



August 1, 2018

The Honorable Anthony Portantino, Chair
Senate Appropriations Committee
State Capitol, Room 2206
Sacramento, CA 95814

Re: AB 1577 (Gipson) – California Safe Drinking Water Act: Sativa-Los Angeles County Water District
SUPPORT – As Amended 6/27/18

Dear Senator Portantino:

The City of Compton is in strong SUPPORT of AB 1577 (Gipson), which would authorize the State Water Resources Control Board to appoint a state administrator to take over administrative and managerial duties at the Sativa County Water District (Sativa).

The Los Angeles Area is currently experiencing a water quality crisis. Residents served by Sativa in the City of Compton, Willowbrook, and unincorporated Los Angeles County are experiencing foul-smelling, discolored water flowing from their pipes. Sativa serves approximately 1,700 households and is facing several critical challenges that have so far prevented it from improving its water supply.

First, Sativa has an insufficient customer base to finance system improvements. Sativa has approximately 1,700 service connections but needs to expend roughly \$10 million in infrastructure improvements and deferred maintenance. Since Sativa's reserves are approximately \$400,000 and its water rates are relatively low at \$65 dollars per month, the district simply does not have a sufficient revenue stream to address their outstanding issues.

The conclusion is unescapable – Sativa is doomed to fail without outside intervention. Moreover, there is currently no feasible opportunity to dissolve or consolidate Sativa into another public agency.

Small water districts face a critical weakness in dealing with crises – their inability to draw upon state funds due to not meeting the technical, managerial, and financial sophistication that is required for state support. Additionally, no public agencies have been willing to acquire Sativa because of its water quality violations and the more than \$10 million in deferred maintenance and necessary infrastructure improvements.

These troublesome incidents underscore the longstanding deficiencies associated with Sativa’s lack of proper fiscal management and operational capacity. Simply put, Sativa has not demonstrated an adequate ability to address its deferred maintenance challenges or to provide high quality water to its customers in a sustainable manner going forward.

Recognizing this fact, the Los Angeles County Local Area Formation Commission (LAFCO) voted unanimously to pursue the dissolution of Sativa as part of its July 11th meeting. To completely dissolve the agency, the State Water Resources Control Board must step up to consolidate a merger or, alternatively, it can appoint a state administrator to take over managerial and administrative duties.

AB 1577 complements LAFCO’s approach by empowering the State Water Resources Control Board to immediately take all appropriate steps to exercise vigorous oversight of Sativa, including selecting a representative to manage the district and ensure proper fiscal and operational activities are occurring while Sativa is still responsible for providing water to its customers.

AB 1577 will help provide affordable, safe drinking water to Sativa’s customers while a long-term solution to Sativa’s existing problems is identified.

The City of Compton sits in nearly the exact geographical center of Los Angeles County and – as the eighth to incorporate – is one of its oldest cities. A Charter City, Compton was first settled by a band of pioneering families in 1867, was incorporated in 1888, and is today home to nearly 100,000 hard-working residents.

We strongly support AB 1577 and urge your “Aye” vote when this measure comes before you.

Sincerely,

AJA BROWN



Mayor
City of Compton

CITY OF COMPTON | OFFICE OF MAYOR AJA BROWN

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