

**CONSOLIDATED SERVICE PLAN**

**FOR**

**ERIE COMMONS METROPOLITAN DISTRICT NOS. 1 AND 2**

**TOWN OF ERIE, COLORADO**

**JUNE 30, 2003**

Prepared for

Erie Commons Metropolitan District Nos. 1 and 2

By

White and Associates Professional Corporation  
1805 Shea Center Drive, Suite 100  
Highlands Ranch, CO 80129  
303-858-1800

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## I. INTRODUCTION

### A. General Overview

This consolidated service plan ("Service Plan") for Erie Commons Metropolitan District Nos. 1 and 2 (hereinafter collectively known as "Districts") constitutes a combined service plan for two Title 32 special districts proposed for organization to serve the needs of a new community to be known as "Erie Commons" in the Town of Erie ("Erie"). Erie Commons is located within Erie and is immediately south of the railroad tracks at the southern end of Old Town Erie. It is bordered by County Line Road and Austin Industrial Park on the west, Coal Creek on the east and is bisected by Leon A. Wurl Parkway. It consists of approximately 367.14 acres divided into several development areas planned including residential development, open space and parks. Construction is scheduled over the next three to four years. Exhibit A contains a general public improvement Development Plan for the community. Exhibit C contains development projections.

Considerable public infrastructure will be constructed to provide the required water, wastewater, streets and other improvements needed for the area. This Service Plan addresses the improvements, which may be provided by the Districts and demonstrates how the Districts will work together to provide the necessary public improvements.

#### 1. Multiple District Structure.

This Service Plan is submitted in accordance with Part 2 of the Special District Act (§32-1-201, et seq., C.R.S.). It defines the powers and authorities of, as well as the limitations and restrictions on the Districts. This Service Plan further sets forth the general parameters for the working relationship between Erie Commons Metropolitan District No. 1 and Erie Commons Metropolitan District No. 2. Erie Commons Metropolitan District No. 1 shall be referred to as the "Service District," and Erie Commons Metropolitan District No. 2 shall be referred to as the "Financing District." The Service District and the Financing District are collectively referred to as "the Districts."

The Service District will be responsible for managing the construction and operation of facilities and improvements needed for Erie Commons. The Financing District will be responsible for providing the funding and tax base needed to support the Financing Plan for capital improvements and for operations. The "Financing Plan" discussed throughout this Service Plan refers to a consolidated financial plan for the Districts which sets forth the manner in which the public improvements for Erie Commons are anticipated to be financed.

Due to the interrelationship between the Districts, various agreements are expected to be executed clarifying the respective responsibilities and the nature of the functions and services to be provided by each District. The agreements will be designed to help assure the orderly development of essential services and facilities resulting in a community that is aesthetic and an economic asset to Erie.

The establishment of Erie Commons Metropolitan District No. 1 as the Service District which will initially own and operate the public facilities throughout Erie Commons until such

improvements are conveyed to the Town as appropriate, and the establishment of Erie Commons Metropolitan District No. 2 as the Financing District which will generate the tax revenue sufficient to pay the costs of the capital improvements and operation, maintenance and administrative costs, will create several benefits for the inhabitants of the community and for Erie. In general, those benefits are: (a) coordinated administration of construction and operation of public improvements, and delivery of those improvements in a timely manner and (b) assurance that improvements required by Erie are constructed in a timely and cost effective manner.

2. Benefits of Multiple District Structure.

a. Coordinated Services. As presently planned, development of Erie Commons will proceed in phases, each of which will require the extension of public services and facilities. The multiple district structure will assure that the construction and operation of each phase of public facilities will be administered consistent with a long-term construction and operations program. Use of the Service District as the entity responsible for construction of each phase of improvements and for management of operation and administrative needs will facilitate a well-planned financing effort through all phases of construction, which will assist in assuring coordinated extension of services.

