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SUBDIVISION OF
THE STATE OF
COLORADO**

Buffalo Mountain Metropolitan District

BMMD

Servicing the Wildernest & Cortina Ridge Community

Summer 2021 Newsletter

Servicing Wildernest property owners in the unincorporated area of Summit County, CO with:

- Water & Sewer
- Road Maintenance
- Snow Plowing
- Storm Drainage
- Covenant Enforcement
- Pedestrian Path
- Architectural Review

We're On The Web!
bmmd.colorado.gov

Pay Bills On-Line!
bmmd.colorado.gov

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Special Districts Left Out of COVID-19 Relief Funds BMMD Asks Summit County For Help

A part of the American Rescue Plan Act consists of \$350 billion in funding for State and Local government COVID relief as part of the \$1.9 trillion in the Act. Unfortunately, none of the funding is directed to the water districts, sanitation districts, fire protection districts, and other special districts that keep our rural communities running here in Summit County and around the Country. As a result, Districts must rely on counties to share a portion of its direct funding allocation.

The Act grants Counties the authority to transfer Fiscal Recovery Funds to special purpose units of state and local government. This includes Special Districts which carry out the essential work to manage our small communities' access to uninterrupted clean and safe drinking water and allows funds to be used for "necessary investments" in water and sewer infrastructure.

The Wildernest water and sewer infrastructure is over fifty years old and is nearing the end of useful life in large parts of the community. Emergency water main breaks have become more frequent, causing residents to experience unplanned water outages that can cause stress and frustration on everyone. Although the District has an asset management replacement plan in place and are actively modernizing the system, accelerated infrastructure deterioration has moved up repair and replacement schedules earlier than planned outpacing the available funding in the budget to pay for upgrades.

Congress recognized the critical role that drinking water and services for the collection and treatment of wastewater play in protecting public health, which is why they allocated the funding under the Act to include capital improvements and replacement of aging infrastructure.

Receiving Federal funding would help reduce the burden on Wildernest property owners who must ultimately pay for upgrades. BMMD has raised service rates on average of 3% per year over the past five years to cover annual rising maintenance and operating costs. The increases do not address the large costs involved with replacing 50 year old infrastructure. BMMD is actively addressing the issue by planning and executing improvement projects to the water, sewer, and roads throughout Wildernest. However, additional improvements are needed to ensure another fifty years of functionality and beyond.

BMMD recently asked the Summit County Board of County Commissioners to be given consideration for appropriate federal and state funds that may be received by the County be reinvested in the water and sewer infrastructure that services the Wildernest community.

The District understands the challenges facing the County Commissioners who must prioritize the highest needs within the County. However, BMMD can clearly demonstrate the purpose and need for eligible expenses allowed under the Act and are hoping some of the allocated funds can be shared with our Wildernest community.

BMMD would like to sincerely thank the Wildernest property owners & residents for caring about your community and enduring periodic service interruptions. Sustainable infrastructure is critical to our well-being and BMMD is doing everything we can to plan for a better tomorrow.

With the County's continued partnership and financial support of allocated Federal funds, BMMD can make needed repairs and continue providing critical and essential services without disruption. Together, we can rebuild a sustainable community.

Notice of 4% Sales Tax Obligation in Wildernest

For all properties located in the Wildernest Community identified as a Short-Term Rental (STR) through ads found on one or more websites that advertise STR's in Wildernest, this notice is to advise you of a new 4% sales tax collection requirement starting on July 1, 2021. All identified STR's were mailed a letter of notice May 12, 2021.

Why is there a new sales tax in Wildernest?

In November 2020, voters in Buffalo Mountain Metropolitan District (BMMD) approved the new 4% Wildernest sales tax to be used for important BMMD services such as snow plowing, road maintenance, drainage mitigation & needed safety improvements.

Registration for short-term-rentals required by June 30, 2020

STR owners must register the property with BMMD by 6/30/20. This no-cost registration is a short and simple process. You are required to register your STR with BMMD and remit the 4% sales tax directly to the Colorado Department of Revenue (DOR) after July 1, 2021. The registration portal can be found on the BMMD home page at <https://bmmd.colorado.gov>.

Compliance Monitoring

BMMD has partnered with Host Compliance, a nationally recognized company that specializes in identifying and monitoring STR's. All Wildernest listings will be carefully monitored to ensure registration and the collection of the 4% sales tax on all rental reservations. For properties that do not comply with this new statutory tax obligation, the DOR has enforcement ability including fines and back tax collection for non-compliance.

