

SERVICE PLAN
FOR THE
ESTES VALLEY FIRE PROTECTION DISTRICT

May 30, 2009

PREPARED BY:

ESTES VALLEY FIRE SERVICES INITIATIVE COMMITTEE

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INTRODUCTION

The proposed Estes Valley Fire Protection District (the "District") is located in southwestern Larimer County. Geographically, the District is composed of a portion of unincorporated Larimer County and the Town of Estes Park (the "Town"). Currently, fire and rescue services are being provided to the District by the Estes Park Fire Department (the "Fire Department") and the Estes Park Volunteer Fire Department (the "Volunteer Department"). The Volunteer Department is an organization of firefighters for the Fire Department.

The proposed District is approximately 66 square miles in area and has a population of approximately 10,000. The population of the District significantly increases between May and October of each year by visitors drawn to the natural beauty and recreational opportunities of the Estes Valley and the Rocky Mountain National Park. In 2007 approximately 3 million persons visited Rocky Mountain National Park. This influx of visitors adds substantially to the need for competent and comprehensive fire and rescue services in the District.

In accordance with Colorado statute (§30-10-513.5, C.R.S.), the primary responsibility for fire, emergency and rescue services for the unincorporated portions of the Estes Valley rest with the Larimer County Sheriff's Office. However, the Larimer County Sheriff's Office does not have structural fire fighting capability, nor does it have resources available to provide fire and rescue services to the unincorporated Estes Valley in a timely manner. Historically the Larimer County Sheriff's Office, the Town of Estes Park and the Volunteer Department have had Mutual Aid Agreements giving the Volunteer Department authority to respond to fire and rescue incidents in the unincorporated Estes Valley. More recently these entities have entered into an agreement (IGA dated 17 September 2007) authorizing the Fire Department and the Volunteer Department to respond automatically to fire and rescue incidents within the unincorporated portion of Larimer County in the Estes Valley. This IGA also authorized the Town to recover all expenses incurred for responses beyond the Town boundaries, and it authorized the Town to enter into Service Fee agreements with property owners.

The Fire Department, a municipal department of the Town, and the Volunteer Department are funded from a combination of monies provided by the Town, the Service Fee collected by the Town to provide fire and rescue services to the unincorporated Estes Valley, and fund raising activities of the Volunteer Department. In 2005, the Town contributed \$420,000 and the Volunteer Department contributed \$145,500 from grants and \$35,800 through fund raising for operation of the Fire Department and the Volunteer Department. In 2008, the Town committed \$921,000 from the Town General Fund to the Fire Department and the optional Service Fee program raised an additional \$175,000. Given the demands for fire fighting and training, the firefighters of the Volunteer Department should not be expected to continue to perform significant fund raising activities.

The requirement for revenues for the Fire Department from the Town's general fund has been increasing significantly in recent years and contributions to the Volunteer Department have been decreasing. Also, the Volunteer Department continues to experience substantial growth in the number of responses, and the

vehicles and apparatus should be replaced at an accelerated rate due to age and obsolescence in order to conform to Insurance Services Office (ISO) and National Fire Protection Association (NFPA) standards, and administrative costs of the Fire Department continue to rise. The Service Fee was implemented in 2008 to help defray costs for responses beyond the Town boundaries into the unincorporated Estes Valley.

Increased development in the Town and the District has led to the Volunteer Department straining to meet the demand for fire and rescue services protection. Dependence on voluntary contributions from residents of the unincorporated Estes Valley does not ensure an equitable allocation of the costs of fire protection among the benefitted properties, nor does it permit long range planning for equipment maintenance and replacement. The increases in firefighter training and in emergency calls is creating risks of delayed response, as well as placing significant hardship on the volunteers and their families, businesses and employers. Recruitment of new volunteer firefighters is becoming more difficult due to the increased demands on members of the Volunteer Department. Continued population growth will increase these risks.

The property owners in the unincorporated portions of the Estes Valley pay no property taxes for operations of the Fire Department or the Volunteer Department, they can not vote for Trustees of the Town, and the Fire Department is a Town municipal department. For these reasons the property owners and residents of the unincorporated sections of the Estes Valley have no voice concerning the level of fire and rescue services, even though many members of the Volunteer Department reside in the Valley, and they respond to all fire and rescue calls equally.

Historically, fire and rescue services in Colorado outside of the major cities (Denver, Colorado Springs, Aurora, Boulder, et al.) are provided by fire protection districts funded by revenues from *ad valorem* property tax. The unincorporated portions of Larimer County, to be included in the proposed District, are the only developed portions of Larimer County not currently funding fire services through *ad valorem* property taxes or fixed-fee donations. All other developed sections of Larimer County receive their fire services through entities funded by *ad valorem* property taxes, fixed-fee donations, or a combination of tax supported city and fire district funding such as for Fort Collins and surrounding areas (Poudre Valley Fire Authority), and surrounding Loveland (Loveland Rural Fire Protection District).

Recognizing the need for a more equitable and consistent method of funding the Fire Department, Estes Valley residents, in 2004 and again in 2006, introduced initiatives to establish fire protection districts in the Estes Valley. The eligible voters did not approve either of these initiatives, however the need still exists.

In order to continue to provide competent and comprehensive fire and rescue services to the District, additional and reliable revenue sources must be established. It is desirable and advantageous to eliminate the optional Service Fee, to eliminate the need for firefighter participation in fund raising activities, and to establish a method of tax-based funding for the Fire Department and the Volunteer Department that would be shared both by the property owners throughout the Valley and by the Town Government.

In early 2008, the Town of Estes Park appointed eleven Estes Valley residents to a task force, the Estes Valley Fire Services Task Force. The objective of the task force was to develop a fair and equitable plan for continued funding of the Fire Department so that it could continue to serve all Estes Valley residents equally. After several months of study and consideration of numerous options and citizen input, the task force recommended the establishment of a single, inclusive fire protection district serving the Estes Valley including the town. Further, the recommendation included shared funding through a combination of low *ad valorem* taxes on all taxable properties in the District and a part of the sales tax revenues collected by the Town. This plan should be implemented as soon as practical, beginning with submitting to the eligible electors the question of formation of a fire protection district along with all necessary *ad valorem* property tax mill levy approvals, a de-Brucing question, and election of Directors at a special election in November 2009. If the question of formation is approved by the voters at such election, the District shall be formed by court decree, and the newly elected Board of Directors shall meet and commence administration of the District's affairs as soon as practical after the entry of such decree in order to levy the voter approved mill levy for tax year 2009, to be collected in fiscal year 2010. For purposes of effecting a smooth transition, the Volunteer Department shall transfer to the District all operational functions, and the District shall commence its fire protection and emergency response operations, effective January 1, 2010. At no time during the transition will the residents and property owners be without fire protection and emergency services.

