

- **Board of Directors**
Special Committee on the Water Education Center and Museum

September 11, 2001 Board Meeting

8-6

Subject

Adopt resolution creating the Foundation for the Southern California Water Education Center, a 501(c)(3) corporation to support Metropolitan's Water Education Center and Museum, and approve nominees for the foundation's board of directors

Description

At its March 27, 2001 meeting, the Special Committee on Museum Feasibility and Development directed staff to draft bylaws and articles of incorporation ([Attachment 1](#)) for a foundation, which will be established to provide financial support for Metropolitan's Water Education Center and Museum, formally called the Southern California Water Education Center. Subsequently, the Committee was renamed the Special Committee on the Water Education Center and Museum (Special Committee).

Having reviewed and modified staff recommendations for the foundation, the Special Committee directed staff to prepare a resolution ([Attachment 2](#)) creating the organization for full Board consideration. As proposed, the bylaws and articles of incorporation ([Attachment 1](#)) and the resolution will create an independent entity with a board consisting of no less than five (5) or more than fifteen (15) members.

On July 24, 2001, the Special Committee unanimously voted to approve a motion supporting the nominees to the foundation board. The Special Committee recommends that Metropolitan's Board of Directors approve these seven nominations and adopt the resolution creating the foundation. Proposed are: Chairman Phillip J. Pace, Chairman Emeritus E. Thornton Ibbetson, Director Emeritus Jerry King, Director George Wein, Director Marion V. Ashley, Mr. Dan Mitrovich, and Mr. Doug Ring. Mr. Mitrovich is the Co-Chief Executive Officer of San Diego-based Solution Strategies, and Mr. Doug Ring is the President of Los Angeles-based The Ring Group.

The bylaws and articles of incorporation of the foundation establish the foundation's purpose and initial operating policies for supporting Metropolitan's mission as it relates to educating the public about water resource management and related issues. It is anticipated that the foundation will support these goals through fund-raising and other support activities.

Donations made to the foundation will be deductible under IRS Code Section 170 as charitable contributions. The Special Committee believes that a separate entity would have greater success at fund-raising and in seeking public and private grants which might be available to support Metropolitan's goals of establishing a water education center and museum at Diamond Valley Lake. Metropolitan will initially provide legal and staff support for the foundation.

Policy

No applicable policy.

CEQA

The proposed resolution creating the Foundation for the Southern California Water Education Center is not defined as a project under the California Environmental Quality Act (CEQA), because the proposed action involves the creation of government funding mechanisms or other government fiscal activities, which do not involve a commitment to any specific project which may result in a potentially significant physical impact on the environment (Section 15378(b)(4) of the State CEQA Guidelines).

Board Options/Fiscal Impacts

Option #1

Adopt the CEQA determination and resolution creating an independent entity to support Metropolitan's Water Education Center and Museum through fund-raising and other support functions.

Fiscal Impact: The foundation will initially seek the technical expertise of an Executive Director/ Development Manager (consultant) to manage fund-raising activities. The average salary for a full-time museum development manager is \$70,000 per year. The funding for a development manager and the foundation's future operational costs will be financed through fund-raising activities.

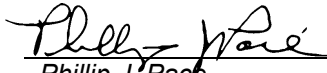
Option #2

Do not adopt resolution creating an independent entity to support Metropolitan's Water Education Center and Museum.

Fiscal Impact: Undetermined

Staff Recommendation

Option #1



Phillip J. Pace
Chairman of the Board

9/6/2001

Date

Attachment 1 – Bylaws and Articles of Incorporation

Attachment 2 - Resolution

BLA #1249

BYLAWS**The Foundation for the Southern California Water Education Center,
a California nonprofit public benefit corporation****ARTICLE I
NAME**

The name of this corporation shall be the Foundation for the Southern California Water Education Center (the “**Corporation**”).

**ARTICLE II
PURPOSE, NONPARTISAN ACTIVITIES, DEDICATION OF ASSETS**

Section 1. **PURPOSE.** The primary purposes of this Corporation shall be:

- (a) To create, promote, develop and facilitate water education.
- (b) To solicit, receive and administer funds from public and/or private sources by grant, contract or loan for use in attaining the purposes for which this Corporation is organized;
- (c) To engage in any lawful activity incidental or conducive to the purposes for which this Corporation is organized.

Section 2. **NONPARTISAN ACTIVITIES.**

This Corporation has been formed under the California Nonprofit Public Benefit Corporation Law for the public purposes described above, and it shall be nonprofit and nonpartisan. No substantial part of the activities of the Corporation shall consist of carrying on propaganda, or otherwise attempting to influence legislation, except as provided in Section 501(h) of the Internal Revenue Code, and the Corporation shall not participate or intervene in (including the publication or distribution of statements) any political campaign on behalf of or in opposition to any candidate for public office or for or against any cause or measure being submitted to the people for a vote. The Corporation shall not, except to an insubstantial degree, engage in any activities or exercise any powers that are not in furtherance of the purposes described above.

Section 3. **DEDICATION OF ASSETS.**

The properties and assets of this nonprofit Corporation are irrevocably dedicated to charitable purposes. No part of the net earnings, properties, or assets of this Corporation, on dissolution or otherwise, shall inure to the benefit of any private person or individual, or any director, officer or trustee of this Corporation. On liquidation or dissolution, all properties, assets and obligations shall be distributed and paid over to the Metropolitan Water District of Southern

California for purposes consistent with those of the Corporation or to an organization dedicated to educational or charitable purposes, provided that the organization continues to be dedicated to the exempt purposes as specified in Section 501(c)(3) of the Internal Revenue Code.

ARTICLE III **MEMBERS**

Section 1. MEMBERS.

This Corporation shall have no members.

ARTICLE IV **DIRECTORS**

Section 1. POWERS.

(a) **General Corporate Powers.** Subject to the provisions and limitations of the California Nonprofit Public Benefit Corporation Law and any other applicable laws, and any limitations of the Articles of Incorporation and of these Bylaws, the activities and affairs of the Corporation shall be managed, and all corporate powers shall be exercised, by or under the direction of the Board of Directors (“**Board**”).

(b) **Specific Powers.** Without prejudice to these general powers, but subject to the same limitations, the Board shall have the power to:

(i) Appoint and remove, at the pleasure of the Board, all officers, agents and employees of the Corporation; prescribe powers and duties for them that are consistent with law, with the Articles of Incorporation and with these Bylaws; and fix their compensation and require from them security for faithful performance of their duties.

(ii) Change the principal office or the principal business office in the State of California from one location to another; cause the Corporation to be qualified to conduct its activities in any other state, territory, dependency or country and conduct its activities within or outside the State of California; and designate any place within or outside the State of California for the holding of any meeting, including annual meetings.

