

This map/plat/ILR is being furnished as an aid in locating the herein described Land in relation to adjoining streets, natural boundaries and other land, and is not a survey of the land depicted. Except to the extent a policy of title insurance is expressly modified by endorsement, if any, the Company does not insure dimensions, encroachments, distances, location of easements, acreage, or other matters shown thereon.

Courtesy of  
PIKES PEAK TITLE SERVICE  
687-9211

## TROUT HAVEN ESTATES — THIRD FILING

A SUBDIVISION IN TELLER COUNTY, COLORADO

KNOW ALL MEN  
SCHLEINER, BEING 1/4  
OF SECTION 16, TOWNSHIP  
COUNTY, COLORADO, AND  
BEGINNING AT A POINT  
A DISTANCE OF 278.55 FEET  
FIRST FILING, THENCE  
LINE OF A COUNTY ROAD  
LINE, (31) 8 42° 09' 59" E 100  
198.40 FEET, (61) 5 48° 38"  
FOR 243.48 FEET (9) S  
THE SOUTHWEST CORNER  
67.56 FEET TO THIS POINT  
FOR 213.26 FEET, (13)  
N 49° W FOR 177 FEET, (18)  
N 40° 04' W FOR 178  
BEGINNING, CONTAINING 1

HAS CAUSED SAID TRACT  
AS SHOWN ON THE ADJACENT  
THEREON, AND  
OF THE SAID TRACT AND  
SHALL BE KNOWN AS TRACT  
AGREES THAT ALL STREETS  
AND GRAVEL SURFACES IN  
COUNTY, AND ARE HEREBY

IN WITNESS WHEREOF  
EXECUTED AND HAS SET HIS

I HEREBY CERTIFY THAT  
AND PLATTED UNDER THE  
THE DESCRIBED TRACT AND  
AND BELIEVE

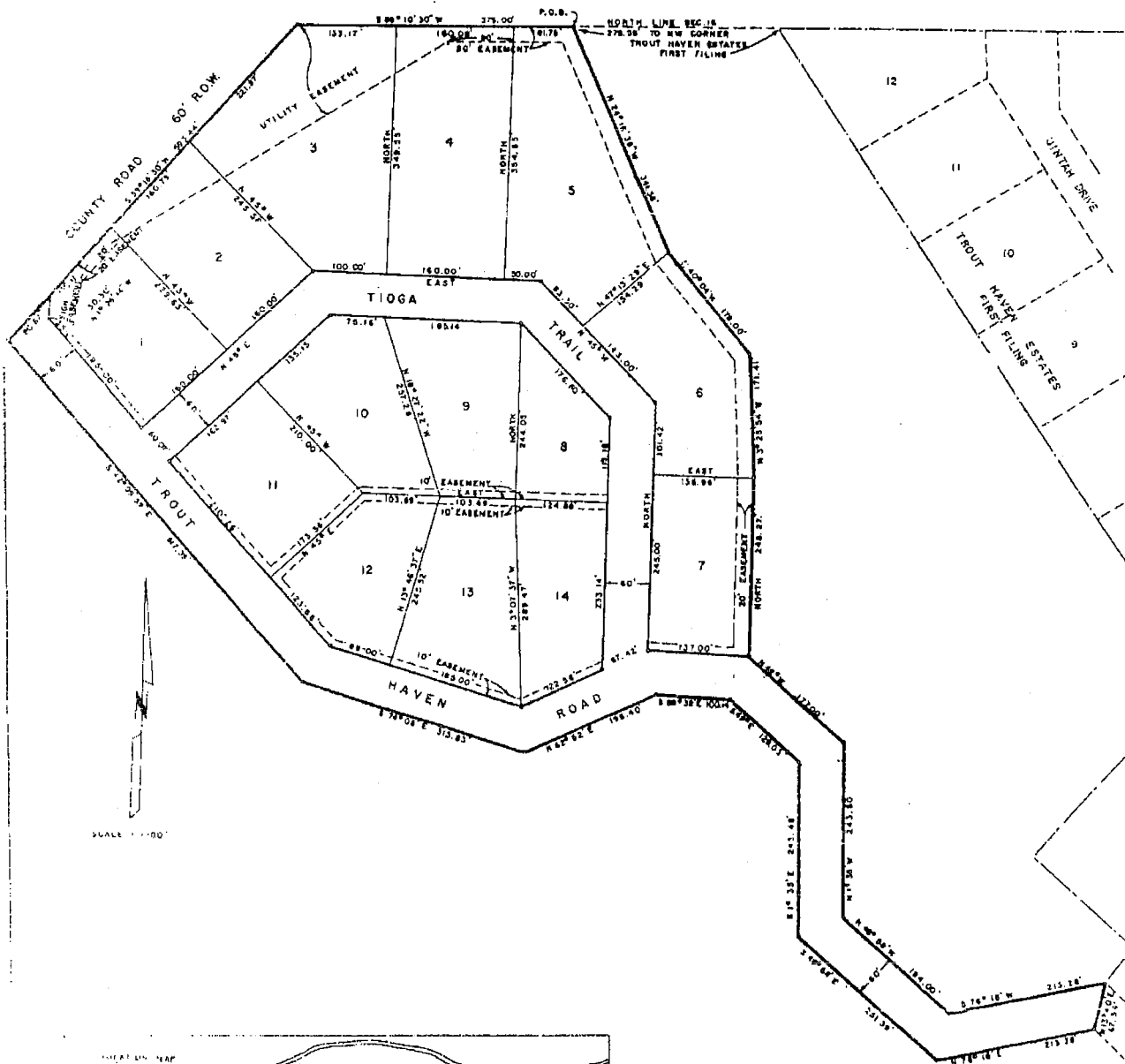
THE ADJACENT PLAT IN  
TELLER COUNTY, COLORADO

THE BOARD OF COUNTY  
MAINTENANCE AND  
BOARD HAS APPROVED  
SAME IS RECORDED

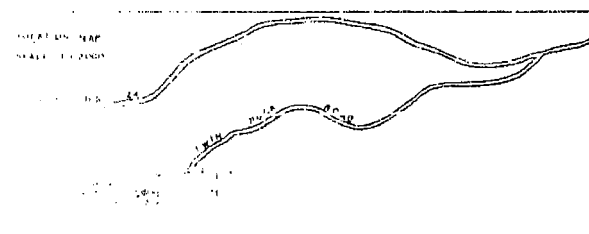
STATE OF COLORADO  
COUNTY OF TELLER  
THE FOREGOING  
THIS 10 DAY

STATE OF COLORADO  
COUNTY OF TELLER

I HEREBY CERTIFY  
MY OFFICE AT 10:00 AM  
AND IS JULY RECORDED  
RECEPTION NUMBER



SCALE 1" = 100'



TES — THIRD FILING  
LLER COUNTY, COLORADO

STATEMENT

KNOW ALL MEN BY THESE PRESENTS: THAT THE UNDERSIGNED, F. H. VON SCHLEINITZ, BEING THE OWNER OF A TRACT OF LAND IN THE NORTHEAST 1/4 OF SECTION 16, TOWNSHIP 13 S., RANGE 70 W., OF THE 6TH P.M., SITUATE IN TELLER COUNTY, COLORADO, AND DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE NORTH LINE OF SAID SECTION 16 WHICH LIES S80°10'30"W A DISTANCE OF 278.55 FEET FROM THE NORTHWEST CORNER OF TROUT HAVEN ESTATES—FIRST FILING, THENCE (1) S 88°10'30" W FOR 375 FEET TO THE SOUTHEASTERLY RIGHT-OF-WAY LINE OF A COUNTY ROAD, (2) S 39°18'30" W FOR 593.44 FEET ALONG SAID RIGHT-OF-WAY LINE, (3) S 42°09'59" E FOR 617.39 FEET, (4) S 74°08' E FOR 313.83 FEET, (5) N 82°52" E FOR 198.40 FEET, (6) S 56°38' E FOR 100.14 FEET, (7) S 49° E FOR 129.03 FEET, (8) S 1°35' E FOR 243.48 FEET, (9) S 48°58' E FOR 251.39 FEET, (10) N 78°18' E FOR 213.28 FEET TO THE SOUTHWEST CORNER OF TROUT HAVEN ESTATES—FIRST FILING, (11) N 13°40' E FOR 67.56 FEET TO THIS SOUTHWEST CORNER OF LOT 1 IN SAID FIRST FILING, (12) S 76°18' E FOR 213.28 FEET, (13) N 48°58' W FOR 194 FEET, (14) N 1°35' W FOR 243.50 FEET, (15) N 49° W FOR 177 FEET, (16) NORTH FOR 248.27 FEET, (17) N 3°25'54" W FOR 171.41 FEET, (18) N 40°04' W FOR 178 FEET, (19) N 24°16'38" W FOR 341.88 FEET TO THE POINT OF BEGINNING; CONTAINING 17.037 ACRES OF LAND MORE OR LESS.

HAS CAUSED SAID TRACT TO BE PLATTED INTO LOTS, STREETS, AND EASEMENTS AS SHOWN ON THE ADJACENT PLAT, WHICH IS DRAWN TO A FIXED SCALE AS INDICATED THEREON, AND ACCURATELY SETS FORTH THE BOUNDARIES AND DIMENSIONS OF THE SAID TRACT AND THE SUBDIVISION THEREOF, AND WHICH TRACT, SO PLATTED, SHALL BE KNOWN AS TROUT HAVEN ESTATES—THIRD FILING. THE OWNER ALSO AGREES THAT ALL STREETS WILL BE GRADED AND PROVIDED WITH PROPER DRAINAGE AND GRAVEL SURFACE TO THE SATISFACTION OF THE ROAD COMMISSIONER OF TELLER COUNTY, AND ARE HEREBY DEDICATED TO PUBLIC USE.

IN WITNESS WHEREOF, F. H. VON SCHLEINITZ, HAS CAUSED THESE PRESENTS TO BE EXECUTED AND HAS SET HIS HAND THIS 1st DAY OF June, 1966.

*F. H. von Schleinitz*  
F. H. VON SCHLEINITZ

I HEREBY CERTIFY THAT THE TRACT SHOWN BY THE ADJACENT PLAT WAS SURVEYED AND PLATTED UNDER MY SUPERVISION AND THAT SAID PLAT ACCURATELY SHOWS THE DESCRIBED TRACT AND SUBDIVISION THEREOF TO THE BEST OF MY KNOWLEDGE AND BELIEF.

*George L. Williams*  
GEORGE L. WILLIAMS



*Gerald C. Harris*  
GERALD C. HARRIS



THE ADJACENT PLAT WAS APPROVED BY THE BOARD OF COUNTY COMMISSIONERS OF TELLER COUNTY, COLORADO THIS 6th DAY OF June, 1966.

*John T. Van Derwerker*  
CHAIRMAN

2 THE BOARD OF COUNTY COMMISSIONERS WILL NOT ACCEPT FOR MAINTENANCE THE ROADS IN THIS SUBDIVISION UNTIL SAID BOARD HAS ADOPTED A RESOLUTION TO THAT EFFECT AND SAME IS RECORDED BY THE TELLER COUNTY RECORDER.

STATE OF COLORADO ] SS  
COUNTY OF TELLER ]

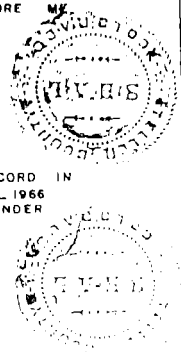
THE FOREGOING PLAT AND STATEMENT WAS ACKNOWLEDGED BEFORE ME  
THIS 1st DAY OF June, 1966.

*Ruth A. Ames*  
COUNTY CLERK

STATE OF COLORADO ] SS  
COUNTY OF TELLER ]

I HEREBY CERTIFY THAT THIS INSTRUMENT WAS FILED FOR RECORD IN MY OFFICE AT 8:32 O'CLOCK A M THIS 7th DAY OF June, 1966 AND IS DULY RECORDED IN PLAT BOOK 13 AT PAGE 57 UNDER RECEPTION NUMBER 102121.

*Randy H. Seal*  
COUNTY CLERK AND RECORDER



FEE: 25.92

No. 132807 ✓  
PATENT for  
School Lands  
STATE OF COLORADO To  
William Kloepper

STATE OF COLORADO  
(State of Colorado)  
("El Sino Humine")  
(1878)

Bk 241 p. 288

PATENT NO. 5501

Filed for Record  
Sept. 30, 1936  
at 3:05 P. M.

TO ALL UNTO WHOM THESE PRESENTS SHALL COME: GREETING:

L. S. Cox, Recorder  
Wilma Gustin, Deputy

WHEREAS WILLIAM KLOEPFER of the County of EL PASO

and State of Colorado, in accordance with the provisions

of the acts of the General Assembly of the State of Colorado, approved and in force at the time of the purchase of the land herein designated and described, and at the time of the execution of this conveyance, has made full payment as appears from the records of the State Board of Land Commissioners, of and for the following described real estate, lying and situated in the County of TELLER and State of Colorado, to-wit:

~~The East half of the West half (1/4) of Section Sixteen (16), Township~~  
Thirteen (13) South, Range Seventy (70) West of the Sixth (6th) Principal  
Meridian, containing One Hundred and Sixty (160) acres, more or less,  
according to United States survey.

Reserving, however, to the State of Colorado, all rights to any and  
all minerals, ores and metals of every kind and character and all coal, asphaltum,  
oil and other like substances in or under said land and the right of ingress and  
egress for the purpose of mining, together with enough of the surface of same as  
may be necessary for the proper and convenient working of such minerals and substances.

Subject to any and all easements or rights-of-way heretofore legally  
obtained and now in full force and effect, if any there be.

which said described tract of land has been purchased by the said

WILLIAM KLOEPFER

for the sum of One Thousand Six Hundred & no/100 (\$1,600.00) Dollars,

Now Know Ye, That the State of Colorado in consideration of the premises, and in  
conformity with the Act of the General Assembly, in such case provided, has sold and  
granted, and by these presents does sell and grant unto the said WILLIAM KLOEPFER  
and to his heirs and assigns, the said tract above described: To Have and to Hold the  
same as above specified, together with all the rights, privileges, immunities and  
appurtenances of whatsoever nature hereunto belonging, unto the said WILLIAM KLOEPFER  
and to his heirs and assigns forever.

IN TESTIMONY WHEREOF, I Ed. C. Johnson, Governor of the State of Colorado,  
have caused these letters to be made Patent, and the Great Seal of the State of Colorado  
to be hereunto attached.

Given under my Hand at the City of Denver, the twenty-ninth day of July A. D.  
1936.

(STATE SEAL)

Ed. C. Johnson  
Governor.

Attest:

George E. Saunders  
Secretary of State of the State of Colorado

Arthur H. King  
Register State Board of Land Commissioners

School Land  
Teller County  
Sold July 3, 1918  
Certificate of Purchase #7050, Book 14.

*(Land Seal)*

1289074

PATENT For School Lands

STATE OF COLORADO

To  
William Kloeffer and  
H. S. Horton,

Filed for record at 8:02  
M. March 28, 1935.

L. S. Cox, Recorder  
Cecil Gould, Deputy

STATE OF COLORADO

State of Colorado  
Nil Sine Numine  
1875

PATENT NO. 5370

TO ALL UNTO WHOM THESE PRESENTS SHALL COME: GREETING:

WHEREAS WILLIAM KLOEFFER and H. S. HORTON of the

County of EL PASO and State of Colorado, in accordance with

the provisions of the acts of the General Assembly of the

State of Colorado, approved and in force at the time of the purchase of the land herein

designated and described, and at the time of the execution of this conveyance, has made

full payment as appears from the records of the State Board of Land Commissioners,

of and for the following described real estate, lying and situated in the County of  
Teller and State of Colorado, to-wit:

The Northeast quarter (NE $\frac{1}{4}$ ) and the West half of Southeast quarter (W $\frac{1}{2}$ SE $\frac{1}{4}$ ) of  
Section Sixteen (16), Township Thirteen (13) South, Range Seventy (70) West of the Sixth  
(6th) Principal Meridian, containing Two Hundred and Forty (240) acres, more or

less, according to United States survey.

Reserving, however, to the State of Colorado, all rights to any and all  
minerals, ores and metals of every kind and character and all coal, asphaltum, oil and  
other like substances in or under said land and the right of ingress and egress for the  
purpose of mining, together with enough of the surface of same as may be necessary for  
the proper and convenient working of such minerals and substances.

Subject to any and all easements or rights-of-way heretofore legally ob-  
tained and now in full force and effect, if any there be.

which said described tract of land has been purchased by the said WILLIAM KLOEFFER and  
H. S. HORTON for the sum of Two Thousand Four Hundred & no/100 (\$2,400.00) Dollars,

NOW KNOW YE, THAT THE STATE OF COLORADO in consideration of the premises and  
in conformity with the Act of the General Assembly, in such case provided, has sold  
and granted, and by these presents does sell and grant unto the said WILLIAM KLOEFFER  
and H. S. HORTON and to their successors and assigns, the said tract above described:  
TO HAVE AND TO HOLD the same as above specified, together with all the rights, privi-  
leges, immunities and appurtenances of whatsoever nature hereunto belonging, unto the  
said WILLIAM KLOEFFER and H. S. HORTON and to their successors and assigns forever.

IN TESTIMONY WHEREOF, I, Ed. C. Johnson, Governor of the State of Colorado,  
have caused these letters to be made Patent, and the Great Seal of the  
State of Colorado to be hereunto attached.

Given under my Hand at the City of Denver, the twelfth day of March  
A. D. 1935.

(STATE SEAL)

Ed. C. Johnson  
Governor.

Attest:

James M. Carr  
Secretary of State of the State of Colorado

Arthur H. King  
Register State Board of Land Commissioners  
(OFFICIAL SEAL)

School Land  
Teller County  
Sold Jul. 3, 1918  
Certificate of Purchase #6913, Book 14.

128908V

-DEED-

DEED

THIS DEED, Made this 19th day of March in the year

124301 /

Patent  
For School Lands.

STATE OF COLORADO

to

Owen Flory

Filed for record at 8:20 A. M.  
July 16, 1932.

L. S. Cox, Recorder,  
H. Wallis, Deputy.

)  
) State of Colorado  
) PATENT NO. 5156  
)  
) To all unto Whom these Presents shall Come: Greeting:  
)  
) Whereas OWEN FLORY of the County of COOK and  
) State of ILLINOIS in accordance with the provisions  
) of the acts of the General Assembly of the State of  
Colorado, approved and in force at the time of the purchase of the land herein designated  
and described, and at the time of the execution of this conveyance, has made full payment  
as appears from the records of the State Board of Land Commissioners, of and for the  
following described real estate, lying and situate in the County of TELLER and State of  
Colorado, to-wit: The West half of the West half (W<sup>1</sup>/<sub>2</sub>) of Section  
Sixteen (16), Township Thirteen (13) South, Range Seventy (70) West of the Sixth (6th)  
Principal Meridian, containing One Hundred and Sixty (160) acres, more or less,  
according to United States survey.

Reserving, however, to the State of Colorado, all rights  
to any and all minerals, ores and metals of every kind and character and all coal,  
asphaltum, oil and other like substances in or under said land and the right of ingress  
and egress for the purpose of mining, together with enough of the surface of same as  
may be necessary for the proper and convenient working of such minerals and substances.

Subject to any and all easements or rights-of-way  
heretofore legally obtained and now in full force and effect, if any there be.

which said described tract of land has been purchased by the said OWEN FLORY  
for the sum of One Thousand Six Hundred & no/100 (\$1,600.00) Dollars,

Now Know Ye, That the State of Colorado in consideration of the premises, and in  
conformity with the Act of the General Assembly, in such case provided, has sold and  
granted, and by these presents does sell and grant unto the said OWEN FLORY and to his  
heirs and assigns, the said tract above described: To Have and to Hold the same as above  
specified, together with all the rights, privileges, immunities and appurtenances of what-  
soever nature hereunto belonging, unto the said OWEN FLORY and to his heirs and assigns  
forever.

In Testimony Whereof, I, Wm. H. Adams, Governor of the State of Colorado, have  
caused these letters to be made Patent and the Great Seal of the State of Colorado to be  
hereunto attached.

Given under my Hand at the City of Denver, the tenth day of May A. D. 1932.

Attest:

Charles Armstrong  
Secretary of State of the State of Colorado

Wm. H. Adams  
Governor

Arthur H. King  
Register State Board of Land Commissioners

(State Seal)

School Land  
Teller County  
Sold July 3, 1918  
Certificate of Purchase #049, Book 14.

BEFORE THE BOARD OF COUNTY COMMISSIONERS  
OF TELLER COUNTY, COLORADO

RESOLUTION NO. 10-3-02(G1)

**A RESOLUTION APPROVING THE SERVICE PLAN FOR THE  
ARABIAN ACRES METROPOLITAN DISTRICT NOT EXCLUDING CERTAIN PROPERTY**

WHEREAS, on July 15, 2002 a Service Plan for the proposed Arabian Acres Metropolitan District was filed for recording with the Teller County Clerk and Recorder pursuant to the requirements of CRS 32-1-101 *et seq.*; and

WHEREAS the intent of this Metropolitan District is to accomplish the financing, acquisition, construction, operation, and management of a water system and mosquito control in the Arabian Acres Subdivision, portions of the Trout Haven Subdivision, Trout Haven Resorts, Camp Iana, and certain metes and bounds tracts, the District boundaries for which are described in Exhibit 1 Arabian Acres Metropolitan District Boundary Map, and Exhibit 2 Arabian Acres Metropolitan District Legal Description attached hereto and thereby incorporated herein by reference; and

WHEREAS these facilities and services are more particularly defined as the following pursuant to CRS 32-1-~~1004~~<sub>103</sub>, as more particularly described in the Service Plans:

- Water. Install and maintain the existing and proposed potable and nonpotable water systems.
- Mosquito control. Treat breeding grounds and purchase, lease, contract for, or otherwise acquire necessary equipment.

and

WHEREAS, the Teller County Planning Commission, at its hearing on August 13, 2002 did (1) approve a Teller County "New Communities" (1041) Permit for creation of the proposed Arabian Acres Metropolitan District; and (2) recommend, with conditions, that the Board of County Commissioners approve the Service Plan for the proposed Arabian Acres Metropolitan District; and

WHEREAS the conditions placed by the Planning Commission have been fulfilled; and

WHEREAS, on October 3, 2002 the Teller County Board of County Commissioners did receive, consider, and deny requests from the following owners of real property within the proposed boundaries of the Arabian Acres Metropolitan District for exclusion from said District with the finding of fact that to exclude said properties would NOT be in the best interest of the proposed District::

1. Arabian Acres Lot 6, Block 1, Filing 2 (10 Jenwood Drive).
2. Trout Haven Estates Lots 10, 11, and 12 Filing 1 (185 Uintah Ridge Drive)
3. Trout Haven Estates Lot 17, Filing 1 (62 Uintah Ridge Drive)
4. A 0.69 acre tract of land in the NE4NE4 Sec. 16, Tshp. 13N, Range 70W of the 6<sup>th</sup> PM (44 Uintah Vale Drive)
5. Trout Haven Lot 25, Filing 1 (96 Uintah Vale Drive)

6. Trout Haven Lot 1, Filing 3 (17 Tioga Trail)
7. Trout Haven Lot 2, Filing 3 (18 Tioga Trail)
8. Trout Haven Lot 10-A, Filing 3 (43 Tioga Trail)
9. Trout Haven Lot 20 Filing 4 (325 Pawutsy Road)
10. Trout Haven Filing 4(211 Kitsu Ridge Road)
11. Trout Haven Filing 1-5 (47 Kayfa Court)
12. (3188 Upper Twin Rocks Road)
13. (3113 Upper Twin Rocks Road)
14. Trout Haven Lot 3 Filing 3 (65 Tioga Trail)
15. Trout Haven Lot 21 B2 Filing 4(166 Twatsy Lane)

and

WHEREAS, the Board of County Commissioners of the County of Teller, State of Colorado, pursuant to the requirements of CRS 32-1-203 Action on Service Plan - Criteria, finds that evidence satisfactory to the Board of each of the following has been presented:

1. **Need.** There is sufficient existing and projected need for organized service in the area to be serviced by the proposed special district.
2. **Existing Service Inadequate.** The existing service in the area to be served by the proposed special district is inadequate for present and projected needs.
3. **Proposed District Capable.** The proposed special district is capable of providing economical and sufficient service to the area within its proposed boundaries.
4. **Area has Financial Capability.** 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.

NOW, THEREFORE, BE IT RESOLVED by the Board of County Commissioners of the County of Teller, State of Colorado:

1. That the County of Teller, State of Colorado hereby approves without further condition or modification the Service Plan as submitted and subsequently amended by the Service Plan Addendum submitted to the Board of County Commissioners on October 3, 2002 and attached to this Resolution for the Arabian Acres Metropolitan District; and
2. The foregoing notwithstanding, the following general matters shall apply for so long as the District shall exist:
  - a. In its particulars, the Teller County Land Use Regulations, and any amendments thereto, shall govern and control development within the proposed Service District.
  - b. Teller County shall not be obligated to accept any dedication of proposed lands, facilities, or other improvements within the Service Districts except

as may otherwise be accepted by separate resolution of the Board of County Commissioners.

- c. All material representations of Applicant in its written submittals and in public hearing shall be binding, including but not limited to representation that: All conditional easements ("conditional assets") described in the Appraisal dated January, 2002 (page 6) shall be recorded prior to District purchasing the water system, and that these assets will be transferred to the District together with all other assets of the Arabian Acres Water Company.

The Board of County Commissioners finds, determines, and declares that this Resolution is necessary for the health, safety, and welfare of the inhabitants of the County of Teller, State of Colorado.

THE FOREGOING RESOLUTION IS ADOPTED AT A SPECIAL MEETING OF THE BOARD OF COUNTY COMMISSIONERS OF TELLER COUNTY, COLORADO HELD THE 3<sup>RD</sup> DAY OF OCTOBER, 2002, AT CRIPPLE CREEK, COLORADO.

