Friant Water Authority
Executive Committee Meeting Agenda

9:00 a.m., Monday, September 17, 2018
Conference Room
Kaweah Delta Water Conservation District
2975 Farmersville Rd., Farmersville, CA 93223

At the discretion of the Executive Committee, all items appearing on this agenda, whether or not expressly listed for action, may be deliberated upon and may be subject to action by the Committee. Order of agenda items is subject to change.

1. **Call to Order.**

2. **Additions to and approval of the agenda.** Items identified after posting of the agenda, for which there is a need to take immediate action, may be added to the agenda. Addition of an item requires a two-thirds vote of the Committee members (or if less than two-thirds of the members are present, a unanimous vote of the members present). [Government Code section 54954.2(b)]

3. **Approval of the July 16, 2018 meeting minutes.**

4. **Public Comment.** (Government Code section 54954.3) – This is the time set aside on the agenda where members of the public may comment on any matter within the jurisdiction of the Committee that is not on the agenda. Comments will be limited to 3 minutes per speaker, 15 minutes per subject and 30 minutes overall for the entire public comment period, unless otherwise approved by the chair of the meeting, to ensure that all interested parties have an opportunity to speak. The Committee cannot take action on items not on the agenda; and therefore, comments on such items may be taken under advisement, referred to the appropriate staff for response or directed to be placed on a future agenda. Public comment on items on the agenda will be allowed at the time the Board considers the item.

5. **Chief Operating Officer’s Report.** (25 minutes)
   A. Update on Capacity Correction Project.
   B. Review and provide direction on recruitment for Senior Engineer Position.
   C. Water Quality Ad Hoc Committee update

6. **Government Affairs Manager’s Report.** (30 minutes)
   A. Update on Proposition 3 and upcoming outreach.
   B. Update on state and federal legislation, and communications activities.
   C. Consideration of comment letter for ESA-related Rulemaking Process.

7. **CLOSED SESSION (45 min)**

   7.1 **CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION** [Government Code section 54956.9(d)(1)] – Name of matter: *NRDC v. Murillo, U.S. District Court, Eastern District of California (Sacramento Division), Case No. 88-cv-1658-JAM-GGH.*
Friant Water Authority
Executive Committee Meeting Agenda

8. CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION: Significant exposure to litigation pursuant to Government Code section 54956.9(d)(2): 2 potential matters.

9. CONFERENCE WITH LEGAL COUNSEL—INITIATION OF LITIGATION [Government Code section 54956.9(d)(4)]—Initiation of Litigation: 2 potential cases.

10. PUBLIC EMPLOYMENT [Government Code section 54957(b)]
    Title: Special Counsel

11. Announce reportable action taken during closed session as required by Government Code Section 54957.1.

12. 2019 General Member budget. (15 minutes)

13. Consideration of policy regarding reimbursement/compensation for Director attendance at FWA meetings and other Authority business.

14. Director of Water Policy Report. (45 minutes)
    A. Temperance Flat.
       i. Update on activities of the San Joaquin Valley Water Infrastructure Authority.
       ii. Update on MOA Group activities.
       iii. Consideration of draft Joint Exercise of Powers Agreement and Bylaws for a new Joint Powers Authority to be known as the “Temperance Flat Reservoir Authority”.

15. General Counsel’s Report. (10 minutes)

16. Chief Executive Officer’s Report. (10 minutes)

17. Adjournment.

Public Participation Notice

A person with a qualifying disability under the Americans with Disabilities Act of 1990 may request the Authority to provide a disability-related modification or accommodation in order to participate in any public meeting of the Authority. Such assistance includes appropriate alternative formats for the agendas and agenda packets used for any public meetings of the Authority. Requests for such assistance and for agendas and agenda packets shall be made in person, by telephone, facsimile, or written correspondence to Toni Marie, at the office of Friant Water Authority, at least 48 hours before a public Authority meeting.
Friant Water Authority
Executive Committee Meeting Minutes

9:00 a.m., Monday, July 16, 2018
Conference Room
Kaweah Delta Water Conservation District
2975 Farmersville Rd., Farmersville, CA 93223

1. Call to Order. Chair Kent Stephens called the meeting to order at 9:00 a.m. Committee members present: Stephens, Camp, Loeffler, Tantau, Erickson (Alt.); Staff present: DeFlitch, Marie, Davis, Hickernell, Biering, Willard, Payne. Others: Collup, Wallace, Morrissey, Dalke, Geivet, Fukuda. Committee members absent: Borba

2. Additions to and approval of the agenda. The agenda was approved. (Erickson /Tantau); approved unanimously - Ayes – Stephens, Camp, Erickson, Loeffler, Tantau; Nays – none; Absent – Borba

3. Approval of the June 18, 2018 meeting minutes. The minutes were approved. (Tantau/Erickson); approved unanimously - Ayes – Stephens, Camp, Erickson, Loeffler, Tantau; Nays – none; Absent – Borba

4. Public Comment – There was no public comment.

5. 2018 General Member budget – CFO Willard and DWP Payne walked through the 2019 General Membership budget as well as 2018 year-end projections as shown in the agenda report. The draft budget will be forwarded to the Board of Directors for review in advance of final approval for September 2018.


   A. Update on Proposition 3 - GAM Biering gave an update on Proposition 3 noting that the water bond will be on the ballot. Recent endorsements include Sen. Dianne Feinstein, Sen. Scott Weiner, Bakersfield Chamber of Commerce and many others.

   B. Update on state and federal legislation, SWRCB activities - GAM Biering provided an update on current state and federal legislation as outlined in the matrix in the packet. She also reported that the SWRCB released its final draft of the Bay-Delta Water Quality Control Plan Update for the Lower San Joaquin River and Southern Delta document. The actions and objectives do not affect the upper San Joaquin River at this time but does state, for the first time, in the documents that it may consider that reach of the river for future plan updates based on the success of the SJR Settlement and the San Joaquin River Restoration Program.

7. Director of Water Policy Report. (45 minutes)

   A. Temperance Flat.

      i. Update on activities of the San Joaquin Valley Water Infrastructure Authority (SJVWIA) - DWP Payne provided an update on SJVWIA activities that included SJVWIA’s need to budget for short term funding to wrap-up Temperance Flat project obligations.
ii. Update on status of Memorandum of Agreement Regarding Coordination on the Establishment of an Implementing Agency for the Temperance Flat Reservoir Project and Preconstruction Project Activities – The EC reviewed the revised MOA as outlined in the agenda report. The changes dealt mainly with funding, which was removed and replaced by a provision that parties will be able to amend the MOA in a separate agreement if any separate funding is determined to be necessary for activities.

8. General Counsel’s Report – General Counsel Davis reported that the Department of Fish and Wildlife is requesting updated biological resource information for FWAS’s Section 1600 FKC maintenance permit. This will require a survey of approximately 120 segments, consisting of mostly around inlets and underdrains, of the canal for identification of various species. He is working on obtaining a cost proposal for the Board’s consideration.

General Counsel Davis updated the EC on the draft proposed license agreement for the Bakersfield Multi-Use Trail along the FKC between Reclamation and the City of Bakersfield. FWA has proposed extensive comments on the license, which Reclamation has accepted, and the proposed license agreement will be presented to the Board for approval.

9. Chief Operating Officer’s Report

A. Update on Capacity Correction Project – COO DeFlitch gave an update on the Capacity Correction Project as outlined in the agenda report. He also noted that feasibility and design work have been progressing at an adequate rate and provided a summary of funding needs, by fiscal year, and the work that would be completed with the funding.

B. Review and provide direction on recruitment for Senior Engineer Position – The EC reviewed and gave direction to Staff to proceed to take to the Board a recommendation that Friant Water Authority reclassify the current Staff Engineer position to Senior Engineer based on Staff’s recommendation.

10. Chief Executive Officer’s Report – On behalf of Jason, Chairman Stephens reported that Congressman Valadao is in support of Proposition 3.

CLOSED SESSION

11. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION [Government Code section 54956.9(d)(1)] – Name of matter: NRDC v. Murillo, U.S. District Court, Eastern District of California (Sacramento Division), Case No. 88-cv-1658-JAM-GGH.


13. CONFERENCE WITH LEGAL COUNSEL—INITIATION OF LITIGATION [Government Code section 54956.9(d)(4)]—Initiation of Litigation: 2 potential cases.

14. PUBLIC EMPLOYMENT [Government Code section 54957]

Title: Human Resources Manager
15. Announce reportable action taken during closed session as required by Government Code Section 54957.1. There was no reportable action taken.

16. Adjournment - The meeting adjourned at 11:48 a.m.
Project Update

DATE: September 17, 2018

TO: Executive Committee

THROUGH: Douglas DeFlitch, Chief Operating Officer

FROM: Janet Atkinson, Stantec Consultant

SUBJECT: Subsidence Correction Project Update

SUMMARY: The FKC Subsidence Correction Project (Project) is to correct the conveyance capacity problems caused by subsidence from MP 88 (Fifth Avenue Check) to MP119 (Lake Wollomes Check). We are working to correct this problem by studying a range of alternatives and taking such necessary actions that will allow for the expeditious design and construction of the Project. To expedite progress, the Project will include also approximately 4 miles of Immediate Repair Work between MP 103.6 and MP 107.4 to allow the canal to convey the greatest amount possible while the planning, design and construction of the long-term solution is completed.

The major elements of the work includes environmental compliance, alternative analyses, and feasibility level investigations, engineering design, permitting, bidding and construction management services. Several alternatives to mitigate the subsidence problem have been identified, including raising the canal lining, installing a pinchpoint pumping plant at approximate MP 109, and other alternatives to be developed during the analyses to be conducted. It is envisioned that the work will be executed through 3 separate Task Orders under this contract, with Task Order No. 1 consisting of the following: Project management through June 2019; portions of the formulate and evaluate alternatives task; portions of environmental compliance to support the Immediate Repair Work and environmental clearances for geotechnical investigations; and portions of the engineering and design task through a 30 percent level of design.

Schedule
The table below presents a milestone schedule for key activities.
**Description**          | **Date**               |
<table>
<thead>
<tr>
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<tbody>
<tr>
<td>Professional Services Contract with Stantec</td>
<td>6/28/18 (completed)</td>
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<tr>
<td>Preferred Project Alternative Selection by Board</td>
<td>10/25/18</td>
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<tr>
<td>Start Construction on Immediate Repair Area</td>
<td>12/3/18</td>
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<tr>
<td>Construction Contractor Selection and Approval of Environmental Document</td>
<td>6/3/19</td>
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**SUBSIDENCE CORRECTION UPDATE:** Work was started on June 28, 2018 upon the approval of a professional services contract with Stantec along with Task Order No. 1. The project goal is to bring forth a recommended alternative to the October 25, 2018 BOD meeting (see attachment). Stantec has started development and analyses of project alternatives as well as initiating work activities on all critical items. A Project Alternatives Workshop was conducted on August 21, 2018 and approximately 30 persons attended. A Meeting Summary and Powerpoint Presentation from the workshop is included as an attachment to this project update. A brief summary is described below.

The Stantec team hosted a workshop with several Friant Division contractors, Friant Water Authority Directors, and representatives from the Bureau of Reclamation to discuss the Alternatives Formulation for the Friant-Kern Canal (FKC) Subsidence Correction Project. From the robust discussion, several key points emerged: (1) additional work is planned to both calibrate the hydraulic model of the FKC and include detailed information, such as turnouts, to support alternatives development and inform the design; (2) the group affirmed that evaluations should be based on maximum design capacity along with incorporating Reclamation standards for full freeboard (not reduced height allowed for short-term flood flows); (3) pumping plant alternatives will impact operations and reliability—both essential criteria that must be evaluated; (4) impacts to District turnouts must be considered in the alternative analyses; and (5) details of the proposed alternatives will be prepared and it is anticipated that once sufficient information and criteria is available an additional workshop will be scheduled prior to the October board meeting (where a decision on the selected alternative is anticipated to be made).

In addition to the Alternatives Workshop, identified below are several key accomplishments in the past month.

- Friant successfully completed a flow calibration test on August 29th. A constant elevation upstream of the Reservoir Check was maintained for the duration of the test, and flow measurements were taken by Friant and Reclamation teams at four sites. The flow rate below Deer Creek check was between 1550 and 1600 cfs. The hydraulics team is currently evaluating the data obtained.
- Continued to further the canal alternatives development, including conducting hydraulic analyses, establishing conceptual alignments for bypass canal alternatives, developing typical canal sections, and conducting earthwork modeling for earthwork quantities.
• Continued to further the pumping plant alternatives development, including pumping plant layouts and site plans, and spill/storage requirements to address sudden pump shutdown and resulting surge conditions.
• Prepared draft alternative analysis screening tool.
• Continued preparation of the Immediate Repair Area and Middle Reach Subsidence/Capacity Correction Project Feasibility Reports/
• Continued development of design criteria, including subsidence criteria.
• Received Reclamation approval to conduct Phase 1 geotechnical investigations and field work conducted week of September 10th.
• Completed environmental reports for the Immediate Repair Area and submitted to Reclamation.

