

**SUNDANCE/FARRADAY SUBDISTRICT NO. 1  
OF THE LA PLATA ARCHULETA WATER DISTRICT**

**A RESOLUTION CALLING FOR A NOVEMBER 7, 2017  
SPECIAL ELECTION, AUTHORIZING AN ELECTION  
ON THE QUESTION OF INCREASING TAXES AND  
INCURRING DEBT AND APPOINTING A  
DESIGNATED ELECTION OFFICIAL**

**WHEREAS**, the La Plata Archuleta Water District (“District”) is a quasi-municipal corporation and political subdivision of the State of Colorado and a duly organized and existing special district pursuant to Title 32, Article 1, C.R.S.; and

**WHEREAS**, the Board of Directors (the “Board”) of the District adopted a Resolution of the La Plata Archuleta Water District Dividing the District into a Subdistrict Area Consistent with the Services and Facilities to be Furnished Therein, and Authorizing the Levy of Taxes in Accordance with the Services and Facilities Furnished to Such Area (“Subdistrict Resolution”) to create the Sundance/Farraday Subdistrict No. 1 of the La Plata Archuleta Water District (“Subdistrict”); and

**WHEREAS**, the Board constitutes *ex officio* the board of directors of the Subdistrict and has determined and hereby determines and declares that the interest of the Subdistrict and the public interest and necessity require that the Subdistrict increase taxes and incur indebtedness to finance the acquisition and construction of water improvements within the Subdistrict; and

**WHEREAS**, it is necessary to submit to the eligible electors of the Subdistrict the question of increasing taxes and incurring debt, and the Board hereby determines that such question should be presented to the Subdistrict’s eligible electors at the election to be held on November 7, 2017 (“Election”), pursuant to Article X, Section 20 of the Colorado Constitution (“TABOR”), the Special District Act (“Act”) and the Colorado Local Government Election Code (“Election Code” and together with the Act and TABOR, the “Election Laws”), and any other law to carry out the objects and purposes of the Subdistrict; and

**WHEREAS**, the objects and purposes for which the indebtedness is proposed shall be to acquire, plan and construct water improvements to service the property owners

**NOW, THEREFORE**, be it resolved by the Board of Directors of the District serving as the Board of Directors of the Sundance/Farraday Subdistrict No. 1 of the La Plata Archuleta Water District in the County of La Plata, State of Colorado that:

1. The special election of the eligible electors of Subdistrict shall be held on November 7, 2017, between the hours of 7:00 a.m. and 7:00 p.m. pursuant to and in accordance with the Election Laws and other applicable laws. The ballot title for the tax and debt increase shall be in substantially the form shown on Exhibit A attached hereto and incorporated herein by this reference.

2. The Election shall be conducted as an independent mail ballot election in accordance with all relevant provisions of the Election Laws. The Designated Election Official shall prepare a plan for conducting the mail ballot Election. There shall be no election precinct or polling place. All mail ballots shall be returned to the Designated Election Official's office.

3. The Board of Directors hereby designates Micki L. Mills of Collins Cockrel & Cole, as the Designated Election Official for the conduct of the Election on behalf of the Sundance/Farraday Subdistrict No. 1 of the La Plata Archuleta Water District, and she is hereby authorized and directed to proceed with any action necessary or appropriate to effectuate the provisions of this Resolution and of the Election Laws or other applicable laws. Among other matters, the Designated Election Official shall appoint election judges as necessary, appoint the Canvass Board, arrange for the required notices of election, including the TABOR Notice, and printing of ballots, and direct that all other appropriate actions be accomplished.

4. If other special districts with overlapping boundaries of the Subdistrict are conducting ballot issue elections on the Election day, the Subdistrict is required to enter into an intergovernmental agreement with such special districts concerning the preparation and mailing of the TABOR Notice to the registered electors within the overlapping area. The Designated Election Official is authorized to enter into such agreement on behalf of the Subdistrict.