THE BOARD OF COUNTY COMMISSIONERS,  
OF TELLER COUNTY, COLORADO

BY

Lucile A. Fohn  
CHAIR

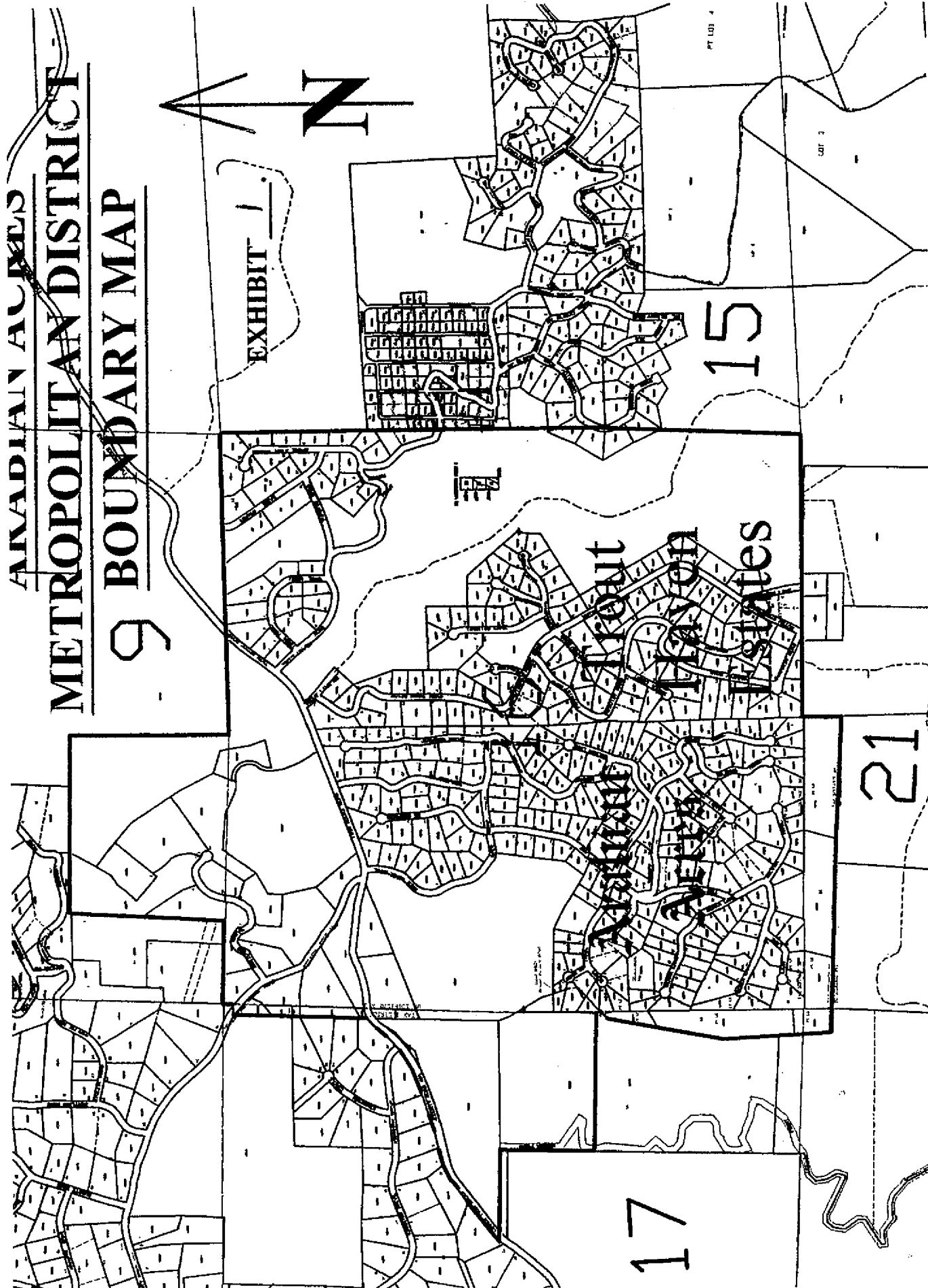


[Signature]  
COUNTY CLERK

Attachments: Exhibit 1: Arabian Acres Metropolitan District Boundary Map  
Exhibit 2: Arabian Acres Metropolitan District Legal Description  
Exhibit 3: Service Plan Addendum



Exhibit 1



# The Arabian Acres Metropolitan District

## LEGAL DESCRIPTION

A parcel of land located in a portion of the SW 1/4 of Section 9, a portion of the NW 1/4 Section 21, a portion of the E 1/2 Section 17, and all of Section 16, Township 13 South, Range 70 West, in the 6th P.M., Teller County, State of Colorado, more particularly described as follows:

Beginning at the NW Corner of Section 16; thence, S89°39'03"E coincident with the North line of said Section 16 and the Northerly line of Lot 7, Arabian Acres Fourth Filing as recorded in the office of the Teller County Clerk and Recorder, a distance of 800.33 feet to the Southwest Corner of Lot 6, Arabian Acres Fourth Filing; thence, N00°47'35"E coincident with the Westerly lines of Lot 6 and Lot 4, a distance of 1319.02 feet to the Northwest Corner of said Lot 4; thence, S89°50'48"E coincident with the Northerly boundary of said Arabian Acres Fourth Filing, a distance of 620.00 feet; thence, S89°50'48"E coincident with the Southerly boundary line of the Twin Rock Subdivision as recorded in the office of the Teller County Clerk and Recorder, a distance of 1177.82 feet to a point on the North-South centerline of Section 9; thence, S00°55'09"W coincident with the said North-South centerline of Section 9, a distance of 1324.24 feet to the Quarter Corner between Section 9 and 16; thence, S88°42'57"E coincident with the North line of said Section 16, a distance of 2626.26 feet to the Northeast Corner of said Section 16; thence, S00°08'29"W coincident with the East line of said Section 16, a distance of 5242.20 feet to the Southeast Corner of said Section 16; thence, S89°24'51"W coincident with the South line of said Section 16, a distance of 2640.42 feet to the South Quarter Corner of said Section 16; thence, the following (21) courses are as shown on Monumented Land Survey Plat, prepared by William S. Kitlica, PLS, May 6, 1997, under reception no. 0000296, as recorded in the office of the Teller County Clerk and Recorder; thence, (1) S00°23'56"E, a distance of 333.40 feet; thence, (2) N82°52'21"W, a distance of 427.23 feet; thence, (3) N82°28'39"W, a distance of 119.61 feet; thence, (4) N84°53'23"W, a distance of 136.08 feet; thence, (5) N78°04'50"W, a distance of 228.59 feet; thence, (6) N89°31'16"W, a distance of 173.68 feet; thence, (7) S89°28'24"W, a distance of 52.59 feet; thence, (8) S87°20'55"W, a distance of 839.40 feet; thence, (9) S87°04'02"W, a distance of 248.89 feet; thence, (10) N87°47'24"W, a distance of 217.93 feet; thence, (11) N87°30'50"W, a distance of 473.82 feet; thence, (12) N01°40'17"W, a distance of 108.22 feet; thence, (13) N03°21'46"W, a distance of 246.40 feet; thence, (14) N02°02'03"W, a distance of 201.91 feet; thence, (15) N02°53'21"W, a distance of 135.67 feet; thence, (16) N01°37'42"W, a distance of 270.92 feet; thence, (17) N01°51'22"W, a distance of 43.18 feet; thence, (18) N06°48'49"E, a distance of 127.75 feet; thence, (19) N08°12'03"E, a distance of 414.41 feet; thence, (20) N13°18'44"E, a distance of 552.22 feet; thence, (21) N45°55'09"E, a distance of 92.42 feet; thence, N00°09'01"E coincident with the Easterly line of Lot 2, Revised Plat of Hidden Forest Ranch No. 2, as recorded in the office of the Teller County Clerk and Recorder, a distance of 889.49 feet to the NE corner of said Lot 2; thence, N89°30'40"W coincident with the Northerly boundary line of said Lot 2 and continuing on said bearing, a distance of 2111.36 feet to a point on the Easterly line of Lot 18, Palmer Village Subdivision, as recorded in the office of the Teller County Clerk and Recorder; thence, the following (9) courses are coincident with the Southeasterly boundary line of said Palmer Village Subdivision, said line also being the Northwesterly right of way line of Twin Rock Road as shown on said plat; thence, (1) on a curve to the right having a radius of 867.07 feet, a central angle of 10°38'58" and an arc length of 161.16 feet; thence (2) N52°52'53"E, a distance of 487.56 feet; thence, (3) on a curve to the right having a radius of 519.18 feet, a central angle of 23°06'24", and an arc length of 209.38 feet; thence, (4) N75°59'17"E, a distance of 374.44 feet; thence, (5) on a curve to the left having a radius of 1359.61 feet, a central angle of 4°07'17", and an arc length of 97.80 feet; thence, (6) N71°52'00"E, a distance of 400.79 feet; thence, (7) N58°58'11"E, a distance of 218.00 feet; thence, (8) N45°39'01"E, a distance of 461.86 feet; thence, (9) on a curve to the right having a radius of 160.37 feet, a central angle of 15°31'12" and an arc length of 43.44 feet; thence, the following (2) courses being coincident with the Easterly line of Lots 27, 24, 23, and 22, in said Palmer Village Subdivision; thence, (1) N03°30'13"E, a distance of 473.23 feet; thence, (2) N00°27'51"E, a distance of 209.47 feet; thence, N02°24'45"E, a distance of 166.58 feet; thence, N01°55'33"E, a distance of 115.04 feet; thence, N00°49'06"E, a distance of 217.67 feet; thence, N00°52'19"E, a distance of 79.22 feet to a point on the Southwesterly right of way line of Upper Twin Rock Road; thence S48°48'36"E coincident with the Southerly right of way line of said Upper Twin Rock Road, a distance of 108.89 feet to a point on the Westerly line of Section 16; thence, N02°25'15"E coincident with the Westerly line of said Section 16, a distance of 124.96 feet to the point of beginning.

Containing 757.73 Acres of land more or less.

539678 10/04/2002 08:00AM Page 5 of 47  
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Exhibit 3

**SERVICE PLAN ADDENDUM**  
**ARABIAN ACRES METROPOLITAN DISTRICT**  
**SERVICE PLAN**

539678 10/04/2002 08:00AM Page 6 of 47  
Connie Joiner, Clerk & Recorder, Teller County, Colorado

*Prepared by:*  
*September 20, 2002*  
*Seter & Vander Wall, P.C.*  
*7400 E. Orchard Road, Suite 3300*  
*Greenwood Village, CO 80111*

*October 32,*

## TABLE OF CONTENTS

I.	INTRODUCTION .....	1
II.	PURPOSE OF THE DISTRICT .....	2
A.	<u>Purpose and Intent.</u> .....	2
B.	<u>Need for District.</u> .....	3
C.	<u>General Powers.</u> .....	4
1.	<u>Authorized and Approved Powers.</u> .....	4
a.	<u>Water.</u> .....	4
b.	<u>Mosquito Control.</u> .....	5
2.	<u>Powers Requiring Additional Review.</u> .....	5
a.	<u>Streets.</u> .....	5
b.	<u>Traffic and Safety Controls.</u> .....	5
c.	<u>Sanitation.</u> .....	6
d.	<u>Parks and Recreation.</u> .....	6
e.	<u>Transportation.</u> .....	7
f.	<u>Telecommunication Systems and Services.</u> .....	7
D.	<u>Miscellaneous Powers.</u> .....	7
1.	<u>Legal Powers.</u> .....	7
2.	<u>The Board of Directors' Limitations.</u> .....	8
3.	<u>Other.</u> .....	9
III.	BOUNDARIES, POPULATION & VALUATION .....	10
IV.	DESCRIPTION OF PROPOSED FACILITIES .....	11
A.	<u>Improvements.</u> .....	11
B.	<u>Existing Conditions.</u> .....	12
C.	<u>Anticipated Development.</u> .....	14
D.	<u>Teller County Construction Standards.</u> .....	15
E.	<u>Dedication of Improvements.</u> .....	15
F.	<u>Ownership and Operation of Facilities by the District.</u> .....	15
G.	<u>Rules and Regulations.</u> .....	16
H.	<u>Compliance with Teller County Master Plan.</u> .....	16
I.	<u>Compliance with Teller County</u> <u>Long Range Water Quality Management Plan.</u> .....	16
J.	<u>Compliance with Teller County Land Use Regulations.</u> .....	16

V.	FINANCIAL INFORMATION .....	17
A.	<u>Overview</u> .....	17
B.	<u>Bond Limitations</u> .....	17
C.	<u>Debt Authorization</u> .....	18
D.	<u>Debt Issuance</u> .....	19
E.	<u>Operations</u> .....	21
F.	<u>Identification of District Revenue</u> .....	21
	1. <u>Tap Fees</u> .....	21
	2. <u>Service Charges</u> .....	21
	3. <u>Ad Valorem Property Tax Levy</u> .....	22
	4. <u>Contract Service</u> .....	22
	5. <u>Conservation Trust Funds</u> .....	22
G.	<u>Security for Debt</u> .....	23
H.	<u>Financing Plan</u> .....	23
VI.	REGIONAL IMPROVEMENTS .....	24
VII.	ANNUAL REPORTING .....	24
VIII.	LANDOWNERS PUBLIC IMPROVEMENTS .....	25
IX.	MODIFICATION OF SERVICE PLAN .....	25
X.	DISTRICT CONSOLIDATION OR DISSOLUTION .....	27
XI.	DISCLOSURE .....	27
XII.	INTERGOVERNMENTAL AGREEMENTS .....	27
XIII.	RESOLUTION OF APPROVAL .....	28
XIV.	STATUTORY REQUIREMENTS .....	28

XVI. CONCLUSION .....	30
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539678 10/04/2002 08:00AM Page 9 of 47  
Connie Joiner, Clerk & Recorder, Teller County, Colorado

### LIST OF EXHIBITS

- EXHIBIT A LEGAL DESCRIPTION
- EXHIBIT B VICINITY MAP
- EXHIBIT C BOUNDARY MAP OF DISTRICT
- EXHIBIT D APPRAISAL OF SYSTEM FACILITIES
- EXHIBIT E MAPS DEPICTING THE LOCATION OF WATER SYSTEM IMPROVEMENTS
- EXHIBIT F WATER COURT DECREE, CASE NO. 94CW281
- EXHIBIT G WATER COURT DECREE, CASE NO. 96CW238
- EXHIBIT H FINANCING PLAN
- EXHIBIT I SCHEDULE OF DISTRICT FEES, RATES AND CHARGES
- EXHIBIT J TELLER COUNTY BOARD OF COUNTY COMMISSIONER'S RESOLUTION APPROVING DISTRICT'S SERVICE PLAN
- EXHIBIT K LIST OF SPECIAL DISTRICTS WITHIN A THREE-MILE RADIUS
- EXHIBIT L LETTER FROM TELLER COUNTY WATER QUALITY ASSOCIATION
- EXHIBIT M WATER SYSTEM EVALUATION AND MASTER PLAN NARRATIVE (INCLUDING APPENDIX D, CAPITAL IMPROVEMENTS PLAN) FOR ARABIAN ACRES WATER COMPANY
- EXHIBIT N EASEMENTS, CONTRACTS OR OTHER AGREEMENTS ENTERED INTO BY THE PROMOTERS AND/OR ARABIAN ACRES WATER COMPANY THAT SHALL BE BINDING ON THE DISTRICT

## ARABIAN ACRES METROPOLITAN DISTRICT

### SERVICE PLAN

#### I. INTRODUCTION

The name of the proposed district is ARABIAN ACRES METROPOLITAN DISTRICT (the "District"). The District is located entirely within unincorporated Teller County (the "County"). This Service Plan ("Service Plan"), is submitted in accordance with Part 2 of § 32-1-201, et seq., C.R.S. (the "Act"). The Service Plan has been prepared by Arabian Acres Water Company, LLC, as the District Organizer (the "Company" or "Organizer"), and the following consultants:

Organizer:

Arabian Acres Water Company, LLC  
Kenneth R. Rupp, Manager  
3579 C.R. #42  
Florissant, Colorado 80816  
(719) 687-9590  
Fax: (719) 687-9590

District Counsel:

Seter & Vander Wall, P.C.  
Kim J. Seter, Esq.  
7400 E. Orchard Road  
Suite 3300  
Greenwood Village, Colorado 80111  
[kseter@svwpc.com](mailto:kseter@svwpc.com)  
(303) 770-2700  
Fax: (303) 770-2701



Engineer:

JDS-Hydro Consultants, Inc.  
John McGinn  
545 East Pikes Peak Avenue, Suite 300  
Colorado Springs, Colorado 80903  
(719) 227-0072  
Fax: (719) 520-1043

Underwriter:

George K. Baum & Associates  
Alan Matlosz  
717 17<sup>th</sup> Street, Suite 2500  
Denver, Colorado 80202  
(303) 292-1600

## **II. PURPOSE OF THE DISTRICT**

### **A. Purpose and Intent.**

Arabian Acres Water Company, LLC (hereinafter "AAWC" or the "Company") provides potable water service to approximately 125 lots in the Arabian Acres Subdivision, Trout Haven Estates Filings No. 1, 3, 4 and parts of Filing No. 2 and a few large acreage lots adjacent to the subdivision. It also provides commercial taps to Trout Haven Resort and Camp Iana. The water system was constructed between 1972 and 1979, with significant expansions and upgrades completed in 1994.

The Rupp family is the sole owner of AAWC through the Rupp Family Partnership RLLLP. The Rupp family does not wish to continue in the water service business. In order to assure continued service to its customers, AAWC wishes to convey all of its interest in the water supply and water system to the District.

The Company conducted several public meetings with area residents, County staff and

elected officials regarding the formation of a water district. Community feedback supported the formation of a metropolitan district with authority to provide additional services and facilities as needed or desired by the community.

**B. Need for District.**

Due to the age and health of members of the Rupp family, the Rupp Family Partnership is no longer in a position to continue operating AAWC. The Partnership has no plans for continued expansion or improvements to the facilities and is solely focusing on divesting itself of AAWC in the near future. The Partnership's options for divesting AAWC include: (1) organizing a special district to purchase the existing system and take over service in perpetuity; (2) selling the system to a private entity; (3) abandoning the system; or (4) including into a water district or public entity.

The main advantage to forming a metropolitan district is local control. The district would own the system and water rights in perpetuity, and the board of directors would be elected from residents and property owners of the District. Another advantage to the formation of a metropolitan district is flexibility. At a later date, the District Board may decide to activate the District's park and recreation or street powers to identify and fund construction or acquisition of additional improvements within or without the District's boundaries.

The other options are not appealing to the Rupp family or area residents and property owners because there is no guarantee of continued service or local control over rates and level of service. Discussions were had with other special districts. However, these entities do not appear willing to incorporate the system into their own, but are interested in gaining access to the existing water supply.

The District's immediate purpose is to acquire the Company's water system for the use and benefit of the District's residents, taxpayers and the owners of real property within the existing service area, as shown on Exhibit C. The District will provide for the purchase, operation, maintenance and extension of the system within and without its boundaries, as needed, to assure local control and the continuation of water service to the residents and owners of real property within its service area. Property owners using existing private wells will not be required to obtain service from the District, nor will they be denied obtaining a tap at a later date.

The District will also offer mosquito control within its boundaries. The District anticipates contracting out for this service, as needs are identified by the Board of Directors. The cost of surface treatment for larvae and mosquito control is insignificant. The District Board may provide additional services or facilities to the community in the future. The exercise of additional powers authorized by this Service Plan shall be considered a material modification of the Service Plan and must be approved by the Board of County Commissioners with specific design, construction and financial plans, before implementation.

**C. General Powers.**

The District shall have the authority and powers proscribed for a Metropolitan District under § 32-1-201, et. seq., C.R.S. to be exercised as delegated herein.

**1. Authorized and Approved Powers.**

The District is authorized to provide the following services:

- a. Water. The design, acquisition, installation, construction relocation, operation and maintenance, within or without the boundaries of the District, of a complete water

and irrigation system, including water rights, water supply, ownership of properties and facilities, including storage facilities, transmission and distribution lines, pumping stations, wells, reservoirs, retention ponds, detention ponds, lakes, treatment works, fire hydrants, meters, facilities and equipment, and related landscaping and irrigation improvements, together with all necessary, incidental, and appurtenant facilities, equipment, land and easements, acquired by condemnation or otherwise, and extensions of and improvements to such facilities.

b. Mosquito Control. The design, acquisition, installation, construction, relocation, operation and maintenance of systems and methods for the elimination and control of mosquitoes, rodents and other pests.

2. Powers Requiring Additional Review.

Activation or exercise of the following powers is a material modification of this Service Plan. The powers may be activated only by request of the District Board and review and approval of development, construction and financing plans by the Teller County Board of County Commissioners.

a. Streets. The design, acquisition, installation, construction, relocation, operation and maintenance, within or without the boundaries of the District, of roadway improvements through the construction and installation of curbs, gutters, culverts, storm sewers and installation or relocation of other drainage facilities, sidewalks, bridges, parking facilities, paving, lighting, grading, landscaping, snow removal, utility relocation necessitated by public rights-of-way, monumentation, signage, utility lines, and other street improvements, and related landscaping and irrigation improvements, together with all necessary, incidental and appurtenant

facilities, equipment, land and easements, acquired by condemnation or otherwise, and extensions of and improvements to such facilities.

b. Traffic and Safety Controls. The design, acquisition, installation, construction, relocation, operation and maintenance, within or without the District's boundaries, of a system of traffic and safety protection facilities and services through traffic and safety controls and devices on streets and highways and at railroad crossings, including traffic signals and signage, environmental monitoring, traffic-related computer systems, as well as other facilities and improvements including without limitation signalization at intersections, traffic signs, area identification signs, directional assistance, and driver information signs, and related landscaping and irrigation improvements, together with all necessary, incidental and appurtenant facilities, equipment, land and easements, acquired by condemnation or otherwise, and extensions of and improvements to such facilities.

c. Sanitation. The design, acquisition, installation, construction, relocation, operation and maintenance, within or without the boundaries of the District, of storm or sanitary sewer system improvements, including storage facilities, collection and transmission lines, pumping stations, retention and settling ponds or basins, sludge drying beds, composting facilities, treatment works, facilities and equipment, and related landscaping and irrigation improvements, together with all necessary, incidental and appurtenant facilities, equipment, land and easements, acquired by condemnation or otherwise, and extensions of and improvements to such facilities.

d. Parks and Recreation. The design, acquisition, installation, construction,

relocation, operation and maintenance of park and recreation facilities or programs including, without limitation, open space, bike paths, hiking trails, pedestrian trails, pedestrian bridges, pedestrian malls, public plazas and courtyards, ponds or other water features, signage, public foundations and sculpture, art, botanic gardens, equestrian trails and centers, swimming pools and spas, tennis courts, golf courses, exercise facilities, picnic areas, playground areas, park shelters, community events, common area landscaping and weed control, outdoor lighting of all types, and related landscaping and irrigation improvements, together with all necessary, incidental and appurtenant facilities, equipment, land and easements, acquired by condemnation or otherwise, and extensions of and improvements to such facilities.

e. Transportation. The design, acquisition, installation, construction, relocation, operation and maintenance of public transportation system improvements, including transportation equipment, park and ride facilities and parking lots, shuttle facilities, parking structures, signage, roofs, covers, bicycle racks, other transportation-related facilities, and related landscaping and irrigation improvements, together with all necessary, incidental and appurtenant facilities, land and easements, acquired by condemnation or otherwise, and extensions of and improvements to such facilities or systems.

f. Telecommunication Systems and Services. The design, acquisition, installation, construction, relocation, operation and maintenance of television relay and translator facilities, including without limitation, digital, satellite and cable television, communication systems and other technologies, and related landscaping and irrigation improvements, together with all necessary, incidental and appurtenant facilities, land and easements, acquired by

condemnation or otherwise, and extensions of and improvements to such facilities.

**D. Miscellaneous Powers.**

The District shall have the following miscellaneous powers with respect to activities conducted pursuant to this Service Plan.

1. Legal Powers. The powers of the District will be exercised by its Board of Directors to the extent necessary to provide the services contemplated in this Service Plan. The facilities, improvements, programs and services, along with all other activities permitted by law, will be undertaken in accordance with, and pursuant to, the procedures and conditions contained in the Special District Act (§ 32-1-101, et seq., C.R.S.), Teller County Regulations, other applicable statutes, and this Service Plan, as any or all of the same may be amended from time to time.

2. The Board of Directors' Limitations.

~~a. At least annually following the formation of the District, for a minimum period of fifteen years the District shall notify by mail every property owner in the District of the existence of the District and the yearly of the next scheduled of the meetings of its Board of Directors. Such meeting shall occur at least 30 days and not more than 60 days following the date of the mailing. Such notification shall include names and addresses of the Board of Directors and officers, the address and phone number of the District, and shall include reference to the existence of the District files maintained by Teller County.~~

~~b. There shall be a non-voting advisor to the District Board of Directors appointed by the Teller County Board of County Commissioners.~~

~~c. The District shall establish a Citizens' Advisory Committee composed of interested property owners within the District, residents, service users and County agencies involved in infrastructure development. The purpose of this Committee shall be to (1) review the District's annual budget and policies; and (2) advise the District on specific infrastructure project identification, prioritization, coordinating and funding. Appointments to such Citizens' Advisory Committee shall be subject to review and approval by the Board of County Commissioners.~~

3. Other. In addition to the powers enumerated above, the Board of Directors of the District shall also have authority:

a. To amend this Service Plan for material modifications, as provided in Section IX, by following the procedures set forth in § 32-1-207(2), C.R.S., including written notice to Teller County of actions which the District believes are permitted but which may be unclear or by other means provided by the County or Colorado Statutes; and

b. To furnish contractual service to lots within the Arabian Acres and Trout Haven Subdivisions, if any, which may, by present exclusion from the District by the Board of County Commissioners, be outside District Boundaries, and establish responsible fees for them. The provision of such service by contract to these properties shall not be considered a material modification of the Service Plan requiring approval of the Board of County Commissioners.

c. ~~To~~ To forego, reschedule or restructure the financing and construction of improvements and facilities in order to better accommodate the pace of growth, resource



availability and potential inclusions of property within the District, or if the development of the improvements and facilities would best be performed by another entity; and

d. To provide all additional services and exercise all powers expressly or impliedly granted by Colorado law, and which the District is required to provide or exercise, or in its discretion, choose to provide or exercise; and

e. To exercise all necessary and implied powers under The Special District Act in the reasonable discretion of the Board of Directors of the District, subject to and in accordance with the powers described herein.

### **III. BOUNDARIES, POPULATION & VALUATION**

The service area of the District consists of approximately 750 acres located in all of Section 16, and parts of Sections 9, 17, 20 and 21, Township 13 South, Range 70 West of the Sixth Principal Meridian, in unincorporated Teller County. It is generally bounded by the west section line of Section 16, the south section line of Section 16, portions of Section 9 to the north, and the east section line of Section 16. The proposed District boundaries are based upon the Decreed Service area contained in the Decree issued in Water Court Case No. 94CW281, attached hereto as Exhibit F.

The legal description of the District is attached as Exhibit A, a map identifying the general vicinity of the District is attached as Exhibit B, and a detailed boundary map of the District is attached as Exhibit C.

The majority of the District consists of rural residential lots contained in the Arabian

Acres Subdivision, Trout Haven Estates Filings No. 1, 3, 4, part of Filing No. 2, and a few large acre residential lots adjacent to the Arabian Acres Subdivision. The Arabian Acres Subdivision is at approximately forty percent of full build-out. Trout Haven Estates Filing Nos. 1, 3, 4, and part of Filing No. 2 are at approximately fifty-one percent of full build-out. The District anticipates serving a total population of 750 residents, or 3400 properties at full build-out.

The District also contains two commercial properties, the Trout Haven Resort and Camp Iana. The Trout Haven Resort is a private fishing club. The Trout Haven "Lost Dutchman Pavilion" is an events center, catering primarily to functions such as weddings, business events and community groups. Camp Iana is a church camp, consisting of approximately twenty-two acres for the main complex. It is affiliated with numerous churches in the immediate area. Numerous retreats, workshops and youth programs are offered throughout the year.

The valuation for assessment of the District for 2002 is \$2,968,718. The valuation for assessment for the District at full build-out is expected to be \$6,566,993 in 2017. For purposes of the Financing Plan, the valuation for assessment is presumed to be \$3,057,779 by the end of 2003.

#### **IV. DESCRIPTION OF PROPOSED FACILITIES**

##### **A. Improvements.**

The District will acquire, operate, maintain and expand, as necessary, the water system and provide for mosquito control within its boundaries. The improvements and assets to be acquired by the District consist of eight wells, two treatment facilities, one storage tank, mains, real property

holdings, two reservoirs, water rights and easements. The appraised value of the water system is approximately \$1,100,000. A recent appraisal is attached as Exhibit D.

Maps depicting the location of the water system improvements are attached as Exhibit E. The District will be authorized to acquire, construct or replace any improvements necessary to provide water service, subject to County regulations.

