

- **Board of Directors**  
**Executive Committee**

September 14, 2004 Board Meeting

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8-3

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**Subject**

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Approve new cost-sharing arrangement for the Colorado River Board and authorize \$300,025 for payments to the Six Agency Committee and Colorado River Association for fiscal year 2004/05

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**Description**

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Metropolitan staff and other agency managers representing the Six Agency Committee have conducted negotiations on a one-year proposal to redistribute the financial support of the Colorado River Board of California (CRB) and related costs among the participating agencies. These agencies are the Coachella Valley Water District, Imperial Irrigation District, Los Angeles Department of Water and Power, Palo Verde Irrigation District, San Diego County Water Authority, and Metropolitan. For the proposal under consideration, Metropolitan's share of the Six Agency Committee and Colorado River Association's total expenses drops from 44.4 percent to 27.5 percent for fiscal year 2005. With this new percentage, Metropolitan's funding obligation this fiscal year would be \$300,025 – a reduction of \$179,145 compared with Metropolitan's funding for FY 2004.

Five of the six agencies on the committee have reached consensus on the proposed cost-sharing arrangement for FY 2005. The sixth agency – the San Diego County Water Authority, has only agreed to fund two-thirds of its share of costs under the new proposal, resulting in the CRB being underfunded by four percent for the fiscal year. It should be noted that SDCWA would benefit from the reduction in Metropolitan's share of the costs. Approval is sought for authorization to pay Metropolitan's share of CRB costs contingent upon SDCWA increasing its funding level so that the CRB is fully funded in FY 2005. This authorization would be for one year only with the expectation that in future years each agency with representation on the Colorado River Board will share equally in the cost assumed by the six agencies.

This board letter proposes to:

1. Amend the current contribution percentage paid by Metropolitan to support the Colorado River Board; and
2. Authorize Metropolitan's payment to support the Six Agency Committee budget and the Colorado River Association budget based on the new cost-sharing formula, contingent on the parties reaching a 100 percent funding level.

**Background**

Funding for the CRB, a state agency, has shifted over time from partial funding by the state of California to complete funding by the six water agencies with seats on the CRB. The water agencies make contributions to a joint powers authority named the Six Agency Committee that releases the funds to the state for use by the CRB. Primarily these funds are used to pay the salaries of the employees of the CRB. The original funding formula was heavily weighted toward the urban agencies bearing the bulk of the costs. With execution of the Quantification Settlement Agreement, deliveries of Colorado River water were revised for the transfers and the water agencies all agreed that it was timely to revisit the CRB funding formula.

Under the old formula Metropolitan paid \$479,165 in 2004; under the revised formula, Metropolitan's share of CRB costs for FY 2005 would be \$300,025. Metropolitan's negotiating position was that it would be most appropriate for each agency to fund an equal share of the CRB since each agency has an equal voice on the board, but there was no consensus on that view. Most of the parties eventually agreed on a formula that reduced the

contributions of Metropolitan and the Los Angeles Department of Water and Power and increased the other four agencies. The four percent funding shortfall in the revised formula results from five of the six agencies agreeing to the new formula, but SDCWA refused to pay the proposed 12 percent to match LADWP. Since no other agency was willing to pick up that four percent for the SDCWA, agreement could be reached to fund only 96 percent of CRB and related costs. At its July 14 meeting, the Six Agency Committee adopted a motion providing for funding 96 percent of the budgeted expenditures at this time for FY 2005, with the 4 percent deficit to be addressed by the managers of the six agencies represented on the Committee. Metropolitan staff does not recommend authorizing payments, however, unless and until the Six Agency Committee and Colorado River Association budgets are fully funded and all participating agencies are committed to paying their share of these costs for FY 2005. The agency managers continue to meet to try and resolve this issue.

The following table compares the previous contributions with the revised formula for FY 2005:

<b>Organization</b>	<b>PREVIOUS</b>		<b>REVISED</b>	
MWD	44.4%	\$484,404	27.5%	\$300,025
LADWP	20.4%	\$219,300	12.0%	\$130,920
IID	19.0%	\$204,250	27.5%	\$300,025
CVWD	10.0%	\$107,500	15.0%	\$163,650
PVID	3.2%	\$34,400	6.0%	\$65,460
SDCWA	3.0%	\$32,250	8.0%	\$87,280
Unfunded			4.0%	\$43,640
<b>TOTAL</b>	<b>100%</b>	<b>\$1,091,000</b>	<b>100%</b>	<b>\$1,091,000</b>

