

**Staff Report  
October 14, 2019**

**PROPOSED AMENDMENT TO THE SANTA MONICA BAY RESTORATION  
COMMISSION MEMORANDUM OF UNDERSTANDING**

**SANTA MONICA BAY RESTORATION  
COMMISSION**

**Background**

The Santa Monica Bay Restoration Commission was established by the State legislature in 2003 (SB 1381 (Kuehl), Statutes 2002, Chapter 598) as a non-regulatory state entity (see specifically Cal. Pub. Res. Code section 30988.2(b)). SB 1381 also called for development of a Memorandum of Understanding (MOU) that ensures the coordination of state programs affecting Santa Monica Bay and that delineates the authority of the Commission and its governance structure with respect to the implementation of those state programs and prescribes the Commission's membership and governance. Pursuant to the requirement of California Public Resources Code (sections 30988-30988.3), the original MOU was adopted and signed in 2003 by the California Resources Agency Secretary, California Environmental Protection Agency (CalEPA) Secretary, and Santa Monica Bay Watershed Council Chair.

To ensure the structure and governance may be improved as needed, section VI.3. of the MOU expressly authorizes the Governing Board to amend the MOU by a majority vote. The MOU has been amended in 2005, 2007, 2009, 2011, 2012, 2013 and 2014 by majority vote of the Governing Board. The last significant revisions were made in 2011, which included: increasing the number of the Governing Board voting members, expanding the local watershed membership, expanding the role of local Councils of Governments in Governing Board membership, and establishing the Watershed Advisory Council.

State law establishing the Commission also recognizes, and designates by reference, the Commission to replace the former Santa Monica Bay Restoration Project as the Santa Monica Bay National Estuary Program (NEP) established under Section 320 of the Clean Water Act and administered by the United States Environmental Protection Agency (US EPA). In accordance with the US EPA National Estuary Program funding guidelines, the Santa Monica Bay NEP was charged with planning of Santa Monica Bay's restoration and overseeing the implementation of the Santa Monica Bay Restoration Plan, also known as the Comprehensive Conservation Management Plan (CCMP). The current structure of the Commission, which includes the Governing Board, the Executive Committee, the Technical Advisory Committee, and the Watershed Advisory Council, serve as the Management Conference of the Santa

Monica Bay NEP (Figure 1). The Governing Board, which is functionally equivalent to the Policy Committee under the Management Conference structure, is the decision-making body of the Santa Monica Bay NEP. The Commission also has a long-term partnership with the Bay Foundation (TBF), which has been receiving and administering annual Clean Water Act Section 320 grant funds from US EPA on behalf of the Commission, and utilizing the grant as well as other sources of funding to carry out projects for implementation of the CCMP (Figure 2).

The Commission, with support from the State Water Resources Control Board (State Water Board) staff, developed the proposed amendment to the MOU in order to update the organizational structure and operation of the Commission, reflecting the need for improvements and clarifications identified during the recent CCMP revision process.

This staff report summarizes the proposed amendment and describes the rationale for the proposed changes. The goals of the proposed MOU amendment are to improve the governance structure of the Commission in order to:

1. Update and clarify the composition, roles, responsibilities, mission, policy, and practices of the Commission groups,
2. Improve the ability to implement the newly adopted CCMP Action Plan,
3. Enhance the Santa Monica Bay NEP partnership and serve effectively as the Management Conference of the Santa Monica Bay NEP as prescribed in US EPA guidance for the National Estuary Programs,
4. Streamline processes and improve program efficacy.

## **Legislative History**

In 1988, the State of California and the US EPA established the Santa Monica Bay Restoration Project as a NEP under the provisions of Section 320 of the federal Clean Water Act (33 U.S.C §1330). The Santa Monica Bay Restoration Project was one of 28 NEPs established nationwide to promote collaborative watershed-based partnerships to develop and implement a Comprehensive Conservation Management Plan (CCMP) that addresses the range of environmental problems facing the estuary, while recognizing and balancing the needs of the local community.

The Santa Monica Bay Restoration Project developed a CCMP for the Santa Monica Bay consistent with the NEP requirements, which were finalized and approved by the Governor of California and the US EPA Administrator in 1995. Following the CCMP approval, the Santa Monica Bay Restoration Project oversaw implementation of the CCMP as carried out by the various partner agencies and sought and secured funding for many important initiatives that have furthered the goals of the Santa Monica Bay NEP.

