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THE TIMBERS
WATER AND SANITATION DISTRICT
SERVICE PLAN

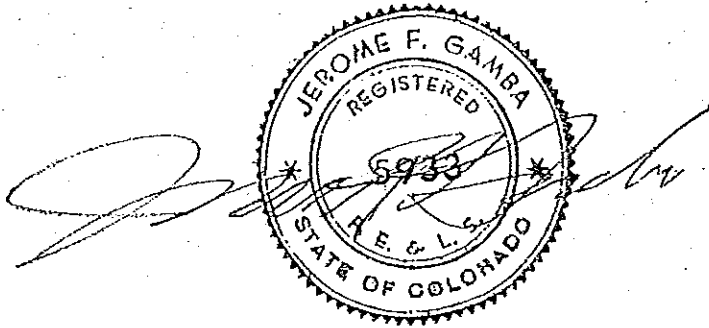
SERVICE PLAN

for

The Timbers Water and Sanitation District

Routt County, Colorado

July 25, 1973



Prepared By:

Eldorado Engineering Company
818 Colorado Ave., P.O. Box 669
Glenwood Springs, Colorado 81601



AMMENDMENT
TO "SERVICE PLAN FOR THE TIMBERS
WATER AND SANITATION DISTRICT"
ROUTT COUNTY, COLORADO DATED 7/25/73

The first paragraph of Section III of the "Service Plan" should be ammended to read:

The sewage treatment plant servicing the area is an aerated lagoon system presently designed to serve a population of 400 people. Disinfection equipment will be installed prior to March 15, 1974. Until late 1973 the system was non-discharging and did not require chlorination. Future additions will be designed to meet prevailing Wastewater Discharge standards and to the extent possible will be non-discharging.

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SECTION I

GENERAL

The proposed Timbers Water and Sanitation District will service three separate entities, which are:

1. The Timbers Lodge is a year around resort presently consisting of 36 guest units and employee housing. The lodge patronage is generated from the skiing industry in winter and from its own tennis program in summer. As illustrated herein, several additions are proposed for The Timbers facilities. These include additional guest facilities, a hotel complex, a theater, and additional tennis facilities.

Construction was commenced on The Timbers in 1969 including lodge facilities and water and sanitation facilities as illustrated in Sections II and III. Design and construction of the utilities was done in compliance with Colorado Health Department criteria. Eldorado Engineering Company, Glenwood Springs, Colorado, furnished the technical services.

The water treatment plant and the sewage treatment plant have been in operation in compliance with state standards since 1971, serving The Timbers Lodge facilities.

2. Buckingham Academy is a proposed academic institution which will be built within the service area of the District. Construction of the Academy will be administrated by Mr. Dwight Corder who is responsible for development of the Timbers Lodge complex.

The Academy will be a private boarding school operating during the normal school months.

3. Included in the service area are three modes of residential housing, namely single family dwellings, condominiums, and townhouses. These are illustrated on the attached General Plan of Facilities. The cost of utilities for servicing these residences is included in the projected systems extensions for water and sewage.

The proposed District is located in Section 22, Township 5 North, Range 84 West, of the 6th Principal Meridian, Routt County, Colorado and consists of approximately 552 acres. It is approximately seven miles south from the Steamboat Springs City Limits. A legal description for the proposed District is attached. The service area is not contiguous with any legal entity providing water and sanitation service.

At full development stage, the total population equivalency for the proposed District is estimated to be 1050 persons.

The current assessed valuation of the proposed district is \$160,800.

SECTION II

WATER SYSTEM

The water supply for the service area is from McKinnis Creek which has a minimum recorded flow of 40 g.p.m., and four springs which have been manifolded together with a pipe line network producing an aggregate minimum flow of 12 g.p.m. Water right acquisitions for McKinnis Creek were initiated in 1968; a permanent decree of 100 g.p.m. was issued in 1972.

Design and construction of the water system was in accordance with Colorado Department of Health criteria. At present, the water system is comprised of the following:

- A) A raw water intake on McKinnis Creek capable of diverting the adjudicated 100 g.p.m. to the raw water line.
- B) Approximately 600 linear feet of raw water line which delivers raw water to the treatment plant.
- C) The treatment plant consists of a gravity feed, high rate sand filter which is completely automatic including backwash. The filtered water is chlorinated and directed into a 5000 gallon chlorine contact and pump reservoir.
- D) Two fifty g.p.m. main supply pumps pump water from the pump reservoir into the 6-inch ductile iron main supply pipeline. The main pipeline extends from the treatment plant to the 100,000 gallon storage tank.
- E) The 100,000 gallon steel water storage tank is located so as to provide gravity service to all developable land within the District.
- F) Fire protection has been provided by fire hydrants placed throughout the distribution system.

Materials and cost estimate of the existing water system as of July 31, 1973 is as follows:

ITEM	AMOUNT
1. Intake Works	\$ 1,000
2. Raw Water Pipeline 600 lf., @ \$5/lf.	3,000

ITEM	AMOUNT
3. Treatment Plant and pump station	\$45,000
4. 6" Ductile Iron Main Pipe-line 5880 l.f. @\$8.50/l.f.	49,980
5. Fire Hydrants 8 each @ \$600	4,800
6. Storage tank and Valve vault	28,000
7. Road to storage tank	2,000
8. Sedimentation pond	10,000
9. Spring development	5,000
10. Technical fee (10% of Items 1-9)	<u>14,878</u>
	\$163,658
2.02 acres of land for treatment plant and storage tank site @ \$3000/acre.	<u>6,060</u>
	\$169,718.00

Future expansion of the water system will provide service to the planned developments as indicated on the attached utility layout map.

