



Requested Action:

Authority Board considers approval of membership dues covering Authority general and administrative costs estimated to not exceed \$410,000 in fiscal year 2025, which equates to dues per member of \$45,000 (9 members total) and \$5,000 per Associate Member (1 member total). Authorize release of invoices in January 2024.

Detailed Description/Background:

Authority Board dues are reassessed annually, and the 2025 dues need to be established for invoicing Authority Board members in January 2025. This year's assessment used a similar evaluation to that used in 2024 which separates project agreement costs from general and administrative costs per Section 5 of the Joint Powers Agreement.

Revenue Assumptions:

Authority revenue consists entirely of Authority Board dues. The following assumptions were used to establish dues.

1. Membership dues are recommended to be maintained at \$45,000 per Authority Member and remain the same of \$5,000 per Associate Member.
2. Membership levels (assumed): 9 Authority Members and 1 Associate Member (non-voting) positions. It is assumed that Zone 3 will become an Authority Member in 2025 and one of the existing Authority Members being subsumed within Zone 3 will terminate.

Expense Assumptions:

AB general and administrative costs are a function of direct expenses (e.g., cost of the Maxwell office) and shared expenses (i.e., Board Clerk and a share of ED time).

This year's evaluation incorporated a review of last year's cost allocation approach. The review found the Authority's General Counsel's 2023 budget was higher than anticipated, and some expenses were not directly related to general and administrative costs. General Counsel's AB 2024 expenses are expected to be about the same as 2023 actual expenses. This primarily allows for a decrease in Authority Board 2024 membership dues.

Staff expects future annual assessments would primarily consist of inflationary adjustments since the assessment assumes fixed amounts of the shared expenses and the direct expenses, barring any unforeseen major future changes in the administration of the AB.

Prior Authority Board Action:

November 2023: Approved the membership dues covering Authority general and administrative costs estimated to not exceed \$410,000 in fiscal year 2024, which equates to dues per member of \$45,000 (9 members total) and \$5,000 per Associate Member (1 member total). Authorize release of invoices in January 2024

Fiscal Impact/Funding Source:

The AB dues revenue within the remainder of the A3 work period is expected to be approximately \$920,000 total for the next two years.

Staff Contact:

Trapasso

Primary Service Provider:

Project Controls.

Attachments:

Attachment A – AB Expense Activities

AB Expense Activities

Consultant/Vendor	Expense Activity	AB/RC Split
ACWA and ACWA JPIA	Annual dues and Authority insurance	100% AB
Adept Solutions	IT related services and computer equipment	50% AB
BC (RGS/Wendy)	Board Clerk and Office Admin	10% AB 90% RC
BC (Marcia)	Sites Project Coordinator	10% AB 90% RC
Dunn Consulting	State government advisor	100% RC
Fechter	Financial auditing services	100% AB
Katz	Communications	100% RC
Pinion	Accounting	100% AB
Maxwell Office	Office expenses (rent, supplies, credit card, etc.)	100% AB
The Catalyst Group	Strategic planning	100% AB
The Ferguson Group	Federal government advisor	100% RC
Waterology	Preparation/attendance AB meetings	10% AB 90% RC
Young Wooldridge	General Counsel	50% AB 50% RC