



South Tahoe Public Utility District

General Manager
Richard H. Solbrig

Directors
Chris Cefalu
James R. Jones
Randy Vogelgesang
Kelly Sheehan
Duane Wallace

1275 Meadow Crest Drive • South Lake Tahoe • CA 96150-7401
Phone 530 544-6474 • Fax 530 541-0614 • www.stpud.us

June 9, 2015

The Honorable Frank Bigelow, Assemblyman
1700 Eureka Road, Suite 120
Roseville, CA 95661

RE: Please Oppose Budget Trailer 825 on Water System Consolidation

Dear Assemblyman Bigelow:

On behalf of the South Tahoe Public Utility District (District), I am writing to express our strong opposition to budget trailer bill language that would give the State Water Resources Control Board (SWRCB) authority to mandate consolidations of public water systems in California.

Many years ago the District applied for a grant to consolidate a local private water company into our system. The grant was for roughly \$24 million to bring that system up to current standards, the majority of the grant would have been spent replacing their aging small diameter pipes and installing fire hydrants. We were denied that grant. The area served by the private water company is an Economically Disadvantaged Community and it would be impossible for them to absorb the cost of the improvements. Our Board decided that it was not fair to ask of our rate payers to fund their upgrades, and so the District decided not to pursue the consolidation.

The District serves a small community with a median household income of approximately \$48,000 per year. We are not a wealthy community that can absorb these costs on our own.

Under Budget Trailer 825, the SWRCB could force the District to take over this small private system and not fund any upgrades. As we are experiencing with other recent actions of the SWRCB, they are willing to take actions that will result in millions of dollars of extra costs to the District, regardless of the impacts to the community or our rate payers. There are certainly many other reasons to oppose this bill that have been voiced by other entities. We are asking for your help in opposing Budget Trailer 825. Our rate payers are already paying more than \$20 million to install mandated water meters on our system. Our community cannot afford any more unfunded mandates.

Please vote "NO" on this language when it reaches the floor for a vote before the June 15th deadline.

Sincerely,

Richard Solbrig, General Manager/Engineer