The existing water supply has sufficient capacity to service proposed development through 1974, at which time total peak demand is projected at 38 g.p.m. By the end of the total development stage, a peak demand of 84 g.p.m. will have to be provided for. To provide additional water for the ultimate demand, a well exploration and development project is proposed for the construction season of 1974. The purpose of this project will be to provide an additional 100 g.p.m. supply. Water rights from existing adjudicated irrigation supplies will be transferred to the well system.

The well system will consist of a dual pump operation in the general location indicated on the utility layout map. An additional storage tank is proposed in the vicinity of the existing tank, also for 1975, with a booster pump station.

Expansion of the distribution system proposed for the construction season in 1974 is as follows:

1.	1300 linear feet 6" main @ \$9.00	\$11,700.00
2.	2 fire hydrants @ \$600	1,200.00
3.	Technical fee (10% Item 1 & 2)	<u>1,290.00</u>
	Total 1974	\$14,190.00

Expansion of the distribution and supply system proposed for the construction season in 1975 is as follows:

1.	4045 linear feet 6" main @ \$9.90	\$40,045.50
2.	4 fire hydrants @ \$660.00	2,640.00
3.	Well exploration and development	40,000.00
4.	Additional storage tank	30,000.00
5.	Additional chlorinator	2,500.00
6.	Technical fee (10% of Item 1-5)	<u>11,518.55</u>
		\$126,704.05
	1 acre land acquisition for well and tank site @ \$3000/acre	<u>3,000.00</u>
	Total	\$129,704.05

SECTION III

SEWAGE SYSTEM

The sewage treatment plant servicing the area is an aerated lagoon system presently designed to serve a population of 400 people. This plant is operating in compliance with current Colorado Department of Health regulations. The capacity can be increased to treat the projected 120,000 g.p.d. with the construction of additional aeration and polishing pond capacity. The plant is presently non-discharging. Future additions would be designed to maintain a non-discharging operation.

The complete sewerage system including collection and interceptor lines operate on gravity. All pipelines are 8 inches Armco Truss sewer pipe. All manholes are precast concrete.

At present, the sewage system consists of the following:

- A) Aerated lagoon treatment plant including three diffused-air aerators. The plant is completely automatic; the two blowers being operated on an adjustable time-clock.
- B) Polishing pond immediately adjacent to the lagoon.
- C) 6419 linear feet of 8-inch sewer main.
- D) 24 precast concrete manholes.

Materials and cost estimate of the existing sewer system as of July 31, 1973 is as follows:

ITEM	AMOUNT
1. Sewage Treatment Plant	\$37,500.00
2. 6419 linear feet 8" sewer main @ \$7.50	48,142.50
3. 24 Manholes @ \$450.00	10,800.00
4. Technical fee (10% of Items 1-3)	<u>9,644.25</u>
	\$106,086.75
7.5 acres of land for treatment plant @ \$3000/acre	<u>22,500.00</u>
Total	\$128,586.75

Future expansion of the sewage treatment system will consist of adding additional lagoon and polishing pond volume and increasing the number of aerators. These additions are projected for the construction season in 1974. Additions to the collection and interceptor lines to provide service to the planned developments are as indicated on the attached utility layout map.

Proposed additions to sewage system for the 1974 construction season are as follows:

1. Increase volume of primary lagoon.	\$18,500.00
2. Increase volume of polishing pond.	13,000.00
3. Additional aeration equipment.	25,000.00
4. 1270 linear feet of 8 inch sewer main @ \$14.00	11,430.00
5. 5 manholes @ \$600.00	2,500.00
6. Technical fee (10% of Items 1-5)	<u>7,043.00</u>
Total 1974	\$77,473.00

Proposed additions to sewage system for the 1975 construction season are as follows:

1. 2390 linear feet of 8 inch sewer main @ \$15.00	\$35,850.00
2. 7 manholes @ \$650.00	4,550.00
3. Technical fee (10% of Items 1 & 2)	<u>4,040.00</u>
Total 1975	\$44,440.00

SECTION IV

COST & FINANCIAL SUMMARY

I. Utilities in place as of July 31, 1973

A. Water System

1. Intake & treatment plant	\$64,000.00
2. Storage tank	30,000.00
3. Distribution lines	54,780.00
4. Land for plant & tank	6,060.00
5. Technical fee	14,878.00

B. Sewage System

1. Sewage treatment plant	\$37,500.00
2. Collection lines	58,942.50
3. Land for plant site	22,500.00
4. Technical fee	9,644.25