b. Debt Allocation. Allocation of the responsibility for paying debt for capital improvements will be managed through development of a unified financing plan for those improvements and through development of an integrated operating plan for long-term operations and maintenance for those improvements retained by the Districts. Use of the Service District to manage these functions will help assure that no area within Erie Commons becomes obligated for more than its share of the costs of capital improvements and operations. Neither high nor low-density areas will bear a disproportionate burden of debt and operating costs.

c. Bond Interest Rates. The use of the Service District and/or the Financing District to issue bonds to provide for the cost of infrastructure in Erie Commons will allow for the issuance of bonds at competitive interest rates. The use of a multiple district structure allows the Service District to coordinate with the Financing District the timing and issuance of bonds in such a way as to assure that improvements are constructed in conformance with the time requirements, and in the manner desired by Erie. The combination of appropriate management and control of the timing of financing, and the ability of the Districts to obtain attractive interest rates, will benefit residents.

3. Configuration of Districts.

In order to implement the multiple district structure, the boundaries of the Service District and the Financing District need to be carefully configured. Maps showing the boundaries of the Districts are provided in Exhibit B. The Service District will contain approximately 3.983 acres, and the Financing District will contain approximately 363.157 acres. The combined acreage and boundaries of the Financing District and the Service District covers all acreage currently within Erie Commons. Legal descriptions of the property within the boundaries of the Districts are attached to this Service Plan in Exhibit E.

The "service area" (the area legally permitted to be served) for the Service District will consist of the entire area of the Erie Commons community, which is the property within the Service District and the Financing District. The service area for the Financing District will be its legal boundaries, as amended. The Service District will have power to impose taxes only within its legal boundaries, but will be permitted to impose fees and charges in its service area as well as to property and individuals outside of Erie Commons based upon services provided to such property. The Financing District will have power to impose taxes and other charges permitted by law only within its service area to fund its obligations to the Service District. It is currently anticipated that at build-out the Financing District will include primarily residential properties as well as some commercial development.

It is possible that additional adjacent and other property may be included in the Financing District. Under Colorado law, the fee owner or owners of one hundred percent of any property proposed for inclusion may petition the board of directors of the Financing District for inclusion of property into the Financing District. Erie Commons Investors, LLC, is the petitioner of Erie Commons and the owner of the real property within the boundaries of the Districts ("Petitioner" or "Developer"). It is anticipated that subsequent to the Districts' organization, it may be desirable to include additional neighboring property into the boundaries of the Districts. The Districts shall have authority to consider such inclusions, subject to Erie's approval of such inclusion and, to the extent deemed necessary by Erie, approval of a modification to this Service Plan in accordance with Colorado law and all requirements of Erie. Notwithstanding the aforesaid, the Districts shall be permitted to consider boundary adjustments of property located within the boundaries of either the Financing District or Service District without the prior approval of Erie so long as all of the property described in Exhibit B is located in the Districts. No property shall be excluded from either District unless it is included into the other District, or unless Erie consents. Notice of all inclusions or exclusions shall be provided to Erie pursuant to the annual reporting requirements set forth in Section VII, herein.

4. Long-Term District Plan.

After all bonds or other debt instruments have been issued by the Financing District and adequate provision has been made for payment of all debt of the District and for operation of all of the Service District facilities not conveyed to Erie, the electorate of the Service District and Financing District, respectively, will have the opportunity to consider either the consolidation of the Service District and the Financing District into a single entity, or the dissolution of the Service District. The Service District will consider consolidation and/or dissolution at the time at which both the Service District and the Financing District's debt has been paid or adequate provision has been made for the repayment thereof, and for operation of all of the Service District facilities that have not been conveyed to Erie. Ultimately, control of these decisions will rest with the electorate in each District.

5. Existing Services and Districts.

Erie will provide the usual municipal services such as water and sanitation service in conjunction with development of such improvements, and may supply such services directly or through arrangements with other municipal or quasi-municipal entities. Erie will also provide law

enforcement services. The Mountain View Fire Protection District will provide fire protection services. Other than Erie, there are currently no other entities in existence in the Erie Commons area that have the ability or expressed desire to undertake the design, financing and construction of the improvements designated herein which are needed for the community.

