWEEN THE LINDSAY- )	
STRATHMORE IRRIGATION DISTRICT, )	RESOLUTION NO.
STYROTEK, INC., AND THE COUNTY )	AGREEMENT NO.
OF TULARE PROVIDING FOR THE TRANSFER )	
AND CONVEYANCE OF CLASS I WATER )	

UPON MOTION OF SUPERVISOR \_\_\_\_\_, SECONDED BY SUPERVISOR \_\_\_\_\_

THE FOLLOWING WAS ADOPTED BY THE BOARD OF SUPERVISORS, AT AN OFFICIAL MEETING HELD ON AUGUST 8, 2006, BY THE FOLLOWING VOTE:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST: C. BRIAN HADDIX  
COUNTY ADMINISTRATIVE OFFICER  
CLERK, BOARD OF SUPERVISORS

BY: \_\_\_\_\_

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1. Approved the Agreement with the Lindsay-Strathmore Irrigation District and Styrotek, Inc. for the transfer and conveyance of Class I Water;
2. Authorized the Chairman to sign the Agreement;
3. Authorized the Resource Management Agency and Dennis R. Keller to take necessary actions to comply with the provisions of the Agreements;

AGREEMENT

This AGREEMENT is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2006, by and between the Lindsay-Strathmore Irrigation District, hereinafter called the Seller, and COUNTY OF TULARE, hereinafter called the Purchaser.

WITNESSETH:

THAT WHEREAS, the Purchaser desires, on behalf of Styrotek, Inc., to obtain from Seller, a portion of Seller's 2006-07 water supply under its contract with the U.S. Bureau of Reclamation (USBR) for Central Valley Project water; and

WHEREAS, the Seller desires to sell and deliver the same to Purchaser.

NOW, THEREFORE, the parties hereto agree as follows:

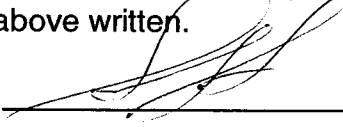
1. The Seller does hereby assign, transfer, sell and authorize the USBR to deliver to Purchaser from Seller's 2006-2007 supply, 6 acre-feet of water belonging to it to the Purchaser, for Styrotek Inc., to be delivered before February 28, 2007, as scheduled by Styrotek, Inc.

2. Styrotek, Inc. agrees to pay the Seller the amount of \$75.00 per acre-foot for 6 acre-feet, said amount to be paid within 45 days of invoice receipt. Such amount shall represent payment in full for the said water purchase. In addition, Styrotek, Inc. agrees to pay all charges related to acquisition, delivery, pumping and administration and will hold harmless, defend and indemnify Tulare County from any cost or expenses claims, actions, damages or losses of any kind, including death related to this transaction.


3. Delivery of water shall be out of Friant Reservoir. Specific delivery dates shall be such as Styrotek, Inc. and the USBR may determine and agree upon except as otherwise herein specified or as may be mutually further agreed upon by Styrotek, Inc., the USBR and the County.

4. This Agreement shall constitute an authorization of said USBR to deliver the amounts of water hereinabove agreed upon.

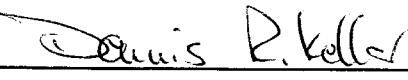
IN WITNESS HEREOF, the parties hereto have hereunto set their hands the day and year first above written.

By:   
\_\_\_\_\_  
Lindsay-Strathmore Irrigation  
District

By: \_\_\_\_\_  
Chairman, Board of Supervisors  
County of Tulare

By:   
\_\_\_\_\_  
Styrotek, Inc.

\_\_\_\_\_  
\_\_\_\_\_

By:   
\_\_\_\_\_  
County of Tulare