Tax remittance to Colorado Department of Revenue

STR's using rental websites such as AirBnB, VRBO, or HomeAway should contact the hosting company directly to ensure the website is collecting the new 4% sales tax for your listing. In most cases, these three sites collect the tax on your behalf, however the owner of the property is ultimately responsible to ensure compliance. STR's using all other rental hosting sites, including property management firms, or conducting self-management, will be responsible to pay the sales taxes directly to the DOR.

What other items would be subject to the sales tax?

The sales tax is also applicable to all "taxable" sales within the Wildernest community, including products sold by commercial vendors in Wildernest, and products delivered to properties located in Wildernest from vendors outside of Wildernest (i.e., deliveries from Lowes in Silverthorne or products purchased online and delivered to the property). This sales tax will be automatically calculated by the vendor at the time of purchase.

If you need more information about the collection and remittance of sales taxes, visit the Colorado Department of Revenue Sales Tax website at <https://tax.colorado.gov/>, or call 303-238-3278.

If you have any other questions regarding the new BMMD sales tax, please contact Manager Shellie Duplan at (970) 513-1300 or by email at shellie@bmmd.org.

Summit County Slash Pile Chipping Program

You can protect your home from wildfire with help from the Summit County Chipping Program. Summit County government helps residents and property owners create defensible space by providing free chipping and disposal for branches, logs and small trees. If you clear woody vegetation from around your home and stack it in a slash pile, they will chip it and haul it away at no cost.

When: County will chip the Wildernest neighborhood July 12 – July 16.

Notice: Do not place slash on roadside until the week BEFORE pick-up or BMMD will email you a notice to remove it. Do not stack slash in any roadside drainage ditches which may cause blockages. Stack piles in accordance to County's pile guidelines! There are strict materials, size and stacking limitations. Visit their website: www.summitcountyco.gov

Water Quality Report

BMMD always complies with State and Federal regulatory requirements to provide safe, clean drinking water to the Wildernest community. Every year BMMD publishes a copy of the Drinking Water Consumer Confidence Report (CCR) on the website and in the local paper. Reports are based on the previous calendar year monitoring data. The report contains information about the BMMD source water quality, test results, and a summary of the State's source water assessment. Our constant goal is to provide you with a safe and dependable supply of drinking water and are proud to report that no drinking water deficiencies were identified for calendar year 2020. To view a copy of the Water Quality Report, visit the District website at <https://bmmd.colorado.gov>, and click on "Water Quality Report" on the home page under the "District News" heading.

Cost of Service Rate Study

As explained over the past ten years, BMMD is experiencing rising operations and maintenance costs coupled with aging infrastructure challenges. In an effort to continue transparency with Wilderrest customers, BMMD hired engineering firm SGM, Inc. to conduct a comprehensive water and sewer service rate study starting in the fall of 2021 through early 2022.

The objective of this study is to review the District's operating and capital expenditures in order to develop cost-based and equitable service rates while taking into account the District's operation and maintenance (O&M) and capital improvement needs. This study will determine the adequacy of the current rates and provides the framework and cost basis for any needed future adjustments.

The study will be developed utilizing industry recognized rate setting principles and methodologies such as: 1) cost-based, equitable, and set at a level that meets the utility's full revenue requirement 2) easy to understand and administer 3) provide adequate revenues for meeting the utility's financial, operating, regulatory requirements and drought conservation requirements 4) rate consistency from year-to-year from a customer's perspective.

SGM will also work with BMMD to identify other available funding sources for projects such as grants or low interest rate loans which will ease the burden on the customer. BMMD will communicate the findings of the rate study once completed in early 2022.

2022 Rate Increase

Until the rate study is completed next year, BMMD must continue small water/sewer rate increases to meet rising maintenance and operations expenditures. The District Board of Directors is considering a 3% increase to be implemented starting on January 1, 2022. BMMD will hold a public meeting on September 21, 2021, 5:00 p.m. at the District office, or via Zoom to hear any comments or concerns from District customers. Contact BMMD if you would like to attend the meeting.

2021 Construction & Maintenance Projects

Tank 2 Abandonment

With the successful completion of the new 250,000 gallon water Tank 2R and pump station last year, the District must now abandon the old water tank 2 from the existing distribution system. A section of Poplar Circle will be closed for several weeks while the infrastructure is removed. We will provide advance notice to all affected properties prior to construction.

