

**BYLAWS OF THE
DELTA CONVEYANCE DESIGN AND CONSTRUCTION
JOINT POWERS AUTHORITY**

Adopted August 16, 2018

Effective August 16, 2018

PREAMBLE

These bylaws are provided pursuant to Article XV of the Joint Powers Agreement by and among the Alameda County Flood Control and Water Conservation District, Zone 7, the Metropolitan Water District of Southern California, and the Santa Clara Valley Water District effective as of May 14, 2018, among the signatory parties thereto, as such agreement may be amended from time to time, to form a Joint Powers Authority to cooperate with the California Department of Water Resources (“DWR”) by undertaking certain design and construction activities related to the new Sacramento-San Joaquin Delta (“Delta”) water conveyance facilities for the purpose of conveying water from the Sacramento River north of the Delta directly to the existing State Water Project (“SWP”) and Central Valley Project (“CVP”) pumping plants located south of the Delta.

ARTICLE 1. THE AUTHORITY

1.1 **Name.** The name of this joint powers authority is the Delta Conveyance Design and Construction Joint Powers Authority (hereinafter referred to as the “Authority”).

ARTICLE 2. DEFINITIONS

2.1 Definitions.

2.1.1 **Agreement** shall mean the “Joint Powers Agreement by and among the Alameda County Flood Control Water Conservation District, Zone 7, the Metropolitan Water District of Southern California, and the Santa Clara Valley Water District, effective as of May 14, 2018, among the signatory parties thereto, as such agreement may be amended from time to time, to form a Joint Powers Authority to cooperate with the California Department of Water Resources (“DWR”) through a Joint Exercise of Powers Agreement (“JEPA”) by undertaking the design and construction activities related to the California WaterFix (“Conveyance Project”) for the purpose of conveying water from the Sacramento River north of the Delta directly to the existing State Water Project (“SWP”) and Central Valley Project (“CVP”) pumping plants located south of the Delta..

2.1.2 **Board or Board of Directors** shall mean the governing body of the Authority as described in Section 5.1 herein.

2.1.3 **Brown Act** shall mean Chapter 9 of Part 1 of Division 2 of Title 5 of the California Government Code commencing with Section 54950, or with any successor provision.

2.1.4 **Bylaws** shall mean the bylaws of the Delta Conveyance Design and Construction Joint Powers Authority, contained herein.

2.1.5 **Director** shall mean a member of the Board of Directors, as defined herein.

2.1.6 **Joint Exercise of Powers Act** shall mean Chapter 5 of Division 7 of Title 1 of the California Government Code commencing with section 6500, or with any successor provision.

2.1.7 Members shall mean all the public entities that satisfy the requirements of Article V of the Agreement.

2.2 **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.

ARTICLE 3. PURPOSE AND LIMITATIONS

3.1 **Purpose.** The Authority was formed with the purpose and intent of cooperating with the California Department of Water Resources (“DWR”) in its desire to design and construct the California WaterFix to be owned by DWR. The Authority’s cooperation is governed by the JEP A agreement entered into with DWR effective as of May 22, 2018, establishing that the Authority would undertake those activities required to complete the design and construction of the Conveyance Project in a manner consistent with the JEP A.

3.2 **Forming Statute; Limitations.** The Authority is created as a joint powers authority pursuant to the provisions of the Government Code of the State of California relating to the joint exercise of powers per Government Code sections 6500, *et seq.* On or before May 14, 2018, the Members each approved the Agreement. The Authority is a public entity separate from the Members to the Agreement. Pursuant to Government Code sections 6584 *et seq.* or as otherwise authorized by law, the Authority may exercise those common powers, and all independent, complete and/or supplementary powers necessary or appropriate to design and construct the Conveyance Project consistent with Article IV of the Agreement.

ARTICLE 4. OFFICES

4.1 **Principal Office.** The principal office for the transaction of the activities and affairs of the Authority (“Principal Office”) is located at 1121 L Street, Suite 1045, Sacramento, CA 95814.

4.2 **Board Meeting Location.** The principal location for holding Board meetings shall be at 828 I, Street, Sacramento, CA 95814.

4.3 **Other Offices.** The Board may at any time establish branch or subordinate offices at any place or places, within or without the Authority’s jurisdictional boundaries, where the Authority may conduct its activities.

