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## Special District Service Plan Review Resolution

Adopted  
July 24, 2006

Larimer County, Colorado

**WHEREAS:**

1. Title 32 of the Colorado Revised Statutes requires the proponent of a special district to submit a Service Plan to the board of county commissioners of the county in which the district is proposed;

2. The proponent is statutorily required to include specific information in the service plan and such additional information as may be required by the board of county commissioners;

3. The board of county commissioners is authorized to review the service plan, hold a public hearing thereon and pursuant to statutory criteria may either approve, disapprove or conditionally approve the service plan.

**NOW, THEREFORE BE IT RESOLVED:**

The Board of County Commissioners of Larimer County adopts the following Resolution to establish the submittal requirements and procedures for reviewing and holding a public hearing on any proposed Service Plan.

**I. TITLE AND STATUTORY AUTHORITY**

1. The Title of this Resolution is "The Special District Service Plan Review Resolution."

2. This Resolution is adopted by the Board of County Commissioners of Larimer County pursuant to Title 32, Article 1, Part 2 of the Colorado Revised Statutes authorizing counties to specify supplemental submittal requirements for and to review and hold a hearing upon a proposed special district service plans.

**II. SCOPE**

This Resolution applies to all Service Plans, including amended and revised Service Plans, pertaining to any Special District which includes territory within Larimer County and which Special District is not contained entirely within the boundaries of a municipality.

**III. GENERAL SERVICE PLAN REVIEW POLICIES**

1. Larimer County encourages service provision for all new development through an existing service provider by agreement or inclusion. In those circumstances where formation of a new Special District is the most logical and economical manner to provide service, the County prefers formation of a Metropolitan District.

2. Larimer County generally discourages the use of Special Districts for the purpose of constructing roads or other transportation facilities. For these improvements and facilities, Larimer County prefers the use of other mechanisms such as Public Improvement Districts and Local Improvement Districts.

3. The Special District name shall not include the words "Larimer County."

4. The County will presume a proposed Special District will be unable to provide economical and efficient Service in the following circumstances:

a. Special Districts whose revenue source is intended to be primarily property tax, having an assessed valuation of Two Million Dollars (\$2,000,000) or less at total build out. The \$2,000,000 assessed valuation threshold for such Special Districts will increase biennially to adjust for inflation and other economic conditions as shown on Schedule A.

b. The Service Plan does not include economic projections prepared by an investment banking firm or financial advisor that is qualified to make such projections and is listed in the "Bond Buyers Marketplace" as a provider of financial projections.

c. The Service Plan proposes debt service mill levy authorization to 50 mills (the "Debt Service Mill Levy Cap"). The Service Plan shall restrict the Special District's total aggregate mill levy (debt Service mill levy plus operations and maintenance mill levy) to sixty-five (65) mills (the "Aggregate Mill Levy Cap").

d. The Service Plan does not specifically prohibit issuance of additional debt if the Special District defaults on existing debt.

5. The presumptions created by Paragraph 4 may be overcome by a showing of good and sufficient cause as determined by the Board of County Commissioners.

#### **IV. REVIEW PROCESS**

The Service Plan submittal and review process shall follow these four (4) steps:

##### ***REVIEW STEP 1:***

At least 60 days prior to submittal of the Service Plan to the Office of the Larimer County Clerk and Recorder (Review Step 2), persons proposing a Special District (the Applicant) are strongly encouraged to meet in a pre-application conference with the County Special District Review Team. This meeting may be arranged by contacting the County Planning Director. The Applicant should prepare and provide a draft Service Plan at this meeting. This pre-application conference will be used to identify the scope and significance of the proposed Special District, to identify possible issues and to identify specific additional information to be included in the Service Plan. At this time the County will determine whether to engage any outside experts to assist in Service Plan review. Fees charged for such expertise shall be paid by the Applicant. Depending upon the scope and significance of the proposed Service Plan, the pre-application conference may be adjourned and reconvened within 30 days for final action.

