

SERVICE PLAN
FOR
MIDWAY RANCHES FIRE PROTECTION DISTRICT

Final Revised
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Prepared by:

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SUMMARY

The following is a summary of general information regarding the proposed District provided for the convenience of the reviewers of this Service Plan. The following information is a synopsis of the complete information described in full elsewhere in this Service Plan.

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| Proposed District: | Midway Ranches Fire Protection District. |
| Proposed Area: | Includes land completely within the border of Pueblo County. |
| Proposed Improvements to be financed: | None. |
| Proposed Ongoing Services: | Firefighting, both structure and wild land fires. |
| Infrastructure Capital Costs: | No immediate plans. A portion of the of the revenue will be budgeted for the eventual acquisition of equipment and building structure. |
| Debt Authorization: | None. |
| Proposed Mill Levy: | 1.6570 |

DEFINITIONS

Annual Report and Disclosure Statement: means the statement of the same name required to be filed annually with the Board of County Commissioners of Pueblo County.

Board: means the board of directors of the District.

Board of County Commissioners: means the Board of County Commissioners of Pueblo County.

Committee: means the members petitioning for the organization of the District until a Board is elected.

County: means Pueblo County.

District: means the Midway Ranches Fire Protection District.

Initial District Boundaries: means the initial boundaries of the District as legally described in this Service Plan and as depicted on the map of the proposed District attached hereto.

Service Plan: means this Service Plan for the Midway Ranches Fire Protection District.

Special District Act: means Section 32-1-101, et. Seq., of the Colorado Revised Statutes as amended from time to time.

State: means State of Colorado.

Tabor: is an acronym which refers to the Taxpayer Bill of Rights found in Article 10, Section 20 of the Colorado Constitution.

de-Tabor: means to duly and legally conduct an election which results in the district being relieved from specified provisions of TABOR.

MIDWAY RANCHES FIRE PROTECTION DISTRICT SERVICE PLAN

TO: THE PUEBLO COUNTY BOARD OF COUNTY COMMISSIONERS

I. ORGANIZATION

SECTION A – INTRODUCTION

The Petitioners herein, in accordance with Title 32 of the Colorado Revised Statutes, Article 1, Part 2, as amended, propose that a fire protection district be formed for the purposes of providing protection for residences and other property located within the boundaries of the proposed district from fire and other calamities, and to provide other services as allowed. The formation of the district will serve a public use and will promote the health, safety, prosperity, security, and general welfare of the inhabitants of the district.

SECTION B – NEED FOR AND DESCRIPTION OF PROPOSED SERVICE

The Midway Ranches development, located at the north end of Pueblo County, west of Interstate I-25 currently does not have fire protection services available to suppress structure fires. The development is comprised of one hundred and three (103) parcels, each being a minimum of forty (40) acres. Ingress and egress to the development is a single roadway to unincorporated El Paso County.

There are no existing fire protection districts in Pueblo County which adjoin the Midway Ranches development. In discovery meetings with Pueblo County government offices of Planning and Development, Emergency Services Bureau, and the County Attorney, there are no viable means to incorporate the Midway Ranches development to an existing Pueblo County fire protection district.

The Midway Ranches development extends to the northern boundary of Pueblo County and shares the boundary with the Hanover Fire Protection District in El Paso County. The Hanover Fire Protection District Board has shown interest to enter into negotiations to provide fire suppression services to the Midway Ranches development under a negotiated contract.

The advantages of creating a fire protection district are many, including the following which would be evident within the boundaries proposed by the Midway Ranches Fire Protection District:

- a) The proposed district will assure initial fire suppression service to the Midway Ranches development community.

- b) The proposed district will reduce fire loss by improved fire code application and enforcement
- c) The proposed district would aggressively seek to reduce fire insurance rates for property owners owning property within the proposed district. The proposed district would also pursue a class nine (9) ISO fire protection rating.
- d) The proposed district would allow for the establishment of publicly elected Board of Directors or direct management and coordination of its affairs within the proposed district.
- e) The proposed district would be located adjacent to an established fire protection district with building and fire suppression assets located within one (1) mile of the proposed district.

SECTION C – PROPOSED NAME OF DISTRICT

The proposed fire protection district shall be named the MIDWAY RANCHES FIRE PROTECTION DISTRICT. Hereinafter referred to as the “District”.

SECTION D – DESCRIPTION OF PROPOSED SERVICES

The proposed services include fire protection and the appropriate response to fire emergencies involving grass and / or agricultural products, residences and other structures, vehicles, and other fire related issues within the proposed District boundaries. The District will attempt to acquire extrication, emergency, and rescue equipment as the District becomes financially viable and the Board of Directors determine that such acquisitions may be implemented. The District will contract for fire protection services from adjacent fire protection district(s) until such a time the Board of Directors deem the District is capable of providing services from its own resources. The District will coordinate and cooperate with Pueblo County Emergency Services Authority.

