

SAN LUIS & DELTA-MENDOTA WATER AUTHORITY



BYLAWS

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BYLAWS OF THE SAN LUIS & DELTA-MENDOTA WATER AUTHORITY

PREAMBLE

These Bylaws are provided pursuant to Article 15 of the Amended and Restated Joint Exercise of Powers Agreement of the San Luis & Delta-Mendota Water Authority effective as of January 1, 1992, among the signatory parties thereto, as such agreement may be amended from time to time.

ARTICLE I. AUTHORITY POWER

Section 1.01 RESERVED POWER.

All powers for the management, government, and control of the San Luis & Delta-Mendota Water Authority (the “**Authority**” or “**SLDMWA**”) and its affairs, not conferred on any other person, office, or official by law, the then-current Joint Exercise of Powers Agreement (“**Agreement**”), or these Bylaws are reserved in the Board of Directors (“**Board**”) of the Authority to the maximum extent permitted by law.

Section 1.02 CONFLICT BETWEEN BYLAWS AND AGREEMENT.

Unless specifically defined in these Bylaws, all defined terms shall have the same meaning ascribed to them in the Agreement. If any term of these Bylaws conflicts with any term of the Agreement, the Agreement terms shall prevail, and these Bylaws shall be amended to eliminate such conflict of terms. Unless the context or reference to the Agreement requires otherwise, the general provisions, rules of construction, and applicable statutory definitions will govern the interpretation of these Bylaws.

Section 1.03 RELATIONSHIP BETWEEN BYLAWS AND RESOLUTIONS.

To the extent these Bylaws conflict with any Authority practices or policies previously memorialized in resolutions adopted by the Board, these Bylaws control. Specifically, these Bylaws supersede the following Resolutions:

- 2017-423 (Amending Resolution 2001-191);
- 2017-412 (Amending Resolution 2001-191);
- 2016-405 (Establishing Personnel Subcommittee of the Finance and Administration Committee);
- 2013-371 (Confirming Establishment of the Principal Office for the San Luis & Delta-Mendota Water Authority and Updating Place and Confirming Time of Regular Meetings of the Board of Directors);
- 2001-191 (Resolution Revising and Superseding Resolution 1998-164);
- 1996-136 (Amending Resolution 1993-49, Resolution Adopting Procedures to Fill Vacancies in Position of Director or Alternate Director as to Divisions 1 and 5); and

- 1993-49 (Adopting Procedures to Fill Vacancies in Position of Director or Alternate Director).

ARTICLE II. OFFICE

The principal office for the transaction of business of the Authority is 842 6th Street, Los Banos, Merced County, California, 93635 (Resolution No. 2013-371). The Board may change the principal office of the Authority if necessary.

ARTICLE III. MEETINGS

Section 3.01 COMPLIANCE WITH BROWN ACT.

All meetings of the Board and every committee subject to the Ralph M. Brown Act (California Government Code section 54950 et seq.) (“**Brown Act**”) will be called, held, noticed, and conducted according to the provisions of the Brown Act. All Authority committees subject to the Brown Act must comply with the applicable provisions of this Article III, with regard to conducting their meetings. Board and committee meetings may be held by teleconference as allowed by and in conformity with the Brown Act, including but not limited to Government Code section 54953. In the event these Bylaws are in conflict with the Brown Act, the provisions of the Brown Act shall govern.

Section 3.02 REGULAR MEETINGS.

Except as otherwise determined by the Board, the Board will hold a regular meeting on the first Thursday after the first Monday of each month, at 9:30 a.m., at 842 6th Street, Los Banos, California (Resolution No. 2013-371). The Board will cause an agenda for its meetings to be posted in accordance with all applicable requirements of the Brown Act.

Section 3.03 ADJOURNED MEETINGS.

The Board, or any members of the Board if less than a quorum, may adjourn any regular, adjourned regular, special, or adjourned special meeting to a time and place specified in the order of adjournment in accordance with Government Code section 54955.

Section 3.04 SPECIAL MEETINGS.

Special meetings of the Board may be called by the Chair of the Board (“**Chair**”), the Vice Chair of the Board (“**Vice Chair**”) in the absence of the Chair, or by a majority of the Board by delivering written notice personally or by any other permitted means to each member of the Board in accordance with Government Code section 54956. The written notice may be dispensed with as to any member of the Board who, prior to the time the meeting convenes, files with the Secretary a written waiver of notice or as to any member who is actually present at the meeting at the time it convenes.

Section 3.05 CLOSED SESSIONS.

