



THE METROPOLITAN WATER DISTRICT  
OF SOUTHERN CALIFORNIA

Office of the Board of Directors

April 3, 2020

Mr. Andy Morris, Board President  
Elsinore Valley Municipal Water District  
31315 Chaney Street  
Lake Elsinore, CA 92530

Dear President Morris:

Thank you for your letter from Elsinore Valley Municipal Water District (EVMWD) dated April 1, 2020, regarding Metropolitan's proposed budget action. We appreciate EVMWD's input on Metropolitan's proposed budget and rates.

We all face uncertainty at this time due to the unprecedented nature of the COVID-19 pandemic. We share your concern about the impact this pandemic will have on our agencies, our industry, and all of our region. None of us can say today what the ultimate impacts will be after this is over, nor do we know the extent of the aid, if any, we may receive from our state and federal governments.

At the same time, Metropolitan needs to adopt a budget before June 2020. Like EVMWD, Metropolitan has taken numerous actions to cut costs, freeze staffing, and use financing where possible to keep proposed rates within the projected range of 3 to 5 percent despite having higher costs and lower revenues. Due to the lowest regional water sales in nearly 40 years, Metropolitan's revenues this past year were more than \$200 million less than budgeted. We understand that we are not unique in this regard as our entire industry is facing these challenges together.

Our Board will carefully consider the impacts of any rate increase, weighing both the need to ensure water service reliability into the future and the challenges faced by the retail agencies within our service area that have been greatly exacerbated by the ongoing pandemic. Thank you again for your comments and input.

Sincerely,

A handwritten signature in cursive script that reads "Gloria Gray".

Gloria D. Gray  
Chairwoman of the Board

Mr. Andy Morris  
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cc: Mr. Paul D. Jones  
General Manager  
Eastern Municipal Water District  
2270 Trumble Road  
Perris, CA 92570

Mr. Craig Miller  
General Manager  
Western Municipal Water District  
14205 Meridian Parkway  
Riverside, CA 92518

Eastern Municipal Water District Board of Directors  
Western Municipal Water District Board of Directors

Metropolitan Water District Board of Directors  
Jeffrey Kightlinger, General Manager, Metropolitan Water District  
Deven Upadhyay, AGM/Chief Operating Officer, Metropolitan Water District  
Shane Chapman, AGM/Chief Administrative Officer, Metropolitan Water District