On September 29, 2000 Governor Davis signed Senate Bill (SB) 57 (Hayden), Statutes 2000, Chapter 983, that authorized continuing operation of the Santa Monica Bay Restoration Project within the State Water Resources Control Board and the Los Angeles Regional Water Quality Control Board. SB 57 required that the Secretary of CalEPA, in consultation with the Secretary of the Resources Agency and the Santa Monica Bay Restoration Project, to make recommendations for measures to monitor, assess, and coordinate state programs affecting beneficial uses or restoration and enhancement of the Santa Monica Bay, including to coordinate and plan their activities associated with the restoration and protection of in the Santa Monica Bay and watershed.

On September 15, 2002, Governor Davis signed SB 1381 (Kuehl), Statutes 2002, Chapter 598, that followed on SB 57 and the recommendations of the report to the Legislature, and renamed the Santa Monica Bay Restoration Project as the Santa Monica Bay Restoration Commission (codified at Cal. Pub. Res. Code §§ 30988-30988.3). SB 1381 requires the State Water Resources Control Board to provide administrative services to the Commission. SB 1381 indicated that the Commission possesses independent authority to execute the duties required by SB 1381, including to:

*“(1) request and receive federal, state, local, and private funds from any source, and expend those moneys for the restoration and enhancement of Santa Monica Bay and its watershed; (2) award and administer grants for the restoration and enhancement of Santa Monica Bay and its watershed; (3) enter into contracts and joint powers authority agreements, as necessary, to carry out the purposes of the commission; and (4) monitor, assess, and coordinate activities among federal, state, and local agencies and, where appropriate, private firms, to restore and enhance Santa Monica Bay and its watershed.”*

SB 1381 also called for the development of a MOU that ensures the coordination of state programs affecting Santa Monica Bay and that delineates the authority of the Commission and its governance structure with respect to the implementation of those state programs and prescribes the Commission’s membership and governance. Pursuant to the California Public Resources Code (sections 30988-30988.3), the original MOU was adopted and signed in 2003 by the California Resources Agency Secretary, Cal EPA Secretary, and Santa Monica Bay Watershed Council Chair.

Since the formation of the Santa Monica Bay NEP in 1988, the Santa Monica Bay Restoration Project, followed by the Commission since 2003, has achieved the purposes and goals intended by the enabling of federal and state laws through monitoring, assessment, coordination, and other types of assistance to the activities of state programs and overseeing funding that affects the beneficial uses, restoration and enhancement of Santa Monica Bay and its watersheds. Major achievements by these entities include the landmark epidemiological study on health risks associated with swimming at urban-runoff contaminated beaches, which led to new laws and regulatory standards that have improved water quality monitoring and reduced potential health risks at beaches throughout California and the United States, more than 30

contaminated storm water runoff reduction projects funded through the leveraging of 65 million dollars of earmarked state bond funding, and the restoration of kelp, coastal dune, and wetland habitats including most prominently the Malibu Lagoon through the leveraging of the same earmarked state bond as well as other sources of funding.

## **MOU Amendment Process**

The CCMP is a living document and EPA requires a NEP to review and update the CCMP every five years to address new and emerging issues. The Commission in collaboration with the Bay Foundation (TBF) initiated the SMBNEP's CCMP revision that included the development and adoption of a new Action Plan in December 2018. The Action Plan, which is the centerpiece of the CCMP, incorporated new information, new priorities and actions, and efforts to address impacts of climate change.

Following the adoption of the Action Plan, the SMBNEP has also begun to evaluate and revise its governance structure, which is also a significant part of the CCMP. US EPA requires the CCMP revision process to include a description of the current NEP's Management Conference and membership with any proposed changes, and an explanation of how the structure will support the NEP's ability to oversee and promote CCMP implementation. This also includes discussion about involving the public and various stakeholders in its programs.

### Summary of the CCMP Review Process and Feedback Received to Date

The structural evaluation of the SMBNEP as part of the CCMP revision is based on guidance issued by US EPA on the National Estuary Program, and informed by historical organizational documents, information from partners, examples of structure from other 'sister' NEPs throughout the United States, and most importantly, input that the SMBNEP has solicited from Management Conference members as well as the general public through a public process since June 2018.

