The summaries of the Colorado Court of Appeals published opinions constitute no part of the opinion of the division but have been prepared by the division for the convenience of the reader. The summaries may not be cited or relied upon as they are not the official language of the division. Any discrepancy between the language in the summary and in the opinion should be resolved in favor of the language in the opinion.

SUMMARY October 17, 2024

2024COA113

No. 23CA0658, Trinidad Area Health Association v. Trinidad Ambulance District — Government — Special Districts — Service Plan — Compliance

In this dispute between an ambulance district and a hospital, a division of the court of appeals determines whether the ambulance district complied with the Special District Act's requirement under section 32-1-207(1), C.R.S. 2024, that every special district conform to its approved service plan "so far as practicable." As a matter of first impression under the Special District Act, the division interprets "practicable" to mean "reasonably capable of being accomplished" and "feasible in a particular situation." Applying this definition, the division holds that the ambulance district conformed to its service plan so far as practicable under the circumstances. Additionally, the division

discerns no abuse of discretion in the trial court's decision denying the hospital's request for an injunction. Court of Appeals No. 23CA0658 Las Animas County District Court No. 21CV30053 Honorable J. Clay McKisson, Judge

Trinidad Area Health Association d/b/a Mt. San Rafael Hospital, a Colorado nonprofit corporation,

Plaintiff-Appellant,

v.

Trinidad Ambulance District, a Colorado special district,

Defendant-Appellee.

JUDGMENT AFFIRMED

Division I Opinion by JUDGE SULLIVAN J. Jones and Taubman*, JJ., concur

Announced October 17, 2024

Husch Blackwell LLP, Jamie H. Steiner, Tessa F. Carberry, Denver, Colorado, for Plaintiff-Appellant

Les S. Downs, Trinidad, Colorado; Wheeler Trigg O'Donnell LLP, Meghan Frei Berglind, Denver, Colorado, for Defendant-Appellee

*Sitting by assignment of the Chief Justice under provisions of Colo. Const. art. VI, § 5(3), and § 24-51-1105, C.R.S. 2024.

- district conform its services to its approved service plan "so far as practicable." § 32-1-207(1), C.R.S. 2024. Plaintiff, Trinidad Area Health Association (the hospital), appeals the trial court's declaratory judgment entered after a bench trial holding that defendant, Trinidad Ambulance District (the ambulance district), had conformed to its service plan, so far as practicable, despite the ambulance district materially modifying its services.
- Applying the plain and ordinary meaning of "so far as practicable" to the facts of this case, we perceive no error in the trial court's declaratory judgment. Because we also discern no abuse of discretion in the trial court's decision declining to grant the hospital a permanent injunction, we affirm.

I. Background

- The hospital is a medical facility located in Trinidad that serves the medical and surgical needs of Trinidad residents and those in the surrounding areas.
- The ambulance district is a special district that was formed in 1989 under Colorado's Special District Act (the Act), §§ 32-1-101 to -1807, C.R.S. 2024. Its organizers initially formed the ambulance

district to remedy the problem of inadequate ambulance services in the region. It remains the only authorized ambulance service in Las Animas County.

- Like all special districts, the ambulance district must follow its approved service plan. Its service plan, which the Las Animas County Board of County Commissioners (the board) approved shortly before the ambulance district's formation, requires that it "provide for the treatment and transportation of the sick, injured, or otherwise incapacitated or helpless" and states that it "will provide 24 hour coverage." In practice, this service plan obligation means that the ambulance district must respond to approximately two thousand 911 calls in the region and perform hundreds of interfacility transfers (IFTs) for the hospital each year.
- To comply with its service plan, the ambulance district employs six full-time crews that rotate on a three-shift basis every

¹ An interfacility transfer refers to a patient transfer from the hospital to another healthcare facility. The hospital usually requests an IFT when a physician deems it medically necessary to transport a patient to another facility for a different level of care, but also when the hospital is at capacity or otherwise unable to accept a patient.

twenty-four hours — two crews work a twenty-four-hour shift with forty-eight hours off. This means that only two ambulance crews are on duty at any given time to respond to 911 calls and IFT requests, although a third crew remains on standby to respond when the two on-duty crews are unavailable due to other 911 calls or IFTs.

