



- Board of Directors
Water Planning and Stewardship Committee

10/8/2019 Board Meeting

Revised 8-3

Subject

Authorize co-funding of dues payments to the Alliance for Water Efficiency and its California chapter, the California Water Efficiency Partnership, on behalf of water agencies within Metropolitan's service area, subject to a \$325,000 annual cap; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA

Executive Summary

This board letter requests authorization for the General Manager to make payments to the Alliance for Water Efficiency (AWE) and its California chapter, the California Water Efficiency Partnership (CalWEP) to co-fund dues to benefit members within Metropolitan's service area. Metropolitan, its member agencies, and sub-agencies benefit by collectively shaping the research agenda, selecting which resources to develop and providing input to guide the general direction of these organizations. Metropolitan is currently a member of and holds leadership roles within both AWE and CalWEP. The request to co-fund memberships is subject to a \$325,000 annual cap beginning fiscal year (FY) 2020/2021. This amount includes Metropolitan's annual dues to AWE and CalWEP in addition to 50 percent of the dues for AWE/CalWEP members within Metropolitan's service area. This board letter does not change existing Administrative Code policy governing Metropolitan's direct dues payments to AWE and CalWEP.

Details

Background

AWE is a national nonprofit organization dedicated to the promotion of water-efficient products and programs. CalWEP, as the California Chapter of AWE is focused on California's water issues but is able to maximize access to the national research and education efforts of AWE. AWE fosters important collaborative research across North America and provides information and assistance on water conservation efforts to water utilities, water conservation professionals, planners, regulators, and consumers. AWE assists in: (1) developing water-saving codes and standards; (2) ensuring efficient products are available, tested and labeled; and (3) training professionals and water users.

AWE membership benefits include access to the following:

- AWE's Water Conservation Tracking Tool to assess, tailor and implement effective conservation programs;
- AWE's Financing Sustainable Water Handbook and Model which helps design, evaluate and implement successful efficiency-oriented rate structures;
- A comprehensive resource library of water efficiency information;
- Personalized, one-on-one technical assistance from AWE staff and trainings; and
- Free, state-of-the-art tools to plan or expand water efficiency programs, and to pursue financial management practices that ensure revenue stability, resource efficiency, and fiscal sustainability.

Prior to being a member of AWE and CalWEP, Metropolitan was a member of the California Urban Water Conservation Council (Council). The Council was the original state-wide organization focused on urban water conservation in California.

Beginning in FY 1998/99, the Board approved a similar action authorizing Metropolitan to pay 50 percent of Council members' dues for agencies within Metropolitan's service area subject to an annual not-to-exceed amount of \$125,000. This support continued until FY 2012/13; staff disclosed the amounts to the Board in an annual report on organizational memberships.

Metropolitan transitioned away from co-funding agency dues to the Council because of governance issues and fewer services that diminished the value of membership to all members of the Council, including water agencies. The new organizations were formed with governance structures that are more responsive and fair to the entire membership base. However, when Metropolitan became a member of AWE, the practice of co-funding agency dues was not reinstated. Since the practice of co-funding was suspended, approximately 20 percent of members from the Metropolitan service area that were Council members or previously members of AWE/CalWEP have declined to continue their memberships. For some, this decision is based solely on budgetary reasons. As such, reinstating the practice of co-funding agency dues is intended to encourage these members to rejoin AWE/CalWEP.

The currently proposed authorization for co-funding 50 percent payment of dues for AWE members within Metropolitan's service area would be subject to a cap of \$325,000 annually. AWE/CalWEP will only invoice Metropolitan after each agency has paid their share of the co-funded dues. Under this authorization, Metropolitan would be able to co-fund all current members within Metropolitan's service area as well as new agencies that would join on a first-come, first-served basis. Members pay dues directly to CalWEP for membership to both organizations.

Attachment 1 is a membership list of the agencies and amounts paid to AWE/CalWEP for 2019 dues.

Increased membership within Metropolitan's service area would amplify the impact of southern California's regional voice. This is a critical time in terms of these organizations and their work to advance the pending conservation compliance framework that is part of Senate Bill 606 and Assembly Bill 1668. Additional benefits include being able to collectively shape the research agenda and having access to tools and metrics that help the region track conservation activity. Ultimately, the resources and assistance provided by AWE and CalWEP will help make regional conservation messaging and implementation more consistent.

