Board of Directors

Russ Baggerly, Director
Angelo Spandrio, Director
Brian Brennan, Director

Pete Kaiser, Director
James Word, Director

CASITAS MUNICIPAL WATER DISTRICT
Meeting to be held at the

October 18, 2019 @ 10:00 AM

Right to be heard: Members of the public have a right to address the Board directly on any item of interest to the public which is within the subject matter jurisdiction of the Board. The request to be heard should be made immediately before the Board's consideration of the item. No action shall be taken on any item not appearing on the agenda unless the action is otherwise authorized by subdivision (b) of ¶54954.2 of the Government Code and except that members of a legislative body or its staff may briefly respond to statements made or questions posed by persons exercising their public testimony rights under section 54954.3 of the Government Code.

1. CALL TO ORDER

2. ROLL CALL

3. PLEDGE OF ALLEGIANCE

4. PUBLIC COMMENTS - Presentations on District related items that are not on the agenda - three minute limit.

5. PRESENTATION OF THE WATER RESOURCE PUBLIC SURVEY RESULTS BY DR. McLARNEY OF TRUE NORTH RESEARCH INC. AND DISCUSSION OF THE BOARD INCLUDING ANY DIRECTION TO STAFF.

   5.a. Discussion regarding the Water Resource Public Survey Results and provide direction to staff.
   Board Memo Regarding True North Research Water Resources Survey Results.pdf
   Casitas MWD Survey Final Report '19 v1T.pdf

6. ADJOURNMENT

MEMORANDUM

TO: Board of Directors

From: Michael L. Flood, General Manager

RE: **Presentation and Discussion of True North Research Water Resources Survey Results**

Date: October 14, 2019

RECOMMENDATION:

The Board of Directors discuss and provide direction to staff.

BACKGROUND:

District staff along with the members of the Ad-Hoc Public Relations Committee have discussed the possibility of a bond measure in relation to funding the design and construction of alternative water supply projects.

Dr. Tim McLarney of True North Research, Inc. was awarded a contract to design and conduct a survey of the residents within the District's boundaries which was conducted in September of this year.

True North Research, Inc. presented the 'top-line' results to the Ad-Hoc Committee Public Relations Committee on October 3, 2019.

The Ad-Hoc Public Relations Committee asked that the survey results be presented to the Board of Directors at a special meeting dedicated to the review and discussion of the results.

DISCUSSSION:

Subsequent to the award of the contract to True North Research, Inc., District staff and the Ad-Hoc Public Relations Committee discussed the various aspects of the survey questionnaire including:

- Possible bond measure language including a proposed total amount of the bond.
- Various aspects of the District's water supply status.
- Details of the District's Water Security projects.
- Calculation of the tax impact on the average assessed value.

The Ad-Hoc Public Relations Committee recommended that the results of the survey be brought to the Board of Directors for consideration.

Dr. McLarney is expected to be in attendance for the meeting, will provide a presentation and answer questions.

Bond Measure Feasibility Survey
Summary Report

prepared for the
Casitas Municipal Water District

September 24, 2019

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INTRODUCTION

The Casitas Municipal Water District supplies water to approximately 70,000 people in Western Ventura County and to hundreds of farms and local businesses. The District boundaries encompass the City of Ojai, Upper Ojai, the Ventura River Valley area, the City of Ventura to Mills Road, and the Rincon and beach area to the ocean and Santa Barbara County line. The District's mission is to provide its customers with safe and reliable locally and regionally developed water and recreational opportunities in an environmentally and economically responsible manner.

Like many water districts in California, water *reliability* has become a central concern for the District and its customers. The District currently depends on a single source of water—Lake Casitas—which after years of drought reached its lowest levels ever recorded in 2019. Experts forecast that the Lake will dry-up completely in the next six years if California returns to drought conditions. Moreover, even without a return to drought, being dependent on a single source of water is risky as a major earthquake, pipeline failure, or contamination could cut-off the area's water supply.

Because having reliable sources of water is critically important to maintaining the local economy, creating jobs, maintaining property values, and protecting the overall quality of life in the region, the District is seeking to improve water reliability by developing new local water sources and constructing the infrastructure needed to import water from to the State Water Project. Doing so, however, will require the financial support of the communities it serves through the passage of a local bond measure.

MOTIVATION FOR RESEARCH The primary purpose of this study was to produce an unbiased, statistically reliable evaluation of voters' interest in supporting a local bond measure to build the pipelines, pump stations, wells, and water treatment facilities needed to improve customers' access to safe, high quality water and improve the reliability of water supplies. Additionally, should the District decide to move forward with a bond measure, the survey data provide guidance as to how to structure a measure so that it is consistent with the community's priorities and expressed needs. Specifically, the survey was designed to:

- Gauge current, baseline support for a local bond measure to fund the projects needed to improve water reliability,
- Identify the types of projects that voters are most interested in funding, should the measure pass,
- Expose voters to arguments in favor of—and against—the proposed bond measure to gauge how information affects support for the measure, *and*
- Estimate support for the measure once voters are presented with the types of information they will likely be exposed to during the election cycle.

It is important to note at the outset that voters' opinions about tax measures are often somewhat fluid, especially when the amount of information they initially have about a measure is limited. How voters think and feel about a measure today may not be the same way they think and feel once they have had a chance to hear more information about the measure in the months leading up to election day. Accordingly, to accurately assess the feasibility of passing a bond measure, it was important that in addition to measuring *current* opinions about the measure

(Question 2), the survey expose respondents to the types of information voters are likely to encounter in future months—including arguments in favor of (Question 8) and opposed to (Question 10) the measure—and gauge how this information ultimately impacts their voting decision (Questions 9 & 11).

OVERVIEW OF METHODOLOGY For a full discussion of the research methods and techniques used in this study, turn to *Methodology* on page 33. In brief, the survey was administered to a random sample of 654 registered voters in the Casitas Municipal Water District who are likely to participate in the November 2020 election, with a subset who are also likely to participate in the lower turnout March 2020 primary election. The survey followed a mixed-method design that employed multiple recruiting methods (telephone and email) and multiple data collection methods (telephone and online). Administered between September 10 and September 17, 2019, the average interview lasted 16 minutes.

ORGANIZATION OF REPORT This report is designed to meet the needs of readers who prefer a summary of the findings as well as those who are interested in the details of the results. For those who seek an overview of the findings, the sections titled *Just the Facts* and *Conclusions* are for you. They provide a summary of the most important factual findings of the survey in bullet-point format and a discussion of their implications. For the interested reader, this section is followed by a more detailed question-by-question discussion of the results from the survey by topic area (see *Table of Contents*), as well as a description of the methodology employed for collecting and analyzing the data. And, for the truly ambitious reader, the questionnaire used for the interviews is contained at the back of this report (see *Questionnaire & Toplines* on page 36) and a complete set of crosstabulations for the survey results is contained in Appendix A.

ACKNOWLEDGMENTS True North thanks the Casitas Municipal Water District for the opportunity to assist in this important effort. The collective expertise, local knowledge, and insight provided by District staff and representatives improved the overall quality of the research presented here.

DISCLAIMER The statements and conclusions in this report are those of the authors (Dr. Timothy McLarney and Richard Sarles) at True North Research, Inc. and not necessarily those of the District. Any errors and omissions are the responsibility of the authors.

ABOUT TRUE NORTH True North is a full-service survey research firm that is dedicated to providing public agencies with a clear understanding of the values, perceptions, priorities, and concerns of their residents and voters. Through designing and implementing scientific surveys, focus groups, and one-on-one interviews, as well as expert interpretation of the findings, True North helps its clients to move with confidence when making strategic decisions in a variety of areas—such as planning, policy evaluation, performance management, establishing fiscal priorities, passing revenue measures, and developing effective public information campaigns.

During their careers, Dr. McLarney and Mr. Sarles have designed and conducted over 1,000 survey research studies for public agencies, including more than 350 revenue measure feasibility studies. Of the measures that have gone to ballot based on Dr. McLarney's recommendation,

more than 97% have been successful. In total, the research that Dr. McLarney has conducted has led to over $32 billion in voter-approved local revenue measures.

JUST THE FACTS

The following section is an outline of the main factual findings from the survey. For the reader's convenience, we have organized the findings according to the section titles used in the body of this report. Thus, to learn more about a particular finding, simply turn to the appropriate report section.

IMPORTANCE OF ISSUES

- When asked to rate the importance of eight issues, having a reliable supply of drinking water received the highest percentage of respondents indicating that the issue was either extremely or very important (97%), followed by being prepared for natural disasters and other emergencies (86%), and improving the quality of education in local public schools (79%).
- Given the purpose of this study, it is instructive to note that preventing local tax increases (52%) was rated much lower in importance than having a reliable supply of drinking water (97%).

INITIAL BALLOT TEST

- With only the information provided in the ballot language, 60% of likely November 2020 voters surveyed indicated that they would support the proposed $164 million bond, whereas 18% stated that they would oppose the measure, and 22% were unsure or unwilling to share their vote choice.
- Among the minority of voters who initially opposed the bond measure (or were unsure), the most frequently mentioned specific reasons for their position were a need for more information was (38%), a belief that taxes are already too high (15%), and no particular reason (13%).

TAX THRESHOLD

- At the highest tax rate tested ($60 per $100,000 of assessed valuation), 47% of voters indicated that they would support the bond. Incremental reductions in the tax rate resulted in incremental increases in support for the measure, with 61% of voters indicating that they would support the bond at the lowest tax rate tested ($27 per $100,000 of assessed valuation).
- When the highest tax rate of $60 per $100,000 of assessed valuation was translated to an annual cost for the median home owner (approximately $342 per year), 44% of those surveyed indicated that they would support the bond.
- When the lowest tax rate of $27 per $100,000 of assessed valuation was translated to an annual cost for the median home owner ($154 per year), 56% of those surveyed indicated that they would support the bond.

PROJECTS & IMPROVEMENTS

Presented with a list of six projects and improvements that could be funded by the bond, voters were most interested in using the money to:

- Replace aging pipes and infrastructure to reduce leaks, avoid service interruptions, and improve system performance.
- Pump water into Lake Casitas to store for future use.

- Upgrade water testing and treatment facilities

POSITIVE ARGUMENTS

When presented with arguments in favor of the measure, voters found the following arguments to be the most persuasive overall:

- *Being dependent on a single source of water is risky. A major earthquake, pipeline failure, or contamination could cut-off our water supply. This measure will ensure we have access to multiple sources of safe, clean drinking water.*
- *Having reliable sources of water is critically important to maintaining our local economy, creating jobs, maintaining property values, and protecting our overall quality of life. We need to support this measure.*
- *With climate change, experts agree that we can expect drier winters, warmer summers, and longer periods of drought in the future. This measure will expand our access to water so we are prepared for the future.*

INTERIM BALLOT TEST

- After presenting respondents with the wording of the proposed measure, potential tax rates associated with the bond, projects and improvements that could be funded, as well as positive arguments voters may encounter, overall support for the measure among likely November 2020 voters remained steady at 60%, with 27% of voters indicating that they would *definitely* vote yes. Approximately 26% of respondents opposed the measure at this point in the survey, and an additional 14% were unsure or unwilling to state their vote choice.

NEGATIVE ARGUMENTS

Of the arguments in opposition to the measure, voters found the following to be the most persuasive:

- *Don't be fooled. Including interest, this bond will cost taxpayers nearly 270 million dollars and will take property owners 40 years to pay off.*
- *People are having a hard time making ends meet with the high cost of living - especially seniors and those on fixed incomes. Now is NOT the time to be raising taxes.*
- *This measure isn't fair. It charges some property owners a lot more than others, even though they use about the same amount of water.*

FINAL BALLOT TEST

- After presenting the wording of the proposed measure, potential tax rates, projects that could be funded, as well as arguments in favor of and against the proposal, support for the bond measure was found among 58% of likely November 2020 voters, with 27% indicating that they would *definitely* support the measure. Approximately 29% of respondents opposed the measure at the Final Ballot Test, and 13% were unsure or unwilling to state their vote choice.

OPINIONS OF CASITAS MWD

- Most voters expressed being at least somewhat familiar with Casitas Municipal Water District, with 25% being very familiar and 39% somewhat familiar. An additional 24% indicated they were just slightly familiar with the District, whereas 10% confided they were not at all familiar with the District and 2% were unsure or unwilling to answer the question.
- When asked whether they were satisfied or dissatisfied with the job the District is doing to provide water services to their household, nearly three-quarters of voters indicated they were either very (30%) or somewhat satisfied (44%). Approximately 17% offered that they were generally dissatisfied with the District's performance, and 8% were unsure or unwilling to share their opinion.
- When those dissatisfied with the District's performance were asked in an open-ended manner to describe the particular reason for their dissatisfaction, the most common responses were references to poor planning/missed opportunities in the past to address water reliability (23%), poor quality/taste/color/smell to the water they receive (18%), and the high cost of water bills (15%).