The Board may enter into a closed session during a regular, adjourned regular, special, or adjourned special meeting to consider matters as may lawfully be considered in such sessions. The Board shall comply in all respects with closed session requirements and procedures of the Brown Act.

Pursuant to Government Code section 54956.96, a provision of the Brown Act, the Board hereby authorizes disclosure of confidential information obtained in a closed session of the Board in the following situations and manners. Such disclosure shall not violate a Director's or FWA Representative's general obligation to maintain as confidential closed session discussion.

(1) A Director, or Alternative Director attending a Board closed session in place of a Director may disclose confidential information that has direct financial or liability implications for the Member to that Member's legal counsel for purposes of obtaining advice on whether the matter has direct financial or liability implications for that Member; and

(2) A Director, or Alternative Director attending a Board closed session in place of the Director may, upon the advice of its legal counsel pursuant to paragraph (1) above, disclose confidential information that has direct financial or liability implications for the Member to that Member's legislative body in a closed session of the Member's legislative body so long as that closed session is properly noticed and conducted in accordance with the Brown Act.

(3) The FWA Representative, or FWA Representative Alternate attending a Board closed session in place of the FWA Representative, may (a) disclose confidential information that has direct financial or liability implications for FWA to FWA's legal counsel for purposes of obtaining advice on whether the matter has direct financial or liability implications for FWA, and (b) upon the advice of its legal counsel pursuant to (a) in this Section 3.05(3), disclose confidential information that has direct financial or liability implications for FWA to FWA's Board of Directors in a closed session of the FWA Board of Directors so long as that closed session is properly noticed and conducted in accordance with the Brown Act.

Section 3.06 CONDUCT OF MEETINGS.

The Chair, or in his or her absence the Vice Chair, will preside at and conduct all meetings of the Board. In the absence of the Chair and Vice Chair at any meeting where a quorum is present, the Board will appoint a director as the Chair Pro Tempore, who will preside at the meeting.

Section 3.07 QUORUM AND VOTING.

A majority of the then-appointed Directors plus any Alternate Directors attending in the absence of their respective Directors shall comprise a quorum of the Board for the purposes of transacting the Authority's business. Each Director or Alternate Director shall have one vote. Any Director abstaining from a vote will be counted for purposes of determining the existence of a quorum, but will not be deemed to be voting. A Director or Alternate Director must be present at or participating via teleconference in a meeting in order to vote. There will be no proxy or absentee voting at Board meetings.

Except as otherwise provided herein or by law, the vote of a majority of all the Directors present shall be required for the Authority to take action, with the following exceptions:

- (a) The Authority shall not participate in any lawsuits, or administrative proceeding or other similar proceedings (except to defend the Authority) except upon the vote of 85% of the Directors present.

- (b) The Authority shall not endorse or oppose, or otherwise formally support or oppose any legislation except upon the vote of 85% of the Directors present.
- (c) This Section should not be read to preclude the Executive Director or his or her delegee from taking a position on legislation on behalf of the Authority that is consistent with adopted legislative or policy objectives, after obtaining the concurrence of the Chair, the Vice Chair, and the chairs of the Finance and Administration and Water Resources Committees, provided that the Executive Director informs the Board regarding such positions on legislation no later than within three business days.
- ~~(e)~~(d) For agenda items on which a Representative appointed by Friant Water Authority (“FWA Representative”) may vote, the majority vote required for the Authority to take action is the majority of the group comprised of the Directors present and the FWA Representative, if present. Accordingly, the number of votes required to reach a majority may be higher for agenda items on which the FWA Representative may vote.

If there is no quorum of the Board, a committee, or a subcommittee, then those present may decide to: (1) adjourn the meeting, (2) cancel the meeting, or (3) proceed as a “committee of the whole,” although in that event no action may be taken or decisions made.

ARTICLE IV. DIRECTORS AND OFFICERS

Section 4.01 GOVERNING BODY.

- (a) The business of the Authority shall be conducted by a Board of Directors consisting of nineteen (19) Directors.
- (b) For purposes of electing directors, Members of the Authority shall be separated into five divisions as set forth in Exhibit B to the Agreement, such divisions to be known as Division 1, Division 2, Division 3, Division 4, and Division 5. Members included in each Division shall select four Directors and Alternate Directors except Division 5 which shall select three Directors and Alternate Directors.
- (c) The initial selection of Directors and Alternate Directors shall be in accordance with the procedures described in Article 9 of the Agreement, with representation as follows:
 - (i) Division 1: Four Directors and four Alternate Directors. No more than one Director and Alternate Director may represent a single Member.
 - (ii) Division 2: Four Directors and four Alternate Directors. No more than two Directors and Alternate Directors may represent a single Member.
 - (iii) Division 3: Four Directors and four Alternate Directors. No more than two Directors and Alternate Directors may represent a single Member.
 - (iv) Division 4: Four Directors and four Alternate Directors. No more than two Directors and Alternate Directors may represent a single Member.
 - (v) Division 5: Three Directors and three Alternate Directors. No more than one Director and Alternate Director may represent a single Member.
- (d) The selection of Directors and Alternate Directors by the Members of each Division to fill vacancies on the Authority Board shall occur as follows (Resolution Nos. 1996-136, 1993-

