

**TOWN COUNCIL
TOWN OF GYPSUM, COLORADO**

RESOLUTION NO. 05 (SERIES 2026)

**A RESOLUTION APPROVING A MODEL SERVICE PLAN FOR
METROPOLITAN DISTRICTS**

A. The Town of Gypsum, Colorado ("Town") is a home rule municipality duly organized and existing under Article XX of the Colorado Constitution and the Town's Home Rule Charter effective October 21, 1982 ("Charter").

B. Pursuant to Article I, Section 1.3 of the Town's Charter, the Town has all power of local self-government and home rule power possible for a home rule municipality to have under the Constitution and laws of the State of Colorado.

C. Pursuant to § 32-1-203(1), C.R.S., organization of a metropolitan district wholly within the boundaries of the Town requires approval of a Service Plan by the Town Council of the Town of Gypsum (the "Town Council").

D. The Town Council finds and determines that adoption of the Model Service Plan promotes transparency, fiscal responsibility, and the public health, safety, and welfare of the Town.

E. The Council finds that adoption of a Model Service Plan is in the best interest of the Town, its residents, and the general public.

**NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF
THE TOWN OF GYPSUM, COLORADO, that:**

1. Model Service Plan. The Model Service Plan, in substantially the form attached hereto as Exhibit A, is approved. The Town Manager, in consultation with the Town Attorney and other applicable staff and consultants, may make technical or otherwise non-substantive modifications to the Model Service Plan. The Town Council may make substantive changes to the Model Service Plan by Resolution.

2. Severability. If any part, section, subsection, clause or phrase of this Resolution is for any reason held to be invalid, such invalidity shall not affect the validity of the remaining provisions.

3. Effective Date. This Resolution shall take effect and be enforced immediately upon its approval by the Town Council.

EXHIBIT A

Model Service Plan

[Attached]

TOWN OF GYPSUM

Metropolitan District Model Service Plan (Single District)

**This model service plan template should be referenced in conjunction with
Chapter 22.01 of the Town of Gypsum Municipal Code.**

SERVICE PLAN

FOR

_____**METROPOLITAN DISTRICT
TOWN OF GYPSUM, COLORADO**

Prepared by

[Name of Person or Entity]

[Address]

[Approval Date]

Table of Contents

I.	DEFINITIONS.....	1
II.	INTRODUCTION	3
	A. Purpose and Intent.	3
	B. Need for the District.	4
	C. Objective of the Town Regarding District's Service Plan.	4
	D. Relevant Intergovernmental Agreements.....	5
	E. Town Approvals.	5
III.	BOUNDARIES AND LOCATION.....	5
IV.	DESCRIPTION OF PROJECT, PLANNED DEVELOPMENT, PUBLIC BENEFITS & ASSESSED VALUATION	5
	A. Project and Planned Development.	5
	B. Public Benefits.....	5
	C. Assessed Valuation.	6
V.	INCLUSION OF LAND IN THE SERVICE AREA	6
VI.	DISTRICT GOVERNANCE.....	6
VII.	AUTHORIZED AND PROHIBITED POWERS	6
	A. General Grant of Powers.....	6
	B. Prohibited Improvements and Services and other Restrictions and Limitations.	6
VIII.	PUBLIC IMPROVEMENTS AND ESTIMATED COSTS	8
	A. Development Standards.	9
	B. Contracting.....	9
	C. Land Acquisition and Conveyance.	9
	D. Equal Employment and Discrimination.....	9
IX.	FINANCIAL PLAN/PROPOSED DEBT.....	10
	A. Financial Plan.	10
	B. Mill Levies.....	10
	C. Maximum Voted Interest Rate and Underwriting Discount.	11
	D. Disclosure to Purchasers.....	12
	E. External Municipal Advisor.....	12
	F. Disclosure to Debt Purchasers.	12
	G. Security for Debt.....	12
	H. TABOR Compliance.....	13
	I. District's Operating Costs.....	13
X.	TOWN FEES	13
XI.	BANKRUPTCY LIMITATIONS.....	13
XII.	ANNUAL REPORTS AND BOARD MEETINGS	13
	A. General.....	13

B.	Board Meetings.....	13
C.	Report Requirements.	14
D.	Failure to Submit.	15
XIII.	SERVICE PLAN AMENDMENTS	15
XIV.	MATERIAL MODIFICATIONS	15
XV.	DISSOLUTION	16
XVI.	SANCTIONS	16
XVII.	INTERGOVERNMENTAL AGREEMENT WITH TOWN.....	16
XVIII.	CONCLUSION.....	17
XIX.	RESOLUTION OF APPROVAL	17
	EXHIBIT A - DISTRICT BOUNDARY LEGAL DESCRIPTION.....	18
	EXHIBIT B - DISTRICT BOUNDARY MAP	19
	EXHIBIT C - INCLUSION AREA LEGAL DESCRIPTION	20
	EXHIBIT D - INCLUSION AREA BOUNDARY MAP.....	21
	EXHIBIT E - PUBLIC IMPROVEMENTS	22
	EXHIBIT F - VICINITY MAP.....	23
	EXHIBIT G - COST ESTIMATE	24
	EXHIBIT H - PUBLIC IMPROVEMENT LOCATION MAPS.....	25
	EXHIBIT I - FINANCIAL PLAN	26
	EXHIBIT J - PUBLIC BENEFITS.....	27
	EXHIBIT K - NOTICE OF SPECIAL DISTRICT DISCLOSURE	28
	EXHIBIT L - TOWN/DISTRICT INTERGOVERNMENTAL AGREEMENT	30

I. DEFINITIONS

In this Service Plan, the following words, terms and phrases which appear in a capitalized format shall have the meaning indicated below, unless the context clearly requires otherwise:

Approved Development Plan: means a Town-approved development plan or other land use application required by the Town Code for identifying, among other things, public improvements necessary for facilitating the development of property within the Service Area, which plan shall include, without limitation, any development agreement required by the Town Code.

Board: means the duly constituted Board of Directors of the District.

Bond, Bonds or Debt: means bonds, notes or other multiple fiscal year financial obligations for the payment of which the District has promised to impose an ad valorem property tax mill levy, or other legally available revenue permitted pursuant to this Service Plan. Such terms do not include contracts through which the District procures or provides services or tangible property.

C.R.S.: means the Colorado Revised Statutes.

Debt Mill Levy: means a property tax mill levy imposed on Taxable Property by the District for the purpose of paying Debt as authorized in this Service Plan, at a rate not to exceed the limitations set in Section IX.B of this Service Plan. The Debt Mill levy shall have a term not to exceed thirty (30) years from the date of its first imposition. Any unpaid Developer Advances and/or Debt payments shall be discharged at that time.

Developer: means a person or entity that is the owner of property or owner of contractual rights to property in the Service Area that intends to develop the property.