In June 2018, Commission and the Bay Foundation staff presented background on the structure of the SMBNEP and the components to the Management Conference for the SMBNEP. Subsequently, with engagement of a facilitator hired with EPA funding support, three workshops were held during the Governing Board (12/13/18), Executive Committee (01/17/19), and Watershed Advisory Council (01/24/19) meetings to receive input from Management Conference members and stakeholders on the Santa Monica Bay NEP governance. The facilitator developed and issued a preliminary on-line survey after the GB workshop in December 2018 to solicit input on areas for improvement and to identify any issues with the current governance. The facilitator distributed a detailed eSurvey on February 14, 2019, which was completed on March 4<sup>th</sup>, 2019. The facilitator compiled and summarized the feedback in a draft final report and submitted it to the Commission staff in early May. The draft final report was distributed to Governing Board members and also made available online ([https://www.smbrc.ca.gov/about\\_us/agendas/](https://www.smbrc.ca.gov/about_us/agendas/)) for review and as background for the scoping workshop scheduled for June 20, 2019. Below is a summary of the key

feedback that has been received to date on the review of the Santa Monica Bay NEP governance e as summarized in the draft final report:

- The original intent of the State legislation establishing the Commission, which is also the key feature of the NEP by design, is local watershed-based, broad stakeholder presentation and involvement. The current governance structure of the Santa Monica Bay NEP meets this legislative intent by retaining this key feature.
- There is still strong support from participating members and stakeholders for the activities and operation of the current Management Conference and desire to remain active and involved.
- The Commission, and the Santa Monica Bay NEP is effective for a resource-limited program. The effectiveness can be mostly attributed to the collaboration and partnerships among participating stakeholders, including the broad representation of stakeholders on the Governing Board, and the tiered structure of an Executive Committee in bringing focus and guiding the agenda of an unusually-large governing body, the Technical Advisory Committee, and the Commission-the Bay Foundation (TBF) partnership.
- Despite the overall soundness of the current governance structure of the Commission, many members and stakeholders suggested that various governance components be assessed and modified to improve their participation and to reduce administrative inefficiencies. There are also provisions in the MOU that have proven to be unwieldy, confusing, or outdated. These problems should be addressed through amendment of the MOU.
- Several areas were identified that members and stakeholders think the Commission should devote more attention and efforts toward improving. These areas include raising funds, especially through improving legislative outreach, making policy, conducting stakeholder outreach, and facilitating communication in decision-making orientation.
- Stakeholder outreach and effective public input have been identified as a priority area for improvement, especially concerning the current Watershed Advisory Council (WAC), in order to continue interest and support for the priorities and build collaborative relationships.

A public workshop was conducted on June 20, 2019 during the Commission's Governing Board meeting to receive comments and input on the scope of the proposed MOU amendment. Governing Board members and stakeholders were also given the opportunity and encouraged to provide written comments.

Comments received at and after the June 20 workshop include:

- Affirmation of willingness to continue participation in the Commission with no change to the roles of current Governing Board members, and willingness to participate in various special committees.
- More involvement by agencies like State Department of Fish and Wildlife.

- Clarification and specificity as to how all the various components of the governance structure interact with each other. Need more communication and education between various groups under the Commission.
- Clarify the role and authority of the Commission under the Commission's statutory mission, especially related to policy development and final approval for projects designed to achieve Bay restoration.
- Clearly define the relationship between the Commission and the NEP with US EPA buy-in.

## **Summary of Proposed MOU Amendment**

The proposed amendments to the MOU are introduced below, with a brief summary of the change and discussion of the rationale for the proposed change. The sections below correspond to the sections in the MOU.

### ***Section I. Introduction***

This section of the MOU introduces briefly the nature of the Commission as a non-regulatory, locally based state entity established by the State Legislature and provides the historical background on the genesis of the Commission, especially with regards to its tie to the establishment of the Santa Monica Bay NEP. This section of the MOU includes the following proposed amendments:

Move the paragraph regarding the purpose of the MOU to the beginning of the introduction with additional elaboration: It is essential to make it clear from the very beginning of this document as to the purpose for establishing the Commission by the State Legislature, and that the purpose of this MOU is to establish and guide how the Commission operates in order to fulfill its role serving as Management Conference of the Santa Monica Bay NEP.

Delete the paragraph/section on past achievements of the Santa Monica Bay Restoration Project/Commission: While the recognition of past achievements helps to educate members and stakeholders on the value of this organization, Monica Bay NEP has had numerous successes over the years and including these achievements resulted in a lengthy narrative. Consequently, this background was moved to the staff report.

Move the legislative history to the staff report: Enabling legislation needs to be cited in the MOU because this legislation is the basis for the origin of this MOU and the authorities of the Commission. However, the MOU's focus should be on the structure, governance, and decision-making processes for the Commission rather than an extensive legislative history. The legislative history was moved to this staff report to make the MOU document more succinct and the legislative authorities section was retained, which references the appropriate legislative authorities.

