STPUD reduces sewer connection fee 25%

By Kathryn Reed

South Tahoe Public Utility District is cutting its sewer connection fee 25 percent. This is on top of the 25 percent reduction made in 2015.

"We have priced ourselves out of the market. People are not doing projects because they can't afford us," board member Duane Wallace said at the Jan. 19 meeting. "Somebody has to be the domino to start things going. I hope all agencies start to do the same."

Many who want to build in the district's territory have complained about the high fees.

The current rate is \$3,666 per connection. The reduction, which will take effect in 30 days, will lower it to \$2,745.

Each house has one sewer connection per bathroom, plus the kitchen. The above price is for each connection in a house or commercial property. This means STPUD used to charge \$10,998 for a three-bedroom, two-bath house. This construction season the fee will be \$8,235.

Board member Jim Jones, who was out sick, had asked his colleagues to delay the vote so the topic could be discussed in the bigger picture of the capital improvement program. Jones believes reducing revenue could impact infrastructure upgrades.

CFO Paul Hughes said the fee change will impact the district by about \$125,000 a year. He said that with property tax revenue coming in higher than forecasted, those dollars will offset the loss in connection fee income. The three board members in attendance (Chris Cefalu was also absent) realized the agenda items would pass with them and therefore did not see a reason to delay the vote.