In order to minimize the proliferation of new governmental structures and personnel, the Service District intends to utilize existing entities as much as possible for operations and maintenance of public improvements. Although none are anticipated, the Districts may retain some operational and maintenance responsibilities for certain facilities, such as a pool and club house and associated landscaping, if such improvements are not otherwise conveyed to and accepted by Erie. As a general matter, operations and maintenance of park and recreation, water, wastewater, storm drainage, street and traffic safety improvements and associated landscaping will be the responsibility of Erie after such completed improvements are conveyed to Erie, by or on behalf of, and at the direction of the Service District. The timing for conveyance of improvements to Erie will be developed by mutual agreement between the Service District and Erie as generally described above and in Section V hereof pursuant to an anticipated intergovernmental agreement between Erie and the Districts (the "Town IGA").

To further avoid duplication of services and proliferation of governmental entities, improvements that are not conveyed to, or accepted by, Erie will continue to be owned by the Districts and operations and maintenance of the same may be provided by other entities, such as a property owners' association, a facilities management company, or a swimming pool or recreational facility operator, through appropriate agreements with the Service District. Consequently, while the Service District and the Financing District will exist to finance capital improvements and coordinate the provision of services, they are expected to utilize existing entities as much as possible and may ultimately contract for or transfer responsibility for such operations and maintenance to a property owners association.

#### 6. Property Owner Associations.

Certain services may be provided within Erie Commons by one or more property owner associations expected to be organized as Colorado non-profit, private membership organizations comprised of property owners in Erie Commons. The associations are expected to provide architectural control services, community organizations, community events and activities, community marketing, security, and other programs that may be beyond the scope of the Districts.

All improvements, except the pool and its associated landscaping, shall be transferred to Erie subject to Erie's acceptance thereof and provision of warranties. Therefore, the Districts do not anticipate owning, operating and maintaining any of the public improvements other than certain and limited park and recreation improvements, and they will have authority to do so for any such improvements not otherwise dedicated to and accepted by Erie. The Service District may contract with a homeowners association for the operation and maintenance of the facilities as well as to maintain some landscape improvements. It is anticipated that once the District debt has been discharged such that District ownership is no longer required of the improvements not otherwise conveyed to, and accepted by Erie, title to such improvements may be transferred to a homeowners' association.



B. General Financial Information and Assumptions

The projected assessed valuations are shown in the Financing Plan attached hereto as Exhibit F. The anticipated cost of improvements necessary to provide access to and appropriate services within Erie Commons are substantial and is estimated in Exhibit D. The Districts anticipate obtaining financing for capital improvements initially through Developer advances, and then through the issuance of limited tax general obligation bonds or other debt instruments, including revenue bonds. General obligation debt will be payable from revenues derived from ad valorem property taxes and from other legally available sources. The Financing District may issue limited tax general obligation bonds after its determination that the assessed valuation is sufficient to pay debt service with reasonable mill levies. The Financing Plan demonstrates one method that might be used by the Districts to finance the cost of infrastructure as well as operation and administrative costs. At the time bonds or other debt instruments are proposed to be issued, alternative financing plans may be employed and utilized by the Districts without further approval from Erie so long as said alternative plans are generally consistent with the limitations set forth herein and do not constitute a material modification.

Due to probable credit enhancements and other support expected from the Developer, the Financing Plan demonstrates that the cost of infrastructure described herein and the operation and administrative costs can be provided with reasonable mill levies. The estimated figures contained herein depicting costs of infrastructure and operations will not constitute legal limits on the financial powers of the Districts; provided, however, that the Districts shall not be permitted to issue bonds which are not in compliance with the bond registration and issuance requirements of Colorado law.

The financial structure contemplated in the Financing Plan demonstrates that the risks associated with development of Erie Commons will be borne initially by the Developer of the project. Due to the nature of liabilities associated with issuance of revenue bonds and Developer owned debt, the entire risk of development will rest with the Developer until such time as the Financing District develops sufficient assessed valuation to support the debt service requirements of the bonds issued. Erie is assured that the risks of development and the responsibility for repayment of debt issued by the Districts for Erie Commons will be borne solely by the residents and property owners of Erie Commons, and will never become the responsibility, in any degree, of Erie.