## ***Section II. Mission, Goal, Objectives, Authorities, and Functions***

This section of the MOU includes statements regarding the Commission's mission, goal, objectives, authorities, and functions. The content in this section was developed consistent with the State legislation that established the Commission and the CCMP. The Governing Board adopted the 2018 CCMP Action Plan was updated to include new information, priorities, and actions, including actions to address the impacts of sea level rise and climate change. The language This section of the MOU remained largely unchanged, but this section does include the following proposed amendments:

Add mitigation of the effects of climate change and sea level rise to the mission statement: While the overall Mission Statement remains largely the same, mitigation of sea level rise and climate change was added in order to reflect the fact that it is a significant issue in the watershed and among the top priorities recognized by the 2018 CCMP Action Plan.

Add two key functions of the Commission: Two new functions were added to the list to highlight two of the Commission's existing key functions as part of the US EPA NEP. The first function clarifies states that the Commission serves as Management Conference of the Santa Monica Bay NEP. The second function states that the Commission oversees effective implementation of the Santa Monica Bay CCMP. Though these functions were implied in the background section of the MOU and were understood inherently as among the main functions of the Commission, they are now clearly identified in the MOU.

Revise the language of the functions of the Commission to reflect current functions: Revisions were made to clearly define the functions of the Commission, ensure a clear distinction between authorities and functions, and to ensure the functions are consistent with and within the Commissions' legal authority. For example, Public Resources Code section 30998 states that the Santa Monica Bay Restoration Commission is a non-regulatory, locally based state government entity that will monitor, assess, coordinate, and advise all state programs, and oversee funding that affects the beneficial uses, restoration, and enhancement of Santa Monica Bay and its watershed. One of the former functions that was removed was to "draft water shed policies..."(formerly function 8) As a non-regulatory agency, it is more appropriate for the Commission to provide information to policymakers (function 12). Additionally, since the Commission members have broad and diverse interests, it may be more appropriate for them to engage in the public process through their own entity/ agency. For example, a municipality may have a different perspective from an environmental group. In areas where the Commission feels appropriate, it could engage and advise others in policymaking, or the members could engage on an individual basis. Another revision was to clarify that the Commission does not have the authority to "approve" any and all projects within the watershed or have oversight for funding of any and all projects in the watershed. For example, if another agency is acting as the

lead agency for CEQA, the Commission does not have the authority to “approve” a project, certify that EIR, or direct the agency to select a specific project alternative. But the Commission can prioritize actions, projects, and funding appropriated to, or received directly by the Commission for activities or projects to ensure the successful development and implementation of the Santa Monica Bay CCMP.

The revision includes the Commission’s role to negotiate and oversee agreements, grants and contract such as with the NEP Host Entity (function 9).

### ***Section III. Organization and Structure***

This section of the MOU describes the Commission’s governance structure. The proposed amendments include clarifications of the components that make up the Management Conference, identifying the NEP equivalent, the membership, member terms, roles and functions, and operating procedures. Additionally, this section of the MOU includes the following proposed amendments:

Add language to the introductory paragraph to state that the organization and structure of the Commission fulfills the recommended structure and functions of a NEP Management Conference (Figure 1).

Correct the erroneous number of Governing Board members and clarify the composition of the Governing Board including *ex-officio*, appointed, and elected members: The MOU was revised to reflect the current composition of the Governing Board includes nine non-voting members instead of eight and the total number of the Governing Board members is 36 not 35.

The membership is by design a broad representation of stakeholders in the Santa Monica Bay watershed. Although, the size of the Governing Board is unusually large among governmental entities, which poses unique administrative challenges, there is general consensus that the current composition of the Board should remain the same.

There have been suggestions to add to the Governing Board one or more stakeholder groups that interact and collaborate with the Santa Monica Bay NEP on many issues and activities in order to provide input to the Governing Board. While acknowledging the good intention and merits of these suggestions, no expansion of Governing Board membership is proposed during this amendment process in light of how large the Board already is, and given the new venues under consideration during this amendment process (see Topic 6) for agency and stakeholder participation.

If such need arises and is desired by the majority of board members, Governing Board membership can still be expanded in the future through an MOU amendment as has been done previously.

This section was also revised to clarify the composition of the Governing Board including *ex-officio*, appointed, and elected members, which is also outlined in Attachment B of the MOU.



Increase the number of elected vice-chairs of the Governing Board from six to eight: This section was updated to allow up to two additional vice-chairs on the Governing Board to allow participation from the California EPA and State Natural Resources Agency. The MOU was also updated to describe member eligibility and the voting process and terms for the chair and vice-chair positions.

