



The Metropolitan Water District of Southern California

NEWS RELEASE

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Oct. 12, 2009

TENTATIVE LABOR AGREEMENTS WITHDRAWN FROM METROPOLITAN BOARD CONSIDERATION

Metropolitan Water District's Board of Directors will not consider at Tuesday's monthly meeting a proposed package of five-year labor agreements with the district's four bargaining units.

In consultation with board Chairman Timothy F. Brick, Metropolitan General Manager Jeffrey Kightlinger withdrew the tentative labor agreements from the board's Oct. 13 agenda, following a closed session today of the board's Organization and Personnel Committee.

Attached is Kightlinger's memorandum explaining the decision to the district's workforce. The matter is being sent back to the negotiating teams for further deliberation.

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The Metropolitan Water District of Southern California is a cooperative of 26 cities and water agencies serving 19 million people in six counties. The district imports water from the Colorado River and Northern California to supplement local supplies, and helps its members to develop increased water conservation, recycling, storage and other resource-management programs.



THE METROPOLITAN WATER DISTRICT
OF SOUTHERN CALIFORNIA

Date: October 12, 2009
To: All Metropolitan Employees
From: Jeffrey Kightlinger, General Manager
Subject: Withdrawal of Proposed MOU

Today, in consultation with Chairman Brick, I withdrew Item 8-4 “Approve Entering into MOUs with Employee Associations” from tomorrow’s Board agenda. There is not support for moving forward with the proposal as currently structured and it is in the best interests of the agency to try and determine whether a different proposal can be agreed upon so I am asking the negotiators to continue to try and find common ground. I am sure – and, understand – that many of you will be frustrated that this matter has been withdrawn. While this matter is not yet resolved and discussions can continue, I want to thank all of you for your patience, your hard work and your commitment to the negotiation process and to the challenges Metropolitan currently faces in providing our member agencies and 19 million Southern Californians with a high-quality supply of water.

As General Manager, I recommended these tentative agreements. They represented a choice for the Board in terms of altering the medical retiree and pension benefits as part of a broader, five-year package that resulted from the interest-based negotiating process. We need to continue exploring a labor agreement that is in the interest of Metropolitan’s ratepayers and its workforce which represents some of the best employees in the water business. Such an agreement must also be in the best interests of a board and management team which continues to face tremendous economic and water supply challenges as does the region and the entire state.

I have heard from many directors that while they do not favor the current proposal, this is in no way a reflection of the high regard in which they hold Metropolitan’s talented and hard-working staff. Rather the Board has come to realize that in today’s uncertain global economic climate, this proposal does not enjoy broad enough support.

This process is a reminder of the unique role and responsibility that Metropolitan plays in this six-county region. Our responsibility is enormous - to provide a safe and reliable water supply to 19 million Southern Californians in the face of a changing climate, struggling water supply and ecosystems and a growing population. We must meet this responsibility through an open and transparent democratic process and in the face of public scrutiny, some accurate and respectful, and some, unfortunately, not.

Metropolitan draws its strength from both its size and its diversity. Our 37-member Board reflects and represents the views and wisdom from coastal and inland communities and various political perspectives. We have a proud culture of rich and respectful debate. It brings the credibility necessary to a process that must reflect the collective decision of the entire region. The Board's democratic process is ultimately what unites Metropolitan and this region. But, key to that is that each and every one of us continue to do what we all need to do to meet our mission of providing a high-quality, reliable water supply in an environmentally and economically sustainable way. We will need your creativity, hard work and good will in the negotiating process ahead. This is yet another challenge that Metropolitan will meet.

cc: MWD Board of Directors
Member Agency Managers