

May 7, 2019

Mr. Brad White  
Chairman, Hot Sulphur Springs Parshall Fire Protection District  
286 E Grand Avenue  
Hot Sulphur Springs, CO 80451

Dear Mr. White:

I want to thank you and Rod Sale for meeting with Paul Ahrens and me recently to discuss the inclusion of the Henderson Mill property in the Hot Sulphur Springs Parshall Fire Protection District (District).

As was discussed, during the expansion of the District, the Climax Molybdenum Company filed a timely petition to be excluded from the District pursuant to C.R.S. 32-1-202 as the Henderson Mill property comprised more than fifty percent (50%) of the proposed boundaries. A copy of the relevant statute is attached. Please also see the attached letter from Mr. Stuart Teuscher dated September 16, 2014. Despite this request, the Henderson Mill property was improperly included in the District and has paid \$610,166.69 in property taxes for the years of 2016 to 2018.

Please take this communication as a formal, legal request from the Climax Molybdenum Company to the HSSP Fire District Board of Directors to process the immediate exclusion of the Henderson Mill property from the District. Please confirm your willingness to take this action so that we can coordinate regarding procedural issues.

We are grateful for the service you provide to our community. The men and women of the Hot Sulphur Springs Parshall Fire District have made great contributions and sacrifices to protect our neighborhoods, property and resources. In recognition of this, once Climax Molybdenum properties have been excluded from the District, the company would be very open to working on an amicable agreement to address the previous property taxes collected.

Cordially,



Tara S. Hosick  
Manager of Strategic Community Development

CC:

Rod Sale, Board of Directors member, Hot Sulphur Springs Fire Protection District  
Stuart Teuscher, General Manager, Henderson Operations  
David Rivera, Director of Administration, Colorado Operations



**COLORADO OPERATIONS**

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September 16, 2014

Mr. Brad White  
Hot Sulphur Springs /Parshall Fire Protection District  
286 Grand Avenue  
P.O. Box 45  
Hot Sulphur Springs, CO 80451

RE: 2014 Proposed boundaries for Hot Sulphur Springs/Parshall Fire District

Dear Mr. White:

This letter is in response to the Hot Sulphur Springs/ Parshall Fire Protection District's ("District") proposal to include Climax Molybdenum Company's Henderson Mill property into the District's proposed service area. Climax is the owner of more than fifty percent of the taxable real and personal property to be located in the District's proposed service area. Pursuant to C.R.S. § 32-1-202, Climax respectfully requests that the District exclude the Henderson Mill property from the District's proposed service area.

Climax has analyzed inclusion of the Henderson Mill property into the District's service area and has determined that inclusion provides no economic or operational benefit to Climax. Climax has utilized the District's services only a handful of times in the past seven years, and is prepared to continue to pay the District for services on an as-needed basis.

The actual land value within the proposed district for the Henderson Mill property in 2013 is \$153,122,400. The total value of the District's proposed boundary is \$198,962,530. Therefore, Climax's property constitutes 77% of the entire proposed District area.

Thank you for seeking Climax's input in this process prior to any formal legal proceedings. We appreciate the opportunity to comment. If you have any questions, or require any further information, please do not hesitate to contact me.

Respectfully,

Stuart Teuscher  
Manager of Administration/Special Projects Coordinator

Cc:

Commissioner Merrit Linke  
Commissioner Gary Bumgarner  
Commissioner James Newberry

## Colorado Revised Statute 32-1-202

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**(1)** (a) Persons proposing the organization of a special district, except for a special district that is contained entirely within the boundaries of a municipality and subject to the provisions of section 32-1-204.5, shall submit a service plan to the board of county commissioners of each county that has territory included within the boundaries of the proposed special district prior to filing a petition for the organization of the proposed special district in any district court. The service plan shall be filed with the county clerk and recorder for the board of county commissioners at least ten days prior to a regular meeting of the board of county commissioners, the division, and the state auditor. Within five days after the filing of any service plan, the county clerk and recorder, on behalf of the board of county commissioners, shall report to the division on forms furnished by the division the name and type of the proposed special district for which the service plan has been filed. If required by county policy adopted pursuant to the procedure provided in section 30-28-112, C.R.S., the service plan shall be referred to the planning commission which shall consider and make a recommendation on the service plan to the board of county commissioners within thirty days after the plan was filed with the county clerk and recorder. At the next regular meeting of the board of county commissioners that is held at least ten days after the final planning commission action on the service plan, the board of county commissioners shall set a date within thirty days of the meeting for a public hearing on the service plan of the proposed special district. The board of county commissioners shall provide written notice of the date, time, and location of the hearing to the division. The board of county commissioners may continue the hearing for a period not to exceed thirty days unless the proponents of the special district and the board agree to continue the hearing for a longer period.

