

- **Board of Directors**

October 14, 2003 Board Meeting

REVISED 8-9

Subject

Approve fiscal year 2003/04 funding for new association memberships with annual dues exceeding \$3,000 and ongoing memberships requiring board approval, not to exceed a total of \$600,000

Description

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:

- **Organization Resources Counselors, Inc. (ORC)**
ORC delivers assistance with policies, practices, and processes in compensation; occupational health and safety and environmental matters; diversity and equality; labor and employee relations; and senior-level human resources and organizational issues. And ORC provides interpretation, analysis, and support on human resources information technology and labor relations and employment issues, affording opportunities to discuss and enhance understanding of new laws and court cases. Metropolitan's annual membership fee will be \$15,000.
- **Coalition for Environmental Protection, Restoration and Development (CEPRD)**
The CEPRD is a non-profit educational corporation that promotes expanded working relationships among environmental regulatory agencies at the federal, state, regional and local levels. CEPRD provides a forum where ideas can be shared and tested in non-confrontational settings. The Coalition has a proven track record in affecting regulatory actions through early involvement in regulatory rule-making proceedings. The 2003 membership dues are \$10,000.

INCREASED MEMBERSHIPS:

- **American Water Works Association Research Foundation (AWWARF)**
AWWARF is a nonprofit corporation, established in 1967, to promote, coordinate, and finance applied research in the operation and management of public water supply systems. Metropolitan has benefited from AWWARF's program in a number of areas including the Information Collection Rule, the Disinfectants/Disinfection By-Products (D/DBP) Rule, the Enhanced Surface Water Treatment Rule, taste and odor control strategies and detection and treatment of microbial pathogens. The subscription fee of \$455,000 for water quality programs is a 2.24% increase (\$10,000) over 2002/03 dues.

- **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. CMUA's 2003/04 membership dues reflect an increase of 10% of the basic dues as well as an increase in the special assessment. Total proposed 2003/04 dues are \$60,000.

- **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. 2003/04 membership dues are \$19,175, an increase of 14% (\$2,500) over 2002/03 dues.

- **Western Electric Coordinating Council (WECC)**

WECC sets policy, rules and practices for the operation of the interconnected electrical systems in the western US. Much of how Metropolitan operates its transmission system and power generators is under the jurisdiction of the WECC. Membership and participation on the WECC committees help protect Metropolitan's interests. WECC 2003/04 dues are proposed at \$32,209, an increase of 19% (\$5,245) over independent system operator control area load utilization varies from year to year.

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 Options #1 and #2:

The proposed action is categorically exempt under the provisions of CEQA and the State CEQA Guidelines. The proposed action involves the funding of memberships that may result in the minor modifications to existing public facilities or operating practices, along with the implementation of educational and training programs, with negligible or no expansion of use and no possibility of significantly impacting the physical environment. In addition, the proposed action consists of basic data collection and resource evaluation activities which does not result in a serious or major disturbance to an environmental resource. This may be strictly for information gathering purposes, or as part of a study leading to an action which a public agency has not yet approved, adopted, or funded. Accordingly, the proposed action qualifies under Classes 1, 6, and 22 Categorical Exemptions (Sections 15301, 15306, and 15322 of the State CEQA Guidelines).

The CEQA determination is: Determine that pursuant to CEQA, the proposed action qualifies under three Categorical Exemptions (Class 1, Section 15301; Class 6, Section 15306; and Class 22, Section 15322 of the State CEQA Guidelines).

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 2004, to be paid in FY 2003/04.

Fiscal Impact: Estimated at \$600,000

Option #2

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

Fiscal Impact: None

Staff Recommendation

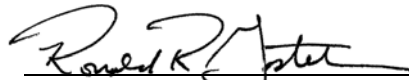
Option #1



Adán Ortega, Jr.
Vice President, External Affairs

10/8/2003

Date



Ronald R. Gastelum
Chief Executive Officer

10/8/2003

Date