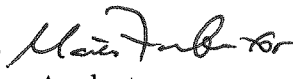


REPORT OF THE CHIEF LEGISLATIVE ANALYST

DATE: September 13, 2017

TO: Honorable Members of the Rules, Elections, and Intergovernmental Relations Committee

FROM: Sharon M. Tso  Council File No.: 17-0002-S108
Chief Legislative Analyst Assignment No.: 17-08-0836

SUBJECT: Resolution (Martinez – Englander) to OPPOSE AB 1180 (Holden) unless amended

CLA RECOMMENDATION: ADOPT Resolution (Martinez – Englander) to include in the City’s 2017-2018 State Legislative Program OPPOSITION to AB 1180 (Holden) unless amended to maintain the City’s “fair share” funding requirement as it pertains to the Los Angeles County Flood Control District’s power to levy fees for stormwater pollution mitigation efforts.

SUMMARY

The Resolution (Martinez – Englander) states that existing state law authorizes the Los Angeles County Flood Control District (LACFCD) to impose a fee to pay the costs and expenses of carrying out projects to improve water quality and reduce stormwater and urban runoff pollution within the District. The Resolution further states that pursuant to current law, the funds derived from any fee levied must be distributed equitably between the County and local jurisdictions. Jurisdictions that comprise majority areas of regional watersheds, such as the City of Los Angeles, are ensured their “fair share” of funding.

The Resolution states that the August 21, 2017 amendments to AB 1180 (Holden) revise the funding allocation provisions to eliminate the City’s “fair share” funding requirement. These amendments must be addressed to ensure the City’s interests are maintained and water quality objectives maximized. The Resolution requests that the City oppose AB 1180 (Holden) unless amended to ensure the City’s interests are maintained.

BACKGROUND

The LACFCD encompasses more than 2,700 square miles in Los Angeles County. This area includes some 2.1 million parcels of land and spans six watersheds. The LACFCD provides drainage infrastructure within 86 of the 88 incorporated cities within Los Angeles County and the unincorporated portions of Los Angeles County. The LACFCD is a separate entity within the Los Angeles County Department of Public Works and is governed by the Los Angeles County Board of Supervisors.

In 2010, the Legislature passed AB 2554 (Brownley), authorizing the LACFCD to impose a property related fee or charge “to pay the costs and expenses of carrying out projects and providing services to improve water quality and reduce stormwater and urban runoff pollution in

the district.” AB 2554 required that 50 percent of the funds collected were to be allocated to nine watershed authority groups, in the same proportion as the amount of fees collected within each watershed, to implement collaborative water quality improvement plans. Adoption of such a fee would require voter approval per Proposition 218.

The Los Angeles County Board of Supervisors launched the “Clean Water, Clean Beaches” initiative in 2012. The proposed initiative would have raised roughly \$200 million from an annual fee charged to homeowners, based on the volume of runoff generated by their parcels. The funds raised would have been utilized to address clean water obligations imposed by state and federal regulators under the Municipal Separate Sewer System (MS4) permitting program. Following lengthy protest hearings, the Board of Supervisors postponed a vote on placing the fee on the ballot. To date, the authority granted in AB 2554 has not been exercised.

In 2012, a new MS4 permit was issued. The permit applies to the LACFCD, Los Angeles County, and 84 of the 88 incorporated cities in Los Angeles County. The permit requires permittees to develop stormwater management plans and places an emphasis on a collective watershed management approach, encouraging the development of Enhanced Watershed Management Plans (EWMPs). The current MS4 requirements carry a significant compliance cost. The Los Angeles County Board of Supervisors recently approved a motion directing the creation of an expenditure plan to determine an appropriate parcel tax to distribute to municipalities and regional entities for the implementation of stormwater projects and programs. The motion also directed the LACFCD to pursue amendments to the Los Angeles County Flood Control Act to expand the District’s authority to impose a parcel tax within the District’s boundaries for the purpose of developing stormwater projects and programs. AB 1180 (Holden) was amended on June 26, 2017 to expand the District’s authority. The current version of this bill is sponsored by the County of Los Angeles.

