



MEMORANDUM

November 21, 2015

TO: CALIFORNIA WATER SERVICE

FROM: PAUL GOODWIN
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RE: Key Findings from Visalia Voter Survey

Bottom Line:

A telephone survey recently conducted with 403 Visalia voters shows two-to-one opposition to a municipal takeover of the water system. Voters strongly disagree that there is a need to replace Cal Water, believe a takeover will increase their water bills, like the job that Cal Water is doing now, and are vehemently opposed to the city using eminent domain to seize Cal Water's assets.

Strong Opposition to a Municipal Takeover of the Water System

Following is the exact language asked of voters about a possible municipal takeover of the water system. This question was placed early in the questionnaire, before any pro and con information was presented about the takeover:

As you have heard, the water for your home is delivered by Cal Water. Some people have proposed changing this, so that the city of Visalia would take over the water system. As a result, the Visalia city government would be responsible for delivering water to your home instead of Cal Water. Does this change sound like something you would favor or oppose?

Not only does overall opposition outweigh support by two to one, but by three to one, voters "strongly" oppose a takeover over "strongly" favoring it.

ALL FAVOR	ALL OPPOSE	Str. Favor	SW Favor	SW Oppose	Str. Oppose	Not Sure
27%	53%	11%	16%	20%	33%	20%

Voters See No Need for a Change

Immediately after voters were asked how they feel about the possible takeover, they were asked if they think “there is, or is not a need to replace Cal Water?” These results were even more tilted against the city, with just 23% who said there is a need for a change, and 58% who said there is no need to replace Cal Water. The proportion who said there is “definitely not” a need was nearly three times the size as the proportion who said there “definitely is” a need.

IS NEED	IS NOT NEED	Def. Need	Prob. Need	Prob. No Need	Def. No Need	Not Sure
23%	58%	13%	10%	22%	38%	20%

Voters Believe That a City Takeover Means Higher Water Rates

Before respondents heard positive and negative information about the possible takeover, they were asked if they agree or disagree with several neutral statements about it.

For example, they were asked if they agreed or disagreed that “your water bill will probably go down if the city took over your water delivery.” As the city is claiming that water rates would go down if the city ran the system, it is interesting to note that by a 17 point margin, Visalia voters do not believe the city on this front. In fact, 50% disagree that water rates would go down, with just 32% who agree.

Voters Strongly Oppose Use of Eminent Domain

Fully 77% of voters agree that it is wrong for a government agency to use its power of eminent domain against a private business “without a serious cause.” Just 17% disagree. Visalia voters are strongly opposed to government overreach through the use of eminent domain.

Very Positive Attitudes About Cal Water

Sixty-nine percent of Visalia voters have a favorable opinion of Cal Water, nearly identical to the favorable rating for Southern California Edison, and Cal Water also enjoys very strong satisfaction ratings for its service and responsiveness to customers. Following are some of the verbatim responses offered by voters who oppose a municipal takeover of the water system:

- *Cal Water is doing a good job to this point, I wouldn't want to change.*
- *The water system is fine and the service is fine, so there is no need for change.*
- *I'm satisfied with the service. Why will I take a chance in switching my provider?*
- *Because that's not [the city's] specialty and Cal Water is better – stay with people who know the business.*
- *I'm satisfied with the water service now.*
- *Because the water folks have been in the business of delivering it for years, and I think they do a good job.*
- *Because I think Cal Water is doing a good job already and is also more efficient than the city.*

Opposition Grows to Three to One After Voters Learn About Impacts of a Municipal Takeover

We asked voters a second time whether they favor or oppose a municipal takeover after they heard about possible cost, safety, and supply impacts. The results of this question showed 68% opposed to a takeover, with just 22% in favor.

The implications of these findings are as follows:

- Visalia residents oppose a municipal takeover and see no need for it.
- Opposition will only grow if there is a public debate on this issue in which voters are exposed to the impact of a takeover on their water supply, water rates, and taxes.
- Elected and appointed officials in Visalia who are preparing to spend tax dollars on a takeover will find themselves fighting an uphill battle with the public against them.
- If a takeover plan reaches the ballot, it will be defeated handily.

Methodology:

Goodwin Simon Strategic Research conducted a telephone survey with 403 registered voters in Visalia between November 13 and November 17, 2015. We conducted interviews in both English and Spanish and using both land lines and wireless numbers. The margin of error is about plus or minus 5% at a 95% confidence level.