

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF RECLAMATION
Central Valley Project, California

CONTRACT FOR CONVEYANCE OF NON-PROJECT WATER
BETWEEN THE UNITED STATES
AND
SAN JUAN WATER DISTRICT

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4 UNITED STATES
5 DEPARTMENT OF THE INTERIOR
6 BUREAU OF RECLAMATION
7 Central Valley Project, California

8 CONTRACT FOR CONVEYANCE OF NON-PROJECT WATER
9 BETWEEN THE UNITED STATES
10 AND
11 SAN JUAN WATER DISTRICT

12 THIS CONTRACT, made this 29th day of February, 1996,
13 pursuant to the Act of June 17, 1902 (32 Stat. 388), and acts amendatory thereof or
14 supplementary thereto, including, but not limited to, the Act of February 21, 1911 (36
15 Stat. 925), Section 305 of the Reclamation States Emergency Drought Relief Act of 1991
16 (106 Stat. 59), and Section 3408(c) of the Central Valley Project Improvement Act (106
17 Stat. 4706), all collectively hereinafter referred to as the Federal Reclamation laws,
18 between **THE UNITED STATES OF AMERICA**, hereinafter referred to as the United
19 States, represented by the officer executing this contract, hereinafter referred to as the
20 Contracting Officer, and **SAN JUAN WATER DISTRICT**, hereinafter referred to as the
21 Contractor,

22 WITNESSETH, That:

23 EXPLANATORY RECITALS

24 WHEREAS, the Contractor has entered into the Contractor's 1995 Interim
25 Water Service Contract, with the United States, which provides for water service from
26 Folsom Reservoir of the Central Valley Project; and

1 WHEREAS, in addition to the water furnished under the Contractor's 1995
2 Interim Water Service Contract, the United States also delivers to the Contractor from
3 Project Facilities an annual quantity of up to 33,000 acre-feet of water rights water
4 pursuant to its contract with the United States Corps of Engineers, dated April 12, 1954
5 (No. DA-04-167-eng-610); and

6 WHEREAS, the Contractor also has a supply of Non-Project Water under
7 the Placer County Water Agency (PCWA) Water Contract, and has requested that the
8 United States convey said water through Project Facilities of the Central Valley Project
9 for municipal and industrial purposes; and

10 WHEREAS, the Contractor intends to use its water rights water available
11 under Contract No. DA-04-167-eng-610 for all of its irrigation deliveries in addition to its
12 municipal and industrial deliveries; and

13 WHEREAS, the Contractor, United States, and PCWA entered into
14 Contract No. 14-06-200-8696A, dated December 28, 1976, as amended, under which the
15 United States conveys Non-Project Water to the Contractor through Project Facilities
16 through February 29, 1996, at which time such contract expired; and

17 WHEREAS, the Contractor desires to have the United States continue to
18 convey Non-Project Water through Project Facilities; and

19 WHEREAS, the United States is willing to convey said water to the
20 Contractor through Project Facilities in accordance with the terms and conditions
21 hereinafter stated.

1 permits 13856 and 13858 granted by the California State Water Resources Control
2 Board;

3 (g) "PCWA" shall mean the Placer County Water Agency, a political
4 subdivision of the State of California, duly organized with its principal place of business
5 in Auburn, California.

6 (h) "PCWA Water Contract" shall mean the contract for a water supply
7 of up to 25,000 acre-feet dated July 25, 1972, as amended, between the Contractor and
8 PCWA, and any amendment, extension or renewal thereof;

9 (i) "Project" shall mean the Central Valley Project owned by the United
10 States and operated by the Department of Interior, Bureau of Reclamation;

11 (j) "Project Facilities" shall mean the Folsom Reservoir, Folsom
12 Pumping Plant, and Folsom Pipeline of the Project;

13 (k) "Project Water" shall mean all water that is developed, diverted,
14 stored, or delivered by the United States in accordance with the statutes authorizing the
15 Project and in accordance with the terms and conditions of applicable water rights
16 permits and licenses acquired by and/or issued to the United States pursuant to
17 California law;

18 (l) "Rates" shall mean the payments determined annually by the
19 Contracting Officer in accordance with the then current applicable water ratesetting
20 policies for the Project;

21 (m) "Secretary" or "Contracting Officer" shall mean the Secretary of the
22 Interior or his duly authorized representative;

1 (n) "Year" shall mean the period March 1 of each Calendar Year
2 through the last day of February of the following Calendar Year, both dates inclusive.

