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WESTLANDS WATER DISTRICT
16

17 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
18 **COUNTY OF FRESNO, CENTRAL DIVISION**
19

20 WESTLANDS WATER DISTRICT, a
California Water District,

21 Plaintiff,

22 v.

23 ALL PERSONS INTERESTED IN THE
24 MATTER OF THE CONTRACT BETWEEN
THE UNITED STATES AND WESTLANDS
25 WATER DISTRICT PROVIDING FOR
PROJECT WATER SERVICE, SAN LUIS
26 UNIT AND DELTA DIVISION AND
FACILITIES REPAYMENT,

27 Defendants.
28

Case No. 19CECG03887

**WESTLANDS WATER DISTRICT'S
COMPLAINT FOR VALIDATION
JUDGMENT**

[Code Civ. Proc. § 860, et seq.]

1 Plaintiff WESTLANDS WATER DISTRICT ("District") alleges as follows:

2 **Introduction**

3 1. The District files this action seeking a validation judgment, pursuant to Code of Civil
4 Procedure section 860, et seq., Water Code section 35855, and Government Code section 53510, et
5 seq., as to the "Contract Between the United States and Westlands Water District Providing for
6 Project Water Service, San Luis Unit and Delta Division and Facilities Repayment," which the
7 Board of Directors, on October 15, 2019, approved in substantially the form presented to it and
8 authorized its execution and delivery as set forth in Resolution No. 119-19 ("Converted Contract").
9 True and correct copies of Resolution No. 119-19 ("Resolution") and the Converted Contract, as
10 attached to the Resolution, are attached hereto at Exhibits A and B, respectively, and are
11 incorporated herein by this reference.

12 2. This validation action is brought in this Court under Code of Civil Procedure section
13 860 as a special in rem proceeding for judicial examination, approval, and confirmation of the
14 proceedings leading up to and including the adoption of the Resolution and resulting approval of
15 the Converted Contract as set forth in the Resolution. The terms of the Converted Contract require
16 the institution of this validation action.

17 3. All such proceedings by and for the District, as set forth herein, were, and are, in the
18 best interests of the District and all interested parties, and were, and are, in conformity with the
19 provisions of all laws and enactments at any time in force or controlling upon said proceedings,
20 whether of law, statute or ordinance, and whether federal, state or municipal and were, and are, in
21 conformity with all requirements of all regulatory bodies, agencies or officials having authority over
22 or asserting over said proceedings or any part thereof.

23 **Parties**

24 4. The District is, and at all times relevant has been, a public agency within the meaning
25 of Code of Civil Procedure section 860.

26 5. The District is, and at all times relevant has been, a California water district duly
27 organized and existing under and by virtue of the California Water District Law (Division 13 of the

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1 California Water Code). The District is located within Fresno and Kings counties, California, and
2 the District's principal office is located in Fresno, California.

3 6. The Defendants named herein as "ALL PERSONS INTERESTED IN THE
4 MATTER OF THE CONTRACT BETWEEN THE UNITED STATES AND WESTLANDS
5 WATER DISTRICT PROVIDING FOR PROJECT WATER SERVICE, SAN LUIS UNIT AND
6 DELTA DIVISION AND FACILITIES REPAYMENT" are all interested parties pursuant to
7 Section 861 of the Code of Civil Procedure and are therefore sued by such designation.

8 **Jurisdiction and Venue**

9 7. Jurisdiction resides in this Court pursuant to Code of Civil Procedure section 860,
10 Water Code sections 35407, 35408, and 35855, and Government Code section 53510, et seq.

11 8. Venue resides in this Court pursuant to Code of Civil Procedure section 860 since
12 the District's principal office is located in Fresno, California.

13 **Publication of the Summons**

14 9. *The Business Journal* and the *Hanford Sentinel* are newspapers published, and are of
15 general circulation, in the County of Fresno and the County of Kings, respectively, and publication
16 of the Summons in these newspapers is consistent with the provisions of Code of Civil Procedure
17 section 861. The Court should therefore order publication of the Summons in said newspapers
18 pursuant to Code of Civil Procedure section 861. The District is informed and believes, and thereon
19 alleges, that the proceedings held herein and the adoption of the Resolution are of general knowledge
20 to the persons affected thereby or interested therein. The other reasonably practicable manners of
21 providing notice are: (1) notice mailed to District landowners and water users; and (2) notice posted
22 on the District's website. Therefore, the Court should also order that the District mail and/or email
23 the Summons to the District landowners and water users in the same manner the District customarily
24 provides notice to landowners and water users regarding District activities, and order the District to
25 post the Summons on the District's website.

