



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

FOR IMMEDIATE RELEASE

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## Grant Support Partnership Boosts Local Water Agency Projects

### *Helping Small Water Retailers Meet Big Goals*

BEAUMONT, CA (March 19, 2025) – The San Geronio Pass Water Agency (SGPWA) Board of Directors recently approved an agreement to provide \$1.5 million in gap funding support to Banning Heights Mutual Water Company (BHMWC). The Company will advance emergency drought relief measures by installing a new storage reservoir and production well in Banning Heights.

BHMWC originally received a \$3.8 million grant as part of the Small Community Program Drought Relief Program. This project enables BHMWC to bolster storage capacity, enhancing the Pass area's access to reliable water. The project also allows BHMWC to purchase emergency water supplies. This work and SGPWA's funding assistance are urgent as Southern California is forecast to experience dry conditions this year following two years of rain.

"Gap funding is a bridge between local water projects and grant funds, helping smaller agencies build big projects faster and advancing our regional water supply goals," SGPWA President Mickey Valdivia said. "SGPWA understands that using financial tools effectively is vital to helping water retailers fully leverage state funding for their communities and the entire Pass area."

Through this project, BHMWC provides immediate water supply relief to the Banning Heights community. Banning Heights was severely impacted by the 2020 Apple Fire and its effect on the Whitewater Flume Supply. The fire injured one person and destroyed 14 structures in the Cherry Valley area, in addition to impacting water supplies for approximately 1,200 residents.

Through its gap funding program, SGPWA delivers much-needed small system support to local agencies. In recent years, SGPWA has disbursed \$8.3 million in gap funding to water districts in Cabazon, Calimesa and Banning. These multi-agency partnerships support residents through sustainable water projects that might not get completed otherwise. SGPWA initiated its gap funding program in 2022 and has recouped most of its outlays, underscoring the success of the gap funding model.

BHMWC's project is slated for completion in June 2025.

Learn more at [www.sgpwa.com](http://www.sgpwa.com).

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**About San Geronio 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.