AB 1180

AB 1180 amends the Los Angeles County Flood Control Act as follows:

- Allows the LACFCD to levy a tax to fund certain stormwater activities, in compliance with the applicable provisions of Article XIIC of the California Constitution. The tax need not be based on the volume of runoff generated by individual parcels of land but would require approval by two-thirds of local voters.
- Expands the eligible uses for the tax proceeds, providing that projects and programs to be funded may include projects providing multiple benefits that increase water supply, improve water quality, and, where appropriate, provide community enhancements such as the greening of schools, parks, and wetlands, and increase public access to rivers, lakes, and streams.
- Requires the LACFCD to levy the tax in accordance with an ordinance adopted by the Los Angeles County Board of Supervisors.
- Requires that the proceeds be allocated and expended consistent with criteria and procedures established by the Los Angeles County Board of Supervisors.
- Modifies the allocation of proceeds established in AB 2554 (Brownley) as follows:
 - 10 percent of proceeds will be allocated to the LACFCD to implement and administer eligible stormwater projects and programs and to pay the District’s costs for levying and collecting the fee and distributing revenues.

- 40 percent of proceeds will be allocated to Los Angeles County and to the cities within the District, divided proportionally among each jurisdiction, to be expended for eligible stormwater projects and programs.
- 50 percent of proceeds will be allocated to pay for implementation, operation and maintenance, and administration of watershed based regional projects and programs, including those identified in various regional plans such as stormwater resources plans and watershed management programs developed pursuant to waste discharge requirements for municipal separate sewer system discharges, and other regional water management plans, as appropriate.

Of concern to the City is the provision which modifies the allocation of 50 percent of proceeds to pay for implementation, operation and maintenance, and administration of watershed based regional projects and programs, as appropriate. If adopted, AB 1180 would no longer require the formation of the nine watershed authority groups and would no longer require that 50 percent of funds be allocated to the nine watershed authority groups, in the same proportion as the amount of fees collected within each watershed.

Under current law, the City may maintain membership in four (Ballona Creek, Dominguez Channel, Upper Los Angeles River, and Santa Monica Bay Watersheds) of the nine watershed authority groups. AB 2554 provided that projects to be conducted in a given watershed would be subject to the consent of any city with more than 40 percent total land area within that watershed. The City comprises more than 40 percent of the total land area in the Upper Los Angeles River and Ballona Creek watersheds. Prior to the enactment of AB 2554, the City worked with the County to amend the bill and offered its formal support. The City also offered its support of the County Board of Supervisors' Implementation Ordinance for the Water Quality Initiative.

The City is currently a party to five EWMPs, in collaboration with other participating entities in each watershed. The Bureau of Sanitation estimates the cost of complying with the current MS4 permit will be roughly \$7.2 billion over 25 years. To implement the EWMPs and comply with the MS4 permit, the City will require funds to address capital costs and ongoing operations and maintenance. The City's current funding source for stormwater compliance is the Stormwater Pollution Abatement Fund, which is insufficient to meet the City's needs. A regional approach to funding stormwater compliance has the potential to assist the City in meeting its funding needs. However, AB 1180 (Holden) would not provide for proportionate distribution of funds collected by the LACFCD. Thus, it is recommended that opposition to AB 1180 be included in the City's 2017-2018 State Legislative Program, unless the bill is amended to maintain the City's interests.

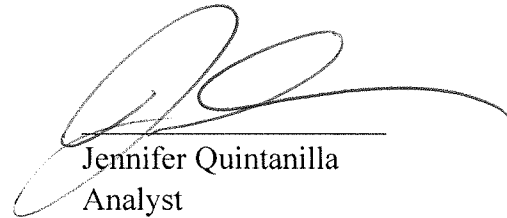
Departments Notified

Bureau of Sanitation

Bill Status

2/17/2017	AB 1180 introduced by Assembly Member Holden.
3/09/2017	Referred to Committees on Natural Resources and Environmental Safety and Toxic Materials.
4/18/2017	Passed, as amended, by Committee on Natural Resources. Re-referred to Committee on Environmental Safety and Toxic Materials.

