

**For Immediate Release**

**Date:** 04/16/08

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## **CENTRAL BASIN FILES COMPLAINT AGAINST METROPOLITAN WATER DISTRICT TO PROTECT RATE PAYERS**

### **DISTRICT RESPONDS TO ADOPTION OF UNLAWFUL WATER ALLOCATION PLAN**

COMMERCE CA – On Wednesday, April 16, 2008 Central Basin Municipal Water District filed a complaint against the Metropolitan Water District of Southern California (Metropolitan), in an effort to protect ratepayers from the severe and unfair impacts of the recently adopted Water Allocation Plan (Plan).

The Plan, which was developed in less than a year by Metropolitan, outlines a complex formula for allocating water to a service area that includes nearly 18 million people and 26 member agencies—including Central Basin—in the event of a statewide shortage.

One of Central Basin's primary concerns with the Plan is the potentially devastating socio-economic and environmental justice impacts it would have on disadvantaged communities throughout Southern California. If enacted, the Plan would apportion water on an unfair basis by providing "cheap" water to growing, more affluent areas, at the expense of poorer, built-out communities prevalent in the Central Basin service area.

"It is undeniable that a Plan of this magnitude will impact low-income communities drastically," said Central Basin General Manager Art Aguilar. "Combined with the projected 14-20 percent increase in imported water rates next year, the penalty rate structure in the Plan could mean a significant financial burden to our residents and businesses."

Other issues cited in the complaint against Metropolitan include the violation of the current Tier I and Tier II water rate structure for member agencies; Metropolitan's disregard of the California Environmental Quality Act (CEQA) guidelines; and the penalty-based rate system that would violate Proposition 13 and 218 by unlawfully increasing property taxes in those communities that overuse water.

"Although Metropolitan would like us to think of this as a 'conservation plan,' it is actually an economic plan that virtually robs from the poor to pay for the cost of new development in more affluent areas," said Aguilar. "Nothing in this plan rewards

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successful conservation efforts taken by communities like ours. Instead, we'll be punished for doing our part while communities that have over-consumed water will be rewarded."

In developing the Plan, Metropolitan refused repeated requests by Central Basin, as well as from numerous federal, state and local legislators, to extend the Plan's review period and enable member agencies the necessary time to assess local impact or provide input.

"When dealing with how to allocate a resource as essential and fundamental as water, the process should be transparent and inclusive to ensure that all member agencies have a voice," said Aguilar. "Unfortunately, Metropolitan did not see it this way. Filing a complaint was the last thing we wanted to do, but in the interests of our ratepayers, we saw no other choice."

"It was critical that we file this now, and not wait until the plan is enacted," Aguilar continued. "It is our goal to ensure there is enough time to go back to the drawing board and collectively produce a plan that is fair and effective."

Central Basin Municipal Water District is one of 26 member agencies of the Metropolitan Water District. Each year, Central Basin provides approximately 88,832 acre-feet of imported water within its 227 square-mile service area, a region that extends across 24 cities and unincorporated portions of East Los Angeles County.

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