49):

(i) Divisions 1 and 5:

- 1) The remaining Directors from said Division or the Board of Directors of any Member within the Division shall promptly nominate a qualified individual, and shall immediately thereafter notify the Secretary of the Authority of the vacancy and of the nomination of the successor.
- 2) Upon receipt of the notice of the vacancy and of the nomination of a successor Director or Alternate Director, the Secretary of the Authority shall circulate to each Member of the Division notice of the proposed change and notice of the opportunity to notify the Authority of any objection to the nomination within thirty (30) days.
- 3) In the event the Authority receives no notice of objection within the 30-day period, the successor Director or Alternate Director shall be deemed elected by the Members in such Division. Such election shall be effective the day following expiration of the thirty-day period.

(ii) Divisions 2, 3, and 4: The governing body of the Member from which the Director or Alternate Director who caused the vacancy came shall have the right to promptly appoint a qualified individual, and shall immediately thereafter notify the Secretary of the Authority of the vacancy and the appointment of the successor; the successor shall be deemed elected upon such notification to the Authority.

(iii) Division 3: Members who have selected a representative from an Associate Member as one of their Directors or Alternate Directors shall, in the event of a vacancy in such directorship, select a successor in consultation with the Associate Members in that Division, provided that, if there exists a governing board of an entity formed by Central California Irrigation District, Firebaugh Canal Water District, San Luis Canal Company, and Columbia Canal Company, then such governing body shall appoint a representative to fill any vacancy from one of the Authority's Associate Members.

(e) In the event within Division 2, 3, or 4 Members fail to act in accordance with the procedures outlined in Section 4.01(d)(ii) above to appoint a successor within a reasonable time, or in the event in Division 1 or 5 the Authority receives an objection to the nomination within the thirty (30) day period, or more than one successor per vacant position is nominated pursuant to Section 4.01(d)(i) above, the Authority shall provide each Member of the Division with a Notice of Available Director and/or Alternate Director Position(s), the date by which nominations for such position must be received, the date by which the Authority will circulate a slate of all individuals nominated for such position or positions together with voting instructions, and the voting date (Resolution No. 1996-136).

(f) Under the Second Amended and Restated Memorandum of Understanding Between the Friant Water Authority and the San Luis & Delta-Mendota Water Authority Relating to Allocation, Collection, and Payment of Operation, Maintenance, and Replacement Costs for Water Delivered through Certain Central Valley Project Facilities, dated [REDACTED], 2024 (the "Second Amended MOU"), and as it may be amended, FWA has representation on

the Authority Board of Directors and on certain Authority committees. FWA's appointments to the Authority Board will be made as follows:

- (i) FWA may designate a FWA director, employee, or consultant to serve as the FWA Representative and as the FWA Representative Alternate on the Board.
- (ii) The FWA Representative may participate in discussion and vote on any Board agenda item that the presiding officer determines is funded, in whole or in part, from any operation, maintenance, and replacement ("OM&R") fund or Reserves to which Friant Division Contractors have contributed. The FWA Representative will not participate in discussion or vote on Board agenda items that are not so funded or where the Authority makes express findings and provides appropriate documentation showing that the Authority will not use such funds, in whole or in part. The FWA Representative will not be counted for purposes of determining a quorum or the number of votes required to approve a Board agenda item that is not funded by Friant Division Contractors as described above. The FWA Representative's vote will have the same weight as one Director's vote. The FWA Representative will maintain his or her position relative to the Authority Board until a successor is selected by FWA and FWA so notifies the Authority.

Section 4.02 QUALIFICATIONS.

Each Director and Alternate Director shall be appointed or selected by the Members of the respective Division in accordance with Section 4.01 above. Each Director and Alternate Director shall be a member of a governing body of a Member, shall be on the staff of or a permanent consultant of the Member, or shall otherwise be formally appointed by the governing body of the Member.

Section 4.03 ATTENDANCE REQUIREMENT.