4.4 **Amendment.** The Board may change the Principal Office, Board Meeting Location and other offices from one location to another pursuant to Article 6 of these Bylaws and consistent with Article VII of the Agreement. This Section may be amended to state the new location. The Board meeting location shall be held within the County of Sacramento, unless otherwise changed by the Board.

ARTICLE 5. DIRECTORS AND OFFICERS

5.1 **Governing Board.** The Authority shall be governed by a Board of Directors. Pursuant to Section 6.1 of the Agreement, the Board shall ensure that the Board operates in a manner that is fully compliant with the Brown Act, the Joint Exercise of Powers Act, the Agreement, and all other applicable legal requirements.

5.1.1 **Directors.** Pursuant to Section 6.1.1 of the Agreement, the Board shall be initially composed of up to five (5) appointed representatives (each a “Director”), one from each of the following Members: the Metropolitan Water District of Southern California (“MWD”) in its SWP capacity, Kern County Water Agency (“KCWA”), Santa Clara Valley Water District (“SCVWD”), State Water Project contractor (“SWC”) selected by otherwise non-represented SWP contractors and the Metropolitan Water District of Southern California in a non-SWP capacity. Subject to an affirmative vote of four (4) out of five (5) or 80% of all Directors, the number of Directors may be expanded to seven (7) Directors if, at any point after the execution of the Agreement, there are three (3) or more CVP contractors, other than Santa Clara Valley Water District, that desire to become members. The governing body of each Member shall determine, in its sole discretion and pursuant to its own procedures and authorities, the person appointed to serve on the Board to represent the Member. Directors shall be appointed prior to the initial meeting or within 30 days of an entity becoming a Member and shall serve without terms and at the pleasure of the governing bodies that appointed them.

5.1.2 **Alternate Directors.** The governing board of the Member may designate an Alternate Director to act in place of its appointed Director during his or her absence. The designation of an Alternate Director shall be made in writing and shall provide such written designation to the Authority’s Secretary as soon as feasible.

5.1.3 **Policies.** The Board shall adopt procedures, rules and policies for the Authority as appropriate and necessary.

(a) The Board shall adopt a code of ethics for all Directors, Officers and employees of the Authority, whether elected or appointed, paid or unpaid.

(b) The Board shall develop and adopt a conflict of interest code for the Authority compliant with California law. Pursuant to Government Code Section 1090, Directors, Officers and employees of the Authority shall not have an interest in any contract made by the Authority.

(c) The Board shall adopt a purchasing policy for the Authority.

(d) The Board shall adopt an investment policy for the Authority.

(e) The Board shall adopt a records retention policy. This policy will provide criteria and procedures for the retention or destruction of Authority records.

5.1.4 **Travel Policy.** The Board shall establish a reimbursement policy under which a Director or others may receive actual, reasonable and necessary reimbursement for travel, meals, lodging, registration and similar expenses incurred on Authority business.

5.2 **Officers.** Pursuant to Section 6.2 of the Agreement, the officers of the Board shall consist of a President, Vice President, Secretary and Treasurer (each an “Officer”). The President, Vice President and Secretary must be members of the Board. The President, or if absent, the Vice President, shall preside at all Board meetings. In the absence of the President and Vice President, the Secretary shall chair the meeting. The President shall have the power to enforce meeting decorum and rules of order and to exercise such other powers and duties as may from time to time be assigned to the President. The Vice President, or in the Vice President’s absence, the Secretary shall perform the duties of the President in the absence or inability to act of the President. The President and/or Vice President shall exercise and perform such other powers and duties as may be assigned by the Board. The Vice President shall perform the Secretary’s duties if the Secretary is absent.