ATTACHMENTS: Alternative Workshop Meeting Summary and Powerpoint Presentation
Alternatives Workshop #1
Friant-Kern Canal Subsidence Correction Project

Date/Time: August 21, 2018/10-2
Place: Visalia Convention Center
Attendees: See table
Distribution: Agenda and Presentation (PDF sent after meeting)

Attendee Table

<table>
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<tr>
<th>Name</th>
<th>Affiliation</th>
<th>Name</th>
<th>Affiliation</th>
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<tbody>
<tr>
<td>Alan Stroppini</td>
<td>Consultant to FWA</td>
<td>Sean Geivet</td>
<td>PID, SID, TBID</td>
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<tr>
<td>Doug DeFlitch</td>
<td>FWA</td>
<td>Aaron Fukuda</td>
<td>Tulare ID</td>
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<td>Chris Hickernell</td>
<td>FWA</td>
<td>Laurence Kimura</td>
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<td>FWA</td>
<td>Eric Borba</td>
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<td>Don Willard</td>
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<td>Craig Mayfield</td>
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<td>Cliff Loeffler</td>
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<td>Rufino Gonzales</td>
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<td>John Michael Domondon</td>
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<td>Bill Swanson</td>
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<td>Janet Atkinson</td>
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<tr>
<td>Eric Quinley</td>
<td>DEID</td>
<td>Matt Carpenter</td>
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<td>KTWD</td>
<td>Megan Murray</td>
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<td>AEWSD</td>
<td>Evan Perez</td>
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<td>Jeevan Muhar</td>
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<td>Kevin Pascoe</td>
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<td>Mark Larson</td>
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Executive Summary
The Stantec team hosted a workshop with several Friant Division contractors, Friant Water Authority Directors, and representatives from the Bureau of Reclamation to discuss the Alternatives Formulation for the Friant-Kern Canal (FKC) Subsidence Correction Project. From the robust discussion, several key points emerged: (1) additional work is planned to both calibrate the hydraulic model of the FKC and include detailed information, such as turnouts, to support alternatives development and inform the design; (2) the group affirmed that evaluations should be based on maximum design capacity along with incorporating Reclamation standards for full freeboard (not reduced height allowed for short-term flood flows); (3) pumping plant alternatives will impact operations and reliability—both essential criteria that must be evaluated; (4) impacts to District turnouts must be considered in the alternative analyses; and (5) details of the proposed alternatives will be prepared and it is anticipated that once sufficient information and criteria is available an additional workshop will be scheduled prior to the October board meeting (where a decision on the selected alternative is anticipated to be made).

Work Completed to Date/Ongoing
Stantec walked the group through the completed and ongoing work. As noted in the presentation, the current hydraulic model needs some field information to support calibration to more accurately reflect current conditions. Participants commented that sedimentation and vegetation build-up could contribute to discrepancies. Some mentioned that there has been significant biomass in the canal. There were also questions regarding turnout operations, namely if they had been accounted for in the model. The Stantec team will review and verify the treatment of turnouts in the model.
Recommendations: Perform field measurements of flow, head loss, and canal geometry at key locations; modify the model configuration to reflect field results; calibrate the hydraulic model; incorporate turnouts in the model; and use the model to assess potential impacts at turnouts. It was recommended that the original canal hydraulic grade line be used as the basis to identify potentially impacted turnouts and district facilities.

Project Criteria
Project criteria are critical items that affect the overall design of the project. In this workshop, the Stantec team discussed design capacity, freeboard requirements, and future subsidence as key criteria to be considered at this stage in project development.

There was substantial discussion regarding freeboard standard to be applied for design. Options include the maximum design flow freeboard standard or the flood freeboard, which is half the maximum design flow freeboard. In preparing a 60 percent design for capacity correction between Mile Post (MP) 22 and MP 88 (upstream of the Subsidence and Capacity Correction Project), Reclamation used the flood flow standard¹ which is half the maximum design flow freeboard.² Alan Stroppini and Duane Stroup pointed out two issues associated with use of the maximum design flow freeboard. First, it would be incompatible with the current design of the upstream reach. Second, if Reclamation determines that maximum Federal funding is based on flood flow freeboard, additional costs to provide maximum design flow freeboard would be a non-Federal responsibility. Meeting participants recommended that the maximum design flow freeboard be used for the Subsidence and Capacity Correction Project design because Class 2 contracts are not limited to short-term flood flows. The group also noted that additional capacity resulting from the use of maximum design flow freeboard could partially mitigate the effects of future subsidence.

Stantec presented results of three groundwater model simulations that were performed by Thomas Harder using the Tule Sub-basin model to estimate potential future subsidence. Some participants requested that an additional scenario be evaluated assuming a 10-year ramp-down of groundwater pumping from 2020 to 2030. Other participants considered the three scenarios to be sufficient and recommended the “worst case” scenario as a basis of design, despite caveats regarding the extent to which the model accounts for oil and gas induced subsidence, assumes consistent subsidence rates into the future (i.e. no settling), or reflects current crop acreage. Overall, workshop participants did not reach agreement or provide a recommendation related to the subsidence scenario that should be applied to project designs.

Recommendations: (1) design to maximum capacity using the maximum design freeboard, and (2) run a subsidence simulation with a 10-year ramp-down from 2020 to 2030.

Alternatives Development
The Stantec team presented six preliminary alternatives—three of which include pumping plants and three that are based on gravity flow. Participants discussed the characteristics of each alternative. Representatives from AEWSD briefly described their district’s pumping facilities, noting that they require additional labor and operational costs. Some of AEWSD’s challenges with pumping facilities include accommodating power outages with large reservoirs that are rarely used, including a 1,500 acre-foot reservoir for a 1,000 cfs pumping plant. AEWSD representatives stressed that pump station reliability is critically important and that a pumping plant would need many features (with associated costs) to make it reliable, as well as additional experienced operations staff to closely monitor the facility above and beyond what is needed for the current gravity canal system.

¹ Flood Flow Freeboard: Reduction in freeboard allowed for short term flood flows that enter the canal from cross drainage and can be evacuated from canal (waste ways).
² Max Design Flow Freeboard: includes captured flood flows (i.e. Class 2 water) that are transferred over a long period of time, with no intention of evacuating the excess flows from the canal.
For the gravity-flow alternatives, participants discussed potential impacts to the bridges. Adding a bypass canal or raising the canal would impact existing bridges and may require constructing additional bridges or culverts. One participant suggested replacing current bridges due to their age. It was noted that the area to the east of the FKC, where a bypass canal might be located is in a “whitelands” area (i.e. an area outside of existing irrigation district boundaries), and that growers in this area may seek to purchase water that could be delivered from a bypass canal.

A DEID representative suggested considering a feeder canal or pipeline from the FKC to serve DEID, thereby reducing the flow requirements in the FKC. DEID will provide information on this concept. A non-structural measure, based on altering weekly scheduling patterns, was also discussed by the group.

Recommendation: Continue to develop alternatives considering the input received. Participants to have additional input.

Evaluation Criteria
The meeting participants were generally in agreement with draft evaluation criteria included in the presentation and no additions were suggested. It was suggested that operational flexibility be considered a separate category with sub-criteria.

Recommendation: Define evaluation criteria and scoring methods and develop candidate selection priorities with criteria weighting for Alternatives Workshop #2.

Next Steps
Alternatives Workshop #2, which will focus on the application of evaluation criteria and potential weighting, is tentatively set for the first week of October. This will allow the Stantec team a few weeks to adjust the evaluation criteria and the alternatives before the board meeting on October 27. The Stantec team is expected to present two alternatives to the Board who will then chose an alternative. Eric Quinley noted that a decision before the November election may be premature. Doug pointed out that the Board could hold an emergency meeting following the election should the chosen alternative and election results be incompatible. The FWA board’s decision is scheduled in such a way to ensure the project stays on schedule.

Recommendation: The Stantec team will send out an open meeting invitation in the coming weeks for a small work group to discuss evaluation criteria and weighting for evaluations. Jeevan Muhar and Eric Quinley indicated their interest in participating. It was also suggested that Steve Dalke be added to the list of participants.

The foregoing is considered to be a true and accurate record of all items discussed. If any discrepancies or inconsistencies are noted, please contact the writer immediately.
Agenda

1. Introductions
2. Workshop Objectives and Outcomes
3. Work Underway & Completed to Date
4. Preliminary Project Design Criteria
5. Alternatives Overview
6. Evaluation Criteria
7. Next Steps
Introductions
Chest discomfort. Most heart attacks involve discomfort in the center of the chest that lasts more than a few minutes, or that goes away and comes back. It can feel like uncomfortable pressure, squeezing, fullness or pain.

Discomfort in other areas of the upper body. Symptoms can include pain or discomfort in one or both arms, the back, neck, jaw or stomach.

Shortness of breath with or without chest discomfort.

Other signs may include breaking out in a cold sweat, nausea or lightheadedness.
Workshop Objectives and Outcomes

• Common understanding of current and potential future canal conditions

• Feedback on measures to provide additional capacity

• Feedback on alternatives to capacity in subsidence reach

• Feedback on evaluation and comparison criteria
FKC Capacity Correction Program

Restore conveyance capacity of the FKC resulting from an original design deficiency and subsequent land subsidence

Three projects:

- Upper Reach Capacity Correction Project
- Middle Reach Subsidence & Capacity Correction Project
- Lower Reach Capacity Correction Project
Regional Subsidence

Regional land subsidence in the eastern San Joaquin Valley due to groundwater overdraft is impacting ability of the FKC to reliably deliver water supplies.

Reduced capacity affects deliveries of Class 2 and Section 215 water supplies.
Comparison of Current Conditions to Original Construction

Tulare County's Ave. 96 is the first of five bridge crossings that have subsided below design flow levels, limiting gravity flow on the Friant-Kern Canal.

Designed flow levels are now several feet above both canal liner and bridge crossings.

SUBSIDENCE TIMELINE:
- 1970's - 3,000 cfs (after repairs, including bridge and liner raises)
- 2010 - 2,500 cfs
- 2017 - 1,750 cfs
- ? - 1,200 cfs

Subsidence has continued since measured in 2017, advancing at rates of 1 inch per month. If another 4 feet of subsidence were to occur, conveyance capacity would drop to less than 30% of its original design.
Work Under Way and Completed To Date
Work Completed and Underway for Subsidence Capacity Correction

• **Surveying/ROW**
  - Towill survey – top of Liner and bridge soffits
  - P&P - turnouts
  - LIDAR
  - Reclamation Right of Way records

• **Hydraulic Model Development and Use**
  - HEC-RAS model of FKC updated with Towill survey data

• **Subsidence Modeling**
  - Developed 3 scenarios for future subsidence
  - Simulations performed by Thomas Harder

• **Geotechnical**
  - Two phase investigation due to cultural resources agreement
  - Top of embankment borings begin early September

• **Environmental**
  - Categorical Exemption for geotechnical program
  - Environmental Assessment / Initial Study planned for project
Current Structural Configuration of FKC

- Sand Creek Check
- Dodge Avenue Check
- Rocky Hill Check
- Tule River Check
- Fifth Avenue Check
- Deer Creek Check
- White River Check
- Reservoir Check
- Poso Creek Check
- Kern River Check
- FKC Upper Reach Capacity Correction Project
- FKC Middle Reach Subsidence/Capacity Correction Project
- FKC Lower Reach Capacity Correction Project
- MP 99 to MP 116 Canal Lining Raise
Current Structural Configuration of FKC

Current Condition

Subsidence Capacity Reach
Uniform Settlement $\sim 3'$
HEC-RAS Model Review
Remaining Actions to Calibrate Model

- Field measurements at key locations
  - Flow in subsided section
  - Water depth above and below siphons

- Bathymetric survey of canal

- Adjust Manning ‘n’ values in model
Project Criteria
Project Criteria Under Consideration

- Design Capacity
- Freeboard Requirements
- Future Subsidence
## Capacity and Freeboard

### Project Criteria

<table>
<thead>
<tr>
<th>Canal Section #</th>
<th>Canal Reach (MP)</th>
<th>Description</th>
<th>Design Normal Flow (CFS)</th>
<th>Normal Flow Lining Freeboard (ft)</th>
<th>Required Canal Lining Height at Normal Flow (ft)</th>
<th>Maximum Flow (CFS)</th>
<th>Flood Flow Lining Freeboard (ft)</th>
<th>Required Canal Lining Height at Flood Flow (ft)</th>
<th>Max Flow Lining Freeboard (ft)</th>
<th>Required Canal Lining Height at Max Flow (ft)</th>
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<td>88 to 95.67</td>
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<td>3500</td>
<td>2.23</td>
<td>18.08</td>
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<td>4000</td>
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<td>128.69 to 151.60</td>
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<td>1.03</td>
<td>17.91</td>
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**NOTE:** Freeboard calculated per Bureau of Reclamation Canal Design Standards.