Conclusions

The bulk of this report is devoted to conveying the details of the study findings. In this section, however, we attempt to 'see the forest through the trees' and note how the collective results of the survey answer the key questions that motivated the research. The following conclusions are based on True North's interpretations of the survey results and the firm's collective experience conducting revenue measure studies for public agencies throughout the State.

Is a bond measure feasible for 2020?

Voters in the Casitas Municipal Water District consider having a reliable supply of drinking water and being prepared for emergencies and natural disasters to be the two *most* important issues facing the community—more important than improving the quality of education in local schools, maintaining local streets and roads, preventing local tax increases, and other benchmark issues. When it comes to funding the pipelines, pump stations, wells and water treatment facilities needed to improve water reliability for the area, however, voters' current interest in these improvements is somewhat in tension with their sensitivity to raising local taxes.

Although voter support for the proposed bond in the current environment falls short of the two-thirds threshold required for passage, the results of this survey indicate that a bond *may* be feasible for a 2020 ballot provided that it is kept affordable *and* accompanied by robust community/opinion leader engagement, education, and communication (more on this below).

Having stated that a bond measure may be feasible, it is important to note that the bond's prospects will be shaped by external factors and that all revenue measures must overcome challenges prior to being successful. The proposed measure is no exception. With this in mind, we recommend that the District expand the conversation with the community regarding the water reliability challenges facing the area and solutions to be funded by a bond, proceed with March 2020 in mind, but take the pulse of the community in the fall (after community outreach and education) before making an official decision to place a bond on the ballot.

How does the election date affect support for the proposed measure?

Different election dates have different turnouts, different electorates, and—by extension—different opportunities and challenges. When compared to the November 2020 election, for example, the March 2020 election is expected to have lower turnout and a somewhat different demographic profile among participating voters. In some communities, these differences translate to substantially different levels of support for a bond measure.

The survey results indicate that the March 2020 electorate is somewhat more supportive of the proposed bond measure when compared to the larger November 2020 electorate. Whereas support for the bond among likely November 2020 voters ranged between 58% and 60% at the ballot tests, support for the bond ranged between 62% and 64% among likely March 2020 voters.

Of course, the support expressed for the bond in the survey is just one factor to be considered when selecting an election date. Other factors include the number and types of other measures that may share the ballot, the general tone and volume of 'noise' associated with each election environment, the time available to engage and communicate with local voters, and the ability of an independent campaign to form, raise funds, and advocate for the measure. On several of these dimensions, the March 2020 election has advantages over the November 2020 date.

Accordingly, our recommendation at this point is for the District to proceed with March 2020 as the target election and move forward aggressively with planning, outreach, and communications according to a schedule that would allow the District to meet the filing deadline of December 6, 2019.

What projects do voters identify as priorities for a future bond?

One of the goals of this study was to identify voters' preferences with respect to how the proceeds of a successful bond should be spent. This information can be used to ensure that the resulting bond project list and the measure are consistent with voters' priorities.

Voters in the Casitas Municipal Water District see the need for many of the projects and improvements that could be funded by the proposed bond. That said, voters expressed the *greatest* interest in using bond proceeds to replace aging pipes and infrastructure to reduce leaks, avoid service interruptions, and improve system performance, pump water into Lake Casitas to store for future, and upgrade water testing and treatment facilities.

How will the tax rate affect support for the measure?

Naturally, the willingness of voters to support a specific revenue measure is contingent, in part, on the tax rate associated with a measure. The higher the rate, all other things being equal, the lower the level of aggregate support that can be expected. It is important that the rate be set at a level that the necessary proportion of voters view as affordable.

One of the clear patterns in the survey data is that some voters are price sensitive with respect to the proposed bond. A significant percentage of voters who were initially supportive of the $164 million bond later hesitated when presented with the individual tax rates that could be associated with the bond. Although voter sensitivity regarding the "price" of the measure was partially overcome once voters were exposed to addi-

tional information about what the measure would accomplish and why it is needed, it will nevertheless be important to keep the overall bond amount and tax rate within voters' comfort zone.

True North will work closely with the District in the coming months to select a tax rate and bond amount that best balances the District's need for revenue with the political challenges associated with passing a bond measure.

How might a public information campaign affect support for the proposed measure?

As noted in the body of this report, individuals' opinions about revenue measures are often not rigid, especially when the amount of information presented to the public on a measure has been limited. Thus, in addition to measuring current support for the measure, one of the goals of this study was to explore how the introduction of additional information about the measure may affect voters' opinions about the bond.

It is clear from the survey results that voters' opinions about the proposed bond measure are sensitive to the nature—and amount—of information that they have about the measure. Information about the specific improvements that could be funded by the bond, as well as arguments in favor of the measure, were found by many voters to be compelling reasons to support the measure. However, voters were also sensitive to opposition arguments designed to reduce support for the bond. Accordingly, one of the keys to building and sustaining support for the bond measure will be the presence of an effective, well-organized public outreach effort, as well as an independent campaign that focuses on the need for the measure as well as the many benefits that it will bring.

Should the District keep a close eye on Senate Bill 268?

Yes. In 2018, Assembly Bill 195 (AB 195) changed the rules regarding how bond ballot statements are to be worded. In addition to stating the bond amount, AB 195 required that the ballot language also include the tax rate, the amount to be raised annually, and the duration of the tax in the 75-word ballot statement. Quantitative and qualitative research over the past 18 months with voters throughout California make it clear that AB 195-compliant ballot language serves to confuse, rather than clarify, the nature of a bond proposal. Voters often do not understand the tax rate information as AB 195 requires it to be stated, failing to react to higher/lower tax rates in a sensible manner. AB 195 ballot language also typically results in a comparatively high percentage of respondents who are uncertain when asked whether they would vote yes or no on the proposed measure. The uncertainty and confusion created by AB 195 ballot statements generally serves to depress support for bond measures for the simple reason that voters are reluctant to support proposals that they don't understand.

Recognizing the above, the California Legislature recently passed legislation (SB 268) that would change the ballot statement requirements for general obligation bonds. Instead of including the tax rate, duration and amount raised annually within the 75 word ballot statement, the new language would refer the reader to the voter guide for tax rate information (where it can be explained thoroughly). SB 268 currently sits on the Governor's desk, awaiting his signature.

The survey described in this report used AB 195-compliant ballot language at each of the ballot tests. If SB 268 is signed into law, it is likely that the corresponding changes to the bond ballot language will result in a somewhat more favorable response from voters.

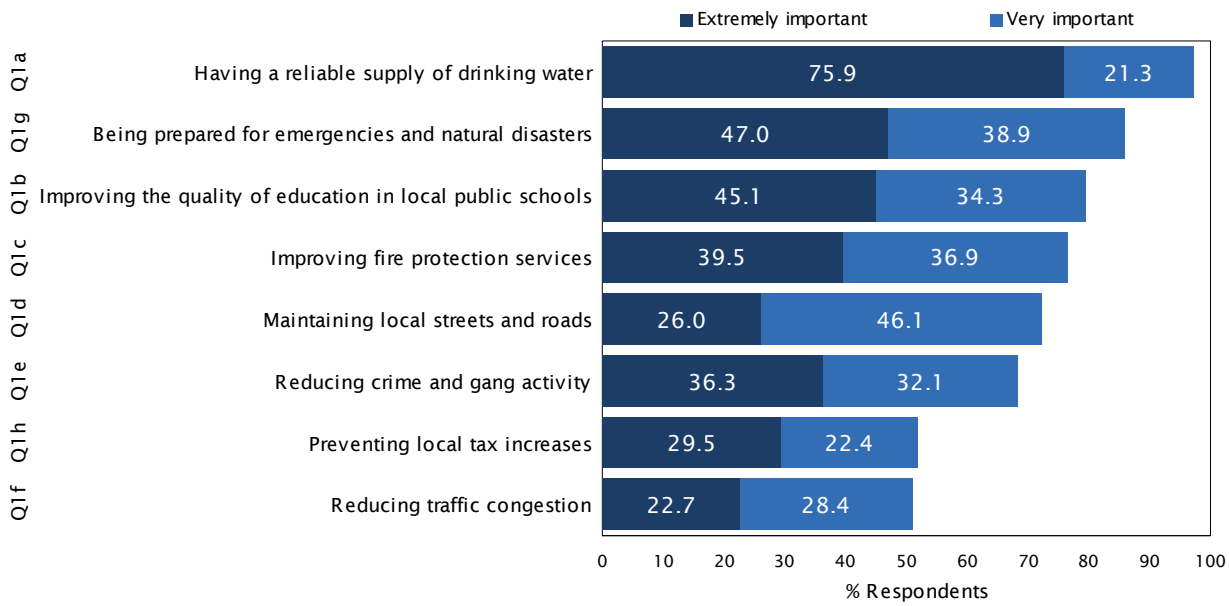
Importance of Issues

The first substantive question of the survey presented respondents with several issues facing residents in the District and asked them to rate the importance of each issue. Because the same response scale was used for each issue, the results provide an insight into how important each issue is on a scale of importance *as well as* how each issue ranks in importance relative to the other issues tested. To avoid a systematic position bias, the order in which the issues were presented was randomized for each respondent.

Figure 1 presents the issues tested, as well as the importance assigned to each by survey participants, sorted by order of importance.[1] Overall, having a reliable supply of drinking water received the highest percentage of respondents indicating that the issue was either extremely or very important (97%), followed by being prepared for natural disasters and other emergencies (86%), and improving the quality of education in local public schools (79%). Given the purpose of this study, it is instructive to note that preventing local tax increases (52%) was rated much lower in importance than having a reliable supply of drinking water (97%).

Question 1 *To begin, I'm going to read a list of issues facing your community and for each one, please tell me how important you feel the issue is to you, using a scale of extremely important, very important, somewhat important or not at all important.*

Figure 1 Importance of Issues



1. Issues were ranked based on the percentage of respondents who indicated that the issue was either *extremely* important or *very* important.

Initial Ballot Test

The primary research objective of this survey was to estimate voters' support for a bond measure that would raise up to $164 million to construct pipelines, pump stations, wells, and water treatment facilities needed to import water from the State Water Project and develop new local water sources, increase our access to safe, high-quality water, and improve the reliability of local water supplies during drought periods. To this end, Question 2 was designed to take an early assessment of support for the proposed measure.

The motivation for placing Question 2 near the front of the survey is twofold. First, voter support for a measure can often depend on the amount of information they have about a measure. At this point in the survey, the respondent has not been provided information about the proposed measure beyond what is presented in the ballot language. This situation is analogous to a voter casting a ballot with limited knowledge about the measure, such as what might occur in the absence of an effective education campaign. Question 2, also known as the Initial Ballot Test, is thus a good measure of voter support for the proposed measure *as it is today*, on the natural. Because the Initial Ballot Test provides a gauge of natural support for the measure, it also serves a second purpose in that it provides a useful baseline from which to judge the impact of various information items conveyed later in the survey on voter support for the measure.

Question 2 *Next year, voters in your area may be asked to vote on a local ballot measure. Let me read you a summary of the measure. In order to construct pipelines, pump stations, wells, and water treatment facilities needed to import water from the State Water Project and develop new local water sources; increase our access to safe, high-quality water; and improve the reliability of local water supplies during drought periods; shall the Casitas Municipal Water District measure authorizing 164 million dollars in bonds at legal rates be adopted, levying 6 cents per $100 assessed value ($6 million annually) while bonds are outstanding, with independent audits and all money staying local? If the election were held today, would you vote yes or no on this measure?*

Figure 2 Initial Ballot Test

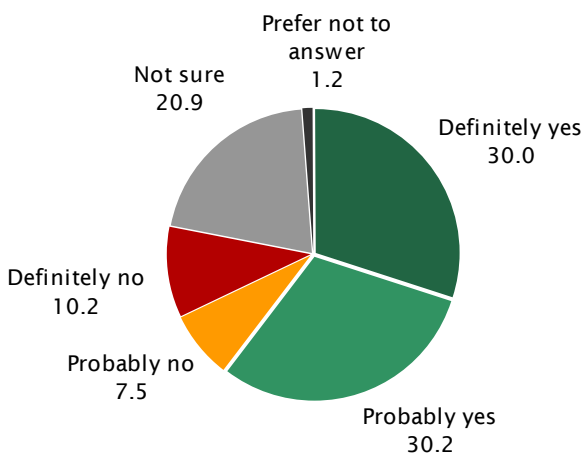


Figure 2 presents the results of the Initial Ballot Test among all respondents. Overall, 60% of likely November 2020 voters surveyed indicated that they would support the proposed $164 million bond, whereas 18% stated that they would oppose the measure, and 22% were unsure or unwilling to share their vote choice. For a general obligation bond in California, support at the Initial Ballot Test was approximately seven percentage points below the two-thirds support level required for the measure to pass.

