

**Sara M. Wagers-Johnson, P.C.**  
Attorney at Law

April 15, 2010

VIA FACSIMILE

Casey Laycock

Division of Local Government

131 Sherman Street, Room 521

Denver, Colorado 80203

*RE: Idalia Sanitation District*

Dear Casey:

This office represents the Idalia Sanitation District (the "District"). Please find enclosed the resolution and notice canceling the election and deeming Mr. Devlin and Mr. Dutton elected; an appointment of Mr. Martin and oaths for Mr. Devlin, Mr. Dutton and Mr. Martin.

I've also enclosed a copy of the bond effective – April 4, 2009 to April 4, 2010. Copies of the new bond to include the new director will follow.

Do not hesitate to contact me with any questions regarding this filing.

My best,



Sara M. Wagers-Johnson

SWJ/

Enclosures

**RESOLUTION  
CANCELLATION OF ELECTION  
DECLARATION DEEMING CANDIDATES ELECTED**

1-5-208(1.5), C.R.S.

IDALIA SANITATION DISTRICT,  
YUMA COUNTY, COLORADO

WHEREAS, the Board of Directors of the District has duly certified that at the close of business on the sixty-third day before the regular special election to be conducted on May 4, 2010, there were not more candidates for director than offices to be filled, including candidates filing affidavits of intent to be write-in candidates, AND WHEREAS, the board has authorized cancellation of the election AND WHEREAS, the board has held a meeting regarding the intention to cancel the election. Now, THEREFORE, pursuant to 1-5-208 (1.5), C.R.S., the board HEREBY cancels the regular special election to be conducted on the 4th day of May, 2010.

THE BOARD DECLARES THE FOLLOWING CANDIDATES DEEMED ELECTED FOR THE FOLLOWING TERMS OF OFFICE:

Gregory L. Devlin ..... Term Expiring May, 2014  
Brett Dutton ..... Term Expiring May, 2014

Signed by:

  
\_\_\_\_\_  
President of the Board of Directors

Contact Person for the District: Gregory L. Devlin

Telephone Number of the District: 970-354-7229

Address of the District: PO Box 12, Idalia, Colorado 80735

Policy No. 0121504

**UNION INSURANCE COMPANY**  
**Lincoln, Nebraska**

**CRIME POLICY DECLARATIONS**  
(Herein called the "We and Us")

**EMPLOYEE DISHONESTY BOND**

**IN RETURN FOR THE PAYMENT OF THE PREMIUM, AND SUBJECT TO ALL THE TERMS OF THIS POLICY, WE AGREE WITH YOU TO PROVIDE THE INSURANCE AS STATED IN THIS POLICY.**

1. NAMED INSURED Idalia Sanitation District

2. MAILING ADDRESS 26920 county Road 9-2  
Idalia CO 80735

3. POLICY PERIOD: From April 4, 2007 to Continuous  
(12:01 A.M. Standard Time at your mailing address shown above.)

4. COVERAGE, LIMITS OF INSURANCE AND DEDUCTIBLE		
Coverage Forms Forming Part of this Policy	Limit of Insurance	Deductible
CR 09 99 (6-95)		
Public Employee Dishonesty <u>Blanket</u>	See Schedule	
Form P <u>X</u> Schedule		

Additional Coverage

5. ENDORSEMENTS FORMING PART OF THIS POLICY WHEN ISSUED:  
IL 02 28 (4-98)

6. CANCELLATION OF PRIOR INSURANCE: By acceptance of this Policy you give us notice canceling prior policy or bond Nos. None  
the cancellation to be effective at the time this Policy becomes effective.

COUNTERSIGNED May 3, 2007 BY N.J. McMeen  
(Date) Attorney-in-Fact

0721504  
LINC  
38610

**PUBLIC EMPLOYEE FAITHFUL PERFORMANCE COVERAGE FORM  
(Coverage Form P — Schedule)**

Item No.	Name Schedule Coverage	Position Schedule Coverage			Limit of Insurance Each "Employee"
	Names of Covered "Employees"	Title of Covered Positions	Location of Covered Positions	No. of "Employees Each Position"	
1.	Timothy E. Hall	Director			\$1,000.00
2.	Andrew Richards	Director			\$1,000.00
3.	Tom Mandis	Director			\$1,000.00
4.	Brett Dutton	Director			\$1,000.00
5.	Greg Devlin	Director			\$1,000.00

**A. COVERAGE**

We will pay for loss of, and loss from damage to, Covered Property resulting directly from the Covered Cause of Loss.

