Buckhorn Valley Metropolitan District #1
Meeting Minutes for the **Board Meeting**

Date: Tuesday, March 31, 2026 **Time:** 6:00 PM **Location**: Online Via Zoom

Board of Directors:
John Hill, Secretary/Treasurer
Nicholas Richards, President

Public Attendees:
Michelle Castor-Viater, Resident
Peter Wehrenberg, Resident
Chris Mathews, Resident
Hugh Fairfield-Smith, Owner
Anna-Maria Ray, Owner
Maxine Hepfer, Owner
Kelly Sloan, Resident
David Fiore, Resident
Cheryl B, Resident
Michael, Resident
Mandy Miller, Resident
John, Resident
C Siebert, Resident
Christiane Hepfer, Developer
Kevin, Resident
Rio Burgess, Resident
Alejandra Martinez, Resident
Frank, Resident

Other Attendees:
David McConaughy, District Counsel
Rick Goncalves, District Engineer
Kenny Slaughter, District Operator
Peter Kline, District Management
Sujata Trehan, District Management
Sarah Shepherd, District Management
Doug Clements, Spronk Water Engineers

CALL TO ORDER AND DECLARATION OF A QUORUM

Director Richards called the meeting to order at 6:00pm. A quorum was declared as 2 out of 2 Board members were present.

DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST

No new conflicts were declared.

APPROVAL OF OR AMENDMENT TO THE AGENDA

The agenda was approved by acclamation.

CONSIDER APPOINTMENT TO BOARD VACANCIES
Director Richards made a motion to appoint Hugh Fairfield-Smith, Anna Maria Ray, and Maxine Hepfer to the Board. Director Hill seconded the motion. The motion passed 2-0.

ADMINISTER OATH OF OFFICE TO APPOINTED BOARD MEMBERS AND ELECT OFFICERS
Directors Fairfield-Smith, Ray, and Hepfer took their Oath of Office and were duly appointed to the Board.

Director Richards made a motion to appoint Hugh Fairfield-Smith as the Treasurer for the Board. Director Hepfer seconded the motion. The motion passed 4-0, with one abstention.

The Board appointed the Directors with the following offices:
Nicholas Richards, President
Maxine Hepfer, Secretary
John Hill, Asst. Asst. Secretary
Hugh Fairfield-Smith, Treasurer
Anna Marie Ray, Asst. Secretary

PUBLIC COMMENT FOR NON-AGENDA ITEMS
David Fiore, Resident and Board Director for BVMD2, asked if the intention was to allow comment during the meeting. David Fiore read a letter from Paul Rufien, legal counsel for District 2 which had been shared with the Board. Mr. Fiore noted that both District 2 and District 1 have an opportunity to work together to create a long-term comprehensive plan for water conservation. He appreciates that District 1 is trying to get ahead of the water conservation effort, however would like District 1 to wait for the AECOM study District 2 has undertaken prior to taking action on the plan.

Peter Wehrenberg inquired if there were updates regarding the reimbursement requested from District 1 to District 2.

PUBLIC HEARING TO CONSIDER THE ADOPTION OF THE PROPOSED WATER CONSERVATION POLICY AND ASSOCIATED FEES
Director Richards declared the public hearing open at 6:21pm.
Doug Clements, Water Engineer to the District, walked through the draft plan page by page and provided an overview of the Water Conservation Plan. Discussion followed. Rick Goncalves noted that the current snowpack was at 50% of average and would require 15-16 feet of additional snow to bring levels to average levels. Many water providers have already announced policies in consideration of the drought conditions.

The hearing was opened for public comment.

- Kevin noted he was in favor of the water conservation plan and was concerned if reduced water would impact home values. Would residents be allowed to water their garden in the evening or weekend. He asked if someone could call him for detailed information regarding his questions.

- Rio Burgess was curious about the ‘no hand watering’ note in the policy, and if restrictions would be enforced for public spaces as well.
- David Fiore noted that he believed there should be enough water available for residents to water their homes. He projected that District 2 would be installing meters to have data regarding water use.
- Peter Wehrenberg asked if drip systems would be allowed to be operated outside of the watering days. He also asked if the penalties that could be imposed for 1st, 2nd, 3rd, and 4th penalties would catch residents unawares if the drought conditions changed from level 1 to a level 2 drought.
- Kevin also wondered if once the residents used less water, they would give up their access to their allocated water.
- Cheryl B commended District 1 for taking action to conserve water, and while it’s understandable that District 2 wants to be engaged, decisions need to be made now to prepare for the drought. She noted that drought conditions are going to be the norm. She asked if lawn sizes would be reduced for new homes to reduce water usage and would some of the public green spaces go dormant.

David McConaughy noted that given the request from District 2 to not make any decisions. The Board could now close the public hearing or continue the public hearing to the scheduled meeting.

Director Hill asked, should the Board vote on the plan tonight, would it be possible to amend the plan after the next meeting? He also wondered if the Board could waive penalties for a fixed period of time to allow residents to adjust to the new policy. Discussion followed. It was noted that fees were not in service of the District’s budget, but a matter of compliance for egregious infractions. Sarah Shepherd noted that residents could receive courtesy notices in advance of penalties being applied.

Director Richards noted that he can get Kevin in touch with consultants for additional information.

