

# **PRAIRIE VIEW RANCH WATER DISTRICT LLC**

## **SERVICE PLAN**

320 Acres

LOCATED IN

E ½; T1N; R60W; 6<sup>th</sup> PM

Morgan County, Colorado

**Official Records of Morgan County, CO 846788**

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## **I. PRAIRIE VIEW RANCH WATER DISTRICT LLC**

This service plan is submitted in accordance with part 2 of the Special District Act (32-1-201, et seq., C.R.S., and sets forth a proposal for the formation of **PRAIRIE VIEW RANCH WATER DISTRICT LLC** here after referred to as (“the district”).

### **A. LOCATION**

The Prairie View Ranch Water District LLC, encompasses all of the lands located in the E1/2 S1; T1N; R60W; 6<sup>th</sup> PM located in Morgan County, Colorado.

### **B. NEED FOR WATER DISTRICT**

The district is being formed to provide the Home Owners of Prairie View Ranch (whose only water source is from wells located on the property) with a mechanism to fund major improvements or capital expenditures for water by selling tax -exempt municipal bonds or qualifying them for matching state and federal funds for improvements to the existing water system. Unlike homeowner’s association dues, district taxes are part of the tax bill sent by the County and are usually collected very promptly and at a reasonable cost. The District’s broad financing, construction, and operational powers and its ability to utilize low interest funds make a water district particularly attractive for this community.

### **C. WATER SYSTEM OVERVIEW**

Prairie View Ranch P.D. is a planned development which will divide one half section of Morgan County farm land into 85 lots varying in size from 1.6 acres to 6.8 acres. Water for the lots will come from 2 wells located on the property. These wells were formerly used to irrigate the property via 2 center pivot sprinklers. Extensive pumping records and crop production data from the past 20 years of usage of these wells, along with data presented about the future

intended usage were carefully reviewed by the State of Colorado Water Engineers Office and the Kiowa-Bijou Water District before granting the transfer of water usage from irrigation usage to domestic and livestock usage. Before the transfer of water rights ruling by the Colorado State Water Engineers Office as well as the Kiowa-Bijou Water District, proof of non-harm to surrounding well owners by the future proposed water usage from these well was required. It was found that the wells were among the oldest active wells in the Kiowa-Bijou water basin, and that they were senior in priority to all of the surrounding wells. Therefore they actually had a legal right to ask what effect the surrounding wells might have on them instead of what effect they might have on the surrounding wells. However, since the intended usage of the wells was substantially less than the proven historical usage, Prairie View Ranch agreed to reduce the annual usage from 265 acre-ft per year to 190 acre-ft which provided a substantial safety net for surrounding well owners.

Extensive water analysis was completed by State of Colorado approved labs to determine that the water from these wells meets the State Of Colorado Potable Drinking Water Standards. The water is very hard. Each owner will be required to install equipment to reduce the hardness of their water.

Water hydrology studies by Robert Longenbaugh and Wm Curtis Wells provide evidence that the wells will provide adequate, long term water supplies for the residents of this community.

Two large 20,000 gallon underground water tanks are installed in such a manner as they can be used to store well water or water from the Quality Water District if a back up water system is needed. The design of these storage tanks is such that they can be used in conjunction with each other or they can be used separately. This allows the water system to be used for a dual water supply (Quality Water for Inside house use and Well water for outside usage). The system is also quite unique in that it not only provides water for domestic water and irrigation usage, but also water for emergency fire protection of the entire surrounding community, which was badly needed and helps to reduce the community fire insurance costs. A 30 KW standby generator will also provide backup electricity in case of a power outage.

The pipeline for distribution of water to the 85 lots of the Prairie View Ranch PUD was designed to accommodate the peak seasonal water flow as well as fire protection demands of the entire Hoyt community.

6" PVC pipe (C-900) was installed in a completely looped configuration. This keeps pressure losses in the entire system at a minimum, thereby providing excellent water pressure and volume to the furthest reaches of the community. Numerous shutoff valves located throughout the lopped system will allow small areas to be shut off and isolated without effecting water delivery to the rest of the system. (Enclosed Drawings of System)

Pressure relief valves and air vacuum relief valves have been located at precise locations in the system to protect the pipeline form pressure surges, air locks, and collapse due to vacuum. Fire hydrants allow the system to be flushed periodically.

Individual water taps and water meters are installed for each lot. Water rates give the lot owners incentive to conserve water. (Copy of Rules and Regulations for Water District enclosed).

#### D. GENERAL AUTHORITY OF THE NEW DISTRICT

The District will have the power and authority, and be subject to certain restrictions, as follows:

- A) To provide the surveying, design, engineering, acquisition (including acquisition of water rights beyond those currently owned by the HOA)
- B) To provide water quality and services applicable and pursuant to Colorado Department of Health and Environment Rules and Regulations, for the protection of the public's health, safety, and welfare.
- C) To amend the Service Plan as needed.
- D) To forego, reschedule, or restructure the financing and construction of certain improvements and facilities.
- E) To provide for the rates, fees, charges, and penalties required to operate and maintain the water system.
- F) To pursue other funding sources from State and Federal agencies.
- G) To assess fees, rates, penalties, or charges as provided in Section 32-1-1001 91), CRS, as amended. The debt levy, tap fees, capitalized interest, and other revenues will be used to retire the debt. The board will determine the mix of taxes and user fees to best fit the financing needs of the district and may create an enterprise under labor.
- H) The district shall not levy an ad valorem mill levy in excess of 50 mills (Mill Levy Cap) except, the number of mills imposed by the district for debt service purposes may be in excess of the Mill Levy Cap if either: (a) the Mill Levy Cap is adjusted upward to account for statutory or constitutional changes in the method of calculating assessed valuation, including changes in the assessment ratio for residential real property brought about by Colo. Const. Art. X, Sec. 3, or (b) a decrease in the assessed valuation in the District requires that the Mill Levy Cap be adjusted upward for the District to collect the same amount of money as would have been collected by the District if the District had imposed a debt service mill levy of 50 mills in the first year that any debt service mill levy was imposed by the District. The intent of the Board of Directors of the District shall be to keep the mill levy as low as possible and to provide water system improvements and services with the least possible fiscal impact.
- I) The District shall not have the authority to expand its boundaries without approval of the HOA.
- J) The District will seek the HOA's approval prior to any consolidation with another district pursuant to CRS 32-1-101 et seq.
- K) The District shall be required to furnish water to (2) commercial lots and (83) residential lots, charging only the application fee and

miscellaneous charges authorized in the Rules and Regulations for Water Service from Prairie View Ranch Water District LLC(Copy Enclosed)

- L) The District shall have the power to assess fees, rates or charges, and penalties and the authority to levy ad valorem taxes to provide for debt service and operation and maintenance.
- M) The District shall have the power to incur general obligation indebtedness up to a maximum initial principal amount of \$1,500,000. Any subsequent indebtedness that creates additional debt shall be approved by Prairie View Ranch HOA.
- N) The improvements and services, along with all other activities, will be undertaken in accordance with, and pursuant to, the procedures and conditions contained in the Special District Act, other applicable statutes, and this Service Plan, as any or all of the same may be amended from time to time.