1. **Covered Property:** "Money", "securities", and "property other than money and securities".
2. **Covered Cause of Loss:** Faithful Performance.
  - a. "Employee dishonesty".
  - b. Failure of any "employee" to faithfully perform his or her duties prescribed by the law, when such failure has as its direct or immediate result a loss of your Covered Property, including inability to perform those duties because of a criminal act committed by a person other than an "employee".

3. If this insurance applies on a Position Schedule basis, the following provisions also apply:

- a. The most we will pay for an "employee" serving in more than one position is the largest Limit of Insurance in effect and applicable to any one of those positions at the time loss is discovered.
- b. If at the time loss is discovered there are more "employees" serving in a covered position than the number of "employees" listed opposite that position in the SCHEDULE, the Limit of Insurance applicable to that position will be reduced.

The reduced Limit of Insurance will be computed by multiplying the limit shown in the SCHEDULE by a factor obtained by dividing the number of "employees" shown in the SCHEDULE by the actual number of "employees" serving in that position at the time loss is discovered.

**B. LIMIT OF INSURANCE**

1. The most we will pay for loss in any one "occurrence" is the applicable Limit of Insurance shown in the SCHEDULE.
2. Regardless of the number of years this insurance applies as respects a specific "employee", the most we will pay in the aggregate is the largest Limit of Insurance applicable to that "employee" even though:
  - a. The coverage for that "employee" is not continuous because it has been cancelled for one or more periods; or
  - b. The Limit of Insurance applicable to that "employee" is changed.

**C. ADDITIONAL EXCLUSIONS, CONDITIONS AND DEFINITIONS:** In addition to the provisions in the Crime General Provisions Form, this Coverage Form is subject to the following:

1. **Additional Exclusions:** We will not pay for loss as specified below:

- a. **Employee Cancelled Under Prior Insurance:** loss caused by any "employee" for whom similar prior insurance has been cancelled and not reinstated since the last such cancellation.
- b. **Inventory Shortages:** loss, or that part of any loss, the proof of which as to its existence or amount is dependent upon:
  - (1) An inventory computation; or
  - (2) A profit and loss computation.
- c. **Damages:** damages for which you are legally liable as result of:
  - (1) the deprivation or violation of the civil rights of any person by an "employee"; or
  - (2) the tortious conduct of an "employee", except conversion of property of other parties held by you in any capacity.
- d. **Depository Failure:** loss resulting from the failure of any entity acting as a depository for your property or property for which you are responsible.

2. **Additional Conditions:**

- a. **Cancellation As To Any Employee:** This insurance is cancelled as to any "employee":
  - (1) Immediately upon discovery by you or any official or employee authorized to manage, govern or control your employees of any act on the part of an "employee" whether before or after becoming employed by you which would constitute a loss covered under the terms of this Coverage Form.
  - (2) On the date specified in a notice mailed to you. That date will be at least 30 days after the date of mailing.  
  
The mailing of notice to you at the last mailing address known to us will be sufficient proof of notice. Delivery of notice is the same as mailing.
- b. **Consolidation-Merger:** The Consolidation-Merger General Condition does not apply to this Coverage Form.
- c. **Sole Benefit:** This insurance is for your sole benefit. No legal proceeding of any

kind to recover on account of loss under this coverage may be brought by anyone other than you.

- d. **Indemnification:** We will indemnify any of your officials who are required by law to give bonds for the faithful performance of their service against loss through the failure of any "employee" under the supervision of that official to faithfully perform his or her duties as prescribed by law, when such failure has as its direct and immediate result a loss of your Covered Property, including inability to faithfully perform those duties because of a criminal act committed by a person other than an "employee".

3. **Additional Definitions:**

- a. **"Employee" means**
  - (1) Any person named in the SCHEDULE, if coverage applies on a Name Schedule basis; or
  - (2) Any person you engage to perform the duties of a position shown in the SCHEDULE if coverage applies on a Position Schedule basis.