Developer Advances: means any advances to the District by the Developer for the costs of the Public Improvements and/or operational costs, either in the form of direct payment for such costs or by means of advances to the District. Such advances, which the Board is obligated to appropriate on an annual basis, shall count against the maximum allowable debt limit under this Service Plan and may be repaid by the District from bond proceeds, or legally available sources of revenue. Developer Advances will be considered subordinate to the District general obligation bonds. The interest rate on Developer Advances shall not exceed the current Bond Buyer 20-Bond GO Index plus 4% or a maximum of 12%, whichever the lesser.

Disclosure Notice: Written notice, in substantially the form attached hereto as **Exhibit K**, and approved by the Town Manager, provided to potential purchasers of property within the District, which includes the maximum amount of debt authorized, the amount of debt already issued, the debt term remaining, the expected date of repayment, the Maximum Mill Levy and anticipated property tax bill based on the anticipated sale price.

District: means the *[Name of District]* organized under and governed by this Service Plan.

District Boundaries: means the boundaries of the area legally described in **Exhibit A** attached hereto and incorporated by reference and as depicted in the District Boundary Map.

District Boundary Map: means the map of the District Boundaries attached hereto as **Exhibit B** and incorporated by reference.

End User: means any owner, or tenant of any owner, of any property within the District, who is intended to become burdened by the imposition of ad valorem property taxes and/or Fees. By way of illustration, a resident homeowner, renter, commercial property owner or commercial tenant is an End User. A Developer and any person or entity that constructs homes or commercial structures is not an End User.

External Municipal Advisor: means a Municipal Advisor that: (1) is qualified to advise Colorado governmental entities on matters relating to the issuance of securities by Colorado governmental entities including matters such as the pricing, sales and marketing of such securities and the procuring of bond ratings, credit enhancement and insurance in respect of such securities; (2) is not an officer or employee of the District; (3) is registered under Section 15B of the Securities Exchange Act of 1934, as amended from time to time and (4) is approved by the Town Manager.

External Municipal Advisor Certificate: Opinion of a registered External Municipal Advisor as to the reasonableness of the terms of any debt instrument issued by the District in substantially the form cited below:

We are [I am] a Municipal Advisor within the meaning of the District's Service Plan. We [I] certify that (1) the net effective interest rate (calculated as defined in Section 32-1-103(12), C.R.S.) to be borne by [insert the designation of the Debt] does not exceed a reasonable current [tax-exempt] [taxable] interest rate, using criteria deemed appropriate by us [me] and based upon our [my] analysis of comparable high yield securities; and (2) the structure of [insert designation of the Debt], including maturities and early redemption provisions, is reasonable considering the financial circumstances of the District.

Fees: means the fees, rates, tolls, penalties and charges the District is authorized to impose and collect under this Service Plan, if any.

Financial Plan: means the Financial Plan described in Section IX of this Service Plan which was prepared or approved by [Name], an External Financial Advisor approved by the Town Manager, in accordance with the requirements of this Service Plan and describes (a) how the Public Improvements are to be financed; (b) how the Debt is expected to be incurred; and (c) the estimated operating revenue derived from property taxes and Fees (if any) for the first budget year through the year in which all District Debt is expected to be defeased or paid in the ordinary course.

Inclusion Area Boundaries: means the boundaries of the property that is anticipated to be added to the District Boundaries after the District's organization, which property is legally described in **Exhibit C** attached hereto and incorporated by reference and depicted in the map attached hereto as **Exhibit D** and incorporated herein by reference.

Maximum Debt Authorization: means the total Debt the District is permitted to issue as set forth in Section IX.B.7 of this Service Plan.

Maximum Debt Term Limit: means the maximum term during which the Debt Mill Levy may be imposed on property developed in the Service Area. This maximum term, including refunding bonds, unless approved by the District Board as defined herein, shall not exceed _____ *[enter a term that will not extend past the useful life of the Public Improvements funded by such debt measured from the date of completion of the improvements; but not to exceed 30 years]* years from the calendar year in which the District issues Bonds.

Maximum Mill Levy: means the maximum mills that the District may levy for its combined Debt Mill Levy and Operations and Maintenance Mill Levy (if any), at a rate not to exceed the limitation set in Section IX.B.1 of this Service Plan.

Operations and Maintenance Mill Levy: means a property tax mill levy imposed on Taxable Property for the purpose of funding District administration, operations and maintenance as authorized in this Service Plan, including, without limitation, repair and replacement of Public Improvements, and imposed at a rate not to exceed the limitations set in Section IX.B.3 of this Service Plan.

Planned Development: means the private development or redevelopment of the properties in the Service Area, commonly referred to as the *[Name]* development, under an Approved Development Plan.

Project: means the installation and construction of the Public Improvements for the Planned Development.

Public Improvements: means the improvements and infrastructure the District is authorized by this Service Plan to finance, plan, design, acquire, construct and install *[add "operate and maintain" only if the Town has approved such function]* for the Planned Development to serve the future taxpayers and inhabitants of the District, except as specifically prohibited or limited in this Service Plan. Public Improvements shall include, without limitation, the improvements and infrastructure described in **Exhibit E** attached hereto and incorporated by reference.

Service Area: means the property within the District Boundaries and the property in the Inclusion Area Boundaries when it is added, in whole or part, to the District Boundaries.

Service Plan: means this service plan for the District approved by the Town Council.

Service Plan Amendment: means a material modification of the Service Plan approved by the Town Council in accordance with the Special District Act, this Service Plan and any other applicable law.

Special District Act: means Article 1 in Title 32 of the Colorado Revised Statutes, as amended.

State: means the State of Colorado.

TABOR: means Colorado's Taxpayer's Bill of Rights in Article X, Section 20 of the Colorado Constitution.

Taxable Property: means the real and personal property within the District Boundaries and within the Inclusion Area Boundaries when added to the District Boundaries that will be subject to the ad valorem property taxes imposed by the District.

Town: means the Town of Gypsum, Colorado, a home rule municipality.

Town Code: means collectively the Town's Home Rule Charter, Municipal Code, Public Works Manual and ordinances as all are now existing and hereafter amended.

Town Council: means the Town Council.

Town Manager: means the Town Manager of the Town.

Vicinity Map: means the map attached hereto as **Exhibit F** and incorporated by reference depicting the location of the Service Area within the regional area surrounding it.

II. INTRODUCTION

A. Purpose and Intent.

The Town of Gypsum's ("Town"), objective in approving the Service Plan for the _____ Metropolitan District (the "District") is to authorize the District to provide for the planning, design, acquisition, construction, installation, relocation and redevelopment of the Public Improvements identified in this Service Plan. The District is intended to be an independent unit of local government separate and distinct from the Town and is governed by this Service Plan, the Special District Act (Title 32, C.R.S.) and other applicable State law. Except as may otherwise be provided by State law, the Town of Gypsum Municipal Code ("Town Code"), or this Service Plan, the District's activities are subject to review and approval by the Town Council ("Town Council") only insofar

as they are a material modification of this Service Plan as identified in this Service Plan or pursuant to C.R.S. Section 32-1-207 of the Special District Act.