##### ***REVIEW STEP 2:***

The Applicant shall submit one (1) paper copy of the complete Service Plan to the Office of the Larimer County Clerk and Recorder and one (1) electronic copy and twenty (20) paper copies of the Service Plan and the required application fees to the Planning Director plus the number of additional paper copies as determined necessary by the Planning Director for referrals to other entities and any County consultants. The Service Plan shall not be considered complete

and filed until the County Special District Review Team determines that all required submittal items have been included in the document. If the Applicant has participated in Step 1, the Service Plan will be deemed complete if it meets the information requirements in Step 1. If the Applicant has not participated in Step 1 and unless the Applicant is notified to the contrary, the Applicant may consider the Service Plan complete and filed fifteen days subsequent to submittal.

Following the date on which the Service Plan is considered to be complete and filed, the Planning Director shall refer the Service Plan to all municipalities and existing Special Districts within a radius of three (3) miles from the boundaries of the proposed District. In addition, in support of Larimer County's policy to coordinate land development planning, the Service Plan shall be referred to any municipality whose Intergovernmental Agreement with the County includes any part of the area proposed to be in the District, and to the appropriate School District or Districts for information and comment.

The County Special District Review Team and its consultants shall review the Service Plan and shall submit all comments, findings and recommendations, including those from referral agencies, in the form of a staff report to the Applicant, the Planning Commission and the Board of County Commissioners.

### ***REVIEW STEP 3:***

The Planning Department will set a date for a public hearing on the Service Plan before the Planning Commission. The Planning Commission hearing shall be held no later than thirty (30) days following the date on which the Service Plan is considered to be complete and filed. At the hearing, the Planning Commission shall consider the Service Plan and recommend approval, conditional approval or denial to the Board of County Commissioners.

### ***REVIEW STEP 4:***

At the next regular meeting of the Board of County Commissioners, which is held at least ten (10) days after the final Planning Commission action on the Service Plan, the Board of County Commissioners shall set a date for a public hearing on the Service Plan before the Board. The Board of County Commissioner hearing shall be held no later than thirty (30) days following the Board meeting at which the hearing date is set.

The Board of County Commissioners shall consider the Service Plan at the public hearing and shall approve, conditionally approve, or deny the Service Plan. If the Board of County Commissioners finds sufficient information has not been presented at the scheduled hearing, the Board may continue the hearing on the Service Plan until a subsequent hearing date mutually agreed upon by the Board and the Applicant.

## **V. RELATIONSHIP BETWEEN SUBMITTAL REQUIREMENTS AND REVIEW CRITERIA**

To assist the Applicant in preparing the Service Plan, the following examples of the relationship between the submittal requirements and the review criteria should be considered where appropriate:

1. Projected need for the Special District may be determined by the zoning and by reasonable market projections.
2. The map of the proposed Special District and the explanation of services may be used to review the criterion to determine if the existing service to the area is inadequate.
3. Sufficient service may be evaluated through an examination of the site plan and the description of the facilities, including standards and cost estimates. Economical service may be evaluated through an examination of the financial plan and the cost estimates.
4. The financial abilities of the Special District may be evaluated by examining the financial plan and by determining if the financial plan includes reliable and reasonable projections of market performance. For Special Districts of certain size and impact, a market study may be the appropriate vehicle to demonstrate the validity of the Special District's development assumptions.
5. In evaluating the criterion that adequate service will not be available through other means, the County may take into consideration the distance of the proposed Special District from existing service providers and the expansion and/or master plans of those providers in examining the provision of service in a "reasonable time". Also important in the evaluation of this criterion is the information concerning the investigation of all service provision alternatives. In evaluating services on a "comparable basis", the review may be similar to that for the review of "economical and sufficient service".
6. The detailed explanation of the facilities and improvements may be used to review the criterion to determine if the proposed standards of the Special District are compatible with existing standards. The Applicant must demonstrate that the planned improvements the Special District proposes to make, such as roads and water and sewer lines, meet the specifications of the County and municipality or other Special Districts which are interested parties.
7. The proposed Special District must conform to the Larimer County Master Plan as well as the master plans of any applicable city which is an interested party. If proposed Special District is to be located in areas included in an Intergovernmental Agreement between Larimer County and one of the municipalities in the County, the Service Plan will be evaluated in terms of that Agreement.
8. The current Area Wide Water Quality Management Plan prepared through the North Front Range Water Quality Planning Association and adopted by the Water Quality Control Commission is the official long-range water quality management plan for Larimer County.
9. The "best interest" may be evaluated by reviewing the Service Plan and comparing it to other viable alternative means of providing the proposed services. This review may take into consideration the master plans of the municipalities in the area, the plans for existing special districts, and the plans for any water user associations or other providers.

