



- **Board of Directors  
Executive Committee**

July 26, 1999

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**8-10**

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**Subject**

Contribution to the Six Agency Fund and Colorado River Association - Six Agency Committee

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**Description**

Metropolitan will be receiving invoices from the Secretary of the Six Agency Committee (Committee) and the Colorado River Association - Six Agency Committee (Association) requesting payments of Metropolitan's proportionate shares to the Six Agency Fund and the Association for Fiscal Year 1999-2000. Copies of the budgets are attached. The Committee, on which Metropolitan is represented, has approved the Six Agency Fund budget. The Six Agency Fund was created to pool the funds received from the agencies represented on the Committee. The funds are used for purposes which will secure the represented agencies' rights and interests in Colorado River system water and power resources. Metropolitan has contributed to the Six Agency Fund since its inception. Metropolitan's share of the annual contribution amounts to \$359,418. Metropolitan's contribution for Fiscal Year 1998-99 was \$409,863.

The Association, on which Metropolitan is represented, has approved its budget. Metropolitan's contribution will fund a portion of the costs of the Association's informational and public affairs activities. Metropolitan's share of the contribution is \$35,520. Metropolitan's contribution for Fiscal Year 1998-99 was \$40,404.

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**Policy**

Administrative Code, Sections 11202 and 11203.

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**Board Options/Fiscal Impacts**

**Option #1:** The Board authorize the General Manager to pay Metropolitan's share of the total contribution to the Six Agency Fund in the amount of \$359,418 and Metropolitan's share of the total contribution to the Colorado River Association - Six Agency Committee in the amount of \$35,520 for Fiscal Year 1999-2000.

**Option #2:** No Action.



**DETAILED REPORT**

The Colorado River Board of California (CRB), a state agency established by the Legislature in 1937, is charged with protecting the rights and interests of the people of California in the water and power resources of the Colorado River. Metropolitan is represented on the CRB.

The Six Agency Committee (Committee), whose primary function is support of the CRB, was created in 1950 by a joint powers agreement. The Committee is composed of representatives from the six major Southern California public agencies with Colorado River water and power interests, including Metropolitan. These agencies provide a portion of the funds for the CRB's budget. The purpose of the Committee is to administer the funds contributed by the represented agencies for purposes that will secure their rights and interests in Colorado River system water and power resources.

The Six Agency Fund is the legal mechanism through which Metropolitan contributes its share of these costs, which are prorated among the participating agencies. The fiscal year 1999-2000 budget (see **Attachment 2**) is in the amount of \$1,619,000 which will provide this support. The budget is partially funded by a \$655,956 prior assessment, an estimated carry-over of \$98,000 from the 1998-99 fiscal year assessment, and a \$55,544 contribution from electric utilities for participation in activities related to endangered species issues including development of the Lower Colorado River Multi-Species Conservation Plan. Thus, the total contributions required are \$809,500, twelve percent lower than last year's contribution. Metropolitan's proportionate share (44.4 percent) of the total contribution is \$359,418.

The Committee budget for fiscal year 1999-2000 provides funding for 79 percent of the support of the CRB activities (50 percent of the Committee budget) and 61 percent of California's proportionate share of the funding for the seven-state Colorado River Basin Salinity Control Forum. It also provides funding for multi-species management planning for the Lower Colorado River (35 percent of the budget); consulting services (7 percent of the budget); Washington, D.C. services; unscheduled CRB activities; computer equipment replacement, maintenance and supplies; and contingencies.

The Colorado River Association (Association) was formed in 1946. It is a nonprofit organization which functions as the public affairs entity of the Committee. It circulates a newsletter and performs other informational and public affairs functions. Metropolitan has been a member since the Association's inception.

At a meeting of the Association held on June 9, 1999, the budget of proposed expenses for the Association (see **Attachment 2**) was presented for fiscal year July 1, 1999 to June 30, 2000, in the amount of \$151,000. There is an estimated carry-over of \$71,000 from the 1998-99 fiscal year assessment, thus, the necessary contribution from all members will total \$80,000. Metropolitan's proportionate share of the contribution (44.4 percent) comes to \$35,520 which is \$4,884 less than fiscal year 1998-99. The budget includes expenditures for Association functions, Colorado River inspection trips, and the printing and distribution of documents including the Association's quarterly newsletters. Inspection trips may be conducted for Congressional and California legislative staff to inform them of the importance of Colorado River supplies to the people of Southern California.

Sufficient funds are included in Metropolitan's 1999-2000 fiscal year operation and maintenance budget to cover these costs. The approval of the budget was coupled with the finding of necessity pertaining to dissemination of information by two-thirds vote of the Board. The recommendation made in this letter may be approved by a majority vote of the Board.