Additionally, Erie can be assured that there are now legal and financial controls on special district indebtedness, which operate to limit indebtedness that residents can expect to pay. Generally, under current state law provisions, a special district cannot sell valid indebtedness payable from property tax revenues in excess of fifty percent (50%) of its valuation for assessment unless a statutory exception applies to such indebtedness. Excepted from this limitation is indebtedness which is rated or insured, in minimum denominations of five hundred thousand dollars, issued to financial institutions or institutional investors, payable from a limited debt service mill levy not to exceed 50 mills, or unless such indebtedness is secured as to the payment of principal and interest by a letter of credit, line of credit or other credit enhancement. In addition, state securities laws do not provide exemption from registration for special district indebtedness not meeting such minimum requirements.

C. Contents of Service Plan

This Service Plan consists of a financial analysis and preliminary engineering plan showing how the facilities and services for Erie Commons can be provided and financed by the Districts on a coordinated basis. Numerous items are included in this Service Plan in order to satisfy the requirements of law for formation of special districts.

The assumptions contained within this Service Plan were derived from a variety of sources. Information regarding the present status of property within the Districts, as well as the current status and projected future level of similar services, was obtained from the Developer. Construction cost estimates were assembled by the Developer, which has experience in the costing and construction of similar facilities. The attorneys of White and Associates Professional Corporation, which represents numerous special districts, provided legal advice in the preparation of this Service Plan. The Developer provided financial recommendations and advice in the preparation of the Service Plan.

D. Modification of Service Plan

This Service Plan has been designed with sufficient flexibility to enable the Districts to provide required services and facilities for Erie Commons under evolving circumstances without the need for numerous amendments. While the assumptions upon which this Service Plan are generally based are reflective of current zoning for the property within Erie Commons, the cost estimates and Financing Plan are sufficiently flexible to enable the Districts to provide necessary services and facilities without the need to amend this Service Plan in the event of zoning changes. Modification of the general types of services and facilities, and changes in proposed configurations, locations, or dimensions of various facilities and improvements shall be permitted to accommodate development needs consistent with then current zoning for the property. The Districts shall be responsible for all reasonable costs of Erie's review for a material modification initiated by the Districts, conditioned upon Erie providing the Districts with a not-to-exceed estimate prior to each such review.

II. NEED FOR NEW DISTRICTS AND GENERAL POWERS

A. Need for Metropolitan Districts

Operations and maintenance of wastewater, storm drainage, street and traffic safety and associated landscaping, and park and recreation improvements will initially be provided by the Districts during the construction phases, with said operations to be assumed by Erie upon its final acceptance of the public facilities. Erie does not consider it feasible or practicable to provide Erie Commons with the public improvements. Consequently, it is necessary that the proposed Districts be organized to provide the residents and taxpayers with the necessary public improvements.

B. General Powers of Districts

The Service District will have power and authority to provide the services and facilities described in this Section both within and outside its boundaries, in accordance with law. The

powers and authorities of the Service District and the Financing District will be allocated and further refined in a Master Intergovernmental Agreement between the Districts (the "Master IGA"), the general form of which is described in Section V(A), which may be voted upon and approved by their respective electorates. For purposes of the Special District Control Act, the Master IGA shall not constitute an amendment of this Service Plan. It will, however, constitute a binding agreement between the Districts regarding implementation of the powers contained in this Service Plan.

The Districts shall have authority to provide the following services and facilities, all of which shall be in conformance with Erie's standards and specifications:

1. Sanitation. The design, acquisition, installation and construction of sanitary sewer lines and all necessary or proper equipment and appurtenances incident thereto, together with all necessary, incidental and appurtenant facilities, land and easements, and all necessary extensions of and improvements to said facility or system. Currently, it is anticipated that the Districts will provide the funding for such improvements necessary for Erie Commons, and Erie will provide the necessary service.