It is intended that the District will provide all or part of the Public Improvements for the Project for the use and benefit of all anticipated inhabitants and taxpayers of the District. The primary purpose of the District will be to finance the construction of these Public Improvements by the issuance of Debt. The District shall not be authorized to issue any Debt or impose a Debt Mill Levy, *[add if appropriate: Operations and Maintenance Mill Levy] [add if appropriate: or impose any Fees]* unless and until the delivery of Public Improvements has been secured in accordance with Section 17.20.040 of the Town Code and the District has entered into an intergovernmental agreement with the Town as required by Section XVII herein.

The primary purpose of the District will be to finance the construction of these Public Improvements and to provide for the operation and maintenance of Public Improvements that are not dedicated to, accepted by, or otherwise conveyed to the Town or another public entity. The District shall have the power and authority to provide covenant enforcement and design review services subject to the limitations set forth in the Special District Act. The District will impose and collect a tax mill levy and/or Fees and may use other legally available revenues to pay debt service costs and operation and maintenance expenses incurred for Public Improvements until such obligations are discharged.

It is the intent of this Service Plan to assure to the extent possible that no property bear an economic burden that is greater than that associated with revenues from the Debt Mill Levy, Fees, Special Assessments, and/or other source of revenue, even under bankruptcy or other unusual situations. Generally, the costs of Public Improvements that cannot be funded within these parameters are not costs to be paid by the District.

It is intended that the District shall comply with the provisions of this Service Plan and that the Town may enforce any non-compliance with these provisions as provided in Section XVI of this Service Plan.

B. Need for the District.

There are currently no other governmental entities, including the Town, located in the immediate vicinity of the District that consider it desirable, feasible or practical to undertake the planning, design, acquisition, construction, installation, relocation, redevelopment, financing, operation, or maintenance of the Public Improvements. Formation of the District is therefore necessary in order for the Public Improvements required for the Project to be provided in the most economic manner possible.

C. Objective of the Town Regarding District's Service Plan.

The Town's objective in approving this Service Plan is to authorize the District to provide for the planning, design, acquisition, construction, installation, relocation, redevelopment, financing, operations and/or maintenance of the Public Improvements from the proceeds of Debt to be issued by the District, but in doing so, to also establish in this Service Plan the means by which the Public Benefits will be provided. Except as specifically provided in this Service Plan, all Debt is expected to be repaid by taxes imposed and collected for no longer than the Maximum Debt Term Limit, and at a tax mill levy no higher than the Maximum Debt Mill Levy. Debt which is issued within these parameters and, as further described in the Financial Plan, will insulate property owners from excessive tax and Fee burdens to support the servicing of the Debt and will result in a timely and reasonable discharge of the Debt.

Operational activities are allowed to be undertaken by the District for all Public Improvements that are not dedicated to, accepted by, or otherwise conveyed to the Town or another public entity. The District may fund operations and maintenance activities from legally available revenues, including, but not limited to, mill levy revenues and Fees.

The Town shall have and will exercise sole and exclusive jurisdiction over land use and building, *e.g.*, zoning, subdivision, building permit, and decisions affecting development of property within the boundaries of the District.

Construction of all Public Improvements shall be subject to applicable ordinances, codes, and regulations of the Town.

D. Relevant Intergovernmental Agreements.

[Add description of any relevant intergovernmental agreements.]

E. Town Approvals.

Any provision in this Service Plan requiring “Town” or “Town Council” approval or consent shall require the Town Council’s prior written approval or consent exercised in its sole discretion, evidenced by resolution. Failure of the Town to respond to a notice provided pursuant to Section 32-1-207(3)(b), C.R.S., within 45 days shall be deemed to be disapproval by the Town. Any provision in this Service Plan requiring “Town Manager” approval or consent shall require the Town Manager’s prior written approval or consent exercised in the Town Manager’s sole discretion. The Town Manager may determine in his or her sole discretion to refer any issue requiring the Town Manager’s consent to the Town Council.

III. BOUNDARIES AND LOCATION

The area of the District Boundaries includes approximately *[Insert Number]* acres and the total area proposed to be included in the Inclusion Area Boundaries is approximately *[Insert Number]* acres. A legal description and map of the District Boundaries are attached hereto as **Exhibit A** and **Exhibit B**, respectively. A legal description and map of the Inclusion Area Boundaries are attached hereto as **Exhibit C** and **Exhibit D**, respectively. It is anticipated that the District’s Boundaries may expand or contract from time to time as the District undertakes inclusions or exclusions pursuant to the Special District Act, subject to the limitations set forth in this Service Plan. The location of the Service Area is depicted in the vicinity map attached as **Exhibit F**.

IV. DESCRIPTION OF PROJECT, PLANNED DEVELOPMENT, PUBLIC BENEFITS & ASSESSED VALUATION

A. Project and Planned Development.

[Describe the nature of the Project and Planned Development, estimated population at build out, timeline for development, estimated assessed value after 5 and 10 years and estimated sales tax revenue. Also, please identify all existing approved plans that apply to any portion of the District’s Boundaries or Inclusion Area Boundaries and describe how the Project and Planned Development are consistent with the applicable plans. Please state if the proposed District is anticipating any other public financing mechanisms.]

Approval of this Service Plan by the Town Council does not imply approval of the development of any particular land use for any specific area within the District, nor does it imply approval of the number of residential **[or commercial]** units or any of the exhibits attached hereto. Any such approval must be contained within an Approved Development Plan.

B. Public Benefits.

In addition to providing the Public Improvements, the organization of the District is intended to enable the Project to deliver a number of extraordinary direct and indirect public benefits, including: *[Describe Public Benefits]* (collectively, the “Public Benefits”). The Public Benefits to be provided under this Service Plan are specifically described in **Exhibit J** attached hereto and incorporated herein by reference.

C. Assessed Valuation.

The current assessed valuation of the Service Area is approximately [*Dollar Amount*] and, at build out, is expected to be [*Dollar Amount*]. These amounts are expected to be sufficient to reasonably discharge the Debt as demonstrated in the Financial Plan.

V. **INCLUSION OF LAND IN THE SERVICE AREA**

Other than the real property in the Inclusion Area Boundaries, the District shall not include any real property into the Service Area without (1) the Town Council's prior written approval and (2) compliance with the Special District Act. Once the District has issued Debt, it shall not exclude real property from the District's boundaries without the prior written consent of the Town.

VI. **DISTRICT GOVERNANCE**

The District's Board shall be comprised of persons who are a qualified "eligible elector" of the District as provided in the Special District Act. It is anticipated that over time, the End Users who are eligible electors will assume direct electoral control of the District's Board as development of the Service Area progresses. The District shall not enter into any agreement by which the End Users' electoral control of the Board is removed or diminished.

VII. **AUTHORIZED AND PROHIBITED POWERS**

A. General Grant of Powers.

The District shall have the power and authority to provide the Public Improvements and related operation and maintenance services, within and without the District Boundaries, as such powers and authorities are described in the Special District Act, other applicable State law, common law and the Colorado Constitution, subject to the prohibitions, restrictions and limitations set forth in this Service Plan.

