

## Edelweiss Water System

### Questions and Answers Prepared by the Long Range Planning Committee

February 2010

- 1) *Question:* What is the condition of the overall system?

*Answer:* Overall the system is in good condition due to improvements made in recent years such as a new reservoir, new well, and replacement of some major distribution lines.

- 2) *Question:* Why are additional improvements needed?

*Answer:* The original lines were not buried deep enough to withstand the cold winters and some of the lines are not adequate size to deliver a good supply of water if all the lots were developed.

- 3) *Question:* When are the improvements needed?

*Answer:* The Cassal Creek Booster pump to the Reservoir line needs to be replaced ASAP. It was listed in the 1996 engineering and project report as necessary to provide an adequate supply of water to the system. It was also described in a letter from North State Consulting dated August of 2006, as a recommended revision and critical to the system. In the comprehensive plan prepared in 2009 it is listed as the first project recommended for completion.

The remaining projects can be completed over a longer term. As water lines exhibit problems and build-out occurs, the need to replace lines will increase. The 1996 report estimated total build-out by 2040. The present level of building is very close to the original estimate for this period of time. In the immediate future the building rate will most likely be below normal but long term planning is still needed. There are 24 additional projects to complete the entire plan.

- 4) *Question:* Is there a plan to complete the additional projects?

*Answer:* The LRP has identified 8 additional lines to try and complete over the next 10 years. That would leave another 16 projects to be handled on an as needed basis according to the comprehensive plan.

- 5) *Question:* Which lines are in that list and who prioritized them?

*Answer:* The list is based on the priorities identified in the engineering report and input from management. Consideration has been given to possible cost savings from doing adjoining projects at the same time. It includes numbers 3, 4,

6-9, 12 and 17 as noted in the comprehensive plan. The project for 2010 is item 1. Item 2 and part of 5 have already been completed. This list of eight includes the lines needed to complete the projects outlined in the 2006 revision from the engineering report.

- 6) *Question:* The 2010 budget shows \$70,000 for water line improvements. How much will be needed in the future?

*Answer:* The comprehensive plan estimates a maximum of \$536,878 for the additional 8 projects to be completed over the next ten years. The \$70,000 for the 2010 project is based on an actual estimate from a contractor and it is considerably less than in the comprehensive plan. We are hopeful that the 8 projects can also be completed for less than estimated.

- 7) *Question:* What sources of money are available to pay for the projects?

*Answer:* Edelweiss has three sources of income for the water system; hook-up fees, yearly water fees and special assessments. The Long Range Planning Committee (LRPC) has made some projections that indicate the hook-up fees alone will not generate enough funds to complete all the projects. There may be little or no income from this source for a few years. The yearly water fees are part of the total income shown on the budget and used for repair and maintenance. 15% of the yearly water fees for 2010 will be set aside in a separate savings account along with any hook-up fees collected. This money is designated for the improvement projects needed on the water system. It is the intent of the board to try to increase the percentage in the future. Any special assessments are subject to the approval of lot owners by special vote.

- 8) *Question:* Will additional special assessments be needed in the future?

*Answer:* The board is trying to control expenses and minimize any future needs for funding but it is likely that some special assessment(s) will be proposed.

- 9) *Question:* Will the yearly water use fees be changing?

*Answer:* At the present time there is no plan for a change to the yearly fees. At some point in the future the structure will need to be changed to reflect actual usage. This will require that water meters be installed on each home and is probably a number of years down the road. Other fee structures are being studied.

- 10) *Question:* Are there grants or loans available?

*Answer:* All grants and loans are based on need. Edelweiss has a good water system and is not a low-income community. This makes it very hard to qualify for grants or loans. There is one program offering 20-year loans at 1% interest

that Edelweiss has applied for. It is not likely that any of this money will be available. If it were approved, the membership would need to approve an assessment to provide for a repayment plan. The main advantage to using loan funds would be to complete some projects now before costs increase.

11) *Question:* Is all of this planning and updating normal and necessary?

*Answer:* It may not be normal but your board feels it is necessary. A lot of small towns and developments do no planning for infrastructure replacement, and find themselves dealing with crisis management. Infrastructure does not last forever. If that can be avoided or minimized, there should be some savings in the long run and less stress for everyone.

12) *Question:* Are the engineering reports available?

*Answer:* Yes. The complete reports are available to any property owner upon request. The 1996 report is very lengthy but the 2006 revision is more concise and is posted on the Edelweiss web site. The first two pages of the comprehensive plan, which summaries the complete plan, is also posted on the web site.