The District will fully cooperate with the right of all currently unbuilt lot property owners within the District to apply for, and receive, a well permit from the Office of the State Engineer-Division of Water Resources provided that District service to the lot, at the time of construction, neither exists nor is expected to exist within a reasonable period of time, which is to say by the time a Certificate of Occupancy is anticipated to be issued by Teller County.

All Agreements or other documents of public record as of August 13, 2002 between members of the Rupp Family, jointly or severally d/b/a Arabian Acres Water Company, LLC, and any individual property owner or owners within the Arabian Acres Subdivision or Trout Haven Subdivision, their heirs or assigns, regarding the ability to drill or replace a well, the payment of prepayment of the fees, the ability to request and receive future water service, easements, or any other matter, shall remain in full force and effect as recorded, and are binding on the District. Copies of such Agreements are attached as Exhibit N.

**B. Existing Conditions.**

The original water system was built to service the Arabian Acres Subdivision. Trout Haven Estates Filing Nos. 1, 3, 4, part of Filing No. 2, a few large acre lots adjacent to the Arabian Acres Subdivision, and commercial taps to the Trout Haven Resort and Camp Iana have been added to the

system. The system relies on well rights for its water supply and currently serves approximately 125 customers.

Arabian Acres Subdivision (the "Subdivision") was platted in the 1960s and contains 229 lots. When platted, it was assumed that each lot would contain one single-family home. The Water Court Decree in Case No. 94CW281, attached as Exhibit F (the "Decree"), reflects that assumption. There is a growing trend within the Subdivision, however, to construct single-family homes on multiple lot sites. Current estimates project the Subdivision to contain approximately 190 single-family homes at full build-out.

Trout Haven Estates was platted in the early 1960s as well. These filings contained 169 original lots. As with Arabian Acres, it was assumed that the lots in Trout Haven would also contain one single-family home per lot, however the trend is to construct single-family homes on multiple lot sites. Current estimates project that Trout Haven Estates will contain approximately 141 single-family homes at full build out.

There are several adjacent tract properties that are not platted within either subdivision. These properties are "pre-Senate Bill 35" and are quite problematic for inclusion in any platted subdivision. The District boundaries are based upon AAWC's decreed service area.

All water usage is metered. The Decree anticipated a per capita water usage of 65 gallons per day. A study of water usage between June, 1999 and June, 2001 shows that actual water consumption is 123 gallons per home per day. The Findings of Fact, Conclusions of Law, Judgement and Decree in Water Court Case No. 94CW281 approved an augmentation plan (the "Augmentation Plan") based upon depletions associated with the measured water to customers.

See, Exhibit F. The Water System Evaluation and Master Plan for Arabian Acres Water Company dated July, 2002 prepared by JDS-Hydro Consultants, Inc. concludes that the water resources of the Company are sufficient to serve 445 units, well in excess of the 340 units anticipated at final build out of the subdivisions. See, Exhibit M. Therefore, additional customers may be served by the District without exceeding the allowed maximum water usage set forth in the Decree. ~~A modification to the Decree may be required by the Water Court.~~

The water system is supplied by well water taken from several locations. The water rights supporting the wells are described in detail in the Decree. The rights allow for a total of 6.906 acre-feet of annual consumptive use and development of a total of seventeen wells. The system currently contains seven active wells. An eighth well has been drilled and the piping has been completed. It is now being analyzed for water quality and quantity. These rights are supported by 220 shares of the Mountain Mutual Reservoir Company. These rights do not allow irrigation. The Reservoir Company shares will be conveyed to the District as part of the water system.

In addition to the decreed water rights, the Company has raw water storage that may be used to augment flows in an out-of-priority situation for the decreed source. The storage rights were decreed in Case No. 96CW238 and a copy of the Decree is attached as Exhibit G.

**C. Anticipated Development.**

A major expansion to the water system was completed in 1994. The intent is to maximize the customer base of water users in order to lower the cost of providing service. The District will have the capability to service approximately 3400 single-family units, in addition to the commercial taps, based on existing metered usage.

The District does not anticipate making major changes to the system in the near future aside from running additional lines to accommodate new customers and ~~and~~ replacing improvements as needed. ~~Improvements to the system will be designed and constructed to meet fire flow requirements, where required by the County Engineer. The owners of AAWC have no power or jurisdiction over the Board of Directors who will be elected by the District's constituents and cannot dictate or enforce a projected capital improvements plan for implementation by the Board.~~ One of the purposes of organizing a metropolitan district is to provide a mechanism for long range planning and financing.

Once the District is formed, water taps shall, at all times, be reserved and set aside for, and be available to, the owners of all legally subdivided and platted but unbuilt lots in Arabian Acres and Trout Haven and all currently unplatted tract properties within the District boundaries depicted on Exhibit C, "Arabian Acres Metropolitan District Boundary Map," until such time as full build-out of these subdivisions and properties occurs.

**D. Teller County Construction Standards.**

All District improvements will be designed and constructed in accordance with the standards, specifications and requirements of Teller County. The District will obtain approval of civil engineering plans and permits for construction and installation of improvements from the County.

**E. Dedication of Improvements.**

The District does not intend to dedicate any public improvements to the County or any other public entity. Teller County shall not be obligated to accept any dedication of proposed

lands, facilities, or other improvements within the Service District except as otherwise may be accepted by separate resolution of the Board of County Commissioners.

**F. Ownership and Operation of Facilities by the District.**

Upon conveyance of the water system, the District shall own, design, construct, operate, maintain and replace all water system improvements, or as otherwise agreed with or required by the County. As a condition of organization, within the first year of operation, the District Board will adopt a long term capital improvements plan ("CIP"), ~~which will meet to fire flow requirements as required by the County Engineer.~~ A proposed CIP for review and approval by the Board of Directors is attached as Exhibit M.

Both the Capital Improvements Plan and the Financing Plan (Exhibit H) are *plans* based upon assumptions and projections. These plans, over time, may be subject to change as needed depending on changed economic or other conditions that render the projections and assumptions invalid.

**G. Rules and Regulations.**

The District Board will adopt Rules and Regulations governing the operation of the system and ensuring water quality and longevity of the water supply. The Rules and Regulations may be revised from time to time.

**H. Compliance with Teller County Master Plan.**

Pursuant to § 30-28-106 and § 32-1-203(2.5)(c), C.R.S., the District is in compliance with the County's Growth Management Plan because the District is located within approved existing subdivisions and the District is not creating any new development within the County.

**I. Compliance with Teller County Long Range Water Quality Management Plan.**

Pursuant to § 32-1-203(2.5)(c), the District is in compliance with the Pikes Peak Area Council of Governments 408 Water Quality Plan. AAWC has been a member of the Colorado Rural Water Association since 1995. It has also been a member of the Teller County Water Quality Association since 1996. AAWC participates in the Colorado SWAP response program and several other programs to identify water resources and the protection of all area water sources. See letter from the Teller County Water Quality Association attached hereto as Exhibit L.

**J. Compliance with Teller County Land Use Regulations.**

The District is subject to compliance with federal, state and local laws and regulations. In its particulars, the Teller County Land Use Regulation, and any amendments thereto, shall govern and control development within the Special District.

**V. FINANCIAL INFORMATION**

**A. Overview.**

This section describes the nature, basis, method of funding, debt, and mill levy limitations associated with the District's purchase of the water system and operations. A detailed Financing Plan and statement of assumptions are contained in Exhibit H. The Financing Plan assumes the issuance of debt and shows anticipated repayment based on the projected development within the District boundaries. The Plan assumes the District will incur debt through general obligation bonds. The District does not anticipate borrowing operating funds because service charges from



existing customers will sufficient generate operating revenue.

**B. Bond Limitations.**

The bonds may be issued to the general public or to certain investors of the bonds, but must comply with the applicable limitations found in § 32-1-1101(6)(a)(I), (II), (III), or (IV), or § 32-1-1101(6)(b) ), C.R.S., to wit:

(6) (a) The total principal amount of general obligation debt of a special district issued pursuant to subsection (2) of this section, which debt is issued on or after July 1, 1991, shall not at the time of issuance exceed the greater of two million dollars or fifty percent of the valuation for assessment of the taxable property in the special district, as certified by the assessor, except for debt which is:

(I) Rated in one of the four highest investment grade rating categories by one or more nationally recognized organizations which regularly rate such obligations;

(II) Determined by the board of any special district in which infrastructure is in place to be necessary to construct or otherwise provide additional improvements specifically ordered by a Federal or state regulatory agency to bring the district into compliance with applicable Federal or state laws or regulations for the protection of the public health or the environment if the proceeds raised as a result of such issue are limited solely to the direct and indirect costs of the construction or improvements mandated and are used solely for those purposes;

(III) Secured as to the payment of the principal and interest on the debt by a letter of credit, line of credit, or other credit enhancement, any of which must be irrevocable and unconditional, issued by a depository institution:

(A) With a net worth of not less than ten million dollars in excess of the obligation created by the issuance of the letter of credit, line of credit, or other credit enhancement;

(B) With the minimum regulatory capital as defined by the primary regulator of such depository institution to meet such obligation; and

(C) Where the obligation does not exceed ten percent of the total capital and surplus of the depository institution, as those terms are defined by the primary regulator of such depository institution; or

(IV) Issued to financial institutions or institutional investors.

(b) Nothing in this title shall prohibit a special district from issuing general obligation debt or other obligations which are either payable from a limited debt service mill levy, which mill levy shall not exceed fifty mills, or which are refundings or restructurings of outstanding obligations, or which are obligations issued pursuant to part 14 of this article.

**C. Debt Authorization.**

The Financing Plan anticipates that approximately \$1.3 million will be required to finance capital costs associated with the acquisition of the public improvements (not including the cost recovery and reimbursement for advances and operation costs) and the funding of a capital improvements account. To pay these amounts, finance the costs of issuance, pay cost recovery and reimbursements for advances, as well as other contingencies, the District will seek the authorization of its electors to issue up to \$1.5 million in general obligation indebtedness. Such authorization will be sought pursuant to the terms of the Special District Act and the Colorado Constitution, as they may be amended from time to time.

In the discretion of the Board of Directors, using the procedures and criteria found in Section 20, Article X, of the Colorado Constitution (TABOR) and state law, the District may set up enterprises to manage, fund, and operate such facilities, services, and programs as may qualify for enterprise status. To the extent allowed by law, any enterprise created by the District will remain under the control of the Board of Directors of the District.

The District has also built in an initial capital improvements fund of \$120,000 into the bond proceeds so that the initial District Board of Directors will have the opportunity and flexibility to make capital improvements. **The District Board will consult with the Divide Fire Protection District regarding the fire flow standards to be applied to the design and**

**construction of improvements and other new construction.** –Upgrading the system will be an ongoing project.

**D. Debt Issuance.**

The provision of facilities by the District will be primarily financed by the issuance of general obligation bonds, secured by the *ad valorem* taxing authority of the District. The bonds are anticipated to be issued in 2003. The District will be entitled to modify the proposed structure of its Financing Plan as contemplated in this Service Plan. Subject to the limitations contained herein, the refunding of any debt or other obligations shall not require County approval.

The District may obtain financing to purchase the water system through the issuance of general obligation bonds, payable from the imposition of *ad valorem* property taxes, service charges, tap fees and other sources. The District intends to issue bonds in the amount of One Million Three Hundred Twenty-five Thousand Dollars (\$1,325,000), exclusive of obligations issued to refund or refinance. The District may increase or decrease the amount of bonds to be issued as necessary to accommodate its needs, at the discretion of the Board of Directors and subject to the provisions of this Service Plan. The exact interest rates and discounts will be determined at the time the bonds are sold by the District, taking into account market conditions at the time of sale; however, the proposed maximum voted net effective interest will be 12%. The proposed maximum underwriting discount will be 5%.

Any bonds issued, will not mature more than thirty (30) years from the date of issuance, with the first maturity being not later than three (3) years from the date of their issuance, as required by statute.

Refunding bonds may be issued by the District to defease original issue bonds in compliance with law. The District may also issue notes, certificates, debentures or other evidences of indebtedness, as permitted by law. The figures contained herein, depicting costs of purchasing the infrastructure and operations, shall not constitute legal limits on the financial powers of the District; provided, however, that the District shall not be permitted to issue bonds which are not in compliance with the bond registration and issuance requirements of Colorado law. ~~No fewer than forty-five (45) days prior to the issuance of any bonds subsequent to the initial offering, the District shall submit to Teller County a bond issuance plan which demonstrates the structure of the proposed bond transaction and the District's plan to pay the proposed bond ("Bond Issuance Plan"). Teller County shall have thirty (30) days from the date of receipt of the notice in which to object to the Bond Issuance Plan. In the event Teller County objects in writing within the thirty (30) day period, the District shall proceed with the bond issuance only with the written consent of the Board of County Commissioners.~~

The total appraised value of the water system components is One Million Forty-Five Thousand Four Hundred Eleven Dollars (\$1,045,411). The County is not responsible for assuming any of the costs of the improvements funded by the District. The amount to be voted by the District's taxpaying electors is expected to exceed the amount of bonds anticipated to be sold, as shown in the Financing Plan, to allow for the utilization of alternative financing mechanisms, unforeseen contingencies, increases in costs due to changed market conditions or inflation, expansions of the District's boundaries, and to cover all issuance costs.

**E. Operations.**

The estimated cost of operating the District for 2003, its initial year of operation, is expected to be approximately Twenty Thousand Dollars (\$20,000) for legal, administrative and financial services, and is expected to be approximately Forty-two Thousand Dollars (\$42,000) for operating expenses. Legal and financial service expenses will decline sharply after the issuance of bonds and acquisition of the system and water rights.

**F. Identification of District Revenue**

The District will rely on tap fees, service charges and property taxes as sources of revenue. A schedule of the District's anticipated fees, rates and charges is attached as Exhibit I.

1. Tap Fees. Commercial and residential tap fees will be paid by all new customers prior to activation of service. Fees may be adjusted by the District's Board of Directors from time to time.
2. Service Charges. All service charges will be listed in the District's Rules and Regulations and may be adjusted by the District's Board of Directors from time to time. No property with a well permit issued by the State of Colorado-Division of Water Resources within the District's boundaries depicted on Exhibit C, "Arabian Acres Metropolitan District Boundary Map," shall be required to use the services of the District; nor shall any such property owner be required to remit to the District any service charge, fee, rate, penalty, toll, levy or other assessment intended for repayment of District revenue bonds (as opposed to general obligation debt) although same may be made against property owners using District services.

3. Ad Valorem Property Tax Levy. The District will assess a mill levy for the repayment of debt through the bond repayment period. Service charges and tap fees will fund the costs of District administration, operations and maintenance. The District anticipates that the mill levy needed to support the debt is six (6) mills over the life of the bonds. In no event will the District's debt service mill levy exceed twelve (12) mills.
4. Contract Service. The District may provide contract service to properties as described in §II. D. 3. b.
5. Conservation Trust Funds. ~~For those facilities and services for which Teller County or overlying districts have a pre-existing broad County interest, including but not limited to parks or recreation facilities or programs, traffic safety controls and street or road improvements, and sanitation services, The District shall not apply for funds that are available from or through governmental or non-profit entities that the County or overlying districts have are eligible to appliedy for, including but not limited to funds from Great Outdoors Colorado and Gaming Impact Funds.~~

The District Board may utilize any combination revenue sources authorized by law and this Service Plan for debt service, operations and maintenance. This includes the power to assess fees, rates, tolls, penalties, or charges as provided in § 32-1-1001(1) and § 32-1-1006, C.R.S. Substantial deviations from this section shall be deemed a material modification of the Service Plan.

**G. Security for Debt.**

The District's debt shall be general obligation indebtedness and/or revenue bonds secured by the District's revenues or *ad valorem* taxing authority. The District shall not pledge any County funds or assets for security for the indebtedness set forth in the Financing Plan of the District. For general obligation bonds, bondholders will be advised that so long as the District is certifying the required mill levy, no other remedy will be available to bondholders to obtain payment. This mechanism will help assure that bonds cannot default as long as the mill levy is being certified and the property owners will pay only the required mill levy.

**H. Financing Plan.**

The Financing Plan prepared by the District and attached as Exhibit H, contains the following:

- a. The debt anticipated to be issued by the District;
- b. The total amount of debt to be issued during the three (3) year period commencing with the formation of the District;
- c. All proposed sources of revenue and projected District expenses, as well as the assumptions upon which they are based, for at least a ten-year period from the date of organization of the District;
- d. The dollar amount of any anticipated financing, including capitalized interest, costs of issuance, estimated maximum rates and discounts, and any expenses related to the organization and initial operation of the District;
- e. A detailed repayment plan covering the life of any financing, including the frequency and amounts expected to be collected from all sources; and

f. The amount of any reserve fund and the expected level of annual debt service coverage that will be maintained for any financing.

Although the Financing Plan demonstrates the payment of the District's debt within a thirty-year period, it ~~attempts to project~~ anticipated operations, maintenance and other costs that might be incurred due to the implementation of a CIP, as adopted by the District's Board of D

irectors during its first year of operation. A preliminary CIP is attached as part of the ~~if~~ the Capital Improvements Plan that is included as part of the Master Plan found at (Exhibit M.)

Both the CIP (Exhibit M) and the Financing Plan (Exhibit H) are *plans* based upon assumptions and projections. They may, over time, be subject to change as needed depending on changed economic or other conditions that render the projections and assumptions invalid. ~~As components of this Service Plan, substantial changes to them are considered material modifications of this Service Plan, and are subject to the provisions of Section IX.~~

## VI. REGIONAL IMPROVEMENTS

Unless otherwise required by the County, the District will not participate in the funding of any regional public infrastructure improvements, except after an amendment to this Service Plan approved by the County.

## VII. ANNUAL REPORTING

The District shall, if requested by the County, submit an annual report, as described in §



32-1-207(3)(c) and (d), C.R.S., to the Teller County Board of County Commissioners, ~~for a period of fifteen years following organization.~~ The District will provide annual audits and budgets to the State of Colorado as required by law.

The District will pay an ~~annual~~ fee of \$500.00 to the County when reports are submitted ~~of \$500.00~~ for review and maintenance of the District file. The fee may be adjusted administratively, no more than once per year, based on the maximum local district annual percentage change in spending provided for under Article X, Section 20 of the State Constitution. Fees may be adjusted legislatively as deemed necessary.

#### **VIII. LANDOWNERS PUBLIC IMPROVEMENTS**

The creation of the District will not relieve the landowners or developers of the property, their successors or assigns, of any obligation to construct public improvements required by any agreement entered into with the County or other governmental entity.

#### **IX. MODIFICATION OF SERVICE PLAN**

The District will obtain approval from the County before making any material modifications to this Service Plan. Material modifications include:

- a. The addition of new types of services.
- b. Change in any service or facilities to be provided.
- c. A decrease in the financial ability of the district to discharge existing or proposed indebtedness.
- d. A decrease in existing or projected need for organized service in the area.

- e. Inclusion of any additional property into the district.
- f. Exclusion of any property from the district.
- g. Change in the maximum mill levy.
- h. Consolidation with any other district.
- i. Except for assumed changes in conversion from constant dollars to current dollars, material changes in cost estimates provided.
- j. Change in the dissolution date.
- k. Change in the revenue source(s) for bonded indebtedness.
- l. Failure to provide annual reports or other information to Teller County as may be required by C.R.S.
- m. Reduction in any bond ratings or the failure of any credit enhancement technique.
- n. Issuance of debt in any amount or type or at any time not authorized by the approved Service Plan.
- ~~o.n.~~ Default in any of the terms and/or conditions of any Facilities Funding, Construction and Operations Agreement (FFCOA), if any, or any proposed or actual termination thereof, or any material alteration thereof.
- ~~p.o.~~ Other such changes that may constitute a change in the basic or essential nature of the original service plan, including, without limitation, any increase or decrease in the District's service area.
- ~~q.p.~~ The provision of services to any new subdivision of lands pursuant to the Teller County Land Use Regulations within the boundaries of the District as depicted in Exhibit C, "Arabian Acres Metropolitan District Boundary Map." It must be clearly demonstrated that there is adequate water to provide water to all lots in Arabian Acres and Trout Haven subdivisions, and all tracts of land currently unplatted, in addition to any new subdivision of land proposed.
- ~~r.~~ Any substantial modification of the Capital Improvements Plan which is a part of this Service Plan.

County approval is not required for modifications to this Service Plan necessary for the execution of financing, purchase, or construction of public improvements already outlined in this Service Plan.

#### **X. DISTRICT CONSOLIDATION OR DISSOLUTION**

In order to foster efficiencies and reduce the number of special districts within Teller County, at such time as the purchase of the system is complete and all debt contemplated in this Service Plan has been issued; the District may consider consolidation with one or more special districts for the continued provision of water service and/or other services. The District is not contemplating dissolution because the District is being formed for the purpose of providing an ongoing service.

#### **XI. DISCLOSURE**

The District will take steps to ensure that the developers of property located within the District provide written notice at the time of closing to purchasers of land regarding the existence of taxes, charges, or assessments which may be imposed in connection with the District. The District will also record the Order of the District Court organizing the District in the real property records of the Clerk and Recorder of Teller County, Colorado, so that all future property owners within the District will have notice regarding the existence of the District.

## **XII. INTERGOVERNMENTAL AGREEMENTS**

None are anticipated at this time.

## **XIII. RESOLUTION OF APPROVAL**

The District incorporates the Teller County Board of County Commissioners' Resolution approving this Service Plan, including any conditions of approval, into this Service Plan as Exhibit J.

## **XIV. STATUTORY REQUIREMENTS**

This Service Plan for the Arabian Acres Metropolitan District meets the requirements of the Special District Control Act (§ 32-1-201, et seq., C.R.S.) and the requirements of the Colorado Constitution. It is further submitted that pursuant to § 32-1-203(2) and (2.5), C.R.S.:

1. There is sufficient existing and projected need for organized service in the area to be serviced by the District. The formation of the District is necessary to decrease the number of individual wells drilled in the area due to the use of individual septic systems on the same properties and water quality issues identified by the County; the need for long range planning and financing of an infrastructure system capable of meeting fire flow rates as identified by the County; and area residents and property owners desire to own and control the water system and water rights servicing their properties, as well as providing means for making future improvements desired or needed by the community.

2. The existing service in the area to be served by the District is inadequate for present and projected needs. The Rupp Family Partnership is divesting AAWC and has no interest or financial wherewithal to make long-term improvements to the water system.
3. The District is capable of providing economical and sufficient service to the proposed development within its boundaries as shown on the attached Financial Plan.
4. The area to be included within the District does have and will have the financial ability to discharge the proposed indebtedness on a reasonable basis as shown on the Financial Plan.
5. Adequate service is not, or will not be, available to the area through County or other existing municipal or quasi-municipal corporations, including existing special districts, within a reasonable time and on a comparable basis.
6. The facility and service standards of the proposed special district are compatible with the facility and service standards of Teller County. The District will be taking over existing facilities and services, built to County specifications at the time of construction. Additional improvements will be built to County specifications.
7. The proposal is in substantial compliance with any Teller County Master Plan adopted pursuant to § 30-28-106, C.R.S., as stated above.
8. The proposal is in compliance with any duly adopted county, regional, or state long-range water quality management plan for the area, as stated above.

9. The creation of the proposed special district will be in the best interests of the area proposed to be served because a metropolitan district will provide service in perpetuity by an elected board consisting of District residents and property owners. The financing mechanisms available to a special district allow for long range planning and low cost financing of system improvements. In addition, the metropolitan district will provide for the implementation of expanded facilities and services desired or requested by the District constituents that the County is unable or unwilling to provide.

## **XVI. CONCLUSION**

Therefore, it is requested that the Teller County Board of County Commissioners adopt a resolution to be included herein as Exhibit J approving this Service Plan for the Arabian Acres Metropolitan District.

ARABIANACRES/SP  
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0650.0003

**EXHIBIT H**

**FINANCING PLAN**

539678 10/04/2002 08:00AM Page 42 of 47  
Connie Joiner, Clerk & Recorder, Teller County, Colorado

### **Service Plan Financial Summary**

The Financial Plan for the Arabian Acres Metropolitan District includes the issuance of bonds in two series. The first issue would be completed in 2003 for a total principal amount of \$1,325,000. The second series would total \$400,000 in principal and would be issued in 2013.

These bonds would be secured by a limited mill levy pledge of the District as well as water revenues. The plan is to pay back the principal and interest on the bonds from a combination of water service charges, tap fees and a debt service mill levy of 6 mills. This financing structure ensures that all property owners in the District pay some part of the costs of the improvements through the mill levy but that the users of the water system pay a higher amount through the mill levy and service charges. New growth pays its fair share through a tap fee in addition to the property tax and service charge.

The revenue assumptions are that the mill levy starts and stays at 6 mills. Monthly service charges start at \$35 and increase \$1 annually. The tap fee starts at \$7,500 and increases \$200 annually.

The expenditure assumptions include operations and administration costs starting at \$62,000 with annual increases. Annual capital outlay is included to cover improvements to the water system as well as to finance the fire flow improvements according to the Capital Improvements Plan.

The 2003 bonds are assumed to be issued at an average interest rate of 6% for a term of 25 years. This is a reasonable interest rate considering the current market and that the bonds will be in fact secured by two revenue sources. The 2013 bonds will be issued for 15 years at the same assumed interest rate.

Growth in the District is projected very conservatively at 10 new homes per year until 2018 until the District reaches its water service capacity (340 homes) based on the current water supply.

Overall, the financial plan shows that the District can adequately discharge its debt based on a low mill levy, low water service charges and slow growth.



