

Notice of Exemption

To:	County Clerk	From:	San Juan Water District
Ì	County of Placer		9935 Auburn Folsom Rd
	2954 Richardson Dr.		Granite Bay, CA 95746
	Auburn, CA 95603		·
To:	County Clerk		
	County of Sacramento		
	600 8th Street		
	Sacramento, CA 95814		

Project Title: Approval of a contract for project water service and facilities repayment ("Repayment Contract") between San Juan Water District and the United States

Project Location: Within the San Juan Water District's legally delimited retail and wholesale service area, as shown on attached map.

City/County: County of Placer and County of Sacramento

Description of Nature, Purpose and Beneficiaries of Project: The project will benefit the wholesale and retail customers of the District. The Repayment Contract is a permanent contract that will restate the existing Long-Term Water Service Contract, which would require renewal after February 28, 2045. By converting the Water Service Contract to a Repayment Contract, the District will save the time and costs associated with renewing the water service contract. The conversion will also allow the District to take advantage of a discount that the WIIN Act authorized for converting contractors, which will reduce the amount charged to the District for its share of the capital costs of constructing the Central Valley Project. The Repayment Contract contains the same substantive terms and elements as the existing Water Service Contract, including the amount of CVP water to be supplied, the shortage provisions of Reclamation's Municipal and Industrial Shortage Policy for dry or drought conditions, the requirements related to water reporting and scheduling, and the terms of payment for water delivered to the District. The substantive terms of the Repayment Contract are the same as they were in the existing Water Service Contract because the WIIN Act directed Reclamation to convert the contracts without changing the substantive terms.

Name of Public Agency Approving and Carrying Out the Project: San Juan Water District

Exempt Status: The California Environmental Quality Act (CEQA) only applies to projects which have the potential to cause a significant effect on the environment. CEQA defines "project" to include only those activities that involve a direct or reasonably foreseeable indirect physical impact on the environment. Pub. Res. Code § 21065. An activity that does not satisfy this threshold criterion is not subject to CEQA and the agency can properly make a finding that the activity is exempt from CEQA. CEQA Guidelines § 15060(c). Furthermore, organizational and financial activities do not constitute a project subject to CEQA review absent evidence that those activities will trigger a change in the existing physical environment. Also, where it can be seen with certainty that there is no possibility that the activity in question may have a significant

effect on the environment, the activity is not subject to CEQA. CEQA Guidelines §15061(b)(3). The execution of the Repayment Contract with the U.S. Bureau of Reclamation meets the above criteria and is not subject to CEQA. The proposed action is the conversion of contracts from long-term water service contracts to permanent contracts. No changes in the operations of the project or the delivery of water will be triggered by the proposed action. This is merely a legal and financial transaction that will not cause any physical impact on the environment. Accordingly, the District has prepared this Notice of Exemption, and no additional environmental review is required.

Reasons why the project is exempt: The District's conversion from a water service contract to a Repayment Contract does not increase the amount of water the District receives, nor does it change any water project operations or deliveries. This is merely a legal and financial transaction that will not cause any physical impact on the environment. Consequently, approval of this Repayment Contract does not trigger environmental review under the California Environmental Quality Act.

Lead Agency Contact Person: General Manager

Phone: (916) 791-0115

Signature: Faul Mah ku

Date: March 3, 2020

Governor's Office of Planning & Research

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