COMMENTS ON THE WATER BILLING PROPOSAL SUBMITTED BY SUZANNE STAR TO THE SIERRA LOS PINOS BOARD OF DIRECTORS ON FEBRUARY 12, 2019

ADDITIOAL IMPROVEMENTS COMMENTS:

GIS System Mapping – Satellite mapping. Is the way industry is going. New Mexico Rural Water Association (NMRWA) may be able to help with this. Could take advantage of their assistance, which would be less expensive than hiring out. Some GIS systems are more precise than others.

SCADA - Supervisory Control and Data Acquisition "SCADA" remote monitoring system – currently working on this although not SCADA level. SCADA requires better cell phone coverage or developing our own Wide Area Network (WAN). Not practical, especially with Windstream connectivity, in a rural community such as SLP. SCADA is used primarily in larger industrial organizations.

RETURN lines for Chlorination – Actually called a "pump line" and we tried to do this on system 2 and the line was too small, got plugged up, and was just difficult to maintain. There is a dedicated pump line to the booster station but not to the storage tank.

FIRE Protection – If could get a permit from Forest Service, could put another tank alongside existing tanks on System 1.

Inline System diagnostic components – It's the same idea as the SCADA remote monitoring.

Commingle – The water rights are commingled. An engineer could help design how to get water from System 2 to System 1. A properly sized (engineered) pump and valving on the comingle line could send water in the reverse direction.

Well Houses / Pressure Tanks – Pressure tank idea is already in progress. A pressure switch has been plumbed into the Hovenweep Well. Not sure of advantage for each well. (Note: Could get an engineer to look at pressure tanks.)

Storage Shed Rebuild w/Elec – Rebuild not necessary as some repairs have been made, but could look at electricity. Could look at a new and larger Tuff Shed if it was really needed. Could then do Wi-Fi and use a simpler monitoring system of some type.

Hire Water Operator – Needed, but resources are extremely limited for our area. We are investigating the possibility.

In general, these items have little to do with the "aging" water system to reduce the leak rate.

WATER OPERATOR SERVICES:

Either with volunteers, Frank, or contractors - this is already being done.

Improvements could be made in the areas of parts inventory, valve exercising, regular inspections of pump houses.

Scott Medina Proposal – "How Much to fix/upgrade the system/"

• Way out of date. NMGRT, for example, is very outdated.

- Items have been completed
- Underground system 1 tanks are ok
- System 1 gate valves many have already been replaced
- Already have some flush hydrants
- New storage tanks are not needed. Even the steel one can be relined.

COMMENTS ON "MEMBER DECISION OPTIONS"

- Replacing Failing Components when budget/reserves allow False Statement We are not waiting for money to become available. We have the money in the budget and in the reserve account and we are replacing in 1,000 ft sections.
- All current water systems were well engineered at the time of installation.
- The system can still fail, whether it's re-engineered or not.
- We are continuing to build our reserve account, so If future conditions require a large expenditure, more money is available and if not enough, then a special assessment can be considered. We can cross that bridge if we come to it.

REASONS THE BOARD DOESN'T SUPPORT THE PROPOSAL

Cost:

- Board believes it's more cost effective to continue moving in the direction in which we've started by replacing water lines (3,000 ft/yr). About half of the sections which did have leaks were already replaced. Even though System 2 has not leak been checked, it's strongly believed that most of the current main line leakage is confined to a single location.
- No reason to replace sections that are not leaking; therefore, not all 4.8 miles of line should be replaced.
- Water Billing proposal is a very costly proposal for members. This proposal could financially devastate some homeowners.
- Cost is not spread equally amongst members. Full-time residents would be contributing more than part-time residents. Families with children would be hit the hardest.
- Members would reduce their water usage, which in turn would reduce income.
- Our current meter status already qualifies SLP for loans.
- An average usage of \$210/month of the \$832 annual assessment is a 25% increase with this proposal.
- Website at www.slpwater.us contains inaccurate data. Pictures show issues where work has already been completed and this is not stated in any caption.
- With the "Proposal," more money will go to the government to pay taxes.
- Management company costs will increase.
- Many of the costs listed in the "Proposal" can't be quantified (i.e., insurance numbers are quoted very low).
- Several items listed in the Construction Cost items in "Proposal" are not needed, such as: Welded Steel Reservoirs, etc.
- Research is pending of tax implications for Non-Profit Property Owners' Association.