Connie Joiner, Clerk & Recorder, Teller County, Colorado

PLAN 1A												
PROPERTY TAX LEVIED												
Arabian Acres Metropolitan District												
Florissant, Colorado												
\$ 1,220,000 Net Proceeds												
\$1,325,000 in Bonds at 6.00%												
Beginning Cash Available												
Total												
2002												
2003												
2004												
2005												
2006												
2007												
2008												
2009												
2010												
2011												
2012												
430,740												
Mills to 6												
Taps to 7500												
40 year Capital Expenditure												
Funds wells (2013,2015,2017) in 2013 with 15 year debt \$400,000 at 8%												
Revenues:												
06 Mills												
00 Mills												
6.00%												
\$0												
Property Taxes - Debt Service												
Property Taxes - Operating												
Specific Ownership Taxes												
Tap Fees												
Water Fees												
Project Proceeds												
Capitalized Interest/Reserves												
DS												
DS												
4.50%												
Investment Income												
Total Annual Income												
7,129,946												
1,400,401												
195,094												
207,077												
219,792												
233,047												
247,054												
259,907												
271,585												
285,832												
301,173												
Expenditures:												
DS												
Debt Service												
Acquisition/Construction												
Tax Collection Fees												
3.00%												
3.00% Growth												
Administration												
Operating Expenses												
Capital Expenses												
3.50% Growth												
Total Annual Expenses												
6,324,641												
1,281,866												
163,818												
165,886												
173,018												
175,969												
215,032												
267,332												
221,399												
224,728												
228,171												
Net Income (loss)												
Ending Cash Available												
118,535												
31,275												
41,191												
46,774												
57,077												
32,022												
(7,425)												
319,449												
369,636												
430,740												
503,741												
Debt Mill Levy												
Water Rates (\$/month)												
Tap Fees												
6.00												
35.00												
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PLAN 1A  
All Properties  
PROPERTY TAX LEVIED  
Arabian Acres Metropolitan District  
Florissant, Colorado  
\$ 1,220,000 Net Proceeds  
\$1,325,000 in Bonds at 6.00%

## Beginning Cash Available

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
	503,741	589,056	646,538	715,997	798,452	829,034	821,940	816,305	811,866	808,221

## Revenues:

06 Mills Property Taxes - Debt Service  
00 Mills Property Taxes - Operating  
6.00% Specific Ownership Taxes  
\$0 Tap Fees  
Water Fees  
DS Project Proceeds  
DS Capitalized Interest/Reserves  
4.50% Investment Income

	32,188	34,060	35,689	37,665	39,402	41,490	43,341	45,004	46,354	47,745
	1,931	2,044	2,141	2,260	2,364	2,489	2,600	2,700	2,781	2,865
	95,000	97,000	99,000	101,000	103,000	105,000	107,000	109,000	111,000	113,000
	165,240	174,432	183,864	193,536	199,920	204,000	208,080	212,160	216,240	220,320
	105,795	-	113,330	-	121,402	-	-	-	-	-
	22,668	26,508	29,094	32,220	35,930	37,307	36,987	36,734	36,534	36,370
Total Annual Income	422,823	334,043	463,118	366,681	440,218	285,286	291,009	296,598	301,909	307,299

## Expenditures:

DS Debt Service  
DS Acquisition/construction  
DS Tax Collection Fees  
3.00% Growth Administration  
3.00% Growth Operating Expenses  
3.50% Growth Capital Expenses

	115,520	156,705	156,705	156,705	156,705	156,705	156,705	156,705	156,705	156,705
	105,795	-	113,330	-	121,402	-	-	-	-	-
	1,024	1,083	1,135	1,198	1,253	1,319	1,378	1,431	1,474	1,518
	30,747	31,669	32,619	33,598	34,606	35,644	36,713	37,815	38,949	40,118
	54,800	56,444	58,138	59,882	61,678	63,529	65,435	67,398	69,420	71,502
	29,623	30,660	31,733	32,843	33,993	35,183	36,414	37,688	39,007	40,373
Total Annual Expenses	337,508	276,561	393,659	284,226	409,637	292,379	296,645	301,037	305,555	310,216

Net Income (loss)  
Ending Cash Available

	85,315	57,482	69,459	82,455	30,582	(7,094)	(5,635)	(4,439)	(3,646)	(2,916)
	589,056	646,538	715,997	798,452	829,034	821,940	816,305	811,866	806,221	805,305

Debt Mill Levy  
Water Rates (\$/month)  
Tap Fees

	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00
	45.00	46.00	47.00	48.00	49.00	50.00	51.00	52.00	53.00	54.00
	9,500	9,700	9,900	10,100	10,300	10,500	10,700	10,900	11,100	11,300

## Assessed Valuation

3.00% Beginning  
Increase From Inflation  
Increase From Construction

	5,364,727	5,676,643	5,948,096	6,277,514	6,586,993	6,914,977	7,223,580	7,500,677	7,725,698	7,957,469
	160,942	170,299	178,443	186,325	197,010	207,449	216,707	225,020	231,771	238,724
	150,975	101,153	150,975	101,153	150,975	101,153	60,390	-	-	-
Cumulative	5,676,643	5,948,096	6,277,514	6,586,993	6,914,977	7,223,580	7,500,677	7,725,698	7,957,469	8,196,193

## Absorption

\$ 165,000.00 New Residential Units  
9.15% Number of Units - Residential SF  
29.00% Number of Units Served by Water  
Residential Value - New  
Non-Residential Value  
Total Market Value  
Assessed Valuation

	10	10	10	10	10	4	-	-	-	-
	306	316	326	336	340	340	340	340	340	340
	240	250	260	270	274	274	274	274	274	274
	1,105,500	1,650,000	1,105,500	1,650,000	1,105,500	680,000	-	-	-	-
	1,105,500	1,650,000	1,105,500	1,650,000	1,105,500	680,000	-	-	-	-
	101,153	150,975	101,153	150,975	101,153	60,390	-	-	-	-

**Revenues:**

**Expenditures:**

Total Annual Expenses

Net Income (loss)  
Ending Cash Available

Debt Mill Levy

**Water Rates (\$/month)**  
**Tap Fees**

### Assessed Valuation

Beginning  
Increase From Inflation  
Increase From Construction

Cumulative

New Residential Units	\$ 165,000.00
Number of Units - Residential SF	
Number of Units Served by Water	
Residential Value - New	9.15%
Non-Residential Value	29.00%
Total Market Value	
Assessed Valuation	

	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042
1,246,516	1,329,878	1,410,294	1,487,418	1,560,886	1,630,307	1,695,268	1,755,328	1,810,021	1,858,849	

*Beginning Cash Available*

Revenues:	Property Taxes - Debt Service
08 Mills	Property Taxes - Operating
09 Mills	Specific Ownership Taxes
6.00%	Tap Fees
\$0	Water Fees
	Project Proceeds
DS	Capitalized Interest/Reserves
DS	Investment Income
4.50%	

Total Annual Income

296,813	300,565	304,183	307,654	310,960	314,084	317,007	319,710	322,171	324,388
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**Expenditures:**

Debt Service	DS
Acquisition/construction	DS
Tax Collection Fees	3.00%
Administration	3.00% Growth
Operating Expenses	3.00% Growth
Capital Expenses	3.50% Growth

Total Annual Expenses

[illegible]

Net income (loss)

83,362	80,415	77,124	73,468	69,421	64,961	54,693	48,828	42,437
1,309,878	1,410,204	1,487,419	1,559,985	1,620,207	1,666,264	1,693,004	1,708,046	1,714,040

### Debt Mill Levy

	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00
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## Assessed Valuation

11,014,997	11,345,447	11,885,811	12,036,385	12,397,477	12,769,401	13,152,483	13,547,058	13,953,469	14,372,073
330,450	340,363	350,574	361,092	371,924	383,082	394,574	406,412	418,604	431,162

## Cumulative

11,345,447	11,685,811	12,036,365	12,397,477	12,769,401	13,152,463	13,547,058	13,953,469	14,372,973	14,803,236
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## Absorption

New Residential Units	
Number of Units - Residential SF	\$ 165,000.00
Number of Units Served by Water	
Residential Value - New	9.15%
Non-Residential Value	29.00%
Total Market Value	
Assessed Valuation	



629829  
1 of 3

9/15/2009 11:05 AM  
RES R\$0.00 D\$0.00

Patricia A Crowson  
Teller County

BEFORE THE BOARD OF COUNTY COMMISSIONERS  
OF TELLER COUNTY COLORADO

RESOLUTION NO. 09-10-09 ( 37 )

**A RESOLUTION APPROVING A MATERIAL MODIFICATION OF THE SERVICE  
PLAN FOR THE ARABIAN ACRES METROPOLITAN DISTRICT**

WHEREAS, on May 4, 2009 a Service Plan Material Modification for the Arabian Acres Metropolitan District was filed for recording with the Teller County Clerk and Recorder pursuant to the requirements of CRS § 32-1-101 *et seq.*; and

WHEREAS, the Service Plan for the Arabian Acres Metropolitan District was approved by the Teller County Board of County Commissioners on October 3, 2002 by Resolution 10-3-02 (61); and

WHEREAS, the intent of this Service Plan Material Modification is to amend Section V.F.3 of the Arabian Acres Metropolitan District Service Plan as follows:

3. Ad Valorem Property Tax Levy. The District will assess a mill levy for the repayment of debt through the bond repayment period. Service charges and tap fees will fund the costs of District administration, operations and maintenance. ~~The District anticipates that the mil levy needed to support the debt is six (6) mills over the life of the bonds. In no event will the District's debt service mil levy exceed twelve (12) mills. In no event will the District's debt service mil levy exceed twenty-four (24) mills.~~

so that it reads:

3. Ad Valorem Property Tax Levy. The District will assess a mill levy for the repayment of debt through the bond repayment period. Service charges and tap fees will fund the costs of District administration, operations and maintenance. In no event will the District's debt service mil levy exceed twenty-four (24) mills.

and

WHEREAS, the Teller County Planning Commission, at its hearing on July 14, 2009 did recommend DISAPPROVAL of the Service Plan Modification; and



629829  
2 of 3

9/15/2009 11:05 AM  
RES R\$0.00 D\$0.00

Patricia A Crowson  
Teller County

WHEREAS, pursuant to CRS § 32-1-207 (2), the Board's review of the Service Plan Modification is to be in substantially the same manner as is provided for review of an original Service Plan, and

WHEREAS, on September 10, 2009 the Teller County Board of County Commissioners did consider the Service Plan Modification, the Staff Report, public testimony, and the applicable criteria of CRS § 32-1-203 Action on Service Plan – Criteria, the Board finds that evidence satisfactory to the Board of each of the following has been presented:

1. Pursuant to CRS § 32-1-207 and Section 8.5.A.3.g. of the Teller County Land Use Regulations, Teller County has jurisdiction over the matter.
2. This Petition is presented in accordance with CRS § 32-1-207(2) and Section 8.5.A.3. of the Teller County Land Use Regulations.
3. The application contains all relevant and required submittal information as is required by Colorado Revised Statute and Teller County Land Use Regulations.
4. The findings of the Board of County Commissioners of the approval of the original Service Plan are still valid.
5. The Service Plan Material Modification is necessary and will allow the Special District to provide economical and sufficient service to the area within its boundaries. (CRS § 32-1-203(2)(c))
6. The Service Plan Material Modification of the Arabian Acres Metropolitan District is necessary and will provide the district with the financial ability to discharge the indebtedness on a reasonable basis. (CRS § 32-1-203(2)(d))
7. The Service Plan Material Modification will be in the best interests of the area being served. (CRS § 32-1-203(2.5)(e))
8. Other criteria in CRS § 32-1-203(2) and § 32-1-203(2.5) do not apply to this Service Plan Material Modification.

NOW, THEREFORE, BE IT RESOLVED by the Board of County Commissioners of the County of Teller, State of Colorado hereby APPROVES the Material Modification of the Service Plan for the Arabian Acres Metropolitan District as submitted and hereby requires that the District shall, no later than March 1, 2010 and March 1<sup>st</sup> of each year thereafter, submit an annual report to the County Commissioners, delivered to the County Administrator, for the previous calendar year. The report shall include:

- A description of capital projects undertaken in the reporting year.
- A description of capital projects anticipated in the subsequent reporting year.
- Any changes in District operations during the reporting year.
- A copy of the adopted budget for the calendar year following the reporting year,

and that there be no fee for such filing, unless subsequently imposed by the Board of County Commissioners.



629829  
3 of 3

9/15/2009 11:05 AM  
RES R\$0.00 D\$0.00

Patricia A Crowson  
Teller County

The Board of County Commissioners finds, determines, and declares that this Resolution is necessary for the health, safety, and welfare of the inhabitants of the County of Teller, State of Colorado.

THE FOREGOING RESOLUTION IS ADOPTED AT A REGULAR MEETING OF THE BOARD OF COUNTY COMMISSIONERS OF TELLER COUNTY, COLORADO HELD THE 10<sup>TH</sup> DAY OF SEPTEMBER, 2009, AT CRIPPLE CREEK, COLORADO.

THE BOARD OF COUNTY COMMISSIONERS,  
OF TELLER COUNTY, COLORADO

BY

CHAIR

ATTEST:

  
COUNTY CLERK

51



BY-LAWS OF  
ARABIAN ACRES PROPERTY OWNERS' ASSOCIATION  
(W/ AMENDMENT (1) DATED July 7, 2001  
(W/AMENDMENT (2) DATED May 22, 2004)

ARTICLE I

ORGANIZATION

1. NAME

The name of this organization shall be Arabian Acres Property Owners' Association.

2. SEAL

This organization shall have a seal, which shall be in the following form:

3. NAME CHANGE

The organization may, at its pleasure, change its name by vote of the membership body. Any such name change shall be done by filing notice of the use of an assumed name by the Corporation or by amendment to the by-laws of the Corporation and the Articles of Incorporation with the State.

ARTICLE II

PURPOSES

1. PURPOSES

The Corporation shall have and may exercise all rights, powers and privileges now or hereafter conferred upon non profit corporations organized under the laws of Colorado, including everything necessary, suitable or proper for the accomplishment of any of its corporate purposes and the transaction of any lawful activity. Among other purposes are (i) to take steps to amend, design and cause the enforcement of subdivision covenants, (ii) provide architectural control through working with developers and/or an architectural control committee of the members, (iii) provide Members with an organization for social and neighborhood contact, entertainment, association and communication, (iv) to better or provide security of persons and property in the subdivision, and (v) act as liaison between members and other organizations and entities such as utility providers, government and quasi government and other property owners associations.

ARTICLE III

MEMBERSHIP

1. MEMBERSHIP

Membership in this organization shall be open to all who are property (legal or equitable) owners of lots or land in the Arabian Acres subdivision of Teller County, Colorado and who are willing to (1<sup>st</sup> filing August 23, 1966) and must (property purchased after (1 Jan 1998) pay the dues or fees assessed or charged all members from the time of the new members joinder. (Amended)

References: Declaration of Protective Covenants

ARTICLE IV



## MEETINGS

### 1. ANNUAL MEMBERSHIP

The annual membership meeting of this organization shall be held on the first Saturday of May in each and every year. However the Board of Directors may change such date for good cause; provided such alternate date is within two weeks before or after such original date. The Secretary shall cause to be mailed to every Member in good standing, at their address as it appears in the membership roll book of this Corporation, a notice/reminder stating the date, place and time of such annual meeting. The presence of not less than one third of the members shall constitute a quorum and shall be necessary to conduct the business of this organization. In the event there is no quorum, the meeting shall be rescheduled to a date not more than two weeks from the date set forth in these by laws. The Secretary shall cause a notice of this rescheduled meeting to be sent to all those members who were not present at the meeting originally scheduled.

### 2. SPECIAL MEETINGS

The President may call special meetings of this organization when he/she deems it to be in the best interest of the organization. The Secretary shall cause to be mailed notices of such special meetings to all members at their addresses as they appear in the membership roll book of this organization. Such notices shall be sent at least two weeks prior to the scheduled date of the meeting. The notice shall state the reasons the meeting has been called, the business to be transacted, and who called the meeting.

At the request of one quarter of the members of the Board of Directors or members of the organization, the President shall cause a special meeting to be called. Such requests must be made in writing at least two weeks before the requested date of scheduling.

No other business but that specified in the notice may be transacted at such special meeting without the unanimous consent of all present at such meeting.

## ARTICLE V

### VOTING

#### 1. VOTING

Voting at all meetings shall be by voice.

At any Annual or Special Meeting, if requested by a majority of the POA Members, election of Officers or Directors or any question shall be done by written ballot. The voting members shall not be identified on said ballot.

At all votes by ballot, the chairperson of the meeting shall, prior to the vote, appoint a committee of four members who will act as "Inspectors of Election" and who, at the conclusion of the balloting, shall certify in writing to the chairperson, the results of balloting. The certified copy of the results shall be placed in the minute book of the organization. No "Inspector of Election" may be a candidate for office.

If a dues paid regular member, for what ever reason, elects to have their vote cast by proxy the person authorized by the member to vote in their absence will provide written authorization to the Secretary prior to any voting being conducted at any meeting. The authorization will contain the member's signature. The Secretary will ensure that the proxy voting authorization is affixed to the minutes of that meeting.

## ARTICLE VI

### ORDER OF BUSINESS

#### 1. ORDER OF BUSINESS

"Roberts Rules of Order" shall be the parliamentary authority for matters of procedure not otherwise provided by these by laws. The order of business at meetings shall be as follows;

A. Roll Call.

B. Reading of the minutes of the proceeding meeting.

- C. Reports of committees, if any.
- D. Reports of Officers.
- E. Old and Unfinished Business.
- F. New business
- G. Other miscellaneous business. (Non-members open discussion)
- H. Adjournment.

## ARTICLE VII

### BOARD OF DIRECTORS

#### 1. MANAGEMENT

A Board of Directors consisting of at least four, but not more than seven, Members shall manage the business of this organization. Officers of the organization shall constitute the Board of Directors, along with such number of other members required to total the number of Directors making up the board.

The number of Directors making up the Board shall be determined by the POA Members at the annual meeting or special meeting called for that purpose.

The Board of Directors shall have the control and management of the affairs and business of this organization. The board of Directors shall act only in the name of the organization when it shall be regularly convened by its chairperson after due notice to all the directors and officers of such meeting.

#### 2. DIRECTORS AND OFFICERS

The directors and Officers for the ensuing terms shall be chosen at the annual meeting of this organization and they shall serve for a term of one year.

Vacancies in the board of directors shall be filled by a vote of the majority of the remaining members of the Board of Directors for the balance of the term.

The remaining Directors may fill vacancies in the Board of Directors at an election for any remaining term of such Director until the annual meeting at which time the membership shall elect new directors. Any person so elected to fill a vacancy shall remain a Director until his/her successor has been elected by a vote of the membership present. If the Directors fail to fill a vacancy, the remaining directors may act as the board so long as at least five (5) directors are then serving.

Any Officer or Director may resign at any time by giving written notice to the Board, the President, or the recording Secretary. The Board of Directors by majority vote, at the next meeting, may fill any vacancies in offices for the balance of the resigning officer's term.

Any Officer or Director may be removed by the general membership whenever in their judgment the best interests of the Association would be served. The person to be removed shall be notified by certified mail prior to the vote of the general membership and within five (5) days of said notice shall have the opportunity to appear before a meeting of the members and if he/she fails to appear he/she will be given final notice of the vote. The Board of Directors shall adopt such rules, as it may, at its discretion, deem necessary for the best interests of the organization for said hearings.

#### 3. QUORUM

Two-thirds (2/3) of the members of the Board of Directors shall constitute a quorum. Each Director shall have one vote and such voting may be done by proxy.

#### 4. INDEMNIFICATION

The Association shall indemnify every Director, every Officer and every Committee Member against all loss, cost, liability, and expense reasonably incurred or imposed upon him/her in connection with any action, lawsuit or proceeding to which he/she may be made a party by reason of his/her being or having been a Director, Officer, or

Committee Member of the Association, except as to matters wherein he or she shall be finally adjudged in such action, lawsuit or proceeding to be liable for or guilty of gross negligence or willful misconduct.

The foregoing rights shall be in addition to and not exclusive of all other rights to which the Director, Officer, or Committee Member may be entitled. The Association shall maintain adequate Directors and Officers liability insurance to fund this obligation.

#### 5. MEETINGS

The meeting of the Board of Directors shall be held regularly once a month. The time, date, and place of such meeting shall be selected at the previous meeting.

The Board of Directors may make such rules and regulations covering its meetings, as it may, in its desecration, deem necessary.

The President of the organization, by virtue of the office, shall be chairperson of the Board of Directors. The Secretary of the organization shall serve as secretary for the board of directors.

### ARTICLE VIII

#### OFFICERS

##### 1. OFFICERS

The Officers of the organization shall be as follows;

President  
Vice President  
Secretary  
Treasurer

##### 2. PRESIDENT

The President shall preside at all membership meetings, be chairperson of the Board of Directors (by virtue of the office), present an annual report of the work of the organization at each annual meeting, appoint all committees (permanent or temporary), see that all books reports and certificates, as required by law, are properly kept or filed, may be one of the officers who may sign checks or drafts of the organization and have such powers as may reasonably construed as belonging to the chief executive of any organization. The President may vote at any meeting only in the event of a tie.

##### 3. VICE PRESIDENT

The Vice President shall, in the event of the absence or the inability of the President to exercise his or her office, become acting president of the organization with all rights, privileges and powers as if he or she had been duly elected president. The Vice President shall also have such powers and duties as the President may from time to time designate.

##### 4. SECRETARY

The Secretary shall keep the minutes and records of the organization in appropriate books, file any certificate required (federal, state or local) give and serve all notices to Members of the organization, may be one of the Officers required to sign the checks and drafts of the organization, present to the membership, at any meetings, any communication addressed to the secretary of the organization, attend to all correspondence of the organization and exercise all duties incident to the office of the secretary.

##### 5. TREASURER

The treasurer shall have care and custody of all monies belonging to the organization; receive all monies due the association and deposits such in bank accounts established for such purpose by the Board of Directors. Maintains adequate records of all financial transactions subject to an annual audit reflecting income and disbursements accordingly. The treasurer shall maintain the Association's list of paid members. Shall disburse funds for expenses

as incurred and authorized by the Board of Directors with two (2) signatories to each check, with no disbursements to be made in cash. No special fund may be set aside that shall make it unnecessary for the treasurer to sign the checks or drafts issued upon it. The Treasurer shall render, at stated period, as the Board of Directors shall determine, a written account of the finances of the organization and such reports shall be physically affixed to the minutes of the Board of Directors of such meetings.

6. COMPENSATION

No Officer or Director shall, for any reason of the office, be entitled to receive any salary or compensation; however, nothing herein shall be construed to prevent an Officer or Director from receiving compensation from the organization for duties other than as an Officer or Director.

7. BOARD OF DIRECTORS

Officers shall by virtue of their office, be members of the Board of Directors.

8. SALARIES

The Board of Directors shall hire and fix the compensation of any and all employees, contractors, and other service providers, which they in their discretion, determine, necessary for the conduct of the business of the organization.

ARTICLE X

COMMITTEES

1. COMMITTEES

The Board of Directors shall appoint all non-permanent committees of this organization and such board shall for a period designate the term of office.

Upon vote of the POA membership, permanent committees shall be created. All expenditures shall be submitted in writing to the board of directors and must be approved by the Board of Directors prior to purchase. The Treasurer will be provided originals of all receipts.

2. PERMANENT COMMITTEE TENANTS

Architectural Control

Mission

The purpose of the Architectural Control Committee is to maintain and promote the high standards of the Arabian Acres Community. The committee intends to protect the value of the Arabian Acres Property owners' investments by enforcing the restrictive covenants (deed restrictions) of the community, while maintaining a neighborly attitude of cooperation. The committee will work with home developers, contractors, county officials and residents to maintain high quality standards in new construction and maintenance of existing structures.

Objectives

- Review all building plans and improvements to ensure compliance with covenants and restrictions.
- Assist in enforcement of deed restrictions
- Monitor zoning changes affecting residents
- Ensure representation at all Teller County Planning Commission meetings.
- Liaison with the Teller County Roads and Bridges Department to ensure adequate road maintenance is being conducted.
- Administer all building projects undertaken by the Arabian Acres Property Owners Association.

Welcome Committee

This Committee shall organize and coordinate the welcoming of each new resident as deemed desirable or appropriate. Initial contact should be initiated within thirty (30) days of new resident of occupancy.

## ARTICLE XI

### DUES

#### 1. DUES

Dues for regular members shall be payable annually for a calendar year in the amount set forth by the board of Directors. If a member has not paid annual dues by the date of the annual meeting each year, his/her membership shall be suspended until payment is made. No person whose membership is suspended may vote at any annual, or special meeting or meeting of the Board of Directors.

## ARTICLE XIII

### AMENDMENTS

#### 1. AMENDMENTS

These By-laws may be amended by a majority vote of the dues paid regular members in attendance or represented by proxy at any meeting

An intent to change the by-laws by the Board of Directors or a majority of the dues paid regular members must be furnished to the Secretary of the organization at a preceding meeting upon which, if seconded, will be deliberated, and then forwarded to the Secretary for distribution to the dues paid regular members.

The regular dues paid members will be notified, by the Secretary, not later than ten (10) days prior to the meeting at which a vote upon the proposed alteration, amendment, revision, addition or repeal of the by-laws shall be taken.

2. Membership in this organization shall be open to all who are property (legal or equitable) owners of lots or land in the Arabian Acres subdivision of Teller County, Colorado and who are willing to (1<sup>st</sup> filing August 23, 1966) and must (property purchased after 30 November 1998) pay the dues or fees assessed or charged all members from the time of the new members joinder. (Amended)

References: Declaration of Protective Covenants

**MINUTES  
AAPOA ANNUAL MEETING  
At the Lost Dutchman, Trout Haven  
May 22, 2004**

Date: May 22, 2004

Time: 10:00 a.m.

Place: Lost Dutchman, Trout Haven

Attendance: See membership sign-in sheet

**INTRODUCTION: 10:15 A.M.**

**A) May 22<sup>nd</sup> – Guest Speakers at Annual Meeting:**

**Kevin Daugherty- Teller County Sheriff** spoke on new programs in the community:

- a) Microchip Scanner for Animal Control
- b) Volunteer Program to help out at the Sheriff's office.  
Nick Pinell and Dane Albin, coordinators. Anyone is welcome to help with Dispatch, front desk, personnel, assistance with evidence, custodian, helping with jail, work release, courthouse events, etc. Application required with background investigation required. Also, speed control trailer assistance, and vacation checking program.
- c) Emergency Response at Jail Program
- d) More Speed Trailers – an extra person on traffic now
- e) Four new officers from a Grant
- f) Animal Control – Cheri France very proactive
- g) HomeLand Security Money – for tactical type equipment.
- h) Jail – half full, headhunter hired to recruit from other areas
- i) Traffic problems still major issue
- j) 28 employees now
- k) New communication system should be up and running in two to three months with towers at Divide, Gold Camp and Mt. Pisgah.

**Teller County Commissioners, Bob Campbell and Jim Ignatious**

- a) Quarterly Forums are happening, next one is at the end of July, on Saturday in the new Florissant Library
- b) Commission Meetings – everyone is welcome
- c) Social Services – Federal, state, and county monies reorganized
- d) Fleet Director – Housed between Sheriff's office and jail, being reorganized. Looking for dual purpose vehicles and more fiscal responsibility
- e) West Nile Virus – arrived last year below 7,500 feet. Spread by

- birds and mosquitoes. Dunk, bacteria that eats larvae, is recommended. Brochures are available for prevention. Environmental Health Director can give presentations on this.
- f) Wild Land Fire Protection Committee and Urban Interface consider Teller County a "RED" zone. Government has money to spend to reduce fuel loads. A plan has to be developed and presented to get money. Working on this.
- g) Roads – On going issues, constantly working on these:
- 1) "Grader routes" this year, six specific people have specific responsibility, more efficient, know areas
  - 2) Construction on Teller 1 from Florissant South.
  - 3) Divide to Lake George, CO Department of Transportation is doing overlay, guardrails, turn lanes
  - 4) Additional grant on upper end of Teller 1
  - 5) Dust Control – Magnesium chloride now, looking for a better answer, starting chip and seal program by identifying high traffic roads that will be done by section, obtaining own equipment to chip and seal from a grant, roads have to be brought up to a preliminary standard before process can happen
  - 6) Construction work on Hwy 67 to Cripple Creek, rumble strips, turnout lanes, etc.
  - 7) Four lane to Divide should be done by September 1<sup>st</sup> Contract was extended to a two-year contract last year because of state budget constraints. Applying for gaming dollars for work on CR42 to Teller 1. Striping will be done soon on CR42

**Al Jordan, Teller County Assessor, AAMetro District Board**

- 1) Property Taxes – values didn't change because property is only revalued every two years. Working on inventory accuracy now. Next reappraisal year taxes will be going up. Increase will be about 5% for 2003 and 4% for 2004, hence and 8-9% increase. AAMETRO District will not affect property values, other than more demand, more sales in the area.

**Dave Biando – President of Trout Haven POA**

- 1) Cleanup Pickup crew for CR42 needs help. Call Dave because must be on Teller County insurance to do this.
- 2) Micro Chips Scanner available now because of AAPOA and Trout Haven POA,
- 3) AAMETRO District – water line expanded on Kutsu Ridge, and purchase of water main at Trout Haven has happened.

