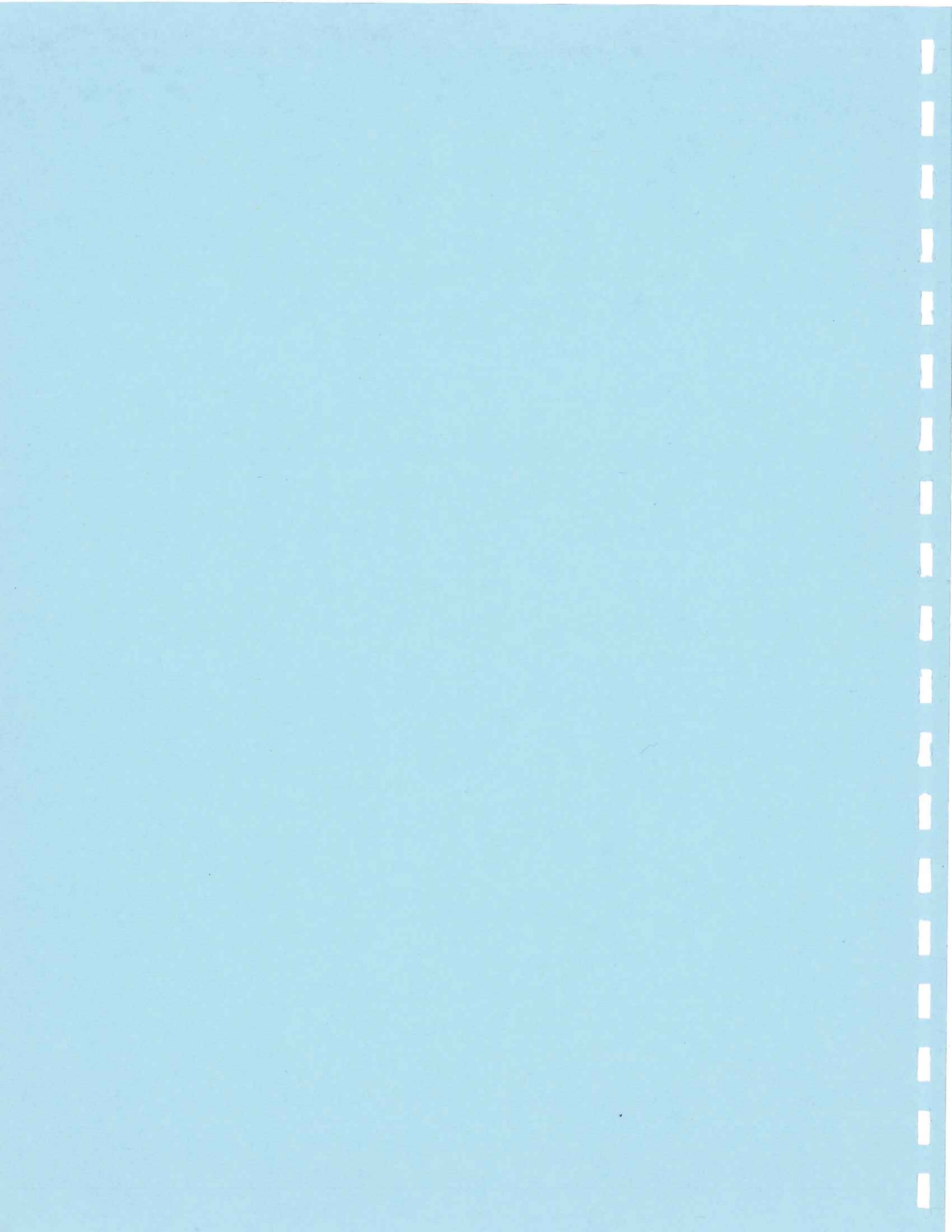


LOMA LINDA METROPOLITAN DISTRICT SERVICE PLAN

**Prepared by Loma Linda Homeowners Association
Dated: February 25, 2000**



LOMA LINDA METROPOLITAN DISTRICT

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LOMA LINDA METROPOLITAN DISTRICT

Section I INTRODUCTION

LOMA LINDA SUBDIVISIONS. The five Loma Linda Subdivisions (herein collectively "Loma Linda") are located east of U.S. Highway 184 approximately 8 miles south of Pagosa Springs, Colorado in Archuleta County. The general location of Loma Linda is shown on the map inserted as Exhibit 1 of the Appendix. Loma Linda is located in Sections 8, 17 and 18, Township 34 North, Range 1 West, N.M.P.M., Archuleta County, Colorado. Loma Linda was platted as five units beginning with Unit 1 in 1978 and concluding with Unit 5 in 1984. As originally platted, there were a total of 200 lots in the five units, ranging in size from 3 acres to one lot of more than 17 acres. The majority of lots are approximately 3 or 5 acres each. Table 1 at the end of this section provides a breakdown of the lots, acreage, and recording information for each of the units. As a result of consolidations, there are now 197 lots in Loma Linda.

RESTRICTIVE COVENANTS. Loma Linda was designed and developed as a residential subdivision. Each unit has a separate set of restrictive covenants, with the recording information shown on Table 1 at the end of this section. In general, the covenants are similar, although there are minor variations for each unit. As an example of the covenants, the recorded Covenants for one of the units is included in the Appendix as Exhibit 2. The covenants for each of the 5 units contain a restriction which limits the use of the lots to residential use only. The Covenants do permit commercial activities under limited circumstances with the consent of the Board of Directors of the Association. In general, Loma Linda is a rural residential community consisting of primary homes for permanent residents and second or vacation homes for non-residents.

The covenants require certain minimum standards for the construction of homes. Units 1 and 2 require a minimum of 800 square feet of living space, while Units 3, 4 and 5 require a minimum of 1,200 square feet of living space. The covenants provide for an architectural control committee to approve the design and location of all structures in Loma Linda.

UTILITIES. All primary utilities (not including cable TV or natural gas) are available to all lots within the subdivision. The lots are sufficiently large to permit the installation of individual sewage disposal systems ("ISDS"). The type of ISDS depends on the topography and individual characteristics of the lot, but all ISDS must comply with the requirements of San Juan Basin Health. Electricity and telephone service is available to all lots. Those services are located in the roads and are generally readily accessible.

All lots in Loma Linda are supplied with water through a central water system. At the time the five Loma Linda units were initially platted, the water system was owned and operated by Archuleta Water Company. The interest of Archuleta Water Company has been transferred to Pagosa Area Water and Sanitation District, which now supplies water service

for the Loma Linda Subdivision. Water lines have been installed in the road rights of way within Loma Linda.

NEED FOR SERVICE. The developers of Loma Linda established the Loma Linda Subdivision Homeowners Association (the "Association"). The covenants require all lot owners to be members of the Association and grants the Association the authority to levy assessments for carrying out activities for the benefit of all owners. The Association was intended primarily to provide for the improvement and maintenance of the common areas and roads, the administration of the architectural control committee and the enforcement of covenants. The amount of the annual assessments for carrying out those activities is limited by the covenants with limitations that vary slightly among the five units. The current assessment limit is \$65.89 annually and can only be increased 10% per year unless a greater increase is approved by 2/3 of the members at a meeting. Maximum annual assessment revenue is currently limited to \$11,980. The covenants do allow for special assessments to be levied if approved by 2/3 of the members. It is unclear whether the approval for an increase in annual assessments or for a special assessment is required for each unit individually or by the membership as a whole. In either case, the Association does not believe such increases would be approved particularly when the uniform rate of assessments for all lots means unimproved lots pay at the same rate as improved lots. The Association has been unable to generate sufficient revenues from annual assessments to adequately maintain the roads or provide any recreational amenities for the residents of the subdivision. The problem will become more acute since Archuleta County has indicated it will no longer provide snow plowing service to Loma Linda and the Association will need to pay that expense without additional revenues.

The current residents, through the duly elected Board of Directors of the Association, has found it necessary to organize a metropolitan district for the purpose of providing road improvement and maintenance and providing for parks and recreational facilities in the future to enhance the quality of life for the Loma Linda residents. As is explained in greater detail in the financial plan, a metropolitan district will be able to secure revenue for both road maintenance and parks and recreational improvements from sources which are currently not available to the Association. The District would also be able to provide a mechanism for funding capital improvements if needed in the future. This service plan is intended to explain how creation of a metropolitan district will provide service and funding which was not adequately established in the original development plan. The Loma Linda residents recognize that it is their responsibility to provide those necessary services for their properties and have determined that formation of a metropolitan district is the most effective way to meet those needs.

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TABLE NO. 1

Plats and Covenants

Unit	Plat Reception No.	Acres	Lots	Covenant Reception No.
I	91218	unknown	40	158831*
II	92491	212.834	36	158832*
III	96134	222.313	40	158833*
IV	120652	unknown	42	120653
V	124929	182.3366	42	124930

*Amended and Restated Covenants

Section II
GENERAL DEVELOPMENT

CURRENT DEVELOPMENT AND GROWTH RATE. The lots in Loma Linda have been marketed actively over a period of almost 20 years. Sales of lots have been dependent to some degree on the developer's completion of water lines and roads. The rate at which new homes are constructed (the "growth rate") has been effected by numerous factors including the completion of infrastructure, the wide availability of undeveloped lots within Archuleta County and the economy, both locally and nationally.

The records maintained by the Association indicates that current lot ownership is as follows:

Local / Colorado residents:	77
Developer lots:	6
Out of state residents:	114

The Assessors' records reflect that there are 47 lots in Loma Linda which have been improved with residential structures. This includes 1 lot with a mobile home, which is permitted by the covenants only during construction of a permanent home meeting the architectural standards and minimum requirements. The Association estimates there may an additional 6 lots with improvements under construction which have not yet been added to the assessment rolls. Based on past trends and information supplied by various owners, the Association has estimated the Growth Rate for Loma Linda which is shown on Table 2 located at the end of this Section.

The homes in Loma Linda vary greatly in size and value, which is not unusual in rural mountain subdivisions. The market value as established by the Archuleta County Assessor for homes in Loma Linda shows a range from \$90,205 to \$632,401. The predominant value, however, appears to be around \$250,000. It is estimated that growth will continue to occur in approximately the same manner with both large and small homes but the majority in the \$250,000 range. The value of unimproved lots in Loma Linda ranges from \$30,000 to \$60,000 depending on views, building sites and access.

Growth rate is dependent on a variety of factors. In an area such as Archuleta County where there are numerous undeveloped lots available, factors such as price, lot size, value of existing homes, access and amenities will all have an impact on the growth rate of a particular community. When there are several alternatives, the availability of adequate access and the assurance of future maintenance can be a factor in determining whether or not to construct a home in a particular subdivision. The availability of recreational amenities (either at present or in the future) may also impact the growth rate. The formation of the Loma Linda Metropolitan District will assure adequate access for Loma Linda by providing an entity with a variety of funding resources which can maintain and improve the roads within the subdivision. The certainty of adequate access, stable funding and the potential for

future development of recreational amenities should have a positive impact on the growth rate.

CURRENT POPULATION. It is extremely difficult to estimate the population for developments of this type. Many homes in mountain subdivisions like Loma Linda are constructed as vacation or second homes. As a result, the use and occupancy of such homes is seasonal. It is not atypical for owners of vacation or second homes to gradually become full time residents, although determining when full time residency has actually been established is imprecise. A common factor utilized in estimating population is 3.5 persons per household. Based on the number of homes currently within Loma Linda the result would be an estimated population of 165. The Association believes a more reasonable figure, taking into account the number of retired couples and vacation homes that are used sporadically, would be 2.5 persons per household, for a current population of 118.