(iii) Adopt and use a corporate seal and alter the form thereof.

(iv) Borrow money and incur indebtedness on behalf of the Corporation, and cause to be executed and delivered for the purposes of the Corporation, in the corporate name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, hypothecations and other evidences of debt and securities.

Section 2. NUMBER; SELECTION; AND RESTRICTIONS ON DIRECTORS.

(a) Authorized number. The authorized number of Directors shall be not less than five (5) nor more than fifteen (15).

(b) Election. New Directors shall be elected at the annual meeting of the Board by a majority of the Directors then in office. The initial number of Directors shall be seven (7) and shall be divided into two (2) classes of Directors, classes A and B respectively. Class A shall consist of three (3) Directors who shall hold office for the initial post-incorporation term of two (2) years, commencing on the date of the Director's election, and shall serve until the end of the term or until a successor is elected. Class B shall consist of four (4) Directors who shall hold office for the initial post-incorporation term of four (4) years, commencing on the date of the Director's election, and shall serve until the end of the term or until a successor is elected. Any increase in the number of Directors shall result in the allocation to the respective classes in such a manner that the number of Directors in either class shall not exceed the number of Directors in the other class by more than one. The term of each Director in a particular class shall end on the same date as the other Directors in that particular class, irrespective of the date such Director was elected to the Board.

(c) Restrictions on Directors. A Director may not participate in any vote on any proposed transaction with another organization or entity of which such Director is also an employee, principal or current director.

Section 3. TERM OF OFFICE OF DIRECTORS.

On the completion of the initial term in office, each Director shall hold office for a term of four (4) years, commencing on the date of the Director's election at the annual meeting of the Board, and shall serve until the end of the term or until a successor is elected.

Section 4. VACANCIES.

(a) Events Causing Vacancy. A vacancy or vacancies on the Board shall exist on the occurrence of the following: (1) the death, removal, suspension or resignation of any Director; or (2) the declaration by resolution of the Board of a vacancy in the office of a Director who has been declared of unsound mind by an order of court or convicted of a felony or has been found by final order or judgment of any court to have breached a duty under Section 5230 and following of the California Nonprofit Public Benefit Corporation Law.

(b) Resignations. Except as provided in this subsection, any Director may resign effective upon giving written notice to the Chairman of the Board, or the Secretary of the Board, unless such notice specifies a later time for the resignation to become effective. Except upon notice to the Attorney General of the State of California, no Director may resign when the Corporation would then be left without a duly elected Director or Directors in charge of its affairs.

(c) Removal. A Director may be removed for cause upon the affirmative vote of two-thirds of the Directors. Cause shall include three (3) unexcused absences in a twelve-

(12) month period; change in residency from the Corporation's service areas, and any other conduct which is a breach of the Director's fiduciary responsibility to the Corporation.

(d) Filling Vacancies. Any vacancy on the Board shall be filled by vote of the remaining Directors, whether or not less than a quorum, or by a sole remaining Director.

(e) No Vacancy On Reduction Of Number Of Directors. No reduction of the authorized number of Directors shall have the effect of removing any Director before the Director's term of office expires.

Section 5. PLACE OF MEETINGS; MEETINGS BY TELEPHONE.

Meetings of the Board shall be held at the principal office of the Corporation or at such other place as has been designated by the Board. In the absence of any such designation, meetings shall be held at the principal office of the Corporation. Consistent with applicable law, any meeting may be held by conference telephone or similar communication equipment, so long as all Directors participating in the meeting can hear one another, and all such Directors shall be deemed to be present in person at such meeting.

Section 6. ANNUAL, REGULAR AND SPECIAL MEETINGS.

(a) Annual Meeting. The Board shall hold an annual meeting for the purpose of organization, election of officers, and the transaction of other business, during the last quarter of each fiscal year. Notice of such meeting shall be provided as required by law.

(b) Other Regular Meetings. The Board shall hold regular business meetings throughout the year, which shall be held without call and on a date to be fixed by resolution of the Board. Regular meetings shall be noticed to the extent required by law. Any given meeting may be dispensed with by majority vote of the Board.

(c) Special Meetings. Special meetings of the Board for any purpose may be called at any time by the Chair, any Vice Chair, the Secretary or any Director.

(i) Notice. Notice of the time and place of special meetings shall be provided as required by law and shall be given to each Director either: 1) by personal delivery of written notice; 2) by first-class mail, postage pre-paid; 3) by telephone, either directly to the Director or to a person at the Director's office who would reasonably be expected to communicate that notice promptly to the Director; or 4) by cable or telegram, charges prepaid, or teletype. All such notices shall be given or sent to the Director's address and or telephone number as shown on the records of the Corporation. Notices sent by first-class mail shall be deposited in the United States mail at least four (4) days before the time set for the meeting. Notices given by personal delivery, telephone, or telegraph shall be delivered, telephoned, or given to the telegraph company at least forty-eight (48) hours before the time set for the meeting.

(ii) Notice Contents. The notice shall state the time and place of the meeting, and such other information as may be required by law.

Section 7. QUORUM.

A majority of the Directors shall constitute a quorum for the transaction of business, except to adjourn as provided in Section 9 of this Article IV. Subject to the more stringent provisions of the California Nonprofit Public Benefit Corporation Law, including, without limitation, those provisions relating to (i) approval of contracts or transactions in which a Director has a direct or indirect material financial interest, (ii) approval of certain transactions between corporations having a common directorship, (iii) creation of or appointment of committees of the Board, and (iv) indemnification of Directors. Every act or decision done or made by a majority of the Directors present at a meeting duly held at which a quorum is present shall be regarded as the act or decision of the Board. A meeting at which a quorum is initially present may continue to transact business, notwithstanding the withdrawal of Directors, if any action taken is approved by at least a majority of the required quorum for that meeting.

Section 8. ADJOURNMENT.

A majority of the Directors present, whether or not a quorum is present, may adjourn any meeting to another time and place.

Section 9. COMPENSATION.

The officers and Directors shall serve without compensation, but reasonable expenses incurred may be reimbursed when expended for and in the interest of the Corporation and approved by the Board.

Section 10. ANNUAL REPORT.

The Board shall cause to be prepared an Annual Report on the status of the business and operations of the Corporation, in any manner as required by the laws of the State of California.

Section 11. HONORARY DIRECTORS.

The Board may elect to appoint Honorary Directors and Officers. Such Honorary Directors and Officers shall serve at the pleasure of the Board and shall have no other powers except under this Section.

ARTICLE V
OFFICERS

Section 1. OFFICERS.

