



Subject: **Assign Lead Negotiator for Partnership Agreement with Reclamation**

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**Requested Action:**

Reservoir Committee and Authority Board consider approving a Resolution authorizing lead negotiator to act on behalf of Authority in Partnership Agreement negotiations with Reclamation.

**Detailed Description/Background:**

The Partnership Agreement between the Sites Project Authority (SPA) and Reclamation will be the equivalent of the Benefits & Obligations between the SPA and each Participant. Completed negotiations and ready for sign-off of the Partnership Agreement is a condition precedent (see this quarter's update in this agenda item 03-03) to initiating the Investor Commitment escrow period. The proposed action is requested by Reclamation to initiate public negotiations.

Discussions between Reclamation and Authority staff thus far have focused on the means and methods to align Reclamation's participation with that of the other Participants. As a beneficiary on par with the other investors, Reclamation is envisioned to receive similar benefits and obligations as is the case with all the Storage Partners, with certain exceptions for meeting federal regulations and requirements. Reclamation received its Basis of Negotiation earlier this year, and the next step involves public negotiations, which are expected to begin in August and be completed by October. The drafting of the Agreement will occur concurrently with the public negotiations.

The Lead Negotiator designation is understood by Staff to be limited in negotiating authority to the extent delegated by the Board. The negotiating team consists of the Lead Negotiator, plus technical, legal, and administrative Staff support. The Board may wish to consider establishing a small group of Participants to provide counsel and advice to the Lead negotiator, as there are several Participant agencies that have relevant experience with negotiating this type of agreement with Reclamation.

**Prior Action:** July 2024 - Received an update on the to be developed Partnership Agreement representing federal participation in the Sites Project with the Bureau of Reclamation (Reclamation) and the Operations Agreement being developed to

ensure coordination of Sites Project operations with DWR State Water Project (SWP) and Reclamation Central Valley Project (CVP) operations.

**Fiscal Impact/Funding Source:**

None. The staff costs to negotiate this agreement are included within the FY2025 Revised Budget.

**Staff Contact:**

Jerry Brown

**Attachments:**

Attachment A: Resolution No. 2025-02 Authorizing the Sites Authority Lead Negotiator for the Reclamation Partnership Agreement



**BEFORE THE BOARD OF DIRECTORS AND RESERVOIR COMMITTEE OF THE  
SITES PROJECT AUTHORITY**

Resolution No. 2025-02

IN THE MATTER OF:

**RESOLUTION DESIGNATING A LEAD NEGOTIATOR FOR THE RECLAMATION PARTNERSHIP  
AGREEMENT FOR THE SITES RESERVOIR PROJECT**

**WHEREAS**, the Sites Project Authority (Authority) is a joint powers authority formed to pursue the permitting, design, financing, construction, and operation of the Sites Reservoir Project (Project), a proposed offstream surface water storage facility in the Sacramento Valley; and

**WHEREAS**, the Authority has entered into a Memorandum of Understanding and various coordination efforts with the U.S. Bureau of Reclamation (Reclamation) regarding potential federal participation in the Project; and

**WHEREAS**, Reclamation and the Authority intend to negotiate a Reclamation Partnership Agreement to formalize federal participation in the Project; and

**WHEREAS**, the Authority desires to designate a representative to lead such negotiations on its behalf;

**NOW THEREFORE BE IT RESOLVED**, by the Board of Directors of the Sites Project Authority as follows:

1. Designation of Lead Negotiator. The Board hereby designates Jerry Brown, Executive Director of the Sites Project Authority, as the Lead Negotiator for the Reclamation Partnership Agreement with the U.S. Bureau of Reclamation.
2. Authority Granted. The Lead Negotiator is authorized to represent the Authority in all negotiations with Reclamation related to the Partnership Agreement, including coordination with project partners, legal counsel, and staff, and to bring a final agreement back to the Board for consideration and potential approval.
3. Effective Date. This resolution shall take effect immediately upon its adoption.

**PASSED, APPROVED, AND ADOPTED** by the Board of Directors of the Sites Project Authority this **18<sup>th</sup> of July 2025** by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

**In Witness Whereof, I have executed this certificate this 18<sup>th</sup> of July 2025.**

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Fritz Durst, Chair Authority Board,  
Sites Project Authority