The position of any Director shall be deemed vacant if such Director is absent from three (3) consecutive regular Board meetings without either good cause provided in writing to the Secretary within thirty (30) days of the absence, or substitute attendance by his or her Alternate Director. Good cause shall be determined at the discretion of the Authority Chair.

Section 4.04 DUTIES.

The Board and the officers and employees of the Authority will perform all duties established by California law, the Agreement, and these Bylaws, and will at all times comply with the Constitution and the laws of the State of California.

Section 4.05 TRAINING.

In their capacity as Directors or staff for Members, the Authority's Directors, committee members, subcommittee members, and their alternates shall receive training (e.g. general ethics principles and ethics laws relevant to public service, sexual harassment prevention) to the extent required by law.

Section 4.06 CODE OF CONDUCT.

The conduct of the Authority's Directors, committee members, subcommittee members, the FWA Representative, and their alternates, should enhance the integrity and goals of the Authority and in furtherance thereof they are expected to maintain the highest ethical standards, to follow these policies and procedures, to follow the joint powers agreement that formed the Authority, to follow these duly adopted Bylaws, to follow Board-adopted resolutions, and to abide by all applicable local, state, and federal laws. To assist in the governing of behavior between and among them, Directors, committee members, subcommittee members, the FWA Representative, and their alternates shall observe the following rules and principles:

- The Board's primary responsibility is formulating and evaluating Authority policies for the common good of all Members; routine matters concerning the Authority's operations are delegated to its staff.
- The work of the Authority is a team effort which requires support by staff of the Authority and its member agencies.
- Directors, committee members, subcommittee members, the FWA Representative, or their alternates shall support the maintenance of a positive and constructive work environment for Authority employees.
- The needs of the Members shall be the priority of the Directors, committee members, subcommittee members, and their alternates.
- The dignity, style, values and opinions of all Directors, committee members, subcommittee members, the FWA Representative, and their alternates shall be respected.
- Board deliberation shall be fair, open and thorough, but also timely, orderly and kept to the point.
- Differing viewpoints are healthy in the decision-making process.
- As required by and to the extent authorized by law, Directors, committee members, subcommittee members, the FWA Representative, and their alternates shall respect the confidentiality appropriate to issues of a sensitive nature, including the legal obligation to maintain confidential closed session discussion and attorney-client privileged communication.

As set forth in more detail below in Section 7.01, Directors, committee members, subcommittee members, the FWA Representative, and their alternates must avoid conflicts of interest with respect to their fiduciary responsibility and are obligated by virtue of their office to discharge their responsibilities with integrity and fidelity and are prohibited from placing themselves in a position where their private, personal interest may conflict with their official duties. Whenever a Director has reason to believe he or she has a potential for a conflict of interest, the Director may seek the advice of General Counsel, counsel for his or her Member agency, or a private attorney.

Section 4.07 OFFICERS.

The officers of the Authority Board are the Chair, Vice Chair, a Secretary, and a Treasurer. The Chair and Vice Chair are required to be selected from the membership of the Authority Board. No one person may hold more than one office.

Section 4.08 CHAIR.

The Chair shall preside at all meetings of the Board. The Chair shall serve as an ex-officio member of the Water Resources Committee and the Finance and Administration Committee (“Committees”). The Chair will have the right to vote on all matters coming before the Board and the Committees on which the Chair serves and will have only one vote, just as the other Board and Committee members. The Chair will ensure engagement of directors and that clear policy direction is provided to the Executive Director, consistent with the positions taken by the Board. The Chair is responsible for leadership, control, and content of Board meetings; the Chair will set the agenda for all Board meetings, working with the Executive Director. The Chair will enforce decorum at meetings. As authorized by the Board, the Agreement, or these Bylaws, the Chair is empowered to represent the Authority at all times, consistent with Board policy. The Chair will work with the Executive Director to ensure that Board policy and directions are implemented. The Chair also will have such other powers and duties as may be prescribed by the Board or these Bylaws.

Section 4.09 VICE CHAIR.

In the absence or disability of the Chair, the Vice Chair will perform all the duties of the Chair and when so acting will have all the powers of, and be subject to all the restrictions upon, the Chair. The Vice Chair will have such other powers and perform such other duties as may from time to time be prescribed by the Board, the Agreement, or these Bylaws. The Vice Chair will be an ex-officio member of the Water Resources Committee and the Finance and Administration Committee. The Vice Chair will have the right to vote on all matters coming before the Board and the Committees and will have only one vote, just as the other Board and Committee members. As authorized by the Board, the Agreement, or these Bylaws, the Vice Chair will have the authority to act on behalf of the Authority.

Section 4.10 SECRETARY.