The Corporation shall have the following elected officers: Chair, Vice Chair, Secretary and Treasurer. Nothing herein shall prohibit the Board from combining one or more of

the various offices; except that neither the Secretary nor the Treasurer may serve concurrently as the Chair. An elected officer must be a Director of the Corporation.

Section 2. ELECTION OF OFFICERS; TERM.

The officers of the Corporation shall be elected by the Board, at the annual meeting, and each shall serve at the pleasure of the Board. Each officer shall serve until a successor is duly elected and qualified.

Section 3. VACANCIES IN OFFICE.

A vacancy occurring in any office because of death, resignation, removal or other cause, shall be filled in the manner prescribed in these Bylaws for regular election to that office.

Section 4. REMOVAL OF OFFICERS.

Any officer elected or appointed by the Board may be removed by an affirmative vote of a majority of the total Board whenever, in its judgment, the best interests of the Corporation would be served thereby.

Section 5. RESPONSIBILITIES OF OFFICERS.

(a) Chair. The Chair shall preside at all meetings of the Board and of the Executive Committee. The Chair shall see that all orders and resolutions of the Board are carried into effect. The Chair, along with the Secretary or other officers authorized by the Board to do so, shall execute any deed, mortgage, bond contract, or other instrument which the Board has authorized to be executed. The Chair shall have general superintendence of all officers of the Corporation and shall see that their duties are properly performed. Such guidelines and direction as the Executive Director may require shall be provided by the Chair. The Chair shall, from time to time, report to the Board all matters within his knowledge which the interests of the Corporation may require to be brought to their notice.

(b) Vice Chair. In the absence or disability of the Chair, the Vice Chair shall perform all of the duties of the Chair, and when so acting, shall have all the powers of and be subject to all of the restrictions upon the Chair. The Vice Chair shall have such other powers and perform such other duties as from time to time may be prescribed for them by the Board or the Bylaws.

(c) Secretary. The Secretary shall keep, or cause to be kept, at the principal office or such other place as the Board may direct, a book of minutes of all meetings and actions of the Board and of committees of the Board. The Secretary shall also keep, or cause to be kept, at the principal office in the State of California, a copy of the Articles of Incorporation and Bylaws, as amended to date. The Secretary shall give, or cause to be given, notice of all meetings of the Board or committees of the Board required by these Bylaws to be given. The Secretary shall keep the seal of the Corporation in safe custody and shall have such other powers and perform such other duties as may be prescribed by the Board or the Bylaws.

(d) Treasurer. The Treasurer of the Corporation shall keep or maintain, or cause to be kept or maintained, adequate and correct books and accounts of the properties and transactions of the Corporation, and shall send or cause to be sent to the Directors such financial statements and reports as are required by law or these Bylaws to be given. The books of account shall be open to inspection by any Directors at all reasonable times. The Treasurer shall deposit all money and other valuables in the name and to the credit of the Corporation with such depositories as may be designated by the Board, shall disburse the funds of the Corporation as may be ordered by the Board, shall render to the Chair, when requested, an account of all transactions as Treasurer and of the financial condition of the Corporation, and shall have other powers and perform such other duties as may be prescribed by the Board or the Bylaws. If required by the Board, the Treasurer shall give the Corporation a bond in the amount and with the surety or sureties specified by the Board for faithful performance of the duties of the office and for restoration to the Corporation of all its books, papers, vouchers, money and other property of every kind in the possession or under the control of the Treasurer upon death, resignation, retirement or removal from office.

Section 6. LIMITATION ON OFFICERS.

Notwithstanding any other provision of this Article V, no expenditure of an amount in excess of One Thousand Dollars (\$1000.00), and no obligation requiring or binding the Corporation to expend an amount in excess of One Thousand Dollars (\$1000.00), shall be made or incurred except on the specific written approval of the Corporation's Chair or Executive Director, or other foundation employee designated by the Board.

ARTICLE VI
COMMITTEES

The Board may establish such committees as are appropriate to carry out the business of the Corporation. These committees may include, but not be limited to, a Fundraising Committee, a Grant Advisory Committee and a committee designed to develop new Board membership and nominate officers for the Board. Committee members shall be appointed by the Chair in consultation with the Executive Director. Committee members may include but need not be officers or members of the Board. All committee members shall serve until the first Annual Meeting following their appointment or until their successors have been appointed.

ARTICLE VII
EMPLOYED STAFF

Section 1. EMPLOYED STAFF.

The Board may employ an Executive Director and may authorize the employment of other employees as are needed to carry out the programs of the Corporation. The salary or wages and other terms of employment shall be set by the Board who may enter into contracts of employment on behalf of the Corporation.

Section 2. EXECUTIVE DIRECTOR.

The Executive Director shall serve at the pleasure of the Board for such compensation as the Board may determine. The Executive Director shall have overall general responsibility for the business operations of the Corporation and shall be its official representative. The Executive Director shall comply with the Board's policies and shall submit to the Board such reports, analyses, statistics, plans and other information as may be required from time to time, and shall assist the Board in the preparation of the Corporation's annual budget. The Executive Director may, but need not be, an officer and/or director of the Corporation.

ARTICLE VIII
INDEMNIFICATION AND INSURANCE

Section 1. INDEMNIFICATION.

(a) Right of Indemnity. To the full extent permitted by law, this Corporation shall indemnify and defend its Directors, officers, employees and other persons described in Section 5238(a) of the California Corporations Code (the "**Code**"), including persons formerly occupying any such position, against all expenses, judgments, fines, settlements and other amounts actually and reasonably incurred in connection with any "proceeding", as that term is used in Section 5238(a) of the Code and including an action by or in the right of the Corporation, by reason of the fact that such person is or was a person described by such Section. "**Expenses**", as used in this Section, shall have the same meaning as in Section 5238(a) of the Code.

(b) Approval of Indemnity. Upon written request to the Board by any person seeking indemnification under Section 5238(b) or Section 5238(c) of the Code, the Board shall promptly determine in accordance with Section 5238(e) of the Code whether the applicable standard of conduct set forth in Section 5238(b) or Section 5238(c) of the Code has been met and, if so, the Board shall authorize indemnification. If because the number of Directors who are parties to the proceeding with respect to which indemnification is sought is such as to prevent the formation of a quorum of Directors who are not parties to such proceeding, the Board or the attorney or other person rendering services in connection with the defense shall apply to the court in which such proceeding is or was pending to determine whether the applicable standard of conduct set forth in Section 5238(b) or Section 5238(c) of the Code has been met.

(c) Advancement of Expenses. To the fullest extent permitted by law, and except as is otherwise determined by the Board in a specific instance, expenses incurred by a person seeking indemnification under these Bylaws in defending any proceeding covered by these Bylaws shall be advanced by the Corporation prior to the final disposition of the proceeding upon receipt by the Corporation of an undertaking by or on behalf of such person that the advance will be repaid unless it is ultimately determined that such person is entitled to be indemnified by the Corporation therefor.

