

# Sugarloaf may see water rate hike

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LAKEHEAD, California - Residents of a small water district on the shores of Lake Shasta may soon witness a rate increase to cover the rising costs of maintaining an aging water system in need of some high-dollar repairs.

The costs to operate the Sugarloaf County Service Area, a water district run by the county, have outpaced the revenue brought in by the 81 customers there in recent months, and some additional fixes will be necessary in the future to keep drinking water flowing through those pipes.

Shasta County Supervising Engineer Eric Wedemeyer said the proposed rate increases were modest compared with rates charged by many comparable districts, but necessary to cover operating costs and accrue reserves that could possibly be used as grant-matching funds for future capital projects.

“One of the things I hope the rate increase will do is help us fund some more leak detection efforts,” Wedemeyer said.

Earlier this year the county’s Public Works Department dipped into its general budget to replace a section of leaky pipe in Sugarloaf that officials have said attributed to water loss rate near 65 percent last year. Since then water waste has dropped to about 33 percent, Wedemeyer said, and possibly more since a few additional repairs had been made.

Members of the Community Advisory Board for the Sugarloaf CSA said they’d like to see those numbers below 20 percent.

However, one of the most immediate needs remains the replacement of an outdated surface water treatment facility that meets drinking standards, but falls short of more stringent standards for water quality set by the state. A 2012 study on the matter prepared by Pace Engineering estimated it would more than \$1.4 million for the new facility – a steep price tag for such a small district.

Shasta County's Board of Supervisors is scheduled to hold a public hearing on the proposed rate increase during its Oct. 14 meeting, which starts at 9 a.m. in the supervisors' chambers at 1450 Court St. in Redding.

If approved, the base rate for Sugarloaf residents would increase Jan. 1 from \$69 to \$75 for up to 1,400 cubic feet of water, or about 10,500 gallons, and costs for each additional 100 cubic feet would go up from \$1.40 to \$7.50 each bi-monthly billing cycle. Under the plan, rates would again change in 2016 with base rate allotments dropping to 1,300 cubic feet and charges of \$8 for each additional 100 cubic feet. In the third year a third fee tier would take effect for super users, establishing a rate of \$12 per 100 cubic feet for any residents using about 2,300 cubic feet in a two-month period.

Carmen Lee, a member of the Community Advisory Board for the water district, said she and some other board members felt the rate changes were too modest to meet some of the needs in the district, while other residents voiced concerns at Tuesday's meeting that the structure would unfairly burden full-time residents of the neighborhood south of Lakehead.

Of the 81 customers in the small water district, only 62 have active connections. The others are properties vacant for at least six months that pay a bi-monthly standby fee of \$25. Of those 62 active water users, local resident Bev Steele figured at least half were seasonal and did not live there full-time.

"There's not a whole lot of people that live here year-round, so to some degree it's going to fall on a few people to really fund this system," she said. "Personally I think the base rate should probably be higher so everybody is contributing more."

Steele said the structure of the new rate plan would basically penalize her for growing a vegetable garden each year, which at times has pushed her household over the 1,400 cubic feet covered in the current base rate. Under the proposed rate changes that same water would cost more than five times as much.

Board member Les Monthei and Wedemeyer with the county both said a number of possible scenarios for the rate hike had been considered, and the current proposal seemed to best balance financial requirements with burdens on the customers.

“When we went about this we asked what would be reasonable,” Monthei said. “I don’t think you can find a better solution than this.”

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