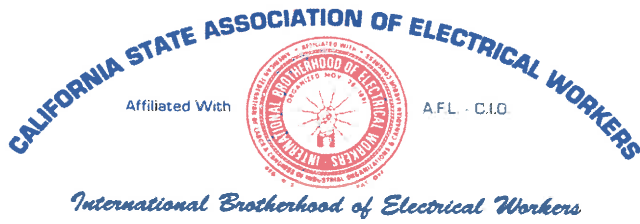


California
LABOR
Federation



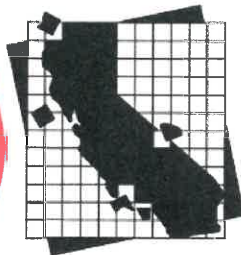
NCWA
Northern California Water Association



**NORTH STATE
BUILDS**



IBEW 1245
THE POWER IS IN OUR HANDS



CSDA



June 8, 2020

Governor Gavin Newsom
Governor's Office
State Capitol
Sacramento, CA 95814

Re: Restored Funding for Paradise Irrigation District

Dear Governor Newsom,

On behalf of the undersigned organizations, we urge you to maintain funding for Item 9210-495, "Local Government Financing," which appropriated \$7.37 million from the General Fund to Paradise Irrigation District (PID). This funding is paramount for the survival of Paradise and surrounding areas devastated by the November 2018 Camp Fire.

PID provides clean drinking water to the homes and businesses within the Town of Paradise. During the 2018 Camp Fire, over 90% of PID's service connections burned, leaving the Town of Paradise without a drinkable water source. Because PID operates on a fee-for-service model, when the service connections burned, so did PID's ability to remain operational.

As part of the 2019 budget cycle, your administration took *decisive* action to allocate two years of backfill funding to the district, which kept PID operational while it worked on a long-term plan to again become economically self-sufficient. These funds have been budgeted almost entirely towards paying its employees, who are members of the Teamsters and the IBEW. Operational costs are not reimbursable by FEMA, so your actions directly kept PID employees working, and clean drinkable water accessible to the community. For that, we are deeply grateful.

While PID is making significant progress towards becoming financially self-sufficient, it has budgeted under the assumption that the second-year allocation of funding would remain intact. PID continues to work collaboratively with Department of Finance and SWRCB on an "options" document, which will provide clarity regarding the District's ability to become financially independent as soon as possible. Without a second year of funding, PID will need to declare bankruptcy and terminate many of its employees, who have been working around the clock to meet the needs of the community. Unfortunately, short-term lending options are few and far between. We say this in no uncertain terms: the collapse of PID would be disastrous for the Town of Paradise, its residents and their efforts to rebuild the community.

In your 2020 May Revise, you proposed a reversion of PID's second year of backfill to the general fund. In their proposal, the Legislature restored PID's funding, signaling a clear commitment to the victims of the Camp Fire who are still struggling to piece their lives back

together. We understand that California faces extraordinary strain due to the Covid-19 Pandemic. In the coming weeks, you will be forced to make enormously difficult and painful cuts. Even so, we ask that you maintain PID's second year of funding. If your administration is serious about rebuilding Paradise—as we believe it is—then providing backfill to PID is essential. Without drinkable water, Paradise will never recover.

Jeremy Smith, SBCTC



Kevin Phillips, PID



Shane Gusman, CA Teamsters



Mary-Ann Warmerdam, RCRC



Tim Cremins, IUOE



Hunter Stern, IBEW Local 1245

Assistant Business Manager



Sara Flocks, CA Labor Federation



Adam Robin, NCWA



Scott Wetch, IBEW



Andrew J. Meredith, Executive Director, NSB



Alyssa Silhi, CSDA



Julia Hall, ACWA