**Curt Grina – Pikes Peak Regional Medical Center** – Here to talk about our community hospital.

- 1) Update on project: A 25-bed acute care, 24-hour, full hospital service facility will increase property values and increase quality of life. Totally community driven to make this hospital happen. 1.4 Million from community in contributions. All volunteers on Board and Foundation Board. Much work and planning going on. Must be economically sustainable. Contribution and grants will provide seed money to get mortgage. Open doors mid 2006 hopefully. Community support needs to be demonstrated financially, participation in raffle, major support of CCVictor Mine, to make this viable. Non-profit association will own hospital facility and lease it to partner of an operating company. No tax base, not city owned, community owned. Yearly operating costs have been addressed, as well as hundreds of other, documented in the business plan. Must get tickets from Elks club member for the raffle Because of raffle laws.

**Ute Pass Ambulance District – Tim Dienst – Operations Manager** – Increase in demand and losses in revenue have created a need for a Title 32 Article 1, part tax supported, part user fee supported district.

- 1) What is it suppose to be - similar to local fire protection districts, providing services to community. Voters choose and are accountable to voters. Provides many services, but they are very expensive.
- 2) What will be the area – will overlay three fire protection districts, Western Sedalia, North East Protection, some of Divide Fire Protection
- 3) Why is it needed – need consistent reliable funding to provide services, especially because of the increase of people without insurance, managed care, Medicare, etc Ambulance service cannot by law limit who they provide services to. Quality of service declines as a result. They have been providing services for 24 years. Woodland Park Ambulance a 5013c. Calls of 1,700 last year. Hard to meet concurrent calls, because of increase in demand. Part volunteer and 9 full time paramedics. Only guarantee availability of one ambulance right now. Equipment, tools, technology, need to stay current.
- 4) What will it cost - Average ambulance bill is \$1, 800 to 2,200. Those rates are based on what is needed for services. Half of services were 100 percent of what they could bill for, then take away Medicare, etc.,
- 5) What types of questions on ballot - 4.5 mill levy increase, \$85 on a \$250,000 house, question on ballot will ask for mill levy to float up to 4.5, flexible levy requested so actual costs could be less but not more.

**B) 12:10 Lunch Break – Door Prize drawings:** Gift certificates of \$25 for Safeway, Starbucks, Radio Shack, Hair & Body Solutions, City Market (2)

**C) 11:30 - 12:15.p.m. Business Meeting**

- a) **Benefits provided to your AAPOA** by President, Sue Thomas
- b) **Introduction of AAPOA Board:**
  - \*Sue Thomas, President, willing to remain as President
  - \*Mary Sneed, Secretary, willing to remain as Secretary
  - \*Tom Goff – Stepping down from Vice President, but willing to stay on as board at large, Recreation Committee Chairman and DOW Representative
  - \*Nicole Inscoe – Board at Large, still willing to serve



\*Denny Yoder, Board at Large – will step down from board, but has offered and AAPOA board has accepted, for him to remain our legal advisor if needed

**c) Election of New Officers:**

- \* President- Tom Goff nominated Sue Thomas
- \* Vice President- Tom Goff nominated Skip Billing
- \* Secretary- Nicole nominated Mary Sneed
- \* Treasurer- Skip nominated Nicole Inscoc
- \* Board Member-Paula Fox volunteered for board at large
- \* Board Member-Tom Goff volunteered for board at large
- \* Board Member-Jami Zornes volunteered for board at large

Written ballots counted by Denny Yoder, Brent Wallace and Bradford Walker – Unanimous, motion to accept officers by Tom and 2nd by John

**d) Vote on By-Laws Correction** – Letter of May 8<sup>th</sup> read. Date should read November 30, 1998, as this was date of recording. Denny Yoder, Brent Wallace and Bradford Walker counted ballots and proxy ballots, 21 for and 1 against. Nicole 1<sup>st</sup>, 2<sup>nd</sup> Tom, that ballots be accepted. Corrected By-Laws will be sent to all members.

**e) Treasurer's Report** – Income/ Expense Expenses of \$1,600 for 2003. See report from Skip, Tom 1st Nicole 2<sup>nd</sup>, report accepted.

**f) AAPOA website**, requesting suggestions.

**g) Issues** – Appearance Problems in Subdivision, problems have been identified and letters are going out first and then will be turned over to Teller County for Enforcement if not corrected

- 1) 333 Banner Trail
- 2) 458 Banner – has been resolved
- 3) Entrance appearance

**h) New Business:**

- 1) Weed Control in Pond needs to be addressed to the AAMETRO District
- 2) West Nile has been identified in Park County and Teller County, one case each.
- 3) Tom Goff – DOW report – Bear Awareness Report – brochures available. A cougar is in our area, makes a chirping sound. Tonya Sharpe, Teller County Wildlife Officer, is patrolling more. Fine is \$1,000 for feeding wildlife. Wasting disease is believed to be spreading because of the feeding of wildlife. Call Tom 686-1140 if you have questions.
- 4) Pond – Fish are still in the pond. Stocked last year twice, and probably will not stock this year.
- 5) Reiteration of Benefits of AAPOA Membership
- 6) Dumpster July 17<sup>th</sup> at Skip's house
- 7) Annual Picnic July 17<sup>th</sup>

**D) 1:00 - 3:00 p.m. Animal Control Scanner Chip Insertion by Teller County  
Animal Control Cheri France**

Next board meeting is June 12th, 2004, at 8:30 a.m. at Sue Thomas's house, 70 Golden Lane. Annual Meeting adjourned at 13: 40 p.m.

Minutes submitted by Mary Sneed, Secretary AAPOA



No. 132807 ✓  
PATENT for  
School Lands  
STATE OF COLORADO To  
William Kloepper

STATE OF COLORADO  
(State of Colorado)  
("El Sino Humine")  
(1878)

Bk 241 p. 288

PATENT NO. 5501

Filed for Record  
Sept. 30, 1936  
at 3:05 P. M.

TO ALL UNTO WHOM THESE PRESENTS SHALL COME: GREETING:

L. S. Cox, Recorder  
Wilma Gustin, Deputy

WHEREAS WILLIAM KLOEPFER of the County of EL PASO

and State of Colorado, in accordance with the provisions

of the acts of the General Assembly of the State of Colorado, approved and in force at the time of the purchase of the land herein designated and described, and at the time of the execution of this conveyance, has made full payment as appears from the records of the State Board of Land Commissioners, of and for the following described real estate, lying and situated in the County of TELLER and State of Colorado, to-wit:

~~The East half of the West half (1/4) of Section Sixteen (16), Township~~  
Thirteen (13) South, Range Seventy (70) West of the Sixth (6th) Principal  
Meridian, containing One Hundred and Sixty (160) acres, more or less,  
according to United States survey.

Reserving, however, to the State of Colorado, all rights to any and  
all minerals, ores and metals of every kind and character and all coal, asphaltum,  
oil and other like substances in or under said land and the right of ingress and  
egress for the purpose of mining, together with enough of the surface of same as  
may be necessary for the proper and convenient working of such minerals and substances.

Subject to any and all easements or rights-of-way heretofore legally  
obtained and now in full force and effect, if any there be.

which said described tract of land has been purchased by the said

WILLIAM KLOEPFER

for the sum of One Thousand Six Hundred & no/100 (\$1,600.00) Dollars,

Now Know Ye, That the State of Colorado in consideration of the premises, and in  
conformity with the Act of the General Assembly, in such case provided, has sold and  
granted, and by these presents does sell and grant unto the said WILLIAM KLOEPFER  
and to his heirs and assigns, the said tract above described: To Have and to Hold the  
same as above specified, together with all the rights, privileges, immunities and  
appurtenances of whatsoever nature hereunto belonging, unto the said WILLIAM KLOEPFER  
and to his heirs and assigns forever.

IN TESTIMONY WHEREOF, I Ed. C. Johnson, Governor of the State of Colorado,  
have caused these letters to be made Patent, and the Great Seal of the State of Colorado  
to be hereunto attached.

Given under my Hand at the City of Denver, the twenty-ninth day of July A. D.  
1936.

(STATE SEAL)

Ed. C. Johnson  
Governor.

Attest:

George E. Saunders  
Secretary of State of the State of Colorado

Arthur H. King  
Register State Board of Land Commissioners

School Land  
Teller County  
Sold July 3, 1918  
Certificate of Purchase #7050, Book 14.

*(Land Seal)*

1289074

PATENT For School Lands

STATE OF COLORADO

To  
William Kloeffer and  
H. S. Horton,

Filed for record at 8:02  
M. March 28, 1935.

L. S. Cox, Recorder  
Cecil Gould, Deputy

STATE OF COLORADO

State of Colorado  
Nil Sine Numine  
1875

PATENT NO. 5370

TO ALL UNTO WHOM THESE PRESENTS SHALL COME: GREETING:

WHEREAS WILLIAM KLOEFFER and H. S. HORTON of the

County of EL PASO and State of Colorado, in accordance with

the provisions of the acts of the General Assembly of the

State of Colorado, approved and in force at the time of the purchase of the land herein

designated and described, and at the time of the execution of this conveyance, has made

full payment as appears from the records of the State Board of Land Commissioners,

of and for the following described real estate, lying and situated in the County of  
Teller and State of Colorado, to-wit:

The Northeast quarter (NE $\frac{1}{4}$ ) and the West half of Southeast quarter (W $\frac{1}{2}$ SE $\frac{1}{4}$ ) of  
Section Sixteen (16), Township Thirteen (13) South, Range Seventy (70) West of the Sixth  
(6th) Principal Meridian, containing Two Hundred and Forty (240) acres, more or

less, according to United States survey.

Reserving, however, to the State of Colorado, all rights to any and all  
minerals, ores and metals of every kind and character and all coal, asphaltum, oil and  
other like substances in or under said land and the right of ingress and egress for the  
purpose of mining, together with enough of the surface of same as may be necessary for  
the proper and convenient working of such minerals and substances.

Subject to any and all easements or rights-of-way heretofore legally ob-  
tained and now in full force and effect, if any there be.

which said described tract of land has been purchased by the said WILLIAM KLOEFFER and  
H. S. HORTON for the sum of Two Thousand Four Hundred & no/100 (\$2,400.00) Dollars,

NOW KNOW YE, THAT THE STATE OF COLORADO in consideration of the premises and  
in conformity with the Act of the General Assembly, in such case provided, has sold  
and granted, and by these presents does sell and grant unto the said WILLIAM KLOEFFER  
and H. S. HORTON and to their successors and assigns, the said tract above described:  
TO HAVE AND TO HOLD the same as above specified, together with all the rights, privi-  
leges, immunities and appurtenances of whatsoever nature hereunto belonging, unto the  
said WILLIAM KLOEFFER and H. S. HORTON and to their successors and assigns forever.

IN TESTIMONY WHEREOF, I, Ed. C. Johnson, Governor of the State of Colorado,  
have caused these letters to be made Patent, and the Great Seal of the  
State of Colorado to be hereunto attached.

Given under my Hand at the City of Denver, the twelfth day of March  
A. D. 1935.

(STATE SEAL)

Ed. C. Johnson  
Governor.

Attest:

James M. Carr  
Secretary of State of the State of Colorado

Arthur H. King  
Register State Board of Land Commissioners  
(OFFICIAL SEAL)

School Land  
Teller County  
Sold Jul. 3, 1918  
Certificate of Purchase #6913, Book 14.

128908V

-DEED-

DEED

THIS DEED, Made this 19th day of March in the year

124301 /

Patent  
For School Lands.

STATE OF COLORADO

to

Owen Flory

Filed for record at 8:20 A. M.  
July 16, 1932.

L. S. Cox, Recorder,  
H. Wallis, Deputy.

) State of Colorado

) PATENT NO. 5156

) To all unto Whom these Presents shall Come: Greeting:

) Whereas OWEN FLORY of the County of COOK and

) State of ILLINOIS in accordance with the provisions

) of the acts of the General Assembly of the State of

Colorado, approved and in force at the time of the purchase of the land herein designated

and described, and at the time of the execution of this conveyance, has made full payment

as appears from the records of the State Board of Land Commissioners, of and for the

following described real estate, lying and situate in the County of TELLER and State of

Colorado, to-wit: The West half of the West half (W<sup>1</sup>/<sub>2</sub>) of Section

Sixteen (16), Township Thirteen (13) South, Range Seventy (70) West of the Sixth (6th)

Principal Meridian, containing One Hundred and Sixty (160) acres, more or less,

according to United States survey.

Reserving, however, to the State of Colorado, all rights  
to any and all minerals, ores and metals of every kind and character and all coal,  
asphaltum, oil and other like substances in or under said land and the right of ingress  
and egress for the purpose of mining, together with enough of the surface of same as  
may be necessary for the proper and convenient working of such minerals and substances.

Subject to any and all easements or rights-of-way  
heretofore legally obtained and now in full force and effect, if any there be.

which said described tract of land has been purchased by the said OWEN FLORY  
for the sum of One Thousand Six Hundred & no/100 (\$1,600.00) Dollars,

Now Know Ye, That the State of Colorado in consideration of the premises, and in  
conformity with the Act of the General Assembly, in such case provided, has sold and  
granted, and by these presents does sell and grant unto the said OWEN FLORY and to his  
heirs and assigns, the said tract above described: To Have and to Hold the same as above  
specified, together with all the rights, privileges, immunities and appurtenances of what-  
soever nature hereunto belonging, unto the said OWEN FLORY and to his heirs and assigns  
forever.

In Testimony Whereof, I, Wm. H. Adams, Governor of the State of Colorado, have  
caused these letters to be made Patent and the Great Seal of the State of Colorado to be  
hereunto attached.

Given under my Hand at the City of Denver, the tenth day of May A. D. 1932.

Attest:

Charles Armstrong

Secretary of State of the State of Colorado

Wm. H. Adams  
Governor

Land  
(Seal)

Arthur H. King  
Register State Board of Land Commissioners

(State Seal)

School Land  
Teller County  
Sold July 3, 1918  
Certificate of Purchase #049, Book 14.

BEFORE THE BOARD OF COUNTY COMMISSIONERS  
OF TELLER COUNTY, COLORADO

RESOLUTION NO. 10-3-02(G1)

**A RESOLUTION APPROVING THE SERVICE PLAN FOR THE  
ARABIAN ACRES METROPOLITAN DISTRICT NOT EXCLUDING CERTAIN PROPERTY**

WHEREAS, on July 15, 2002 a Service Plan for the proposed Arabian Acres Metropolitan District was filed for recording with the Teller County Clerk and Recorder pursuant to the requirements of CRS 32-1-101 *et seq.*; and

WHEREAS the intent of this Metropolitan District is to accomplish the financing, acquisition, construction, operation, and management of a water system and mosquito control in the Arabian Acres Subdivision, portions of the Trout Haven Subdivision, Trout Haven Resorts, Camp Iana, and certain metes and bounds tracts, the District boundaries for which are described in Exhibit 1 Arabian Acres Metropolitan District Boundary Map, and Exhibit 2 Arabian Acres Metropolitan District Legal Description attached hereto and thereby incorporated herein by reference; and

WHEREAS these facilities and services are more particularly defined as the following pursuant to CRS 32-1-~~1004~~<sub>103</sub>, as more particularly described in the Service Plans:

- Water. Install and maintain the existing and proposed potable and nonpotable water systems.
- Mosquito control. Treat breeding grounds and purchase, lease, contract for, or otherwise acquire necessary equipment.

and

WHEREAS, the Teller County Planning Commission, at its hearing on August 13, 2002 did (1) approve a Teller County "New Communities" (1041) Permit for creation of the proposed Arabian Acres Metropolitan District; and (2) recommend, with conditions, that the Board of County Commissioners approve the Service Plan for the proposed Arabian Acres Metropolitan District; and

WHEREAS the conditions placed by the Planning Commission have been fulfilled; and

WHEREAS, on October 3, 2002 the Teller County Board of County Commissioners did receive, consider, and deny requests from the following owners of real property within the proposed boundaries of the Arabian Acres Metropolitan District for exclusion from said District with the finding of fact that to exclude said properties would NOT be in the best interest of the proposed District::

1. Arabian Acres Lot 6, Block 1, Filing 2 (10 Jenwood Drive).
2. Trout Haven Estates Lots 10, 11, and 12 Filing 1 (185 Uintah Ridge Drive)
3. Trout Haven Estates Lot 17, Filing 1 (62 Uintah Ridge Drive)
4. A 0.69 acre tract of land in the NE4NE4 Sec. 16, Tshp. 13N, Range 70W of the 6<sup>th</sup> PM (44 Uintah Vale Drive)
5. Trout Haven Lot 25, Filing 1 (96 Uintah Vale Drive)

6. Trout Haven Lot 1, Filing 3 (17 Tioga Trail)
7. Trout Haven Lot 2, Filing 3 (18 Tioga Trail)
8. Trout Haven Lot 10-A, Filing 3 (43 Tioga Trail)
9. Trout Haven Lot 20 Filing 4 (325 Pawutsy Road)
10. Trout Haven Filing 4(211 Kitsu Ridge Road)
11. Trout Haven Filing 1-5 (47 Kayfa Court)
12. (3188 Upper Twin Rocks Road)
13. (3113 Upper Twin Rocks Road)
14. Trout Haven Lot 3 Filing 3 (65 Tioga Trail)
15. Trout Haven Lot 21 B2 Filing 4(166 Twatsy Lane)

and

WHEREAS, the Board of County Commissioners of the County of Teller, State of Colorado, pursuant to the requirements of CRS 32-1-203 Action on Service Plan - Criteria, finds that evidence satisfactory to the Board of each of the following has been presented:

1. **Need.** There is sufficient existing and projected need for organized service in the area to be serviced by the proposed special district.
2. **Existing Service Inadequate.** The existing service in the area to be served by the proposed special district is inadequate for present and projected needs.
3. **Proposed District Capable.** The proposed special district is capable of providing economical and sufficient service to the area within its proposed boundaries.
4. **Area has Financial Capability.** 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.

NOW, THEREFORE, BE IT RESOLVED by the Board of County Commissioners of the County of Teller, State of Colorado:

1. That the County of Teller, State of Colorado hereby approves without further condition or modification the Service Plan as submitted and subsequently amended by the Service Plan Addendum submitted to the Board of County Commissioners on October 3, 2002 and attached to this Resolution for the Arabian Acres Metropolitan District; and
2. The foregoing notwithstanding, the following general matters shall apply for so long as the District shall exist:
  - a. In its particulars, the Teller County Land Use Regulations, and any amendments thereto, shall govern and control development within the proposed Service District.
  - b. Teller County shall not be obligated to accept any dedication of proposed lands, facilities, or other improvements within the Service Districts except

as may otherwise be accepted by separate resolution of the Board of County Commissioners.

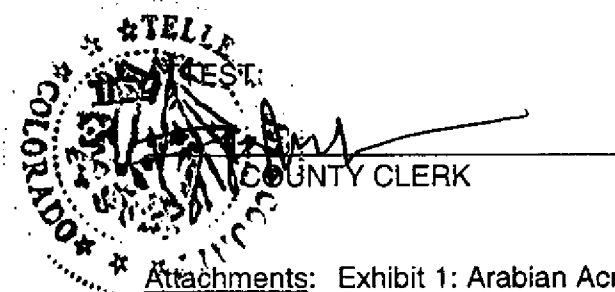
- c. All material representations of Applicant in its written submittals and in public hearing shall be binding, including but not limited to representation that: All conditional easements ("conditional assets") described in the Appraisal dated January, 2002 (page 6) shall be recorded prior to District purchasing the water system, and that these assets will be transferred to the District together with all other assets of the Arabian Acres Water Company.

The Board of County Commissioners finds, determines, and declares that this Resolution is necessary for the health, safety, and welfare of the inhabitants of the County of Teller, State of Colorado.

THE FOREGOING RESOLUTION IS ADOPTED AT A SPECIAL MEETING OF THE BOARD OF COUNTY COMMISSIONERS OF TELLER COUNTY, COLORADO HELD THE 3<sup>RD</sup> DAY OF OCTOBER, 2002, AT CRIPPLE CREEK, COLORADO.

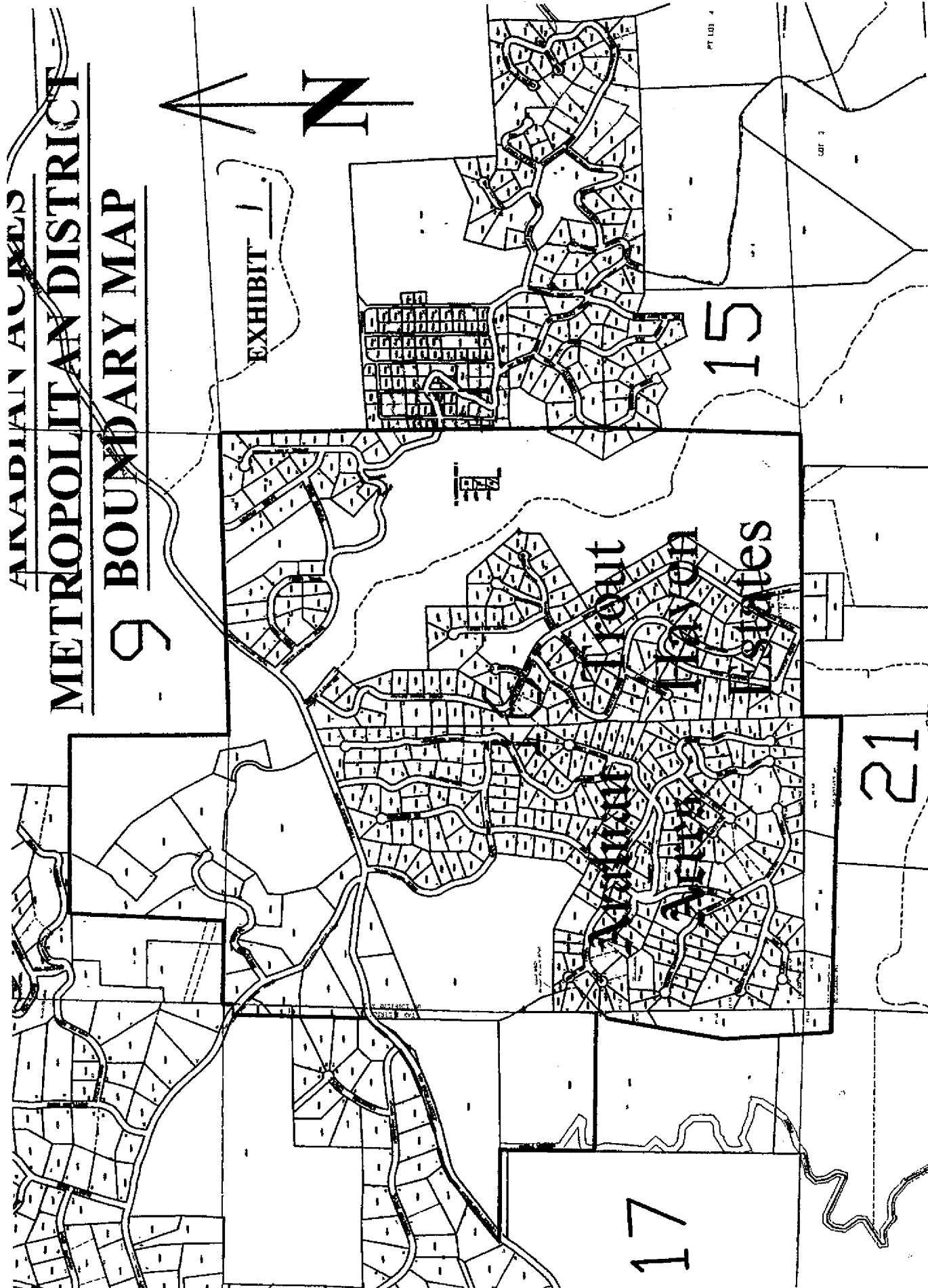
THE BOARD OF COUNTY COMMISSIONERS,  
OF TELLER COUNTY, COLORADO

BY Lucile A. Fohn  
CHAIR



Attachments: Exhibit 1: Arabian Acres Metropolitan District Boundary Map  
Exhibit 2: Arabian Acres Metropolitan District Legal Description  
Exhibit 3: Service Plan Addendum

Exhibit 1



**ANAPOLIS ACCRETED  
METROPOLITAN DISTRICT  
9 BOUNDARY MAP**



# The Arabian Acres Metropolitan District

## LEGAL DESCRIPTION

A parcel of land located in a portion of the SW 1/4 of Section 9, a portion of the NW 1/4 Section 21, a portion of the E 1/2 Section 17, and all of Section 16, Township 13 South, Range 70 West, in the 6th P.M., Teller County, State of Colorado, more particularly described as follows:

Beginning at the NW Corner of Section 16; thence, S89°39'03"E coincident with the North line of said Section 16 and the Northerly line of Lot 7, Arabian Acres Fourth Filing as recorded in the office of the Teller County Clerk and Recorder, a distance of 800.33 feet to the Southwest Corner of Lot 6, Arabian Acres Fourth Filing; thence, N00°47'35"E coincident with the Westerly lines of Lot 6 and Lot 4, a distance of 1319.02 feet to the Northwest Corner of said Lot 4; thence, S89°50'48"E coincident with the Northerly boundary of said Arabian Acres Fourth Filing, a distance of 620.00 feet; thence, S89°50'48"E coincident with the Southerly boundary line of the Twin Rock Subdivision as recorded in the office of the Teller County Clerk and Recorder, a distance of 1177.82 feet to a point on the North-South centerline of Section 9; thence, S00°55'09"W coincident with the said North-South centerline of Section 9, a distance of 1324.24 feet to the Quarter Corner between Section 9 and 16; thence, S88°42'57"E coincident with the North line of said Section 16, a distance of 2626.26 feet to the Northeast Corner of said Section 16; thence, S00°08'29"W coincident with the East line of said Section 16, a distance of 5242.20 feet to the Southeast Corner of said Section 16; thence, S89°24'51"W coincident with the South line of said Section 16, a distance of 2640.42 feet to the South Quarter Corner of said Section 16; thence, the following (21) courses are as shown on Monumented Land Survey Plat, prepared by William S. Kitlica, PLS, May 6, 1997, under reception no. 0000296, as recorded in the office of the Teller County Clerk and Recorder; thence, (1) S00°23'56"E, a distance of 333.40 feet; thence, (2) N82°52'21"W, a distance of 427.23 feet; thence, (3) N82°28'39"W, a distance of 119.61 feet; thence, (4) N84°53'23"W, a distance of 136.08 feet; thence, (5) N78°04'50"W, a distance of 228.59 feet; thence, (6) N89°31'16"W, a distance of 173.68 feet; thence, (7) S89°28'24"W, a distance of 52.59 feet; thence, (8) S87°20'55"W, a distance of 839.40 feet; thence, (9) S87°04'02"W, a distance of 248.89 feet; thence, (10) N87°47'24"W, a distance of 217.93 feet; thence, (11) N87°30'50"W, a distance of 473.82 feet; thence, (12) N01°40'17"W, a distance of 108.22 feet; thence, (13) N03°21'46"W, a distance of 246.40 feet; thence, (14) N02°02'03"W, a distance of 201.91 feet; thence, (15) N02°53'21"W, a distance of 135.67 feet; thence, (16) N01°37'42"W, a distance of 270.92 feet; thence, (17) N01°51'22"W, a distance of 43.18 feet; thence, (18) N06°48'49"E, a distance of 127.75 feet; thence, (19) N08°12'03"E, a distance of 414.41 feet; thence, (20) N13°18'44"E, a distance of 552.22 feet; thence, (21) N45°55'09"E, a distance of 92.42 feet; thence, N00°09'01"E coincident with the Easterly line of Lot 2, Revised Plat of Hidden Forest Ranch No. 2, as recorded in the office of the Teller County Clerk and Recorder, a distance of 889.49 feet to the NE corner of said Lot 2; thence, N89°30'40"W coincident with the Northerly boundary line of said Lot 2 and continuing on said bearing, a distance of 2111.36 feet to a point on the Easterly line of Lot 18, Palmer Village Subdivision, as recorded in the office of the Teller County Clerk and Recorder; thence, the following (9) courses are coincident with the Southeasterly boundary line of said Palmer Village Subdivision, said line also being the Northwesterly right of way line of Twin Rock Road as shown on said plat; thence, (1) on a curve to the right having a radius of 867.07 feet, a central angle of 10°38'58" and an arc length of 161.16 feet; thence (2) N52°52'53"E, a distance of 487.56 feet; thence, (3) on a curve to the right having a radius of 519.18 feet, a central angle of 23°06'24", and an arc length of 209.38 feet; thence, (4) N75°59'17"E, a distance of 374.44 feet; thence, (5) on a curve to the left having a radius of 1359.61 feet, a central angle of 4°07'17", and an arc length of 97.80 feet; thence, (6) N71°52'00"E, a distance of 400.79 feet; thence, (7) N58°58'11"E, a distance of 218.00 feet; thence, (8) N45°39'01"E, a distance of 461.86 feet; thence, (9) on a curve to the right having a radius of 160.37 feet, a central angle of 15°31'12" and an arc length of 43.44 feet; thence, the following (2) courses being coincident with the Easterly line of Lots 27, 24, 23, and 22, in said Palmer Village Subdivision; thence, (1) N03°30'13"E, a distance of 473.23 feet; thence, (2) N00°27'51"E, a distance of 209.47 feet; thence, N02°24'45"E, a distance of 166.58 feet; thence, N01°55'33"E, a distance of 115.04 feet; thence, N00°49'06"E, a distance of 217.67 feet; thence, N00°52'19"E, a distance of 79.22 feet to a point on the Southwesterly right of way line of Upper Twin Rock Road; thence S48°48'36"E coincident with the Southerly right of way line of said Upper Twin Rock Road, a distance of 108.89 feet to a point on the Westerly line of Section 16; thence, N02°25'15"E coincident with the Westerly line of said Section 16, a distance of 124.96 feet to the point of beginning.

