

OPEN LETTER TO AMEA BOARD AND HOMEOWNERS  
4/28/2023

Dear Board and Homeowners,

This is a response to the April 28th letter that was sent to AMEA homeowners regarding the proposed ASCWD rate increase. As a homeowner in Alpine Meadows and ASCWD Board member I feel obligated to clarify and provide additional information about certain statements that were made.

1. The proposed rate increases are for routine Operations and Maintenance, Inflation adjustments, building up of District reserves, as well as Capital Improvement Projects (CIPs) tied to the ASCWD 2023 Master Plan. Among other things, the Capital Improvement Projects will result in:
  - a. Improving fire flow in hydrants to accepted industry standards
  - b. Planning efforts required to build a new water tank to increase fire flow and water storage
  - c. Rehabilitating existing 70+ year old water tanks to ensure safe operation
  - d. Providing pumping stations to route water to where it is needed in case of a fire.
  - e. Replacing 70+ year old pipes/infrastructure predicted by professional engineering companies to be close to the end of their useful life.
  
2. The 2023 Master Plan estimates that to improve Water Capacity (tanks), the condition of the Water and Wastewater Systems (pipes) and regular updates to the Master Plan will cost approximately \$30 million with a completion date of 2045.
  - a. Rate increases will help pay for the planning and design costs of smaller CIPs. Planning and design must be completed in order for ASCWD to be competitive for grants and low interest loans as projects must be at a level where the application and project can be evaluated and ranked.
  - b. Rate increases are needed to build up reserves so we can respond to emergencies and qualify for loans for the bigger dollar CIPs. Many grant programs require matching funds and loan programs require adequate reserves to ensure the ability of the District to repay.
  
3. Increased rates are essential for implementation of the 2023 Master Plan.
  - a. The previous Master Plan was completed in 2006. Due to unanticipated problems (Tank 4) and underfunded reserves, ASCWD has been reacting to emergencies and unable to execute new projects shown on the plan.
  - b. The current management is taking a proactive approach to complete capital improvement projects to ensure in the future that Alpine Meadows has adequate infrastructure for accepted standards of water, sewer, and water for fire fighting services.

Necessary utility improvements do not occur without cost to the consumer. Consider the costs of the closure of the Village at Taos Ski Valley due to a failure of the municipal water distribution system for 5 days in April this winter. ASCWD Board and Management are taking steps to be prepared for the future.

Sincerely,  
Jan Ganong  
AM Homeowner  
ASCWD Director