If, after the Service Plan is approved, any State law is enacted to grant additional powers or authority to metropolitan districts by amendment of the Special District Act or otherwise, such powers and authority shall not be deemed to be a part hereof. This restriction on the District's exercise of its State law powers is being voluntarily acquiesced to by the District and shall not be interpreted in any way as a limitation on the District's sovereign powers and shall not negatively affect the District's status as a political subdivision of the State as conferred by the Special District Act. These new powers and authority shall only be available to be exercised by the District if the Town Council first approves a Service Plan Amendment to specifically allow the exercise of such powers or authority by the District.

B. Prohibited Improvements and Services and other Restrictions and Limitations.

The District's powers and authority under this Service Plan to provide Public Improvements and services and to otherwise exercise its other powers and authority under the Special District Act and other applicable State law, are prohibited, restricted and limited as hereafter provided. Failure to comply with these prohibitions, restrictions and limitations shall constitute a material modification under this Service Plan and shall entitle the Town to pursue all remedies available at law and in equity as provided in Section XVI of this Service Plan:

1. Eminent Domain Restriction

The District shall not exercise its statutory power of eminent domain without first obtaining approval from the Town Council. This restriction on the District's exercise of its eminent domain power is being voluntarily acquiesced to by the District and shall not be interpreted in any way as a limitation on the District's sovereign powers and shall not negatively affect the District's status as a political subdivision of the State as conferred by the Special District Act.

2. Fee Limitation

The District is not authorized to impose and collect any Fees *[if the Town approved specific fees, add: "except that District may seek written approval in the form of a resolution from the Town Council to collect and impose the following fees: _____"]*.

3. Operations and Maintenance

The primary purpose of the District is to plan for, design, acquire, construct, install, relocate, redevelop and finance the Public Improvements. The District is authorized to operate and maintain all or any part of the Public Improvements not otherwise conveyed or dedicated to and accepted by the Town or another appropriate governmental entity. The District-owned Public Improvements shall be subject to the ordinances, codes, and regulations of the Town but shall be owned and/or operated, maintained, repaired, and replaced by the District. They shall be public facilities and shall be generally available for use by the public at large. All Public Improvements shall be fully accessible by and available to duly authorized representatives of the Town, including police and building/zoning officials, and to providers of fire, ambulance, and other health and emergency services.

If the boundaries of the District overlap with the boundaries of an owners' association, then during any year (including any portion of a year) when the Developer is the declarant of the association, written consent of the Town is required prior to the levy and collection of an Operations and Maintenance Mill Levy by the metropolitan district.

4. Fire Protection Restriction

The District is not authorized to plan for, design, acquire, construct, install, relocate, redevelop, finance, own, operate or maintain fire protection facilities or services. The authority to plan for, design, acquire, construct, install, relocate, redevelop, or finance, as part of the Project's water system shall not be limited by this subsection.

5. Public Safety Services Restriction

The District is not authorized to provide policing or other security services. However, the District may, pursuant to C.R.S. §32-1-1004(7), as amended, furnish security services pursuant to an intergovernmental agreement with the Town.

6. Grants from Governmental Agencies Restriction

The District shall not apply for grant funds distributed by any agency of the United States Government, the State, including but not limited to the Department of Local Affairs, Conservation Trust Fund, and Great Outdoors Colorado, without the prior written approval of the Town Manager. This restriction does not apply to specific ownership taxes which shall be distributed to and be a revenue source for the District without any limitation.

7. Television Relay and Translation Restriction

The District is not authorized to plan for, design, acquire, construct, install, relocate, redevelop, finance, own, operate or maintain television relay and translation facilities and services, other than for the installation of conduit as a part of a street construction project, unless such facilities and services are provided pursuant to prior written approval from the Town Council as a Service Plan Amendment.

8. Potable Water and Wastewater Treatment Facilities

Acknowledging that the Town currently owns and operates treatment facilities for potable water and wastewater that are available to provide services to the Service Area, the District shall not plan, design, acquire, construct, install, relocate, redevelop, finance, own, operate or maintain such facilities without obtaining the Town Council's prior written approval either by intergovernmental agreement or as a Service Plan Amendment.

9. Sales and Use Tax Exemption Limitation

The District shall not exercise any sales and use tax exemption otherwise available to the District under the Town Code. This restriction on the District's exercise of its taxing powers is being voluntarily acquiesced to by the District and shall not be interpreted in any way as a limitation on the District's sovereign powers and shall not negatively affect the District's status as a political subdivision of the State as conferred by the Special District Act.

10. Sub-district Restriction

The District shall not create any sub-district pursuant to the Special District Act, impose a mill levy or issue debt within a subdistrict, without the prior written approval of the Town Council.

11. Special Assessments

The District shall not impose special assessments without the prior written approval of the Town Council ("Special Assessments").

12. Limitation on Extraterritorial Service

The District shall not be authorized to provide services or facilities outside the District boundaries or to establish fees, rates, tolls, charges, penalties or charges for any such service or facilities without the prior approval of the Town Manager.

13. Overlap Limitation

Without the prior consent of the Town Council, which consent shall be evidenced by resolution, the boundaries of the District shall not overlap with any other metropolitan district formed under the Special District Act.

14. Consolidation Limitation

The District shall not file a request with any Court to consolidate with another Title 32 district without the prior consent of the Town, which shall be evidenced by resolution.

VIII. PUBLIC IMPROVEMENTS AND ESTIMATED COSTS

Exhibit E summarizes the type of Public Improvements that are projected to be constructed and/or installed by the District. The cost, scope, and definition of such Public Improvements may vary over time. The total estimated costs of Public Improvements, as set forth in **Exhibit G**, are approximately [**Dollar Amount**] in [**Year**] dollars and total approximately [**Dollar Amount**] in the anticipated year of construction dollars. The cost estimates are based upon preliminary engineering, architectural surveys, and reviews of the Public Improvements set forth in **Exhibit E** and include all construction cost estimates together with estimates of costs such as land acquisition, engineering services, legal expenses and other associated expenses. Maps of the anticipated location, operation, and maintenance of Public Improvements are attached hereto as **Exhibit H**. Changes in the Public Improvements or cost, which are

approved by the Town in an Approved Development Plan and any agreement approved by the Town Council pursuant to Section XVII of this Service Plan, shall not constitute a Service Plan Amendment.

The Public Improvements shall be listed using an ownership and maintenance matrix in **Exhibit E**, either individually or categorically, to identify the ownership and maintenance responsibilities of the Public Improvements.

The Town Code has development standards, contracting requirements and other legal requirements related to the construction and payment of public improvements and related to certain operation activities. Relating to these, the District shall comply with the following requirements:

A. Development Standards.

The District shall ensure that the Public Improvements are designed and constructed in accordance with the standards and specifications of the Town Code and of other governmental entities having proper jurisdiction, as applicable. The District directly, or indirectly through any Developer, will obtain the Town's approval of civil engineering plans and will obtain applicable permits for construction and installation of Public Improvements prior to performing such work. Unless waived by the Town Council, the District shall be required, in accordance with the Town Code, to post development security for any Public Improvements to be constructed by the District. Such development security may be released in the Town Manager's discretion when the District has obtained funds, through Debt issuance or otherwise, adequate to insure the construction of the Public Improvements, unless such release is prohibited by or in conflict with any Town Code provision, State law or any agreement approved and entered into under Section XVII of this Service Plan. Any limitation or requirement concerning the time within which the Town must review the District's proposal or application for an Approved Development Plan or other land use approval is hereby voluntarily waived by the District.