- **Max Flow vs. Flood Flow Freeboard:**
  - **Flood Freeboard:** Reduction in freeboard allowed for short term flood flows that enter the canal from cross drainage and can be evacuated from canal (wasteways).
  
  - **Max Design Flow Freeboard:** includes captured flood flows (i.e. Class 2 water) that are transferred over a long period of time, with no intention of evacuating the excess flows from the canal.

  - Max Design Flow Canal Height > Flood Flow Canal Height (1.03 to 1.18 ft higher)
Future Subsidence Projections

- Thomas Harder applied the Tule Sub-Basin groundwater model, which includes a subsidence module.

- Three scenarios were defined for future pumping “ramp down” conditions to comply with SGMA by 2040.

- All scenarios incorporate a range or variation of hydrological conditions.

- Each scenario was simulated over a 50 year period:
  - 20 years to achieve SGMA compliance
  - 30 additional years with residual subsidence
Future Subsidence Scenarios

Scenario 1 – “Best Case”
- Sustainable yield by 2025 (5-yr ramp down)
- Average hydrology 1986 to 2017 for 50 yrs

Scenario 2 – “Intermediate Case”
- Sustainable yield by 2040 starting 2020 (20-yr ramp down)
- Average hydrology 1986 to 2017 for 50 yrs

Scenario 3 – “Worst Case”
- Sustainable yield by 2040 starting 2030 (10-yr ramp down)
- Average hydrology 1998 to 2016 for 18 yrs (dry period)
- Average hydrology 1986 to 1998 for 12 yrs (wet period)
- Average hydrology 1986 to 2017 for 20 yrs (average)
Potential Future Subsidence at 2040

Model Boundary North
2040 Subsidence
Model Boundary South
Tule River
Deer Creek
White River
County Line

Ground Surface Elevation (ft amsl)
Mile Post

Scenario 1
Scenario 2
Scenario 3

~10 ft

2017 Land Surface
Scenario 1
Scenario 2
Scenario 3
Potential Future Subsidence at 2070

Model Boundary North

Tule River

Deer Creek

White River

County Line

Model Boundary South

88.22

92.37

96.28

95.67

97.37

99.35

102.69

104.96

107.34

112.90

116.94

120.05

121.51

2070 Subsidence

Ground Surface Elevation (ft amsl)

Mile Post

2017 Land Surface

Scenario 1

Scenario 2

Scenario 3

~12 ft
Potential Future Subsidence
Scenario 3 - “Worst Case”

Future Subsidence
2017 - 2070 Scenario 3

Modeled 2017-2070 Subsidence (ft)
- 0 - 2
- 3 - 4
- 5 - 6
- 7 - 8
- 9 - 10
- 11 - 12
- 13 - 14
- 15 - 16

Check Structure
Friant Division Contractors

Projection: CA SP IV NAD83
Subsidence: Thomas Harder & Co (2018)
Prepared: August, 2018
Alternatives Development
Alternatives Development Steps

Identify and Screen Measures

Measures are individual actions that contribute to increased capacity.

Formulate Alternatives Using Retained Measures

Alternatives will be defined based on a primary action. Measures added for completeness.

Evaluate and Compare Alternatives

Evaluations and comparisons based on defined criteria.

Workshop #1
Potential Measures

- Raise canal banks
- Widen canal
- In-line pump stations
- Bypass canals
- Off-canal storage
- Other concepts
- Non-structural measures
Raise Canal Banks

Key Considerations:
- Slope stability and bank height
- Future subsidence impacts
- Borrow sites for bank material
- Land acquisition requirements
Widen Canal

Key Considerations:
- Future subsidence impacts
- Mass balance of bank material and borrow
- Land acquisition requirements
- Operational levels during construction of “bench”
- Minimize impacts on existing bridges/turnouts by maintaining existing operational levels.

Maintain existing water levels and bank heights.
Potential pump stations identified at following locations:

- MP 109
- MP 121 (Lake Woolomes)
- MP 130
By-Pass Canals

Alternatives
Development

Key Considerations:
- Full or partial (split) capacity
- Alignments to east of existing canal
- Could move alignment uphill to avoid heavy subsidence zones
- Two stage lining through heavy subsidence zones
- Land acquisition requirements
- Excess material storage
- New bridge construction
- New turnout construction (full capacity scenario)
Off-Canal Storage

Options Include:

- Enlarge Lake Woollomes
  - Raise
  - Deepen
  - Expand surface area

- Other options?
Other Potential Measures

- Gravity Bypass Pipeline
- Covered/Pressurized Canal
- Pipeline within the existing canal
Non Structural Measures

Modify delivery schedule during high flow periods
**Initial Alternatives to Increase Capacity in Subsidence Section**

<table>
<thead>
<tr>
<th>Alternative</th>
<th>Pumping Plant</th>
<th>Widen Canal</th>
<th>Raise Canal</th>
<th>New Canal</th>
<th>Modify Turnouts</th>
<th>Modified or New Bridges</th>
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<td>Pump to Woollomes (full)</td>
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Alternative A
In Line Pump Station at Mile Post 109

- 3,500 cfs Capacity
- Estimate Pump Head = 12 feet
- New check structure in main canal necessary.
- Canal enlargement necessary.
Alternative A
In Line Pump Station at Mile Post 109
Alternative A
In Line Pump Station at Mile Post 109
Characteristics

- Add more horsepower if subsidence continues; canal would still need to be raised
- Limited need for new ROW
- Year round construction. Canal remains in operation.
- Operational reliability of mechanical equipment and power failures.
- Long term O&M – costs and resources
- Change in FWA operational philosophy. Gravity vs. pumping.
- Operation of upstream turnouts impacted
Alternatives B and C
Pump to Woolomes

Canal Capacity
- Split (2000 cfs)
- Full (3500 cfs)

Pump Capacity
- 3,500 cfs
Alternatives B and C
Pump to Woollomes
Characteristics

• New project life cycle.
• Split flow retains operation of existing FKC
• Full flow uses existing FKC to serve turnouts
• Land acquisition
• Pump station considerations
Alternative D
Raise / Widen Canal

Future Subsidence
2017 - 2070 Scenario 3

Modeled 2017-2070 Subsidence (ft)
- 0 - 2
- 9 - 10
- 3 - 4
- 11 - 12
- 5 - 6
- 13 - 14
- 7 - 8
- 15 - 16

Check Structure
Friant Division Contractors

Projection: CA SP IV NAD83
Subsidence: Thomas Harder & Co (2018)
Prepared: August, 2018

Lake Woollomes (121.5)
Alternative D
Raise / Widen Canal

Friant Kern Canal

- Original Invert
- Original Top of Lining
- Towill Bridge Soifits
- Towill TOL
- Towill Calc. Invert

Elevation (ft)

Mile Posts
Alternative D
Widen and/or Raise Lining
Characteristics

- Start construction early
- Low impact to FWA long term operations
- Benefits realized soon
- Year around construction
- Canal remains in operation but at reduced flow
- No major increase in O&M costs
- Could be phased in response to future subsidence
- Adaptation to future subsidence may be limited by ROW
Alternative E
Bypass Canal from Tule to White River

- Full Capacity (3,500 to 4,000 cfs)
Alternative F
Bypass Canal from Tule to Woollomes

• Full Capacity (3,500 to 4,000 cfs)
Alternative E and F Bypass Canals Characteristics

- New project life cycle
- Provides long term solution for subsidence
- Use existing FKC to serve turnouts
- Land acquisition
Evaluation Criteria
### Comparative Evaluation Criteria Will be Applied in Two Steps

<table>
<thead>
<tr>
<th>Alternatives Evaluation</th>
<th>Alternatives Ranking</th>
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<tbody>
<tr>
<td>Define criteria and metrics and apply to each alternative</td>
<td>Apply relative weights to criteria based on selection priority</td>
</tr>
</tbody>
</table>

#### Potential Criteria
1. Water Delivery Volume
2. Residual Water Shortage Risk
3. Project Durability
4. Constructability
5. Operational Requirements
6. Cost and Financing
7. Construction Schedule
8. Environmental / Permitting
9. Public Impacts

#### Metrics for Each Criterion
- Quantitative or qualitative
- Normalized for alternatives

#### Possible Selection Priorities
1. Schedule
2. Cost
3. Durability

#### Weighting
- Define criteria weights for each selection priority
Restored Water Delivery and Residual Risk of Shortage

Description
• Amount of water delivery and remaining risk of shortages

Metrics
• Volume of restored delivery (long term average and under various of C2 allocation levels)
• Remaining risk of shortage (probability of shortage)
Project Durability

Description

• Long-term durability of the project under future subsidence

Metrics

• Percent reduction of constructed capacity over life of project
• Time until percent capacity reduction occurs
Constructability

Description

• Addresses ability to operate and maintain FKC during construction and appurtenances needed to construct the project

Metrics

• Ability to maintain water deliveries during construction
• Ability to conduct operation and maintenance of the canal during construction
• Temporary bypasses and tie-ins needed to construct the work
• Dewatering of deep excavations
• Canal embankment raise requirements
• Borrow material requirements
• Electrical power supply requirements
• Utility relocations
Operational Requirements

Description
• Effects on FWA ability to operate and maintain project

Metrics
• Additional O&M requirements and expertise of FWA Staff
• Operations of individual district turnouts
• Operational flexibility
• Long-term operational risk
Cost and Financing

Description
• Addresses costs, financial requirements, and timing

Metrics
• Construction cost
• Non-contract cost
  ◦ Engineering, environmental/permitting, admin, legal, ROW
• Annual operations and maintenance cost
• Replacement cost
• Annual cost to FWA members
## Planning Horizon Costs and Benefits

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<th>Activity</th>
<th>Cost</th>
<th>Average Annual Water Supply</th>
<th>Water Unit Value</th>
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<td>Current Value</td>
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<td>CON</td>
<td>High</td>
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<td>CON</td>
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<td></td>
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<tr>
<td>2022</td>
<td>CON</td>
<td>High</td>
<td>None – potential construction limitation</td>
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<td>O&amp;M</td>
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<td>Calculate for subsidence and CC</td>
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<td>2040 Value with SGMA</td>
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<td>O&amp;M</td>
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<tr>
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<td>OPS</td>
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<td>Constant to 2120</td>
<td>2040 Value with SGMA</td>
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</table>
Construction Schedule

Description
• Addresses time to begin, perform, and complete construction

Metrics
• Time to construction start
• Construction duration
• Time to construction completion (benefits realized)
• Potential to phase construction
• Number of affected parcels for ROW acquisition
• Required relocations on affected parcels for ROW acquisition
• Schedule risk
Environmental Compliance and Permitting

Description
• Addresses complexity, cost, and schedule risk to complete NEPA/CEQA documentation and obtain necessary permits

Metrics
• Complexity of required environmental compliance
  ◦ CatEx, EA/IS, EIS/EIR

• Required permits
  ◦ Section 404, NPDES, ESA, Section 106, County permits

• Schedule risk due to environmental compliance and permitting
Public Impacts

Description
• Addresses effects on public access and impacts

Metrics
• Inconvenience due to noise and dust during construction
• Traffic pattern impacts at bridges disrupted during construction
• Traffic impacts due to hauling borrow materials during construction
• Public inconvenience from impacted access to facilities during construction
• Impacts due to additional ROW needed from the public for construction and long term operations
• Impacts from needed utility relocations
Next Steps
Next Steps

• Calibrate HEC-RAS Model
  • Field data collection
  • Model calibration

• Continue defining and screening measures

• Continue formulation and evaluation of alternatives
Workshop #2
Alternatives Evaluation and Comparison

Next Steps

Workshop #1
Identify and Screen Measures

Workshop #2
Formulate Alternatives Using Retained Measures

Evaluate and Compare Alternatives

Measures are individual actions that contribute to increased capacity.
Alternatives will be defined based on a primary action.
Evaluations and comparisons based on defined criteria.

Measures added for completeness.
Action Items
Next Steps

Moving Forward

- Copies of presentation
- Meeting summary that documents input received
- Provide additional suggestions by noon 8/24
- Convene small group for criteria evaluations
- Alternatives Workshop #2
AGENDA REPORT

DATE: September 17, 2018

TO: Executive Committee

FROM: Alexandra Biering, Government Affairs and Communications Manager

SUBJECT: Government Affairs Report

SUMMARY: Update on Proposition 3; status of state and federal legislation; other updates related to communications.

