



Town Bulletin #1
September 2010

The Town plans to send a water bill to everyone (including those with credit balances) for the next few months. The reason is to provide you with your water consumption each month. This will allow everyone time to fix any existing problems and review your conservation practices. Actual charges for water consumption will begin around the first of April 2011.

This is the first Town bulletin (Town Bulletin No. 1). We will include one in each water bill mailed to the residents. The goal is to communicate more frequently and more timely with the residents and to save money by issuing fewer, more comprehensive Town Newsletters.

The back page of the water bill will have detailed information specific to the water bill and water related usage. The back of this water bill will also include excerpts from the Town Ordinance 2010-04 regarding fee structure. For more details on this Ordinance, go to the Town's website at: www.starvalleyranch.org.

+++++

Mayor's Message
Boyd Siddoway

The Town has two hats when it comes to budgets, revenues and expenditures; one; the Town's General Fund, which includes everything except our number two; Water Department.

The Wyoming Statutes dictate that the Water Department cannot provide funds to the Town, only receive funds from the Town. Thus, it prohibits a Town from using water usage fees to fund non-water projects.

FIRST: the Town's General Fund revenues are down by 45% in just the last 18 months due to the economy. To-date, we have been able to continue to provide only minor degradations to the levels of service. We are trying to keep service levels up, at least through June 30, 2011 by cutting out all Town related capital improvements, capital investments, subsidizing the water rates, and by not replacing personnel that have left the Town's employment. Most of these are short-term fixes with the hope for a brighter future when the economy rebounds.

Tuesday, August 17 was a very significant day for the citizens of our County and our Town. The 5th Penny will be continued by a "For" vote of 60% of the voters. This is very important to our Town and community. We should be able to maintain our current levels of service pending any further economic impact.

SECOND: the Water Department is making great strides towards accomplishing our goal of improving and expanding our water system. We have been very fortunate to have applied for and received several grants and low cost loans to help offset the costs of the improvements. These savings are reflected in our water bills being significantly lower.

There are six major elements to bringing our water system up to standard in regards to both quality and quantity:

- | | | |
|-----------------------|------------------------------------|----------------------------------|
| 1. Meters | 2. Supply | 3. Storage |
| 4. Transmission Lines | 5. Distribution Lines - Steel Pipe | 6. Distribution Lines – PVC Pipe |

The status of our water projects is as follows:

1. Meters -

- As part of our initial agreement with the State funding agencies, we committed that the Town would aggressively pursue installing water meters. In turn, the agencies agreed to waive the requirement to have the meters installed before approving our grant requests.
- We are scheduled to install just under 1,100 meters
- The meter project is in its final stage of completion, the project will be totally wrapped up by the end of September
- Actual water usage will be billed starting April 2011
- Billing rates are posted at Town Hall or on-line at <http://www.starvalleyranchwy.org/Ordinances/Title4.pdf>
If you have a question about a possible leak, call the Town for a free inspection or for an answer.

2. Water Supply –

- Our original supply was the Prater Canyon Springs and the Airport Well (#1).
- The new well on the BLM property, well #2 is up and running with over 300 gpm (gallons per minute) capacity.
- We have committed funds to drill another well, well #3, this will be bid this fall, and drilling will happen over the winter.
- Following completion of well #3, we also have funds to redevelop Prater Springs, again with the expectation of significantly increasing our supply
- With the successful implementation of the two proceeding projects, the Town will have an independent, adequate water supply for now and in the predictable future.
- Our plans are still to use the two springs as our primary water sources due to the savings in operating costs associated with the natural flows.

3. Water Storage –

- Our original storage was the 175,000 gallon Prater Canyon Tank
- We finalized the purchase of the Green Canyon Tank (400,000 gallon) this summer.
- We are well underway with the construction of a new, additional Prater Canyon Tank #2 (400,000 gallon) with completion expected to be by the end of the year.
- Once the new tank is operational, the Town will have nearly 1,000,000 gallons, which is adequate water storage for now and the predictable future.
- The capacity will meet both the consumption needs of the Town as well as meet the volume requirements for fire hydrants throughout the Town.

4. Transmission Lines –

(Those lines that connect our water sources, our water storage facilities and our points of distribution together)

- We have installed:
 - a 12" line from Green Canyon Tank to the point of distribution at the corner of Vista Drive and Vista East Drive including fire hydrants
 - an 8" line from the BLM well #2 to the point of distribution at the corner of Alpine Way and Ridgecrest Drive including fire hydrants
 - an 8" line along Vista Drive in the new commercial area including fire hydrants.
- We currently have under construction...
 - a 10" crossover line between the Green Canyon Tank and the Prater Canyon Tanks including fire hydrants.
 - next spring we will complete this line with a booster pump station so we have the capability to move water either direction from any one tank to any one of the other tanks.
- We have approved funding for...
 - An 8" line from Sugar Loaf Drive along the west side of Muddy String to Piute Drive
 - The Town has or will add fire hydrants at strategic locations along all these lines
 - This should be the final water transmission requirement for the predictable future.

5. Distribution Lines - Steel Pipe

(Those lines that connect our transmission lines to the various points of use, such as individual meters)

- There are approximately 167,000 feet of distribution lines in our current water system.
- Our current water projects include the replacement of
 - All of those steel pipes that are rusted, leaking, and undersized.
 - There are approximately 30,000 feet of steel pipe
 - Just under 30% of this pipe has been funded at a 50:50 loan to grant ratio and is currently under construction
 - We will apply for funding for the balance of the steel pipe replacement project this December with the work planned to commence early next summer.
 - All new lines will include engineering recommended placement of fire hydrants

6. Distribution Lines - PVC Pipe

(Those lines that connect our transmission lines to the various points of use, such as individual meters)

- The PVC pipe replacement project of the undersized pipe or that, which does not meet today's quality standards will be the last step in completing the necessary improvements to the water system.
 - The size of this project could be as high as 135,000 feet of pipe.
 - There have not been any state or federal cost offsetting grants, principal forgiveness, or other funding available to date.
 - This portion of the overall project will most likely be the most costly to the Town's water users as the best we can do right now are low cost loans.
 - Our current plan for replacement is to...
 - plan the entire project from an engineering prospective; what, where, how and when
 - obtain the necessary permits
 - replace the maximum amount of pipe each year that we can, based on available funding.
 - all new lines will include engineering recommended placement of fire hydrants

THANKS -

- We are very fortunate as a community to have such excellent relationships with the following State Agencies:
 - WWDC (Wyoming Water Development Commission)
 - Grants and Loans for most of the Source, Storage and Transmission Lines
 - \$6.0 Million
 - On target for a 2012 Completion date
 - 2/3 Grant, 1/3 Low Cost Loan (30 Year, 4% Interest)
 - WBC (Wyoming Business Council) – "Business Ready Development Grant"
 - The 12" Transmission Line, the Commercial Area Lines, Front Entrance Road and Business Ready Project
 - \$1.5 Million
 - Completed "On-Time, Under Budget"
 - 90% Grant, 10% Town share
 - SLIB (State Land and Investment Board)
 - SRF (State Revolving Fund)
 - Phase I of the Steel Pipe Replacement - \$900,000
 - Low Cost Loan (20 Year, 2.5 % Interest) with 50% Principal Forgiveness
 - ARRA (American Recovery & Re-investment Act)
 - Meter Project
 - \$1.39 Million
 - Forecasted to be "On-Time" for a September 2010 Completion Date and, "Under Budget"
 - Loan (20 Year, No Interest) with 50% Principal Forgiveness
 - Consensus – Block Grants
 - Maintenance Building
 - Storage Shed
 - \$603,203 Project Grants