Total cost of utilities in
place July 31, 1973

\$298,304.75

II. Proposed additions to utilities in 1974

A. Water System

1. Distribution lines	\$12,900.00
2. Technical fee	1,290.00

B. Sewage System

1. Plant additions	\$56,500.00
2. Collection system	13,930.00
3. Technical fee	7,043.00

Subtotal

\$91,663.00

+ 20% contingencies

18,332.60

Total cost of proposed utilities
for 1974

\$109,995.60

III. Proposed additions to utilities in 1975 to reach total projected development.

A. Water system.

1. Well development	\$40,000.00
2. Storage tank	30,000.00
3. Chlorinator	2,500.00
4. Distribution lines	42,685.50
5. Land for tank	3,000.00
6. Technical fee	11,518.55

B. Sewage system

1. Collection system	\$40,400.00
2. Technical fee	<u>4,040.00</u>

Subtotal \$174,144.05

+ 20% Contingencies 34,828.81

Total cost of proposed utilities
for 1975 \$208,972.86

IV. Total construction costs through 1975.

Value of existing system	\$298,304.75
1974 Construction Estimate	109,995.60
1975 Construction Estimate	<u>208,972.86</u>
	\$617,273.21

SECTION V

OPERATION AND MAINTENANCE COSTS

It is estimated that the annual operation and maintenance of the District facilities will amount to the following:

SEWAGE SYSTEM

Electrical	1500/year	
Labor	3000/year	
Vehicle	225/year	
Chlorine and lab	800/year	
Miscellaneous supplies	<u>300/year</u>	
Total	\$5825/year	\$5825

WATER SYSTEM

Electrical	500/year	
Labor	3000/year	
Vehicle	225/year	
Chlorine and Lab	800/year	
Miscellaneous supplies	<u>500/year</u>	
Total	\$5025/year	\$5025

DISTRICT OFFICE OPERATION

Telephone	100/year	
Clerical for Billing	720/year	
Miscellaneous supplies	300/year	
Legal	<u>500/year</u>	
Total	\$1620/year	\$1620

Total estimated Operation and Maintenance Costs for District \$12,470

SECTION VI

TAP FEES AND SERVICE CHARGES, DEFINITION.

The amortization schedule attached shows the anticipated cash flow of the proposed district through 1993. The amortization schedule is based on three sources of income; 1) mill levy, 2) ten dollars per month each for water and sewage service (twenty dollars per month total per equivalent unit), 3) and, tap fees of \$600 each for water and sewer taps per equivalent unit (twelve hundred dollars total water and sewage tap).

In order for the District to maintain the income level shown in the amortization tables, a standby service charge should be considered. This charge would provide service fee charges at a rate of 50% of normal service fees for purchasers of lots which may not have living units erected on them for two or more years. This standby fee would, of course, be applicable to those areas which are being served by water distribution or sewage collection facilities.

For purposes of computing tap fees and service charges payable, the following definitions are recommended:

- (A) EQUIVALENT UNIT. An "equivalent unit" shall be a unit described as follows:

Unit. The term "equivalent unit" shall be taken to mean any single-family abode including, but not by way of limitation, a single family residence, a single apartment, a trailer house or any separate living quarters occupied by less than six persons as transient or permanent living accommodations.

- (B) MOTEL. A "motel" shall include, but not be limited to, any commercial business offering sleeping accommodations to permanent or transient customers, including hotels, motels and lodges. The net number of units shall be calculated as follows:

- i. $B =$ number of motel units or one-third the number of beds, whichever is greater.
- ii. $K =$ equivalent number of units:
 1. $K = 0.50$ units if there is no restaurant, cocktail lounge or a laundry facility;
 2. $K = 0.66$ units if there is either a restaurant or a laundry facility;

3. $K = 0.75$ units if there is a restaurant and cocktail lounge or restaurant and laundry facility.
 4. $K = 1.00$ unit if there is a restaurant, cocktail lounge and laundry facility.
- iii. $O =$ occupancy rate, 0.75.
 - iv. $V =$ equivalent number of units upon which the tap fee and quarterly service charges are based
- $V = B \times K \times O$

- (C) SERVICE STATIONS. Service stations shall be equal to 2.5 units. Service stations with wash racks, add 1.0 units. Service stations open more than eighteen hours, add 0.50 units. Service stations with more than eight fuel pumps, add 0.25 units for each additional pump
- (D) RESTAURANTS. Restaurants shall be equal to the seating capacity times:
- i. 0.20 for restaurants open 16 hours or more per day, 5 days per week;
 - ii. 0.1334 for restaurants open 8 hours or more but less than 16 hours per day, 5 days per week;
 - iii. 0.066 for restaurants open 8 hours or less per day.
- (E) STORES. Stores shall be a minimum of 1.0 units, which includes one sink and one toilet. For each additional toilet add 1.0 units.
- (F) COCKTAIL LOUNGE. Any cocktail lounge, bar, or private club, soda fountain shall be equal to the seating capacity times 0.20 units.
- (G) SPECIAL UNITS. All commercial, industrial or private units not specifically covered by these definitions, including schools, shall be reviewed by the Board separately and the equivalent units set in accordance with the amount and character of the sewage, and the amount of water consumption.

