



**MWD**

*METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA*

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*Office of Board of Directors*

April 7, 1993

To: Board of Directors (Executive Committee--Action)  
From: Chairman of the Board  
Subject: Creation of a Blue Ribbon Task Force

Report

Public support for Metropolitan needs to be strengthened. Many of our constituents and rate payers do not fully understand how Metropolitan operates, including how we provide quality water to our member agencies and make decisions to invest in facilities and programs to maintain a reliable water supply for our service area. In addition to the lack of public understanding of our mission, the economic downturn seriously affects Metropolitan's financial position in the community.

Other government entities in California have called on the talents of the private sector and the community to obtain a fresh perspective on their business practices, identify different solutions to problems and create a better public understanding of their operations. Creation of a Blue Ribbon Task Force will provide similar opportunities for Metropolitan.

The private sector can provide a dispassionate assessment of Metropolitan's current business practices including financial management, costs of our services, operational and capital requirements to maintain adequate levels of service, and work force challenges, including diversity and productivity. This Task Force of business and community representatives will review and make recommendations to the Board of Directors through the Executive Committee regarding:

- An assessment of the District's overall economic health and financial structure;
- A review of the level of service and financial planning necessary to support that level of service;

- A review of the proposed revenue program and alternative long-term financial measures;
- A review of the operational program and evaluate whether it efficiently meets the required level of service and make recommendations regarding what areas can be improved to be more productive and reduce costs.
- An assessment, in general, of our financial and business practices.

Metropolitan's business practices and levels of service can improve and be better understood by our constituents through a public review of Metropolitan's activities. It will increase confidence and understanding in our operations and bolster support for the necessary revenues to insure an adequate and reliable water supply for Southern California.

#### Establish Blue Ribbon Task Force

Authorize the Executive Committee to appoint a Blue Ribbon Task Force to review Metropolitan's practices and make recommendations to the Board, through the Executive Committee, for improvements in our operations. The Task Force will be made up of representatives from the water industry, the business community, and local community leaders across the service area.

Recommendations are solicited from Board members for the Task Force until May 28. The Task Force will be appointed by the Executive Committee at the June Board meeting, will begin its work in July, and will conclude work by the end of the calendar year.

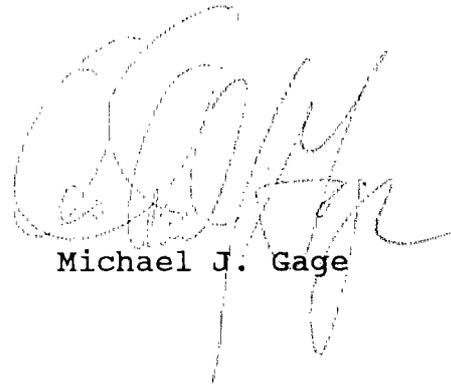
#### Board Committee Assignment

This letter is referred for action to the Executive Committee because of its jurisdiction regarding policy and procedures to be considered by the Board under Administrative Code Section 2417(e).

Recommendation

**EXECUTIVE COMMITTEE FOR ACTION**

It is recommended that the Board establish a Blue Ribbon Task Force, effective in July, to conduct a six-month review of our business practices and operations, and authorize the Executive Committee to make the appointments.

A handwritten signature in dark ink, appearing to read "Michael J. Gage", is written over the typed name. The signature is stylized and cursive.

Michael J. Gage