

BOISE PROJECT

CONTRACT

SEPT. 27, 1926

NEW YORK IRRIGATION DISTRICT.

DEPARTMENT OF THE INTERIOR
BUREAU OF RECLAMATION

BOISE PROJECT
IDAHO

W.O.Draft
June 14, 1926.

Form approved by
Secretary on
June 21, 1926.

CONTRACT BETWEEN THE UNITED STATES OF AMERICA, THE NEW YORK IRRIGATION DISTRICT, THE NEW YORK CANAL COMPANY, LIMITED, AND THE BOISE-EMMA IRRIGATION DISTRICT, PROVIDING FOR THE TRANSFER OF OPERATION AND MAINTENANCE OF CANAL SYSTEM TO THE WATER USERS AND APPLICATION OF TERMS OF FACT FINDERS' ACT.

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UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF RECLAMATION

1. THIS AGREEMENT, made this 27th day of September, 1926, between THE UNITED STATES OF AMERICA, herein called the United States, acting for this purpose by E. C. Finney, First Assistant Secretary of the Interior, herein called the Secretary, under the provisions of the Act of Congress of June 17, 1902 (32 Stat., 368), and acts amendatory thereof or supplementary thereto, and particularly under the provisions of Section 4 of the Act of Congress of December 5, 1924 (43 Stat. 672, 701), all referred to as the Reclamation Law, and the NEW YORK IRRIGATION DISTRICT, an irrigation district organized under the laws of the State of Idaho and located in Ada County, Idaho, herein called the District, and the NEW YORK CANAL COMPANY, LIMITED, the third party, herein called the Company, and the BOISE-NEWA IRRIGATION DISTRICT, the fourth party,

WITNESSETH THAT:

Explanatory Recitals.

Lands in the District.

2. WHEREAS, the District includes within its boundaries about 17,405.15 acres of old water right lands having rights under the water appropriations made by the New York Canal Company, Limited, and under contract of March 3, 1906,

between the said New York Canal Company, Limited, and the United States, and supplemental storage rights from the Arrow-rock Reservoir under contract of July 1, 1918 with the United States, said lands being referred to herein as New York lands, said contracts as New York contracts, and said New York Canal Company, Limited, as the Company.

New York Lands Outside of the New York District.

3. AND WHEREAS, the Boise-Kane Irrigation District which has heretofore entered into contract with the United States, contains about 5,891.08 acres of old water right lands which likewise have rights under said New York contracts and the said contract between the Boise-Kane Irrigation District and the United States makes provision for such New York lands in that District.

AND WHEREAS, there is a small area of New York land in theampa & Meridian Irrigation District and elsewhere outside of the New York District and Boise-Kane District, hereinafter referred to as outside New York lands.

Landsmen's Desire Benefits of Act of December 5, 1924.

4. WHEREAS, the landsmen of the District desire to secure the benefits of Section 4 of said Act of Congress approved December 5, 1924, and to participate in taking over the operation and maintenance of the canal system and other irrigation works hereinafter referred to as the transferred works, of the said Arrowrock Division of the Boise Project.

NOW, THEREFORE, in consideration of the premises, it is

hereby agreed as follows:

New York Canal Company Transfers Rights and Obligations
to Districts.

5. The New York Canal Company, Limited, by signing this contract transfers and assigns to the New York Irrigation District all the Company's vested rights and all its rights and obligations under said New York contracts insofar as the same relate to the lands in the said New York Irrigation District, and likewise transfers and assigns the same to the Boise-Euna Irrigation District insofar as the same relate to the lands in the Boise-Euna District, and authorizes each of said Districts to represent the said New York lands in each District, respectively, as fully and completely in all respects as could the Company itself in connection with all questions arising under said New York contracts and in all dealings with the United States, and the Board of Control provided for herein, and the District hereby accepts such assignment and transfer of rights and obligations under said New York contracts insofar as the same relate to the lands in the District, and the District assumes and agrees to pay to the United States in the manner herein provided all the obligations of the Company under said New York contracts insofar as they relate to the lands in the District, i.e. the proportionate part thereof applicable to the New York lands in the District, including interest and penalties on delinquent charges. Provided further that said transfer and assignment of property and rights of the New York Canal Company and the said Company's execution of this contract are made subject to all obligations and indebtedness of said Company at

the date of this contract becomes effective (in addition to its obligations to the United States and such other obligations as are herein and elsewhere mentioned) and as a condition of the execution of this contract and as part of the consideration therefor, said district assumes and agrees to pay all such obligations and indebtedness. The United States consents to the transfer of said rights and obligations and agrees to accept the obligations of the New York Irrigation District as to the New York lands in said District, and the Boise-Rain Irrigation District as to the New York lands in said District in lieu of the obligations heretofore assumed by the Company and the stockholders and water right holders thereof under said New York contracts.

It is further agreed that the New York Irrigation District will act as Fiscal Agent of the United States in collecting construction and operation and maintenance charges from the outside New York lands and is authorized by the Company to exercise (in collecting from such outside lands and in all dealings with the United States and the Board of Control concerning the delivery of water thereto), all the rights and powers which could have been exercised by the Company concerning such outside New York lands. Assessments heretofore levied by the Company will be payable to the District in which the land in question is located, except in the case of assessments against stock or water rights used on outside lands and stock not appurtenant to any land, which assessments will be payable to the New York Irrigation District.

Nomenclature - Conveying and Non-Conveying Land.

6. For convenience of nomenclature all New York lands

in the District, the owners of which notify the District in writing that they elect to refuse the benefits of this contract and to stand upon the rights which they now have under said existing New York contracts, or who appear in connection with the proceedings for apportionment of the benefits of this contract or confirmation of such apportionment of benefits and object to the assessments or apportionment of benefits provided herein to be made against consenting New York lands, will be referred to as "non-consenting New York lands", and the owners thereof as "non-consenting landowners". All other New York lands in the District are referred to as "consenting New York lands", and the owners thereof as "consenting landowners". All consenting New York lands which are fully paid up as to all assessments levied by the Company thereon, or on the stock or water rights appurtenant thereto, or held by the owners thereof or used in connection with said lands, and for which the 1926 operation and maintenance charge at the rate provided in Public Notice of March 27, 1926 is paid on or before July _____, 1926, the owners of which shall notify the District in writing of their desire to have such lands classified as "old terms consenting land" will be referred to herein as "old terms land", and the owners thereof as "old terms landowners". All other consenting New York lands in the District will be referred to as "new terms land", and the owners thereof as "new terms landowners". The term "consenting lands" embraces both the new terms land and the old terms land.

The District will act as Fiscal Agent of the United States for the collection of construction charges hereafter due from

the non-consenting landowners, and will collect such charges at or before the date when the same are due under the terms of applicable contracts and ^{1906 + 1918} Public Notices, and will pay same over to the United States within thirty (30) days after same are due, together with the penalties prescribed by Subsection K of Section 4 of said Act of December 5, 1924. The District assumes a primary obligation to make payment to the United States of any portion of such charges not collected from such landowners and paid over to the United States within said thirty day period, and such portion will be paid to the United States within sixty (60) days after same are due, together with interest at the rate of six per cent (6%) per annum from the due date. The Board of Control provided for herein will, upon the request of the District, or the United States, withhold the delivery of water when authorized by the Reclamation Law to assist the District in the collection of such charges from non-consenting landowners. The District will levy an assessment each year upon the irrigable consenting lands to secure sufficient funds to pay the estimated amount of such delinquencies on the part of non-consenting landowners. The District will furnish a surety company bond in the penal sum of \$5,000.00, to insure its faithful performance of its said duties as Fiscal Agent of the United States. The District, within one year after this contract becomes effective, will collect and pay to the United States all construction and operation and maintenance charges (including interest and penalties) upon non-consenting New York lands due and

unpaid at the date the contract becomes effective, and assumes a primary liability for the payment of such charges if not collected within said period from said non-consenting lands.

Annual Construction Payment by District to United States on Basis of 5% of Average Gross Acre Income as to New Terms Land but Terms Unchanged as to Old Terms Land.

7. In addition to the payments provided for in Article 6 the District will pay to the United States each year a construction charge on account of the New Terms Land of the District, which will be determined by multiplying the average rate per acre (as announced by the Secretary) by the number of irrigable acres of New Terms Land subject to construction charges, as the said number of acres is determined and stated annually by the Secretary: Provided, however, that when the total of the amounts due on behalf of new terms land is reduced by previous payments to less than ⁵full installment on the foregoing basis, the amount then due will be announced to the District by the Secretary.

The average rate per acre to be used in determining the annual construction payment to be made to the United States by the District under this article on account of New Terms Land will be five (5%) percent of the average gross acre income (as conclusively determined by the Secretary) of the area of irrigable New Terms Land in cultivation in the District for the ten (10) calendar years first preceding the year in which such

installment comes due, as found by the Secretary annually. For the purpose of determining the annual construction payment to be made on behalf of the new terms land by the District to the United States under this article, all the irrigable New Terms Land is considered to be in one class, but it is agreed that the District, if it so desires, may classify the New Terms Land and upon the approval of such classification by the Secretary may collect annual construction assessments at different rates per irrigable acre from the New Terms Land of the various classes, but the annual construction payments to be made by the District to the United States under this Article will not be changed by such classification. Should the District decide to make the land classification provided for herein, it may have the use of the Government records in regard to land classification, and also the Government records in regard to crop returns from the various farm units in determining the proper rate of construction assessment applicable to each class of land.

In addition to the payments provided herein to be made by the District on account of New Terms Land, the District will pay to the United States each year on account of the Old Terms Land of the District a construction installment which will be determined by multiplying the rate of construction charge per acre applicable during such year to such land under the terms of said contract of July 1, 1918, on the basis of the same total construction charge per acre adjusted as

provided in subdivision (b) of Article 35 and Article 14 and some percentage thereof payable each year specified under the provisions of said contract of July 1, 1918, by the number of irrigable acres of Old Terms Land in the District, as the said number of acres is determined and announced or stated annually by the Secretary. Old Terms Land is also subject (1) to delinquency assessments, as defined in Article 15, (2) to assessments on account of equipment taken over by the District under Article 55, it being understood that each irrigable acre of Old Terms Land will pay its equitable proportion of the cost of such equipment in equal annual installments due at the same date each year as the annual construction charge installments and of the same number as the construction charge installments due from said land at the date this contract becomes effective, and (3) to the same operation and maintenance assessments or toll charges (including delinquency toll charges and assessments, and toll charges or assessments to meet the annual charges due the United States for the operation and maintenance of the reserved works) as are collectible from the other consenting lands.