SECTION E – DISTRICT BOUNDARIES

The proposed District encompasses the area already established in Pueblo County

Midway Ranches Filing 1, as ammended
Midway Ranches Filing 2 through 6, inclusive
And Parcels: 8500000030, 8500000031, 8500000070

A sketch of the proposed District is attached hereto as Exhibit A

SECTION F – RELATIONSHIP TO ADJOINING DISTRICTS

The proposed District is entirely located within, real property included, Pueblo County.

Pursuant to C.R.S. 32-1-204, All the required hearings dealing with the formation of the proposed District in accordance with said statutes will be held.

In addition, the Hanover Fire Protection District (on the North) borders on the proposed area to be served by the District. Agreements between the proposed District and Hanover Fire Protection District will be negotiated upon the creation of the District, for initial fire protection services.

SECTION G – SERVICE ALTERNATIVES AND NEED FOR SERVICE

In considering the proposed creation of the Midway Ranches Fire Protection District, the committee studies the following options or alternatives.

- Option Number 1: Take no action and continue without fire protection. This option is not viable to support the safety and general welfare of the residents of the Midway Ranches community and the Committee is not supportive of this option.
- Option Number 2: Attempt to petition into an adjacent Title 32 Fire Protection District which would use their existing facilities and fire suppression equipment to provide fire protection for the Midway Ranches development. The Committee considered Option number two, but considered the area being absorbed by a much larger fire protection district would lose identity and the ability to make future decisions which would exclude self rule and determination.
- Option Number 3: Form a Title 32 fire protection district and contract for fire protection services with an adjoining district. Under option number 3, the proposed new district would not immediately purchase or own any fire suppression equipment.
- A. Option number 3 provides the expediency to provide fire protection to the District.
- B. Option number 3 would provide for the quick response without the burden of making capital expenditures of the proposed district, and provides for a trained and capable fire fighting force to protect the residents.
- C. Option number 3 does not preclude the future purchase of land, buildings, and fire fighting equipment as the Board seems appropriate, nor does it prevent the District from executing mutual aid agreements

with adjacent fire districts.

The proposed District encompasses an area approximately six and one half (6 ½) square miles, more or less, in Pueblo County. If this area continues without fire protection services, the imminent and real threat to the health, safety, security, and general welfare of the proposed District's citizens. Option number 3 has been agreed by the Committee as the most expedient and cost effective alternative for providing fire protection services to the Midway Ranches development. The Committee is painfully aware of the of the current tax burden in these dire economic times which all citizens are experiencing. However, given the choice between having no fire service or forming the District, is the most responsible course of action.

SECTION H – STATUTORY AUTHORITY

Pursuant to the provisions of Title 32, including but not limited to C.R.S. 32-1-103(7), C.R.S. 32-1-001, and C.R.S. 32-1-1002, a fire protection district has the authority and is empowered to perform the following:

1. Provide protection against fire by any available means.

A fire protection district must provide fire protection services and may provide other enumerated services. After formation, the District will be governed by a board of directors elected by the eligible voters of the District. The board of directors has the authority, among other powers, and consistent with state statute to:

2. Levy ad valorem taxes.
3. Borrow money, incur indebtedness, and issue bonds as authorized.
4. Acquire, dispose of and encumber fire stations and equipment.
5. Enter into contracts and agreements.
6. Hire employees and consultants.

SECTION I - MASTER PLAN

The District will work in close cooperation with Pueblo Board of County Commissioners and other governmental entities to promote effective and harmonious relationships and avoid any duplication of services. If so desired by the Pueblo Board of County Commissioners, the District will participate in a master or comprehensive planning process.

II. DEVELOPMENT ANALYSIS

SECTION A – HISTORY OF MIDWAY RANCHES DEVELOPMENT

The Midway Ranches Development was created in the mid 1970's. The Development is comprised of a total of one hundred and three (103) parcels of land, each being forty (40) acres or larger in size. The initial development lacked water, electricity, and phone service. Through the efforts of the residents and developer, all of the aforementioned services are now available.

To date, the development has only experienced grass fires which were extinguished by the residents and sometimes assisted by Pueblo Rural Fire, which is contracted by the Colorado Bureau of Land Management (BLM) for that purpose. The BLM contract does not include the suppression of structure, vehicle, or equipment fires.