- ¶ 7 As a special district, the ambulance district receives local tax funds and can charge fees for its services under the service plan. By 2015, however, a decrease in tax revenue led the ambulance district to focus more on capturing revenue from IFTs. The ambulance district has consistently performed around 400 IFTs for the hospital each year since 2016.
- Before 2018, the vast majority of IFTs that the ambulance district performed for the hospital involved transfers to Pueblo, approximately eighty-five miles away. But by 2019, a majority of IFTs performed for the hospital resulted in transfers further north to Colorado Springs (128 miles away) or Denver (198 miles away).
- ¶ 9 Due to the increase in long-distance IFTs, their corresponding effect on crew availability, safety concerns caused by crew fatigue, and financial considerations, the ambulance district informed the

hospital in 2019 that it would no longer perform IFTs to Denver. Beginning in 2019 and again in 2021, the ambulance district revised its policies to further restrict IFTs. For example, the revised policies (1) allowed the ambulance district to delay IFTs that are deemed unsafe due to weather or crew fatigue; (2) prioritized 911 calls over IFTs; (3) limited certain IFTs originating outside of Las Animas County to patients with private insurance; and (4) postponed certain IFTs requested near the end of a crew's shift until the next day's crew begins its shift.

- In August 2021, to help alleviate crew availability concerns, the hospital entered into a sixty-day agreement with the ambulance district to pay \$50 per hour to any paramedic willing to perform IFTs while off duty. Other than that short-term agreement, however, the ambulance district and the hospital have never operated under a formal contract despite the ambulance district's service plan stating specifically that the parties "will" enter into a contract for the transportation of Medicare patients.
- In October 2021, shortly before this litigation began, the ambulance district's counsel sent a letter to the hospital to develop a more robust contract that would make the hospital the payer of

last resort for certain IFTs and restrict long-distance IFTs to specified hours. The hospital didn't respond to counsel's letter.

II. Procedural History

- In November 2021, the hospital filed a district court complaint ¶ 12 against the ambulance district seeking declaratory and injunctive relief. It alleged that the ambulance district materially modified its service plan without the board's approval by imposing restrictions on IFTs, violating section 32-1-207(2)(a). The hospital alleged in its complaint, for example, that the ambulance district planned to illegally limit "out of town transfers" based on its crews' availability and restrict the hours it would perform IFTs in "non-emergency" cases. The hospital moved for a preliminary injunction, requesting that the trial court enjoin the ambulance district from making unauthorized material modifications to its service plan without the requisite board approval. The trial court consolidated the preliminary injunction hearing with a two-day bench trial on the merits under C.R.C.P. 65(a)(2).
- ¶ 13 In a detailed order issued after trial, the trial court ruled in the hospital's favor on its claim for declaratory relief. The court concluded that the service plan requires the ambulance district to

perform unrestricted IFTs with twenty-four-hour coverage and that its attempt to restrict IFTs amounted to a reduction in services that constituted a material modification to its service plan. The court denied, however, the hospital's request for an injunction. It determined that the ambulance district was continuing to perform IFTs for the hospital and that it had conformed to its service plan so far as practicable in light of the increased number of long-distance IFTs and the resulting safety concerns. The court also found that compelling the ambulance district to perform around-the-clock IFTs, no matter the circumstances, could "create a greater risk to a greater number of individuals."

- Although the trial court declined to enter an injunction, it declared that the ambulance district "must conform its performance of IFTs to the Service Plan, as far as practicable," and that it could "only restrict its services based on bona fide safety issues resulting from an increased number of IFTs to more distant hospitals and only to the extent that those restrictions are necessary to reduce those safety concerns."
- The ambulance district initially appealed the trial court's declaratory judgment while the hospital cross-appealed both the

trial court's declaratory judgment and its denial of an injunction.

Before briefing, however, the ambulance district voluntarily

dismissed its appeal. As a result, the only issues currently before
this court are those raised in the hospital's cross-appeal.

The hospital in its cross-appeal contends that the trial court (1) erred by concluding that it wasn't practicable for the ambulance district to perform unrestricted IFTs as required by its service plan and (2) abused its discretion by denying its request for an injunction.