Section 2. INSURANCE.

The Corporation shall purchase and maintain insurance to the full extent permitted by law on behalf of its officers, Directors, employees and other agents of the Corporation, against any liability asserted against or incurred by an officer, Director, employee or agent in such capacity or arising out of the officer's, Director's, employee's or agent's status as such.

ARTICLE IX
MISCELLANEOUS

Section 1. MAINTENANCE OF CORPORATE RECORDS.

The Corporation shall keep: 1) adequate and correct books and records of account; and 2) minutes in written form of the proceedings of the Board and committees of the Board.

Section 2. INSPECTION OF CORPORATE RECORDS.

In addition to other statutory requirements that may apply, every Director shall have the absolute right at any reasonable time to inspect all books, records and documents of every kind and the physical properties of the Corporation and the records of each of its subsidiary corporations, except confidential loan files. This inspection by a Director may be made in person or by an agent or attorney, and the right of inspection includes the right to copy and make extracts of documents.

Section 3. PRINCIPAL OFFICE.

The principal office of the Corporation shall be at such location within the project area, as shall be determined by the Board.

Section 4. CORPORATE SEAL.

The Board shall, at its option, adopt a Corporate seal.

Section 5. DEPOSITORIES.

All funds of the Corporation not otherwise employed shall be deposited from time to time to the credit of the Corporation in such government-insured banks, savings and loan associations, trust companies, or other depositories as the Board may elect.

Section 6. CHECKS, DRAFT, ETC.

All checks, drafts, or orders for the payment of money, notes or other evidence of indebtedness issued in the name of the Corporation shall be signed by two (2) persons, one (1) of whom shall be the Chair or Vice Chair, and one (1) of whom shall be the secretary or chief financial officer, provided the signers are two (2) separate persons. If authorized by the Board, one of the signers may be the Executive Director.

Section 7. FISCAL YEAR.

The fiscal year of the Corporation shall end on June 30th of each year.

Section 8. INVESTMENTS.

Any funds of the Corporation which are not needed currently for the activities of the Corporation may, at the discretion of the Board, be invested in such government-insured deposits and federal government securities as are permitted by law.

Section 9. NON-DISCRIMINATION.

The Corporation shall not discriminate against any person, employee or applicant for services, because of race, color, sex, age, national origin, political or religious opinions or affiliations. The Corporation shall abide by any and all pertinent rules, regulations, ordinances, statutes and laws of the state or federal government or agencies prohibiting discrimination.

Section 10. PARLIAMENTARY PROCEDURE.

All meetings of the Board shall be governed by Roberts Rules of Order (current edition), unless contrary procedures are established by the Articles of Incorporation, these Bylaws or by resolution of the Board.

Section 11. GIFTS.

The Board may accept, on behalf of the Corporation, any contribution, gift, bequest or devise for the general purposes or for any special purpose of the Corporation.

ARTICLE X
CONSTRUCTION AND DEFINITIONS

Unless the context otherwise requires, the general provisions, rules of construction and definitions in the California Nonprofit Public Benefit Corporation Law shall govern the construction of these Bylaws. Without limiting the generality of the above, the masculine gender includes the feminine and neuter, the singular includes the plural, and the plural includes the singular, and the term "person" includes both a legal entity and a natural person.

ARTICLE XI
AMENDMENTS

These Bylaws may be amended or repealed and new Bylaws may be adopted by an affirmative vote of two-thirds (2/3) of the Directors. At least ten (10) days notice shall be given of any meeting at which a vote to amend the Bylaws will be taken. The Secretary of the Corporation shall see that a true and correct copy of all amendments of the Bylaws, duly certified by the Secretary, is attached to the official Bylaws of the Corporation and is maintained with the official records of the Corporation at the principal office of the Corporation.

CERTIFICATE OF SECRETARY

The undersigned certifies that he/she is the Secretary of _____,
a California nonprofit public benefit corporation, and that the above Bylaws are the Bylaws of the
Corporation as adopted by the Board of Directors in that certain Unanimous Written Consent of the
Board of Directors to Action Taken Without Meeting in Lieu of an Organizational Meeting dated as
of _____, 2001.

Executed as of _____, 2001.

_____, Secretary

ARTICLES
OF
INCORPORATION
OF THE
FOUNDATION FOR THE SOUTHERN CALIFORNIA WATER EDUCATION
CENTER,
a California nonprofit public benefit corporation

I

The name of this corporation shall be the Foundation for the Southern California Water Education Center (the "Corporation").

II

A. This Corporation is a nonprofit public benefit corporation and is not organized for the private gain of any person. It is organized under the Nonprofit Public Benefit Corporation Law for charitable purposes.

B. This Corporation is organized for the following specific purposes: To support the goals of the Metropolitan Water District through the implementation of educational, research, development, community and youth-based activities designed to enhance and increase the awareness of the environmental and economic impacts of Southern California's water supply.

III

The name and address in California of this Corporation's initial agent for service of process are:

Foundation for the Southern California Water Education Center
Executive Secretary
Metropolitan Water District of Southern California
P.O. Box 54153
Los Angeles, California 90054-0153

IV

A. This Corporation is organized and operated exclusively for charitable purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code.

B. Notwithstanding any other provisions of these Articles, this Corporation shall not, except to an insubstantial degree, engage in any activities or exercise any powers that are not in furtherance of the purposes of this Corporation, and this Corporation shall not carry on any other activities not permitted to be carried on:

1. by a corporation exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code; or
2. by a corporation contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code.

C. No substantial part of the activities of this Corporation shall consist of carrying on propaganda, or otherwise attempting to influence legislation, except as provided in Section 501(h) of the Internal Revenue Code, and this Corporation shall not participate or intervene in (including the publishing or distribution of statements) any political campaign on behalf of or in opposition to any candidate for public office.

V

The property of this Corporation is irrevocably dedicated to charitable purposes, and no part of the net income or assets of this Corporation shall ever inure to the benefit of any director, trustee, officer, shareholder, individual or member thereof or to the benefit of any private person. Upon the dissolution and winding up of this Corporation, the assets remaining after payment, or provision for payment, of all debts and liabilities of this Corporation shall be distributed to the Metropolitan Water District of Southern California for purposes consistent with those of the Corporation or to a nonprofit organization, fund, foundation or corporation which is organized and operated exclusively for charitable purposes and which has established its tax exempt status under Section 501(c)(3) of the Internal Revenue Code.

Dated: _____, 2001

Executive Secretary
Metropolitan Water District of Southern
California, Incorporator

Approved as to form:

General Counsel

BYLAWS

The Foundation for the Southern California Water Education Center, a California nonprofit public benefit corporation

ARTICLE I NAME

The name of this corporation shall be the Foundation for the Southern California Water Education Center (the “**Corporation**”).