B. Contracting.

The District shall comply with all applicable State purchasing, public bidding and construction contracting requirements and limitations.

C. Land Acquisition and Conveyance.

Any property conveyed from the Developer to the District shall be at no cost. The purchase price of any improvements acquired by the District from the Developer shall be no more than the then-current fair market value as confirmed by an independent professional engineer. Land, easements, improvements and facilities conveyed to the Town shall be free and clear of all liens, encumbrances and easements, unless otherwise approved by the Town Manager prior to conveyance. All conveyances to the Town shall be by special warranty deed, shall be conveyed at no cost to the Town, shall include an ALTA title policy issued to the Town, shall meet the environmental standards of the Town, and shall comply with any other conveyance prerequisites required in the Town Code.

D. Equal Employment and Discrimination.

In connection with the performance of all acts or activities hereunder, the District shall not discriminate against any person otherwise qualified with respect to its hiring, discharging, promoting or demoting or in matters of compensation solely because of race, color, religion, national origin, gender, age, military status, sexual orientation, gender identity or gender expression, marital status, or physical or mental disability, or any other status protected by federal or state law, and further shall insert the foregoing provision in contracts or subcontracts entered into by the District to accomplish the purposes of this Service Plan.

IX. FINANCIAL PLAN/PROPOSED DEBT

This Section IX of the Service Plan describes the nature, basis, method of funding and financing limitations associated with the acquisition, construction, completion, repair, replacement, operation and maintenance of Public Improvements.

A. Financial Plan.

The District's Financial Plan, attached as **Exhibit I** and incorporated by reference, reflects the District's anticipated schedule for incurring Debt to fund Public Improvements in support of the Project. The Financial Plan also reflects the schedule of all anticipated revenues flowing to the District derived from District mill levies, [*Fees imposed by the District*], specific ownership taxes, and all other anticipated legally available revenues. The Financial Plan is based on economic, political and industry conditions as they presently exist and reasonable projections and estimates of future conditions. These projections and estimates are not to be interpreted as the only method of implementation of the District's goals and objectives but rather a representation of one feasible alternative. Other financial structures may be used so long as they are in compliance with this Service Plan. The Financial Plan incorporates all of the provisions of this Section IX. [*Add if Developer Advances are to be used: The Developer will incur costs for Public Improvements, either in the form of direct payments for such costs, or by means of advances to the District. These Developer Advances will be reimbursable by the District from Debt, contractual reimbursement agreements and/or any other revenue sources available by law and permitted by this Service Plan, and are subject to the Maximum Debt Authorization, Maximum Mill Levy, and Maximum Debt Term Limit.*]

Based upon the assumptions contained therein, the Financial Plan projects the issuance of Bonds to fund Public Improvements and anticipated Debt repayment based on the development assumptions and absorptions of the property in the Service Area by End Users. The Financial Plan anticipates that the District will finance the planning, design, acquisition, construction, installation and completion of all Public Improvements needed to serve the Service Area.

The Financial Plan demonstrates that the District will have the financial ability to discharge all Debt to be issued as part of the Financial Plan on a reasonable basis. Furthermore, the District will secure the certification of an External Municipal Advisor who will provide an opinion as to whether such Debt issuances are in the best interest of the District at the time of issuance.

B. Mill Levies.

It is anticipated that the District will impose a Debt Mill Levy and an Operations and Maintenance Mill Levy on all property within the Service Area. In doing so, the following shall apply:

1. Maximum Mill Levy

The Maximum Mill Levy shall not exceed _____ [*50 mills, or the amount of the Debt Mill Levy + Operations and Maintenance Mill Levy from below, whichever is less*] mills in the aggregate of the Debt Mill Levy and any Operations and Maintenance Mill Levy (if authorized), subject to assessed value/assessment rate adjustments.

2. Debt Mill Levy

The District may impose a Debt Mill levy of up to _____ mills [*Note: debt mill levy must take into account the costs of the Public Improvements to paid for through debt mill levy and anticipated AV, but must not exceed 50 mills when combined with O&M mill levy*], subject to adjustments to offset changes in assessment rates; however, the Maximum Mill Levy may not be exceeded. The Debt Mill Levy shall be imposed for a term not greater than 30 years from the date of its first imposition

3. Operations and Maintenance Mill Levy

The District may impose an Operations and Maintenance Mill Levy of up to twenty (20) mills; however, the Maximum Mill Levy must not be exceeded, subject to assessed value/assessment rate adjustments.

4. Assessed Value/Assessment Rate Adjustments

In the event the State's method of calculating assessed valuation for the Taxable Property changes after January 1, [current year] or any constitutionally mandated tax credit, cut or abatement, the Debt Mill Levy, Operations and Maintenance Mill Levy, and Maximum Mill Levy, amounts herein provided may be increased or decreased to reflect such changes; such increases or decreases shall be determined by the District's Board in good faith so that to the extent possible, the actual tax revenues generated by such mill levies, as adjusted, are neither enhanced nor diminished as a result of such change occurring after January 1, [current year]. For purposes of the foregoing, a change in the ratio of actual valuation to assessed valuation will be a change in the method of calculating assessed valuation.

5. Excessive Mill Levy Pledges

Any Debt issued with a mill levy pledge, or which results in a mill levy pledge that exceeds the Maximum Mill Levy, shall be deemed a material modification of this Service Plan and shall not be an authorized issuance of Debt unless and until such material modification has been approved by a Service Plan Amendment.

6. Refunding Debt

The Maximum Debt Term Limit may be exceeded for Debt refunding purposes if: (1) a majority of the District Board is composed of End Users and have voted in favor of a refunding of a part or all of the Debt; or (2) such refunding will result in a net present value savings.

7. Maximum Debt Authorization

The District anticipates approximately [*Dollar Amount*] in Project costs in [*Year*] dollars as set forth in **Exhibit E** and anticipate issuing approximately [*Dollar Amount*] in Debt to pay such costs as set forth in **Exhibit G**, which Debt issuance amount shall be the amount of the Maximum Debt Authorization. The District shall not request voter approval nor issue Debt in excess of the Maximum Debt Authorization. Bonds, loans, notes or other instruments which have been refunded shall not count against the Maximum Debt Authorization. The District must obtain from the Town Council a Service Plan Amendment prior to issuing Debt in excess of the Maximum Debt Authorization.

C. Maximum Voted Interest Rate and Underwriting Discount.

The interest rate on any Debt is expected to be the market rate at the time the Debt is issued. The maximum interest rate on any Debt, including any defaulting interest rate, is not permitted to exceed twelve percent (12%). The maximum underwriting discount shall be two and a half percent (2.5%). Debt, when issued, will comply with all relevant requirements of this Service Plan, the Special District Act, other applicable State law and federal law as then applicable to the issuance of public securities.