TABLE I

THE TIMBERS WATER AND SANITATION DISTRICT
CASH FLOW PROJECTIONS

Year	Assessed Valuation	No. of Active Taps	Tax Revenues Mills	\$Revenues	\$240 Yr. Service Charge	Tap Fee Income	Added Taps	TOTAL PROJECTED REVENUE	Operating and Maintenance	NET REVENUE	DEBT SERVICE REQUIREMENTS		ANNUAL SURPLUS
											Principal Payments	Interest @ 7%	
1973	- 0 -	49		- 0 -	- 0 -	- 0 -	- 0 -						
1974	\$1,300,000	72	10 mills	- 0 -	\$11,760	\$27,600	23	\$39,360	\$10,400	\$28,960	- 0 -	(\$28,291) Escrowed	\$28,960
1975	1,645,000	112	10 mills	\$13,000	17,280	48,000	40	78,280	12,470	65,810	- 0 -	(48,534) Escrowed	65,810
1976	2,245,000	159	10 mills	16,450	26,880	56,400	47	99,730	12,470	87,260	\$10,000	(13,888) Escrowed	43,310
1977	2,950,000	209	10 mills	22,450	38,160	60,000	50	120,610	12,470	108,140	15,000	50,750	42,390
1978	3,700,000		10 mills	29,500	50,160	- 0 -	- 0 -	79,660	12,470	67,190	15,000	49,700	2,490
1979	3,700,000		10 mills	37,000	50,160	- 0 -	- 0 -	87,160	12,470	74,690	20,000	48,650	6,040
1980	3,700,000		10 mills	37,000	50,160	- 0 -	- 0 -	87,160	12,470	74,690	25,000	47,250	2,440
1981	3,700,000		10 mills	37,000	50,160	- 0 -	- 0 -	87,160	12,470	74,690	25,000	45,500	4,190
1982	3,700,000		10 mills	37,000	50,160	- 0 -	- 0 -	87,160	12,470	74,690	25,000	43,750	5,940
1983	3,700,000		11 mills	40,700	50,160	- 0 -	- 0 -	90,860	12,470	78,390	30,000	42,000	2,690
1984	3,700,000		11 mills	40,700	50,160	- 0 -	- 0 -	90,860	12,470	78,390	35,000	39,900	3,490
1985	3,700,000		11 mills	40,700	50,160	- 0 -	- 0 -	90,860	12,470	78,390	40,000	37,450	940
1986	3,700,000		11 mills	40,700	50,160	- 0 -	- 0 -	90,860	12,470	78,390	40,000	34,650	3,740
1987	3,700,000		13 mills	48,100	50,160	- 0 -	- 0 -	98,260	12,470	85,790	50,000	31,850	3,940
1988	3,700,000		13 mills	48,100	50,160	- 0 -	- 0 -	98,260	12,470	85,790	55,000	28,350	2,440
1989	3,700,000		13 mills	48,100	50,160	- 0 -	- 0 -	98,260	12,470	85,790	60,000	24,500	1,290
1990	3,700,000		13 mills	48,100	50,160	- 0 -	- 0 -	98,260	12,470	85,790	65,000	20,300	490
1991	3,700,000		13 mills	48,100	50,160	- 0 -	- 0 -	98,260	12,470	85,790	70,000	15,750	40
1992	3,700,000		13 mills	48,100	50,160	- 0 -	- 0 -	98,260	12,470	85,790	75,000	10,850	(60)
1993	3,700,000		13 mills	48,100	50,160	- 0 -	- 0 -	98,260	12,470	85,790	80,000	5,600	190

August 1, 1973
Project No. 73085

LEGAL DESCRIPTION

DISTRICT BOUNDARY

A parcel of land situated in the SW $\frac{1}{4}$ and the South $\frac{1}{2}$ of the SE $\frac{1}{4}$ of Section 15 and the N $\frac{1}{2}$ and SE $\frac{1}{4}$ of Section 22 and the NE $\frac{1}{4}$ of the NE $\frac{1}{4}$ of Section 21 and the E $\frac{1}{2}$ of the SE $\frac{1}{4}$ of Section 16, all in Township 5 North, Range 84 West of the 6th Principal Meridian, being more particularly described as follows:

Beginning at a point whence a stone monument set for the southeast corner of said Section 27 bears S 06°19'17" E 8423.16 feet;
thence S 24°33'19" W 1363.13 feet;
thence N 83°01'07" W 328.76 feet to a point on the northeasterly right-of-way line of U.S. Highway 40;
thence along said right-of-way line on the following courses:
N 03°38'00" W 26.72 feet;
thence 255.60 feet along the arc of a curve to the left, which arc subtends a chord bearing N 14°26'30" W 254.50 feet;
thence N 66°06'00" E 50.00 feet;
thence 489.00 feet along the arc of a curve to the left, which arc subtends a chord bearing N 40°54'30" W 481.90 feet;
thence S 32°06'00" W 50.00 feet;
thence 284.30 feet along the arc of a curve to the left, which arc subtends a chord bearing N 68°25'30" W 282.80 feet;
thence N 87°18'00" W 228.00 feet;
thence S 88°18'00" W 168.5 feet;
thence N 72°02'00" W 276.00 feet;
thence 291.00 feet along the arc of a curve to the right, which arc subtends a chord bearing N 62°15'00" W 286.90 feet;
thence N 52°28'00" W 276.00 feet;
thence N 32°48'00" W 491.00 feet;
thence N 17°05'00" W 295.30 feet;
thence N 37°17'00" W 339.30 feet;
thence N 71°39'00" W 271.20 feet;
thence 245.40 feet along the arc of a curve to the left, which arc subtends a chord bearing N 72°58'00" W 244.40 feet;
thence S 89°36'00" W 321.50 feet;
thence N 84°23'00" W 221.30 feet;
thence S 88°05'00" W 277.70 feet;
thence S 84°07'30" W 152.60 feet;
thence 447.70 feet along the arc of a curve to the right, which arc subtends a chord bearing N 60°40'30" W 442.60 feet;
thence N 28°05'00" W 264.20 feet;
thence N 06°33'30" W 171.60 feet;
thence 382.60 feet along the arc of a curve to the right, which arc subtends a chord bearing N 01°26'30" W 378.70 feet;

