

**EXHIBIT A1:**  
**PHASE 1 RESERVOIR PROJECT AGREEMENT -**  
**PARTICIPATION AMOUNTS AND PERCENTAGES**

<u>Revision</u>	<u>Effective Date</u>	<u>Status or Authorizing Action</u>
2	2016 Nov 21	Approved by Authority to expand participation based on the this Exhibit A1.

Reservoir Project Agreement Participant	Class 1 (acre-ft.)	Class 2 (acre-ft.)	Participation Percentage <sup>1</sup>	Participant's Actual Weighted Vote <sup>2</sup>
American Canyon, City of	2,000.0		0.58%	0.64%
Antelope Valley-East Kern WA	1,138.0	862.0	0.58%	0.55%
Castaic Lake WA	2,844.9	2,155.1	1.46%	1.38%
Coachella Valley WD	15,078.0	11,422.0	7.74%	7.30%
Colusa County	10,000.0		2.92%	3.20%
Colusa County WD	32,111.0		9.38%	10.28%
Carter MWC		1,000.0	0.29%	0.22%
Desert WA	3,698.4	2,801.6	1.90%	1.79%
Garden Highway MWC		4,000.0	1.17%	0.87%
Glenn-Colusa ID	20,000.0		5.84%	6.40%
Orland-Artois WD	20,000.0		5.84%	6.40%
Pacific Resources MWC		10,000.0	2.92%	2.16%
Reclamation District 108	20,000.0		5.84%	6.40%
Reclamation District 2035	10,000.0	5,000.0	4.38%	4.28%
San Bernardino Municipal WD	17,069.4	12,930.6	8.76%	8.26%
San Geronio Pass WA	7,965.7	6,034.3	4.09%	3.85%
Santa Clara Valley WD	13,655.5	10,344.5	7.01%	6.61%
TC6: 4M WD	500.0		0.15%	0.16%

1 Percentage is based on the total amount of Class 1 + Class 2 water.

2 Percentage is based on the different participation factors applied to Class 1 and Class 2 water, respectively.

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Reservoir Project Agreement Participant	Class 1 (acre-ft.)	Class 2 (acre-ft.)	Participation Percentage <sup>1</sup>	Participant's Actual Weighted Vote <sup>2</sup>
TC6: Cortina WD	300.0		0.09%	0.10%
TC6: Davis WD	2,000.0		0.58%	0.64%
TC6: Dunnigan WD	5,000.0		1.46%	1.60%
TC6: LaGrande WD	1,000.0		0.29%	0.32%
TC6: Proberta WD	3,000.0		0.88%	0.96%
Western Canal Water District	3,500.0		1.02%	1.12%
Westlands WD	11,379.6	8,620.4	5.84%	5.51%
Westside WD	25,000.0		7.30%	8.00%
Wheeler Ridge-Maricopa WSD	11,379.6	8,620.4	5.84%	5.51%
Zone 7 WA	11,379.6	8,620.4	5.84%	5.51%
<b>Total</b>	<b>250,000.</b>	<b>92,411</b>	<b>100%</b>	<b>100%</b>
<b>Maximum Available<sup>3</sup></b>	<b>250,000.</b>	<b>170,000</b>		

<sup>3</sup> Amount is based on (a) operating assumptions from prior DWR studies for their Alternative C (i.e. the large reservoir with 3 Sacramento River points of diversion and operated to maximize SWP benefits while not adversely affecting current CVP operations). The Authority's recommended assumptions (e.g. include a 130,000 acre-ft. of water demand in the west side of the Sacramento Valley) will produce new results which, when combined with the decision related to the application for Prop 1 Chapter 8 (i.e. State can fund up to 50% of Project's development costs) will likely affect the Maximum Available.

## **EXHIBIT A1:**

### **Method Used to Define Participation Percentages:**

#### **Participation Factors:** (Refer to Figures 1 and 2)

The Participating Percentages reflect the decision-making contribution of each Project Agreement Member and Non-Member Participating Party via the use of weighting factors, the sum of which totals 100%, exactly.

