

# CHAPTER 10—SPECIAL DISTRICT GUIDELINES AND REGULATIONS

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**Chapter 10—SPECIAL DISTRICT GUIDELINES AND REGULATIONS**

**10-01 PURPOSE**

This Chapter identifies the requirements for submittals and the procedures for review of Special District service plans in unincorporated Adams County.

## 10-02 POLICIES

These policies are the basis for these Special District standards and regulations:

1. Adams County encourages land development to occur in the incorporated areas of the County.
2. The creation of one (1) multi-purpose Service District is preferred over the proliferation of single-purpose Districts.
3. Before any service plan for the creation of a Title 32 District will be reviewed by the County, service provision from all existing service providers should be investigated to examine if the proposed services are available from other service providers.
4. If land development does occur in an unincorporated area, Adams County encourages service provision be acquired through an existing service provider by agreement or inclusion. The County recognizes, however, that in certain circumstances a new Special District may be the most logical and economical alternative for service. If this is the case, the County advocates the formation of a Metropolitan District.
5. Adams County will only consider in public hearing complete service plans as defined in these standards and regulations.
6. Adams County promotes cooperation with other governmental jurisdictions in the planning process and in the service plan review process.
7. When a new Special District is proposed in partner with a Planned Unit Development, the proposed District formation should be coordinated with the Planned Unit Development application.

**10-03 RELATIONSHIP TO COLORADO REVISED STATUTES**

These standards and regulations correspond to C.R.S. Sections 32-1-201 to 208, and are designed to be used with and as an addition to the Colorado Revised Statutes.

10-04 **SCOPE**

These standards and regulations apply to all service plans for those Special Districts that propose to have any portion of the District located in unincorporated Adams County.

## 10-05 SUBMITTAL AND REVIEW PROCESS

The submittal and review process will follow the sequence of actions listed below. This process corresponds to C.R.S. Section 32-1-202 (1), concerning the filing of the service plan which states:

### 10-05-01 SUBMISSION OF SERVICE PLAN REQUIRED

Persons proposing the organization of a Special District, except for a Special District which is contained entirely within the boundaries of a municipality shall submit a service plan to the Board of County Commissioners of each county which has territory included within the boundaries of the proposed Special District prior to filing for the organization of the proposed Special District in any District Court.

### 10-05-02 REVIEW OF A SERVICE PLAN

#### 10-05-02-01 REVIEW AUTHORITY

Authority of the Board of County Commissioners: In review of a service plan, C.R.S. Section 32-1-203 gives the Board of County Commissioners the authority:

1. To approve without condition or modification the service plan submitted;
2. To disapprove the service plan submitted; or
3. To conditionally approve the service plan subject to the submission of additional information relating to or the modification of the proposed service plan.

#### 10-05-02-02 REVIEW CRITERIA

C.R.S. Section 32-1-203 (2) of the state statutes also lists two (2) sets of review criteria the Board of County Commissioners must consider in their decision.

#### 10-05-02-02-01 *REQUIRED FINDINGS*

The Board of County Commissioners shall disapprove the service plan unless evidence satisfactory to the Board of each of the following is presented:

1. There is sufficient existing and projected need for organized service in the area to be serviced by the proposed District;
2. The existing service in the area to be served is inadequate for present and projected needs;

3. The proposed Special District is capable of providing economical and sufficient service to the area within its proposed boundaries; and
4. 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.

**10-05-02-02-02     DISCRETIONARY FINDINGS**

The Board of County Commissioners may disapprove the service plan if evidence satisfactory to the Board of any of the following, at the discretion of the Board, is not presented:

1. Adequate service is not, or will not be, available to the area through the County, other existing municipal or quasi-municipal corporations, including existing Special Districts, within a reasonable time and on a comparable basis;
2. The facility and service standards of the proposed Special District are compatible with the facility and service standards of each county within which the proposed District is to be located and each municipality which is an interested party under C.R.S. Section 32-1-204 (1);
3. The proposal is in compliance with a master plan adopted pursuant to C.R.S. Section 30-28-106;
4. The proposal is in compliance with any duly adopted county, regional, or state long-range water quality management plan for the area; and
5. The creation of the proposed District will be in the best interest of the area proposed to be served.