818 COLORADO AVENUE / P. O. BOX 669 / GLENWOOD SPRINGS, COLORADO 81601 / 303-945-8596
REGISTERED LAND SURVEYORS / CONSULTING ENGINEERS / COLORADO ENGINEERING COMPANY

thence 52.70 feet along the arc of a curve to the right, which arc subtends a chord bearing N 14°45'30" E 52.70 feet;
thence N 18°40'30" E 272.40 feet;
thence N 25°43'00" E 860.00 feet;
thence N 14°24'30" E 204.00 feet;
thence N 25°43'00" E 971.70 feet to a point on the westerly line of said NW $\frac{1}{4}$ SW $\frac{1}{4}$ Section 15;
thence along the westerly line of said NW $\frac{1}{4}$ SW $\frac{1}{4}$ Section 15 to the northwest corner of said NW $\frac{1}{4}$ SW $\frac{1}{4}$ Section 15;
thence along the entire length of the northerly line of said NW $\frac{1}{4}$ SW $\frac{1}{4}$ Section 15;
thence along the entire length of the northerly line of said NE $\frac{1}{4}$ SW $\frac{1}{4}$ Section 15;
thence along the entire length of the easterly line of said NE $\frac{1}{4}$ SW $\frac{1}{4}$ Section 15;
thence along the entire length of the northerly line of said SW $\frac{1}{4}$ SE $\frac{1}{4}$ Section 15;
thence along the entire length of the northerly line of said SE $\frac{1}{4}$ SE $\frac{1}{4}$ Section 15;
thence along the entire length of the easterly line of said SE $\frac{1}{4}$ SE $\frac{1}{4}$ Section 15;
thence along the entire length of the easterly line of said NE $\frac{1}{4}$ NE $\frac{1}{4}$ Section 22;
thence along the easterly line of said SE $\frac{1}{4}$ NE $\frac{1}{4}$ Section 22 to a point;
thence N 80°01'11" W 989.63 feet to the point of beginning containing 552.00 acres more or less.

