



- **Board of Directors**  
***One Water and Stewardship Committee***

6/11/2024 Board Meeting

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8-2

## Subject

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By a two-thirds vote, authorize two payments of up to \$993,600 for support of the Colorado River Board, Six Agency Committee, and Colorado River Joint Powers Authority for fiscal year 2024/2025 and \$1,023,408 for fiscal year 2025/2026; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA

## Executive Summary

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Staff is requesting authorization for the General Manager to make two annual payments for Metropolitan's continued participation in activities of the Colorado River Board (CRB) and Six Agency Committee (SAC) for fiscal years (FY) 2024/2025 and 2025/2026. California established the CRB in 1937 to protect the interests and rights of the state of California with respect to the water and power resources of the Colorado River system. The SAC, comprised of Metropolitan and five other members of the CRB, makes annual cost-sharing payments to the CRB to fund its operations, studies, and special projects. Typically, those six agencies also fund the Colorado River Joint Powers Authority (Authority), which advances California's interests in Colorado River water and power through educational and informational campaigns. Staff is requesting funding for FY 2024/2025 and FY 2025/2026.

## Proposed Action(s)/Recommendation(s) and Options

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### Staff Recommendation: Option #1

#### Option #1

By a two-thirds vote, authorize two payments of up to \$993,600 for support of the CRB, SAC, and Authority for FY 2024/2025 and \$1,023,408 for FY 2025/2026.

**Fiscal Impact:** Expend funds of up to \$993,600 from the FY 2024/2025 budget and \$1,023,408 from the FY 2025/2026 budget. The adopted budget contains \$961,000 for this line item in FY 2024/2025 and \$990,000 for this line item in FY 2025/2026. The remaining \$32,600 for FY 2024/2025 and \$33,408 for FY 2025/2026 will be managed within the Water Resource Management Group's overall budget.

**Business Analysis:** Provides continued representation for Metropolitan and California in Colorado River matters by the CRB, SAC, and Authority at present levels.

#### Option #2

Do not authorize payment of up to \$993,600 for support of the CRB, SAC, and Authority for FY 2024/2025 and \$1,023,408 for FY 2025/2026.

**Fiscal Impact:** Savings of up to \$2,017,008 over two years

**Business Analysis:** Will not provide continued representation for Metropolitan and California interests in Colorado River matters by the CRB, SAC, and Authority at present levels.

## Alternatives Considered

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None

## Applicable Policy

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Metropolitan Water District Administrative Code Section 11104: Delegation of Responsibilities

Metropolitan Water District Administrative Code Section 11102: Payment of Dues

Metropolitan Water District Administrative Code Section 11103: 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 May 13, 1947, agreement to provide for appointment of alternate representatives on the Colorado River Association Six Agency Committee.

By Minute Item 46291, dated July 12, 2005, the Board authorized agreement to create the Colorado River Joint Powers Authority.

By Minute Item 46310, dated July 12, 2005, the Board approved the new funding arrangement for the Colorado River Board based on the proposed cost-sharing percentage.

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.

By Minute Item 52019, dated June 9, 2020, the Board approved executing the Six Agency Committee agreement's amendment to extend the cost-sharing formula through June 30, 2025.

## Related Board Action(s)/Future Action(s)

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Unanticipated increases in the CRB annual budget have occurred in the past and could happen in the future due to unforeseen circumstances or expenditures. If the CRB budget for FY 2025/2026 increases above that which is authorized in this action, staff will return to the Board for additional authorization of the adjusted amount of funds for FY 2025/2026.

## California Environmental Quality Act (CEQA)

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### CEQA determination for Option #1:

The proposed action is not defined as a project under CEQA because it involves organizational, maintenance, or administrative activities; personnel-related actions; and/or general policy and procedure making that will not result in direct or indirect physical changes in the environment. (Public Resources Code Section 21065; State CEQA Guidelines Section 15378(b)(2) and (5)).

### CEQA determination for Option #2:

None required

## Details and Background

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### Background

#### 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. Six California agencies entirely fund the CRB through the SAC; no State funding occurs. 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.