ARTICLE II PURPOSE, NONPARTISAN ACTIVITIES, DEDICATION OF ASSETS

Section 1. PURPOSE. The primary purposes of this Corporation shall be:

- (a) To create, promote, develop and facilitate water education.
- (b) To solicit, receive and administer funds from public and/or private sources by grant, contract or loan for use in attaining the purposes for which this Corporation is organized;
- (c) To engage in any lawful activity incidental or conducive to the purposes for which this Corporation is organized.

Section 2. NONPARTISAN ACTIVITIES.

This Corporation has been formed under the California Nonprofit Public Benefit Corporation Law for the public purposes described above, and it shall be nonprofit and nonpartisan. No substantial part of the activities of the Corporation shall consist of carrying on propaganda, or otherwise attempting to influence legislation, except as provided in Section 501(h) of the Internal Revenue Code, and the Corporation shall not participate or intervene in (including the publication or distribution of statements) any political campaign on behalf of or in opposition to any candidate for public office or for or against any cause or measure being submitted to the people for a vote. The Corporation shall not, except to an insubstantial degree, engage in any activities or exercise any powers that are not in furtherance of the purposes described above.

Section 3. DEDICATION OF ASSETS.

The properties and assets of this nonprofit Corporation are irrevocably dedicated to charitable purposes. No part of the net earnings, properties, or assets of this Corporation, on dissolution or otherwise, shall inure to the benefit of any private person or individual, or any director, officer or trustee of this Corporation. On liquidation or dissolution, all properties, assets and obligations shall be distributed and paid over to the Metropolitan Water District of Southern

California for purposes consistent with those of the Corporation or to an organization dedicated to educational or charitable purposes, provided that the organization continues to be dedicated to the exempt purposes as specified in Section 501(c)(3) of the Internal Revenue Code.

ARTICLE III **MEMBERS**

Section 1. MEMBERS.

This Corporation shall have no members.

ARTICLE IV **DIRECTORS**

Section 1. POWERS.

(a) General Corporate Powers. Subject to the provisions and limitations of the California Nonprofit Public Benefit Corporation Law and any other applicable laws, and any limitations of the Articles of Incorporation and of these Bylaws, the activities and affairs of the Corporation shall be managed, and all corporate powers shall be exercised, by or under the direction of the Board of Directors (“**Board**”).

(b) Specific Powers. Without prejudice to these general powers, but subject to the same limitations, the Board shall have the power to:

(i) Appoint and remove, at the pleasure of the Board, all officers, agents and employees of the Corporation; prescribe powers and duties for them that are consistent with law, with the Articles of Incorporation and with these Bylaws; and fix their compensation and require from them security for faithful performance of their duties.

(ii) Change the principal office or the principal business office in the State of California from one location to another; cause the Corporation to be qualified to conduct its activities in any other state, territory, dependency or country and conduct its activities within or outside the State of California; and designate any place within or outside the State of California for the holding of any meeting, including annual meetings.

(iii) Adopt and use a corporate seal and alter the form thereof.

(iv) Borrow money and incur indebtedness on behalf of the Corporation, and cause to be executed and delivered for the purposes of the Corporation, in the corporate name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, hypothecations and other evidences of debt and securities.

Section 2. NUMBER; SELECTION; AND RESTRICTIONS ON DIRECTORS.

(a) Authorized number. The authorized number of Directors shall be not less than five (5) nor more than fifteen (15).

(b) Election. New Directors shall be elected at the annual meeting of the Board by a majority of the Directors then in office. The initial number of Directors shall be seven (7) and shall be divided into two (2) classes of Directors, classes A and B respectively. Class A shall consist of three (3) Directors who shall hold office for the initial post-incorporation term of two (2) years, commencing on the date of the Director's election, and shall serve until the end of the term or until a successor is elected. Class B shall consist of four (4) Directors who shall hold office for the initial post-incorporation term of four (4) years, commencing on the date of the Director's election, and shall serve until the end of the term or until a successor is elected. Any increase in the number of Directors shall result in the allocation to the respective classes in such a manner that the number of Directors in either class shall not exceed the number of Directors in the other class by more than one. The term of each Director in a particular class shall end on the same date as the other Directors in that particular class, irrespective of the date such Director was elected to the Board.

(c) Restrictions on Directors. A Director may not participate in any vote on any proposed transaction with another organization or entity of which such Director is also an employee, principal or current director.

Section 3. TERM OF OFFICE OF DIRECTORS.

On the completion of the initial term in office, each Director shall hold office for a term of four (4) years, commencing on the date of the Director's election at the annual meeting of the Board, and shall serve until the end of the term or until a successor is elected.

Section 4. VACANCIES.

(a) Events Causing Vacancy. A vacancy or vacancies on the Board shall exist on the occurrence of the following: (1) the death, removal, suspension or resignation of any Director; or (2) the declaration by resolution of the Board of a vacancy in the office of a Director who has been declared of unsound mind by an order of court or convicted of a felony or has been found by final order or judgment of any court to have breached a duty under sections 5230 and following of the California Nonprofit Public Benefit Corporation Law.

(b) Resignations. Except as provided in this subsection, any Director may resign effective upon giving written notice to the Chairman of the Board, or the Secretary of the Board, unless such notice specifies a later time for the resignation to become effective. Except upon notice to the Attorney General of the State of California, no Director may resign when the Corporation would then be left without a duly elected Director or Directors in charge of its affairs.

(c) Removal. A Director may be removed for cause upon the affirmative vote of two-thirds of the Directors. Cause shall include three (3) unexcused absences in a twelve-

(12) month period; change in residency from the Corporation's service areas, and any other conduct which is a breach of the Director's fiduciary responsibility to the Corporation.

(d) Filling Vacancies. Any vacancy on the Board shall be filled by vote of the remaining Directors, whether or not less than a quorum, or by a sole remaining Director.

(e) No Vacancy On Reduction Of Number Of Directors. No reduction of the authorized number of Directors shall have the effect of removing any Director before the Director's term of office expires.

Section 5. PLACE OF MEETINGS; MEETINGS BY TELEPHONE.

Meetings of the Board shall be held at the principal office of the Corporation or at such other place as has been designated by the Board. In the absence of any such designation, meetings shall be held at the principal office of the Corporation. Consistent with applicable law, Any meeting may be held by conference telephone or similar communication equipment, so long as all Directors participating in the meeting can hear one another, and all such Directors shall be deemed to be present in person at such meeting.

Section 6. ANNUAL, REGULAR AND SPECIAL MEETINGS.

