

## Frequently Asked Questions, Water Infrastructure Improvements for the Nation Act (WIIN Act)

### Implementation of the Prepayment Conversion Contracts, Public Law 114-322 Section 4011

#### What is the WIIN Act?

Congress passed the WIIN Act legislation on December 16, 2016, with a sunset date of December 16, 2021, for prepayment by contract conversions. The WIIN ACT is comprehensive legislation relating to water infrastructure at several Departments. Subsection J in the legislation is specific to Reclamation. While the title of Subject J is “California Water,” the provisions of the section are applicable to all of Reclamation. Section 4011 outlines the authority provided to the Secretary for the following:

- Conversion and prepayment of current water service contracts executed under Section 9 (c) (1) and 9 (c) 2 of the 1939 Reclamation Project Act (1939 Act).
- Prepayment of obligations under contracts executed under Section 9(d) of the 1939 Act.
- Repayment in either a lump sum or by accelerating prepayment, of the remaining construction costs obligations. Obligations will be discounted by ½ the Treasury Rate.

Also, this Section requires that a specified portion of the receipts generated from such prepayment be directed to the Reclamation Water Storage Account to fund construction of water storage projects Reclamation wide.

#### What is Significance of the December 16, 2021, Date?

The WIIN Act authority for contract conversions sunsets December 16, 2021, which means Reclamation and the Contractors must have the conversion contracts negotiated and executed prior to December 16, 2021. In other words, neither the Commissioner nor Mid-Pacific Region will have authority to negotiate or execute conversion contracts under the governing legislation after December 16, 2021.

#### “SEC. 4013. DURATION.

This subtitle shall expire on the date that is 5 years after the date of its enactment...”

#### When Does Reclamation Anticipate Initiating the Contract Conversions?

Reclamation can initiate contract negotiations with the contractors immediately after receipt of the Commissioner’s delegation of authority memorandum which is expected to be received by the Mid-Pacific Region in September of 2018.

## **What is the Process for Approving Prepayment Under the WIIN Act?**

Reclamation's Mid-Pacific Regional Office's contract staff in coordination with Reclamation's Law Administration Division, will seek written delegation of authority from the Commissioner. The authorization will delegate to the Mid-Pacific Regional Director for negotiating, executing, and administering the prepayment contracts. Thereafter, contracts may be negotiated and signed consistent with Reclamation Manual and Directive and Standards.

## **What is the Effect on the Reclamation Reform Act (RRA)?**

Contractors that fully prepay their construction obligation will no longer be subject to requirements of the RRA, once full payout is verified and approved by the Commissioner. Contractors will receive a letter once this occurs. Contracts for new obligations (i.e. Safety of Dams, Extraordinary Maintenance, etc.) will not be subject contractors to the RRA.

## **When Does Reclamation Issue Written Authorization Exempting Contractors for the RRA Provision?**

When prepayment contracts are negotiated, and full payment received, the RRA team will follow the process for requesting an exemption certificate from the Commissioner "acknowledging that the landholding is free of the ownership or full cost pricing limitations of Federal Reclamation law. Such certificate shall be in a form suitable for the entry in the land records of the county in which such landholding is located" (Act of October 12, 1982 PL 97-293, 96 Stat. 1261 Title 2 Section 213 (b)(1))

## **To Whom Should Questions Regarding WIIN Act be Directed?**

Questions from contractors or external customers should be directed to the Contract and Finance staff as noted. Staff will work in coordination with Reclamation teams (including Area Office staff) to address incoming questions. Please direct questions to any of the following Reclamation staff:

Name	Title	Contact Number	Email Address
<b>For Contract Related Questions:</b>			
Ms. Barbara Hidleburg	Contract Repayment Specialist	916 978-5193	bhidleburg@usbr.gov
Mr. Scott Taylor	Contract Repayment Specialist	916 978-5003	staylor@usbr.gov
<b>For Financial Related Questions:</b>			
Mr. Jesus Reynoso	Ratesetting Branch Chief	916-978-5362	jreynoso@usbr.gov
Mr. Sabir Ahmad	Accounting Branch Chief	916-978-5187	sahmad@usbr.gov
Ms. Susan May	Finance Specialist – Project Manager	916-978-5386	smay@usbr.gov

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