



Metropolitan Water District approves 19.7 percent rate increase, will cut deliveries 10 percent

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The message from Metropolitan Water District of Southern California to millions of customers: use less, pay more.

Directors of Southern California's main supplier of water to other water agencies Tuesday approved a 19.7 percent rate increase over the next two years, and voted to cut deliveries by 10 percent starting in July, the result of several years of drought and environmental restrictions on imported water.

MWD officials said the average increase for users in the region would be between \$2 and \$5 a month. The rate increase would vary depending on the water district.

"There are times when you have to do the right thing and this is one of those times," said Randy Record, a San Jacinto farmer who is a board member of MWD and Eastern Municipal Water District in Perris.

MWD, which supplies many water districts in the Inland area, has been warning of impending shortages for two years. Supplies have dwindled under continued drought and reduced imports from the Sacramento-San Joaquin River Delta -- the hub of the state's water delivery system -- to protect threatened fish species. Reservoirs and groundwater basins have been overtapped.

In turn, many water agencies imposed or are considering mandatory conservation measures and new rate structures that penalize water wasters.

"What this represents is the end of the era of cheap water," said Timothy Brick of Pasadena, chairman of the MWD board.

At its meeting in Los Angeles, the MWD board voted to increase prices for its 26 member agencies by 19.7 percent beginning Sept. 1; another rate increase of about 20 percent is expected in 2011, both to cover revenue shortfalls and costs such as pumping, treatment and the canals that carry water from the delta, even if water is not delivered. The decision follows a 14.3 percent rate increase earlier this year.

Local agencies set their rates based on factors such as how much water is imported and pending construction projects.

Most people in Riverside County and hundreds of thousands of San Bernardino County residents receive some of their water from MWD.

Historically, water has been inexpensive, said Tom Evans, president of Western Municipal Water District, which serves western Riverside County.

"We sell people 750 gallons of water for two bucks. If you go to the store and buy bottled water, it costs a dollar for 16 ounces. It's totally out of proportion," Evans said. "The price is going to go up. We're going to have to be more efficient."

The cut in supplies ordered Tuesday is the first since the early 1990s, when California was nearing the end of its last drought and the district cut deliveries by 31 percent.

"The board resolved we never wanted to see that day again, and yet here we are," said Brick, adding that the situation has also been complicated by population growth, climate change and a global financial crisis.

Retailers that go over their allotments will pay stiff penalties up to five times the base price of water.

In response to the MWD rate increase, Western's board will consider a 21 percent rate increase at a public hearing May 6. It will cost customers an average of \$12 per month, Evans said.

The board also is expected to enact a Stage 2 water alert that would prohibit outdoor car washing and limit days and times for lawn watering. Such measures are "manageable," Evans said, and should save at least 10 percent.

The governor, who last year declared a state of emergency because of the drought, has called for a permanent, 20 percent reduction in water use by 2020.

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