- A. Each Project Agreement Member and Non-Member Participating Party has a membership weighting factor equal to 50%.
- B. The remaining 50% is allocated between the Class 1 and Class 2 water benefits, which are described as follows:

Class 1: 50% of the expected annualized yield that would be allocated to the Project Agreement Members represents Class 1 water benefits ("Class 1"). Class 1 water represents the amount of water that would not be made available for Proposition 1, Chapter 8-eligible public benefits assuming the CA Water Commission elects to participate in the Project up to the maximum amount allowed by Proposition 1, Chapter 8, which is 50% of the total Project's development costs.

Class 2: Depending upon decisions by the CA Water Commission (and/or jointly by the Authority and Reservoir Project Agreement Committee) and potentially the federal government, some of the remaining 50% could become available for non-Proposition 1, Chapter 8 uses. For Phase 1, the maximum amount of this additional water, which is referred to as "Class 2" water benefit, is approximately 35% of the total. The remaining 15% is currently not available for potential non-Proposition 1, Chapter 8 uses and it represents the differential amount of long-term annualized water produced should Sites Reservoir be downsized from 1.8 MAF to 1.3 MAF.

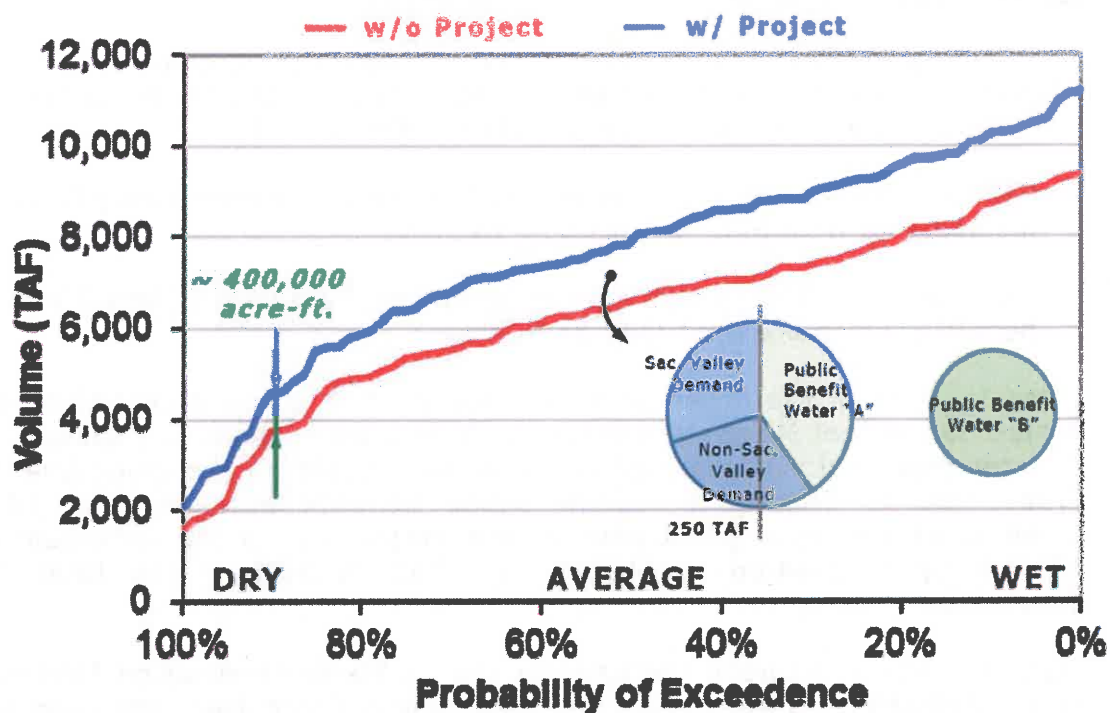
Weighting Factors: The combined total of all weighting factors totals 50, exactly. The Class 1 water benefit is the most certain relative to the Class 2 water benefit. To participate in Class 2 water benefits, the Member also needs to be participating in Class 1 water benefits. The weighing factors, totaling 50%, are allocated as follows:

Class 1: 40%, applied to the amount of Class 1 water Members are using as their Phase 1 level of participation.