Revise the procedure to elect the seven (7) additional entities to serve on the Governing Board: In the past, Governing Board Members were nominated from members of the WAC. In light of the proposed changes to the MOU to increase stakeholder engagement by replacing the WAC with the Santa Monica Bay Stakeholders (see below), the process to elect Governing Board members was updated to conform to revisions elsewhere. The proposed amendment clarifies the process for electing the seven elected Governing Board Members.

Clearly define the terms of the Governing Board members: The MOU defines broadly that the term of all voting members shall be two years. However, most Governing Board members are either ex officio entities that select representative based on their own internal procedure, or Boards, Commissions, and Councils that have representatives chosen and term set through their own appointment process. Therefore, because the two-year term does not apply to all of the Governing Board members, the MOU clarifies that the two-year term applies to elected members only and ex-officio and appointed members serve terms consisted with the terms of their office and or appointment.

It is also proposed that the provision on filling member vacancies within 90 days be revised to say they should be filled expeditiously by the appointing body because the time period taken for filling the vacant position is determined by the appointing body, and not within the purview of the Commission. It is also recommended that the term "in good standing" attached to Governing Board members for the purpose of election nomination be removed because the phrase is not defined anywhere in the document and is not clear what it means. It is also redundant because presumably if a member was not in good standing then he or she would no longer be on the Board.

Expand and revise the list of Governing Board Roles and Functions: Roles and functions were added to accurately reflect the legislative intent what the Commission may do under by the enabling legislation. The MOU now reflects the roles and functions that the Governing Board has been performing, especially the role of the Governing Board serving as the Policy Committee of the Santa Monica Bay National Estuary Program (functions 1-2, and 6-8). The changes clarify that the Governing Board only has the authority to approve funding appropriated to, or received directly by the Commission for activities or projects (function 3).

It is proposed that the sentence "The Governing Board shall have the authority..." be revised with the sentence "the Governing Board can perform the following roles and functions....". The term "authority" is more appropriate for, and has been used earlier in the MOU in stating what the Commission may do under the enabling legislation.

Add the Executive Committee (EC), which serves as the Management Committee of the SMBRC NEP structure: The Executive Committee was established in 2005 by a resolution of the Governing Board. The EC operates in accordance with the roles and responsibilities, as well as Operating Guidelines adopted by the Governing Board upon its establishment (Attachment B).

The EC provides leadership, direction, and assistance to Commission and Foundation staff and also serves many functions of the Management Committee recommended by US EPA for a National Estuary Program.

The proposed new section in the MOU will solidify and enhance the leadership role of the EC in guiding the Commission's work priorities and the agenda of the Commission's Governing Board, as well as assuring the effectiveness of the Commission's operation. This section describes the Executive Committee, including its eligibility, appointment, roles and responsibilities, meeting schedule, and election procedures, consistent with the original EC Operating Guidelines adopted by the Governing Board. The roles and functions were updated to reflect the intent for the EC to take a more active role as the Management Committee of the NEP to support development and implementation of the CCMP, provide direction and oversight to Commission staff, review work products, identify potential partnerships and resources to the program, and listen to stakeholder feedback.

It is proposed that the number of EC members be increased from seven to up to up to nine to potentially include representatives of the State Natural Resources Agency and the California EPA (CalEPA).

It is proposed that the term of the Executive Committee members be increased from one to two years. The longer term brings the benefits of more knowledge and experience of members with stronger commitments. It also helps to reduce administrative burden and increase consistency with the Governing Board elections.

It is also proposed that language be added to make it clear that the Chair of the Governing Board serves as the Chair of the Executive Committee.

Revitalize stakeholder engagement, outreach and involvement by revising the Watershed Advisory Council to be the Santa Monica Bay Stakeholders: Involving the public and interested stakeholder groups in the activities of the Santa Monica Bay NEP, including development and implementation of the CCMP, is an integral component to the program's success. Under the Commission's current structure, stakeholder outreach and involvement is conducted through meetings of the Watershed Advisory Council (WAC), which was established by the Governing Board through the adoption of an amendment to the MOU in 2011.

The original purpose of the WAC was to provide a forum for disseminating information to, and receiving input from a select group of stakeholders in the watershed on the activities and decision-making of the Commission. Some NEPs have extensive stakeholder engagement and having a Citizen Advisory Committee is a way to receive stakeholder input in a manageable and feasible manner by having selected stakeholders provide feedback to the various components of the

Management Conference and to represent their broader constituency. However, much of the feedback received during the solicitation for input on the proposed amendments to the MOU included comments that the WAC in its current form is no longer productive nor effective in achieving its original purpose, or the intent of the Citizen Advisory Committee for a NEP and this should be revamped.

