

RESOLUTION NO. 10-76

INTRODUCED BY:

Councilperson Hamilton-Bruer

Councilperson Hoffman

**A RESOLUTION OF THE CITY COUNCIL OF
THE CITY OF CASTLE PINES NORTH, COLORADO, SUPPORTING THE
CONTINUING EFFORTS OF THE CASTLE PINES NORTH METROPOLITAN
DISTRICT TO COMPLETE ITS PLAN FOR DISSOLUTION**

WHEREAS, the boundaries of the Castle Pines North Metropolitan District (the "District") are wholly contained within the corporate limits of the City of Castle Pines North; and

WHEREAS, the District is currently providing certain utility services, including water, wastewater, and stormwater services, as well as park and open space related services to customers within the boundaries of the City (collectively, the "District Services"); and

WHEREAS, the City initiated statutory dissolution proceedings pursuant to Part 7 of the Special District Act, §§ 32-1-101 *et seq.*, C.R.S. (the "Act"), by filing an application for dissolution with the District on February 5, 2010; and

WHEREAS, the application for dissolution sought to open formal negotiations between the City and the District regarding how the District could be dissolved in accordance with the Act and the District Services continued within the boundaries of the City by the City; and

WHEREAS, following receipt of the application for dissolution, the District proceeded to file its Petition for Dissolution with the District Court in and for Douglas County, Colorado (the "Court"); and

WHEREAS, the District is required by the Act to complete a plan for dissolution and submit the same to the Court; and

WHEREAS, the District requested and was granted a six month continuance from the Court during which to complete and file its plan for dissolution; and

WHEREAS, the six month continuance was granted by the Court on May 19, 2010 and therefore the District is required to submit its plan for dissolution with the Court on or before November 19, 2010; and

WHEREAS, the District may request additional continuances from the Court if the District believes additional continuances are merited; and

WHEREAS, the Parties have met on multiple occasions to discuss the option of cooperatively integrating the services and functions of the two entities, rather than pursuing a formal dissolution of the District under the Act; and

WHEREAS, the City Council believes that a cooperative integration, the terms of which would be set forth in an intergovernmental agreement between the City and the District, would result in tax savings and other benefits to the residents of the City; and

WHEREAS, the Board of Directors of the District desires to pursue completing a formal plan for dissolution of the District rather than proceeding with a cooperative integration of the City and District and to that end has initiated discussions with the Town of Castle Rock, Parker Water and Sanitation District, and the Castle Pines Metropolitan District (collectively, the “Alternative Dissolution Partners”); and

WHEREAS, the City has, by Resolution No. 2010-56, established the City Enterprise in order to provide water, wastewater and stormwater utility services; and

WHEREAS, the City believes that a dissolution plan resulting in the delivery of the District Services by the City would result in net tax and fee savings to the taxpayers and residents currently served by the District; and

WHEREAS, the City has commenced work on completing a plan for dissolution that would ensure that the District Services are provided by the City following the date of dissolution of the District (the “City Plan”); and

WHEREAS, the City continues to desire to assume responsibility for the provision of the District Services and believes that the City is well positioned to provide the District Services; and

WHEREAS, the City also believes that a dissolution plan resulting in the delivery of the District Services by one of the Alternative Dissolution Partners may also result in cost savings to the taxpayers and residents served by the District,

THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CASTLE PINES NORTH, COLORADO, THAT:

Section 1. The City Council hereby fully supports the current efforts of the Castle Pines North Metropolitan District (the “District”) to complete its plan for dissolution and timely submit the same to the Douglas County District Court.

Section 2. The City Council hereby fully supports the District’s finalization of a plan for dissolution that will result in net tax and fee savings to the taxpayers and residents served by the District.

Section 3. The City Council recognizes the importance of the District completing its plan for dissolution in a timely fashion, given the current issues facing the District, including the

necessity of completing the interconnect pipeline and other aspects of the District’s renewable water plan. To that end, the City Council formally instructs the City’s Interim Utility Director, Jim McGrady, and the Interim City Manager, Gary Suiter, to continue to be available to work with District staff and members of the Board of Directors of the District on an as-needed basis to assist the District with timely completing its dissolution plan.

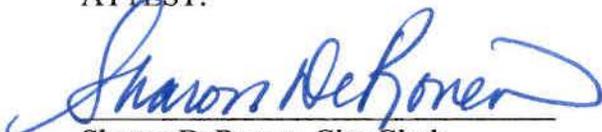
Section 4. City Staff is directed to finalize the City Plan, which plan for dissolution of the District will provide that the District Services are to be provided by the City following the date of dissolution.

Section 5. This Resolution shall be effective upon adoption.

INTRODUCED, READ AND ADOPTED AT A REGULAR MEETING OF THE CITY COUNCIL OF THE CITY OF CASTLE PINES NORTH by a vote of five (5) in favor, one (1) against and one (1) absent this 14th day of September, 2010.

By: 
Jeffrey T. Huff, Mayor

ATTEST:


Sharon DeRouen, City Clerk

APPROVED AS TO FORM:


Linda C. Michow, City Attorney