

All property owners in the Lake Forest neighborhood should have received a ballot with a resolution to transition from the water Coop to the City of Madison water utility. Many of you have already voted but some may still be undecided. And you may also have seen a recent flyer recommending a No vote which increases your uncertainty. We'd like to provide a few facts here that might help you with your decision. Much more info is also available on our website at lakeforestwater.org.

First, the figures in the flyer are all higher than the actual values we've seen. But we can't deny that switching to City water will be expensive, and the estimated assessment for a single family home averages \$38,000. But the best way to view your cost for the new system is not as a lump sum but as an addition to your property tax for 30 years, which is estimated to average \$1,800. This option, by the way, is something that the City has never offered before to anyone. It's also true that our yearly cost for water will go up, but we've been spoiled by an unusually low rate for many years. Compared with water in much of the country Madison's is cheap.

Can we just be patient as the flyer counsels? Can the Coop board do more to keep the system going? It's not true that we refuse to fix the pump house problems. We're currently exploring options and we do have the money to make sure that our pumps and tanks continue to be operable.

Our 100 year old water main is another question and the possibility of prolonged outages is too real. We know of two leaks currently. We spent \$18,000 looking for these leaks but they were not in the pipe sections we uncovered. Any further excavation will be considerably more expensive. Leaks are most likely at the joints between pipe sections. Where we have uncovered joints the iron bolts holding them are badly corroded or missing entirely, and we expect this is the case for the over 200 joints in our main line. The joints can remain intact without the bolts, but they are less stable. If several fail at one time we will be in serious danger. We also need to contend with the fact that outages and leaks make an opportunity for contaminants to enter the system.



A section of our main pipe and a joint replaced several years ago

This is why we think that the only reasonable way to ensure the safety of our water supply is to replace all of our lines. We've gotten estimates for that cost and they're over 3 million dollars. This is less than the City's estimate but our system would still be inferior to what the City offers. And the Coop will be unable to obtain a long term loan on favorable terms. So we would need to assess every property owner an upfront amount which would be \$18,000 for a single family home. While the City's estimated assessment is higher, it will obviously be much more difficult for most members to finance that \$18,000 than to pay the City's property tax add-on. And it would be a nightmare for us on the Coop board to try to obtain that amount from our members. Further, for some members, apartments and coops, the Coop assessment would be much higher than the City's because of a mismatch in the way assessments need to be calculated. I think we expect those members would leave the Coop and negotiate separately with the City. The assessments for the rest of us then would rise to cover the total cost of construction.

We know you're shocked to suddenly learn that it's going to cost you a lot of money to keep water flowing. We thought that with the City's budgeting process which provides a lead time of 5 years we could consider options with Coop members well in advance. But that 5 year notice still hasn't arrived and we don't think we can wait for it. I personally had expected that the Coop could continue for at least 5 more years and I'm distressed at losing the Coop's cheap, high quality water. But the recent appearance of tank and line leaks has changed my mind.

Again, can we be patient and hope that our water continues to flow and that a better deal might be available in the future? First, we fear that the danger of water outages is just too real. Second we think it's pretty unreasonable to expect that the costs of construction and financing could go down with time and that some source of money from government or other parties will become available to us. It's much more likely that the cost to the neighborhood of replacing our water system will only go up with any delay.