

**MWD**

METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

April 30, 1993

To: Board of Directors (Executive Committee--Information)
(Special Comm. on Legislation--Information)

From: General Manager

Subject: Assembly Bill 2210 (Polanco)

Report

At its April 13 meeting, the Board took no position on the original version of AB 2210 by Assemblyman Richard Polanco (D-Los Angeles) which contained a number of findings regarding Metropolitan's rate structure and mandated a 50 percent rate reduction for current Metropolitan customers served prior to January 1, 1994. On April 26, all prior language in AB 2210 was deleted by the author and replaced with the following proposed amendment to Section 134.3 of the Metropolitan District Act:

1. On or before April 30, 1994, and every three years thereafter, the board of a district shall prepare and submit a report to the Legislature on the projects and facilities that are part of the capital improvement program or any other facilities-development program undertaken, or to be undertaken, by that district.

2. The board of a district shall include in the report all the following:

- a. The cost of each facility and project.
- b. The portion of each facility that is required to serve domestic and municipal users served by the district prior to January 1, 1994.
- c. The portion of each facility that is required to serve domestic and municipal users who have not been served by the District prior to January 1, 1994.
- d. A Proposal to allocate the costs of that portion of each facility that is designed, required, or intended to serve future users solely to those future users.

If enacted, this bill would require that Metropolitan submit a report to the Legislature on the District's capital improvement program as it exists on or before April 30, 1994, and every three years thereafter, and specify how growth will pay its share of that program.

Positive Benefits

Helps publicize Metropolitan's construction program to individuals will understand what the District must to do meet the water demands of the District's service area.

Negative Impacts:

1. After April 30, 1994, must submit a report every three years.
2. Helps raise expectations that a certain project will be built because it is on the capital improvement program when construction may be delayed for a variety of reasons.
3. Potentially reduces flexibility in the Capital Improvement Program.

Board Committee Assignments

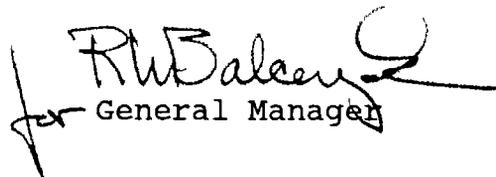
This letter is referred for information:

The Executive Committee because of its authority with regard to legislation sponsored by the District or in any way affecting the District, pursuant to Administrative Code Section 2417; and

The Special Committee on Legislation because of its authority to review proposals for state and federal legislation that may affect the District, pursuant to Administrative Code Section 2581(a).

Recommendation

For information only.


for General Manager