

October 31, 2025

The Honorable Mike McGuire Senate President Pro Tempore California State Senate 1021 O Street, Suite 8518 Sacramento, CA 95814 The Honorable Robert Rivas Assembly Speaker California State Assembly 1021 O Street, Suite 8330 Sacramento, CA 95814

Re: PUBLIC HEARING SCHEDULED pursuant to Section 124.5 of the Metropolitan Water District Act (Stats. 1984, ch. 271)

Dear Pro Tem McGuire and Speaker Rivas:

The Metropolitan Water District of Southern California (Metropolitan) Board of Directors will hold a public hearing to consider the applicability of Section 124.5 of the Metropolitan Water District Act (Stats. 1984, ch. 271). Section 124.5 limited Metropolitan's property tax rates beginning in fiscal year 1990/91 to collect an amount sufficient to pay Metropolitan's general obligation bonds and its portion of the Burns Porter bonds. However, Section 124.5 also provides that its limitations "do not apply" if the Metropolitan Board determines, following a hearing and written notice of the hearing to the Legislature, that a tax rate in excess of the restriction is essential to Metropolitan's fiscal integrity. Pursuant to the Legislature's authorization, the Metropolitan Board will hold a public hearing to determine the applicability of Section 124.5.

The hearing will be held on Tuesday, November 18, at 12:30 p.m. in the Board Room of Metropolitan's headquarters building at 700 North Alameda Street, Los Angeles, California and via Zoom online. The Board will receive comments on the recommendation that it is essential to fiscal integrity to collect a tax rate beyond the Section 124.5 limitations. Such a finding will allow Metropolitan to set the ad valorem tax rate in excess of the Section 124.5 limit for fiscal years 2026/27 through 2035/36. Public comments are encouraged.

Notice of this public hearing is provided to you pursuant to Section 124.5. The agenda for the Board meeting and information about the recommendations will be posted on Metropolitan's web page at https://mwdh2o.legistar.com/Calendar.aspx. You may also request additional information from me at (213) 217-7011.

Very truly yours,

Rickita Hudson

Board Executive Secretary

Rickita C. Hudson