Class 2: 10% applied to the amount of Class 2 water Project Agreement Members and Non-Member Participating Parties are using as their Phase 1 level of participation.

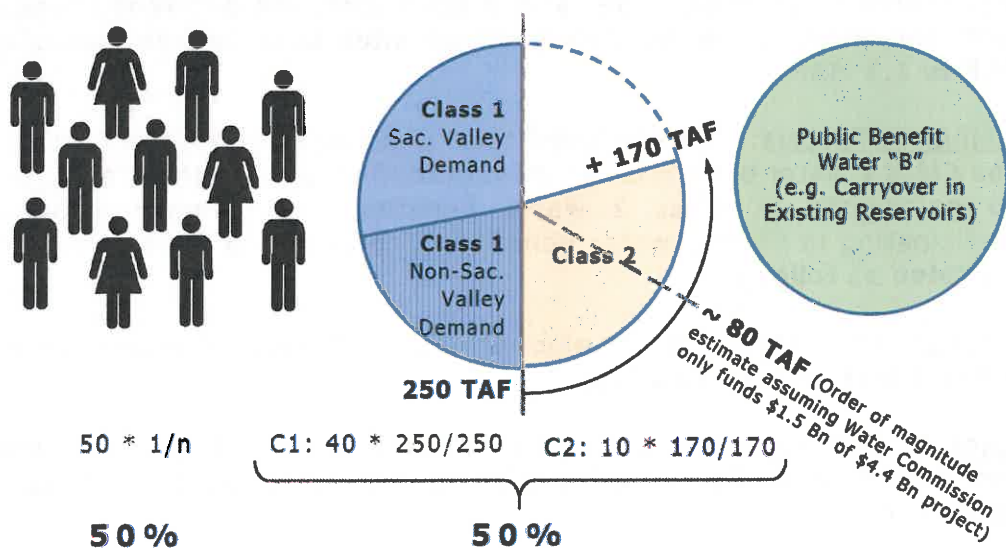
## EXHIBIT A1:

**Figure 1:** Illustration of the two types of water produced from the Project with its operations integrated with the CVP and SWP.



**Figure 2:** Weighted voting based on Classes of water produced

When all votes are cast, total = 100%



Assumptions: 28 Project Agreement Members participating in a combination of both Class 1 and/or Class 2 water benefits, such that 100% of the Class 1 water has been allocated (i.e. 250,000 acre-ft) and for Class 2 water benefits, only 92,411 acre-ft. out of 170,000 acre-ft. available has been allocated.

Member A: Participation consists solely of "X" = 3,000 acre-ft./year of Class 1 water.

Member B: Participation consists solely of "X" = 20,000 acre-ft./year of Class 1 water.

Member C: Participation consists of "X" = 10,000 acre-ft./year of Class 1 and "Y" = 6,000 acre-ft./year of Class 2 water benefits.

Member D: Participation consists of "Y" = 2,000 acre-ft./year of Class 2 water benefits.

The **Class 1** weighting factor ( $WF_1$ ) is **40** & the **Class 2** weighting factor ( $WF_2$ ) is **10**.

[NOTE: The following table is a complete revision, so redline-strikethrough formatting has not been applied]

Formula	Member:	A	B	C	D
$1/28 * 50$		1.79	1.79	1.79	1.79
Class 1 = $(X/250,000)*WF_1$		0.48	3.20	1.60	0.0
Class 2 = $(Y/92,411)*WF_2$				0.65	0.21
Weight of Member's Vote		2.27	4.99	4.03	2.00

Total needed for approval:

- Simple Majority = 50
- Material Change = 75