(a) Annual Meeting. The board shall hold an annual meeting for the purpose of organization, election of officers, and the transaction of other business, during the last quarter of each fiscal year. Notice of such meeting shall be provided as required by law.

(b) Other Regular Meetings. The Board shall hold regular business meetings throughout the year, which shall be held without call and on a date to be fixed by resolution of the Board. Regular meetings ~~may be held without notice~~ shall be noticed to the extent required by law. Any given meeting may be dispensed with by majority vote of the Board.

(c) Special Meetings. Special meetings of the Board for any purpose may be called at any time by the Chair, any Vice Chair, the Secretary or any Director.

(i) Notice. Notice of the time and place of special meetings shall be provided as required by law and shall be given to each Director either: 1) by personal delivery of written notice; 2) by first-class mail, postage pre-paid; 3) by telephone, either directly to the Director or to a person at the Director's office who would reasonably be expected to communicate that notice promptly to the Director; or 4) by cable or telegram, charges prepaid, or teletype. All such notices shall be given or sent to the Director's address and or telephone number as shown on the records of the Corporation. Notices sent by first-class mail shall be deposited in the United States mail at least four (4) days before the time set for the meeting. Notices given by personal delivery, telephone, or telegraph shall be delivered, telephoned, or given to the telegraph company at least forty-eight (48) hours before the time set for the meeting.

(ii) Notice Contents. The notice shall state the time and place of the meeting, and ~~such other information as may be required by law. the place if the place is other than the principal office of the Corporation. It need not specify the purpose of the meeting.~~

Section 7. QUORUM.

A majority of the Directors shall constitute a quorum for the transaction of business, except to adjourn as provided in Section 9 of this Article IV. Subject to the more stringent provisions of the California Nonprofit Public Benefit Corporation Law, including, without limitation, those provisions relating to (i) approval of contracts or transactions in which a Director has a direct or indirect material financial interest, (ii) approval of certain transactions between corporations having a common directorship, (iii) creation of or appointment of committees of the Board, and (iv) indemnification of Directors. Every act or decision done or made by a majority of the Directors present at a meeting duly held at which a quorum is present shall be regarded as the act or decision of the Board. A meeting at which a quorum is initially present may continue to transact business, notwithstanding the withdrawal of Directors, if any action taken is approved by at least a majority of the required quorum for that meeting.

~~Section 8. WAIVER OF NOTICE.~~

~~Notice of a meeting need not be given to any Director who signs a waiver of notice or a written consent to holding the meeting or an approval of the minutes thereof, whether before or after the meeting. The waiver of notice or consent need not specify the purpose of the meeting. All such waivers, consents and approvals shall be filed with the corporate records or made a part of the minutes of the meetings. Notice of a meeting need not be given any Director who attends the meeting without protesting, before or at its commencement, the lack of notice to such Director.~~

Section 9. ADJOURNMENT.

A majority of the Directors present, whether or not a quorum is present, may adjourn any meeting to another time and place.

~~Section 10. NOTICE OF ADJOURNED MEETING.~~

~~Notice of the time and place of holding an adjourned meeting need not be given, unless the original meeting is adjourned for more than twenty-four (24) hours, in which case notice of any adjournment to another time and place shall be given before the time of the adjourned meeting to the Directors who were not present at the time of the adjournment.~~

~~Section 11. ACTION WITHOUT MEETING.~~

~~Any action required or permitted to be taken by the Board may be taken without a meeting, if all members of the Board consent in writing to that action. Such action by written consent shall have the same force and effect as any other validly approved action of the Board. Such written consent or consents shall be filed with the minutes of the proceedings of the Board. For the purposes of this Section 11 of this Article IV only, "all members of the Board" shall not~~

~~include Directors who have a material financial interest in a transaction to which the Corporation is a party.~~

Section 12. COMPENSATION.

The officers and Directors shall serve without compensation, but reasonable expenses incurred may be reimbursed when expended for and in the interest of the Corporation and approved by the Board.

Section 13. ANNUAL REPORT.

The Board shall cause to be prepared an Annual Report on the status of the business and operations of the Corporation, in any manner as required by the laws of the State of California.

Section 14. HONORARY DIRECTORS.

The Board may elect to appoint Honorary Directors and Officers. Such Honorary Directors and Officers shall serve at the pleasure of the Board and shall have no other powers except those stated herein under this Section 14.

ARTICLE V
OFFICERS

Section 1. OFFICERS.

The Corporation shall have the following elected officers: Chair, Vice Chair, Secretary and Treasurer. Nothing herein shall prohibit the Board from combining one or more of the various offices; except that neither the Secretary nor the Treasurer may serve concurrently as the Chair. An elected officer must be a Director of the Corporation.

Section 2. ELECTION OF OFFICERS; TERM.

The officers of the Corporation shall be elected by the Board, at the annual meeting, and each shall serve at the pleasure of the Board. Each officer shall serve until a successor is duly elected and qualified.

Section 3. VACANCIES IN OFFICE.

A vacancy occurring in any office because of death, resignation, removal or other cause, shall be filled in the manner prescribed in these Bylaws for regular election to that office.

Section 4. REMOVAL OF OFFICERS.

Any officer elected or appointed by the Board may be removed by an affirmative vote of a majority of the total Board whenever, in its judgment, the best interests of the Corporation would be served thereby.

Section 5. RESPONSIBILITIES OF OFFICERS.

(a) Chair. The Chair shall preside at all meetings of the Board and of the Executive Committee. The Chair shall see that all orders and resolutions of the Board are carried into effect. The Chair, along with the Secretary or other officers authorized by the Board to do so, shall execute any deed, mortgage, bond contract, or other instrument which the Board has authorized to be executed. The Chair shall have general superintendence of all officers of the Corporation and shall see that their duties are properly performed. Such guidelines and direction as the Executive Director may require shall be provided by the Chair. The Chair shall, from time to time, report to the Board all matters within his knowledge which the interests of the Corporation may require to be brought to their notice.

(b) Vice Chair. In the absence or disability of the Chair, the Vice Chair shall perform all of the duties of the Chair, and when so acting, shall have all the powers of and be subject to all of the restrictions upon the Chair. The Vice Chair shall have such other powers and perform such other duties as from time to time may be prescribed for them by the Board or the Bylaws.

(c) Secretary. The Secretary shall keep, or cause to be kept, at the principal office or such other place as the Board may direct, a book of minutes of all meetings and actions of the Board and of committees of the Board. The Secretary shall also keep, or cause to be kept, at the principal office in the State of California, a copy of the Articles of Incorporation and Bylaws, as amended to date. The Secretary shall give, or cause to be given, notice of all meetings of the Board or committees of the Board required by these Bylaws to be given. The Secretary shall keep the seal of the Corporation in safe custody and shall have such other powers and perform such other duties as may be prescribed by the Board or the Bylaws.