A separate issue that has recently arisen is the recommendation to entirely dissolve the CRB that came out of the California Performance Review process. The CPR report recommended that negotiations and issues related to California's "fair share" of Colorado River water be handled directly by the Governor's office with assistance from the Secretary of Natural Resources. It is unclear at this time what will happen with this or the other CPR process recommendations. Accordingly, the six water agencies have agreed that it would be best to continue to fund the CRB until a final decision is made. There are a number of important activities that the CRB handles that would need to be covered by one agency or another should the CRB be eliminated. A description of the activities and responsibilities of the CRB are contained in [Attachment 1](#). The Six Agency Committee will hold the deposited funds until needed by the State for the CRB and should the CRB be eliminated, any remaining funds held by the JPA would be returned to the agencies in the same percentages as the contributions were made.

#### **Six Agency Committee & the Colorado River Board                      \$295,625 (27.5%)**

While the state has in the past contributed a portion (20 percent in FY 2002 and FY 2003) of the CRB annual budget, no state money has been budgeted and appropriated last year or this year.

Its budget of \$1.38 million would be funded using a transfer from reserves, remaining funds from last fiscal year, a refund from the state from FY 2002, and \$1.03 million to be collected from the six entities this year.

Metropolitan's \$295,625 contribution is based on the new cost-sharing formula. The Six Agency Fund proposed FY 2005 budget is detailed in [Attachment 2](#).

#### **Colorado River Association    \$4,400 (27.5%)**

Formed in 1947, the six agency Colorado River Association (Association) is a Joint Powers Authority that functions as the public affairs entity of the Committee. It prepares news releases, newsletters and brochures, as well as sponsoring field inspections for legislative and congressional staff. Metropolitan has been a member since the Association's inception. Unlike the Six Agency Committee fund, the Colorado River Association fund is not used to fund state employees' costs. An effort is underway to update the 1947 Joint Powers Authority agreement.

This may be the subject of a separate letter later this year. The Association, on which Metropolitan is represented, has approved a FY 2005 budget of \$106,900. Its budget would be funded using remaining funds from last fiscal year and \$15,360 to be collected from the six entities, a decrease of \$45,600 from last year. **Attachment 3** shows the line items comprising the Colorado River Association proposed FY 2005 budget.

## **Policy**

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Metropolitan Water District Administrative Code §§ 11202 and 11203: Payment of Dues and Participation in Projects or Programs Serving District Purposes. This item is subject to a two-thirds vote requirement.

By Minute Items 21641 and 33322, dated Sep. 12, 1961, and July 8, 1980, the Board authorized amending the Six Agency Committee Agreement.

## **California Environmental Quality Act (CEQA)**

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CEQA determination for Option #1:

The proposed actions associated with financial contributions to the Six Agency Committee and the Colorado River Association are not subject to CEQA because they involve government fiscal activities, which do not involve any commitment to any specific project that may result in a potentially significant physical impact on the environment (Section 15378(b)(4) of the State CEQA Guidelines). The proposed actions are also categorically exempt under the provisions of CEQA and the State CEQA Guidelines. The funding of these entities 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 actions consist of basic data collection and resource evaluation activities which do 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. The proposed activities may also involve inspections to check for performance of an operation, or quality, health, or safety of a project. Accordingly, the proposed actions qualify under Classes 1, 6, 9, and 22 Categorical Exemptions (Sections 15301, 15306, 15309, and 15322 of the State CEQA Guidelines). For proposed projects identified within the context of this cost sharing arrangement, the appropriate lead agencies will be responsible for complying with all applicable federal and state environmental laws and regulations.

The CEQA determination is: Determine that the proposed actions are exempt from CEQA pursuant to Sections 15301, 15306, 15309, 15322, and 15378(b)(4) of the State CEQA Guidelines.

CEQA determination for Option #2:

None required

## **Board Options/Fiscal Impacts**

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### **Option #1**

Adopt the CEQA determination, approve the new funding arrangement, and, contingent on the parties reaching a 100 percent funding level, authorize the Chief Executive Officer to make payments totaling \$300,025 for the Six Agency Fund and the Colorado River Association for FY 2004/05.

**Fiscal Impact:** \$300,025 from the Operations and Maintenance Fund under the General District Requirement budget. Sufficient funds are included in Metropolitan's FY 2005 Operations and Maintenance Fund.

### **Option #2**

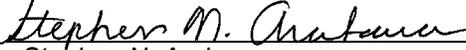
Do not approve expenditures.

