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Eminent Domain Will Be Long, Costly and Divisive

By Tony Penna, Vice President and General Manager, Apple Valley Ranchos

Some people at Apple Valley's Town government have a bad idea. They want to use eminent domain to expand government and take over Ranchos, a 65-year old regulated water utility. The history of using eminent domain to take over a regulated water utility proves towns and cities like Apple Valley can almost always expect to pay higher water rates, higher taxes or both and here's why.

The facts prove a regulated water utility like Ranchos almost always costs many times more than government's estimated price--no matter what the Town claims. No one knows what a court-appointed jury will determine is the ultimate price each and every taxpayer in Apple Valley will have to pay to take over Ranchos. Here are some facts on what occurred in other communities:

	Government's Estimate	Actual Price	X Higher
Big Bear Lake, CA	\$10.3 million	\$ 35.0 million	3.4
Felton, CA	\$ 5.3 million	\$ 13.4 million	2.5
Mooresville, IN	\$ 6.5 million	\$ 20.3 million	3.1
Nashua, NH	\$67.8 million	\$203.0 million	3.5

In the end someone has to pay the legal fees and cost to finance a government takeover of Ranchos. Before a court gets to the point of determining the ultimate price Apple Valley's citizens will be required to pay in higher taxes, higher rates or both, there will be a long and costly legal fight financed by the taxpayers of Apple Valley. The Mayor of Missoula, Montana, whom the Town has consulted, has spent \$1.1 million dollars of citizens' tax dollars in just several months to take over a regulated water system there and the trial hasn't even started.

Using eminent domain to take over a regulated water utility is bad business too. It shows any business in Apple Valley can be subjected to unwarranted attacks by our government. Eminent domain is already dividing this community as Apple Valley's government uses its taxpayer-funded misinformation campaign to intimidate businesses, organizations and individuals that question their takeover attempt of Ranchos.

The Town government talks about "local control," as if the good and loyal people who work at 21760 Ottawa Road don't exist. The Town government offers nothing more than emotional and misleading arguments that give the impression Apple Valley is not business-friendly.

Doesn't our Town government have more important priorities than a long and costly eminent domain fight? They brush off serious issues like the rates for their sewer system, roads and traffic, and crime. At Ranchos water is all we do. Our one priority is to provide reliable, safe and high-quality water service.

Ask our Town government about these facts. When you consider all the debate, all the time, all the money and all the divisiveness, using eminent domain to take over Ranchos is a bad idea.