26 **Factual Background**

27 10. The United States constructed and operates the California Central Valley Project
28 ("CVP" or "Project") for diversion, storage, carriage, distribution, and beneficial use, for flood

1 control, irrigation, municipal, domestic, industrial, fish and wildlife mitigation, protection and
2 restoration, generation and distribution of electric energy, salinity control, navigation, and other
3 beneficial uses, of waters of the Sacramento River, the American River, the Trinity River, and the
4 San Joaquin River and their tributaries.

5 11. On or about June 5, 1963, the District entered into a contract for water service with
6 the United States, Contract No. 14-06-200-495-A ("1963 Contract"), which provided for the
7 delivery to the District of water diverted through CVP facilities.

8 12. Prior to the expiration of the District's 1963 Contract, the District and the United
9 States entered into Delta Division and San Luis Unit Contract Number 14-06-200-495A-IR1 and
10 subsequently entered into Interim Renewal Contracts 14-06-200-495A-IR2 through 14-06-200-
11 495A-IR6, the last of which is referred to herein as the "Existing Interim Renewal Contract" and
12 establishes the terms and conditions for the delivery of Project Water to the District.

13 13. On or about December 16, 2016, the 114th Congress of the United States of America
14 enacted the Water Infrastructure Improvements for the Nation Act (Pub. L. 114-322, 130 Stat. 1628)
15 ("WIIN Act"). Section 4011(a)(1) of the WIIN Act provides that: "upon request of the contractor,
16 the Secretary of the Interior shall convert any water service contract in effect on the date of
17 enactment of this subtitle and between the United States and a water users' association [Contractor]
18 to allow for prepayment of the repayment contract pursuant to paragraph (2) under mutually
19 agreeable terms and conditions."

20 14. Pursuant to, and consistent with, the WIIN Act, the District requested that the United
21 States convert the District's Existing Interim Renewal Contract to a repayment contract. The United
22 States and the District subsequently negotiated terms and conditions to convert the District's
23 Existing Interim Renewal Contract to a repayment contract, and those terms and conditions are
24 reflected in the Converted Contract. The Converted Contract also reflects the current standard terms
25 and conditions required by the Reclamation Manual, and continues water service to the District in
26 the same scope and nature of the ongoing CVP and its existing facilities.

27 15. Under the Converted Contract, ongoing receipt and delivery of water to the District
28 will continue with no expansion of service and no new facilities constructed because the District

1 will deliver the water received under the Converted Contract: (a) to lands within the District's
2 boundaries for beneficial use and that have been in production, and (b) through existing facilities.

3 16. Although the specific terms of the Converted Contract are set forth within its text as
4 incorporated herein, the following highlight some of the changes made:

5 (a) superfluous recitals in the Existing Interim Renewal Contract were deleted
6 and new recitals were added to explain the basis for the conversion;

7 (b) definitions were: (1) added to reflect new provisions required to convert the
8 Existing Interim Renewal Contract to a repayment contract, and (2) modified to reflect requirements
9 of the Reclamation Manual;

10 (c) the term of the Existing Interim Renewal Contract was deleted and new text
11 added that provides an effective date of March 1, 2020, and for the contract to continue so long as
12 certain conditions are met;

13 (d) provisions, principally those related to rates, method of payment and
14 repayment were deleted, revised, and supplemented to reflect the payment obligation and mandates
15 of the WIIN Act; and

16 (e) other provisions were deleted, revised, and supplemented to reflect text
17 mandated by the Reclamation Manual.

18 17. The District has reviewed the terms and conditions of the Converted Contract and
19 finds the form and content thereof to be acceptable to the District and appropriate for execution. The
20 terms and conditions of the Converted Contract are within the scope of, and consistent with, the
21 District's powers and authorities under California Water District Law, including Water Code
22 sections 35851 and 35875.

23 18. On October 15, 2019, at a duly noticed and regular meeting of the District's Board of
24 Directors, the Board of Directors adopted the Resolution. Prior to this meeting and in accord with
25 the provisions of the Ralph M. Brown Act, Government Code section 54950, et seq., the District
26 timely posted and distributed a written agenda for this meeting describing the Board of Directors'
27 intent to consider the adoption of the Resolution, and providing interested parties with the
28 opportunity to review and comment upon the proposed Resolution and Converted Contract.