**(b)** Notwithstanding the requirements of paragraph (a) of this subsection (1), the service plan of a proposed health service district or health assurance district shall not be referred to the county planning commission for consideration or recommendations. At the next regular meeting of the board of county commissioners that is held at least ten days after the filing of the service plan with the county clerk and recorder, the board of county commissioners shall set a date within thirty days of such filing for a public hearing on the service plan of the proposed district. The board of county commissioners shall provide written notice of the meeting pursuant to paragraph (a) of this subsection (1).

**(2)** The service plan shall contain the following:

**(a)** A description of the proposed services;

**(b)** A financial plan showing how the proposed services are to be financed, including the proposed operating revenue derived from property taxes for the first budget year of the district, which shall not

be materially exceeded except as authorized pursuant to section 32-1-207 or 29-1-302, C.R.S. All proposed indebtedness for the district shall be displayed together with a schedule indicating the year or years in which the debt is scheduled to be issued. The board of directors of the district shall notify the board of county commissioners or the governing body of the municipality of any alteration or revision of the proposed schedule of debt issuance set forth in the financial plan.

**(c)** A preliminary engineering or architectural survey showing how the proposed services are to be provided;

**(d)** A map of the proposed special district boundaries and an estimate of the population and valuation for assessment of the proposed special district;

**(e)** A general description of the facilities to be constructed and the standards of such construction, including a statement of how the facility and service standards of the proposed special district are compatible with facility and service standards of any county within which all or any portion of the proposed special district is to be located, and of municipalities and special districts which are interested parties pursuant to section 32-1-204 (1);

**(f)** A general description of the estimated cost of acquiring land, engineering services, legal services, administrative services, initial proposed indebtedness and estimated proposed maximum interest rates and discounts, and other major expenses related to the organization and initial operation of the district;

**(g)** A description of any arrangement or proposed agreement with any political subdivision for the performance of any services between the proposed special district and such other political subdivision, and, if the form contract to be used is available, it shall be attached to the service plan;

**(h)** Information, along with other evidence presented at the hearing, satisfactory to establish that each of the criteria set forth in section 32-1-203, if applicable, is met;

**(i)** Such additional information as the board of county commissioners may require by resolution on which to base its findings pursuant to section 32-1-203;

**(j)** For a mental health care service district, any additional information required by section 32-17-107 (2) that is not otherwise required by paragraphs (a) to (i) of this subsection (2);

**(k)** For a health assurance district, any additional information required by section 32-19-106 (2) that is not otherwise required by paragraphs (a) to (i) of this subsection (2).

**(2.1)** No service plan shall be approved if a petition objecting to the service plan and signed by the owners of taxable real and personal property, which property equals more than fifty percent of the total valuation for assessment of all taxable real and personal property to be included in such district, is filed with the board of county commissioners no later than ten days prior to the hearing under

section 32-1-204, unless such property has been excluded by the board of county commissioners under section 32-1-203 (3.5).

**(3)** Each service plan filed shall be accompanied by a processing fee set by the board of county commissioners not to exceed five hundred dollars, which shall be deposited into the county general fund; except that the board of county commissioners may waive such fee. Such processing fee shall be utilized to reimburse the county for reasonable direct costs related to processing such service plan and the hearing prescribed by section 32-1-204, including the costs of notice, publication, and recording of testimony. If the board of county commissioners determines that special review of the service plan is required, the board may impose an additional fee to reimburse the county for reasonable direct costs related to such special review. If the board imposes such an additional fee, it shall not be less than five hundred dollars, and it shall not exceed one one-hundredth of one percent of the total amount of the debt to be issued by the district as indicated in the service plan or the amended service plan or ten thousand dollars, whichever is less. The board may waive all or any portion of the additional fee.

**(4)** In the case of a proposed health service district, submission to the board of county commissioners by the petitioners of a license or certificate of compliance or evidence of a pending application for a license or certificate of compliance issued by the department of public health and environment shall constitute compliance with subsection (2) of this section.