Containing 757.73 Acres of land more or less.

539678 10/04/2002 08:00AM Page 5 of 47  
Connie Joiner, Clerk & Recorder, Teller County, Colorado



Exhibit 3

**SERVICE PLAN ADDENDUM**

**ARABIAN ACRES METROPOLITAN DISTRICT**

**SERVICE PLAN**

539678 10/04/2002 08:00AM Page 6 of 47  
Connie Joiner, Clerk & Recorder, Teller County, Colorado

*Prepared by:*  
*September 20, 2002*  
*Seter & Vander Wall, P.C.*  
*7400 E. Orchard Road, Suite 3300*  
*Greenwood Village, CO 80111*

*October 32,*

## TABLE OF CONTENTS

I.	INTRODUCTION .....	1
II.	PURPOSE OF THE DISTRICT .....	2
A.	<u>Purpose and Intent.</u> .....	2
B.	<u>Need for District.</u> .....	3
C.	<u>General Powers.</u> .....	4
1.	<u>Authorized and Approved Powers.</u> .....	4
a.	<u>Water.</u> .....	4
b.	<u>Mosquito Control.</u> .....	5
2.	<u>Powers Requiring Additional Review.</u> .....	5
a.	<u>Streets.</u> .....	5
b.	<u>Traffic and Safety Controls.</u> .....	5
c.	<u>Sanitation.</u> .....	6
d.	<u>Parks and Recreation.</u> .....	6
e.	<u>Transportation.</u> .....	7
f.	<u>Telecommunication Systems and Services.</u> .....	7
D.	<u>Miscellaneous Powers.</u> .....	7
1.	<u>Legal Powers.</u> .....	7
2.	<u>The Board of Directors' Limitations.</u> .....	8
3.	<u>Other.</u> .....	9
III.	BOUNDARIES, POPULATION & VALUATION .....	10
IV.	DESCRIPTION OF PROPOSED FACILITIES .....	11
A.	<u>Improvements.</u> .....	11
B.	<u>Existing Conditions.</u> .....	12
C.	<u>Anticipated Development.</u> .....	14
D.	<u>Teller County Construction Standards.</u> .....	15
E.	<u>Dedication of Improvements.</u> .....	15
F.	<u>Ownership and Operation of Facilities by the District.</u> .....	15
G.	<u>Rules and Regulations.</u> .....	16
H.	<u>Compliance with Teller County Master Plan.</u> .....	16
I.	<u>Compliance with Teller County</u> <u>Long Range Water Quality Management Plan.</u> .....	16
J.	<u>Compliance with Teller County Land Use Regulations.</u> .....	16

V.	FINANCIAL INFORMATION .....	17
A.	<u>Overview.</u> .....	17
B.	<u>Bond Limitations.</u> .....	17
C.	<u>Debt Authorization.</u> .....	18
D.	<u>Debt Issuance.</u> .....	19
E.	<u>Operations.</u> .....	21
F.	<u>Identification of District Revenue.</u> .....	21
	1. <u>Tap Fees.</u> .....	21
	2. <u>Service Charges.</u> .....	21
	3. <u>Ad Valorem Property Tax Levy.</u> .....	22
	4. <u>Contract Service.</u> .....	22
	5. <u>Conservation Trust Funds.</u> .....	22
G.	<u>Security for Debt.</u> .....	23
H.	<u>Financing Plan.</u> .....	23
VI.	REGIONAL IMPROVEMENTS .....	24
VII.	ANNUAL REPORTING .....	24
VIII.	LANDOWNERS PUBLIC IMPROVEMENTS .....	25
IX.	MODIFICATION OF SERVICE PLAN .....	25
X.	DISTRICT CONSOLIDATION OR DISSOLUTION .....	27
XI.	DISCLOSURE .....	27
XII.	INTERGOVERNMENTAL AGREEMENTS .....	27
XIII.	RESOLUTION OF APPROVAL .....	28
XIV.	STATUTORY REQUIREMENTS .....	28

XVI. CONCLUSION .....	30
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539678 10/04/2002 08:00AM Page 9 of 47  
Connie Joiner, Clerk & Recorder, Teller County, Colorado

### LIST OF EXHIBITS

- EXHIBIT A LEGAL DESCRIPTION
- EXHIBIT B VICINITY MAP
- EXHIBIT C BOUNDARY MAP OF DISTRICT
- EXHIBIT D APPRAISAL OF SYSTEM FACILITIES
- EXHIBIT E MAPS DEPICTING THE LOCATION OF WATER SYSTEM IMPROVEMENTS
- EXHIBIT F WATER COURT DECREE, CASE NO. 94CW281
- EXHIBIT G WATER COURT DECREE, CASE NO. 96CW238
- EXHIBIT H FINANCING PLAN
- EXHIBIT I SCHEDULE OF DISTRICT FEES, RATES AND CHARGES
- EXHIBIT J TELLER COUNTY BOARD OF COUNTY COMMISSIONER'S RESOLUTION APPROVING DISTRICT'S SERVICE PLAN
- EXHIBIT K LIST OF SPECIAL DISTRICTS WITHIN A THREE-MILE RADIUS
- EXHIBIT L LETTER FROM TELLER COUNTY WATER QUALITY ASSOCIATION
- EXHIBIT M WATER SYSTEM EVALUATION AND MASTER PLAN NARRATIVE (INCLUDING APPENDIX D, CAPITAL IMPROVEMENTS PLAN) FOR ARABIAN ACRES WATER COMPANY
- EXHIBIT N EASEMENTS, CONTRACTS OR OTHER AGREEMENTS ENTERED INTO BY THE PROMOTERS AND/OR ARABIAN ACRES WATER COMPANY THAT SHALL BE BINDING ON THE DISTRICT

## ARABIAN ACRES METROPOLITAN DISTRICT

### SERVICE PLAN

#### I. INTRODUCTION

The name of the proposed district is ARABIAN ACRES METROPOLITAN DISTRICT (the "District"). The District is located entirely within unincorporated Teller County (the "County"). This Service Plan ("Service Plan"), is submitted in accordance with Part 2 of § 32-1-201, et seq., C.R.S. (the "Act"). The Service Plan has been prepared by Arabian Acres Water Company, LLC, as the District Organizer (the "Company" or "Organizer"), and the following consultants:

Organizer:

Arabian Acres Water Company, LLC  
Kenneth R. Rupp, Manager  
3579 C.R. #42  
Florissant, Colorado 80816  
(719) 687-9590  
Fax: (719) 687-9590

District Counsel:

Seter & Vander Wall, P.C.  
Kim J. Seter, Esq.  
7400 E. Orchard Road  
Suite 3300  
Greenwood Village, Colorado 80111  
[kseter@svwpc.com](mailto:kseter@svwpc.com)  
(303) 770-2700  
Fax: (303) 770-2701

Engineer:

JDS-Hydro Consultants, Inc.  
John McGinn  
545 East Pikes Peak Avenue, Suite 300  
Colorado Springs, Colorado 80903  
(719) 227-0072  
Fax: (719) 520-1043

Underwriter:

George K. Baum & Associates  
Alan Matlosz  
717 17<sup>th</sup> Street, Suite 2500  
Denver, Colorado 80202  
(303) 292-1600

## **II. PURPOSE OF THE DISTRICT**

### **A. Purpose and Intent.**

Arabian Acres Water Company, LLC (hereinafter "AAWC" or the "Company") provides potable water service to approximately 125 lots in the Arabian Acres Subdivision, Trout Haven Estates Filings No. 1, 3, 4 and parts of Filing No. 2 and a few large acreage lots adjacent to the subdivision. It also provides commercial taps to Trout Haven Resort and Camp Iana. The water system was constructed between 1972 and 1979, with significant expansions and upgrades completed in 1994.

The Rupp family is the sole owner of AAWC through the Rupp Family Partnership RLLLP. The Rupp family does not wish to continue in the water service business. In order to assure continued service to its customers, AAWC wishes to convey all of its interest in the water supply and water system to the District.

The Company conducted several public meetings with area residents, County staff and



elected officials regarding the formation of a water district. Community feedback supported the formation of a metropolitan district with authority to provide additional services and facilities as needed or desired by the community.

**B. Need for District.**

Due to the age and health of members of the Rupp family, the Rupp Family Partnership is no longer in a position to continue operating AAWC. The Partnership has no plans for continued expansion or improvements to the facilities and is solely focusing on divesting itself of AAWC in the near future. The Partnership's options for divesting AAWC include: (1) organizing a special district to purchase the existing system and take over service in perpetuity; (2) selling the system to a private entity; (3) abandoning the system; or (4) including into a water district or public entity.

The main advantage to forming a metropolitan district is local control. The district would own the system and water rights in perpetuity, and the board of directors would be elected from residents and property owners of the District. Another advantage to the formation of a metropolitan district is flexibility. At a later date, the District Board may decide to activate the District's park and recreation or street powers to identify and fund construction or acquisition of additional improvements within or without the District's boundaries.

The other options are not appealing to the Rupp family or area residents and property owners because there is no guarantee of continued service or local control over rates and level of service. Discussions were had with other special districts. However, these entities do not appear willing to incorporate the system into their own, but are interested in gaining access to the existing water supply.

The District's immediate purpose is to acquire the Company's water system for the use and benefit of the District's residents, taxpayers and the owners of real property within the existing service area, as shown on Exhibit C. The District will provide for the purchase, operation, maintenance and extension of the system within and without its boundaries, as needed, to assure local control and the continuation of water service to the residents and owners of real property within its service area. Property owners using existing private wells will not be required to obtain service from the District, nor will they be denied obtaining a tap at a later date.

The District will also offer mosquito control within its boundaries. The District anticipates contracting out for this service, as needs are identified by the Board of Directors. The cost of surface treatment for larvae and mosquito control is insignificant. The District Board may provide additional services or facilities to the community in the future. The exercise of additional powers authorized by this Service Plan shall be considered a material modification of the Service Plan and must be approved by the Board of County Commissioners with specific design, construction and financial plans, before implementation.

**C. General Powers.**

The District shall have the authority and powers proscribed for a Metropolitan District under § 32-1-201, et. seq., C.R.S. to be exercised as delegated herein.

**1. Authorized and Approved Powers.**

The District is authorized to provide the following services:

- a. Water. The design, acquisition, installation, construction relocation, operation and maintenance, within or without the boundaries of the District, of a complete water

and irrigation system, including water rights, water supply, ownership of properties and facilities, including storage facilities, transmission and distribution lines, pumping stations, wells, reservoirs, retention ponds, detention ponds, lakes, treatment works, fire hydrants, meters, facilities and equipment, and related landscaping and irrigation improvements, together with all necessary, incidental, and appurtenant facilities, equipment, land and easements, acquired by condemnation or otherwise, and extensions of and improvements to such facilities.

b. Mosquito Control. The design, acquisition, installation, construction, relocation, operation and maintenance of systems and methods for the elimination and control of mosquitoes, rodents and other pests.

2. Powers Requiring Additional Review.

Activation or exercise of the following powers is a material modification of this Service Plan. The powers may be activated only by request of the District Board and review and approval of development, construction and financing plans by the Teller County Board of County Commissioners.

a. Streets. The design, acquisition, installation, construction, relocation, operation and maintenance, within or without the boundaries of the District, of roadway improvements through the construction and installation of curbs, gutters, culverts, storm sewers and installation or relocation of other drainage facilities, sidewalks, bridges, parking facilities, paving, lighting, grading, landscaping, snow removal, utility relocation necessitated by public rights-of-way, monumentation, signage, utility lines, and other street improvements, and related landscaping and irrigation improvements, together with all necessary, incidental and appurtenant

facilities, equipment, land and easements, acquired by condemnation or otherwise, and extensions of and improvements to such facilities.

b. Traffic and Safety Controls. The design, acquisition, installation, construction, relocation, operation and maintenance, within or without the District's boundaries, of a system of traffic and safety protection facilities and services through traffic and safety controls and devices on streets and highways and at railroad crossings, including traffic signals and signage, environmental monitoring, traffic-related computer systems, as well as other facilities and improvements including without limitation signalization at intersections, traffic signs, area identification signs, directional assistance, and driver information signs, and related landscaping and irrigation improvements, together with all necessary, incidental and appurtenant facilities, equipment, land and easements, acquired by condemnation or otherwise, and extensions of and improvements to such facilities.

c. Sanitation. The design, acquisition, installation, construction, relocation, operation and maintenance, within or without the boundaries of the District, of storm or sanitary sewer system improvements, including storage facilities, collection and transmission lines, pumping stations, retention and settling ponds or basins, sludge drying beds, composting facilities, treatment works, facilities and equipment, and related landscaping and irrigation improvements, together with all necessary, incidental and appurtenant facilities, equipment, land and easements, acquired by condemnation or otherwise, and extensions of and improvements to such facilities.

d. Parks and Recreation. The design, acquisition, installation, construction,

relocation, operation and maintenance of park and recreation facilities or programs including, without limitation, open space, bike paths, hiking trails, pedestrian trails, pedestrian bridges, pedestrian malls, public plazas and courtyards, ponds or other water features, signage, public foundations and sculpture, art, botanic gardens, equestrian trails and centers, swimming pools and spas, tennis courts, golf courses, exercise facilities, picnic areas, playground areas, park shelters, community events, common area landscaping and weed control, outdoor lighting of all types, and related landscaping and irrigation improvements, together with all necessary, incidental and appurtenant facilities, equipment, land and easements, acquired by condemnation or otherwise, and extensions of and improvements to such facilities.

e. Transportation. The design, acquisition, installation, construction, relocation, operation and maintenance of public transportation system improvements, including transportation equipment, park and ride facilities and parking lots, shuttle facilities, parking structures, signage, roofs, covers, bicycle racks, other transportation-related facilities, and related landscaping and irrigation improvements, together with all necessary, incidental and appurtenant facilities, land and easements, acquired by condemnation or otherwise, and extensions of and improvements to such facilities or systems.

f. Telecommunication Systems and Services. The design, acquisition, installation, construction, relocation, operation and maintenance of television relay and translator facilities, including without limitation, digital, satellite and cable television, communication systems and other technologies, and related landscaping and irrigation improvements, together with all necessary, incidental and appurtenant facilities, land and easements, acquired by

condemnation or otherwise, and extensions of and improvements to such facilities.

**D. Miscellaneous Powers.**

The District shall have the following miscellaneous powers with respect to activities conducted pursuant to this Service Plan.

1. Legal Powers. The powers of the District will be exercised by its Board of Directors to the extent necessary to provide the services contemplated in this Service Plan. The facilities, improvements, programs and services, along with all other activities permitted by law, will be undertaken in accordance with, and pursuant to, the procedures and conditions contained in the Special District Act (§ 32-1-101, et seq., C.R.S.), Teller County Regulations, other applicable statutes, and this Service Plan, as any or all of the same may be amended from time to time.

2. The Board of Directors' Limitations.

~~a. At least annually following the formation of the District, for a minimum period of fifteen years the District shall notify by mail every property owner in the District of the existence of the District and the yearly of the next scheduled of the meetings of its Board of Directors. Such meeting shall occur at least 30 days and not more than 60 days following the date of the mailing. Such notification shall include names and addresses of the Board of Directors and officers, the address and phone number of the District, and shall include reference to the existence of the District files maintained by Teller County.~~

~~b. There shall be a non-voting advisor to the District Board of Directors appointed by the Teller County Board of County Commissioners.~~

~~c. The District shall establish a Citizens' Advisory Committee composed of interested property owners within the District, residents, service users and County agencies involved in infrastructure development. The purpose of this Committee shall be to (1) review the District's annual budget and policies; and (2) advise the District on specific infrastructure project identification, prioritization, coordinating and funding. Appointments to such Citizens' Advisory Committee shall be subject to review and approval by the Board of County Commissioners.~~

3. Other. In addition to the powers enumerated above, the Board of Directors of the District shall also have authority:

a. To amend this Service Plan for material modifications, as provided in Section IX, by following the procedures set forth in § 32-1-207(2), C.R.S., including written notice to Teller County of actions which the District believes are permitted but which may be unclear or by other means provided by the County or Colorado Statutes; and

b. To furnish contractual service to lots within the Arabian Acres and Trout Haven Subdivisions, if any, which may, by present exclusion from the District by the Board of County Commissioners, be outside District Boundaries, and establish responsible fees for them. The provision of such service by contract to these properties shall not be considered a material modification of the Service Plan requiring approval of the Board of County Commissioners.

c. ~~To~~ To forego, reschedule or restructure the financing and construction of improvements and facilities in order to better accommodate the pace of growth, resource

availability and potential inclusions of property within the District, or if the development of the improvements and facilities would best be performed by another entity; and

d. To provide all additional services and exercise all powers expressly or impliedly granted by Colorado law, and which the District is required to provide or exercise, or in its discretion, choose to provide or exercise; and

e. To exercise all necessary and implied powers under The Special District Act in the reasonable discretion of the Board of Directors of the District, subject to and in accordance with the powers described herein.

### **III. BOUNDARIES, POPULATION & VALUATION**

The service area of the District consists of approximately 750 acres located in all of Section 16, and parts of Sections 9, 17, 20 and 21, Township 13 South, Range 70 West of the Sixth Principal Meridian, in unincorporated Teller County. It is generally bounded by the west section line of Section 16, the south section line of Section 16, portions of Section 9 to the north, and the east section line of Section 16. The proposed District boundaries are based upon the Decreed Service area contained in the Decree issued in Water Court Case No. 94CW281, attached hereto as Exhibit F.

The legal description of the District is attached as Exhibit A, a map identifying the general vicinity of the District is attached as Exhibit B, and a detailed boundary map of the District is attached as Exhibit C.

The majority of the District consists of rural residential lots contained in the Arabian



Acres Subdivision, Trout Haven Estates Filings No. 1, 3, 4, part of Filing No. 2, and a few large acre residential lots adjacent to the Arabian Acres Subdivision. The Arabian Acres Subdivision is at approximately forty percent of full build-out. Trout Haven Estates Filing Nos. 1, 3, 4, and part of Filing No. 2 are at approximately fifty-one percent of full build-out. The District anticipates serving a total population of 750 residents, or 3400 properties at full build-out.

The District also contains two commercial properties, the Trout Haven Resort and Camp Iana. The Trout Haven Resort is a private fishing club. The Trout Haven "Lost Dutchman Pavilion" is an events center, catering primarily to functions such as weddings, business events and community groups. Camp Iana is a church camp, consisting of approximately twenty-two acres for the main complex. It is affiliated with numerous churches in the immediate area. Numerous retreats, workshops and youth programs are offered throughout the year.

The valuation for assessment of the District for 2002 is \$2,968,718. The valuation for assessment for the District at full build-out is expected to be \$6,566,993 in 2017. For purposes of the Financing Plan, the valuation for assessment is presumed to be \$3,057,779 by the end of 2003.

#### **IV. DESCRIPTION OF PROPOSED FACILITIES**

##### **A. Improvements.**

The District will acquire, operate, maintain and expand, as necessary, the water system and provide for mosquito control within its boundaries. The improvements and assets to be acquired by the District consist of eight wells, two treatment facilities, one storage tank, mains, real property

holdings, two reservoirs, water rights and easements. The appraised value of the water system is approximately \$1,100,000. A recent appraisal is attached as Exhibit D.

Maps depicting the location of the water system improvements are attached as Exhibit E. The District will be authorized to acquire, construct or replace any improvements necessary to provide water service, subject to County regulations.

The District will fully cooperate with the right of all currently unbuilt lot property owners within the District to apply for, and receive, a well permit from the Office of the State Engineer-Division of Water Resources provided that District service to the lot, at the time of construction, neither exists nor is expected to exist within a reasonable period of time, which is to say by the time a Certificate of Occupancy is anticipated to be issued by Teller County.

All Agreements or other documents of public record as of August 13, 2002 between members of the Rupp Family, jointly or severally d/b/a Arabian Acres Water Company, LLC, and any individual property owner or owners within the Arabian Acres Subdivision or Trout Haven Subdivision, their heirs or assigns, regarding the ability to drill or replace a well, the payment of prepayment of the fees, the ability to request and receive future water service, easements, or any other matter, shall remain in full force and effect as recorded, and are binding on the District. Copies of such Agreements are attached as Exhibit N.

**B. Existing Conditions.**

The original water system was built to service the Arabian Acres Subdivision. Trout Haven Estates Filing Nos. 1, 3, 4, part of Filing No. 2, a few large acre lots adjacent to the Arabian Acres Subdivision, and commercial taps to the Trout Haven Resort and Camp Iana have been added to the

system. The system relies on well rights for its water supply and currently serves approximately 125 customers.

Arabian Acres Subdivision (the "Subdivision") was platted in the 1960s and contains 229 lots. When platted, it was assumed that each lot would contain one single-family home. The Water Court Decree in Case No. 94CW281, attached as Exhibit F (the "Decree"), reflects that assumption. There is a growing trend within the Subdivision, however, to construct single-family homes on multiple lot sites. Current estimates project the Subdivision to contain approximately 190 single-family homes at full build-out.

Trout Haven Estates was platted in the early 1960s as well. These filings contained 169 original lots. As with Arabian Acres, it was assumed that the lots in Trout Haven would also contain one single-family home per lot, however the trend is to construct single-family homes on multiple lot sites. Current estimates project that Trout Haven Estates will contain approximately 141 single-family homes at full build out.

There are several adjacent tract properties that are not platted within either subdivision. These properties are "pre-Senate Bill 35" and are quite problematic for inclusion in any platted subdivision. The District boundaries are based upon AAWC's decreed service area.

All water usage is metered. The Decree anticipated a per capita water usage of 65 gallons per day. A study of water usage between June, 1999 and June, 2001 shows that actual water consumption is 123 gallons per home per day. The Findings of Fact, Conclusions of Law, Judgement and Decree in Water Court Case No. 94CW281 approved an augmentation plan (the "Augmentation Plan") based upon depletions associated with the measured water to customers.

See, Exhibit F. The Water System Evaluation and Master Plan for Arabian Acres Water Company dated July, 2002 prepared by JDS-Hydro Consultants, Inc. concludes that the water resources of the Company are sufficient to serve 445 units, well in excess of the 340 units anticipated at final build out of the subdivisions. See, Exhibit M. Therefore, additional customers may be served by the District without exceeding the allowed maximum water usage set forth in the Decree. ~~A modification to the Decree may be required by the Water Court.~~

The water system is supplied by well water taken from several locations. The water rights supporting the wells are described in detail in the Decree. The rights allow for a total of 6.906 acre-feet of annual consumptive use and development of a total of seventeen wells. The system currently contains seven active wells. An eighth well has been drilled and the piping has been completed. It is now being analyzed for water quality and quantity. These rights are supported by 220 shares of the Mountain Mutual Reservoir Company. These rights do not allow irrigation. The Reservoir Company shares will be conveyed to the District as part of the water system.

In addition to the decreed water rights, the Company has raw water storage that may be used to augment flows in an out-of-priority situation for the decreed source. The storage rights were decreed in Case No. 96CW238 and a copy of the Decree is attached as Exhibit G.

**C. Anticipated Development.**

A major expansion to the water system was completed in 1994. The intent is to maximize the customer base of water users in order to lower the cost of providing service. The District will have the capability to service approximately 3400 single-family units, in addition to the commercial taps, based on existing metered usage.

The District does not anticipate making major changes to the system in the near future aside from running additional lines to accommodate new customers and ~~and~~ replacing improvements as needed. ~~Improvements to the system will be designed and constructed to meet fire flow requirements, where required by the County Engineer. The owners of AAWC have no power or jurisdiction over the Board of Directors who will be elected by the District's constituents and cannot dictate or enforce a projected capital improvements plan for implementation by the Board.~~ One of the purposes of organizing a metropolitan district is to provide a mechanism for long range planning and financing.

Once the District is formed, water taps shall, at all times, be reserved and set aside for, and be available to, the owners of all legally subdivided and platted but unbuilt lots in Arabian Acres and Trout Haven and all currently unplatted tract properties within the District boundaries depicted on Exhibit C, "Arabian Acres Metropolitan District Boundary Map," until such time as full build-out of these subdivisions and properties occurs.

**D. Teller County Construction Standards.**

All District improvements will be designed and constructed in accordance with the standards, specifications and requirements of Teller County. The District will obtain approval of civil engineering plans and permits for construction and installation of improvements from the County.

**E. Dedication of Improvements.**

The District does not intend to dedicate any public improvements to the County or any other public entity. Teller County shall not be obligated to accept any dedication of proposed

lands, facilities, or other improvements within the Service District except as otherwise may be accepted by separate resolution of the Board of County Commissioners.

**F. Ownership and Operation of Facilities by the District.**

Upon conveyance of the water system, the District shall own, design, construct, operate, maintain and replace all water system improvements, or as otherwise agreed with or required by the County. As a condition of organization, within the first year of operation, the District Board will adopt a long term capital improvements plan ("CIP"), ~~which will meet to fire flow requirements as required by the County Engineer.~~ A proposed CIP for review and approval by the Board of Directors is attached as Exhibit M.