The proposed Fire Protection District will accomplish the following:

1. Assure continued fire and rescue services uniformly and throughout the Town and the Estes Valley,
2. Assure continued fire and rescue services to all residents and visitors without the possibility of property owners or visitors being assessed actual expenses for fire and rescue responses,
3. Provide reliable and predictable resources for the continued operation and growth of the Estes Park Fire Department and the Estes Park Volunteer Fire Department,
4. Help to maintain the current ISO ratings and provide resources necessary for possible improvements of those ratings for the properties within the District,
5. Provide long-range funding for additional fire fighting and rescue apparatus and for facilities, and
6. Allow all eligible electors within the District (residents, and registered Colorado voters owning taxable property within the District, and their spouses) to vote for approval of the District, the associated property tax levy, and the members of the Board of Directors who will administer the District.

DISTRICT OPERATIONAL PLAN OVERVIEW

The District will assume ownership and oversight management of the Fire Department from the Town. The Fire Department and the Volunteer Department will continue the existing level of operations and will continue to be stationed at the Dannels Fire Station which will be leased to the District by the Town. The District will be funded by a combination of property tax revenues on taxable properties in the District, and by payments to the District from the Town General Fund for Fire Department expenses.

NAME OF THE DISTRICT

The proposed fire protection district will be named the Estes Valley Fire Protection District, herein referred to as the "District".

DESCRIPTION OF PROPOSED SERVICES

The principal services to be provided by the Fire Department and the Volunteer Department will continue to be fire suppression, prevention, and protection, and emergency medical, rescue, extraction, Haz-Mat, and dive-rescue services within the boundaries of the District; provided, however, that the District shall have the authority to exercise any lawful power or function, and to provide any service, that may be authorized for a fire protection district by Sec. 32-1-101, *et seq.*, C.R.S., including without limitation those specific powers set forth in Sec. 32-1-1002, C.R.S., as such statutes may be amended from time to time.

Additionally, the District will encourage fire mitigation and suppression, defensible zones, and wildfire prevention within the District, and will provide relevant information to property owners within the District.

FINANCIAL PLAN

The proposed tax levy for the District is 1.95 mills. A listing of all taxing entities within the proposed boundaries and their respective mill levies, together with an estimate of the total taxes that can be expected by taxpayers within the District, is shown by the attached "Exhibit F." Total tax levies for 2009 would range from a low of 67.364 mills to a high of 70.082 mills, depending upon the taxing district.

To assist the District in a smooth transition of fire protection services from the Town to the District on January 1, 2010, the District will receive an advance of funds from the Town, which advances (including formation costs) will be repaid to the Town upon receipt of the District's tax and other revenues in 2010. In

addition to these temporary advances, the Town will also provide annual financial support to the District by a pledge of 7% of its annual sales tax revenues.

Attached hereto as "Exhibit A" and incorporated herein, are the first year and second year financial plans for services to be provided by the District. After voter approval and entry of the court decree of formation of the District in 2009, the District will not receive *ad valorem* property tax revenues until during the second quarter of calendar year 2010. The financial plan shown herein is a two year plan, for 2010, and 2011.

FACILITIES TO BE CONSTRUCTED

Future facilities and equipment that may be needed, as determined at the discretion of the then Board of Directors, shall be financed utilizing any legally available method as may be authorized by applicable state law, including, but not limited to seeking voter approval for the issuance of bonded indebtedness, through lease-purchase agreements that conform to state law, federal and state grants, and other available lawful means.

No new facilities for the District will be constructed within the immediate future. Thus no engineering or architectural services or plans are submitted with this service plan. It is contemplated that the District shall, in the future, consider the construction of additional facilities at locations within the District based on service needs and the distances from the Dannels Fire Station which is within the Town of Estes Park. Such facilities would be located (at the discretion of the District's elected board of directors consistent with operational efficiency) so as to minimize fire and rescue services response times to outlying properties within the District.

MAP AND BOUNDARIES

The boundaries of the District encompass a 66.3 square mile area approaching or bounded by Rocky Mountain National Park on the west, Allenspark Fire Protection District on the south, Big Elk Volunteer Fire Department and the Pinewood Springs Fire Protection District on the southeast, United States Government property (Arapaho / Roosevelt National Forest) on the east, Loveland Rural Fire Protection District on the northeast, and the Glen Haven Volunteer Fire Department on the north. The Town of Estes Park covers an area of approximately 6 square miles wholly within the District. The District's initial boundaries may be expanded through the statutory inclusion of property that does not lie within the legal boundaries of other legal entities that provide fire protection or emergency services, including properties in the Devil's Gulch/Glen Haven area.

A map of the District and the legal description of the District are attached hereto as "Exhibit B" and "Exhibit C," and are incorporated herein by reference.

ESTIMATE OF POPULATION

The current estimated year round population of the District is approximately 10,000.

The population of the Estes Valley, as determined by the U.S. Census in 2000, was 8,889. The population of the Town in 2005, as determined by the Colorado Department of Local Affairs, was 5,720 which was an increase of 307 over the year 2000 population. This population increases significantly during the summer vacation season (May through October) of each year, and with the seasonal influx of property owners visiting their vacation properties.

ESTIMATE OF ASSESSED PROPERTY VALUES

The estimates of assessed property values for the District for 2008, 2009, and 2010 are approximately \$273,000,000, \$265,000,000 and \$269,000,000, respectively. The first year that property taxes can be collected by the County Assessor for the District will be based on valuations of 2009 payable in 2010. The assessed valuations are based upon the assumption that the properties located within the YMCA of the Rockies continue to be tax-exempt. In the event that it is determined that the properties are not exempt from taxation prior to certification of the new mill levy to Larimer County in December, 2009, the District's projected assessed valuation will increase at the time those properties are added to the tax rolls. In such event, the District's mill levy will then be adjusted to reflect this increased assessed valuation, thus yielding approximately the same tax revenues to the District. If the voters approve a de-Brucing measure, any increase in assessed valuation (whether by assessment or by the addition of newly classified properties, such as those at the YMCA) could result in increased revenues.

