

**AGREEMENT BETWEEN THE UNITED STATES AND WESTLANDS WATER
DISTRICT**

ATTACHMENT C

DRAFT LEGISLATION

IN THE HOUSE OF REPRESENTATIVES

_____, __, 20__

A BILL

To affirm “The Agreement Between the United States and Westlands Water District” dated _____, “The Agreement Between the United States, San Luis Water District, Panoche Water District and Pacheco Water District” dated _____, and for other purposes.

Be it enacted by the Senate and the House of Representatives of the United States of America in Congress assembled.

SEC. 1. SHORT TITLE.

This Act may be cited as the “San Luis Unit Drainage Resolution Act.”

SEC. 2. DEFINITIONS.

In this Act:

- (a) The term “Northerly Districts Agreement” means the Agreement between the United States, San Luis Water District, Panoche Water District and Pacheco Water District;
- (b) The term “Project” means the Central Valley Project owned by the United States and managed by the Department of the Interior, Bureau of Reclamation;
- (c) The term “Project Water” means all water that is developed, diverted, stored, or delivered by the Secretary in accordance with the statutes authorizing the Project and in accordance with the terms and conditions of water rights acquired pursuant to California law;
- (d) The term “San Luis Act” means the Act of June 3, 1960, Public Law No. 86-488 and all Acts amendatory thereof and supplementary thereto;
- (e) The term “San Luis Unit” means those lands identified in section 1 of the Act of June 3, 1960 (Public Law 86-488, 74 Stat. 156);
- (f) As used herein, the term “San Luis Unit Contractors” means Westlands Water District (including Broadview Water District lands annexed within Westlands Water District), San Luis Water District, Panoche Water District, and Pacheco Water District;

- (g) The term “Secretary” means the Secretary of the Interior;
- (h) The term “Westlands Agreement” means the “Agreement between the United States and Westlands Water District to Settle Litigation Concerning the United States’ Duty to Provide Drainage Service, dated _____, 2014”

SEC. 3. APPROVAL OF AGREEMENTS.

(a) Notwithstanding any other provision of law, unless otherwise specified herein, the Secretary is hereby directed to implement the terms and conditions of the Westlands Agreement.

(b) Notwithstanding any other provision of law, unless otherwise specified herein, the Secretary is directed to implement the terms and conditions of the Northerly Districts Agreement.

SEC. 4. RELIEF FROM DRAINAGE OBLIGATION.

(a) AMENDMENTS TO THE SAN LUIS UNIT AUTHORIZATION.—The San Luis Act is amended as follows:

- (1) In the second sentence of section 1(a) strike the words “distribution systems, drains.”
- (2) In the sixth sentence of Section 1(a), by inserting a period following the phrase “and the terms and conditions of this Act” and striking all that follows.
- (3) In section 5, by striking the first sentence and inserting “Notwithstanding any other provision of law, the Secretary of the Interior shall have no duty to provide drainage or drainage service to the San Luis Unit. Each contractor within the San Luis Unit that receives water for the purpose of irrigation shall be responsible for the management of drainage water within its boundaries, in accordance with Federal and California law consistent with the Westlands Agreement and Northerly District Agreement respectively.”
- (4) In the first sentence of Section 8 by striking the words “other than distribution systems and drains.”
- (5) In the third sentence of Section 8, strike everything between the word “required” through and including “(b)” inserting a period following the word “unit.” Strike the remainder of the Proviso in Section 8.

SEC. 5. DRAINAGE IMPLEMENTATION.

Upon enactment of this Act, and as provided in the Westlands Agreement, Westlands Water District shall assume all legal responsibility for the management of drainage water within its boundaries, in accordance with Federal and California law.

SEC. 6. WATER DELIVERY CONTRACTS.

(a) **CONTRACT CONVERSION**—The Secretary is directed to convert Westlands Water District's existing long-term or interim renewal water service contract entered into under section 9(e) of the Act of August 4, 1939 (53 Stat. 1196), to a repayment contract under section 9(d) and 9(c)(1) of the Act of August 4, 1939 (53 Stat. 1195, 1194) consistent with the Westlands Agreement.

(b) Notwithstanding subsection (a) and as provided in the Westlands Agreement, the Secretary shall make allocation decisions in the Project consistent with the requirements of all current or future enacted Federal law, including, but not limited to the Federal Endangered Species Act, Reclamation law, and applicable California State Water Resources Control Board requirements.

- (1) Conversion of Westlands Water District's contract in subsection (a) shall not afford Westlands Water District any greater or lesser rights to an annual allocation of Project Water than Westlands Water District had prior to the conversion of its contract under this Act.
- (2) If there is a Condition of Shortage in the amount of water available for delivery to the San Luis Unit Contractors because of errors in physical operations of the Project, drought, other physical causes beyond the control of the Contracting Officer or actions taken by the Contracting Officer to meet legal obligations, no liability shall accrue against the United States or any of its officers, agents or employees for any damage, direct or indirect, arising therefrom.

