



COACHELLA VALLEY WATER DISTRICT

Established in 1918 as a public agency

GENERAL MANAGER
Jim Barrett

ASSISTANT GENERAL MANAGER
Robert Cheng

CLERK OF THE BOARD
Sylvia Bermudez

ASSISTANT GENERAL MANAGER
Dan Charlton

May 6, 2024

The Honorable Steven Padilla
California State Senate
1021 O Street, Suite 6640
Sacramento, CA 95814

RE: Senate Bill 1072 – SUPPORT

Dear Senator Padilla:

The Coachella Valley Water District (CVWD) serves approximately 300,000 residents in its 1,000 square-miles of service area ranging from the San Geronio Pass to the Salton Sea, mostly within the Coachella Valley area of Riverside County, including small areas within Imperial and San Diego counties. Our services include domestic water, wastewater collection and treatment, agricultural water, regional stormwater protection, recycled water and groundwater replenishment of imported water.

We are pleased to support your bill, Senate Bill (SB) 1072, which would clarify that charging reduced fees to compensate for the collection of excess fees in violation of Proposition 218 is an appropriate remedy under current law.

As a public agency, CVWD is prohibited from making a profit from its services and maintains prudent reserves to cover capital improvement, mitigate current and future risks such as unexpected costs or revenue shortfalls, and ensure stable services and fees. No reserves that a public agency is allowed to maintain, however, can anticipate the costs of litigation and legal damages. Paying back an excess fee through reduced fees in the future still holds public agencies accountable to ratepayers, while allowing for a reasonable means to pay back what is owed to the public in a financially responsible way. This helps more than just the agency; ratepayers also benefit from fiscal stability on the part of the public agencies that provide critical services.

For these reasons, CVWD strongly supports SB 1072.

Sincerely,

A handwritten signature in black ink, appearing to read 'J.M. Barrett', written over a white background.

J.M. Barrett
General Manager