



August 25, 2025

The Honorable Mike McGuire  
Senate President pro Tempore  
California State Senate

The Honorable Robert Rivas  
Speaker of the Assembly  
California State Assembly

The Honorable Scott Wiener  
Chair, Senate Budget Committee  
California State Senate

The Honorable Jesse Gabriel  
Chair, Assembly Budget Committee  
California State Assembly

The Honorable Ben Allen  
Chair, Senate Budget Subcommittee 2  
California State Senate

The Honorable Steve Bennett  
Chair, Assembly Budget Subcommittee 4  
California State Assembly

Dear pro Tem McGuire, Speaker Rivas, Senator Wiener, Assemblymember Gabriel, Senator Allen, and Assemblymember Bennett:

Senators Mike McGuire, Scott Wiener, and Ben Allen  
Assemblymembers Robert Rivas, Jesse Gabriel, and Steve Bennett  
August 25, 2025

Representatives of the undersigned drinking water providers respectfully write to urge the Legislature to appropriate at least \$50 million in Proposition 4 investments for planning and construction of facilities to reduce hexavalent chromium [Cr(VI)] in drinking water. As you know, the State Water Resources Control Board (SWRCB) adopted a regulation for Cr(VI) that sets a Maximum Contaminant Level of 10 micrograms per liter or parts per billion (ppb). Cr(VI) occurs naturally in parts of the state at levels higher than the new MCL. The regulation also established a compliance period from two years to four years, based on the size of the drinking water provider. The compliance period began on October 1, 2024, so water providers must respond quickly to meet deadlines in 2026, 2027, or 2028 depending on their size.

Compliance with this regulation in most cases will require construction of expensive new treatment systems, wells, or pipelines – or all of these – plus appurtenant structures and equipment, not to mention ongoing operation and maintenance expenses. Estimates of costs to comply are being refined, and water system managers indicate that costs will exceed the ability of their customers to absorb such costs through rate increases alone. Water rates have risen faster than the cost of living as utilities replace aging infrastructure and comply with new regulatory requirements. Affordability of water is already a major concern that will be exacerbated without State assistance.

For example, the Indio Water Authority (serving about 24,000 residential customers) has estimated that \$122 million will be required for construction of new water treatment facilities. If the full amount were debt financed and added to the debt already carried for capital improvements to the city's water system, that would require over a 40% rate increase for each of the next three fiscal years, FY2026, FY2027, and FY2028. Similar financial impacts face other communities, many of which, like Indio, are disadvantaged.

Similarly, the City of Los Banos – like Indio, classified as a disadvantaged community – water system serves approximately 13,500 service connections and relies upon thirteen groundwater wells, all of which exceed the hexavalent chromium MCL due to naturally occurring hexavalent chromium. The City is currently evaluating its options as part of its development of a compliance plan in accordance with the hexavalent chromium MCL, but the anticipated treatment costs are likely to exceed \$65 million in capital investments with additional continuing operational costs associated with running the new treatment facilities.

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The SWRCB recently finalized its Intended Use Plan for the Drinking Water State Revolving Fund (DWSRF). Unfortunately, financial assistance for compliance with the Cr(VI) standard is not included due to circumstances of timing: Water systems are just now progressing sufficiently with their preliminary compliance strategies to apply for financial assistance, making them too late for the current DWSRF cycle. Yet, the deadlines for compliance require large and medium-sized systems to move very quickly to complete the planning, environmental review, engineering design, procurement, construction, and start-up testing necessary to bring new facilities on-line. Financing through rates or sale of municipal bonds, if possible, would also add to this timeline. DWSRF funding from federal appropriations to the U.S. Environmental Protection Agency is also being reduced, further straining the program's ability to meet critical needs.

Senate Bill 867, which became the Climate Bond as Proposition 4, foresaw the need for assisting communities with the high cost of compliance with the Cr(VI) regulation. Section 91011(a)(7) specifically provides eligibility to: "Grants for projects and technical and financial assistance to address hexavalent chromium in drinking water."

We urge you to designate a substantial amount from Proposition 4 for the SWRCB to provide grants to assist public water systems with necessary actions to comply with the Cr(VI) regulation.

Sincerely,

J. M. Barrett  
General Manager  
Coachella Valley Water District

Gary Brizzee  
Interim City Manager  
City of Los Banos

John Jansons  
City Manager  
City of Kerman

William Pattison  
City Manager  
City of Coachella

Taj Dufour, P.E.  
Engineering Manager/Chief Engineer  
Soquel Creek Water District

Sarah Johnson  
General Manager  
Joshua Basin Water District

Brian H. Montgomery  
City Manager - City of Indio  
Executive Director - Indio Water Authority

Timothy Worley, PhD  
Managing Director  
Community Water Systems Alliance

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Arturo Vela, P.E.  
Acting City Manager  
City of Banning

Drew A. Lander P.E., CCM, QSP/QSD  
General Manager  
Sunnyslope County Water District

Brian Macy, MPA, P.E.  
General Manager  
Mission Springs Water District

Timothy R. Shaw  
General Manager  
Rio Linda Elverta Community Water District

Justen Cole  
Director of Utilities  
City of Vacaville

Jeremy Craig  
City Manager  
City of Winters

Courtney Lindberg  
Public Works & Utilities Director  
City of Watsonville

Jay Zucca  
Board President  
San Andreas Mutual Water Company