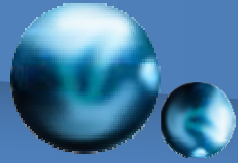




Resource Options for the Future

Robert J. Beste
Public Works Director
City of Torrance



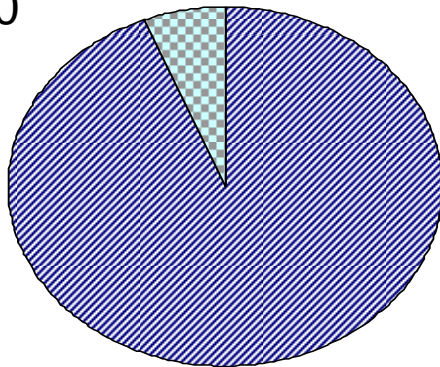
City of Torrance

- Founding member of Metropolitan
- Serves ~105,000 residents and businesses
- Responsible for local water supply
- Delivers over 25 KAF annually
- Maintains and repairs of 320 miles of distribution pipelines, 2,700 fire hydrants, 7,500 valves and 26,000 service connections
- Full service water utility - 7/24 emergency response, system CIP, maintenance and operations including groundwater desalter



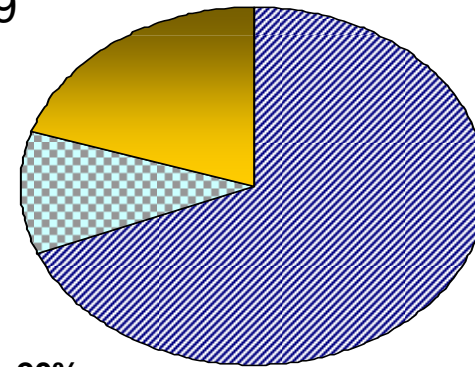
Torrance Municipal Water Source Mix

1989-90



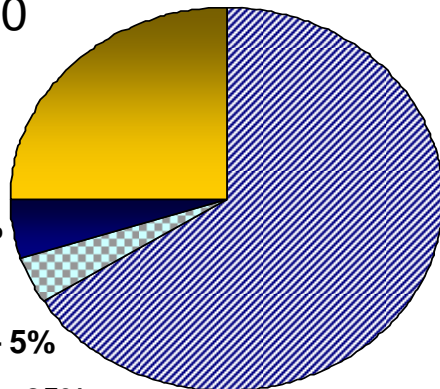
MWD-94%
Local- 6%

1998-99

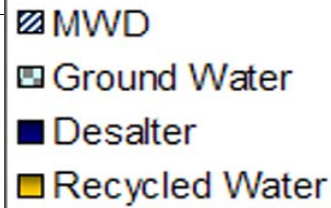


MWD-69%
GW- 11%
Recycled – 20%

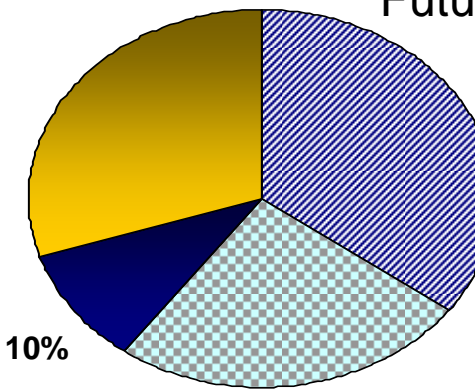
2009-10



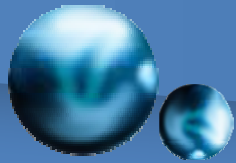
MWD-66%
GW- 4%
Desalter – 5%
Recycled – 25%