5.2.1 **Appointment.** The Secretary and Treasurer shall be chosen at the initial meeting or as soon as practical thereafter. The offices of President and Vice President shall be filled and shall rotate as follows:

Year	Construction JPA President	Construction JPA Vice-President	Environment Committee Chair	Environment Committee Vice-Chair
Year 1-2	Santa Clara Valley Water District (SCVWD)	Metropolitan Water District of Southern California (MWD)	Kern County Water Agency (KCWA)	State Water Contractor at large (SWC)
Year 3-4	MWD	KCWA	SWC	SCVWD
Year 5-6	KCWA	SWC	SCVWD	MWD
Year 7-8	SWC	SCVWD	MWD	KCWA
Year 9-10	SCVWD	MWD	KCWA	SWC
Year 11-12	MWD	KCWA	SWC	SCVWD
Year 13-14	KCWA	SWC	SCVWD	MWD
Year 15-16	SWC	SCVWD	MWD	KCWA

5.2.2 **Term of Office.** Officers shall serve two (2) year terms and, except for the offices of President and Vice President, serve at the pleasure of the Board. The Secretary and Treasurer may serve for multiple consecutive terms.

5.2.3 **Resignation.** An Officer may resign at any time by giving written notice to the Board in accordance with Section 16.3 of the Agreement. Any resignation takes effect at the date of the receipt of that notice or at any later time specified in that notice. Unless otherwise specified in that notice, the acceptance of the resignation is not necessary to make it effective.

5.2.4 **Removal.** Officers of the Board may be removed and replaced at any time, with or without cause, by a majority vote of the Board. If the office of any Officer appointed pursuant to this Article becomes vacant at any time for any reason, such vacancy may be filled for the duration of the vacated term at any time by the Board in accordance with Article VI of the Agreement.

5.3 **Treasurer.** Pursuant to Sections 11.4 of the Agreement and Government Code Sections 6505.5 and 6505.6, the Board shall appoint a qualified person to act as the Treasurer for the Authority (“Treasurer”). The Board may contract with a Member for provision of the services described in this Section 5.3 by a Member’s employee or to assist an Authority Director appointed as Treasurer pursuant to an agreement between the Member and the Authority, provided that such agreement complies with Sections 11.4 of the Agreement.

5.3.1 The Treasurer shall be the depository and shall have responsibility for the depositing and custody of all funds held by the Authority from any source.

5.3.2 The Treasurer shall possess the powers of, and shall perform those functions required by provisions of applicable law, including those duties described in the Joint Exercise of Powers Act and in the Agreement, and which may be prescribed by the Board or these Bylaws.

5.3.3 Pursuant to Section 11.4 of the Agreement and applicable law, all funds of the Authority shall be strictly and separately accounted for and regular reports shall be rendered of all receipts and disbursements at least quarterly during the fiscal year. The Treasurer shall provide strict accountability of said funds in accordance with Government Code sections 6505 and 6505.5 and all other applicable provisions of law, including any amendments thereto.

5.4 **Secretary.** The Board shall appoint a Secretary who shall have the following duties and powers and may perform such other duties as may be prescribed by the Board. The Secretary must be a Member of the Board; however, the Board may contract with a Member’s employee to assist an Authority Director appointed as Secretary pursuant to an agreement between the Member and the Authority.

5.4.1 The Secretary shall give, or cause to be given, notice of all meetings of the Board and committees of the Authority required by the Bylaws and applicable law to be given.

5.4.2 The Secretary shall keep or cause to be kept, at the Principal Office or such other place as the Board may direct, a record of summary minutes of all meetings and actions of Directors, Alternate Directors and committees of the Authority, with the time and place of meeting, whether the meeting was regular or special, how any special meeting was authorized, the notice provided for the meeting, the names of those present at such meetings, and the votes, actions and proceedings of such meetings.

5.5 **Contracts for Services.** Any Member’s employee(s) providing services for the benefit of the Authority pursuant to an agreement between the Member and the Authority, including, but not limited to, management and administrative services and services for the Board under Sections 5.3 and 5.4 above, shall serve as an independent contractor of the Authority, shall remain a common law employee of the respective Member for all purposes, and shall act solely at the direction of the governing body of the respective Member or management employee(s) under the exclusive control of the governing body of the respective Member. The fee for services provided by the Authority to a Member for such services shall be the subject of an agreement between the applicable Member and the Authority.

5.6 **Increasing Members.** Additional proposed Members may join the Authority in accordance with Section 5.2 of the Agreement.

ARTICLE 6. MEETINGS AND BOARD ACTION

6.1 **Regular Meetings.** The Board shall meet at least twice per year, or more frequently if the Board deems it necessary, for the purpose of conducting Authority business. Such regular meetings shall be at 2:00p.m. on the third Thursday of the months of January through December and, unless otherwise agreed to by the Board, or the Board may adopt a schedule of meetings at the beginning of the fiscal year.

