

- **Board of Directors**
Executive Committee

December 11, 2001 Board Meeting

6E

Subject

Approve Executive Committee recommendation for changes in committee structure and appointments

Description

Over the last several months, I solicited input from many directors on how to strengthen our committee structure and ensure our ability to continue achieving the tremendous successes our Board has enjoyed over the past three years. I also have spent time with the Board Vice Chairs discussing how to build upon our strengths while providing the necessary flexibility to address rapidly changing local, state and national issues that directly or indirectly impact Metropolitan.

I completed my annual assessment of the progress we are making toward meeting my goal of maximizing the efficiency and effectiveness of the Board and its committees. I remain convinced that it is vital to our organization's continuing success to periodically review the relevancy and organization of our committees to ensure that we will respond to the various major policy issues facing Metropolitan. I have concluded that we can continue to respond to the challenges facing Metropolitan most effectively by reorganizing some of our committees, creating new committees and subcommittees to focus on specific issues; and making appropriate changes to the Chair and Vice Chair positions and membership of the committees. I plan to make the following changes effective January 1, 2002:

1. Create a new standing committee, the Asset, Real Estate and Infrastructure Policy Committee;
2. Modify the scope and titles for both the Audit, Budget and Finance Committee and the Engineering, Operations and Real Property Committee;
3. Formally establish the Audit Subcommittee; and
4. Rotate and/or appoint new officers of the Board, chairs and vice chairs of the committees, and members of the committees

Committee Structure

ASSET, REAL ESTATE AND INFRASTRUCTURE POLICY COMMITTEE

Provide the oversight and policy development for the management of Metropolitan's portfolio of assets and real estate holdings, excluding on-going negotiations and development of recreational facilities at Diamond Valley Lake. Staff has been taking an inventory of our real estate holdings, and preliminary estimates indicate that Metropolitan controls over 92,000 acres of land, including more than 16,000 parcels.

This committee also would provide oversight for development of policies relating to information technology strategies, projects and activities, including budgeting and tracking of information technology resources and asset management.

ENGINEERING AND OPERATIONS COMMITTEE

As a result of the establishment of the Asset, Real Estate and Infrastructure Policy Committee, it is appropriate that we modify the scope of the Engineering, Operations and Real Property Committee to focus on the substantial task of policy issues involving Metropolitan's core activities of engineering and operations. This committee's scope and title should be changed to the Engineering and Operations Committee.

AUDIT SUBCOMMITTEE

Currently, the Audit Subcommittee has been unable to spend sufficient time on audit matters because it conducts its business within the timeframe constraints of the Audit, Budget and Finance Committee, to which it reports. We are in the process of hiring a new general auditor and are currently working with an interim auditor to set the course for a new approach to providing a professional audit program. There is substantial work to be done by this subcommittee and, given that it is responsible for the oversight of a department head, it is appropriate that this subcommittee report directly to the Executive Committee. This subcommittee's regular meetings will be held four times a year on a quarterly basis or as required to accomplish a specific policy objective. The chair of this subcommittee also will serve as a member of the Executive Committee.

BUDGET, FINANCE AND INVESTMENT COMMITTEE

Based upon the work performed by the Subcommittee on Investments and Bond Financing along with the Audit, Budget and Finance Committee, it is appropriate that we merge the efforts of both committees and rename the committee to reflect its overall efforts. Since this committee will no longer oversee the audit functions and will become engaged in development of strategic investment policies, the appropriate name for this committee is the Budget, Finance and Investment Committee. This is in keeping with the recommendation to clearly identify and establish a board committee for investments and bond financing.

NEW OFFICERS, COMMITTEE CHAIRS AND VICE CHAIRS

The new officers, committee chairs and vice chairs are:

Board Officers

- 1st Vice Chair, William G. Luddy
- 2nd Vice Chair, John V. Foley

Standing Committee Chairs and Vice-Chairs

Asset, Real Estate and Infrastructure Policy Committee

- Chair, Glen D. Peterson
- Vice Chair, Wesley M. Bannister

Budget, Finance and Investment Committee

- Chair, Jorge G. Castro
- Vice Chair, James H. Blake

Communications, Outreach and Legislation Committee

- Chair, Henry S. Barbosa
- Vice Chair, Anthony R. Fellow

Engineering and Operations Committee

- Chair, Marion V. Ashley
- Vice Chair, Willard H. Murray, Jr.