(c) **WATER SERVICE CONTRACT FOR LEMOORE NAVAL AIR STATION**—

- (1) The Secretary is directed to enter into a contract under section 9(e) of the Act of August 4, 1939 (53 Stat. 1196), with the Secretary of the Navy for the delivery of Project Water, to the Lemoore Naval Air Station to meet the irrigation needs of Lemoore Naval Air Station associated with air operations.
- (2) The contract amount of Project Water made available to the Lemoore Naval Air Station under this 9(e) contract entered into pursuant to paragraph (1) shall be determined by the Secretary through technical analysis with the Lemoore Naval Air Station.
- (3) In any year in which there may occur a Condition of Shortage in the amount of water available for delivery, the Contracting Officer shall allocate the available Project

Water to Lemoore Naval Air Station according to the allocation steps for M&I water service contractors under the Central Valley Project M&I Water Shortage Policy (Policy) in its form on the effective date of this Contract for determining the amount of Project Water available for delivery to Lemoore Naval Air Station. For purposes of determining “historical use” under the Policy, Reclamation shall consider past water use for irrigation needs by the Lemoore Naval Air Station under the contract authorized by this Section, or such use previous to the contract.

SEC. 7. REPAYMENT OBLIGATIONS.

(a) **SUSPENSION OF CAPITAL OBLIGATION**—Upon enactment of this Act, Westlands Water District’s capital repayment obligation and payments under its existing water service contracts and the April 1, 1965, repayment contract between the United States and Westlands Water District (contract numbered 14-06-200-2020-A) as further defined in subsection (b) , shall be suspended until the execution of the 9(d) repayment contract referenced in section 6, and upon execution of the 9(d) repayment contract, Westlands Water District shall receive a credit against future operation and maintenance costs payable to the United States in the amount of the capital costs under the existing water service contracts and the 1965 Repayment Contract paid by Westlands between the date of the Westlands Agreement and the date of enactment of this Act. Costs incurred by the United States for purposes of revaluating, planning, or providing drainage service to Westlands shall be non-reimbursable as set forth in paragraph 9(c)(iv) of the Westlands Agreement.

(b) **RELIEF OF CAPITAL REPAYMENT OBLIGATIONS**—

(1) Upon the date of execution of the 9(d) repayment contract referenced in section 6(a), and as set forth in the Westlands Agreement:

(A) Westlands Water District shall be relieved of its capital repayment obligations under the June 5, 1963, water service contract between the United States and Westlands Water District (contract number 14-06-200-495-A) providing for water service, or any renewals thereof, and any water service contracts assigned to Westlands, Westlands Distribution District No. 1, and Westlands Distribution District No. 2 existing as of the date of execution of the Westlands Agreement.

(B) Westlands Water District shall be relieved of any remaining repayment obligation under the April 1, 1965, repayment contract between the United States and Westlands Water District (contract numbered 14-06-200-2020-A).

(C) Repayment relief granted in paragraphs (A) and (B) shall not extend to Westlands Water District’s operation and maintenance obligations, whether payable to the United States or to an Operating Non-Federal Entity, or to construction costs or other capitalized costs not yet allocated to or incurred by Westlands Water District as of the date of the Westlands Agreement, including, but not limited to, costs attributable to the Folsom Safety of Dams modifications

or the B.F. Sisk corrective action study or any Safety of Dams , or to the repayment of future capital costs incurred after the date of execution of the Westlands Agreement;

(D) Central Valley Project construction costs or other capitalized costs allocated to Westlands after the date of the Westlands Agreement, and properly assignable to Westlands, shall be repaid in not more than 5 years after notification of the allocation of such amount of less than \$5,000,000. If such amount is \$5,000,000 or greater, such cost shall be repaid as provided by applicable Reclamation law. Any additional costs that may have been assigned to Westlands pursuant to paragraph 9(c)(iv) of the Westlands Agreement related to the Central Valley Project final cost allocation shall be non-reimbursable.

(c) **APPLICABILITY OF CERTAIN PROVISIONS—**

(1) **RECLAMATION REFORM ACT—** Upon discharge of the capital repayment obligation as provided in subsection (b), the provisions of section 213(a) and (b) of the Reclamation Reform Act of 1982 (96 Stat. 1269) shall be deemed to apply to lands in Westlands Water District, and the ownership and full cost pricing limitations in any provision of Federal reclamation law shall not apply to lands in the District notwithstanding the subsequent allocation of construction costs or other capitalized costs to the District. These exemptions shall be carried out in accordance with the process set forth in the Westlands Agreement.