6.2 **Special Meetings.** Special meetings of the Board may be called by the President or by a majority of all Directors, and shall be conducted pursuant to California Government Code section 54956. The call and notice shall specify the time and place of the special meeting and the business to be transacted or discussed. No other business shall be considered at a special meeting.

6.3 **Emergency Meetings.** Emergency meetings of the Board shall be conducted pursuant to California Government Code section 54956.5 and may be called by the President or by a majority of Directors.

6.4 **Open Meetings.** All regular, special and emergency meetings of the Board shall comply with the Brown Act.

6.5 **Closed Sessions.** The Board shall comply in all respects with closed session requirements and procedures of the Brown Act.

6.6 **Agenda.** The Executive Director shall prepare and the Board President shall approve the agenda for all meetings of the Board in accordance with the Brown Act, and regular meeting agendas shall be posted 72 hours before each meeting in compliance with said Act.

6.7 **Quorum.** A majority of the Board of Directors shall constitute a quorum in order to conduct business. Alternate Directors attending meetings shall not be counted as part of any meeting quorum unless such Alternate Director is formally representing an absent Director. In the absence of a quorum, no business may be transacted except the adjournment of a meeting by the remaining Directors. A Director shall be deemed present for the determination of a quorum if the Director is present at the meeting in person or if he or she participates in the meeting telephonically as provided by the Brown Act.

6.8 **Voting.** Voting shall be conducted pursuant to Section 8.2 of the Agreement. Each Director present at a meeting shall have one vote in any decision. Unless otherwise specified in the Agreement, simple majority of the quorum shall be required for the adoption of a motion, resolution, contract authorization or other action of the Board. Less than a majority may make a motion for adjournment. A vote of four (4) out of five (5) or 80% of Directors, or a majority vote of all Directors, whichever number is less, shall be required for those items listed in Section 8.2 of the Agreement.

6.9 **Action.** Action by the Board on all resolutions and ordinances shall be recorded in writing, signed by the President, and attested to by the Secretary. All other actions of the Board shall be by motion recorded in written minutes.

6.10 **Adjournments and Adjourned Meetings.** The Board may adjourn any regular, adjourned regular, special or adjourned special meeting to a time and place specified by the Board in accordance with applicable law. If less than a majority is present at a meeting, a majority of those members of the Board present may adjourn the meeting from time to time.

ARTICLE 7. ADMINISTRATION AND STAFFING

7.1 **Staffing and Administrative Principles.** The Board shall hire an Executive Director and a General Counsel, as described below. By way of agreement with the subject Member and the Board, the Authority may also utilize the services of staff of one or more of the Members, as appropriate.

7.2 **Executive Director.** The Board may appoint an Executive Director under whose general supervision and control the activities of the Authority shall be conducted (the “Executive Director”) and shall be compensated for his/her services as determined by the Board.

7.2.1 The Executive Director may be a Member entity staff member, or a contract Executive Director retained by the Board and shall serve at the pleasure of the Board and continue in his/her capacity until he/she resigns or is terminated by the Board.

7.2.2 The Executive Director shall be the chief administrative officer of the Authority and shall have overall responsibility for the day-to-day operations and administration of the Authority. The Executive Director shall ensure that staff for the Authority are able to implement the Agreement, these Bylaws, and any other requirements imposed by law.

7.2.3 The Executive Director may employ such additional employees pursuant to Section 9.3 of the Agreement.

7.2.4 Under policy direction from the Board of Directors, the Executive Director shall be responsible for, among other duties as may be assigned by the Board, the following duties:

(a) Developing the annual operating budget and other budgets required under the Agreement and contracting for services that will allow the Authority to fulfill all of its obligations under the Agreement.

(b) Executing contracts, deeds and other documents and instruments as authorized by the Board, subject to any Board policy on spending and signature authority.

(c) Exercising general supervision over all property belonging to the Authority.

(d) Exercising responsibility for purchases of all supplies, materials, and equipment of the Authority.

