



● **Board of Directors**
Water Planning and Stewardship Committee

6/14/2016 Board Meeting

8-6

Subject

Authorize payment of \$620,598 for support of the Colorado River Board and Colorado River Authority for fiscal year 2016/2017

Executive Summary

Authorization is requested for the General Manager to make this year's annual payment for Metropolitan's continued participation in activities of the Colorado River Board (CRB) and the Colorado River Authority of California (Authority). The CRB was established in 1937 to protect the interests and rights of the state of California in the water and power resources of the Colorado River system. The Authority advances California's interests in Colorado River water and power through educational and informational campaigns. Metropolitan and five other members of the CRB make annual cost-sharing payments to the CRB and the Authority to fund their operations, studies, and special projects.

Details

Authorization is requested for the General Manager to pay Metropolitan's participation share in CRB functions and the Authority's educational and informational campaigns. Metropolitan is one of six California water agencies that share these expenses. Both the CRB and Authority help protect and advance Metropolitan's Colorado River interests.

A cost-sharing agreement, which governs payments to the CRB, is in effect until June 30, 2020. Under the cost-sharing arrangement, urban agencies pay half of the total costs and agricultural agencies pay the other half. Metropolitan contributes 32 percent of the total costs; the remaining urban share of 18 percent is paid by the San Diego County Water Authority (10 percent) and the City of Los Angeles (8 percent).

Attachment 1 shows the cost-sharing percentages among the six agencies.

The Colorado River Board and Six Agency Committee

The CRB provides the official representation for California before the United States and the other Colorado River Basin states. The CRB engages in activities that protect the interests and rights of the state of California, and its agencies and citizens, in the water and power resources of the Colorado River system. The CRB is funded entirely by six California agencies through the Six Agency Committee; no state funds are used. Each agency has a seat on the CRB, which also includes two public members appointed by the Governor, and representatives of the California Department of Water Resources and the California Department of Fish and Wildlife.

The Six Agency Committee is comprised of six California agencies. The agencies jointly provide funds to support CRB functions, technical studies, special projects and computer modeling.

In FY 2015/16, the CRB and the Six Agency Committee played key roles in:

- Participating in next steps in developing the next phase of the Colorado River Basin Water Supply and Demand Study (Basin Study), working toward offsetting long-term potential water demand and supply imbalances in the Colorado River Basin;
- Implementation of elements of the International Boundary and Water Commission Minute No. 319 and beginning negotiations associated with a potential future Minute;
- Contributing to weather modification projects in the three Upper Colorado River Basin states of Colorado, Utah and Wyoming;
- Participating in the Colorado River Basin Salinity Control Forum and Technical Workgroup, including participating as a Cooperating Agency for the Paradox Valley Unit replacement well environmental impact analysis;
- Participating in the Lower Colorado River Multi-Species Conservation Program;
- Participating in the Glen Canyon Dam Adaptive Management Program;
- Reviewing applications and addressing questions relating to the Lower Colorado Water Supply Project;
- Monitoring ongoing Colorado River operations and activities; and
- Funding the Pilot System Conservation Program.

In FY 2016/17, the CRB and the Six Agency Committee plan to continue to:

- Advance implementation of the Basin Study's next phase;
- Assist in implementing Minute No. 319 and developing a subsequent long-term water management agreement under the auspices of a new Minute;
- Contribute to weather modification projects in the Upper Colorado River Basin; and
- Actively participate in ongoing Colorado River Basin programs.

The total funding request for the CRB and Six Agency Committee is \$1,932,370. Metropolitan's proportionate share of the FY 2016/17 funding request is \$618,358.

Colorado River Authority of California

The Authority advances California's interests in the Colorado River by conducting educational and informational campaigns. In FY 2015/16, the Authority conducted a field inspection for Basin States representatives of Southern California facilities, focusing on activities undertaken by urban and agricultural districts such as desalination and groundwater replenishment.

In FY 2016/17, the Authority plans to:

- Conduct a field inspection of areas of interest to Colorado River Authority members; and
- Continue to support educational and informational opportunities for the CRB and others relating to California's interests in the Colorado River Basin.

