

La Plata County
Palo Verde
Public Improvement District #3

A Success Story



La Plata County
Colorado

The Challenge:

- Reliable domestic water was a problem for Palo Verde (PV) subdivision
- Tying into the City of Durango's water system was the best alternative
- PV Homeowner's Assoc. (HOA) worked out an agreement with the City
- Self funding the necessary infrastructure was challenging
- PV HOA officer J.D. Feuquey contacted the County to explore options



***The Opportunity:
A Public Improvement District (PID)
(CRS § 30-20-501 et seq.)***

- A PID was the best option to fund the water line infrastructure
- May be used to acquire, construct, operate or maintain many public improvements (including roads, water, sewer)
- Initiated by petition of the proponents (30% or 200) and the formation requires vote of eligible electors
- Governed by County (BOCC acts as Board of Directors)
- Authorized to collect taxes and issue debt
 - Requires vote to collect taxes and issue debt
- A financing mechanism (e.g., loan or bond) is a practical necessity for new infrastructure



The Opportunity:

- PV property owners petitioned the Board of County Commissioners (BOCC) to create a PID
- BOCC saw the opportunity to use the PV project as a PID pilot
- Proponents were willing partners to advance the project
- If successful, this model could be used by other property owners to fund water line infrastructure



The Action:

- County provided administration and project management services and worked closely with PV proponents
- Southwestern Water Conservation District awarded a \$50,000 grant to explore the pilot concept
- Southwest Basin Roundtable provided \$25,000 to support the project
- A \$481,467 loan was secured from the Colorado Water Resources & Power Development Authority - Drinking Water Revolving Loan Fund



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The Results:

- BOCC placed questions on the November 2013 ballot to form the district, levy property taxes and incur indebtedness
- The measure passed with 88% approval
- La Plata County Palo Verde Public Improvement District #3 was formed
- Loan was finalized in 2014
- Project was undertaken in August 2014 and completed in December 2014
- 3,650 linear feet of 8-inch water main, individual water meters and fire hydrants were installed
- ***17 property owners can now have access to municipal water***



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Prologue

- Seed funding provided by Southwestern Water Conservation District and the Southwest Basin Roundtable was essential
- The tool (public improvement district) worked!
- Opportunities to improve County code were identified
- The pilot project provides a valuable, real-life example
- Partnership with the property owner/proponents is a key element to success



QUESTIONS?

THANK YOU!

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