

PARK FOREST WATER DISTRICT

7340 McFerran Road • Colorado Springs, CO 80908

Phone: (719) 494-1320 • FAX: (719) 494-2075 • Website: www.colorado.gov/pfwd

To our residents:

The District Board held a regular meeting on December 11 during which the budget for 2020 was approved. As your Board, we want to emphasize how difficult it was for us to raise water user rates – it was not done lightly, but ultimately it was the right thing to do to make sure the District is able to pay its expenses. Residents who attended the November and December Board meetings raised concerns about the proposed rate increase and why it was necessary. Because of the concerns raised, we thought it was important to explain in more detail the reasons for the rate increase.

- Over the past few years, the District has been sued twice by the owners of the Eagle Rising property. These lawsuits have resulted in the District incurring significant legal expenses totaling hundreds of thousands of dollars which may never be recovered. The more recent lawsuit is expected to last for the next couple years unless a settlement can be reached.
- Water system and general operation costs are also higher. These expenses include covering the water operator's salary and part-time administrative and accounting help. The Board also concluded that hiring a District management company to help with general operations was in the best interest of the District, and it is expected the management company will start in January 2020.
- The District's water system is nearly 60 years old, and a major failure within the system such as a well failure could require spending most or all of the capital reserve funds.

The budget process included a public hearing on the draft budget during the Board's November meeting. The draft budget, which included the water use rate increase, was posted on the District's website prior to the November meeting to allow for public input. During the public hearing, the Board received comments and took those into consideration. Some revisions were made to the budget as a result of those comments.

The new water rates are now more in line with what has been charged for years by other water districts. The Board is open to reasonable suggestions to meet its anticipated expenses and will continue to work to keep operating expenses to a minimum. We also encourage residents to get involved with the District by becoming a Board Director – elections to fill 3 Board seats are scheduled for May 2020 and self-nominations are due by February 28. If you're interested in running for the Board, please contact the District for information.

As your neighbors we're doing the best we can under what have been difficult times for the District over the past years, and we really appreciate your patience and support.

Respectfully,

PFWD Board of Directors