

August 21st, 2025, BMWD Monthly Board of Directors Meeting
Community Discussion Summary

(Starting at 8:00pm after routine business has been concluded)

Over the coming months leading up to the December BMWD 2026 Budget finalization, the BMWD Board of Directors will be considering several changes. The changes under consideration are summarized below and other supporting documents are now available on the BMWD website.

The purpose of the August 21 discussion is to provide a review of the background for the changes under consideration and allow for input from residents in the district.

- 1.) Rebuilding the District's cash reserves from \$450,000 to \$750,000 (Three years of operating expenses to 5 years of operating expenses). The District has completed seven years of capital and major expense projects totaling \$2.2 million. The Board recommends rebuilding the cash reserve to 5 years of operating expenses over the next 5 to 6 years. (See the Summary of Major Expenses (2017 -Present) and CAPITAL IMPROVEMENT/REPLACEMENT/REHABILITATION PROGRAM PROJECTS (CIRRP))
- 2.) Implement a monthly billing cycle to increase awareness of usage. The electronic water meter replacement project was completed earlier this year allowing for efficient monthly meter readings and billing. (See July 2025 Monthly Billing Recommendation)
- 3.) Increase operating revenue 50% from water sales to match current operating costs and support the cash reserve recovery plans in item 1. (See July 2025 Monthly Billing Recommendation)
- 4.) Consider removal of the Short-Term Rental (STR) rule. The City of Arvada and Jefferson County have jurisdiction over STRs. This rule was implemented in 2018 along with several other measures when the groundwater resources had been determined to have only 12 years of life, at which time alternate water resources would be required. The implementation of the new water rate structure, increased monitoring for leaks, and greater utilization of hauled water for irrigation use have substantially reduced BMWD water usage. The development of Well #12 has allowed for future replacement of the shallowest active wells, and resulted in an updated life expectancy of 100 years for the wellfield (See Blue Mountain Water District Well #12 Report of Findings)
- 5.) Consider updating the Accessory Dwelling Unit (ADU) Rule. The City of Arvada and Jefferson County have jurisdiction over ADUs. This rule was amended in 2018 as part of the previously mentioned conservation measures. Prior to 2018, County/City approved ADUs were required to purchase a new water tap. An updated estimate of water consumed by an ADU has been used to recommend an ADU Fee of \$11,000 and because of the highly effective water rate changes, it is recommended that any County/City permitted ADUs must be serviced from the primary residence and metered as one unit. (See Tap Fee Calculation and ADU Fee Calculation)
- 6.) Any community concerns regarding STR and ADU compliance with the Subdivision's Deeded Covenants should be directed to the BMLHA.