4/26/2017 Passed by Committee on Environmental Safety and Toxic Materials. Re-referred to Committee on Appropriations.
5/26/2017 Passed, as amended, by Committee on Appropriations.
5/30/2017 Read second time and ordered to third reading.
5/31/2017 Read third time. Passed by Assembly and ordered to Senate.
6/01/2017 Referred to Rules Committee.
6/14/2017 Referred to Committee on Environmental Quality.
6/26/2017 Amended by the author. Re-referred to Committee on Environmental Quality.
6/27/2017 Withdrawn from Committee on Environmental Quality and re-referred to Rules Committee.
7/03/2017 Amended by the author. Read second time and re-referred to Rules Committee.
7/06/2017 Re-referred to Committee on Governance and Finance.
7/20/2017 Passed, as amended, by Committee on Governance and Finance.
8/21/2017 Read second time and ordered to third reading.
8/31/2017 Read third time and passed by the Senate. Ordered to the Assembly.
09/05/2017 Re-referred to Committee on Local Government.
09/12/2017 Committee on Local Government recommended concurrence with Senate Amendments.



Jennifer Quintanilla
Analyst

Attachments: 1. Resolution
2. Text of AB 1180

SMT:MF:PS:JM:Q

RESOLUTION

WHEREAS, any official position of the City of Los Angeles with respect to legislation, rules, regulations or policies proposed to or pending before a local, state or federal governmental body or agency must have first been adopted in the form of a Resolution by the City Council with the concurrence of the Mayor; and

WHEREAS, existing state law authorizes the Los Angeles Flood Control District (LAFCD) to control and conserve flood, storm and other sources of water in the district; and

WHEREAS, existing state law also authorizes the LAFCD to impose a fee to pay the costs and expenses of carrying out projects to improve water quality and reduce stormwater and urban runoff pollution in the district; and

WHEREAS, funds derived from the fee are to be distributed equitably between the County and local jurisdictions to ensure that water quality objectives are maximized; and

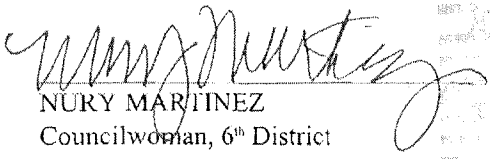
WHEREAS, local jurisdictions that comprise majority areas of regional watersheds, such as the City of Los Angeles, are ensured their "fair share" of funding; and


WHEREAS, AB 1180 (Holden) as amended on August 21, 2017, revises these provisions pertaining to the LAFCD and its authority to impose a fee to increase stormwater capture and reduce stormwater and urban runoff pollution in the district; and

WHEREAS, the measure also modifies the distribution of funding in a manner that eliminates the City's "fair share" funding requirement; and

WHEREAS, these modifications to the measure need to be addressed in order to ensure the City's interests are maintained and water quality objectives maximized;

NOW, THEREFORE, BE IT RESOLVED, with the concurrence of the Mayor, that by the adoption of this Resolution, the City of Los Angeles includes in its 2017-2018 State Legislative Program OPPOSITION to AB 1180 (Holden) which would eliminate the City's "fair share" funding requirement in existing state law as it pertain to the Los Angeles Flood Control District's levy authority for water quality/stormwater pollution mitigation efforts; UNLESS AMENDED to ensure the City's interests are maintained.

PRESENTED BY: 
NURY MARTINEZ
Councilwoman, 6th District

SECONDED BY: 

AB 1180 2017



AMENDED IN SENATE AUGUST 21, 2017

AMENDED IN SENATE JULY 3, 2017

AMENDED IN SENATE JUNE 26, 2017

AMENDED IN ASSEMBLY MAY 30, 2017

AMENDED IN ASSEMBLY APRIL 19, 2017

CALIFORNIA LEGISLATURE—2017–18 REGULAR SESSION

ASSEMBLY BILL

No. 1180

Introduced by Assembly Member Holden
(Coauthor: Senator Allen)

February 17, 2017

An act to amend Section 2 of the Los Angeles County Flood Control Act (Chapter 755 of the Statutes of 1915), relating to the Los Angeles County Flood Control District.