The Board shall elect a Secretary who may be, but is not required to be, a Director. The Secretary, or his or her designee, shall be responsible for keeping the minutes of all meetings of the Board and all other official records of the Authority. Once elected, the Secretary shall hold office until he or she resigns, is removed, or is otherwise disqualified to serve, or until his or her successor is elected and qualified to serve.

Section 4.11 TREASURER.

The Board shall appoint a Treasurer of the Authority who shall be the depository of funds and shall have custody of all money of the Authority, from whatever source. Once appointed, the Treasurer shall hold office until he or she resigns, is removed, or is otherwise disqualified to serve, or until his or her successor is appointed and qualified to serve.

Section 4.12 ELECTION OF OFFICERS.

- (a) Initial Election. The Chair and Vice Chair will be chosen at the first meeting of each Fiscal Year. Their term of office will be for one year starting in the month of their election and each will hold office until he or she resigns, is removed, or is otherwise disqualified to serve, or until his or her successor is elected and qualified to serve.

- (b) Selection of Replacement. If any officer resigns or otherwise fails to complete the remainder of his or her term, the Board will nominate a candidate to stand for election to serve out the remainder of that officer's term of office to be voted on at the next Board meeting following the event ending the officer's term of service.

Section 4.13 COMPENSATION OF DIRECTORS AND OFFICERS.

While the Agreement authorizes compensation of Directors as fixed from time to time, the Authority does not compensate Directors or Alternate Directors for time incurred in the conduct of the Authority's business without prior vote of the Board.

The Authority adheres to California Government Code sections 53232 through 53232.4 when dealing with issues of expenditure reimbursements for Directors, committee members, subcommittee members, or their alternates.

Section 4.14 REMOVAL OF OFFICERS.

The Board may remove any officer, with or without cause, at any regular or special meeting of the Board upon the vote of 75% of the Directors present.

ARTICLE V. COMMITTEES

Section 5.01 FORMATION OF COMMITTEES AND SELECTION OF MEMBERS.

The Board may establish any standing committees it deems necessary to carry out the purposes of the Authority. All committees and their members serve at the pleasure of the Board and may be reconstituted, re-formed, reconfigured, or disbanded at any time at the discretion of the Board, except those committees described in Sections 5.03 through 5.06, which may only be reconstituted, re-formed, reconfigured, or disbanded by an amendment of these Bylaws. Every Authority committee will be comprised of Committee Members and Alternate Members that are members of a governing body of an Authority Member Agency, on the staff of or a permanent consultant of an Authority Member Agency, or otherwise formally appointed by the governing body of an Authority Member Agency (see Resolution No. 2017-412). Every Authority committee will be advisory to the Board, and the power to determine the Authority's course of action will remain with the Board. All standing committees shall be subject to the Brown Act.

The Board or the Authority Chair may establish ad hoc, or temporary advisory committees that are composed of less than a quorum of the Board, serve a limited or single purpose, are not perpetual, and that will be dissolved once their specific task(s) are completed, as needed to further the mission of the Authority. To the extent ad hoc committees are charged with addressing matters that might impact the membership as a whole, effort will be made to include representation from each Division.

Section 5.02 LEADERSHIP.

The Authority Chair shall appoint from each committee or subcommittee a Committee Chair to serve as presiding officer of that committee, and each Committee Chair shall hold his or her position at the pleasure of the Authority Chair. In the absence of a Committee Chair, the respective Committee may select a temporary Chair to serve in the absence of the Committee Chair. The

chair of each committee will be responsible for leadership, control, and content of committee meetings. Vacancies will be filled in manner of appointments discussed below.

Section 5.03 WATER RESOURCES COMMITTEE.

- (a) Authority. The Water Resources Committee shall advise the Board of Directors and staff on policy matters concerning water supply and water supply operations issues and on the implementation of policy established by the Board on these matters. (Resolution No. 2001-191.)
- (b) Structure. The Water Resources Committee will consist of one Member from each Division of the Authority, the Chair, and the Vice Chair of the Authority. There shall be appointed one Alternate Member for each Divisional representative. There shall be no alternates for the Authority Chair or Vice Chair. The number of Members is seven (7).
- (c) Appointment. The Chair of the Authority, after conferring with the members of each Division, shall appoint the Members and Alternate Members of the committee. Divisional representatives shall serve at the pleasure of the Division. Vacancies in the Committee shall be filled in the same manner as appointment of original members.
- (d) Meetings. Regular meetings of the Water Resources Committee shall be held on the Monday prior to the regular meetings or adjourned regular meetings of the Board of Directors of the Authority, at 10:00 a.m., or on such alternate dates and times as may be selected by the Committee Chair or by the Executive Director of the Authority after conferring with the Committee Chair (Resolution No. 2017-423), or as otherwise determined by the Board.
- (e) Quorum and Voting. A majority of the then-appointed Committee Members plus any Alternate Committee Members attending in the absence of their respective Committee Members shall comprise a quorum of the Water Resources Committee. Each Committee Member, including the Authority Chair and Vice Chair, shall have one vote. In the absence of the Member for whom an Alternate Member is appointed, or in the cases of the Member's conflict of interest precluding participation, the Alternate Member is authorized to cast the vote of the Member. Committee actions shall be determined by the vote of a majority of a quorum.