DESCRIPTION OF ESTIMATED COST OF LEGAL SERVICES, ADMINISTRATIVE SERVICES, INITIAL PROPOSED INDEBTEDNESS AND OTHER MAJOR EXPENSES

The District contemplates an initial temporary advance from the Town, included in Exhibit A, to provide for organizational expenses, legal services and basic initial operational and administrative expenses for the District. The intergovernmental agreements between the Town and the District, attached hereto, establish the following financial conditions for startup of the District:

1. The Town will advance funds to the District for legal and administrative expenses that will be incurred both by the Committee during the formation process and by the District from the time of the court decree of formation of the District, in late November or in December, 2009, until such time as tax revenues are available to the District in 2010.
2. Beginning in 2010 the Town will make payments to the District for support of the Fire Department and the Volunteer Fire Department totaling an amount based on a fixed percentage of sales tax revenues collected by the Town for each calendar year. The proposed IGA between the District and the Town establishes this annual payment schedule and fixes the percentage at 7% of the Town's sales tax revenues.
3. Beginning with the payments from the Town and the receipt of its property tax revenues which should be distributed by the County to the District in the second quarter of 2009, the District

will have adequate funds available to meet all obligations for operations of the Fire Department and the Volunteer Department as well as District legal and administrative expenses.

4. The District will repay the advances to the Town in accordance with the terms of the specific agreements for each advance.

EQUIPMENT TO BE ACQUIRED

The District does not anticipate the acquisition of new fire equipment or other apparatus in the immediate future. In order to meet future fire and rescue service needs throughout the District, it is contemplated that the District shall, in the future, acquire fire protection, emergency medical and rescue services equipment and apparatus to be stationed in the District facilities. The proposed budget for the district recognizes the need for future capital equipment and vehicles and has budgeted an annual amount for equipment replacement, purchase, and reserve for future capital acquisitions.

RELATIONSHIPS WITH ADJACENT DISTRICTS AND DEPARTMENTS

It is the intent of the proposed District to provide services to properties throughout the Estes Valley and extending to the adjacent fire protection districts and fire departments. It is also the intent of the District to establish and maintain mutually satisfactory common boundaries with the adjacent districts and departments. In the event that an adjacent district or department shows interest in changes in the common boundaries or combining of services, the District may enter good faith discussions with that district or department. Because the District has ongoing financial agreements with the Town of Estes Park through an IGA, the Town must be a third party to any such discussions.

CONCLUSION

The organization of the Estes Valley Fire Protection District should be approved for the following reasons:

1. There is sufficient need for continuing operations of the Fire Department as evidenced by the existence of the Estes Park Fire Department for over 101 years. The growing population of approximately 10,000 and the continuing commercial and residential growth demonstrates a continuing and growing need for services.
2. Continuation of dependence on the Town as the primary and dominant source of revenues for fire and rescue services throughout the Estes Valley is placing an increasingly troublesome burden on the Town's resources. The existing fire and rescue services must have a potentially growing and more consistent source of revenues that is based on resources of all of the Estes Valley. Without the formation of the District, available funding in the future will become insufficient to assure the continuation of the level of protections and services now provided.
3. With a more fair and equitable combination of revenue sources, the Fire Department and the Volunteer department will be better situated to serve the future requirements of the District.
4. The current and projected assessed valuations of the properties within the District are sufficient and the sales tax receipts of the Town are sufficient that together, even with expected regressions in 2009, the modest tax levy and a small portion of the sales tax revenues in combination will be sufficient to meet the continuing revenue needs of the Fire Department. Additionally the District will have sufficient funds from property taxes to repay, within a few years, the advances for initial operations.
5. The proposed mill levy will be the lowest for fire protection and rescue services in Larimer County.

EXHIBITS AND ATTACHMENTS

- EXHIBIT A** Financial Plan
- EXHIBIT B** Map of the Proposed District
- EXHIBIT C** Legal Description of the Boundaries of the Proposed District
- EXHIBIT D** Intergovernmental Agreement for the Transition Period between the Town of Estes Park and the Estes Valley Fire Protection District
- EXHIBIT E** Intergovernmental Agreement for Continuing Operations between the Town of Estes Park and the Estes Valley Fire Protection District
- EXHIBIT F** Mill Levies of Other Governmental Entities & Total Levies within the Estes Valley

**EXHIBIT A
FINANCIAL PLAN**

2010

TABLE A-1, 2010 DISTRICT REVENUE

Item	Revenue
general property taxes (1)	\$515,873
specific ownership taxes (2)	\$0
Town of Estes Park contribution to fire department	\$514,080
interest	\$0
miscellaneous income	\$0
borrowed funds	\$65,000
Total Revenue	\$1,094,953

(1) Based on projected assessed valuation of properties in the district of \$264,550,000

(2) Based on projected sales tax revenue of \$7,344,000 in 2010

TABLE A-2, 2010 DISTRICT EXPENDITURES

Item	Expenditure
Fire Department expenditures for full year	\$884,832
Fire Protection District overhead & internal operations (see detailed budget)	\$145,000
District contingencies & reserves	\$54,805
County Assessor property tax collection fee, 2% (charged in 2010 for 2009 taxes)	\$10,316
Total Expenditures	\$1,094,953

Table A-3, 2010 DISTRICT OVERHEAD AND INTERNAL OPERATIONS EXPENSES

Item	Expenditure
personnel; directors & staff	\$9,240
special district membership fees	\$1,700
legal fees	\$15,000
insurance	\$14,000
accounting & audits	\$7,500
office supplies	\$800
fire education materials	\$1,500
office rental & utilities	\$4,800
postage & printing	\$2,500
bank & miscellaneous fees	\$250
first year office equipment & startup expenses	\$10,500
overhead contingencies	\$7,010
payment on loans & advances, with interest	\$70,200
Total Expenses	\$145,000