(e) Coordinating Board meetings and public participation opportunities associated therewith, and in coordination with the Authority’s Legal Counsel, ensuring the Authority operates in a manner consistent with all legal requirements imposed by law on California public agencies.

(f) Ensuring that the requirements of the Joint Exercise of Powers Act (Cal. Gov. Code, § 6500 *et seq.*) are satisfied.

(g) Exercising such other powers and duties as may be prescribed by the Board or these Bylaws.

(h) Carrying out the direction of the Board.

7.3 **Interim Administration.** Until the Executive Director is appointed, and except for Treasurer functions, Authority administration may be accomplished through the appointment of an interim administrator and/or through a collaborative staffing model in which the professional and technical staff of the Members shall work together to provide staff leadership, management and administration of the Authority

7.4 **General Counsel.** The Board may appoint General Counsel to provide legal counsel and representation for the Board and the Authority (“General Counsel”).

7.4.1 General Counsel shall give advice or written opinions as needed, and shall prepare proposed resolutions, ordinances, rules, contracts and other legal documents as requested by the Board or Executive Director. General Counsel shall attend meetings of the Board and shall attend to all legal actions that involve the Authority or are of interest to the Authority. General Counsel shall recommend appointment of special legal counsel for matters requiring specialized legal expertise as required. The Board shall set the compensation of the General Counsel and any special counsel.

7.4.2 General Counsel shall, when deemed appropriate or called upon, seek the advice and consultation of the legal counsels, and possibly employees, as necessary, from Members of the Authority on legal issues facing the Authority; in such an instance, the communications shall be confidential and protected to the fullest extent possible under the law and said communications shall not in any way preclude staff or legal counsels from fulfilling their duties and obligations to their Member, including representation in any dispute or action.

ARTICLE 8. COMMITTEES

8.1 **Standing Committees.** Pursuant to Article X of the Agreement, the Board President may, from time to time, establish standing committees with Board approval, including an Environmental Compliance and Mitigation Committee to be chaired in accordance with the table in Section 5.2.1 above or as modified in accordance with Section 6.3.1 of the Agreement, for the purpose of making recommendations on the various activities of the Authority. The establishment of any standing committee and its duties shall require a vote of the Board and the activities of the standing committee shall be subject to the provisions of the Brown Act. Standing committees shall exist for the term specified in the action creating the committee and the Board may dissolve a committee at any time through a vote of the Board. The Board shall determine the purpose and need for such committees and the necessary qualifications for individuals appointed to them.

8.1.1 **Membership.** Standing committee membership and appointments shall be nominated by the Board President and approved by the Board. The Board shall have the sole

discretion to remove or admonish any member, or members, of any standing committee at any time. The Board may, at its sole discretion, appoint an alternate member to any standing committee. Each standing committee shall include at least one (1) Director and the Director shall act as the chair thereof. The Board may delegate such powers and authority to standing committees as the Board may determine by motion, resolution or ordinance.

8.1.2 **Conduct.** All standing committee meetings shall be noticed, held, and conducted in accordance with the provisions of the Brown Act. The Board shall appoint the respective committee chairs in consultation with the committee members and the Board may further establish rules of conduct for said standing committees. Each standing committee may establish a time and place for regular meetings and may call special meetings in the same manner as the Board. Standing committee meeting minutes shall be recorded and upon approval shall be distributed to the Board.

8.1.3 **Direction.** In establishing a standing committee, the Board shall provide specific direction to the standing committee regarding its tasks, expected duration for completion of its tasks, and a summary of the resources, including staff or consultant support, available to the standing committee in performing its tasks.

8.2 **Other Committees.** The President of the Board and the Board itself each has authority to establish ad hoc, technical or other committees, as appropriate.

8.3 **Advisory Committee.** The Board may create advisory committees in accordance with Article X of the Agreement. Advisory committees' purpose shall be to solicit information from other local agencies and potentially affected stakeholders within the jurisdictional boundaries of the Authority. Each standing committee shall include at least one (1) Director and the Director shall act as the chair thereof. The Board may delegate such powers and authority to advisory committees as the Board may determine by motion, resolution or ordinance. The Board shall determine the purpose and need for such committees and the necessary qualifications for individuals appointed to them.

