

Schafer: Setting the record straight

Letter to the Publisher,

My name is Eric Schafer and I am the incumbent running for re-election to Seat 5 on the South Tahoe Public Utility District (STPUD) Board of Directors. I am a Certified Public Accountant, practicing in South Tahoe for over 23 years, and have served on the STPUD Board for the past 8 years.

Local elections go very unnoticed unless an incumbent is not running for re-election or there are significant issues open to honest debate. STPUD has operated effectively and efficiently for all 8+ years I have been on the Board. In this year's election for the Board, there seems to be only one issue, a manufactured one at that: water meters. The October 6 candidate forum at the District facilities and recent letters/articles in local publications have created the issue of water meter installation and subsequent customer rates based on reading the meters. Let's clear the air on this issue:

- The District worked with Senator Keogh who sponsored the State legislation and since 2004 has known there would be a \$20+ million cost to install and read water meters for entire system by 2025;
- In 2005 we requested an exemption because we are not part of the California watershed. An exemption was not granted, however, Senator Keogh suggested an extension for the compliance date could be considered. Work continues with the legislature to obtain an exemption;
- In 2008 we testified to the Senate Sub-Committee on Water and Natural Resources, telling them we had a waterline replacement program in process, could not do the waterlines

and water meters concurrently, and felt our highest priority was the waterlines. They agreed and said our commitment to the waterlines was proper. The fire threat is greater than water meter compliance for our construction dollars;

– Absent our waterline commitment, the 2007 Angora Fire would have been a far greater disaster. The improvements in that area alone, approximately \$18 million over the past 10 years, kept fire suppression water on the fire at all times. The Joint Committee reviewing the fire agreed that water for firefighting is our highest priority and urged continuance with the waterline replacement because fire is still the greatest threat in the Lake Tahoe Basin;

– The District developed a 10-year plan, including construction projects, many years ago and keeps it current by rolling it forward every year. The Board review, since 2004, has constantly put waterline replacement at the top of the list. We have received millions in grants from governmental agencies who agree; and,

– We continue to seek grants for the water meter installation projects and the \$4.3 million awarded for 2009-2010 is the first grant to help us with these costs. We will install over 1,500 meters next year with these funds and are optimistic that further grants can be secured.

As for the rates customers will pay when the meters are read, it is important to remember that, even under our flat rate system, 82% of your bill is a fixed cost for having the system to deliver your clean water to you. The remaining 18% is the consumption charge and, when meters are read, that charge will be based on the water volume you use. The Board policy currently is that we will remain revenue neutral, as much as possible, as we transition from flat rate to volumetric billing, starting in 2011.

So, did I know that we had a mandate to install and read water

meters by 2025? Absolutely! Is there any fact-based data to that a financial loss could fall upon the District? Not to my knowledge. Have we annually informed our customers of our infrastructure improvement needs? Yes, through the annual budget review and publication of our 10-year plan.

My opponent wants water that is safe, clean and affordable. That is exactly what I have helped deliver to you for the past 8 years, with no rate increase during our current fiscal year.

As a financial professional I have used my skills and experience to make the right decisions while serving on the Board for 8 years. STPUD is a big business in South Lake Tahoe, spending \$40-\$50 million annually to deliver clear water to you and treat and dispose of waste products and I am up to the challenge to serve you for 4 more years.

I have served the community for 20 years in elected public office, the last 8 at STPUD. I am confident that, with your vote on November 3, I can help the District continue to deliver superior services to you.

Thank you,

Eric Schafer, incumbent STPUD Seat No. 5