**10-05-02-03     REVIEW STEPS**

The service plan submittal and review process will follow these eight steps:

**10-05-02-03-01     REVIEW STEP 1**

Persons proposing the formation of a Special District (the applicant) shall contact the Director of Community and Economic Development in the early stages of the proposal for a pre-application conference. This conference is used to identify any concerns early in the process and to evaluate the feasibility of the proposed service plan.



**10-05-02-03-02      REVIEW STEP 2**

After attending the pre-application conference, and after the applicant has gathered and prepared the appropriate materials, the applicant shall submit six (6) copies of a draft service plan to the Director of Community and Economic Development.

**10-05-02-03-03      REVIEW STEP 3**

The District Review Team shall review the draft service plan for consistency with the Colorado Revised Statutes and these standards and regulations. The Director of Community and Economic Development will forward any comments from the District Review Team to the applicant within thirty (30) days. These comments may include suggested changes concerning format, content and adherence to the state statutes and county regulations.

**10-05-02-03-04      REVIEW STEP 4**

After reviewing the comments, the applicant shall submit one (1) copy of the service plan to the Office of the Adams County Clerk and Recorder and twenty (20) copies of the service plan and the required application fee to the Director of Community and Economic Development.

**10-05-02-03-05      REVIEW STEP 5**

The Director of Community and Economic Development shall refer the service plan to all municipalities and existing Special Districts, within a radius of three (3) miles from the boundaries of the proposed District. In addition, in support of Adams County's policy to coordinate land development planning, the service plan shall be referred to any municipality whose Intergovernmental Agreement with the County includes any part of the area proposed to be in the District, and to the appropriate School District or Districts for information and comment. The District Review Team shall review the service plan and shall submit all comments, findings and recommendations, including those from referral agencies, in the form of a staff report to the applicant, the Planning Commission and the Board of County Commissioners. It is understood the applicant can withdraw the service plan at any time during this process.

**10-05-02-03-06      REVIEW STEP 6**

A hearing will be scheduled before the Planning Commission at which hearing the Planning Commission shall consider the service plan and recommend denial, conditional approval, or approval to the Board of County Commissioners. A recommendation shall be forwarded to the Board of County Commissioners within thirty (30) days after the service plan was filed with the Adams County Clerk and Recorder. A proposed health service district or

health assurance district shall not be referred to the Planning Commission and shall instead follow Review Step 7.

**10-05-02-03-07      *REVIEW STEP 7***

At the next regular meeting of the Board of County Commissioners at least ten days after the final Planning Commission action on the service plan (or filing of the service plan with the Adams County Clerk and Recorder for health service and health assurance districts), the Board of County Commissioners shall schedule a public hearing for a date within thirty (30) days of such meeting to hear the service plan of the proposed Special District.

**10-05-02-03-08      *REVIEW STEP 8***

The Board of County Commissioners shall consider the service plan at public hearing and shall deny, conditionally approve, or approve the service plan. If the Board of County Commissioners finds sufficient information has not been presented at the scheduled hearing, the Board may continue the hearing on the service plan for a period not to exceed thirty (30) days unless the proponents of the special district and the Board of County Commissioners agree to continue the hearing for a longer period.

**10-05-03      CONTENTS OF THE SERVICE PLAN**

The county requirements include each of the items listed in C.R.S. Section 31-1-202 (2), and the further specifications stated in these standards and regulations.

**10-05-03-01      RELATIONSHIP BETWEEN SUBMITTAL REQUIREMENTS AND REVIEW CRITERIA**

In order to assist the applicant in the preparation of the service plan, the County offers some examples of how it may review the criteria from the state statutes. It is important the applicant understands the relationship between the submittal requirements and the review criteria.

1. Projected need for the District may be determined by the zoning and by reasonable market projections.
2. The map of the proposed District and the explanation of services may be used to review the criterion to determine if the existing service to the area is inadequate.
3. Sufficient service may be evaluated through an examination of the site plan and the description of the facilities, including standards and cost estimates. Economical service may be evaluated through an examination of the financial plan and the cost estimates.