ARTICLE 9. POWERS

The powers of the Authority shall be as set forth in Section 4.2 of the Agreement and in Government Code sections 6584 *et seq.* or as otherwise authorized by law, necessary or appropriate to design and construct the Conveyance Project as described in Section 4.2 of the Agreement.

ARTICLE 10. FINANCES

10.1 **Fiscal Year.** The fiscal year for the Authority shall begin on July 1st and end June 30th, unless the Board decides otherwise.

10.2 **Budget.** The Authority shall operate pursuant to a general operating budget and other Authority budgets adopted in accordance with Section 12.1 of the Agreement. The Authority shall endeavor to operate each year pursuant to an annually balanced operating budget so that projected annual expenses do not exceed projected annual revenues.

10.3 **Operating Budget and Expenditures.** The Board shall adopt an annual operating budget before the beginning of a fiscal year or any other date established by the Board, as required to conduct its business in a manner consistent with the purposes of the Authority. Unless otherwise required by the Agreement or California law, the Treasurer shall draw checks or warrants or make payments by other means for claims or disbursements not within an applicable budget only upon the approval of the Board. The Authority may invest any money in the treasury that is not required for its immediate necessities pursuant to Government Code section 6509.5 in the same manner, and upon the same conditions, as any local agency may do pursuant to Government Code section 53635.

10.4 **Funding for the Authority.** Funding for the Authority shall be in accordance with Section 12.5 of the Agreement.

10.5 **Alternative Funding Sources.** The Authority may, by a Board vote, seek funding from other alternative sources, including but not limited to state and federal grants or loans, and the issuance of bonds.

10.6 **Alternative Funding Source for Payments.** Pursuant to Sections 12.3 and 12.4 of the Agreement, the Board may arrange payment of the expenses of the Authority through an alternative funding source. The Board may direct repayment or return to the Members all or part of the contributions made by the Members, upon such terms as may be consistent with the Agreement. Unless otherwise prohibited by the alternative funding source, fund from said alternative source will be disbursed before Member contributions for covered Authority obligations.

ARTICLE 11. DEBTS AND LIABILITIES

Except as may be specifically provided for in the Agreement and/or California Government Code Section 895.2 as amended or supplemented, the debts, liabilities and obligations of the Authority are not and will not be the debts, liabilities or obligations of any or all of the Members. However, nothing in this Article or in the Agreement prevents, or impairs the ability of, a Member or Members, from agreeing, in a separate agreement, to be jointly and/or severally liable, in whole or in part, for any debt, obligation or liability of the Authority, including but not limited to, any bond or other debt instrument issued by the Authority.

ARTICLE 12. RECORDS

12.1 **Availability.** A copy of the Authority's Bylaws and the Agreement shall be kept at the Authority's Principal Office, as set forth in Section 4.1 above, and shall be open to inspection by the public at all reasonable times during office hours.

12.2 **Inspection.** Unless otherwise restricted by law, any Member and any Director may inspect any record of the Authority, including but not limited to the accounting books and records and minutes of the proceedings of the Board and committees of the Board, at any reasonable time. A designated representative of the Member may make any inspection and copying under this Section and the right of inspection includes the right to copy. As directed and permitted by law, Authority records shall be open to inspection by the public.

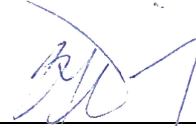
ARTICLE 13. AMENDMENT AND REVIEW

13.1 **Amendment.** These Bylaws may be amended from time to time by resolution of the Board.

13.2 **Review.** The Bylaws of the Authority may be amended, added to, or repealed by a 2/3 vote of the Board of Directors at any meeting of the Board, provided notice of the proposed change or changes is given in the notice of regular or special meeting. In the event that a conflict exists between a provision in the Bylaws and a provision in the Agreement, the provision in the Agreement shall govern.

CERTIFICATE OF ADOPTION

I, the undersigned, certify that I am the duly appointed and authorized Secretary/ Executive Director of the DELTA CONVEYANCE DESIGN AND CONSTRUCTION JOINT POWERS AUTHORITY, a California joint powers authority, and the above stated Bylaws, consisting of 12 pages, are the Bylaws of this Authority as approved by the Board of Directors on 16 day of August, 2018, to be effective as of August 16, 2018.



Jill Duerig
Executive Director