3 TERM OF CONTRACT

4 2. (a) This contract shall become effective on March 1, 1996, and shall
5 remain in effect through February 28, 2021, unless terminated by the operation of law or
6 by mutual agreement of the parties hereto.

7 (b) The Contractor shall promptly notify the Contracting Officer if and
8 when the Contractor ceases to have any right to the use of the Non-Project Water being
9 conveyed pursuant to this contract.

10 CONVEYANCE, POINTS OF DELIVERY, AND MEASUREMENT OF
11 NON-PROJECT WATER

12 3. (a) The Contractor will cause Non-Project Water to be introduced into
13 Project Facilities and the United States shall convey said water to the Contractor's Water
14 Treatment Plant through Excess Capacity in Project Facilities in accordance with a
15 schedule, or any revision or revisions thereof, submitted by the Contractor and approved
16 by the Contracting Officer during the term hereof. If at any time the Contracting Officer
17 determines that there will not be Excess Capacity in Project Facilities sufficient to
18 receive, transport, and convey the Non-Project Water in accordance with the approved
19 schedule, the Contracting Officer shall so notify the Contractor in writing. Within 24
20 hours of said notice, the Contractor shall revise its schedule accordingly.

21 (b) The amount of Non-Project Water conveyed to the Contractor
22 through Project Facilities shall not exceed the quantity of Non-Project Water previously
23 introduced into Folsom Reservoir by the Contractor. The Contractor will be responsible

1 for requiring that during the months of July, August, September, and October and any
2 other month the California State Water Resources Control Board determines that
3 PCWA has no right to the natural flow of the American River, releases from PCWA's
4 upstream sources shall equal the Contractor's scheduled quantity, plus five (5) percent
5 for transportation losses.

6 (c) Non-Project Water that is introduced by the Contractor into Folsom
7 Reservoir, and remains there for less than thirty (30) days, will not be considered stored
8 water. Non-Project Water that is introduced by the Contractor into Folsom Reservoir
9 must be conveyed within thirty (30) days or such water shall be deemed to be unused
10 water available to the United States for Project purposes. Non-Project Water that is not
11 conveyed prior to the expiration of this contract shall also be deemed unused water
12 available to the United States for Project purposes.

13 (d) The conveyance of Non-Project Water through the Folsom Pumping
14 Plant shall not be supported with Project-use power. The Contractor shall be
15 responsible for the supply and payment of all electrical power and associated
16 transmission service charges required to pump the Non-Project Water through Project
17 Facilities.

18 (e) The Contractor acknowledges and agrees that all Non-Project Water
19 conveyed pursuant to this contract shall only be used in the Placer County portion of the
20 Contractor's Service Area, unless a change in the place of use is authorized under the
21 water rights for the Non-Project Water under California law, and conveyance to such
22 authorized place of use is approved in writing by the Contracting Officer.

1 (f) Non-Project Water conveyed by the United States pursuant to this
2 contract will be conveyed to the Contractor's Water Treatment Plant.

3 (g) The Contractor shall utilize the Non-Project Water conveyed
4 pursuant to this contract in accordance with all applicable requirements of any Biological
5 Opinion that addresses the Contractor's 1995 Interim Water Service Contract and any
6 amendment, extension, or renewal thereof; and any Biological Opinion that addresses
7 any subsequent long-term water service contract and any amendment, extension, or
8 renewal thereof.

9 (h) Non-Project Water conveyed to the Contractor pursuant to this
10 contract shall be measured and recorded with equipment furnished, installed, operated,
11 and maintained by the Contractor at the point of delivery established pursuant to
12 subdivision (f) of this Article, all places of delivery into the Placer County portion of the
13 district, and to all places that are authorized under the water rights for Non-Project
14 Water under California law. Upon the request of the Contracting Officer, the
15 Contractor shall investigate the accuracy of such measurements and shall take any
16 necessary steps to adjust any errors appearing therein.