**Fiscal Impact:** None

**Staff Recommendation**

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Option #1

  
Stephen N. Arakawa  
Manager, Water Resource Management

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8/18/2004

Date

  
Ronald R. Gastelum  
Chief Executive Officer

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8/18/2004

Date

**Attachment 1 – Detailed Report**

**Attachment 2 – Colorado River Board and Six Agency Fund**

**Attachment 3 – Colorado River Association Fund FY 2005 Budget**

BLA #2893

## Detailed Report

### Section A - Six Agency Committee

#### Purpose of the Colorado River Board of California and the Six Agency Committee

The Colorado River Board (CRB) of California was created in 1937 by the California Legislature in recognition of the vital nature of the Colorado River water and power resources to the general well being of the state, its agencies, and its citizens. As California Water Code Section 12550 permits monies to be contributed in support of the state's funding of the Colorado River Board, the Six Agency Committee was created in 1945 to provide such support.

The Six Agency Committee is a Joint Powers Authority made up of the six major Southern California public agencies with Colorado River water and power interests: Coachella Valley Water District (CVWD), Imperial Irrigation District (IID), Los Angeles Department of Water and Power (LADWP), Palo Verde Irrigation District (PVID), San Diego County Water Authority (SDCWA) and Metropolitan. The Six Agency Committee administers funds contributed by the represented agencies that currently account for about 100 percent of the CRB's budget. The purpose of these entities is to safeguard and protect California's rights and interests in the Colorado River.

#### Need for the CRB and the Six Agency Committee

More than half of the state's population uses Colorado River water, either entirely or as a supplemental supply, for municipal and agricultural uses. Electricity generated at Hoover Dam and other Colorado River hydroelectric plants provides for delivery of water and for a myriad of uses in millions of homes. The Colorado River provides recreational opportunities and habitat for a variety of fish and wildlife.

The competition for the river's water resources among the seven Basin states and Mexico is very keen, each attempting to secure for its citizens maximum rights to the use of the limited supply. The need for constant vigilance remains if the state, its agencies and citizens are to be assured the continued use of the invaluable resources of the river. It is extremely important for the state of California to safeguard its subdivisions' rights to the water and hydroelectric power resources of the river.

#### Authority of the CRB

Since its creation, the CRB, as a state agency, has attempted to achieve a cohesive and united front among California's agencies and citizens with Colorado River interests. This is necessary in dealing with interstate and international river issues. The CRB is authorized (California Water Code Sections 12500-12565) to:

- investigate past, present, and potential uses of the Colorado River system within and outside the state;
- investigate, coordinate, and preserve information, facts, and data bearing upon the claims of all states and of all public or private agencies within and outside the state to the water and the use of water of the Colorado River system;
- confer with representatives of the other states in the Colorado River Basin, representatives of the United States, and others concerning problems and measures relating to the development of the Colorado River Basin, the use of the water of the Colorado River system, and the protection of the interests of the state and the United States;
- negotiate, regarding such problems and measures, discuss the same, formulate and recommend to the Governor and Legislature measures, agreements, and legislation deemed for the benefit of the state and the United States; and
- carry out all other actions deemed necessary to achieve the purposes of the CRB.

The CRB carries out its work through investigations and through working with other state agencies, the State Legislature, water agencies, and individuals within California, and with the other Colorado River Basin states, federal agencies, the Congress, and the courts. Each of the other six states in the Colorado River Basin has established a state-supported agency to represent its interests in the river's resources. Investigations include analyses of engineering, legal, environmental, operational, and economic matters concerning the Colorado River resources of the seven Basin states and factors involved in the obligations pursuant to the Mexican Water Treaty.

### Organization of the CRB

The CRB consists of ten members that are appointed by the Governor: one from each of the six major public agencies with rights or interests to the use of water and power from the Colorado River, two from the general public, and the directors of the California departments of Water Resources and Fish and Game or their designees. Current members and their alternates are:

Agency	Member/Alternate
CVWD	John W. McFadden/Russell Kitahara
IID	Lloyd W. Allen/Rudy Maldonado <b>(Chairman of the CRB)</b>
LADWP	Gerald A. Gewe/James B. McDaniel
PVID	Dana Bart Fisher, Jr./ Charles Van Dyke
SDCWA	James H. Bond/Harold W. Ball
Metropolitan	John V. Foley/Bill D. Wright <b>(Vice Chairman of the CRB)</b>
Public Member	(vacant)
Public Member	Leonard E. Robinson
Director, California Department of Water Resources	Lester Snow
Director, California Department of Fish and Game	Ryan Broddrick

The CRB appoints an Executive Director, currently Gerald R. Zimmerman. Mr. Zimmerman also serves as the Six Agency Committee's Executive Secretary and Lloyd Allen serves as the Committee's Chairman. The Attorney General's Office provides legal services for the CRB at no cost to the CRB and the agencies.