(2) **OTHER PROVISIONS—**Nothing in this Act is intended to relieve the San Luis Unit Contractors of any other obligations under Reclamation Law including Restoration Fund charges pursuant to section 3407(d) of Public Law 102-575.

SEC. 8. TRANSFER OF TITLE TO CERTAIN FACILITIES.

(a) **IN GENERAL.—**Upon the execution of the section 9(d) repayment contract, or as soon thereafter as practicable, the Secretary shall transfer to Westlands Water District title to:

- (1) San Luis Canal System, excluding the main canal which is integrated with the California Aqueduct. These appurtenant features include:
 - a. Internal water distribution system within Westlands, including:
 - i. Approximately 1,045 miles of buried pipeline.
 - b. Pumping plants within Westlands, including:
 - i. San Luis Canal Left and Right Bank pumping plants. Includes but is not limited to Pumping Plants P1 through P38 located at the head end of the gravity laterals to supply the head required for the "P" laterals. Pumping Plants, tanks, reservoirs, re-lift pumping plants to serve lands west of the San Luis Canal. Pumping Plant 7.05 off Lateral 7.

- c. Related structures, appurtenances, pumping plants, pumps, motors, meters, valves, tanks, transformers and electrical equipment as specifically identified through the title transfer process of federally owned facilities, equipment, and real property.

(2) Mendota Pool System, including:

- a. Inlet Canal from the Fresno Slough.
- b. Pumping plants
 - i. 6-1, 6-2, 7-1, 7-2.
- c. Related structures, appurtenances, pumps, motors, meters, valves, tanks, transformers and electrical equipment as specifically identified through the title transfer process of federally owned facilities, equipment, and real property.

(3) Pleasant Valley System, including:

- a. Intake canal and pipeline.
- b. Pleasant Valley Pumping Plant.
- c. Coalinga Canal, including related check structures, turnouts, and headworks.
- d. Pleasant Valley distribution system and pumping plants along the Coalinga Canal.
- e. Related structures, appurtenances, pumps, motors, meters, valves, tanks, transformers and electrical equipment as specifically identified through the title transfer process of federally owned facilities, equipment, and real property.

(4) Drainage collection system, including:

- a. Carrier and collector pipelines, sumps, and sump pumps.
- b. San Luis Drain from Sta 6678+45 to Sta 8520+22.87.
(Crossing with DMC to Laguna Ave crossing)
- c. Related structures, appurtenances, pumps, motors, meters, valves, tanks, transformers and electrical equipment as specifically identified through the title transfer process of federally owned facilities, equipment, and real property.

(5) Tranquillity Field Office

- a. Buildings at 32650 West Adams Avenue, Tranquillity, CA 93668.

b. All related fixtures and furnishings as specifically identified through the title transfer process of federally owned facilities, equipment, and real property.

(6) All real property interests held by the United States in lands underlying or otherwise associated with the facilities and equipment listed in this subsection (a), including all fee title, easements, and rights of way.

(b) Except as specifically provided in this Act, any transfer of title to the Pleasant Valley Pumping Plant, the Coalinga Canal, and any associated facilities shall not relieve any other Project Water service or repayment contractor of the requirement to pay any allocated costs associated with those conveyance or pumping facilities that are properly allocated to those contractors under existing law and Project ratesetting policies.

(c) Upon transfer of title to any facilities pursuant to section 8(a) of this Act, Westlands Water District shall, as a condition to such transfer, formally agree that as of the date of transfer to:

(1) hold the United States harmless and indemnify the United States for any and all claims, cost, damages, and judgments of any kind arising out of any act, omission, or occurrence relating to the transferred facilities, except for such claims, costs, damages arising from acts of negligence committed by the United States or by its employees, agents, or contractors prior to the date of title transfer for which the United States is found liable under the Federal Tort Claims Act; and

(2) assume full responsibility for correcting and financing any repairs or deficiencies that may exist at the time of or following title transfer.

(d) The Secretary and Westlands Water District shall comply with all applicable requirements under Federal and California law before title to a facility is transferred pursuant to this section.

SEC. 9. COMPLIANCE WITH APPLICABLE LAW.

In implementing the measures authorized by this Act, the Secretary shall comply with all applicable Federal laws, rules, and regulations, including the National Environmental Policy Act of 1969 (42 U.S.C. 4321 *et seq.*) and the Endangered Species Act of 1973 (16 U.S.C. 1531 *et seq.*), as necessary.

SEC. 10. PROVISIONS RELATED TO THE NORTHERLY SAN LUIS UNIT DISTRICTS.

[To be determined]