Buckhorn Valley Metropolitan District

1. BVMD was created by Town of Gypsum in 2000 to facilitate infrastructure development in "Buckhorn Valley", which had been a farm created by Julius Olsen in 1906. Olsen was able to irrigate his farm by bringing water over 5 miles, across two watersheds, down Alkali Creek, and onto the lands now known as Buckhorn Valley.

The District's other primary, and now enduring responsibility is to provide irrigation water for the homes and play areas in the District. The Town will not provide irrigation water for any new subdivisions, and prohibit the use of potable drinking water for landscape irrigation. The fine can run to thousands of dollars per violation.



The Buckhorn Pond is miles across watersheds from the sources at Abrams and Hernage Creeks

Olsen's ditch required lots of maintenance and was subject to sinkholes and massive water losses during the downhill trek, so in 2011, BVMD managers started working with the Town, state and federal agencies and wildlife groups like Trout Unlimited; eventually they secured over \$1.1 million in grants to construct a seamless pipeline from Abrams Creek down to the pond. The pipeline was completed ahead of schedule and under budget in 2019, and became operational in 2020. The head-gate at Abrams is self-cleaning, thus maximizing our water resource and protecting a rare habitat for Colorado Cutthroat Trout. It means reliable, silt free water for decades to come.

- 2. All of BVMD's bond debt paid for water and sewer mains to be extended to the site, and for many of the streets and roads, water mains and sewer mains in the District, as well as the original irrigation network.
 - Current development costs are paid 100% by the developers, whose projects add to the tax base and thus help expedite the date when all debt is retired.
- 3. BVMD's tax rate is set by the bond indentures (mortgages) and regulated by the District's service plan created by Town in 2000, and by state property tax laws like TABOR. The District's Board cannot raise the taxes above those caps currently in place, nor can the Board lower the taxes until all bonds are paid off.
- 4. About 10% of the operational funds for the District come from property taxes; the remainder of operational costs come from irrigation water fees
 - a. The undeveloped land pays irrigation water fees at the same rate as homeowners, and thus actually pays more than 50% of the operations costs
 - b. The District collects the irrigation water fees year-round to facilitate household budgeting, a policy that was implemented at the onset of the 2008 financial crisis.
- 5. BVMD provides over 74,000,000 gallons of irrigation water per year for landscape irrigation; the District has two primary sources and two backup sources of water, so that, even in very dry years, the District is in a good position to keep Buckhorn Valley green.
- 6. BVMD is operated by a contractor, Colorado Land Management, LLC. The District has no direct employees, vehicles or heavy equipment. Because of the seasonal nature of operations, it would be very difficult to have qualified employees who learn and know the systems, year after year. It would be too expensive to keep capable technical staff during the winter months. The District is charged for the personnel actually working on District functions, for the time actually worked. The Board reviews the contract annually and the charges are reviewed, approved and audited by CPAs with Board oversight.
- 7. BVMD operational costs compare favorably with similar operations: there are over 12 miles (> 60,000 feet) of pipeline for collection and distribution of irrigation water, two major pump stations, a 20 million gallon reservoir and countless control valves, pressure control stations, taps and connections throughout the District. The main difference between the BVMD irrigation utility and the Town water system is that the irrigation water is not disinfected for drinking. Yet, total cost of operation per gallon for BVMD is half that of drinking water operations.

8. The District owns several small parcels within the subdivision, and in 2015 acquired the 60 acres of open space on the hillside and around the Buckhorn Reservoir. Because the Town has the right to create easements across the BVMD open space lands, the District is currently working with BLM, and Town staff to determine a viable access and use plan for these lands and the 80 acres of Town lands lying to the south of the Reservoir.



Since the Town has 'first right' on access easements, that is the first step to determine a viable, affordable usage plan for the BVMD 60 Acres.

Then, the District hopes to create one or more advisory groups of District citizens to determine which uses best suit the land and environment, and create the maximum benefit to the community.