III. Discussion

A. Overview of Special Districts

The Act authorizes the formation of different types of special districts to provide services that will "serve a public use and will promote the health, safety, prosperity, security, and general welfare of the inhabitants of such districts and of the people of the state of Colorado." § 32-1-102(1), C.R.S. 2024. An "[a]mbulance district," for example, may provide "emergency medical services" and "transportation . . . to and from facilities providing medical services." § 32-1-103(1), C.R.S. 2024.

To form a special district, the persons proposing it must ¶ 18 prepare a service plan containing, among other things, a description of the proposed services, a financial plan showing how the proposed services will be financed, a map of the proposed special district's boundaries, and a general description of the expenses related to the formation and initial operation of the district. See § 32-1-202(2), C.R.S. 2024. The board of county commissioners for each county that has territory included within the proposed district² then reviews the service plan and holds a public hearing regarding the plan and the proposed special district's organization. §§ 32-1-203(1), -204, C.R.S. 2024; see Marin Metro. Dist. v. Landmark *Towers Ass'n*, 2014 COA 40, ¶¶ 16-17. Applying the Act's statutory criteria, the board may approve the service plan without condition or modification, disapprove the service plan, or conditionally approve the service plan subject to the submission of additional information or modification. § 32-1-203(1)(a)-(c).

² If the proposed special district is "wholly contained" within one or more municipalities, each municipality's governing board must first approve the special district's organization and then approve, disapprove, or conditionally approve its service plan. § 32-1-204.5(1), C.R.S. 2024.

- If the board issues a resolution approving the service plan, ¶ 19 those proposing the special district must then file a petition for organization in the district court. See § 32-1-301(1), C.R.S. 2024. After providing the required statutory notice, see § 32-1-304, C.R.S. 2024, the court must hold a hearing to determine whether (1) the petition is signed by the requisite number of "taxpaying electors" in the proposed special district, § 32-1-305(1), C.R.S. 2024, and (2) any property should be excluded from or included in the proposed special district in the "best public interest," § 32-1-305(3). See *Marin Metro. Dist.*, ¶¶ 24-25. If the court determines that the petition conforms with the Act and its allegations are true, it must direct that the question of the special district's organization be submitted to eligible electors at an election. See § 32-1-305(4). Provided that a majority of the votes cast at the election favor creating the special district, the court then enters a final, unappealable order "declar[ing] the special district organized." § 32-1-305(6).
- ¶ 20 After a special district is organized, the district must conform to its approved service plan "so far as practicable." § 32-1-207(1). For any "material modification," the special district must seek and

obtain approval from the county or municipality that approved its original service plan. § 32-1-207(2)(a). A "material modification" under the Act is a change of a "basic or essential nature," such as an "addition to the types of services provided by the special district; a decrease in the level of services; a decrease in the financial ability of the district to discharge the existing or proposed indebtedness; or a decrease in the existing or projected need for organized service in the area." *Id.*

B. Practicability of Conformance

- The hospital first contends that the trial court erred by concluding that it wasn't practicable for the ambulance district to perform unrestricted IFTs as required by its service plan. We disagree.
 - 1. Standard of Review and Applicable Law
- ¶ 22 After a bench trial, we review a trial court's judgment as a mixed question of law and fact. *Fear v. GEICO Casualty Co.*, 2023 COA 31, ¶ 15 (*cert. granted* Feb. 26, 2024). We review its legal conclusions de novo but will disturb its factual findings only if they are clearly erroneous, meaning they have no support in the record. *Blakeland Drive Invs.*, *LLP IV v. Taghavi*, 2023 COA 30M, ¶ 28;

accord Bill Barrett Corp. v. Lembke, 2018 COA 134, ¶ 18 (applying mixed question standard to determine whether material modification to special district's service plan was properly approved), aff'd on other grounds, 2020 CO 73.