#### E. OPERATION OF SYSTEM

The operation of the system will be done initially by Fred O. Gibbs who has the necessary small systems operating license (copy enclosed). This operation will be performed by Fred O Gibbs until such time as the Home Owners Association is formed and 60% of the lots are sold. At this point, the district will contract with a licensed operator for management of the system.

The water control system is a state-of-the- art control system in that it is computer logic controlled and will perform all system operation functions on its own. If any problems are encountered, it automatically calls the operator and advises him of the problem (24 hours a day/ 7 days a week). The 30 KW back-up generator provides backup power supply in case of a power outage and alternating pumps in the wells and storage tanks provide backup in case of pump failure.

#### F. ESTIMATED POPULATION AND ASSESSED VALUATION

At build out, the 85 lots in this water district, should have a conservative value of \$150,000 each, or \$12,750,000 TOTAL VALUE. At 29% Assessment this would lead to an Assessed Value of \$3,697,500 (compare to Present Assessed Value of \$22,730).

It is easy to see from these figures that the Water District will have an excellent tax base to sell bonds or qualify for low interest loans if the need ever arises for purchase of new water sources or replacement of water system components.

Initially the water district will have little or no need for borrowed money as the water assessment fees should cover all anticipated needs (See Estimated Income and Expenses attached). However, in the future, operating costs may be financed through a mill levy on all property owners in the district and this will be left to the discretion of the board of directors.

# **BOARD OF DIRECTORS**

## **MEMBERS AND TERM**

The initial board of directors of Prairie View Ranch Water District LLC will consist of 5 members appointed by the current owners (Fred O. Gibbs and John D. Pearson). Each will serve for a different period of time and will be up for election at the end of their appointment period. At least 1 member of the board will be a lot owner of Prairie View Ranch P.D. All new future members of the board must be a lot owner in Prairie View Ranch P.D., and/ or a member of the HOA.

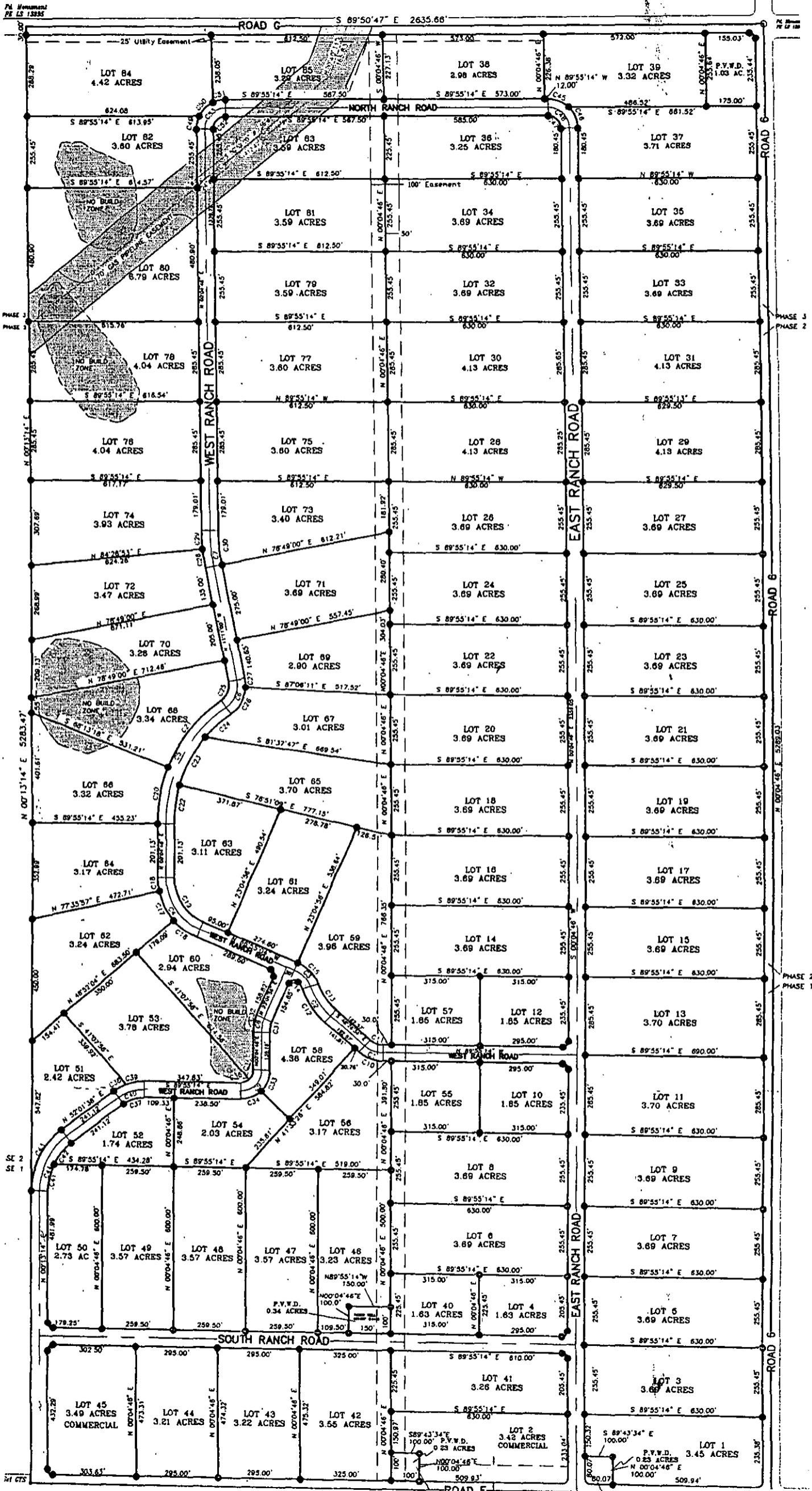
## **INITIAL BOARD MEMBERS AND TERM**

Fred O. Gibbs Pres.	6 years
John D. Pearson V.P.	5 years
Jo Ann H. Pearson Sec.	4 years
Doryea L. Gibbs	3 years
Fred G. Gibbs	2 years

## **ELECTION OF BOARD MEMBERS**

There are 85 lots in Prairie View Ranch P.D. therefore there is a potential of 85 different lot owners. All lot owners will be eligible to be a member of the Prairie View Ranch Water District Board of Directors and must be elected by the lot owners of Prairie View Ranch HOA at their annual meeting to be held annually on the 2<sup>nd</sup> Tuesday of February. Their term of office will be 2 years from the date of their election. In case of a vacancy the board will appoint a new member to fill out the term of a board member that has been vacated until the annual elections of the HOA, at which time a new member will be elected to serve out the remaining term of the board member being replaced. Each lot owner will have 1 vote.

**Map of Prairie View Ranch Water District LLC**  
 East 1/2 Sect. 1, T.1N., R.60W., 6<sup>TH</sup> P.M., Morgan Cnty Colo.





**EXHIBIT B**  
**WATER DISTRIBUTION SYSTEM LAYOUT**

SHEETS  
14  
5

DATE 02-26-06

PROJECT NO.  
G-01-03  
SCALE HORIZ. 1" = 200'  
VERT. 1" = 400'

PRAIRIE VIEW RANCH PUD

WATER DISTRIBUTION SYSTEM LAYOUT



DESIGNED J.G.G.  
DRAWN J.G.G.  
CHECKED J.G.G.