To ensure extensive, broad, and diverse stakeholder input is received at all components of the Management Conference, the WAC was revised to the Santa Monica Bay Stakeholders and the section was moved from III.B to III.D. This revision was made is to encourage any interested party to engage in the SMB NEP rather than having a large formal council structure. The goal of this MOU revision is to encourage more active participation by being inclusive to all stakeholders and increasing the number and diversity of engaged and active stakeholders for the Santa Monica Bay watershed. The Santa Monica Bay Stakeholders will have opportunities to provide recommendations to and have direct interactions with the Governing Board, Executive Committee, and TAC on Commission activities and work products, which meets the intent of the Citizens Advisory Committee as prescribed by the US EPA's NEP requirements. Public participation mechanisms include, but are not limited to workshops, forums, conferences, and other Commission sponsored meetings.

The Santa Monica Bay Stakeholders would have opportunities to provide recommendations and feedback, during time specifically set aside at Commission sponsored activities such as regularly scheduled meetings, workshops, forums, and other Commission sponsored meetings. The Commission will also make sure that time is set aside at regular meetings of its Board and Committees for receiving public inquiry, and at least one public workshop in conjunction with a Governing Board meeting is to be held each year to solicit public input from Santa Monica Bay Stakeholders on things such as the annual work plan priorities, the CCMP update and revision, proposed amendments to this MOU, and other activities of the Commission. These mechanisms will provide opportunities for more direct interactions between the Commission and stakeholders than the former WAC structure, and as a result, encourage more active participation by more stakeholders.

If at some point the Santa Monica Bay Stakeholders participation increases to an unmanageable level and the feedback needs to be streamlined through representative stakeholders, the Governing Board could direct the Chief Administrative Director to develop a proposed amendment to the MOU to re-establish a Stakeholder Advisory Committee.

Update and clarify the advisory functions of the Technical Advisory Committee (TAC) and the roles and responsibilities of TAC members. The several changes and additions are proposed to the MOU are all aimed at making it clear that the TAC is an advisory body to the Governing Board and the Santa Monica Bay National Estuary Program. These changes and additions include:

- Clarify that when it comes to policy issues, the responsibility of the TAC is to provide scientific recommendations and conclusions, review technical

components of policies or policy issues. The TAC is not responsible for making recommendations on policy issues.

- Include language to allow the TAC preserve and provide the GB a range of opinions and recommendations with the rationale rather than forcing the TAC to reach consensus on an issue.

Add a new section (Section III.E) to define the role of the Commission serving as Management Conference of the Santa Monica Bay NEP and the relationship between the Commission and Santa Monica Bay NEP's host entity: The Commission serves as the Management Conference of the Santa Monica Bay NEP and has the authority to select and enter memorandum of agreement with a host entity that receives annual federal Section 320 NEP grant. The Bay Foundation, which was initially established by the Santa Monica Bay Restoration Project in 1990, has served as the host entity of the Santa Monica Bay NEP as recipient and administrator of the NEP grant as well as other sources of funding to carry out activities under an annual work plan which is consistent with the CCMP and approved by the Commission's Governing Board. The success of the Santa Monica Bay NEP over the years can be in part attributed to the collaboration and partnerships among participating stakeholders. The SMBRC-TBF partnership plays a key role in getting collaborative projects off the ground, completing the successful projects, and developing and implementing the annual work plan and CCMP effectively and successfully.

Despite its success, the SMBRC -TBF partnership can be improved and strengthened by further clarifying the roles and responsibilities of each entity through amendment to the MOU and subsequently the Memorandum of Agreement (MOA) between the SMBRC and TBF. Specifically, it is proposed that language be added to the MOU stating that serving as the Management Conference of the Santa Monica Bay NEP and consistent with US EPA guidance, the Commission is authorized to select and enter an agreement with a host entity to ensure effective implementation of the Santa Monica Bay CCMP. In addition to confirming the Commission's function and authority in this regard, the proposed new section will also define the general roles and responsibilities of the host entity including, but not limited to, providing a physical location for the NEP, receiving and overseeing compliance with terms and conditions of the NEP grant provided by US EPA, carrying out annual work plan approved by the Commission's Governing Board, submitting periodic progress reports and other required paperwork.

