



**Coachella Valley Water District
Board of Directors**

Resolution No: 2024-**

**A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE COACHELLA VALLEY WATER DISTRICT
FIXING RATES OF TAXATION IN THE COUNTY OF
IMPERIAL FOR
FISCAL YEAR 2024-2025 PURSUANT TO THE
COUNTY WATER DISTRICT LAW
(Division 12 of the Water Code, Part 7, Chapter 2, Sections
31702.1 and 31703, inclusive)**

WHEREAS, the Coachella Valley Water District (“District”) is authorized by statute to levy an ad valorem tax referred to as the State Water Project (“SWP”) tax to pay for its obligations under its State Water Contract with the California Department of Water Resources; and

WHEREAS, the County Water District Law, pursuant to Water Code section 31701 et seq. authorizes the District to annually certify to the board of supervisors and the auditor of each county within the District the amount of taxes that must be raised in the county for payment of these obligations; and

WHEREAS, Water Code section 31702.1 authorizes the District Board of Directors (“Board”) to adopt a resolution to fix its own rates of taxation; and

WHEREAS, the Board desires to fix its rates of taxation for Imperial County for Fiscal Year 2024-2025.

NOW THEREFORE BE IT RESOLVED by the Board of Directors of the Coachella Valley Water District as follows:

SECTION 1. **Recitals.** The above recitals are incorporated as though set forth in this section.

SECTION 2. **Findings.** The Board finds and determines as follows:

A. The District uses its State Water Project allocation to replenish the groundwater basin in the West Whitewater Area of Benefit and the Mission Creek Area of Benefit.

B. The customers that benefit from this use are groundwater producers in the West Whitewater Area of Benefit and the Mission Creek Area of Benefit.

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C. If the District were to pay for its contractual obligations under its State Water Contract using charges for water service, it would need to do so using the Replenishment Assessment Charges for the West Whitewater Area of Benefit and the Mission Creek Area of Benefit.

D. Absent the SWP Tax, the Replenishment Assessment Charges for the West Whitewater Area of Benefit and the Mission Creek Area of Benefit would increase significantly per acre foot over the current rate to cover the District's anticipated contractual obligations under the State Water Contract.

E. The projected increases would put large irrigation water users, such as golf courses, within the West Whitewater Area of Benefit and Mission Creek Area of Benefit at a competitive disadvantage with irrigation water users within the East Whitewater Area of Benefit (which does not rely on SWP supplies), and would threaten their financial viability and the related jobs and economic they produce in the integral local tourism economy.

F. The projected increases would also increase the average annual water costs for households to levels many low-income households in the District's service area would be unable to pay.

G. Relying on Replenishment Assessment Charges instead of a SWP tax to fund SWP contractual obligations would significantly degrade the security and efficiency of revenue sources and ability to ensure timely payment of obligations.

H. Accordingly, the Board of Directors finds it is infeasible to rely on charges for water service alone to fund the District's participation in the State Water Project.

I. The proposed Coachella Valley Water District Fund No. 220 (SWP) tax rates for Fiscal Year 2024-2025 should remain the same as the SWP tax rates for Fiscal Year 2023-2024 to cover costs the Board anticipates with respect to the District's participation in the State Water Project and reasonable reserves to allow the District to satisfy its obligations under the State Water Contract.

J. The tax rates for Fiscal Year 2024-2025 are set only to meet the requirements of the District.

SECTION 3. Fixation of Rates. The Board hereby fixes the rates of taxation for District purposes in Imperial County, in accordance with the certified schedule attached hereto as Exhibit "A" and incorporated herein by reference.

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SECTION 4. **Certified Copies.** The appropriate officers of this District shall certify said tax rates to be levied within the District boundaries in Imperial County to the Imperial County Auditor-Controller. The District Clerk shall file certified copies of this Resolution with the Imperial County Auditor-Controller, the Imperial County Assessor, and the Clerk to the Imperial County Board of Supervisors.

**** the clerk's office will complete the information below****

PASSED and ADOPTED by the Coachella Valley Water District Board of Directors during a regular meeting on this ****** day of (Month) 2024, by the following vote:

AYES:

NOES:

ABSENT:

CERTIFICATION

I do hereby certify that the foregoing is a full, true, and correct copy of a resolution duly and regularly adopted at a meeting of the Board of Directors of the Coachella Valley Water District, held on this ****** day of July 2024.



Sylvia M. Bermudez, MMC
Clerk of the Board
Coachella Valley Water District