(d) Treasurer. The Treasurer of the Corporation shall keep or maintain, or cause to be kept or maintained, adequate and correct books and accounts of the properties and transactions of the Corporation, and shall send or cause to be sent to the Directors such financial statements and reports as are required by law or these Bylaws to be given. The books of account shall be open to inspection by any Directors at all reasonable times. The Treasurer shall deposit all money and other valuables in the name and to the credit of the Corporation with such depositories as may be designated by the Board, shall disburse the funds of the Corporation as may be ordered by the Board, shall render to the Chair, when requested, an account of all transactions as Treasurer and of the financial condition of the Corporation, and shall have other powers and perform such other duties as may be prescribed by the Board or the Bylaws. If required by the Board, the Treasurer shall give the Corporation a bond in the amount and with the surety or sureties specified by the Board for faithful performance of the duties of the office and for restoration to the Corporation of all its books, papers, vouchers, money and other property of every kind in the possession or under the control of the Treasurer upon death, resignation, retirement or removal from office.

Section 6. LIMITATION ON OFFICERS.

Notwithstanding any other provision of this Article V, no expenditure of an amount in excess of One Thousand Dollars (\$1000.00), and no obligation requiring or binding the Corporation to expend an amount in excess of One Thousand Dollars (\$1000.00), shall be made or incurred except on the specific written approval of the Corporation's Chair or Executive Director, or other foundation employee designated by the board.

ARTICLE VI
COMMITTEES

The Board may establish such committees as are appropriate to carry out the business of the Corporation. These committees may include, but not be limited to, a Fundraising Committee, a Grant Advisory Committee and a committee designed to develop new Board membership and nominate officers for the Board. Committee members shall be appointed by the Chair in consultation with the Executive Director. Committee members may but need not be officers or members of the Board. All committee members shall serve until the first Annual Meeting following their appointment or until their successors have been appointed.

ARTICLE VII
EMPLOYED STAFF

Section 1. EMPLOYED STAFF.

The Board may employ an Executive Director and may authorize the employment of other employees as are needed to carry out the programs of the Corporation. The salary or wages and other terms of employment shall be set by the Board who may enter into contracts of employment on behalf of the Corporation.

Section 2. EXECUTIVE DIRECTOR.

The Executive Director shall serve at the pleasure of the Board for such compensation as the Board may determine. The Executive Director shall have overall general responsibility for the business operations of the Corporation and shall be its official representative. The Executive Director shall comply with the Board's policies and shall submit to the Board such reports, analyses, statistics, plans and other information as may be required from time to time, and shall assist the Board in the preparation of the Corporation's annual budget. The Executive Director may, but need not be, an officer and/or director of the Corporation.

ARTICLE VIII
INDEMNIFICATION AND INSURANCE

Section 1. INDEMNIFICATION.

(a) Right of Indemnity. To the full extent permitted by law, this Corporation shall indemnify and defend its Directors, officers, employees and other persons described in Section

5238(a) of the California Corporations Code (the “Code”), including persons formerly occupying any such position, against all expenses, judgments, fines, settlements and other amounts actually and reasonably incurred in connection with any “proceeding”, as that term is used in Section 5238(a) of the Code and including an action by or in the right of the Corporation, by reason of the fact that such person is or was a person described by such Section. “Expenses”, as used in this Section, shall have the same meaning as in Section 5238(a) of the Code.

(b) Approval Of Indemnity. Upon written request to the Board by any person seeking indemnification under Section 5238(b) or Section 5238(c) of the Code, the Board shall promptly determine in accordance with Section 5238(e) of the Code whether the applicable standard of conduct set forth in Section 5238(b) or Section 5238(c) of the Code has been met and, if so, the Board shall authorize indemnification. If because the number of Directors who are parties to the proceeding with respect to which indemnification is sought is such as to prevent the formation of a quorum of Directors who are not parties to such proceeding, the Board or the attorney or other person rendering services in connection with the defense shall apply to the court in which such proceeding is or was pending to determine whether the applicable standard of conduct set forth in Section 5238(b) or Section 5238(c) of the Code has been met.

(c) Advancement Of Expenses. To the fullest extent permitted by law, and except as is otherwise determined by the Board in a specific instance, expenses incurred by a person seeking indemnification under these Bylaws in defending any proceeding covered by these Bylaws shall be advanced by the Corporation prior to the final disposition of the proceeding upon receipt by the Corporation of an undertaking by or on behalf of such person that the advance will be repaid unless it is ultimately determined that such person is entitled to be indemnified by the Corporation therefor.

Section 2. INSURANCE.

The Corporation shall purchase and maintain insurance to the full extent permitted by law on behalf of its officers, Directors, employees and other agents of the Corporation, against any liability asserted against or incurred by an officer, Director, employee or agent in such capacity or arising out of the officer’s, Director’s, employee’s or agent’s status as such.

ARTICLE IX
MISCELLANEOUS

Section 1. MAINTENANCE OF CORPORATE RECORDS.

The Corporation shall keep: 1) adequate and correct books and records of account; and 2) minutes in written form of the proceedings of the Board and committees of the Board.

Section 2. INSPECTION OF CORPORATE RECORDS BY DIRECTORS.

In addition to other statutory requirements that may apply, eEvery Director shall have the absolute right at any reasonable time to inspect all books, records and documents of every kind and the physical properties of the Corporation and the records of each of its subsidiary cor-

porations, except confidential loan files. This inspection by a Director may be made in person or by an agent or attorney, and the right of inspection includes the right to copy and make extracts of documents.

Section 3. PRINCIPAL OFFICE.

The principal office of the Corporation shall be at such location within the project area, as shall be determined by the Board.

Section 4. CORPORATE SEAL.

The Board shall, at its option, adopt a Corporate seal.

Section 5. DEPOSITORIES.

All funds of the Corporation not otherwise employed shall be deposited from time to time to the credit of the Corporation in such government-insured banks, savings and loan associations, trust companies, or other depositories as the Board may elect.

Section 6. CHECKS, DRAFT, ETC.

All checks, drafts, or orders for the payment of money, notes or other evidence of indebtedness issued in the name of the Corporation shall be signed by two (2) persons, one (1) of whom shall be the Chair or Vice Chair, and one (1) of whom shall be the secretary or chief financial officer, provided the signers are two (2) separate persons. If authorized by the Board, one of the signers may be the Executive Director.

Section 7. FISCAL YEAR.

The fiscal year of the Corporation shall end on June 30th of each year.

Section 8. INVESTMENTS.

Any funds of the Corporation which are not needed currently for the activities of the Corporation may, at the discretion of the Board, be invested in such government-insured deposits and federal government securities as are permitted by law.

