

Authority Board Meeting

Agenda Item 3.1: Overview of Proposition 1
Benefit Agreement Process & Contract
Contents

July 27, 2022



Background

- Purpose of Prop 1 Benefit Agreements
 - Determine how the benefits will be administered
 - Receive construction funds from the State
- Prior Authority Board Action
 - In Fall 2021, the Authority Board approved the submittal of the Project's Feasibility Study to the CWC
 - Feasibility Study identified and quantified the benefits being funded under Prop 1

Agreement Contents

Key sections of the benefit agreements:

- Implementation of benefit
 - Required agreements and processes needed for benefit to occur
- Reporting
 - What must be reported to administering agencies
 - How often must reports be delivered
- Adaptive management
 - How Authority will adaptively manage project if benefit is not being met

Agreement Contents

Sections that are expected to be primarily standard contract language:

- Recitals
- Definitions
- Authority
- Term
- Right of entry
- Effect of contract agreement
- Breach of contract
- General terms and conditions
- Process for amending and modifying contract

Process and Next Steps

- Public Benefit Agreements are anticipated to be completed around Summer of 2023
- Process with time estimates
 - Agreement Development (varies)
 - Draft Contract Review Process (approximately 2 months)
 - CWC Contract Review & Public Review Process (approximately 2 months)
 - Final Contract Review (approximately 2 months)
 - Contract Execution (TBD)