LEGISLATIVE COUNSEL'S DIGEST

AB 1180, as amended, Holden. Los Angeles County Flood Control District: taxes, fees, and charges.

Existing law, the Los Angeles County Flood Control Act, establishes the Los Angeles County Flood Control District and authorizes the district to control and conserve the flood, storm, and other wastewater of the district. Existing law authorizes the district to impose a fee or charge, in compliance with Article XIII D of the California Constitution, to pay the costs and expenses of carrying out projects and providing services to improve water quality and reduce stormwater and urban runoff pollution in the district in accordance with specified criteria. The act requires that any fees imposed be levied and collected together with

taxes for county purposes, and the revenues paid into the county treasury to the credit of the district, and requires the county board of supervisors to expend the funds to pay for those costs and expenses, to be allocated as prescribed.

This bill would authorize the district to levy a tax, in compliance with the applicable ~~provision~~ *provisions* of Article XIII C of the California Constitution, or impose a fee or charge, in compliance with the applicable provisions of Article XIII D of the California Constitution, to pay the costs and expenses of carrying out projects and programs to increase stormwater capture and reduce stormwater and urban runoff pollution in the district, and would specify that projects funded by the revenues from the tax, fee, or charge may include projects providing multiple benefits that increase water supply, improve water quality, and, where appropriate, provide community enhancements, as prescribed. The bill would revise certain provisions prescribing the allocation of those revenues derived from any tax, fee, or charge imposed pursuant to the above-described provisions for those water projects and programs.

Vote: majority. Appropriation: no. Fiscal committee: no.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 2 of the Los Angeles County Flood
2 Control Act (Chapter 755 of the Statutes of 1915), as amended by
3 Section 2 of Chapter 212 of the Statutes of 2012, is amended to
4 read:
5 Sec. 2. The objects and purposes of this act are to provide for
6 the control and conservation of the flood, storm and other waste
7 waters of said district, and to conserve these waters for beneficial
8 and useful purposes by spreading, storing, retaining or causing to
9 percolate into the soil within the district, or to save or conserve in
10 any manner, all or any of these waters, and to protect from damage
11 from flood or storm waters, the harbors, waterways, public
12 highways and property in the district, and to provide for public
13 use of navigable waterways under the district's control that are
14 suitable for recreational and educational purposes, when these
15 purposes are not inconsistent with the use thereof by the district
16 for flood control and water conservation.

1 The Los Angeles County Flood Control District is hereby
2 declared to be a body corporate and politic, and has all the
3 following powers:

4 1. To have perpetual succession.

5 2. To sue and be sued in the name of the district in all actions
6 and proceedings in all courts and tribunals of competent
7 jurisdiction.

8 3. To adopt a seal and alter it at pleasure.

9 4. To take by grant, purchase, gift, devise or lease, hold, use,
10 enjoy, and to lease or dispose of real or personal property of every
11 kind within or without the district necessary to the full exercise of
12 its power.

13 5. To acquire or contract to acquire lands, rights-of-way,
14 easements, privileges and property of every kind, and construct,
15 maintain and operate any and all works or improvements within
16 or without the district necessary or proper to carry out any of the
17 objects or purposes of this act, and to complete, extend, add to,
18 repair or otherwise improve any works or improvements acquired
19 by it as herein authorized. Construction or improvement of existing
20 facilities may involve landscaping and other aesthetic treatment
21 in order that the facility will be compatible with existing or planned
22 development in the area of improvement.

23 6. To exercise the right of eminent domain, either within or
24 without the district, to take any property necessary to carry out
25 any of the objects or purposes of this act.

26 7. To incur indebtedness, and to issue bonds in the manner
27 herein provided.