Section 5.04 FINANCE AND ADMINISTRATION COMMITTEE.

- (a) Definitions.
 - (i) Non-OM&R Matters. All budget, financial, and administrative matters that do not relate to the ~~Operation, Maintenance and Repair~~ (“OM&R”) Budget or Program of the Authority.
 - (ii) OM&R Budget. A budget required to be prepared by the then-applicable agreement between the United States of America and the Authority to Transfer the Operation, Maintenance and Replacement and certain Financial and Administrative Activities Related to the San Luis & Delta-Mendota Canals, C.W. “Bill” Jones Pumping Plant, Delta-Mendota Canal/California Aqueduct Intertie Pumping Plant, O’Neill

Pumping/Generating Plant, San Luis Drain and Associated Works (“**Transfer Agreement**”).

- (iii) OM&R Program. All activities of the Authority required for the OM&R of the Project Facilities pursuant to the Transfer Agreement, including but not limited to, the program of work to be performed, the preparation and adoption of budgets, funding (including establishment of reserves and creation of debt), purchasing, auditing, inspections, cost recovery methodology, and fiscal agent responsibilities.
- (b) Authority. The Finance and Administration Committee (“**FAC**”) shall advise the Board of Directors and staff concerning the Authority’s general financial, budget, and administration matters, including personnel, and on the implementation of policy established by the Board on these matters. The FAC shall also have the responsibility for making recommendations to the Board concerning the financial audit, and may make recommendations concerning the OM&R Budget or OM&R Program as set forth in Section 5.04(a).
- (c) Structure. The FAC shall be comprised of one Member from each Division of the Authority, the Chair, and the Vice Chair of the Authority; and one representative of the Friant Water Authority (~~“**FWA**”~~) (Resolution No. 2001-191). There shall be appointed one Alternate Member for each Divisional representative and for the FWA representative. There shall be no alternates for the Chair and Vice Chair of the Authority. The initial number of Members is eight (8).
- (d) Appointment. The Chair of the Authority, after conferring with the members of each Division, shall appoint the Divisional Members and Alternate Members of the committee. Divisional representatives shall serve at the pleasure of the Division. The Chair of the Authority shall appoint the FWA Member and Alternate Member recommended, in writing, by the FWA, who shall serve at the pleasure of the FWA. Vacancies in the FAC shall be filled in the same manner as appointment of original members.
- (e) Meetings. Regular meetings of the FAC shall be held on the Monday prior to the regular meetings or adjourned regular meetings of the Board of Directors of the Authority, at 12:00 p.m., or on such alternate dates and times as may be selected by the Committee Chair or by the Executive Director of the Authority after conferring with the Committee Chair (Resolution No. 2017-423), or as otherwise determined by the Board.
- (f) Quorum and Voting.
 - (i) Matters Affecting the OM&R Budget or OM&R Program. A majority of the then-appointed Members plus any Alternate Members attending in the absence of their respective Members shall comprise a quorum of the Committee. Each Member, including the Chair and Vice Chair, shall have one vote. In the absence of the Member for whom an Alternate Member is appointed, or in the cases of the Member’s conflict of interest precluding participating, the Alternate Member is authorized to cast the vote of the Member. A recommendation of the FAC to the Authority Board of Directors to adopt or amend the OM&R Budget shall be adopted by the “yes” vote of at least 5 of 8 Members/Alternate Members voting in the place of an absent or disqualified Member.

At any point in the budget approval process, an OM&R Budget or OM&R budgetary issue may be remanded to the OM&R Technical Committee.

- (ii) Non-OM&R Matters. A majority of the then-appointed Members plus any Alternate Members attending in the absence of their respective Members shall comprise a quorum of the FAC. Each Member, including the Chair and Vice Chair, shall have one vote. In the absence of the Member for whom an Alternate Member is appointed, or in cases of the Member's conflict of interest precluding participation, the Alternate Member is authorized to cast the vote of the Member. The FWA Member and Alternate Member shall not be counted towards a quorum nor be entitled to vote on Non-OM&R Matters.