EXISTING SERVICE - ROADS. The area within Loma Linda has an immediate need for road maintenance and improvement. There is no other existing, organized entity which can provide these services within a reasonable time and on a comparable basis to the proposed district. The only existing governmental entity which could provide road maintenance and improvement services for Loma Linda is Archuleta County. In the past, road maintenance has been provided by the Association with some assistance from Archuleta County, primarily for snow plowing. Although snow plowing services have been helpful, Archuleta County has not provided any other maintenance which will insure the continued viability of the road system. Most of the roads are currently in adequate condition, however the limited resources of the Association will not permit maintenance which will insure the continued adequacy of the roads. Some of the roads do not meet current Archuleta County road standards. Even if the roads did meet County standards, Archuleta County has a long established policy of not accepting any new roads for maintenance. In addition, Archuleta County has recently determined that it will no longer provide snow plow services to subdivisions like Loma Linda. It is therefore necessary for the Loma Linda residents to find an effective means of addressing road maintenance.

EXISTING SERVICE - PARKS AND RECREATION. At the current level of development in Loma Linda and based on the financial needs for improved road maintenance, park and recreation facilities are not an immediate priority. A great deal of Loma Linda remains undeveloped and gives the impression of adequate open space. However, as development increases with an increasing number of lots having residential improvements, the need and demand for open space, such as parks and recreation amenities, will increase. While it is true that there are a wide variety of recreational opportunities in the general area, as growth continues in Loma Linda residents will seek such amenities close to home within their own subdivision. The quality of life and property values within a particular subdivision are greatly enhanced by the availability of recreational opportunities, parks and open space. At the present time, there is not any existing organized entity which can provide such services within the subdivision within a reasonable time and on a comparable basis to the proposed district. Although the Association has the power to collect and spend assessments for

improvement and maintenance of the common area, it has never made such expenditures. Given the limited availability of funding for the Association which is not even adequate for road maintenance, it will be virtually impossible for the Association to provide park and recreational amenities. The proposed district will have access to funding sources for park and recreational improvements which would not be available to the Association.

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Subdivision Growth Projections

TABLE 2

<u>YEAR</u>	<u>NEW UNITS</u>	<u>TOTAL UNITS</u>
2000	5	52
2001	5	57
2002	5	62
2003	7	69
2004	7	76
2005	7	83
2006	7	90
2007	7	97
2008	5	102
2009	5	107
2010	5	112
2011	5	117
2012	3	120
2013	3	123
2014	3	126
2015	3	129
2016	3	132
2017	3	135
2018	3	138
2019	3	141

Section III
DISTRICT FORMATION

SERVICE PLAN - DEVELOPMENT. The Association and property owners in Loma Linda have carefully reviewed the need for services and the availability of those services for Loma Linda. They have determined that establishing a metropolitan district under the Colorado Special District Act, C.R.S. 32-1-101, *et seq.* (the "Act"), is the most effective and efficient manner of providing the necessary services at a reasonable cost. As provided in the Act, the District will be a quasi-municipal corporation and political subdivision of the State of Colorado. The name of the district will be:

LOMA LINDA METROPOLITAN DISTRICT

As required by statute, this Service Plan will be submitted to the Board of County Commissioners of Archuleta County, Colorado for review. The Service Plan will provide the basis for the formation, operation and financial management of the District. The Service Plan will become a permanent record of the proposed district and will serve to inform residents, property owners and the general public of the services expected to be offered by the proposed district, the anticipated costs of such services, and the method of funding such costs.

This Service Plan is intended to be a general framework for the operation of a proposed metropolitan district. Included in the Service Plan are estimates and assumptions concerning the operation of the District, growth rate, operation and improvement costs, regulatory requirements and other matters which may change during the formation and operation of the District. This Service Plan is binding only to the extent required by law. Minor deviations from the Service Plan should be expected to meet changed circumstances.

AUTHORIZED SERVICES. The Loma Linda Metropolitan District (the "District") shall provide the following services:

1. Street Improvement (C.R.S. 32-1-1004(2)(f)): The District intends to provide maintenance of all roadway surfaces, shoulders and drainage structures for roads within the District. Maintenance will include snow plowing, grading, graveling and other necessary maintenance services. The District will also provide funds for capital improvements for the reconstruction and upgrading of roads as necessary. The level of capital improvements will be dependent upon the availability of funds.

2. Parks and Recreation (C.R.S. 32-1-103(14)): The District will provide parks and recreational amenities for its residents by acquiring, constructing and operating such facilities.

SERVICE PLAN SUMMARY. The Service Plan includes estimated revenues and expenditures for the District which are summarized in Sections VII and VIII. No immediate

major capital expenditures requiring the district to incur debt are projected or required, since a majority of the roads have been constructed and the developer is required by contract to complete the remaining roads. Revenue which is not utilized for operation and maintenance expenses will be placed in a capital improvements fund. The capital improvements fund will be used to upgrade and reconstruct existing roads. All improvements will be constructed to be compatible with existing state and local standards consistent with the Service Plan and the availability of funds.

Revenues for the District will be derived primarily from ad valorem taxes on property within the District and Highway Users Trust Funds. The financial plan proposes a 10 mill levy for the first full year of operation of the District, which will generate general property tax revenues of \$24,731. The mill levy is projected to remain constant however, statutory and constitutional limitations and restrictions on tax revenues, may effect the rate in future years.

After the District is formed, it is expected to enter into an agreement with Archuleta County concerning Highway Users Trust Funds. Similar agreements with other metropolitan districts in Archuleta County have been approved and the County Commissioners have indicated a willingness to approve such agreements for new districts which qualify. Under such an agreement, Highway Users Trust Funds which are received by Archuleta County for roads within the District will be paid to the District to be used for road maintenance. The District will be solely responsible for all road maintenance. The County will not assume any maintenance obligations under the Agreement and the funding from Highway User Trust Funds will not cover all maintenance expenses. A copy of the proposed Agreement is included as Exhibit 3 in the Appendix.

No expenditures are currently proposed for parks and recreation services. The most pressing need for service is street maintenance and improvement. Until that service is provided with adequate funding, no other expenditures are proposed. The District will apply for its share of Colorado lottery funds which will be deposited into a conservation trust fund for future development of parks and recreation facilities.

The boundaries for the proposed Loma Linda Metropolitan District will include all property shown on the official subdivision plats for Loma Linda recorded in the office of the Archuleta County Clerk and Recorder. The legal description of the Loma Linda Metropolitan District is as follows:

All lots, roads and easements shown on the official plats of Loma Linda Subdivision Units 1, 2, 3, 4 and 5 recorded at Reception Nos. 91218, 92491, 96134, 120652 and 124929 in the Clerk and Recorder's Office, Archuleta County, Colorado.

A map showing the boundaries of the proposed district is included as Exhibit 4 in the Appendix to the Service Plan.

Section IV ROADS

The most immediate and compelling need for service within the proposed District is to provide improved maintenance of the existing roads. It has been noted in Section I - Need for Service that the ability of the Association to provide road maintenance is severely limited by restrictions in the covenants which limit the annual increase of assessments and unwieldy mechanisms for increasing those assessments. The Association will also be required to pay for snow plowing service without any increase in revenue. Although the original installation of the roads may have been satisfactory, the inability of the Association to institute and adequately fund a program of regular maintenance on the existing roads will result in the deterioration of the roads. Eventually, the cost of repairing and upgrading the roads will be much greater.

“STREET IMPROVEMENT” - SERVICE. Street improvement is defined by the Colorado Special District Act as “the construction and installation of curbs, gutters, culverts and other drainage facilities and sidewalks, bridges, parking facilities, paving, lighting, grading, landscaping, and other street improvements.” (See C.R.S. 32-1-1004(2)(f)). The Act also authorizes a district to operate and maintain district improvements. (See C.R.S. 32-1-1001(1)(h)) Under the authority in the Act, the term “street improvement service” includes both the capital cost of building and improving roads and the annual cost of operating and maintaining roads. All the roads in Loma Linda have been dedicated to public use. As a result of the dedication and acceptance of the public dedication by the County, all the roads in Loma Linda meet the statutory definition of a public highway. This definition is important because it allows expenditures of public funds to be made for street improvements and makes the Loma Linda roads eligible for Highway User Trust Funds (HUTF) as is explained in greater detail in the financial section.

EXISTING ROADS. With the exception of four sections of roads in Loma Linda which are unfinished, all of the roads in Loma Linda have been constructed by the developer. There are approximately 9.0 miles of finished roads within Loma Linda, which are shown on the composite map, Exhibit 5 in the Appendix. The roads were constructed at various times, depending on the demand for lot sales. All roads were constructed in accordance with the developer’s obligations set forth in various Development Improvements Agreements (DIAs) with Archuleta County. Under the DIAs the roads were constructed to meet County standards and are generally 24' in width with 6" to 9" of base coarse and 3" of finish gravel. On some of the older roads, much of the finish gravel has migrated to the edge of the roadway or the ditches as a result of snow plowing, traffic and sporadic maintenance. Replacement of finish gravel as funds are available will be a top priority for the proposed district. In general, the roads were designed and constructed with adequate drainage, including culverts and ditches. A survey of existing roads did not reveal the need for additional culverts, however some ditches may need to be reconstructed or improved to assure continued drainage.

Access to Loma Linda is provided by a public road known as Eightmile Mesa Road. The Loma Linda street system commences at the intersection of Eightmile Mesa Road and Loma Linda Drive, which is approximately 3/4 mile from the intersection of Eightmile Mesa Road with US Highway 84. That portion of Eightmile Mesa Road which provides access to Loma Linda was recently improved in order to comply with the requirements of the DIAs. The proposed district will not assume any maintenance responsibility for Eightmile Mesa Road. Continued maintenance of Eightmile Mesa Road by the County and Forest Service should provide adequate access to Loma Linda.

All the roads in Loma Linda are located within platted rights of way as shown on the plats for the five units. The rights of way are 60' in width and are dedicated to public use. There are a number of cul de sacs in Loma Linda. Cul de sacs at the edge of the subdivision may eventually connect with roadway systems for adjoining properties. Additional improvements or modifications of the cul de sacs may be required to insure adequate turn around areas for maintenance and emergency vehicles. Since additional lots cannot be created in Loma Linda through further subdivision, the current design of the roads and the size of established rights of way are adequate for the anticipated traffic volumes within Loma Linda.

UNDEVELOPED ROADS. The developer is still required to complete some sections of road totaling approximately 2.25 miles. Those undeveloped roads are shown on the composite map, Exhibit 5 in the Appendix. The developer is obligated to complete these roads under the provisions of the DIAs with Archuleta County. Two of the unfinished roads, Loma Vista Court and San Juan Court, roads have been roughed in by the removal of trees and the general grading of the road. The other two unfinished roads, Buck and Conifer Drive, have the base course installed, however, finish gravel has not been completed. Once organized, the district will assist owners of lots along the undeveloped roads in requiring the developer, through Archuleta County, to meet the obligation to complete the roads. The financial plan for the proposed district does not include any funds for completion of the undeveloped roads. Once these roads are completed, the proposed district will provide maintenance service.

ROAD STANDARDS. The roads in Loma Linda have been constructed and will be maintained in a manner which is compatible with standards of Archuleta County. A copy of the current Archuleta County Road Specifications is attached as Exhibit 6 in the Appendix. A majority of the roads within Loma Linda are classified as local streets with some cul de sacs classified as stub streets as defined in the Specifications. Typical road cross sections and standards are shown in the County Road Specifications. Some of the roads which were constructed to earlier Archuleta County standards may not meet current standards. No immediate plans are included for improving such roads to meet current standards. As funds are available and when demand or traffic volume warrants, improvements to those roads may occur.

COSTS. Later sections of the Service Plan set forth the estimated costs for providing street improvements services for the proposed district and the anticipated funding sources. No

capital costs for roads are included, since the developer is obligated to complete the construction of all roads. The ultimate goal of the proposed district is to maintain and improve a road system within Loma Linda which will provide adequate year round access to each lot within the subdivision.