17 SCHEDULING AND REPORTING OBLIGATIONS OF THE CONTRACTOR

18 4. (a) On or before each March 1, or at other times as necessary, the
19 Contractor shall submit to the Contracting Officer a written schedule, satisfactory to the
20 Contracting Officer, showing the dates, and estimated quantities of Non-Project Water to
21 be conveyed by the United States to the Contractor pursuant to this contract for the
22 upcoming Year. During each month, the Contractor will revise said schedule if
23 necessary to reflect the actual amount of Non-Project Water conveyed by the United
24 States to the Contractor pursuant to this contract.

1 (b) For each month, before the 10th day of the succeeding month, the
2 Contractor shall furnish a monthly report of daily operations that is satisfactory to the
3 Contracting Officer which tabulates PCWA's right to the natural flow in the American
4 River, the quantity of releases from PCWA's upstream storage, and the quantity of
5 Non-Project Water scheduled by the Contractor pursuant to this contract.

6 (c) The Contractor shall advise the Contracting Officer on or before the
7 10th calendar day of each month of the actual daily quantities of Non-Project Water
8 taken the previous month by the Contractor at the Contractor's Water Treatment Plant
9 pursuant to this contract.

10 PAYMENT FOR WATER

11 5. (a) The Rates to be paid to the United States for Non-Project Water
12 conveyed pursuant to this contract are set forth in Exhibit A and are subject to annual
13 adjustment pursuant to the then current M&I Ratesetting Policy for the Central Valley
14 Project to cover all costs incurred from the conveyance of said Non-Project Water.

15 (b) By December 31 of each Calendar Year, the Contracting Officer
16 shall provide the Contractor with the final Rates to be in effect for the upcoming Year,
17 and such notification shall revise Exhibit "A."

18 (c) The Contractor agrees to pay for Non-Project Water conveyed
19 pursuant to this contract at the cost of service rate as calculated in accordance with the
20 M&I Ratesetting Policy for the Central Valley Project. The total cost of service rate
21 shall consist of an Operation and Maintenance (O&M) rate which has a water marketing
22 and a storage component.

1 (d) At the time the Contractor submits an initial schedule for the
2 conveyance of Non-Project Water pursuant to Article 4(a) of this contract, the
3 Contractor shall pay the Contracting Officer one-half (1/2) of the total amount payable
4 for the Non-Project Water scheduled to be conveyed for the Year. The Contractor shall
5 pay the remainder of the amount payable for Non-Project Water scheduled to be
6 conveyed for the Year on or before July 1 of the respective Year. Non-Project Water
7 will not be conveyed in advance of payment.

8 (e) If at any time the Contractor takes conveyance of more Non-Project
9 Water than was scheduled under Article 4(a) of this contract, that additional amount of
10 water shall be deemed Project Water used for M&I purposes, and payment therefor,
11 shall be made at the applicable contract rate identified in Exhibit A of the Contractor's
12 1995 Interim Water Service Contract, or at the applicable rate in any amendment,
13 extension, or renewal thereof. Further, this Project Water will be deducted from the
14 quantity of Project Water to which the Contractor is entitled under the Contractor's 1995
15 Interim Water Service Contract or any amendment, extension or renewal thereof.

16 (f) If the conditions identified in subdivision (e) of this Article arise,
17 and it is determined by the Contracting Officer that the Contractor has utilized all of its
18 Project Water available under the Contractor's 1995 Water Service Contract or any
19 amendment, extension, or renewal thereof, then the Contractor shall ensure that PCWA
20 will release additional Non-Project Water to be introduced into Folsom Reservoir equal
21 to the quantity of water actually used, and shall pay for this additional Non-Project
22 Water at the Rates identified in Exhibit A.

1 (g) The Contracting Officer shall advise the Contractor of the method
2 by which the Contractor shall submit payments to the United States prior to execution of
3 this contract. The method could be by check, lock-box arrangement, or wire transfer
4 directly to the Treasury Financial Communications System (TFCS).

5 UNITED STATES NOT RESPONSIBLE FOR CONVEYANCE OF
6 NON-PROJECT WATER

7 6. The United States shall not be responsible for the control, care or
8 distribution of the Non-Project Water before it is introduced into Folsom Reservoir, or
9 after it is conveyed to the Contractor's Water Treatment Plant.

10 ADJUSTMENTS

11 7. The amount of any overpayment by the Contractor by reason of the
12 quantity of Non-Project Water conveyed for the Contractor pursuant to this contract, as
13 conclusively determined by the Contracting Officer, having been less than the quantity
14 which the Contractor otherwise under the provisions of this contract would have been
15 required to pay for, shall be applied first to any accrued indebtedness arising out of this
16 contract then due and owing to the United States by the Contractor. Any amount of
17 such overpayment then remaining shall be refunded to the Contractor.

