

115TH CONGRESS  
1ST SESSION

# H. R. 1769

To affirm an agreement between the United States and Westlands Water District dated September 15, 2015, and for other purposes.

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IN THE HOUSE OF REPRESENTATIVES

MARCH 28, 2017

Mr. VALADAO introduced the following bill; which was referred to the Committee on Natural Resources

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## A BILL

To affirm an agreement between the United States and Westlands Water District dated September 15, 2015, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the  
5 “San Luis Unit Drainage Resolution Act”.

6 (b) TABLE OF CONTENTS.—The table of contents for  
7 this Act is as follows:

- Sec. 1. Short title; table of contents.
- Sec. 2. Definitions.
- Sec. 3. Approval of agreement.
- Sec. 4. Relief from drainage obligation.
- Sec. 5. Drainage implementation.

Sec. 6. Water delivery contracts.

Sec. 7. Repayment obligations.

Sec. 8. Transfer of title to certain facilities.

Sec. 9. Compliance with applicable law.

Sec. 10. No water supply or financial impacts on other Central Valley Project contractors.

Sec. 11. Restoration Fund payments by Westlands Water District.

1 **SEC. 2. DEFINITIONS.**

2 In this Act:

3 (1) CENTRAL VALLEY PROJECT IMPROVEMENT  
 4 ACT OF 1992 DEFINITIONS.—As used herein, the  
 5 terms “repayment contractor”, “water service con-  
 6 tractor”, “water service contract”, “exchange con-  
 7 tractor”, “exchange contract”, “water rights settle-  
 8 ment contractor”, “water rights settlement con-  
 9 tract”, “refuge contractor”, and “refuge contract”  
 10 shall have the same meanings respectively as each of  
 11 those terms has in title XXXIV of the Central Val-  
 12 ley Project Improvement Act of 1992 (106 Stat.  
 13 4705).

14 (2) CONDITION OF SHORTAGE.—The term  
 15 “Condition of Shortage” means “Condition of Short-  
 16 age” as that term is defined in existing San Luis  
 17 Unit water service contracts.

18 (3) CONTRACTING OFFICER.—The term “Con-  
 19 tracting Officer” means “Contracting Officer” as  
 20 that term is defined in existing San Luis Unit water  
 21 service contracts.

1           (4) PROJECT.—The term “Project” means the  
2           Central Valley Project, owned by the United States  
3           and managed by the Department of the Interior,  
4           Bureau of Reclamation.

5           (5) PROJECT WATER.—The term “Project  
6           Water” means all water that is developed, diverted,  
7           stored, or delivered by the Secretary in accordance  
8           with the statutes authorizing the Project and in ac-  
9           cordance with the terms and conditions of water  
10          rights acquired pursuant to California law.

11          (6) REPAYMENT CONTRACT.—The term “repay-  
12          ment contract” means the repayment contract con-  
13          verted under section 6(a).

14          (7) SAN LUIS ACT.—The term “San Luis Act”  
15          means the Act of June 3, 1960 (Public Law 86-  
16          488), and all Acts amendatory thereof and supple-  
17          mentary thereto.

18          (8) SAN LUIS UNIT.—The term “San Luis  
19          Unit” means those lands identified in section 1 of  
20          the San Luis Act.

21          (9) SECRETARY.—The term “Secretary” means  
22          the Secretary of the Interior.

23          (10) WESTLANDS AGREEMENT.—The term  
24          “Westlands Agreement” means the “Agreement be-

1       tween the United States and Westlands Water Dis-  
2       trict August 2015”, signed September 15, 2015.

3           (11) WESTLANDS.—The term “Westlands”  
4       means the Westlands Water District (including  
5       Broadview Water District lands annexed within  
6       Westlands Water District) located in Fresno and  
7       Kings Counties, California.

8       **SEC. 3. APPROVAL OF AGREEMENT.**

9       Notwithstanding any other provision of law, unless  
10      otherwise specified herein, the Secretary is hereby directed  
11      to implement the terms and conditions of the Westlands  
12      Agreement.

13      **SEC. 4. RELIEF FROM DRAINAGE OBLIGATION.**

14      The San Luis Act is amended as follows:

15           (1) In the second sentence of section 1(a) after  
16      the words “related facilities”, strike “but” and add  
17      “but such features do not include distribution sys-  
18      tems or drains within Westlands, and”.