RECOMMENDED ACTION: Approve submittal of public comment letter on proposed regulations for NMFS/FWS ESA implementation.

SUGGESTED MOTION: The Executive Committee should move to approve the draft comment letter on proposed regulations for NMFS/FWS ESA implementation.

DISCUSSION:

1. Proposition 3 Update:
   • Fact sheets developed with key benefits, information on $750 M for San Joaquin Valley conveyance improvements
   • Campaign kickoff this week
   • Endorsements from Patterson and Vidak
   • Signage opportunities

2. Legislative Update – The 2017/18 California legislative session is complete. The Governor has until 9/30 to pass or veto bills. A few notes on specific bills:
   • AB 2649 (Armbula, groundwater recharge) – Gutted and amended in late August to be a bill related to State Water Project contract renewals (Bloom). Did not pass. Friant had a “Watch” position.
   • AB 2975 (Friedman, wild & scenic rivers) – Passed by the Senate and signed by Gov. Brown on 8/27. The final bill analysis states that it does not apply to the San Joaquin River. Friant had a “Watch” position.
   • SB 623/its successors (Monning, safe drinking water) – Original bill was dead, and the proposal came back in two other forms before end of session. Legislature did not pass it but will reintroduce it next year. Friant had a “Support” position.
On the federal side, Congress has acted on several big water-related bills in the past week:

- **S 3021 (America’s Water Infrastructure Act of 2018/WRDA)** – Passed Senate by voice vote on 9/13. Bill includes authorizations for U.S. Army Corps of Engineers projects and activities, funding for clean drinking water projects, energy/hydropower provisions, and reauthorizes WIFIA. Does not include Reclamation amendments related to title transfer, groundwater, etc., but provides direction to Reclamation.

3. **Communications Activities** – September and October will be stacked with several activities intended to support awareness of Friant activities, growth of the Friant brand, and education on Proposition 3.
   - Logo/branding rollout
   - eNewsletter
   - Media outreach
   - Public attitudes survey
   - Opinion piece
   - News-style videos

4. **Upcoming Events** – Friant staff are actively working to plan the “Eggs & Issues” breakfasts for October 2018 and also the 2019 Annual Meeting.

5. **ESA Rulemaking Comment Letters** – Friant staff have been working with the Family Farm Alliance to submit a comment letter for a federal rulemaking process that National Marine Fisheries Service and Fish and Wildlife Service are undertaking related to how both agencies implement the federal Endangered Species Act. Our comments in the letter express support for moving NMFS’ ESA responsibilities for anadromous fish to FWS. Friant staff have also prepared a standalone comment letter (attached) for review and approval.

**BUDGET IMPACT:** None.

**ATTACHMENTS:** Draft Friant Water Authority public comment letter on proposed regulations for NMFS/FWS ESA implementation.
September 24, 2018

Mr. Craig Aubrey  
U.S. Fish and Wildlife Service  
Division of Environmental Review  
MS: BPHC  
5275 Leesburg Pike  
Falls Church, VA 22041-3803


Dear Mr. Aubrey,

On behalf of Friant Water Authority, thank you for this opportunity to comment on revisions to regulations that implement portions of the Endangered Species Act (ESA) proposed jointly by the U.S. Fish and Wildlife Service (USFWS) and the National Oceanic and Atmospheric Administration's National Marine Fisheries Service (NOAA Fisheries).

Friant Water Authority (Friant) operates and maintains the Friant-Kern Canal, which is a major conveyance feature of the Bureau of Reclamation’s Central Valley Project (CVP). We represent 15 public agencies who receive water from the San Joaquin River in the Friant Division of the CVP. The Friant Division service area includes approximately 1.6 million acres and 15,000 mostly small family farms on the east side of the southern San Joaquin Valley (Madera, Fresno, Tulare and Kern counties), along with several cities and towns, including the City of Fresno.

Along with many of the commonsense and pragmatic regulatory changes proposed in this current rulemaking, we would urge USFWS and NOAA Fisheries to consider consolidating ESA responsibilities within USFWS. This would help address some of the frustrations water users and stakeholders encounter in areas where the agencies have similar responsibilities but for different species, and for which they are not required to coordinate or even produce consistent recommendations.
For example, biological opinions produced by both agencies for the long-term operation of the CVP conflict in ways that prevent them from being appropriately followed. The biological opinion for Delta smelt prepared by USFWS requires flushing flows to be released from storage to influence smelt habitat. The biological opinion prepared by NOAA Fisheries for salmon requires keeping water in storage for temperature control.

The concept of consolidating NOAA Fisheries’ and USFWS’ ESA responsibilities under USFWS has been discussed informally among agency staff, water users, and stakeholders in recent years. A similar proposal is contained in the Trump Administration’s recent government reorganization plan, and is also echoed and reinforced in HR 3916, the Federally Integrated Species Health (FISH) Act introduced by Rep. Ken Calvert last year.

Thank you for the opportunity to comment on your efforts to improve ESA implementation at the departments of the Interior and Commerce. If you have any questions about this letter or the issues we have raised, please do not hesitate to contact me at 559-562-6305.

Sincerely,

Jason Phillips
Chief Executive Officer
SUMMARY: Presentation of a draft of the 2019 General Membership (GM) Budget.

DISCUSSION: Staff has Developed the General Member budget needs for FY 2019. A draft budget is presented here for initial discussion. This draft FY 19 GM budget provides for continuation of many functions from FY 18. The total of $2,662,500 is $6,500 more than the approved FY 2018 budget of $2,656,000.

Some of the changes from the approved FY 18 budget to this draft FY 19 budget are:

- **Total Counsel** costs are expected to be less than the projected costs for FY 2018, and $25k lower than the FY 18 budget.
- **Operations Support** costs will increase over previous years primarily to account for part-time support by Steve Ottemoeller as a consultant, to cover River Settlement and water supply related monitoring and reporting. Staff costs were reduced by his retirement.
- **Communications Support** costs will increase over the FY18 budget for activities pursued through contract with Randle Communications and increases in costs related to outreach activities (Eggs & Issues, Annual Meeting, Board retreat) but are less than the projected costs for FY 2018.
- **Staff** – Costs reduced relative to FY18 budget to reflect retirement of Steve O and replacement of temporary staff with full time hire. Full time hire for Sacramento Office is reflected in the Admin Allocation. Budget includes an estimated 3% cost of living increase and addition of Executive Deferred Compensation Incentive Plan.
- **Other Supplies and Expenses** Are increased compared to the 2018 Budget but less than the projected costs for FY18.
- **Direct Expenses** – Are increasing compared to the 2018 Budget but again reflect a decrease from the projected totals for FY18.
• **Special Projects** – A significant decrease over both the 2018 Budget and projected FY 18 totals resulting from a reduction of activities under Temperance Flat and the Sustainability Plan.

**RECOMMENDED ACTION:** That the Executive Committee provide any final comments on the draft 2019 GM Budget so Staff can make any necessary adjustments in order to move the Budget on to the Finance Committee with the goal of a final Budget to be presented for adoption at the September 27, 2018 Board of Directors Meeting.

**MOTION:** A motion that the Executive Committee, subject to any comments provided, approve 2019 General Member Budget for consideration by the Finance Committee at the upcoming meeting on Monday, September 24, 2018.

**ATTACHMENTS:**
Draft of 2019 General Membership Budget.
Draft Exhibit A – General Member Allocation Schedule
2018 Surplus / Shortage Report
Surplus / Shortage Exceptions Report
## Friant Water Authority
### General Members Budget 2019

**DRAFT**

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<th>FY 2018 Projected</th>
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<tr>
<td>Miscellaneous Visa receipts</td>
<td>22,000</td>
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<tr>
<td>Meeting expenses</td>
<td>38,000</td>
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<td>27,000</td>
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<tr>
<td><strong>Subtotal Other Supplies and Services</strong></td>
<td>110,000</td>
<td>204,000</td>
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<tr>
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<td>140,000</td>
<td>120,000</td>
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<td><strong>Direct Expenses (including rent, mileage)</strong></td>
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<td></td>
<td>FY 2018</td>
<td>FY 2019</td>
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<td></td>
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<td>10,000</td>
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<td><strong>Office Supplies</strong></td>
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<td>148,000</td>
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<td>148,000</td>
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<td>Temperance Flat Studies</td>
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<td>2,616,000</td>
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**General Members Fund - Revenues**

Budget for the Fiscal Year Ending September 30, 2019

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<th>FY 2018</th>
<th>FY 2019</th>
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<tbody>
<tr>
<td><strong>Proposed 2019 Budget, Call for Funds:</strong></td>
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<tr>
<td>October 1</td>
<td>605,000</td>
<td>737,250</td>
</tr>
<tr>
<td>January 1</td>
<td>605,000</td>
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<td>737,250</td>
</tr>
<tr>
<td>Final</td>
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<td>737,250</td>
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<td>2,949,000</td>
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<table>
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<tr>
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<th>FY 2019</th>
</tr>
</thead>
<tbody>
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<td><strong>Proposed 2018 Budget, Other Revenue:</strong></td>
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<td>FY 18 Carryover</td>
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<td><strong>Total Call for Funds &amp; Other Revenue</strong></td>
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Friant Water Authority  
Exhibit "A" for General Member Budget  
GENERAL MEMBER ALLOCATION  
DRAFT  
Fiscal Year Ending September 30, 2019

<table>
<thead>
<tr>
<th>Calls for Funds</th>
<th>October 1</th>
<th>January 1</th>
<th>April 1</th>
<th>Final</th>
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<td>737,250</td>
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Call for Funds Total: 2,949,000.00

<table>
<thead>
<tr>
<th>District</th>
<th>CLASS I</th>
<th>2 X CLASS I TIMES 2</th>
<th>CLASS II</th>
<th>WATER ALLOCATION</th>
<th>CONTRACT CALL FOR FUNDS</th>
<th>EQUAL CALL FOR FUNDS</th>
<th>TOTAL CALL FOR FUNDS</th>
<th>Call for Funds October 1</th>
<th>Call for Funds January 1</th>
<th>Call for Funds April 1</th>
<th>Call for Funds Final</th>
</tr>
</thead>
<tbody>
<tr>
<td>City of Fresno</td>
<td>60,000</td>
<td>120,000</td>
<td>120,000</td>
<td>120,000</td>
<td>3.254%</td>
<td>3.571%</td>
<td>6.826%</td>
<td>50,323.20</td>
<td>50,323.20</td>
<td>50,323.20</td>
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<tr>
<td>Chowchilla WD</td>
<td>55,000</td>
<td>110,000</td>
<td>160,000</td>
<td>270,000</td>
<td>7.322%</td>
<td>3.571%</td>
<td>10.894%</td>
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<tr>
<td>Fresno ID</td>
<td>0</td>
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<td>75,000</td>
<td>75,000</td>
<td>2.034%</td>
<td>3.571%</td>
<td>5.605%</td>
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<td>Kaweah Delta WCD</td>
<td>1,200</td>
<td>2,400</td>
<td>7,400</td>
<td>9,800</td>
<td>0.266%</td>
<td>3.571%</td>
<td>3.837%</td>
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<tr>
<td>Kern-Tulare</td>
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<td>0.136%</td>
<td>3.571%</td>
<td>3.707%</td>
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<td>Lindsay-Strathmore</td>
<td>27,500</td>
<td>55,000</td>
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<td>88,000</td>
<td>2.387%</td>
<td>3.571%</td>
<td>5.958%</td>
<td>43,925.11</td>
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<td>Madera ID</td>
<td>85,000</td>
<td>170,000</td>
<td>356,000</td>
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<td>13.226%</td>
<td>97,509.11</td>
<td>97,509.11</td>
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<td>Orange Cove</td>
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<td>78,400</td>
<td>78,400</td>
<td>2.126%</td>
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<td>5.698%</td>
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<td>5.199%</td>
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<td>Terra Bella</td>
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<td>5.144%</td>
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<td>Tulare</td>
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<td>9.023%</td>
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<td>50.000%</td>
<td>100.000%</td>
<td>737,249.98</td>
<td>737,249.98</td>
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</tbody>
</table>

*Final Call for Funds will be adjusted for actual carryover number.
Friant Water Authority  
General Members Surplus Shortage Report  
August 31, 2018

<table>
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<tr>
<th>Consultants</th>
<th>FY 2018 Approved Budget</th>
<th>FY 2018 Actuals</th>
<th>FY 2018 Projected</th>
<th>Surplus/(Shortage)</th>
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<td>Burke, Williams &amp; Sorenson, LLC</td>
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<td>Direct Expenses (including rent, mileage)</td>
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</tr>
<tr>
<td>Special Projects</td>
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<tr>
<td>Airborne Snow Observatory (NASA)</td>
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<tr>
<td>Sustainability Plan Development</td>
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<td>55,000</td>
<td>(55,000)</td>
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<tr>
<td>COA Preparations</td>
<td>21,358</td>
<td>78,000</td>
<td>(78,000)</td>
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<td>438,000</td>
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<td>Total Budgets</td>
<td>2,656,000</td>
<td>2,515,881</td>
<td>2,989,500</td>
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Friant Water Authority
2018 Surplus / Shortage Analysis

**Exceptional Items**
Water Rights Efforts
   Somach Simmons 67,000
Federal Legislative & Executive Actions
   The Ferguson Group 85,500
Young & Wooldridge 62,000
CEO Compensation Adjustments 48,500

**Additional Projects**
COA Preparations 78,000

<table>
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<th>Total</th>
<th>$341,000</th>
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AGENDA REPORT

Agenda Item 13

DATE: September 17, 2018

TO: Executive Committee

FROM: Finance Committee / Don Willard, CFO

PREPARED BY: Donald M. Davis, General Counsel

SUBJECT: Policy Regarding Reimbursement/Compensation for Director Attendance at FWA Meetings and Other Authority Business

SUMMARY: Review the current reimbursement policy for Director participation on FWA committees and consider potential amendments addressing compensation for all FWA meetings and business.

