



Dear Friends and Neighbors:

The board of Trout Canyon Land & Water Users Association is pleased to make several important announcements:

1. Non-Profit Status Update
2. Property Tax Reduction Update
3. Fire Prevention Efforts Update
4. Permanent Water Solution update
5. Association Fees Collection and Payment Update

Reminder our website address: [www.troutcanyonwater.com](http://www.troutcanyonwater.com)

1. **Non-Profit Status Update:** The board is pleased to announce that we have achieved our federal non-profit status, however it is important to note that we only qualified for a 501c12 status which is not eligible for tax deductible donations. The reason for this classification is that we do not benefit the general public, only the members of our small community. The most important aspect of this designation was access to public funds for we are now officially eligible.
2. **Property Tax Reduction Update:** The board was able to secure a 40% reduction in Trout Canyon properties basis for property tax due to the consequences of the fire/flood to the community.
3. **Fire Prevention Efforts:** The board has obtained information that there are ongoing efforts from the Clark County Fire Department and the Forest Service to place water storage in the community as a source of water in case we experience another fire.
4. **Permanent Water Solution Update:**
  - a. **Source:** This remains a challenge with a collision between water rights and economics. A community well is the most economical to implement but more expensive to operate and would be extremely difficult to obtain water rights for. It is important to note that it is not possible to re-assign water rights from surface water (spring) to ground water (well). Re-establishing the transmission line to the spring would be extremely expensive (>\$3 million) to implement but extremely inexpensive to maintain and the water rights already exist. Both options continue to be explored
  - b. **Engineer Selection:** The board has signed an agreement with Sunrise Engineering to perform all the engineering and environmental studies for the project. You can read more about Sunrise at the following link: <http://www.sunrise-eng.com/>
  - c. **Funding of Project:** This continues to be our most challenging aspect of the project. We have located a source of funds in the form of a grant to cover about 40% of the engineering fees for the project which has allowed Sunrise Engineering to begin the necessary evaluations for the project. The application for these funds (\$30,000) is still

ongoing and also locating a source for the remaining \$45,000 needed to complete this phase of the project.

- d. **Partnership Efforts:** We are currently actively exploring options to partner with Nye County and VEA in order to ultimately fund the both the engineering and long term project. Stay tuned on this topic as it is too early in the process to speculate on how this partnership may be structured.

5. **Association fees collection and payment update:** The board has retained Utility Services, LLC to manage the invoicing and collection of all membership fees. Moving forward all invoicing will come directly from US, LLC and all payments should also be sent directly to them. Our fee structure remains the same and is attached below for your convenience.

#### Payment types:

1. **Administration Fee:** This is the one-time fee assessed to join the association. Fee = \$25
2. **Full membership per parcel using water share:** this is the monthly fee required per parcel using water shares at any point during the year, the association does not offer seasonal water shares at this time. It is forbidden to use a water share across multiple parcels, each parcel using water is required to purchase its own water share. Full voting rights are granted with this payment. Fee = \$50 per month
3. **Membership per parcel not using water share:** this is the monthly fee required per parcel not using water at any point during the year in order to remain a member in good standing and not incur the new construction hookup fee at a later date when a water share is desired. This is a non-voting membership level. Fee = \$15 per month
4. **Membership upgrade/downgrade per parcel from non-water share user to water share user:** this is the one-time fee (each time a change is made) per parcel that is assessed to upgrade/downgrade said parcel from a non-water share user to water share user for a member in good standing. Fee = \$250
5. **Reinstatement of services after membership lapse:** this is the one-time fee per parcel that is assessed each time if membership in good standing had previously been attained but lapsed for less than six months and is reinstated. Fee = \$500
6. **Reinstatement of services after membership lapse:** this is the one-time fee per parcel that is assessed each time if membership in good standing had previously been attained but lapsed for greater than six months and is reinstated. Fee = \$1,500
7. **New construction hookup for non-members:** this is the one-time fee per parcel that is assessed for non-members to join the association after 11/30/13. This fee will be set at the actual labor and material cost of contracting at the time of the hookup or \$5,000 whichever is greater. Initial research from various sources has indicated that this fee could be as high as \$10,000.

Faithfully on behalf of the Board of Trout Canyon Land & Water Users Association.

Bob McCormick  
President