General Obligations of the District.

8. The total sums due each year from the District to the United States are general obligations of the District, and the District will levy and collect assessments sufficient to pay the same in full to the United States notwithstanding the delinquency of any individual in the payment of assessments.

Terms of Payment Modified as Authorized by New Law.

9. The said construction charges herein assumed and agreed to be paid by the District on behalf of New Terms Lands will be accepted in lieu of the construction charges provided for in the contracts with the New York Canal Company covering such land, but non-consenting landowners will remain subject to the terms and conditions contained in the said existing New York contracts of 1906 and 1918. The decision of the Secretary as to the amount of any installment due and as to the date same is due shall be conclusive.

Release of Individual Liens and Liens Reserved
in Patents.

10. After the confirmation of the apportionment of benefits hereunder the liens reserved in the patents shall (subject to the provisions of Section 2 of the Act of Congress of May 15, 1922 (42 Stat. 541), be released as to all consenting lands and the United States will also consent to the release of any liens upon consenting lands provided by contracts with the New York Canal Company, Limited.

Future Assessments Affecting Construction Payments.

11. After the close of each year hereafter the Secretary will notify the District in writing of his findings in regard to the average gross acre income for the irrigable New Terms Lands in cultivation in the District for that year, and the average for the ten (10) year period, including such year and nine preceding years unless the Secretary shall find the average gross acre income for such year to be so near the average last

determined as to make no material difference in the rate previously determined, in which event the rate last determined and stated by the Secretary shall continue. The failure of the Secretary to state his findings in regard to the average gross acre income for any future year will be construed as equivalent to a finding by him that the average gross acre income for such year is the same as for the last preceding ten (10) year period, and that the rate last stated will continue.

Annual Construction Charges Payable one-half
December 31 and one-half July 1.

12. Unless the District takes the option to pay in semi-annual installments as provided in this Article, the first annual construction charge to be paid on behalf of consenting land by the District to the United States under Article 6 hereof will come due on December 1, 1926, and one annual installment on December 1 of each year thereafter. Pursuant to the provisions of the Act of Congress of May 15, 1922 entitled "An Act to provide for the Application of the Reclamation Law to Irrigation Districts", in order to conform better to the provisions of the State Law with reference to dates of payment of District taxes, it is hereby agreed that beginning with the construction charges coming due in December, 1926, the construction installments from consenting lands (including Old Terms Land) provided for in the preceding articles hereof which would otherwise become payable in December of any year, may be paid by the District to the United States one-half on the 31st day of said December, and one-half on the first day of the following July.

Penalty and Interest Reduced.

13. The penalty of one percentum (1%) per month against delinquent accounts provided in Sections 3 and 6 of the Act of Congress of August 13, 1914 (38 Stat., 686), is hereby reduced to one-half of one percent ($\frac{1}{2}\%$) per month as to all installments coming due from the District to the United States from consenting and non-consenting lands after December 5, 1934, which penalty shall be in lieu of the penalty of one percent (1%) per month provided in said Sections 3 and 6 of said Act of Congress of August 13, 1914, but it is understood that the penalties provided in this Article apply to the payments to be made by the District to the United States, and that assessments levied by the District may be subject to the penalties and interest charges provided in the State Law as applicable thereto.

Delinquent Charges, Operation and Maintenance Charges
on Reserved Works for Current Year and Transferred
Equipment Added to Construction.

14. All construction and all operation and maintenance charges due and unpaid from the consenting landowners to the United States, or to the New York Canal Company, Limited, or the District as successor in interest of the New York Canal Company, Limited, or from the New York Canal Company, Limited (or the District as its successor) to the United States on account of such consenting lands, at the date of this contract, including interest and penalties, together with the consenting lands' pro rata share of the book value of the equipment turned

over to the Board of Control under Article 55 hereof, and the consenting lands' pro rata share of the estimated operation and maintenance charges on account of operation and maintenance by the United States of the reserved works during the year 1926, as provided in Article 59 hereof, shall be added to the total unaccrued and unpaid construction apportionment (modified on the basis fixed in Subdivision B of Article 35) against the lands of each consenting landowner and the sum of such new totals thus established shall be the gross construction charges payable by the District on behalf of the consenting lands. In the first operation and maintenance assessment levied by the District, or toll charge collected by the Board of Control under this contract, there will be included an assessment or toll charge upon non-consenting lands adequate to raise funds to pay the United States such lands' pro rata portion of the book value of the equipment turned over to the Board of Control under Article 55 hereof, and of the estimated operation and maintenance charges on account of the operation and maintenance by the United States of the reserved works during the calendar year 1926 as provided in Article 59 hereof.

Apportionment of Benefits.

15. The District will apportion construction benefits against each tract of consenting land in the amount of the unpaid balance (determined as provided in subdivision B of

Article 35 and in Article 14 hereof) of the construction charges remaining against such lands under the terms of the said New York contracts applicable thereto, plus the penalties or interest, as determined by the Secretary, on any installments thereof which have heretofore come due and remain unpaid and in addition thereto will apportion against each tract of consenting land as a portion of the construction charge, the other charges provided in Article 14 hereof, and upon confirmation of such apportionment by the Court, delinquent construction and operation and maintenance charges (including interest and penalties) against New Terms Land covered by such confirmed apportionment of benefits shall be cancelled and the same funded as a part of the construction apportionment against each tract of New Terms Land as hereinabove provided, and thereafter annual construction assessments shall be levied against each tract of consenting land until the full construction charge apportioned to such tract has been paid notwithstanding that other tracts of consenting lands may be sooner paid out and construction assessments discontinued as to such other lands. Provided, however, that the District is to pay the United States the amounts above agreed upon irrespective of the defaults of individual landowners in meeting their assessments. The District shall increase its levy each year in order to obtain a sum (herein referred to as delinquency assessment) sufficient to meet the

delinquencies of past years and the estimated delinquency for the current year. Such increase may be levied upon consenting lands although the construction charges apportioned thereon have been fully paid, and the sums paid by the owners of consenting lands to make up the deficiency due to the failure of others to make payments shall not be considered as payment on the construction charges apportioned against the consenting lands upon which such payments are made, but after the owner of any such tract of consenting land has fully paid the amount of the apportionment of construction benefits apportioned thereto as provided hereunder, such tract of land shall thereafter be subject to construction assessments only when the District is delinquent in its construction payments to the United States and to the extent necessary to meet its pro rata share of such delinquency.

Water Service Pending Confirmation Decree To be Furnished
To Lands For Which Consent Agreements in the Form of
Exhibit "A" or Exhibit "B" are Signed.

16. Lands for which consent agreements in either the form attached hereto as Exhibit "A" or Exhibit "B" are signed and delivered to the District in which the land is located by the owners thereof (or by the owners' agents or representatives who are in possession of the land and have paid the charges required to be paid as a condition to delivery of water) will be considered as consenting lands for the purpose of delivery of water pending the entry of the Decree of the

District Court confirming the apportionment of benefits hereunder and water service will be furnished therefor under the terms hereof pending such confirmation Decree; Provided, that where irrigable lands of the District are in the hands of a Receiver or in process of foreclosure and the owner does not sign either the form of acceptance agreement attached hereto as Exhibit "A" or the form attached hereto as Exhibit "B", temporary water service may be furnished to such land by the District or Board of Control pending the termination of such receivership or in the case of foreclosure pending the termination of the foreclosure proceedings and the equity of redemption under the Sheriff's sale following such foreclosure, upon signing of acceptance agreement in form attached as Exhibit "A" or Exhibit "B" by the Receiver or mortgagee and payment of the charges required of consenting land. No agreements in the form attached as Exhibit "B" shall be accepted from any landowner except one whose lands and shares of stock in said company are fully paid up as to all assessments levied by the New York Canal Company, Limited, for the purpose of making payment of charges to the United States under said New York contracts and are entitled hereunder to be classified as Old Terms Land and for which the operation and maintenance charge provided in Public Notice of March 27, 1926, shall have been paid.

Objection Landowner May Remain Subject to Present Terms.

17. No benefits hereunder will be apportioned against

non-consenting lands, but non-consenting lands will remain subject to the terms and conditions of said New York contracts of 1906 and 1918, and shall have no greater rights than they would have under said contracts, and shall not be entitled to any of the benefits of this contract. No water will be furnished from the works constructed by the United States to or for such non-consenting lands until all payments required to be made by the New York Canal Company, Limited, to the United States under the terms of said New York contracts as a condition to the delivery of water, have been fully paid.

AND WHEREAS, the New York Canal Company, Limited, is now so far in arrears in the payment of the construction and operation and maintenance charges agreed to be paid by the Company to the United States under the provisions of the said contract of July 1, 1918, between the United States and the Company, that neither the Company nor any of its stockholders or water right holders are now entitled, under the terms of said contract, to the delivery of any water from the Arrow-rock Reservoir, or other works of the United States, except insofar as the terms of said contract of July 1, 1918, may be modified by this agreement, and whereas, it is the desire of the parties hereto that water service be continued during the remainder of the irrigation season of 1926 to the extent provided in said contract of July 1, 1918, to all consenting land in the District for which the operation and maintenance charge for the year 1926 announced in the Public Notice of

the Secretary of the Interior dated March 27, 1926, is duly paid, and that instead of withholding water service from all New York lands as authorized by the provisions of the said contract of July 1, 1918, and section six (6) of the Act of Congress of August 15, 1914 (38 Stat. 686), the withholding of the supplemental water service under the said contract of July 1, 1918, be limited during the season of 1926 to the non-consenting lands, and the consenting land which fails to pay the operation and maintenance charge provided in the said Public Notice of March 27, 1926.

