

## **Ruedi Shores Metropolitan District History and Overview**

Ruedi Shores was originally developed as remote cabin properties for part-time residents to be able to visit and enjoy the Ruedi Reservoir in 1969 and 1970, which in general predated most all subdivision regulations in Eagle County. At the direction of the Homeowners Association, the system was operated as a transient, non-community water system based on Colorado Department of Public Health and Environment (CDPHE) regulations and representation by the HOA that less than 25 full-time residents were served.

By 2008 it was determined that the system was required to serve more than 25 full time residents and needed to be administered as a community water system. It was also determined by the Basalt Fire Protection District that the water distribution system was inadequate to provide the total available gallons of water and GPM required to provide fire protection. They would require all future homes to be built with on-site water storage tanks and could not assure fire protection for existing homes. It was suggested that homeowners insurance would become either unavailable or unaffordable due to the unavailability of fire protection.

Three proposals were under consideration.

1. The HOA could do nothing and accept the associated risks of fire, inadequate water supply and probable decertification by the CDPHE.
2. All property owners could pay a special assessment to pay for a new water system. It was concluded that it would not be possible to get all property owners to pay the +/- \$50,000 special assessment.
3. A Metropolitan District could be formed which would be able to issue bonds which would be repaid through Eagle County property taxes over 20 years. These taxes would be tax deductible to those property owners who itemized deductions.

Formation of the district required a special vote of the property owners. The result of the vote was to proceed with formation of the Metro District. The system was engineered by Zancanella and Associates. Construction awarded to competitive bidders Hudick Excavation out of Castle Rock, Savage Excavation from Basalt, and High Con from Basalt. The new system replaced a 25,000 gallon storage tank with a 250,000 tank, 2" PVC distribution lines with 8" ductile pipe and a host of additional fire hydrants.

The final \$3,000,000 built out cost of the system and bond financing resulted in roughly doubling the previous property tax bills. Annual mil levies are adjusted by the Metro District Board to meet our financial obligations. Mil levies decrease as assessments rise and increase as assessments fall. The bonds are scheduled to be paid in full in 2028 after which time property tax bills will be greatly reduced.