SUPPORT BY SUBGROUPS For the interested reader, Table 1 shows how support for the measure at the Initial Ballot Test varied by key demographic traits. The blue column (Approximate % of Likely Voter Universe) indicates the percentage of the electorate that each subgroup category comprises. Initial support for the proposed bond measure varied substantially across voter subgroups, with the largest differences found among partisan subgroups and by voting propensity. It is worth noting that support for the bond was 4% higher among the subset of voters who are likely to participate in the March 2020 primary election (64%).

TABLE 1 DEMOGRAPHIC BREAKDOWN OF SUPPORT AT INITIAL BALLOT TEST

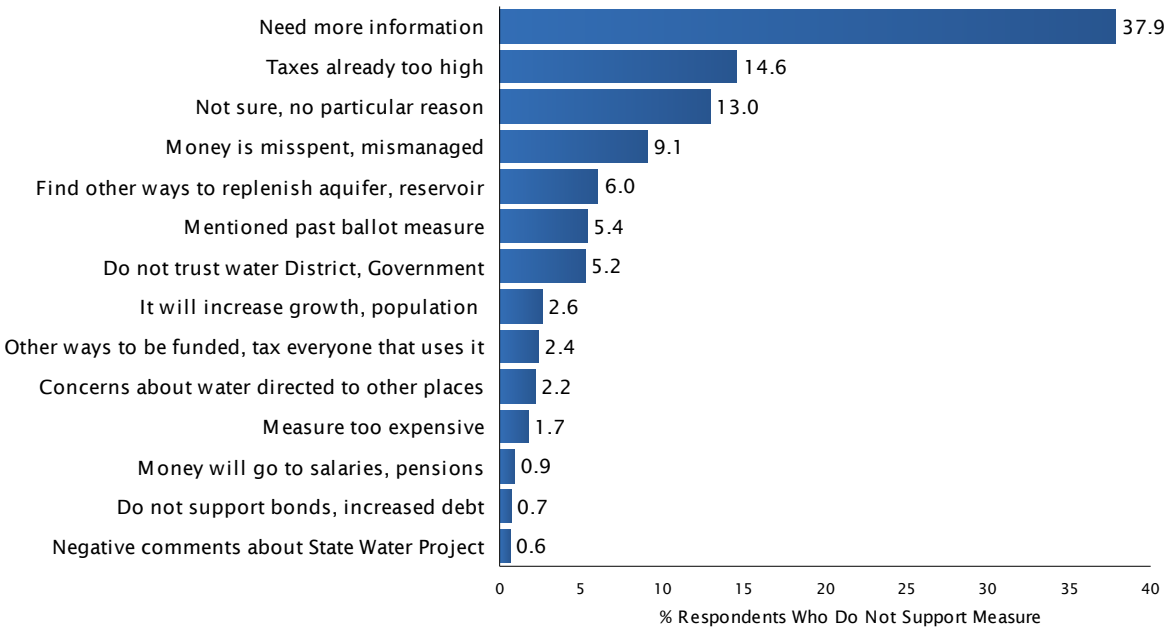
		Approximate % of Voter Universe	% Probably or Definitely Yes	% Not sure
Overall		100	60.2	20.9
Familiarity With District (Q12)	Very	29	55.8	8.7
	Somewhat	45	65.3	20.5
	Slightly, not at all	27	60.8	28.4
Age	18 to 29	11	58.9	22.5
	30 to 39	14	50.1	29.1
	40 to 49	14	51.4	35.5
	50 to 64	32	61.4	19.2
	65 or older	29	68.3	11.5
Party	Democrat	47	62.8	22.8
	Republican	23	49.9	19.0
	Other / DTS	30	64.3	19.3
Household Party Type	Single dem	28	58.6	25.9
	Dual dem	11	70.6	18.2
	Single rep	10	56.1	17.4
	Dual rep	7	50.2	19.2
	Other	22	63.7	22.1
	Mixed	21	58.3	16.4
Registration or Re-Reg Year	2019 to 2016	20	65.7	22.8
	2015 to 2008	16	60.1	17.6
	Before 2008	64	58.6	21.1
Homeowner on Voter File	Yes	53	62.1	17.8
	No	47	58.2	24.3
Likely to Vote by Mail	Yes	75	63.6	20.1
	No	25	50.2	23.2
Likely Nov 2019 Voter	Yes	63	65.9	13.9
	No	37	50.5	32.8
Overall Satisfaction With District (Q13)	Satisfied	81	63.4	21.0
	Dissatisfied	19	50.5	14.0
Awareness of Lake Casitas Water Level (Q15)	Yes	89	60.5	21.1
	No	11	60.2	23.3
Likely Mar 2020 Voter	Yes	82	64.3	16.6
	No	18	41.7	40.3
Gender	Male	50	63.9	12.7
	Female	50	59.9	27.0

REASONS FOR NOT SUPPORTING MEASURE Respondents who did not support the measure at Question 2 were asked if there was a particular reason for their position. Question 3 was posed in an open-ended manner, allowing respondents to mention any reason that came to mind without being prompted by, or restricted to, a particular list of options. True North later reviewed the verbatim responses and grouped them into the categories shown in Figure 3 below.

Among the specific reasons offered for not supporting the measure, a need for more information was by far the most common response (38%), followed by a belief that taxes are already too high (15%), and no particular reason (13%).

Question 3 *Is there a particular reason why you do not support or are unsure about the measure I just described?*

FIGURE 3 REASONS FOR NOT SUPPORTING MEASURE



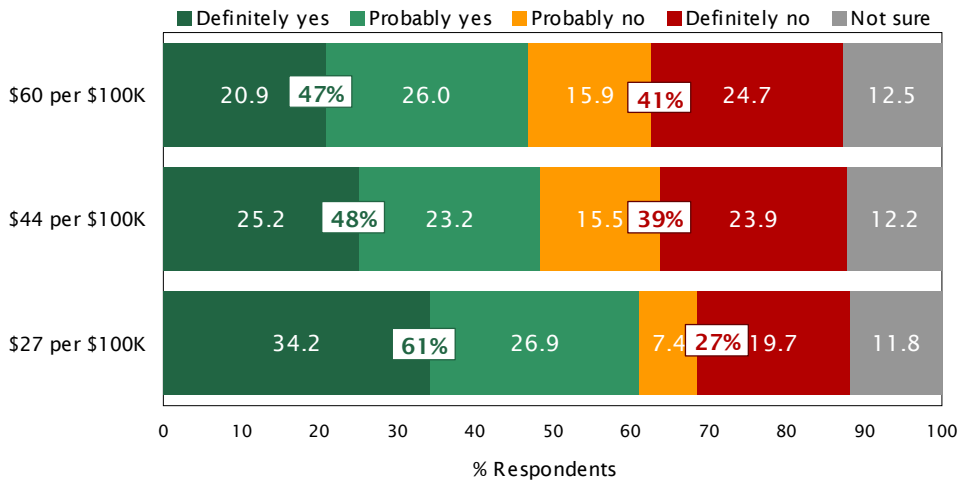
Tax Threshold

Naturally, voter support for a revenue measure is often contingent on the cost of the measure. The higher the tax rate, all other things being equal, the less likely a voter is to support the measure. One of the goals of this study was thus to gauge the impact that changes in the tax rate can be expected to have on voter support for the proposed bond measure.

Questions 4, 5, and 6 were designed to do just that. Respondents were first instructed that the amount each home owner will pay if the measure passes depends on the *assessed* value of their home—not the market value. Voters were then presented with the highest tax rate ($60 per $100,000 assessed valuation) and asked if they would support the proposed measure at that rate. If a respondent did not answer 'definitely yes', they were asked whether they would support the measure at the next lowest tax rate. The three tax rates tested using this methodology and the percentage of respondents who indicated they would vote in favor of the measure at each rate are shown in Figure 4.

Question 4 *The amount each property owner will pay if the bond passes depends on the assessed value of their home - not the current market value of the home. If you heard that the annual property taxes on your home would increase: _____ per 100,000 dollars of assessed valuation, would you vote yes or no on the bond measure?*

Figure 4 Tax Threshold



The most obvious pattern revealed in Figure 4 is that some voters are price sensitive when it comes to their support for the proposed bond measure. As the cost of the measure to their household increases, support for the bond decreases. At the highest tax rate tested ($60 per $100,000 of assessed valuation), 47% of voters indicated that they would support the bond. Incremental reductions in the tax rate resulted in incremental increases in support for the measure, with 61% of voters indicating that they would support the bond at the lowest tax rate tested ($27 per $100,000 of assessed valuation).

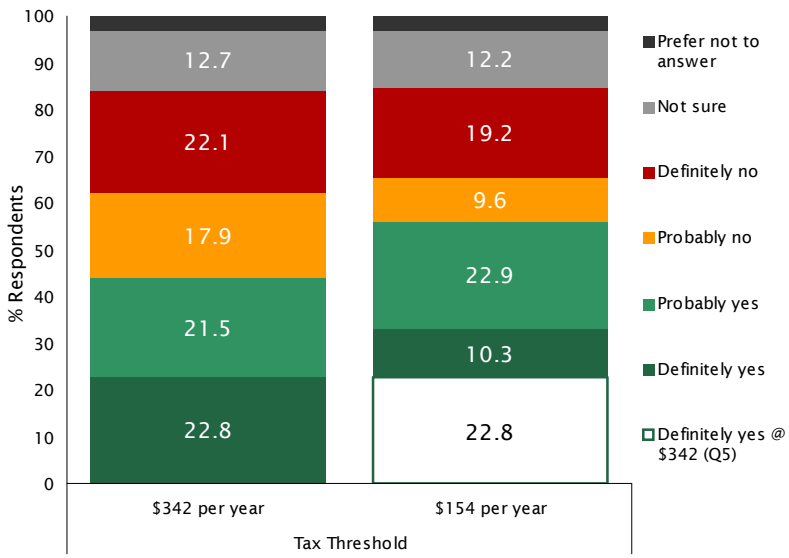
ANNUALIZED IMPACT FOR MEDIAN HOME OWNER Because voters occasionally overestimate their current assessed valuation and/or have difficulty translating the tax rate into an annualized total, the survey also tested a different approach for conveying the tax rate information. In addition to presenting rates as described above, voters were also provided with the total annual cost of the bond for the median homeowner (see questions 5 and 6) based on the $60 and $27 tax rates tested in Question 4. The results are presented below in Figure 5.

Interestingly, voters responded less positively when the cost of the measure was expressed as an annual total for the median home owner when compared with a rate per $100,000 of assessed valuation. At the highest tax rate tested ($60 per $100,000 of assessed valuation), 47% of voters indicated that they would support the proposed bond measure. When that rate was translated to an annual cost for the median home owner (approximately $342 per year), 44% of those surveyed indicated that they would support the bond. Following a similar pattern, when the tax rate of $27 per $100,000 AV (61%) was translated to an annual total of $154 for the median home owner, support was somewhat lower (56%).