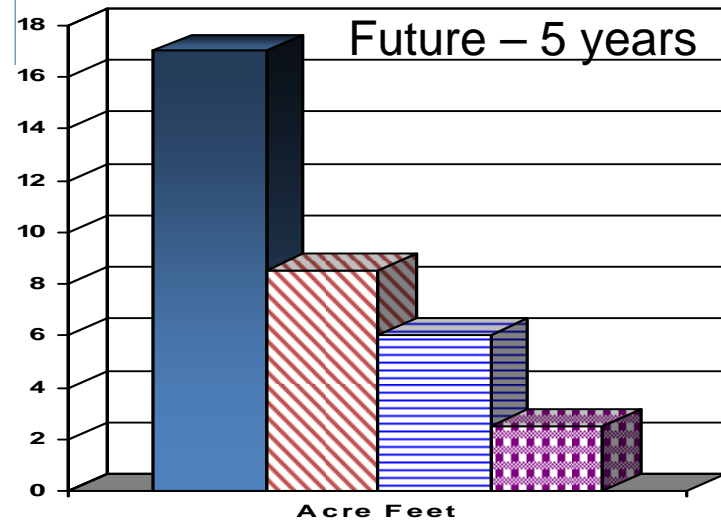
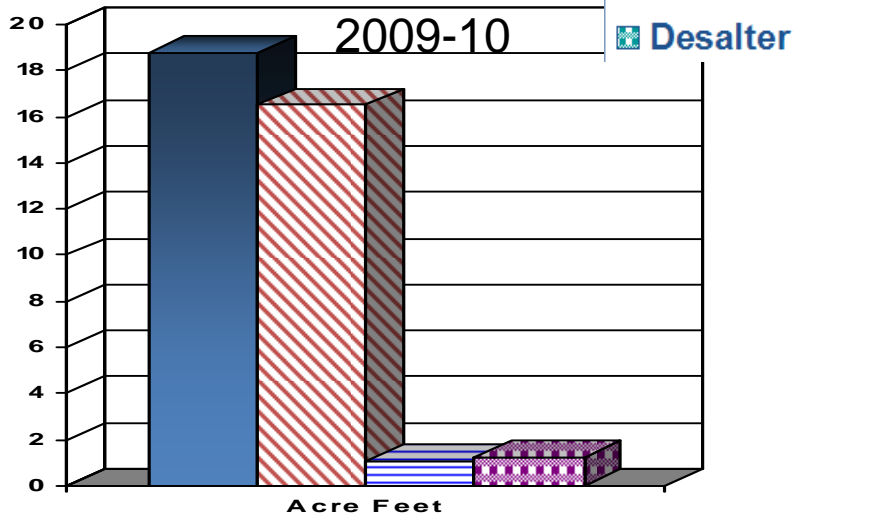
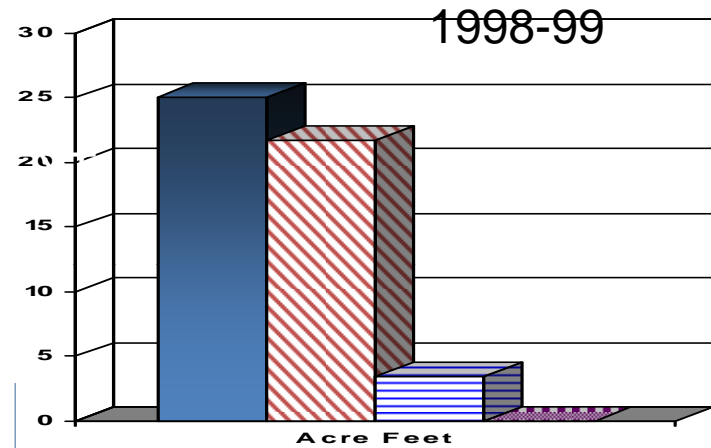
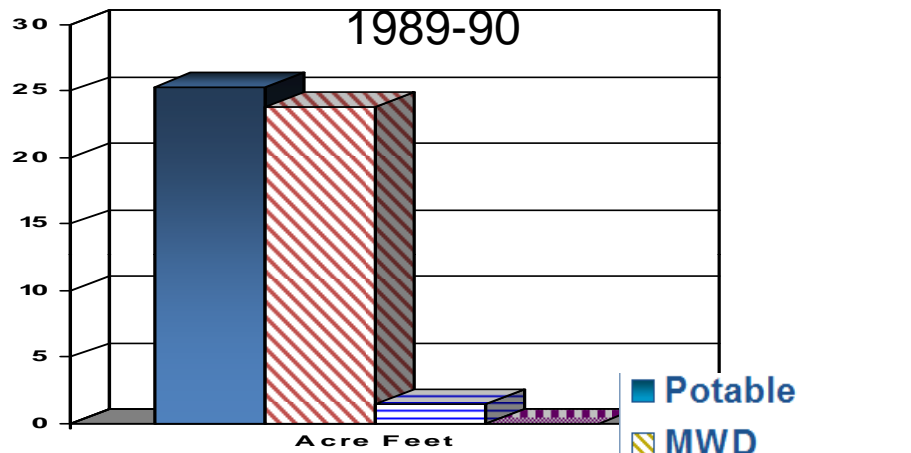
Future