It is also proposed that the support provided by the host entity to the Commission can include the NEP Director upon concurrence of the Commission's Governing Board. The proposed responsibility of the NEP Director includes, but is not limited to, overseeing host entity staff in carrying out work plan activities, providing administrative and technical support to Santa Monica Bay NEP's Board and Committees, conducting public outreach and education activities, identifying partners and additional resources that will advance CCMP implementation, and representing the SMBNEP at professional public meetings and conferences.

Add a new section (Section III.F) to define the role of the State Water Resources Control Board in providing administrative service to the Commission: The current MOU states that the Governing Board may delegate the day-to-day functions of the Commission to an Executive Director who, with appropriate guidance from the Governing Board, may further delegate other functions of the Commission. The daily functions of the Commission have been carried out by a Chief Administrative Director provided by the State Water Board since July 2017. The amended MOU will reflect this change by replacing reference to the Executive Director with Chief Administrative Director, clarifying that this position is provided by the state agency responsible for providing administrative support to the Commission, and generally laying out the roles and responsibilities of the position and other staff.

### ***Section IV-VII***

The MOU also includes the following proposed amendments:

Section IV. Operation, Section V. Progress Reports, Section VI. Conflict of Interest and Disclosure Policy, and Section VII. Agreement. These minor amendments listed below are needed to make the terms consistent with the changes proposed in other sections of the MOU.

- First paragraph under Section IV is revised to correct the inaccurate notion that the Commission is established within the State Water Board, which makes the language more consistent with the language of the status (Public Resources Code 30988.2)
- The reference of the Watershed Advisory Council is deleted in conjunction with renaming of Section III.B Watershed Advisory Council to Section III.D. Santa Monica Bay Stakeholders: Public Outreach and Involvement. Similar reference of the WAC is also replaced with the Executive Committee in Section V. Progress Reports.
- Section VII.3) under Agreement is also deleted because this provision will be obsolete with renaming of Section III.B Watershed Advisory Council to Section III.D.

