



June 2, 2020

The Honorable Lorena Gonzalez  
Chair, Assembly Appropriations Committee  
California State Assembly  
State Capitol, Room 2114  
Sacramento, CA 95814  
Cc: [jennifer.galehouse@asm.ca.gov](mailto:jennifer.galehouse@asm.ca.gov)

Re: Support Senate Bill 625 (Bradford) Central Basin Municipal Water District: Receivership

Dear Chair Gonzalez,

On behalf of the California Association of Mutual Water Companies I write in support of SB 625 (Bradford) which would take the Central Basin Municipal Water District into receivership. CalMutuals believes that SB 625 will improve the operations and financial management of the drinking water supply in the Central Basin.

For far too many years the Central Basin Municipal Water District has been unable to meet its obligations as a local public agency. Despite multiple efforts by the State Legislature; despite the findings of a state-mandated audit; despite 2016 legislation authored by Assemblywoman Cristina Garcia seeking to improve the operations of the District, nothing has changed. Poor leadership, the inability to make decisions and the lack of oversight continue to plague the district.

This dysfunction will result in higher water rates imposed on those with the least ability to pay and will jeopardize access to safe imported water vital to Southern California. The district's inability to function risks continued high costs for litigation defense, higher insurance rates, higher bond interest rates, lost tax revenue and loss of key personnel.

SB 625 will put the Water Replenishment District in temporary charge of the district's day-to-day operations while asking LAFCO to evaluate alternatives for improved governance in the future.

We support the bill, in print, and have no recommended amendments currently. With regard to the board seats on the Metropolitan Water District of Southern California, we believe the existing MET Act provides sufficient guidance on how to manage the appointments.

Feel free to contact me if you have any questions, suggestions or need additional information.

Sincerely,

Lisa Yamashita-Lopez  
President, California Association of Mutual Water Companies

*via email*

cc: The Honorable Steve Bradford, Author [senator.bradford@senate.ca.gov](mailto:senator.bradford@senate.ca.gov)  
The Honorable Members, Assembly Appropriations Committee