5. If a majority of the votes cast on the question to authorize the incurring of Subdistrict indebtedness submitted at the Election shall be in favor of incurring such indebtedness as provided in such question, the Subdistrict acting through the Board shall be authorized to proceed with the necessary action to incur such indebtedness in

7. Pursuant to Section 1-11-203.5, C.R.S., any election contest arising out of a ballot issue or ballot question election concerning the order of the ballot or the form or content of the ballot title shall be commenced by petition filed with the proper court within five (5) days after the title of the ballot issue or ballot question is set.

8. If any part or provision of this Resolution is adjudged to be unenforceable or invalid, such judgment shall not affect, impair or invalidate the remaining provisions of this Resolution, it being the Board's intention that the various provisions hereof are severable.

9. Any and all actions previously taken by the Designated Election Official, the Secretary of the Board of Directors, or any other persons acting on their behalf pursuant to the Election Laws or other applicable laws, are hereby ratified and confirmed.

10. All acts, orders, and resolutions, or parts thereof, of the Board which are inconsistent or in conflict with this Resolution are hereby repealed to the extent only of such inconsistency or conflict.

11. The provisions of this Resolution shall take effect immediately. Upon such adoption, this Resolution shall amend, supersede and replace the Initial Resolution in its entirety.

ADOPTED this 10<sup>th</sup> day of August, 2017.

SUNDANCE/FARRADAY SUBDISTRICT  
NO. 1 OF THE LA PLATA ARCHULETA  
WATER DISTRICT

By Richard Lunceford  
Richard Lunceford, Chairman

ATTEST:

By Cheryl Lynn  
Cheryl Lynn, Secretary

**EXHIBIT A TO ELECTION RESOLUTION**

**SUNDANCE/FARRADAY SUBDISTRICT NO. 1 OF THE LA PLATA  
ARCHULETA WATER DISTRICT BALLOT ISSUE A:**

SHALL SUNDANCE/FARRADAY SUBDISTRICT NO. 1 OF THE LA PLATA ARCHULETA WATER DISTRICT (THE "SUBDISTRICT") DEBT BE INCREASED \$1,000,000 WITH A REPAYMENT COST OF UP TO \$2,700,000, AND SHALL SUBDISTRICT TAXES BE INCREASED \$90,000 ANNUALLY TO PAY SUCH DEBT AND SHALL SUCH DEBT FINANCE THE COSTS OF DESIGNING, ACQUIRING, CONSTRUCTING AND OTHERWISE PROVIDING IMPROVEMENTS NECESSARY TO CONNECT PROPERTIES IN THE SUBDISTRICT TO THE LA PLATA ARCHULETA WATER DISTRICT'S WATER SYSTEM; AND SHALL SUCH DEBT BE ISSUED IN THE FORM OF GENERAL OBLIGATION BONDS OR OTHER MULTIPLE-FISCAL YEAR FINANCIAL OBLIGATIONS PAYABLE FROM A MILL LEVY WHICH MAY BE INCREASED IN ANY YEAR WITHOUT LIMITATION AS TO RATE BUT ONLY IN AN AMOUNT SUFFICIENT TO PAY THE PRINCIPAL OF AND PREMIUM, IF ANY, AND INTEREST ON SUCH DEBT OR ANY DEBT ISSUED TO REFINANCE SUCH DEBT; AND SHALL SUCH DEBT BE SOLD ON TERMS AND CONDITIONS AND WITH SUCH MATURITIES AS PERMITTED BY LAW; AND SHALL THE PROCEEDS OF ANY SUCH DEBT AND OF SUCH TAXES AND INVESTMENT INCOME THEREON, BE COLLECTED, RETAINED AND SPENT BY THE SUBDISTRICT IN EACH FISCAL YEAR WITHOUT REGARD TO ANY SPENDING, RETENTION, REVENUE-RAISING, OR OTHER LIMITATION PROVIDED BY LAW?