19           (2) In the sixth sentence of section 1(a), by in-  
20      serting the following at the end of the sentence: “ex-  
21      cept that the provision of drainage or drainage serv-  
22      ice under section 1(a) shall not apply to lands within  
23      Westlands.”.

24           (3) In section 5, by striking the first sentence  
25      and inserting “Notwithstanding any other provision

1 of law, the Secretary of the Interior shall have no  
2 duty to provide drainage or drainage service to  
3 Westlands. Westlands shall be responsible for the  
4 management of drainage water within its bound-  
5 aries, in accordance with Federal and California law  
6 consistent with the ‘Agreement between the United  
7 States and Westlands Water District August 2015’,  
8 signed September 15, 2015.’’.

9 (4) In the first sentence of section 8 by striking  
10 the words “other than distribution systems and  
11 drains,”.

12 (5) In the third sentence of section 8, strike ev-  
13 erything between the word “required” through and  
14 including “(b)” inserting a period following the word  
15 “unit” Strike the remainder of the proviso in section  
16 8.

17 **SEC. 5. DRAINAGE IMPLEMENTATION.**

18 Upon enactment of this Act, and as provided in the  
19 Westlands Agreement, Westlands shall assume all legal re-  
20 sponsibility for the management of drainage water within  
21 its boundaries in accordance with Federal and California  
22 law; provided that Westlands shall not discharge drainage  
23 water outside of its boundaries.

1 **SEC. 6. WATER DELIVERY CONTRACTS.**

2 (a) CONTRACT CONVERSION.—The Secretary is di-  
3 rected to convert Westlands' existing long-term or interim  
4 renewal water service contracts entered into under section  
5 9(e) of the Act of August 4, 1939 (53 Stat. 1196), to  
6 a repayment contract under sections 9(d) and 9(c)(1) of  
7 the Act of August 4, 1939 (53 Stat. 1195, 1194), con-  
8 sistent with the Westlands Agreement.

9 (b) ALLOCATION DECISIONS.—

10 (1) Notwithstanding subsection (a) and as pro-  
11 vided in the Westlands Agreement, the Secretary  
12 shall make allocation decisions in the Project affect-  
13 ing Westlands consistent with the requirements of  
14 all current or future enacted Federal law including,  
15 but not limited, to the Endangered Species Act of  
16 1973 (16 U.S.C. 1531 et seq.), Reclamation law,  
17 and all decisions of the California State Water Re-  
18 sources Control Board establishing conditions on ap-  
19 plicable licenses and permits for the Central Valley  
20 Project.

21 (2) Conversion of Westlands' contracts in sub-  
22 section (a) shall not afford Westlands a greater or  
23 lesser right to an annual allocation of Project Water  
24 than it had prior to the conversion of its contract  
25 under this Act.

1           (3) If there is a Condition of Shortage in the  
2 amount of water available for delivery to Westlands  
3 because of errors in physical operations of the  
4 Project, drought, other physical causes beyond the  
5 control of the Contracting Officer or actions taken  
6 by the Contracting Officer to meet legal obligations  
7 and no liability shall accrue against the United  
8 States or any of its officers, agents or employees for  
9 any damage, direct or indirect, arising therefrom.

10           (c) WATER SERVICE CONTRACT FOR LEMOORE  
11 NAVAL AIR STATION.—

12           (1) The Secretary is directed to enter into a  
13 contract under section 9(e) of the Act of August 4,  
14 1939 (53 Stat. 1196), with the Secretary of the  
15 Navy for the delivery of Project Water to the  
16 Lemoore Naval Air Station to meet the irrigation  
17 needs of Lemoore Naval Air Station associated with  
18 air operations.

19           (2) The contract amount of Project Water  
20 made available to the Lemoore Naval Air Station  
21 under section 9(e) contract entered into pursuant to  
22 paragraph (1) shall be determined by the Secretary  
23 through technical analysis with the Lemoore Naval  
24 Air Station.

1           (3) In any year in which there may occur a  
2           Condition of Shortage in the amount of water avail-  
3           able for delivery, the Contracting Officer shall allo-  
4           cate the available Project Water to Lemoore Naval  
5           Air Station according to the allocation steps for mu-  
6           nicipal and industrial water service contractors  
7           under the Central Valley Project Municipal and In-  
8           dustrial Water Shortage Policy (Policy) in its form  
9           on the effective date of the contract referenced in  
10          paragraph (1) for determining the amount of Project  
11          Water available for delivery to Lemoore Naval Air  
12          Station. For purposes of determining “historical  
13          use” under the Policy, the Secretary shall consider  
14          past water use for irrigation needs by the Lemoore  
15          Naval Air Station under the contract authorized by  
16          this section, or such use previous to the contract.

