DEPARTMENT OF THE ARMY
U.S. ARMY CORPS OF ENGINEERS
WASHINGTON, D.C. 20314-1000

27 JUL 2009

Reply to
Attention of:

CEMP-SWD

MEMORANDUM FOR COMMANDER, Southwestern Division (CESWD-PDP)

SUBJECT: Implementation Guidance for Section 3152 of the Water Resources Development Act of 2007 (WRDA 2007) - Pat Mayse Lake, Texas

1. Section 3152 of WRDA 2007 directs the Secretary of the Army to accept $3,461,432 as payment in full of monies owed to the United States for water supply storage space in Pat Mayse Lake, Texas, under contract number DA-34-066-CIVENG-65-1272, including accrued interest. A copy of Section 3152 is enclosed for information.

2. The city of Paris entered into the water storage agreement on February 15, 1965, for 21,900 acre-feet of present-use storage and immediately began making payments. The agreement was supplemented on November 15, 1978, to allow the city to contract for the remaining 87,700 acre-feet of available storage. The city immediately began paying for 21,900 of the 87,700 acre-feet with the remaining 65,800 acre-feet set aside for future use. Prior to enactment of the Water Resources Development Act of 1986, the Water Supply Act of 1958 did not require payments for future-use storage until it is placed into a present-use status. The 10-year interest-free period (also specified in the pre-1986 version of the 1958 Act) ended on September 30, 1977. As a result, interest has been compounding at 3.137 percent on the future-use storage since September 30, 1977.

3. In lieu of collecting principal plus interest as required by the terms of contract number DA-34-066-CIVENG-65-1271, Section 3152 directs the Secretary of the Army to accept $3,461,432 as payment in full of monies owed to the United States for water supply storage space in Pat Mayse Lake, Texas, under said contract. The city will continue to pay its pro rata share of the joint-use operation, maintenance, repair, rehabilitation and replacement costs at Pat Mayse Lake. The Tulsa District shall amend the existing water storage agreement with the city of Paris to comply with the terms of Section 3152. Signature authority to execute this amendment is delegated to the Tulsa District Commander. Two copies of the signed, amended agreement shall be provided to CEMP-SWD.

FOR THE COMMANDER:

Encl.

STEVEN L. STOCKTON, P.E.
Director of Civil Works

Enclosure

WRDA 2007, SEC. 3152. PAT MAYSE LAKE, TEXAS.

The Secretary is directed to accept from the city of Paris, Texas, $3,461,432 as payment in full of monies owed to the United States for water supply storage space in Pat Mayse Lake, Texas, under contract number DA-34-066-CIVENG-65-1272, including accrued interest.