

# Opinion: South Tahoe PUD sets the record straight

By Dennis Cocking

The board of directors of the South Tahoe PUD, going back to 2006, has made its position crystal clear on the purchase of Lukin's Water Company. It has been discussed many times in open session, has been part of annual public budget presentations, has been reported on by the local media, and has been discussed in the district's quarterly newsletter. It is not confusing nor is it a secret. But, just for the record, here it is again.

The district has never sought to buy the Lukins Water Company. The district's board of directors has taken the position that the district had no interest in purchasing the Lukins system if the cost of upgrading the system would be borne by the district's current customers. If a funding mechanism, other than the district's customers, could be secured, the district would consider the purchase.



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Before Sept. 30, 2011, the district will be submitting, after consultation and agreement with Lukin's Water Company and the city of South Lake Tahoe, a pre-application for a California Department of Public Health consolidation grant. This grant would allow for purchase of the system and funding to construct the necessary improvements to provide adequate fire

protection in the current Lukin's service area. Should the pre-application make the first cut, we would be invited to submit a full application. This grant process is a very competitive one and many hurdles must be cleared before the district could be awarded the grant.

If the district were to be successful in obtaining the grant, it would be impossible, due to the conditions and controls the state places on grant administration, to use the funds for any other project or "other expenses." It just can't happen. Nor can any entity, including the state of California, "force" the district to purchase anything. No such mechanism exists.

The district has mutual aid water interties with Lukins, Tahoe Keys, Lakeside Mutual, and Edgewood water companies that provide two-way emergency water supply. Lukin's Water Company recently had water supplied through such an intertie due to a pump failure within their system. Lukins does **not** receive free water; they are being charged the same rate as any other water user. Since these interties are for emergency water supply, no connection fees apply, since water can potentially flow both ways. This arrangement is not unique to STPUD; it exists virtually everywhere within California. This type of operational information is very easily obtained with a phone call or, in many cases, with a visit to the district's website.

Finally, while I am dispelling rumors, district employees never have nor never will receive free water and sewer service. It is considered a gift of public funds and is expressly forbidden by law.

*Dennis Cocking is public information officer for South Tahoe Public Utility District.*