Section 9. NON-DISCRIMINATION.

The Corporation shall not discriminate against any person, employee or applicant for services, because of race, color, sex, age, national origin, political or religious opinions or affiliations. The Corporation shall abide by any and all pertinent rules, regulations, ordinances, statutes and laws of the state or federal government or agencies prohibiting discrimination.

Section 10. PARLIAMENTARY PROCEDURE.

All meetings of the Board shall be governed by Roberts Rules of Order (current edition), unless contrary procedures are established by the Articles of Incorporation, these Bylaws or by resolution of the Board.

Section 11. GIFTS.

The Board may accept, on behalf of the Corporation, any contribution, gift, bequest or devise for the general purposes or for any special purpose of the Corporation.

ARTICLE X
CONSTRUCTION AND DEFINITIONS

Unless the context otherwise requires, the general provisions, rules of construction and definitions in the California Nonprofit Public Benefit Corporation Law shall govern the construction of these Bylaws. Without limiting the generality of the above, the masculine gender includes the feminine and neuter, the singular includes the plural, and the plural includes the singular, and the term “person” includes both a legal entity and a natural person.

ARTICLE XI
AMENDMENTS

These Bylaws may be amended or repealed and new Bylaws may be adopted by an affirmative vote of two-thirds (2/3) of the Directors. At least ten (10) days notice shall be given of any meeting at which a vote to amend the Bylaws will be taken. The Secretary of the Corporation shall see that a true and correct copy of all amendments of the Bylaws, duly certified by the Secretary, is attached to the official Bylaws of the Corporation and is maintained with the official records of the Corporation at the principal office of the Corporation.

CERTIFICATE OF SECRETARY

The undersigned certifies that he/she is the Secretary of _____, a California nonprofit public benefit corporation, and that the above Bylaws are the Bylaws of the Corporation as adopted by the Board of Directors in that certain Unanimous Written Consent of the Board of Directors to Action Taken Without Meeting in Lieu of an Organizational Meeting dated as of _____, 2001.

Executed as of _____, 2001.

_____, Secretary

ARTICLES
OF
INCORPORATION
OF THE
FOUNDATION FOR THE SOUTHERN CALIFORNIA WATER EDUCATION
CENTER,
a California nonprofit public benefit corporation

I

The name of this corporation is the Foundation for the Southern California Water Education Center.

II

A. This corporation is a nonprofit public benefit corporation and is not organized for the private gain of any person. It is organized under the Nonprofit Public Benefit Corporation Law for charitable purposes.

B. This corporation is organized for the following specific purposes: To support the goals of the Metropolitan Water District through the implementation of educational, research, development, community and youth-based activities designed to enhance and increase the awareness of the environmental and economic impacts of Southern California's water supply.

III

The name and address in California of this corporation's initial agent for service of process are:

Foundation for the Southern California Water Education Center
Executive Secretary
Metropolitan Water District of Southern California
P.O. Box 54153
Los Angeles, California 90054-0153

IV

A. This corporation is organized and operated exclusively for charitable purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code.

B. Notwithstanding any other provisions of these Articles, this corporation shall not, except to an insubstantial degree, engage in any activities or exercise any powers that are not in furtherance of the purposes of this corporation, and this corporation shall not carry on any other activities not permitted to be carried on:

1. by a corporation exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code; or
2. by a corporation contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code.

C. No substantial part of the activities of this corporation shall consist of carrying on propaganda, or otherwise attempting to influence legislation, except as provided in Section 501(h) of the Internal Revenue Code, and this corporation shall not participate or intervene in (including the publishing or distribution of statements) any political campaign on behalf of or in opposition to any candidate for public office.

V

The property of this corporation is irrevocably dedicated to charitable purposes, and no part of the net income or assets of this corporation shall ever inure to the benefit of any director, trustee, officer, shareholder, individual or member thereof or to the benefit of any private person. Upon the dissolution and winding up of this corporation, the assets remaining after payment, or provision for payment, of all debts and liabilities of this corporation shall be distributed to the Metropolitan Water District of Southern California for purposes consistent with those of the Corporation or to a nonprofit organization, fund, foundation or corporation which is organized and operated exclusively for charitable purposes and which has established its tax exempt status under Section 501(c)(3) of the Internal Revenue Code.

Dated: _____, 2001

Executive Secretary
Metropolitan Water District of Southern
California, Incorporator

Approved as to form:

General Counsel

RESOLUTION

RESOLUTION OF THE BOARD OF DIRECTORS OF THE
METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA
APPROVING THE ESTABLISHMENT OF A NONPROFIT 501(c)(3)
FOUNDATION FOR THE SOUTHERN CALIFORNIA
WATER EDUCATION CENTER

WHEREAS, in April 2000, the Board of Directors of The Metropolitan Water District of Southern California (Metropolitan) formed a Special Committee on Museum Feasibility and Development to provide analysis for the concept of a water education center and museum; and,

WHEREAS, on May 15, 2001, the Special Committee on Museum Feasibility and Development voted unanimously to recommend to Metropolitan's Board of Directors the scope and guidelines for establishing a nonprofit entity to be named the Foundation for the Southern California Water Education Center (Foundation) for the purpose of fundraising and support activities for the Southern California Water Education Center; and,

WHEREAS, upon the committee's unanimous recommendation, the committee was renamed the Special Committee on the Water Education Center and Museum (Special Committee); and,

WHEREAS, on July 24, 2001, the Special Committee unanimously voted to approve a motion supporting the nominees to the Foundation board. The Special Committee recommends that Metropolitan's Board of Directors approve these seven nominations and adopt the resolution creating the Foundation. Proposed are: Chairman Phillip J. Pace, Chairman Emeritus E. Thornton Ibbetson, Director Emeritus Jerry King, Director George Wein, Director Marion V. Ashley, Mr. Dan Mitrovich, and Mr. Doug Ring. Mr. Mitrovich is the Co-Chief Executive Officer of San Diego-based Solution Strategies, and Mr. Doug Ring is the President of Los Angeles-based The Ring Group;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Metropolitan Water District of Southern California that it hereby approves the Foundation Board nominations and adopts this resolution designating the Foundation for the Southern California Water Education Center as a to-be-formed 501(c)(3) nonprofit public benefit corporation, as described in Board Letter 8-6, presented to this board at its September 11, 2001 meeting and directs Metropolitan's Chief Executive Officer to take all steps necessary to form the new organization.

I HEREBY CERTIFY that the foregoing is a full, true, and correct copy of a resolution adopted by Metropolitan's Board of Directors at its meeting held September 11, 2001.

Executive Secretary
The Metropolitan Water District
of Southern California