Section V PARKS AND RECREATION

Clearly the most compelling need for service in Loma Linda is street improvement. However, the Association recognizes that continued growth within Loma Linda will increase the demand for parks and recreational amenities. While it may seem unnecessary to provide such amenities in an area like this, located near thousands of acres of public land on which recreational opportunities abound, the desire for such amenities within one's neighborhood will increase as growth continues.

PARKS AND RECREATION IMPROVEMENT. The Service Plan does not propose any immediate capital expenditures for parks and recreation. Once established, a special district is entitled to receive lottery funds which are placed in a Conservation Trust Fund to be used only for acquisition of parks and recreation facilities. The level of funding is dependent on population and as the Loma Linda area develops, funding will increase as the number of undeveloped lots within Loma Linda decrease. It is the goal of the organizers of the district to establish the fund now in order to have adequate funding available in the future for those improvements when demand warrants. The proposed district will also be eligible for grants which are available for parks and recreation improvements. Since portions of Loma Linda border on the San Juan National Forest, the proposed district may acquire easements within Loma Linda which would facilitate the establishment of a network of trails for hiking, jogging and bicycling as well as safe access to the national forest. These easements may be obtained through donations or at very little cost and trails developed within the easements at a minimal cost.

There may also be lots within Loma Linda that are not readily suitable for the construction of homes. The district could acquire such lots either by donation or purchase and set those lots aside for park and recreational use. Although not suitable for construction of a home, the lots may be suitable for some recreational development including picnic areas, play grounds, or athletic fields. The acquisition of such areas and the construction of any amenities will be dependent upon the financial resources available to the district and the desires of its residents.

COSTS. The Service Plan does not include any proposed capital costs for park and recreational amenities. Since no such amenities are immediately proposed, no operation and maintenance costs are required initially. Section VI does contain estimates of current costs of various recreational amenities. These are intended only as suggestions and are not planned improvements. It is recognized by the proponents of the Service Plan that the immediate and primary need in Loma Linda is for adequate street improvement services. Expenditures for parks and recreational amenities will not be made until the level of funding for street improvement services has been adequately established.

Section VI IMPROVEMENT COSTS

This portion of the Service Plan will summarize the capital costs anticipated in connection with the improvements for the proposed district as well as the organizational costs. In general the capital costs for the district will be incurred on a pay as you go basis. Costs will be incurred only at a level which is reasonable and acceptable to the residents and property owners of the district.

STREET IMPROVEMENT.

1. EXISTING ROADS. Although existing roads are generally in satisfactory condition, certain improvements, primarily in the form of additional gravel could be made. Rather than undertaking those improvements initially by incurring debt, the financial plan proposes establishing reserves which will allow for improvements to be made gradually without incurring debt.

2. UNIMPROVED ROADS. As is more fully explained in Section IV, it is the developer's obligation to complete all unimproved roads. No capital expenditures are proposed for completing such roads.

PARK AND RECREATION. Section V of the Service Plan sets forth the general goal for the development of parks and recreation amenities. The district as initially established will not have the financial capability to make capital expenditures for such purposes, nor is there any immediate demand for such services. By way of example, Table 3 at the end of this section provides cost estimates for various recreational amenities. These estimates are not intended to be a financial commitment of the district but are provided for illustration purposes. The financial plan does not include any planned expenditures for such purposes but does include a table showing funding that might be available in the Conservation Trust Fund based on estimated population and interest earnings. In addition to the district's fund, there are numerous grant opportunities for governmental entities to pursue in the development of parks and recreational amenities. The pursuit of such funding and the making of such expenditures would need to be done in a manner which is consistent with the financial ability of the district to provide matching funds, maintenance expenses and the desires of the residents in the district.

ORGANIZATIONAL COSTS. There are certain costs associated with the organization of a metropolitan district. Those costs include professional fees, publication, postage, and miscellaneous expenses. The association has provided initial funding for the development of the Service Plan and will fund the organizational expenses. The association does not intend to seek reimbursement of organizational costs from the district once formed. Therefore it is not necessary to include a detailed estimate or analysis of those costs.

**LOMA LINDA METROPOLITAN DISTRICT
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Cost Estimates for Various Recreational Amenities

TABLE 3

<u>ITEM</u>	<u>COST</u>
Land acquisition (undevelopable and/or donated lots)	\$25,000.
Site improvements (parking, fencing, clearing)	\$10,000.
Picnic improvements (tables, benches, grills)	\$5,000.
Fields	
Badminton and volleyball	\$2,500.
Softball	\$5,000.
Trails - pedestrian & cycling	<u>\$25,000.</u>
Total	\$72,500.

Section VII
OPERATION AND MAINTENANCE EXPENSES AND REVENUES

This section of the Service Plan will analyze the operation and maintenance costs and revenues for the proposed district. As required by the Act, the first full year operating budget for the proposed district for the year 2001 is set forth at the end of this section. Property tax revenues will not be available until 2002 since the statutes do not permit a special district to levy a tax in the year of its organization unless the organization is completed prior to May 1. Once organized, the district will be required to adopt an annual budget in accordance with the Local Government Budget Law (C.R.S. 29-1-101 *et seq.*). The actual date on which the district is organized is uncertain and so no attempt has been made estimate revenues and expenditures during the year of formation. A budget for the year 2001, without tax revenue is also included. Archuleta County has indicated a willingness to assist with the transition for the new district.

EXPENSES. The expenses for the proposed district are divided into three primary categories - administration, operating and capital expenditures. Administration expenses include accounting and auditing, insurance, office and professional expenses for attorneys, engineers and others. These estimates are intentionally high and also reflect higher administrative costs in the first year of operation. Once the district is operating smoothly it should not require the same level of administrative expenditures. In recent years, Association administration expenses have been in the \$5,000 range so the proposed district will be able to operate at or below the current level. The Association may continue to incur some administrative expenses, depending on what services it provides after organization of the district.

The estimates of operating expenses for road maintenance are based on the experience of the Association and the availability of funds. Obviously, one of the largest variables in road maintenance is the cost of snow plowing, which is dependent on the severity of the winter. The balance between snow plowing and grading can be shifted depending on need. It is the intent of the organizers that the district, at least in the early years, will contract out all road maintenance services. Depending on the level of funding, the district may determine at some point that acquiring its own equipment and utilizing its own employee(s) is preferable.

The final portion of the general fund budget is for capital improvements. As noted earlier in the service plan, one of the most immediate needs is for additional gravel on the roads. Although this budget proposes spending \$12,000 on gravel and \$1,000 on drainage improvements, the board of the district may determine it is preferable to place those funds along with any unused operating funds into a capital improvements account. After the capital improvement account reaches the desired level, a major regraveling project of all district roads could be undertaken.

REVENUES. The general fund will have two primary sources of revenue. A general property tax levy of 10 mills will generate \$24,731 based on a current assessed valuation in the district of \$2,473,111. By the time the first mill levy is actually imposed for the year

2001, the assessed value should be higher with the construction of additional homes and the appreciation in property values for unimproved lots.

The organizers of the proposed district believe that the mill levy, in addition to providing more revenues than are currently available under the limited assessment method utilized by the Association, also provides a more equitable manner of allocating the costs for services. The owner of an average home in Loma Linda (\$250,000 actual market value) will pay approximately \$237.50 annually in property taxes. Unimproved vacant lots will pay between \$87 (for a \$30,000 lot) and \$174 (for a \$60,000 lot). Under the uniform assessment requirements in the covenants, improved and unimproved lots each pay the same amount. Since those owners with homes will utilize the services and derive a greater benefit from those services, the mill levy is a more equitable manner of assessing those costs.

The second primary source of revenue will be Highway User Trust Funds (HUTF) which are divided between the state, the counties and the municipalities in Colorado based on a complex formula that includes factors such as vehicle registration and mileage of maintained roads. The HUTF revenue is used solely for maintenance and improvements of public roads. The Board of County Commissioners of Archuleta County has entered into Public Highway Maintenance Agreements with other metropolitan districts in the County. Under these agreements, the County receives HUTF revenue for the miles of roads within the district and then pays those funds to the district. In return, the district agrees to maintain the roads within their jurisdiction and acknowledges that the County has no maintenance responsibility. A copy of a proposed agreement with the Board of County Commissioners of Archuleta County is included as Exhibit 4 in the Appendix. Since the County has encouraged the formation of districts within subdivisions such as Loma Linda to assume road maintenance responsibility, there is no reason to believe the Commissioners will not approve such an agreement once the Loma Linda Metropolitan District has been organized. The estimated amount of HUTF revenue is based on 9 miles of finished, maintained road at \$1,500 per mile. The actual rate recently has been \$1,700 to \$1,800 per mile, so actual revenues should be higher.

LOMA LINDA METROPOLITAN DISTRICT
GENERAL FUND
OPERATING BUDGET
FIRST FULL YEAR (2002)

REVENUE:

General property tax	\$24,731	
HUTF revenue	13,500	
Specific Ownership Tax	<u>2,473</u>	
Total Revenue		<u>\$40,704</u>

EXPENDITURES:

Administration		
Accounting & auditing	1,000	
Insurance	2,000	
Office	200	
Professional	1,200	
Miscellaneous	<u>100</u>	
Sub-total		4,500
Operating		
Contract services		
Snow plowing	7,500	
Grading	7,500	
Supplies	<u>1,000</u>	
Sub-total		16,000
Capital		
Gravel	12,000	
Drainage Improvements	<u>1,000</u>	
Sub-total		<u>13,000</u>
TOTAL EXPENDITURES		<u>\$33,500</u>

Ending Balance		7,204
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Section VIII FINANCIAL PLAN

To be successful, a special district, particularly at the time of organization, should have a financial plan based on reasonable projections and affordable costs for the residents and tax payers within the district. This section explains the financial plan for the proposed district, a copy of which follows this section. The plan fulfills the most immediate need of creating an entity which will provide an acceptable degree of road maintenance service at a reasonable cost. The financial plan is based on the following general goals and objectives:

1. Establish a special district with a solid financial base which can provide road maintenance for Loma Linda at a reasonable cost to tax payers.
2. Provide a source of funds for making capital improvements to the Loma Linda road system.
3. Establish an entity which can provide park and recreation service to Loma Linda in the future as funding is available.

The financial plan at the end of this section shows that the proposed district will be able to achieve those goals. The financial plan explains projections over a 20 year period to demonstrate that the revenue and expense estimates can reasonably be met over a long period of time.

FINANCIAL PLAN ASSUMPTIONS. In order to develop this financial plan, certain assumptions needed to be made concerning revenues and expenditures, both in the first year of operation and in the future. Although the financial plan notes briefly explain these assumptions, a more detailed explanation follows:

1. Assessed valuation is increased annually by 4% plus the construction of five new homes. The annual increase of 4% is only slightly higher than the recent annual rate of inflation. The actual rate of appreciation of unimproved property in Loma Linda is likely to be much greater rate than 4% annually. The five new homes are consistent with the growth estimates for the first few years. Although the growth projection in Table 2 shows seven new units per year in the years 2003 through 2007, the assessed valuation increases are based on a more conservative figure of five home per year. The new homes are estimated at \$250,000, as is consistent with the general level of development in Loma Linda. It is likely that in later years, the average will be higher as prices continue to increase, however, the conservative projections for revenue are consistent with the intent of developing a financial plan which is affordable and sensible even under a worse case scenario.