### Budget of the CRB and the Six Agency Committee

The CRB's budget is part of the Governor's annual budget and is subject to review and approval by the State Legislature. Attachment 2 shows the state share and the Six Agency Committee share of funding in support of the CRB budget for FY 2004/05, as well as other funds required by the Six Agency Committee. The majority of the Six Agency Committee's \$1,376,000 budget supports the ten staff members of the CRB. The remainder of the Six Agency Committee support is for agreed to Colorado River activities and matters of mutual interest to the agencies.

Each year, Metropolitan staff reviews the CRB's and the Six Agency Committee's prior year's actual costs and budgets along with the next year's proposed budgets and objectives. This review focuses on ensuring that the actual and budgeted expenditures are reasonable and appropriate. Metropolitan's representative, John V. Foley, votes on both budgets as a member of the CRB and the Six Agency Committee. The Colorado River Board currently receives its funding from the Committee. Other significant budget line items include the following:

- Washington, D.C. services provided by Peter Carlson and Christopher D'Arcy of the firm Will & Carlson.

- Support for the Lower Colorado River Multi-Species Conservation Program (LCR MSCP), which is being developed for purposes of implementing a proactive 50-year endangered species conservation and compliance strategy for the lower Colorado River. Its specific goals are to: (1) conserve habitat and work toward the recovery of threatened and endangered species and reduce the likelihood of additional species listings under the federal and California Endangered Species Acts (ESA); (2) accommodate current water diversions and power production and optimize opportunities for future water and power development; and (3) provide the basis for issuance of federal and California ESA incidental take authorizations.
- Consulting services related to the unauthorized use of Colorado River water on the Yuma Island in California and issues related to the Colorado River Delta and Mexico.

When the Bureau of Reclamation meets with the Basin states on a number of water management issues, it is the CRB, not Metropolitan, that is invited. Hence, it is important to Metropolitan that the CRB has the resources and knowledge to effectively represent our interests.

The Six Agency Committee contributions for FY 2004/05 are:

MWD	27.5%
LADWP	12.0%
IID	27.5%
CVWD	15.0%
PVID	6.0%
SDCWA	8.0%
Unfunded	<u>4.0%</u>
	100%

### Accomplishments

Significant recent accomplishments include:

1. Assisted in reducing the total salinity of the Colorado River by over 60 mg/L through participation in the Colorado River Basin Salinity Control Forum and the implementation of salinity control measures;
2. Represented the state in continuing discussions with the federal government regarding the Colorado River and Mexico, such as: the Colorado River Delta (Minute No. 306) and the 1944 Mexican Treaty (Minute No. 242), thereby protecting Metropolitan's Colorado River rights;
3. Directed California's continued development of the LCR MSCP through a broad-based federal, interstate, Tribal and private partnership, which has, in part, provided the basis for ESA compliance to allow for continued Colorado River operations;
4. Represented the state in the continuing Glen Canyon Adaptive Management Program to ensure operation of Glen Canyon Dam for environmental purposes is not in conflict with operation for water and power purposes;
5. Obtained Reclamation recognition of unmeasured return flow credit; thus, increasing the water supply available for use in California and Metropolitan in particular;
6. Recommended additional individuals and entities without or with insufficient water rights for eligibility for a legal source of water through Lower Colorado Water Supply Project contracts, for up to 10,000 acre-feet of water annually for municipal and industrial uses, thereby protecting Metropolitan's Colorado River supplies; and
7. Facilitated continued discussions concerning various water rights issues related to the Yuma Island and Palo Verde Mesa, thus reducing Metropolitan's exposure to additional use of higher priority or present perfected rights.