- ¶ 23 We review de novo questions of statutory interpretation. *Colo. Dep't of Revenue v. Creager Mercantile Co., Inc.*, 2017 CO 41M, ¶ 16; *Plains Metro. Dist. v. Ken-Caryl Ranch Metro. Dist.*, 250 P.3d 697,
 699 (Colo. App. 2010). Our primary goal when interpreting a statute is effectuating the legislature's intent. *Bill Barrett Corp.*,
 ¶ 14. We look to the entire statutory scheme to give consistent, harmonious, and sensible effect to all its parts, and we apply words and phrases according to their plain and ordinary meaning. *Id.*
- ¶ 24 As indicated, a special district must conform to its service plan "so far as practicable." § 32-1-207(1); see also Plains Metro. Dist., 250 P.3d at 700 (Special districts "must conform to their service plans" "unless for some reason it is not practicable to do so."). The Act doesn't define "practicable," and no Colorado appellate court has interpreted the term in the context of a special district's conformance with its service plan. In a criminal case, however, our supreme court interpreted "practicable" to mean "reasonably

capable of being accomplished" and "feasible in a particular situation." *People v. Chavez-Barragan*, 2016 CO 16, ¶ 19 (Colo. 2016) (quoting Black's Law Dictionary 1361 (10th ed. 2014)). The court emphasized that "what is 'practicable' in any given situation depends on the circumstances," and lower courts must consider "the totality of the circumstances." *Id.*; *accord People v. Barrera*, 2022 CO 44, ¶ 17.

We conclude that this definition of "practicable" aligns with the legislature's intent as expressed in the Act and is consistent with the term's plain and ordinary meaning. See Webster's Third Int'l Dictionary 1780 (2002) (defining "practicable" as "capable of being put into practice, done, or accomplished" and "feasible"); see also City & Cnty. of Denver v. Dennis, 2018 CO 37, ¶ 23 (looking to dictionary definitions to discern plain and ordinary meaning of statutory terms). Thus, under the Act, a special district must conform to its service plan unless, considering the totality of the circumstances, the district's compliance isn't reasonably capable of being accomplished or isn't feasible in the particular situation. Chavez-Barragan, ¶ 19.

2. Analysis

- The trial court determined that the ambulance district's compliance with its service plan's requirement that it provide around-the-clock IFTs wasn't practicable because (1) completing a long-distance IFT near the end of a shift keeps the crew awake well beyond its twenty-four-hour shift, creating safety risks to the patient, crew, and traveling public; and (2) the sharp increase in long-distance IFTs, resulting in crews leaving the region for extended periods, reduces the number of ambulance crews available to respond to 911 calls in Las Animas County. The record supports these findings.
- ¶ 27 By way of example, the ambulance district submitted its transfer logs detailing the destinations of the IFTs it made from January 2016 to April 2022. The logs corroborated the ambulance district's assertion that its number of long-distance IFTs (beyond Pueblo) increased significantly after 2018. Further, the ambulance district's executive director testified that a long-distance IFT near the end of a shift requires the responding crew to stay awake longer than twenty-four hours, creating crew and patient safety risks. The executive director also testified, and our independent research

confirms, that Colorado regulations governing other types of medical transfers generally restrict crews from working more than twenty-four hours at a time. *See* Dep't of Pub. Health & Env't Rule 9.11.2, 6 Colo. Code Regs. 1015-3 (For air ambulance personnel, on-site shifts "scheduled for a period to exceed twenty-four (24) hours are not acceptable under most circumstances.").

- The record also supports the trial court's finding that long-distance IFTs limit the availability of crews to respond to 911 calls in the region. The ambulance district's former executive director testified regarding an instance when three 911 calls came "within minutes of each other." When a fourth call came in involving an injured firefighter, the ambulance's dispatch was delayed until a crew returned from completing an IFT. This was just one example. The former executive director explained that the ambulance district has had "multiple runs where we did not have crews available to respond."
- Given this record evidence, we perceive no error in the trial court's determination that it's not feasible for the ambulance district to perform unrestricted long-distance IFTs under its service plan when a bona fide safety issue prevents compliance. Nothing in

the Act suggests that the safety of the patients, the crew, and the public must take a back seat to strict conformance with the ambulance district's service plan. To the contrary, the legislature's decision to include a safe harbor for services that aren't practicable under the circumstances is consistent with its direction that the Act be liberally construed to advance the public's health, safety, convenience, and welfare. See § 32-1-113, C.R.S. 2024.

- that conformance to the service plan remained feasible, the task of resolving conflicting evidence and assessing the witnesses' credibility fell to the trial court, *see Rocky Mountain Props. v. Purified H20 To Go Co.*, 3 P.3d 485, 487 (Colo. App. 2000), and we may not substitute our own factual findings for those of the trial court, *M.D.C./Wood, Inc. v. Mortimer*, 866 P.2d 1380, 1383-84 (Colo. 1994). As a result, we discern no basis for reversing the trial court's conclusion that the ambulance district conformed to its service plan "so far as practicable." § 32-1-207(1).
- We aren't persuaded otherwise by the hospital's argument that the number of IFTs hasn't increased significantly over the past few years, rendering conformance with the service plan still practicable.