Table A-4, 2010 FIRE DEPARTMENT OPERATIONS EXPENDITURES

Item	Expenditure
personnel; salaried staff salaries, pension & benefits	\$283,141
personnel; part-time staff	\$71,000
incentives for volunteer firefighters	\$42,000
operations & maintenance	\$183,682
capital equipment & capital reserves	\$161,173
Volunteer firefighters' pension	\$93,835
department / firefighter equipment funds	\$50,000
lease of Dannels Fire Station	\$1
Total Expenses	\$884,832

2011

TABLE A-5, 2011 DISTRICT REVENUE

Item	Revenue
general property taxes	\$525,169
specific ownership taxes	\$0
Town of Estes Park contribution to fire department	\$524,362
interest	\$0
miscellaneous income	\$0
borrowed funds	\$0
Total Revenues	\$1,049,531

Table A-6, 2011 DISTRICT EXPENDITURES

Item	Expenditure
Fire Department expenditures for full year	\$915,845
Fire Protection District overhead & internal)	\$68,000
District contingencies & reserves	\$55,183
County Assessor property tax collection fee, 2% (charged in 2011 for 2010 taxes)	\$10,503
Total Expenditures	\$1,049,531

TABLE A-7, 2011 DISTRICT OVERHEAD AND INTERNAL OPERATIONS EXPENDITURES

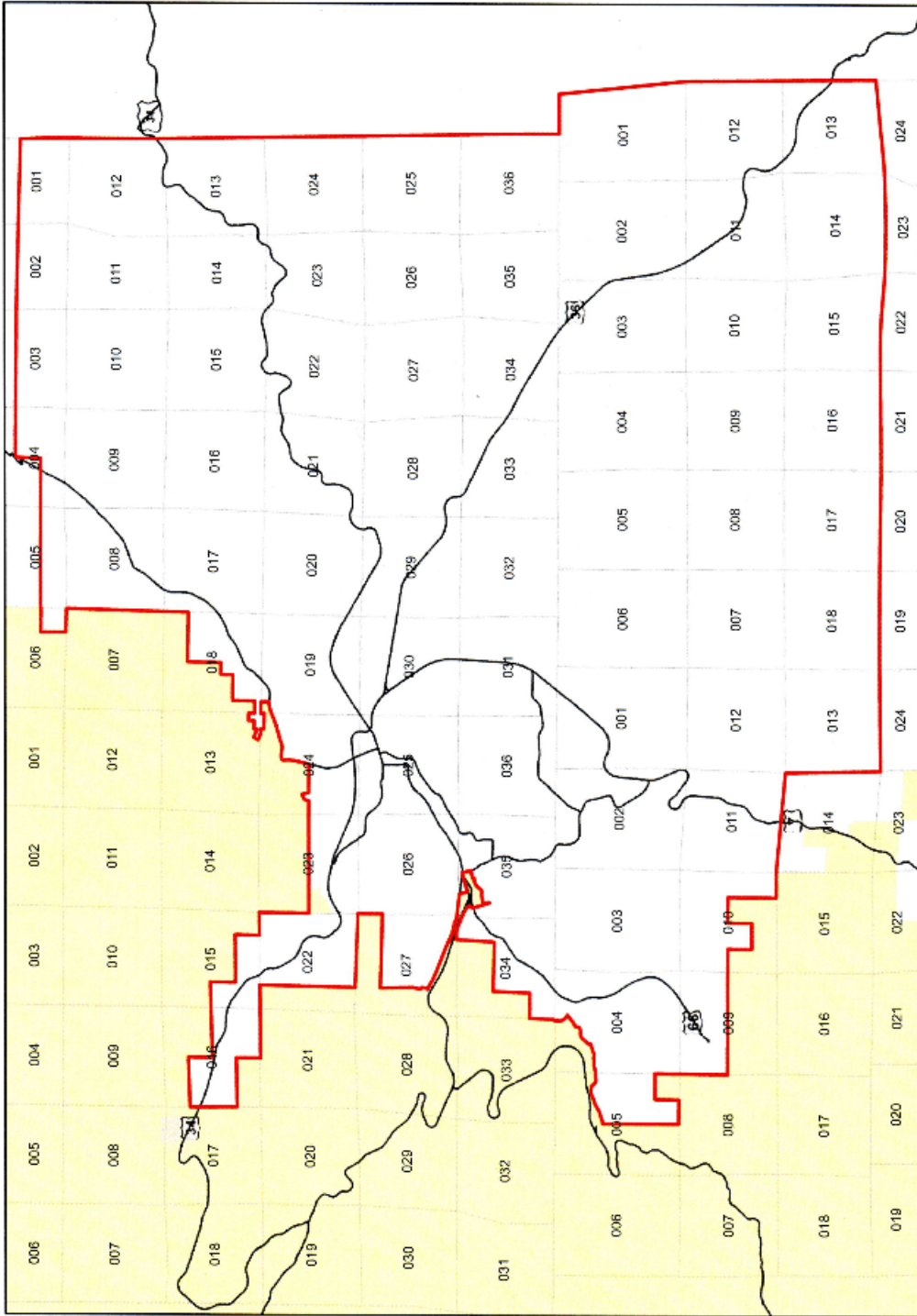
Item	Expenditure
personnel; directors & staff	\$9,240
special district membership fees	\$1,700
legal fees	\$15,000
insurance	\$15,000
accounting & audits	\$7,500
office supplies	\$800
fire education materials	\$1,500
office rental & utilities	\$5,000
postage & printing	\$2,500
bank & miscellaneous fees	\$250
overhead contingencies	\$9,510
payment on loans, with interest	\$0
Total Expenses	\$68,000

TABLE A-8, 2011 FIRE DEPARTMENT OPERATIONS EXPENDITURES

Item	Expenditure
personnel; salaried staff salaries, pension & benefits	\$293,051
personnel; part-time staff	\$71,000
incentives for volunteer firefighters	\$46,000
operations & maintenance	\$190,110
capital equipment & capital reserves	\$166,814
Volunteer firefighters' pension	\$97,119
department / firefighter equipment funds	\$51,750
lease of Dannels Fire Station	\$1
Total Expenses	\$915,845

EXHIBIT B
MAP OF THE PROPOSED DISTRICT

The map in the figure on the next page shows the boundaries of the District as a red line following the perimeter of the District and it shows major roads and highways in the District. It also shows the survey sections listed in the legal description. Lands within the Rocky Mountain National Park are shown lightly colored.



