



take center stage

October 5, 2023

Gary Thompson, Executive Officer
Riverside County Local Agency Formation Commission (LAFCO)
6216 Brockton Avenue Suite 111 B
Riverside, CA 92506
gthompson@lafco.org
info@lafco.org

RE: ALTERNATIVE GOVERNANCE AND ELECTRICITY SERVICES STUDY - IID

Dear Mr. Thompson,

Thank you in advance for the thoughtful consideration of this comment letter sent by the Indio City Council in response to the Draft Alternative Governance and Electricity Services Study (the Draft Study) – Imperial Irrigation District (IID), prepared by Dopudja & Wells Consulting (Consultant).

As you know, as IID's largest customer base in the Coachella Valley, the City of Indio is very much interested in the governance and delivery of electric services after the 99-year Agreement of Compromise that granted IID the authority to be the electrical service provider for much of the Coachella Valley.

The City of Indio and IID have formed a joint powers authority, the Indio Electric Finance Authority (IEFA), that exemplifies the City's desire to collaborate with IID and to provide a "proof of concept" for how some critical electric infrastructure can be financed. However, the IEFA is not intended to be an entity that manages and operates the current IID electrical system within Indio.

With that said, the City has been involved and interested in the discussions held by the Coachella Valley Energy Commission (CVEC) regarding governance, particularly as it relates to what the governance and operational arrangement will be post 2032. CVEC's recent discussions have centered on two viable options mentioned in the Draft Study for governance and operations of the Coachella Valley area currently served by IID. These two options are: 1) the formation of a municipal services district (MUD); and 2) the formation of a joint powers authority (JPA).

The City of Indio concurs that these are the two most viable options to consider and respectfully requests that the Consultant be directed to incorporate into the final study a detailed review of financial considerations and operational variables that may be associated with the MUD and JPA options. The financial information already provided by IID should prove helpful to the Consultant in the review of financial considerations, including transitional costs and time frames for each option. Without a more thorough financial analysis, it is difficult to completely evaluate these governance options.

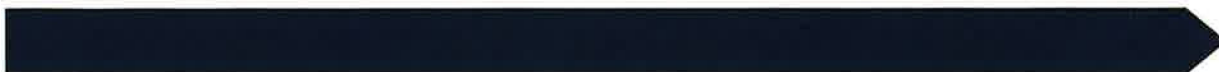
In closing, we thank you, the Consultant, and all others that have been researching this very critical issue for our communities here in the eastern Coachella Valley. We support a governance structure specifically for electrical/power service that is representative of and inclusive of the eastern Coachella Valley stakeholders and separate from the current IID board representing Imperial County stakeholders for both water and power. We would also like to see a governance structure that plans for and prioritizes ongoing maintenance of equipment, upgrading of outdated infrastructure, and proactive addition of substations as needed to ensure capacity to better serve existing ratepayers and new development.

Any questions regarding this letter and the discussions at CVEC, please contact Councilmember Waymond Fermon at wfermon@indio.org. Councilmember Fermon represents the City of Indio on the Coachella Valley Energy Commission.

Respectfully submitted,



Oscar Ortiz
Mayor





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