Hidden Valley Lake
Community Services District

19400 Hartmann Road
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www.hvlcsd.org

June 16, 2021

The Honorable Gavin Newsom
Governor, State of California
Capitol, 1st floor
Sacramento, CA 95814

The Honorable Toni Atkins
Senate President pro Tempore
State Capitol, Room 205
Sacramento, CA 95814

The Honorable Anthony Rendon
Speaker of the Assembly State
State Capitol, Room 219
Sacramento, CA 95814

RE: COVID-19 Fiscal Relief for Independent Special Districts

Dear Governor Newsom, Pro Tempore Atkins, and Speaker Rendon:

Hidden Valley Lake Community Services District, along with a coalition of 750 stakeholders, is in strong support of the $100 million for special district COVID-19 impacts.

Our district Hidden Valley Lake Community Services District provides 7500 residents in Hidden Valley Lake with water and wastewater services that the county does not otherwise provide. As a result of the pandemic, our essential workers, sworn to protect critical infrastructure, and consequently ensuring the health and safety of the public, were exposed to an invisible killer. The District suffered significant productivity losses, as well as revenue loss. Some of our customers continued to use water, but could not afford to pay, sending our arrearages into unprecedented levels. Our amazing staff has been brave, careful, and flexible in the face of the faceless threat, but challenges still remain. The financial burden of the pandemic has also challenged this District in moving forward with Capital projects. We strive to keep water and wastewater treatment safe to the public, yet affordable. These two principles cannot be upheld while the pandemic continues to diminish productivity, revenue, and the well-being of staff. There are three much-needed projects that threaten the affordability of our ratepayers, a water distribution project to ensure water reliability, a wastewater distribution project to ensure safe wastewater conveyance, and a CyberSecurity project to protect against malevolent acts. To date, the District can demonstrate $4.8M in eligible aid, as allocated under the American Rescue Plan Act.

We support the legislative proposal for one-time relief funding for special districts who can demonstrate financial need due to the COVID-19 pandemic and ask the Administration to also support its inclusion in the final budget and that it be accessible only to independent special districts.

Additionally, we respectfully urge Legislative Leadership and the Administration to ensure the funding items below from the May Revise are included in the final 2021-22 budget package:

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- **$1 billion in utility household assistance.** We appreciate the legislative and administrative support for this funding and ask that the final version include eligibility for municipal water, wastewater, and energy utilities.
- **$250 million in economic assistance to ports.** California's special district ports and harbors were significantly impacted by COVID-19 response; we support port funding relief.
- **Significant investment in local priority transit projects.** Transit districts experienced substantial reductions in ridership and other fiscal impacts related to pandemic response; we support the proposed investments for local agency projects.

Finally, we note many independent special district types have experienced fiscal impacts that far exceed the proposed investments. We ask for your support in extending future relief through American Rescue Act funds to address needs that continue beyond proposed relief funding.
Special districts provide vital services to local communities and were instrumental in protecting the public's health and safety throughout the pandemic.
We ask for your strong support to ensure the independent special districts that responded to the needs of our communities during the pandemic are provided the support necessary to meet the next challenges we know are ahead. Please include the above funding for special districts in the final 2021-22 Budget Act. We thank you for your consideration of this request.

Sincerely,

Dennis White
Digitally signed by Dennis White
DN: cn=Dennis White, o=HVLCSD, ou, email=dwhite@hvlcsd.org, c=US
Date: 2021.06.16 11:59:38 -07'00'

Dennis White
General Manager
Hidden Valley Lake Community Services District