Legal, Claims and Personnel Committee

- Chair, Langdon W. Owen
- Vice Chair, Timothy F. Brick

Water Planning, Quality and Resources Committee

- Chair, Gary A. Morse
- Vice Chair, Bill D. Wright

Subcommittees**Audit Subcommittee**

Chair, James M. Rez
Vice Chair, Ted Grandsen

Subcommittee on Rules and Ethics

Chair, Helen Z. Hansen
Vice Chair, Harold W. Ball

The Nominating Committee, Boating Regulation Special Committee and Subcommittee on SWRCB Phase 8 Settlement Discussions remain unchanged.

COMMITTEE MEMBERSHIPS

The committee memberships are listed on Attachment 1.

These changes are to be effective January 1, 2002.

Policy

Metropolitan Water District Administrative Code § 2400: Identification of Standing Committees and § 2500: Other Committees: Miscellaneous Committee Matters

California Environmental Quality Act (CEQA)

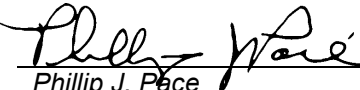
The proposed action is not defined as a project under CEQA because the proposed action involves continuing administrative activities such as general policy and procedure making (Section 15378(b)(2) of the State CEQA Guidelines). In addition, where it can be seen with certainty that there is no possibility that the proposed action in question may have a significant effect on the environment, the proposed action is not subject to CEQA (Section 15061(b)(3) of the State CEQA Guidelines).

The CEQA determination is: Determine that the proposed action is not subject to the provisions of CEQA per Sections 15378(b)(2) and 15061(b)(3) of the State CEQA Guidelines.

Recommendation

Adopt the CEQA determination and approve the changed committee structure and appointments as approved by the Executive Committee on December 5, 2001.

Fiscal Impact: None


Phillip J. Pace
Chairman of the Board

12/7/2001
Date

Attachment 1: Committee list

Executive Committee		
(Central Basin)	Phillip J. Pace, Chair	Board Officer
(LA)	William G. Luddy, Vice Chair	Board Officer
(MWDOC)	John V. Foley, Vice Chair	Past Chair
(Santa Ana)	Thom Coughran, Board Secretary	Board Officer
(Pasadena)	Timothy F. Brick	Nonofficer elected (expires)
(Calleguas)	Ted Grandsen	Nonofficer elected
(Western)	John M. Mylne, III	Nonofficer elected (expires)
(LA)	George Wein	Nonofficer elected (expires)
(Torrance)	Bill D. Wright	Nonofficer elected
(Compton)	Regina Murph	Appointed
(SDCWA)	Joseph Parker	Appointed
(Las Virgenes)	Glen D. Peterson	Ex Officio (Chair of ARE&IP)
(LA)	Jorge G. Castro	Ex Officio (Chair of BF&I)
(Three Valleys)	Henry S. Barbosa	Ex Officio (Chair of CO&L)
(Eastern)	Marion V. Ashley	Ex Officio (Chair of E&O)
(MWDOC)	Langdon W. Owen	Ex Officio (Chair of LC&P)
(Central Basin)	Gary A. Morse	Ex Officio (Chair of WPQ&R)
(Long Beach)	Helen Z. Hansen	Ex Officio (Chair of R&E)
(Glendale)	James M. Rez	Ex Officio (Chair of Audit)

Asset, Real Estate and Infrastructure Policy Committee	
(Las Virgenes)	Glen D. Peterson, Chair
(MWDOC)	Wesley M Bannister, Vice Chair
(Eastern)	Marion V. Ashley
(Pasadena)	Timothy F. Brick
(Upper San Gabriel)	Anthony R. Fellow
(Long Beach)	Helen Z. Hansen
(SDCWA)	Claude A. "Bud" Lewis
(LA)	William G. Luddy
(San Marino)	John T. Morris
(Compton)	Regina Murph
(West Basin)	Willard H. Murray, Jr.
(SDCWA)	Joseph Parker
(Anaheim)	S. Dale Stanton
(MWDOC)	Peer A. Swan
(Torrance)	Bill D. Wright
(Central Basin)	Phillip J. Pace, Ex Officio
(MWDOC)	John V. Foley, Ex Officio