The record reflects that, although the total number of transfers has remained relatively consistent, the number of *long-distance* transfers has increased significantly.

To the extent the hospital argues that the trial court should have compelled the ambulance district to seek a material modification to its service plan from the board that afforded it more funding to hire additional crews, such relief would have required the court to enter a mandatory injunction under C.R.C.P. 65(f). We address below the trial court's denial of the hospital's motion for an injunction.

C. Denial of Injunction

The hospital contends that the trial court abused its discretion by denying its motion for an injunction requiring the ambulance district to conform its services to its approved service plan.

Specifically, the hospital asserts that, although the court found that the ambulance district's new restrictions on IFTs constituted an improper material modification to its service plan, and accordingly ruled in the hospital's favor on its declaratory judgment claim (save for IFTs presenting bona fide safety risks), the court's refusal to

enter a corresponding injunction left it with no "enforcement mechanism."

- Because this case comes to us after the trial court consolidated the hearing on the hospital's preliminary injunction motion with the trial on the merits under C.R.C.P. 65(a)(2), and subsequently entered final judgment, we focus our analysis on the trial court's decision denying the hospital a permanent injunction. *Cf. Dallman v. Ritter*, 225 P.3d 610, 621 n.10 (Colo. 2010).
 - 1. Standard of Review and Applicable Law
- ¶ 35 An injunction is an extraordinary and discretionary equitable remedy that is meant to prevent future harm. *Rinker v. Colina-Lee*, 2019 COA 45, ¶ 80. We review the grant or denial of a permanent injunction for an abuse of discretion. *Id.* at ¶ 62. A court abuses its discretion if its decision is manifestly arbitrary, unreasonable, or unfair; is based on an erroneous understanding or application of the law; or misconstrues or misapplies the law. *Id.* at ¶ 63. We defer to the trial court's factual findings if they are supported by the record. *Rome v. Mandel*, 2016 COA 192M, ¶ 60.
- ¶ 36 "A party seeking a permanent injunction must show that: (1) the party has achieved actual success on the merits; (2) irreparable

harm will result unless the injunction is issued; (3) the threatened injury outweighs the harm that the injunction may cause to the opposing party; and (4) the injunction, if issued, will not adversely affect the public interest." *Langlois v. Bd. of Cnty. Comm'rs*, 78 P.3d 1154, 1158 (Colo. App. 2003).

- ¶ 37 If merely restraining a party won't afford the movant the relief to which it's entitled, a court may enter a mandatory injunction requiring the party to perform affirmative acts. C.R.C.P. 65(f); Snyder v. Sullivan, 705 P.2d 510, 514 n.5 (Colo. 1985). Because a mandatory injunction "prescribes conduct" that a party must perform, a court will grant such relief "only in rare cases." Snyder, 705 P.2d at 514 n.5; see also Free the Nipple-Fort Collins v. City of Fort Collins, 916 F.3d 792, 797 (10th Cir. 2019) (an injunction that "mandates action (rather than prohibiting it)" is "disfavored").
- ¶ 38 Under the Act, the court approving a special district's organization may either sua sponte or at the request of an

"interested part[y]" or the county or municipality that approved the special district's original service plan — issue an injunction enjoining the special district's unauthorized material modification to its service plan. § 32-1-207(3)(a); *Plains Metro. Dist.*, 250 P.3d at 700. If the special district's material modification involves "inexcusable inaction," the court's injunction may take the form of a mandatory injunction. *Plains Metro. Dist.*, 250 P.3d at 700.