Every five years the SAC negotiates a cost-sharing arrangement among the agencies. The most recent cost-sharing arrangement was negotiated in 2020 and will occur again in 2025. In the current agreement, 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 agencies share 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 six agencies jointly provide funds to support CRB functions, technical studies, special projects, and computer modeling. In FY 2023/2024, the CRB and the SAC played key roles in:

- Coordinating California agencies' response to the Draft SEIS to modify the 2007 Interim Guidelines.
- Coordinating with California agencies to develop consensus policy positions to guide California representatives in the renegotiations of the 2007 Interim Operating Guidelines.
- Contributing funds to the Basin States' efforts in winter season weather modification projects in Colorado, Utah, and Wyoming.
- Participating in the ongoing implementation of the Glen Canyon Dam Adaptive Management Program and the Lower Colorado River Multi-Species Conservation Program.

In FY 2024/2025 and FY 2025/2026, the CRB and SAC anticipate continuing participation in the programs described above, plus the following key activities:

- Continue Washington, D.C. representation with Natural Resource Results to track legislation of interest, advocate for necessary funding or legislation, and arrange Congressional briefings and visits for California stakeholders.
- Continue to support the CRB's participation in ongoing activities associated with the binational implementation of Minute No. 323 and the new Minute No. 330 and associated binational workgroups.
- Continue to support the CRB's participation in and cost-share funding of the Colorado River Basin Salinity Control Program.
- Continue to support the CRB's participation in the Colorado River Climate and Hydrology Workgroup, which includes planning for the next Climate and Hydrology Symposium and ongoing development of proposed climate and hydrology research projects.

The total funding request for the CRB and SAC is \$3,025,000 for FY 2024/2025 and is estimated to be \$3,115,750 for FY 2025/2026 based on a three-percent-assumed increase. Metropolitan's proportionate shares of the FY 2024/2025 and FY 2025/2026 funding requests are \$968,000 and \$997,040 respectively. The increase in the CRB and SAC budgets can be attributed primarily to modeling and legislative support for ongoing negotiations of the 2007 Interim Guidelines. An additional increase to the budget is due to normal office and labor cost increases.

#### Colorado River Joint Powers Authority

The six agencies also fund the Authority, which advances California's interests in the Colorado River Basin by conducting educational and informational campaigns for the CRB and others. The total funding request for the Authority for FY 2024/2025 is \$80,000, and Metropolitan's proportionate share is \$25,600. The total funding request for the Authority for FY 2025/2026 is estimated to be \$82,400 based on a three-percent assumed increase. Metropolitan's proportionate share of the FY 2025/2026 funding is estimated to be \$26,368.

In FY 2023/2024, the Authority:

- Provided modeling and legislative support for the renegotiation of the 2007 Interim Guidelines.
- Continued the collection of oral histories.
- Provided a 2024 inspection of the Lower Colorado River Basin for California stakeholders.

In FY 2024/2025 and FY 2025/2026, the Authority anticipates the following key activities:

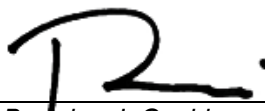
- Contract with a public relations firm to develop an outreach plan to support California’s interests on the Colorado River.
- Continue the collection of oral histories and ensure appropriate archival accessibility.
- Host meetings of California stakeholders and other Basin States as needed to discuss new operational guidelines for the Colorado River Basin.
- Provide a 3-4 day tour in the Basin (locations and themes TBD) for California stakeholders.


The following table compares the FY 2023/2024 funding request with the FY 2024/2025 and FY 2025/2026 requests:

<b>Fund</b>	<b>FY 2023/24</b>	<b>FY 2024/25</b>	<b>FY 2025/26 (est.)</b>
Colorado River Board/Six Agency Committee	\$932,800	\$968,000	\$997,040
Colorado River Joint Powers Authority	\$0	\$25,600	\$26,368
<b>Total</b>	<b>\$932,800</b>	<b>\$993,600</b>	<b>\$1,023,408</b>

Metropolitan’s FY 2024/2025 budget includes \$961,000 for the CRB and SAC. Because the total requested amount of \$993,600 for the CRB, SAC, and Authority is greater than budgeted, the remaining \$32,600 will be managed within the Water Resource Management Group’s overall budget.

Metropolitan’s FY 2025/2026 budget includes \$990,000 for the CRB and SAC. Because the total estimated request for FY 2025/2026 is greater than budgeted, the remaining \$33,408 will be managed within the Water Resource Management Group’s overall budget.

  
 \_\_\_\_\_ 5/31/2024  
*Brandon J. Goshi* Date  
*Interim Manager,*  
*Water Resource Management*

  
 \_\_\_\_\_ 6/3/2024  
*Adel Hagekhalil* Date  
*General Manager*

**Attachment 1 – Cost-Sharing Summary**

Ref# wrm12693499

### Cost-Sharing Summary

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

