



September 30, 2016

Dear Copper Mountain Water and Sanitation Customer:

The Copper Mountain Consolidated Metropolitan District (CMCMD) has faced some challenges due to recent changes in Environmental Protection Agency (EPA) and Colorado Department of Public Health and Environment (CDPHE) regulations. Two of the District's wells have been designated as Ground Water Under the Direct Influence (GWUDI) of surface water and are therefore subject to surface water treatment requirements. This forced the District to develop new options for drinking water supply which involved either drilling new drinking water wells or the design and construction of a new Water Treatment Facility. The first option pursued was to drill new wells at significantly lower cost than construction of a new treatment facility. The first of the new wells was successful and will be capable of producing enough water to replace one of the existing, GWUDI designated wells. Every effort has been put forth to provide the District with quality water at a reasonable rate and to minimize rate increases. With that being said, the District must impose a rate increase to cover costs of new well design and construction, expansion of an existing well house to accommodate the new well, construction of an additional well in the spring of 2017, and to keep pace with increasing operational costs.

The CMCMD Board of Directors approved a rate increase of 15% for Water and Sanitation services that will be effective October 1, 2016 (see 2016-2017 Rate Structure on reverse). The District will apply the increased rate structure on October 1, 2016. Statements for 4th quarter Water and Sewer service (October 1 through December 31, 2016) will be calculated using the increased rates and will be mailed in early January 2017.

The District is working diligently to keep increases to a minimum while providing Water and Sanitation services that meet the needs of the community. Due to the hard work and dedication of District employees, the District was able to implement cost saving measures and processes to prevent additional rate increases at this time.

Since January 1, 2016, CMCMD Water and Sanitation customers have had the option of making payments on-line through Xpress Bill Pay. More information about this service can be found at <http://www.coppermtmetro.org/watersanitation/payonlinewithxpressbillpay.html> or www.xpressbillpay.com.

If you have any questions regarding Water and Sanitation services or rates, please contact Rob Martin, CMCMD Public Works Director at 970-968-2537 ext. 206, for billing questions contact Missy Stabile, CMCMD Clerk-Treasurer at 970-968-2537 ext. 201, or visit the District's website at www.coppermtmetro.com.

Sincerely,



Bryan Webinger
CMCMD District Manager