4. The financial abilities of the District may be evaluated by examining the financial plan and by determining if the financial plan includes reliable and reasonable projections of market performance. For Districts of certain size and impact, a market study may be the appropriate vehicle to demonstrate the validity of the District's development assumptions.
5. In evaluating the criterion that adequate service will not be available through other means, the County may take into consideration the distance of the proposed District from existing service providers and the expansion and/or master plans of those providers in examining the provision of service in a "reasonable time". Also important in the evaluation of this criterion is the information concerning the investigation of all service provision alternatives. In evaluating services on a "comparable basis", the review may be similar to that for the review of "economical and sufficient service".
6. The detailed explanation of the facilities and improvements may be used to review the criterion to determine if the proposed standards of the District are compatible with existing standards. The applicant needs to demonstrate that the planned improvements the District proposes to make, such as roads and water and sewer lines, meet the specifications of the County, existing Special Districts, and any interested party.
7. The proposed District must be in conformance with the Adams County Comprehensive Plan as well as the master plans of any applicable city, which is an interested party. If proposed Districts are to be located in areas included in an Intergovernmental Agreement between Adams County and one of the municipalities in the County, the service plan will be evaluated in terms of said agreement.
8. The current Clean Water Plan prepared through the Denver Regional Council of Governments and adopted by the Water Quality Control Commission is the official long-range water quality management plan for Adams County and will be used to satisfy this criterion.
9. The "best interest" may be evaluated by reviewing the service plan and comparing it to other viable alternative means of providing the proposed services. This review may take into consideration the master plans of the municipalities in the area, the plans for existing Special Districts, and the plans for any water user associations or other providers.

**10-05-03-02 STATE REQUIREMENTS**

The service plan shall include all requirements as stated in C.R.S. 32-1-202(2).

10-05-03-03 **COUNTY REQUIREMENTS**

10-05-03-03-01 ***STANDARDS OF PREPARATION***

In addition to its contents, the service plan should meet the standards required of a professionally prepared document. The narrative should be presented clearly; any maps or other graphics should be legible and contain explanatory legends, titles, and text. The plan should contain a table of contents, be well organized, and clearly demonstrate it meets the requirements as stated in the state statutes and in these regulations.

10-05-03-03-02 ***COUNTY SUBMITTALS***

10-05-03-03-02-01 ***Description of the District***

The plan shall include an explanation of the proposed services and a discussion of the criteria, such as buildout rate or market conditions, which would be used to determine when and if certain services are to be supplied. This requirement is similar to the requirement of the financial plan (below), which asks for a description of any phasing plans.

10-05-03-03-02-02 ***The Financial Plan***

This is the most important Section of the service plan. All figures shall be in constant dollars. The financial plan shall contain but is not limited to:

1. A letter from the person or organization responsible for the financial plan evaluating the financial and economic presentation and identifying sources and methods used in estimating interest rates, buildout rates, mill levy, and other data included in the plan.
2. A development anticipation section, which describes development projections in amount, time, type, and value. These projections should be supported by a market research report and an opinion letter from a market analyst acceptable to Adams County.
3. A pro forma with a year by year listing for the period of expected indebtedness beginning with the expected date of District formation. The pro forma shall include a detailed description of all funding mechanisms to be employed by the District. This pro forma shall list individual yearly totals for bond issues, debt service, operating and maintenance expenses, legal and administrative expenses, capital expenses, buildout rate, assessed valuation, mill levy, facility fees, other fees, and all other costs and revenues. Any extraordinary or one-time expenses shall be explained.

4. Maximum bonded indebtedness proposed to be incurred by the District and justification for said amount of indebtedness. Because the issuance of bonds by one entity may adversely affect the bond rating of another entity due to overlapping debt, the plan shall contain a list of indebtedness for all cities, counties, and Special Districts within which the proposed District will be included.
5. A description of the scheduling and phasing of improvements and their relationship to the financial stability of the District.
6. If the financial plan identifies any contributions by the developer to the District, any agreement between the developer and the proposed District explaining the developer's financial participation shall be included.
7. A description of the flexibility, which has been built into the financial plan, including alternative means of repaying the debt, if the estimated revenue stream is not realized.
8. A description of the total cost of improvements proposed in the development and the percentage of those improvements to be financed by the proposed District.
9. A list of mill levies and other fees for Districts supplying similar services for a similar market located in the region.
10. The maximum mill levy proposed by the District.
11. The total of all mill levies currently imposed on property within the proposed District.