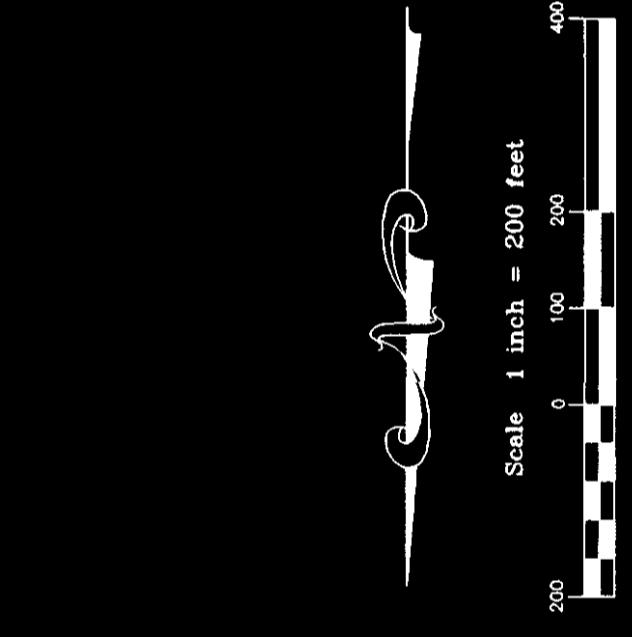
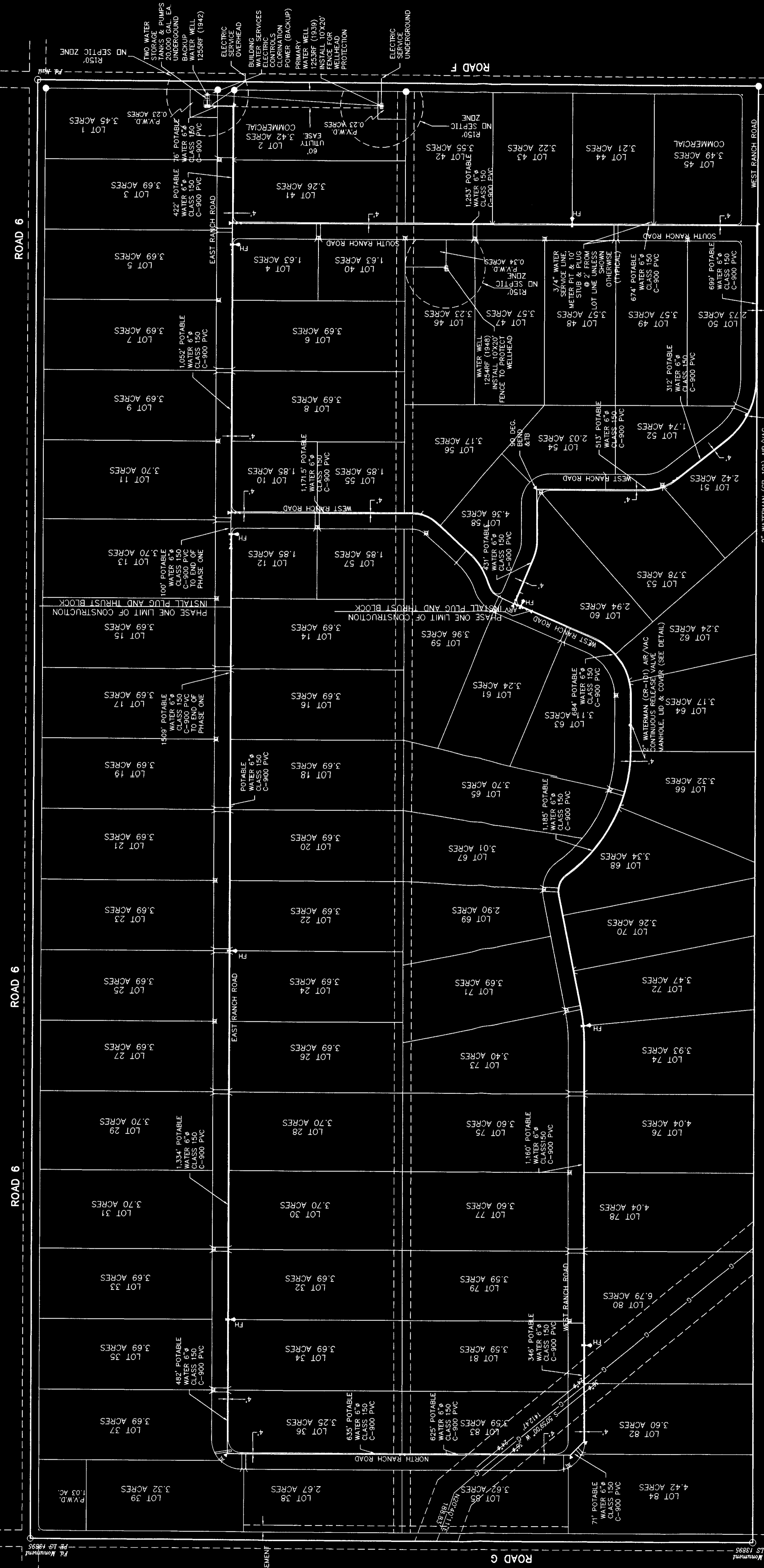
GAUTHIER ENGINEERING, INC.  
2157 Buena Vista Drive  
Greely, Colorado 80634  
Office (970) 530-0855 Cell (970) 502-0039

REVISIONS	DATE	DESCRIPTION
3/23/06	3/23/06	REVISIONS PER CORRE 4/21/04 REVIEW MEMO

PRAIRIE VIEW RANCH PUD  
THE EAST HALF OF SECTION 1, TOWNSHIP 1 NORTH, RANGE 60 WEST  
OF THE 6TH PRINCIPAL MERIDIAN, MORGAN COUNTY, COLORADO

ORIGINAL SURVEY PERFORMED BY:  
VALLEY SURVEY, INC.  
3854 Lamborn Drive, Crawford Airport, Crawford, Colorado 81415

BASIS OF BEARINGS:  
N00°04'45"E FROM  
SE COR. TO  
NE SEC. COR  
OF SEC. 1  
FROM CO-SURVEYORS NOTES



**LEGEND**

(—)	PIPING
(—)	ELECTRIC SERVICE
(---)	UNDERGROUND ELECTRIC
(- - -)	OVERHEAD ELECTRIC LINE
(- - -)	WATER SERVICE LINE & METER
(- - -)	INDEX CONTOUR
(---)	INTERMEDIATE CONTOUR
(●)	MANHOLES
(□)	COORDINATE LAYOUT POINT
(—)	CHAIN LINK FENCE LINE
(—)	FIRE HYDRANT
(—)	YARD HYDRANT
(—)	VALVE
(—)	THRUST BLOCK
(—)	FIBER OPTIC LINE
(—)	GAS LINE