Budget, Finance and Investment Committee	
(LA)	Jorge G. Castro, Chair
(Fullerton)	James H. Blake, Vice Chair
(SDCWA)	Harold W. Ball
(MWDOC)	Wesley M. Bannister
(Burbank)	Glenn A. Brown
(Foothill)	James T. Edwards
(Calleguas)	Ted Grandsen
(Long Beach)	Helen Z. Hansen
(LA)	Bonny L. Herman
(SDCWA)	Claude A. "Bud" Lewis
(San Fernando)	Hugo C. Mejia
(Central Basin)	Gary A. Morse
(Glendale)	James M. Rez
(MWDOC)	Peer A. Swan
(Inland Empire)	Wyatt L. Troxel
(Central Basin)	Phillip J. Pace, Ex Officio
(LA)	William G. Luddy, Ex Officio
(MWDOC)	John V. Foley, Ex Officio

Communications, Outreach, and Legislation Committee	
(Three Valleys)	Henry S. Barbosa, Chair
(Upper San Gabriel)	Anthony R. Fellow, Vice Chair
(Santa Monica)	Judy Abdo
(SDCWA)	Harold W. Ball
(MWDOC)	Wesley M. Bannister
(Pasadena)	Timothy F. Brick
(Santa Ana)	Thom Coughran
(Long Beach)	Helen Z. Hansen
(LA)	Bonny L. Herman
(West Basin)	Carol W. Kwan
(SDCWA)	Claude A. "Bud" Lewis
(SDCWA)	George I. Loveland
(San Marino)	John T. Morris
(Compton)	Regina Murph
(West Basin)	Willard H. Murray, Jr.
(MWDOC)	Peer A. Swan
(Inland Empire)	Wyatt L. Troxel
(Torrance)	Bill D. Wright
(Central Basin)	Phillip J. Pace, Ex Officio
(LA)	William G. Luddy, Ex Officio
(MWDOC)	John V. Foley, Ex Officio

Engineering and Operations Committee	
(Eastern)	Marion V. Ashley, Chair
(West Basin)	Willard H. Murray, Jr., Vice Chair
(Three Valleys)	Henry S. Barbosa
(Pasadena)	Timothy F. Brick
(Beverly Hills)	Betty H. Harris
(LA)	Bonny L. Herman
(West Basin)	Carol W. Kwan
(SDCWA)	Claude A. "Bud" Lewis
(SDCWA)	George I. Loveland
(San Fernando)	Hugo C. Mejia
(San Marino)	John T. Morris
(Western)	John M. Mylne, III
(Glendale)	James M. Rez
(Anaheim)	S. Dale Stanton
(Inland Empire)	Wyatt L. Troxel
(LA)	George Wein
(Central Basin)	Phillip J. Pace, Ex Officio
(LA)	William G. Luddy, Ex Officio
(MWDOC)	John V. Foley, Ex Officio

Legal, Claims and Personnel Committee	
(MWDOC)	Langdon W. Owen, Chair
(Pasadena)	Timothy F. Brick, Vice Chair
(Eastern)	Marion V. Ashley
(MWDOC)	Wesley M. Bannister
(Three Valleys)	Henry S. Barbosa
(Fullerton)	James H. Blake
(Burbank)	Glenn A. Brown
(Calleguas)	Ted Grandsen
(Beverly Hills)	Betty H. Harris
(LA)	Bonny L. Herman
(West Basin)	Carol W. Kwan
(SDCWA)	Claude A. "Bud" Lewis
(San Marino)	John T. Morris
(Central Basin)	Gary A. Morse
(Western)	John M. Mylne, III
(Anaheim)	S. Dale Stanton
(Inland Empire)	Wyatt L. Troxel
(Central Basin)	Phillip J. Pace, Ex Officio
(LA)	William G. Luddy, Ex Officio
(MWDOC)	John V. Foley, Ex Officio