28 7a. To borrow money from the United States of America, any
29 agency or department thereof, or from any nonprofit corporation,
30 organized under the laws of this state, to which the Reconstruction
31 Finance Corporation, a corporation organized and existing under
32 and by virtue of an act of Congress, entitled "Reconstruction
33 Finance Corporation Act," or other agency, or department, of the
34 United States government, has authorized, or shall hereafter
35 authorize, a loan to enable nonprofit corporation to lend money to
36 the Los Angeles County Flood Control District, for any flood
37 control work authorized under this act, and to repay the same, in
38 annual installments, over a period of not to exceed twenty (20)
39 years, with interest at a rate of not to exceed four and one-fourth
40 per centum (4 $\frac{1}{4}$ %) per annum, payable semiannually, and, without

1 the necessity of an election when authorized by resolution of the
2 board of supervisors, as evidences of that indebtedness, the district
3 is hereby authorized to execute and deliver a note, or a series of
4 notes, or bonds, or other evidences of indebtedness, signed by the
5 chairperson of the board of supervisors of the district, which notes,
6 bonds, or other evidences of indebtedness, shall be negotiable
7 instruments if so declared in the resolution of the board of
8 supervisors providing for their issuance, and notes, bonds, or other
9 evidences of indebtedness, may have interest coupons attached to
10 evidence interest payments, signed by the facsimile signature of
11 the chairperson of the board. All applications for these loans shall
12 specify the particular flood control work or projects for which the
13 funds will be expended, and when received, the money shall be
14 deposited in a special fund, and shall be expended for those
15 purposes only which are described and referred to in the
16 applications. If a surplus remains after the completion of the work,
17 the surplus shall be applied to the payment of the note, notes,
18 bonds, or other evidences of indebtedness, executed as aforesaid,
19 for the loan including interest coupons. The board of supervisors
20 shall annually levy a tax upon the taxable real property of the
21 district, clearly sufficient to pay the interest and installments of
22 principal, as the same shall become due and payable, under any
23 loan made pursuant to the authority of this section, and to create
24 and maintain a reserve fund to assure the prompt payment thereof,
25 as may be provided by resolution of the board of supervisors.
26 However, the amount of taxes levied in any year, pursuant to this
27 subsection, shall, pro tanto, reduce the authority of the board of
28 supervisors, during any year, to levy taxes under Section 14 of this
29 act, but this proviso shall not be a limitation upon the power and
30 duty to levy and collect taxes under this subsection.
31 Notwithstanding any other provisions of law, interest earned on
32 funds representing the proceeds of bonds of the district shall be
33 deposited and retained in the reserve fund of the district to meet
34 the principal and interest falling due on these bonds.

35 Notwithstanding anything in this subsection to the contrary, the
36 total amount the district may borrow under the authority of any or
37 all of the provisions of this subsection is limited to and shall not
38 exceed in the aggregate the sum of four million five hundred
39 thousand dollars (\$4,500,000).

1 7b. The power granted in the next preceding subsection is hereby
2 extended to authorize the issuance and sale of bonds or other
3 evidences of indebtedness of the district to the County of Los
4 Angeles and the purchase thereof by the county in accordance with
5 “An act authorizing the investment and reinvestment and
6 disposition of any surplus moneys in the treasury of any county,
7 city and county, incorporated city or town or municipal utility
8 district or flood control district,” approved April 23, 1913, as
9 amended; all subject to the provisions and limitations of the next
10 preceding subsection relative to the disposition and use of funds,
11 interest rate, period of repayment, tax rate and mode of issuance.
12 The total amount of bonds or other evidence of indebtedness, in
13 the aggregate, which the district may issue and sell under the
14 authority of subsection 7a and of this subsection is limited to and
15 shall not exceed four million five hundred thousand dollars
16 (\$4,500,000).

17 8. To cause taxes to be levied and collected for the purpose of
18 paying any obligation of the district in the manner provided in this
19 section.

