

- **Communications and Legislation Committee**

October 11, 1999 Meeting

C&L 7a

Subject

Strategic Communications

Description

To assist the General Manager with the implementation of the Board's policies on CALFED, to promote the expected Quantification Settlement on the Colorado River, and to create a clear understanding of the Board's Strategic Plan initiatives among key political leaders, the General Manager is proposing to engage the professional services of highly regarded consultants on a short-term basis.

Policy

Implements existing Board policies.

Fiscal Impact

Expenditures will be within General Manager's delegated authority and within existing fiscal year 1999-2000 budget.

General Manager

Date

Attachment 1 – Detailed Report

Detailed Report

Critical decision points are converging on CALFED, the California 4.4 Plan, and the Board's Strategic Plan. The stakes for Southern California cannot be underestimated.

When I became General Manager earlier this year, we both recognized that these issues would have to be dealt with immediately. In response, the Board, with the assistance of staff, adopted a new policy position on CALFED that signals a significant departure from the past. We have also pushed hard to bring to closure the long negotiations over the Imperial Irrigation District/San Diego transfer, and the related quantification of Colorado River diversion rights. It is fair to say that our negotiations have sought to facilitate the transfer and create a new framework for cooperation between Metropolitan, the Coachella Valley Water District, and the Imperial Irrigation District. At the same time, we have accelerated the review of our Strategic Plan with an emphasis on opening up the dialogue to consider a variety of options and visions for Metropolitan's future.

There is an urgent need to explain the District's rationale and interests in supporting our positions on each of these major public policy issues. Further, we are obligated to advocate our positions in a way that produces tangible and positive results for our constituents.

Pursuant to the modified "Carver Principles" endorsed by the Board, it is the General Manager's responsibility to organize and implement a strategy to effectuate the Board's policies. Within the limits of the authority you have given me, I am intending to aggressively fulfill that responsibility. The purpose of this letter is to inform you of my plan and the associated expenses I expect to incur over the next twelve months in furtherance of that plan.

In general, the plan is the same as we have previously discussed. It is to communicate, in simple and understandable terms, the basic policy positions of the Board, and their import for the residents of the District. The premise is that if these policies are sound and manifestly in the public's interest, they will serve us well if communicated and advocated properly.

Except as I will explain below, we have in place at the District, with the aid of the member agencies, all the resources we need to implement this plan. The reorganization of our staff and improved coordination with the member agency managers enhances our ability to mobilize quickly. Specific outreach plans are now being developed. Some will rely on the individual contacts of Board members. Adan Ortega and myself have talked to most of you about your interests and contacts and will follow-up with everyone to discuss suggested individual actions.

The decisions we are confronting have state, national and international ramifications. Because we can expect policy makers at the highest levels of our government to become engaged, I believe it is imperative that we retain the professional services of four individuals with unique talents and expertise to assist us. These individuals are: former Congressman Mel Levine; former Congressman Vic Fazio; Former State Senator Art Torres; and Dr. Alan Heslop, Director of the Rose Institute.

These individuals will be expected to advise us on strategy and to provide new opportunities for us to communicate our core messages to the key public official decision makers. This role is distinguishable from our existing contract lobbyists in that they will not be engaged to lobby on specific legislation pending in either the State Legislature or the Congress. We will measure their performance by the results we achieve within the specified time frame they are retained.

In anticipation of the quantification settlement agreement with Coachella Valley Water District and the Imperial Irrigation District, Mr. Levine will be engaged to advise and assist our Washington, DC lobbyist, Brad Hiltcher, in obtaining a unified California delegation behind the California 4.4 Plan and our position on river reoperations criteria. Mr. Levine has long standing relations with congressional representatives of the other Basin States and with the State Department officials that will likely be involved in addressing any concerns expressed by the Republic of Mexico over the California 4.4 Plan. While in Congress, Mr. Levine served on both the Foreign Relations Committee and the Committee on Interior and Insular Affairs. He was instrumental in the bipartisan congressional action that authorized the lining of the All-American Canal.

Dr. Alan Heslop, in addition to being the Director of the Rose Institute, does independent political consulting. He has extraordinary contacts with Republican elected officials, both in California and Washington, DC. He is known nationally for his work at the Rose Institute on a wide variety of major public policy issues. He will bring a balance and perspective to our team that I believe will be invaluable. His role will be to help us raise a general awareness and appreciation among key political leaders of the new direction being undertaken by the Board in its Strategic Plan, California 4.4, and CALFED.

Mr. Fazio has recently retired from Congress. While in office, he attained a high level of leadership responsibility and respect from his peers. As a Northern California representative, he became intimately familiar with water issues. Consistent with the Board's policy, he would not be retained to advocate for a Peripheral Canal, or, other isolated channel. He would, however, be expected to help us quickly and clearly communicate the seriousness of our need and desire for a more certain level of water supply reliability and water quality from the State Water Project. He would also be expected to advise and assist in identifying how we can best work cooperatively with other interests in the state to achieve our goals. In my judgement, Mr. Fazio has distinguished himself throughout his career as an individual that has sought to serve the interests of all Californians, not just those of his former district. If we are to convince others to take this broader public interest view, I cannot think of a person better able to assist us at this critical juncture on CALFED, in both Washington, DC and California.

Mr. Torres served many years in the State Legislature. He is now a private political consultant and in a separate capacity, serves as the California State Chairman of the Democratic Party. His contacts at every level of government are current and extensive. In contrast to Mr. Levine and Mr. Fazio, who will be engaged to work on specific projects, Mr. Torres will be expected to help us raise a general political awareness and appreciation of the new direction embodied in the Board's policies. His task will be to assist in the large challenge of dispelling out-dated impressions of Metropolitan that are commonly held among many Democratic elected officials and actively promoted by others. In politics, perception is

reality. Our meritorious positions and sound public policy judgements will not be heard if who we are and what we are saying is perceived otherwise. Mr. Torres' job will be to bring old perceptions about the District in line with the current reality.

Over the next six months, I am planning to integrate the service of these consultants into our program with the expenditures being off-set in the current budget by savings identified in the reorganization of the previous communications division. The individual contracts are within my delegated authority. If additional expenses need to be incurred, I would likely have sufficient additional delegated authority to meet them, but will plan to return to the Board prior to the elapse of six months to review our performance. I will also arrange for each of these individuals to be available to meet with the Committee on Communications and Legislation at their earliest convenience. You may be assured that the work of each of these consultants will be closely coordinated to avoid duplication of work.

I will continue to aggressively seek cost savings in the staff reorganization and Competitive Action Team reviews and will manage these new costs within the existing fiscal year 1999 – 2000 budget. Were it not for the urgency and seriousness of the issues we are facing, I would not incur these new expenses. However, the stakes are too high for the long-term health and welfare of Southern California for us not to engage the best talent we can find to immediately help us meet these challenges.