17 **SEC. 7. REPAYMENT OBLIGATIONS.**

18          (a) **SUSPENSION OF CAPITAL OBLIGATION.**—Upon  
19          enactment of this Act, Westlands’ capital repayment obli-  
20          gation and payments under its existing water service con-  
21          tracts and the April 1, 1965, repayment contract between  
22          the United States and Westlands (contract numbered 14–  
23          06–200–2020–A) as further defined in subsection (d),  
24          shall be suspended until the execution of the 9(d) repay-  
25          ment contract referenced in section 6, and upon execution



1 of the 9(d) repayment contract, Westlands shall receive  
2 a credit against future operation and maintenance costs  
3 payable to the United States in the amount of the capital  
4 costs under the existing water service contracts and the  
5 1965 Repayment Contract paid by Westlands between the  
6 date of the Westlands Agreement and the date of enact-  
7 ment of this Act.

8 (b) COSTS.—Costs incurred by the United States for  
9 purposes of re-evaluating, planning, or providing drainage  
10 service to Westlands shall be non-reimbursable as set forth  
11 in paragraphs (9)(C)(iv) of the Westlands Agreement.

12 (c) RELIEF OF CAPITAL REPAYMENT OBLIGA-  
13 TIONS.—

14 (1) Upon the date of execution of the 9(d) re-  
15 payment contracts referenced in section 6(a), and as  
16 set forth in the Westlands Agreement, Westlands  
17 shall be relieved of—

18 (A) its capital repayment obligations under  
19 the June 5, 1963, water service contract be-  
20 tween the United States and Westlands (con-  
21 tract number 14–06–200–495–A) providing for  
22 water service, or any renewals thereof, and any  
23 water service contracts assigned to Westlands,  
24 Westlands Distribution District No. 1, and  
25 Westlands Distribution District No. 2 existing

1 as of the date of execution of the Westlands  
2 Agreement; and

3 (B) Westlands shall be relieved of any re-  
4 maining repayment obligation under the April  
5 1, 1965, repayment contract between the  
6 United States and Westlands (contract num-  
7 bered 14-06-200-2020-A).

8 (2) Repayment relief granted in paragraphs (1)  
9 and (2) shall not extend to Westlands' operation and  
10 maintenance obligations, whether payable to the  
11 United States or to an operating non-Federal entity,  
12 or to construction costs or other capitalized costs not  
13 yet allocated to or incurred by Westlands as of the  
14 date of the Westlands Agreement, respectively, in-  
15 cluding, but not limited to costs attributable to the  
16 Folsom Safety of Dams modifications, or the B.F.  
17 Sisk corrective action study, or any Safety of Dams  
18 or to the repayment of future capital costs incurred  
19 after the date of execution of the Westlands Agree-  
20 ment.

21 (3) Central Valley Project construction costs or  
22 other capitalized costs allocated to Westlands after  
23 the date of the Westlands Agreement, and properly  
24 assignable to Westlands, shall be repaid in not more  
25 than 5 years after notification of the allocation of

1 such amount of less than \$5,000,000. If such  
2 amount is \$5,000,000 or greater, such cost shall be  
3 repaid as provided by applicable Reclamation law.  
4 Any additional costs that may have been assigned to  
5 Westlands pursuant to paragraph (9)(C)(iv) of the  
6 Westlands Agreement related to the Central Valley  
7 Project final cost allocation shall be non-reimburs-  
8 able.

9 (d) APPLICABILITY OF CERTAIN PROVISIONS.—

10 (1) RECLAMATION REFORM ACT.—Upon dis-  
11 charge of the capital repayment obligation as pro-  
12 vided in subsection (b), the provisions of section  
13 213(a) and (b) of the Reclamation Reform Act of  
14 1982 (96 Stat. 1269) shall be deemed to apply to  
15 lands in Westlands, and the ownership and full cost  
16 pricing limitations in any provision of Federal rec-  
17 lamation law shall not apply to lands in Westlands  
18 notwithstanding the subsequent allocation of con-  
19 struction costs or other capitalized costs to  
20 Westlands. These exemptions shall be carried out in  
21 accordance with the process set forth in the  
22 Westlands Agreement.