BACKGROUND: In September 2010, the Board approved, by minute action, a motion to reimburse member districts for participation on committees in the amount of $75 per meeting plus mileage and not to exceed 6 meetings per month. (See attached excerpt of meeting minutes). This policy was originally developed to reimburse the districts for their general manager’s participation on committees. It has since evolved into a practice to reimburse the participating Director personally or their district for attending committee meetings, if requested. With the increased use of ad hoc committees to address specific issues and the potential formation of additional standing committees, as well as the myriad of other Authority activities that a Director may be called upon to attend, the Finance Committee requested that this policy be reviewed and discussed by the Executive Committee and a recommendation be made to the Board.

DISCUSSION:
As originally proposed, the arrangement of providing “reimbursement” to member districts for the time of staff or Directors related to meeting attendance was appropriate. However, the practice as it has evolved where a Director is being directly paid by FWA is not consistent with this policy or state law. That is because such a direct payment is essential “salary” and FWA has not adopted a formal salary resolution or ordinance. FWA has adopted a reimbursement policy, however, and Directors are entitled to receive compensation for reasonable and necessary expenses such as travel expenses/mileage.
Under the FWA Joint Exercise of Powers Agreement, FWA can exercise the legal authority of an Irrigation District with respect to Director compensation. Under Water Code section 21116, FWA may provide Directors with compensation not to exceed one hundred dollars ($100) per day of Authority business and not exceeding six days in any calendar month. Alternatively, assuming that most member districts have such a compensation policy in place, FWA could continue to directly reimburse member districts for any compensation they are providing as a result of their home board members attending FWA meetings, including committee meetings, as well as other FWA business activities. The shortcoming here may be that member districts are limited to paying home board members for 6 meetings a month and if the director exceeds that number due to home board business as well as FWA business, they cannot receive any additional compensation.

Accordingly, the options are as follows:

1. A policy that authorizes reimbursement to member districts of up to $100 per meeting (regular and/or committee) or other day of official FWA business attended by their board representative (capped at 6 days a month). Requests for such reimbursement should be submitted directly by each district to FWA.

2. A policy that authorizes Director compensation consistent with Water Code section 21116 (i.e., $100/day - up to 6 days a month). Note: Authorizing such compensation does not require a Director to take the compensation. As such, a Director could elect to only request compensation where he/she is not eligible to receive any home district compensation.

3. Eliminate the existing member district reimbursement policy for committee meeting attendance.

**RECOMMENDED ACTION:** That the Executive Committee provide Staff / Counsel with comments and direction on drafting a more formal and definitive policy dealing with Director compensation for meeting attendance and other FWA business.

**ATTACHMENTS:** Excerpt from the Minutes of the BOD Meeting of the Friant Water Authority held on September 23, 2010.
Excerpt from the Minutes of the BOD Meeting of the Friant Water Authority held on September 23, 2010.

Reimbursement to Districts for participation on Committees - Director Runyon made a motion, seconded by Director Frick, to reimburse member districts for participation on committees, except for the Advisory Committee, in the amount of $75 per meeting plus mileage and not to exceed 6 meetings per month. The motion carried unanimously.
AGENDA REPORT

DATE: September 17, 2018

TO: Executive Committee

FROM: Jeff Payne, Director of Water Policy

PREPARED BY: Donald M. Davis, General Counsel

SUBJECT: Consideration of draft Joint Exercise of Powers Agreement and Bylaws for a new Joint Powers Authority to be known as the “Temperance Flat Reservoir Authority”

SUMMARY:
In order to expedite the transition of the lead agency with respect to the promotion and development of the Temperance Flat Reservoir Project, Friant Water Authority, the San Joaquin River Exchange Contractors Authority (SJRECA), the San Luis Delta Mendota Water Authority (SLDMWA), the City of Fresno (COF) and Westlands Water District (WWD) are proposing to form a separate joint powers authority (JPA) tentatively designated as the “Temperance Flat Reservoir Authority.” A draft of a joint exercise of powers agreement (Agreement) that would establish this separate legal entity and proposed Bylaws have been circulated among the proposed members and are presented for the Executive Committee’s consideration and direction.

RECOMMENDED ACTION:
The Executive Committee provide any comments on the draft Agreement and Bylaws and direct staff to continue to confer with the proposed initial members of the JPA and bring back a final version of the Agreement and Bylaws for Board approval.

DISCUSSION:
The five agencies that are proposed to be the initial members of the Temperance Flat Reservoir Authority are already coordinating on the Project under the auspices of a Memorandum of Agreement (MOA). Due to continued interest in receiving available Prop 1 funds, it is necessary to form a JPA since the Prop 1 guidelines only permit the release of funds to a JPA, and the formation of such JPA will also expedite the transition of responsibility for the Project away from the San Joaquin Valley Water Infrastructure Authority.

1. Overview of Formation Process:
The establishment of a JPA is governed by the Joint Exercise of Powers Act (Act) (Government Code sections 6500-6599.3). A JPA is formed by a contract (i.e., the Agreement) between two or more public agencies to jointly exercise any power common to the contracting agencies – here, water storage. The Agreement must contain certain specified provisions under the Act, but otherwise, much of the content is left to the discretion of the contracting agencies. Once the Agreement is executed (preferably following adoption of an authorizing resolution from each member agency), notice of the Agreement must be filed with the Secretary of State1 and the full text of the Agreement filed with the State Controller within 30 days of the effective date of the Agreement and file a copy with the local agency formation commission in each county within which all or any part of a local agency member’s territory is located.2

2. **Required Agreement Provisions:**
   The following is a list of provisions required under the Act and their respective location in the draft Agreement:

   A. **Parties/Members:** (Preamble; Article III) There must be at least two public agency members, and each agency must have the statutory power to store water, which will be the primary purpose of the JPA. The initial Members will be FWA, SJRECA, SLDMWA, COF and WWD. One issue that is under review is the application of Water Code section 79759(a), which provides that if Prop 1 funds are allocated to the Project, the public agency members must be within the “applicable hydrologic region” of the Project. The Department of Water Resources has established a “San Joaquin River Hydrologic Region” but its scope and application to the Temperance Flat Reservoir Project remains under review.

   B. **Purpose:** (2.3) The purposes are to effectively promote, develop, design, permit, finance, acquire, construct, manage, and operate the Temperance Flat Reservoir and its related facilities as well as facilities for recreation and hydroelectric power generation.3

   C. **Financial Accountability:** (5.7) All funds, receipts and disbursements must be accounted for. To this end, an audit must be performed by a CPA each year and a report filed within 12 months of the end of the fiscal year.4

   D. **Treasurer:** (4.7.2) A treasurer must be designated, who may be the treasurer of one of the contracting parties, a CPA, or one of the JPA’s officers.5

   E. **Administration:** (Articles IV, V and VI) How the JPA will be administered in terms of staffing and governance (i.e., a board of directors) is addressed.6

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1 6503.5.
2 6503.6.
3 6503.
4 6505.
5 6505.5, 6505.6.
F. **Common Power and Manner of Exercise:** (2.4) The Agreement must designate a member agency whose powers will serve as the basis for determining how the JPA will exercise its powers. In making this determination, it is best to identify an entity whose powers may provide the greatest amount of flexibility. If FWA is selected, this would mean the JPA would have the powers of an Irrigation District, since Terra Bella is the agency identified in the FWA agreement.  

G. **Distribution of Assets and Revenues:** (7.4) The Agreement must provide for the disposition, division, or distribution of any property acquired by the JPA, and provide that after the completion of its purpose, any surplus money on hand will be returned in proportion to the contributions made.

3. **Other Desirable JPA Provisions:** The Agreement should and does address the following subjects.

A. **Procedures for Adding New Members:** (3.4) The terms and conditions for accepting new members are addressed in this section.

B. **Governance:** (Article IV) This article establishes a board of directors, the designation of the number and composition of the board and alternates, and how they are selected and removed, voting rights and quorum rules, and the designation of officers. Types of memberships other than a regular member will be delineated in the Bylaws.

C. **Authority and Functions:** (2.3) The Agreement delineates the JPA’s powers to facilitate achievement of the Project.

D. **Liability of Member Agencies:** (4.9, 5.10. 6.3) The Agreement addresses the extent to which the debts, liabilities and obligations of the JPA are those of the JPA or the parties to the JPA. Where a Project Agreement is used for an aspect of the Project, such agreement will address specific liability arising from the matter.

E. **Funding:** (5.3 – 5.6, Article VI) The extent to which members are required to contribute funds to the JPA and the basis and timing of such contributions are addressed in the Agreement and the Bylaws. FWA is proposing that initial contributions for the first six months or so be on order of $15,000 per member for general administrative costs. (5.4) Funding for specific matters will be addressed in Project Agreement under Article VI.

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6 6506.
7 6508, 6509.
8 6511, 6512, 6512.1.
9 6508.
F. **Withdrawal of Member Agency:** (7.1 – 7.3) The circumstances under which a member agency may withdraw and the procedure for withdrawal are addressed in these sections.

G. **Amendment of Agreement:** Like any other contract, the Agreement should address the manner in which it may be amended. (As with the original Agreement, any amendment requires notification to the Secretary of State and a copy of the amended Agreement sent to the Controller.)

4. **Bylaws:** The draft Bylaws are essentially a scaled down version of the FWA Bylaws.

**Attachments:** Draft Agreement and Bylaws
This Joint Exercise of Powers Agreement ("Agreement") is entered into by the parties on the attached Exhibit A, which are referred to in this Agreement individually as an "Member" and collectively as the "Members."

RECITALS

A. Each of the Members is a public agency organized and operating under the laws of the State of California.

B. California Government Code sections 6500 – 6599.3 (the "Joint Exercise of Powers Act" or "Act") provides that two or more public agencies may by agreement jointly exercise any power common to the contracting parties.

C. The Members desire by this Agreement to establish an independent special agency known as the Temperance Flat Reservoir Authority ("Authority"), that will have as its mission, to promote, develop, design, permit, finance, acquire, construct, manage, and operate a dam and reservoir at Temperance Flat and related facilities.

D. The Members each possess the powers to promote, develop, design, permit, finance, acquire, construct, manage and operate water storage and related infrastructure projects.

E. The Members each desire to exercise those powers as provided in this Agreement.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual promises, covenants, and conditions set forth in this Agreement, the Members agree as follows:

I. DEFINITIONS

As used in this Agreement, the following words and phrase will have the meaning set forth in this article:

1.1. Agreement: This Joint Exercise of Powers Agreement as it currently exists or as it may be amended or revised from time to time.

1.2. Authority: The legal entity established by this Agreement to be known as the Temperance Flat Reservoir Authority.

1.3. Board of Directors or Board: The governing body of the Authority as established in Article IV of this Agreement.

1.4. Bylaws: Additional requirements to those contained in the Agreement related to the construction of the Temperance Flat Reservoir; emphasizing delegations of authority,
decision-making; membership types; budgeting; and cost management.

1.5. **Central Valley Project or CVP**: The federal reclamation project operated by Reclamation pursuant to federal reclamation law (Act of June 17, 1902 (32 Stat. 388)) and acts amendatory or supplementary thereto.

1.6. **Exchange Contract**.

1.6.1. **Member**: An eligible public agency that is a signatory to this Agreement.

1.7. **Non-Member Participating Party**: An agency or entity that is not an Authority Member, but is deemed eligible by the Authority to participate by contract in certain elements of the Project. The Bylaws may provide for additional requirements for such Non-Members.

1.8. **Project**: The promotion, development, design, permitting, financing, acquisition, construction, management, and operation of a dam and reservoir and related facilities at Temperance Flat to be carried out pursuant to this Agreement.

