



**MWD**

METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

**9-12**

March 31, 1998

**To:** Board of Directors (Committee on Legislation-Information)

**From:** *for* General Manager

**Submitted by:** John R. Maloy  
Chief of Communications

**Subject:** SB 1885 (Ayala-Chino)

*John R. Maloy*  
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### **RECOMMENDATION(S)**

For information only.

### **DETAILED REPORT**

SB 1885, introduced by Senator Ayala would reduce the Board of Directors of Metropolitan from its current 51 members to one member per member agency. The bill states that each member public agency "shall retain the number of votes which that member public agency possessed on December 31, 1998." It is unclear from the bill whether the number of votes is therefore fixed as of December 31, 1998 or whether the number of votes existing as of December 31, 1998 is a minimum.

Last May the Board opposed SB 926 and AB 928 which provided that the Board would be reduced in size to 15 directors, all appointed by the Governor and confirmed by the State Senate. These bills proposed that directors would be required to reside within the Metropolitan service area but would be otherwise at large, meaning that they would not be representing the interests of any particular member agency. Each director would have one vote. These bills were opposed by your Board in May of 1997 on the basis that they would deprive the member agencies of the right to direct representation and would repeal proportional voting.

Your Board is in the process of reviewing the issues relating to governance. As a part of that review, the Board has retained Mr. John Van de Kamp to assist in the development of recommendations and alternatives to be considered by your Board. Mr. Van de Kamp has recently sought the input of members through the use of a survey and is expected to report at the April Board and Committee meetings. It is expected that the pros and cons of multiple members, the value of diversity on the Board and an evaluation of the utility of the present weighted voting system will be some of the factors to be discussed.

To further assist the Board, Mr. John Carver has been retained to provide alternative models for how the Board presently conducts its business. Mr. Carver has met twice with the Board and is expected to continue his work at a special meeting currently anticipated to be set in May 1998.

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In light of these two Board initiatives it would be premature to request that your Board take a specific position on this bill. As your Board continues work on the governance issues a specific proposal or proposals may emerge .

KLT:sk  
#9649

Attachment

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**SENATE BILL      No. 1885**

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**Introduced by Senator Ayala**

February 19, 1998

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An act to amend Section 51 of the Metropolitan Water District Act (Chapter 209 of the Statutes of 1969), relating to metropolitan water districts.

**LEGISLATIVE COUNSEL'S DIGEST**

SB 1885, as introduced, Ayala. Metropolitan water districts.

(1) Under the Metropolitan Water District Act, the board of a metropolitan water district is required to consist of at least one representative from each member public agency, as prescribed. The act authorizes each member public agency to appoint additional representatives not exceeding one additional representative for each 3% of the assessed valuation of property taxable for district purposes within the entire district that is within the boundaries of that member public agency. Under the act, each member public agency is entitled to cast one vote for each \$10,000,000 of assessed taxable valuation of property for district purposes within the boundaries of that member public agency, as prescribed.

This bill would, instead, require the board of a metropolitan water district to consist of one representative of each member public agency and would provide that each member public agency shall retain the number of votes which that agency possessed on December 31, 1998. By imposing requirements on member public agencies and the board, the bill would impose a state-mandated local program.

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(2) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement, including the creation of a State Mandates Claims Fund to pay the costs of mandates that do not exceed \$1,000,000 statewide and other procedures for claims whose statewide costs exceed \$1,000,000.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to these statutory provisions.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: yes.

*THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:*

1 SECTION 1. Section 51 of the Metropolitan Water  
2 District Act (Chapter 209 of the States of 1969) is  
3 amended to read:

4 Sec. 51. (a) *The Notwithstanding any other*  
5 *provision of this act, the board shall consist of at least* one  
6 *representative from each member public agency. The*  
7 *representatives shall serve without compensation from*  
8 *the district. They Each representative shall, at the option*  
9 *of the agency, either be designated and appointed by the*  
10 *chief executive officer of the member public agency with*  
11 *the consent and approval of the governing body of the*  
12 *agency or be selected by a majority vote of the governing*  
13 *body of the agency.*

14 *(b) Notwithstanding any other provision of this act,*  
15 *each member public agency shall retain the number of*  
16 *votes which that member public agency possessed on*  
17 *December 31, 1998.*

18 SEC. 2. Notwithstanding Section 17610 of the  
19 Government Code, if the Commission on State Mandates  
20 determines that this act contains costs mandated by the  
21 state, reimbursement to local agencies and school  
22 districts for those costs shall be made pursuant to Part 7  
23 (commencing with Section 17500) of Division 4 of Title

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1 2 of the Government Code. If the statewide cost of the  
2 claim for reimbursement does not exceed one million  
3 dollars (\$1,000,000), reimbursement shall be made from  
4 the State Mandates Claims Fund.

5 Notwithstanding Section 17580 of the Government  
6 Code, unless otherwise specified, the provisions of this act  
7 shall become operative on the same date that the act  
8 takes effect pursuant to the California Constitution.