23 (2) OTHER PROVISIONS.—Nothing in this Act is  
24 intended to relieve Westlands of any other obliga-  
25 tions under Reclamation law including Restoration

1 Fund charges pursuant to section 3407(d) of Public  
2 Law 102–575.

3 **SEC. 8. TRANSFER OF TITLE TO CERTAIN FACILITIES.**

4 (a) IN GENERAL.—Upon the execution of the section  
5 9(d) repayment contract, or as soon thereafter as prac-  
6 ticable, the Secretary shall transfer to Westlands title to:

7 (1) San Luis Canal System, excluding the main  
8 canal which is integrated with the California Aque-  
9 duct. These appurtenant features include:

10 (A) Internal water distribution system  
11 within Westlands, including: Approximately  
12 1,045 miles of buried pipeline.

13 (B) Pumping plants within Westlands, in-  
14 cluding: San Luis Canal Left and Right Bank  
15 pumping plants. Includes but is not limited to,  
16 Pumping Plants P1 through P38 located at the  
17 head end of the gravity laterals to supply the  
18 head required for the “P” laterals. Pumping  
19 Plants, tanks, reservoirs, re-lift pumping plants  
20 to serve lands west of the San Luis Canal.  
21 Pumping Plant 7.05 off Lateral 7.

22 (C) Related structures, appurtenances,  
23 pumping plants, pumps, motors, meters, valves,  
24 tanks, transformers and electrical equipment as  
25 specifically identified through the title transfer

1 process of federally owned facilities, equipment,  
2 and real property.

3 (2) Mendota Pool diversion facilities operated  
4 by Westlands, including:

5 (A) Inlet Canal from the Fresno Slough.

6 (B) Pumping plants 6–1, 6–2, 7–1, 7–2.

7 (C) Related structures, appurtenances,  
8 pumps, motors, meters, valves, tanks, trans-  
9 formers and electrical equipment as specifically  
10 identified through the title transfer process of  
11 federally owned facilities, equipment, and real  
12 property.

13 (3) Pleasant Valley System, including:

14 (A) Intake canal and pipeline.

15 (B) Pleasant Valley Pumping Plant.

16 (C) Coalinga Canal, including related  
17 check structures, turnouts, and headworks.

18 (D) Pleasant Valley distribution system  
19 and pumping plants along the Coalinga Canal.

20 (E) Related structures, appurtenances,  
21 pumps, motors, meters, valves, tanks, trans-  
22 formers and electrical equipment as specifically  
23 identified through the title transfer process of  
24 federally owned facilities, equipment, and real  
25 property.

1 (4) Drainage collection system, including:

2 (A) Carrier and collector pipelines, sumps,  
3 and sump pumps.

4 (B) San Luis Drain from Sta 6678+45 to  
5 Sta 8520+22.87 (Crossing with DMC to La-  
6 guna Ave. crossing).

7 (C) Related structures, appurtenances,  
8 pumps, motors, meters, valves, tanks, trans-  
9 formers, and electrical equipment as specifically  
10 identified through the title transfer process of  
11 federally owned facilities, equipment, and real  
12 property.

13 (5) Tranquillity Field Office, including:

14 (A) Buildings at 32650 West Adams Ave-  
15 nue, Tranquillity, CA 93668.

16 (B) All related fixtures and furnishings as  
17 specifically identified through the title transfer  
18 process of federally owned facilities, equipment,  
19 and real property.

20 (6) Huron Field Office, including:

21 (A) Buildings at 32450 South Lassen Ave-  
22 nue, Huron, CA 93234.

23 (B) All related fixtures and furnishings as  
24 specifically identified through the title transfer

1 process of federally owned facilities, equipment,  
2 and real property.

3 (7) All real property interests held by the  
4 United States in lands underlying or otherwise asso-  
5 ciated with the facilities and equipment listed in this  
6 subsection, including all fee title, easements, and  
7 rights of way.

8 (b) TRANSFER OF TITLE.—Except as specifically  
9 provided in this Act, any transfer of title to the Pleasant  
10 Valley Pumping Plant, the Coalinga Canal, and any asso-  
11 ciated facilities shall not relieve any other Project Water  
12 service or repayment contractor of the requirement to pay  
13 any allocated costs associated with those conveyance or  
14 pumping facilities that are properly allocated to those con-  
15 tractors under existing law and Project rate setting poli-  
16 cies.

