



EXHIBIT 24X-B

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MPWMD

May 12, 2004

The Honorable Bruce McPherson
California State Senate, 15th District
State Capitol, Room 4081
Sacramento, CA 95814

RE: Senate Bill 1529

Dear Senator McPherson:

The Monterey County Association of REALTORS® (MCAR) is pleased to support your Senate Bill 1529 to reorganize the Monterey Peninsula Water Management District (MPWMD).

In particular, we take this opportunity to thank you for responding to all six Mayors in the District and the 19,325 voters (2/3) who spoke loud and clear that changes were needed and necessary to the MPWMD structure in order to bring a water supply project to the citizens of this Peninsula. You recognize the importance of this endeavor and we compliment you for your leadership and for taking on this responsibility.

We also compliment you for making sure that all interested parties have been contacted and encouraged to work with you to make sure we have the best possible reorganization structure for the Water District. This will ensure a positive resolution to our water supply crisis.

We are pleased that local Assemblymember Simon Salinas, who does not represent the Peninsula, is in support and a co-author of SB 1529. It is regrettable that Assemblymember Laird, who does represent this area, has not been supportive and has not been willing to work with you on this important issue affecting his many constituents. We agree with Assemblymember Salinas, in a letter to his Assembly colleagues, that a change in governance is essential in solving the pressing water supply problem. Much needed housing cannot be built without a water supply. The lack of affordable housing on the Peninsula forces workers to live elsewhere, creating impacts of housing shortages and traffic for neighboring communities.

We support the transition of elected members of the MPWMD Board to the cities' Mayors or another elected official of the city. We also agree that the District Board should have the decision making power to authorize the issuance of revenue bonds without voter approval. We would also support an amendment to SB 1529 that would include a sunset date for which the District would be disbanded, should a safe, secure, stable and sufficient water supply project not be brought online.

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The Senate Local Government Committee analysis sums it up best:

“...the study of public administration teaches us that a government’s structure and procedures influence its performance. Over 25 years ago, the Legislature set up the Monterey Peninsula Water Management District to find a new water supply. The governance structure and the procedural requirements in that special act make it nearly impossible for the district to meet that goal. A hybrid board of directors, elections by divisions, and the unique requirement for the voters to approve public works projects have combined to produce studies and elections, but no new water supply. If legislators want different outcomes, they should change the district’s governance and processes. This bill applies the lessons of public administration to a district that has spent over \$50 million without achieving its statutory purpose. It’s time to change the rules.”

Again, thank you very much for taking the lead on this important issue. We support SB 1529 and offer our assistance to help secure its passage; please do not hesitate to contact me or our Government Affairs Director, Sheryl McKenzie.

Sincerely,



Jean Manner Schwimmer, President

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cc: Glen Alder, Co-Chair, LGR Committee, MCAR
Mark Tamagni, Co-Chair, LGR Committee, MCAR
Sheryl McKenzie, Government Affairs Director, MCAR
Sandy Haney, CEO, MCAR
Assemblymember Simon Salinas
Assemblymember John Laird
Mayor Dan Albert, City of Monterey
Mayor Jerry Smith, City of Seaside
Mayor Sue McCloud, City of Carmel-by-the-Sea
Mayor Morris Fisher, City of Pacific Grove
Mayor David Pendergrass, City of Sand City
Mayor Jack Barlich, Mayor of Del Rey Oaks
Supervisor Lou Calcagno, Chair, Monterey County
Alvin Edwards, Chair, MPWMD
Supervisor Dave Potter, Monterey County
Larry Foy, Director, MPWMD
Michelle Knight, Director, MPWMD
Judy Lehman, Director, MPWMD
~~Kristi Markey, Director, MPWMD~~