Question 5 *Let me put it another way: If you knew that this measure would cost the typical home owner about $342 per year, would you vote yes or no on the measure?*

Question 6 *If you knew that this measure would cost the typical home owner about $154 per year, would you vote yes or no on the measure?*

FIGURE 5 SUPPORT FOR MEASURE AT RATES OF $342 & $154 PER YEAR FOR MEDIAN HOME OWNER



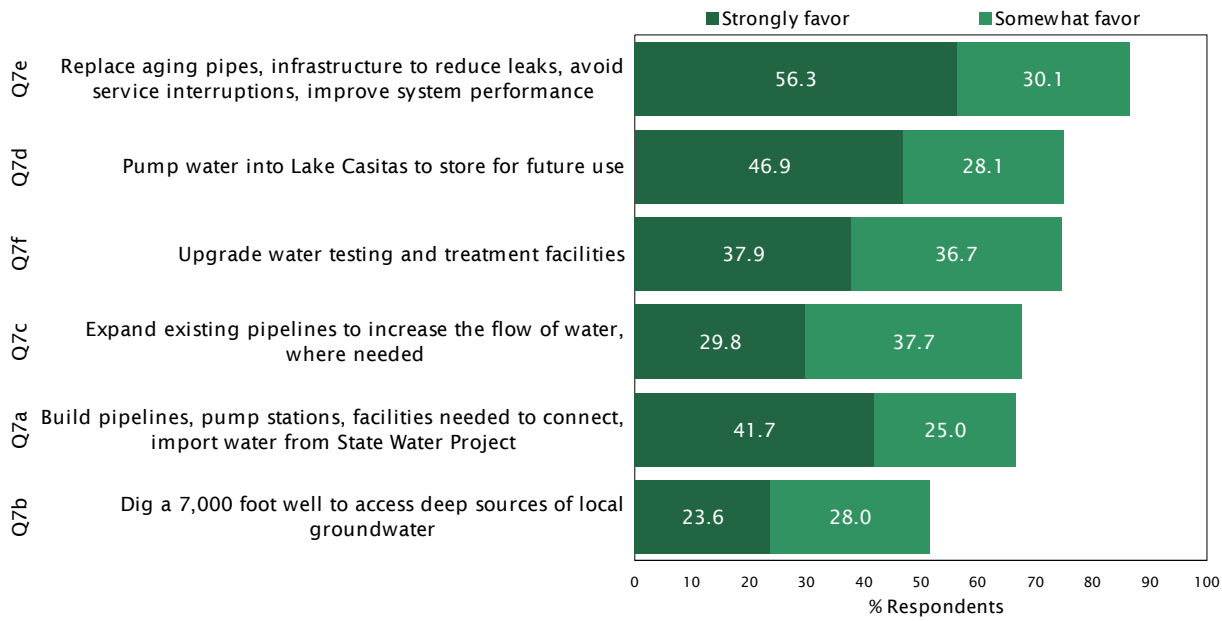
PROJECTS & IMPROVEMENTS

The ballot language presented in Question 7 indicated that the proposed bond measure would be used to construct pipelines, pump stations, wells, and water treatment facilities needed to import water from the State Water Project and develop new local water sources, increase our access to safe, high-quality water, and improve the reliability of local water supplies during drought periods. The purpose of Question 7 was to provide respondents with the full range of projects that may be funded by the proposed measure, as well as identify which of these improvements voters most favored funding with bond proceeds.

After reading each improvement that may be funded by the measure, respondents were asked if they would favor or oppose spending some of the money on that particular improvement assuming that the measure passes. Descriptions of the improvements tested, as well as voters' responses, are shown in Figure 6 below.[2]

Question 7 *The measure we've been discussing would provide funding for a variety of water projects and improvements. If the measure passes, would you favor or oppose using some of the money to: _____, or do you not have an opinion?*

FIGURE 6 PROJECTS & IMPROVEMENTS



Overall, the improvements that resonated with the *largest* percentage of voters were replacing aging pipes and infrastructure to reduce leaks, avoid service interruptions, and improve system performance (86% strongly or somewhat favor), pumping water into Lake Casitas to store for future use (75%), and upgrading water testing and treatment facilities (75%).

2. For the full text of the improvements tested, turn to Question 7 in *Questionnaire & Toplines* on page 36.

PROJECT RATINGS BY INITIAL SUPPORT Table 2 presents the top five projects (showing the percentage of respondents who *strongly* favor each) by position at the Initial Ballot Test. Not surprisingly, individuals who initially opposed the measure were generally less likely to favor spending money on a given project or improvement when compared with supporters. Nevertheless, initial supporters, opponents, and the undecided were in agreement on two of the top three priorities for funding.

TABLE 2 TOP PROJECTS & IMPROVEMENTS BY POSITION AT INITIAL BALLOT TEST

Position at Initial Ballot Test (Q2)	Item	Project or Improvement Summary	% Strongly Favor
Probably or Definitely **Yes** (*n* = 394)	Q7e	Replace aging pipes, infrastructure to reduce leaks, avoid service interruptions, improve system performance	66
	Q7d	Pump water into Lake Casitas to store for future use	58
	Q7a	Build pipelines, pump stations, facilities needed to connect, import water from State Water Project	56
	Q7f	Upgrade water testing and treatment facilities	46
	Q7c	Expand existing pipelines to increase the flow of water, where needed	38
Probably or Definitely **No** (*n* = 116)	Q7e	Replace aging pipes, infrastructure to reduce leaks, avoid service interruptions, improve system performance	36
	Q7d	Pump water into Lake Casitas to store for future use	27
	Q7f	Upgrade water testing and treatment facilities	21
	Q7a	Build pipelines, pump stations, facilities needed to connect, import water from State Water Project	20
	Q7c	Expand existing pipelines to increase the flow of water, where needed	15
Not Sure (*n* = 136)	Q7e	Replace aging pipes, infrastructure to reduce leaks, avoid service interruptions, improve system performance	47
	Q7d	Pump water into Lake Casitas to store for future use	33
	Q7f	Upgrade water testing and treatment facilities	29
	Q7a	Build pipelines, pump stations, facilities needed to connect, import water from State Water Project	22
	Q7c	Expand existing pipelines to increase the flow of water, where needed	18

Positive Arguments

If the Board chooses to place a bond measure on an upcoming ballot, voters will be exposed to various arguments about the bond in the ensuing months. Proponents of the measure will present arguments to try to persuade voters to support a measure, just as opponents may present arguments to achieve the opposite goal. For this study to be a reliable gauge of voter support for the proposed bond measure, it is important that the survey simulate the type of discussion and debate that will occur prior to the vote taking place and identify how this information ultimately shapes voters' opinions about the bond.

The objective of Question 8 was thus to present respondents with arguments in favor of the proposed measure and identify whether they felt the arguments were convincing reasons to support it. Arguments in opposition to the measure were also presented and are discussed later in this report (see *Negative Arguments* on page 24). Within each series, specific arguments were administered in random order to avoid a systematic position bias.

Question 8 *What I'd like to do now is tell you what some people are saying about the measure we've been discussing. Supporters of the measure say: _____. Do you think this is a very convincing, somewhat convincing, or not at all convincing reason to SUPPORT the measure?*

Figure 7 Positive Arguments

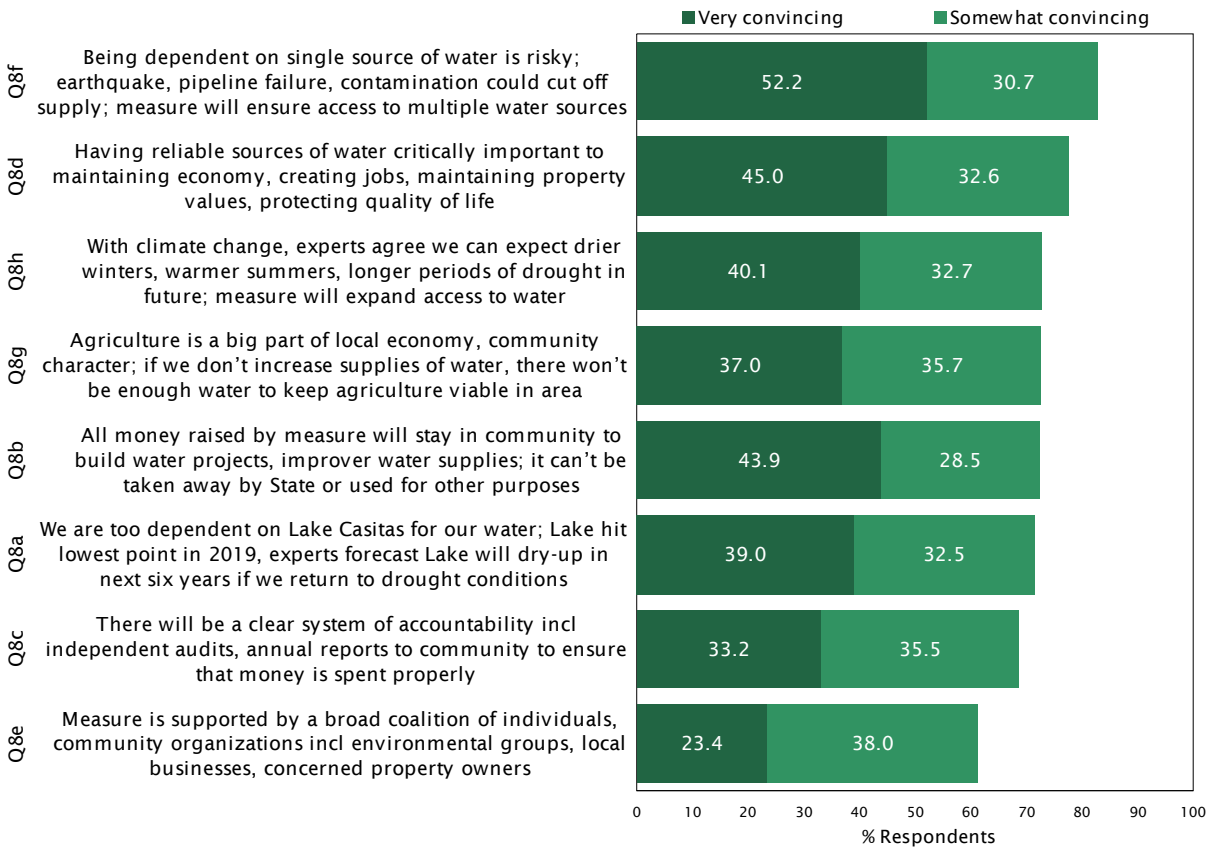


Figure 7 presents the truncated positive arguments tested, as well as voters' reactions to the arguments. The arguments are sorted from most convincing to least convincing based on the percentage of respondents who indicated that the argument was either a 'very convincing' or 'somewhat convincing' reason to support the measure. Using this methodology, the most compelling positive arguments were: *Being dependent on a single source of water is risky. A major earthquake, pipeline failure, or contamination could cut-off our water supply. This measure will ensure we have access to multiple sources of safe, clean drinking water* (83% very or somewhat convincing), *Having reliable sources of water is critically important to maintaining our local economy, creating jobs, maintaining property values, and protecting our overall quality of life. We need to support this measure* (78%), and *With climate change, experts agree that we can expect drier winters, warmer summers, and longer periods of drought in the future. This measure will expand our access to water so we are prepared for the future* (73%).

POSITIVE ARGUMENTS BY INITIAL SUPPORT Table 3 on the next page lists the top five most convincing positive arguments (showing the percentage of respondents who cited it as *very* convincing) according to respondents' vote choice at the Initial Ballot Test. The most striking pattern in the table is that the positive arguments resonated with a higher percentage of voters who were initially inclined to support the measure when compared with voters who initially opposed the measure or were unsure. Nevertheless, two arguments were ranked among the top five most compelling by all three groups.

TABLE 3 TOP POSITIVE ARGUMENTS BY POSITION AT INITIAL BALLOT TEST

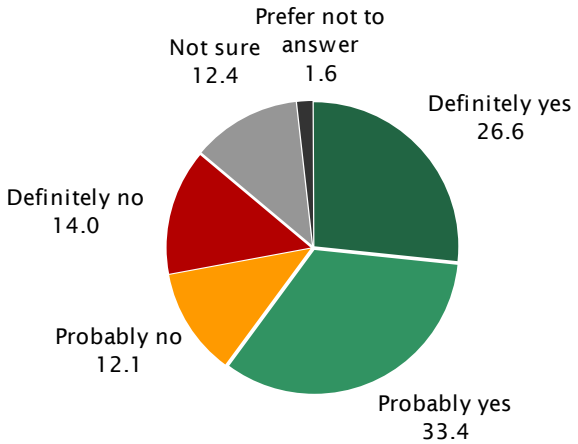
Position at Initial Ballot Test (Q2)	Item	Positive Argument Summary	% Very Convincing
Probably or Definitely **Yes** (*n* = 394)	Q8f	Being dependent on single source of water is risky; earthquake, pipeline failure, contamination could cut off supply; measure will ensure access to multiple water sources	64
	Q8d	Having reliable sources of water critically important to maintaining economy, creating jobs, maintaining property values, protecting quality of life	60
	Q8b	All money raised by measure will stay in community to build water projects, improver water supplies; it can't be taken away by State or used for other purposes	57
	Q8h	With climate change, experts agree we can expect drier winters, warmer summers, longer periods of drought in future; measure will expand access to water	54
	Q8a	We are too dependent on Lake Casitas for our water; Lake hit lowest point in 2019, experts forecast Lake will dry-up in next six years if we return to drought conditions	51
Probably or Definitely **No** (*n* = 116)	Q8f	Being dependent on single source of water is risky; earthquake, pipeline failure, contamination could cut off supply; measure will ensure access to multiple water sources	21
	Q8a	We are too dependent on Lake Casitas for our water; Lake hit lowest point in 2019, experts forecast Lake will dry-up in next six years if we return to drought conditions	17
	Q8c	There will be a clear system of accountability incl independent audits, annual reports to community to ensure that money is spent properly	16
	Q8d	Having reliable sources of water critically important to maintaining economy, creating jobs, maintaining property values, protecting quality of life	15
	Q8g	Agriculture is a big part of local economy, community character; if we don't increase supplies of water, there won't be enough water to keep agriculture viable in area	14
Not Sure (*n* = 136)	Q8f	Being dependent on single source of water is risky; earthquake, pipeline failure, contamination could cut off supply; measure will ensure access to multiple water sources	44
	Q8g	Agriculture is a big part of local economy, community character; if we don't increase supplies of water, there won't be enough water to keep agriculture viable in area	42
	Q8b	All money raised by measure will stay in community to build water projects, improver water supplies; it can't be taken away by State or used for other purposes	33
	Q8d	Having reliable sources of water critically important to maintaining economy, creating jobs, maintaining property values, protecting quality of life	28
	Q8h	With climate change, experts agree we can expect drier winters, warmer summers, longer periods of drought in future; measure will expand access to water	26

Interim Ballot Test

After informing respondents about the potential tax rates associated with the bond, projects and improvements that could be funded, as well as exposing them to positive arguments they may encounter about the bond, the survey again presented voters with the ballot language used previously to gauge how their support for the proposed bond measure may have changed. As shown in Figure 8, overall support for the measure among likely November 2020 voters remained steady at 60%, with 27% of voters indicating that they would *definitely* vote yes. Approximately 26% of respondents opposed the measure at this point in the survey, and an additional 14% were unsure or unwilling to state their vote choice.