20 8a. To levy a tax, in compliance with the applicable provisions
21 of Article XIII C of the California Constitution, or impose a fee or
22 charge, in compliance with the applicable provisions of Article
23 XIII D of the California Constitution, to pay the costs and expenses
24 of carrying out projects and programs to increase stormwater
25 capture and reduce stormwater and urban runoff pollution in the
26 district in accordance with criteria established by the ordinance
27 adopted pursuant to subsection 8c. Projects and programs funded
28 by the revenues from the tax, fee, or charge may include projects
29 providing multiple benefits that increase water supply, improve
30 water quality, and, where appropriate, provide community
31 enhancements such as the greening of schools, parks, and wetlands,
32 and increased public access to rivers, lakes, and streams. Any tax,
33 fee, or charge that is levied or imposed pursuant to this subsection
34 shall be levied and collected together with, and not separately
35 from, taxes for county purposes, and the revenues derived from
36 the tax, fee, or charge shall be paid into the county treasury to the
37 credit of the district, and the board of supervisors shall expend
38 these funds to pay for costs and expenses in accordance with this
39 subsection.

1 8b. The district shall allocate the revenues derived from any
2 tax, fee, or charge imposed pursuant to subsection 8a as follows:

3 (A) Ten percent shall be allocated to the district for
4 implementation and administration of projects and programs
5 described in subsection 8a, and for payment of the costs incurred
6 in connection with the levy and collection of the tax, fee, or charge
7 and the distribution of the funds generated by imposition of the
8 tax, fee, or charge, in accordance with the procedures established
9 by the ordinance adopted pursuant to subsection 8c.

10 (B) Forty percent shall be allocated to cities within the
11 boundaries of the district and to the County of Los Angeles, in the
12 same proportion as the amount of revenues collected within each
13 jurisdiction and within the unincorporated territories, to be
14 expended by those cities within the cities' respective jurisdictions
15 and by the County of Los Angeles within the unincorporated
16 territories that are within the boundaries of the district, for the
17 implementation, operation and maintenance, and administration
18 of projects and programs described in subsection 8a, in accordance
19 with the procedures established by the ordinance adopted pursuant
20 to subsection 8c.

21 (C) Fifty percent shall be allocated to pay for the
22 implementation, operation and maintenance, and administration
23 of watershed-based ~~regional~~ projects and ~~programs~~, *programs*
24 *described in subsection 8a*, including projects and programs
25 identified in *regional plans such as* stormwater resource plans
26 developed in accordance with Part 2.3 (commencing with Section
27 10560) of Division 6 of the Water Code, watershed management
28 programs developed pursuant to waste discharge requirements for
29 municipal separate storm sewer system (MS4) discharges within
30 the coastal watersheds of the County of Los Angeles, issued by
31 the Los Angeles Regional Water Quality Control Board, and other
32 *regional* water management plans, as appropriate, in accordance
33 with the procedures established by the ordinance adopted pursuant
34 to subsection 8c.

35 8c. The governing board of the district shall adopt an ordinance
36 to establish criteria and procedures to implement the authority
37 granted pursuant to subsections 8a and 8b.

38 9. To make contracts, and to employ for temporary services
39 only, expert appraisers, consultants and technical advisers, and to

1 do all acts necessary for the full exercise of all powers vested in
2 the district, or any of the officers thereof, by this act.

3 10. To grant or otherwise convey to counties, cities and counties,
4 cities or towns easements for street and highway purposes, over,
5 along, upon, in, through, across or under any real property owned
6 by the Los Angeles County Flood Control District.

7 11. To remove, carry away and dispose of any rubbish, trash,
8 debris or other inconvenient matter that may be dislodged,
9 transported, conveyed or carried by means of, through, in, or along
10 the works and structures operated or maintained hereunder and
11 deposited upon the property of the district or elsewhere.

12 12. To pay premiums on bonds of contractors required under
13 any contract if the amount payable to the contractor exceeds five
14 million dollars (\$5,000,000); provided, that the specifications in
15 these cases shall specifically so provide and state that the bidder
16 shall not include in his or her bids the cost of furnishing the
17 required bonds.