Tank 3 Rehabilitation

Starting in April 2021, engineers conducted interior and exterior inspections on the district storage tank #3 which is a 50-year-old buried steel water tank located on the corner of Ryan Gulch Rd & Lacy Drive. The assessment was performed to identify structural, sanitary and safety deficiencies for compliance with State & Federal guidelines. While sanitary standards have been met, engineers found heavy corrosion and issues associated with nearby ground water which could soon compromise the foundation of the tank. BMMD has planned immediate rehabilitation actions to address the recommended repairs.

Water Intake Plant

Several obsolete pumps have been removed allowing room for new equipment in the intake facility plant. The water plant energy demand is very high and as a result, energy bills are also very costly on a monthly basis. BMMD is working with Xcel energy to facilitate rebates and on-going savings once needed upgrades are completed. Upgrades to the remote SCADA access system have started to replace 25-year-old technology.

Wells

The District started conducting upgrades to decades old equipment to monitor static ground water level depths and trend well system production. Due to the on-going drought, BMMD discovered the water table lowering as a result. These wells are the only source of water in the District. We must maximize well pumping efficiency and reduce stress on the water table.

Sewer Maintenance

BMMD started the bi-annual camera and cleaning of the entire sewer collection pipeline. Contractors will video the pipes and identify any areas that need repair. Part of that process includes cleaning and flushing of any line build-ups. Other maintenance includes conducting a system-wide manhole inspection.

Storm Sewer Project

A storm drainage problem occurred along Ryan Gulch Road between upper & lower Poplar Circle this past winter. Water started to freeze in driveway culverts which caused water to flow and freeze out into the path and Ryan Gulch Road. The District is planning to install an underground storm sewer culvert in this area to prevent this problem from occurring each winter. **Please note: BMMD does NOT maintain driveway culverts.**

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**After Hours
Water and Sewer
Emergency Services**

For immediate assistance with BMMD water or sewer emergencies please contact Water Solutions at (970) 262-0217 or call BMMD Manager Cell at (970) 409-0270.

Buffalo Mountain Metropolitan District

Providing Water/Sewer/Road & Covenant services to the Wilderdest Community for over 50 years

Updated Asset Management Plan

Renewing and replacing water, sewer, road and drainage infrastructure is an ongoing task. BMMD strives to continuously improve existing infrastructure to provide reliable services to customers. Asset management can help a utility maximize the value of its capital as well as its operations and maintenance dollars.

BMMD is responsible for making sure that our system stays in good working order, regardless of the age of its components or the availability of additional funds. Asset management programs with good data—including asset attributes (e.g., age, condition, and criticality), life-cycle costing, proactive operations and maintenance, and capital replacement plans based on cost-benefit analyses—can be the most efficient method of meeting this challenge.

Starting in early 2021, BMMD began working with engineering firm SGM, Inc. to update the existing asset management plan. The ultimate goal of this project is to ensure the District has the information necessary to allow it to be sustainable and reliably provide service at an acceptable cost.

Auto Payment – Sign Up Today

Tired of receiving late notices for your quarterly water/sewer bill? Contact BMMD to sign-up for automatic payments which are debited from your checking or savings account. There is no fee charged to customers for this service. Call 970-513-1300.

Roads & Drainage

Burgundy Circle and Burgundy Drive will be re-paved this summer along with rehabilitation of the connected drainage ditches. Mitigation work to divert sub-grade ground water will also be conducted. Pothole filling and roadside shoulder work started in late May and will continue into early July. Drainage ditch maintenance and restructuring will start in mid-June and continue throughout the summer. Road culverts will be inspected, cleaned and flushed.

Driveway Culvert Inspections

BMMD will be inspecting driveway culverts this summer. It is the responsibility of the property owners to maintain driveway culverts free and clear of silt, mud, debris and ice at all times.

Water Leak Detection

With water resources getting more and more scarce, and the on-going drought affecting Colorado residents and States across the West, it is critical we all do our part to save water. Back in 2015, BMMD installed a new Automated Meter Reading (AMR) technology and replaced old customer water meters with new smart electronic water meters. This AMR system has allowed BMMD to read meters remotely on a daily basis. Most importantly, with a recent software upgrade, the AMR now warns the District when a property has unusually high consumption. Over the past six months, BMMD has caught 32 customer leaks saving over 1.2 million gallons of water saving customers high water charges. The #1 cause of high usage is running toilets. Please check your plumbing and fix those leaks. Thank you!