Question 9 *Sometimes people change their mind about a measure once they have more information about it. Now that you have heard a bit more about the measure, let me read you a summary of it again. In order to construct pipelines, pump stations, wells, and water treatment facilities needed to import water from the State Water Project and develop new local water sources; increase our access to safe, high-quality water; and improve the reliability of local water supplies during drought periods; shall the Casitas Municipal Water District measure authorizing 164 million dollars in bonds at legal rates be adopted, levying 6 cents per $100 assessed value ($6 million annually) while bonds are outstanding, with independent audits and all money staying local? If the election were held today, would you vote yes or no on this measure?*

Figure 8 Interim Ballot Test



SUPPORT BY SUBGROUPS Table 4 on the next page shows how support for the measure at this point in the survey varied by key voter subgroups, as well as the percentage change in subgroup support when compared with the Initial Ballot Test. Positive differences appear in green, negative differences in red. Support for the bond increased or decreased by modest amounts (5 percentage points or less) between the Initial and Interim Ballot Test for the majority of voter subgroups. The largest net gains in support were exhibited by voters under the age of 50, dual and single Democrat households, females, and those who were not previously aware that Casitas Lake water levels had reached an all-time low in 2019. Higher-propensity voters also remained more supportive of the bond at the Interim Ballot Test, with support among likely March 2020 voters being 63%.

TABLE 4 DEMOGRAPHIC BREAKDOWN OF SUPPORT AT INTERIM BALLOT TEST

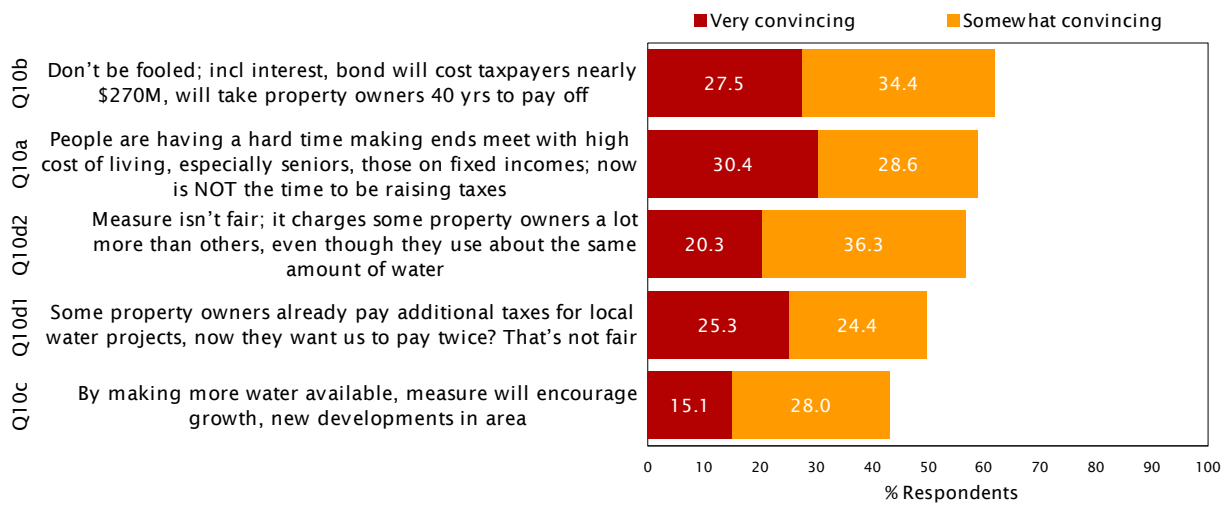
		Approximate % of Voter Universe	% Probably or Definitely Yes	Change From Initial Ballot Test (Q2)
Overall		100	59.9	-0.3
Familiarity With District (Q12)	Very	29	53.9	-1.8
	Somewhat	45	63.1	-2.2
	Slightly, not at all	27	65.3	+4.5
Age	18 to 29	11	66.2	+7.3
	30 to 39	14	58.9	+8.8
	40 to 49	14	58.7	+7.2
	50 to 64	32	56.6	-4.7
	65 or older	29	62.2	-6.1
Party	Democrat	47	67.6	+4.8
	Republican	23	45.4	-4.5
	Other / DTS	30	59.2	-5.1
Household Party Type	Single dem	28	65.9	+7.3
	Dual dem	11	78.8	+8.2
	Single rep	10	54.7	-1.4
	Dual rep	7	39.3	-10.9
	Other	22	59.3	-4.5
	Mixed	21	51.7	-6.6
Registration or Re-Reg Year	2019 to 2016	20	69.8	+4.2
	2015 to 2008	16	63.9	+3.8
	Before 2008	64	55.8	-2.8
Homeowner on Voter File	Yes	53	57.4	-4.7
	No	47	62.8	+4.7
Likely to Vote by Mail	Yes	75	63.2	-0.4
	No	25	50.1	-0.1
Likely Nov 2019 Voter	Yes	63	62.3	-3.6
	No	37	55.8	+5.3
Overall Satisfaction With District (Q13)	Satisfied	81	66.3	+2.9
	Dissatisfied	19	42.5	-8.1
Awareness of Lake Casitas Water Level (Q15)	Yes	89	60.3	-0.2
	No	11	67.3	+7.1
Likely Mar 2020 Voter	Yes	82	63.1	-1.2
	No	18	45.4	+3.7
Gender	Male	50	57.8	-6.1
	Female	50	66.8	+6.9

Negative Arguments

Whereas Question 8 presented respondents with arguments in favor of the measure, Question 10 presented respondents with arguments designed to elicit opposition to the measure. In the case of Question 10, however, respondents were asked if they felt that the argument was a very convincing, somewhat convincing, or not at all convincing reason to *oppose* the measure. The arguments tested, as well as voters' opinions about the arguments, are presented in Figure 9.

Question 10 *Next, let me tell you what opponents of the measure are saying. Opponents of the measure say: _____. Do you think this is a very convincing, somewhat convincing, or not at all convincing reason to OPPOSE the measure?*

Figure 9 Negative Arguments



The most compelling negative arguments tested were: *Don't be fooled. Including interest, this bond will cost taxpayers nearly 270 million dollars and will take property owners 40 years to pay off* (62%), *People are having a hard time making ends meet with the high cost of living - especially seniors and those on fixed incomes. Now is NOT the time to be raising taxes* (59%), and *This measure isn't fair. It charges some property owners a lot more than others, even though they use about the same amount of water* (57%).

NEGATIVE ARGUMENTS BY INITIAL SUPPORT Table 5 on the next page lists the negative arguments (showing the percentage of respondents who cited each as *very* convincing) according to respondents' vote choice at the Initial Ballot Test.

TABLE 5 NEGATIVE ARGUMENTS BY POSITION AT INITIAL BALLOT TEST

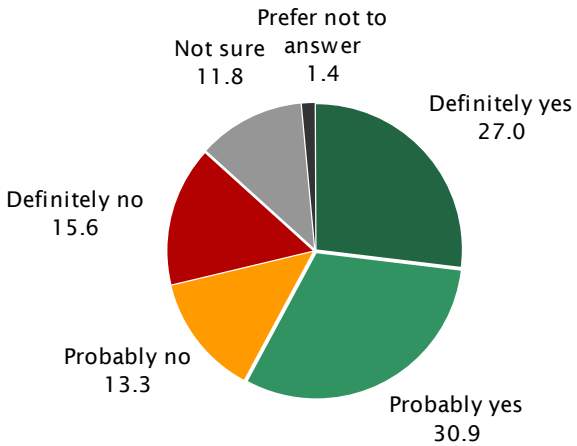
Position at Initial Ballot Test (Q2)	Item	Negative Argument Summary	% Very Convincing
Probably or Definitely **Yes** (*n* = 394)	Q10a	People are having a hard time making ends meet with high cost of living, especially seniors, those on fixed incomes; now is NOT the time to be raising taxes	22
	Q10d1	Some property owners already pay additional taxes for local water projects, now they want us to pay twice? That's not fair	20
	Q10b	Don't be fooled; incl interest, bond will cost taxpayers nearly $270M, will take property owners 40 yrs to pay off	19
	Q10c	By making more water available, measure will encourage growth, new developments in area	13
	Q10d2	Measure isn't fair; it charges some property owners a lot more than others, even thou	12
Probably or Definitely **No** (*n* = 116)	Q10a	People are having a hard time making ends meet with high cost of living, especially seniors, those on fixed incomes; now is NOT the time to be raising taxes	51
	Q10d1	Some property owners already pay additional taxes for local water projects, now they want us to pay twice? That's not fair	47
	Q10b	Don't be fooled; incl interest, bond will cost taxpayers nearly $270M, will take property owners 40 yrs to pay off	46
	Q10d2	Measure isn't fair; it charges some property owners a lot more than others, even though they use about the same amount of water	29
	Q10c	By making more water available, measure will encourage growth, new developments in area	28
Not Sure (*n* = 136)	Q10d2	Measure isn't fair; it charges some property owners a lot more than others, even though they use about the same amount of water	39
	Q10b	Don't be fooled; incl interest, bond will cost taxpayers nearly $270M, will take property owners 40 yrs to pay off	37
	Q10a	People are having a hard time making ends meet with high cost of living, especially seniors, those on fixed incomes; now is NOT the time to be raising taxes	37
	Q10d1	Some property owners already pay additional taxes for local water projects, now they want us to pay twice? That's not fair	18
	Q10c	By making more water available, measure will encourage growth, new developments in area	9

Final Ballot Test

Voters' opinions about ballot measures are often not rigid, especially when the amount of information presented to the public on a measure has been limited. A key goal of the survey was thus to gauge how voters' opinions about the proposed measure may be affected by the information they could encounter during the course of an election cycle. After providing respondents with the wording of the proposed measure, potential tax rates, projects that could be funded, and arguments in favor of and against the proposal, the survey again asked voters whether they would vote 'yes' or 'no' on the proposed water bond measure.

Question 11 *Now that you have heard a bit more about the measure, let me read you a summary of it one more time. In order to construct pipelines, pump stations, wells, and water treatment facilities needed to import water from the State Water Project and develop new local water sources; increase our access to safe, high-quality water; and improve the reliability of local water supplies during drought periods; shall the Casitas Municipal Water District measure authorizing 164 million dollars in bonds at legal rates be adopted, levying 6 cents per $100 assessed value ($6 million annually) while bonds are outstanding, with independent audits and all money staying local? If the election were held today, would you vote yes or no on this measure?*

Figure 10 Final Ballot Test



At this point in the survey, support for the bond measure was found among 58% of likely November 2020 voters, with 27% indicating that they would *definitely* support the measure. Approximately 29% of respondents opposed the measure at the Final Ballot Test, and 13% were unsure or unwilling to state their vote choice. Consistent with the pattern found throughout the survey, support for the bond was somewhat higher (62%) among likely March 2020 voters (see Table 6 on the next page).

Change in Support

Table 6 provides a closer look at how support for the proposed bond measure changed over the course of the interview by calculating the difference in support between the Initial, Interim, and Final Ballot Tests within various subgroups of voters. The percentage of support for the measure at the Final Ballot Test is shown in the column with the heading *% Probably or Definitely Yes*. The columns to the right show the difference between the Final and the Initial, and the Final and Interim Ballot Tests. Positive differences appear in green, and negative differences appear in red.

