



California WaterFix

# Special Board Meeting

July 6, 2018

Delta Conveyance Finance Authority  
Joint Powers Agreement (JPA)



# Presentation Agenda



Delta Conveyance **Finance Authority** JPA



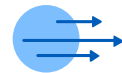
**Major Provisions** of the Authority Agreement



**Governance and Voting** of Finance Authority



Strategies to **Minimize Risk Related to JPA**



JPA **Future Agreements and Arrangements**



Staff **Recommendations**





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*Finance Authority  
Joint Powers  
Agreement  
Formation*

- Issue bonds for the conveyance project known as California Water Fix
- May also issue debt for the benefit of a member for the conveyance project
- Members can include State Water Project Contractors, Central Valley Project Contractors, and/or member units of Kern County Water Agency



## *Major Provisions of the Finance Authority Joint Powers Agreement*

- **Term:** 50 years or until such later date all bonds and notes of Authority are paid in full
- **Enter into contracts** with Authority member(s) or other entities for planning, design, ownership, construction, acquisition, operation, disposal, or financing
- Apply for, receive and disburse state, federal or local **licenses, permits, loans or grants**
- Can **hire employees or contractors** to accomplish purpose of Authority
- Can **acquire, hold, lease, sell** any real or personal property, commodity or service



## Governance and Voting

- **One Member, One Vote** for all administrative matters
- **Weighted Vote** for Financial Matters
- **Four Officers:** President, Vice President, Secretary, and Treasurer
- **Executive Committee:** Composed of President, Vice President, and Secretary, can expand per discretion of the Board
- **Quorum Requirements:** At no time shall a quorum consist of less than two Directors



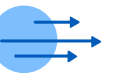
## *Strategies to Minimize Risk as a Member of the JPA*

### Membership into JPA:

- Requires Resolution by governing body to:
  - financially support any bonds OR
  - Express an intention to provide such financial support
- AND must approve and execute the formation agreement

### Withdrawal from JPA:

- Requires Resolution to withdraw AND
- Pay pro rata portion of any obligations to date of withdrawal



# Finance JPA Key Agreements

## TODAY

**Delta Conveyance Finance Authority Joint Powers Agreement**

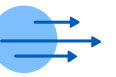
## FUTURE

Installment Purchase Agreement

Project Assignment Agreement (Securities Agreement)

Bond Support Agreement

DWR Bond Financing Agreement



# Next Steps

## TODAY

**Consider Delta Conveyance Finance Authority JPA**

## FUTURE

Finance Authority JPA plans to submit Letter of Interest for WIFIA by July 31st

Gap Funding Agreement\*

State Water Contract Amendment \*

Continued Negotiations on Water Supply, Storage and Financial agreements related to California Water Fix\*

*\*Subject to Board Approval at future date*



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# Questions?



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# Public Comment





# Staff Recommendations

## Summary of Staff Recommendations:

- Approve and Execute the Delta Conveyance Finance Authority Joint Powers Agreement; and
- Designate a District Representative and Alternate to serve on the Board of Directors of the Delta Conveyance Finance Authority for the first two years following formation; and
- Adopt a Resolution for Approval of the Delta Conveyance Finance Authority Joint Powers Agreement

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