18 UNITED STATES NOT LIABLE

19 8. The Contractor hereby releases and agrees to defend and indemnify the
20 United States and its officers, agents, and employees, from every claim for damage to
21 persons or property, direct or indirect, resulting from the Contractor's performance of
22 this contract, including the introduction of Non-Project Water into Folsom Reservoir and
23 diversion and/or extraction of Non-Project Water from Project Facilities. The

1 Contractor further releases the United States and its officers, agents, or employees, from
2 every claim for damage to persons or property, direct or indirect, resulting from the
3 Contracting Officer's determinations of the amount of Excess Capacity available in
4 Project Facilities for the conveyance of Non-Project Water to the Contractor, and the
5 elimination of the source of the Non-Project Water pursuant to Article 14(a) of this
6 contract. Nothing contained in this Article shall be construed as an assumption of
7 liability by the Contractor with respect to such matters.

8 OPINIONS AND DETERMINATIONS

9 9. (a) Where the terms of this contract provide for actions to be based
10 upon the opinion or determination of either party to this contract, said terms shall not be
11 construed as permitting such action to be predicated upon arbitrary, capricious, or
12 unreasonable opinions or determinations. Both parties, notwithstanding any other
13 provisions of this contract, expressly reserve the right to relief from and appropriate
14 adjustment for any such arbitrary, capricious, or unreasonable opinion or determination.
15 Each opinion or determination by either party shall be provided in a timely manner.

16 (b) The Contracting Officer shall have the right to make determinations
17 necessary to administer this contract that are consistent with the expressed and implied
18 provisions of this contract, the laws of the United States and the State of California, and
19 the rules and regulations promulgated by the Secretary of the Interior. Such
20 determinations shall be made in consultation with the Contractor to the extent
21 reasonably practicable.

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CHARGES FOR DELINQUENT PAYMENTS

10. (a) The Contractor shall be subject to interest, administrative, and penalty charges on delinquent installments or payments. When a payment is not received by the due date, the Contractor shall pay an interest charge for each day the payment is delinquent beyond the due date. When a payment becomes sixty (60) days delinquent, the Contractor shall pay an administrative charge to cover additional costs of billing and processing the delinquent payment. When a payment is delinquent ninety (90) days or more, the Contractor shall pay an additional penalty charge of six (6) percent per year for each day the payment is delinquent beyond the due date. Further, the Contractor shall pay any fees incurred for debt collection services associated with a delinquent payment.

(b) The interest charge rate shall be the greater of the rate prescribed quarterly in the Federal Register by the Department of the Treasury for application to overdue payments, or the interest rate of 0.5 percent per month prescribed by Section 6 of the Reclamation Project Act of 1939 (Public Law 76-260). The interest charge rate shall be determined as of the due date and remain fixed for the duration of the delinquent period.

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

GENERAL OBLIGATION--BENEFITS CONDITIONED UPON PAYMENT

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

(b) Payments becoming due hereunder is a condition precedent to receiving benefits under this contract. The United States shall not make Non-Project Water available to the Contractor through Project Facilities during any period in which the Contractor may be in arrears in the advance payment of water rates due the United States. The Contractor shall not furnish Non-Project Water made available pursuant to this contract for lands or parties which are in arrears in the advance payment of water rates levied or established by the Contractor.

RULES, REGULATIONS, AND DETERMINATIONS

12. (a) The parties agree that the delivery of Non-Project Water or the use of Federal facilities pursuant to this contract is subject to Reclamation law, as amended

1 and supplemented, and the rules and regulations promulgated by the Secretary of the
2 Interior under Reclamation law.

3 (b) The Contracting Officer shall have the right to make determinations
4 necessary to administer this contract that are consistent with the expressed and implied
5 provisions of this contract, the laws of the United States and the State, and the rules and
6 regulations promulgated by the Secretary of the Interior. Such determinations shall be
7 made in consultation with the Contractor.

8 WATER AND AIR POLLUTION CONTROL

9 13. The Contractor, in carrying out this contract, shall comply with all
10 applicable water and air pollution laws and regulations of the United States and the
11 State of California, and shall obtain all required permits or licenses from the appropriate
12 Federal, State, or local authorities.

