

THE TOWN OF
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March 11, 2021

Re: Property Purchase and Water Dedication Fee

Many noticeable changes are happening in Buena Vista – Main Street is seeing new construction for the first time since 2011, the Texaco finally came down after decades of trying to either refurbish the building or demolish it, and the new school is open and welcoming grateful students. Many Buena Vistans greet these changes with cautious optimism and understanding, knowing that growth is an important part of our small mountain community's future. The Town continues to work hard navigating this future with two notable items that relate to water and water supply, interconnected with housing supply and the economic impact of population growth. First is the recent purchase of a property with associated water rights. The second is an upcoming policy change the trustees will visit regarding a water dedication fee for new development.

On March 12th, the Town closed on the purchase of a 103 acre parcel of land with senior water rights on the Arkansas River. The future intended use of this right is to complement our Cottonwood Creek rights and to augment both the Town's use of wells and the evaporative loss on McPhelemy Pond. There will be an opportunity to potentially develop an interruptible water supply agreement or a lease-fallow arrangement, among other options. These ideas will be developed in ten years or more, at the time we anticipate the water to be more influential to our water portfolio. In this interim period, the intention is to continue farming the land and working with other agriculturalists and supporting organizations.

Even though the Town's water supply is subject to many unexpected variables, we have good accounting of our available water, production capacity, developed land, and impact of potential new development. The Town must continue to diversify its water supply, including finding more water, incorporating more wells and augmentation water, establishing storage opportunities, and other means. This activity must happen if citizens wish to develop the land they own at some point in the future.

However, all of these approaches cost money. Town financial reserves in the water fund will need replenishing should projects like the recent water rights acquisition continue. The most effective and equitable way is through a water dedication fee. This fee would require that new construction secure a unit of water from current supplies. If we exhaust current supplies without acquiring new water, owners will be hamstrung in the use of their property. The water dedication fee paid will go into the water fund for rights acquisition, storage, wells and other strategies to diversify the Town's water portfolio.

The proposed water dedication fee is being discussed in a Public Hearing by the Board of Trustees on March 23rd. As proposed, it will apply to any new development. While the Town understands that this fee will increase construction costs, it provides a tool to sound water management to ensure year-round supply for current and future residents.