2. Water. The design, acquisition, installation and construction of a complete water and irrigation water system, including but not limited to transmission and distribution systems for domestic and other public or private purposes, together with all necessary and proper facilities, equipment and appurtenances incident thereto which may include, but shall not be limited to, transmission lines, distribution mains and laterals, land and easements, together with extensions of and improvements to said systems.

3. Streets. The design, acquisition, installation, construction, operation, and maintenance of arterial street and roadway improvements, including but not limited to curbs, gutters, culverts, storm sewers and other drainage facilities, detention ponds, retaining walls and appurtenances, as well as sidewalks, bridges, parking facilities, paving, lighting, grading, landscaping, undergrounding of public utilities, snow removal equipment, or tunnels and other street improvements, together with all necessary, incidental, and appurtenant facilities, land and easements, together with extensions of and improvements to said facilities.

4. Traffic and Safety Controls. The design, acquisition, installation, construction, operation, and maintenance of traffic and safety protection facilities and services through traffic and safety controls and devices on arterial streets and highways, as well as other facilities and improvements including but not limited to, signalization at intersections, traffic signs, area identification signs, directional assistance, and driver information signs, together with all necessary, incidental, and appurtenant facilities, land easements, together with extensions of and improvements to said facilities.

5. Parks and Recreation. The design, acquisition, installation, construction, operation and maintenance of public park and recreation facilities or programs including, but not limited to, grading, soil preparation, sprinkler systems, playgrounds, playfields, swimming pools, bike and hiking trails, pedestrian trails, pedestrian bridges, picnic areas, common area landscaping and weed control, outdoor lighting of all types, community events, a recreation center and other

facilities, together with all necessary, incidental and appurtenant facilities, land and easements, and all necessary extensions of and improvements to said facilities or systems.

6. Television Relay and Translator. The acquisition, construction, completion, installation and/or operation and maintenance of television relay and translator facilities, including but not limited to cable television and communication facilities, together with all necessary, incidental and appurtenant facilities, land and easements, and all necessary extensions of and improvements to said facilities so long as said facilities and improvements are not in conflict with any City ordinance or franchise agreement.

7. Mosquito and Pest Control. The design, acquisition, installation, construction, operation, and maintenance of systems and methods for the elimination and control of mosquitoes, rodents and other pests.

8. Transportation. The design, acquisition, installation, construction, operation and maintenance of public transportation system improvements, including transportation equipment, park and ride facilities and parking lots, parking structures, roofs, covers, and facilities, including structures for repair, operations and maintenance of such facilities, together with all necessary, incidental and appurtenant facilities, land and easements, and all necessary extensions of and improvements to said facilities or systems.

9. Legal Powers. The powers of the Districts will be exercised by the Boards of Directors to provide the services contemplated in this Service Plan. The foregoing improvements and services, along with all other activities permitted by law, will be undertaken in accordance with, and pursuant to, the procedures and conditions contained in the Special District Act, other applicable statutes, and this Service Plan, as any or all of the same may be amended from time to time.

10. Other. In addition to the powers enumerated above, the Boards of Directors of the Districts shall also have the following authority:

a. To amend this Service Plan as needed, subject to the appropriate statutory procedures and as permitted under the Town IGA, by written notice to Erie pursuant to § 32-1-207, C.R.S., of actions which the districts believe are permitted by this Service Plan but which may be unclear. In the event Erie elects not to seek to enjoin any such activities under said statute, such election shall constitute agreement by Erie that such activities are within the scope of this Service Plan. Each District shall have the right to amend this Service Plan independent of participation of the other District; provided, however, that no District shall not be permitted to amend those portions of this Service Plan which affect, impair, or impinge upon the rights or powers of the other District without such District's consent; and

b. Subject to the Town IGA, to forego, reschedule, or restructure the financing and construction of certain improvements and facilities, in order to better accommodate the pace of growth, resource availability, and potential inclusions of property within the Districts, or if the development of the improvements and facilities would best be performed by another entity; and

c. To provide all such additional services and exercise all such powers as are expressly or impliedly granted by Colorado law, and which the Districts are required to provide or exercise or, in its discretion, chooses to provide or exercise; and

d. To exercise all necessary and implied powers under Title 32, C.R.S. in the reasonable discretion of the Boards of Directors, except as limited by this Service Plan.