NOW, THEREFORE, IT IS HEREBY AGREED that after the execution of this contract by the District, the Company, and the United States, instead of discontinuing all water service to or for the New York lands under the provisions of said contract of July 1, 1918, the United States may reduce the amount of water delivered to the Board of Control by the United States for delivery to New York lands in the proportion that the acreage of non-consenting New York land and consenting New York land which has failed to pay the operation and maintenance charges provided for herein, is of the total acreage of New York land for which supplemental water would be furnished under said contract of July 1, 1918, were all past due construction and operation and maintenance charges provided for there-

under fully paid. In determining the amount of the past due charges to be funded as a portion of the new construction charges and apportioned as benefits to the consenting New Terms Land, and also in determining the amount of the past due charges required to be paid by the Old Terms Land as a condition to the delivery of water, if the amount of construction and operation and maintenance charges past due from the Company to the United States and unpaid, is in excess of the delinquent assessments levied by the Company and remaining due and unpaid from the stockholders to the Company, the difference shall, for the purpose of this contract, be considered pro-rated to all stockholders of the Company and a part of the delinquent assessments against such stockholders, and be required to be paid as a condition to the delivery of water in the case of Old Term landowners and added to the amount of construction benefits apportioned to the lands of the New Terms landowners in the same manner as the unpaid assessments levied against the stockholders by the Company, so that the unpaid assessments charged against the consenting and non-consenting New York lands of the New York and Boies-Kann Districts and outside lands will not be less than the delinquent construction and operation and maintenance charges due from the Company to the United States.

Operation and Maintenance Charges.

18. Pursuant to the provisions of Subsection H of the said Act of Congress of December 5, 1924, operation and maintenance charges will be required to be paid in advance by all New York lands as a toll charge before water is delivered under this contract. The operation and maintenance charge so required to be paid in advance by the consenting lands for the season of 1926 will be the charge announced in the Public Notice of March 27, 1926. The operation and maintenance charge against all consenting New York lands for delivery of water during the season of 1926 prior to July 1st, 1926, out of old vested water rights of the Company will be determined in the manner provided in the said contract of 1906 as construed by the decision of the Court thereon except that the same shall be payable to the Board of Control instead of the United States and may be applied by the Board of Control toward the cost of the operation and maintenance of the transferred works and should the Secretary of the Interior fail to state or announce such charge by April 1, 1927, the Board of Control may do so with the same effect as if such statement were made by the Secretary of the Interior.

Beginning with the operation and maintenance charges for the season of 1927, all operation and maintenance charges against consenting New York lands shall be payable in advance as required by Subsection H of said Act of Congress of December 5, 1924, and shall be payable to the District in

which the land is located except in the case of the outside lands the operation and maintenance charges from which shall be collected by the New York District, but all operation and maintenance charges collected by the Districts or either of them, shall be promptly paid over by the Districts to the Treasurer of the Board of Control, except such part thereof as is necessary for the maintenance of the District organization and should the District fail to collect and turn over to the Board of Control a sufficient amount of money to cover the operation and maintenance charges chargeable to the lands of the District, the Board of Control may require additional payments from the lands of such District. Provided that the operation and maintenance charge shall be sufficient to cover the charge to be paid to the United States for the operation and maintenance of the reserved works as well as the cost of operation and maintenance of the transferred works by the Board of Control.

The Board of Control shall have the same authority to announce and determine the operation and maintenance charges for the consenting New York lands of the said Arrowrock Division as in the case of the project lands of said division and with reference to the announcement of operation and maintenance charges the Board of Control may exercise all authority heretofore vested in the Secretary of the Interior under said New York contracts of March 3, 1904, and July 1, 1912. But the Board of Control may, if it so desires, submit its proposed

announcement of operation and maintenance charges to the Secretary and for his approval, and upon approval by the Secretary of the Interior, the same shall have the force and effect of a Public Notice issued by the Secretary.

Beginning with the irrigation season of 1927, one operation and maintenance charge may be collected for the entire year from consenting New York lands instead of separate charges for water delivered before and after July 1st, but such charge against the consenting New York lands shall not exceed the operation and maintenance charge required by the Board of Control from similar project land in the same section of the Arrowrock Division, except as in this article otherwise provided. Out of the operation and maintenance charges paid to or collected by the Board of Control, the Board of Control will pay to the United States the operation and maintenance charges on the reserved works, but the District may if it so desires pay to the United States out of the operation and maintenance charges collected by the District the proportionate part of the charge for the operation and maintenance of the reserved works which is chargeable to the lands of the District and credit will be given for such payment in the same manner as if it had been paid by the District to the Board of Control and by the Board of Control to the United States. The owners of all consenting New York lands irrigated with water rights in connection with the shares of stock of the Company, by consenting to the terms of this contract, or accepting the benefits thereof expressly consent and agree that beginning with the year 1927 the same

operation and maintenance charges may be levied against and required from such consenting New York lands as are levied against or required from similar project lands in the same division of the project plus such additional amount as may be required to make the total collections from all lands in the District the same that would be collected were all lands in the District subject to the same operation and maintenance charges applicable to project lands, but New York lands having water rights under deeds or contracts executed by the New York Canal Company, or its predecessors in interest, referred to in paragraph 5 of the contract between the United States and said Company, dated March 5, 1906, and which deeds or contracts specify fixed rates of maintenance (and the owners of such lands) shall be liable for operation and maintenance charges and assessments (other than those provided for in the contract of July 1, 1918), at the rates and on the basis as specified in such deeds and contracts only and the District will pay the Board of Control the same amount for operation and maintenance purposes which would be required if all the New York lands were assessed alike for operation and maintenance purposes and all at the same rates applicable to similar project lands.

All Benefits Conditional Upon Payment.

19. Should any assessment, or assessments, authorized by the terms of this agreement and levied against any tract of

land in the District, be held irregular or void, or the District, or its officers be enjoined or restrained from making or collecting any assessment provided for herein from any tract of land in the District, at the instance of the owner or holder of such tract of land, then such tract shall have no right to any of the benefits of this contract and shall immediately revert to the obligations and terms of payment provided for in the contracts between the New York Canal Company, Limited, and the United States, and no water furnished through any works constructed by the United States shall be delivered to or for such tract or tracts of land until the construction and operation and maintenance charges at the rates and upon the terms and conditions provided in the contracts with said Company shall have been paid as required by contracts with said Company to the same extent that would have been required had this contract never been made. Such lands so reverting to the conditions of the said contracts of 1906 and 1916 between the United States and the Company shall be without any right to any part of the water supply provided to be delivered under said contracts until all charges required by the terms of said contracts to be paid to the United States as a condition to the delivery of water shall have been fully paid by the Company, or its successors in interest. The District is hereby authorized

to collect from such lands, as Fiscal Agent of the United States, and shall promptly pay over all such construction collections to the United States, and the Secretary hereby announces and gives public notice with reference to such lands that the operation and maintenance charges hereinafter applicable thereto shall be the same as those applicable to other lands of the same class which become subject to the terms of the contract, and payment of the operation and maintenance charges from such lands shall likewise be required in advance as a toll charge as a condition to the delivery of water in like manner as in the case of other lands in the District. It is further agreed and understood that the payment of construction and operation and maintenance charges at the rates and upon the terms and conditions provided for herein as to lands subject to this contract, and at the rates and upon the terms and conditions provided in the contracts applicable thereto as to lands which revert to or remain subject to such contracts is a prerequisite to the right to receive water from any of the works constructed by the United States, and no irregularity in levying assessments by the District, or lack of authority in the District whether affecting the validity of District assessments, or not, shall be of any effect to authorize any landowner of the District to demand or receive water made available through irrigation works constructed by the United States unless construction and operation and maintenance charges

at the rates and upon the terms and conditions provided herein have been paid by such landowner.

Deferment of Construction Charges for 1926.

20. During a period of ninety (90) days after the execution of this contract on behalf of the United States, applications may be made by the District, or the landowners of the District, for deferment of construction charges upon consenting land during the year 1926 pursuant to the provisions of Subsection F, Section 4 of the said Act of December 5, 1924. Such applications shall be accompanied by a showing applicable to each farm, subdivision or single ownership of land for which such application is made, in the form prescribed by the Secretary, showing the necessity for such relief in each case, and full information concerning the same. After consideration of such applications and such investigation of the facts in connection therewith as the Secretary shall deem to be necessary or desirable, the Secretary will advise the District of the extent to which such applications are approved, giving the number of irrigable acres and description of the lands for which such deferment is granted. The total of the charges so deferred will be deducted from the construction charges otherwise coming due from the District to the United States during the year 1926, and no construction assessments will be levied by the District during that year upon the lands for which deferment is granted by the Secretary.

1926 Operation and Maintenance of Reserved Works.

21. The estimated cost of operation and maintenance during the year 1926 applicable to consenting lands on account of (a) operation and maintenance of the reserved works by the United States during the year 1926, and (b) the distribution of stored water and natural flow from Boise River, will be added to the construction charge applicable to such lands. Such lands' pro rata share (a) of such estimated cost, (b) of the book value of the equipment and supplies transferred as provided in Article 55 hereof, will be added to the total obligations of the District to the United States as a part of the construction charge on account of the irrigable consenting lands of the District. Non-consenting landowners will be required to pay their proportionate part of the cost - (a) of the operation and maintenance of the works reserved by the United States and the distribution of stored water and natural flow from Boise River; and (b) of the book value of the equipment and supplies transferred as provided in Article 55, as a portion of the 1926 operation and maintenance charges, and Public Notice to that effect is hereby given.