In addition to seeking an injunction, the hospital requested and obtained a declaratory judgment. *See* C.R.C.P. 57; § 13-51-106, C.R.S. 2024. The Uniform Declaratory Judgments Law and C.R.C.P. 57 are intended to settle controversies and afford parties judicial relief from uncertainty and insecurity with respect to their rights and legal relations. *Mt. Emmons Mining Co. v. Town of Crested Butte*, 690 P.2d 231, 240 (Colo. 1984). Although distinct from the "coercive" relief afforded by an injunction, *Atchison v. City of Englewood*, 506 P.2d 140, 142 (Colo. 1973), a declaratory

³ Section 32-1-204(1), C.R.S. 2024, defines "interested parties" as any residents or property owners within the special district or any governmental unit that, at the time of the public hearing on the special district's service plan, "has levied an ad valorem tax within the next preceding tax year and that has boundaries within a radius of three miles of the proposed special district boundaries."

judgment leaves the parties free to pursue other remedies provided by law should the need arise, *Air Sols., Inc. v. Spivey*, 2023 COA 14, ¶ 95. Both section 13-51-112, C.R.S. 2024, and C.R.C.P. 57(h), for example, authorize a party to file a petition for "[f]urther relief based on a declaratory judgment" whenever "necessary or proper."

2. Analysis

At the outset, we disagree with the hospital that the trial ¶ 40 court's decision granting it only a declaratory judgment, and not also a corresponding injunction, leaves it with no "enforcement mechanism." Should it become necessary, the hospital may seek "[f]urther relief" under section 13-51-112 and C.R.C.P. 57(h) "based on" the declaratory judgment that the trial court has already issued. See, e.g., S. of Second Assocs. v. Georgetown, 609 P.2d 125, 127 (Colo. 1980) (following entry of a declaratory judgment in the plaintiff's favor, directing the trial court to order the city to approve the plaintiff's building permit under Rule 57(h), with "no further delay," after the city denied the application a second time); cf. Badger Cath., Inc. v. Walsh, 620 F.3d 775, 782 (7th Cir. 2010) (stating "a declaratory judgment is a real judgment, not just a bit of friendly advice").

- Even if further relief weren't available, we nonetheless perceive ¶ 41 no abuse of discretion in the trial court's denial of a permanent injunction. To obtain a permanent injunction, mandatory or otherwise, the hospital needed to prove that irreparable harm would occur without an injunction. See Langlois, 78 P.3d at 1158. Irreparable harm is certain and imminent harm that can't be adequately compensated by a monetary award. Gitlitz v. Bellock, 171 P.3d 1274, 1279 (Colo. App. 2007). But here, other than generally asserting that its patients' IFTs are "literally sometimes a matter of life or death," the hospital doesn't identify any certain or imminent harm that will result absent an injunction. For example, the hospital doesn't point to any specific patient whose health is in jeopardy due to the ambulance district's alleged delays in performing IFTs. See Am. Invs. Life Ins. Co. v. Green Shield Plan, Inc., 358 P.2d 473, 475-76 (Colo. 1960) (an injunction can't be based on speculative harm).
- ¶ 42 Moreover, the trial court found that the ambulance district
 (1) had never experienced a disruption in its IFT service; (2) had
 never refused to complete an IFT based on a disagreement over
 whether the transfer was medically necessary; and (3) continued to

complete IFTs for the hospital. The record supports these findings, and the hospital doesn't challenge them as clearly erroneous on appeal. And given that the hospital prevailed on its declaratory judgment claim and can seek further relief under section 13-51-112 and C.R.C.P. 57(h) should it become necessary, we can't conclude on this record that the trial court abused its discretion by declining to issue the extraordinary remedy of an injunction, let alone that this is one of those "rare cases" that called for the disfavored remedy of a mandatory injunction. *Snyder*, 705 P.2d at 514 n.5.

Finally, the hospital doesn't challenge the trial court's finding that compelling the ambulance district to perform around-the-clock IFTs under its service plan, no matter the circumstances, could "create a greater risk to a greater number of individuals." *See Langlois*, 78 P.3d at 1158 (a permanent injunction, if issued, must "not adversely affect the public interest"). The trial court's finding is supported by the testimony of the ambulance district's former executive director, who explained that it had experienced "multiple runs" where crews were unavailable to immediately respond to 911 calls because they were completing IFTs. We agree with the trial court that an injunction that inhibits the ambulance district from

promptly responding to all 911 calls would adversely affect the public interest. *See id.*

¶ 44 Accordingly, the trial court didn't abuse its discretion by denying the hospital's request for an injunction.

IV. Disposition

¶ 45 We affirm the judgment.

JUDGE J. JONES and JUDGE TAUBMAN concur.