

A photograph of a golf course clubhouse and parking lot. In the foreground, there are several large, mature pine trees. Behind them, a clubhouse with a dark roof and stone accents is visible. A parking lot with several cars and a golf cart is situated between the clubhouse and the trees. The scene is set during the day with soft lighting.

**Protect, Preserve, and Promote  
our Property Values**

**Water & Sanitation District  
Zoning District**

# We have a lot to protect and preserve

- Total real property **\$251 million** \*
  - 927 homes \$214 million
  - 1,260 lots \$30 million
  - Club Facilities \$7 million
- Alto Lakes Water Company with 1,100+- customers

\* 2003 Lincoln County tax records

# Water & Sanitation District – Defined

Water & Sanitation Districts are created to provide water and sanitary sewer services to the community. Can also provide for roads and recreation.

- Created by petition of 25% of tax paying electors \*
- Managed by an elected Board
- Formation of W&SD requires 12-15 months
- Following formation, W&S District will acquire Alto Lakes Water Company with price and terms subject to formal approval by Club membership

\* Tax paying elector:

1. Resides within the District
2. Registered to vote
3. Is current with property taxes

# Alto Lakes W&S District - Purpose

- W&SD will help us find new sources of water
  - Deepen/improve existing wells
  - Drill new wells
  - Participate in regional water planning and development
- W&SD will help us to conserve the water we have
  - Maintain and tune a rate structure which rewards conservation
  - Upgrade existing infrastructure to reduce leaks and waste
  - Centralize water treatment to reduce waste from softeners and reverse osmosis systems. Softeners discard 100+- gallons per cycle and reverse osmosis systems discard 4-10 gallons for every gallon of drinking water.
- W&SD will help us to improve fire protection
  - Improve water pressure and stand-pipes
- W&SD will help us to re-use water
  - Use treatment waste and/or gray water for golf course

## Alto Lakes W&S District – Many Advantages

- Ability to finance required capital improvements
  - Access to greater amounts of capital at lower rates
  - Borrowings backed by State of NM and District taxing authority instead of ALGCC guarantees and pledged assets
- Benefit from state and federal grant programs
- Participate as peer in regional water & waste planning
- Can “bank” water rights for up to 40 years
- Update rates and borrow money without expensive PRC procedures (last rate case cost \$50,000)
- Use public rights of way for lines and access

# Alto Lakes W&S District - Annexation

- Water & Sanitation District Survives Annexation
  - Alto Lakes Water Company was created to provide water for member homes, golf course and fire protection
  - Alto Lakes Water Company can be taken by Ruidoso via eminent domain proceedings
  - Alto Lakes Community will invest millions during the next 10-20 years to upgrade our facilities and assure continued supply of water
  - Alto Lakes W&SD will survive annexation – this will insure that our investment accrues to the benefit of our Alto Lakes Community.



# Zoning District - Defined

Special Zoning Districts are created to regulate land use and planning in areas outside the boundary limits of incorporated municipalities.

- Created by petition of 51% of tax paying electors \*
- Managed by elected Commission
- Requires 6-9 months to create in tandem with W&SD

\* Tax paying elector:

1. Resides within the District
2. Registered to vote
3. Is current with property taxes

# Alto Lakes Zoning District – Purpose

- ZD will assist in providing conservation in new construction
  - Maximize effective water use in new homes (e.g. re-circulate hot water)
  - Maximize effective water use for irrigation (e.g. drip and plant selection)
- ZD will allow us to post water use restrictions during shortages
- ZD will improve and modernize land use regulation
  - Duplicate virtually all of existing Alto Lakes covenants in Planning and Zoning Ordinance
  - Procedures for updating ordinances as needed in the future
  - Procedures for granting reasonable exceptions
  - Alto Lakes Covenants remain enforceable where more restrictive than ordinance.

Note: Zoning District does not survive annexation, however it is reasonable to expect that Alto Lakes Zoning District ordinances would be generally adopted by Ruidoso for use in the Alto Lakes Community..



## Zoning District – Significant Advantages

- Strong conservation policies will help insure availability of water
  - Less expensive to conserve water than to purchase water rights and drill new wells
- Covenants can be more effectively enforced as ordinances
  - Some of the covenant provisions have been so widely ignored that these provisions are no longer enforceable
- Ordinances can updated on a timely basis
  - Example: need for improved defenses against forest fires

## Costs to create - Modest

- Create Water & Sanitation District
  - Legal & engineering costs of \$35,000
  - Most, if not all, of these costs will be reimbursed by the NM Finance Authority when the District does its first bond underwriting for capital improvements
- Create Zoning District
  - Legal costs of \$3,000 - \$5,000 (low because ZD created concurrently with W&SD)

# Cost to Operate – Lower overall

- Water & Sanitation District
  - Operations funded by water & services revenues
    - Net additional operating cost estimated at \$10,000
    - Lower Gross Receipts Tax will result in \$4,000 savings by customers
  - Engineering and planning work needed for water and sanitation projects during the next 10-20 years can be funded (in whole or in part) by grants which can save \$100,000's
  - Capital improvements funded from revenues or general obligation bonds at significant reduction in interest rates (e.g. 3-7/8% vs 5%)
- Zoning District
  - Plan and site reviews funded entirely from user fees

# Tax Paying Electors

Members may be concerned by a perceived loss of control to “tax paying electors”. Every tax paying elector in Alto Lakes is a resident of the Alto Lakes community and is a member of ALGC&C. Each has a vital stake in ALGCC’s future. Annexation by Ruidoso can be expected to have a profound effect upon Alto.

- Alto Lakes Water Company
  - Pre-annexation **2,000 ALGCC members**
  - Ruidoso annexation **5,800+- tax paying electors**
    - **10%+- ALGCC Members**
    - 90%+- non-Members
- Water & Sanitation District
  - Pre-annexation **400+- tax paying electors**
    - **100% ALGCC Members**
  - Ruidoso annexation **400+- tax paying electors**
    - **100% ALGCC Members**

# Objective - Protect, Preserve, and Promote our Property Values

- Finance capital improvements via low cost financing from the NM Finance Authority
- Fund project planning from NM & Federal planning grants
- Ability to participate as a peer in regional water planning
- Retain control of our water
- Ability to retain unused water rights for up to 40 years
- Access to public rights of way for construction
- Strong emphasis on water conservation
- Planning and zoning can be readily updated as the Alto Lakes community continues to evolve

## Club Management – no change

- Club membership retains control of golf course
- Club membership retains control of all club facilities
- Club membership continues to elect ALGCC Board
- ALGCC Board continues to manage Club