D. Disclosure to Purchasers.

In order to notify future End Users who are purchasing residential lots or dwellings units in the Service Area that they will be paying, in addition to the property taxes owed to other taxing governmental entities, the property taxes imposed under the Debt Mill Levy [*and the Operations and Maintenance Mill Levy*], the District shall not be authorized to issue any Debt under this Service Plan until there is included in the Developer's Approved Development Plan provisions that require the following:

1. That the Developer, and its successors and assigns, shall prepare and submit to the Town Manager for his approval the Disclosure Notice in substantially the form attached hereto as **Exhibit K**, which includes the maximum amount of Debt authorized, the amount of Debt already issued, the debt term remaining, the expected date of repayment, the Maximum Mill Levy and anticipated property tax bill based on the anticipated sale price;
2. That when the Disclosure Notice is approved by the Town Manager, the Developer shall record the Disclosure Notice in the Eagle County Clerk and Recorder's Office; and
3. That the approved Disclosure Notice shall be provided by the Developer, and by its successors and assigns, to each potential End User purchaser of a residential lot or dwelling unit in the Service Area as early as possible in the purchasing process, but at least before that purchaser enters into a written agreement for the purchase and sale of that residential lot or dwelling unit.

E. External Municipal Advisor.

An External Municipal Advisor acceptable to the Town shall be retained by the District to provide an External Municipal Advisor Certificate and a written opinion regarding the projected tax base increase in the District, the security offered and other considerations as may be identified by the External Municipal Advisor. The District shall include in the transcript of any Bond transaction or other appropriate financing documentation for related Debt instrument, a signed letter from the External Municipal Advisor providing an official opinion on the structure of the Debt, the cost of issuance, sizing, repayment term, redemption feature, couponing, credit spreads, payment, closing date, and other material transaction details of the proposed Debt. Debt shall not be undertaken by the District if the Debt terms and conditions are found to be unreasonable by the External Municipal Advisor.

F. Disclosure to Debt Purchasers.

District Debt shall set forth a statement in substantially the following form:

"By acceptance of this instrument, the owner of this Debt agrees and consents to all of the limitations with respect to the payment of the principal and interest on this Debt contained herein, in the resolution of the District authorizing the issuance of this Debt and in the Service Plan of the District. This Debt is not and cannot be a Debt of the Town of Gypsum, Colorado."

Similar language describing the limitations with respect to the payment of the principal and interest on Debt set forth in this Service Plan shall be included in any document used for the offering of the Debt for sale to persons, including, but not limited to, a Developer of property within the Service Area.

G. Security for Debt.

The District shall not pledge any revenue or property of the Town as security for the indebtedness set forth in this Service Plan. Approval of this Service Plan shall not be construed as a guarantee by the Town of payment of any of the District's obligations; nor shall anything in the Service Plan be construed so as to create any responsibility or liability on the part of the Town in the event of default by the District in the payment of any such obligation.

H. TABOR Compliance.

The District shall comply with the provisions of TABOR. In the discretion of the Board, the District may set up other qualifying entities to manage, fund, construct and operate facilities, services, and programs. To the extent allowed by law, any entity created by a District will remain under the control of the District's Board.

I. District's Operating Costs.

The estimated cost of acquiring land, engineering services, legal services and administrative services, together with the estimated costs of the District's organization and initial operations, are anticipated to be [*Dollar Amount*], which will be eligible for reimbursement from Debt proceeds.

In addition to the capital costs of the Public Improvements, the Districts will require operating funds for administration and to plan and cause the Public Improvements to be operated and maintained. The first year's operating budget is estimated to be [*Dollar Amount*].

Ongoing administration, operations and maintenance costs may be paid from property taxes collected through the imposition of an Operations and Maintenance Mill Levy, as set forth in Section IX.B.3, as well as from other revenues legally available to the District.

X. **TOWN FEES**

The District shall pay all applicable Town fees as required by the Town Code.

XI. **BANKRUPTCY LIMITATIONS**

All of the limitations contained in this Service Plan, including, but not limited to, those pertaining to the Maximum Mill Levy, Maximum Debt Term Limit and Fees, have been established under the authority of the Town in the Special District Act to approve this Service Plan. It is expressly intended that by such approval such limitations: (i) shall not be set aside for any reason, including by judicial action, absent a Service Plan Amendment; and (ii) are, together with all other requirements of State law, included in the "political or governmental powers" reserved to the State under the U.S. Bankruptcy Code (11 U.S.C.) Section 903, and are also included in the "regulatory or electoral approval necessary under applicable non-bankruptcy law" as required for confirmation of a Chapter 9 Bankruptcy Plan under Bankruptcy Code Section 943(b)(6).

XII. **ANNUAL REPORTS AND BOARD MEETINGS**

A. General.

The District shall be responsible for submitting an Annual Report to the Town Clerk no later than September 1st of each year following the year in which the Order and Decree creating the District has been issued. The annual report may be made available to the public on the Town's website.

B. Board Meetings.

The District's board of directors shall hold at least one public board meeting in three of the four quarters of each calendar year, beginning in the first full calendar year after the District's creation. Notice for each of these meetings shall be given in accordance with the requirements of the Special District Act and other applicable State law. This meeting requirement shall not apply until there is at least one End User of property within the District. Also, this requirement shall no longer apply when a majority of the directors on the District's Board are End Users.

C. Report Requirements.

Unless waived in writing by the Town Manager, the District Annual Report must include the following:

1. Narrative

A narrative summary of the progress of the District in implementing its Service Plan for the report year.

2. Financial Statements

Except when exemption from audit has been granted for the report year under the Local Government Audit Law, the audited financial statements of the District for the report year including a statement of financial condition (i.e., balance sheet) as of December 31 of the report year and the statement of operation (i.e., revenue and expenditures) for the report year.

3. Capital Expenditures

Unless disclosed within a separate schedule to the financial statements, a summary of the capital expenditures incurred by the District in the development of improvements in the report year.

4. Financial Obligations

Unless disclosed within a separate schedule to the financial statements, a summary of financial obligations of the District at the end of the report year, including the amount of outstanding Debt, the amount and terms of any new District Debt issued in the report year, the total assessed valuation of all Taxable Property within the Service Area as of January 1 of the report year and the current total District mill levy pledged to Debt retirement in the report year.

5. Board Contact Information

The names and contact information of the current directors on the District's Board, any District administrator and the attorney for the District shall be listed in the report. The District's current office address, phone number, email address and any website address shall also be listed in the report.

6. Other Information

Any other information deemed relevant by the Town Council or deemed reasonably necessary by the Town Manager.

7. Reporting of Significant Events

The Annual Report shall also include information as to any of the following that occurred during the report year:

- a. Boundary changes made or proposed to the District Boundaries as of December 31 of the report year.
- b. Intergovernmental Agreements with other governmental entities, either entered into or proposed as of December 31 of the report year.
- c. Copies of the District's rules and regulations, if any, or substantial changes to the District's rules and regulations as of December 31 of the report year.

