



- Board of Directors  
*Legal and Claims Committee*

4/12/2011 Board Meeting

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7-3

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## Subject

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Amend Metropolitan Water District Administrative Code provisions regarding committee structure

## Description

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At its January 2011 meeting the Board approved amendments to Metropolitan's Administrative Code to implement approved revisions to its committee structure. This letter will revise the Administrative Code to implement an additional change to the Board's committee structure by changing the Organization and Personnel Committee to the Organization, Personnel and Technology Committee. The Organization, Personnel and Technology Committee will assume the technology duties and functions previously assigned to the Engineering and Operations Committee. These changes to the committee structure were approved by the Board at its February 2011 meeting and are now being included in the Administrative Code.

Further, in June 2010 the Board approved amendments to the Administrative Code to reflect that the real property and asset management functions of the Finance and Insurance Committee, previously referred to as the Business and Finance Committee, had been transferred to the newly established Real Property and Asset Management Committee. The proposed amendments will correct the references in Administrative Code Sections 8240, 8243, 8245, 8246 and 8257 concerning real property matters to provide that these matters are within the duties and functions of the Real Property and Asset Management Committee.

Finally, in November 2009 the Board approved amendments to the Administrative Code in which the former Legal and Human Resources Committee was divided into the Legal and Claims Committee and the Organization and Personnel Committee. The adopted code changes removed the specific authority of the Legal and Claims Committee to study and advise the Board regarding the organization and contents of the Code. The Legal and Claims Committee oversees the performance and activities of the General Counsel, who is charged with responsibility over the organization and contents of the Code. Therefore, the specified authority of the Legal and Claims Committee for oversight of the organization and contents of the Code is proposed to be reinstated. The proposed substantive amendments are set forth on [Attachment 1](#), with strikeouts showing deletions and underlining showing additions. [Attachment 2](#) shows the new version of the Metropolitan Water District Administrative Code as it would read upon board approval.

## Policy

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Committee structure of Metropolitan's Board of Directors. Metropolitan Water District Administrative Code Sections 2451(g) and (i) requiring Legal and Claims Committee to study, advise and make recommendations with regard to proposed District ordinances and concerning oversight of the performance and activities of the General Counsel.

## California Environmental Quality Act (CEQA)

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CEQA determination for Options #1 and #2:

The proposed action is not defined as a project under CEQA because it 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 CEQA pursuant to Sections 15378(b)(2) and 15061(b)(3) of the State CEQA Guidelines.

**Board Options**

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**Option #1**

Adopt the CEQA determination and the proposed revisions to the Metropolitan Water District Administrative Code set forth in **Attachment 1**.

**Fiscal Impact:** None

**Business Analysis:** Board committee structure

**Option #2**

Adopt the CEQA determination and the proposed revisions to the Metropolitan Water District Administrative Code set forth in **Attachment 1** with the changes proposed by the Board or the Legal and Claims Committee.

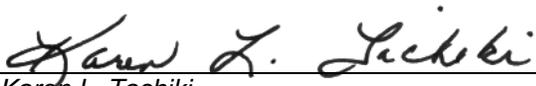
**Fiscal Impact:** None

**Business Analysis:** Board committee structure

**Staff Recommendation**

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Option #1

 3/21/2011  
\_\_\_\_\_  
Karen L. Tachiki Date  
General Counsel

 3/23/2011  
\_\_\_\_\_  
Jeffrey Kightlinger Date  
General Manager

**Attachment 1 – The Metropolitan Water District of Southern California Administrative Code (showing additions and deletions)**

**Attachment 2 – The Metropolitan Water District of Southern California Administrative Code (changed provisions only)**

## Chapter 4

### STANDING COMMITTEES

Article		Sec.
1	General	2400
2	Executive Committee	2410
3	Engineering and Operations Committee	2430
4	Finance and Insurance Committee	2440
5	Legal and Claims Committee	2450
6	Water Planning and Stewardship Committee	2460
7	Communications Committee	2470
8	Organization, <del>and</del> Personnel <u>and Technology</u> Committee	2480
9	Legislation Committee	2490

#### Article 1

#### GENERAL

Sec.

2400. Identification of Standing Committees  
 2401. Officers and Members of Standing Committees

#### § 2400. Identification of Standing Committees.

The Standing Committees of the Board of Directors are:

Executive Committee  
 Engineering and Operations Committee  
 Finance and Insurance Committee  
 Legal and Claims Committee  
 Water Planning and Stewardship Committee  
 Communications Committee  
 Organization, ~~and~~ Personnel and Technology Committee  
 Legislation Committee

#### Article 3

#### ENGINEERING AND OPERATIONS COMMITTEE

#### § 2431. Duties and Functions.

The Engineering and Operations Committee shall study, advise and make recommendations with regard to:

- (a) Plans, specifications and bids;
- (b) The initiation, scheduling, contracting, and performance of construction programs and work, and the equipment or materials to be used, replaced, disposed of, or salvaged;
- (c) Such matters as may come to its attention on inspection trips of the aqueduct works which the committee shall make at least once a year;
- (d) The operation, protection, and maintenance of the plants and facilities required for the production, exchange, sale, storage, treatment, and delivery of water and power and for the storage and treatment of water; and for the distribution of electrical energy to the aqueduct pumping plants;
- (e) The providing of storage and distribution facilities and connections for the delivery of water;
- (f) Construction claims;
- (g) Engineering aspects of State Water Project facilities;
- (h) The selection of engineering and geologic consultants and the determination of the scope of their assignments;
- (i) Energy matters in general;
- (j) Water treatment technologies for complying with drinking water regulations;
- (k) Water quality policies and standards;
- (l) Policies regarding the quality of imported, reclaimed, reused and stored water;
- (m) The effect on the District of existing and proposed federal, state, and local water quality statutes and regulations;
- (n) Proposed amendments to the Metropolitan Water District Act and Code affecting the engineering and operations functions of the District and water quality;
- ~~(o) Information technology strategies, projects and activities, including information technology asset management and the budgeting and tracking of information technology resources;~~
- (p) Proposed rules and proposals regarding business development opportunities for intellectual property transactions; and.