Proposed Estes Valley Fire Protection District



Approved by Town of Estes Board 03/15/2016 as 2016-001

EXHIBIT C
LEGAL DESCRIPTION OF THE BOUNDARIES OF THE PROPOSED DISTRICT

The proposed District includes all of the properties located within Larimer County, Colorado and bounded as described below:

Beginning at the Northwest corner of the Southeast quarter-quarter section of Section 6, Township 5 North, Range 72 West of the 6th P.M., thence East to the Northeast corner of the second quarter-quarter section of Section 4, Township 5 North, Range 72 West, thence North to the Northwest corner of the Southeast quarter section of said Section 4, thence East along the Center section line to the Northeast corner of the Southeast quarter section, Section 1, Township 5 North, Range 72 West, thence South along the East section line, Range 72 West to the Southeast corner of Section 36, Township 5 North, Range 72 West, thence East along the North section line to the Northeast corner of Section 1, Township 4 North, Range 72 West, thence South along the East section line, Range 72 West, to the Southeast corner of Section 13, Township 4 North, Range 72 West, thence West along the South section lines to the Southwest corner of Section 13, Township 4 North, Range 73 West, thence North along the West section line of said section to the Southeast Corner of Section 11, Township 4 North, Range 73 West, thence west along the South section line of said Section 11 and Section 10, Township 4 North, Range 73 West, to the East Boundary of Rocky Mountain National Park; thence along the East boundary of Rocky Mountain National Park to the point of beginning.

EXHIBIT D

INTERGOVERNMENTAL AGREEMENT BETWEEN THE TOWN OF ESTES PARK AND THE ESTES VALLEY FIRE PROTECTION DISTRICT FOR THE TRANSITION PERIOD

THIS AGREEMENT, effective this ____ day of _____ 2009, is by and between the **ESTES VALLEY FIRE PROTECTION DISTRICT**, a Colorado Special District, ("District" and "EVFPD") and the **TOWN OF ESTES PARK**, a Colorado Municipal Corporation, ("Town").

RECITALS:

WHEREAS, the District was organized by order of the Larimer County District Court dated _____, 2009 for the purpose of providing fire protection, fire suppression and rescue services to persons and properties located within the District; and

WHEREAS, the boundaries of the District extend beyond the Town in unincorporated Larimer County and include all properties located within the Town having a total area of about 66.3 square miles; and

WHEREAS, the parties recognize the value of entering into this Intergovernmental Agreement for the mutual benefit of both parties; and

WHEREAS, both parties mutually agree that it is necessary to work together in good faith to provide needed fire protection, fire suppression and rescue services to persons and properties located within the District consistent with the financial resources of the parties; and

WHEREAS, the Town continues to operate the Estes Park Fire Department for the purpose of providing fire protection, fire suppression and rescue services to properties located within the Town and to properties located within the Estes Park Fire Department's Other Protection Area; and

WHEREAS, the Estes Park Volunteer Fire Department provides personnel and other resources to the Estes Park Fire Department to assist in the operations of the department; and

WHEREAS, the District has the lawful authority to provide fire protection, fire suppression and rescue services within the District; and

WHEREAS, Section 29-1-203, C.R.S., provides that the parties may cooperate or contract with one another to provide functions and services lawfully authorized to the individual entities; and

WHEREAS, the parties have determined to enter into this Intergovernmental Agreement for the purpose of providing the terms and conditions for the provision of fire protection, fire suppression and rescue services by the Estes Park Fire Department to the District; and

WHEREAS this time period between voter approval of the District and a time when the District has received sufficient *ad valorem* revenues and other funds to become financially viable shall be called the "transition period"; and

WHEREAS the County Treasurer will not begin distribution of tax revenues to the District until the second quarter of 2010; and

WHEREAS the District will have insufficient revenues to meet District financial obligations until receipt of revenue from the Town in January of 2010; and

WHEREAS the District will not be financially viable nor financially capable of operating the Estes Park Fire Department until it receives Town funds in 2010; and

WHEREAS, pursuant to the applicable statutes of the State of Colorado, the parties hereto are authorized to enter into this Intergovernmental Agreement.

NOW, THEREFORE, IN CONSIDERATION OF THE FOREGOING, THE DISTRICT AND THE TOWN AGREE AS FOLLOWS:

The Recitals set forth above are hereby incorporated into the terms and conditions of this Agreement.

1. This agreement shall be effective upon the execution by both parties hereto which shall occur as soon as possible following the formation of the District. This agreement shall continue in force and effect until January 1, 2010.
2. During the transition period;
 - a. It is the intent of the parties that the current level of response to fire and rescue incidents provided by the Estes Park Fire Department ("EPFD") and the Estes Park Volunteer Fire Department, existing at the time of execution of this Agreement, shall remain substantially the same level of services provided by the Town unless the parties mutually agree to revisions of the level of response to fire and rescue incidents within the District, and
 - b. It is the intent that the Fire Department shall serve all persons and properties within the boundaries of the district equally and without priorities, and
 - c. Prior to the election to establish the District, the Town shall provide loans,
 - i. at prevailing rates, and
 - ii. of sufficient funds to the Initiative Committee to cover expenses of getting the initiative approved by the Larimer County Commissioners, and on the ballot and to cover non-political election expenses, and
 - iii. the total value of the principal and interest of these loans shall not exceed \$25,000, and
 - iv. if the voters approve the formation of the District and the tax levy, the loans shall be added to the funds loaned to the district as described in 2.d. herein.
 - d. The Town shall provide loans,
 - i. at prevailing rates, and
 - ii. of sufficient funds to the District for the District to meet minimum legal