Table 6 Demographic Breakdown of Support at Final Ballot Test

		Approximate % of Voter Universe	% Probably or Definitely Yes	Change From Initial Ballot Test (Q2)	Change From Interim Ballot Test (Q9)
Overall		100	57.9	-2.3	-2.0
Familiarity With District (Q12)	Very	29	52.3	-3.5	-1.6
	Somewhat	45	59.7	-5.6	-3.4
	Slightly, not at all	27	62.6	+1.8	-2.7
Age	18 to 29	11	66.0	+7.1	-0.2
	30 to 39	14	61.2	+11.1	+2.3
	40 to 49	14	52.7	+1.3	-6.0
	50 to 64	32	54.3	-7.0	-2.3
	65 or older	29	59.6	-8.7	-2.6
Party	Democrat	47	64.8	+2.0	-2.8
	Republican	23	47.3	-2.6	+1.9
	Other / DTS	30	55.3	-9.0	-3.9
Household Party Type	Single dem	28	61.4	+2.8	-4.5
	Dual dem	11	78.1	+7.5	-0.7
	Single rep	10	55.3	-0.8	+0.6
	Dual rep	7	47.1	-3.1	+7.8
	Other	22	54.2	-9.6	-5.1
	Mixed	21	51.1	-7.2	-0.6
Registration or Re-Reg Year	2019 to 2016	20	61.8	-3.9	-8.1
	2015 to 2008	16	69.3	+9.2	+5.4
	Before 2008	64	53.8	-4.8	-2.0
Homeowner on Voter File	Yes	53	55.8	-6.3	-1.6
	No	47	60.3	+2.1	-2.6
Likely to Vote by Mail	Yes	75	62.0	-1.6	-1.2
	No	25	45.7	-4.5	-4.4
Likely Nov 2019 Voter	Yes	63	61.9	-3.9	-0.4
	No	37	51.0	+0.4	-4.8
Overall Satisfaction With District (Q13)	Satisfied	81	65.9	+2.5	-0.4
	Dissatisfied	19	32.8	-17.7	-9.7
Awareness of Lake Casitas Water Level (Q15)	Yes	89	57.6	-2.9	-2.7
	No	11	66.1	+5.9	-1.2
Likely Mar 2020 Voter	Yes	82	62.0	-2.3	-1.1
	No	18	39.0	-2.7	-6.4
Gender	Male	50	56.8	-7.1	-1.0
	Female	50	63.5	+3.6	-3.3

Voter subgroups generally responded to the negative arguments with a reduction in their support for the measure when compared with levels recorded at the Interim Ballot Test. The general trend over the course of the entire survey (Initial to Final Ballot Test), was also one of mildly decreasing support for most voter subgroups, averaging a decrease of two points overall.

Whereas Table 6 displays change in support for the measure over the course of the interview at the group level, Table 7 presents individual-level changes that occurred between the Initial and Final Ballot Tests for the measure. On the left side of the table is shown each of the response options to the Initial Ballot Test and the percentage of respondents in each group. The cells in the body of the table depict movement within each response group (row) based on the information provided throughout the course of the survey as recorded by the Final Ballot Test. For example, in the first row we see that of the 30.0% of respondents who indicated they would definitely support the measure at the Initial Ballot Test, 21.4% indicated they would definitely support the measure at the Final Ballot Test. An additional 6.3% moved to the probably support group, 0.8% moved to the probably oppose group, 0.4% moved to the definitely oppose group, and 1.1% stated they were now unsure of their vote choice.

To ease interpretation of the table, the cells are color coded. Red shaded cells indicate declining support, green shaded cells indicate increasing support, whereas white cells indicate no movement. Moreover, within the cells, a white font indicates a fundamental change in the vote: from yes to no, no to yes, or not sure to either yes or no.

TABLE 7 MOVEMENT BETWEEN INITIAL & FINAL BALLOT TEST

Initial Ballot Test (Q2)		Final Ballot Test (Q11): Definitely support	Probably support	Probably oppose	Definitely oppose	Not sure
Definitely support	30.0%	21.4%	6.3%	0.8%	0.4%	1.1%
Probably support	30.2%	4.5%	18.6%	3.9%	0.6%	2.7%
Probably oppose	7.5%	0.2%	1.3%	2.6%	2.9%	0.5%
Definitely oppose	10.2%	0.0%	0.5%	1.0%	8.6%	0.2%
Not sure	22.1%	0.9%	4.3%	5.0%	3.2%	8.7%

As one might expect, the information conveyed in the survey generally had the greatest impact on individuals who either weren't sure about how they would vote at the Initial Ballot Test or were tentative in their vote choice (probably yes or probably no). Moreover, Table 7 makes clear that although the information presented in the survey did impact some voters, it did not do so in a consistent way for all respondents. Some respondents found the information provided during the course of the interview to be a reason to become more supportive of the measure, while a slightly larger percentage found the same information reason to be less supportive. Although 26% of respondents made a *fundamental*[3] shift in their opinion regarding the measure over the course of the interview, the net impact is that support for the measure at the Final Ballot Test (58%) was just slightly lower than support at the Initial Ballot Test (60%).

3. This is, they changed from a position of support, opposition, or undecided at the Initial Ballot Test to a different position at the Final Ballot Test.

Opinions of Casitas MWD

The final substantive questions of the survey were designed to measure voters' familiarity with the Casitas Municipal Water District, their satisfaction with the District's performance in providing water services and—if dissatisfied—the reasons for their dissatisfaction.

FAMILIARITY WITH CMWD

Most voters expressed being at least somewhat familiar with Casitas Municipal Water District, with 25% being very familiar and 39% somewhat familiar. An additional 24% indicated they were just slightly familiar with the District, whereas 10% confided they were not at all familiar with the District and 2% were unsure or unwilling to answer the question (Figure 11). Figure 12 shows how familiarity with the District varied according to position at the Initial Ballot Test, being a likely March 2020 voter, and home ownership.

Question 12 *In general, how familiar are you with the Casitas Municipal Water District? Would you say you are very familiar, somewhat familiar, slightly familiar, or not at all familiar?*

FIGURE 11 FAMILIARITY WITH CASITAS MUNICIPAL WATER DISTRICT

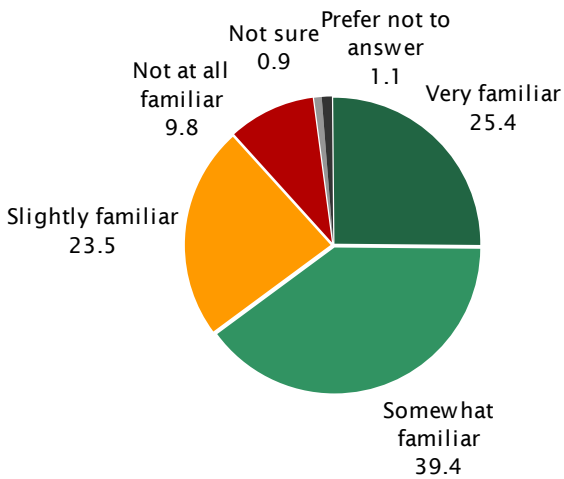
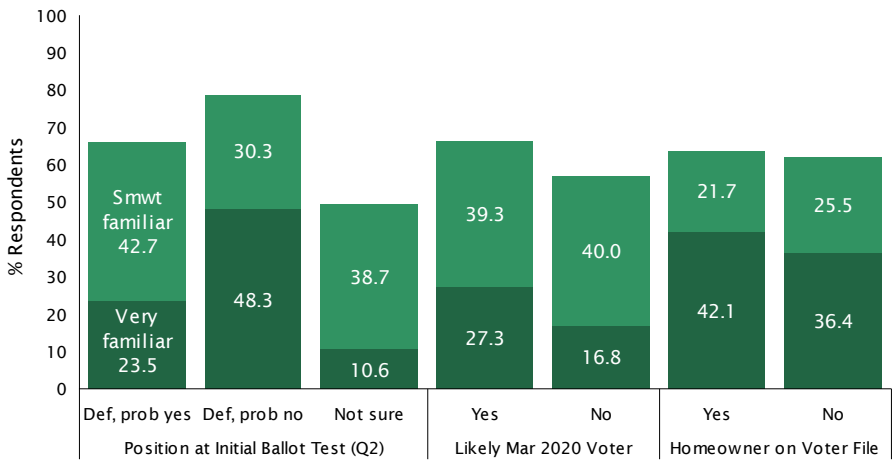


FIGURE 12 FAMILIARITY WITH CASITAS MUNICIPAL WATER DISTRICT BY POSITION AT INITIAL BALLOT TEST, LIKELY MARCH 2020 VOTER & HOMEOWNER ON VOTER FILE



SATISFACTION WITH DISTRICT'S PERFORMANCE When asked whether they were satisfied or dissatisfied with the job the District is doing to provide water services to their household, nearly three-quarters of voters indicated they were either very (30%) or somewhat satisfied (44%). Approximately 17% offered that they were generally dissatisfied with the District's performance, and 8% were unsure or unwilling to share their opinion (Figure 13). When compared to their respective counterparts, those who were supportive of the bond at the Initial Ballot Test and likely March 2020 voters were more likely to be satisfied with District's overall performance in providing water services (see Figure 14).

Question 13 *Generally speaking, are you satisfied or dissatisfied with the job the District is doing to provide water services to your household?*

FIGURE 13 OVERALL SATISFACTION WITH DISTRICT

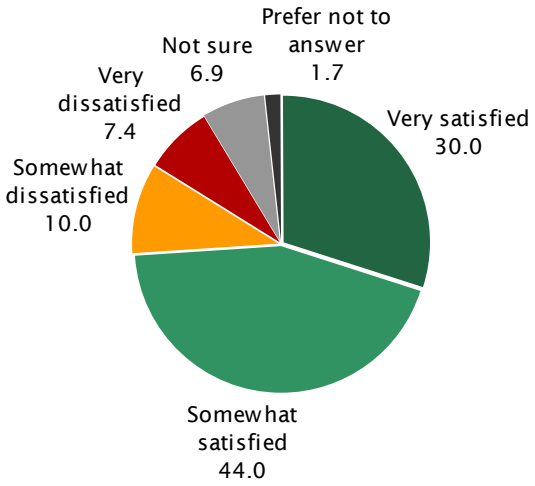
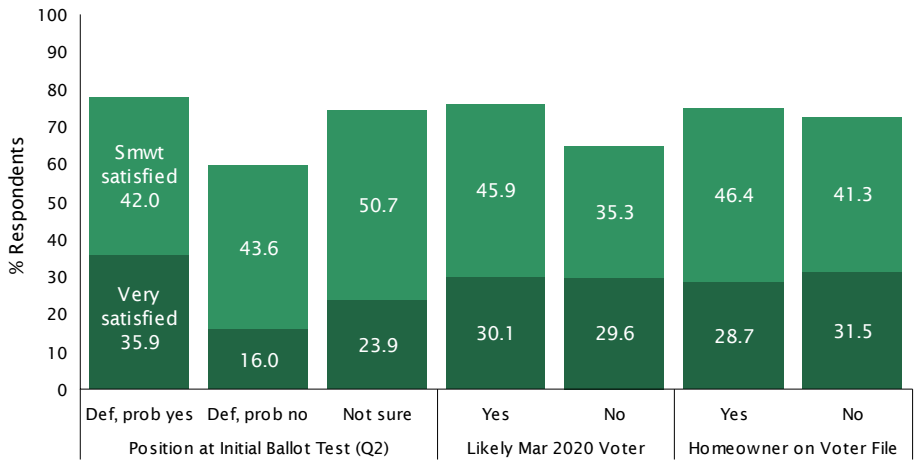


FIGURE 14 OVERALL SATISFACTION WITH DISTRICT BY POSITION AT INITIAL BALLOT TEST, LIKELY MARCH 2020 VOTER & HOMEOWNER ON VOTER FILE



REASONS FOR BEING DISSATISFIED As noted above, 17% of voters indicated that they were generally dissatisfied with the Casitas Municipal Water District's performance in providing water services to their household. When these respondents were asked in an open-ended manner to describe the particular reason for their dissatisfaction, the most common responses were references to poor planning/missed opportunities in the past to address water reliability (23%), poor quality/taste/color/smell to the water they receive (18%), and the high cost of water bills (15%).