## **VI. STATUTORY SUBMITTAL REQUIREMENTS**

The following information must be included in the Service Plan:

1. A description of the proposed services;

2. A financial plan showing how the proposed services are to be financed;
3. A preliminary engineering or architectural survey showing how the proposed services are to be provided;
4. A map of the proposed Special District boundaries and an estimate of the population and valuation for assessment of the proposed Special District;
5. A general description of the facilities to be constructed and the standards for each, including a statement of how the facility and service standards of the proposed Special District are compatible with facility and service standards of any county within which all or any portion of the proposed Special District is to be located, and of any municipalities which are interested parties pursuant to C.R.S. Section 32-1-204 (1);
6. A general description of the estimated cost of acquiring land, engineering services, legal services, administrative services, initial proposed indebtedness and estimated proposed maximum interest rates and discounts, and other major expenses related to the organization and initial operation of the Special District;
7. A description of any arrangement or proposed agreement with any political subdivision for the performance of any services between the proposed Special District and such other political subdivision and, if the form contract to be used is available, it shall be attached to the Service Plan;
8. Information, along with other evidence presented at the hearing, satisfactory to establish each of the criteria set forth in C.R.S. Section 32- 1-203, if applicable, is met; and
9. Such additional information as the Board of County Commissioners may require by resolution on which to base its findings pursuant to C.R.S. Section 32-1-203.

## **VII. TECHNICAL SUBMITTAL REQUIREMENTS**

### ***STANDARDS OF PREPARATION***

The Service Plan must meet the standards required of a professionally prepared document. The narrative must be presented clearly, and any maps or other graphics must be legible and contain explanatory legends, titles, and text. The Service Plan must contain a table of contents, be well organized, and clearly demonstrate it meets the requirements as stated in the state statutes and in this Resolution.

### ***ADDITIONAL COUNTY SUBMITTALS***

All of the information checked in the below checklist by the county special district review team shall be submitted as part of the Service Plan and must be organized and formatted as shown below.

#### **Submittal Requirements and Checklist**

#### **Organization/Format**

1. Table of contents
2. Executive Summary
3. Service Plan Details

\_\_\_\_\_ Name of the proposed Special District. The name of the proposed Special District must not duplicate or be similar to that of an existing entity in the area. The Special District name must not include the words "Larimer County."

\_\_\_\_\_ A description of the proposed services (CRS 32-1-202 (2)(a)):

\_\_\_\_\_ A map(s) of the proposed Special District boundaries (CRS 32-1-202(2)(d)) as well as the initial boundary of both the proposed and potential future service area.

\_\_\_\_\_ Map(s) scale appropriate to content and context or as determined by County Special District Review Team.

\_\_\_\_\_ Boundaries of all municipalities and special districts within the map area and a list of relevant services provided by each entity.

\_\_\_\_\_ Legal description of the property in the Special District

\_\_\_\_\_ The criteria used by the Special District to determine when and if certain services are to be supplied or not supplied, if a multi purpose metropolitan district is proposed.

\_\_\_\_\_ A financial Plan (CRS 32-1-202(2)(b), (d) and (f)), including:

\_\_\_\_\_ a. Financial projections prepared by an investment banking firm or financial advisor qualified to make such projections. Said firm shall be listed in the "Bond Buyers Marketplace" as a provider of financial projections.

\_\_\_\_\_ b. A written statement indicating the source and assumptions for each category of numbers presented (including but not limited to interest rates, build out rates, and mill levies) plus all calculations performed.

