

Speaker educates Claremont about water company takeover in Ojai

By [Wes Woods](#), *Inland Valley Daily Bulletin*

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CLAREMONT >> More than 50 people turned out Thursday night to hear OjaiFlow speaker Richard Hajas detail how his Ojai organization formed, won an election and is engaged in a legal battle to remove Golden State Water Co. from providing the community's residents water.

"I hope some of things we've done will help you," Hajas said to the group of people who showed up to an Active Claremont meeting Thursday night.

In May, the Public Utilities Commission unanimously approved about a 16 percent rate increase for Golden State Water Co. customers, which includes Claremont, Apple Valley, San Dimas and Wrightwood in its Region 3.

Those in attendance, which included members of the Claremonters Against Outrageous Water Rates and the League of Women Voters in the Claremont Area, overwhelmingly express support of a takeover of Golden State's holdings in Claremont.

"What's happening in Ojai seems like what's happening here in Claremont," said League of Women Voters member and Sustainable Claremont member Freeman Allen. "Golden State Water just has not been able to make a valid case (for why they should provide residents water)."

On Thursday night, Hajas said Ojai voters approving being annexed into the publicly owned La Casitas Water District on Aug. 27, though a court battle with the water company is still ahead.

"This is the amazing thing," Hajas said. "Residents voted yes to tax themselves \$60 million. That is a pretty good indictment of how poor Golden State is thought of in Ojai."

Hajas said the legal battle is in La Casitas' hands now, and it is starting to put together its strategy.

A court date was set in October to hear a case where Golden State has claimed the bonds approved by voters could not be used for purchase, Hajas said.

There were four stages of the process, he said.

The first stage was chaos, "because it was chaos," Hajas said, while the second stage was an attempt to get a public agency to take on the situation that had the authority to condemn and buy Golden State.

He called the third stage the election campaign, which was given the approval in August, and the fourth stage is the actual acquisition process.

"Now we're in Stage 4," he said. "Stage 4 unfortunately is the legal battle ... it's where the lawyers will feast."

Ojai is a small Ventura County community with about 2,850 connections so we're about "20 percent" of what Claremont is, Hajas said.

"The Claremont situation is different, and I think you'll recognize those differences as I go but I hope some of our experience may be of help to you," he said.

His organization looked up how much rates had gone up for Casitas and Golden State over 20 years. The average cost of living index was 4 percent and Casitas rates went up 4.2 percent over that period. Golden State's rates went up 8 percent.

In a feasibility report, he said, the group established as a community "we paid \$5.6 million a year for water to Golden State. If we had the same service from Casitas we would only pay \$1.9 million to save water. You can easily do the math that we knew right away our community could afford almost \$3.4 million a year. That's how much we could afford to spend to buy Golden State."

Claremont officials and Golden State Water have been battling for months after the water company initially asked the PUC to approve a rate increase of more than 24 percent for 2013 and additional increases in 2014 and 2015.

In November, Golden State declined the city's initial offer to purchase its local assets for more than \$54 million.