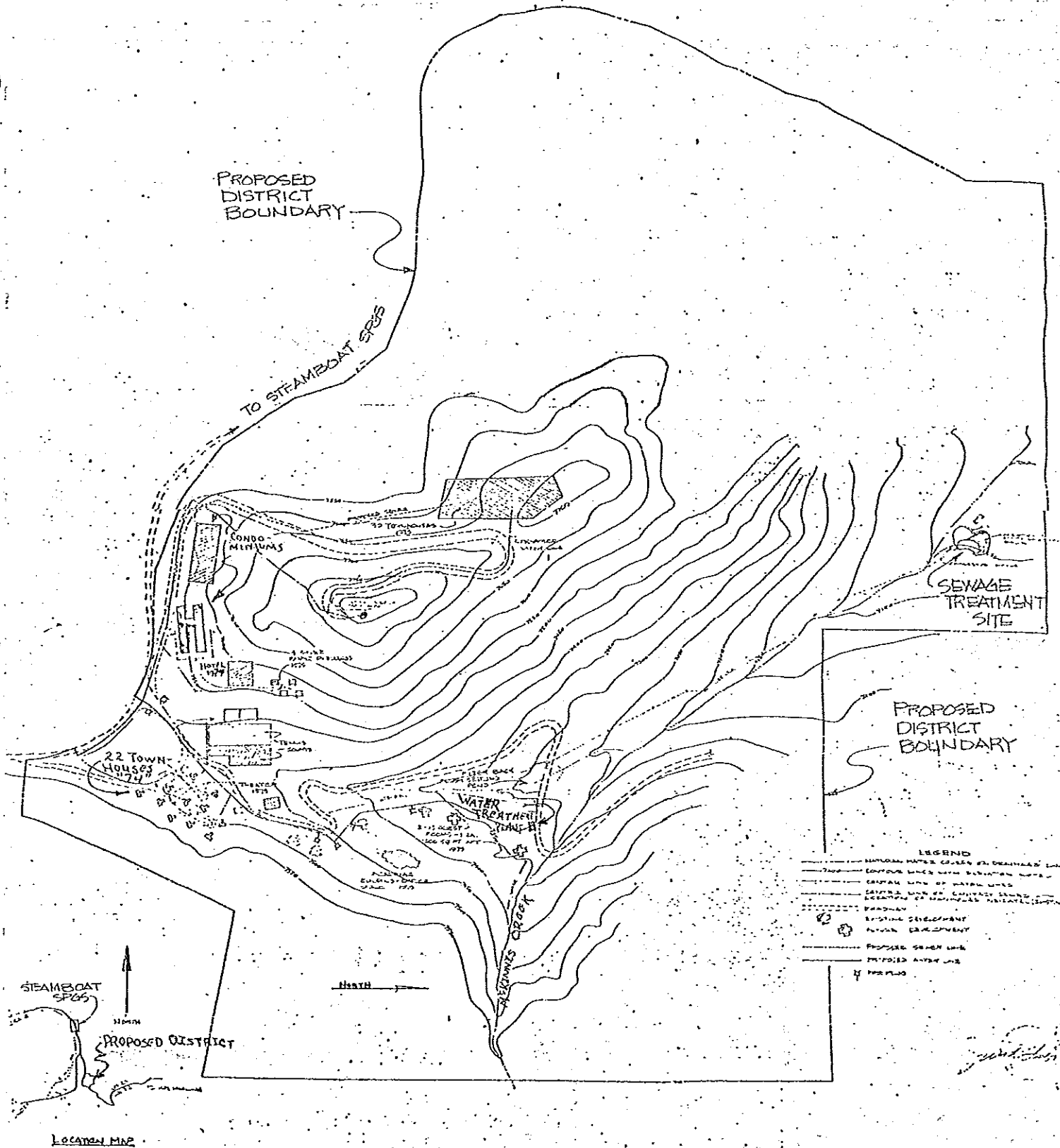


FIGURE I

THE TIMBERS WATER & SANITATION DISTRICT
GENERAL PLAN OF FACILITIES

INVESTMENT
 BANKERS



STERN BROTHERS & CO.

638 AMERICAN NATIONAL BANK BUILDING DENVER, COLORADO 80202

main office
 1009-15 Baltimore Avenue
 Kansas City, Missouri 64108

County Commissioners
 Routt County, Colorado
 Routt County Courthouse
 Steamboat Springs, Colorado 80477

Re: \$735,000.00 - The Timbers Water and Sanitation District
 Proposed Total Bonded Indebtedness

Gentlemen:

Following is a compilation of the various Construction estimates, Engineering Fees, Construction Contingencies, Fiscal Fees and Provision for Escrowed interest used in arriving at the Proposed \$735,000 Total Bonded Indebtedness.

Eldorado Engineering Company projections (Section IV):

Utilities in place as of July 31, 1973		\$298,304.75
Est. 1974 Additions	\$91,663.00	
20% Contingencies	<u>18,332.60</u>	109,995.60
Est. 1975 Additions	\$174,144.05	
20% Contingencies	<u>34,828.81</u>	<u>208,972.86</u>
Total Engineering Cost Estimates with Contingencies		\$617,273.21
2% Fiscal Fee on Projected \$485,000 Issue for 1974	9,700.00	
2% Fiscal Fee on Projected 250,000 Issue for 1975	<u>5,000.00</u>	14,700.00
Projected two years Escrowed Interest Requirement for 1974 Issue	62,241.00	
Projected two years Escrowed Interest Requirement for 1975 Issue	<u>32,084.00</u>	<u>94,325.00</u>
Sub total		\$726,298.21
Contingencies for legal & miscellaneous		<u>8,701.79</u>
Proposed Total Bonded Indebtedness 1974 and 1975 Issues		<u><u>\$735,000.00</u></u>

Based on the above compilation, we have requested that sufficient bonds be authorized to pay all project costs, including two years interest, out of the bond proceeds. The escrowed interest allows the district to meet its interest commitments until the tax and service revenues are adequate to meet these obligations. Also, to ease the financial burden, the following amortization

STERN BROTHERS & CO.

County Commissioners
Routt County
Page Two

schedule is based on smaller bond principal payments during the initial years.

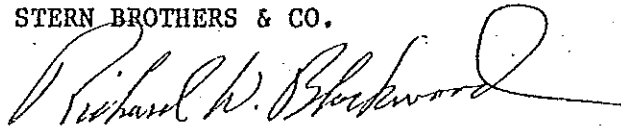
Although it is contemplated that the bonds can be issued at 7% Coupon and a 2% discount, we recommend that the bond question, submitted to the voters, be at not to exceed a Net Effective Interest Rate of 8½%, including discount to make allowance for unexpected bond market fluctuations.

The reader is reminded that the bonds may be issued in slightly different arrangements and amounts than presented herein when establishing the final amortization of the bonds; and that only the number of bonds required to finance the district need be issued. This cannot be determined exactly until after construction bids are received.

Stern Brothers and Co., the financial consultant, has agreed to pay various expenses and fees (bond attorney fees, publication costs, filing costs, printing costs, etc.) from the organization of the District through to the printing and issuance of bonds. Engineering fees have been included in the construction cost estimates and a contingency has been included to cover local legal counsel fees to be paid from bond proceeds. We are of the opinion that, barring any unforeseen economic disaster, the bonds can be underwritten within the outline set out above and on the following page.

Sincerely,

STERN BROTHERS & CO.



Richard W. Blackwood
Vice President

RWB:CC



October 15, 1973

County Commissioners
Routt County
Steamboat Springs, Colorado

Gentlemen:

This letter is to certify to several facts relative to the service plan for The Timbers Water and Sanitation District:

- a) I do not intend to serve on the board for the district.
- b) I intend to sell existing improvements to the district at the present value.
- c) I intend to donate pipeline right-of-way easements to the district.
- d) I, as current owner of the water rights, intend to donate said water rights to the district.