Both the Capital Improvements Plan and the Financing Plan (Exhibit H) are *plans* based upon assumptions and projections. These plans, over time, may be subject to change as needed depending on changed economic or other conditions that render the projections and assumptions invalid.

**G. Rules and Regulations.**

The District Board will adopt Rules and Regulations governing the operation of the system and ensuring water quality and longevity of the water supply. The Rules and Regulations may be revised from time to time.

**H. Compliance with Teller County Master Plan.**

Pursuant to § 30-28-106 and § 32-1-203(2.5)(c), C.R.S., the District is in compliance with the County's Growth Management Plan because the District is located within approved existing subdivisions and the District is not creating any new development within the County.

**I. Compliance with Teller County Long Range Water Quality Management Plan.**

Pursuant to § 32-1-203(2.5)(c), the District is in compliance with the Pikes Peak Area Council of Governments 408 Water Quality Plan. AAWC has been a member of the Colorado Rural Water Association since 1995. It has also been a member of the Teller County Water Quality Association since 1996. AAWC participates in the Colorado SWAP response program and several other programs to identify water resources and the protection of all area water sources. See letter from the Teller County Water Quality Association attached hereto as Exhibit L.

**J. Compliance with Teller County Land Use Regulations.**

The District is subject to compliance with federal, state and local laws and regulations. In its particulars, the Teller County Land Use Regulation, and any amendments thereto, shall govern and control development within the Special District.

**V. FINANCIAL INFORMATION**

**A. Overview.**

This section describes the nature, basis, method of funding, debt, and mill levy limitations associated with the District's purchase of the water system and operations. A detailed Financing Plan and statement of assumptions are contained in Exhibit H. The Financing Plan assumes the issuance of debt and shows anticipated repayment based on the projected development within the District boundaries. The Plan assumes the District will incur debt through general obligation bonds. The District does not anticipate borrowing operating funds because service charges from

existing customers will sufficient generate operating revenue.

**B. Bond Limitations.**

The bonds may be issued to the general public or to certain investors of the bonds, but must comply with the applicable limitations found in § 32-1-1101(6)(a)(I), (II), (III), or (IV), or § 32-1-1101(6)(b) ), C.R.S., to wit:

(6) (a) The total principal amount of general obligation debt of a special district issued pursuant to subsection (2) of this section, which debt is issued on or after July 1, 1991, shall not at the time of issuance exceed the greater of two million dollars or fifty percent of the valuation for assessment of the taxable property in the special district, as certified by the assessor, except for debt which is:

(I) Rated in one of the four highest investment grade rating categories by one or more nationally recognized organizations which regularly rate such obligations;

(II) Determined by the board of any special district in which infrastructure is in place to be necessary to construct or otherwise provide additional improvements specifically ordered by a Federal or state regulatory agency to bring the district into compliance with applicable Federal or state laws or regulations for the protection of the public health or the environment if the proceeds raised as a result of such issue are limited solely to the direct and indirect costs of the construction or improvements mandated and are used solely for those purposes;

(III) Secured as to the payment of the principal and interest on the debt by a letter of credit, line of credit, or other credit enhancement, any of which must be irrevocable and unconditional, issued by a depository institution:

(A) With a net worth of not less than ten million dollars in excess of the obligation created by the issuance of the letter of credit, line of credit, or other credit enhancement;

(B) With the minimum regulatory capital as defined by the primary regulator of such depository institution to meet such obligation; and

(C) Where the obligation does not exceed ten percent of the total capital and surplus of the depository institution, as those terms are defined by the primary regulator of such depository institution; or

(IV) Issued to financial institutions or institutional investors.



(b) Nothing in this title shall prohibit a special district from issuing general obligation debt or other obligations which are either payable from a limited debt service mill levy, which mill levy shall not exceed fifty mills, or which are refundings or restructurings of outstanding obligations, or which are obligations issued pursuant to part 14 of this article.

**C. Debt Authorization.**

The Financing Plan anticipates that approximately \$1.3 million will be required to finance capital costs associated with the acquisition of the public improvements (not including the cost recovery and reimbursement for advances and operation costs) and the funding of a capital improvements account. To pay these amounts, finance the costs of issuance, pay cost recovery and reimbursements for advances, as well as other contingencies, the District will seek the authorization of its electors to issue up to \$1.5 million in general obligation indebtedness. Such authorization will be sought pursuant to the terms of the Special District Act and the Colorado Constitution, as they may be amended from time to time.

In the discretion of the Board of Directors, using the procedures and criteria found in Section 20, Article X, of the Colorado Constitution (TABOR) and state law, the District may set up enterprises to manage, fund, and operate such facilities, services, and programs as may qualify for enterprise status. To the extent allowed by law, any enterprise created by the District will remain under the control of the Board of Directors of the District.

The District has also built in an initial capital improvements fund of \$120,000 into the bond proceeds so that the initial District Board of Directors will have the opportunity and flexibility to make capital improvements. **The District Board will consult with the Divide Fire Protection District regarding the fire flow standards to be applied to the design and**

**construction of improvements and other new construction.** –Upgrading the system will be an ongoing project.

**D. Debt Issuance.**

The provision of facilities by the District will be primarily financed by the issuance of general obligation bonds, secured by the *ad valorem* taxing authority of the District. The bonds are anticipated to be issued in 2003. The District will be entitled to modify the proposed structure of its Financing Plan as contemplated in this Service Plan. Subject to the limitations contained herein, the refunding of any debt or other obligations shall not require County approval.

The District may obtain financing to purchase the water system through the issuance of general obligation bonds, payable from the imposition of *ad valorem* property taxes, service charges, tap fees and other sources. The District intends to issue bonds in the amount of One Million Three Hundred Twenty-five Thousand Dollars (\$1,325,000), exclusive of obligations issued to refund or refinance. The District may increase or decrease the amount of bonds to be issued as necessary to accommodate its needs, at the discretion of the Board of Directors and subject to the provisions of this Service Plan. The exact interest rates and discounts will be determined at the time the bonds are sold by the District, taking into account market conditions at the time of sale; however, the proposed maximum voted net effective interest will be 12%. The proposed maximum underwriting discount will be 5%.

Any bonds issued, will not mature more than thirty (30) years from the date of issuance, with the first maturity being not later than three (3) years from the date of their issuance, as required by statute.

Refunding bonds may be issued by the District to defease original issue bonds in compliance with law. The District may also issue notes, certificates, debentures or other evidences of indebtedness, as permitted by law. The figures contained herein, depicting costs of purchasing the infrastructure and operations, shall not constitute legal limits on the financial powers of the District; provided, however, that the District shall not be permitted to issue bonds which are not in compliance with the bond registration and issuance requirements of Colorado law. ~~No fewer than forty-five (45) days prior to the issuance of any bonds subsequent to the initial offering, the District shall submit to Teller County a bond issuance plan which demonstrates the structure of the proposed bond transaction and the District's plan to pay the proposed bond ("Bond Issuance Plan"). Teller County shall have thirty (30) days from the date of receipt of the notice in which to object to the Bond Issuance Plan. In the event Teller County objects in writing within the thirty (30) day period, the District shall proceed with the bond issuance only with the written consent of the Board of County Commissioners.~~

The total appraised value of the water system components is One Million Forty-Five Thousand Four Hundred Eleven Dollars (\$1,045,411). The County is not responsible for assuming any of the costs of the improvements funded by the District. The amount to be voted by the District's taxpaying electors is expected to exceed the amount of bonds anticipated to be sold, as shown in the Financing Plan, to allow for the utilization of alternative financing mechanisms, unforeseen contingencies, increases in costs due to changed market conditions or inflation, expansions of the District's boundaries, and to cover all issuance costs.

**E. Operations.**

The estimated cost of operating the District for 2003, its initial year of operation, is expected to be approximately Twenty Thousand Dollars (\$20,000) for legal, administrative and financial services, and is expected to be approximately Forty-two Thousand Dollars (\$42,000) for operating expenses. Legal and financial service expenses will decline sharply after the issuance of bonds and acquisition of the system and water rights.

**F. Identification of District Revenue**

The District will rely on tap fees, service charges and property taxes as sources of revenue. A schedule of the District's anticipated fees, rates and charges is attached as Exhibit I.

1. Tap Fees. Commercial and residential tap fees will be paid by all new customers prior to activation of service. Fees may be adjusted by the District's Board of Directors from time to time.
2. Service Charges. All service charges will be listed in the District's Rules and Regulations and may be adjusted by the District's Board of Directors from time to time. No property with a well permit issued by the State of Colorado-Division of Water Resources within the District's boundaries depicted on Exhibit C, "Arabian Acres Metropolitan District Boundary Map," shall be required to use the services of the District; nor shall any such property owner be required to remit to the District any service charge, fee, rate, penalty, toll, levy or other assessment intended for repayment of District revenue bonds (as opposed to general obligation debt) although same may be made against property owners using District services.

3. Ad Valorem Property Tax Levy. The District will assess a mill levy for the repayment of debt through the bond repayment period. Service charges and tap fees will fund the costs of District administration, operations and maintenance. The District anticipates that the mill levy needed to support the debt is six (6) mills over the life of the bonds. In no event will the District's debt service mill levy exceed twelve (12) mills.
4. Contract Service. The District may provide contract service to properties as described in §II. D. 3. b.
5. Conservation Trust Funds. ~~For those facilities and services for which Teller County or overlying districts have a pre-existing broad County interest, including but not limited to parks or recreation facilities or programs, traffic safety controls and street or road improvements, and sanitation services, The District shall not apply for funds that are available from or through governmental or non-profit entities that the County or overlying districts have are eligible to appliedy for, including but not limited to funds from Great Outdoors Colorado and Gaming Impact Funds.~~

The District Board may utilize any combination revenue sources authorized by law and this Service Plan for debt service, operations and maintenance. This includes the power to assess fees, rates, tolls, penalties, or charges as provided in § 32-1-1001(1) and § 32-1-1006, C.R.S. Substantial deviations from this section shall be deemed a material modification of the Service Plan.

**G. Security for Debt.**

The District's debt shall be general obligation indebtedness and/or revenue bonds secured by the District's revenues or *ad valorem* taxing authority. The District shall not pledge any County funds or assets for security for the indebtedness set forth in the Financing Plan of the District. For general obligation bonds, bondholders will be advised that so long as the District is certifying the required mill levy, no other remedy will be available to bondholders to obtain payment. This mechanism will help assure that bonds cannot default as long as the mill levy is being certified and the property owners will pay only the required mill levy.

**H. Financing Plan.**

The Financing Plan prepared by the District and attached as Exhibit H, contains the following:

- a. The debt anticipated to be issued by the District;
- b. The total amount of debt to be issued during the three (3) year period commencing with the formation of the District;
- c. All proposed sources of revenue and projected District expenses, as well as the assumptions upon which they are based, for at least a ten-year period from the date of organization of the District;
- d. The dollar amount of any anticipated financing, including capitalized interest, costs of issuance, estimated maximum rates and discounts, and any expenses related to the organization and initial operation of the District;
- e. A detailed repayment plan covering the life of any financing, including the frequency and amounts expected to be collected from all sources; and

f. The amount of any reserve fund and the expected level of annual debt service coverage that will be maintained for any financing.

Although the Financing Plan demonstrates the payment of the District's debt within a thirty-year period, it ~~attempts to project~~ anticipated operations, maintenance and other costs that might be incurred due to the implementation of a CIP, as adopted by the District's Board of D

irectors during its first year of operation. A preliminary CIP is attached as part of the ~~if~~ the Capital Improvements Plan that is included as part of the Master Plan found at (Exhibit M.)

Both the CIP (Exhibit M) and the Financing Plan (Exhibit H) are *plans* based upon assumptions and projections. They may, over time, be subject to change as needed depending on changed economic or other conditions that render the projections and assumptions invalid. ~~As components of this Service Plan, substantial changes to them are considered material modifications of this Service Plan, and are subject to the provisions of Section IX.~~

## VI. REGIONAL IMPROVEMENTS

Unless otherwise required by the County, the District will not participate in the funding of any regional public infrastructure improvements, except after an amendment to this Service Plan approved by the County.

## VII. ANNUAL REPORTING

The District shall, if requested by the County, submit an annual report, as described in §

32-1-207(3)(c) and (d), C.R.S., to the Teller County Board of County Commissioners, ~~for a period of fifteen years following organization.~~ The District will provide annual audits and budgets to the State of Colorado as required by law.

The District will pay an ~~annual~~ fee of \$500.00 to the County when reports are submitted ~~of \$500.00~~ for review and maintenance of the District file. The fee may be adjusted administratively, no more than once per year, based on the maximum local district annual percentage change in spending provided for under Article X, Section 20 of the State Constitution. Fees may be adjusted legislatively as deemed necessary.

#### **VIII. LANDOWNERS PUBLIC IMPROVEMENTS**

The creation of the District will not relieve the landowners or developers of the property, their successors or assigns, of any obligation to construct public improvements required by any agreement entered into with the County or other governmental entity.

#### **IX. MODIFICATION OF SERVICE PLAN**

The District will obtain approval from the County before making any material modifications to this Service Plan. Material modifications include:

- a. The addition of new types of services.
- b. Change in any service or facilities to be provided.
- c. A decrease in the financial ability of the district to discharge existing or proposed indebtedness.
- d. A decrease in existing or projected need for organized service in the area.



- e. Inclusion of any additional property into the district.
- f. Exclusion of any property from the district.
- g. Change in the maximum mill levy.
- h. Consolidation with any other district.
- i. Except for assumed changes in conversion from constant dollars to current dollars, material changes in cost estimates provided.
- j. Change in the dissolution date.
- k. Change in the revenue source(s) for bonded indebtedness.
- l. Failure to provide annual reports or other information to Teller County as may be required by C.R.S.
- m. Reduction in any bond ratings or the failure of any credit enhancement technique.
- n. Issuance of debt in any amount or type or at any time not authorized by the approved Service Plan.
- ~~o.n.~~ Default in any of the terms and/or conditions of any Facilities Funding, Construction and Operations Agreement (FFCOA), if any, or any proposed or actual termination thereof, or any material alteration thereof.
- ~~p.o.~~ Other such changes that may constitute a change in the basic or essential nature of the original service plan, including, without limitation, any increase or decrease in the District's service area.
- ~~q.p.~~ The provision of services to any new subdivision of lands pursuant to the Teller County Land Use Regulations within the boundaries of the District as depicted in Exhibit C, "Arabian Acres Metropolitan District Boundary Map." It must be clearly demonstrated that there is adequate water to provide water to all lots in Arabian Acres and Trout Haven subdivisions, and all tracts of land currently unplatted, in addition to any new subdivision of land proposed.
- ~~r.~~ Any substantial modification of the Capital Improvements Plan which is a part of this Service Plan.

County approval is not required for modifications to this Service Plan necessary for the execution of financing, purchase, or construction of public improvements already outlined in this Service Plan.

#### **X. DISTRICT CONSOLIDATION OR DISSOLUTION**

In order to foster efficiencies and reduce the number of special districts within Teller County, at such time as the purchase of the system is complete and all debt contemplated in this Service Plan has been issued; the District may consider consolidation with one or more special districts for the continued provision of water service and/or other services. The District is not contemplating dissolution because the District is being formed for the purpose of providing an ongoing service.

#### **XI. DISCLOSURE**

The District will take steps to ensure that the developers of property located within the District provide written notice at the time of closing to purchasers of land regarding the existence of taxes, charges, or assessments which may be imposed in connection with the District. The District will also record the Order of the District Court organizing the District in the real property records of the Clerk and Recorder of Teller County, Colorado, so that all future property owners within the District will have notice regarding the existence of the District.

## **XII. INTERGOVERNMENTAL AGREEMENTS**

None are anticipated at this time.

## **XIII. RESOLUTION OF APPROVAL**

The District incorporates the Teller County Board of County Commissioners' Resolution approving this Service Plan, including any conditions of approval, into this Service Plan as Exhibit J.

## **XIV. STATUTORY REQUIREMENTS**

This Service Plan for the Arabian Acres Metropolitan District meets the requirements of the Special District Control Act (§ 32-1-201, et seq., C.R.S.) and the requirements of the Colorado Constitution. It is further submitted that pursuant to § 32-1-203(2) and (2.5), C.R.S.:

1. There is sufficient existing and projected need for organized service in the area to be serviced by the District. The formation of the District is necessary to decrease the number of individual wells drilled in the area due to the use of individual septic systems on the same properties and water quality issues identified by the County; the need for long range planning and financing of an infrastructure system capable of meeting fire flow rates as identified by the County; and area residents and property owners desire to own and control the water system and water rights servicing their properties, as well as providing means for making future improvements desired or needed by the community.

2. The existing service in the area to be served by the District is inadequate for present and projected needs. The Rupp Family Partnership is divesting AAWC and has no interest or financial wherewithal to make long-term improvements to the water system.
3. The District is capable of providing economical and sufficient service to the proposed development within its boundaries as shown on the attached Financial Plan.
4. The area to be included within the District does have and will have the financial ability to discharge the proposed indebtedness on a reasonable basis as shown on the Financial Plan.
5. Adequate service is not, or will not be, available to the area through County or other existing municipal or quasi-municipal corporations, including existing special districts, within a reasonable time and on a comparable basis.
6. The facility and service standards of the proposed special district are compatible with the facility and service standards of Teller County. The District will be taking over existing facilities and services, built to County specifications at the time of construction. Additional improvements will be built to County specifications.
7. The proposal is in substantial compliance with any Teller County Master Plan adopted pursuant to § 30-28-106, C.R.S., as stated above.
8. The proposal is in compliance with any duly adopted county, regional, or state long-range water quality management plan for the area, as stated above.

9. The creation of the proposed special district will be in the best interests of the area proposed to be served because a metropolitan district will provide service in perpetuity by an elected board consisting of District residents and property owners. The financing mechanisms available to a special district allow for long range planning and low cost financing of system improvements. In addition, the metropolitan district will provide for the implementation of expanded facilities and services desired or requested by the District constituents that the County is unable or unwilling to provide.

## **XVI. CONCLUSION**

Therefore, it is requested that the Teller County Board of County Commissioners adopt a resolution to be included herein as Exhibit J approving this Service Plan for the Arabian Acres Metropolitan District.

ARABIANACRES/SP  
JVE0825  
0650.0003

**EXHIBIT H**

**FINANCING PLAN**

539678 10/04/2002 08:00AM Page 42 of 47  
Connie Joiner, Clerk & Recorder, Teller County, Colorado

### **Service Plan Financial Summary**

The Financial Plan for the Arabian Acres Metropolitan District includes the issuance of bonds in two series. The first issue would be completed in 2003 for a total principal amount of \$1,325,000. The second series would total \$400,000 in principal and would be issued in 2013.

These bonds would be secured by a limited mill levy pledge of the District as well as water revenues. The plan is to pay back the principal and interest on the bonds from a combination of water service charges, tap fees and a debt service mill levy of 6 mills. This financing structure ensures that all property owners in the District pay some part of the costs of the improvements through the mill levy but that the users of the water system pay a higher amount through the mill levy and service charges. New growth pays its fair share through a tap fee in addition to the property tax and service charge.

The revenue assumptions are that the mill levy starts and stays at 6 mills. Monthly service charges start at \$35 and increase \$1 annually. The tap fee starts at \$7,500 and increases \$200 annually.

The expenditure assumptions include operations and administration costs starting at \$62,000 with annual increases. Annual capital outlay is included to cover improvements to the water system as well as to finance the fire flow improvements according to the Capital Improvements Plan.

The 2003 bonds are assumed to be issued at an average interest rate of 6% for a term of 25 years. This is a reasonable interest rate considering the current market and that the bonds will be in fact secured by two revenue sources. The 2013 bonds will be issued for 15 years at the same assumed interest rate.

Growth in the District is projected very conservatively at 10 new homes per year until 2018 until the District reaches its water service capacity (340 homes) based on the current water supply.

Overall, the financial plan shows that the District can adequately discharge its debt based on a low mill levy, low water service charges and slow growth.

Connie Joiner, Clerk & Recorder, Teller County, Colorado

PLAN 1A												
PROPERTY TAX LEVIED												
Arabian Acres Metropolitan District												
Florissant, Colorado												
\$ 1,220,000 Net Proceeds												
\$1,325,000 in Bonds at 6.00%												
Beginning Cash Available												
Total												
2002												
2003												
2004												
2005												
2006												
2007												
2008												
2009												
2010												
2011												
2012												
430,740												
Mills to 6												
Taps to 7500												
40 year Capital Expenditure												
Funds wells (2013,2015,2017) in 2013 with 15 year debt \$400,000 at 8%												
Revenues:												
06 Mills												
00 Mills												
6.00%												
\$0												
Property Taxes - Debt Service												
Property Taxes - Operating												
Specific Ownership Taxes												
Tap Fees												
Water Fees												
Project Proceeds												
Capitalized Interest/Reserves												
DS												
DS												
4.50%												
Investment Income												
Total Annual Income												
7,129,946												
1,400,401												
195,094												
207,077												
219,792												
233,047												
247,054												
259,907												
271,585												
285,832												
301,173												
Expenditures:												
DS												
Debt Service												
Acquisition/Construction												
Tax Collection Fees												
3.00%												
3.00% Growth												
Administration												
Operating Expenses												
Capital Expenses												
3.50% Growth												
Total Annual Expenses												
6,324,641												
1,281,866												
163,818												
165,886												
173,018												
175,969												
215,032												
267,332												
221,399												
224,728												
228,171												
Net Income (loss)												
Ending Cash Available												
118,535												
31,275												
41,191												
46,774												
57,077												
32,022												
(7,425)												
319,449												
369,636												
430,740												
503,741												
Debt Mill Levy												
Water Rates (\$/month)												
Tap Fees												
6.00												
35.00												
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PLAN 1A  
All Properties  
PROPERTY TAX LEVIED  
Arabian Acres Metropolitan District  
Florissant, Colorado  
\$ 1,220,000 Net Proceeds  
\$1,325,000 in Bonds at 6.00%

## Beginning Cash Available

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
	503,741	589,056	646,538	715,997	798,452	829,034	821,940	816,305	811,866	808,221

## Revenues:

06 Mills Property Taxes - Debt Service  
00 Mills Property Taxes - Operating  
6.00% Specific Ownership Taxes  
\$0 Tap Fees  
Water Fees  
DS Project Proceeds  
DS Capitalized Interest/Reserves  
4.50% Investment Income

	32,188	34,060	35,689	37,665	39,402	41,490	43,341	45,004	46,354	47,745
	1,931	2,044	2,141	2,260	2,364	2,489	2,600	2,700	2,781	2,865
	95,000	97,000	99,000	101,000	103,000	105,000	107,000	109,000	111,000	113,000
	165,240	174,432	183,864	193,536	199,920	204,000	208,080	212,160	216,240	220,320
	105,795	-	113,330	-	121,402	-	-	-	-	-
	22,668	26,508	29,094	32,220	35,930	37,307	36,987	36,734	36,534	36,370
Total Annual Income	422,823	334,043	463,118	366,681	440,218	285,286	291,009	296,598	301,909	307,299

## Expenditures:

DS Debt Service  
DS Acquisition/construction  
DS Tax Collection Fees  
3.00% Growth Administration  
3.00% Growth Operating Expenses  
3.50% Growth Capital Expenses

	115,520	156,705	156,705	156,705	156,705	156,705	156,705	156,705	156,705	156,705
	105,795	-	113,330	-	121,402	-	-	-	-	-
	1,024	1,083	1,135	1,198	1,253	1,319	1,378	1,431	1,474	1,518
	30,747	31,669	32,619	33,598	34,606	35,644	36,713	37,815	38,949	40,118
	54,800	56,444	58,138	59,882	61,678	63,529	65,435	67,398	69,420	71,502
	29,623	30,660	31,733	32,843	33,993	35,183	36,414	37,688	39,007	40,373
Total Annual Expenses	337,508	276,561	393,659	284,226	409,637	292,379	296,645	301,037	305,555	310,216

Net Income (loss)  
Ending Cash Available

	85,315	57,482	69,459	82,455	30,582	(7,094)	(5,635)	(4,439)	(3,646)	(2,916)
	589,056	646,538	715,997	798,452	829,034	821,940	816,305	811,866	806,221	805,305

Debt Mill Levy  
Water Rates (\$/month)  
Tap Fees

	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00
	45.00	46.00	47.00	48.00	49.00	50.00	51.00	52.00	53.00	54.00
	9,500	9,700	9,900	10,100	10,300	10,500	10,700	10,900	11,100	11,300

## Assessed Valuation

3.00% Beginning  
Increase From Inflation  
Increase From Construction

	5,364,727	5,676,643	5,948,096	6,277,514	6,586,993	6,914,977	7,223,580	7,500,677	7,725,698	7,957,469
	160,942	170,299	178,443	186,325	197,010	207,449	216,707	225,020	231,771	238,724
	150,975	101,153	150,975	101,153	150,975	101,153	60,390	-	-	-
Cumulative	5,676,643	5,948,096	6,277,514	6,586,993	6,914,977	7,223,580	7,500,677	7,725,698	7,957,469	8,196,193

## Absorption

\$ 165,000.00 New Residential Units  
9.15% Number of Units - Residential SF  
29.00% Number of Units Served by Water  
Residential Value - New  
Non-Residential Value  
Total Market Value  
Assessed Valuation

	10	10	10	10	10	4	-	-	-	-
	306	316	326	336	340	340	340	340	340	340
	240	250	260	270	274	274	274	274	274	274
	1,105,500	1,650,000	1,105,500	1,650,000	1,105,500	680,000	-	-	-	-
	1,105,500	1,650,000	1,105,500	1,650,000	1,105,500	680,000	-	-	-	-
	101,153	150,975	101,153	150,975	101,153	60,390	-	-	-	-

**Revenues:**

**Expenditures:**

Total Annual Expenses

Net Income (loss)  
Ending Cash Available

Debt Mill Levy

Water Rates (\$/month)

**Assessed Valuation**

Beginning

Cumulative

### Absorption

### New Residential Units

\$ 165,000.00 Number of Units - Residential SF

Number of Units Served by Water

9.15% Residential Value - New

29.00% Non-residential Value

**Assessed Valuation**

1. **Introduction**

	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042
1,246,516	1,329,878	1,410,294	1,487,418	1,560,886	1,630,307	1,695,268	1,755,328	1,810,021	1,858,848	

**Beginning Cash Available**

Revenues:	Property Taxes - Debt Service
00 Mills	Property Taxes - Operating
03 Mills	Specific Ownership Taxes
6.00%	Tap Fees
\$0	Water Fees
	Project Proceeds
DS	Capitalized Interest/Reserves
DS	Investment Income
4.50%	

Total Annual Income

296,813	300,565	304,183	307,654	310,960	314,084	317,007	319,710	322,171	324,388
---------	---------	---------	---------	---------	---------	---------	---------	---------	---------

**Expenditures:**

Debt Service	DS
Acquisition/construction	DS
Tax Collection Fees	3.00%
Administration	3.00% Growth
Operating Expenses	3.00% Growth
Capital Expenses	3.50% Growth

Total Annual Expenses

[illegible]

Net income (loss)

83,362	80,415	77,124	73,468	69,421	64,961	60,080	54,693	48,828	42,437
1 320,878	1 410,204	1 487,410	1 550,885	1 600,207	1 600,000	1 600,000	1 600,000	1 600,000	1 600,000

### Debt Mill Levy

[illegible]

## Assessed Valuation

11,014,997	11,345,447	11,695,811	12,036,385	12,397,477	12,769,401	13,152,483	13,547,058	13,953,469	14,372,073
330,450	340,363	350,574	361,092	371,924	383,082	394,574	406,412	418,604	431,162

## Cumulative

11,345,447	11,685,811	12,036,365	12,397,477	12,769,401	13,152,463	13,547,058	13,953,469	14,372,973	14,803,236
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### Absorption

New Residential Units	
Number of Units - Residential SF	\$ 165,000.00
Number of Units Served by Water	
Residential Value - New	9.15%
Non-Residential Value	29.00%
Total Market Value	
Assessed Valuation	



629829  
1 of 3

9/15/2009 11:05 AM  
RES R\$0.00 D\$0.00

Patricia A Crowson  
Teller County

BEFORE THE BOARD OF COUNTY COMMISSIONERS  
OF TELLER COUNTY COLORADO

RESOLUTION NO. 09-10-09 ( 37 )

**A RESOLUTION APPROVING A MATERIAL MODIFICATION OF THE SERVICE  
PLAN FOR THE ARABIAN ACRES METROPOLITAN DISTRICT**

WHEREAS, on May 4, 2009 a Service Plan Material Modification for the Arabian Acres Metropolitan District was filed for recording with the Teller County Clerk and Recorder pursuant to the requirements of CRS § 32-1-101 *et seq.*; and

WHEREAS, the Service Plan for the Arabian Acres Metropolitan District was approved by the Teller County Board of County Commissioners on October 3, 2002 by Resolution 10-3-02 (61); and

WHEREAS, the intent of this Service Plan Material Modification is to amend Section V.F.3 of the Arabian Acres Metropolitan District Service Plan as follows:

3. Ad Valorem Property Tax Levy. The District will assess a mill levy for the repayment of debt through the bond repayment period. Service charges and tap fees will fund the costs of District administration, operations and maintenance. ~~The District anticipates that the mil levy needed to support the debt is six (6) mills over the life of the bonds. In no event will the District's debt service mil levy exceed twelve (12) mills. In no event will the District's debt service mil levy exceed twenty-four (24) mills.~~

so that it reads:

3. Ad Valorem Property Tax Levy. The District will assess a mill levy for the repayment of debt through the bond repayment period. Service charges and tap fees will fund the costs of District administration, operations and maintenance. In no event will the District's debt service mil levy exceed twenty-four (24) mills.

and

WHEREAS, the Teller County Planning Commission, at its hearing on July 14, 2009 did recommend DISAPPROVAL of the Service Plan Modification; and



629829  
2 of 3

9/15/2009 11:05 AM  
RES R\$0.00 D\$0.00

Patricia A Crowson  
Teller County

WHEREAS, pursuant to CRS § 32-1-207 (2), the Board's review of the Service Plan Modification is to be in substantially the same manner as is provided for review of an original Service Plan, and

WHEREAS, on September 10, 2009 the Teller County Board of County Commissioners did consider the Service Plan Modification, the Staff Report, public testimony, and the applicable criteria of CRS § 32-1-203 Action on Service Plan – Criteria, the Board finds that evidence satisfactory to the Board of each of the following has been presented:

1. Pursuant to CRS § 32-1-207 and Section 8.5.A.3.g. of the Teller County Land Use Regulations, Teller County has jurisdiction over the matter.
2. This Petition is presented in accordance with CRS § 32-1-207(2) and Section 8.5.A.3. of the Teller County Land Use Regulations.
3. The application contains all relevant and required submittal information as is required by Colorado Revised Statute and Teller County Land Use Regulations.
4. The findings of the Board of County Commissioners of the approval of the original Service Plan are still valid.
5. The Service Plan Material Modification is necessary and will allow the Special District to provide economical and sufficient service to the area within its boundaries. (CRS § 32-1-203(2)(c))
6. The Service Plan Material Modification of the Arabian Acres Metropolitan District is necessary and will provide the district with the financial ability to discharge the indebtedness on a reasonable basis. (CRS § 32-1-203(2)(d))
7. The Service Plan Material Modification will be in the best interests of the area being served. (CRS § 32-1-203(2.5)(e))
8. Other criteria in CRS § 32-1-203(2) and § 32-1-203(2.5) do not apply to this Service Plan Material Modification.