### III. DESCRIPTION OF FACILITIES AND IMPROVEMENTS

The Districts will be permitted to exercise their statutory powers and authority set forth herein to finance, construct, acquire, operate and maintain, as appropriate, the public facilities and improvements described in Section II of this Service Plan either directly or by contract. Where appropriate, the Districts will contract with various public and/or private entities to undertake such functions, including but not limited to a Master IGA and Town IGA, both as further described in Section V.

Detailed information for each type of improvements needed for Erie Commons is set forth in the following pages. It is important to note that the information contained in this Section is conceptual and preliminary in nature only, and that reasonable modifications to the type, configuration, and location of improvements may be necessary as development proceeds. All facilities will be designed in such a way as to assure that the facility and service standards will be compatible with those of Erie and of other service providers, as appropriate.

The following sections contain general descriptions of the contemplated facilities and improvements, which are expected to be funded by the Financial District and constructed by the Service District.

#### A. General

Construction of all planned facilities and improvements will be scheduled to allow for proper sizing and phasing to keep pace with the need for service. All descriptions of the specific facilities and improvements to be constructed, and their related costs, are estimates only and are subject to modification as engineering, development plans, economics, Erie's requirements, and construction scheduling may require.

#### B. General Design Standards

Improvements within the Districts will be designed and installed by the Service District in conformance with current standards adopted by the Service District and Erie. Designs and contract documents prepared for improvements must be reviewed and approved by the Service District and must be in accordance with Erie's applicable standards and specifications.

##### 1. Wastewater System.

The wastewater system will connect to Erie's sanitary sewer system in a manner consistent with Erie's requirements for Erie Commons. The sanitary sewer lines will be designed and installed to conform to the current standards and recommendations of the Colorado Department of Health, Erie, Rules and Regulations adopted by the Districts and sound engineering judgment. Pursuant to an annexation agreement between the Developer and Erie, the Districts are required to reimburse Erie for that portion of the existing sanitary sewer infrastructure that will serve Erie Commons.

2. Storm Drainage.

a. Generally. The Service District plans to install the necessary storm drainage system to serve Erie Commons. The proposed elements of the storm drainage system will provide a network of culverts, and curb and gutter designed and installed in accordance with applicable regulatory standards and sound engineering judgment. The Service District will design and install all storm drainage improvements except for specific improvements within individual development parcels that will be designed and installed by individual developers.

All major storm drainage facilities will be designed to conform to the standards and recommendations for drainage improvements pursuant to Erie design criteria, including the intent of the current Urban Drainage and Flood Control District Master Plan requirements and the Rules and Regulations of the Districts. The development plan for the proposed storm drainage system within the project is more specifically described in Exhibit A.

b. Culverts. Culverts will be installed, as needed, including a culvert in the Briggs Street right-of-way as it bisects the right-of-way for Erie's future regional storm drainage channel. Culverts will be designed to pass flows as required and may include headwalls, wing walls, inlet structures, and riprap protection to enhance their hydraulic capacity and reduce bank or channel erosion.

An overall drainage plan will be developed that will identify the major facilities necessary to convey the storm runoff from Erie Commons. This plan will include all infrastructure required to convey the flows generated within Erie Commons. This plan must maintain the flexibility to modify the major drainage facilities as more detailed information is generated during the design of the individual phases. The overall drainage plan will include the utilization of storm sewers, drainage channels, streets, gutters, and culverts.

3. Water System.

The water system will consist of a water distribution system consisting of buried water mains, fire hydrants, and related appurtenances located predominately within the Districts' boundaries. The proposed domestic potable water distribution system is expected to include pressurized water mains with multiple pressure zones. Water system components will be installed in accordance with the applicable standards of all entities with jurisdiction over the Districts, including Erie. The Drinking Water Design Criteria of the Colorado Department of Health will also be followed where applicable. The water system will also be designed based on

Erie fire protection requirements. The individual water system components will be sized based upon the projected potable, irrigation and fire flow requirements of Erie Commons.