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PRAIRIE VIEW RANCH PUD  
EXHIBIT B  
WATER DISTRIBUTION LAYOUT

CD-R

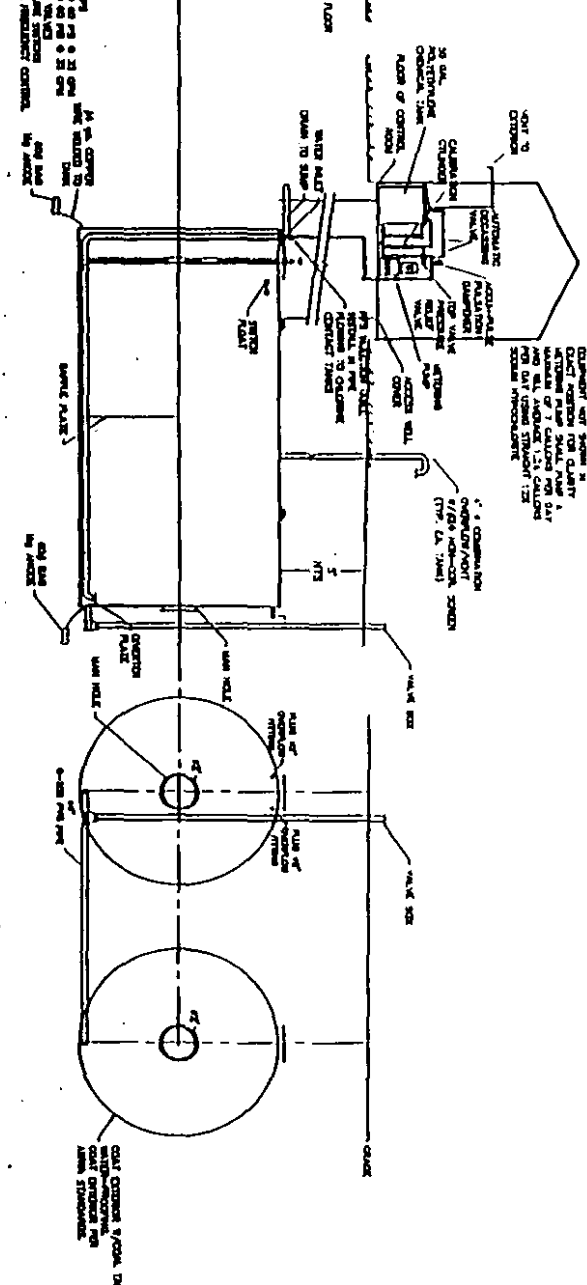
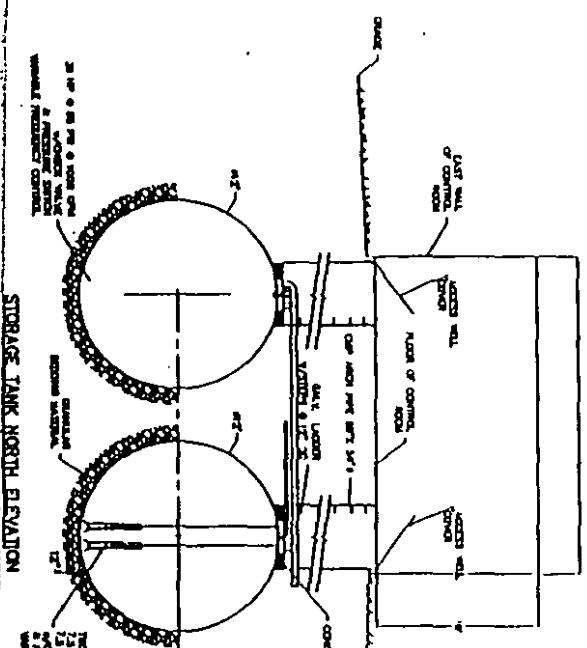
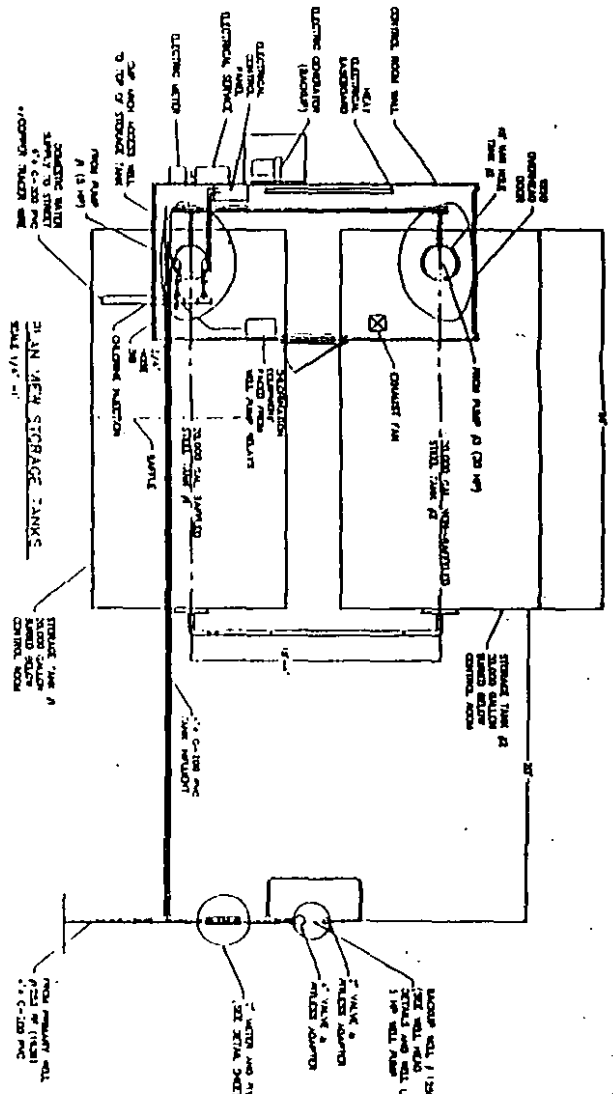
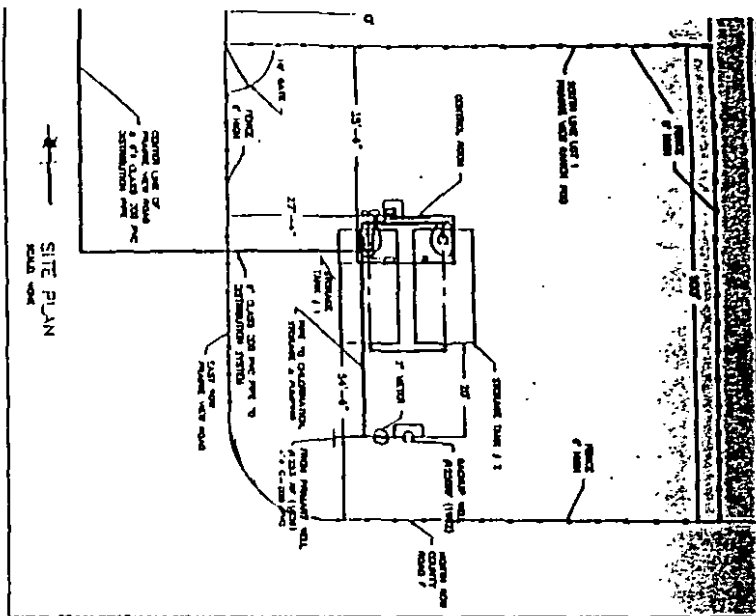
RECORDABLE

52 700 MB

Memorex

Is it live or is it Memorex?