This project is exempt from the California Environmental Quality Act because it will not have a substantial, or potentially substantial, adverse effect on the environment.

**SIX AGENCY FUND  
PROPOSED  
FY 1999-2000 BUDGET**

	Current Year FY 1998-99		Anticipated Expenditures FY 1998-99		Budget FY 1999-00	
<b>A. SUPPORT OF COLORADO RIVER BOARD BUDGET</b>						
1. Colorado River Board Direct Support	\$1,036,000		\$ 921,457		\$ 1,025,000	
State Share (General Fund)	\$ 209,000	20.2%	\$ 187,057		\$ 211,000	20.6%
Six Agency Share	\$ 827,000	79.8%	\$ 734,400		\$ 814,000	79.4%
2. Colorado River Basin Salinity Control Forum Support	\$ 40,000		\$ 30,503		\$ 46,000	
State Share (CELPF)	\$ 16,000	40.0%	\$ 11,902		\$ 18,000	39.1%
Six Agency Share	\$ 24,000	60.0%	\$ 18,601		\$ 28,000	60.9%
3. Total Budget Estimate						
Colorado River Board	\$1,076,000		\$ 951,960		\$1,071,000	
State Share	\$ 225,000	20.9%	\$ 198,960		\$ 229,000	21.4%
Six Agency Share	\$ 851,000	79.1%	\$ 753,000		\$ 842,000	78.6%
<b>B. ESTIMATED BUDGET REQUIREMENTS</b>						
1. Support of Colorado River Brd. Budget	\$ 851,000		\$ 753,000		\$ 842,000	
2. Washington, D.C. Services	\$ 45,000		\$ 50,000		\$ 45,000	
3. Consulting Services	\$ 120,000		\$ 7,000		\$ 120,000	
4. Unscheduled Board Activities	\$ 10,000		\$ -		\$ 10,000	
5. Computer, Replacement, Maintenance & Supplies	\$ 15,000		\$ 8,500		\$ 15,000	
6. 3% Reserve for Contingency	\$ 25,000		\$ -		\$ 25,000	
7. LCR MSCP						
A. Endangered Fish	\$ 547,613		\$ 430,266		\$ 262,000	
B. Endangered Birds	\$ 300,000		\$ -		\$ 300,000	
ESTIMATED SIX AGENCY BUDGET	\$1,913,613		\$ 1,248,766		\$1,619,000	
8. Estimated Carry-Over	-		\$ -		\$ (98,000)	
9. Refund from State	-		\$ -		\$ -	
10. Prior Assessment	(946,804)		\$ -		\$(655,956)	
11. Electric Utility Contribution (Item #7A)	(116,094)		\$ -		\$ (55,544)	
<b>C. TOTAL CONTRIBUTION</b>	<b>\$850,715</b>		<b>\$1,248,766</b>		<b>\$ 809,500</b>	

**COLORADO RIVER ASSOCIATION FUND**  
FY 1999-2000 BUDGET

Account No. 1	Awards & Honoraria	\$ 300
Account No. 2	Miscellaneous Postage	\$ 1,000
Account No. 3	Misc. Supplies & Services	\$ 2,000
	Informational Binders and Brochures	
Account No. 4	Travel & Conference Expenses	\$131,000
	Luncheons, Association Citizens Advisory Committee, District, State Congressional, other Representatives	\$ 9,000
	Lower Colorado River Tour California Legislative Staff	\$ 25,000
	Lower Colorado River Tour Congressional Reps	\$ 50,000
	Tour	\$ 16,000
	Charter Services	\$ 20,000
	Airfare	\$ 14,000
	Upper Colorado River Tour CRB Members & Agency Staff	\$ 45,000
	Tour	\$ 20,000
	Charter Services	\$ 10,000
	Airfare	\$ 15,000
	General Manager & CRB E.D. Expense	\$ 2,000
Account No. 5	Newsletters, News Releases & Brochure	\$ 13,200
	3 Newsletters; printing and mailing 3,000 copies @ \$1,000/ mailing	\$ 3,000
	List Maint., Handling Requests, etc.	\$ 700
	Printing-5,000 copies of California's Stake in the Colorado River	\$ 9,000
	Miscellaneous	\$ 500
Account No. 6	Telephone	\$ 300
Account No. 7	Contingency Reserve	\$ 3,200
	ESTIMATED CRA BUDGET	\$151,000
	Prior Assessment	\$ (71,000)
	TOTAL CONTRIBUTION	\$ 80,000