COUNTY OF GLENN
AGENDA ITEM TRANSMITTAL

MEETING DATE: September 19, 2017

Submitter Department(s): Board of Supervisors

Contact: John K. Viegas
Phone: 934-6400

BRIEF SUBJECT/ISSUE DESCRIPTION:
Consider adopting Resolution “Approving the City of Sacramento and Sacramento County Water Agency Becoming an Authority Member of the Sites Project Authority”.

AGENDA PLACEMENT

APPOINTMENT – Appearances by: (Specify Name & Title)

Required ___ Minutes

☐ Business – No ☐ Consent
☐ Correspondence ☐ Reports & Notices

AFFECTED DEPARTMENT(S)

☐ Receive Concurrence

ATTACHMENTS

☒ Board Report
☐ Letter
☐ Minute Order
☐ Contract
☐ Transfer
☒ Grant App.
☒ Resolution
☐ Ordinance
☐ Proclamation
☐ Policy Update
☐ Code Update
☐ Other
☐ E-mail
☐ Pros / Cons

LEGAL/PERSOENNEL/FISCAL

☐ County Counsel
☐ Personnel
☐ Finance

CLERK INSTRUCTIONS

☐ Return Minute Order
☐ Return Certified Copy Of:

☐ Other:

PUBLIC HEARINGS & COMMITTEE VACANCIES

☐ State ☐ Federal

Public Hearings:
☐ Published
☐ Affidavit on File w/Clerk
☐ Affected Parties Notified

Committees:
☐ Vacancy Posted
☐ Application Attached

LEGISLATION

Bill#: __
☐ Latest Version of Bill
☐ Draft Letter Attached
☐ List of Supporters/Opposers
☐ Statement of Relevance to County Interests
☐ Description Attached

FUNDING SOURCE/IMPACT

☐ General Fund Impact
☐ Other: _____
☐ Budgeted
☐ Transfer Attached
☐ 4/5ths Vote Required
☐ Contingency Request

CONTRACTS, LEASES & AGREEMENTS

☐ New ☐ Renewal
☐ Amendment
☐ Insurance Certificate
☐ Contract Report

Date of Original Contract:
Contract No.:
Fiscal Year:

RECOMMENDED ACTION/MOTION:

Consider adopting Resolution “Approving the City of Sacramento and Sacramento County Water Agency Becoming an Authority Member of the Sites Project Authority”.

Reviewed By (if applicable):

John K. Viegas
Department Head

Personnel Director
Department of Finance

cc:
TO:       Board of Supervisors  
FROM:     John K. Viegas, District 1 Supervisor  
DATE:     September 19, 2017  
SUBJECT:  Resolution – Sites Project Authority Membership  

EXECUTIVE SUMMARY  
The Sites Project Authority General Manager Jim Watson has contacted all Sites Project Authority members to advise them that the Sacramento County Water Agency and City of Sacramento have requested to become an Authority Member. Approval of 75% is needed to expand the list of Authority Members. If approved, they will collectively share the 13th seat on the Board. Please see the attached Pros and Cons of having the City of Sacramento and Sacramento County Water Agency share one seat on the Sites Project Authority’s Board.  

RECOMMENDATION(S):  
Consider adopting Resolution “Approving the City of Sacramento and Sacramento County Water Agency Becoming an Authority Member of the Sites Project Authority”.  

HISTORY AND BACKGROUND:  
Glenn County has been a member of the Sites Joint Powers Agreement since the Sites Project Authority was formed in August 2010. The JPA was established to locally oversee the development, coordination, construction and operation of the Sites Reservoir. To date, the following action has taken place on the Sites Project Authority JPA:  
- August 17, 2010 – Approve the Sites Reservoir JPA Agreement  
- June 16, 2015 – Approved adding four additional agencies to the Sites JPA  
- September 29, 2015 – Approved a second amended JPA Agreement  
- January 19, 2016 - Approved a Modified Third Amended and Restated Sites Project Authority JPA Agreement  
- January 31, 2017 - Approved the Fourth Amended and Restated Sites Project Authority JPA Agreement  

FISCAL/PERSONNEL IMPACT(S):  
Under the proposed terms of the Agreement the County is required to fund its pro-rata share of expenses and costs associated with the Agreement. Under the terms of the Agreement these costs may fluctuate. Similarly the County’s pro-rata share may fluctuate with the potential addition or withdrawal of participants under the Agreement. Expanding the Authority to 13 members will incrementally increase the Authority’s operating budget by $60,000 / year (8%).  

