T.J. Maxx caught in middle of water issue

By Kathryn Reed

A potential \$409,907 water problem is beginning to simmer and could reach boiling stage if a solution is not found by the end of the month.

When T.J. Maxx opened last fall in South Lake Tahoe it did so with a temporary agreement in place between Lukins Water District and South Tahoe Public Utility District. The building is a Lukins customer.



T.J. Maxx opened in November without a definitive source of water for fire suppression. Photo/LTN

Days before the store was to open the fire marshal said there was not adequate water pressure to suppress a fire. This had to do with the store putting in a whole new sprinkler system.

An agreement was quickly reached that if there were a fire, the intertie between the water companies would be opened so the fire could be extinguished. The agreement expires June 1 and Lukins has until April 1 to present STPUD with a permanent solution.

Jennifer Lukins, who runs the 956-customer company, was at the STPUD meeting March 7, where the board directed staff to continue working on the issue. Cass Amacker was there representing the Garfinkle family. The Garfinkles, who are from the Bay Area, are the longtime owners of the building.

As a small private water company regulated by the California Public Utilities Commission, Lukins' job is to provide domestic water, not water for fire protection. That is part of the conundrum.

This issue could have been completely avoided a handful of years ago when the Garfinkles were approached by STPUD when the district was doing a project on Highway 50. The district wanted an easement across the property and in turn offered the Garfinkles a free water connection. The Garfinkles never responded to the district's offer.

That water connection has a six-figure value.

One of the alternatives outlined in Thursday's STPUD board packet is the \$409,907 one-time capacity charge fee for the 8-inch intertie.

Lukins told *Lake Tahoe News* she did not know about that option and the cost until she read the agenda.

"We have an existing connection and they want to charge us," Lukins said.

Of the six options presented by South Tahoe PUD, Lukins likes No. 5.

It says in part, "Leave the intertie open, with or without the 'loop' restriction, and install a pressure trip valve at the intertie which would only operate if the pressure dropped to a preselected figure in the Lukins water system. ... If the board desires to entertain a fire only option for the intertie, and assume that the trip valve would only register during a fire

event, the charge would be \$147,566.52 for an 8-inch fire only connection."

Lukins said her research shows that the trip valve should cost \$40,000. That's the route she would really like to go.

Lukins, even if the company wanted to, would need CPUC approval to spend money on the upgrades and the state would determine how and which ratepayers would be affected.

Ultimately, though, whatever route the water districts determine is the best course will likely be the financial responsibility of the landlord and/or tenant.

"I think what is best is for better fire protection," Lukins said, even if that means that property ultimately ends up becoming a South Tahoe PUD customer. That is part of last year's agreement, that if a resolution is not found, STPUD gets the Garfinkle building as a customer without having to compensate Lukins.