Question 14 *Is there a particular reason why you are dissatisfied with the job the District is doing to provide water services to your household?*

FIGURE 15 REASONS FOR DISSATISFACTION

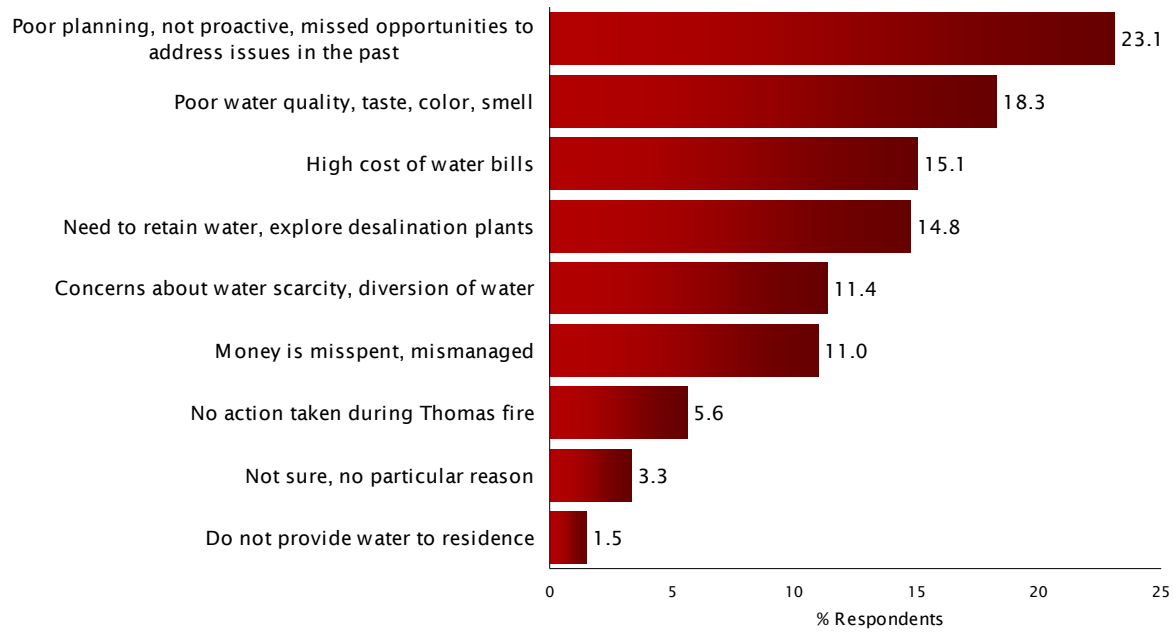


TABLE 8 DEMOGRAPHICS OF SAMPLE

Total Respondents	*654*
Awareness of Lake Casitas Water Level (Q15)	
Yes	86.7
No	10.8
Prefer not to answer	2.5
Homeowner on Voter File	
Yes	53.1
No	46.9
Age	
18 to 29	11.3
30 to 39	13.6
40 to 49	13.5
50 to 64	32.2
65 or older	29.4
Registration or Re-Reg Year	
2019 to 2016	20.1
2015 to 2008	16.2
Before 2008	63.8
Party	
Democrat	47.0
Republican	23.4
Other / DTS	29.6
Household Party Type	
Single dem	28.0
Dual dem	11.5
Single rep	10.1
Dual rep	7.1
Other	22.5
Mixed	20.9
Likely to Vote by Mail	
Yes	75.2
No	24.8
Likely Nov 2019 Voter	
Yes	63.3
No	36.7
Likely Mar 2020 Voter	
Yes	82.2
No	17.8
Gender	
Male	47.0
Female	47.7
Prefer not to answer	5.4

In addition to questions directly related to the proposed measure, the study collected basic demographic information about respondents and their households. Some of this information was gathered during the interview, although much of it was collected from the voter file. The profile of the likely November 2020 voter sample used for this study is shown in Table 8.

METHODOLOGY

The following sections outline the methodology used in the study, as well as the motivation for using certain techniques.

QUESTIONNAIRE DEVELOPMENT Dr. McLarney of True North Research worked closely with the Casitas Municipal Water District to develop a questionnaire that covered the topics of interest and avoided possible sources of systematic measurement error, including position-order effects, wording effects, response-category effects, scaling effects, and priming. Several questions included multiple individual items. Because asking the items in a set order can lead to a systematic position bias in responses, items were asked in random order for each respondent.

Some of the questions asked in this study were presented only to a subset of respondents. For example, only individuals who did not support the bond at the Initial Ballot Test (Question 2) were asked the follow-up open-ended Question 3 regarding their reasons for not supporting the measure. The questionnaire included with this report (see *Questionnaire & Toplines* on page 36) identifies the skip patterns that were used during the interview to ensure that each respondent received the appropriate questions.

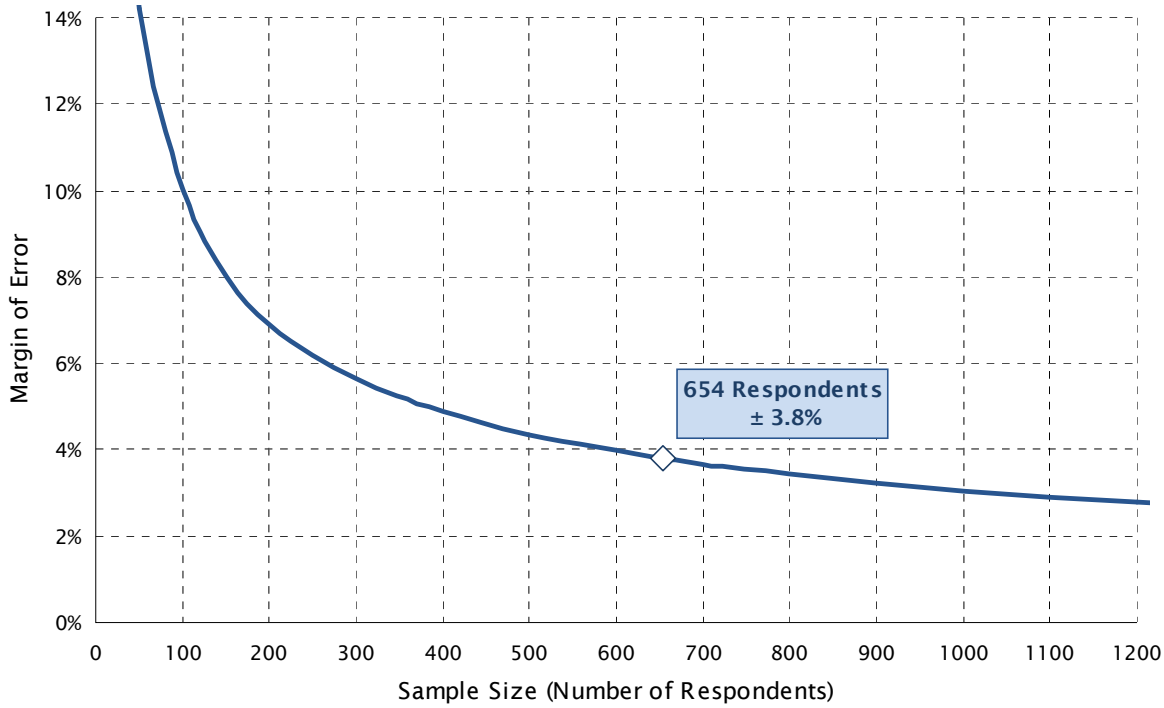
PROGRAMMING & PRE-TEST Prior to fielding the survey, the questionnaire was CATI (Computer Assisted Telephone Interviewing) programmed to assist interviewers when conducting telephone interviews. The CATI program automatically navigates skip patterns, randomizes the appropriate question items, and alerts the interviewer to certain types of keypunching mistakes should they occur. The survey was also programmed into a passcode-protected online survey application to allow online participation for sampled voters. The integrity of the questionnaire was pre-tested internally by True North and by dialing into voter households in the District prior to formally beginning the survey.

SAMPLE The survey was administered to a stratified and clustered random sample of registered voters in the District who are likely to participate in the November 2020 election, with a subset who are also likely to participate in the lower turnout March 2020 primary election. Consistent with the profile of this universe, the sample was stratified into clusters, each representing a combination of age, gender, and household party type. Individuals were then randomly selected based on their profile into an appropriate cluster. This method ensures that if a person of a particular profile refuses to participate in the study, they are replaced by an individual who shares their same profile.

STATISTICAL MARGIN OF ERROR By using the probability-based sampling design noted above, True North ensured that the final sample was representative of voters in the District likely to participate in the November 2020 election. The results of the sample can thus be used to estimate the opinions of *all* voters likely to participate in the November 2020 election. Because not all voters participated in the survey, however, the results have what is known as a statistical margin of error due to sampling. The margin of error refers to the difference between what was found in the survey of 654 voters for a particular question and what would have been found if all estimated 31,087 likely November 2020 voters in the District had been surveyed.

Figure 16 provides a graphic plot of the *maximum* margin of error in this study. The maximum margin of error for a dichotomous percentage result occurs when the answers are evenly split such that 50% provide one response and 50% provide the alternative response. For this survey, the maximum margin of error is ± 3.8%.

FIGURE 16 MAXIMUM MARGIN OF ERROR DUE TO SAMPLING



Within this report, figures and tables show how responses to certain questions varied by subgroups such as age, gender, and partisan affiliation. Figure 16 is thus useful for understanding how the maximum margin of error for a percentage estimate will grow as the number of individuals asked a question (or in a particular subgroup) shrinks. Because the margin of error grows exponentially as the sample size decreases, the reader should use caution when generalizing and interpreting the results for small subgroups.

RECRUITING & DATA COLLECTION The survey followed a mixed-method design that employed multiple recruiting methods (telephone and email) and multiple data collection methods (telephone and online). Telephone interviews averaged 16 minutes in length and were conducted during weekday evenings (5:30PM to 9PM) and on weekends (10AM to 5PM). It is standard practice not to call during the day on weekdays because most working adults are unavailable and thus calling during those hours would likely bias the sample.

Voters recruited via email were assigned a unique passcode to ensure that only voters who received an invitation could access the online survey site, and that each voter could complete the survey only one time. During the data collection period, an email reminder notice was also sent to encourage participation among those who had yet to take the survey. A total of 654 surveys were completed between September 10 and September 17, 2019.

DATA PROCESSING Data processing consisted of checking the data for errors or inconsistencies, coding and recoding responses, weighting, and preparing frequency analyses and cross-tabulations.

ROUNDING Numbers that end in 0.5 or higher are rounded up to the nearest whole number, whereas numbers that end in 0.4 or lower are rounded down to the nearest whole number. These same rounding rules are also applied, when needed, to arrive at numbers that include a decimal place in constructing figures and tables. Occasionally, these rounding rules lead to small discrepancies in the first decimal place when comparing tables and charts for a given question.

TRUE NORTH RESEARCH

Casitas Municipal Water District
Baseline Bond Feasibility Survey Version
Prelim Toplines (n=654)
September 2019

Section 1: Introduction to Study
Hi, may I please speak to _____. My name is _____, and I'm calling on behalf of TNR, an independent public opinion research firm. We're conducting a survey of voters about important issues in western Ventura County and I'd like to get your opinions.
If needed: This is a survey about important issues in your community – your opinion is important. I'm NOT trying to sell anything and I won't ask for a donation. *If needed:* The survey should take about 12 minutes to complete. *If needed:* If now is not a convenient time, can you let me know a better time so I can call back? *If the person asks why you need to speak to the listed person or if they ask to participate instead, explain:* For statistical purposes, at this time the survey must only be completed by this particular individual. *If the person says they are an elected official or is somehow associated with the survey, politely explain that this survey is designed to measure the opinions of those not closely associated with the study, thank them for their time, and terminate the interview.*

Section 2: Importance of Issues							
Q1	To begin, I'm going to read a list of issues facing your community and for each one, please tell me how important you feel the issue is to <u>you</u>, using a scale of extremely important, very important, somewhat important or not at all important. Here is the (first/next) issue: _____. Do you think this issue is extremely important, very important, somewhat important, or not at all important?						
	Randomize	Extremely Important	Very Important	Somewhat Important	Not at all Important	Not sure	Prefer not to answer
A	Having a reliable supply of drinking water	76%	21%	2%	1%	0%	0%
B	Improving the quality of education in local public schools	45%	34%	14%	5%	1%	1%
C	Improving fire protection services	40%	37%	19%	3%	1%	0%
D	Maintaining local streets and roads	26%	46%	25%	2%	1%	0%
E	Reducing crime and gang activity	36%	32%	24%	6%	1%	0%
F	Reducing traffic congestion	23%	28%	39%	9%	1%	0%
G	Being prepared for emergencies and natural disasters	47%	39%	13%	1%	0%	0%
H	Preventing local tax increases	30%	22%	33%	13%	1%	1%

Section 3: Initial Ballot Test				
Next year, voters in your area may be asked to vote on a local ballot measure. Let me read you a summary of the measure.				
Q2	In order to: ◇ Construct pipelines, pump stations, wells, and water treatment facilities needed to import water from the State Water Project and develop new local water sources ◇ Increase our access to safe, high-quality water ◇ And improve the reliability of local water supplies during drought periods Shall the Casitas (Kuh-SEE-tuss) Municipal Water District measure authorizing **164** million dollars in bonds at legal rates be adopted, levying **6** cents per $100 assessed value ($**6** million annually) while bonds are outstanding, with independent audits and all money staying local? If the election were held today, would you vote yes or no on this measure? *Get answer, then ask*: Would that be definitely (yes/no) or probably (yes/no)?			
	1	Definitely yes	30%	*Skip to Q4*
	2	Probably yes	30%	*Skip to Q4*
	3	Probably no	7%	*Ask Q3*
	4	Definitely no	10%	*Ask Q3*
	98	Not sure	21%	*Ask Q3*
	99	Prefer not to answer	1%	*Skip to Q4*
Q3	Is there a particular reason why you do not support or are unsure about the measure I just described? *If yes, ask:* Please briefly describe your reason. Verbatim responses recorded and later grouped into categories shown below.			
	Need more information		38%	
	Taxes already too high		15%	
	Not sure, no particular reason		13%	
	Money is misspent, mismanaged		9%	
	Find other ways to replenish aquifer, reservoir		6%	
	Do not trust District, government		5%	
	Mentioned past ballot measure		5%	
	It will increase growth, population		3%	
	Other ways to be funded, tax everyone that uses it		2%	
	Concerns about water directed to other places		2%	
	Measure too expensive		2%	
	Do not support bonds, increased debt		1%	
	Money will go to salaries, pensions		1%	
	Negative comments about State Water Project		1%	

Section 4: Tax Threshold	
Q4	The amount each property owner will pay if the bond passes depends on the assessed value of their home – not the current market value of the home. If you heard that the annual property taxes on your home would increase: _____ per 100,000 (one hundred thousand) dollars of assessed valuation, would you vote yes or no on the bond measure? *Get answer, then ask:* Is that definitely (yes/no) or probably (yes/no)? *If needed:* The assessed value of your home is listed on your property tax bill.

