



## **BYLAWS OF THE STANISLAUS REGIONAL WATER AUTHORITY**

### **ARTICLE I**

#### **AUTHORITY**

Joint Exercise of Powers Agreement originally entered into on September 27, 2011, first amended on November 20, 2015, and thereafter amended on December 15, 2015, provides that the Governing Board may, from time to time, adopt such bylaws and regulations for the conduct of its meetings as are necessary for the purposes herein.

### **ARTICLE II**

#### **PURPOSE AND OBJECTIVES**

The Cities of Ceres and Turlock (Participants) are interested in finding and evaluating surface water supply options and facilities to serve municipal and industrial water to the customers within their service areas. Each of the cities is authorized to develop, obtain, and serve a municipal and industrial water supply, pursuant to California law. The Participants are working with the Turlock Irrigation District (TID) to develop a Regional Surface Water Supply Project (RSWSP) that will provide a safe and reliable high quality surface water supply for the long-term drinking water needs of each participating city. The Participants have formed a Joint Powers Authority for the purpose of making responsible decisions related to the development and operation of the future RSWSP.

The SRWA has the following objectives to accomplish this purpose:

1. Plan and develop the implementation of surface water supplies;
2. Function as the community focal point for all grant/aid applications related to the project;
3. Develop a support staff;
4. Develop the procedures for establishing and conducting the SRWA's coordination functions;
5. Design, construct, finance, own, and operate the Project facilities;

6. Provide treated water At Cost and on the same terms and on an equitable basis to the Participants; and
7. The method of which the purposes of the Agreement shall be financed through the sale of Certificates of Participation, the issuance of Bonds, or such other method as agreed upon by the Participants.

The SRWA is established for the purposes listed above and shall exercise all the powers set forth in the amended Drinking Water Supply Project Joint Exercise of Power Agreement (Agreement), last amended on December 15, 2015. The definitions of terms used in these Bylaws shall be the same as contained in the Agreement, unless otherwise expressly provided herein.

### **ARTICLE III**

#### **POWERS**

The SRWA shall have and shall exercise powers attributable to the City of Turlock, except as herein prohibited and otherwise prohibited by law. The SRWA is hereby authorized, in its own name acting through the Governing Board, to do all acts necessary or convenient for the exercise of its power to accomplish its objectives, including, but not limited to:

1. Employ agents, consultants, advisors, independent contractors, and employees;
2. Make and enter into contracts;
3. Acquire, hold , and convey real and personal property;
4. Incur debts, obligations, and liabilities;
5. Accept contributions, grants, or loans from any public or private agency or individual, of the United States, or any department, instrumentality, or agency thereof for the purpose of financing its activities;
6. Invest money that is not needed for immediate necessities, as the Governing Board determines advisable, in the same manner and upon the same conditions as other local entities in accordance with Section 53601 of the Government Code;
7. Reimburse Directors for reasonable and necessary expenses incurred in performing the duties of their office;
8. Reimburse Participants for the direct costs incurred in the formation of the Authority.
9. Sue and be sued in its own name, all as provided in Section 6508 of the Act, as well as the power of eminent domain;
10. Exercise any powers, as agreed to by the parties;

11. Do all other acts reasonable and necessary to carry out the purpose of this Agreement;
12. To acquire, construct, manage or maintain or operate any building, works or Capital improvements related to the project; and
13. To levy and collect revenue and funding as authorized by law.

Such powers shall be exercised in the manner provided by the Act and except as expressly set forth herein, subject only to the restriction of exercising its powers, imposed upon the City of Turlock in the exercise of similar powers. Notwithstanding the generality of the foregoing, and except as expressly authorized by this agreement including, but not limited to, Article VII, IX and XV, the SRWA shall have no power to bind any of the Participants to any monetary obligation whatsoever other than expressly authorized by the mutual written consent of the Participants. The SRWA shall be strictly accountable for all funds received, held, and disbursed by it.

## **ARTICLE IV**

### **GOVERNING BOARD OF DIRECTORS**

The SRWA shall be administered by a Governing Board (Board), which will include the following members:

1. Through December 31, 2015, one (1) member and one (1) alternate from each City Council of each City which is a Participant. Effective January 1, 2016, two (2) members from each City Council of each City which is a Participant, at which time, the current alternate shall become a voting member of the Board and the alternate position shall be eliminated.
2. Each Director of the Board shall have one vote which shall be equal in weight to the vote of each other Director.
3. The Mayor of each Participant may be a member in lieu of a City Council person.
4. Termination of a Director's status as a Councilmember or Mayor shall constitute automatic termination of the person's directorship on the Governing Board.
5. The Board shall have an Ex-officio Director from Stanislaus County Board of Supervisors, or other agencies, as deemed necessary from time to time. Each Ex-officio Director shall serve in a non-voting, advisory capacity.
6. The Board shall select a Chair and Vice Chair. The Chair shall preside at all Board meetings, and the Vice Chair shall act in place of the Chair when the Chair is absent.

7. The Board shall appoint a General Manager, a Secretary, and other officers as determined necessary by the Board, and they shall serve at the pleasure of the Board.