1 19. Through the Board's adoption of the Resolution, the Board: (a) authorized the filing
2 of notices of statutory exemption and categorical exemption from the California Environmental
3 Quality Act for approval of and authorization to execute the Converted Contract; (b) authorized the
4 approval, execution, and delivery of the Converted Contract; and (c) authorized additional actions
5 in furtherance thereof.

6 **First Cause of Action**

7 (Validation Action as to all Defendants)

8 20. The District incorporates by reference, as though fully set forth herein, each and
9 every paragraph alleged in this Complaint.

10 21. The District and the United States have agreed upon the terms of the Converted
11 Contract, and the District's Board of Directors has duly approved and authorized the execution of
12 the Converted Contract pursuant to the Resolution.

13 22. Such entry into and execution of the Converted Contract is authorized and consistent
14 with the District's rights and powers under California Water District Law in order to help assure and
15 safeguard an adequate water supply for the District and its landowners and water users.

16 23. The District therefore seeks a decree, pursuant to Code of Civil Procedure section
17 860, et seq., determining that: (a) the Converted Contract, and each and every provision of said
18 contract, is valid under applicable California law; (b) the District has, and at all times relevant has
19 had, the authority to enter into said Converted Contract, including as set forth in Water Code sections
20 35851 and 35875; (c) all of the proceedings of the District and its Board of Directors leading up to
21 and including the making and approval of said Converted Contract were in all respects legal and
22 valid; (d) said Converted Contract is in all respects valid under applicable California law and is
23 binding upon the respective parties thereto; and (e) said Converted Contract, and each and every
24 provision thereof, is, and are, in all respects valid and authorized by applicable California law.

25 WHEREFORE, the District prays for judgment as follows:

26 1. That this action is properly brought under Code of Civil Procedure section 860, et
27 seq., Water Code sections 35407, 35408, and 35855, and Government Code section 53510, et seq.,

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1 and is a proper procedure to determine the validity of the Converted Contract and all of the other
2 proceedings described in this Complaint;

3 2. That the District is a California water district, duly organized and existing under, and
4 by virtue of, the California Water District Law (Division 13 of the California Water Code), lying
5 within the counties of Fresno and Kings, State of California, and is a public agency of the State of
6 California;

7 3. That judgment be entered determining that all persons having, or claiming to have,
8 any interest in the Converted Contract and the proceedings leading up to and including the making
9 of said Converted Contract, and the validity of the provisions thereof, and any landowner or water
10 user in said District and any interested person, have each and all been duly served with process and
11 summoned to appear and answer the complaint of the District herein by the publication of the
12 Summons pursuant to Code of Civil Procedure section 861 and Government Code section 6063, and
13 other means found reasonably practicable by the Court, all in compliance with the law and pursuant
14 to the order of the Court, that said publication was for the time and in the form and manner in all
15 respects as required by law;

16 4. That judgment be entered determining that: (a) the Converted Contract, and each and
17 every provision of said Converted Contract, is valid under applicable California law; (b) that the
18 District has, and at all times relevant has had, the authority to enter into said Converted Contract
19 under California Water District Law, including Water Code sections 35851 and 35875; (c) that all
20 of the proceedings of the District and its Board of Directors leading up to and including the making
21 and approval of said Converted Contract were in all respects legal and valid; (d) that said Converted
22 Contract is in all respects valid under applicable California law and binding upon the respective
23 parties thereto; and (e) that said Converted Contract, and each and every provision thereof, is, and
24 are, in all respects valid and authorized by applicable California law;

25 5. That the Court find that the judgment as entered in this action be forever binding and
26 conclusive as to all matters herein adjudicated and as to all matters which could have been
27 adjudicated herein, against the District and against all other parties to this action;

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6. That the Court provide in its judgment an appropriate injunction pursuant to Code of Civil Procedure section 870 enjoining any person from instituting any action or proceeding to challenge the validity of the Converted Contract and the Resolution, and any matter which could have been adjudicated against the District in connection with this action; and

7. For such other and further relief as the Court deems just and proper.

Dated: October 25, 2019

KRONICK, MOSKOVITZ, TIEDEMANN & GIRARD
A Professional Corporation

By: William T. Chisum
Daniel J. O'Hanlon
William T. Chisum
Attorneys for Plaintiff
WESTLANDS WATER DISTRICT

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INDEX OF EXHIBITS

- Exhibit A Westlands Water District – Resolution No. 119-19
- Exhibit B Contract Between the United States and Westlands Water District Providing for Water Service, San Luis and Delta Division and Facilities Repayment

[EXHIBITS SUBMITTED AS SEPARATE DOCUMENTS]