NOW, THEREFORE, BE IT RESOLVED by the Board of County Commissioners of the County of Teller, State of Colorado hereby APPROVES the Material Modification of the Service Plan for the Arabian Acres Metropolitan District as submitted and hereby requires that the District shall, no later than March 1, 2010 and March 1<sup>st</sup> of each year thereafter, submit an annual report to the County Commissioners, delivered to the County Administrator, for the previous calendar year. The report shall include:

- A description of capital projects undertaken in the reporting year.
- A description of capital projects anticipated in the subsequent reporting year.
- Any changes in District operations during the reporting year.
- A copy of the adopted budget for the calendar year following the reporting year,

and that there be no fee for such filing, unless subsequently imposed by the Board of County Commissioners.



629829  
3 of 3

9/15/2009 11:05 AM  
RES R\$0.00 D\$0.00

Patricia A Crowson  
Teller County

The Board of County Commissioners finds, determines, and declares that this Resolution is necessary for the health, safety, and welfare of the inhabitants of the County of Teller, State of Colorado.

THE FOREGOING RESOLUTION IS ADOPTED AT A REGULAR MEETING OF THE BOARD OF COUNTY COMMISSIONERS OF TELLER COUNTY, COLORADO HELD THE 10<sup>TH</sup> DAY OF SEPTEMBER, 2009, AT CRIPPLE CREEK, COLORADO.

THE BOARD OF COUNTY COMMISSIONERS,  
OF TELLER COUNTY, COLORADO

BY

CHAIR

ATTEST:

  
COUNTY CLERK

51



**BY-LAWS OF  
ARABIAN ACRES PROPERTY OWNERS' ASSOCIATION  
(W/ AMENDMENT (1) DATED July 7, 2001  
(W/AMENDMENT (2) DATED May 22, 2004)**

**ARTICLE I**

**ORGANIZATION**

**1. NAME**

The name of this organization shall be Arabian Acres Property Owners' Association.

**2. SEAL**

This organization shall have a seal, which shall be in the following form:

**3. NAME CHANGE**

The organization may, at its pleasure, change its name by vote of the membership body. Any such name change shall be done by filing notice of the use of an assumed name by the Corporation or by amendment to the by-laws of the Corporation and the Articles of Incorporation with the State.

**ARTICLE II**

**PURPOSES**

**1. PURPOSES**

The Corporation shall have and may exercise all rights, powers and privileges now or hereafter conferred upon non profit corporations organized under the laws of Colorado, including everything necessary, suitable or proper for the accomplishment of any of its corporate purposes and the transaction of any lawful activity. Among other purposes are (i) to take steps to amend, design and cause the enforcement of subdivision covenants, (ii) provide architectural control through working with developers and/or an architectural control committee of the members, (iii) provide Members with an organization for social and neighborhood contact, entertainment, association and communication, (iv) to better or provide security of persons and property in the subdivision, and (v) act as liaison between members and other organizations and entities such as utility providers, government and quasi government and other property owners associations.

**ARTICLE III**

**MEMBERSHIP**

**1. MEMBERSHIP**

Membership in this organization shall be open to all who are property (legal or equitable) owners of lots or land in the Arabian Acres subdivision of Teller County, Colorado and who are willing to (1<sup>st</sup> filing August 23, 1966) and must (property purchased after (1 Jan 1998) pay the dues or fees assessed or charged all members from the time of the new members joinder. (Amended)

References: Declaration of Protective Covenants

**ARTICLE IV**

## MEETINGS

### 1. ANNUAL MEMBERSHIP

The annual membership meeting of this organization shall be held on the first Saturday of May in each and every year. However the Board of Directors may change such date for good cause; provided such alternate date is within two weeks before or after such original date. The Secretary shall cause to be mailed to every Member in good standing, at their address as it appears in the membership roll book of this Corporation, a notice/reminder stating the date, place and time of such annual meeting. The presence of not less than one third of the members shall constitute a quorum and shall be necessary to conduct the business of this organization. In the event there is no quorum, the meeting shall be rescheduled to a date not more than two weeks from the date set forth in these by laws. The Secretary shall cause a notice of this rescheduled meeting to be sent to all those members who were not present at the meeting originally scheduled.

### 2. SPECIAL MEETINGS

The President may call special meetings of this organization when he/she deems it to be in the best interest of the organization. The Secretary shall cause to be mailed notices of such special meetings to all members at their addresses as they appear in the membership roll book of this organization. Such notices shall be sent at least two weeks prior to the scheduled date of the meeting. The notice shall state the reasons the meeting has been called, the business to be transacted, and who called the meeting.

At the request of one quarter of the members of the Board of Directors or members of the organization, the President shall cause a special meeting to be called. Such requests must be made in writing at least two weeks before the requested date of scheduling.

No other business but that specified in the notice may be transacted at such special meeting without the unanimous consent of all present at such meeting.

## ARTICLE V

### VOTING

#### 1. VOTING

Voting at all meetings shall be by voice.

At any Annual or Special Meeting, if requested by a majority of the POA Members, election of Officers or Directors or any question shall be done by written ballot. The voting members shall not be identified on said ballot.

At all votes by ballot, the chairperson of the meeting shall, prior to the vote, appoint a committee of four members who will act as "Inspectors of Election" and who, at the conclusion of the balloting, shall certify in writing to the chairperson, the results of balloting. The certified copy of the results shall be placed in the minute book of the organization. No "Inspector of Election" may be a candidate for office.

If a dues paid regular member, for what ever reason, elects to have their vote cast by proxy the person authorized by the member to vote in their absence will provide written authorization to the Secretary prior to any voting being conducted at any meeting. The authorization will contain the member's signature. The Secretary will ensure that the proxy voting authorization is affixed to the minutes of that meeting.

## ARTICLE VI

### ORDER OF BUSINESS

#### 1. ORDER OF BUSINESS

"Roberts Rules of Order" shall be the parliamentary authority for matters of procedure not otherwise provided by these by laws. The order of business at meetings shall be as follows;

A. Roll Call.

B. Reading of the minutes of the proceeding meeting.



- C. Reports of committees, if any.
- D. Reports of Officers.
- E. Old and Unfinished Business.
- F. New business
- G. Other miscellaneous business. (Non-members open discussion)
- H. Adjournment.

## ARTICLE VII

### BOARD OF DIRECTORS

#### 1. MANAGEMENT

A Board of Directors consisting of at least four, but not more than seven, Members shall manage the business of this organization. Officers of the organization shall constitute the Board of Directors, along with such number of other members required to total the number of Directors making up the board.

The number of Directors making up the Board shall be determined by the POA Members at the annual meeting or special meeting called for that purpose.

The Board of Directors shall have the control and management of the affairs and business of this organization. The board of Directors shall act only in the name of the organization when it shall be regularly convened by its chairperson after due notice to all the directors and officers of such meeting.

#### 2. DIRECTORS AND OFFICERS

The directors and Officers for the ensuing terms shall be chosen at the annual meeting of this organization and they shall serve for a term of one year.

Vacancies in the board of directors shall be filled by a vote of the majority of the remaining members of the Board of Directors for the balance of the term.

The remaining Directors may fill vacancies in the Board of Directors at an election for any remaining term of such Director until the annual meeting at which time the membership shall elect new directors. Any person so elected to fill a vacancy shall remain a Director until his/her successor has been elected by a vote of the membership present. If the Directors fail to fill a vacancy, the remaining directors may act as the board so long as at least five (5) directors are then serving.

Any Officer or Director may resign at any time by giving written notice to the Board, the President, or the recording Secretary. The Board of Directors by majority vote, at the next meeting, may fill any vacancies in offices for the balance of the resigning officer's term.

Any Officer or Director may be removed by the general membership whenever in their judgment the best interests of the Association would be served. The person to be removed shall be notified by certified mail prior to the vote of the general membership and within five (5) days of said notice shall have the opportunity to appear before a meeting of the members and if he/she fails to appear he/she will be given final notice of the vote. The Board of Directors shall adopt such rules, as it may, at its discretion, deem necessary for the best interests of the organization for said hearings.

#### 3. QUORUM

Two-thirds (2/3) of the members of the Board of Directors shall constitute a quorum. Each Director shall have one vote and such voting may be done by proxy.

#### 4. INDEMNIFICATION

The Association shall indemnify every Director, every Officer and every Committee Member against all loss, cost, liability, and expense reasonably incurred or imposed upon him/her in connection with any action, lawsuit or proceeding to which he/she may be made a party by reason of his/her being or having been a Director, Officer, or

Committee Member of the Association, except as to matters wherein he or she shall be finally adjudged in such action, lawsuit or proceeding to be liable for or guilty of gross negligence or willful misconduct.

The foregoing rights shall be in addition to and not exclusive of all other rights to which the Director, Officer, or Committee Member may be entitled. The Association shall maintain adequate Directors and Officers liability insurance to fund this obligation.

#### 5. MEETINGS

The meeting of the Board of Directors shall be held regularly once a month. The time, date, and place of such meeting shall be selected at the previous meeting.

The Board of Directors may make such rules and regulations covering its meetings, as it may, in its desecration, deem necessary.

The President of the organization, by virtue of the office, shall be chairperson of the Board of Directors. The Secretary of the organization shall serve as secretary for the board of directors.

### ARTICLE VIII

#### OFFICERS

##### 1. OFFICERS

The Officers of the organization shall be as follows;

President  
Vice President  
Secretary  
Treasurer

##### 2. PRESIDENT

The President shall preside at all membership meetings, be chairperson of the Board of Directors (by virtue of the office), present an annual report of the work of the organization at each annual meeting, appoint all committees (permanent or temporary), see that all books reports and certificates, as required by law, are properly kept or filed, may be one of the officers who may sign checks or drafts of the organization and have such powers as may reasonably construed as belonging to the chief executive of any organization. The President may vote at any meeting only in the event of a tie.

##### 3. VICE PRESIDENT

The Vice President shall, in the event of the absence or the inability of the President to exercise his or her office, become acting president of the organization with all rights, privileges and powers as if he or she had been duly elected president. The Vice President shall also have such powers and duties as the President may from time to time designate.

##### 4. SECRETARY

The Secretary shall keep the minutes and records of the organization in appropriate books, file any certificate required (federal, state or local) give and serve all notices to Members of the organization, may be one of the Officers required to sign the checks and drafts of the organization, present to the membership, at any meetings, any communication addressed to the secretary of the organization, attend to all correspondence of the organization and exercise all duties incident to the office of the secretary.

##### 5. TREASURER

The treasurer shall have care and custody of all monies belonging to the organization; receive all monies due the association and deposits such in bank accounts established for such purpose by the Board of Directors. Maintains adequate records of all financial transactions subject to an annual audit reflecting income and disbursements accordingly. The treasurer shall maintain the Association's list of paid members. Shall disburse funds for expenses

as incurred and authorized by the Board of Directors with two (2) signatories to each check, with no disbursements to be made in cash. No special fund may be set aside that shall make it unnecessary for the treasurer to sign the checks or drafts issued upon it. The Treasurer shall render, at stated period, as the Board of Directors shall determine, a written account of the finances of the organization and such reports shall be physically affixed to the minutes of the Board of Directors of such meetings.

6. COMPENSATION

No Officer or Director shall, for any reason of the office, be entitled to receive any salary or compensation; however, nothing herein shall be construed to prevent an Officer or Director from receiving compensation from the organization for duties other than as an Officer or Director.

7. BOARD OF DIRECTORS

Officers shall by virtue of their office, be members of the Board of Directors.

8. SALARIES

The Board of Directors shall hire and fix the compensation of any and all employees, contractors, and other service providers, which they in their discretion, determine, necessary for the conduct of the business of the organization.

ARTICLE X

COMMITTEES

1. COMMITTEES

The Board of Directors shall appoint all non-permanent committees of this organization and such board shall for a period designate the term of office.

Upon vote of the POA membership, permanent committees shall be created. All expenditures shall be submitted in writing to the board of directors and must be approved by the Board of Directors prior to purchase. The Treasurer will be provided originals of all receipts.

2. PERMANENT COMMITTEE TENANTS

Architectural Control

Mission

The purpose of the Architectural Control Committee is to maintain and promote the high standards of the Arabian Acres Community. The committee intends to protect the value of the Arabian Acres Property owners' investments by enforcing the restrictive covenants (deed restrictions) of the community, while maintaining a neighborly attitude of cooperation. The committee will work with home developers, contractors, county officials and residents to maintain high quality standards in new construction and maintenance of existing structures.

Objectives

- Review all building plans and improvements to ensure compliance with covenants and restrictions.
- Assist in enforcement of deed restrictions
- Monitor zoning changes affecting residents
- Ensure representation at all Teller County Planning Commission meetings.
- Liaison with the Teller County Roads and Bridges Department to ensure adequate road maintenance is being conducted.
- Administer all building projects undertaken by the Arabian Acres Property Owners Association.

Welcome Committee

This Committee shall organize and coordinate the welcoming of each new resident as deemed desirable or appropriate. Initial contact should be initiated within thirty (30) days of new resident of occupancy.

## ARTICLE XI

### DUES

#### 1. DUES

Dues for regular members shall be payable annually for a calendar year in the amount set forth by the board of Directors. If a member has not paid annual dues by the date of the annual meeting each year, his/her membership shall be suspended until payment is made. No person whose membership is suspended may vote at any annual, or special meeting or meeting of the Board of Directors.

## ARTICLE XIII

### AMENDMENTS

#### 1. AMENDMENTS

These By-laws may be amended by a majority vote of the dues paid regular members in attendance or represented by proxy at any meeting

An intent to change the by-laws by the Board of Directors or a majority of the dues paid regular members must be furnished to the Secretary of the organization at a preceding meeting upon which, if seconded, will be deliberated, and then forwarded to the Secretary for distribution to the dues paid regular members.

The regular dues paid members will be notified, by the Secretary, not later than ten (10) days prior to the meeting at which a vote upon the proposed alteration, amendment, revision, addition or repeal of the by-laws shall be taken.

2. Membership in this organization shall be open to all who are property (legal or equitable) owners of lots or land in the Arabian Acres subdivision of Teller County, Colorado and who are willing to (1<sup>st</sup> filing August 23, 1966) and must (property purchased after 30 November 1998) pay the dues or fees assessed or charged all members from the time of the new members joinder. (Amended)

References: Declaration of Protective Covenants

**MINUTES**  
**AAPOA ANNUAL MEETING**  
**At the Lost Dutchman, Trout Haven**  
**May 22, 2004**

Date: May 22, 2004

Time: 10:00 a.m.

Place: Lost Dutchman, Trout Haven

Attendance: See membership sign-in sheet

**INTRODUCTION: 10:15 A.M.**

**A) May 22<sup>nd</sup> – Guest Speakers at Annual Meeting:**

**Kevin Daugherty- Teller County Sheriff** spoke on new programs in the community:

- a) Microchip Scanner for Animal Control
- b) Volunteer Program to help out at the Sheriff's office.  
Nick Pinell and Dane Albin, coordinators. Anyone is welcome to help with Dispatch, front desk, personnel, assistance with evidence, custodian, helping with jail, work release, courthouse events, etc. Application required with background investigation required. Also, speed control trailer assistance, and vacation checking program.
- c) Emergency Response at Jail Program
- d) More Speed Trailers – an extra person on traffic now
- e) Four new officers from a Grant
- f) Animal Control – Cheri France very proactive
- g) HomeLand Security Money – for tactical type equipment.
- h) Jail – half full, headhunter hired to recruit from other areas
- i) Traffic problems still major issue
- j) 28 employees now
- k) New communication system should be up and running in two to three months with towers at Divide, Gold Camp and Mt. Pisgah.

**Teller County Commissioners, Bob Campbell and Jim Ignatious**

- a) Quarterly Forums are happening, next one is at the end of July, on Saturday in the new Florissant Library
- b) Commission Meetings – everyone is welcome
- c) Social Services – Federal, state, and county monies reorganized
- d) Fleet Director – Housed between Sheriff's office and jail, being reorganized. Looking for dual purpose vehicles and more fiscal responsibility
- e) West Nile Virus – arrived last year below 7,500 feet. Spread by

- birds and mosquitoes. Dunk, bacteria that eats larvae, is recommended. Brochures are available for prevention. Environmental Health Director can give presentations on this.
- f) Wild Land Fire Protection Committee and Urban Interface consider Teller County a "RED" zone. Government has money to spend to reduce fuel loads. A plan has to be developed and presented to get money. Working on this.
- g) Roads – On going issues, constantly working on these:
- 1) "Grader routes" this year, six specific people have specific responsibility, more efficient, know areas
  - 2) Construction on Teller 1 from Florissant South.
  - 3) Divide to Lake George, CO Department of Transportation is doing overlay, guardrails, turn lanes
  - 4) Additional grant on upper end of Teller 1
  - 5) Dust Control – Magnesium chloride now, looking for a better answer, starting chip and seal program by identifying high traffic roads that will be done by section, obtaining own equipment to chip and seal from a grant, roads have to be brought up to a preliminary standard before process can happen
  - 6) Construction work on Hwy 67 to Cripple Creek, rumble strips, turnout lanes, etc.
  - 7) Four lane to Divide should be done by September 1<sup>st</sup> Contract was extended to a two-year contract last year because of state budget constraints. Applying for gaming dollars for work on CR42 to Teller 1. Striping will be done soon on CR42

**Al Jordan, Teller County Assessor, AAMetro District Board**

- 1) Property Taxes – values didn't change because property is only revalued every two years. Working on inventory accuracy now. Next reappraisal year taxes will be going up. Increase will be about 5% for 2003 and 4% for 2004, hence and 8-9% increase. AAMETRO District will not affect property values, other than more demand, more sales in the area.

**Dave Biando – President of Trout Haven POA**

- 1) Cleanup Pickup crew for CR42 needs help. Call Dave because must be on Teller County insurance to do this.
- 2) Micro Chips Scanner available now because of AAPOA and Trout Haven POA,
- 3) AAMETRO District – water line expanded on Kutsu Ridge, and purchase of water main at Trout Haven has happened.

**Curt Grina – Pikes Peak Regional Medical Center** – Here to talk about our community hospital.

- 1) Update on project: A 25-bed acute care, 24-hour, full hospital service facility will increase property values and increase quality of life. Totally community driven to make this hospital happen. 1.4 Million from community in contributions. All volunteers on Board and Foundation Board. Much work and planning going on. Must be economically sustainable. Contribution and grants will provide seed money to get mortgage. Open doors mid 2006 hopefully. Community support needs to be demonstrated financially, participation in raffle, major support of CCVictor Mine, to make this viable. Non-profit association will own hospital facility and lease it to partner of an operating company. No tax base, not city owned, community owned. Yearly operating costs have been addressed, as well as hundreds of other, documented in the business plan. Must get tickets from Elks club member for the raffle Because of raffle laws.

**Ute Pass Ambulance District – Tim Dienst – Operations Manager** – Increase in demand and losses in revenue have created a need for a Title 32 Article 1, part tax supported, part user fee supported district.

- 1) What is it suppose to be - similar to local fire protection districts, providing services to community. Voters choose and are accountable to voters. Provides many services, but they are very expensive.
- 2) What will be the area – will overlay three fire protection districts, Western Sedalia, North East Protection, some of Divide Fire Protection
- 3) Why is it needed – need consistent reliable funding to provide services, especially because of the increase of people without insurance, managed care, Medicare, etc Ambulance service cannot by law limit who they provide services to. Quality of service declines as a result. They have been providing services for 24 years. Woodland Park Ambulance a 5013c. Calls of 1,700 last year. Hard to meet concurrent calls, because of increase in demand. Part volunteer and 9 full time paramedics. Only guarantee availability of one ambulance right now. Equipment, tools, technology, need to stay current.
- 4) What will it cost - Average ambulance bill is \$1, 800 to 2,200. Those rates are based on what is needed for services. Half of services were 100 percent of what they could bill for, then take away Medicare, etc.,
- 5) What types of questions on ballot - 4.5 mill levy increase, \$85 on a \$250,000 house, question on ballot will ask for mill levy to float up to 4.5, flexible levy requested so actual costs could be less but not more.

**B) 12:10 Lunch Break – Door Prize drawings:** Gift certificates of \$25 for Safeway, Starbucks, Radio Shack, Hair & Body Solutions, City Market (2)

**C) 11:30 - 12:15.p.m. Business Meeting**

- a) **Benefits provided to your AAPOA** by President, Sue Thomas
- b) **Introduction of AAPOA Board:**
  - \*Sue Thomas, President, willing to remain as President
  - \*Mary Sneed, Secretary, willing to remain as Secretary
  - \*Tom Goff – Stepping down from Vice President, but willing to stay on as board at large, Recreation Committee Chairman and DOW Representative
  - \*Nicole Inscoe – Board at Large, still willing to serve

\*Denny Yoder, Board at Large – will step down from board, but has offered and AAPOA board has accepted, for him to remain our legal advisor if needed

c) **Election of New Officers:**

- \* President- Tom Goff nominated Sue Thomas
- \* Vice President- Tom Goff nominated Skip Billing
- \* Secretary- Nicole nominated Mary Sneed
- \* Treasurer- Skip nominated Nicole Inscoc
- \* Board Member-Paula Fox volunteered for board at large
- \* Board Member-Tom Goff volunteered for board at large
- \* Board Member-Jami Zornes volunteered for board at large

Written ballots counted by Denny Yoder, Brent Wallace and Bradford Walker – Unanimous, motion to accept officers by Tom and 2nd by John

d) **Vote on By-Laws Correction** – Letter of May 8<sup>th</sup> read. Date should read November 30, 1998, as this was date of recording. Denny Yoder, Brent Wallace and Bradford Walker counted ballots and proxy ballots, 21 for and 1 against. Nicole 1<sup>st</sup>, 2<sup>nd</sup> Tom, that ballots be accepted. Corrected By-Laws will be sent to all members.

e) **Treasurer's Report** – Income/ Expense Expenses of \$1,600 for 2003. See report from Skip, Tom 1st Nicole 2<sup>nd</sup>, report accepted.

f) **AAPOA website**, requesting suggestions.

g) **Issues** – Appearance Problems in Subdivision, problems have been identified and letters are going out first and then will be turned over to Teller County for Enforcement if not corrected

- 1) 333 Banner Trail
- 2) 458 Banner – has been resolved
- 3) Entrance appearance

h) **New Business:**

- 1) Weed Control in Pond needs to be addressed to the AAMETRO District
- 2) West Nile has been identified in Park County and Teller County, one case each.
- 3) Tom Goff – DOW report – Bear Awareness Report – brochures available. A cougar is in our area, makes a chirping sound. Tonya Sharpe, Teller County Wildlife Officer, is patrolling more. Fine is \$1,000 for feeding wildlife. Wasting disease is believed to be spreading because of the feeding of wildlife. Call Tom 686-1140 if you have questions.
- 4) Pond – Fish are still in the pond. Stocked last year twice, and probably will not stock this year.
- 5) Reiteration of Benefits of AAPOA Membership
- 6) Dumpster July 17<sup>th</sup> at Skip's house
- 7) Annual Picnic July 17<sup>th</sup>

**D) 1:00 - 3:00 p.m. Animal Control Scanner Chip Insertion by Teller County  
Animal Control Cheri France**

Next board meeting is June 12th, 2004, at 8:30 a.m. at Sue Thomas's house, 70 Golden Lane. Annual Meeting adjourned at 13:40 p.m.

Minutes submitted by Mary Sneed, Secretary AAPOA