The "Employee" General Definition does not apply to this Coverage Form.

- b. **"Employee Dishonesty"** in paragraph A.2 means only dishonest acts committed by an identified "employee" acting alone or in collusion with other persons, with the manifest intent to:
  - (1) Cause you to sustain loss; and also
  - (2) Obtain financial benefit (other than salaries, commissions, fees, bonuses, promotions, awards, profit sharing, pensions or other employee benefits earned in the normal course of employment) for:
    - (a) The "employee"; or
    - (b) Any person or organization intended by the "employee" to receive that benefit.
- c. **"Occurrence"** means all loss caused by each "employee", whether the result of a single act or series of acts.

IL 02 28 04 98

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **COLORADO CHANGES – CANCELLATION AND NONRENEWAL**

This endorsement modifies insurance provided under the following:

- BOILER AND MACHINERY COVERAGE PART
- BUSINESSOWNERS POLICY
- COMMERCIAL AUTOMOBILE COVERAGE PART
- COMMERCIAL CRIME COVERAGE PART
- COMMERCIAL GENERAL LIABILITY COVERAGE PART
- COMMERCIAL PROPERTY COVERAGE PART
- COMMERCIAL INLAND MARINE COVERAGE PART
- EMPLOYMENT-RELATED PRACTICES LIABILITY COVERAGE PART
- FARM COVERAGE PART
- LIQUOR LIABILITY COVERAGE PART
- PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
- PROFESSIONAL LIABILITY COVERAGE PART

A. Paragraph 2. of the CANCELLATION Common Policy Condition is replaced by the following:

- 2. If this policy has been in effect for less than 60 days, we may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:
  - a. 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
  - b. 30 days before the effective date of cancellation if we cancel for any other reason.

B. The following is added to the CANCELLATION Common Policy Condition:

- 7. Cancellation of Policies in Effect for 60 Days or More
  - a. If this policy has been in effect for 60 days or more, or is a renewal of a policy we issued, we may cancel this policy by mailing through first-class mail to the first Named Insured written notice of cancellation:
    - (1) Including the actual reason, at least 10 days before the effective date of cancellation, if we cancel for nonpayment of premium; or
    - (2) At least 45 days before the effective date of cancellation if we cancel for any other reason.

We may only cancel this policy based on one or more of the following reasons:

- (1) Nonpayment of premium;
- (2) A false statement knowingly made by the insured on the application for insurance; or
- (3) A substantial change in the exposure or risk other than that indicated in the application and underwritten as of the effective date of the policy unless the first Named Insured has notified us of the change and we accept such change.

C. The following is added and supersedes any other provision to the contrary:

### **NONRENEWAL**

If we decide not to renew this policy, we will mail through first-class mail to the first Named Insured shown in the Declarations written notice of the nonrenewal at least 45 days before the expiration date, or its anniversary date if it is a policy written for a term of more than one year or with no fixed expiration date.

If notice is mailed, proof of mailing will be sufficient proof of notice.

D. The following Condition is added:

**INCREASE IN PREMIUM OR DECREASE IN COVERAGE**

We will not increase the premium unilaterally or decrease the coverage benefits on renewal of this policy unless we mail through first-class mail written notice of our intention, including the actual reason, to the first Named Insured's last mailing address known to us, at least 45 days before the effective date.

Any decrease in coverage during the policy term must be based on one or more of the following reasons:

1. Nonpayment of premium;
2. A false statement knowingly made by the insured on the application for insurance; or
3. A substantial change in the exposure or risk other than that indicated in the application and underwritten as of the effective date of the policy unless the first Named Insured has notified us of the change and we accept such change.

If notice is mailed, proof of mailing will be sufficient proof of notice.