The total funding request for the Authority is \$7,000. Metropolitan's share of the FY 2016/17 funding request is \$2,240. The following table compares the FY 2016/17 funding request with the FY 2015/16 request.

Fund	FY 2015/16	FY 2016-17 (est.)
Colorado River Board /Six Agency Committee	\$ 857,862	\$ 618,358
Colorado River Authority of California	\$ 17,920	\$ 2,240
Total	\$ 875,782	\$ 620,598

The decrease for the CRB/Six Agency Committee is attributable primarily to a reduction in funding for Pilot System Conservation Program implementation. The decrease for the Authority is attributable to FY 2015-16 funding being carried over to FY 2016/17.

The CRB is scheduled to consider its budget at the June 15, 2016 board meeting. If approved, Metropolitan would be invoiced for its share of costs. Staff requests approval to pay up to \$620,598 for funding the CRB and Authority.

Policy

Metropolitan Water District Administrative Code Section 11202: Payment of Dues.

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

Metropolitan Water District Act Section 126: Dissemination of Information (subject to a two-thirds vote requirement). By Minute Item 40277, dated June 15, 1993, the Board authorized amending the agreement creating the Colorado River Association.

By Minute Item 46291, dated July 12, 2005, the Board authorized replacing the Colorado River Association with the Colorado River Joint Powers Authority.

By Minute Item 46310, dated July 12, 2005, the Board approved a revision to the Six Agency Committee funding arrangement under which Metropolitan's share is 32 percent.

By Minute Item 50166, dated June 9, 2015, the Board approved executing the Six Agency Committee agreement's amendment to extend the cost-sharing formula through June 30, 2020.

California Environmental Quality Act (CEQA)

CEQA determination for Option #1:

The proposed action is not defined as a project under CEQA because it involves continuing administrative activities (Section 15378(b)(2) of the State CEQA Guidelines). In addition, the proposed action is not subject to CEQA because it involves other 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).

The CEQA determination is: Determine that the proposed action is not defined as a project and is not subject to the provisions of CEQA pursuant to Sections 15378(b)(2) and 15378(b)(4) of the State CEQA Guidelines.

CEQA determination for Option #2:

None required

Board Options

Option #1

Adopt the CEQA determination that the proposed action is not defined as a project and is not subject to CEQA and, by a two-thirds vote.

Authorize the General Manager to make payment of up to \$620,598 for the CRB/Six Agency Committee and Authority for FY 2016/17.

Fiscal Impact: Projected expenditures of up to \$620,598 from the FY 2016/17 budget, \$36,802 less than the amount contained in Metropolitan's budget

Business Analysis: Provides continued representation of California in Colorado River matters by the CRB at present levels and continues educational and informational campaigns undertaken by the Authority

Option #2

Do not authorize the General Manager to make payment to the CRB/Six Agency Committee and the Authority for FY 2016/17.

Fiscal Impact: Savings of up to \$620,598

Business Analysis: Will not provide for continued representation of California in Colorado River matters by the CRB at present levels and would not provide funds for the Authority, which could result in cessation of educational and informational campaigns

Staff Recommendation

Option #1



Kevin Donhoff
Interim Manager, Water Resource Management

5/25/2016
Date



Jeffrey Kightlinger
General Manager

6/1/2016
Date

Attachment 1 – Financial Pathways Funding Source

Ref# wrm12642994

FINANCIAL PATHWAYS

Funding Source		
<p>IID (Cost Share @ 28.75%) Imperial Irrigation District</p>	<p>CVWD (Cost Share @ 16.25%) Coachella Valley Water District</p>	<p>PVID (Cost Share @ 5.00%) Palo Verde Irrigation District</p>
<p>MWD (Cost Share @ 32.00%) Metropolitan Water District of Southern California</p>	<p>SDCWA (Cost Share @ 10.00%) San Diego County Water Authority</p>	<p>City of LA (Cost Share @ 8.00%) City of Los Angeles (LADWP)</p>