# WATER PUMPING & STORAGE FACILITY PRAIRIE VIEW RANCH PUD



PRAIRIE VIEW RANCH PUD  
WATER STORAGE, PUMPING & CILORINATION

COUNTY ROAD F & COUNTY ROAD 8

GAUTHIER ENGINEERING, INC.

2157 Buena Vista Drive  
Granley, Colorado 80834

DATE	DESCRIPTION

## Prairie View Ranch Water District LLC

1001 "O" Street  
Greeley, Colorado 80631  
Office: (970) 356-7090 [8am-5pm, Mon.-Fri.]  
FAX: (970) 356-7090  
E-Mail: fogibbs@slbbi.com  
Cell: (970) 396-3148

### RULES and REGULATIONS FOR WATER SERVICE

This is provided to customers in our Service Area as an informative guide of policies and procedures relating to water service. These Rules & Regulations are subject to periodic revisions.

#### SECTION "A" – GOALS & OBJECTIVES

The overall objective of the District is to make available the highest quality water at the lowest possible cost. Prairie View Ranch Water District provides customers with high quality:

- water treatment, storage, and delivery
- meter reading and maintenance
- infrastructure expansion and upgrades
- water quality testing and compliance
- environmental compliance
- system monitoring and maintenance
- customer services
- technical services
- service information updates

#### SECTION "B" - DEFINITION OF TERMS & GENERAL RULES

Unless the context specifically indicates otherwise, the following terms shall, for the purposes of these rules and regulations, have the following meanings:

- (a) District: Prairie View Ranch Water District
- (b) Manager: General Manager of the Prairie View Ranch Water District, or the person authorized by the Manager, or the Board, to act for the General Manager
- (c) Board: Board of Directors of the Prairie View Ranch Water District
- (d) Consumer: Any person, association, corporation or governmental agency supplied or entitled to be supplied with water service for compensation by the District
- (e) Applicant: Any person or entity applying to the District for water service.
- (f) "Water Service Line" shall mean water line constructed from the District's transmission or main line to the meter outlet.
- (g) "Consumer Service Line" shall mean water line constructed by the customer from meter outlet to customer's location.
- (h) "Shall" is mandatory; "may" is permissive.
- (i) Each person that uses this service shall have an account number with his name and address on the bill or notice. The account number should be used at all times for any communication with the District office.
- (j) All excavations for water consumer line installation shall be adequately guarded with barricades and lights so as to protect the public from hazards. Streets, lines, or other public or private property disturbed shall be repaired & returned to their original condition within the shortest time possible and any costs of repair or interruption paid for immediately by the lot owner.

(k) No water taps shall be sold or transferred without prior written consent of the District.

(l) No water shall be piped or transported from one dwelling to another dwelling, or from one (1) legal description of real property to another, without the District's permission

(m) There shall be no privately-owned lines laid in the same trench with District owned lines.

(n) The customer shall have no cross connection to any other water supply.

(o) All joints and connections of the Consumer's Service Line shall be water tight.

#### SECTION "C" – WATER SERVICE

The District will use its best efforts to supply water dependably and safely in adequate quantities and pressures to meet the reasonable needs and requirements of Consumers. The District will endeavor to provide water that is wholesome, potable, in no way harmful or dangerous to health and, insofar as practicable, free from objectionable odors, taste, color and turbidity.

#### WATER

Each of the 85 lot owners in Prairie View Ranch PUD shall have the right to purchase a ¾ inch water tap for their lot from the Prairie View Ranch Water District at the time the lot is purchased. The price of the tap is subject to change and may or may not have been included with the price of the lot. All taps are attached to the lot to which they were originally purchased and may not be sold separately or transferred without the approval of Prairie View Ranch Water District.

#### Application for Service

The application is merely a written request for service and does not bind the applicant to take service for a period of time longer than that upon which the minimum charge is based; neither does it bind the District to serve, except under reasonable conditions and upon the approval of the Manager. Each applicant for service is required to sign, on a form prescribed by the District, an application providing sufficient information as the District may reasonably require for the above stated purpose and to enable the District to determine the credit worthiness of the applicant. A security deposit may be required if the applicants credit history deems it necessary. Applications for service to any property will be granted only if all assessments, fees, charges, delinquent water bills, and penalties due and charged to or against said property have been fully paid.

Applications for residential water service to rental property require service to be provided on account of the property owner or, alternatively, upon co-application by both the property owner and the tenant. The District will hold the property owner ultimately responsible for payment. [Note: Property owners may prevent discontinuation of service following the termination of service by a tenant by contacting the District office regarding The Policy for New Service to Rental Properties and the Agreement with Property Owners for Continuation of Service to Residential Rental Properties.] Proof of ownership must be submitted at the time of application and would include, but not be limited to, a copy of the deed to the premises, a title insurance policy, a current property tax bill or the escrow closing statement. In addition, the District requires proper identification of all applicants (the owner's driver's license will need to be seen or if proof of ownership is submitted by the tenant, a copy of the

owner's driver's license must be submitted for signature verification).

After the contract for a new tap is signed and the money for the application fee, is received, the maximum time of the waiver for minimum water payment shall be one year or until the water is turned on, which ever is first.

All customer construction is subject to inspection by the District after pipeline installation and before backfill. The customer shall notify the District not less than 24 hours in advance when inspections are needed.

### Ownership of Facilities on Consumer's Premises

The service lateral, meter, and meter box furnished at the Consumer's expense and located wholly or partially upon a Consumer's premises are the property of the District. The District shall at all reasonable hours have access to meters, service connections and other property owned by it which may be located on Consumer's premises for purposes of installation, maintenance, operation or removal of the property. If the Consumer, new applicant or developer is found to be responsible for any damage done to District property, such damages shall be reimbursed to the District at cost plus administrative overhead. If responsibility for damage is not known, charges will be made to the current Consumer or property owner.

### Water Treatment Equipment

All homes within Prairie View Ranch PUD will be required to install and maintain in good working order, the water softener, and R/O unit provided by the "District". This equipment shall remain the property of the "District" but the homeowner is responsible for maintaining and keeping the water treatment equipment in a functional and operating condition at all times, including making sure that the salt supply is replenished when needed. The cost of replacement salt, filters, repairs, maintenance, labor, and equipment replacement will be paid by each individual lot/homeowner. All replacement parts and equipment shall conform to the requirements of Prairie View Ranch WD. A keyed, frost free hydrant will be installed on the treated water line emerging from the water treatment equipment and vented to the outside of the house so that "District" personnel can obtain water samples for water quality checks without having to enter the house.

Each lot/homeowner and/or their assigns will grant a permanent right of ingress/egress to Prairie View Ranch W.D., its employees, and/or assigns for the purpose of water sampling, inspection, service, and repair of water treatment equipment located on or within their boundaries.

