



Meeting: **Reservoir Committee & Authority Board**  
**Agenda Item 2.4**

**March 20, 2026**

Subject: **Proposed Governance Activities – Contract Provisions and Legislative Activities**

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**Requested Action:**

Reservoir Committee and Authority Board consider authorizing Staff to proceed with the governance proposal of further revisions to the contract documents and legislative activities related to Government Code Section 6508.

**Detailed Description/Background:**

The governance approach for the Phase 3/4/5, as reflected in the proposed Benefits & Obligations Contract, Joint Powers Agreement (JPA) and Bylaws, carries forward the current shared decision-making structure between the Authority Board and the Reservoir Committee. The Board has previously reviewed the contract document modifications to designate reserved and delegated powers to reflect the project advancing from planning and permitting and into construction and operations, while still recognizing the continuing need for local leadership. This structure is built from the JPA authorities embodied in Government Code Section 6508, which allows for certain delegations of powers from the JPA to an administrative or advisory body, which in our case is the Reservoir Committee.

Through the continued work of the Governance Ad Hoc and based on further Participant feedback on the December 2025 draft contract documents, it is proposed that the Board authorize proceeding with the following activities to complete the governance provisions to be implemented in the Phase 3/4/5 of the project:

- Incorporate changes to the contract documents as reflected in Attachment A.
- Pursue legislative activities including seeking the inclusion of certain definitions within the government code section 6508 as reflected in Attachment B.

Together, these initiatives will provide the Authority Board and Participants assurance of a durable and tenable approach to structuring the decision making for our unique, locally led, multi-agency partnership. These activities were reviewed with the Governance Ad Hoc and the legislative elements were

reviewed with the Legislative and Outreach Committee and both have concurred with this approach.

**Fiscal Impact/Funding Source:**

Costs for preparing the contract document changes, legislative activity and the related support are included in the FY2026 approved budget.

**Prior Actions:**

None.

**Staff Contact:**

Jerry Brown  
Keith Dunn  
Alan Doud

**Attachments:**

Attachment A – Proposed Governance Changes to December 2025 draft B&O Contract

Attachment B – Proposed Legislative Definition Additions

**Governance Related Proposed Changes (shown in redline/strikeout)  
to the December 2025 Draft B&O Contract**

Sec. 2.4 Reservoir Management Board

By executing this Contract, each Participant ~~shall~~ (i) ~~become~~ **shall designate** a member of the Reservoir Management Board, ~~who shall~~ and (ii) actively participate in the Reservoir Management Board, ~~or shall appoint a representative to participate in the Reservoir Management Board~~ on behalf of such Participant, each in accordance with the JPA Agreement and the Sites Authority Bylaws, **and (ii) agrees not to challenge the existence of the Reservoir Management Board or the governance structure of the Sites Authority generally** The Sites Authority Board agrees not to challenge the existence of the Reservoir Management Board or the governance structure of the Sites Authority generally.

Sec. 4.12 Governance

4.12.1 The Parties agree that:

- (a) the Sites Authority Board has reserved certain powers, as described in the JPA Agreement;
- (b) the Reservoir Management Board has been delegated exclusive decision-making authority for specified activities, as described in the Sites Authority Bylaws, which shall not be amended without approval of the Reservoir Management Board;
- (c) the Sites Authority and the Reservoir Management Board have shared decision-making authority for specified activities, as described in the Sites Authority Bylaws;
- (d) the Sites Authority Bylaws and the JPA Agreement set out voting procedures for amendment thereof that shall be complied with by all Parties;
- (e) any Participant shall have the option to serve as an Associate Member of the Sites Authority Board, subject to the rights and limitations set forth in the Sites Authority Bylaws; **and**
- (f) **no change can occur and no modification can be made to the governance structure described in this Section 4.12 except in the manner provided for in the Sites Authority Bylaws.**

10.4 Enforcement of Remedies

10.4.1 In addition to the other remedies set forth in this **Error! Reference source not found.**, upon the occurrence of an event of default in accordance with this Contract, any Party shall be entitled to proceed to protect and enforce the rights vested in such Party by this Contract by such appropriate judicial proceeding as such Party shall deem most effectual, either by suit in equity or by action at law, whether for the specific performance of any covenant or agreement contained herein or to enforce any other legal or equitable right vested in such Party by this Contract or by law. The provisions of this Contract and the duties of each Party, their respective boards, officers or employees shall be enforceable by the other Parties by mandamus or other appropriate suit, action or proceeding in any court of competent jurisdiction, with the losing Party paying all costs and attorney fees of the prevailing Party.