2. HUTF revenues have been estimated based on 9 road miles at \$1,500 per mile with no increase throughout the 20 year projection. Since current HUTF payment is in the \$1,700 to \$1,800 per mile range, the projection of HUTF revenue is very conservative and again

demonstrates the viability of the financial plan, even under a worst case scenario. If HUTF funding continues at the current level and when the additional funds are received from the completion of the unfinished roads, the additional revenue could provide additional capital reserves or the mill levy could be reduced to maintain the same revenue.

3. Operating and administrative expenses have been increased by 3% per year. Inflation is always difficult to predict, although 3% has been a reasonable number in the last few years. Since operating and administration expenditures have been intentionally projected high even if the inflation rate is greater than projected, the financial plan should still remain viable.

4. Capital costs are increased by \$2,000 every five years. As noted in the service plan, capital costs can either be spent on an annual basis or accumulated for major projects, based on determinations by the Board.

5. Finally, the financial plan shows an annual surplus each year and a cumulative surplus. The cumulative surplus includes 5% annual interest on the balance. At the present time, fully insured legal investments for local governments in the 6% to 7% range are readily available so again, the conservative projection should be exceeded by actual interest earnings resulting in a larger cumulative surplus. The amount of the cumulative surplus would also be larger if capital expenditures are not made for several years.

The district would have the ability to incur debt and issue bonds if a large capital project were needed. The organizers of the district do not foresee the need for any major capital expenditures and none are planned. In addition, any debt would need to be approved by the voters of the district. The financial plan proposes that capital expenditures only be made on a pay as you go approach based on available funds.

Also included at the end of the financial plan is a table showing accumulations in the Conservation Trust Fund based solely on the annual receipt of lottery funds and interest earnings.

LOMA LINDA METROPLITAN DISTRICT

Financial Plan - Table 1

Tax Revenue

<u>Year</u>	<u>Assessed Valuation (1)</u>	<u>Mill Levy (2)</u>	<u>Tax Revenue</u>	<u>NOTES</u>
2000	\$2,473,111	10	\$24,731	(1) Assumes assessed valuation increases annually by 4% plus 5 new homes
2001	\$2,612,035	10	\$26,120	
2002	\$2,756,517	10	\$27,565	
2003	\$2,906,778	10	\$29,068	(2) Mill levy is constant and is not tested for TABOR compliance
2004	\$3,063,049	10	\$30,630	
2005	\$3,225,571	10	\$32,256	
2006	\$3,394,593	10	\$33,946	
2007	\$3,570,377	10	\$35,704	
2008	\$3,753,192	10	\$37,532	
2009	\$3,943,320	10	\$39,433	
2010	\$4,141,053	10	\$41,411	
2011	\$4,346,695	10	\$43,467	
2012	\$4,560,563	10	\$45,606	
2013	\$4,782,985	10	\$47,830	
2014	\$5,014,305	10	\$50,143	
2015	\$5,254,877	10	\$52,549	
2016	\$5,505,072	10	\$55,051	
2017	\$5,765,275	10	\$57,653	
2018	\$6,035,886	10	\$60,359	
2019	\$6,317,321	10	\$63,173	

LOMA LINDA METROPOLITAN DISTRICT

Financial Plan - Table 2

General Fund

Year	Property Tax		HUTF Revenue (1)	S. O. Tax	Total Revenue	Road O&M Costs (2)		Administrative Costs (2)		Capital Costs (3)		Total Costs	Annual Surplus	Cumulative Surplus (4)	NOTES
	Revenues	Revenues				O&M Costs (2)	Administrative Costs (2)	Capital Costs (3)	Costs						
2000	\$24,731	\$13,500	\$2,473	\$40,704	\$16,000	\$4,500	\$13,000	\$33,500	\$7,204	(1) HUTF revenue based on 9 road-miles @ \$1,500/mi					
2001	\$26,120	\$13,500	\$2,612	\$42,232	\$16,480	\$4,635	\$13,000	\$34,115	\$8,117						
2002	\$27,565	\$13,500	\$2,757	\$43,822	\$17,139	\$4,820	\$13,000	\$34,960	\$8,862						
2003	\$29,068	\$13,500	\$2,907	\$45,474	\$17,825	\$5,013	\$13,000	\$35,838	\$9,636	(2) Increase by 3%/yr					
2004	\$30,630	\$13,500	\$3,063	\$47,193	\$18,538	\$5,214	\$13,000	\$36,752	\$10,442						
2005	\$32,256	\$13,500	\$3,226	\$48,981	\$19,279	\$5,422	\$14,000	\$38,702	\$10,280	(3) Capital costs are increased by \$1,000 every 5 years. Capital funds could be accumulated for major expenditures.					
2006	\$33,946	\$13,500	\$3,395	\$50,840	\$20,050	\$5,639	\$14,000	\$39,690	\$11,151						
2007	\$35,704	\$13,500	\$3,570	\$52,774	\$20,852	\$5,865	\$14,000	\$40,717	\$12,057						
2008	\$37,532	\$13,500	\$3,753	\$54,785	\$21,687	\$6,099	\$14,000	\$41,786	\$12,999						
2009	\$39,433	\$13,500	\$3,943	\$56,876	\$22,554	\$6,343	\$14,000	\$42,897	\$13,979						
2010	\$41,410	\$13,500	\$4,141	\$59,051	\$23,456	\$6,597	\$15,000	\$45,053	\$13,998						
2011	\$43,467	\$13,500	\$4,347	\$61,313	\$24,394	\$6,861	\$15,000	\$46,255	\$15,058						
2012	\$45,605	\$13,500	\$4,561	\$63,666	\$25,370	\$7,135	\$15,000	\$47,506	\$16,160	(4) Cumulative surp. includes 4% annual interest on balance					
2013	\$47,830	\$13,500	\$4,783	\$66,113	\$26,385	\$7,421	\$15,000	\$48,806	\$17,307						
2014	\$50,143	\$13,500	\$5,014	\$68,657	\$27,440	\$7,718	\$15,000	\$50,158	\$18,499						
2015	\$52,549	\$13,500	\$5,255	\$71,303	\$28,538	\$8,026	\$16,000	\$52,564	\$18,739						
2016	\$55,051	\$13,500	\$5,505	\$74,056	\$29,680	\$8,347	\$16,000	\$54,027	\$20,029						
2017	\$57,653	\$13,500	\$5,765	\$76,918	\$30,867	\$8,681	\$16,000	\$55,548	\$21,370						
2018	\$60,359	\$13,500	\$6,036	\$79,894	\$32,101	\$9,029	\$16,000	\$57,130	\$22,765						
2019	\$63,173	\$13,500	\$6,317	\$82,990	\$33,385	\$9,390	\$16,000	\$58,775	\$24,215						

LOMA LINDA METROPOLITAN DISTRICT

Appendix List

- Exhibit 1 General location map
- Exhibit 2 Declaration of Restrictions - Unit 5
- Exhibit 3 Agreement for Public Highway Maintenance
- Exhibit 4 Boundary Map
- Exhibit 5 Composite Map
- Exhibit 6 Archuleta County Road and Bridge Specifications

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AGREEMENT FOR PUBLIC HIGHWAY MAINTENANCE

THIS AGREEMENT made and entered into this ____ day of _____, 2000 by and between LOMA LINDA METROPOLITAN DISTRICT, Archuleta County, Colorado, hereinafter referred to as the "District" and BOARD OF COUNTY COMMISSIONERS OF ARCHULETA COUNTY, COLORADO, hereinafter referred to as "County".

WITNESSETH:

WHEREAS, the District is a quasi municipal corporation organized and existing under the statutes of the State of Colorado, C.R.S. 32-1-101, *et seq.*; and

WHEREAS, one of the purposes for which the District was formed was to provide street improvement services within the authority to construct and maintain streets and highways within said District and to engage in road maintenance and improvements on a continual basis; and

WHEREAS, the District and County are political subdivision, as defined under the Intergovernmental Relationships Act, C.R.S. 29-1-201 *et seq.*, which Act permits, authorizes and encourages political subdivision of the State of Colorado to cooperate and contract with one another to provide any functions, services of facilities lawfully authorized to the cooperating or contracting political subdivision; and

WHEREAS, the roads within the District shown on the plat of the Loma Linda Subdivision, Units 1-5, recorded under Reception Numbers 91218, 92491, 96134, 120652 and 124929 in the office of the Clerk and Recorder of Archuleta County, Colorado are dedicated to the use of the public and are "open, used and maintained public highways" as required by C.R.S. 43-4-207(2)(b); and

WHEREAS, the District has the financial resources necessary to maintain the roads within the District; and

WHEREAS, the County may secure for the District, highway use funds to assist in maintenance of the roads within the District; and

WHEREAS, the parties to this agreement have considered and determined that it is in the best interest of the residents and citizens of the County of Archuleta, Colorado and the residents and citizens of the Loma Linda Metropolitan District, County of Archuleta, Colorado to provide for the maintenance, repair and reconstruction of the dedicated roads within the District according to the terms of this agreement; and

WHEREAS, the County and District find and determine that this agreement and the provisions hereof will make the most efficient and effective use of their powers and responsibilities.

NOW THEREFORE, it is agreed in consideration of the foregoing and mutual promises, covenants, agreements and obligations herein contained that:

Section 1. County does hereby accept the dedication to public use made on the plat of the Loma Linda Subdivision, Units 1-5 as recorded under Reception Numbers 91218, 92491, 96134, 120652 and 124929 of the records of Archuleta County, Colorado, subject to the limitation of Section 10 of this agreement.

Section 2. District hereby agreeest to provide all maintenance for the dedicated and constructed public roads located within the District, whether described as streets, roads, avenues, drives, cul de sacs or otherwise, it being the intent that the District maintain all those roads shown on the official plats of the Loma Linda Subdivision, Units 1-5, which are currently constructed. It is understood and agreed that District shall not be obligated to construct any roads shown on the plats which are not presently constructed.

Section 3. All public roads presently constructed within the District shall be legally open for public travel by ordinary motor vehicles at all times, shall be useable at all times except during adverse weather conditions and shall be maintained by the District on a continual basis.

Section 4. County shall, in consideration of the District's agreement to maintain said roads, place said roads as platted and presently constructed on the County road system and shall, beginning July 1, _____, apply for highway users tax fund allocations for said roads. County shall pay to District, upon receipt, those funds received by the County though the highway user funds provisions of the Colorado statutes to the extent such funds are derived from the adjusted mileage of open, used and maintained public highways within the District.

Section 5. District agrees to use all funds received from the County under this agreement only on maintenance of and for the benefit of approved public highways within the District and for no other purpose. The term maintenance includes construction, engineering, reconstruction, maintenance, repair, equipment purchase and administration expenses incurred in connection with said roads. It is mutually acknowledged and agreed that the funds paid by the County to the District hereunder may not be adequate for all maintenance required and District agrees to expend such additional funds from other sources and in other amounts as it sees fit for complete maintenance of the roads.

Section 6. Notwithstanding the foregoing, this agreement shall in no way limit the right or ability of the county or District or impose any additional obligations upon the County or District to raise revenue or use such additional revenues as may be necessary or proper for the maintenance of public highway within the District.

Section 7. It is agreed that when platted roads which are not currently constructed are constructed and improved tot he standard of the existing roads in the District such roads shall automatically become subject to the provision of this agreement and shall be added to the adjusted mileage of the County road system for the next ensuing year.

Section 8. This agreement has been approved by the County by Resolution No. 2000-___ passed at the regular meeting of the Board of County Commissioners of the County of Archuleta, State of Colorado held on the _____ day of _____, 20000 and has been approved by the District at a

regular meeting of the Board of Directors of the District held on the ____ day of _____, 2000 and shall inure to the benefit of and be binding upon the District, the County and their successors.

Section 9. This agreement may be terminated by either the County or the District upon giving written notice of termination to the other party at least ninety days prior to the first day of January, 20__ or at least ninety days prior to the first day of January of each succeeding year. Such termination shall be effective on July 1st of the following year.