## Objectives

The CRB's objectives for FY 2004/05 are:

1. Prepare and distribute a revised Colorado River Water Use Plan, hold a public workshop, and finalize the proposed Plan;
2. Facilitate continued implementation of the Lower Colorado Water Supply Project and bring the Project fully on-line through the delivery of water to a third party (i.e., Metropolitan);
3. Facilitate implementation of programs and administrative procedures that may avoid, or at least lessen, the impacts associated with drought and provide for a hastened recovery of water stored in the Colorado River System reservoirs;
4. Promote more efficient use and management of the Colorado River in an era of limited water supply working with the other states, and the Department of the Interior on the following issues:
  - a. Consumptive use policy and Lower Colorado River Accounting System,
  - b. Long-range operating criteria for the Colorado River reservoirs,
  - c. 2005 annual operating plan for the Colorado River reservoirs,
  - d. Use of water in the Yuma area and accounting practices and procedures,
  - e. Operation of the Yuma Desalting Plant,
  - f. Water use on the Yuma Island,
  - g. Unauthorized use of Colorado River water,
  - h. Water Conservation Programs (i.e., extraordinary conservation measures, overrun accounting and payback, etc.),
  - i. California's unmeasured return flow credit, and
  - j. Interstate and interbasin water transfers of Colorado River water;
5. Complete the LCR MSCP's federal and California environmental compliance process, hold public meetings and move this program into the implementation phase (in early 2005);
6. Coordinate action with California's Attorney General's office and California's Colorado River water contractors regarding potential legal and legislative strategies concerning California's interest in the water and power resources in the Colorado River (i.e. *Navajo Nation v. Norton*, Fort Yuma Indian Reservation litigation in *Arizona v. California*, *Grand Canyon Trust, et al. v. Gale Norton, et al.*);
7. Represent the state of California's continuing interests in the Glen Canyon Dam Adaptive Management Program;
8. Coordinate among California water agencies the development of a strategy for addressing the water quality concerns in Colorado River water supplies (e.g., selenium and perchlorate, etc.);
9. Promote further reduction of salt in Colorado River water supplies through the Colorado River Basin Salinity Control Forum and Colorado River Basin Salinity Control Advisory Council; and
10. Continue participation in the bi-national discussions related to the Mexican Delta issues (e.g., Minute No. 306 process).

## **Metropolitan Staff Support**

The CRB provides a centralized and coordinated means for addressing Colorado River matters of interest and concern to the agencies. It avoids duplication of efforts and allows the agencies to provide additional support and assistance as needed.

Occasionally the CRB will request Metropolitan's assistance with important tasks. An example of this is the CRB's workshop on the Colorado River water supply situation held in Metropolitan's board room on July 24, 2002. Other examples of this type of support include assistance with the development of presentations or providing technical assistance in support of legal matters regarding the use of Colorado River water which could affect Metropolitan's rights and interests.

Metropolitan, working with the CRB, has helped to prepare a unified California position regarding Colorado River matters on present perfected rights, Indian water right claims, disputed Indian reservation and reclamation project boundaries, non-contract use of Colorado River water, long-term environmental compliance related to the LCR MSCP, Colorado River system reservoir operations, and other areas of mutual interest. In any event, Metropolitan staff would be involved in such activities in order to protect its vital interests. This close association helps ensure that the CRB represents our needs in forums in which Metropolitan may not have standing.

Neither Metropolitan's nor the other agencies' funding obligation of the Six Agency Fund is reduced when they provide support of Board activities.

## **Section B - Colorado River Association**

### **Purpose of Colorado River Association**

The Colorado River Association-Six Agency Committee (Association) is a voluntary organization created in 1947 for the purpose of engaging in study and research, and disseminating information among the citizens of California and representatives in the state legislature and Congress as to the urgent need to preserve California's full rights in the Colorado River system.

### **Organization of the Association**

The Association has a General Manager who administers the Association's affairs. The Association, a JPA, provides support to the CRB. Generally, the agencies' representation on the Six Agency Committee and the Association are the same. Lloyd Allen currently serves as Chairman.

### **Budget of the Association**

Attachment 3 lists the FY 2004/05 budget for the Association. Annually, Metropolitan staff reviews the prior year's actual costs and budget along with the next year's proposed budget and objectives. This review focuses on ensuring the actual and budgeted expenditures are reasonable and appropriate for the issues to be addressed by the CRB. Metropolitan's representative, John V. Foley, votes on the Association's budget as a member of the Association. The primary activities of the Association are in outreach, public information and education, including sponsoring Colorado River related field inspections for legislative and congressional staff, and periodically publishing an updated report entitled "California's Stake in the Colorado River." All funding of Association activities comes from the six agencies that have the major California interests in water and/or power from the Colorado River through annual contributions. No state funds support this work.

