

Joint Reservoir Committee and Authority Board Meeting

Agenda Item 3.1:
Update on Draft Benefits & Obligations Contract,
Joint Powers Agreement, and Bylaws

August 16, 2024



The Benefits & Obligations Contract

- Will serve as the **long-term commitment** of the Sites Authority to provide the Participant with its capacity rights in the Sites Reservoir system
- Represents what each Participant will need to take to its respective home board **to secure the necessary authority** to commit to its capacity share in the Sites Project

Today's Requested Actions

1. Conduct a detailed review of the B&O Contract, JPA Amendment, and Bylaws and provide comments by **October 1, 2024**
 - a. To facilitate ease of providing comments, word documents of all three draft documents and redlined pdfs from the February 2024 draft will be provided via SharePoint
2. Provide any additional feedback on proposed approach to secure your agency's authorization to execute these agreements

Policy Items from Participant Comments

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Distribute available Capacity Interest among interested Participants during the voluntary step in the default waterfall process

- WIFIA Ad Hoc Subcommittee's Recommendation: Resolved - *the approach reflected in the February 2024 draft was consistent with the adopted policy.*

Policy Items from Participant Comments

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Cap on liquidity reserve contributions during the involuntary step in the default waterfall

- WIFIA Ad Hoc Subcommittee's recommendation: this proposal should be considered assuming those seeking to include it can provide clarity about how this impacts them and the other Participants. The current approach is written around the proportionality concept already adopted and is intended to achieve the optimum credit rating for managing interest expenses.

Heads Up: Minor Edit between posted PDF and forthcoming word doc

B&O Contract Section 8.3.1

To the extent a Participant proposes a lease of less than 10 years of its Capacity Interest or Sites Water that ~~does not~~ results in Participant's pro-rata share of diversions of Sites Water and Storage Allocation not being equal to the Participant's pro-rata Capacity Interest, the Participant shall provide notice to the Sites Authority.

Questions?