- d. A summary of any litigation which involves the District or the District's Public Improvements as of December 31 of the report year.
- e. A list of all facilities and improvements constructed by the District that have been dedicated to and accepted by the Town as of December 31 of the report year.
- f. Notice of any uncured events of default by the District, which continue beyond a ninety (90) day period, under any Debt instrument.
- g. Any inability of the District to pay its obligations as they come due, in accordance with the terms of such obligations, which continue beyond a ninety (90) day period.

D. Failure to Submit.

In the event the Annual Report is not timely received by the Town Clerk or is not fully responsive, notice of such default shall be given to the District Board at its last known address. The failure of the District to file the Annual Report within forty-five (45) days of the mailing of such default notice by the Town Clerk may constitute a material modification of the Service Plan, at the discretion of the Town Manager.

XIII. SERVICE PLAN AMENDMENTS

This Service Plan is general in nature and does not include specific detail in some instances. The Service Plan has been designed with sufficient flexibility to enable the District to provide required improvements, services and facilities under evolving circumstances without the need for numerous amendments. Modification of the general types of improvements and facilities making up the Public Improvements, and changes in proposed configurations, locations or dimensions of the Public Improvements, shall be permitted to accommodate development needs provided such Public Improvements are consistent with the then-current Approved Development Plans for the Project and any agreement approved by the Town Council pursuant to Section XVII of this Service Plan. Any action of the District, which is a material modification of this Service Plan requiring a Service Plan Amendment as provided in Section XIII of this Service Plan or that does not comply with provisions of this Service Plan, shall be deemed to be a material modification to this Service Plan unless otherwise expressly provided in this Service Plan. All other departures from the provisions of this Service Plan shall be considered on a case-by-case basis as to whether such departures are a material modification under this Service Plan or the Special District Act.

XIV. MATERIAL MODIFICATIONS

Material modifications to this Service Plan may be made only in accordance with C.R.S. Section 32-1-207 as a Service Plan Amendment. No modification shall be required for an action of the District that does not materially depart from the provisions of this Service Plan, unless otherwise provided in this Service Plan.

Departures from the Service Plan that constitute a material modification requiring a Service Plan Amendment include, without limitation:

- 1. Actions or failures to act that create materially greater financial risk or burden to the taxpayers of the District;
- 2. Performance of a service or function, construction of an improvement, or acquisition of a major facility that is not closely related to an improvement, service, function or facility authorized in the Service Plan;
- 3. Failure to perform a service or function, construct an improvement or acquire a facility required by the Service Plan; and
- 4. Failure to comply with any of the preconditions, prohibitions, limitations and restrictions of this Service Plan.

XV. DISSOLUTION

Upon independent determination by the Town Council that the purposes for which the District was created have been accomplished, the District shall file a petition in district court for dissolution as provided in the Special District Act. In no event shall dissolution occur until the District has provided for the payment or discharge of all of its outstanding indebtedness and other financial obligations as required pursuant to State law.

In addition, if within five (5) years from the date of the Town Council's approval of this Service Plan the intergovernmental agreement contemplated by Section XVII of this Service Plan has not been entered into by the Town with the District and/or any Developer, despite the parties conducting good faith negotiations attempting to do so, the Town may opt to pursue the remedies available to it under C.R.S. Section 32-1-701(3) in order to compel the District to dissolve in a prompt and orderly manner. In such event: (i) the limited purposes and powers of the District, as authorized herein, shall automatically terminate and be expressly limited to taking only those actions that are reasonably necessary to dissolve; (ii) the Board of the District will be deemed to have agreed with the Town regarding its dissolution without an election pursuant to C.R.S. §32-1-704(3)(b); (iii) the District shall take no action to contest or impede the dissolution of the District and shall affirmatively and diligently cooperate in securing the final dissolution of the District, and (iv) subject to the statutory requirements of the Special District Act, the District shall thereupon dissolve.

XVI. SANCTIONS

Should the District undertake any act without obtaining prior Town Council approval or consent or Town Manager approval or consent under this Service Plan, that constitutes a material modification to this Service Plan requiring a Service Plan Amendment as provided herein or under the Special Districts Act, or that does not otherwise comply with the provisions of this Service Plan, the Town Council may impose one (1) or more of the following sanctions, as it deems appropriate:

1. Exercise any applicable remedy under the Special District Act;
2. Withhold the issuance of any permit, authorization, acceptance or other administrative approval, or withhold any cooperation, necessary for the District's development or construction or operation of improvements or provision of services;
3. Exercise any legal remedy under the terms of any intergovernmental agreement under which the District is in default; or
4. Exercise any other legal and equitable remedy available under the law, including seeking prohibitory and mandatory injunctive relief against the District, to ensure compliance with the provisions of the Service Plan or applicable law.

XVII. INTERGOVERNMENTAL AGREEMENT WITH TOWN

The District and the Town shall enter into an intergovernmental agreement, the form of which shall be in substantially the form attached hereto as **Exhibit L** and incorporated by reference (the "IGA"). However, the Town and the District may include such additional details, terms and conditions as they deem necessary in connection with the Project and the construction and funding of the Public Improvements and the Public Benefits. The District's Board shall approve the IGA at its first board meeting, unless agreed otherwise by the Town Manager. Entering into this IGA is a precondition to the District issuing any Debt or imposing any Debt Mill Levy, Operations and Maintenance Mill Levy or Fee for the payment of Debt under this Service Plan. In addition, failure of the District to enter into the IGA as required herein shall constitute a material modification of this Service Plan and subject to the sanctions in Article XVI of this Service Plan. The Town and the District may amend the IGA from time-to-time provided such amendment is not in conflict with any provision of this Service Plan.

XVIII. CONCLUSION

It is submitted that this Service Plan, as required by C.R.S. Section 32-1-203(2), establishes that:

1. There is sufficient existing and projected need for organized service in the Service Area to be served by the District;
2. The existing service in the Service Area to be served by the District is inadequate for present and projected needs;
3. The District is capable of providing economical and sufficient service to the Service Area; and
4. The Service Area does have, and will have, the financial ability to discharge the proposed indebtedness on a reasonable basis.

XIX. RESOLUTION OF APPROVAL

The District agrees to incorporate the Town Council's resolution approving this Service Plan, including any conditions on any such approval, into the copy of the Service Plan presented to the District Court for and in Eagle County, Colorado.

EXHIBIT A
DISTRICT BOUNDARY LEGAL DESCRIPTION

EXHIBIT B
DISTRICT BOUNDARY MAP

EXHIBIT C
INCLUSION AREA LEGAL DESCRIPTION

EXHIBIT D
INCLUSION AREA BOUNDARY MAP

EXHIBIT E
PUBLIC IMPROVEMENTS

EXHIBIT F
VICINITY MAP

EXHIBIT G
COST ESTIMATE

EXHIBIT H
PUBLIC IMPROVEMENT LOCATION MAPS

EXHIBIT I
FINANCIAL PLAN

EXHIBIT J
PUBLIC BENEFITS

EXHIBIT K

DISCLOSURE NOTICE

NOTICE OF SPECIAL DISTRICT DISCLOSURE

(to be provided to every purchaser of real property within the boundaries of the District)

1. General Information.

Your property is located in the [District Name] (the "District"). The District is a governmental entity and political subdivision of the State of Colorado that was organized under and is governed by Article 1 of Title 32, Colorado Revised Statutes. The District is administered generally in accordance with the Service Plan approved by the Town of Gypsum, Colorado in Eagle County.

