Steamboat Lake Water and Sanitation District Service Disclaimer

Current and / or perspective home buyer,

We are thrilled that you now live here or are a prospective buyer in the Steamboat Lakes Water and Sanitation District (SLWSD). We are the only water and sanitation district north of the City of Steamboat in Routt County. Please read the following document carefully and completely to understand the level of and cost of services available for water and sewer.

History

The district was originally formed in the early 1970's in conjunction with what was then a large master planned community to include 3000 homes, a ski area, a golf course and other luxury amenities. The development went bankrupt in just a few years and what was partially completed consisted of some infrastructure that had been hastily installed on the east & west sides of Willow Creek Pass.

The district has, over the years, been managed by all volunteer boards composed of fellow residents. Some boards have been more involved and technically competent than others. Historically, preventative maintenance has been neglected due to lack of knowledge, capital funding or both. In recent years the aggregate result of poor initial installation and lack of maintenance has led to repetitive critical infrastructure failures and temporary loss of service.

The current board is committed to fortifying the districts water rights, implementing preventative maintenance, and making necessary capital improvements to improve service delivery now and in the mid and long term that sustain current residences and create the capacity for full community build-out in the future.

Continuity of Service Delivery

Due to the aging infrastructure and the poor quality of their initial installation, both the potable water lines and sewer lines are prone to failure. There is a history of failure and loss of service. Over the last several years there has averaged two breaks per year and system wide loss of potable water potentially for several days with each failure. It is expected that the breaks and loss of service will continue and become more frequent into the future.

Unlike large municipalities, the district does not own our own construction equipment; neither does it have full-time staff. It relies on subcontractors. While the subcontractors are committed, they are often slower to respond, and have to respond from a distance for emergency repairs. Additionally, during the winter, foul weather and snow removal demands increase the time needed to locate, excavate and repair system failures.

SLWSD residents should always be prepared and have a plan to wait out multi-day water outages. This includes having a supply of drinking water on hand in your household at all timesalways having a supply of drinking water on hand in your household.

Cost of Service

SLWSD is a small district, currently with 140 homes. Economies of scale are not possible, even at full buildout. The cost to provide services per user is thus higher. Current user fees cover annual operating expenses and a marginal carryover for capital improvements. Due to the district's rural demographic and higher than average income the district does not often qualify for any federal subsidies.

Future Capital Improvements

The District Board is committed to making necessary and strategic capital improvements that lend to increased service reliability, fire suppression capability and service delivery to current and future residents. The capital cost to completely replace and properly install water and sewer distribution lines is far outside the financial capacity of the district. Even with debt service the cost per user would be astronomical. The only viable, economically feasible plan is to continue to repair breaks as they happen.

The district is focused on maintaining the existing water and sewer system and is not expanding the service area at this time.