17 (c) CONDITION OF TRANSFER.—Upon transfer of  
18 title to any facilities pursuant to this section, Westlands  
19 shall, as a condition to such transfer, formally agree that  
20 as of the date of transfer—

21 (1) to hold the United States harmless and in-  
22 demnify the United States for any and all claims,  
23 cost, damages, and judgments of any kind arising  
24 out of any act, omission, or occurrence relating to  
25 the transferred facilities, except for such claims,

1 costs, damages arising from acts of negligence com-  
2 mitted by the United States or by its employees,  
3 agents, or contractors, prior to the date of title  
4 transfer, for which the United States is found liable  
5 under the Federal Tort Claims Act; and

6 (2) the United States shall have no responsi-  
7 bility for correcting and financing any repairs or de-  
8 ficiencies that may exist at the time of or following  
9 title transfer.

10 (d) **APPLICABLE LAW.**—The Secretary shall transfer  
11 title pursuant to this section consistent with all applicable  
12 Reclamation policies and procedures. The Secretary and  
13 Westlands shall comply with all applicable requirements  
14 under Federal and California law before title to a facility  
15 is transferred pursuant to this section.

16 **SEC. 9. COMPLIANCE WITH APPLICABLE LAW.**

17 In implementing the measures authorized by this Act,  
18 the Secretary shall comply with all applicable Federal  
19 laws, rules, and regulations, including the National Envi-  
20 ronmental Policy Act of 1969 (42 U.S.C. 4321 et seq.)  
21 and the Endangered Species Act of 1973 (16 U.S.C. 1531  
22 et seq.), as necessary.



1 **SEC. 10. NO WATER SUPPLY OR FINANCIAL IMPACTS ON**  
2 **OTHER CENTRAL VALLEY PROJECT CON-**  
3 **TRACTORS.**

4 Implementation of this Act and the Agreements au-  
5 thorized thereunder shall not—

6 (1) result in the involuntary reduction in the  
7 contract water allocation to any Project water serv-  
8 ice or repayment contractor, water rights settlement  
9 contractor, exchange contractor, or refuge contractor  
10 including contractors in the Friant Division of the  
11 Project;

12 (2) modify, amend or affect any of the rights  
13 or obligations of the parties to any Project water  
14 service or repayment contract, water rights settle-  
15 ment contract, exchange contract, or refuge con-  
16 tract, including contracts in the Friant Division of  
17 the Project;

18 (3) alter the repayment obligation, if any, of  
19 any Project—

20 (A) water service or repayment contractor;

21 (B) settlement, refuge, or exchange con-  
22 tractor; or

23 (C) preference power contractor receiving  
24 water or power from the Project, or shift any  
25 costs to such contractors that would otherwise  
26 have been properly assignable to Westlands, in-

1 including operations and maintenance costs, con-  
2 struction costs, or other capitalized costs allo-  
3 cated to Westlands after the date of this Act;  
4 (4) impair the ability of the United States to  
5 implement the Stipulation of Settlement approved by  
6 the district court in Natural Resources Defense  
7 Council, et al. v. Rogers, et al. (Case No. CIV S-  
8 88-1658 (LKK/GGH) E.D.Cal.), on October 23,  
9 2006, as authorized to be implemented by title X of  
10 Public Law 111-11, including the Restoration Goal  
11 and Water Management Goal; and  
12 (5) diminish, impair, or otherwise affect in any  
13 manner any priorities for the allocation, delivery or  
14 use of water under applicable law, including any  
15 purposes of use and priorities established by sections  
16 3402 and 3406 of the Central Valley Project Im-  
17 provement Act (Public Law 102-575; 106 Stat.  
18 4706, 4717).

19 **SEC. 11. RESTORATION FUND PAYMENTS BY WESTLANDS**  
20 **WATER DISTRICT.**

21 For any year in which the allocation of water for  
22 south-of-Delta Project long-term water irrigation service  
23 contractors or irrigation repayment contractors is greater  
24 than 75 percent, the Secretary shall calculate for  
25 Westlands a per acre foot Restoration Fund payment

- 1 based on a projection that Westlands would take delivery
- 2 of the full allocation made to south-of-Delta Project long-
- 3 term water service contractors or repayment contractors.

○