

Wilderness Village Campground Association
P.O. Box 1347
Rocky Mountain House, Alberta T4T 1A9



May 2, 2011

RE: 2011 SEWAGE DISPOSAL ASSESSMENT

Dear Members,

After several months of meetings between the Town of Rocky Mountain House and Clearwater County, the Town has decided to have their lagoon remain closed to outside bulk sewage despite our best attempts to negotiate access for just the summer months when we are at our busiest. The closure was announced last October and went into effect last November. A recent announcement states that the lagoon will remain closed to outside access for the remainder of the year.

What does this mean for Wilderness Village? Our sewage hauling and disposal costs have increased considerably. Since our access to the lagoon was discontinued last November, we have had to haul our sewage to Nordegg which is a far greater distance away. Our costs to date have increased as much as 500% over the same period last year. Although the actual sewage generated since the lagoon closure has not been high over the winter, it will soon grow exponentially as the summer season approaches.

Clearwater County is investigating some possible solutions that would help mitigate our situation in the short term and they plan to build their own lagoon closer to Wilderness Village, however that will take at least a year or possibly as long as two. Our immediate expenses will now climb well over our budget of \$115,000.00 to somewhere near \$300,000.00 or more due to rising fuel costs and the far greater distance to an accessible lagoon.

The expense that we will incur as a result of our increased sewage disposal costs will be approximately three times the budgeted amount for 2011. The Board has determined that an operating over run expense such as this should not be allowed to deplete our emergency or capital funds, otherwise it could jeopardize our overall financial stability. Regrettably, we must pass along this increased operating expense on to our Members in the form of a special assessment. In order to soften the hardship of this assessment to our membership, an invoice will be sent to each Member for two staggered assessment instalments, each for \$183.75 including the GST. The first instalment will be due on June 1st 2011 and the second one will be due on July 15, 2011. If there should be any assessment surplus at our year end it will be applied to any potential assessment required for 2012.

The Board and Management of Wilderness Village is currently exploring other options towards lowering the cost of our sewage disposal including the possibility of treating our own sewage on site or accessing the new lagoon that will be built closer to Wilderness Village over the next year to two years. We want to assure our Members that this current situation was not caused by any action or inaction on our part. We have been able to rely upon the access to the Rocky Lagoon since the campground was built in the early 1980's. The Town had told us last Fall that they were working towards a solution with the County that would allow us to continue accessing their lagoon. Unfortunately, their most recent decision has placed us in this unfortunate situation.

Sincerely,

Ron Webster, Manager WVCA