
By Matthew Cabe
Staff Writer

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Apple Valley could spend \$3.2M acquiring Ranchos Water Company

APPLE VALLEY — A transparency report presented at Tuesday night's Town Council meeting shows Apple Valley has spent nearly \$1.4 million on water-related endeavors since 2011, but a town official says less than half of those costs are directly related to the attempt to acquire the Apple Valley Ranchos Water Company.

The town also projects that it could spend as much as \$3.2 million by the time the acquisition is completed.

Mayor Pro Tem Barb Stanton called the report "sobering" but told the Daily Press that local control of water is a key issue for her constituents. She said she and other Council members were re-elected by running campaigns with water system acquisition as their primary objective.

Meanwhile, Apple Valley Ranchos General Manager Tony Penna said he found the \$3.2 million figure "shocking."

"At best one might conclude that the \$3.2 million budget is a very expensive attack on a private business," Penna said, "and more than \$1.4 million dollars has been solely — directly or indirectly — spent to perpetuate a campaign of misinformation to mislead voters."

Assistant Town Manager Marc Puckett presented the report, which showed Apple Valley has spent \$666,133 on the acquisition effort. That includes \$370,357 in attorney's costs directly related to acquisition up to June 30 and \$295,776 on appraisals and public information costs — [including the recent True North survey](#).

The report also detailed other attorney-related costs and public records requests costs totaling \$728,851. Puckett says those funds were not spent specifically toward acquisition but were related to water issues in general, including battling Ranchos' proposed rate increases.

"We've been fighting rate increases for many years," Puckett told the Daily Press. "Controlling water rates has been the driving force behind those costs. We recognize our residents can't afford to pay an increase of more than 10 percent each year, and each year Ranchos requests rate increases. So we follow a legal process to combat those proposed increases."

If the town were to acquire the AVR water system those additional legal costs would cease, according to Puckett.

Stanton took particular issue with the public records requests included in the report, which totaled \$153,835 — much to the displeasure of several local residents whose names were included on a Powerpoint display of the report.

"As I look at this list of names, they're pretty much the same people over and over asking for all of these records," Stanton said after the presentation. "It just causes you to pause for a moment to see the necessity of that, although they certainly have the right to that information."

Apple Valley resident David Mueller interrupted Stanton from the audience to assure more requests are coming.

Puckett said he believes some requests appear to be attempts to simply create more work for town staff. To date, 60 Ranchos-related record requests have been filed with the town, according to a copy of the slide presentation.

"These folks might see (records requests) as a badge of honor, but I do get the sense that some of these folks are not really looking at everything they're requesting," Stanton told the Daily Press.

Mueller, however, scoffed at Stanton and Puckett's comments regarding reasons behind the requests.

"(The idea) that these requests are only designed to drive costs up or waste staff time is insulting," Mueller told the Daily Press via email. "I have to ask why there would be 154,000 documents responsive to some of the requests?"

Mueller described the town's response to some requests as a "document dump" designed to make it impossible for requesters to locate pertinent pieces of information.

The report was presented at the request of the Town Council to demonstrate transparency in the town's acquisition efforts, according to the report. Costs will be updated and submitted to the Town Council on a monthly basis and include all categories of expense, officials said.

The town hopes to have the transparency report, the Powerpoint presentation and a record request summary posted on AVH2Ours.com by Thursday, according to town spokeswoman Kathie Martin.

Matthew Cabe can be reached at MCabe@VVDailyPress.com or at 760-951-6254. Follow him on Twitter @DP_MatthewCabe.