Prior to the apportionment of construction charges to the consenting district lands as provided for herein, the Secretary will furnish the District an estimate of the probable cost of the operation and maintenance of the reserved works during said year 1926, the District's pro rata share thereof, and the pro rata share chargeable to each acre of irrigable land in the District, and a statement of the pro rata share per acre of the book value of the equipment and supplies agreed to be transferred under Article 55. Pursuant to the provisions of Subsection N. Section 4 of said Act of Congress of December 5, 1924, the funds necessary for the operation and maintenance of the transferred works during the year 1926 will be collected in advance and water will not be delivered until such charges are paid. After the end of the year 1926 the Secretary will cause a statement to be furnished to the District showing the actual cost during said year 1926 of the operation and maintenance of the works reserved by the United States, and the District's proportionate share thereof and the actual cost of the distribution and protection of stored water run in Boise

River, including all the items of cost and expense herein enumerated, and the District's proportionate share thereof, and thereafter the charge against the District on account of said operation and maintenance during the year 1926 will be readjusted to conform to the said statement of actual cost, instead of said advance estimate of cost, by making or allowing a suitable debit or credit against or in favor of the District, as the case may be, which credit or debit will be deducted from or added to the amount which would otherwise be payable by the District to the United States the following year. The Board of Control may inspect the reserved works at any time, and may at any time appeal to the Secretary if it is not satisfied that the reserved works are receiving proper care, or if in its opinion the project water supply is not being properly conserved or distributed.

Carrying Out Obligations of Contracts.

23. The District and the Board of Control provided for herein as the operating agent of the District, and the other Districts participating in the operation and maintenance of the transferred works, shall carry out, in accordance with their correct intent and meaning and to the satisfaction of the Secretary, all project contracts of whatsoever kind or nature now or hereafter in force affecting the transferred property in any manner and shall fulfill all obligations imposed upon the United States therein but modified as to consenting lands as herein provided. No contract affecting the project

made by the District, or the said Board of Control with reference to the operation and maintenance of the transferred works, or delivery of water therefrom, except for the usual labor, equipment, supplies and services in connection with the operation and maintenance of the transferred works, and the delivery and distribution of water, shall be valid until approved by the Secretary and a draft of such contract shall be submitted to the Secretary for approval as to form before execution.

Secretary to Approve Bond of Treasurer.

23. The Secretary shall approve the amount of the bond required to be furnished by the Treasurer of the District and no person shall be authorized to act as Treasurer or to handle any of the funds to be collected or disbursed by the District without furnishing a surety company bond in an amount approved by the Secretary for the faithful performance of the duties of his office, but if the same person acts both as Treasurer of the District and Treasurer of the Board of Control, only one bond need be furnished.

Amounts Due the United States a First Charge Upon Collections.

24. The amounts due the United States from the District for the operation and maintenance of the works reserved to the United States shall be a first charge upon the operation and maintenance collections of the District.

To Use All Powers to Collect Agreed Charges.

25. The District agrees that it will cause to be levied and collected all necessary assessments and will use all the powers and resources of the District, including the taxing power of the District and the power to withhold delivery of water, to collect and pay to the United States all charges provided for in this contract in full on or before the day that the same become due.

Agreed Charges a General Obligation of the District.

26. The District is obligated to pay to the United States the full amounts herein agreed upon according to the terms stated regardless of individual default in the payment of any assessment levied by the District, but it is understood and agreed that when construction assessments on any tract of consenting land in the District have been paid in an aggregate amount equal to the full amount of the construction charges apportioned as benefits to such tract, including all the items mentioned in Article 14 hereof, such tract of land hereinafter referred to as paid-up land, shall thereafter be liable for construction assessments for the purpose of meeting the obligations of the District under this contract only in the event that the District is delinquent in its payment to the United States and only to the extent that assessments are levied to meet estimated delinquencies in the payment of estimated charges and may be assessed at a lesser rate than the rate

applicable to lands of similar class which are not paid up, if such lesser rate, together with the District's other collections, will suffice to meet the District's obligations, or estimated obligations to the United States, and in the event of such delinquencies on the part of the District and/or the collection of construction assessments from such paid up lands, it shall be the duty of the District to refund to the owners of such paid-up lands the construction assessments collected therefrom in excess of the total construction benefits apportioned thereto, or so much of such excess as can be paid out of the funds available as soon as there are sufficient funds available in the Treasury of the District and not required to pay the District's obligations to the United States, or the District's share of the cost of the operation and maintenance of the transferred works, and the maintenance of the District organization.

No Water to be Delivered Without Payment.

27. Pursuant to the provisions of Section 6 of the Act of Congress of August 15, 1914 (38 Stat. 686) no water shall be delivered to or for any tract of land in the District the owners or holders of which shall be in arrears more than one year for the payment of any charge for operation and maintenance or any annual construction charge and penalties, or any assessment levied by the District for the purpose of paying such construction, or operation and maintenance charges, or who after the beginning of the year 1926 shall fail to pay

in advance the annual operation and maintenance charges.

Statement of Status of Payments Affecting Right
to Water.

28. The District will furnish the United States and the Board of Control provided for herein a list of lands in the District which are entitled to receive water under the terms of the preceding article, which list shall be amended or supplemented from time to time after changes occur in regard to the status of said lands as to the qualifications to receive water, which list shall be available for the use of the United States in reducing the amount of water turned in at the head of the transferred works in proportion to the lands under which said transferred works, which on account of delinquency in payment are not entitled to receive water. Water so withheld may be used by the District provided the District is not delinquent in the payment of any charges due the United States hereunder, upon other land in the District, upon which the charges are paid. Should the Treasurer of the District at any time when the District has collected and has available in the hands of the Treasurer sufficient funds to make such payments fail to pay promptly to the United States the construction or operation and maintenance charges herein agreed to be paid by the District, the District will, upon notice from the Secretary, and as often as such notice is given, discharge such Treasurer and terminate his authority to act as Treasurer of the District and select another Treasurer

satisfactory to the Secretary to perform such duties.

Responsibility for Holding the United States Harmless.

29. After the transfer of said transferred works, the District, together with the other districts participating in the operation and maintenance of the transferred works, shall hold the United States, its officers and agents, harmless as to any and all damage which may in any manner grow out of any operation and maintenance of the transferred works, each of the several districts participating in said operation and maintenance of the transferred works to be responsible for a proportionate share of any cost, or expense, necessary for the purpose of keeping the United States harmless, as provided in this Article, in the same proportion as the representation of said district on the Board of Control is of the total number of members on said Board of Control provided for herein.

Rules and Regulations.

30. The Secretary reserves 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 and modify them as may be deemed proper and necessary to carry out the true intent and meaning of the law and of this contract.

Contract to be Authorized by Election and Confirmed
by Court.

31. The execution of this contract shall be authorized by the qualified electors of the District at an election

held for that purpose. Thereafter, without delay, the District shall prosecute to decree proceedings in Court for the judicial confirmation of the authorization of this contract and the apportionment of benefits provided herein. The United States shall not be in any way bound to proceed under the terms of this contract until the confirmatory final judgment in such proceedings shall have been rendered, including final decision on any appeal prosecuted therefrom. The District shall furnish the United States for its files certified copies of all proceedings relating to the election upon this contract and the confirmation proceedings in connection therewith.

Claims and Complaints of Incorrect Distribution of Water.

52. The United States and its agents in charge of the reserved works will use their best efforts and best judgment to deliver and turn out for the several parties entitled to receive water from said works their correct and proper share of the water actually available therefrom, and should the District, or any of the landowners or water users of the District feel aggrieved on account of any alleged shortage in the water supply delivered by the United States hereunder, or on account of any alleged mistakes or inaccuracies in the division of the water among the parties entitled to receive water from said reserved works, such party shall at once report to the officer of the United States in charge of said reserved works such alleged shortage or error in the division or delivery

of water, and such officer shall promptly investigate any such complaint and if he finds that the proper proportionate share of the available water supply to which such party is entitled is not being delivered for such party, he will correct the delivery insofar as the United States has control of such delivery and distribution, so that the correct proportionate share as nearly as practicable to which such party is entitled will be delivered to or for such party at the point of delivery herein provided, it being understood that the water to which the landowners of the District are entitled will be delivered to the Board of Control provided for herein as the operating agent of this District, and other districts receiving water from the transferred works, at the head of said transferred works. If any such party is dissatisfied with the decision of such officer of the United States in charge of the reserved works, such party may apply to the Secretary for an order for the correction of any alleged error in the delivery or division of water from said reserved works, but neither the United States nor its officers or agents shall be liable in damages on account of any such alleged shortage or mistake in the delivery or division of the water from said reserved works.

Distribution of Stored Water from Boise River by
State Officer.

35. The distribution of stored water from the Arrowrock Reservoir constructed by the United States on Boise River after the same is turned out of said reservoir into Boise River, will

be in charge of the proper State officer, or other officer charged by law with the distribution of stored water from Boise River, and with the regulation of headgates for such purpose.

Profits Under Subsections I and J of the Act of
December 8, 1924.

34. Should any net profits be realized by the United States from the power privilege at Arrowrock Dam or from power developed at said dam, or from drops on any of the canals included among the transferred works herein described, or from any of the various sources named in Subsections I and J of said Act of Congress of December 8, 1924, the same will be announced and determined each year by the Secretary in a written statement to be sent to the District over the signature of the Secretary. The portion of such net profit, if any, as determined by the Secretary and set out in such annual statement as applicable to the District, shall be credited each year as follows:

(a) On the annual installment of project construction charges (including the construction charges payable by non-consenting landowners) of the District beginning with the installment first coming due and continuing with succeeding construction installments as far as such credit will go until the entire construction indebtedness of the District has been paid;

(b) Thereafter upon operation and maintenance charges (including operation and maintenance charges on non-consenting land) as the same come due to the United States;

(c) As the District may direct;

but no distribution to individual water users shall be made out of any such profits until all obligations to the United States have been fully paid. Any such net profit (as determined by the Secretary) as may be derived from power or power privileges at the Arrowrock Dam shall be divided among the several districts and companies which are paying for an interest or share in said reservoir, in proportion to the respective shares or interests of such districts and companies. The Secretary shall determine the proportion of net profits, if any, under said Subsections I and J from other sources, equitably to be credited to the District, as well as the amount of such net profit. The decision of the Secretary of the Interior shall be conclusive as to the amount of net profits derived under Subsections I and J of said Act and the equitable proportion thereof to which the District is entitled.