13 QUALITY OF WATER

14 14. (a) If it is determined by the Contracting Officer that the quality of the
15 source of the Non-Project Water conveyed pursuant to this contract will significantly
16 degrade the quality of Project Water in Folsom Reservoir, the Contractor, shall upon
17 receipt of a written notice from the Contracting Officer, arrange for the immediate
18 termination of the introduction of such source of Non-Project Water into Project
19 Facilities.

20 (b) The operation and maintenance of Project Facilities shall be
21 performed in such a manner as is practicable to maintain the quality of raw water
22 conveyed through such facilities at the highest level reasonably attainable as determined
23 by the Contracting Officer. The United States does not warrant the quality of water and
24 is under no obligation to construct or furnish water treatment facilities to maintain or
25 better the quality of water.

1 EQUAL OPPORTUNITY

2 15. During the performance of this contract, the Contractor agrees as follows:

3 (1) The Contractor will not discriminate against any employee or
4 applicant for employment because of race, color, religion, sex, or national origin.
5 The Contractor will take affirmative action to ensure that applicants are
6 employed, and that employees are treated during employment, without regard to
7 their race, color, religion, sex, or national origin. Such action shall include, but
8 not be limited to, the following: Employment, upgrading, demotion, or transfer;
9 recruitment or recruitment advertising; layoff or termination; rates of pay or other
10 forms of compensation; and selection for training, including apprenticeship. The
11 Contractor agrees to post in conspicuous places, available to employees and
12 applicants for employment, notices to be provided by the Contracting Officer
13 setting forth the provisions of this nondiscrimination clause.

14 (2) The Contractor will, in all solicitations or advertisements for
15 employees placed by or on behalf of the Contractor, state that all qualified
16 applicants will receive consideration for employment without discrimination
17 because of race, color, religion, sex, or national origin.

18 (3) The Contractor will send to each labor union or representative of
19 workers with which it has a collective bargaining agreement or other contract or
20 understanding, a notice, to be provided by the Contracting Officer, advising the
21 said labor union or workers' representative of the Contractor's commitments
22 under Section 202 of Executive Order 11246 of September 24, 1965, and shall post
23 copies of the notice in conspicuous places available to employees and applicants
24 for employment.

25 (4) The Contractor will comply with all provisions of Executive Order
26 No. 11246 of September 24, 1965, as amended, and of the rules, regulations, and
27 relevant orders of the Secretary of Labor.

28 (5) The Contractor will furnish all information and reports required by
29 said amended Executive Order and by the rules, regulations, and orders of the
30 Secretary of Labor, or pursuant thereto, and will permit access to its books,
31 records, and accounts by the Contracting Officer and the Secretary of Labor for
32 purposes of investigation to ascertain compliance with such rules, regulations, and
33 orders.

34 (6) In the event of the Contractor's noncompliance with the
35 nondiscrimination clauses of this contract or with any of the said rules,
36 regulations, or orders, this contract may be canceled, terminated, or suspended, in
37 whole or in part, and the Contractor may be declared ineligible for further

1 Government contracts in accordance with procedures authorized in said amended
2 Executive Order, and such other sanctions may be imposed and remedies invoked
3 as provided in said Executive Order, or by rule, regulation, or order of the
4 Secretary of Labor, or as otherwise provided by law.

5 (7) The Contractor will include the provisions of paragraphs (1) through
6 (7) in every subcontract or purchase order unless exempted by the rules,
7 regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of
8 said amended Executive Order, so that such provisions will be binding upon each
9 subcontractor or vendor. The Contractor will take such action with respect to any
10 subcontract or purchase order as may be directed by the Secretary of Labor as a
11 means of enforcing such provisions, including sanctions for noncompliance:
12 Provided, however, That in the event the Contractor becomes involved in, or is
13 threatened with, litigation with a subcontractor or vendor as a result of such
14 direction, the Contractor may request the United States to enter into such
15 litigation to protect the interests of the United States.