10-05-03-03-02-03

**Site Plan**

This plan shall show the entire boundary of the proposed District and clearly delineate the location of any current improvements within the proposed District boundaries, any improvements planned by the District, and any development currently built or planned to be built within the District:

1. The sheet size shall be 18" vertical by 24" horizontal with a scale of 1" = 200' or other scale as approved by the Director of Community and Economic Development.
2. Noted on the plan, shall be the date of preparation and last revision, and clear identification of the location of proposed services and/or improvements, and the names of abutting subdivisions (in the case of unplatted land the word "unplatted" shall appear).

10-05-03-03-02-04 ***Map of the Proposed District***

There shall be included in the service plan a map of the proposed District and the surrounding area.

1. The map shall be legible, shall contain explanatory legends, titles and text and shall show the District boundaries and the relationship of the proposed District to the surrounding area within a three (3) mile radius. The map shall identify all municipalities and existing Special Districts within said radius. Also identified on this map or on a separate map shall be the existing zoning within the proposed District and the zoning for properties within a three (3) mile radius.
2. Accompanying the map shall be a list of the services proposed to be supplied by the District provided by each of the municipalities and Special Districts shown on the map.

10-05-03-03-02-05 ***A Complete Description of any Facilities to be Constructed***

Though the construction costs are summarized in the financial plan, under this requirement detailed descriptions and cost estimates for all the facilities and improvements shall be included. All materials and labor costs for each planned facility shall be estimated and the facilities shall be shown to be compatible with the standards of Adams County and each interested party as defined in C.R.S. Section 32-1-203 (b).

10-05-03-03-02-06 ***Service Agreements***

The applicant shall provide a copy of any signed, proposed, or promised service agreements between the District and any municipality, District, or other existing or proposed service provider, and shall contact all service providers in a three (3) mile radius by certified mail in a form to be approved by the District Review Team.

10-05-03-03-02-07 ***Additional Information***

1. If the proposed Special District is being formed in partner with a Planned Unit Development, the service plan review process and the Planned Unit Development review process should be coordinated. The review processes should occur concurrently and the proposed District should be identified as a service provider in the Planned Unit Development application.
2. An explanation of the proposed District's policy for inclusion which provides objective procedures for the determination of costs, standards and criteria to allow the orderly extension of services to developable adjacent lands.

3. A list of the persons or organizations responsible for each Section of the service plan to include the name and telephone numbers of the engineer, the legal counsel, the developer, and the financial analyst.
4. A legal description of the area to be included in the proposed Special District.
5. A list of all persons, corporations, and other private or public entities involved in the formation of this District and an explanation of the role played by each of those involved, and a discussion of the entities' previous work in Adams County or the region related to District and land development.
6. A list of owners of real property within and adjacent to the proposed District.
7. Proof of ownership of all property within the District. If the proposed District includes any property owned by someone other than the petitioners, evidence of such owners' consent to the formation of the District shall be provided in a form acceptable to Adams County.

10-05-03-03-02-08

***Special Review Fee***

In addition to the processing fee, the applicant must make a deposit with the County for payment of reasonable direct fees for special review of the service plan in the amount provided for by state statute, Section 32-1-202(3), Colorado Revised Statutes, as amended.

## 10-06 **ANNUAL REPORT**

This report will take the form of a survey mailed out to each of the Districts by the Director of Community and Economic Development not later than April 1 of each year and returned by the Districts to the Director of Community and Economic Development by June 1 of each year. The District shall be responsible for checking existing information and for filling in new information. Adams County will coordinate information gathering with the State Division of Local Government. The authorization for requiring annual reports is described in C.R.S. Section 32-1-207 (3) (c), a Board of County Commissioners may request any Special District located wholly or partially within the County's unincorporated area to file, not more than once a year, a Special District annual report.