**Water Rights Unchanged Except as Provided Herein,
but Terms of Payment Modified to Conform to
Past Finders' Act and Provisions of this
Contract.**

25. The method of determining and announcing operation and maintenance charges as provided in the said contracts of March 3, 1906, and July 1, 1918, between the United States and the New York Canal Company, Limited, shall remain unchanged except as provided in Article 18 hereof, and except that the Board of Control provided for herein as the operating agent

of the District and the other districts cooperating with the United States in the operation and maintenance of the transferred works, may make the annual announcement and determination of the necessary operation and maintenance charge instead of the Secretary of the Interior, and with the same force and effect as if the same were made and announced by the Secretary of the Interior.

In all respects the water rights provided for, or reserved in said contracts of March 3, 1906, and July 1, 1918, between the United States and said New York Canal Company, Limited, shall remain unchanged and in full force and effect, except as set out in the following proviso in this article, and subject to the terms and obligations in regard to payment of charges and the other conditions provided in said contracts of March 3, 1906, and July 1, 1918, as modified by this agreement. Provided that upon the execution of this contract by the New York Canal Company, Limited, any owner of New York lands in the District who may desire to do so, may file application with the Board of Directors of the District in the form attached hereto as Exhibit "A", or Exhibit "B" for permission to make construction payments upon the terms provided herein, and upon the filing of such application such lands will be considered as consenting lands under the terms of this contract, and all land the owner of which without objection allow benefits to be apportioned thereto by the District on the basis herein provided as applicable to New Terms consenting land will be classified as New Terms Consenting Land under the provisions of this contract, and subject to the terms of payment provided for herein as applicable to such New Terms Consenting

Band, and all construction and operation and maintenance charges and assessments, including interest and penalties, past due at the date of this contract on such New Terms Consenting New York lands and on the stock appurtenant thereto, will be canceled pursuant to the provisions of Subsection L of said Act of December 5, 1924:

Provided, that during the irrigation season of 1926 from and after the date of the execution of this contract by the New York Canal Company, Limited, and after the District shall have called its election to vote upon this contract, and during extreme low water years hereafter when the old vested water rights decreed to the Company under the Decree of the District Court commonly known as the Stewart Decree are entirely cut out of the canal prior to July 1st by order of the State Watermaster, or other officer in charge of the distribution of water from Boise River, stored water will be furnished to New York lands on the following basis, in lieu of the basis provided in the said contract of July 1, 1918, to-wit:

The consenting New York lands will not be required to wait until July 1st before beginning to draw stored water, but upon payment in 1926 of the operation and maintenance charge provided in the Public Notice of March 27, 1926 (and in subsequent years upon payment of the operation and maintenance charge for each year determined in the manner provided herein), stored water will be furnished for New York lands during the month of June,

and thereafter during each of such low water years, until the number of acre-feet of which such tract is entitled has been exhausted, the rate of delivery of stored water to be such rate as may be necessary to continue water deliveries to each tract of consenting New York land after June 1st at the rate of one-half miners inch per irrigable acre, or such rate less than one-half miners inch per irrigable acre as may be ordered by the owner of such tract of New York land, subject to the same limitation as to the rate of delivery per irrigable acre (if less than one-half miners inch per acre) which applies during such season to similar project land in the same section of the project, but in order to conserve water, the Board of Control may install a rotation system in the delivery of water both to the New York lands and the project lands. It is understood and agreed that during such low water year the total stored water supply to which all the New York lands, including the New York lands in the New York District, the New York lands in the Boise-Euna District and the outside New York lands, are entitled is twenty-nine/One hundred sixty-eight (29/268ths) of the stored water actually available during such year from the Arrowrock Reservoir, which proportionate share of the stored water to which the New York lands are entitled will be divided among all New York lands entitled to the delivery of stored water at an equal rate per acre so far as it is reasonably practical to distribute the same, and in the delivery of the stored water to which the New York lands are entitled during such lowwater year

a reasonable reduction will be made to cover seepage and evaporation losses in the reservoir and in the transmission of the stored water from the reservoir to the points of delivery and for this purpose, it may be assumed that each acre-foot of water delivered at the points of delivery provided in the said contract of July 1, 1918, is equivalent to one and one-fourth (1 1/4) acre-feet in the reservoir, and that the difference between one (1) acre-foot and one and one-fourth (1 1/4) acre-feet may be allowed as a reasonable reduction to cover seepage and evaporation losses, and that the deliveries provided for herein to New York lands during such low water years shall not infringe upon the proportionate part of the use and benefit of the Arrowrock Reservoir dedicated by the Secretary of the Interior to the project lands.

It is further agreed and understood that the term "low water year" as used herein means a year when the natural flow of the Boise River is so low that the old vested water rights decreed to the Company under the Decree of the District Court, commonly known as the Stewart Decree, are entitled, are out on' of the canal prior to July 1st by order of the State Watermaster, or other officer in charge of the distribution of water from Boise River.

The said Superintendent, or Manager employed by the Board of Control will determine all questions of fact involved in the above provisions concerning the delivery of stored water

to New York lands during the season of 1926 and the other low water years referred to herein, to the best of his knowledge and judgment and his decision thereon shall be final and conclusive, and no District represented on said Board of Control, and no officer, or employee of any such District, or of the United States or of the said Board of Control, shall be liable in damages on account of any alleged error or mistake in the delivery of water hereunder or for any alleged shortage in the delivery of water hereunder.

Provided, further that should the New York Canal Company, Limited, acting under authority of a resolution adopted by its Board of Directors execute this contract such execution of this contract by the New York Canal Company, Limited, shall authorize the Board of Control to put into immediate effect the distribution of stored water to the New York lands of the project during the season of 1926 upon the basis of the foregoing provisions of this article instead of the terms of said contract of July 1, 1916. Where two or more New York users receive their water delivered at the same tap and there is no separate measurement, all the land receiving water from such common tap without separate measurement, will be considered as one tract for the purposes of the foregoing provisions of this article.

(b) The Board of Directors of the District will apportion construction benefits to consenting New York lands in the amount of the unpaid balance of the construction charges in connection with such tract of consenting New York lands and the stock appurtenant thereto, on the basis of an original construction charge

of Twenty-five (\$25.00) Dollars per acre, plus (in the case of the New York Lands) the unpaid assessments and interest and penalties as canceled as above provided, and (in the case of all consenting land) the amounts added thereto pursuant to the provisions of Article 14 hereof to cover such consenting lands' proportionate share of the book value of the equipment and supplies transferred as provided in Article 53 hereof, and the consenting lands' proportionate share of the estimated cost of the operation and maintenance of the reserved works during the irrigation season of 1924, which sum so apportioned as benefits to said consenting New York lands the District assumes and agrees to pay to the United States as provided in Article 7 in reference to the payment of construction charges for consenting land, and the District will thereafter levy construction assessments against such tract of consenting New York lands on the basis provided in Article 7 hereof until the full amount so apportioned as construction benefits to such tract of New York land has been fully paid.

(c) It is understood and agreed that the shareholders and water-right holders of the Company are to continue to receive all the vested water rights at all times to which they are entitled under said contract of March 3, 1906, as the same has been construed by the Court, as long as the same are available from the natural flow of Boise River, and nothing herein contained shall lessen or impair any of said vested water rights reserved to the Company, and its shareholders, stockholders

and successors in interest, under said contract of March 3, 1906, but this provision in regard to continuation of vested water rights shall not be construed as in any way affecting operation and maintenance charges which shall be determined by the provisions and stipulations of this contract in regard to operation and maintenance charges and such parts of the said contract of July 1, 1918, and the said contract of March 3, 1906, as remain unchanged under the provisions hereof, as the said contracts have been construed by the decisions of the Courts, nor in any way affecting or impairing the right of the United States or Board of Control to withhold delivery of water on account of non-payment of construction or operation and maintenance charges.

Lands Brought in by Petition.

30. New York lands hereafter brought into the District by petition, and consenting to the terms hereof either by express provision of such petition signed by the owners of such lands, or by agreement in the form shown as Exhibit "A", or Exhibit "B", shall be entitled to the same terms of payment and other benefits of this contract applicable to similar New York or project lands already in the District and shall likewise be subject to the

same obligations and conditions applicable to similar New York lands already in the District, and upon the inclusion of such additional lands in the District by petition the number of acres of consenting land so included in the District by petition will be added to the number of acres of consenting land already in the district in determining the total of such obligations of the District to the United States and of each such annual construction payment to be made by the District to the United States, and the District Board shall apportion to such lands so brought in by petition, construction and operation and maintenance benefits in the same manner applicable to the lands already in the District.

Board of Control Established as Operating Agent

27. For the purpose of giving each of the several districts receiving water through the main canal of the Arrowrock Division of the Boise Project fair representation on the Board operating said canal, a Board of Control is hereby established which shall be the operating agent of the District and also the operating agent of the other districts receiving water from said main canal which shall contract with the United States to participate in the care, operation, and maintenance of the works to be transferred hereunder, such districts being hereinafter referred to as the other contracting organizations.

Board of Control Adopted as Agent

28. The said Board of Control is hereby adopted by the

District as its operating agent for the purpose of caring for, operating and maintaining the said main canal and other works, the operation of which is hereby agreed to be transferred, and likewise shall be adopted as its operating agent by each of the organizations contracting with the United States to participate in the operation and maintenance of said main canal and other transferred works.

Representation on Board of Control

39. On said Board of Control the New York Irrigation District shall be entitled to one (1) member, and the Hampa & Meridian Irrigation District, the Boise-Kuna Irrigation District, the Wilder Irrigation District, and the Big Bend Irrigation District shall each be entitled to the representation provided for in the contracts between the United States and each of said Districts, respectively, to wit: Hampa & Meridian Irrigation District two (2) members; Boise-Kuna Irrigation District two (2) members; Wilder Irrigation District three (3) members; Big Bend Irrigation District one (1) member, but in the case of the Big Bend District, having the right to vote only one (1) year in ten (10).

Members Representing Contracting Organizations
Constitute Board.

