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RICK GILMORE
General Manager
Secretary

March 21st, 2019

Senator Jim Nielsen
State Capitol, Room 5064
Sacramento, CA 95814-4900

Assemblyman James Gallagher
P.O. Box 942849
Sacramento, CA 94249-0003

**RE: SUPPORT FOR BACKFILL FUNDING FOR PARADISE
IRRIGATION DISTRICT**

Dear Senator Nielsen and Assemblyman Gallagher:

Byron-Bethany Irrigation District (BBID) writes to support backfill funding for Paradise Irrigation District (PID). The one-time appropriation of \$21,693,203.00 from the General Fund is essential and necessary to keep PID operating while Paradise recovers and rebuilds from the November 2018 Camp Fire.

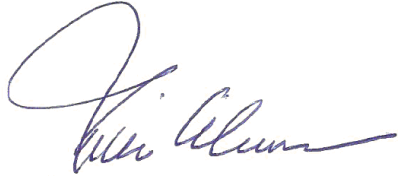
The Camp Fire devastated the Town of Paradise, which mirrors PID's service area. Pre-fire, PID served approximately 10,500 customer connections in the Town of Paradise. Today, approximately 1,500 of those connections remain, but only about 700 are currently active given infrastructure damage and other issues.

Funding for PID's infrastructure damage and Fire-related water quality issues are being addressed through FEMA/OES and insurance proceeds. However, there is no current funding source to sustain PID's operational expenses given the overwhelming property losses suffered by PID's customers. Even though PID currently serves a smaller population, PID's cost of service is mostly (over 95%) fixed.

Maintaining PID as a viable public agency water supplier is vital to the recovery and rebuilding effort in Paradise. This short-term funding solution allows PID to continue to focus its efforts on Fire recovery, will allow time for it to develop long-term funding models as Paradise rebuilds over the coming years, and will ensure that the men and women who work for PID and serve the community – most of whom were also affected by the Fire – will be able to maintain their employment.

It is for these reasons that BBID supports backfill funding for PID.

Very truly yours,

A handwritten signature in dark ink, appearing to read "Rick Gilmore". The signature is fluid and cursive, with a large initial "R" and "G".

BYRON BETHANY IRRIGATION DISTRICT
Rick Gilmore
General Manager