

Westlands Water District

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STATEMENT OF WESTLANDS WATER DISTRICT ON SETTLEMENT OF DRAINAGE LAWSUIT

FRESNO - The United States Department of Justice and Westlands Water District have approved a settlement, which, if approved by Congress, would end a decades-long dispute over the Bureau of Reclamation's responsibility to provide drainage for the farmland within Westlands. It provides a fair and equitable solution for Westlands' landowners who lost the productive use of their land caused by Reclamation's failure to provide drainage services to those lands, while at the same time providing a cost savings of approximately \$3.5 billion to the United States.

The settlement has been the subject of comprehensive review by the Department of Justice, Department of the Interior and Westlands. After this extensive review, the parties determined the settlement to be the best path forward for the federal government and Westlands and its landowners. Congress must approve the settlement before it becomes effective.

In the 1960s, the San Luis Act mandated the construction of agricultural drainage facilities to serve lands covered by the expansion of the Central Valley Project. Construction on the drainage facilities was never completed, and in 1985, the San Luis Drain was closed and drainage service to Westlands was terminated.

After years of inaction by Reclamation, Westlands filed a claim against the Secretary of the Interior and Bureau of Reclamation to compel Reclamation to provide drainage service. In 2000, the United States Circuit Court of Appeals for the Ninth Circuit affirmed a decision in favor of Westlands and determined that the Secretary had a mandatory duty to provide drainage service under the San Luis Act. The settlement approved by Justice and Westlands acts as a global resolution, concluding decades of disputes and litigation over an environmental problem that has gone unaddressed.

The drainage settlement requires Westlands to assume full responsibility for drainage management within its boundaries. Westlands will be required to retire a minimum of 100,000 acres of land and to repurpose the non-irrigated lands for environmentally friendly uses. The settlement relieves Westlands of repayment obligation for prior expenditures by the United States for construction of the Central Valley Project.

Under the terms of the settlement, the Department of the Interior will oversee Westlands' management of drainage. The settlement relieves taxpayers of a liability of approximately \$3.5 billion dollars and caps water deliveries to the District at seventy-five percent of its contract amount.

Westlands and the United States have agreed to work cooperatively to seek settlement of drainage claims brought by landowners against the United States in Etchegoinberry v. United States, a separate case pending in the United States Court of Federal Claims. However, Westlands will pay any compensation to landowners as a result of a settlement in the Etchegoinberry case, and Westlands will indemnify the United States against any future landowner claim.

The Westlands Water District is the most productive agricultural land in the U.S., generating \$3.5 billion in farm-related economic activities and more than one billion dollars' worth of food and fiber. Westlands' 700 family-owned farms feed local communities, California and the nation. Agriculture is the bedrock of life and this agricultural region is a critical asset for California.

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