Response to public comments:

- Doug Clements noted that in Colorado’s ‘use it or lose it’ policy would not apply in this situation.
- Sarah Shepherd noted that if the water levels are too low, water cannot be pumped from the river. The intent of this policy is to conserve water so that it lasts the whole season.
- Sarah Shepherd noted that this policy would apply to sprinkler rotor heads on turfgrass, not drip irrigation or drip systems used in gardens.
- Doug Clements also noted that hand watering prohibition does not apply to water from rain barrels.
- Sarah Shepherd noted that the Town of Gypsum reached out to both Districts – the Town supplies in-home water. The Town does not allow outdoor lawn watering with potable water. The Town of Gypsum informed the District that it would be enforcing their policies strictly given the drought conditions.
- Kenny Slaughter noted that common spaces would adhere to the water conservation plan and that the District has already cut back on some areas. Public spaces can be maintained while giving residential areas priority.

- Sarah Shepherd noted that draft plan will be updated to address questions and pointed to the section of the plan that details the size of lawns in new homes and fees, as well as resources that provide recommendations for types of turf grass, native grasses, and maintenance thereof from CSU Extension and other studies.
- Doug Clement noted that new developments are designing smaller yards, with a maximum size of 2,500 sq feet of irrigated turf area. David McConaughy noted that the Town of Gypsum sets those limits. Director Hill noted that the Town of Gypsum has reduced the maximum yard size to 2,500 sq ft from the previous 5000 sq ft. The Developer group proposed the lawn size reduction and fully endorsed it.
- Regarding the Drought phases, Sarah Shepherd noted that there are courtesy notices for each drought phase. The District will also employ the website and signage to keep the community informed, encourage compliance and to prevent penalties, as the goal is to more efficiently and effectively use the water allotted to the District.
- Rick Goncalves noted that Master meters could be installed on the main feed line so that the District could know and record water use for each day. This could be tied into the District system so that the operator could be alerted if there is a possible leak, break in the system, or unauthorized usage.
- Rick Goncalves noted that there should be enough time to water a lawn with the right automatic systems, during the week under the proposed restrictions presented in the plan, per studied water depth per area of lawn if plants are properly installed. There would also be time available in the morning and evening hours to meet these needs.

Director Hepfer asked if AECOM has been in touch with District 1 engineers regarding their study since the initial site visit. Rick Goncalves noted that he has not heard from them since the initial site visit. Kenny Slaughter noted that he had been in touch with AECOM for a few follow up conversations and site visits. Discussion followed.

a. Consider resolution to adopt the Proposed Water Conservation Policy and Associated Fees.
Upon a motion by Director Richards, seconded by Director Hepfer, the Board voted 4-1 to continue the Public Hearing to the meeting on Tuesday April 7, 2026, at 11:30am via Zoom.

As the public hearing is continued to the next meeting, this item will be addressed at the next meeting.

b. Consider Declaration of Drought for 2026
No action taken.

c. Operator Report: 2026 Turn on Activities for Irrigation System
Kenny Slaughter provide an update to the Board – the reservoir is currently about 75-80% full; once water can be pumped it will be filled to 100% before the system is turned on for community watering. The system will be ready for use at the standard start time this year, around mid-May. A concrete date will be shared in early May. He is addressing a small main line repair on a butterfly valves; Registers on the main line need to be addressed.

ADMINISTRATIVE ITEMS

a. System project plan recommendations by District 1 and District 2 Engineers
Sarah Shepherd noted that relocating the controller to within the new District 1 boundary is a top priority, per the IGA and boundary update. Kenny Slaughter noted that some of the groundwork for moving the controller is in process, but needs a location and funding to move the project forward.

Sarah Shepherd noted that an emergency phone number will be set up for community members to text with damage or leak reports. Detailed information will be provided with the rest of the startup information.

b. Consider Water Augmentation Source Options for current and future year operations
Doug Clements noted that the Colorado River Conservancy District has a water leasing plan, including from Eagle Park Reservoir – they have water available for leasing, however it is quite expensive. While it would be good to have in drought year, it may not be feasible every year. Water is available on demand. Short-term and long-term leases are available. Discussion followed. This item will be discussed further in future meetings.

c. Discussion regarding IGA lot fee collection and distribution processes and tap fee for newly connected lots
Sarah Shepherd noted that the District discussed development and tap fee collection with the Town of Gypsum. The Town was not open to collecting those fees – however they recommended a possible solution. The District could file a bulk lien on lots as they were developed – for collecting the tap fees for District 1 and District 2 could do the same for the development fees. For the current development fee collections, District 1 will plan to transfer collected amounts to District 2 on a quarterly basis at least. It's recommended that District 2 collect development fees. Kenny Slaughter and the operator team will inspect connections of the new lots to the system, and once approved and once the tap fees were paid water will be turned on.

d. Consider approval of meeting minutes from March 4, 2026, Regular Board meeting
Upon a motion by Director Fairfield-Smith and seconded by Director Hill, the Board voted 3-0 (with 2 abstaining as they were not present) the Board approved the meeting minutes from March 4, 2026, Board meeting.

EXECUTIVE SESSION
Upon a motion by Director Richards and seconded by Director Hepfer, the Board voted 5-0 to open the Executive session for a conference with the District's attorney for the purpose of receiving advice on specific legal questions under C.R.S. § 24-6-402(4)(b), specifically regarding the Intergovernmental Agreement with Buckhorn Valley Metropolitan District No. 2 and Board matters.

The executive session opened at 7:49 pm.
The executive session closed at 8:18 pm.

ADDITIONAL BOARD MEMBER ITEMS
No additional items were presented.

ADJOURNMENT:
The meeting adjourned at 8:19 pm by acclamation. The next Board meeting is scheduled for Tuesday April 7, 2026, at 11:30am via Zoom.

/s/ ***Sarah Shepherd***

Signed by Secretary for the Meeting