



City of Downey

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 TO Power Resource
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February 2, 1995

CITY COUNCIL

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CITY CLERK-TREASURER

JUDITH E. McDONNELL

Metropolitan Water District
 P.O. Box 54153
 Los Angeles, CA 90054

**SUBJECT: PUBLIC HEARING - FEBRUARY 14, 1995
 WATER RATES AND CHARGES**

Gentlemen:

We, the citizens of southern California, are indeed grateful to have had the benefit of forward-thinking water planners of the past who provided the infrastructure that has brought our most important commodity many hundreds of miles for our use. Without this infrastructure, southern California would not be the metropolis it is with an economy exceeding that of many nations.

As you are well aware, MWD has been a primary provider of our basic need - water. Few have taken time to realize that, without MWD, we would have pumped the aquifers dry and sponged up every drop of local surface water in an attempt to supply our water needs. Having MWD here assures all water purveyors that they will have water to distribute to their customers whether pumped or imported.

We all know, however, this is not a free service, for even "free services" cost someone. MWD, in an effort to mitigate the rising cost of importing water in the immediate past, has subsidized rates from reserve and rate stabilization funds, deferring maintenance and needed new construction. Now the District is being forced to face the deferred maintenance and new capital needs all at once. It is not pleasant, but since all within the District reap the benefits of the presence of MWD, it is only fair that we all pay for that service whether 100% groundwater producers or 100% MWD water users. We believe that some version of the per parcel charge for all the MWD territory along with a "reasonable" commodity charge increase would be an equitable way to raise the needed funds. It is, however, rather cowardly of the Board of Directors to even consider passing the proposed giant increases we are looking at now and in the next few years along to the local distributors in the form of connection maintenance charges, readiness-to-serve charges, peaking management charges, new demand charges, and other methods to avoid taking the anger of the end users. We, as the local water purveyors, have to pass the costs along too, and we don't like taking the heat of public rage any more than you do.

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We strongly urge you to be fair. Retain the per parcel charge and increase it, if necessary. That's reality!

Finally, don't delegate the whole burden of your financial needs to us, the local purveyors.

Sincerely,



Barbara J. Riley
Mayor

BJR:RCR:bl

c: Southeast Water Coalition Member Agencies:
City of Cerritos
City of Commerce
City of Huntington Park
City of Lakewood
City of La Mirada
City of Norwalk
City of Paramount
City of Pico Rivera
City of Santa Fe Springs
City of South Gate
City of Whittier
Central Basin Municipal Water District
Water Replenishment District of Southern California