

LITTLE BOW RESORT CONDOMINIUM ASSOCIATION

CONDOMINIUM CORPORATION NO. 931 1680

September 18, 2006

TO: All Little Bow Owners

FROM: Dale Hildebrand, President
Warren Lyckman, Manager

WATER METERS

Please be advised that the installation of water meters will commence this week with C.M.I. Services mobilizing at the Resort on September 18, 2006. Meters will be installed over the next two weeks. About 2/3 of the Owners with cottages have provided a key to Ray. If you haven't and would like to have a meter installed, please leave a key or make arrangements with Ray at 403-792-2169 or lbresort@telus.net.

NEED FOR METERS

A couple of owners have asked for more information from the Board to support the decision to have water meters installed. We are preparing a report that will be circulated to Owners. This report will provide information on consumption levels, plant capacity, the Bible Camp contract, our longer term water management plan, etc.

Municipalities the world over have found that the installation of water meters is the most effective way to manage water usage. As the saying goes, "you can't manage what you don't measure". Many communities in Southern Alberta are responding to the Alberta government's new policies on water usage by installing water meters. Typically, water usage drops 20% to 30% after meters are installed.

The Board is convinced that the installation of water meters is the first and most important step towards long-term water management at Little Bow Resort. The majority of owners who have provided comments to the Board support this initiative.

WATER METER USAGE RATES

Several owners have expressed concern with the example we presented in the July 2006 mail out on the water meter implementation program. We have also received some great suggestions on different options to charge for over usage.

The Board's objective is to provide a strong price signal to those Owners who over consume in an effort to change water usage patterns and curb consumption. The ultimate rate charge needs to balance this objective with the cost of reading meters.

At this time the Board has not determined how much Owners will be charged for excess consumption or what amount of water will be deemed to be excess consumption. The plan going forward is to collect meter readings over the first year, likely with monthly meter reads in the summer months, and then determine what an appropriate charge would be. Given the interest some Owners have expressed, the Board will communicate its determinations prior to implementation.

Please note that the Board intends to charge a flat rate to all Owners who elect not to have a meter installed.

C.M.I. SERVICES

The firm we have hired to supply and install the water meters currently installs about 10,000 water meters in non-new homes each year in Calgary though a contract with the City of Calgary. Every day this firm installs meters in homes with finish basements, different types of piping, etc. We had a site meeting at Little Bow Resort on September 1, 2006 and C.M.I. inspected a few cottages and is confident that the installations will not be difficult.

We have visited C.M.I.'s shop in Calgary and met with their management. We are confident this firm has the expertise to install meters in our cottages in a professional and cost effective manner.

The meter we have selected is a Neptune T-10, ¾ flow through meter. The meter requires 9" to 12" of straight run ¾" pipe to be installed. The intent is to try and install the meter right after the main shut off valve. If piping configuration changes are required, C.M.I. will make the changes as required to accommodate the meter. A small wire will be run from the meter to an outside wall where a remote monitor will be installed (looks like a car odometer) to allow the meter to be read from outside the dwelling. This meter and remote monitor have been used in Calgary and other communities for many years.

INSTALLATION PROCESS

Owners are asked to provide a key to Ray or coordinate with Ray access to your cottage. Ray will provide the installers with a couple of keys at a time though a sign-in / sign-out procedure. Ray will be on site to supervise the installers and will check the installations when complete.

We had hoped to rent lock boxes to allow Owner's to have a key available at their cottage. Unfortunately, the Board was not able to find a supplier who would rent us lock boxes.

Some Owners have expressed a desire to be on-site when the meters are installed. Ray will do his best to accommodate these requests.

Some Owner's have asked that they be allowed to install their own meters. To ensure consistence and quality the Board has determined that C.M.I. will supply and install all meters.

If you have a concern with the meter installation, please advise Ray or Braemore who will work with C.M.I. to resolve. If required, C.M.I. will return to Little Bow Resort later in the year and resolve any issues Owners may have. The Board has a standard contractor agreement in place with C.M.I. that includes a hold-back provision. It is therefore important that you advise us if there are any concerns prior to our final payment to C.M.I.

Communication:

If you have any questions or concerns with the meter installations please send an e-mail to Warren at braemore@telusplanet.net. The manager will distribute to a Board member who will respond to your questions either in person or by e-mail.

The Board appreciates your cooperation and support during the meter installation process.

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