Section 10. Each party shall be solely responsible for the performance of its obligations hereunder and each party shall indemnify and hold harmless the other party from all loss, cost and expense arising out of any liability or claim for injury or damages sustained or claimed to have been sustained by any one whomsoever by reason of the performance of said obligations or by any act or omission of said party or its officers, agents or employees. District further specifically agrees to indemnify County against any loss which may occur in the event funds received by the County and paid to the District under this agreement are later required to be returned to the State of Colorado.

Section 11. The roads described herein are being placed on the County's road system only for the purposes of this agreement and no other. In the event this agreement is terminated by either party, it is understood and agreed that County shall have the right to remove said roads from the County road system. This agreement shall not operate as, or be construed to operate as, acceptance by County of maintenance responsibility for said roads.

Section 12. It is acknowledged by both County and District that said roads are not presently constructed to meet County standards. This agreement does not alter or amend either the County road standards or the County policy of not accepting for maintenance roads which do not meet County standards. This agreement does not require District to construct or improve said roads to meet current County standards.

Section 13. This agreement shall be effective on the day and year first above written.

IN WITNESS WHEREOF, the parties have caused this agreement to be executed by their respective officers the day and year first above written.

LOMA LINDA METROPOLITAN DISTRICT

ATTEST:

Secretary

BY: _____
President

BOARD OF COUNTY COMMISSIONERS
OF ARCHULETA COUNTY, COLORADO

ATTEST:

Deputy Clerk to the Board

BY: _____
Chairman

ARCHULETA COUNTY ROAD SPECIFICATIONS

The purpose of these specifications is to set forth *minimum* standards for road construction and inspection procedures so that public roads can adequately and cost effectively serve the public needs.

DEFINITIONS AND TERMS

Section 100

- 105 **ABC** –Aggregate base course, 4-inch minus, placed and compacted on the prepared subgrade.
- 110 **Additional Right of Way Requirements** - For all classes of streets or roads, additional right of way width may be required when the design cut or fill is greater than the R.O.W. width available. The exception to this requirement is when the cut is through rock, then the excavated slope may, as approved by the Engineer, be as steep as ½:1. For all types of material other than rock, the cut and fill slopes may not be steeper than shown on the appropriate drawing for the class of road.
- 115 **Arterial Street or Road** – A road which carries a relatively high traffic volume over longer distances in a direct manner. It requires an 80-foot R.O.W., 27-foot surfaced roadway, 10 inches of compacted ABC and 3 inches of compacted ASC. Typical section is shown on Drawing No. 1.
- 120 **ASC** – Aggregate surface course, ¾ inch minus, placed and compacted on the prepared ABC. The term “surface” indicates the top layer of aggregate, not necessarily the actual surface of the roadway.
- 125 **Collector Street or Road** – A road which collects and distributes traffic from one or more residential or population concentration areas to or from an Arterial Road or major highway. It requires a 60-foot R.O.W., 27-foot surfaced roadway, 9 inches of compacted ABC and 3 inches of compacted ASC. Typical section is shown on Drawing No. 2.
- 130 **County** – The Archuleta County Commissioners or their designees.
- 135 **County Acceptance** – A County Accepted road is one which has been accepted for future maintenance by the County.
- 140 **County Approval** – A County Approved road is one which has been constructed in compliance with the requirements of the Archuleta County Subdivision Regulations.
- 145 **Cul-de-sac** – A turning place at the end of a road requiring a 100-foot diameter R.O.W., with an 80-foot diameter surfaced area. Construction specifications shall match those required for the roadway leading to the cul-de-sac.

- 150 **Discontinuous Street or Road** – A road which does not extend from an existing County Approved Road, or U.S. or State highway, or to a County Approved cul-de-sac.
- 155 **Engineer** – Professional Engineer, licensed in the State of Colorado, designated by the County to inspect and evaluate work on behalf of the County.
- 160 **Local Street or Road** – A road that carries slow speed local traffic from residential areas to or from a Collector Road. It requires a 60-foot R.O.W., 27-foot surfaced roadway, 8 inches of compacted ABC and 3 inches of ASC.
- 165 **Owner** – The subdivider, developer or any other person who is obligated or responsible to perform work which is to be County Approved or Accepted.
- 170 **Street and Road** – These terms are synonymous in these Specifications. In general, Street is used for roadways within subdivision and Road is used for roadways in other areas within the County. The requirements are the same for both.
- 175 **Stub Street or Road** – A short road used for access to a maximum of six single-family dwellings and not over 800 feet in length. This road section may be used only when there is no possibility of lengthening the roadway in the future. It requires a 60-foot R.O.W., 24-foot surfaced roadway, 6 inches of compacted ABC and 3 inches of ASC. Use of this road section shall be at the discretion of the County. Typical section is shown on Drawing No. 4.
- 180 **Sub-grade** – The natural or suitable fill soil of the proposed roadway to be prepared for placement of the ABC.
- 185 **Technician** – A qualified materials tester under the supervision of, or approved by, the Engineer.
- 190 **Temporary Cul-de-sac** – A cul-de-sac Approved by the County to be used at the end of a road which is shown on the final plat to be extended in the future.

CONTROL OF THE WORK

Section 200

- 205 **Scope of the Work** – All work not covered in the following Specifications shall be done in accordance with the “Standard Specifications for Road and Bridge Construction”, State Department of Highways, State of Colorado, current edition.
- 210 **Inspection of the Work** - *The Owner shall notify the County (usually the Engineer) in writing in advance of commencing work, advising when and where the work will begin.* Failure to do so can cause removal of material, at the Owner’s expense, so previous work can be inspected. All work may be inspected by the County during the course of construction. If, in the opinion of the

Engineer, the work is not being performed in a satisfactory manner, the Owner will be notified of deficiencies in writing. Failure to receive such notification does not relieve any Owner responsibilities of compliance with these Specifications. All work shall be done to the County's satisfaction.

- 215 **Approval of Completed Work** – *The Owner shall notify the County in writing of the completion of road work and that Approval is requested.* Payment for the inspection and testing *must* be made before Approval is requested. Also, the Owner shall provide to the County written certification by a Colorado Registered Land Surveyor that the roadway is within the platted, deeded or monumented R.O.W. It is *recommended* the survey be done at the time the subgrade is ready for the aggregate base course so that problems encountered may be dealt with before further construction takes place. The County will *not* consider Approval of Discontinuous Roads.

After review at a regular Commissioners' meeting of the Owner's request, Engineer's inspection report, the test results reports and the Surveyor's certification, the County will, within 30 days, notify the Owner in writing of provisional Approval or of rejection. In the case of the latter, the County will give reasons for rejection and set forth what is required to make the work acceptable. Once the reasons for rejection have been corrected, the Owner may submit another request in writing to the County.

After the Owner has been notified of provisional Approval, the Owner shall provide a bond, or other assurance suitable to the County, in an amount to be determined by the County Engineer, warranting that any engineering or construction defects or inadequacies that show up within two years will be corrected or repaired by the Owner at his expense. Upon receipt of acceptable bond, or other assurance, the warranty period will begin and the work will be considered complete for purposes of final plat approval and, if applicable, release of any road improvements Agreement.

After expiration of the warranty period and completion of any required corrections or repairs, which shall take place by the end of one month post the warranty period, as affirmed by a County inspection, the bond or other assurance will be released.

CLEARING AND GRUBBING

Section 300

- 305 The centerline of the proposed road shall lie on the centerline of the R.O.W. when at all feasibly possible. The R.O.W. shall be cleared to a width of 5 feet outside the embankment toe line or the excavation cut line. Clearing shall consist of removal of trees, brush, grass, weeds and all organic material. In areas of embankment, stump holes and any other excavation for root removal shall be back-filled and compacted prior to starting embankment construction.

EXCAVATION AND EMBANKMENT

Section 400

- 405 Excavation and placing embankments shall be done by generally accepted methods of the industry. Benching shall be required on steep slopes and embankments shall be placed in lifts not to exceed 8 inches, then shall be compacted as specified. In rocky areas where fill material consists predominately of rock too large to be placed in 8-inch lifts, material may be placed in *maximum* lifts of 2 feet, providing any boulders are scattered out within the fill and are compacted around them. Suitable fill shall comply with Section 510.
- 410 Compaction of 93% of *maximum* dry density, as determined by AASHTD T99 or ASTM D698, shall be required for all embankment lifts and 8 inches of the sub-grade surface.

The County will require compaction tests to be made by the Engineer or Technician on all lifts and sub-grade surface to assure the work is being done satisfactorily. All testing shall be at the *Owner's* expense.

CULVERTS AND STRUCTURES

Section 500

- 505 Trenches for culverts and other structures shall be excavated in reasonably close tolerance to established grades. Corrugated metal pipe (CMP) culverts shall be installed with some camber in the center to assure there will no ponding in the culvert. Excavation for culverts and other structures shall be wide enough to permit tamping equipment to work on all sides. When rock, either broken or solid, is encountered at the flow line, the trench shall be over excavated a *minimum* of 6 inches and backfill placed and compacted to provide a cushion for the pipe. This bedding shall be fine-grained material, well graded to provide uniform support for the entire length of the culvert.
- 510 Suitable material free of wood and other organic debris shall be used for back-filling and any necessary fills. Backfill material for CMP culverts shall contain no rock larger than 1 inch within 1 foot of the culvert. The moisture content of the backfill or fill material shall be near optimum moisture *before* it is placed in 8-inch lifts for compaction.

Compaction requirements are 93% of maximum dry density as determined by AASHTD T99 or ASTM D698. All testing shall be at the Owner's expense.

- 515 Cross drainage structures may be CMP or any other County approved material. The size (diameter or box dimensions) shall be determined from drainage area, runoff factor, etc. Manufacturers of CMP have design criteria in their handbooks. The County may require approval of culvert sizes prior to construction. *No culvert less than 18 inches in diameter will be permitted.* Minimum gage for CMP is as follows:

DIAMETER	GAGE #
18 to 21-inch	16
24 to 36-inch	14
42 to 54-inch	12
60 to 72-inch	10
over 72-inch	8

Cross drainage structures shall be located at all low points to prevent ponding along the road. Maximum distance for ditch flow parallel to the roadway is 800 feet. Minimum cover over cross drainage structures shall be 1 foot for CMP's up to 36 inches in diameter, and 1.5 feet for CMP's over 36 inches.

- 520 Bridges and other structures which are not pre-fabricated shall be constructed in accordance with plans stamped by a Professional Engineer registered in the State of Colorado and approved by the County.

DRAINAGE AND EROSION

Section 600

- 605 All roads shall have a *minimum* roadside ditch depth of 2 feet. Ditch slopes shall be no steeper than 2:1 unless prior approval is attained in writing from the Engineer. Riprap and gabions may be required in certain areas to prevent erosion.
- 610 Any borrow areas utilized for construction material shall be sloped and graded to provide adequate drainage.
- 615 Seeding of slopes, both excavation, embankment, and borrow, shall be done with a County approved mix at a time that will allow revegetation to occur *prior* to expiration of the warranty period.

AGGREGATE BASE AND SURFACE COURSES

Section 700

- 705 **Gravel** road surfacing shall consist of a base course *and* a surface course, although the term "surface" does not necessarily refer to the actual finished surface of the road if the surface is to be paved. Compacted thickness of each course is given in Section 100 and in typical drawings for each type of road. The base may be either pit run river gravel or crushed stone. If river gravel is used, the oversized material *must* be removed. Prior to placing any gravel, the roadway subgrade shall be shaped and compacted, ensuring adequate crown is in the finished roadway. Written approval by the Engineer of the subgrade shall be acquired *prior* to laying any gravel.