16 BOOKS, RECORDS AND REPORTS

17 16. The Contractor shall establish and maintain accounts and other books and
18 records pertaining to administration of the terms and conditions of this contract,
19 including: the Contractor's financial transactions, water supply data, project operation,
20 maintenance and replacement logs, and project land and right-of-way use agreements;
21 the water users' land-use (crop census), landownership, land-leasing and water-use data;
22 and other matters that the Contracting Officer may require. Reports thereon shall be
23 furnished to the Contracting Officer in such form and on such date or dates as the
24 Contracting Officer may require. Subject to applicable Federal laws and regulations,
25 each party to this contract shall have the right during office hours to examine and make
26 copies of the other party's books and records relating to matters covered by this contract.

27 CONTINGENT ON APPROPRIATION OR ALLOTMENT OF FUNDS

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

1 ASSIGNMENT LIMITED--SUCCESSORS AND ASSIGNS OBLIGATED

2 18. The provisions of this contract shall apply to and bind the successors and
3 assigns of the parties hereto, but no assignment or transfer of this contract or any right
4 or interest therein shall be valid until approved in writing by the Contracting Officer.

5 OFFICIALS NOT TO BENEFIT

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

9 COMPLIANCE WITH CIVIL RIGHTS LAWS AND REGULATIONS

10 20. (a) The Contractor shall comply with Title VI of the Civil Rights Act of
11 1964 (42 U.S.C. 2000d), Section 504 of the Rehabilitation Act of 1975 (P.L. 93-112, as
12 amended), the Age Discrimination Act of 1975 (42 U.S.C. 6101, et seq.) and any other
13 applicable civil rights laws, as well as with their respective implementing regulations and
14 guidelines imposed by the U.S. Department of the Interior and/or Bureau of
15 Reclamation.

16 (b) These statutes require that no person in the United States shall, on
17 the grounds of race, color, national origin, handicap, or age, be excluded from
18 participation in, be denied the benefits of, or be otherwise subjected to discrimination
19 under any program or activity receiving financial assistance from the Bureau of
20 Reclamation. By executing this contract, the Contractor agrees to immediately take any
21 measures necessary to implement this obligation, including permitting officials of the
22 United States to inspect premises, programs, and documents.

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

1 CONTRACTOR TO PAY CERTAIN MISCELLANEOUS COSTS

2 21. In addition to all other payments to be made by the Contractor pursuant
3 to this contract, the Contractor shall pay to the United States, within sixty (60) days
4 after receipt of a bill and detailed statement submitted by the Contracting Officer to the
5 Contractor for such specific items of direct cost incurred by the United States for work
6 requested by the Contractor associated with this contract plus a percentage of such
7 direct costs for administrative and general overhead in accordance with applicable
8 Bureau of Reclamation policy and procedures. All such amounts referred to in this
9 Article shall not exceed the amount agreed to in writing in advance by the Contractor.
10 This Article shall not apply to costs for routine contract administration.

11 NOTICES

12 22. Any notice, demand, or request authorized or required by this contract
13 shall be deemed to have been given, on behalf of the Contractor, when mailed, postage
14 prepaid, or delivered to the United States Department of Interior, Bureau of
15 Reclamation, Area Manager, 7794 Folsom Dam Road, Folsom, California 95630-1799,
16 and on behalf of the United States, when mailed, postage prepaid, or delivered to the
17 Board of Directors of the San Juan Water District, Post Office Box 2157, Granite Bay,
18 California 95746. The designation of the addressee or the address may be changed by
19 notice given in the same manner as provided in this Article for other notices.

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IN WITNESS WHEREOF, the parties hereto have executed this contract
as of the day and year first above written.

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APPROVED AS TO LEGAL
FORM AND SUFFICIENCY
J. William McDonald
OFFICE OF REGIONAL SOLICITOR
DEPARTMENT OF THE INTERIOR

THE UNITED STATES OF AMERICA

By: *Franklin E. Dimick*
Regional Director, Mid-Pacific Region
Acting For Bureau of Reclamation

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SAN JUAN WATER DISTRICT

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(SEAL)

By: *Kenneth H. Miller*
President, Board of Directors

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Attest:

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By: *Donna L. LeGrey*
Secretary, Board of Directors

(I:Aswacont.san)

EXHIBIT A
1996 WATER RATES
CVP Warren Act Contracts
Municipal and Industrial
Water per acre-foot

Operation & Maintenance COST-OF-SERVICE RATES:

	<u>M&I</u>
O&M RATES:	
Water Marketing	4.83
Storage	<u>3.64</u>
TOTAL COST-OF-SERVICE RATES	\$8.47