

SNAKEDANCE

CONDOMINIUMS & SPA

LIFTSIDE LODGING AT TAOS SKI VALLEY

March 11, 2019

Dear VTSV Council Members:

Thank you for inviting us to the Village of Taos Ski Valley (VTSV) meeting on March 5, 2019 concerning the proposed new water and sewer rate structure. As we explained during the meeting, the Snakedance Association (Snakedance) installed a water pressure regulator to reduce its water usage beginning in August 2017. Snakedance installed the water pressure regulator because it blew out a 3 inch main line which resulted in a water leak of over 100,000 gallons.

After the blow out, Roger Mariani requested that VTSV waive the water and sewer charges for the 100,000 gallons of water released. VTSV did not waive the water charges (nearly \$4,000.00), but it did agree to waive the sewer charges.

Snakedance investigated the 3 inch main blow out and discovered that the incoming water pressure from VTSV was in excess of 120 psi. The water pressure regulator installed after the blow out reduced the water pressure in the Snakedance building to approximately 40 psi.

This water pressure reduction has substantially decreased Snakedance's annual water usage. In fact, although Snakedance's 2017 - 2018 business revenues remained steady, the Snakedance water reduction was substantial enough to warrant a reduction in its EOR from 54.42 for fiscal year 2017 to 39.16 for fiscal year 2018. *See* VTSV Water Bills to Snakedance dated 8/14/18 (Exhibit 1) and 8/31/18 (Exhibit 2). An EQR reduction of this magnitude resulted in a monthly savings of \$953.67 to Snakedance for the fixed rate portion of its July 2018 bill when compared to its June 2018 water bill. *See* Exhibit 1. However, the fixed rate reduction for the previous year's decreased water usage was short lived. The very next month, in August of 2018, VTSV took those savings away from Snakedance by *increasing* its EQR to its 2017 level of 54.42 even though Snakedance had earned an EQR reduction to 36.19. *See* Exhibit 2.

Snakedance is in a very different position that virtually all other VTSV water and sewer customers because it took an affirmative and substantial step to decrease its annual water usage by installing a water pressure regulator. As a result, Snakedance requests that VTSV reward Snakedance for its water conservation efforts by using a 36.19 EQR for Snakedance's fiscal year 2018 fixed rate water usage billings. Snakedance requests a refund (or an offset of bills going forward) on the fixed rate portion of its water bills. The monthly refund amount for the billing months of August 2018 through February of 2019 is of \$953.67. The total refund / offset requested through the present date is \$6,675.69. Snakedance requests an identical reduction per month (\$953.67) for all future months until the new water and sewer billing rates are enacted.

VTSV may believe that agreeing to Snakedance's request may create issues with respect to other VTSV customers. Snakedance does not believe this is the case. Indeed, if any other VTSV water and sewer customers can demonstrate that they took similar conservation measures (installed a water pressure regulator) that resulted in water usage reductions of the same magnitude as the Snakedance, then they too should request and receive similar treatment from VTSV. However, Snakedance reasonably believes that no other VTSV water and sewer customers can make such a showing.

Finally, as I stated at the meeting, I previously wrote VTSV on October 9, 2018. A copy of my letter is attached as Exhibit 3. In my letter, I explained the measures Snakedance undertook in August of 2017 to reduce its water usage. I requested that VTSV reconsider its decision to "NOT adjust the water/sewer EQR rate for the fiscal year of July 1, 2018 to June 30, 2018." I made this request because Snakedance's installation of a water pressure regulator resulted in a drastic year over year reduction in its water usage. As a result, Snakedance certainly earned its EQR rate reduction (from 54.42 in fiscal year 2017 to 36.19 for fiscal year 2018).

For all the reasons discussed above, Snakedance respectfully requests that it be rewarded for its conservation efforts as recommended above. I greatly appreciate your consideration of this matter and request that this matter be placed on the agenda for a vote of the VTSV Council at the appropriate time at the next available meeting.

Very truly yours,


Roger Mariani