

NEWS RELEASE

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FOR IMMEDIATE RELEASE

SAN GORGONIO PASS WATER AGENCY LOWERS PROPERTY TAX

Pass area property owners are going to see a reduction in their property tax bill this year. On August 3, 2020 the San Gorgonio Pass Water Agency voted to lower its property tax rate by a quarter cent, from 17.75 cents per \$100 of assessed valuation to 17.50 cents. That equates to \$10 a year for a \$400,000 house. In aggregate, the property owners of the area will pay about \$370,000 less this year as a result of this reduction in the tax rate. The property tax is used to pay for debt service, operations and maintenance costs for the State Water Project.

Revenues from the tax, which is collected as part of the Riverside County property tax, are used primarily to pay for debt service costs associated with the State Water Project. The Agency will owe \$23 million next year to pay for its share of the Project. It purchases water from the Project and sells it to local water agencies to ensure that local groundwater basins are replenished, thus assuring a long-term supply for Pass residents.

"We need to be conservative in our approach, a quarter of a percent is pretty conservative" said President Ron Duncan, a Banning resident.

General Manager Eckhart stated "The Agency is balancing increasing revenues due to local economic growth against paying for aging infrastructure and investing in very <u>much needed</u> major improvements to the State Water Project that are being seriously contemplated now. The Board took a prudent position with the tax rate reduction while staying in position to protect and invest in our ability to import water."

The San Gorgonio Pass Water Agency is a regional water supplier, wholesale water agency and State Water Contractor that purchases water from the California Department of Water Resources, conveys it through the California Aqueduct, and sells it to local retail water agencies to replenish groundwater basins in the Pass.

Its service area includes the cities of Calimesa, Beaumont, and Banning, as well as the incorporated areas of Cherry Valley, Cabazon, the Banning Bench, and Poppet Flat

For more information, contact General Manager Lance Eckhart at 951-845-2577.