

WEST BASIN MUNICIPAL WATER DISTRICT

JULY 2, 2002 – Water Resources
McDonald, Little

JULY 22, 2002

Prepared by: Harvey De La Torre

Submitted by: Paul Shoenberger

Approved by: Darryl Miller

INFORMATION ITEM

CITY OF TORRANCE MWD SERVICE AREA

SUMMARY:

Early last month, the City of Torrance (Torrance) asked West Basin Municipal Water District (WBMWD) to meet to discuss WBMWD current service of water within the Torrance Water Department service area through California Water Service Company – Rancho Dominguez (Cal-Water).

Cal-Water services the Western areas of Torrance (see Exhibit A Map) through the Dominguez and Hermosa/Redondo areas. These areas overlap the Torrance Water Department service area, therefore importing approximately 4,884 acre-feet of WBMWD water into Torrance's Water Department's service area.

Torrance has expressed interested in serving these Cal-water areas. Torrance and WBMWD have begun exchanging information and are currently evaluating the implications of changing wholesalers. In addition, WBMWD have met with Cal-Water staff and have discussed the operational and financial issues involved with a possible change.

Torrance has also requested WBMWD to consider annexing WBMWD's service area within the city of Torrance's boundary.

Through these meeting with Torrance, WBMWD have identified the following issues to be evaluated:

- Impact to WBMWD Base Line Allocation under the New MWD Rate Structure;
- Transfer of MWD fixed costs with the water, such as RTS; and
- Loss of WBMWD revenues, such as Surcharge & Water Service Charge.

Exhibit B identified the estimated amount of acre-feet importing into Torrance and the financial impacts to West Basin MWD.

WBMWD is currently working with Torrance in developing a fair, equitable plan over the next couple of months.

FISCAL IMPACTS:

Not determined as of yet.

ENVIRONMENTAL COMPLIANCE:

Not applicable.

COMMITTEE STATUS:

This item was reviewed by the Water Resources Committee on July 2, 2002 and agendized to the July 22, 2002 Board meeting as information.

RECOMMENDED MOTION:

This item is for information only.

LIST OF EXHIBITS:

Exhibit "A" – Map of City of Torrance Service Area
Exhibit "B" – Potential Financial Impact to West Basin MWD

I:\direct\wbmwd\02jul006