Midway Ranches development has grown to the point where the need to establish fire protection is imperative for the general safety and well being of the residents. A structure fire would cause catastrophic loss of life and limb, thus the creation of a fire protection district is of the utmost importance.

The Hanover Fire Protection District, which abuts the northern boundary of the Midway Ranches development, is a cost effective method of obtaining fire protection services to the residents. There is a fire station within a mile of the Midway Ranches development, in which existing assets are underutilized. Securing a contract for fire protection service would be mutually beneficial for both entities.

SECTION B – OTHER ENTITIES

The District will work in concert with all relevant government authorities and other appropriate organizations located in Pueblo County. The District will contract with existing and future fire departments, municipalities, for such other services as are mutually beneficial and desirable. Details of those contracts will be negotiated upon formation of the District. The District will consider consolidation with other fire entities or districts within Pueblo County when and if it is determined to be in the best interest of the District's taxpayers.

SECTION C – BUILDINGS, VEHICLES, AND EQUIPMENT

Midway Ranches Property Owners Association does not currently own, land, buildings, vehicles, or equipment for the protection and suppression of fire emergencies.

It is the desire of the District to acquire fire fighting equipment, vehicles, and buildings when financially prudent under the direction of the Board.

SECTION D – ESTIMATED POPULATION OF DISTRICT

The exact population of the proposed district is not known. However, there are thirty

six (36) residences within the proposed District. It is estimated there are approximately one hundred (100) residents, based on two and eight tenths (2.8) persons per residence. Population is expected to grow moderately over the next five years.

III. FINANCIAL PLAN

SECTION A – ESTIMATE OF ASSESSED VALUE

The Pueblo County Assessor records indicate that the assessed value for that property located within the proposed District. The valuation is a total of ten million four hundred sixty four thousand seven hundred (\$10,464,700.00), based on the tax collection year of 2009. All valuation and mill levies utilized in this Service Plan are based on the 2009, though the Committee anticipates little change in the assessed valuation in the near future. The proposed mill levy is 1.6570 mills which would produce an annual tax revenue of seventeen thousand three hundred forty dollars and fifty cents (\$17,340.50). A market study is not required as the financial plan is predicated on existing assessed valuation. No plans to issue bonds is anticipated at this time although a bond election may be deemed necessary by the Board at some point in the future.

SECTION B – PRELIMINARY ENGINEERING OR ARCHITECTURAL SURVEY

The District will not be constructing any immediate improvements upon creating the District, and does not require engineering or architectural services at this time.

SECTION C – PROPOSED BUDGET

The operating costs, for the first year, including operating and administrative expenditures, are listed below. There will be costs associated with the formation of the District, the full amount of which are not known due to the number of hearings, and other uncertainties that may occur at the Service Plan phase, Court petition phase, and the election process. Funds have been set aside to cover legal expenses, filing fees, statutory deposits, and other expenses.

PROPOSED BUDGET

Expenditures

| | |
|------------------------------------|---------|
| Contract creation and negotiations | \$1,500 |
| Cost of Contract for fire | |

| | |
|---------------------------|----------|
| protection | \$8,320 |
| Insurance | \$2,500 |
| Sub Total | \$12,320 |
| <u>Capital Budget</u> | |
| Building Fund | \$0 |
| Water System Improvements | \$4,500 |
| Emergency Reserve* | \$520 |
| Sub Total | \$5,020 |
| First Year Total | \$17,340 |

*As required by by Amendment One (TABOR). 3% of total fiscal year spending.

SECTION D – PROJECTED MILL LEVY AND ANNUAL REVENUE

To secure the require contract for fire protection, and provide sufficient operating revenue, the Committee will request an initial mill levy of one thousand six hundred fifty seven (1.6570) mills which will generate an approximate annual property tax revenue of seventeen thousand three hundred forty dollars (\$17,340.).

SECTION E – MISCELLANEOUS MATTERS

The District will be able to provide fire protection services to the property within the proposed District based on the projected property tax revenues. The District will also make attempts to pursue other funding mechanisms, such as grants, which are available to Districts. The Committee, as of the date of this Service Plan does not foresee the need to exercise the power of eminent domain within or without the District's proposed boundaries.

The Committee, at the same time elections are held for the creation of the District, will include on the ballot the provision to de-TABOR. The proposed budget, being such a minimal amount is likely to be negatively affected by small fluctuations of property values, donations, and or grants.

SECTION F – DISTRICT EXPECTATIONS

The future acquisition of facilities and expansion of services will be base on prudent management practices and tax base growth. To supplement the tax monies received, the District will seek and accept personal donations, grants, and fund raising incomes and intend

to ask the voters for permission to retain those funds.

COMMITTEE MEMBERS:

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