

Opinion-Editorial

Published in the Sept. 26, 2015 issue of *The Desert Dispatch*

Reflections on the attempted takeover of Ranchos

By Tony Penna, Vice President and General Manager, Apple Valley Ranchos

It's been almost one year since Apple Valley Ranchos began its efforts to inform the community about the perils of an attempted government takeover of Ranchos Water Company. If we are to believe all the town government says, then one might surmise the answer to all our water challenges in Apple Valley is government.

Responsible government leadership is necessary for a community to survive and flourish but what we are experiencing from our town government in this takeover effort is irresponsible, unnecessary and wasteful.

Politicians can make all the promises they want about how much better things will be but history tells an entirely different story when a government attempts to take over a private, regulated water utility. Last fall Ranchos told citizens the town government's attempts to take over Ranchos was a bad idea and would put the community on a slippery slope that would be long, costly and divisive.

After reading the town's Transparency Report it appears the town's lawyers want this battle with Ranchos. The Town spent nearly \$1 million over the last five years in previous attempts to acquire Ranchos. Now they have budgeted more than \$3.2 million and have already spent \$1.4 million of taxpayer money on this endeavor.

Other than a letter with a low-ball offer for the water system which was declined, what's really been done? Ranchos told voters the cost to take over a private water utility is always understated by politicians and unknown until it goes to court. The final value in an eminent domain case like this is set by a court-appointed jury, so no one knows the final cost taxpayers will pay.

Ranchos said this takeover issue would divide this community. Today town councilmembers won't even talk to one of its largest taxpayers [Ranchos]. Citizens at Town Council meetings ask questions about money (their money) and are chastised. Our politicians and town staff are turning neighbor against neighbor and businesses against businesses.

Most disconcerting is the aggressive taxpayer-funded misinformation campaign the town government has leveled against Ranchos, making heavy-handed, misleading claims to Ranchos' customers.

The town government continues to repeat misstatements about Ranchos' actual rates for water service and then say they will not lower rates if they own the water system. In fact they intend to use future rate increases to cover the cost to acquire Ranchos. Really? The town says it can afford to pay up to \$200 million for Ranchos — that's just over \$10,000 for every customer we serve. While the town claims it will stabilize water rates, its sewer fees will have almost tripled in 10 years by 2018.

Everything Ranchos said would happen nearly a year ago has happened. The lawyers and consultants for the Town of Apple Valley continue to spend our tax dollars to condemn a nearly 70-year-old business and if it doesn't stop we can be assured our taxes and fees will go higher and higher.