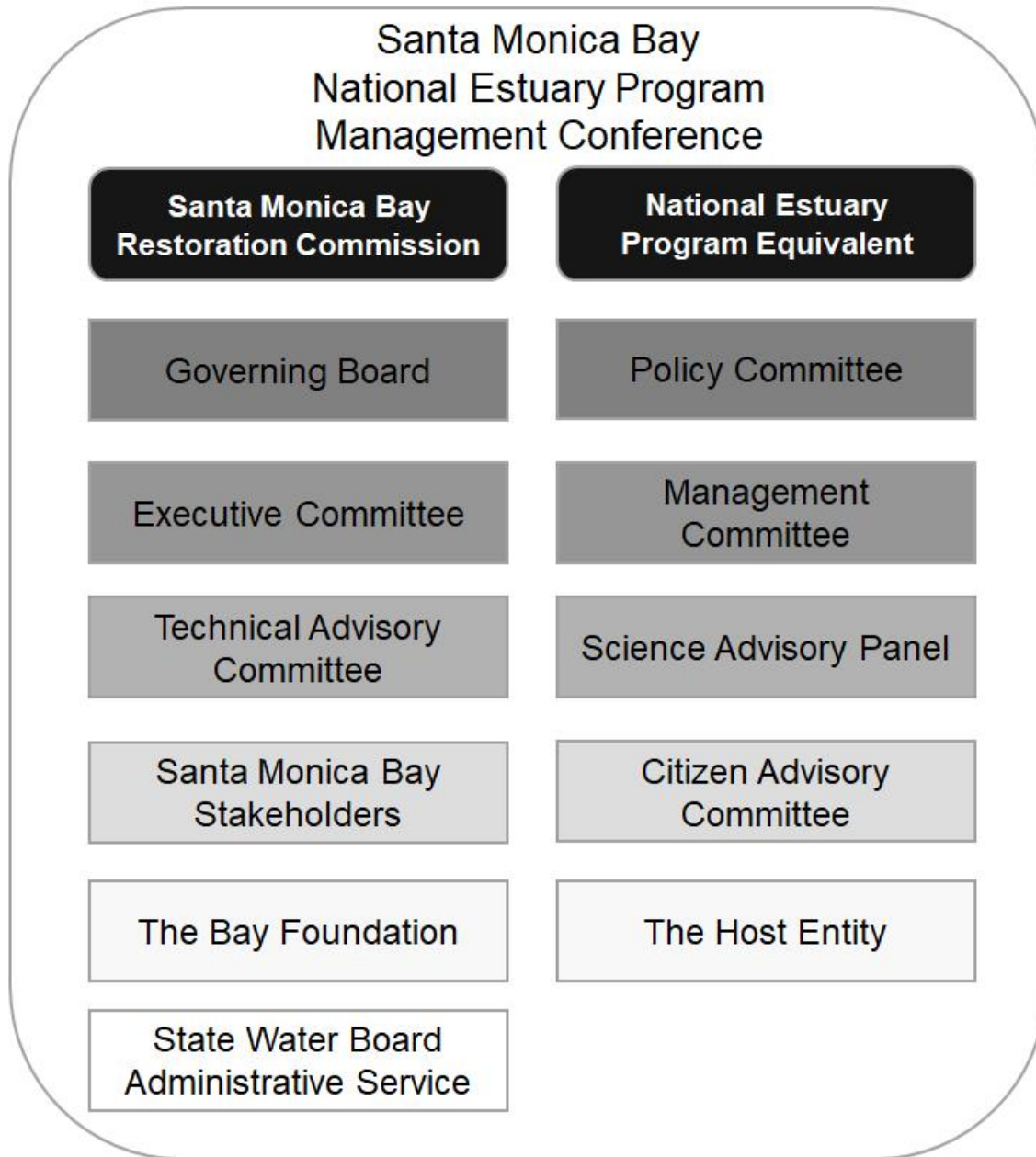


Figure 1. Santa Monica Bay National Estuary Program Management Conference and US EPA National Estuary Program equivalents for the various components.

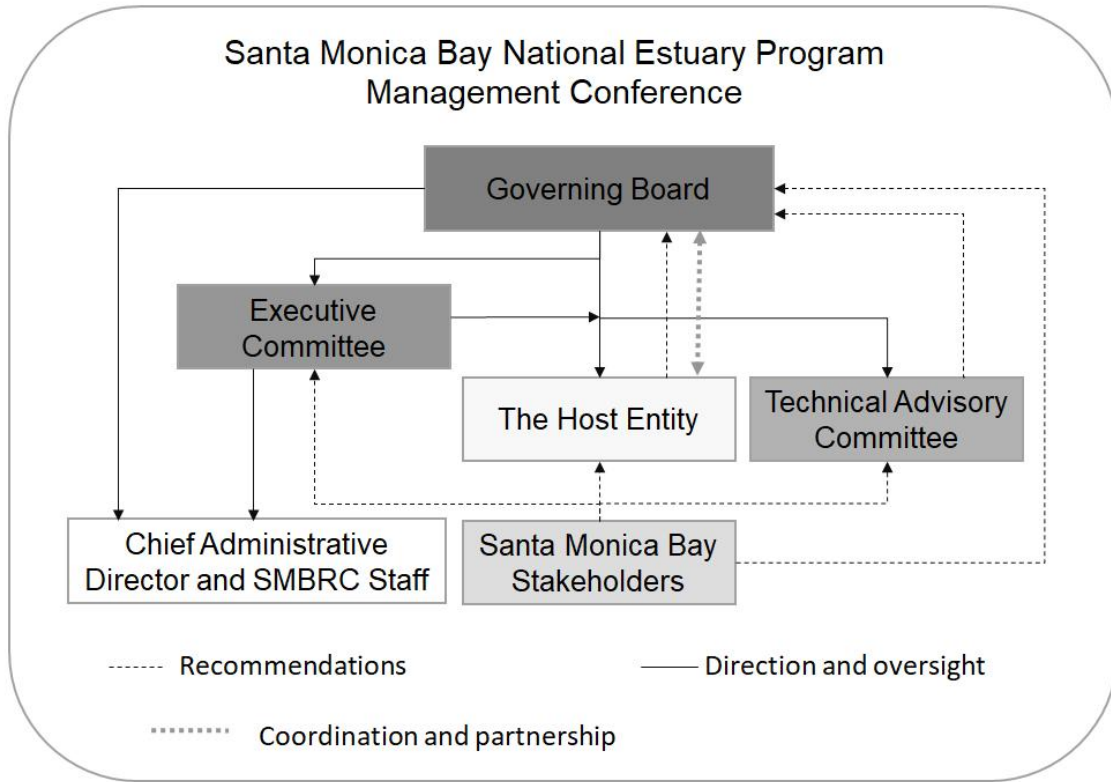


Figure 2. Santa Monica Bay National Estuary Program Management Conference components and the interrelationships. Solid arrows indicate direction and oversight and the dashed lines indicate when a component provides recommendations or feedback to another component.