0121504  
PH 38610

NAMED INSURED: Idalia Sanitation District  
POLICY NUMBER: 0121504

COMMERCIAL CRIME

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**  
**POLICY CHANGE**  
**(LOSS SUSTAINED FORM)**

Policy Change No. 1  
Date of Issue: 5/3/07  
Effective Date of Change: 12:01 a.m. 5/22/07

**A. SCHEDULE\***

- 1. The Named Insured is changed to: \_\_\_\_\_
- 2. The following Insured(s), is added as a Named Insured: \_\_\_\_\_
- 3. The following Insured(s) is deleted as a Named Insured: \_\_\_\_\_
- 4. The Mailing Address is changed to \_\_\_\_\_
- 5. The Policy Period is: extended to \_\_\_\_\_ or reduced to \_\_\_\_\_
- 6. The following Coverage Form(s) is:
  - Added to the Policy
  - Deleted from the Policy
  - Changed as respects the Limit(s) of Insurance and/or Deductible Amount(s)

Coverage Form	Limit of Insurance	or	Limit of Insurance	
			Section I	Section 2
<u>CR 09 99</u>	<u>\$ Schedule</u>		_____	\$ _____

Coverage Form	Deductible Amount	or	Deductible Amount	
			Section I	Section 2
_____	\$ _____		\$ _____	\$ _____

- 7. The following Endorsement(s) is:
  - Added to the Policy
  - Deleted from the Policy
  - Changed as respects the Limit(s) of insurance

Endorsement	Limit of Insurance	or	Limit of Insurance	
			Section I	Section 2
_____	\$ _____		\$ _____	\$ _____

\*Information required to complete this Schedule, if not shown on this endorsement will be shown in the Declarations.

**R. PROVISIONS**

1. Application of changes affected by this endorsement:

a. **Addition of a Deductible or Increase in Deductible Amount:** This change applies to loss or damage resulting from acts committed or events occurring at any time, whether before or after the Effective Date of Change.

b. **Deletion or Restriction (other than in a. above) of any Coverage or Decrease in any Limit of Insurance:** This change applies to loss or damage resulting from acts committed or events occurring:

(1) On or after the Effective Date of Change; and also

(2) Before the Effective Date of Change if discovered by you after 1 year from that date.

c. **All Changes Other Than in a. and b. Above:** This change applies to loss or damage resulting from acts committed or events occurring on or after the Effective Date of Change.

2. No Limit of Insurance during any period will be cumulative with any other amount applicable to the same coverage during any other period.

Accepted: \_\_\_\_\_  
First Named Insured

\_\_\_\_\_  
Title

POLICY NUMBER: 0121504

COMMERCIAL CRIME

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**  
**SCHEDULE CHANGE**  
**EMPLOYEE DISHONESTY COVERAGE FORM P—SCHEDULE**  
**(LOSS SUSTAINED FORM)**

This endorsement applies only to the Employee Dishonesty Coverage Form P—Schedule.

**A. SCHEDULE—CHANGE NO. 2**

Item No.	Name Schedule Coverage	Position Schedule Coverage			Limit of Insurance Each "Employee"	Deductible Amount
	Names of Covered "Employees"	Title of Covered Positions	Location of Covered Positions	No. of "Employees" Each Position		
1.	<b>ADD</b> Timothy E. Hall	<b>ADD</b> Sec-Treasurer			\$5,000.00	
3.	Tom Mandis	President			\$1,000.00	
4.	Brett Dutton	Vice President			\$1,000.00	
1.	<b>DELETE</b> Timothy E. Hall	<b>DELETE</b> Director			\$1,000.00	
3.	Tom Mandis	Director			\$1,000.00	
4.	Brett Dutton	Vice President			\$1,000.00	

**B. PROVISIONS**

1. The Item or Items shown in the Schedule above are an addition to or a deletion from the item or items appearing in the Schedule of the Employee Dishonesty Coverage Form P—Schedule, or a prior version of this endorsement CR 10 01.
2. Application of changes affected by this endorsement:
  - a. **Addition of a Name or Title, Increase in any Limit of Insurance, or Decrease in Deductible Amount:** This change applies to loss or damage resulting from acts committed on or after the Effective Date of Change.
  - b. **Addition of a Deductible or Increase in Deductible Amount:** This change applies to loss or damage resulting from acts committed at any time, whether before or after the Effective Date of Change.
  - c. **Deletion of a Name or Title or Decrease in any Limit of Insurance:** This change applies to loss or damage resulting from acts committed:
    - (1) On or after the Effective Date of Change; and also
    - (2) Before the Effective Date of Change if discovered by you after 1 year from that date.
3. No Limit of Insurance during any period will be cumulative with any other amount applicable to the same coverage during any other period.