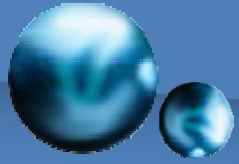


MWD-35%
GW- 25%
Desalter – 10%
Recycled – 30%



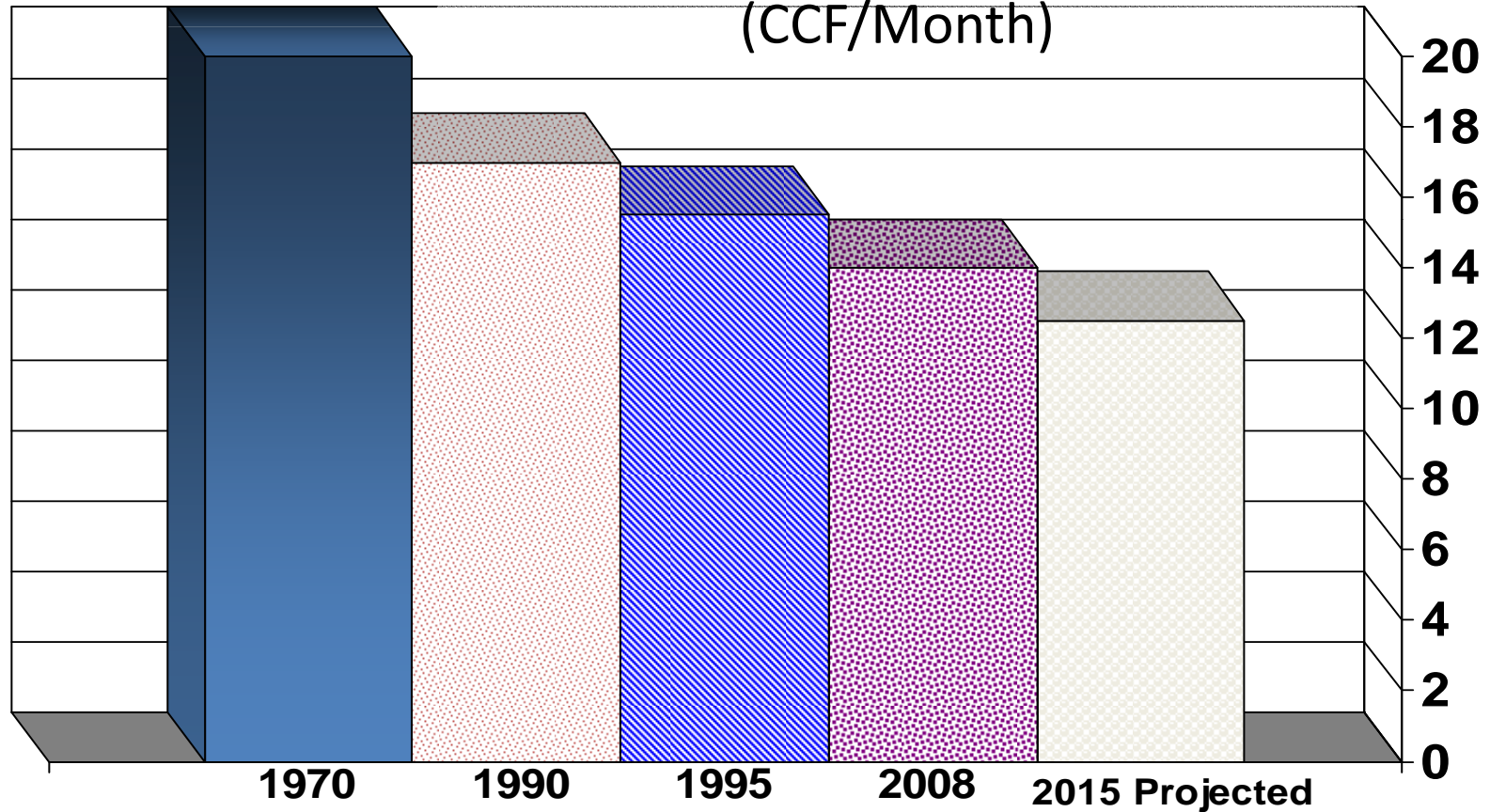
Torrance Municipal Water Production

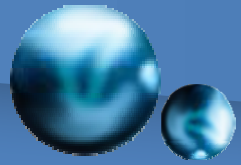




Torrance Municipal Water

Average Single Family Water Usage
(CCF/Month)





Torrance Key Resource Issues

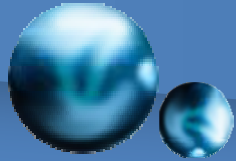
- We have developed local supplies with MWD assistance
 - Recycled water, groundwater replenishment, desalter
- MWD assistance (financial, technical & policy role) is critical to smaller agencies developing reliability
- Reliability benefits the entire region by reducing the frequency and depth of shortages
- Partnership with MWD is critical – provides local control and technical support



Metropolitan Benefits So Cal

Metropolitan LRP supplies benefit the entire region by reducing the impact of shortages on the region

- Provides supply reliability
- Provides economies of scale
- Political voice for the region
- Minimizes competition amongst member agencies
- Can build large projects/better access to funds



“Choice is Seductive”

Benefits of Choice Approach

- Ensures payments of MWD’s core supply obligations (i.e., SWP & CRA)
- Ensures MWD’s optional services have firm financial backing before development
- Improves MWD’s long-term financial sustainability
- Enables member agencies to have control of dollars and decisions and opportunities for new partnerships
- Includes close correlation of services and costs with payment obligations

So does the current system

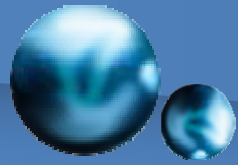
Fewer people may buy in ? How is that “firmer”?

MWD currently has the authority to raise rates/charges as required to ensure financial sustainability

Impt to not “compete” w/ MWD. Agencies are free to develop partnerships & can use MWD’s system where capacity is available

This is accomplished through the current rate structure and COS Study

Nothing prevents local programs from continuing



Where to Go From Here?

We support an “Enhanced Regional Model”

1. Reaffirm a regional approach to resource development in accordance with the Laguna Declaration
2. Enable Metropolitan and Member Agencies to develop best “mix” of local and regional water supplies to ensure reliability through IRP process (including desal and recycling)
3. Generate a buffer to minimize risk and economic impacts of rationing
4. Maintain strong regional role in conservation (including regional reporting on 20 x 2020)



Questions