1.9. **Purchase Contract**.

1.10. **State Water Project or SWP**: The state water facilities defined in California Water Code section 12934(d).

1.11. **Upstream Power Agreements**.

**II. GENERAL PROVISIONS REGARDING THE CREATION, TERM, PURPOSES, AND POWERS OF THE AUTHORITY**

2.1 **Creation**: Pursuant to the Act a public entity is created to be known as the Temperance Flat Reservoir Authority, which will be a public agency that is separate from the Members.

2.2 **Term**: This Agreement will become effective on the first day of the month after at least two of the initial public agencies listed on Exhibit A execute this Agreement. The Agreement will remain in effect until terminated pursuant to the provisions of Article VII [Termination].

2.3 **Purposes**: The purpose of this Agreement is to establish an independent joint powers authority (“JPA”) to exercise powers common to the Members to, among other things, effectively promote, develop, design, permit, finance, acquire, construct, manage, and operate the Temperance Flat Reservoir and its related facilities as well as facilities for recreation and hydro-electric power generation.

2.3. **Powers**: The Authority will have the power to pursue the purposes described above and to perform all acts necessary for the exercise of such powers, including, but not limited to, the ability to:

2.3.1. make and enter into contracts necessary for the full exercise of its powers;

2.3.2. perform studies, environmental review, engineering and design, and if appropriate, permitting, construction of water storage facilities, and related conjunctive management;
2.3.3. contract for the services of engineers, attorneys, scientists, planners, financial consultants, and other professionals or to employ such professionals as it deems necessary;

2.3.4. acquire, hold, lease and dispose of any property;

2.3.5. apply for, accept, and receive permits, licenses from any federal, state or local public agency;

2.3.6. apply for, accept, and receive federal, state or local grants, loans, or other aid from any agency of the United States, the state or other public or private entities;

2.3.7. receive gifts, contributions and donations of property, funds, services and other forms of assistance from persons, firms, corporations and any governmental entity;

2.3.8. issue revenue bonds and other forms of indebtedness to the extent, and on the terms, provided by the Act;

2.3.9. incur debts, liabilities, and obligations;

2.3.10. sue and be sued in its own name;

2.3.11. adopt Bylaws, rules, regulations, and procedures, governing the operation of the Authority;

2.3.12. perform all acts necessary or proper to carry out fully the purposes of this Agreement;

2.3.13. exercise any independent or supplementary powers of a joint powers agency, as provided by the Act or other law.

2.4. Manner of Exercise of Powers: To the extent not specifically provided for in this Agreement or the Act, the Authority will exercise its powers subject to the restrictions upon the manner of exercising the powers under the laws applicable to _____________ (insert name of the Member with the broadest powers).

2.5. No Implied Effect on Rights: Except as expressly provided in this Agreement, nothing in this Agreement may be construed as affecting the rights or obligations of the Members, including but not limited to any rights or obligations pursuant to contracts for delivery of water from the CVP or SWP, the Exchange Contract, the Purchase Contract, or Upstream Power Agreements.

III. AUTHORITY MEMBERSHIP

3.1. Generally: Authority membership is comprised of public agencies (as defined in Section 6500 of the Act) that are authorized to be Members, including under Water Code section 79759(a) and (b) if funds are allocated to the Project under Chapter 8 of Division 26.7 of the Water Code beginning at section 79700, and are signatories to this Agreement.

3.2. Bureau of Reclamation: The Authority may enter into a contract or other arrangement with the Bureau of Reclamation (“Reclamation”) to carry out the purposes of this Agreement.
3.3. **Department of Water Resources**: If the Authority receives funding for the Project under Chapter 8 of Division 26.7 of the Water Code beginning at section 79700, the California Department of Water Resources (“DWR”) will be an ex officio Member of the Authority as provided in Water Code section 79759(b), but in accordance with that provision will have no control with respect to the governance, management, or operation of the Project.

3.4. **Addition of Members**: Entities authorized by law to participate in a JPA may subsequently become Members upon the affirmative vote of at least seventy-five percent (75%) of the total number of Members or [unanimous vote of all Members] and the new Member’s execution of this Agreement, as it may be amended. An entity requesting to become a Member must provide certification of compliance with the membership requirements of this Agreement and the Bylaws. The entity requesting to become a Member may represent a group of other entities. Terms and conditions for a new Member’s participation in the Authority, if any, will be set forth in an amendment to this Agreement or in the Bylaws. Such terms and conditions must be consistent with this Agreement and any contracts, resolutions, or indentures of the Authority then in effect.

3.5. **Membership Types**: The Board may approve the creation of different types of memberships that may include governmental agencies, public agencies, or private entities, with respect to the funding and financing of the different elements of the Project. The creation of any additional membership types will be defined in the Bylaws. Admission of non-Members will be upon the affirmative vote of at least seventy-five percent (75%) of the total number of Members.

**IV. GOVERNANCE AND INTERNAL ORGANIZATION**

4.1. **Board of Directors**: The governing body of the Authority is a Board of Directors (“Board”) that will conduct all business on behalf of the Authority consistent with this Agreement and applicable law. The Board consists of one representative of each Member. To remain in an active status, each Member having representation on the Board must be in “Good Standing” as defined in the Bylaws.

4.2. **Exercise of Authority**: All the power and authority of the Authority will be exercised by the Board subject to the rights reserved by the Members as set forth in this Agreement; provided, however, that the Board may delegate such powers and authority to the Chair or Chief Executive Officer as the Board may determine by motion, resolution or ordinance. The Board may also appoint and delegate such powers and authority to such committees as the Board may determine by motion, resolution or ordinance.

4.3. **Directors and Alternates**:

4.3.1. Each Member must appoint a Director to the Board. Each Member must also appoint at least one Alternate Director to the Board. The role of the Alternate Director will be to assume the duties of a Member’s Director in case of the absence or unavailability of such Director.

4.3.2. The Directors and Alternate Directors must be directors or members of the governing body of the Member agency, or employees [or contractors] of the Member he or she represents.

4.3.3. Directors and Alternates both serve at the pleasure of the governing body of their respective Member agency. Authority Member agencies must communicate their...
initial Director and Alternate selections, and any subsequent changes in representatives, to the Authority in writing and include a certified copy of the resolution of the governing body, minutes of the relevant meeting, or other formal documentation evidencing the appointment.

4.3.4. Should a Director who is also an officer of the Board not be in attendance at a meeting, the Member’s Alternate Director may not assume the duties of such officer. Should the Chair be absent, the Vice Chair will assume the Chair’s responsibilities until the Chair is present, and if both are absent the Board may appoint a temporary Chair.

4.3.5. A Director and Alternate Director office will be declared vacant if the person serving dies, resigns, the Member for which the Director or Alternate Director serves withdraws from this Agreement, the membership of the Member for which the Director or Alternate Director serves is terminated, or whenever, at the discretion of the particular Member, the Director or Alternative Director is incapable of serving. Upon the Director office becoming vacant, the Alternate Director, if the office is not vacant, will serve as Director, until the Member appoints a new Director or Alternate, as applicable.

4.4. Meetings: The Board must hold at least one regular meeting per year, and may hold regular or special meetings at more frequent intervals. All meetings of the Board will be called, held, noticed, and conducted subject to the provisions of the Ralph M. Brown Act (Government Code sections 54950 and following).

4.5. Quorum: A majority of the total number of Directors will constitute a quorum.

4.6. Voting:

4.6.1. Each Member agency is only entitled to have one vote, either by its Director or the Alternate, at a meeting of the Board.

4.7. Officers: The officers of the Authority will be a Chair, Vice Chair, Treasurer and Secretary.

4.7.1. Chair; Vice Chair. The Board will select, from among the Directors, a Chair, who will be the presiding officer for all Board meetings, and a Vice Chair, who will preside in the absence of the Chair.

4.7.2. Treasurer. The Board, or its designated representative, will contract either with an independent certified public accountant or the treasurer or chief financial officer of any Member, to serve as Treasurer of the Authority. The Treasurer will be the depository of and have custody of funds, subject to the requirements of Government Code sections 6505-6505.6. The Treasurer will have custody of all money of the Authority from whatever source and will perform the duties specified in Government Code section 6505.5. The Treasurer will be bound in accordance with Government Code section 6505.1 and will pay demands against the Authority that have been approved by the Board.

4.7.3. Secretary. The Board will also select a Secretary, who will be responsible for keeping the minutes of all meetings of the Board and all other official records of the Authority. The Board may combine the positions of Secretary and Treasurer.

4.7.4. The Bylaws may further address the duties, responsibilities and administrative
requirements for the respective officers.

4.7.5. Chief Executive Officer. The Board may appoint a Chief Executive Officer or assign staff of one or more Members to conduct the business of the Authority in accordance with the policies of the Board; provided that no Member’s staff will be so assigned without the consent of that Member. The Chief Executive Officer will serve at the pleasure of the Board and may be an employee of the Authority.

4.7.6. General Counsel. The Board may retain general counsel, who reports to the Board and serves at the pleasure of the Board.

4.7.7. Staff. The Authority may employ such full-time and part-time employees, assistants and independent contractors as may be necessary from time to time to accomplish the purposes of the Authority.

4.8. Bylaws: At, or as soon as practical after, the first meeting of the Board of Directors, the Board will approve the Bylaws of the Authority to govern the day-to-day operations of the Authority. The Board may adopt such other policies, rules and regulations for the conduct of its affairs as may be necessary for the purposes of this Agreement in a manner consistent with this Agreement and the Bylaws.

4.9. Liability of Authority, Officers, and Employees: The Directors, officers, and any employees of the Authority must use ordinary care and reasonable diligence in the exercise of their powers and in the performance of their duties pursuant to this Agreement. No Director, officer, employee or agent will be responsible for any act or omission by another Director, officer, employee, or agent. As further set forth in Section 5.10, the Authority will indemnify, defend, and hold harmless the individual Directors, officers, employees, and agents of the Authority for any action taken within the course and scope of their duties while acting on behalf of the Authority pursuant to this Agreement. The Authority may purchase such insurance as the Board may deem appropriate for this purpose. Nothing in this section may be construed to limit the defenses available under the law, to the Members, the Authority, or its Directors, officers, employees, or agents.

V. FINANCIAL PROVISIONS

5.1. Fiscal year: The fiscal year will [run concurrent with the calendar year] [be July 1 through June 31], unless the Directors decide otherwise and will also apply to any Project Agreements.

5.2. Depository: All funds of the Authority will be held in separate accounts in the name of the Authority and not commingled with the funds of any Member or any other person or entity. Regular reports will be made as directed by the Board, but at least quarterly, to the Board of all receipts and disbursements. The books and records will be open to inspection by the Board and individual Directors upon reasonable notice.

5.3. Budgets: A draft budget will be prepared for the Member agencies to review at least 45 days before the beginning of the Authority’s next fiscal year. The Board will approve the budget no later than 15 days before the beginning of the fiscal year. The budget must include:
5.3.1. General and administrative costs for the general operation and administration of the Authority. These costs do not include any costs incurred by the Authority directly as a result of a specific Project Agreement as described in Article VI.

5.3.2. Project specific costs will be fully described and specified in a Project Agreement. The Board will ensure that all costs incurred by the Authority directly relating to any specific project will be paid only by the parties to the Project Agreement and will not be paid for by the Authority as general and administrative costs. The Bylaws may include additional requirements and criteria for such costs.

5.4 Initial Contributions: Upon formation of the Authority, each Member will make an admission contribution of $15,000 for the purpose of funding anticipated operation and administrative expenses for the initial six months of operation of the Authority.

5.5 Recovery of General and Administrative Costs:

5.5.1. The Board may assess each Member for the general and administrative costs to operate the Authority. Payments of public funds may be made to defray the costs incurred in carrying out such purposes, and advances of funds may be made for use in doing so, to be repaid as provided in this Agreement. Personnel, equipment or property of one or more of the Members may be used in lieu of other contributions or advances, upon Board approval, and will be treated as a contribution from that Member.

5.5.2. General and administrative costs incurred by the Authority in carrying out its purposes, as described in Section 5.3.1, will be shared by the Members as determined by the Board.

5.5.3. The Authority will periodically, as necessary, issue an invoice to each Member reflecting the expenses attributable to that Member in accordance with this Agreement or the applicable Project Agreement, respectively. The Authority must receive payment within 60 days of the date listed on the invoice. Delinquent sums will bear interest at a rate established in the Bylaws, which may include additional requirements.

5.5.4. Upon request of any Member, the Authority will produce and allow the inspection of all documents relating to the computation of expenses attributable to the Members under this Agreement. If a Member does not agree with the amount listed on the invoice, it must make full payment and provide a cover letter accompanying payment to the Authority specifying the amount in dispute and providing a detailed explanation of the basis for the dispute. The Authority will advise the disputing Member of the Authority’s determination within 30 business days.