\_\_\_\_\_ c. A financial plan showing how the proposed services are to be financed, including the proposed operating revenue derived from property taxes for the first budget year of the District, which shall not be materially exceeded except as authorized pursuant to C.R.S. 32-1-207 or 29-1-302 (see 32-1-202(2)(b)). All proposed indebtedness for the District shall

be displayed together with a schedule indicating the year or years in which the debt is scheduled to be issued.

- d. A cost estimate of acquiring land, engineering services, legal services, administrative services, and initial proposed indebtedness and estimated proposed maximum interest rates and discounts, and other major expenses related to the organization and initial operation of the District.
- e. A year by year listing for the period of expected indebtedness beginning with the expected date of Special District formation, including a detailed description of all funding mechanisms to be employed by the District; a list of individual yearly totals for bond issues, debt service, operating and maintenance expenses, legal and administrative expenses, capital expenses, build out rate, assessed valuation, mill levy, facility fees, development fees, tap fees, and other fees; and all other costs and revenues. Any extraordinary or one-time expenses shall be explained.
- f. A description of the maximum bonded indebtedness proposed to be incurred by the Special District and assumptions supporting that amount of indebtedness. Because the issuance of bonds by one entity may adversely affect the bond rating of another entity due to overlapping debt, the Service Plan shall contain a list of indebtedness for all cities, counties, and special districts within which any part or all of the proposed Special District will be located.
- g. A description of the relationship between the scheduling and phasing of improvements and the financial stability of the Special District.
- h. A description of the percentage of improvements to be financed.
- i. If the financial plan identifies any contributions by a developer to the Special District, a copy of any agreement between the developer and the proposed Special District explaining the developer's financial participation.
- j. A description of the financial flexibility that has been built into the financial plan, including alternative means of repaying the debt, if the estimated revenue stream is not realized.
- k. A mill levy and fees comparison of the proposed, operating and overlapping mill levies and fees with at least two other



Special Districts in Colorado supplying similar services for a similar market.

- \_\_\_\_\_ 1. A mill levy statement listing all of the taxing entities within the Special District boundaries and their respective mill levies, complete with an estimate of the total taxes that can be expected by a resident of the proposed Special District.

\_\_\_\_\_ A general description of the facilities to be constructed and the standards of such construction, including a statement of how the facility and service standards of the proposed Special District are compatible with facility and service standards of any county within which all or any portion of the proposed Special District is to be located, and of the municipalities and special districts that are interested parties pursuant to C.R.S. 32-1-204(1)), including:

- \_\_\_\_\_ a. A conceptual plan of improvements, including typical sections if available, providing sufficient information to understand the scope and size of facilities and particularly the connections, if any, to other existing facilities or improvements.
- \_\_\_\_\_ b. A description of the design and construction standards to be used. For example, if the District proposes to construct public streets, what design and construction standards will the engineering professionals and contractors use to design and construct these streets?

\_\_\_\_\_ A description, if applicable, of the level of service to be provided by the proposed facilities or improvements. For example, if the Special District proposes to construct storm water facilities, what level of protection will these facilities provide, e.g., will there be sufficient capacity for a 10-year storm or a 100-year storm?

\_\_\_\_\_ A development anticipation section which describes development projections in amount, time, type, value, including an estimate of the population and valuation for assessment of the proposed Special District. These projections shall be supported by a report from an independent market analyst, which report provides sufficient background information supporting the growth rates utilized in the financial alternatives, or a market study to support the alternative financial scenarios.

\_\_\_\_\_ A statement from the applicable school district(s) regarding its ability to accommodate the physical and fiscal impacts of Special District development.

\_\_\_\_\_ A preliminary engineering or architectural survey showing how the proposed services are to be provided; (CRS 32-1-202 (2)(c)), including:

- \_\_\_ a. A description of the extent to which the proposed services have been provided within the Special District boundaries in the past, if they have been provided, and how they have been provided.
- \_\_\_ b. A description of the projected impacts of the proposed services on related services outside the District boundaries. For example, if the Special District proposes to construct improvements which generate significant amounts of new traffic, what will the effects of that traffic be on surrounding infrastructure? Or, if the Special District proposes to construct improvements which generate significantly greater volumes or rates of storm water, what will the effects of those increased flows be on adjacent properties?
- \_\_\_ c. A description of the operations and maintenance aspects of the proposed services, particularly aimed at assessing the impacts on non-district resources. For example, if the service the Special District provides is the construction of public streets, will the Special District also provide funding for the maintenance and repair of those streets or will that responsibility be borne by another entity?