### Fire Hydrants

Fire hydrants connected to District mains are for use by the District and by the Wiggins Voluntary Fire Department. Other parties desiring to use water from fire hydrants for any purpose must obtain written permission from the Manager and from the appropriate fire protection agency prior to use, and shall operate the hydrant according to the instructions issued by the Manager. Unauthorized use will be subject to penalty and will be prosecuted according to law. In addition, when any person, company, or agencies determined to be the responsible party that has caused damage of a fire hydrant or

blow off, the District may charge that party with all costs necessary to repair the damages and the cost of water loss.

## SECTION "D" - RATES & CHARGES

**APPLICATION FEE** **\$250**  
**¾" WATER TAP (2005)** **\$15,000**  
 (Includes water softener & R/O unit  
 Installation not included)

Rates and charges for water consumption, as specified under various classifications of service and other miscellaneous charges, are set by the Board from time to time.

### RETAIL RATES

Retail charges consist of a minimum monthly charge and a commodity rate charge. Any water consumption over and above the monthly minimum is charged at the commodity rate. The following water rates were adopted by the Board and became effective January 1, 2004:

Tap Size	Minimum Monthly Charge	Volume of water that may be used Per month for Min. Charge
¾"	\$25	5,000 gal.

The commodity rate for water consumption over the monthly minimum is \$2 per thousand gallons for the first 5,000 gallons over the minimum and \$2.50 per thousand gallons for all amounts over that.

Conservation efforts mean lower usage and lower usage is rewarded with lower rates.

### MISCELLANEOUS CHARGES

In order to recover the cost associated with after hours service calls, late payments, disconnections, reconnections, and other damages sustained by the District, the specified items listed below are charged to Consumers.

**Application / Administration Fee:** A \$250 Application / Administration fee is required each time a lot within Prairie View Ranch Water District is transferred, sold or conveyed. The new owner / owners will be responsible for filling out a new application for service along with the \$250 payment before water service will be provided to the property.

**Shutoff Fee:** The District may disconnect a Consumer's service for various reasons including, but not limited to, (a) nonpayment of bills, (b) failure to comply with rules and (c) fraudulent use of service. Such involuntary disconnections are subject to a \$30 Shut-off Fee.

**Emergency Service Call Fee:** Service calls made on weekdays after regular working hours (8am-5pm), on Saturdays, Sundays, or holidays are subject to a \$50 fee.

**48-Hour Disconnection Notice (door tag) Charge:** Prior to actual disconnection of service by the District for reasons as stated in the Shutoff Fee section above, the District will make a reasonable, good-faith effort to contact an adult at the premises by issuing a 48-Hour Disconnection Notice (door tag) which will be left at the premises. A processing fee of \$15.00 will be charged to the account.

**Returned Check Charge:** When a Consumer's check is returned as non-negotiable for any reason the District will

consider the account not paid. A return check charge of \$10.00 will be assessed. A 48-Hour Disconnection Notice will be issued (\$15 charge applies, see above). All amounts paid to redeem a returned check and charges must be cash or certified funds. Water service will be disconnected if the amount of the returned check and all applicable fees are not paid within the 48-hour period. Upon shutoff of water service for a returned check, a Shutoff Fee will be charged to the account as per above.

**Pulled Meter Charge:** If a Consumer's service has been disconnected and the meter has been "pulled" or removed from the premises, then the Consumer shall pay a pulled meter charge of \$50.00 along with any other charges before the service and meter can be reconnected.

**Meter Test Charge:** Any Consumer may request that his/her meter be examined and tested to see if it is correctly recording water delivered through it. If the meter is found to be registering within 5% accuracy, the Consumer shall pay the cost of such test, \$15.00 per test, to the District. Said request shall be made on a form furnished by the District and signed by the Consumer.

**Unauthorized Water Use:** Any person or entity found taking water from or through any of the District's facilities without District authorization will be assessed a \$1,000 fine payable to the District.

**Waste of Water:** In order to protect itself and its Consumers against willful or negligent waste or misuse of water, the District has adopted a policy regarding water waste. A Disconnection Charge of \$1000.00 for Waste or Misuse of Water may be assessed to the Consumer for violating this policy.

**Late Charges:** A Delinquent Final Notice will include a late charge of 5% of the balance due or \$5.00 – whichever is greater.

**Turn-on/off Fee:** If a customer requests that a service be turned on after paying all applicable fees and charges and a District representative turns the water service on and water is found to be running, or when a customer requests that water be turned off due to the customer working on plumbing, the customer shall then be required to pay a \$10.00 fee.

## **SECTION "E" – BILLING & PAYMENT**

**Rendering of Bills:** Bills for water service and/or installment purchase payments will be rendered on a monthly basis and are due and payable upon presentation. Bills become delinquent 25 days from date of the invoice. It is the Consumer's responsibility to assure that payments are received at the District's office in a timely manner. If payment for a billing period is not made on or before the 25<sup>th</sup> day after Date of Bill, a Delinquent Final Notice will be mailed to the Consumer at least 15 days prior to disconnection of service. The Notice will include a late charge of 5% of the balance due or \$5.00 whichever is greater.

**After Hours Depository:** An after hours depository is provided for your convenience in the front of the District's office building.

**Delinquent Accounts:** Water service charges, monthly installment purchase payments, and late charges must be paid on or prior to 4:30 pm on the Turn Off Date specified in the

**Delinquent Final Notice.** At least 48 hours prior to actual termination as set forth in the Delinquent Final Notice, the District shall leave a 48-hour Disconnect Notice at or near the entrance to the premises. A service may be disconnected for non-payment of periodic bills. Such involuntary disconnections are effected by turning off and locking the meter, thereby stopping the water service.

**Restoration of Service:** The District will endeavor to make reconnections as soon as practicable; however, the District shall make the reconnection before the end of the *next regular working day* following the Consumer's request and payment of any applicable reconnection fees and other charges.

**Amortization of Unpaid Balance for Medical Condition:** Upon written confirmation of the doctor's certification of life threatening conditions, determination by the District of the Consumer's inability to pay and District approval of the Consumer's written request for a 12-month amortization payment plan, a written amortization plan will be entered into between the District and the Consumer. The Consumer will be charged an administrative fee and the plan shall include a charge for interest of 10% per annum or the maximum legal rate, whichever is lower, on the unpaid balance. The Consumer must comply with the plan and remain current as charges accrue in each subsequent billing period. The Consumer may not request further amortization of any subsequent unpaid charges while paying delinquent charges pursuant to an amortization plan. Failure to comply with the terms of the plan will result in delivery of a 48-hour Disconnect Notice.

**Disputed Bills:** The Consumer has a right to initiate a complaint or request an investigation regarding the accuracy of water charges on any bill tendered by the District. Water service may not be terminated until the investigation is completed and the Consumer has been notified of the District's decision. Up to 5 calendar days prior to the Delinquent Date on the bill the Consumer can make such a complaint in writing and deliver it to the District at its office along with all evidence and data the Consumer wishes to be considered by the District. The Manager shall review the complaint and render a decision as to the accuracy of the water charges. If water charges are determined to be incorrect, a corrected invoice will be provided and the revised charges will be due within 10 calendar days after the date of invoice for revised charges. If the water charges are determined to be correct, the water charges are due and payable at the time the decision of the Manager is rendered.