Sincerely,


J. Dwight Corder

JDC/1k1

LAW OFFICES
FRANK DELANEY
SHAMROCK BUILDING
CORNER 8TH AND GRAND
GLENWOOD SPRINGS, COLORADO
81601

October 15, 1973

Mr. Dwight Corder
P. O. Box 1033
Steamboat Springs, Colorado 80477

Dear Mr. Corder:

My investigation of the title to your land and water rights¹ shows that you are the owner of an undivided 2/3 interest in the Chipman Ditch from McKinnis Creek, a tributary of the Bear or Yampa River, which ditch was adjudicated in 1892 and awarded Priority No. 107 for 1 c.f.s., with priority right relating back to June 1, 1891. The water right was awarded for irrigation purposes.

Inasmuch as the decree was entered more than nine years prior to the entry of any other decree awarding rights from said creek, the Chipman Ditch has the first priority on the Creek.

The U.S.G.S. Steamboat Springs Quadrangle map indicates that McKinnis Creek arises at an elevation in excess of 9,200 feet. Therefore, I assume that the minimum average historical flow of the Creek at the headgate of the Dwight Corder Pipeline and Storage Tank is at least 1 c.f.s.

Based on the foregoing statements, it is my opinion that, under the applicable statutory provisions now in force, Mr. Corder or his assigns would be entitled to change .2 c.f.s. of water, heretofore adjudicated to the Chipman Ditch², to an alternate point of diversion at the intake or headgate of the Dwight Corder Pipeline and Storage Tank³ and to change the type of use of said .2 c.f.s. of water from irrigation to domestic or municipal use, whenever necessary to divert such quantity of water at the alternate point of diversion.

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It is my opinion that no damage would result to junior appropriators but, if upon further investigation, it appears from circumstances not now foreseeable such change would result in any injury to junior appropriators, Mr. Corder now controls sufficient water in the Chipman Ditch and in other sources of water to make feasible the imposition of conditions which would avoid injury to any junior appropriators.

Yours truly,

Frank Delaney

Frank Delaney

FD/r

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¹The description of the land and water rights owned by Mr. Corder are described as follows:

The Southwest Quarter ($SW\frac{1}{4}$), the Southwest Quarter of the Southeast Quarter ($SW\frac{1}{4}SE\frac{1}{4}$), and the Southeast Quarter of the Southeast Quarter ($SE\frac{1}{4}SE\frac{1}{4}$) in Section Fifteen (15); the North Half of the Northeast Quarter ($N\frac{1}{2}NE\frac{1}{4}$), the North Half of the Northwest Quarter ($N\frac{1}{2}NW\frac{1}{4}$), and the Southeast Quarter of the Northwest Quarter ($SE\frac{1}{4}NW\frac{1}{4}$) in Section Twenty-Two (22), Township Five (5) North, Range Eighty-Four (84) West of the Sixth (6th) Principal Meridian.

A tract or parcel of land containing 47.615 acres, more or less, in the East Half of the Southeast Quarter ($E\frac{1}{2}SE\frac{1}{4}$), in the Southwest Quarter of the Southeast Quarter ($SW\frac{1}{4}SE\frac{1}{4}$) of Section Sixteen (16), and in the North Half of the Northeast Quarter ($N\frac{1}{2}NE\frac{1}{4}$) of Section Twenty-One (21), Township Five (5) North, Range Eighty-Four (84) West of the Sixth (6th) Principal Meridian, said tract or parcel being more particularly described as follows:

Beginning at a point on the east line of Section 16, Township 5 North, Range 84 West, from which point the $E\frac{1}{4}$ corner of Section 16 bears $N.0^{\circ}01' E.$ a distance of 474.6 feet; thence $S.25^{\circ}43' W.$ a distance of 570.3 feet; thence $S.32^{\circ}50'30'' W.$ a distance of 201.6 feet; thence $S.25^{\circ}43' W.$ a distance of 1,260.1 feet; thence $S.22^{\circ}48' W.$ a distance of 284.0 feet; thence along the arc of a curve to the left with a radius of 855.0 feet a distance of 1,529.7 feet (the chord of which arc bears $S.34^{\circ}32'30'' E.$ a distance of 1,333.8 feet); thence $N.83^{\circ}07' E.$ a distance of 256.9 feet, to a point on the east line of Section 21; thence north along the east line of Section 21, a distance of 1,005.1 feet, to the NE corner of Section 21; thence $N.0^{\circ}01' E.$ along the east line of Section 16, a distance of 2,165.4 feet, more or less, to the point of beginning,

containing 465 acres, more or less;