Gradation requirements for aggregate are as follows:

PERCENT PASSING BY WEIGHT

<u>Base Course</u>	<u>Sieve Size</u>	<u>Surface Course</u>
100%	4"	-----
65 - 90%	3"	-----
40 - 75%	3/4"	100%
22 - 45%	#4	30 - 65%
16 - 34%	#8	25 - 55%
3 - 15%	#200	3 - 12%

Other requirements for ABC and ASC are:

Plasticity Index not to exceed 6 for either Base or Surface Course Aggregate.

If the proposed rock appears to be too soft, at the discretion of the County the Los Angeles wear test, as designated by AASHTD T96 or ASTM C535, may be required. L.A. wear shall not exceed 40.

- 710 **Compaction** - The Base Course shall be placed in two equal lifts except in the case of Stub Roads on which a single lift may be placed. The material shall be near optimum moisture when laid and compacted. Compaction shall initiate at the outer edges, progressing towards the center until the ABC is thoroughly compacted and conforms to the lines, grades and thickness required. Written approval from the Engineer shall be acquired prior to laying any surface aggregate.

The Surface Course shall be placed and compacted in one lift when the material is near optimum moisture content. Compaction shall be accomplished with a vibratory smooth steel drum roller or other approved type weighing not less than 5 tons. The method shall be the same as specified for the ABC. Compaction of 95%, AASHTD T180 or ASTM D1557, is required.

715 **Testing**

- 1 Gradation and P.I. tests on aggregate shall be made by the Engineer or Technician as follows:
 - a An initial test will be made *immediately* after gravel production starts. This requirement also applies to a stockpiled material *before* hauling begins.
 - b A *minimum* of one test will be made for each 2000 cy of material produced thereafter.
 - c Other tests, as stated in Section 705, may be required if the source rock appears to be too soft.
- 2 Proctors should be run *prior* to construction in order to avoid delays in the inspection process.

- 3 All other testing and inspection shall comply with the schedule set forth in the Division of Highways, State of Colorado, "Field Materials Manual", latest edition.
- 4 Depth checks of materials shall be made at the same rate as density testing.
- 5 The County may require additional tests to be performed if, in the opinion of the Engineer, the test results show the material or work not to be in compliance with these Specifications.

MISCELLANEOUS

Section 800

- 805 **Maximum grade** on any road shall be 8%. For Local and Stud Roads, a special request could be made to the County Commissioners for grades up to 10% for short pitches not over 300 feet long. The request must include sufficient engineering data to prove that the 8% could not be obtained by additional cut or fill, or realignment.
- 810 **Paving** standards, for either bituminous or concrete, are not included in these Specifications. "Standard Specifications for Road and Bridge Construction", a publication of the State Department of Highways, Division of Highways, State of Colorado, 1986 or latest edition, shall be the guide. Specific plans, stamped by a Colorado registered Professional Engineer, of proposed paving shall be submitted to the County for approval *prior* to commencing any work.
- 815 **Signs** shall be installed at all intersections so that they are visible from all traffic directions. Signs and posts shall be of County approved steel, unless continual maintenance is to be provided by parties *other than* the County. Signs shall be mounted 6.5 feet above the road surface level. Posts shall be embedded in the ground 3 feet unless otherwise approved by the Engineer. Regulatory and cautionary signs shall be furnished and installed in accordance to the Manual of Uniform Traffic Control Devices, latest edition, at the Owner's expense. Letter height of street name signs shall be 4 inches minimum and be legible, day or night, at a minimum distance of fifty feet. The locations and configurations of *all* signs shall be County approved *prior* to installation.
- 820 **Cattle guards** shall be constructed to the details shown on Drawing No. 5. All cattle guard grilles shall be a *minimum* of 24 feet in width and 8 feet long, and shall meet a design live load of AASHTO HS-20.

The concrete substructure shall be a County approved precast structure or shall be constructed and reinforced as shown, and shall be comply with ACI 318, "Building Code Requirements for Reinforced Concrete", latest edition. The pit shall be equipped with a daylighted drain pipe if necessary.

The 3-inch diameter steel pipe post may be omitted on the gate end of the cattle guard if the gate is rigid, self-supported and capable of being locked into position on the free end.

825 Mag-Chloride Application Procedure

- After cut is filled and compacted to county specifications, to approximately 3 inches below the road surface, place an approximate 6 inch lift of loose gravel into the cut.
- Apply water until the full depth of loose gravel reaches optimum moisture, just so that the gravel is damp, no to the point where water is standing or the fines turn to mud.
- Apply Mag-Chloride with a sprayer at a rate of ½ gallon per square yard.
- Allow Mag-Chloride to penetrate the gravel.
- Compact, preferably with a flat vibratory compactor, if a compactor is not available, a vehicle with a highway tread will work. Run the tire the full length of the trench so that the tires on one side of the vehicle are running on the fill area at all times while driving back and forth.
- County is not responsible for traffic control or any other liabilities of these projects.

PRIVATE DRIVEWAY ACCESS SPECIFICATIONS

Section 900

Archuleta County is in *no way* responsible for the construction or maintenance of private driveways. A DRIVEWAY APPROACH PERMIT must be obtained for any driveway intersecting a County road. The permit forms are available at the Building/Planning office in the Courthouse. Driveway accesses *must* meet the following criteria:

- 1 A driveway approach is understood to be that portion of the County right-of-way between the roadway edge and the property line which is designed and used for the interchange of traffic between the roadway and the abutting property.
- 2 All entrances and exits shall be located and constructed so that vehicles approaching or using them will be able to obtain adequate sight in both directions along the road in order to maneuver safely and without interfering with traffic.
- 3 Driveway locations for ingress and egress must be reasonable from the viewpoint of the traveling public in that no unusual hazard to pedestrians or motorists shall be created, nor shall the driveways invite or compel vehicular movements in directions or locations contrary to those for which the road was designed. Neither shall they invite or compel illegal or unsafe traffic movements.
- 4 No entrance or approach shall be located or constructed so as to interfere with, or prevent the proper location or functioning of any traffic regulating device. No private

signs, structures, or display material, either fixed or movable, shall be permitted on, or extending over any portion of the County R.O.W.

- .5 Generally, no more than one approach shall be allowed any parcel of property, of which the frontage is less than 100 feet. Additional entrances or exits for parcels of property having frontage in excess of 100 feet may be permitted *only* after showing of actual convenience and necessity.
- .6 All driveways shall be so located that the flared portion adjacent to the traveled way will not encroach upon adjoining property. The flared section shall have a minimum radius of 5 feet for a non-commercial, and 10 feet for a commercial driveway.
- .7 No commercial driveway shall have a width greater than 30 feet measured at right angles to the centerline of the driveway, except as increased by permissible radii. No non-commercial driveway shall have a width greater than 20 feet measured at right angles to the centerline of the driveway, except as increased by permissible radii.
- .8 The axis of an approach to the County road may be at a right angle to the centerline of the roadway and of any angle between 90 and 60 degrees, but shall not be less than 60 degrees. Adjustments shall be made according to the type of traffic to be served and other physical conditions.
- .9 Construction of parking or servicing areas on the County R.O.W. is specifically prohibited. Off-the-road parking facilities shall be provided by commercial establishments for customers' vehicles.
- .10 All driveways and approaches shall be constructed so that they shall not interfere with the drainage system of the roadway. Property owners shall provide at their own expense, drainage structures at entrances and exits which will become an integral part of the existing drainage system, but shall be maintained by the property owner. The dimensions of all drainage structures shall be approved by the County.

Minimum culvert size is 18 inches in diameter.

Minimum cover over culverts is 6 inches with 1.5:1 side slopes at the culvert ends.

Minimum length of culverts is 20 feet.
- .11 The property owner shall assume responsibility for the removal or clearance of snow, ice, or sleet upon any portion of the driveway approach(es) even though deposited in the course of the County snow removal operations.
- .12 All driveways shall have a top grade level 8 inches lower than the County road shoulder at a point 15 feet back from the road shoulder. In no case shall a driveway permit drainage onto the County road.

13 Driveways shall not be constructed so that resulting drainage presents any type of hazard to adjacent property or improvements on that property.

UTILITY INSTALLATION IN THE RIGHT OF WAY

Section 1000

The following specifications shall be the *minimum* requirements for all utility work within the road R.O.W. Utility work covers the installation, repair or replacement of sewer, water, telephone, cable TV, gas and power lines, and any other installation that disturbs the surface of the R.O.W. All proposed work shall be approved by the appropriate utility company *prior* to initiating work. Some of these utilities have an additional set of specifications which must also be followed.

1005 Depth of Installation

Minimum depth of installation of the various utilities within the limits of the road R.O.W. is shown on the following table. Lines shall not run through culverts.

UTILITY	MINIMUM DEPTH
Water	5 feet *
Sewer	4 feet
Power	3 feet – Primary ** 2 feet – Secondary **
Telephone	3 feet – lines under drain ditches 2 feet – Main *** 1.5 feet – Service Line ***
Gas	2.0 feet – Main 1.5 feet – Service
Cable TV	1.5 feet – Main & Service

* The minimum depth may be reduced to 4 feet for lines that are not under roads, sidewalks, etc., but are within the road R.O.W.

** All primary and secondary lines shall be encased in an approved conduit.

*** This depth may be reduced with written approval by the applicable telephone company.

1010 Horizontal Separation

- 1 All water and sewer lines shall be separated by a *minimum* of 10 horizontal feet.
- 2 In some cases, Cable TV, telephone and power may share a trench as approved by the applicable utility companies.
- 3 A 2-foot horizontal separation between gas and other utilities is normally required, but may be waived in writing by the applicable gas company.

1015 Vertical Separation

- .1 All water and sewer crossings shall require the lines to be encased as approved by the State Health Department.
- .2 Gas lines shall maintain a one foot vertical separation from all other utilities.

1020 Line Marking

- .1 Gas lines shall be marked with Utility approved yellow tape and 12 ga. solid copper THNN wire.
- .2 Marking of other utility lines shall be as specified by the applicable utility company.
- .3 Depth of detection tapes shall be approximately 12 inches below grade. 12 ga. copper wire shall be mounted on the top of the pipe.

1025 Utility Location

- .1 All utilities such as poles, fire hydrants, telephone pedestals, valve boxes, etc., shall be located outside the flow line of the ditches a minimum of 15 feet from the edge of the travel way, or immediately adjacent to the property line if at all physically possible, except at road crossings.
- .2 In crossing the travel way, trenches shall be shared where possible.
- .3 Water and/or sewer lines have, at times, been installed without stubbing out the service lines to the opposite edge of the road R.O.W. Open cuts have been made in these circumstances. All future water and sewer, and underground power lines shall be sleeved at all intersections and road crossings at back property lines *prior* to any road construction. In addition, all power, water and sewer service lines shall be sleeved so that there will be one of each service line unless previously approved by the applicable utility. Alternate water and sewer sleeves at each property line so there will be a water sleeve at one end and a sewer sleeve at the other end. All sleeves shall be capped and marked over the sleeve, as specified in Section 1020, and above ground a height of 3 feet at each end with metal fence posts. Size of sleeves shall also be specified by the applicable utility company.
- .4 Utilities crossing roads shall be as nearly perpendicular to the roadway as physically possible.
- .5 Runs shall be as nearly parallel to the R.O.W. boundary as physically possible.
- .6 Any valve boxes and manholes located within the travel way shall be encased in concrete for the top 6 inches to increase the diameter of the cover a *minimum* of 12 inches with the cover being located in the center. The concrete shall be sloped

down from the cover with the cover at an elevation flush with the proposed finished road surface. If additional surfacing is to be placed on the roadway, existing valve boxes/manholes shall be raised to the new level.