(ep) The District’s Capital Investment Program.

**Article 5**

**LEGAL AND CLAIMS COMMITTEE**

**§ 2451. Duties and Functions.**

The Legal and Claims Committee shall study, advise and make recommendations with regard to:

...

(g) Proposed amendments of the Metropolitan Water District Act, legislation dealing with public agencies, ~~and~~ proposed District ordinances and the organization and contents of the Code.

**Article 8**

**ORGANIZATION, ~~AND PERSONNEL~~ AND TECHNOLOGY COMMITTEE**

**§2481. Duties and Functions.**

The Organization and Personnel Committee shall study, advise and make recommendations with regard to:

(a) The form of the District’s organization and the flow of authority and responsibility;

(b) Periodic independent reviews and studies of the organization, classification of positions, job duties, salaries, and salary ranges;

(c) Relations between the District and its employees, including all matters affecting wage, hours, pension plans and other employee benefits, and other terms and conditions of employment, as well as the district’s negotiation of such matters with employee bargaining units and selection of negotiators;

(d) Areas of special concern to the District and its employees, including, but not limited to, equal employment opportunity, affirmative action, and work rules pertaining to the health and safety of employees;

(e) Policies and rules regarding employment, discipline and discharge of District officers and employees; ~~and,~~

(f) Proposed amendments to the Metropolitan Water District Act and Administrative Code affecting the organization and personnel policies of the District and to the Public Employees’ Retirement Law; ~~and,~~

[\(g\) Information technology strategies, projects and activities, including information technology asset management and the budgeting and tracking of information technology resources.](#)

## Division VIII

### CONTRACTS/DISTRICT PROPERTY

#### Chapter 2

#### DISTRICT PROPERTY

##### § 8240. Preliminary Requirements.

The General Manager shall establish a procedure for the continuous review of real property owned by the District for the purpose of determining which of such property is surplus to the District's needs. When the General Manager determines that property is surplus, the General Manager shall notify the ~~Finance and Insurance~~ [Real Property and Asset Management](#) Committee of that determination, unless the estimated value of the property is less than \$75,000.

(a) If the ~~Finance and Insurance~~ [Real Property and Asset Management](#) Committee does not overrule such determination and the estimated value of the property is \$75,000 or more, the General Manager shall:

(1) Notify the ~~Finance and Insurance~~ [Real Property and Asset Management](#) Committee of the estimated value of the property and recommend the appropriate marketing procedure authorized by this Article 4;

(2) Cause the property to be appraised by one or more independent appraisers.

(b) If the estimated value of the property is less than \$75,000, the General Manager shall cause the property to be appraised by a member of the staff of the General Manager or an independent appraiser, and disposed of as authorized by Article 4;

(c) The General Manager shall comply with the California Environmental Quality Act and the legal requirements pertaining to the disposition of property in cities or counties which have a general plan. If upon such compliance, any official body objects to the proposed sale, the Board of Directors shall first expressly uphold or reject the objections. There being no objections, or the objections having been rejected, and the appraisal or appraisals having been completed, the General Manager may then sell or lease the surplus property under the provisions of this Article 4.

**§ 8243. Disposal of Unnecessary Improvements.**

(a) The General Manager is authorized to dispose of, in the manner the General Manager deems to be in the best interest of the District, any improvements that must be removed to make land acquired for District operations suitable for District use.

(b) The General Manager shall report quarterly to the ~~Finance and Insurance~~Real Property and Asset Management Committee the details of any transactions during the preceding quarter in which an improvement was disposed of in such a manner as to make the improvement available for subsequent use by a party other than the District.

**§ 8245. Open Listing.**

If the General Manager elects to sell the property by using the services of licensed real estate brokers, the General Manager shall do so by offering it for sale by advertising in a newspaper or newspapers that the property is being offered for sale with courtesy to brokers, and by notifying real estate boards in the area in which the property is located that the property is being offered for sale with courtesy to licensed brokers. The initial offer for sale shall be for no less than the highest appraised valuation of the property. The General Manager is authorized to sell the property for the highest price obtainable; provided, however, that such price shall be no lower than the lowest appraisal without the approval of the ~~Finance and Insurance~~Real Property and Asset Management Committee and no lower than 90 percent of the lowest appraisal without the approval of the Board. The General Manager is authorized to pay to the broker who procures the accepted offer, a commission not to exceed the prevailing rate in the area in which the property is located.

**§ 8246. Exclusive Listing.**

The General Manager may with the approval of the ~~Finance and Insurance~~Real Property and Asset Management Committee give an exclusive listing to an individual licensed broker; provided, however, that the property shall not be sold for less than the lowest appraisal without the approval of the ~~Finance and Insurance~~Real Property and Asset Management Committee and for no less than 90 percent of the lowest appraisal without the approval of the Board. In such case, the General Manager is authorized to pay a commission, upon consummation of the sale, not to exceed the prevailing rate in the area in which the property is located.

**§ 8257. Quarterly Reports.**

The General Manager shall report to the ~~Finance and Insurance~~Real Property and Asset Management Committee quarterly on the property sold pursuant to this Article.

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