PETITION FOR APPROVAL OF AMENDMENT TO SERVICE PLAN FOR UPPER COTTONWOOD CREEK METROPOLITAN DISTRICT NOS. 2 THROUGH 5 CITY OF COLORADO SPRINGS, COLORADO

WHEREAS, the Service Plan for the Upper Cottonwood Creek Metropolitan District Nos. 2 through 5 (the "Original Service Plan") was approved by the City Council of the City of Colorado Springs, Colorado in 2006; and

WHEREAS, the Board of Directors of the Upper Cottonwood Creek Metropolitan District Nos. 2 through 5 ("District" or "Districts") have prepared an Amendment to Service Plan for the Districts due to the fact that the operations and maintenance costs the Districts are expected to incur have increased substantially over what was anticipated, as reflected in the Original Service Plan, thus necessitating the need to increase the Maximum Operating Mill Levy for District Nos. 3 through 5 from 10 mills to 20 mills (with the Maximum Operating Mill Levy for District No. 2 to remain at 10 mills); and

WHEREAS, the Original Service Plan shall remain unchanged in regard to District No. 2 and the Board of Directors of District No. 2 supports and consents to the Amendment of the Service Plan in regard to District Nos. 3-5; and

WHEREAS, the Original Service Plan generally contemplates an amendment of the Original Service Plan with approval by the City Council in accordance with the City's ordinances and applicable State law, including the Special District Act, Sections 32-1-101 et seq., C.R.S.; and

WHEREAS, Section 32-1-207, C.R.S., specifically contemplates that an amendment to the Original Service Plan be initiated by a petition by the Board of Directors of the Districts to the City Council of the City of Colorado Springs, Colorado, and that such amendment process conform as far as practicable to the process followed for the approval of the Original Service Plan; and

WHEREAS, Section 32-1-207(2), C.R.S. provides for a processing fee in an amount not to exceed Two Hundred and Fifty Dollars (\$250.00) (the "Processing Fee"); and

WHEREAS, the Board of Directors of the Districts respectfully request the City Council of the City of Colorado Springs, Colorado, to approve the Amendment to Service Plan as submitted by the Districts;

THE BOARD OF DIRECTORS OF THE DISTRICTS (THE "BOARD") HEREBY PETITIONS THE CITY COUNCIL OF THE CITY OF COLORADO SPRINGS, COLORADO, FOR APPROVAL OF THE AMENDMENT TO SERVICE PLAN FOR THE DISTRICTS, IN ACCORDANCE WITH THE PROVISIONS OF SECTION 32-1-207, C.R.S. IN SUPPORT OF THIS PETITION, THE BOARD STATES:

(1) The Board has considered the content of the Amendment to Service Plan for the Districts, and has approved the same.

- (2) The Original Service Plan states that the Maximum Operating Mill Levy for the Districts is 10 mills. The proposed Amendment to Service Plan seeks to increase the Maximum Operating Mill Levy for District Nos. 3 through 5 to 20 mills for so long as District Nos. 3 through 5 continue to provide their respective current levels of service. The Service Plan for District No. 2 shall remain unchanged and the Maximum Operating Mill Levy for District No. 2 shall remain unchanged at 10 mills.
- (3) The Original Service Plan, as amended by the Amendment to Service Plan, substantially complies with the Special District Act and local applicable law.
- (4) The proposed increase in the Maximum Operating Mill Levy for District Nos. 3 through 5 is beyond the recommended limit contained in the City's Special District Policy, but is justified by the economic realities and financial conditions existing under these circumstances.
- (5) The Districts are prepared to pay, and will pay, the Processing Fee in connection with this Petition upon request by the City.

THEREFORE, THE DISTRICTS RESPECTFULLY REQUEST THAT THE CITY COUNCIL OF THE CITY OF COLORADO SPRINGS, COLORADO SCHEDULE A PUBLIC HEARING TO CONSIDER THE AMENDMENT TO SERVICE PLAN FOR THE DISTRICTS AND ADOPT A RESOLUTION APPROVING THE SAME.

Petition executed this 17 day of JANUAM, 2016.

UPPER COTTONWOOD CREEK METROPOLITAN

DISTRICT NOS 2 THROUGH 5

By:

Ralph A. Braden, President

ATTEST:

Bobby Incels, Assistant Secretary