

Metropolitan Public Comment

San Marcos City Council Meeting, May 9

Good afternoon, Honorable Mayor Desmond and Honorable City Councilmembers.

My name is Meena Westford. I am here representing Metropolitan Water District of Southern California.

I appreciate the opportunity to speak to you today regarding Item 8 on your Consent Calendar regarding the resolution put forth by the SDCWA for your consideration. It is my understanding that you received a full presentation from the San Diego County Water Authority that mischaracterizes Metropolitan's financial practices and investment decision in recent years, including investments that were actually supported by the Water Authority.

I am here today to ask that you pull this item from your consent calendar and that we be allowed to return at a later date to present the other side of the issues. I think it would be prudent for an elected body such as yourself to hear both sides of the issues before signing onto a resolution such as this one. In fact, I understand that Vallecitos Water District, your primary water provider, has not willingly considered signing onto a resolution to date. I know that you are aware the Water Authority has sued Metropolitan regarding our rate structure. In fact, tomorrow, oral arguments will be heard the Court of Appeals in San Francisco regarding that case.

This resolution before you today has nothing to do with neither the court case nor the pressing water issues we are all faced with now and into the future. But, in fact the resolution is a part of SDCWA's expensive negative PR campaign against Metropolitan and its directors. It doesn't win or lose court cases.

I want to assure you that Metropolitan does have a long range finance plan. It is in the form of a Ten-Year Financial Forecast that is incorporated into every two years in our biennial budget. Metropolitan's rate increases have averaged 4.4 percent over the past two decades. I also think it is important to point out that the Water Authority's own rates and charges for treated water are about 60 percent higher than Metropolitan's rates. The difference is even greater for untreated water which is about 90 percent higher than that of Metropolitan.

And as for our long term investments, they do benefit the San Diego region as we saw coming out of this most recent serious drought. To support the reliability of imported supplies from the Colorado River, Metropolitan purchased land in the Palo Verde Valley and bought 5 Island in the Delta. San Diego County Water Authority actually voted in favor for the Palo Verde Irrigation land purchases. To drive down outdoor water use during we did invest in the nation's largest conservation and turf removal program. The rebates were

extremely popular in San Diego County and many of your own businesses and residents participated in the rebate program. These are the investments that the Water Authority is now criticizing.

While we have seized on opportunities to make strategic investments, Metropolitan's resulting debt load is still far lower than that of the Water Authority. Our high credit ratings on Wall Street, which have been reaffirmed after all these investments, are proof that Metropolitan is on the right financial track.

Despite the negative PR campaign, we at Met are really proud of our 70-year relationship with San Diego County. We believe there are great values in our partnership and we should be working together as a region to solve water issues statewide.

I hope that you will see the value in postponing the signing of this resolution until Metropolitan can be invited back to present before you. I think an open and fair discussion will be enlightening and then you can decide if it is important for an Honorable body such as yourself to engage in the negative PR campaign and sign onto the resolution the Water Authority has put before you.

Thank you.