10.4.2. Without limiting the generality of the foregoing, the Sites Authority or the Participants, as applicable, shall have the right to bring the following actions:

- (a) Accounting. By action or suit in equity to require the Sites Authority Board or the Participants, its officers and employees and its assignee to account as the trustee of an express trust.
- (b) Injunction. By action or suit in equity to enjoin any acts or things which may be unlawful or in violation of the rights of the Sites Authority or a Participant, as applicable.
- (c) Mandamus. By mandamus or other suit, action or proceeding at law or in equity to enforce its rights against the other Party hereto (and its board, officers and employees) and to compel the other Party hereto to perform and carry out its duties and obligations under the law and its covenants and agreements as provided herein.
- (d) Specific Performance. By action or suit in equity to compel a party to specifically perform under this Contract, **including, without limitation, to uphold Section 4.12.1 of this contract.**

## 15.2 Severability

If any provision or part of this Contract is ruled invalid (including, **without limitation, invalidity of this Contract relative to the Sites Authority and Reservoir Management Board governance structure provided for in the JPA Agreement and Sites Authority Bylaws** due to **court order or** any change in law) by a court having proper jurisdiction, then the Parties shall:

~~(b)~~ (a) promptly meet and make efforts to negotiate a substitute for such provision or part, which shall, to the greatest extent legally permissible, effect the original intent of the Parties, including (as applicable) an appropriate assignment of duties to the members of the Reservoir Management Board, and other adjustments to obligations to be performed or payments to be made in accordance with this Contract to account for any change in the services rendered in accordance with this Contract resulting from such invalidated portion; and

    e) (b) if necessary or desirable, apply to the court or other decision maker (as applicable) that declared such invalidity for an interpretation of the invalidated portion to guide the Parties' negotiation.

## 15.10 Enforcement

The Parties are hereby authorized to take any and all legal or equitable actions, including an injunction and specific performance, necessary or permitted by law to enforce this Contract. **Without limiting the generality of the foregoing, the Parties agree that specific performance shall be an available remedy in the event of a breach for failure to uphold Section 4.12.1 of this Contract regarding the Sites Authority's governance structure, including the delegation of the exclusive decision-making authority to the Reservoir Management Board for activities specifically identified in the Sites Authority Bylaws.**

[No changes proposed to Section 15.12.3, but included here for clarity]

15.12.3 The Sites Authority shall enforce the provisions of this Contract and duly perform its covenants and agreements contained in this Contract. The Sites Authority will not consent or agree to or permit any rescission of or amendment to or otherwise take any action under or in connection with this Contract which will in any manner materially impair or materially adversely affect the rights of the Sites Authority under this Contract or the rights of the members of the Reservoir Management Board.



### Proposed Sites Governance Legislative Definition Additions

#### Government Code § 6508

The governing body so created shall be empowered to delegate its functions to an advisory body or administrative entity for the purposes of program development, policy formulation, or program implementation, provided, however, that any annual budget of the agency to which the delegation is made must be approved by the governing body of the Joint Powers Agency. **For the purposes of this article, “advisory body” includes, but is not limited to, committees, management boards, and any other entity that the governing body of the Joint Powers Agency selects; “program development” includes, but is not limited to, project and program planning and development; “policy formulation” includes, but is not limited to, policy development and direction; and “program implementation” includes, but is not limited to, project and program accounting, budgeting, contracting, design, construction, management, operations, and maintenance.**

[proposed addition shown in redline]