

Developer Interests and San Marcos Politic

Back before the 2012 election, a Vallecitos Water District customer wrote the following question to me, the incumbent Board Member: "I have a concern regarding this statement on your brochure: *Choose someone who will represent you, not development interests or San Marcos politicians.* What do you mean by that?"

I sent the following response in 2012;

Here is what I meant by my message about development interests and San Marcos Politicians:

Vallecitos Water District is a Special Purpose District. VWD provides water and sewer service, and nothing else. VWD is an enterprise district because they are allowed to charge fees for providing services. Cities are different because they provide a host of services, many of which do not have direct charges, so those services are paid for by taxes. VWD is required by law to charge rates and fees that are equal to the cost of providing services. VWD can't make a profit, and the district is supposed to collect what they need to run the district efficiently and cost-effectively.

Prior to November of 2012, VWD passed a new rate structure based on their updated Master Plan. The District's Master Plan is based on development densities established by the land-planning agencies, in their case the City of San Marcos and the County. VWD is supposed to collect development fees that allow them to build the infrastructure that will be needed, based on the zoning and densities provided by the City and County, which VWD has no control over. VWD also charges ratepayers a monthly bill to cover the cost of the water and sewer service and maintenance of the existing facilities. If a development proposes to increase densities above what is called for in the City or County General Plan, the VWD fees set based on the planned densities don't cover the additional facilities that will be needed. Therefore VWD passed a "densification fee" to cover the impacts of the higher densities. The base VWD rates actually went down a little, but the densification fee went up. Certain developers didn't want to pay that fee. VWD held many extra meetings with the development community, and made a number of changes to their rate structure before implementing the fees. At the final meeting a number of San Marcos developers spoke in favor of the final rate structure. However, one in particular, Michael MacDonald, was not in favor and then sued VWD over the rates.

The philosophy of the majority of the Board of Directors in 2012 was that development should pay its way, and development should not be subsidized by the District having to raise the monthly water bills of the customers. One connected developer and the Mayor of San Marcos in 2012 thought otherwise, and they put up candidates in the 2012 election to run against incumbents Darrell Gentry and me in order to get three votes on the VWD Board. That would allow the new majority to raise monthly water bills of the ratepayers and reduce development fees. If that is what happens, I would consider that defrauding the voters. I want the voters to know that I think everyone should pay the costs that are incurred by the District to provide them service, with no one subsidizing someone else. If they vote for me, that is what they will get. If they vote for one of my opponents, they may get something they don't expect.

As you can probably imagine, that will be a difficult story to tell to the average ratepayer. If the philosophy I described above is different from yours, I can understand why you would not be able to support me. Either way you may want to keep your eyes and ears open about what is said about the incumbent Water District Board members prior to the election, especially a few weeks before the election. It is likely that a hit piece will come out to mislead the voters about what is really going on at the Water District, thereby providing an excuse to "clean house" and "throw the bums out". One of the "City Council" candidates, Hal Martin, has already written things in his ballot statement that are false, but that will not be possible for the average voter to determine. Normally those tactics are used for more visible races, but this time it appears to have come to the VWD election, too. We will see.

Now it is possible to look back and see that Darrel Gentry and I were correct in our predictions of the consequences of electing VWD Board members who were connected to development interests. If the ratepayers of VWD want to change the current situation, the ratepayers will need to elect Board members who are rightly focused on VWD doing what it was established to do: Provide water and sewer service efficiently and cost-effectively. The ratepayers will need to replace the current Board members who are focused on increasing the profits of the development community members who funded their campaigns.

Tim Shell, FVC Founding Member