

METROPOLITAN DISTRICT – GENERAL EXPLANATION

Metropolitan districts are local governments that finance public improvements and provide services to promote the health, safety, prosperity, security, and general welfare of the inhabitants of the district, the users of District facilities and services, and the people of the state of Colorado. Metropolitan districts fill the gaps that may exist in government services that other local governments do not provide.

Bennett Crossing Metropolitan Districts Nos. 1-3 are authorized to construct and finance the following public infrastructure: water, storm and sanitary sewer, streets, traffic safety, parks and recreation, transportation, and mosquito control. The Districts are not authorized to operate and maintain public improvements except that District No. 2 does maintain a regional storm drainage system.

The Districts are authorized to issue an aggregate of \$33,000,000 of bonds and to impose a maximum mill levy of 50 mills, subject to legislative adjustment as defined in the service plan, for the payment of debt. The Service Plans authorize the repayment of debt from *ad valorem* taxes and from fees. The Districts are also required to remit annually a Bennett Regional Mill Levy to the Town of Bennett. District 1 and 2 may impose an annual operational mill levy of 10 mills, legislatively adjusted, and District 3 may impose an annual operational mill levy of 50 mills until such time as it issues debt.

Each of the Districts is governed by a Board of Directors who are elected to four-year terms. During election years, each District provides a Call for Nominations to the electors within their District with information about which Board seats are up for election. If an owner or resident within one of the Districts would like to run for a Board position, he or she must submit a self-nomination form to the Designated Election Official by the deadline provided in the Call for Nominations. Owners and residents must be Colorado voters to be elected or appointed to board positions. The spouse or civil union partner of an owner of taxable property within the district is also eligible to be appointed or elected. Owners include individuals who are under contract to purchase property within a district if the contract requires them to pay property taxes on the property prior to closing. When a vacancy occurs on the Boards between elections, an owner or resident may contact the District and submit a letter of interest to be appointed. When an individual is appointed to a Board, they serve until the next regular election.

The Districts are required to file an annual report with the Bennett Town Clerk on or before July 1 of each year. The annual report shall include information as to any of the following:

1. Boundary changes made or proposed to the District's boundary as of December 31 of the prior year.

2. Copies of the Districts' rules and regulations, if any, as of December 31 of the prior year.
3. A summary of any litigation which involves the Public Improvements as of December 31 of the prior year.
4. Status of the Districts' construction of the Public Improvements as of December 31 of the prior year.
5. A list of all facilities and improvements constructed by the District that have been dedicated to and accepted by the City as of December 31 of the prior year.
6. Notice of any uncured events of default by the District, which continue beyond a ninety (90) day period, under any Debt instrument.
7. Any inability of the District to pay its obligations as they come due, in accordance with the terms of such obligations, which continue beyond a ninety (90) day period.
8. Any alteration or revision of the proposed schedule of Debt issuance set forth in the Financial Plan.

The Districts can be contacted by emailing ssteele@ddmalaw.com. There is no process to contact the District 1 or 3 outside of regular business hours because the Districts have no ongoing maintenance operations. Property Owners within District 2 have contact information for the District for any storm-drainage related issues.

This notice is filed pursuant to HB25-1219.