Section 5.05 OM&R TECHNICAL COMMITTEE.

- (a) Authority. The OM&R Technical Committee is a subcommittee of the FAC and is advisory to the FAC and the Board of Directors of the Authority. The Technical Committee is charged with working with the Authority's staff in the development of OM&R budgets. The Technical Committee shall be authorized to recommend the OM&R budgets for approval by the FAC and shall be obligated diligently to reconsider any budget or budgetary issue that is remanded back to it from the FAC at any point in the budget approval process, and to provide its recommendation thereon (Resolution No. 2001-191).
- (b) Structure. As long as the ~~Memorandum of Understanding Between Friant Water Users Authority and San Luis & Delta Mendota Water Authority Relating to Allocation, Collection and Payment of Operation, Maintenance & Replacement Costs for Water Delivered through Certain Central Valley Project facilities~~ (~~"Second Amended MOU"~~), ~~as amended~~, remains in effect, the OM&R Technical Committee shall be comprised of the following members, with no CVP Contractor entitled to have more than one representative on such Committee at any time:
 - Contactors served from Mendota Pool: 1
 - Contractors served from Lower DMC: 1
 - Contractors served from Upper DMC: 1
 - Contractors served from San Luis Canal
(1 from Westlands + 1 from others): 2
 - Contractors served from San Felipe Div.: 1
 - Exchange Contractors: 1
 - FWA: 1
 - U.S. Bureau of Reclamation ("USBR"): 1
 - Authority Technical Staff: 1
- (c) Appointment. The Chair of the Authority, after conferring with the members from each service (delivery) area, shall appoint the Members of the committee. Representatives from a service area shall serve at the pleasure of the members from such service area. The FWA representative and an alternate shall be appointed by the Authority Chair, as recommended, in writing, by ~~the~~ FWA, and the ~~Reclamation-USBR~~ representative shall be appointed by

the Authority Chair upon recommendation from ReclamationUSBR. Vacancies in the Committee shall be filled in the same manner as appointment of original members.

- (d) Qualifications. Members of the OM&R Technical Committee may be members of a governing body of an Authority Member Agency or on the staff of or a permanent consultant of an Authority Member Agency, and shall be selected because of technical or budgetary expertise.
- (e) Meetings. The OM&R Technical Committee may, by motion, fix and determine the time and place of regular meetings. The Chair of the Finance & Administration Committee, the Chair of the OM&R Technical Committee, or a majority of the OM&R Technical Committee may call special meetings as necessary.
- (f) Quorum and Voting. A majority of the then-appointed Members plus any Alternate Members attending in the absence of their respective Members shall comprise a quorum of the OM&R Technical Committee. Each Member shall have one vote. In the absence of the Member for whom an Alternate Member is appointed, or in the cases of the Member's conflict of interest precluding participation, the Alternate Member is authorized to cast the vote of the Member. The recommendation of the OM&R Technical Committee to the FAC to adopt or amend an OM&R Budget shall be adopted by the "Yes" vote of at least eight of ten Members.

Section 5.06 PLANNING COMMITTEE.

- (a) Authority. The Planning Committee is a subcommittee of the FAC and is advisory to the FAC and the Board of Directors of the Authority. The Planning Committee will review, evaluate, and establish a recommendation for the allocation of costs of any Extraordinary OM&R project for which the Authority's estimated total project cost is greater than 50% of the current year's routine OM&R Budget, excluding power and Reserves costs.
- (b) Structure. FWA will be entitled to one of six voting positions on the Planning Committee, with the right to vote on all matters. As long as the Second Amended MOU, as amended, remains in effect, the Planning Committee will be comprised of the following members, with no CVP Contractor entitled to have more than one representative on such committee at any time:

<u>SLDMWA Division 1</u>	<u>1</u>
<u>SLDMWA Division 2</u>	<u>1</u>
<u>SLDMWA Division 3</u>	<u>1</u>
<u>SLDMWA Division 4</u>	<u>1</u>
<u>SLDMWA Division 5</u>	<u>1</u>
<u>FWA</u>	<u>1</u>

- (i) One alternate will be appointed for each such representative, and each such alternate will participate and cast the vote of the represented party in the absence of such party's representative or in case the representative is barred from voting due to a

conflict of interest.

(ii) In addition, the Planning Committee will include five non-voting members:

<u>Authority staff/consultant representative</u>	<u>1</u>
<u>FWA staff/consultant representative</u>	<u>1</u>
<u>USBR representative</u>	<u>1</u>
<u>Authority technical representative</u>	<u>1</u>
<u>FWA technical representative</u>	<u>1</u>

The non-voting members will not count in the calculation of a quorum.

