



SAN GORGONIO PASS  
WATER AGENCY  
*A California State Water Project Contractor*

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## Agency Maintains Stable Tax Rate for Local Taxpayers

### *Strategic Reserves and a Balanced Budget Keep Rates Fixed for Another Year*

BEAUMONT, CA (August 19, 2024) – In an effort to protect ratepayers from increased costs, the San Gorgonio Pass Water Agency (SGPWA) Board of Directors voted to avoid raising the tax rate that supports long-term, high-impact State Water Project (SWP) activities such as the Delta Conveyance Project (DCP) and Sites Reservoir. The Board maintained the property tax assessment as part of its \$33.6 million Debt Service Budget passed on July 15.

The Debt Service Budget was bolstered by increased tax revenues this fiscal year, and a significant reduction in charges owed to the State due to a credit applied towards the East Branch Extension payment schedule. As a result, SGPWA concluded the fiscal year within budget and with a surplus.

This healthy financial position enables the Agency to keep costs stable this year for its service area of more than 100,000 people across 141,000 acres. SGPWA is given taxing authority through the legislative act that created the Agency in 1961.

“Maintaining the current income level is vital to stability for taxpayers and resilience for the Agency,” SGPWA General Manager Lance Eckhart said. “Our budget supports the Agency’s mission to enhance water supply reliability through critical infrastructure projects and sustainable resource management.”

The Debt Service Budget, funded by a 17.5 percent tax rate, allows SGPWA to engage in SWP projects like the DCP and the Sites Reservoir. These generational efforts secure a dependable water supply for the region for decades to come, a key example of the Agency’s long-term planning.

The DCP will use a tunnel system in the Sacramento-San Joaquin Delta to better capture and move water during wet years to use during dry spells. The Sites Reservoir will capture and store water during storm events in an off-stream reservoir for dry-year use. The need for these two projects is real: If Sites Reservoir was operational, it is estimated to have diverted and captured about 840,000 acre-feet of water since January 2024. Similarly, if the DCP had been operational between January 1 to May 9, 2024, it is estimated to have captured 909,000 acre-feet.

In addition to these two projects, the Debt Service Budget will fund increased payments for the East Branch Extension, the portion of the SWP that conveys water to the Pass area. SGPWA has set aside strategic reserves to manage these without financial strain. The Agency is poised to comfortably tackle its commitments as it concludes payments for the East Branch Extension and engages in transformative projects like the DCP and the Sites Reservoir.

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**About San Gorgonio Pass Water Agency**

Formed in 1961, SGPWA is a State Water Contractor that serves a 225-square-mile area of western Riverside County. The service area includes the cities of Calimesa, Beaumont, and Banning, and the communities of Cherry Valley, Cabazon, and the Banning Bench. In addition to importing State Water Project (SWP) water from Northern California to augment local groundwater sources, the Agency builds local system infrastructure, participates in water transfers, partners in statewide water projects and collaborates on regional water reliability and conservation efforts.