

What are we doing?

The Town of Apple Valley's hostile take-over of AVRWC

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Praise the lowered

□ July 8, 2015

The Town of Apple Valley has been hammering away at the water rates charged by Apple Valley Ranchos Water Company, using every trick in the Politician's Big Book of Demagoguery to paint Ranchos as a greedy profit hound that must be cleansed from the face of the Earth. Yet, when it comes to the Town's own plans for setting water rates, they're a bit more coy.

"Can we lower the rates (if the town owns the company)? Maybe, maybe not," said Scott Nassif back in October of 2014. ("[Voter Guide: Town leaders grappling with water rates and control](#)," *Daily Press*).

On the website the Town set up to promote its proposed takeover of Ranchos ([H₂Ours.com](#)), the FAQs (Frequently Asked Questions) page reads:

[Q:] Are you going to lower rates?

[A:] We cannot promise to reduce rates after acquisition ...

Most recently, the Town issued an [initial environmental impact study](#) of its proposed seizure of Ranchos, which reads in part:

“The following objectives have been defined for the proposed Project: [...] Provide greater local control over the rate setting process and rate increases; [...]”

and

“The Town is proposing only to acquire and operate the existing system, and is not proposing changes or expansion to the physical AVR System or to the associated water rights, nor is the Town proposing any changes to the manner of operation of the AVR System or the exercise of the associated water rights.”

Anybody who’s paying attention would reasonably conclude that because (1) it needs money (lots of it), and (2) has targeted Ranchos’ cash flow, and (3) already has the current water rates and rate increases “baked into” its financial model; the Town therefore has no intention of lowering rates. Besides, if it was, it would be trumpeting that as the main benefit of the takeover, right?

Wrong. At last night’s meeting to introduce the Town’s Environmental Impact Report of the “acquisition” of Ranchos, a member of the audience pointed out that the Town has as much as said it would not be lowering water rates. Fortunately, Assistant Town Manager was on hand to show his mastery of polemics.

“It is not correct that we will not be lowering rates. That’s a lie.”

That’s quite a bold statement, coming from someone who doesn’t know what the Town is going to be paying for Ranchos, doesn’t know what the Town is going to be receiving for that payment, doesn’t know how to run a water utility, doesn’t know who is going to run the system for the Town, and doesn’t know how much it’s going to cost the Town to run the system.

Or maybe it wasn’t the audience member who was lying.

— Greg Raven