1035 **Excavation**

- .1 If the road has already been constructed or is to be constructed, a ROAD CUT PERMIT is required *prior* to initiating any work. The permit form is available at the Archuleta County Road and Bridge Office in Pagosa Springs, Colorado.
- .2 Before a Road Cut permit is issued, the applicant shall execute an Agreement of Responsibility on the form as attached hereto. The applicant shall have the option of posting with the County a performance bond provided by a Corporate surety sufficient in the County's opinion to ensure that the road cut will be returned to its present status.
- .3 No open cut excavation for utility installation will be permitted across paved roads providing soil is such that boring or hydraulic jacking can be done. An exception to this requirement will be made if the material at the required depth is too rocky for auguring of hydraulic jacking. To obtain an exception, a written request for a special road cut permit must be submitted to the Road and Bridge Office and approved by the Commissioners' Office. This request shall contain all pertinent data to substantiate the need to open cut a paved road.
- .4 Open cut excavation may be made on the road R.O.W. any place outside the flow line of the ditch up to a distance minimum of 4 feet away from the pavement. The excavated trench shall be of adequate width to permit workmen to work in the trench safely and for mechanical tamping equipment to be utilized during backfilling.

1040 **Backfill and Compaction**

- .1 Backfill and compaction shall comply with Section 400 of these Specifications or other applicable specifications, whichever is more stringent. An exception is made to the compaction requirements outside the travel way subgrade. Compaction in these areas shall be adequate to prevent any adverse settlement.
- .2 Where utilities cross the travel way, **unless vibratory plowed**, backfill shall be $\frac{3}{4}$ " minus aggregate, meeting the gradation requirements in Section 700 of these Specifications, compacted to 95% of AASHTO T99 and ASTM D698 in 8-inch (loose) lifts. This material shall be brought to the level of the subgrade. If this material also meets all other requirements in Section 700, it may be used continuously to the top of the $\frac{3}{4}$ " minus surfacing aggregate providing compaction above the subgrade is 95% of AASHTO T180 of ASTM D1557. Any testing shall be at the Owner's expense. Use of flowable concrete backfill may be used as an alternative.

- 3 The Road Cut Permittee shall be responsible for ensuring that the road cut stays properly compacted for a period of one year from completion of the road cut.

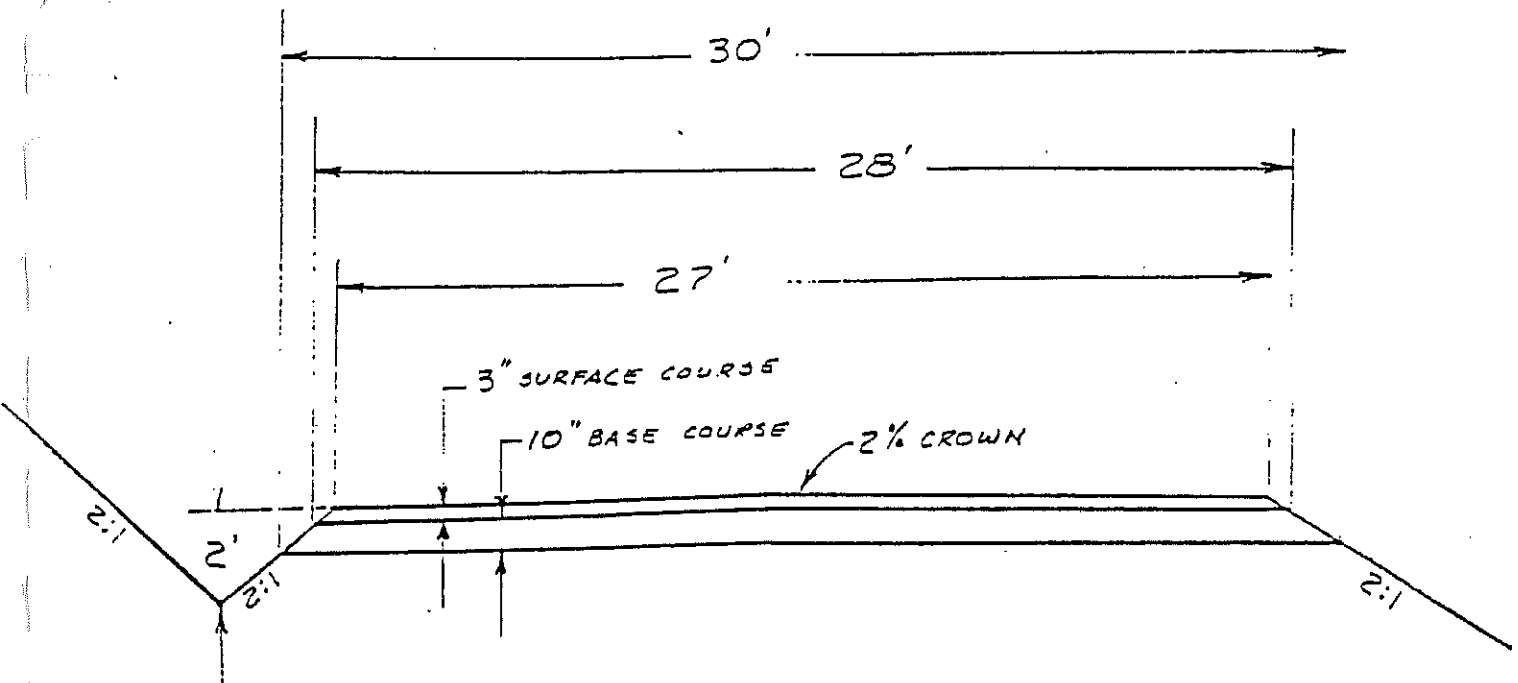
1045 **Road Resurfacing**

- 1 Aggregate surfacing materials shall comply with Section 700 of these Specifications.
- 2 In those areas where it is necessary to cut bituminous pavement, the repair shall be as follows:
 - a. Compacted backfill shall be as specified above in Section 1040.
 - b. Edges of the existing pavement shall be squared and tacked with a coating of asphalt cement or emulsified asphalt immediately prior to placing the patch.
 - c. The loose bituminous patching material shall be placed adequately above the level of the existing pavement to allow for compaction. Compaction shall be done with a steel drum roller until a smooth uniform surface is achieved.
- 3 The repair shall be guaranteed by the permittee for one year during which period any road surfacing cracking, heaving or settlement shall be corrected by the permittee at their expense.

1050 **Restoration of the Site**

Restoration of the worksite shall include removal of any excess material, grading and shaping the area to as near as possible, or better than, the site conditions before excavation, repair or any structure damage resulting from this work.

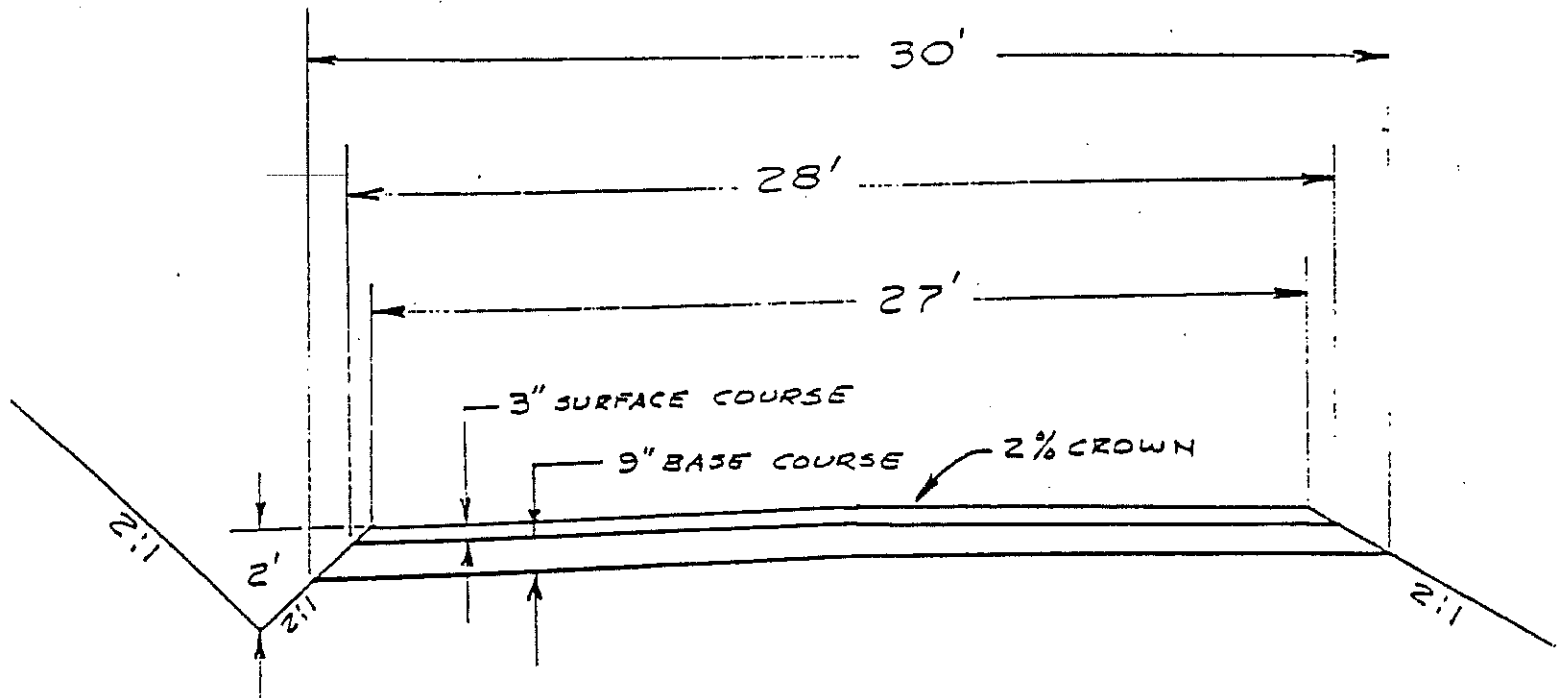
ARTERIAL STREET
Typical Section



- RIGHT OF WAY: 80 foot Minimum
- CUT SLOPES: All slopes a minimum of 2:1 except in unfractured rock which may be $\frac{1}{2}$:1
- FILL SLOPES: All slopes a minimum of 2:1
- SIDE DITCHES: Minimum depth of 2 feet. To provide adequate drainage the ditch may be required to be both wider and deeper.
- GRADE: Not to exceed 8%