\_\_\_\_\_ Analysis of the effects of competing developments, if applicable.

\_\_\_\_\_ Identification of opportunities for including the proposed services within existing districts and municipalities and the potential for intergovernmental contracts.

\_\_\_\_\_ The Special District's policies for inclusion, including criteria to be employed in extending services.

\_\_\_\_\_ A description of any arrangement or proposed agreement with any political subdivision for the performance of any services between the proposed Special District and such other political subdivision, and, if the form of contract to be used is available, it shall be attached to the Service Plan (CRS 32-1-202 (2)(g)). The description of the agreement shall include:

- \_\_\_ a. The name of the political subdivision
- \_\_\_ b. The proposed level of service
- \_\_\_ c. The proposed charges or rate to be paid for service
- \_\_\_ d. The starting date of the agreement
- \_\_\_ e. The term or length of time the agreement will be in effect
- \_\_\_ f. If the agreement is for sanitary sewer service, a description of the available capacity for additional use

- \_\_\_g. If the agreement is for domestic water, a description of the source of raw water
- \_\_\_h. The required infrastructure construction or improvements necessary to perform the agreement and the funding source for the infrastructure or improvements
- \_\_\_i. A letter of intent, commitment from the political subdivision or other statement showing the intention by the political subdivision to enter into the agreement.

\_\_\_\_\_ Plans for water acquisition and water system development, specifically addressing water rights issues.

\_\_\_\_\_ Status of required state and/or local reviews of wastewater treatment.

\_\_\_\_\_ List of needed land use approvals from Larimer County and status of each.

\_\_\_\_\_ Information and analysis sufficient to establish that each of the criteria set forth in section 32-1-203, if applicable, is met (CRS 32-1-202 (2)(h)), specifically:

- \_\_\_a. There is sufficient existing and projected need for organized service in the area to be served by the proposed Special District.
- \_\_\_b. The existing service in the area to be served by the proposed Special District is inadequate for present and projected needs.
- \_\_\_c. The proposed Special District is capable of providing economical and sufficient service to the area within its proposed boundaries.
- \_\_\_d. The area to be included in the proposed Special District has, or will have, the financial ability to discharge the proposed indebtedness on a reasonable basis.
- \_\_\_e. Adequate service is not, or will not be, available to the area through the County or other existing municipal or quasi-municipal corporations, including existing Special Districts, within a reasonable time and on a comparable basis.
- \_\_\_f. The facility and service standards of the proposed Special District are compatible with the facility and service standards of each county within which the proposed Special District is to be located and each municipality which is an interested party under Section 32-1-204 (1).
- \_\_\_g. The proposal substantially complies with a master plan adopted pursuant to RS 30-28-106,

- \_\_\_ h. The proposal complies with any duly adopted county, regional, or state long-range water quality management plan for the area.
- \_\_\_ i. The creation of the proposed Special District will be in the best interests of the area proposed to be served.
- \_\_\_ j. For a mental health care service district, any additional information required by section 32-17-107 (2) that is not otherwise required by paragraphs (a) to (i) of this subsection (2). In the case of a proposed health service district, submission to the Board of County Commissioners by the Applicant of a license or certificate of compliance or evidence of a pending application for a license or certificate of compliance issued by the department of public health and environment shall constitute compliance with subsection (2) of this section (CRS 32-1-202 (2)(j)).

\_\_\_\_\_ Such additional information specifically identified by the County as being needed to make its findings pursuant to section 32-1-203; (CRS 32-1-202 (2)(i))

\_\_\_\_\_ Listing of sources of all information in the Service Plan

\_\_\_\_\_ An explicit description or explanation of all assumptions made in the development of the Service Plan.

\_\_\_\_\_ Listing of all persons or organizations who contributed to the Service Plan, including mailing addresses, phone numbers and email addresses.