Funding will come from the FY 2020/2021 Conservation Credits Program budget starting July 1, 2020. Funding for AWE agency dues would be available for the budget cycle and reviewed by management during the budget planning process. Additionally, staff will follow the procedure described above and report amounts paid to the Board in the annual report on organizational memberships.

Policy

Metropolitan Water District Administrative Code Section 11104: Delegation of Responsibilities

By Minute Item 37448, dated December 1988, the Board created Administrative Code § 11202, Payment of Dues and authorized department heads to approve payments.

By Minute Item 43496, dated April 1999, the Board approved annual voluntary dues of \$125,000 to the California Urban Water Conservation Council, which included one-half of dues for Council's members within Metropolitan's service area.

By Minute Item 45789, dated June 2004, the Board authorized payment of 50 percent of the dues for the California Urban Water Conservation Council members within Metropolitan's service area, subject to a \$250,000 annual cap.

California Environmental Quality Act (CEQA)

CEQA determinations for Option #1:

The proposed action involves the payment of dues to AWE, a national nonprofit organization dedicated to promoting water-efficient products and programs. The AWE provides information and assistance on water conservation efforts to water utilities, water conservation professionals, planners, regulators, and consumers.

AWE develops water-saving federal, state and local codes and standards; ensures efficient products are available, tested and labeled; coordinates with green building initiatives to institutionalize water efficiency; and trains professionals and educates water users. The proposed action is not defined as a project under CEQA (Public Resources Code Section 21065, State CEQA Guidelines Section 15378) because the proposed action will not cause either a direct physical change in the environment or a reasonably foreseeable indirect physical change in the environment and involves continuing organizational or administrative activities, such as general policy and procedure making (Section 15378(b)(2) of the State CEQA Guidelines). In addition, the proposed action is not defined as a project under CEQA because it involves the creation of government funding mechanisms or 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). In addition, the proposed action involves basic data collection and resource evaluation activities, which will 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 is Categorically Exempt from CEQA (Class 6 Exemption, Section 15306 of the State CEQA Guidelines). Finally, 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, and the proposed action is not subject to CEQA pursuant to Section 15061(b)(3) of the State CEQA Guidelines.

CEQA determination for Option #2:

None required

Board Options

Option #1

Authorize 50 percent of the dues for AWE and CalWEP members within Metropolitan's service area, subject to a \$325,000 annual cap.

Fiscal Impact: Not to exceed \$325,000 annually in future years without further board action.

Business Analysis: Co-funding dues will strengthen partnerships between Metropolitan and AWE/CalWEP and members of these organizations within Metropolitan's service area. Stronger partnerships will help advance regional conservation initiatives and allow more local agencies to be involved in state conservation planning.

Option #2

Do not authorize payment of 50 percent of the dues for AWE and CalWEP members within Metropolitan's service area.

Fiscal Impact: None

Business Analysis: Metropolitan will remain a member of AWE/CalWEP, but additional local agencies may not be able to join due to budgetary reasons.

Staff Recommendation

Option #1


 Brad Coffey
 Manager, Water Resource Management

9/23/2019
Date


 Jeffrey Kightlinger
 General Manager

9/27/2019
Date

Attachment 1 – 2019 Contributions, Agencies in Metropolitan's Service Area

Ref# wrm12665768

2019 Contributions, Agencies in Metropolitan's Service Area

MWD MEMBER AGENCIES	Total Dues Amount	50% of Total Dues Amount
(California) American Water*	\$13,982.68	\$6,991.34
Burbank Water and Power	\$4,195.26	\$2,097.63
California Water Services Company*	\$8,504.04	\$4,252.02
Carlsbad Municipal Utility District	\$4,161.90	\$2,080.95
Carpinteria Valley Water District	\$3,149.85	\$1,574.93
City of Beverly Hills	\$3,468.61	\$1,734.31
City of Brentwood	\$3,726.94	\$1,863.47
City of Camarillo	\$3,519.77	\$1,759.89
City of Chino	\$4,138.42	\$2,069.21
City of Chino Hills	\$3,922.58	\$1,961.29
City of Corona	\$5,156.22	\$2,578.11
City of Escondido	\$4,351.33	\$2,175.67
City of Glendale Water & Power	\$4,691.33	\$2,345.67
City of Glendora, Water Division	\$3,599.09	\$1,799.55
City of Huntington Beach	\$5,528.59	\$2,764.30
City of La Verne	\$3,278.68	\$1,639.34
City of Newport Beach	\$4,102.13	\$2,051.07
City of Oceanside	\$5,117.73	\$2,558.87
City of Oxnard	\$4,943.00	\$2,471.50
City of Pomona	\$4,447.94	\$2,223.97
City of Poway	\$3,579.18	\$1,789.59
City of San Clemente	\$3,575.03	\$1,787.52
City of San Diego	\$21,361.09	\$10,680.55
City of San Juan Capistrano	\$3,416.11	\$1,708.06
City of Santa Ana	\$5,432.42	\$2,716.21
City of Santa Monica	\$3,748.33	\$1,874.17

