

Pecan Valley RWD Opt-In Process and Membership Questions Answered

Comanche County Rural Water District #5, dba Pecan Valley RWD, has now fully replaced the private company Pecan Valley Waterworks Assoc, LLC, which no longer exists.

A Rural Water District is a member-owned, quasi-governmental, non-profit 501(c)(12) corporation directed by the Board of Directors elected by the members. The RWD is strictly regulated by law and can only provide service to its members – the homeowners within its service area – in this case, the Pecan Valley communities. Pecan Valley North, Pecan Valley South, and Shelter Lakes make up the Pecan Valley RWD.

Membership in the RWD is defined by law as “benefit units” with each “benefit unit” or membership granting the member the right to one service connection.

Membership (benefit unit) in the Pecan Valley RWD have been valued at \$2,500 based upon a preliminary analysis of the physical assets of the District (not replacement cost but depreciated down value). The system was determined to have a \$1.5M evaluation, which when divided by 600 properties equates to \$2,500 / homeowner.

*With most RWD's this cost of a “benefit unit” i.e. being a member, is levied up front in order to get onto the system. **But the Board of Directors voted to grandfather in everyone now on our system who Opts-In to membership in the District, so that all existing Homeowners can become members of the RWD at NO COST.***

The cost for a new membership will be \$2,500 which will be applicable in the future to the multiple vacant lots that are undeveloped yet around our community.

By law, we cannot provide service to anyone who is not a member of the District. If someone CHOOSES not to be a member of our District, we cannot force them to be, but we cannot provide service to a property that is not owned by a member. Thus, their choice to not become a member would force us by law to remove the meter and line from that property.

But that individual might later come to regret their decision as they would likely get tired of hauling water to their home and their home would have a much lower sale value without running water. If they later then wanted to become a member of the District, by law, they would then be dealt with as a new member -- someone building a new home to be attached to our distribution system. The fee for new membership, as I said is \$2,500.

For a current homeowner to object to being given a \$2,500 membership for free if he chooses to accept it in a timely manner seems inconceivable to me.

When a home served by the RWD sells, the membership attached to that home legally transfers with the title to the property, thus giving that new homeowner the membership at only a minor administrative fee (equivalent to our application fee now). The \$2,500 membership is an asset of the homeowner and can be factored into the price of the home.

We are currently assembling a list of homeowners from the assessor's office and will mail the form to everyone who has not already signed it. Our thought in passing out the form at the meeting and posting it online was to reduce our mailing costs, thus your cost. A mailing to the whole community costs us over \$700 for materials, printing, and postage. If we reduce half that it is worth doing.

This mailing will not go to renters. Renters are not "members" of the RWD and do not own the "benefit unit" so are basically unaffected by this process and the transition we've undergone.

Our experience when polling people who "never saw" the things we have mailed is that too many people never read much of their mail so we make every effort to communicate with every means at our disposal, thus this email.

PLEASE, feel free to contact us at any time to answer any questions you might have regarding this process.

We are discontinuing the use of the emails within our database since our new website gives us the ability within it to email and text news notices from there. We had been paying over \$1,500 / year for the software that allowed us to do text blasts of notices, but as our website INCLUDES that ability at a much lower annual rate, we discontinued that service.

PLEASE, go to our website, www.pecanvalleyrwd.com and register. If you give us your cell phone # and email address, you will receive all alerts in real time.

On that website, you can download the OPT-IN form, or I am attaching it to this email for your convenience.