- obligations and other expenses during the transition period, however,
 - iii. at no time during the transition period shall the total value of the principal and interest of the loans exceed \$40,000, and
 - iv. the repayment of the loans shall be according to terms negotiated between the Town and the District Directors.
3. Under the terms of the intergovernmental agreement for continuing operations and when the District has sufficient tax revenues and other funds, or has reasonable expectations of such revenues and funds, to meet the remaining 2010 financial obligations of the District, the District shall assume the remaining 2010 financial obligations of the EPFD and its successors.
4. Either party may terminate this Agreement by written notice to the other party giving 90 calendar days or more notice of the intent to terminate.
5. To the extent this agreement constitutes a multiple fiscal year debt or financial obligation of either party, it shall be subject to the annual budgetary process and annual appropriation of each individual entity, and Article X, Section 20 of the Colorado Constitution. Neither party shall have any obligation to continue this agreement in any fiscal year in which no such appropriation is made.
6. Since the EPFD provides all of the operational responses to fire and rescue incidents in the District during the transition period, until January 1, 2010, and since the District will assume oversight responsibility of the fire department as of January 1, 2010, decisions by the Town with regard to operations of the EPFD may significantly impact the District. The Town shall consult with the District and the parties shall mutually agree prior to making any final decision in the following areas:
 - a. Any major matter which would have a substantial budgetary impact on the District such as new communication systems, increase in number of paid personnel of the EPFD, and changes in manpower and equipment; and
 - b. Changes in response patterns which would have a substantial effect upon response within the District; and
 - c. Hiring of any new fire chief; and
 - d. Purchase of new fire engines and rescue vehicles.
7. The Town of Estes Park should initiate termination of the IGA dated September 17, 2007 between Larimer County, the Larimer County Sheriff and the Town of Estes Park, which authorizes the Estes Park Fire Department to respond automatically to fire and other calls in the Estes Valley and authorizes the Town to offer a Service Fee in lieu of assessment of full charges for fire and other calls beyond the Town boundaries. This termination should become effective on January 1, 2010.
8. Default and Remedies. In the event of default under this Agreement by either party, the non-defaulting party shall give the defaulting party written notice of said default. In that event the defaulting party shall have thirty (30) days to cure the default. In the event the defaulting party does not cure the default, the non-defaulting party shall be entitled to all remedies available at law or in equity, including reasonable attorney's fees and cost incurred by the non-defaulting party by reason of said default.
9. Indemnification. To the extent permitted by law, the parties hereby covenant and agree to

indemnify, defend and hold harmless one another from and against any and all liability, claims, losses, expenses, costs, charges, damages, judgments, obligations, expenses, attorney fees, litigation, and/or demands of any kind whatsoever arising from or due to the indemnifying party's negligence in the performance of its duties under this agreement.

- 10. Insurance. Each party shall maintain comprehensive general liability and automobile liability insurance during the term of this Agreement with a minimum combined single limit coverage of at least \$1,000,000. Such insurance shall name the other party as an additional insured.
- 11. All notices, demands or other documents required or desired to be given, made or sent to either party, under this Agreement, shall be made in writing, and shall be deemed effective upon mailing or personal delivery. If mailed, said notice shall be mailed, postage pre-paid, certified mail, return receipt requested as follows:

EVFPD
 Attention: Board President
 TBD
 Estes Park, Colorado 80517

Town of Estes Park
 Attention: Town Administrator
 P O Box 1200
 Estes Park, CO 80517

- 12. Nothing in this Agreement shall be deemed a waiver of the defenses and limitations of the Colorado Governmental Immunity Act, Section 24-10-101, et. seq. C.R.S., nor deemed to confer any benefits to any person not a party to this Agreement.
- 13. This Agreement represents the entire agreement of the parties and any amendment to this Agreement shall be in writing and executed by both parties hereto.
- 14. The parties enter into this Agreement as separate and independent governmental entities and each shall maintain such status throughout the term of the Agreement.

This agreement shall be governed by the laws of the State of Colorado.

ESTES VALLEY FIRE PROTECTION DISTRICT

By: _____

ATTEST:

TOWN OF ESTES PARK

By: _____

ATTEST:

EXHIBIT E

INTERGOVERNMENTAL AGREEMENT BETWEEN THE TOWN OF ESTES PARK AND THE ESTES VALLEY FIRE PROTECTION DISTRICT FOR CONTINUING OPERATIONS

THIS AGREEMENT, effective this ____ day of _____ 2009, is by and between the **ESTES VALLEY FIRE PROTECTION DISTRICT**, a Colorado Special District, ("District" and "EVFPD") and the **TOWN OF ESTES PARK**, a Colorado Municipal Corporation, ("Town").

RECITALS:

WHEREAS, the District was organized by order of the Larimer County District Court dated _____, 2009 for the purpose of providing fire protection, fire suppression and rescue services to properties located within the District; and

WHEREAS, the boundaries of the District extend beyond the Town in unincorporated Larimer County and include all properties located within the Town having a total area of about 66.3 square miles; and

WHEREAS, the parties recognize the value of entering into this Intergovernmental Agreement for the mutual benefit of both parties; and

WHEREAS, both parties mutually agree that it is necessary to work together in good faith to provide needed fire protection, fire suppression and rescue services to properties located within the District consistent with the financial resources of the parties; and

WHEREAS, both parties understand that the Town receives sales tax revenues from the State approximately forty five days following the end of the month in which the taxes were paid by the consumers; and

WHEREAS, the District has the lawful authority to provide fire suppression, fire prevention and rescue services within the District; and

WHEREAS, Section 29-1-203, C.R.S., provides that the parties may cooperate or contract with one another to provide functions and services lawfully authorized to the individual entities; and

WHEREAS, the parties mutually agree to share the costs of all operations and other expenses of the Estes Park Fire Department and its successors; and

WHEREAS, the parties have determined to enter into this Intergovernmental Agreement for the purpose of providing the terms and conditions for the provision of fire suppression, fire prevention and rescue services by the Estes Park Fire Department and its successors to the District; and

WHEREAS, pursuant to the applicable statutes of the State of Colorado, the parties hereto are authorized to enter into this Intergovernmental Agreement.

NOW, THEREFORE, IN CONSIDERATION OF THE FOREGOING, THE DISTRICT AND THE TOWN AGREE AS FOLLOWS:

The Recitals set forth above are hereby incorporated into the terms and conditions of this Agreement.