## **SECTION "F" – WATER CONSERVATION**

Each Consumer of the District is urged to install devices to reduce the quantity of water to flush toilets and to reduce the flow rate of showers. Each Consumer is further urged to adopt such other water usage and reusage practices and procedures as are feasible and reasonable. For tips and hints on how to avoid over-irrigation, detect leaks, economize water and reuse water or for landscaping ideas utilizing water tolerant plants and hardscape themes contact our Water Conservation Coordinator during regular business hours. Colorado law prohibits the waste and unreasonable use of water and requires that the District take all appropriate actions to prevent waste of this limited resource.

NOV - 4 2005

District Court Morgan County, Colorado 400 Warner Street Fort Morgan, Colorado 80701	Filed w/ct on 11/10/05 BJ
<b>In Re: Organization of Prairie View Ranch Water District, LLC</b>	
George R. Haffke, Atty. Reg.# 3701 Haffke, Haffke, and Lebsack Attorney For Petitioner 106 East Kiowa Avenue Fort Morgan, CO 80701 Telephone: (970) 867-2445 Fax: (970) 867-2446 E-Mail: haffleb@kci.net	▲ COURT USE ONLY ▲ Case #:  Div.: Ctrm:
<b>PETITION FOR ORGANIZATION OF SPECIAL DISTRICT</b>	

Petitioners, Fred O. Gibbs and John D. Pearson, hereby petition the Court for the organization of a special district pursuant to the provisions of C.R.S. 32-1-301, et.seq. and in furtherance thereof state and allege as follows:

1. Petitioners herein own 100% of the land to be included in the district and are therefore all of the taxpaying electors of the proposed district.

2. The legal description of the land to be included in the proposed district is as follows:

Prairie View Ranch Planned Unit Development, a subdivision of the E1/2 of Section 1, Township 1 North, Range 60 West of the 6<sup>th</sup> P.M., Morgan, County, Colorado.

3. The proposed district is being formed to supply a domestic water supply to the owners of the lots in the Prairie View Ranch P.D. and for fire protection for the land within the district boundaries.

4. The name of the special district when formed shall be "Prairie View Ranch Water District, LLC.

5. The facilities and improvements of the proposed district consist of two 100 foot parcels of land located in the southeast corner of lots 1 and 2 of Prairie View Ranch PD, two water wells with pumps and check valves, two 20,000 gallon

underground water tanks, a well house/office, pipelines and related distribution equipment.

6. The boundaries of the proposed district do not lie within the confines of any other special district or municipality.

7. The estimated cost of the facilities and improvements for the proposed district are as follows:

Pumps and controllers	\$ 50,000
Storage Tanks	\$ 20,000
Pipelines, fire hydrants, valves and water meters	\$100,000
Pump buildings and land	<u>\$ 10,000</u>
Total	\$180,000

8. The estimated property tax revenues for the first budget year of the proposed district are as follows: None

9. A copy of the resolution of the Board of Commissioners of Morgan County, Colorado approving of the Service Plan for the proposed district is attached hereto as Exhibit A.

WHEREFORE, the Petitioners request the Court fix a date and time for hearing on this Petition; that notice of the hearing be published and mailed as provided by law and that after the hearing that this special district be organized according to law.

Dated this 2<sup>nd</sup> day of NOV., 2005.

Fred O. Gibbs  
Fred O. Gibbs

John D. Pearson  
John D. Pearson

HAFFKE, HAFFKE AND LEBSACK

By: George R. Haffke  
George R. Haffke / #3701  
Attorneys for Petitioners

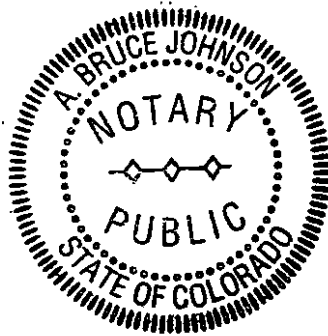


STATE OF COLORADO )  
                              )     ss.  
COUNTY OF MORGAN )

Subscribed and sworn to before me this 2nd day of November  
2005 by Fred O. Gibbs and John D. Pearson.

Witness my hand and official seal.

My commission expires: 7-16-07



A. Bruce Johnson  
Notary Public

DEC 15 2004

RESOLUTION  
2004 BCC 77

A RESOLUTION APPROVING THE SERVICE PLAN  
OF A WATER DISTRICT LOCATED  
IN SECTION 1, TOWNSHIP 1 NORTH, RANGE 60 WEST

WHEREAS, on November 4, 2004, the Board of County Commissioners of Morgan County, Colorado held a public hearing pursuant to Section 32-1-204 C.R.S. on a proposed service plan for the Prairie View Ranch Water District LLC located in the E½ of Section 1, Township 1 North, Range 60 West Of the 6<sup>th</sup> P.M., and

WHEREAS, notice of the public hearing was properly published, and

WHEREAS, the Board of County Commissioners received testimony and evidence from the applicant and his attorney, and

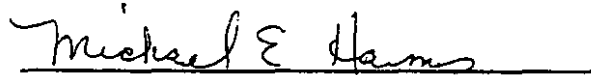
WHEREAS, there was no public comment or testimony regarding the proposed service plan.

NOW BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MORGAN COUNTY, COLORADO:

1. The proposed Service Plan for the Prairie View Ranch Water District LLC located in the E½ of Section 1, Township 1 North, Range 60 West Of the 6<sup>th</sup> P.M.. is hereby approved

DATED this 14<sup>th</sup> day of December, 2004, *nunc pro tunc* November 4, 2004.

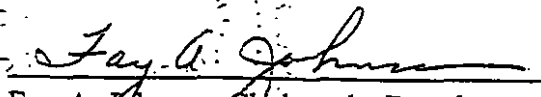
BOARD OF COUNTY COMMISSIONERS  
MORGAN COUNTY, COLORADO

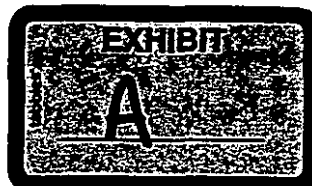
  
Michael E. Harms, Chairman

  
Mark A. Arndt, Commissioner

  
John A. Crosthwait, Commissioner

ATTEST:

  
Fay A. Johnson, Clerk to the Board

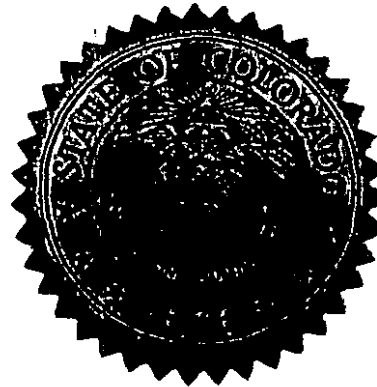


# State of Colorado

COLORADO WATER AND WASTEWATER FACILITY OPERATORS CERTIFICATION BOARD

Be it known that Fred Gibbs is hereby Certified as a  
Water System Small Operator

having qualified by Article 9 of Title 25, C.R.S., effective May 23, 2000, and in accordance with Rules and Regulations adopted by the Colorado Water and Wastewater Facility Operators Certification Board relative to Operating Personnel of Water, Wastewater and Industrial Wastewater Facilities.