40. Should any of the owners of lands receiving water from said main canal fail to organize in the form required by the Secretary, or fail to contract with the United States to participate in the operation and maintenance of said canal and

other transferred works, or having organized and contracted with the United States, shall be selected the Directors to which they would be entitled on said Board of Control, the members of said Board representing the organizations which have contracted in acceptable form with the United States to participate in the operation and maintenance of said canal and other transferred works shall constitute the Board of Control provided for herein.

Works Transferred

41. Effective March 25, 1925, there is hereby transferred to the District and to the other contracting organizations operating thru the Board of Control herein provided for, the care, operation and maintenance of the main canal of the Arrowrock Division of said Boise Reclamation Project below the point approximately one-half mile below the diversion dam where the water supply for the Hillcrest and Boise-Mora Irrigation District will be diverted from said canal, and all the division canals, laterals and sublaterals of said canal system now operated by the United States, including the Penitentiary ditch, and also the Deer Flat Reservoir, the canals and laterals receiving water from the Deer Flat Reservoir, and all drainage canals of said Arrowrock Division outside of the lands organized as irrigation districts prior to the year 1925, and the telephone system used in connection with said Arrowrock Division except the line from Boise to diversion dam and the line from diversion dam to Arrowrock. This transfer is made subject to the terms of

all existing contracts. No title to any of the irrigation or drainage works passes. The irrigation and drainage works so turned over are referred to herein as the transferred works. The works, the operation and maintenance of which is retained by the United States, are herein referred to as the reserved works.

Power of Board of Control

42. The said Board of Control shall have authority to select and provide for the payment of the Project Manager or Superintendent to have charge of the operation and maintenance of said transferred works and shall represent the District and the other contracting organizations in the operation and maintenance of the transferred works. Said Board of Control shall have power to adopt rules, regulations and by-laws governing its own proceedings, and the management of the transferred works, which rules, regulations and by-laws, however, shall not conflict with the provisions of the said Reclamation Law, the rules and regulations adopted by the Secretary thereunder, the provisions of this contract, or the provisions of other contracts heretofore made by the United States, and remaining in effect hereunder. The said Board shall also have authority to select a Chairman of the Board, a Secretary, and a Treasurer, and adopt by-laws and regulations defining the duties of these officers, and as the operating agent of the District, shall have all the powers with reference to the operation, maintenance, and control of said transferred works and delivery of water therefrom which could

be exercised by the Board of Directors of the District, with reference to the operation, maintenance, and control of irrigation works and the delivery of water therefrom, including the powers applicable under state and Federal Laws to Districts contracting with the United States.

Representatives of District on Board of Control

43. During the remainder of the year 1926, the Board of Directors of the District shall have power and authority to select the representative of the District on the Board of Control, such selection to be made by a majority vote of the Board of Directors, and shall notify the Board of Control of the person selected for this purpose, who shall be one of the Directors of the District. Beginning with the year 1927, the Director of the District whose term of office first expires shall be the representative of the District on the Board of Control, the intention being that each Director of the District, after the beginning of the year 1927, shall be a member of the Board of Control for the last year of his three year term of office, the purpose of this provision being to so provide as far as possible that the representative of the District on the Board of Control will always be a man who has had experience as a Director of the District before becoming a member of the Board of Control, except in the case of death or resignation of the Director, and the selection of a successor to fill an unexpired term. Should the term of office of two or more Directors expire at the same time, then

the Board of Directors of the District shall determine by a Majority vote which Director shall act as the representative of the District on the Board of Control.

Majority Constitutes Quorum and Majority Present and Voting Decides

44. A majority of the members of said Board of Control shall constitute a quorum for the purpose of doing business and a majority of the members present and voting (a quorum being present) shall have the authority to decide any question submitted to the vote of the Board at such meeting, and within the authority vested in the Board under the terms of this contract.

If Equally Divided United States Officer May Act

45. Should the Board of Control be equally divided and unable to reach a decision on any question before the Board, the Board shall adjourn or continue its meeting until such time as the officer of the United States in charge of the reserved works of the Boise Project, or such other officer as the Secretary shall designate, can meet with the Board, and such officer shall attend such adjourned or continued meeting, and shall have authority to vote on such question as a member of said Board with the same force and effect as the vote of any other member of such Board.

Time and Place of Meeting of Board

46. The said Board of Control shall meet on the first Wednesday after the first Tuesday of each month to transact business, and until otherwise provided by resolution of said

Board said meeting shall be held at Boise, Idaho, in the Reclamation Building, and begin at 10 A.M. If desired by the Board, office rooms in the Reclamation Building of the United States at Boise, Idaho, will, until further notice and without charge, be furnished by the United States for the meetings of said Board and for the use of its officers and employees. The books and records of the Board may also, if desired, and until further notice from the United States, be kept in the vault in said Building.

Announcement of Operation and Maintenance Charges by Board.

47. Beginning with the year 1926, the Board of Control shall have the power, and it shall be the duty of the Board, as the operating agent of all the organizations whose landowners or members receive water thru the transferred works, to determine and announce the necessary annual operation and maintenance charge which shall conform to the requirements of said Reclamation Law, the rules and regulations adopted by the Secretary thereunder, and the provisions of this contract, and shall after the year 1926, be sufficient to pay to the United States, the proportionate part provided for herein of the cost of the care, operation, and maintenance of the works retained by the United States, the running, distribution and protection of the stored water from Arrowrock Reservoir and the distribution of the natural flow of Boise River, and leave a sufficient balance to pay the cost of the operation and maintenance of

the transferred works by the Board of Control.

May Require Advance Payment as Toll Charge

48. The Board of Control is also authorized to require payment of said operation and maintenance charge in advance as a toll charge and to withhold delivery of water until payment thereof is made.

Operation and Maintenance Charges to be Uniform

49. The said operation and maintenance charges will be uniform per irrigable acre as to all project lands using similar amounts of water, and each irrigable acre of said project for which the required payments have been made shall be entitled to the delivery of the same share of the available water supply of the said Arrowrock Division to which it would be entitled under the various contracts applicable thereto, if the United States continued to operate and maintain the transferred works.

Treasurer to Give Bond

50. The Treasurer selected by said Board of Control shall give a surety company bond in an amount to be determined by the Board, and shall have charge of and be responsible for all funds collected or paid out under authority of said Board, and in depositing such funds shall secure suitable bond to insure the safety of such deposit.

Duties of Secretary and Treasurer of Board of Control

51. The Board of Control may select the same men to perform the duties both of Secretary and Treasurer of said Board, and shall determine and provide for the payment of the compen-

ation therefor, and unless otherwise provided in by-laws or regulations adopted by the Board shall perform similar duties in similar manner and with similar effect with reference to the operation and maintenance of the transferred works as are exercised by the secretary and Treasurer, respectively, of the District with reference to the canal system owned and operated by the District.

District Accepts Care, Operation and Maintenance

58. The District hereby accepts the care, operation and maintenance of the transferred works to be exercised thru said Board of Control as the operating agent, as herein provided, jointly with the other contracting organizations under said transferred works, when such other organizations shall have complied with the requirements of the Secretary and contracted with the United States to participate in said operation and maintenance, and thru said Board of Control (jointly with said other contracting organizations when by contract with the United States they have become entitled to membership on said Board and selected their directors or members thereon, or without such other organizations should they by failure to contract or failure to select directors or members of said Board not be entitled to representation thereon), will care for, operate and maintain the said transferred works and deliver water therefrom in full compliance with the said Reclamation Laws as they now exist or may hereafter be amended, the regulations of the Secretary now and hereafter made there-

under and the terms of this contract and any other contracts in force affecting the transferred works in such manner that said works shall remain in as good and efficient condition and of equal capacity for the storage, development diversion and distribution of irrigation waters as is now the case, and will use all proper methods to secure the economical and beneficial use of irrigation water, the said operation, maintenance, and control of said transferred works to be without expense to the United States.

Turning Over Certain Equipment and Supplies

53. At some suitable time prior to the apportionment of construction charges provided for in Article 15 hereof, a meeting will be called of the representatives of the District on said Board of Control, together with the members of said Board representing the other contracting organizations at which meeting the United States will cause to be submitted to the members of said Board there present, a list of the equipment and supplies used in connection with the operation and maintenance of the transferred works which will no longer be needed by the United States after the transfer of said works, together with the book value thereof, the said book value being the cost thereof less estimated depreciation. Items on said list which the members of the said Board there present, or a majority thereof, shall indicate that the Board does not desire to take over, will be stricken from the list, and effective March 25, 1926, the items remaining on the list will be turned over to the

Board of Control for use in the operation of the transferred works.

Keeping Transferred Works in Repair

54. No substantial change in any of the transferred works shall be made by the Board of Control without first obtaining the written consent of the Secretary. The District and the other contracting organizations operating thru the Board of Control shall make promptly any and all repairs to the transferred works which in the opinion of the Secretary are deemed necessary for the proper care, operation and maintenance of the project. If at any time in the opinion of the Secretary any part of the transferred property shall from any cause be in a condition unfit for service, he may order the water turned out and shut off until in his opinion such property is put in proper condition for service. In case of neglect or failure of the said Board to make such repairs, the United States may, at the option of the Secretary, take back the care, operation and maintenance of the transferred works, or may cause the repairs to be made and charge the cost thereof to the District and the other contracting organizations operating thru said Board of Control, which charge the Board of Control shall promptly pay out of any funds in the hands of said Board, and the Board shall make, announce and collect sufficient operation and maintenance or toll charges to promptly pay the same to the United States in addition to providing the necessary funds to meet the other obligations of said Board.

Operation and Maintenance Payable in Advance

55. The estimated operation and maintenance charge applicable to each tract of land receiving water thru the transferred works except the portion of 1926 operation and maintenance charges due the United States on account of the reserved works, will be collected in advance, and water will not be delivered until such charge has been paid. In order to conform as closely as possible, both to the provisions of Section 5 of the Act of Congress of August 15, 1914 (38 Stat., 636), requiring operation and maintenance charges to be based on the number of acre-feet of water delivered, with a minimum operation and maintenance charge whether water is used or not, and Subsection H of Section 4 of said Act of Congress of December 5, 1924, requiring payment of the operation and maintenance charges in advance, it is agreed that the operation and maintenance charges to be collected in advance by the Board of Control beginning with the year 1926 may be based upon an estimate of the number of acre-feet of water to be used by each tract of land during the current year, it being assumed for the purpose of such estimate that the number of acre-feet to be delivered to each tract of land during the current year will be the same number of acre-feet delivered to such tract during the preceding year, and a charge to be made for each acre-foot of water to be delivered under said estimate and assumption, but with a minimum operation and maintenance charge per irrigable acre, whether the land is irrigated or not, entitling the landowner to the delivery of

not less than one acre-foot of water, per irrigable acre, at the rate per acre-foot computed on the foregoing assumption.

