



Dave Golonski
Mayor

March 8, 1996

John V. Foley
Chairman of the Board
Metropolitan Water District
P.O. Box 54153
Los Angeles, CA 90054

Dear Mr. Foley:

The Burbank City Council has reviewed the wholesale water rates proposed by the Metropolitan Water District for 1996/1997. We have also reviewed the financial condition of the District, including operating results for 1994/1995 and the first half of fiscal year 1995/1996.

At a recent meeting the Burbank City Council voted unanimously to oppose the proposed increase and Director Tom McCauley has been instructed to vote accordingly. While we commend the District for the reduction in the proposed rates from what was originally recommended, we see no evidence of a need for any increase in fiscal year 1996/1997.

We of course are aware of the major capital improvement program which the District has undertaken and the large sums of money needed to finance it.

Our principal concern is that too large a portion of the necessary funds are being raised from current operating revenues as opposed to long term debt. We feel today's customers will bear a significantly greater financial burden than those who will benefit from the facilities' improvements in future years.

Sincerely,

Dave Golonski
Mayor

cc: Burbank City Council
Robert R. Ovrom, City Manager
Ron Stassi, General Manager, P.S.D.
Tom McCauley, Member, M.W.D. Board of Directors