

- **Board of Directors**
Executive Committee

October 8, 2002 Board Meeting

8-8

Subject

Approve fiscal year 2002/03 funding for new association memberships with annual dues exceeding \$3,000 and ongoing memberships requiring Board approval, not to exceed \$450,000

Description

Each year as part of the Community Partnering Program (CPP), the Board of Directors authorizes financial sponsorship of community projects undertaken by non-profit organizations (refer to May 14, 2002 Board Letter 8-2). Whereas the CPP supports specific activities of applicant organizations without necessarily including membership in the organization, throughout Metropolitan's history, memberships in associations that support board policies, strategies and water management priorities also have been judged to be in Metropolitan's best interest. Metropolitan's Administrative Code § 11202 authorizes each department head to join organizations whose purposes serve the interests of Metropolitan, provided that new memberships with annual dues of \$3,000 or more must be approved by the Board. Continuing memberships must be brought back to the Board to approve payment of dues, if annual dues increase by 10 percent or \$3,000.

Listed below are two categories of memberships requiring board approval: (1) new memberships with annual dues exceeding \$3,000; and (2) continuing memberships authorized by the Board reflecting an increase of more than 10 percent, or \$3,000, over last year's dues. The annual report on continuing memberships, including a description of each organization, will be mailed separately to directors.

Funding approval is recommended for the following water-industry leadership organizations:

NEW MEMBERSHIPS:

- **UCI Urban Water Research Center**

The University of California at Irvine (UCI) has proposed creating an interdisciplinary Urban Water Research Center and has requested Metropolitan join the proposed Center's Advisory Committee. The Center would be devoted to urban water issues, using Southern California as a model. Participation would provide access to academic resources and research that could assist Metropolitan to better develop effective technical and policy solutions. The Center proposed some specific work that could benefit Metropolitan, including research of new technologies that would reduce outdoor water use, analysis of our pilot commercial, industrial, institutional (CII) program, and assistance in developing a more refined water conservation database. After a three-year pilot period, the Center would apply for status as a permanent Organized Research Unit. Metropolitan's annual membership fee would be \$35,000 per year for the pilot period of three years. No commitment would be made beyond the pilot period.

- **National Water Research Institute (NWRI)**

Since inception, the NWRI has supported 104 projects in 14 states, on 22 university campuses, and in 14 utility and/or industrial laboratories. Over 100 peer-reviewed technical publications have been produced, as well as 150 conference presentations and two U.S. patents. The research projects focus on water research technology, water reuse and recycling, health effects, water resources management and policy and institutional development. NWRI's mission is to create new sources of water through research and technology. NWRI is well suited to provide technical support for Metropolitan's seawater desalination

initiative, including assistance in identifying potential funding sources for planned research in conjunction with member agencies. \$50,000

INCREASED MEMBERSHIPS:

- **Association of California Water Agencies (ACWA)**

Largest and oldest coalition of California water agencies. Provides forum for exchange and dissemination of information and knowledge to support or oppose legislation, both at federal and state levels. Annual membership fee fluctuates depending on water sales. Estimated at \$15,000

- **California Municipal Utilities Association (CMUA)**

Since 1933, CMUA has effectively represented publicly owned water, gas, and electric utilities, and is the only lobbying association that concentrates on urban water issues, excluding agricultural ones. CMUA staff works closely with the Metropolitan's Sacramento office. Due to the extra work associated with proposed solutions to the state's electrical crisis, a special increase of \$11,500 over last year's fees is being requested. \$56,000

- **California Urban Water Conservation Council (CUWCC)**

Metropolitan is a signatory to the 1991 Council's Memorandum of Understanding, voluntarily committing to a good faith effort to implement a prescribed set of urban water conservation "Best Management Practices." At the request of the member agencies, Metropolitan would cost share the Southern California region's annual dues, paying 50 percent (vs. 43 percent in the past) of the total CUWCC membership in addition to paying for several new memberships. \$166,926

- **Riverside County Regional Park and Open-Space District**

Coordinates an environmental elementary education program at the Santa Rosa Plateau Ecological Reserve in southwestern Riverside. Programs are typically co-sponsored with the Nature Conservancy. This is the third year of Metropolitan's five-year commitment to sponsor educational programs at the Santa Rosa Plateau Ecological Reserve. Metropolitan anticipates extending its sponsorship for the remaining three years, but the park and open space district has been advised to seek other funding following completion of the agreement. \$90,138

- **Water Education Foundation**

Provides broad water education programs, such as the Colorado River project, a one-year water leaders class, water law policy briefings, and others. \$16,675

The Chief Executive Officer has reviewed the above-listed operational memberships and recommends that the Board of Directors authorize payment of the dues indicated for each organization.

Policy

Metropolitan Water District Administrative Code §11202: Payment of Dues

Metropolitan Water District Administrative Code §11203: Participation in Projects or Programs Serving District Purposes

California Environmental Quality Act (CEQA)

CEQA determination for Option #1:

The proposed action involves the funding of seven operational memberships. Funding for these organizations is not defined as a project under CEQA because it involves government fiscal activities which do not involve any 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). 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). With respect to research-related activities for membership with the UCI Urban Water Research Center and the NWRI, such activities are categorically exempt from CEQA (Class 6, Section 15306 of the State CEQA Guidelines).

The CEQA determination is: Determine that the proposed action involving the funding of seven organizations is not subject to the provisions of CEQA pursuant to Sections 15378(b)(4) and 15061(b)(3) of the State CEQA Guidelines and that the research-related activities is categorically exempt (Section 15306 of the State CEQA Guidelines).

CEQA determination for Option #2:

None required

Board Options/Fiscal Impacts

Option #1

Adopt the CEQA determination and authorize the Chief Executive Officer to pay the above-listed expected membership dues/assessments for calendar year 2003, to be paid in FY 2002/03.

Fiscal Impact: Estimated at \$450,000

Option #2

Adopt the CEQA determination and do not authorize funding one or more of these memberships.

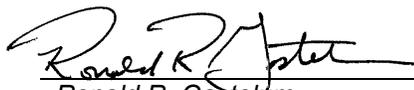
Fiscal Impact: The fiscal impact would depend on which specific memberships are approved, and could range from \$0 (none approved) to over \$400,000.

Staff Recommendation

Option #1


Adán Ortega, Jr.
Vice President, External Affairs

9/6/2002
Date


Ronald R. Gastelum
Chief Executive Officer

9/9/2002
Date