

Reservoir Committee and Authority Board Meeting

Agenda Item 3.2: Update on Comments received
on the Draft Benefits & Obligations Contract,
Joint Powers Agreement, and Bylaws

March 20, 2026



For Today

Issue for Discussion

- Receive a report on Participant comments on the December 2025 drafts of the Benefits & Obligations Contract, updated Bylaws, amended and restated Joint Powers Agreement

Policy Direction Needed

1. Do the items identified in Attachment A (see next slide) of the staff report properly summarize the remaining issues?
2. Is there any further input to be provided, and if so, by when?

Issues Status - refer to Staff Report Attachment A for additional details

new issues shown in blue

Resolved

- ✓ Default Waterfall
- ✓ Conditions Precedent to Construction and "Off-ramps"

Priority

(will be the focus of resolution efforts)

- Governance
- Downstream Capacity
- Acquirer
- Partner Facilities
- Release of Water/Primary Point of Delivery

Secondary

(can be addressed with document finalization)

- Other Water
- Legal Opinion
- Exchanges

Suggested Approach to Finalize Contract Comments

- Targeting a full-day workshop sometime in April.
- Two formats for consideration (shown on the next slide).
- Workshop will be Brown Act compliant.

In addition to the identified issues, the following items will be accommodated with the workshop scheduling:

- Considerations for final state and federal partner agreements.
- Conformance to the terms and conditions of the Water Right, as applicable.

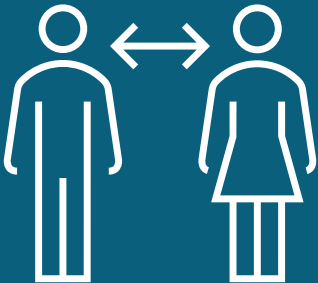
Workshop Options for Consideration

Option 1: Mediation Style



- Two caucuses of Participants are formed and convene primarily independent of one another
- Facilitator/mediator shuttles between rooms to arrive at the conclusion on the package of issues

Option 2: Face to Face Negotiations Style



- Each of the parties sit around one table and either by live editing or other means resolve each issue