Mr. Dwight Corder

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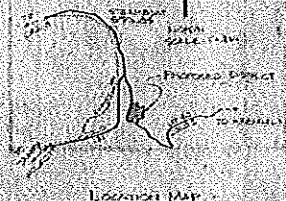
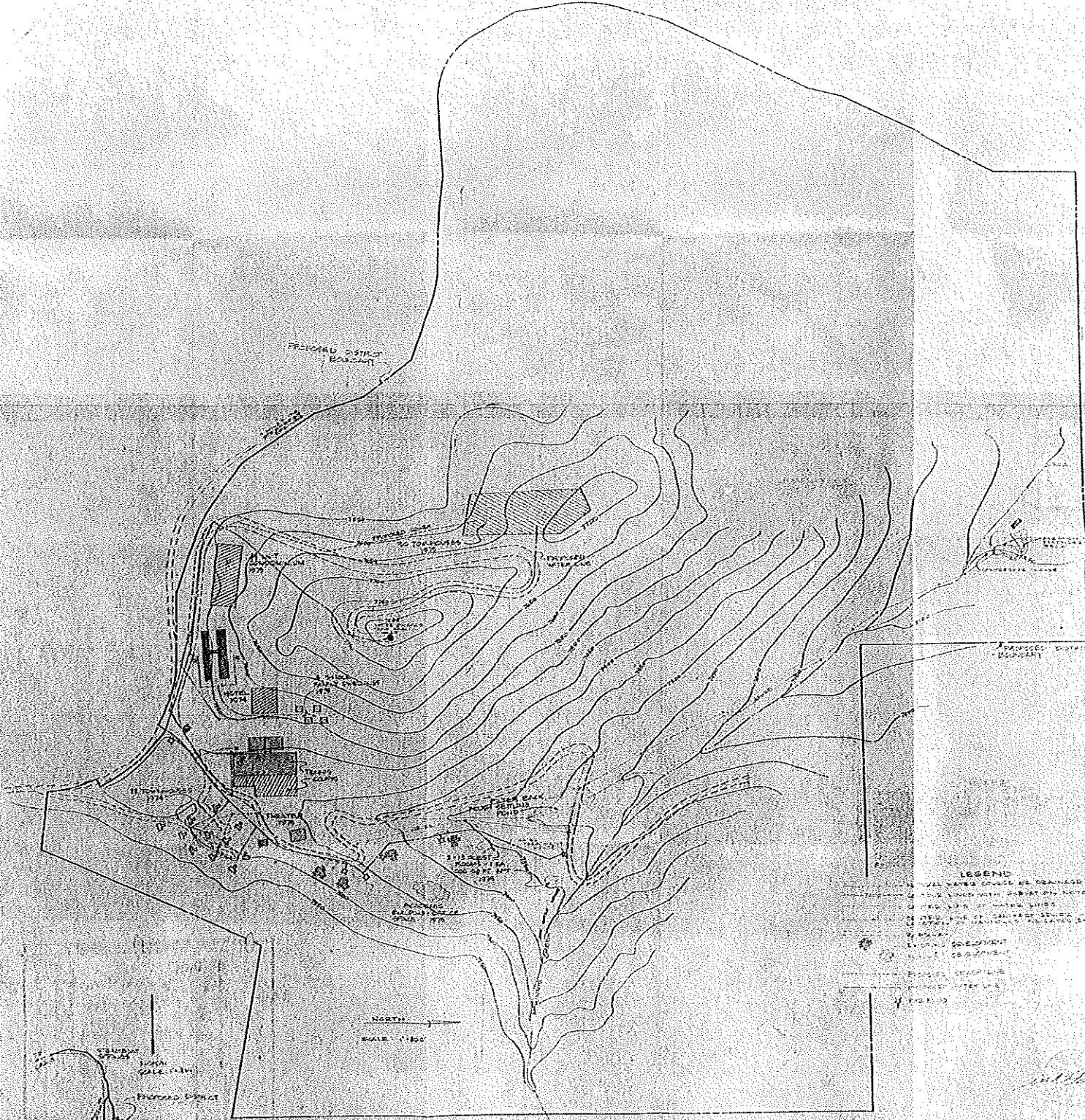
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Together with all water and water rights used on or appurtenant to the above described lands, including without limitation an undivided $\frac{2}{3}$ interest in and to the Chipman Ditch and the water and water rights therein, which is the first water right on McKinnis Creek.

²According to the original Decree, entered in Water District No. 58, dated September 22, 1892, the headgate of the Chipman Ditch is located on the left and west bank of McKinnis Creek near the east side of the Northeast Quarter of the Southwest Quarter ($NE\frac{1}{4}SW\frac{1}{4}$) of Section Fifteen (15), Township Five (5) North, Range Eighty-Four (84) West, of the Sixth (6th) Principal Meridian, in Routt County.

³The headgate of the Dwight Corder Pipeline and Storage Tank is at a point on the north bank of McKinnis Creek, whence the Southeast Corner of Section 27, Township 5 North, Range 84 West, of the 6th Principal Meridian, bears S.05 01'12" E. 9925.12 feet.

Said Dwight Corder Pipeline and Storage Tank has been awarded an absolute decree for .22 c.f.s. and a conditional decree for .38 c.f.s. The date of the appropriation is November 21, 1968. The headgate or intake of said Dwight Corder Pipeline and Storage Tank is approximately one mile above the headgate of the Chipman Ditch, as described in the Court Decrees. There are no other structures presently taking water from McKinnis Creek between the two headgates.



THE TIMBERS - WHEATLAND DISTRICT
GENERAL PLAN OF FACILITY

SEWER DISTRICT NO. 1000