The Six Agency Committee contributions for FY 2004/05 are:

MWD	27.5%
LADWP	12.0%
IID	27.5%
CVWD	15.0%
PVID	6.0%
SDCWA	8.0%
Unfunded	<u>4.0%</u>
	100%

### **Accomplishments**

Significant recent accomplishments include:

- Reproduction and distribution of a television program by Huell Howser that was recently broadcast on KCET, and other regional public television outlets, on the Colorado River emphasizing the significance of the river to California;
- Preparation, distribution, and archiving of oral histories to serve as reference documents, through interviews of individuals who have had a significant role in protecting California's interests in the Colorado River;
- Field inspections of Lower Colorado River and agency facilities for Congressional and California legislative staff to inform them of critical issues of concern to Metropolitan and other California users of Colorado River water;
- Field inspection of the Colorado River Delta to permit representatives of the CRB and the six agencies represented on the CRB to gain a better understanding of the region's resources;
- Publication of informational documents; and
- Reproduction of California's draft Colorado River Water Use Plan.

### **Objectives**

The Association's objectives for FY 2004/05 include informing Congressional and California legislative staff of critical issues regarding California's Colorado River needs through field inspections of Lower Colorado River and agency facilities and dissemination of information to the public regarding preservation of California's full rights in the Colorado River.

**COLORADO RIVER BOARD AND SIX AGENCY FUND**

	<u>Current Year Authorized Budget FY 2003/04</u>		<u>Anticipated Expenditures FY 2003/04</u>		<u>Proposed Budget FY 2004/05</u>	
<b>A. COLORADO RIVER BOARD BUDGET</b>						
<b>Sources of Funding</b>						
State Share (CELPF)	\$ 14,000	1.2%	14,000		\$ 0	0%
Six Agency Share	\$ 1,170,000	98.8%	1,087,191		\$ 1,170,000	100%
<b>Colorado River Board Budget<sup>1</sup></b>	<b>\$ 1,184,000</b>		<b>1,101,191</b>		<b>\$ 1,170,000</b>	
<b>B. BUDGET REQUIREMENTS OF SIX AGENCY COMMITTEE</b>						
1. Support of Colorado River Board Budget	\$ 1,170,000		\$ 1,087,191		\$ 1,170,000	
2. Washington, D.C. Services	\$ 50,000		\$ 30,000		\$ 50,000	
3. Consulting Services/Special Projects	\$ 110,000		\$ 44,000		\$ 100,000	
4. Unscheduled Board Activities	\$ 10,000		\$ -		\$ 10,000	
5. Computer, Replacement, Maintenance & Supplies	\$ 10,000		\$ 4,440		\$ 6,000	
6. 3% Reserve for Contingency	\$ 25,000		\$ -		\$ 25,000	
7. LCR MSCP						
A. MSCP Development	\$ 275,000		\$ 275,000		\$ 15,000	
B. Other Studies	\$ -		\$ -		\$ -	
<b>Six Agency Committee Budget</b>	<b>\$ 1,650,000</b>		<b>\$ 1,440,631</b>		<b>\$ 1,376,000</b>	
<b>C. SOURCES OF FUNDING FOR SIX AGENCY COMMITTEE</b>						
8. Refund from State for FY 01/02					\$ (12,600)	
9. Estimated Carry-Over					\$ (31,809)	
10. Prior Assessment					\$ (126,591)	
11. Electric Utility Contribution (Item #7A)					\$ -	
12. Transfer from Reserve Fund					\$ (130,000)	
<b>13. TOTAL CONTRIBUTION NEEDED</b>	<b>\$ 1,022,000</b>				<b>\$ 1,075,000</b>	

<sup>1</sup> The Board's Budget includes \$34,000 for Colorado River Basin Salinity Control Forum support in FY 2005.

**COLORADO RIVER ASSOCIATION FUND**  
FY 2004/05 Budget

Account No. 1	Awards & Honoraria	\$ 300
Account No. 2	Miscellaneous Postage	\$ 1,000
Account No. 3	Miscellaneous Supplies and Services	\$ 5,000
Account No. 4	Travel, Conference Expenses, and Field Inspections for State and Federal Legislative Representatives	\$ 65,000
Account No. 5	Oral Histories, News Releases & Brochure	\$ 32,100
Account No. 6	Telephone	\$ 300
Account No. 7	Contingency Reserve	\$ 3,200
<b>ESTIMATED CRA BUDGET</b>		<b>\$ 106,900</b>
<b>PRIOR ASSESSMENTS</b>		<b>\$ (90,900)</b>
<b>TOTAL CONTRIBUTION NEEDED</b>		<b>\$ 16,000</b>