Collection of Assessments for Construction and Operation and Maintenance.

56. In the District, and in the other districts entering into contract with the United States to participate in the operation and maintenance of the transferred works thru the said Board of Control, assessments for construction and for operation and maintenance purposes shall be levied and collected by the District, but from all project lands receiving water from the transferred works, but not included in irrigation district organizations, the collection of the construction and operation and maintenance charges shall be made by the Board of Control as Fiscal Agent for the United States and paid over to the United States promptly after such collection. The said Board of Control shall also collect as Fiscal Agent of the United States the charges from project irrigable lands included in irrigation districts which have not yet entered into contract with the United States until such time as contracts are made between such districts and the United States providing for collection by the District.

Secretary to Approve Bond of Treasurer.

57. The Secretary shall approve the amount of the bond required to be furnished by the Treasurer of said Board, and no person shall be authorized to act as Treasurer of said Board, or to handle any of the funds to be collected or disbursed by

said Board without first furnishing a surety company bond in an amount approved by the Secretary for the faithful performance of the duties of his office.

Responsibility for Collections.

58. The District and other contracting organizations represented on said Board of Control shall be responsible to the United States for the payment to the United States of the construction charges collected by the Board. The amounts due the United States from the Board for the operation and maintenance of the works reserved to the United States shall be a first charge upon the operation and maintenance collections of said Board, but no lands from which construction charges due the United States are collected by said Board shall be released from the lien and obligation to pay such charges until the same have actually been paid over to the United States, the said Board in making said collections acting as the agent of the several water users organizations represented thereon and not as the agent of the United States. Each of the several organizations represented on said Board shall share in the responsibility for the actions of said Board in the same proportion that the number of members which it has on said Board is to the total membership of said Board.

Operation and Maintenance of Certain Works Retained by United States--payment by Board of a Pro Rata Share of Cost of Operation and Maintenance of Retained Works.

59. The Arrowrock Reservoir, the diversion dam and head-

works of the said main canal, and that portion of said main canal approximately one-half mile in length down to the point where it is proposed to divert water by pumping for the Hillcrest and Boise Mora Districts, will be operated and maintained by the United States, and for the lands lying under the transferred works, the water to which such lands are entitled will be delivered by the United States to the Board of Control as the operating agent of the District and the other contracting organizations at the said points of said main canal approximately one-half mile below the head thereof, and will there be received by the said Board of Control as the said operating agent of said organizations, and distributed to the parties entitled thereto, and the cost of operation and maintenance of said Arrowrock Reservoir and the distribution and protection of the waters thereof, will be stated and determined each year, beginning with the year 1927, by the Secretary, and divided among the several parties receiving water therefrom in proportion to their respective interests, and a statement thereof furnished to the Board of Control showing the part of said cost of operation and maintenance of said reservoir, and the cost of the protection and distribution of stored water therefrom, properly chargeable to the lands receiving water thru said transferred works, and the Secretary shall also announce and determine and show on said statement the cost of the operation and maintenance of said diversion dam and headworks of

said canal and said one-half mile section of said canal to be operated and maintained by the United States. It is understood and agreed that so long as the proportionate share of the stored water of Arrowrock Reservoir, which under contract of September 16, 1921, between the United States and the Hillcrest and Boise-Mora Irrigation Districts, is ultimately to be furnished to said Districts, remains available for the use of the lands under said transferred works on account of the fact that the works for the said Hillcrest and Boise-Mora Districts have not been completed, the portion of the cost of the operation and maintenance of the Arrowrock Reservoir and said diversion dam and headworks and the cost of the distribution of stored water which will be chargeable to the Hillcrest and Boise-Mora Districts when they begin using such water supply, shall be chargeable to the Board of Control representing the lands which receive such water supply pending the construction of the irrigation system for the said Hillcrest and Boise-Mora Districts, but when said proposed irrigation system for said Hillcrest and Boise-Mora Districts has been constructed and said Districts have begun to use water from said reservoir, diversion dam and headworks, their proportionate part of said cost properly chargeable to said Hillcrest and Boise-Mora Districts in proportion to their proportionate use of such works, shall be charged to said Districts, and the Board of Control shall each year pay to the United States its proportionate part of the cost of the operation

and maintenance of said Arrowrock Reservoir, said diversion dam and headworks, and the first one-half mile of said main canal as determined and announced by the Secretary and set out in said statement to be furnished to said Board, less the part thereof paid to the United States by the District on account of the project lands of the District. Said amounts chargeable to the Board of Control for its proportionate share of the operation and maintenance of said reservoir and said diversion dam, headworks, and section of main canal, and of the cost of distributing and protecting the said stored water after release thereof into the Boise River, shall be paid in the following manner:

On or before April 1, 1927, and on or before April 1 of each year thereafter, the Secretary shall furnish the Board of Control an estimate of the cost to be incurred during that calendar year for the above-named operation and maintenance and distribution expense in connection with said stored water from Arrowrock Reservoir and said works, the operation of which is retained by the United States, and an estimate of the Board's proportionate share thereof on the basis above stated, and on or before May 1 following the delivery of said estimate said Board shall pay to the United States its said proportionate part of said estimated cost as shown in said estimate, and on or before April 1 of each year beginning with the year 1928, the Secretary will furnish the Board the statement above provided for of the actual cost of said operation and maintenance and

distribution and protection of the stored water during the preceding year including all the items of expense to be incurred by the United States as provided herein, and within thirty (30) days after the delivery of said statement the Board shall pay to the United States, or the United States shall refund or credit to the Board, a sufficient amount of money so that the total amount paid by the Board to the United States as finally adjusted for each year's operation and maintenance of said Arrowrock Reservoir, diversion dam, headworks, and section of main canal and the distribution and protection of the stored water shall be the Board's pro rata share of said actual cost and expense as above provided for and shown by the said statement of actual cost.

The District will pay to the Treasurer of the Board of Control as the operating agent of the District, the operation and maintenance collections made by the District from the lands of the District, except the part thereof required for the maintenance of the District organization, except that part of the 1926 operation and maintenance charge from the non-consenting lands provided in Articles 14 and 21 hereof to be paid to the United States, said operation and maintenance collections so paid to the Board of Control to be used by the Board in the operation and maintenance of the transferred works and in the payment to the United States of the amount herein provided to be paid to the United States for the operation and maintenance of the reserved works, provided that if the District so desires the District may

pay direct to the United States out of such operation and maintenance assessments collected by the District the District's proportionate share of the cost of the operation and maintenance of the reserved works, and credit therefor shall be given to the Board of Control, and the District, in like manner as if the same had been paid by the District to the Board and by the Board to the United States, and the District will furnish to the Board of Control's statement of the lands from which such operation and maintenance assessments have been collected by the District and the Board of Control will receive said payment from the District in lieu of the toll charges which would otherwise be collected by the Board of Control directly from said lands before delivery of water, but should such operation and maintenance collections paid over by the District to the Board of Control be insufficient to make up the full amount of the toll charge required to be paid to the Board of Control before delivery of water, the Board of Control will credit such payment by the District on the toll charges of such District lands as are shown by the said statement from the District to have paid such operation and maintenance assessments, and the Board of Control will collect from such lands before delivery of water thereto the balance of the toll charge not covered by such credit.

Water Developed in Drains

60. The irrigable lands of the Arrowrock Division of the project may have the use and benefit of the water supply developed

in the drainage system in said division outside of the Pioneer Irrigation District,ampa & Meridian Irrigation District, and Riverside Irrigation District, and also any portion of the water developed in the drainage system in said Districts insofar as the same equitably belongs to the United States, and the diversion thereof does not conflict with any existing contract right or rights acquired thru the diversion and use of such water thru works constructed by the United States for the purpose of conveying and utilizing such water on other divisions of said project, the said right to divert and utilize any portion of said drainage water to be conditional upon the Board of Control, or the contracting organizations represented on said Board of Control, furnishing the means of diverting or pumping such water from the drains into the canal system and paying the cost of the operation and maintenance of the necessary pumps or other means of diversion. It is understood, however, that the waters of the Wilson and Elijah Drains, insofar as the same have heretofore been diverted and applied to beneficial use in the Pioneer Irrigation District and the Black Canyon Irrigation District shall not be subject to any conflicting diversions under the terms of this contract which would reduce the amount of water available from said drains for use in said Districts below the amount which has heretofore been diverted from said drains and applied to beneficial use as aforesaid.

Selection of Manager or Superintendent

61. Until completion of the payment to the United States of the construction charges against the lands irrigated thru said transferred works, the Board of Control as the agent and representative of said District and the other contracting organizations, shall employ as Project Manager, or Superintendent, a competent irrigation engineer, who shall have had experience as manager or superintendent in the operation of similar irrigation works. The selection of said person shall be subject to the approval of the secretary and upon notice from the Secretary that said Project Manager, or Superintendent, is or has become unsatisfactory, the Board of Control shall promptly and as often as such notice is given terminate the employment of such unsatisfactory employee and employ one acceptable to the Secretary.

Board to Keep Books and Records and Report Crop Returns

62. In order that the United States may withdraw as completely as possible under the law from the care, operation and maintenance of the transferred works, the Board of Control, as the representative of the District and the other contracting organizations, represented on said Board, shall:

(a) Install and maintain a modern set of books of account, to be acceptable to the Secretary, showing all the financial transactions of said Board, and furnish such financial reports and statements as may be required from time to time by the Secretary.

(b) Keep an accurate record of all crops raised and agricultural or livestock products produced, on the land served by the transferred property, and furnish the Secretary on or before December 31 of each year a crop report in form prescribed by the Secretary.