1. This Agreement is for the calendar years 2010 and subsequent years subject to the termination and budget provisions of Paragraphs 17 and 18 of this Agreement. This Agreement shall automatically renew for an additional one year period on January 1 of each calendar year unless terminated by either party pursuant to Paragraph 17 of this Agreement.
2. This agreement shall become effective on January 1, 2010 immediately upon the termination of the IGA dated _____ between the District and the Town which specifies the agreements for the transition period until the newly formed District has financial viability.
3. The District shall collect *ad valorem* taxes on properties within the District, as described in the Service Plan for the Estes Valley Fire Protection District, to pay for a portion of the services described herein.
4. Within the first ten (10) business days of January 2010, the Town shall make the first payment to the District in the amount of one-half of seven percent (7%) of the total estimated sales tax receipts of the Town for the calendar Year 2010.
5. Within ten (10) business days following August 15, 2010, the Town shall make payment to the District in the amount of seven percent (7%) of the actual sales tax revenue for the calendar month of July 2010, with an adjustment to correct for any difference between the January 2010 payment, based on estimated revenue, and the actual sales tax revenues for the months of January through June 2010.
6. For each calendar month subsequent to August 2010, within ten (10) business days of the receipt of sales tax revenue from the State, the Town shall make payment to the District in the amount of seven percent (7%) of the actual sales tax revenue for said month.
7. The Town shall transfer ownership of all Town-owned assets of the Fire Department, including vehicles, to the District when this agreement becomes effective. The vehicles shall be transferred to the District As-Is with no warranty except the Town shall assign any warranties on any vehicles to the District if said warranties are still in force and effect.
8. The Town shall allow the District to occupy and use the Dannels Fire Station. The District shall comply with all of the terms and conditions of the Special Use Permit between the United States Department of the Interior and the Town dated April 29, 1996, Special Use Permit 6-LM-60-L3717; except that the Town shall be responsible for the landscaped area as shown on Exhibit 4 of the Special Use Permit.
9. The Town shall provide dispatching and communications services to the fire department for an appropriate annual amount to be agreed to by the parties during September of each calendar year for the subsequent year.

10. The District shall provide oversight management of the fire department to maintain, in general and as a minimum, the current level of response to fire and rescue incidents throughout the District which have been provided by the EPFD and the Estes Park Volunteer Fire Department, at the time of execution of this Agreement.
 - a. Each party understands the necessity of maintaining continuing consistent and reliable services to the persons and properties of the District. The District shall consult and inform the Town or Town representatives concerning;
 - i. Changing needs for fire and rescue services throughout the District, and
 - ii. Changes in the level of response to fire and rescue incidents within the District, and
 - iii. Changes and additions of major apparatus, and
 - iv. Changes in stationing of major apparatus within the District.
11. The parties understand and agree that in the event the parties cannot mutually agree on any of the matters of 10.a. above, or other matters pertaining to the business of the District or the operations of the Fire Department, the District may make the final decision, in its sole discretion.
12. The District shall employ the three current Town employees working for the Fire Department being the Chief, Training Officer and the Administrative Assistant. The District shall enter into Employment Contracts with the three individuals for a minimum of thirty-six (36) months beginning January 1, 2010. The terms and conditions of the Employment Contracts shall include a salary equal to or greater than the employee's Town salary, shall contain substantially the same benefits as each employee receives from the Town, and the employees shall be subject to termination and discipline pursuant to the same terms and conditions as set forth in the Town's Personnel Policy in its form on January 1, 2010. The district may establish a District Personnel Policy for the three identified employees following the thirty-six (36) month period.
13. The District shall repay to the Town all loans under the terms of the loan agreements.
14. On January 1, 2010, the District shall assume all responsibility, including financial, for the Fire Department, maintenance and replacement of equipment and apparatus, and all other Fire Department obligations and service obligations set forth in the Service Plan of the District. The only obligation of the Town with regard to provision of fire services within the District shall be the payments described in 4., 5. and 6. herein.
15. The District shall honor all preexisting agreements related to fire and related rescue services between the Town and other governmental entities. Prior to January 1, 2010, the District shall enter into an agreement with Larimer County and the Larimer County Sheriff to replace the agreement dated the 17th day of September 2007 between the Town of Estes Park and Larimer County and the Larimer County Sheriff covering fire protection, fire suppression and rescue services by the Town of Estes Park and the EPFD.
16. Within 90 days of formation, the District's Board of Directors shall execute an intergovernmental agreement with the Larimer County Board of County Commissioners, in a form that is agreeable to both parties, which agreement shall contain, as a minimum, certain provisions that: (i) requires the District to consider and promptly process property owners' petitions for inclusion of property located in the Devil's Gulch/Glen Haven area to ensure that

such properties receive adequate fire protection services in a reasonable and cost effective manner; and (ii) requires the District to submit any proposed location/construction of District facilities in the unincorporated portion of the District to the County's land use review process, consistent with applicable Colorado laws and County regulations.

17. Either party may terminate this Agreement by written notice to the other party on or before July 1 of each calendar year. Such termination shall be effective on December 31 of said calendar year.
18. Each party understands and agrees that the sums necessary to provide the services and pay the costs of this Agreement shall be subject to the annual budgetary process of each individual entity. The financial obligations of the parties shall not be deemed to be financial obligations under Article X, Section 20 of the Colorado Constitution. The parties shall have the right to terminate this Agreement in whole (but not in part) under the provisions of Paragraph 17 in the sole event that the party's board of directors or governing body fails to appropriate money sufficient for the continued performance of this Agreement.
19. Indemnification. To the extent permitted by law, the parties hereby covenant and agree to indemnify, defend and hold harmless one another from and against any and all liability, claims, losses, expenses, costs, charges, damages, judgments, obligations, expenses, attorney fees, litigation, and/or demands of any kind whatsoever arising from or due to the indemnifying party's negligence in the performance of its duties under this Agreement.
20. Default and Remedies. In the event of default under this Agreement by either party, the non-defaulting party shall give the defaulting party written notice of said default. The defaulting party shall have thirty (30) days to cure such default. In the event the defaulting party does not cure the default, the non-defaulting party shall be entitled to all remedies available at law or in equity, including reasonable attorney's fees and costs incurred by the non-defaulting party from said default.
21. Services. The Town shall provide, upon request from the District, accounting, human resource, and vehicle maintenance services from the applicable Town Departments to the District. The cost of said services shall be negotiated annually between the parties.
22. Pension. The Town maintains the Estes Park Volunteer Pension Fund (the "Fund") for the purpose of providing pension benefits pursuant to Section 31-30-1100 et. seq. C.R.S., - the Volunteer Firefighter Pension Act. On or before January 1, 2010, the District shall form a new Volunteer Pension Fund for the District pursuant to the applicable portions of the Volunteer Firefighter Pension Act. On or before January 10, 2010, the Town shall transfer all funds in the Town of Estes Park Volunteer Firefighter Pension Fund to the new Volunteer Pension Fund. Prior to the transfer of the funds, the District, the Town and the New Volunteer Pension Fund shall enter into a separate agreement addressing the following:
 - a. The District and the Fund shall agree to continue to pay the same level of pension benefits to all retired Volunteers beginning January 1, 2010.
 - b. The District and the Fund shall recognize all vested years of service of all current Volunteer members of the Department and any inactive or retired members who have not yet received a pension.