Read in sequence starting with the highest amount (A), then the next highest (B), and so on. If respondent says 'definitely yes', record 'definitely yes' for all LOWER dollar amounts and go to next question.

	Ask in Order	Definitely Yes	Probably Yes	Probably No	Definitely No	Not Sure	Prefer not to answer
A	$60	21%	26%	16%	25%	11%	1%
B	$44	25%	23%	16%	24%	10%	2%
C	$27	34%	27%	7%	20%	10%	1%

Q5	Let me put it another way: If you knew that this measure would cost the typical home owner about **$342** per year, would you vote yes or no on the measure? *Get answer, then ask:* Is that definitely (yes/no) or probably (yes/no)?			
	1	Definitely yes	23%	*Skip to Q7*
	2	Probably yes	21%	*Ask Q6*
	3	Probably no	18%	*Ask Q6*
	4	Definitely no	22%	*Ask Q6*
	98	Not sure	13%	*Ask Q6*
	99	Prefer not to answer	3%	*Skip to Q7*

Q6	If you knew that this measure would cost the typical home owner about **$154** per year, would you vote yes or no on the measure? *Get answer, then ask:* Is that definitely (yes/no) or probably (yes/no)?	
		Definitely yes @ $342 (Q5) 23%
	1	Definitely yes 10%
	2	Probably yes 23%
	3	Probably no 10%
	4	Definitely no 19%
	98	Not sure 12%
	99	Prefer not to answer 3%

Section 5: Projects & Improvements							
Q7	The measure we've been discussing would provide funding for a variety of water projects and improvements. If the measure passes, would you favor or oppose using some of the money to: _____, or do you not have an opinion? *Get answer, if favor or oppose, then ask:* Would that be strongly (favor/oppose) or somewhat (favor/oppose)?						
	Randomize	Strongly Favor	Somewhat Favor	Somewhat Oppose	Strongly Oppose	Not sure	Prefer not to answer
A	Build the pipelines, pump stations, and facilities needed to connect and import water from the State Water Project	42%	25%	7%	10%	13%	3%
B	Dig a 7,000-ft well to access deep sources of local groundwater	24%	28%	16%	12%	18%	3%
C	Expand existing pipelines to increase the flow of water, where needed	30%	38%	9%	7%	14%	2%
D	Pump water into Lake Casitas (Kuh-SEE-tuss) to store for future use	47%	28%	7%	6%	10%	3%
E	Replace aging pipes and infrastructure to reduce leaks, avoid service interruptions, and improve system performance	56%	30%	3%	2%	8%	1%
F	Upgrade water testing and treatment facilities	38%	37%	7%	5%	12%	2%

Section 6: Positive Arguments							
What I'd like to do now is tell you what some people are saying about the measure we've been discussing.							
Q8	Supporters of the measure say: _____. Do you think this is a very convincing, somewhat convincing, or not at all convincing reason to **SUPPORT** the measure?						
	Read A first, then Randomize	Very Convincing	Somewhat Convincing	Not At All Convincing	Don' t Believe	Not sure	Prefer not to answer
A	We are too dependent on Lake Casitas for our water. The Lake hit its lowest point ever in 2019, and experts forecast that the Lake will dry-up completely in the next six years if we return to drought conditions.	39%	33%	14%	7%	5%	2%
B	All money raised by the measure will stay in our community to build water projects and improve our water supplies. It can't be taken away by the State or used for other purposes.	44%	28%	12%	12%	2%	2%
C	There will be a clear system of accountability including independent audits and annual reports to the community to ensure that the money is spent properly.	33%	36%	16%	11%	2%	3%

D	Having reliable sources of water is critically important to maintaining our local economy, creating jobs, maintaining property values, and protecting our overall quality of life. We need to support this measure.	45%	33%	12%	4%	3%	3%
E	This measure is supported by a broad coalition of individuals and community organizations including environmental groups, local businesses, and concerned property owners.	23%	38%	23%	8%	5%	2%
F	Being dependent on a single source of water is **risky**. A major earthquake, pipeline failure, or contamination could cut-off our water supply. This measure will ensure we have access to **multiple** sources of safe, clean drinking water.	52%	31%	8%	3%	3%	3%
G	Agriculture is a big part of our local economy and our community character. If we don't increase our supplies of water, there won't be enough water to keep agriculture viable in our area.	37%	36%	16%	7%	3%	3%
H	With climate change, experts agree that we can expect drier winters, warmer summers, and longer periods of drought in the future. This measure will expand our access to water so we are prepared for the future.	40%	33%	15%	8%	3%	2%

Section 7: Interim Ballot Test

Sometimes people change their mind about a measure once they have more information about it. Now that you have heard a bit more about the measure, let me read you a summary of it again.

Q9

In order to:

- Construct pipelines, pump stations, wells, and water treatment facilities needed to import water from the State Water Project and develop new local water sources
- Increase our access to safe, high-quality water
- And improve the reliability of local water supplies during drought periods

Shall the Casitas (Kuh-SEE-tuss) Municipal Water District measure authorizing **164** million dollars in bonds at legal rates be adopted, levying **6** cents per $100 assessed value ($**6** million annually) while bonds are outstanding, with independent audits and all money staying local? If the election were held today, would you vote yes or no on this measure? *Get answer, then ask*: Would that be definitely (yes/no) or probably (yes/no)?

1	Definitely yes	27%
2	Probably yes	33%
3	Probably no	12%
4	Definitely no	14%
98	Not sure	12%
99	Prefer not to answer	2%

Section 8: Negative Arguments							
Next, let me tell you what opponents of the measure are saying.							
Q10	Opponents of the measure say: _____. Do you think this is a very convincing, somewhat convincing, or not at all convincing reason to OPPOSE the measure?						
	Randomize. Split Sample D1/D2 using odd/even clusters	Very Convincing	Somewhat Convincing	Not At All Convincing	Don' t Believe	Not sure	Prefer not to answer
A	People are having a hard time making ends meet with the high cost of living – especially seniors and those on fixed incomes. Now is NOT the time to be raising taxes.	30%	29%	28%	5%	5%	3%
B	Don't be fooled. Including interest, this bond will cost taxpayers nearly 270 million dollars and will take property owners 40 years to pay off.	28%	34%	22%	4%	9%	3%
C	By making more water available, this measure will encourage growth and new developments in our area.	15%	28%	36%	10%	7%	4%
D1	Some property owners already pay additional taxes for local water projects – now they want us to pay twice? That's not fair.	25%	24%	33%	6%	8%	4%
D2	This measure isn't fair. It charges some property owners a lot more than others, even though they use about the same amount of water.	20%	36%	30%	6%	5%	2%

Section 9: Final Ballot Test			
Now that you have heard a bit more about the measure, let me read you a summary of it one more time.			
Q11	In order to: ◇ Construct pipelines, pump stations, wells, and water treatment facilities needed to import water from the State Water Project and develop new local water sources ◇ Increase our access to safe, high-quality water ◇ And improve the reliability of local water supplies during drought periods Shall the Casitas (Kuh-SEE-tuss) Municipal Water District measure authorizing **164** million dollars in bonds at legal rates be adopted, levying **6** cents per $100 assessed value ($**6** million annually) while bonds are outstanding, with independent audits and all money staying local? If the election were held today, would you vote yes or no on this measure? *Get answer, then ask*: Would that be definitely (yes/no) or probably (yes/no)?		
	1	Definitely yes	27%
	2	Probably yes	31%
	3	Probably no	13%
	4	Definitely no	16%
	98	Not sure	12%
	99	Prefer not to answer	1%

Section 10: Background & Demographics			
Thank you so much for your participation. I have just a few background questions for statistical purposes.			
Q12	In general, how familiar are you with the Casitas (Kuh-SEE-tuss) Municipal Water District? Would you say you are very familiar, somewhat familiar, slightly familiar, or not at all familiar?		
	1	Very familiar	25%
	2	Somewhat familiar	39%
	3	Slightly familiar	23%
	4	Not at all familiar	10%
	98	Not sure	1%
	99	Prefer not to answer	1%

Q13	Generally speaking, are you satisfied or dissatisfied with the job the District is doing to provide **water** services to your household? *Get answer, then ask:* Would that be very (satisfied/dissatisfied) or somewhat (satisfied/dissatisfied)?			
	1	Very satisfied	30%	*Skip to Q15*
	2	Somewhat satisfied	44%	*Skip to Q15*
	3	Somewhat dissatisfied	10%	*Ask Q14*
	4	Very dissatisfied	7%	*Ask Q14*
	98	Don't Know	7%	*Skip to Q15*
	99	Prefer not to answer	2%	*Skip to Q15*
Q14	Is there a particular reason why you are dissatisfied with the job the District is doing to provide water services to your household? *If yes, ask:* Please describe it to me. Verbatim responses recorded and later grouped into categories shown below.			
	Poor planning, not proactive, missed opportunities to address issues in the past		23%	
	Poor water quality, taste, color, smell		18%	
	High cost of water bills		15%	
	Need to capture runoff, explore desalination plants, be innovative		15%	
	Concerns about water scarcity, diversion of water		11%	
	Money is misspent, mismanaged		11%	
	No action taken during Thomas Fire		6%	
	Not sure, no particular reason		3%	
	Do not provide water to residence		2%	
Q15	Prior to taking this survey, were you aware that the main source of water in your area -- Lake Casitas (Kuh-SEE-tuss) -- was at its lowest point ever earlier this year?			
	1	Yes	87%	
	2	No	11%	
	99	Prefer not to answer	2%	

Those are all of the questions that I have for you. Thanks so much for participating in this important survey.

Post-Interview & Sample Items			
S1	Gender		
	1	Male	47%
	2	Female	48%
	3	Prefer not to answer	5%

S2	Party		
	1	Democrat	47%
	2	Republican	23%
	3	Other	9%
	4	DTS	20%
S3	Age on Voter File		
	1	18 to 29	11%
	2	30 to 39	14%
	3	40 to 49	14%
	4	50 to 64	32%
	5	65 or older	29%
	99	Not Coded	0%
S4	Registration Date		
	1	2019 to 2016	20%
	2	2015 to 2008	16%
	3	Before 2008	64%
S5	Household Party Type		
	1	Single Dem	28%
	2	Dual Dem	11%
	3	Single Rep	10%
	4	Dual Rep	7%
	5	Single Other	18%
	6	Dual Other	4%
	7	Dem & Rep	3%
	8	Dem & Other	9%
	9	Rep & Other	7%
	0	Mixed (Dem + Rep + Other)	1%
S6	Homeowner on Voter File		
	1	Yes	53%
	2	No	47%

S7	Likely to Vote by Mail		
	1	Yes	75%
	2	No	25%
S8	Likely November 2019 Voter		
	1	Yes	63%
	2	No	37%
S9	Likely March 2020 Voter		
	1	Yes	82%
	2	No	18%
S10	Likely November 2020 Voter		
	1	Yes	100%
	2	No	0%