## **ARTICLE V**

### **MEETINGS OF THE BOARD**

1. The Board shall hold at least one (1) regular meeting each calendar quarter, or as often as the Board deems necessary to conduct SRWA business.
2. The meetings shall be scheduled and conducted pursuant to the provisions of the Ralph M. Brown Act (Government Code Section 54950, et seq.), and according to the modified Robert's Rules of Order.
3. The regular meetings of the Board will be held on the fourth Thursday of the month, at 10 a.m., at one of the designated City offices listed below, as set forth in the meeting notice/agenda:
  - a. City of Turlock, City Hall, 156 South Broadway, 2<sup>nd</sup> Floor, Yosemite Room
  - b. City of Ceres, Community Center, 2701 4<sup>th</sup> Street, Upstairs Classroom
4. A majority vote shall be required for the approval of any action taken by the Board, unless otherwise stated in the Agreement.

## **ARTICLE VI**

### **OFFICERS**

1. The Chair of the Board shall be elected annually by the Board. The Chair shall:
  - a. Coordinate the work of officers and committees of the SRWA in order that the SRWA's purposes are promoted;
  - b. Preside at all meetings of the SRWA;
  - c. From time to time, the Chair may appoint ad hoc committees to study specific project or program elements as may be desirable, subject to the approval of the Board;
  - d. Serve as the official spokesperson of the SRWA;
  - e. Be the approved signatory on legal or formal documents of the SRWA; and
  - f. Perform other duties as assigned by the Board.
2. The Vice Chair shall assist the Chair in performance of duties; perform the duties of the Chair in the absence or inability of that officer to act; and other duties assigned by the Board.

3. The General Manager will be in charge of the day-to-day operations of the project, including but not limited to, operations, maintenance, budget, and capital projects. The General Manager shall serve at the pleasure of the Board, and shall have the power to hire and discipline employees in accordance with the personnel rules of the SRWA.
4. The General Counsel shall provide legal advice and services to the SRWA. The General Counsel shall be appointed by and shall serve at the pleasure of the Governing Board.
5. The Secretary shall:
  - a. Keep, or cause to be kept, accurate records of the proceedings of all meetings of the SRWA, and shall, as soon as possible after each meeting, forward a copy of the minutes to each Director of the Board;
  - b. Be responsible to prepare, or cause to be prepared, meeting schedules, notices, resolutions, and agendas;
  - c. Make such records of the proceedings available to the Board Directors for their approval at each meeting;
  - d. Keep Directors and agencies informed of meeting proceedings and activities of the SRWA;
  - e. Conduct all necessary correspondence of the SRWA;
  - f. Be responsible for preparing, or causing to be prepared, any annual reports required by law;
  - g. Prepare such notices and reports as may be requested by the Board;
  - h. Prepare, or cause to be prepared, periodic reports on the financial status of the SRWA;
  - i. Be responsible for coordinating the annual audit of the SRWA; and
  - j. Be responsible for record keeping for the SRWA, which will be housed with the current Secretary at his/her City office, until such time as the SRWA has its own office and corresponding staff.
6. The Finance Director for the SRWA shall be designated by the Governing Board. The Governing Board has designated the City of Turlock Administrative Services Director to serve as the Finance Director and shall:
  - a. Receive, have custody, and disburse Authority funds pursuant to the procedures established by the Authority;
  - b. Within 100 days after the close of each Fiscal Year, give a preliminary written auditor report of all financial activities to the Board, and give a final written auditor report no later than January of each year for the previous fiscal year;
  - c. Audit and allow or reject claims in lieu of, and with the same effect as, allowance or rejection by the Board in any of the following cases:
    - i. Expenditures authorized by purchase order issued by an officer of the SRWA, authorized by the Board to make purchases.
    - ii. Expenditures authorized by contract, resolution, or order of the Board acting within the scope of its authority.

- d. Be responsible for financial record keeping for the SRWA, which will be housed with the current Finance Director at his/her City office, until such time as the SRWA has its own office and corresponding staff.
7. As Treasurer, the Finance Director for the SRWA shall:
  - a. Have custody of all money of the SRWA from whatever source in accordance with Section 6505.5 of the Law, and, as such, shall have the powers, duties, and responsibilities specified in such Section 6505.5 of the Law; provided, however, that moneys of the Authority shall be kept separate and apart from, and shall not be commingled with, moneys of the City.
8. The Auditor for the SRWA shall be from the same public agency as the Finance Director, as stated in Article XVII of the Agreement, and shall:
  - a. Have the powers, duties, and responsibilities specified in Section 6505.5 of the Law.
9. The General Manager will also act as Purchasing Manager until such time as the Board directs otherwise. The Purchasing Manager will utilize the Policies and Procedures of the City of Turlock as guidelines for securing goods and services for the SRWA, with the purchasing limit set at \$25,000 per occurrence, and until such time as the SRWA adopts policies and procedures specific to the SRWA.
10. The Chair of the Board may appoint a technical advisory committee composed of staff from the various Participants to provide technical guidance and input for Board review and consideration.

## **ARTICLE VII**

### **CONFLICT OF INTEREST**

The SRWA shall adopt a Conflict of Interest Code in Accordance with the Political Reform Act (commencing with Section 81000 of the Government Code of the State).

## **ARTICLE VIII**

### **AMENDMENTS TO BYLAWS**

These Bylaws may be amended, repealed, or altered, in whole or in part, by a majority vote of the Board. The secretary of the SRWA shall prepare and distribute any revisions to all Board members.