18 13. To lease, sell or dispose of any property (or any interest
19 therein) whenever in the judgment of the board of supervisors of
20 the property, or any interest therein or part thereof, is no longer
21 required for the purposes of the district, or may be leased for any
22 purpose without interfering with the use of the same for the
23 purposes of the district, and to pay any compensation received
24 therefor into the general fund of the district and use the same for
25 the purposes of this act. However, nothing herein shall authorize
26 the board of supervisors or other governing body of the district or
27 any officer thereof to sell, lease or otherwise dispose of any water,
28 water right, reservoir space or storage capacity or any interest or
29 space therein except to public agencies for recreational purposes
30 when the use is not inconsistent with the use thereof by the district
31 for flood control and water conservation purposes; or except as
32 provided by Section 17 of this act. However, the district may grant
33 and convey to the United States of America, or to any federal
34 agency authorized to accept and pay for the land or interests in
35 land, all lands and interests in land, now owned or hereafter
36 acquired, lying within any channel, dam or reservoir site, improved
37 or constructed, in whole or in part, with federal funds, upon
38 payment to the district of sums equivalent to actual expenditures
39 made by it in acquiring the lands and interests in land so conveyed

1 and deemed reasonable by the Secretary of War and the Chief of
2 Engineers.

3 14. To provide, by agreement with other public agencies or
4 private persons or entities or otherwise, for the recreational use of
5 the lands, facilities, and works of the district which shall not
6 interfere, or be inconsistent, with the primary use and purpose of
7 the lands, facilities, and works by the district.

8 15. In addition to its other powers, the district shall have the
9 power to preserve, enhance, and add recreational features to its
10 properties and upon a finding by the board of supervisors that the
11 acquisition is necessary for those purposes, to acquire, preserve,
12 enhance, and add recreational features to lands or interests in lands
13 contiguous to its properties, for the protection, preservation, and
14 use of the scenic beauty and natural environment for the properties
15 or the lands and to collect admission or use fees for the recreational
16 features where deemed appropriate.

17 The district by or through its board of supervisors, or other board
18 or officers at any time succeeding to the duties or functions of its
19 board of supervisors, is hereby authorized and empowered to
20 warrant and defend the title to all land and interests therein so
21 conveyed to the United States of America or to any agency and
22 its respective assigns; to covenant and agree to indemnify and keep
23 indemnified and to hold and save harmless and exonerated the
24 United States of America or any agency, to which lands or any
25 interest therein are so conveyed by the district, from and against
26 all demands, claims, liabilities, liens, actions, suits, charges, costs,
27 loss, damages, expenses and attorneys' fees of whatsoever kind
28 or nature, resulting from, arising out of or occasioned by any defect
29 or defects whatsoever in the title to any land or interest in land so
30 conveyed by the district; to reimburse and save harmless and
31 exonerated the United States of America or any agency for any
32 and all amounts, paid, and expenses incurred, in the compromise
33 or settlement of any demands, claims, liabilities, liens, actions,
34 suits, charges, costs, loss, damages, expenses and attorneys' fees
35 of whatsoever kind or nature, resulting from, arising out of or
36 occasioned by any claim to or defect or defects whatsoever in the
37 title to any land or interests in land so conveyed by the district; to
38 pay all just compensation, costs and expenses, which may be
39 incurred in any condemnation proceeding deemed necessary by
40 the United States of America or that agency, in order to perfect

1 title to any land or interests in land, including without limitation
2 all attorneys' fees, court costs and fees, costs of abstracts and other
3 evidences of title, and all other costs, expenses or damages incurred
4 or suffered by the United States of America or that agency; and
5 consent is hereby given to the bringing of suit or other legal
6 proceedings against the district by the United States of America
7 or that agency, as the case may be, in the proper district court of
8 the United States, upon any cause of action arising out of any
9 conveyance, contract or covenant made or entered into by the
10 district pursuant to the authority granted in this act, or to enforce
11 any claims, damages, loss or expenses arising out of or resulting
12 from any defect whatsoever in the title to the land or any interest
13 therein or any claims of others in or to the land or interest therein.

O