

EAST DILLON WATER DISTRICT

July 2018

The next Board of Directors meeting will take place Monday, September 10th at 12:30 PM in the East Dillon pump station, at 58 Grey Fox Lane. For additional information regarding the meeting you can call (970) 468-6256 or email admin@eastdillon.com.

Water Rights Funding

The District is pleased to announce that in March, 2018 we refinanced the 2002 Colorado Water Conservation Board loan, saving the District over \$100,000 in interest fees. The \$2.55 million loan originated in 2002, and was for a period of 30 years at a fixed interest rate of 4.25%. The refinanced loan term is with Alpine Bank for 15 years at a fixed interest rate of 3.45%. The funding in 2002 was for the purchase of water rights to meet the District's current and build-out water demands.

WATER CONSERVATION

The District encourages all users to make every drop count. The annual snow pack in the Soda Creek drainage charges the District water supply. The below average snowpack and a warm and dry start to summer has caused an increased stress on our water supply. Please help us protect our water supply by following these voluntary water restrictions until October 1st.

- ❑ No outside usage on Mondays and Thursdays.
- ❑ No outside usage between the hours of 10 AM and 6 PM.
- ❑ Hand watering, using either a watering can or a hose with a shut off nozzle is ALLOWED at any time (no restrictions as to days or time).
- ❑ **Outside usage using drip irrigation systems is not restricted.**

The voluntary restrictions are for outside usage and are in effect from May 1st until October 1st. The District monitors water levels in our aquifer and customer usage patterns. If weather patterns, high usage, or water source problems warrant, the District will impose mandatory water restrictions.

DISTRICT CONTACT INFORMATION

For general billing questions, please call 970-668-5655 or email billing@eastdillon.com.

The District's administrative office hours are Tuesdays and Thursdays 2pm-4pm; Wednesdays and Fridays from 9am to 11:30am. You may also call 970-468-6256 or email admin@eastdillon.com to make an appointment.

For operations staff, please call 970-468-6256 and leave a message and we will return your call promptly.

NOVEMBER ELECTION AND PROPERTY TAXES

In 2002, District voters approved a measure allowing the District to collect the lesser of 4.131 mills or \$197,825 with the sole purpose to pay off the loan the District received to purchase water rights and associated wells. In March, 2018, the District refinanced this loan, decreasing the annual loan payments to approximately \$130,000 per year. This loan and the mill levy is set to expire in 2032.

Your property tax billing that you receive annually includes several governmental jurisdictions. The East Dillon Water District portion of your property tax is 6% of your total property tax. This is equivalent to approximately \$23 per \$100,000 of your home actual total value.

The District expects to have a ballot measure on the November 6th ballot to allow voters within the boundaries of the East Dillon Water District to determine how they want the District to pay for current and future capital water projects. If approved, the District would be able to use the portion of property taxes not needed to pay off the water rights loan towards the annual costs of the Water Treatment Plant project Lease Agreement and other capital projects, provided that the total tax revenue does not exceed the lesser of 4.131 mills or \$197,825 annually. If the ballot measure is not approved, the tax levy will be used to pay the refunded water rights loan only, which will result in lower property taxes but which will in turn require increased water usage and base rate fees to obtain the same revenue level to pay for the Lease Agreement and other capital projects. The choice will be up to the voters.

Additional information on the financial operation of the District can be found on its website www.eastdillon.com.

WATER TREATMENT PLANT PROJECT

The renovations to the water treatment plant are substantially complete. In December of 2016, the Colorado Department of Public Health and Environment (CDPHE) notified the District that they re-classified the District's wells from groundwater to groundwater under the direct influence of surface water (GWUDI). This change required additional filtration and increased contact time with disinfectants at the treatment plant to remain in compliance with CDPHE drinking water regulations. The renovations cost the District \$900,000. To fund the project, the District entered into a Lease Agreement with Alpine Bank. It will be up to the voters to decide if this Lease Agreement will be repaid using existing tax revenues or an increase in water user fees (see November Election and Property Taxes above).