(c) Keep each year a careful and accurate record of the water supply and the disposition of the same, and furnish such detailed reports concerning the same as may be required by the Secretary.

(d) Keep and report such other records as the Secretary may require and in the manner and form he may require.

Crop Census.

65. The Secretary shall have authority from time to time when he shall deem it necessary or desirable to do so, but not oftener than once a year, to cause a crop census to be taken and an investigation to be made of the acre income of the lands receiving water from the transferred works, or so much thereof as he shall deem necessary or desirable for the purpose of checking the records furnished by the Board of Control, or securing independent information concerning the crops and income produced on the lands under the transferred works, and may require such information to be given under oath, and any owner or occupant of land receiving water from the transferred works who shall refuse to give under oath such information concerning crop production and income when requested to do so by such crop census

taker or investigator shall be without right to receive water made available thru any of said transferred works until such information is furnished. The census taker, enumerator or investigator authorized by the Secretary to secure such information shall report to the District Board and the Board of Control the description of lands and names of owners or occupants of land refusing such information or refusing to verify or affirm the same under oath or affirmation, and upon notice from the Secretary the Board will withhold water from such land and such landowners or occupants of land until the requested information has been furnished. A statement of the cost of such crop census and investigation will be furnished to the Board of Control and the cost thereof as shown by said statement will be paid by the Board to the United States in the same manner and at the same time as the cost of the operation and maintenance of the retained works.

Inspection of Transferred Works

64. The Secretary shall cause to be made from time to time a reasonable inspection of the transferred property to ascertain whether the terms of this contract are being satisfactorily executed by the said Board as the operating agent of the District and the other contracting organizations of the water users represented thereon. Such inspection shall include examinations of the transferred property and of the books, records, and papers of the Board of Control and the organizations repre-

mented thereon, together with examinations in the office of the Bureau of Reclamation of all contracts, papers, plans, records and programs connected with the said property. The actual expense of such inspection as found by the Secretary shall be paid by the Board of Control to the United States as herein provided.

Charge for Inspection, Repairs, General Expense and other Services.

65. On May 1, 1927, and annually thereafter, the Board of Control shall pay to the United States in each case for the preceding year ending December 31, the following costs, to wit:

(a) An equitable charge as determined by the Secretary each year to cover general expense and the cost of the book-keeping, accounting, clerical and legal work of the Bureau of Reclamation in connection with the accounts and collections of said Arrowrock Division and of all inspections under Article 64.

(b) The cost of repairs to the transferred property made by the United States under Article 64.

Collection from Lands Not Subject to District Assessment.

66. If on account of any project or New York lands outside of the District, or any non-consenting lands irrigable from the transferred works, being out of cultivation, or for any other reason the withholding of water proves ineffective in securing the payment of construction and operation and maintenance charges, or if non-consenting lands have failed

to pay such charges to the District, or the Board of Control, the Board of Control will report such cases to the officer of the United States in charge of the reserved works and upon the request of the Board for such assistance, the United States will assist in collecting from such lands by filing suit to foreclose the liens reserved to the United States in the patent or water right application or other contract, directly or indirectly between such landowner and the United States, if the owner of such lands persists in refusing payment after notice from the Board of Control and the Secretary.

Construction Collections to be Promptly Turned over.

67. All construction charges collected by the Board of Control shall be paid over immediately to the proper Fiscal Agent of the United States;

Replacement of Delinquent Treasurer

68. Should the Treasurer of the Board of Control fail or neglect to pay over promptly to the United States all construction charges so collected, or fail or neglect to pay out of the operation and maintenance charges collected by the Board the amounts due the United States as above provided, the Secretary shall have authority to suspend or terminate the authority of such Treasurer of the Board to make further collections or disbursements, and upon notice from the Secretary the board shall discharge such Treasurer and terminate his

authority to act as Treasurer of the Board, and the Secretary of the Interior may designate a Fiscal Agent of the United States to make such collections and disbursements, and to perform the duties of Treasurer of said Board, as well as Fiscal Agent of the United States. In such event, such Treasurer shall have authority to perform all the acts which could be performed by a Treasurer selected by said Board, but shall receive compensation only from the United States as its Fiscal Agent.

Access to Books and Records

69. The proper officers or agents of the District and said Board of Control shall have full and free access at all reasonable times to the project books and official records of the United States relating to the construction, acquisition, care, operation and maintenance of the transferred property, and the status of individual and District accounts and payments of operation and maintenance and construction charges, with the right at any time during office hours to make copies of, or from the same, or any of them, and shall consult said records from time to time for the purpose of ascertaining the extent of delinquencies of individual water users in payment of construction and operation and maintenance charges due the United States and the question dependent thereon as to whether

such users are, or are not, entitled to receive water, and the proper representatives of the United States shall have similar rights in respect to the books and records of said Board of Control and said District.

Contract may be Terminated in Case of Breach on One Year's Notice

70. In case of the breach of any of the terms and conditions of this contract by the District, or by the Board of Control, provided for herein, the United States reserves the right upon one (1) year's written notice to the District and the Board to terminate this contract, and upon the termination thereof the transferred property shall be returned to the United States in as good condition as when received, reasonable wear and damage by the elements excepted, provided, however, that such return of the transferred property shall not affect the amount and terms of construction charges as herein provided.

Failure to Secure Confirmation of Contract by Court Authorizes United States to Terminate This Contract

71. Altho the United States is not in any way bound to proceed under this contract until a confirmatory final judgment from a Court of competent jurisdiction shall have been rendered, as provided in Article 51 hereof, it is understood that if the United States desires to do so, it may proceed under this contract after the execution thereof by the

District Board, and the holding of the District election authorizing the same, but should the United States so proceed before confirmation, it is agreed and understood that should the District fail to secure such confirmation within a year from the date of such contract, the United States may terminate this contract and discontinue operations thereunder, and in that event the District and the District landowners shall have no further rights under this contract and shall revert to the terms of payment which would have applied to said landowners had this contract never been made.

Water Turned out of Arrowrock as Ordered

72. The water to be delivered to the Board of Control under the provisions of this contract from Arrowrock Reservoir shall be turned out as ordered by the Board at a rate not in excess of the Board's pro rata share of the outlet capacity of the reservoir, provided the United States be notified by the Board of the times and rates of delivery desired in abundant time to enable it to transmit the proper instructions to its agents in charge of the dam and storage reservoir, and in any event at least three (3) days prior to the time that delivery is to begin, or any change in the rate of delivery is to be made, and provided further that the total amount which the Board shall have the right to order from said reservoir during any irrigation season shall not exceed the proportionate share of

water actually available from said reservoir to which the lands of the Arrowcreek Division receiving water from the transferred works are entitled. Pending the completion of the pumps and canal system for the Hillcrest and Boise-Moral Districts, the proportionate share of Arrowcreek water to which those Districts will be entitled upon the completion of their irrigation system may temporarily be furnished to the Board of Control for use on the lands under the transferred works.

May Notify State Officer of Flow Desired in Canal

73. Instead of notifying the United States of the amount of stored water to be turned out of said Arrowcreek Reservoir each day for the Board of Control, the Board may, if it so desires, notify the State officer or other officer in charge of the distribution of stored water from Boise River, of the amount of flow or number of second-feet which it is desired to maintain in the said main canal of the Arrowcreek Division during the various periods of the irrigation season and authorize or allow such officer to order out the amount of stored water which in his judgment may be required to maintain the desired flow in said canal, and in that event, the said officer will be regarded as the Board's agent for the purpose of ordering the stored water.

Improvement Work on Main Canal

74. Upon request of the Secretary, the Board of Control will give the United States possession of the main canal or portions thereof for the purpose of completion of the \$200,000 of improvement or enlargement work provided for in contract of

July 12, 1921, between the United States and the Payette-Boise Water Users' Association.

Water Rights Unchanged

75. It is agreed and understood that the water rights to which the New York lands of the District are now entitled remain unchanged hereunder, except for the change provided in Article 56 hereof with reference to water deliveries during the year 1924, and during extremely low years hereafter, and in all other respects the New York lands will be entitled to the same water rights to which they would be entitled under all existing contracts applicable thereto if this contract were not made.

Contract Applicable to New York Lands in Boise-Kuna District Upon Execution by that District

76. The Boise-Kuna Irrigation District by signing this contract accepts the grant, assignment and conveyance herein made by the New York Canal Company, Limited, of the vested and contract rights of that Company applicable to the lands in the Boise-Kuna Irrigation District upon the terms and conditions set out in this contract, and assumes and agrees to pay to the United States that proportionate part of the obligations of the Company to the United States under said New York contracts of 1906 and 1918 as amended herein, which the number of acres of New York land in the Boise-Kuna

Irrigation District is of the total number of acres of New York land upon the terms and conditions herein provided and the terms and conditions herein provided with reference to the New York lands in the New York Irrigation District shall also apply to the New York lands in the Boise-Kuna District, and the contract of March 20, 1926, between the United States and the Boise-Kuna Irrigation District shall be considered amended insofar as the same relates to the New York lands in the Boise-Kuna Irrigation District, to conform to the provisions of this contract.

Interest in Contract not Transferable

77. No interest in this agreement is transferable by the District or the Board of Control to any other party, and any such attempted transfer shall cause this contract to become subject to annulment at the option of the United States.

Right Reserved under Section 3737

78. 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.

Member of Congress Clause

79. 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 to arise therefrom. Nothing,

however, herein contained shall be construed to extend to any incorporated company if the contract be for the general benefit of such corporation or company.

UNITED STATES OF AMERICA

by E. C. Finney

First Assistant Secretary of the Interior

(corporate seal)

NEW YORK IRRIGATION DISTRICT
J.M. LAMPERT, President
by LEONARD SUNDELL, Secretary

(corporate seal)

NEW YORK CANAL COMPANY, LTD.
A.J. FLACK, Vice Pres.
by EDWARD SMITH, Secy.

(corporate seal)

BOISE-KUMA IRRIGATION DISTRICT
CHARLES F. THACKER, President
by J.A. MARTIN, Secy