5.6 Recovery of Project Agreement Costs: Each Project Agreement will specify the requirements for recovery of costs.

5.7 Auditor; Audit: An auditor will be chosen annually by, and serve at the pleasure of, the Board. The auditor will make an annual audit of the accounts and records of the Authority. A report will be filed as a public record with the auditor of the county where the Authority is domicilled, consistent with Section 6505 of the Act, and with each agency or entity that is a Member, and to any public agency or person in California that submits a written
request to the Authority.

5.8. **Bonds:** The Board may, from time to time, designate the officers or other persons who have charge of, handle, or have access to any property of the Authority and will require such officers or persons to file an official bond, at the Authority’s expense, in an amount to be fixed by the Board.

5.9. **No Authority Member Liability:** As provided by Government Code section 6508.1, the debts, liabilities, and obligations of the Authority will be the debts, liabilities, and obligations of the Authority only, and not of the individual Members.

5.10. **Indemnity:** Funds of the Authority may be used to defend, indemnify and hold harmless the Authority, each Member, each Director, and any officers, agents and employees of the Authority for their actions taken within the course and scope of their duties while acting on behalf of the Authority, including pursuant to a Project Agreement. Other than for gross negligence or intentional acts, the Authority will indemnify and hold harmless each Member, its officers, agents and employees from and against all claims, demands, or liability, including legal costs, arising out of or are encountered in connection with this Agreement and the activities conducted in performance of this Agreement and will defend each of them against any claim, cause of action, liability, or damage resulting therefrom. The Directors, officers, employees, agents and volunteers of the Authority will be entitled to defense and indemnification by the Authority as provided under Government Code title 1, division 3.6, part 2, chapter 1, article 4 (commencing with Section 825) and title 1, division 3.6, part 7 (commencing with section 995). The indemnification and hold harmless provisions of this section apply in lieu of the right of contribution provisions at Government Code Sections 895-895.8. The provisions of California Civil Code section 2778 regarding the interpretation of indemnity provisions are made a part of this Agreement.

VI. PROJECT AGREEMENTS

6.1. **General:** The Authority intends to carry out many of the purposes of this Agreement through projects that are consistent with the purposes of the Authority as described in this Agreement. Funding and participation in certain projects undertaken by the Authority will be governed by a **Project Agreement**. The Authority may undertake all or any portion of each project on its own or it may enter into agreements with the State of California, the United States, or any other public or private entity.

6.2. **Parties to Agreement:** Prior to undertaking a project, the Members and any Non-Member Participating Parties electing to participate in the project must enter into a Project Agreement. No Member will be required to be involved in a Project Agreement.

6.3. **Project Agreement:** All assets, rights, benefits, and obligations attributable to the project will be assets, rights, benefits, and obligations of those Members and Non-Member Participating Parties that have entered into the Project Agreement. Any debts, liabilities, obligations or indebtedness incurred by the Authority in regard to a particular project will be the debts, liabilities, obligations, and indebtedness of the Members and Non-Member Participating Parties who have executed the respective Project Agreement and will not be the debts, liabilities, obligations or indebtedness of the Members and Non-Member Participating Parties that have not executed the Project Agreement, nor of the Authority. The Bylaws may provide additional requirements regarding the implementation of each...
VII. TERMINATION, WITHDRAWAL, AND SUSPENSION

7.1. Termination:

7.1.1. Mutual Termination. This Agreement may be terminated by the mutual agreement of at least seventy-five percent (75%) of the total number of the boards or governing bodies of the Member agencies in writing.

7.1.2. Termination of a Member by the Authority. This Agreement may be terminated with respect to any Member upon the affirmative vote of all Directors less one. Prior to any vote to terminate this Agreement with respect to a Member, written notice of the proposed termination and the reason(s) for such termination will be presented at a regular Board meeting with opportunity for discussion. The Member subject to possible termination will have the opportunity at the next following regular Board meeting to respond to any reasons and allegations that may be cited as a basis for termination prior to a vote. If a Member is terminated, that Member will be responsible for its proportionate share of any costs incurred by the Authority up to the date of termination.

7.2. Member Voluntary Withdrawal from Authority:

7.2.1. Any Member may unilaterally withdraw from the Authority by giving at least 180 days written notice of its election to do so, which notice will be given to the Authority and each Member; provided that such withdrawal does not in any way impair any contracts or obligations of the Authority then in effect. Prior to withdrawal or as soon as an accounting can be completed, the withdrawing Member must pay its proportionate share of (1) general and administrative costs, described in Section 5.5, budgeted and approved prior to the effective date of withdrawal and (2) any multi-year contract entered into by the Authority while it was a member unless the remaining Members agree to assume the withdrawing Member’s obligations. The withdrawing Member will also be responsible for its share of any claims, demands, damages, or liability arising from this Agreement through the date of withdrawal.

7.2.2. Any Member that withdraws within the 30-day period described in Section 8.1 will only be liable for its share of any claims, demands, damages, or liability arising from this Agreement through the date of withdrawal.

7.2.3. With respect to a particular project, and subject to the terms of the applicable Project Agreement, the withdrawing Member will be responsible for its share of all costs, expenses, advances, contractual obligations, and other obligations, including bonds, notes or other indebtedness issued by the Authority while such withdrawing entity was a party to a Project Agreement. The remaining parties to a Project Agreement will have the option of discontinuing a project and/or acquiring the interests of the withdrawing party, as may be more particularly described in the Project Agreement. If the remaining Members to a Project Agreement under Article VI decide to terminate the Project Agreement, any remaining funds will be allocated pursuant to the terms of the Project Agreement and the costs will be allocated to all parties as described in the Project Agreement, including the withdrawing party.
7.3. Withdrawal by Operation of Law: Should the participation of any Member be decided by the courts to be illegal or in excess of that Member's authority or in conflict with any law, such Member must withdraw no later than the date such determination becomes final and must pay its proportionate share of the matters set forth in Section 7.2.1.

7.4. Disposition of Assets Upon Termination: Upon termination of this Agreement, any surplus money or assets in the possession of the Authority for use under this Agreement, after payment of liabilities, costs, expenses and charges incurred under this Agreement, will be returned to the then-existing Members in proportion to the contributions made by each. The Board of Directors will first offer the properties, works, rights and interests of the Authority for sale to Members. If not such sale is not consummated or only partially consummated, the Board of Directors will offer to sell the properties, works, rights and interests of the Authority to any public utility, governmental agency, or other entity or entities for good and adequate consideration. The Authority will have the power to consummate such sales and the net proceeds from the sales will be distributed among the Members in proportion to their contributions.

VIII. MISCELLANEOUS PROVISIONS

8.1. Amendment of Agreement: This Agreement may be amended only by an affirmative vote of at least seventy-five percent (75%) of the boards of the Member agencies; provided, however, this Agreement may not be amended to terminate the participation of a Member without the affirmative vote of all boards of the Member agencies less one. The Authority will provide notice to all Members of amendments to this Agreement, including the effective date of such amendments. To provide non-concurring Members an opportunity to withdraw from the Authority, no amendment will be effective until at least 30 days after the required concurrence has been obtained and notice provided to all Members.

8.2. Adoption and Amendment of Bylaws: The Bylaws may be adopted or amended only by an affirmative vote of at least seventy-five percent (75%) of the total number of Directors. The Authority will provide notice to all Members of amendments to the Bylaws, which includes the effective date of such amendments.

8.3. Assignment: Except as otherwise expressed in this Agreement, the rights and duties of the Members may not be assigned or delegated without the advance written consent of all the other Members, and any attempt to assign or delegate such rights or duties in contravention of this section will be null and void. This Agreement inures to the benefit of, and is binding upon, the successors and assigns of the Members. This section does not prohibit a Member from entering into an independent agreement with another agency, person or entity regarding the funding or financing of that Member's contributions to the Authority, or the disposition of the proceeds which that Member receives under this Agreement, so long as the independent agreement does not affect or purport to affect, the rights and duties of the Authority or the Members under this Agreement.

8.4. Severability: If one or more clauses, sentences, paragraphs or provisions of this Agreement is be held to be unlawful, invalid or unenforceable, the remainder of the Agreement will not be affected. Such clauses, sentences, paragraphs or provisions will be deemed reformed so as to be lawful, valid, and enforced to the maximum extent possible.

8.5. Complete Agreement; Counterparts: This Agreement constitutes the entire agreement between the Parties with respect to the subject matter of the Agreement. This Agreement
may be executed in any number of counterparts and upon execution by all Members, each executed counterpart will have the same force and effect as an original instrument and as if all Members had signed the same instrument. Any signature page of this Agreement may be detached from any counterpart of this Agreement without impairing the legal effect of any signatures thereon, and may be attached to another counterpart of this Agreement identical in form hereto but have attached to it one or more signature pages. Facsimile and electronic signatures will be deemed valid and binding.

8.6. **Authority Members to be Served Notice**: Any notice authorized to be given pursuant to this Agreement will be validly given if served in writing either personally, by facsimile, by deposit in the United States mail, first class postage prepaid with return receipt requested, or by a recognized courier service. Notices given (i) personally or by courier service will be conclusively deemed received at the time of delivery and receipt; (ii) by mail will be conclusively deemed given 48 hours after the deposit thereof if the sender returns the receipt; and (iii) by facsimile, upon receipt by sender of an acknowledgment or transmission report generated by the machine from which the facsimile was sent indicating that the facsimile was sent in its entirety and received at the recipient’s facsimile number. All Notices will be sent to the addresses listed in Exhibit A to this Agreement.

8.7. **Dispute Resolution**: Any dispute between or among the Members arising out of this Agreement that cannot be resolved following written notice to the Member or Members of the basis of the dispute and the proposed resolution and a reasonable opportunity for such Member or Members to cure or remedy the dispute, will be submitted to mediation. The mediator will be selected by mutual agreement. If the matter cannot be resolved through mediation, or the Members cannot agree upon a mediator, then the matter will be submitted to arbitration in accordance with the provisions of the California Arbitration Act (California Code of Civil Procedure section 1280 and following).

THE UNDERSIGNED AUTHORIZED REPRESENTATIVES of the Members have executed this Agreement as of the date shown below:
TEMPERANCE FLAT RESERVOIR AUTHORITY

BYLAWS

Adopted: _______ 2018
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DRAFT 9/10/18

BYLAWS OF THE
TEMPERANCE FLAT RESERVOIR AUTHORITY

ARTICLE I. AUTHORITY POWERS

All powers for the management, government and control of the Temperance Flat Reservoir Authority ("Authority") and its affairs, not conferred on any other person, office or official by law, the then-current Joint Exercise of Powers Agreement ("Agreement"), or these Bylaws are reserved in the Board of Directors of the Authority to the maximum extent permitted by law. Unless otherwise defined in these Bylaws, all initially capitalized words and phrases will have the definition set forth in the Agreement. In the event one or more provisions of these Bylaws conflicts with any portion of the Agreement, the Agreement will control.

ARTICLE II. OFFICE

The principal office for the transaction of business of the Authority is ____________, California, __________. The Board of Directors ("Board") may change the principal office of the Authority if necessary.

ARTICLE III. MEETINGS

Section 1. COMPLIANCE WITH BROWN ACT.

All meetings of the Board and every committee subject to the Ralph M. Brown Act (California Government Code section 54950 and following)("Brown Act") will be called, held, noticed and conducted according to the provisions of the Brown Act. All meetings of the Board and every committee subject to the Brown Act are open to the public. All Authority committees subject to the Brown Act must comply with the applicable provisions of this Article III, with regard to conducting their meetings.

Section 2. ANNUAL MEETING.

The Authority may hold an annual meeting on a date determined by the Board of Directors.

Section 3. REGULAR MEETINGS.

Except as otherwise determined by the Board, the Board will hold a regular meeting on __________ of each month at a location set by the Board starting at __________. The Board will cause an agenda for its meetings to be posted in accordance with all applicable requirements of the Brown Act.

Section 4. CHANGE OF TIME AND PLACE OF REGULAR MEETINGS.

The Board, by majority vote recorded and entered in its minutes, may change the place, date, and time of the regular meetings at any time.
Section 5. ADJOURNED MEETINGS.

The Board, or any members of the Board if less than a quorum, may adjourn any regular, adjourned regular, special or adjourned special meeting to a time and place specified in the order of adjournment in accordance with Government Code section 54955.

Section 6. SPECIAL MEETINGS.