2019 Contributions, Agencies in Metropolitan's Service Area

MWD MEMBER AGENCIES	Total Dues Amount	50% of Total Dues Amount
City of Torrance	\$4,197.67	\$2,098.84
City of Upland	\$4,044.20	\$2,022.10
Cucamonga Valley Water District	\$6,025.47	\$3,012.74
East Orange County Water District	\$1,752.09	\$876.05
Eastern Municipal Water District	\$12,008.66	\$6,004.33
El Toro Water District	\$3,372.26	\$1,686.13
Elsinore Valley Municipal Water District	\$6,430.72	\$3,215.36
Fallbrook Public Utility District	\$3,472.11	\$1,736.06
Foothill Municipal Water District	\$2,058.00	\$1,029.00
Golden State Water Company*	\$13,257.10	\$6,628.55
Helix Water District	\$5,840.61	\$2,920.31
Inland Empire Utilities Agency	\$5,321.00	\$2,660.50
Irvine Ranch Water District	\$8,520.73	\$4,260.37
Jurupa Community Services District	\$4,446.42	\$2,223.21
Las Virgenes Municipal Water District	\$4,072.52	\$2,036.26
Liberty Utilities	\$3,955.19	\$1,977.60
Long Beach Water (<i>aka City of Long Beach, Water Dept.</i>)	\$8,337.50	\$4,168.75
Los Angeles County Waterworks District	\$7,195.58	\$3,597.79
Los Angeles Department of Water & Power	\$49,078.08	\$24,539.04
Mesa Water District	\$4,106.79	\$2,053.40
Monte Vista Water District	\$3,851.65	\$1,925.83
Moulton Niguel Water District	\$5,822.37	\$2,911.19
Municipal Water District of Orange County	\$12,166.44	\$6,083.22
Olivenhain Municipal Water District	\$4,163.89	\$2,081.95
Ontario Municipal Utilities Company (<i>aka City of Ontario</i>)	\$4,941.80	\$2,470.90
Orange County Water District	\$12,347.00	\$6,173.50
Otay Water District	\$5,353.93	\$2,676.97
Padre Dam Municipal Water District	\$3,887.87	\$1,943.94
Pasadena Water & Power (<i>aka City of Pasadena</i>)	\$4,957.33	\$2,478.67
Rancho California Water District	\$6,432.80	\$3,216.40

2019 Contributions, Agencies in Metropolitan's Service Area

MWD MEMBER AGENCIES	Total Dues Amount	50% of Total Dues Amount
Riverside Public Utilities	\$7,071.68	\$3,535.84
Rubidoux Community Services District	\$3,268.25	\$1,634.13
San Diego County Water Authority	\$16,929.53	\$8,464.77
San Dieguito Water District (City of Encinitas)	\$3,426.86	\$1,713.43
Santa Margarita Water District	\$5,472.50	\$2,736.25
Sweetwater Authority	\$4,415.43	\$2,207.72
Three Valleys MWD	\$5,120.11	\$2,560.06
Upper San Gabriel Valley Municipal Water District	\$4,394.75	\$2,197.38
Vallecitos Water District	\$4,046.72	\$2,023.36
Valley Center Municipal Water District	\$4,073.91	\$2,036.96
West Basin Municipal Water District	\$11,041.50	\$5,520.75
Western Municipal Water District (<i>of Riverside</i>)	\$7,295.01	\$3,647.51
Yucaipa Valley Water District	\$3,576.51	\$1,788.26
Total for MWD Agencies 2018/19		\$440,648.78
		50% of agency dues
		\$220,324.39
Metropolitan Water District of Southern California		\$40,000.00
Grand Total		\$260,324.39

*Prorated amount to cover only divisions in MWD service area