- c. The District and the Fund shall agree to maintain the current pro-rata retirement pension for ten years or more of vested service.
- d. The District agrees to annually contribute sufficient funds to the New Volunteer Pension Fund to maintain an actuarially sound retirement pension fund to meet the District's and Fund's obligations pursuant to this Paragraph.
- e. The District and the Fund specifically understand and agree that the Town may have future liability to Volunteer Firefighters who have left the Estes Park Volunteer Fire Department but receive a pension through another Volunteer Pension Fund in the State of Colorado pursuant to Section 31-30-1123 C.R.S. The District and the Fund agree that the funds transferred to the new Volunteer Pension Fund include sufficient funds to cover all of the Town's potential obligations to said Volunteer Firefighters. The District and the Fund shall assume and pay all future obligations of the Town pursuant to this Section.
- f. The District and the Fund agree to provide yearly financial reports and actuarial studies to the Town for the Town's review with regard to the District and the Fund and their obligations pursuant to the terms and conditions of this Section.

23. All notices, demands or other documents required or desired to be given, made or sent to either party, under this Agreement, shall be made in writing, and shall be deemed effective upon mailing or personal delivery. If mailed, said notice shall be mailed, postage pre-paid, certified mail, return receipt requested as follows:

EVFPD
 Attention: Board President
TBD
 Estes Park, Colorado 80517

Town of Estes Park
 Attention: Town Administrator
 P O Box 1200
 Estes Park, CO 80517

- 24. Nothing in this Agreement shall be deemed a waiver of the defenses and limitations of the Colorado Governmental Immunity Act, Section 24-10-101, et. seq. C.R.S., nor deemed to confer any benefits to any person not a party to this Agreement.
- 25. This Agreement represents the entire agreement of the parties and any amendment to this Agreement shall be in writing and executed by both parties hereto.
- 26. The parties enter into this Agreement as separate and independent governmental entities and each shall maintain such status throughout the term of the Agreement.

This Agreement shall be governed by the laws of the State of Colorado.

ESTES VALLEY FIRE PROTECTION DISTRICT

By: _____

ATTEST:

TOWN OF ESTES PARK

By: _____

ATTEST:

EXHIBIT F
MILL LEVIES WITHIN ESTES VALLEY

Estes Valley Mill Levies Within the Proposed Fire District

Tax Authority	Funded Name	2009 Mill Levy
Estes Valley Public Library District	EV Library Abatements & Refunds	0.012
Estes Valley Public Library District	EV Library Bond Abatement	0.545
Estes Valley Public Library District	EV Library General Fund	3.280
Estes Valley Recreation & Park District	EV Rec & Park Abatement & Refunds	0.005
Estes Valley Recreation & Park District	EV Rec & Park General Fun	2.754
Estes Valley Recreation & Park District	EV Rec & Park Temporary Credit	-0.366
Larimer County	Larimer Co Abatements & Refunds	0.074
Larimer County	Larimer Co Capital Expenditures	0.404
Larimer County	Larimer Co Developmentally Disabled	0.750
Larimer County	Larimer Co General Fund	18.152
Larimer County	Larimer Co Health Fund	0.707
Larimer County	Larimer Co Road & Bridge	0.498
Larimer County	Larimer Co Social Services	1.810
Larimer County G.I.D. No. 4	Larimer County GID 4 General Fund	4.000
Larimer County G.I.D. No. 11	Larimer County GID 11 General Fund	5.770
Larimer County G.I.D. No. 14	Larimer County GID 14 General Fund	10.000
Larimer County G.I.D. No. 18	Larimer County GID 18 General Fund	19.000
Larimer County G.I.D. No. 18	Larimer County GID 18 Temp. Credit	-7.000
Larimer County P.I.D. No 23	Larimer County PID 23 General Fund	15.000
Larimer County P.I.D. No 23	Larimer County PID 23 Temp. Credit	-3.000
Larimer County P.I.D. No 32	Larimer County PID 32 General Fund	8.948
Park (Estes Park) R-3 School District	Park R-3 Bond Redemption	4.970
Park (Estes Park) R-3 School District	Park R-3 General Fund	26.262
Park Hospital District	Park Hospital General Fund	7.505
Upper Thompson Sanitation District	Upper Thompson San. General Fund	
Northern Colorado Water Cons. District	N. CO Water Cons. Contract Obligation	1.000
Estes Park Sanitation District	EP Sanitation Dist. General Fund	
21st Century Urban Renewal Project	21st Cen. Urban Ren. General Fund	
Town of Estes Park	Estes Park General Fund	1.753
Town of Estes Park	Estes Park Temporary Credit	-0.035
Proposed		
Estes Valley Fire Protection District	EV Fire Protection Dist. General Fund	1.950

**Estes Valley Mill Levies for Districts within
Proposed Fire District**

Tax District	Total 2009 Mill Levy
3000	67.364
3001	64.971
3005	67.364
3006	67.364
3008	68.364
3009	68.364
3010	65.971
3012	68.364
3015	68.364
3018	72.364
3019	72.364
3025	73.134
3026	72.478
3027	74.971
3029	77.364
3030	78.364
3033	78.364
3034	80.364
3035	74.971
3040	77.312
3300	70.082
3301	70.082
3302	70.082
3303	70.082
3304	70.082
3305	69.082
3306	69.082
3307	69.082
3308	66.689
3309	70.082
3310	70.082
3311	69.082
3312	66.689
3313	67.689
3314	67.689
3315	70.082
3316	69.082
3317	70.082
3318	70.082

End of Fire Protection District Service Plan