Special meetings of the Board may be called at any time by the Chair of the Board ("Chair"), the Vice Chair of the Board ("Vice Chair") in the absence of the Chair, or by a majority of the Board by delivering written notice personally or by any other permitted means to each member of the Board in accordance with Government Code section 54956. The written notice may be dispensed with as to any member of the Board who, prior to the time the meeting convenes, files with the Secretary a written waiver of notice or as to any Director who is actually present at the meeting at the time it convenes. The written notice must also be given personally or by any other permitted means to each local newspaper of general circulation, radio or television station requesting notice in writing and must be received at least 24 hours before the time of the meeting as specified in the notice. The call and notice must specify the time and place of the special meeting and the business to be transacted or discussed. No other business may be considered at such special meeting.

The agenda and its posting, and the conduct of the special meeting must comply with all applicable provisions of the Brown Act with respect to special meetings, specifically Government Code section 54956.

Section 7. CLOSED SESSIONS.

The Board may enter into a closed session during a regular, adjourned regular, special or adjourned special meeting to consider matters as may lawfully be considered in such sessions. Prior to any closed session, the item(s) to be discussed will be disclosed and only those matters covered in such disclosure may be considered in such closed session. Disclosure may take the form of a reference to the item(s) as listed by number or letter on the agenda. Due to the fact that the national and state water, environmental, and political issues are so complex, the Board may find that the participation of the Authority's Directors and their Alternates in closed sessions of the Board meetings is essential in order to allow the Alternate Directors to be able to keep abreast of these matters so that they may vote meaningfully upon issues presented at meetings when they are called on to do so, as well as participation by staff and agents of the Members who may have necessary information and input on closed session matters. After a closed session, the Board will report publicly, orally or in writing, any action taken in closed session required to be disclosed, as well as the vote or abstention of every Director present as provided by law.

Section 8. CONDUCT OF MEETINGS.

The Chair, or in his or her absence the Vice Chair, will preside at and conduct all meetings of the Board. In the absence of the Chair and Vice Chair at any meeting where a quorum is present, the Board will appoint a director as the Chair Pro Tempore, who will preside at the meeting.

Any Director abstaining from a vote will be counted for purposes of determining the existence of a quorum, but will not be deemed to be voting.
ARTICLE IV. DIRECTORS AND OFFICERS

Section 1. QUALIFICATIONS.

Each Member of the Authority will be responsible for selecting its own representative(s) on the Board of Directors of the Authority; provided, however, that such representative must be either an elected official of the Member or an employee or agent (which includes consultants and contractors) of the Member.

Section 2. DUTIES.

The Board and the officers and employees of the Authority will perform all duties established by California law, the Agreement and these Bylaws, and will at all times comply with the Constitution and the laws of the State of California.

Section 3. GOOD STANDING.

In order to actively participate on the Board and any committee, each Member is required to comply with the following conditions to be in “Good Standing”: (a) comply with the terms of the Agreement and these Bylaws as well as the policies and procedures the Board may adopt; (b) provide time payment of the Member’s pro-rata share of Authority costs; and (c) comply with the terms of any Project Agreement the Member has executed.

Section 4. OFFICERS.

The officers of the Authority Board will be the Chair, Vice Chair, a Secretary, and a Treasurer. The Chair and Vice Chair are required to be directors. No one person may hold more than one office.

Section 5. CHAIR.

The Chair will preside at all meetings of the Board. The Chair will be an ex-officio member of all Authority standing committees but will not be entitled to participate in the votes of any committee unless the committee has a tie. The Chair will have the right to vote on all matters coming before the Board and will have only one vote, just as the other Board members. The Chair will ensure engagement of Directors and that clear policy direction is provided to Authority staff and agents, consistent with the positions taken by the Board. The Chair is responsible for leadership, control, and content of Board meetings, and the Chair will enforce protocol at meetings, such as designating who can speak and when. As authorized by the Board or these Bylaws, the Chair is empowered to represent the Authority at all times, consistent with Board policy. The Chair will work with the Chief Executive Officer, if any, to ensure that Board policy and directions are implemented. The Chair also will have such other powers and duties as may be prescribed by the Board or these Bylaws.

Section 6. VICE CHAIR.

In the absence or disability of the Chair, the Vice Chair will perform all the duties of the Chair and when so acting will have all the powers of, and be subject to all the restrictions upon, the Chair. The Vice Chair will have such other powers and perform such other duties as may from time to time be prescribed by the Board or these Bylaws. The Vice Chair will have the right to vote on all matters...
coming before the Board and will have only one vote, just as the other Board members. As authorized by the Board or these Bylaws, the Vice Chair will have the authority to act on behalf of the Authority.

Section 7. TREASURER.

Treasurer will be the depository and have custody of all money of the Authority from whatever source, subject to the applicable provisions of any indenture or resolution providing for a trustee or other fiscal agent. The Treasurer will perform or cause to be performed the duties specified in Government Code section 6505.5. The Treasurer will cause the Authority to contract with a certified public accountant to make an annual audit of the accounts and records of the Authority which will be conducted in compliance with Government Code section 6505 and a copy of such audit be distributed in accordance with applicable law. Except as delegated by the Board, the Treasurer will have no authority to act on behalf of the Authority without Board approval.

Section 8. SECRETARY.

The Secretary will keep, at the principal office of the Authority, or such other place as the Board may order, a record of all proceedings had at meetings of the Board. Such record will include the time and place of the meetings, whether regular or special, and if special, how authorized, the notice given, the names of those present at the meetings, and the proceedings of the meeting. The Secretary will cause to be filed all documents pertaining to the Authority's affairs at the office of the Authority and such records will be open to inspection at all times by any person. The Secretary will give, or cause to be given, notice of all meetings of the Board and committees of the Authority as required by California law or these Bylaws, and she/he will keep the seal of the Authority (if any) in safe custody and will have such other powers and perform such other duties as may from time to time be prescribed and required by the Board or the Bylaws. Except as delegated by the Board, the Secretary will have no authority to act on behalf of the Authority without Board approval.

Section 9. ELECTION OF OFFICERS.

9.1. Initial Election. The Chair, Vice Chair, Secretary, and Treasurer will be chosen at the first Board meeting beginning in 2018. Their term of office will be for two years starting in the January following their election and each will hold office until he or she resigns, is removed, or is otherwise disqualified to serve, or until his or her successor is elected and qualified to serve.

9.2. Selection of New Officers and Replacements. Beginning in December 2020, the Board will select new officers who will serve a term of two years starting the following January. If any officer resigns or otherwise fails to complete the remainder of his or her term, the Board will nominate a candidate to stand for election to serve out the remainder of that officer's term of office to be voted on at the next Board meeting following the event ending the officer's term of service.

Section 10. COMPENSATION OF OFFICERS.

10.1. Directors. Unless otherwise provided by a resolution adopted by the Board, no Director will receive compensation from the Authority for his or her attendance at meetings of the Board or any committee or for any other services rendered as a Director. The amount of any Director compensation provided under any resolution adopted by the Board may not exceed the...
amount permitted by law for each day’s attendance at meetings of the Board and for each day’s service rendered as a Director by request of the Board, not exceeding a total of six days in any calendar month, together with any expenses incurred in the performance of duties required or authorized by the Board.

10.2. Secretary and Treasurer. Unless otherwise determined by the Board, the Secretary and Treasurer of the Authority will serve without compensation, other than to receive such allowance as may be authorized by the Board from time to time to cover expenses incurred by the Secretary and Treasurer in the performance of his or her duties on behalf of the Authority.

Section 11. BONDS OF OFFICERS.

The Board may require a bond in an amount to be determined by the Board for any Board officer. The premium for any such bond will be paid by the Authority.

Section 12. REMOVAL OF OFFICERS.

The Board may remove any officer, with or without cause, at any regular or special meeting of the Board by concurrence of 75% of the Directors of the Authority present and voting on such matter.

ARTICLE V. COMMITTEES

Section 1. FORMATION AND STAFFING.

The Board may establish any standing or ad hoc committees it deems necessary to carry out the purposes of the Authority. All committees and their members serve at the pleasure of the Board and may be reconstituted, re-formed, reconfigured or disbanded at any time at the discretion of the Board. Every Authority committee will be comprised of an odd number of members and will be chaired by a Director. Every Authority committee will be advisory to the Board, and the power to determine the Authority’s course of action will remain with the Board.

The chair of each committee will be responsible for leadership, control and content of committee meetings. Every committee will also have a vice chair. The Chair of the Board will ensure that each committee has adequate Authority staff or contractors to support each committee’s work effectively and to communicate with the Board and the Members.

Section 2. PURPOSE.

At the time the Board establishes a committee, and thereafter from time-to-time, the Board will establish the purposes of the committee, designate whether it is a standing or ad hoc committee, and identify the reporting requirements of the committee to the Board. At the time the Board establishes a committee, the Board may also establish the frequency of the meetings of the committee, but if it does not do so, the committee itself will set its own meeting schedule.

Section 3. SELECTION OF COMMITTEE MEMBERS AND TERMS.

The Chair of the Board will appoint members of all committees, subject to approval of the Board. Unless otherwise determined by the Board when a standing committee is established, the
terms for each standing committee member will end on the same Board meeting in which officers are regularly required to be elected.

If any committee member resigns, or otherwise fails to complete the remainder or his or her term, the Chair of the Board will nominate candidate(s) to stand for election to serve out the remainder of that member’s term of office to be voted on at the next Board meeting. Nominations of additional candidates will be taken from the Board at the time of consideration of the appointment.

At all times, the number of Directors participating in a committee meeting must be less than a majority of the Members of the Authority; however, in accordance with the Brown Act, other Directors may attend committee meetings provided that they act only as observers.

Section 4. VOTING.

Each committee member will have one vote. The committee member must be present at a meeting in order to vote. There will be no proxy or absentee voting on Authority committees. Committee recommendations will be determined by a majority vote of the committee members present and voting at the meeting.

Section 5. COMMUNICATION AND STAFF COORDINATION.

All recommendations and minutes of every committee will be presented in writing to the Board. Committees and Authority staff or contractors will coordinate meeting schedules and work efforts to allow the maximum time possible for preparation and distribution of committee reports and recommendations before their presentation to the Board. If a committee is to prepare a written report containing recommendations or otherwise make recommendations to the Board, those recommendations will be clearly and concisely stated, with supporting facts and analyses.

ARTICLE VI. EMPLOYEES AND AGENTS

Section 1. AUTHORITY TO EMPLOY STAFF AND AGENTS.

The Board may employ and appoint such employees and agents (including consultants and contractors) as the business of the Authority may require. Each such employee or agent will have such authority and perform such duties, and receive such compensation, as the Board may from time-to-time determine is appropriate to advance the interests of the Authority. The Board reserves the right to change an employee’s or agent’s job duties at any time.

Section 2. CHIEF EXECUTIVE OFFICER.

If engaged, the Chief Executive Officer of the Authority will, subject to the control and policy direction of the Board, have general supervision, direction and control of all aspects of the administration and operations of the Authority, including regulatory and environmental matters that may impact the Authority’s interests; development and management of the Authority’s budget; and compliance with all laws and regulations. If a Chief Executive Officer is engaged, the primary responsibility for such position will be ensuring that the Board’s policy direction is implemented.
The Chief Executive Officer will communicate with the Chair of the Board between Board meetings, attend all Board meetings, ensure that the Board and the Members are kept educated on pertinent issues, and make recommendations to the Board as appropriate.

Except as the Board otherwise reserves these powers for itself, the Chief Executive Officer will supervise and direct all Authority staff and has the power to hire and terminate Authority employees and to direct their work and the work of the Authority’s agents.

The Chief Executive Officer reports to the Board and serves at the pleasure of the Board.

Section 3. COMPENSATION OF EMPLOYEES AND AGENTS.

The Board may compensate the Authority’s employees with such salaries and benefits as may be fixed by the Board consistent with applicable law and will also establish by contract the compensation for all agents of the Authority.

Section 4. BONDS OF EMPLOYEES.

The Board may require a bond in an amount to be determined by the Board for any employee. The premium for any such bond will be paid by the Authority.

ARTICLE VII. DISCLOSURE OF CLOSED SESSION INFORMATION

The Directors, including any staff of a Member, that attend a closed session of the Board or any committee may disclose information obtained in a closed session that has direct financial or liability implications for that Member agency to the following individuals: (a) legal counsel of that Member for purposes of obtaining advice on whether the matter has direct financial or liability implications for that Member; and (b) other members of the legislative body of the Member present in a closed session of that Member agency.

ARTICLE VIII. AMENDMENT OR REPEAL OF BYLAWS

These Bylaws may be repealed or amended or new Bylaws adopted by the vote of 75% of a quorum of the Board present and voting. Any Director abstaining from a vote will be counted for purposes of determining the existence of a quorum, but will not be deemed to be voting.

ARTICLE IX. SAVINGS CLAUSE

Should any provision of these Bylaws be inconsistent with the laws of the State of California, such laws (and not these Bylaws) will govern and these Bylaws will be interpreted to be consistent with such laws.

Adopted on ____________, 2018.

By: ______________________________
, Chair of the Board