The primary purposes of the District are to finance, construct and operate certain public infrastructure required for the area known as [Development Name] (the "Development"), including:

- [List District Improvements] (identify district improvements by major categories, i.e. road, parks, etc.).

Some but not all of the public improvements within the Development will be conveyed to the Town of Gypsum upon completion. The District will have continuing responsibility to provide ongoing operation and maintenance of [Public Improvements] (list public improvements that will be maintained and operated by the District) within the Development.

2. Financial Information.

1. Property Taxes. Under the Service Plan, the District may impose property taxes and other penalties, fees, tolls, rates and charges for the services and facilities that it provides. The Service Plan limits the tax levy that may be imposed on property within the District for both bond repayment and operating & maintenance purposes to a maximum of [Number of Mills] mills (subject to certain adjustments for changes in the method of determining valuation under Colorado law). The mill levy cap protects property owners from unreasonable property taxes. The District's property tax levy for the [Year] fiscal year is [Number of mills] mills. A sample calculation of mill levies is listed below.

<u>Sample Calculation of Mill Levy Cap for a Residential Property</u>	<u>Sample Calculation of Mill Levy Cap for a Commercial, Office or Industrial Property</u>
Assumptions: Market value is \$500,000 Mill levy cap is [NUMBER OF MILLS] mills	Assumptions: Market value is \$500,000 Mill levy cap is [NUMBER OF MILLS] mills
Calculation: \$500,000 x = \$ (Assessed Valuation) \$39,800 x = \$ per year in taxes owed solely to the Metropolitan District	Calculation: \$500,000 x = \$ (Assessed Valuation) \$145,000 x = \$ per year in taxes owed solely to the Metropolitan District
*These samples are not based on actual data.	

2. Fees. The District may also impose a Systems Development Fee of \$[Insert Dollar Amount] on each lot in the Development, which is to be paid on or before the date of purchase of such lot.

3. District Bonds. The total voter-authorized debt of the District is \$[Insert Dollar Amount]. The District has not issued bonds as of this time but expects to issue limited mill levy general

obligation bonds in the approximate principal amount of **[Insert Dollar Amount]** in 20 . The mill levy for bond repayment is not expected to exceed **[Insert Number of Mills]** mills; the total property tax levy of the District will not exceed **[Insert Number of Mills]** mills (subject to certain adjustments as explained above). *[Alternate language is bonds already issued: The total voter-authorized debt of the District is \$[Insert Dollar Amount] The District has issued general obligation bonds in the amount of \$[Insert Dollar Amount] the total property tax levy of the District will not exceed [Insert Number of Mills] mills.]*

3. District Boundaries.

The District boundaries are shown on the attached map.

4. Governance.

The District is managed by a five-person Board of Directors elected at-large in May of **[Even or Odd]**-numbered years. Residents and taxpayers (and spouses of taxpayers) of the District who are registered to vote in Colorado may vote in District elections and are also qualified to be candidates for the Board.

All Board meetings are open to the general public. A notice of District meetings is posted at least 24 hours in advance. The current posting location for the District is **[Insert Location for Posting Notice]**.

5. Additional District Information.

If more information about the District is desired, please contact **[Insert Name of Contact]**, the District's contact person, at **[Insert Contact Information]**. The District Service Plan, current year budget, independent audits and other public documents may be viewed at this office during regular business hours.

EXHIBIT L

TOWN/DISTRICT INTERGOVERNMENTAL AGREEMENT

INTERGOVERNMENTAL AGREEMENT

This INTERGOVERNMENTAL AGREEMENT is made and entered into on [DATE] by and between the Town of Gypsum, Colorado, a home-rule municipal corporation of the State of Colorado (the "Town") and [METRO DISTRICT], a quasi-municipal corporation and political subdivision of the State of Colorado (the "District").

RECITALS

WHEREAS, the District was organized to provide those services and to exercise powers as are more specifically set forth in the District's Service Plan dated [INSERT DATE], 20 , as amended from time to time by Town approval (the "Service Plan"); and

WHEREAS, the Service Plan requires the execution of an intergovernmental agreement between the Town and the District; and

WHEREAS, the Town and the District have determined it to be in their best interests to enter into this Intergovernmental Agreement ("Agreement"); and

NOW THEREFORE, for and in consideration of the covenants and mutual agreements herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

- A. **Incorporation by Reference.** The Service Plan is hereby incorporated in this Agreement by this reference. The District agrees to comply with all provisions of the Service Plan, as it may be amended from time to time in accordance with the provisions thereof, and Title 32, Article 1, C.R.S. (the "Special District Act").
- B. **Maintenance of Public Improvements.** The District agrees that it shall maintain the following Public Improvements: [INSERT LIST OF IMPROVMENTS].
- C. **Enforcement.** The parties agree that this Agreement may be enforced in law, or in equity for specific performance, injunctive, or other appropriate relief. The parties also agree that this Agreement may be enforced pursuant to Section 32-1-207, C.R.S. and other provisions of the Special District Act granting rights to municipalities or counties approving a service plan of a special district.
- D. **Entire Agreement of the Parties.** This Agreement constitutes the entire agreement between the parties and supersedes all prior written or oral agreements, negotiations, or representations and understandings of the parties with respect to the subject matter contained herein.
- E. **Amendment.** This Agreement may be amended, modified, changed, or terminated in whole or in part only by a written agreement duly authorized and executed by the parties hereto.
- F. **Governing Law; Venue.** The laws of the State of Colorado shall govern the interpretation and enforcement of this Agreement, without giving effect to choice of law or conflict of law principles. The parties hereby subject to the jurisdiction of and venue in the District Court of Eagle County, Colorado. In any proceeding brought to enforce the provisions of this Agreement, the prevailing party therein shall be entitled to an award of reasonable attorneys' fees, actual costs and other expenses incurred.

G. Beneficiaries. Except as otherwise stated herein, this Agreement is intended to describe the rights and responsibilities of and between the named parties and is not intended to and shall not be deemed to confer any rights upon any persons or entities not named as parties.

H. Effect of Invalidity. If any portion of this Agreement is held invalid or unenforceable for any reason by a court of competent jurisdiction as to either party or as to both parties, such portion shall be deemed severable and its invalidity or its unenforceability shall not cause the entire agreement to be terminated.

I. Assignability. Neither the Town nor the District shall assign their rights or delegate their duties hereunder without the prior written consent of the other party.

J. Successors and Assigns. This Agreement and the rights and obligations created hereby shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

[Signature page follows]

[DISTRICT NAME]

By: _____
[NAME]

Attest:

[NAME], Secretary

TOWN OF GYPSUM, COLORADO

By: _____
[NAME], Mayor

Attest:

[NAME], Town Clerk