DRAWING NO. 1

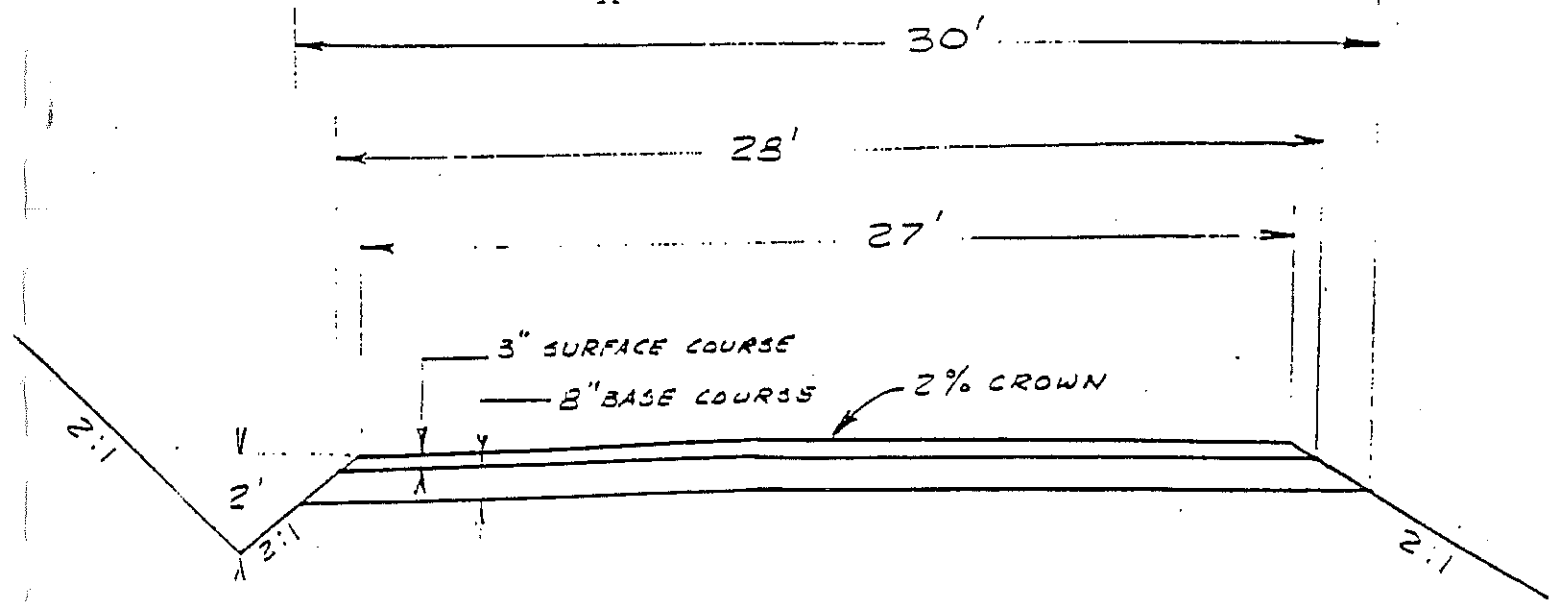
COLLECTOR STREET
 Typical Section



- RIGHT OF WAY: 60 foot Minimum
- CUT SLOPES: All slopes a minimum of 2:1 except in unfractured rock which may be $\frac{1}{2}$:1
- FILL SLOPES: All slopes a minimum of 2:1
- SIDE DITCHES: Minimum depth of 2 feet. To provide adequate drainage the ditch may be required to be both wider and deeper.
- GRADE: Not to exceed 8%

DRAWING NO. 2

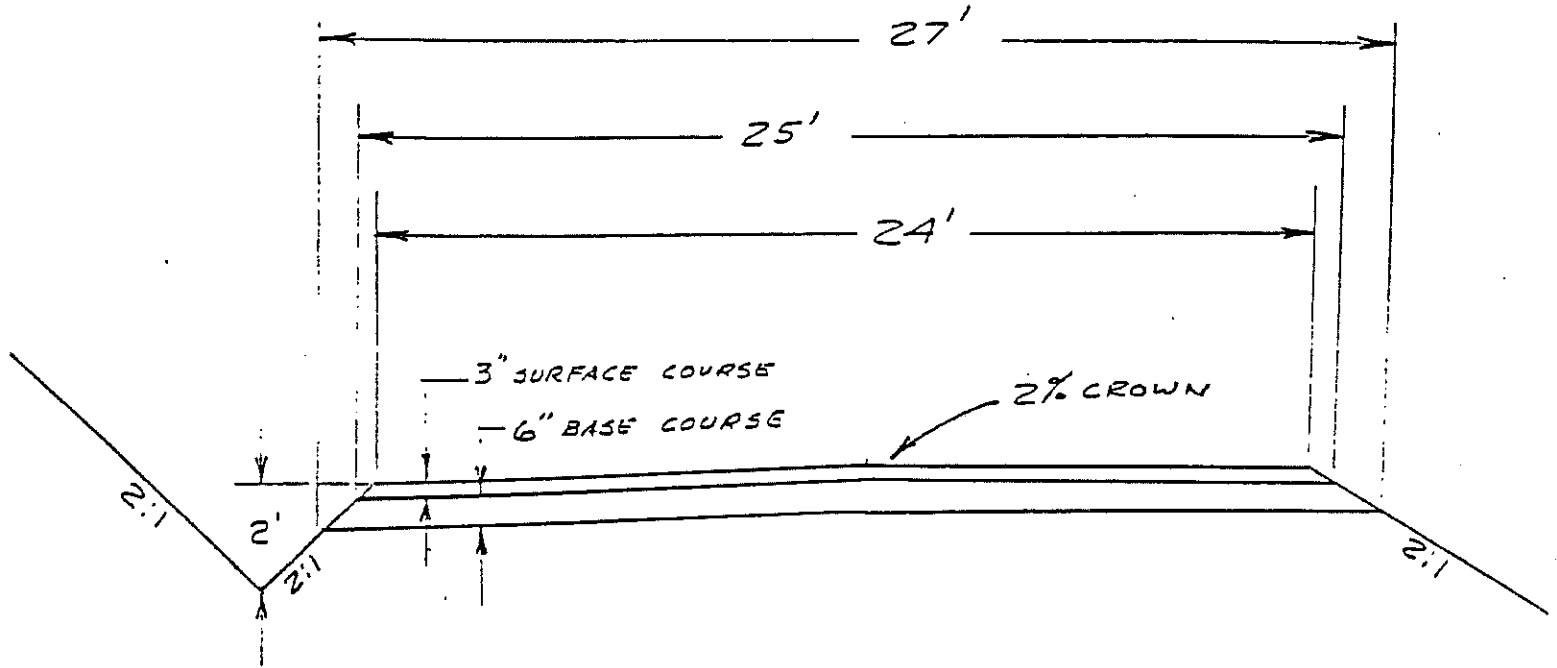
LOCAL STREET
Typical Section



- RIGHT OF WAY: 60 foot Minimum
- CUT SLOPES: All slopes a minimum of 2:1 except in unfractured rock which may be $\frac{1}{2}$:1
- FILL SLOPES: All slopes a minimum of 2:1
- SIDE DITCHES: Minimum depth of 2 feet. To provide adequate drainage the ditch may be required to be both wider and deeper.
- GRADE: Not to exceed 8%

DRAWING NO. 3

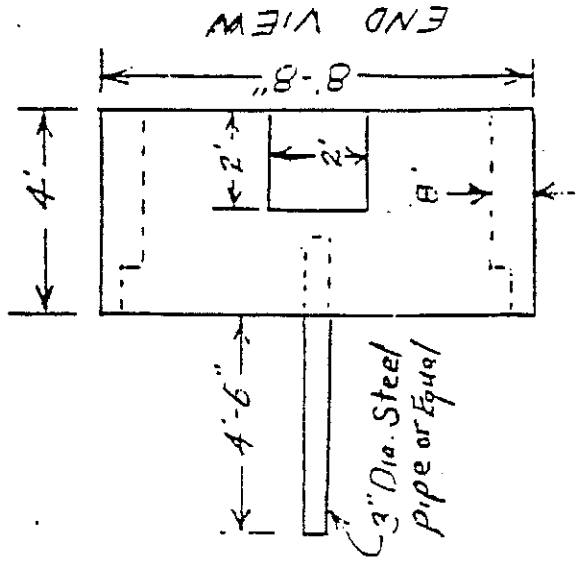
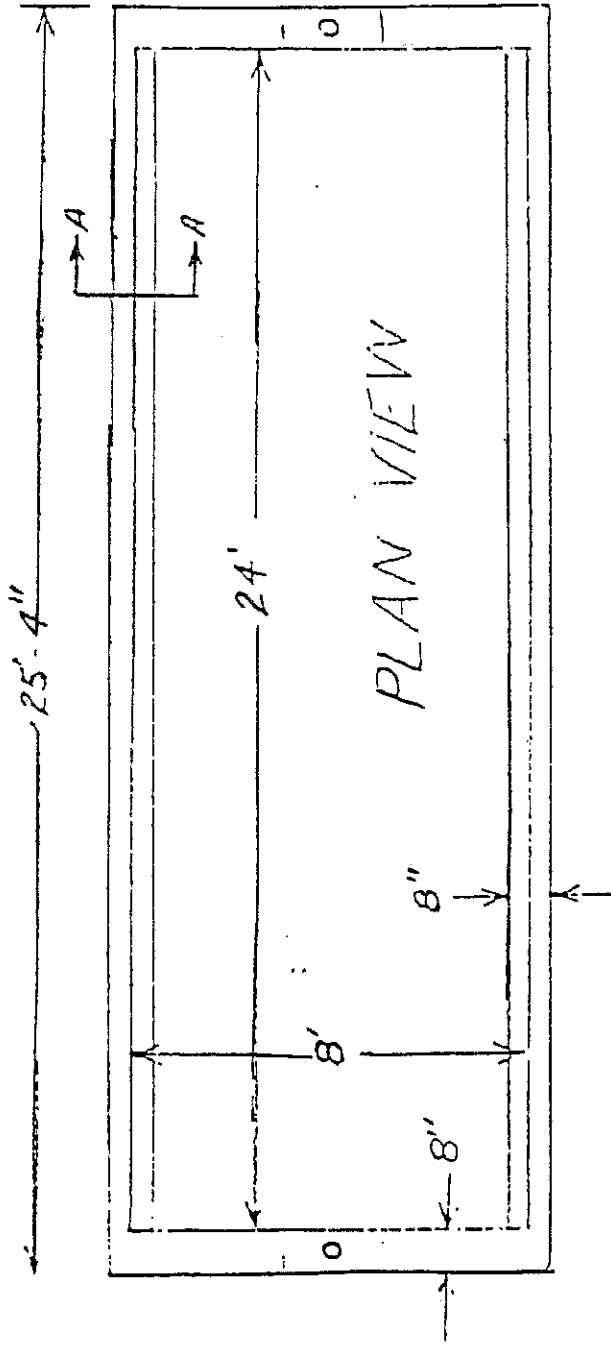
STUB STREET
Typical Section



RIGHT OF WAY:	60 foot Minimum
CUT SLOPES:	All slopes a minimum of 2:1 except in unfractured rock which may be $\frac{1}{2}$:1
FILL SLOPES:	All slopes a minimum of 2:1
SIDE DITCHES:	Minimum depth of 2 feet. To provide adequate drainage the ditch may be required to be both wider and deeper.
GRADE:	Not to exceed 8%

DRAWING NO. 4

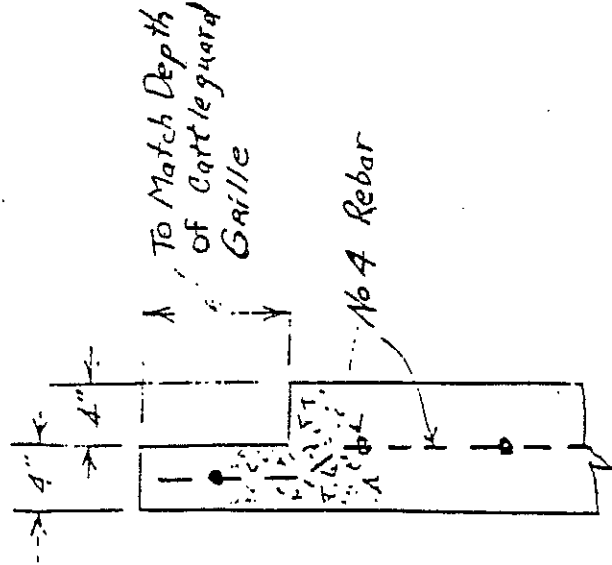
CATTLEGUARD FOUNDATION



Scale 1" = 4'-0"

Notes

1. Design, live load - AASHTO, HS-20
2. Concrete to be 3000 PSI or 6 sacks per C.Y.
3. No. 4 rebar, 12" O.C. horizontal and vertical
4. Rebar lap will be a minimum of 12-inches
5. Top of concrete may be modified to match metal grille to be used.



SECTION
A - A

DRAWING NO. 5