(c) Appointment.

(i) Voting Members. The Chair of the Authority, after conferring with the members from each Division, shall appoint the Division Members and Alternate Members of the Planning Committee. Division representatives shall serve at the pleasure of the Division. The Chair of the Authority shall appoint the FWA Member and Alternate Member recommended, in writing, by FWA, who shall serve at the pleasure of FWA. Vacancies in the Planning Committee shall be filled in the same manner as appointment of original members.

(ii) Non-Voting Members. The FWA and USBR non-voting members shall be appointed by the Authority Chair upon recommendation from FWA and USBR respectively. Vacancies in the Committee shall be filled in the same manner as appointment of original members. The Authority shall notify the Authority Chair of its staff/consultant representative and technical representative in writing.

(d) Meetings. The Planning Committee may, by motion, fix and determine the time and place of regular meetings. The Chair of the Finance & Administration Committee, the Chair of the OM&R Technical Committee, or a majority of the Planning Committee may call special meetings as necessary.

(e) Planning Committee Quorum, Business, and Voting.

(i) Quorum. A majority of the then-appointed Planning Committee Voting Members plus any Alternate Members attending in the absence of their respective Members shall comprise a quorum of the Planning Committee. Each Voting Member shall have one vote. In the absence of the Member for whom an Alternate Member is appointed, or in the cases of the Member's conflict of interest precluding participation, the Alternate Member is authorized to cast the vote of the Member.

(ii) The Planning Committee may adopt procedures regarding the development of cost allocation recommendations. Such procedures, if adopted, will be consistent with the terms of the Second Amended MOU.

ARTICLE VI. EMPLOYEES AND AGENTS

Section 6.01 AUTHORITY TO EMPLOY STAFF AND AGENTS.

The Authority will employ and appoint such employees and agents (including consultants and

contractors) as the business of the Authority may require. Each such employee will have such authority and perform such duties, and receive such salary, as the Board or Executive Director deems appropriate, may from time-to-time determine is appropriate to advance the interests of the Authority. The Board or Executive Director, as appropriate, reserves the right to change an employee's or agent's job duties at any time.

Section 6.02 EXECUTIVE DIRECTOR.

The Executive Director of the Authority shall be the chief administrative officer of the Authority, shall serve at the pleasure of the Board, and shall be responsible to the Board for the proper and efficient administration of the Authority as is or hereafter may be placed in his or her charge, or under his or her jurisdiction or control, pursuant to the provisions of the Agreement, these Bylaws, or of any motion, ordinance, resolution or order of the Board. The Executive Director shall exercise the powers and duties delegated by the Board.

Section 6.03 GENERAL COUNSEL.

The General Counsel of the Authority shall be the chief legal officer of the Authority, shall serve at the pleasure of the Board, and shall be responsible to the Board for the proper and efficient administration of the legal affairs of the Authority. The General Counsel shall also serve as part of the Authority's executive team.

Section 6.04 COMPENSATION OF EMPLOYEES AND AGENTS.

The Board will compensate the Authority's employees with such salaries and benefits as may be fixed by the Board consistent with applicable law and will also establish by contract the compensation for all agents of the Authority.

ARTICLE VII. MISCELLANEOUS

Section 7.01 CONFLICT OF INTEREST CODE.

Pursuant to California Government Code section 81000 et seq., the Authority shall maintain a Conflict of Interest Code. The Authority's Conflict of Interest Code, as may be amended from time to time, and a copy of which is attached hereto as Attachment A, incorporates by reference the terms of title 2, section 18730 of the California Code of Regulations.

Section 7.02 POLICIES.

The Authority has adopted a number of policies relevant to the efficient and effective administration and operations of the organization. The Executive Director and/or the Board, as appropriate, will review each of the Board-adopted policies as required, but no less frequently than every five years. This section does not preclude the Board from modifying existing policies, or adopting or modifying additional policies, consistent with the Agreement and these Bylaws.

ARTICLE VIII. AMENDMENT OR REPEAL OF BYLAWS

These Bylaws may be repealed or amended or new Bylaws adopted by resolution of the Board. Any representative abstaining from a vote will be counted for purposes of determining the existence of a quorum, but will not be deemed to be voting.

ARTICLE IX. SAVINGS CLAUSE

Should any provision of these Bylaws be inconsistent with the laws of the State of California, such laws (and not these Bylaws) will govern and these Bylaws will be interpreted to be consistent with such laws.

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