Expires 4/1/2009

*Jeanette M. Hillery*  
Secretary of Board

12153  
Certificate Number

*Ronald J. Valente*  
Board Chairperson

In witness where of I have subscribed my name and affixed the seal of the State of Colorado Certification Board. This 22nd day of September, 2006 in the City of Denver, Colorado.

# **MANAGERIAL PLAN FOR PRAIRIE VIEW RANCH W D**

**SYSTEM NAME: Prairie View Ranch W D**

**OWNERS NAME: Fred O. Gibbs & John D. Pearson  
1001 "O" Street  
Greeley, Colorado 80631**

## **ORGANIZATIONAL STRUCTURE:**

Prairie View Ranch Water District is an LLC with Fred O. Gibbs serving as General Manager and limited partner. Initial funding for the construction of the pumping and distribution system will be provided by Fred O. Gibbs and John D. Pearson.

## **Description of Facilities:**

### **Land:**

Two 100' x 100' lots located in the SE 1/4 ,SE 1/4,  
Sec.1.T1N,R60W of Morgan County Colo.

### **Equipment:**

1. Irrigation well 1253 with a 7.5hp submersible pump with check valve.
2. Irrigation well 1255 with a 7.5hp submersible pump with check valve.

3. Two 20,000 gallon underground water tanks with 24" manholes in top and one end. Both tanks have 1/4 inch steel construction and have been pressure cleaned, sandblasted and coated on the inside with 2 coats of a 2 part epoxy paint for potable water. (Diamond Vogel Paint Amerlock 400 - White Color). Both tanks will be equipped with liquid level controls and an over flow pipe which will empty into a disposal pit. Incoming and outgoing water lines to both tanks will have back flow check valves.

The tanks will be used to store water from the wells of Prairie View Ranch WD. The water will be chlorinated on entry to the tanks by a Neptune Liquid Chlorinator, and held in the tank for the required 30 minute holding time or more before being pumped out into the 6" potable water line of Prairie View Ranch PUD by a 7.5 hp & a 30 hp submersible pump located inside the tanks. Both pumps will have check valves and are controlled by variable speed controllers.

4. Well House/Office (See Drawing - WATER PUMPING AND STORAGE FACILITY)
5. Pipeline: (See Construction Plans Drawing)  
6" PVC (C-900) pipe will be used
6. Tapping saddles, corporation cocks, copper tubing, meter pits, water meters, and back flow preventers for each lot are described in the enclosed drawings (Water Pumping and Storage Facility).

## **Cross-Connection Control**

### Identification of Potential Cross-Connection

Per Article 12, Prairie View Ranch Water District's certified water system operator will survey the public water system as it is installed, to make sure that it is in complete compliance with all requirements for backflow prevention.

### Public Education

Prairie View Ranch Water District will educate system users about the potential health risk that cross-connections pose, with an emphasis on cross-connections at or within their homes or livestock facilities.

### Installation Devices

Prairie View Ranch Water District will require system users to install and maintain backflow prevention devices on potentially hazardous service connections, as stated in Article 12. All service connections within the water system must comply with Article 12 and the *Colorado Cross-Connections Manual*.

### Annual Testing

Article 12 requires that backflow prevention devices be tested annually by a certified backflow prevention technician. A technician from the Rural Water Users Association of which Prairie View Ranch is a member will be used.

### Record Keeping

Testing and maintenance records will be kept for 3 years

## **Bacterial Monitoring**

Our public water system is required to take one

Micro-bacteriological sample per month. The routine sample locations are marked on the enclosed drawing. In the event of a total coli-form positive Sample, we will obtain a set of repeat samples within 24 hours of being notified of the positive result. Our system will collect a minimum of three repeat samples for each total coli-form positive sample found. We will collect at least one repeat sample from the sampling tap where the original total coli-form-positive sample was taken, and at least one repeat sample at a tap within five service connections upstream and at least one repeat sample within five service connections down stream of the original sampling site. If a positive sample is at the end of the distribution system, or one tap away from the end of the distribution system, our operator will contact the Department of Public Health and Environment for assistance. In the event of a total coli-form-positive sample, our water system will collect five additional routine samples during the next month the system provides water to the public.

We use Weld County Health Dept Lab of Greeley, Colorado for Micro-biological analysis. After flushing the water line and measuring the chlorine residual we will collect our bacteriological sample being careful not to overfill or contaminate the bottle. The sample will be placed in a cooler with ice to preserve it for the trip to the laboratory. The sample will be delivered to the laboratory within 24 hours. Our samples will be collected in the first week of each month. After reviewing the results of our sampling we will record the information on a sampling form and keep the lab slips for the required five years holding time.

### **Start up Procedures**

1. Make sure the transfer-valve between the two 20,000 gallon tanks is closed and sealed.
2. Turn the Chlorinator Pumps to Auto and set the dials to the desired delivery rate
3. Start well pump and open line valve from wells to begin filling the tanks
4. Fill the storage tanks approximately 1/3 full of chlorinated water
5. Check chlorine content of the tank water and make any necessary adjustments to the chlorine pump dials to bring the residual chlorine in the tank water to at least .4mg/liter.
6. Start the submersible pumps in the tanks with the outlet valves closed.
7. Slowly open the outlet valves one full turn.
8. Allow water to enter the open pipelines very slowly
9. Do not open the outlet valve more than 1 turn until the water coming out

of the ends of the water supply lines is running clear for at least 10 minutes This allows all dirt, debris, and tapping hole plastic to be flushed from the lines.

10. Once the lines are clean, close all the valves at the ends of the supply lines and inject super chlorinated water according to the recommendations of the State of Colo Health Dept Procedures for disinfecting domestic water lines.

11. Once the disinfection procedures have been accomplished, all lines should be thoroughly flushed with treated water and normal operational procedures begun.

## **Routine Checks**

### **Weekly Checks**

1. Check to make sure water levels in the storage tanks are at the desired levels and that the float switches are turning the incoming water on and off at the proper levels.

2. Check outlet line Pressure (65 psi)

3. Check residual chlorine level in tank (.4mg/liter)

4. Check for residual chlorine level at end of supply line (.2mg/liter) minimum level.

### **Monthly Checks**

5. At least once monthly check incoming water flow meters against the total of customer outflow meters. If in flow amounts exceed the total of the customer outflow meters, start looking for leaks in the system. Leak detection equipment and technical assistance is available from the Rural Water Users Association which Prairie View Ranch is a member.

6. Take required monthly bacteriological samples at the beginning of the first week each month. Do not take bacteriological samples on Fridays.

7. Check all pumps for any abnormal sounds, vibrations, or leaks.

8. Make sure chlorine tank has an adequate level of chlorine and that there are no leaks or spills which are not cleaned up and washed down.

### **Semi-Annual Checks**

9. Fire hydrants located on the main supply line will be opened and all of the water from the supply lines and tanks will be flushed out and replaced with new, freshly chlorinated water to prevent water in the system from becoming stale (especially when the water usage is low in the building stages of this planned development).

## **Operations Manager**

Fred O. Gibbs will be the operations manager. He has a small Systems class 1 operators license. In times of his absence Mr. John G. Gauthiere P.E. (class A license) will be the backup operator in charge.