Water Planning, Quality and Resources Committee	
(Central Basin)	Gary A. Morse, Chair
(Torrance)	Bill D. Wright, Vice Chair
(Santa Monica)	Judy Abdo
(SDCWA)	Harold W. Ball
(Pasadena)	Timothy F. Brick
(Burbank)	Glenn A. Brown
(Santa Ana)	Thom Coughran
(Upper San Gabriel)	Anthony R. Fellow
(Calleguas)	Ted Grandsen
(SDCWA)	George I. Loveland
(San Marino)	John T. Morris
(Compton)	Regina Murph
(MWDOC)	Langdon W. Owen
(Las Virgenes)	Glen D. Peterson
(Anaheim)	S. Dale Stanton
(MWDOC)	Peer A. Swan
(LA)	George Wein
(Central Basin)	Phillip J. Pace, Ex Officio
(LA)	William G. Luddy, Ex Officio
(MWDOC)	John V. Foley, Ex Officio

Subcommittee on Rules and Ethics	
(Long Beach)	Helen Z. Hansen, Chair
(SDCWA)	Harold W. Ball, Vice Chair
(Santa Monica)	Judy Abdo
(Eastern)	Marion V. Ashley
(MWDOC)	Wesley M. Bannister
(Three Valleys)	Henry S. Barbosa
(LA)	Jorge G. Castro
(Foothill)	James T. Edwards
(Beverly Hills)	Betty H. Harris
(SDCWA)	George I. Loveland
(Central Basin)	Gary A. Morse
(MWDOC)	Langdon W. Owen
(SDCWA)	Joseph Parker
(Las Virgenes)	Glen D. Peterson
(Glendale)	James M. Rez
(Central Basin)	Phillip J. Pace, Ex Officio
(LA)	William G. Luddy, Ex Officio
(MWDOC)	John V. Foley, Ex Officio

Audit Subcommittee (Reports to Executive Committee)	
(Glendale)	James M. Rez, Chair
(Calleguas)	Ted Grandsen, Vice Chair
(Fullerton)	James H. Blake
(LA)	Jorge G. Castro
(Foothill)	James T. Edwards
(Upper San Gabriel)	Anthony R. Fellow
(Beverly Hills)	Betty H. Harris
(SDCWA)	Joseph Parker
(Las Virgenes)	Glen D. Peterson
(Central Basin)	Phillip J. Pace, Ex Officio
(LA)	William G. Luddy, Ex Officio
(MWDOC)	John V. Foley, Ex Officio

Nominating Committee (Reports directly to the Board)	
(Inland Empire)	Wyatt L. Troxel, Chair
(Upper San Gabriel)	Anthony R. Fellow, Vice Chair
(Eastern)	Marion V. Ashley
(Fullerton)	James H. Blake
(San Fernando)	Hugo C. Mejia
(Compton)	Regina Murph
(Glendale)	James M. Rez
(Central Basin)	Phillip J. Pace, Ex Officio
(LA)	William G. Luddy, Ex Officio
(MWDOC)	John V. Foley, Ex Officio

Boating Regulation Special Committee (Reports directly to the Board)	
(Central Basin)	Phillip J. Pace, Chair
(Inland Empire)	Wyatt L. Troxel, Vice Chair
(SDCWA)	Harold W. Ball
(Long Beach)	Helen Z. Hansen
(LA)	William G. Luddy
(Central Basin)	Gary A. Morse
(West Basin)	Willard H. Murray, Jr.
(Glendale)	James M. Rez
(Torrance)	Bill D. Wright
(MWDOC)	John V. Foley, Ex Officio

Subcommittee on SWRCB Phase 8 Settlement Discussions (Reports to WPQ&R and LC&P Committees)	
(Central Basin)	Gary A. Morse, Chair
(MWDOC)	Langdon W. Owen, Vice Chair
(Three Valleys)	Henry S. Barbosa
(MWDOC)	John V. Foley
(LA)	George Wein
(Central Basin)	Phillip J. Pace, Ex Officio
(LA)	William G. Luddy, Ex Officio