

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

**RESOLUTION NO. 20-**

**APPROVAL OF MERCY SPRINGS REPAYMENT CONTRACT**

WHEREAS, Mercy Springs Water District (Mercy Springs) is a Central Valley Project (CVP) contractor, which assigned a 6,260-acre-feet portion of its CVP water contract allocation (Mercy Springs Water) to Santa Clara Valley Water District (Valley Water), Westlands Water District (Westlands), and Pajaro Valley Water Management Agency (Pajaro Valley) on May 14, 1999; and

WHEREAS, Valley Water, Westlands, and Pajaro Valley entered into an agreement on May 14, 1999, stating their terms and conditions for sharing said assigned Mercy Springs Water; and

WHEREAS, the United States of America (United States), Valley Water, Westlands, and Pajaro Valley entered into a separate agreement and subsequent interim agreements for allocation of the Mercy Springs Water; and

WHEREAS, Mercy Springs Water has never been delivered to Pajaro Valley, which informed the United States on July 26, 2019, that it is withdrawing its interest in said water; and

WHEREAS, the parties to the current interim agreement to continue sharing of the Mercy Springs Water are the United States, Valley Water, and Westlands (Mercy Springs Interim Renewal Contract); and

WHEREAS, on December 16, 2016, the 114th Congress of the United States of America enacted the Water Infrastructure Improvements for the Nation Act (Public Law 114-322, 130 Stat. 1628) (WIIN Act); and

WHEREAS, Section 4011(a)(1) of the WIIN Act provides that “upon request of the contractor, the Secretary of the Interior shall convert any water service contract in effect on the date of enactment of this subtitle and between the United States and a water users’ association to allow for prepayment of the repayment contract pursuant to paragraph (2) under mutually agreeable terms and conditions”; and

WHEREAS, upon the request of a CVP contractor, the WIIN Act directs the Secretary to convert CVP water service contracts into repayment contracts, amend existing repayment contracts, and allow contractors to prepay their construction cost obligations pursuant to applicable federal reclamation law; and

WHEREAS, Westlands and Valley Water requested and negotiated with the United States terms to convert the Mercy Springs Interim Renewal Contract into a Repayment Contract that complies with Section 4011 of the WIIN Act (Mercy Springs Repayment Contract).

NOW, THEREFORE BE IT RESOLVED that the Board of Directors of the Santa Clara Valley Water District does hereby approve the Mercy Springs Repayment Contract attached as Exhibit A; and

BE IT FURTHER RESOLVED that the Chief Executive Officer, or her designee, is hereby authorized to execute the Mercy Springs Repayment Contract on behalf of the Santa Clara Valley Water District.

PASSED AND ADOPTED by the Board of Directors of the Santa Clara Valley Water District by the following vote on June 23, 2020:

AYES: Directors

NOES: Directors

ABSENT: Directors

ABSTAIN: Directors

SANTA CLARA VALLEY WATER DISTRICT

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Chair, Board of Directors

ATTEST: MICHELE L. KING, CMC

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Clerk, Board of Directors

# **EXHIBIT A COVERSHEET**

## **MERCY SPRINGS REPAYMENT CONTRACT**

No. of Pages: 75

Exhibit Attachments: Attachment 1: Mercy Springs Repayment Contract

