



Topic: **Authority Board Agenda Item 6-2**

**2018 Aug 20**

Subject: **Maxwell Irrigation District Withdrawal**

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**Requested Action:**

Discussion and possible direction to staff regarding Maxwell Irrigation Districts request to withdrawal from the Sites Project Authority Board of Directors.

**Detailed Description/Background:**

On July 3, 2018, the Maxwell Irrigation District (MID) expressed its intent to withdrawal as a member of the Sites Project Authority Board of Directors. MID stated that its decision was difficult and was a result of the financial impact to the district that membership has on their small district. MID further noted that their board still strongly supports the Sites Reservoir Project and look forward to working to see the project constructed and begin operations.

MID further requested that the 2018 Board membership dues be waived due to their per-capita cumulative financial support to date and the high level of active support and advocacy to project provided by MID’s Authority Board representative and its General Manager.

**Prior Authority Board Action:**

None.

**Fiscal Impact/Funding Source:**

None

**Staff Contact:**

Jim Watson

**Attachments:**

Attachment A – Maxwell Irrigation District Withdrawal letter



# MAXWELL IRRIGATION DISTRICT

A PUBLIC ENTITY—EST. 1918

July 3, 2018

BOARD OF DIRECTORS

Chairperson  
Mary Wells

Vice Chairperson  
Matthew Southam

Director  
Mike Bell

Director  
Joe Richter

Director  
Chris Dobson

STAFF

Operations  
Superintendent  
Ron Chambers

Field Operator  
Bill Manville

Administrator  
Kathleen Bautista

District Manager  
Daniel Ruiz

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district.com

Sites Project Authority  
122 Old Hwy. 99  
P.O. Box 517  
Maxwell, CA 95955

**RE: Maxwell Irrigation District Request for Withdrawal from Sites Project Authority**

Dear Board of Directors,

This letter will serve as our notice to the Sites Project Authority (Authority) that Maxwell Irrigation District (MID) requests formal withdrawal from our membership as an Authority Member. During our regularly scheduled June meeting, the MID Board of Director's (Board) completed its final discussions regarding our continued involvement in the Sites Authority. Since the creation of the Authority in 2010, MID stepped up with financial support, not only because of the potential impact to our diversion facility, but also because of the Board's firm belief that the Sites project holds far reaching benefits for all water users in the North-state. To date, MID's 6,143 acres of assessable land has committed a total of \$158,000 to the Authority. This equates to a cost of \$25.72 for every landowner acre. During our 2018 budgeting process, the Board felt that the financial impact to our landowners was just too much of a burden for us to continue our financial support to the Authority, especially when rice and wetlands are our only two sources of water service revenue. Our diseconomy-of-scale weighs heavily on the Board.

With that said, it is our understanding that in order to formally withdrawal from the Authority, we need to give a 30-day notice, and we are to be responsible for our share of General and Administrative Costs through the date of withdrawal. Because of MID's per capita cumulative financial support to date, our Manager and Chairperson's cumulative hours of participation and advocacy and our hesitancy to submit our withdrawal during the Water Commission's critical deliberations, we respectfully request that MID's 2018 General and Administrative Costs be waived.

Looking forward, the Board wants to make it clear that our withdrawal from the Authority by no means represents a reduction of our support for the Project. MID is committed to establishing a course of action that will best align our District with the future configuration and operations of the Project in a positive and efficient manner. We appreciate having played a role in the Authority's decision-making journey as it evolved into the forefront of water storage and management leadership for Northern California and really for all of California.

Sincerely,

Mary C. Wells  
Chairperson