

Snowcrest Condominium Owner Association, Inc.

June 25, 2014

Dear Snowcrest Homeowners:

The Snowcrest Executive Board met on June 14, 2014. The Minutes of this meeting are attached. They, along with the Financial Report, will be posted on our website <http://snowcrestassoc.org>

PLEASE READ THIS! IMPORTANT INFORMATION!

There were several important items that were discussed at the meeting.

- The parking lot has been resurfaced and looks good.
- We have been informed that there should be an alternative to our current internet service available this fall.
- Kandy Ramos, our treasurer reports that we are in reasonably good financial shape. If you have questions about our financial situation or the budgets, please contact her at kramos@snowshoemtn.com
- As we anticipated, our sewer rates are going to increase substantially, and are scheduled to go into effect in 2016. The water increase is pending. Current information indicates that the rate increase in the sewer rate could be as high as 116% if approved. Our rates could increase from \$ 99.00 to \$213.81 per month. We have been putting money aside in anticipation of this increase, which should soften the blow somewhat. However, many consider this increase to be excessive. I am attaching an analysis by Frank DeBerry, which I believe provides a good overview of the situation. Also, if you wish to protest this increase, I am also attaching information as to who to contact and what you may wish to address.
- We are continuing to evaluate options for the replacement of our hot tubs and will discuss them at the Homeowners Meeting.

Just a reminder! We have changed our Homeowners Meeting to Saturday, August 2, 2014 at 9 AM, with our Homeowners Party in the evening.. I hope to see you there. More details will follow.

The next Executive Board Meeting is August 1, 2014 at 7:30 PM

The Board and I are looking forward to continuing to serve as your Homeowners Association representatives. If you have any questions or issues that you would like for your Board to address, you can contact me as follows:

Home Phone: 740-593-3849
Email address: ziggydog@frontier.com
Address: 280 Park Lane Dr.
Athens, OH 45701

Sincerely,
David Roach, President

NOTE: All communications, with rare exceptions with Homeowners will be done electronically. All information will thus be by email or posted on the website (<http://snowcrestassoc.org>) UNLESS you wish to have hard copies of information. To request this please contact me.

Original Message-----

From: Frank DeBerry (SN)

[<mailto:FDeBerry@snowshoemountain.com>]

Sent: Tuesday, May 13, 2014 9:40 AM

To: David Roach; Kandy Ramos (SN)

Subject: RE: Copy of the PSC Filing 5 Page Letter

This one is difficult. Had the project proceeded 12 years ago, the rate increase would have been less than half of what they've proposed. It was stopped due to local objection to taking the Sharp Farm property (it was also a cheaper plan to operate as it was nearly 100% gravity fed, but the local electorate elected a County Commission on the issue of eminent domain and that County Commission brought in a new PSD who abandoned the plan based on that issue)...Had it proceeded 8 years ago, it would still have been less, but more than the plan of 12 years ago. As recently as a year ago, the District's engineer gave cost estimates for three options, all of which were nearly equal in cost, and all significantly less than are now being proposed. I was willing to support either a centralized or decentralized plan if one could be shown to be less expensive than the other - but there wasn't an appreciable difference between the two so we asserted support for the centralized plan to allow flexibility in planning down the road. In developing the plan, the engineer has significantly raised his estimate; blaming several factors, including Snowshoe (stating that we changed our aesthetic demands which added \$2mm to the project cost...untrue).

This is not to say that we agree with everything in the plan - we don't. We believe that a gravity line from Overlook to Linwood would be cheaper both to build and to operate - but both the PSD engineer and the PSC engineer have asserted otherwise. With no clear-cut answer on this issue, and with the PSC expressing willingness to support the PSD's assertion on the issue, we don't have much to stand on.

In the end, the system does need to be replaced. It's in violation of DEP regulations, and has reached its end of useful life so that maintenance

and unpleasant surprises are increasingly becoming problems. I think it's likely that if the PSD does not move forward with this plan, the DEP will proceed with the legal action they already have on the shelf and the PSD will be forced to move forward anyway. Had the plan developed 12 years ago been executed, we'd all pay less today but we'd have been paying more over the last 12 years. The same can be said for the plan of 8 years ago. The current district attitude has been one of inclusion and I do believe that they've done a good job of reaching a solution on the completing issues of price, eminent domain, environmental concerns, etc.. So, Snowshoe supports the plan because we believe that we've already wasted 12 years getting to the same place for more money and that more delays will only lead to an even more expensive plan down the road. We're not comfortable that the rate needs to be as high as they're requesting to support the project, and are still trying to understand what we think a reasonable increase would be. Worth noting that I don't believe the PSC will in fact grant them the entire increase, and comments received announcing displeasure with the rate will increase the likelihood that this guess is correct.

I know it's another cost hit, and it's been a long battle through tough times. At the same time, we really do have cause for optimism too. This is the last big hit to costs - it's been looming for years and once we work through it, we are seeing stabilized costs elsewhere. The RAD can help to stabilize MTA costs without sacrificing the level of services which will attract more winter and summer visitation and which is critical to our collective economic stability, we're seeing increases in rental incomes over the last two years and I expect this to accelerate. Property taxes have been stable. This is it, the last hurdle - let's get it down to one we can jump and then start running.

Best,
Frank

A. Sewage treatment plant:

The ground breaking will start soon. Complaints about the 116% sewer increase should be directed to the following:

WV Public Service Commission

Snowshoe Sewage Plan

P. O. Box 812

Charleston, WV 25323

OR call 800-642-8544 or fax 304-340-0325

The complaints should mention the fact that the plant is twice the size required and as a result the price is excessive.