\_\_\_\_\_ Review Fees:

- \_\_\_ a. \$500 Service Plan review fee
- \_\_\_ b. Such additional fee as requested to reimburse the County for any additional direct costs for consultants to review the draft and final Service Plans.

\_\_\_\_\_ Number of copies of Service Plan:

- \_\_\_ a. 1 electronic copy
- \_\_\_ b. 8 paper copies for county review team.
- \_\_\_ c. 12 additional paper copies for the County Planning Commission public hearing and the County Commissioner public hearing.
- \_\_\_ d. Such additional number of paper copies as are needed by the County to send out to referral agencies and for use by County consultants, if any.

## **VIII. COUNTY SPECIAL DISTRICT REVIEW TEAM**

The County Special District Review Team shall consist of the following or their designee:

Budget Manager  
Public Works Director  
Planning Director  
County Attorney  
Finance Director  
Environmental Health Director  
County Manager

## **IX. SUBSTANTIAL MODIFICATIONS TO A SERVICE PLAN**

1. Once a Special District with territory in the unincorporated County has been organized pursuant to the terms of Title 32 of the Colorado Revised Statutes, the governing body of the Special District may make material modifications to the approved Service Plan only by petition to and approval by the Board of County Commissioners (including Planning Commission review) pursuant to the procedures governing the County's review and approval of the original Service Plan submittals as stated in Section VII above.

2. The processing fee for County review of a petition for approval of a material modification to an approved Service Plan shall not exceed \$250.00.

3. A material modification of an approved Service Plan shall be a change of a basic or essential term or provision of the Service Plan, including but not limited to the following:

- a. Any addition to the types of services provided by the Special District;
- b. A decrease in the level of services provided by the Special District;
- c. A decrease in the financial ability of the district to discharge the existing or proposed indebtedness; or
- d. A decrease in the existing or projected need for organized service in the area.

4. A material modification may be found to exist if an approved Special District changes its boundaries to include territory in unincorporated Larimer County when the District previously included no territory in unincorporated Larimer County. If the Special District changes its boundaries in this fashion, it shall notify the Board of County Commissioners, who may review the inclusion of territory. If the Board determines based on this review that the inclusion constitutes a material modification to the District's Service Plan, the governing body of the Special District shall file a petition for approval of a material modification of the Service Plan in accordance with Section (1) above.

5. Approval for modifications of an approved Service Plan shall not be required for changes necessary only for the execution of the original Service Plan, or for changes in the

boundaries of the Special District other than the type of change covered by Section (4) immediately above.

**X. JUDICIAL ENFORCEMENT OF SERVICE PLANS**

1. The Board of County Commissioners may seek an injunction in the district court which approved the Service Plan, or if the Service Plan has been modified, from the Service Plan as modified, prohibiting any material departure from such Service Plan.

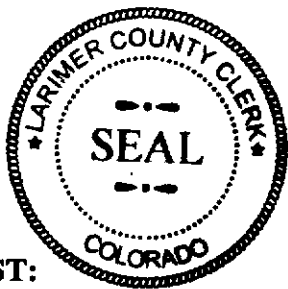
2. No action may be brought to enjoin the construction of any facility, the issuance of bonds or other financial obligations, the levy of taxes, the imposition of rates, fees, tolls and charges, or any other proposed activity of the Special District unless such action is commenced within 45 days after the Special District has published notice of its intention to undertake such activity.

a. Such notice shall describe the activity proposed to be undertaken by the Special District and provide that any action to enjoin such activity as a material departure from the Service Plan must be brought within 45 days from publication of the notice.

b. The notice shall be published one time in a newspaper of general circulation in the District, and shall be provided to the district court, as well as mailed to the Board of County Commissioners on or before the date of publication of the notice.

**Adopted and effective this 24 day of July, 2006.**

**BOARD OF COUNTY COMMISSIONERS,  
COUNTY OF LARIMER, STATE OF  
COLORADO**



By:

*[Handwritten signature]*  
\_\_\_\_\_

Chair

ATTEST:

*[Handwritten signature]*  
Clerk to the Board