ANALYSIS/DISCUSSION  
The County is a member of the Sites Joint Powers authority. The Authority’s mission is to be a proponent of the Sites Reservoir Project, an off-stream water storage project with related facilities located in Colusa and Glenn Counties. To that end, the Authority is working to design and potentially acquire, construct, manage, govern and operate the Project.  

The Authority has plans to implement the Project through several phases. Each phase requires funding. The Authority anticipates that it will be able to fund phase 1 of the Project by obtaining funding from Authority Members and outside entities who are looking for a preference in water allocations should the Project ultimately be successful. The Authority proposes to obtain this funding through the “Amended and Restated Phase 1 Reservoir Project Agreement” attached for approval.
The Phase 1 Agreement is meant to fund certain items including the preparation of a grant proposal to the State of California to obtain Proposition 1 funds, a draft environmental impact report and preliminary engineering. The phase 1 items are anticipated to be completed by 2018. Participants in the agreement gain membership in a Project Committee. The Committee will be empowered, subject to the control of the Authority, to make recommendations and take action to implement phase 1 of the Project. The voting power of any Committee members is based in part on the degree of participation or funding they contribute under the Phase 1 Agreement.

Each participant in the Agreement is responsible for funding a certain percentage of costs associated with the Phase 1 work. The Percentage of costs is based on the degree of participation chosen. Participation or funding does not entitle the participant to anything other than a “first right, commensurate with that Member’s participation and financial contribution” to contract for a share of any water supply that is developed in the completed Project. As of the date of this proposed Agreement the Authority does not have any water rights to sell and there are no assurances that the Project will be constructed or any water supplies developed. Furthermore, to obtain a “first right” to contract, the participant under this Agreement must participate in all Project phases through completion to the extent those phases are not funded by other means such as bond debt.

Under the terms of the Agreement potential pro-rata costs for each participating member is not fixed and may fluctuate. Similarly, the pro-rata share may fluctuate with the potential addition or withdrawal of participants under the Agreement.
BOARD OF SUPERVISORS, GLENN COUNTY, CALIFORNIA

RESOLUTION NO. 2017-__

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF GLENN APPROVING THE CITY OF SACRAMENTO AND SACRAMENTO COUNTY WATER AGENCY BECOMING AN AUTHORITY MEMBER OF THE SITES PROJECT AUTHORITY

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WHEREAS, this Glenn County is an Authority Member of the Sites Project Authority ("Authority"), which was originally formed in August 2010 pursuant to a Joint Exercise of Powers Agreement, and which was last amended by the Fourth Amended and Restated Joint Exercise of Powers Agreement, effective February 13, 2017 ("JPA"); and

WHEREAS, Section 3.3 of the JPA authorizes the admission of new Authority Members authorized to participate in the Authority and located within the Sacramento River watershed upon the affirmative vote of at least seventy-five percent (75%) of the total number of the Boards of the Authority Members and the new Member’s execution of the JPA; and

WHEREAS, on July 31, 2017 the Authority’s Board of Directors agreed that the City of Sacramento and Sacramento County Water Agency could collectively participate as an Authority Member on the condition their governing boards each approved a request to participate; which on August 15, 2017, the City of Sacramento’s City Council approved their request to participate and on August 22, 2017 the Sacramento County Water Agency’s Board of Directors approved their request to participate collectively as an Authority Member of the Authority, sharing a single seat on the Board of Directors of the Authority; and

WHEREAS, the City of Sacramento and the Sacramento County Water Agency each meet the requirements to collectively become an Authority Member and this Glenn County supports their admission as an Authority Member.

NOW, THEREFORE, BE IT RESOLVED that the Glenn County Board of Supervisors approves and affirmatively votes to admit the City of Sacramento and Sacramento County Water Agency collectively as an Authority Member of the Sites Project Authority, subject to said entities executing the JPA.

THIS RESOLUTION was passed by the Board of Supervisors of the County of Glenn at a regular meeting held this September 19, 2017 by the following vote:

AYES:
NOES:
ABSENT OR ABSTAIN:

KEITH CORUM, CHAIRMAN
Glenn County Board of Supervisors

ATTEST:

Di Aulabaugh, Clerk of the Board of Supervisors
County of Glenn, California

APPROVED AS TO FORM:

ALICIA EKLAND, County Counsel
County of Glenn, California