The water distribution system will be dedicated to Erie. The system is expected to include main distribution and transmission lines and related appurtenances. The mains will provide for normal and peak water demands of the project as well as the delivery of fire protection water. The development plan for the proposed water system is described in Exhibit A.

4. Street System and Traffic Safety

a. General. The Service District proposes to construct an arterial street system to serve all of Erie Commons. The existing and proposed elements of the street system will provide a network of major arterial streets to serve the flow of traffic within and surrounding the Districts. All facilities will be designed and installed in accordance with applicable regulatory standards and sound engineering judgment. The development plan for the proposed street system is more specifically described in Exhibit A.

b. Streets. Public streets will be designed and installed to conform to the standards and recommendations of the American Association of State Highway and Transportation Officials, the Colorado Department of Highways (where applicable), Erie's standards and specifications and the Rules and Regulations adopted by the Districts.

Traffic controls and signage will be provided along streets to enhance the flow of traffic within Erie Commons. Streetlights will be installed by the Service District along collector roadways. Lighting of local roadways will be the responsibility of the individual developers of the residential parcels.

c. Landscaping. Landscaping may be installed by the Service District along the roadway rights-of-way and trail easements. The Service District also intends to install landscaped highlights along the internal streets and entry features at major entrances. Additional features may be installed and maintained by the developers of the individual parcels.

d. Signals and Signage. Signals and signage will be installed by the Service District as required by traffic studies, the Service District's Rules and Regulations, and by Erie.

5. Park and Recreation

All park and recreational facilities and/or services will be constructed in accordance with plans and specifications approved by Erie as set forth in Exhibit A. All park and recreational facilities will be constructed in accordance with engineering and design requirements appropriate for the surrounding terrain, and shall be compatible with Erie's standards or the standards of other local public entities, as appropriate.

The Districts, pursuant to the annexation agreement between Developer and Erie, anticipate making a \$500,000 contribution the construction of regional recreational improvements on the Community Center Site as well as providing conceptual site planning as contemplated therein. The

Districts will construct a 7-acre Neighborhood Park by providing grading, irrigation and seeding as needed. Also, the Districts will improve the Coal Creek Corridor immediately adjacent to the Erie Commons Old Town Commercial District through anticipated construction of a regional trail and bridge crossing, and re-vegetation.

C. Estimated Cost of Facilities and Surety

The estimated construction costs of the facilities to be constructed, installed and/or acquired by the Districts is shown in Exhibit D, and are exclusive of all costs of issuance, including but not limited to such issuance expenses and costs like debt service reserves, capitalized interest, underwriter's discount and legal fees, organizational costs, inflation, but inclusive of contingencies and construction management.

Surety required of the Districts by Erie for completion of the public improvements that are funded by the Districts, shall be set at an acceptable level taking into account the quasi-municipal and publicly accessible nature of the improvements constructed by a Title 32 metropolitan district. The amounts and timing of the surety required of the Districts by Erie will be based on final plat approval and shall be due for only the District funded improvements contemplated on a phase by phase basis. The District surety requirements will be in addition to the estimated costs of the public improvements as set forth herein, and shall not count against the Debt Limit as set forth in Section VII.

IV. DEVELOPMENT PROJECTIONS

Land use within the project will be primarily residential and some commercial. See Exhibit C, "Development Projections" for proposed land classifications and densities.

V. PROPOSED AND EXISTING AGREEMENTS

A. Master Intergovernmental Agreement

As noted in this Service Plan, the relationship between the Service District and the Financing District, including the means for approving, financing, constructing, and operating the public services and improvements needed to serve Erie Commons will be established by means of a Master IGA to be executed by the Districts after organization. A final version of the Master IGA shall be submitted to Erie after the election on the organization of the Districts, if not before. The Districts shall not borrow any money, incur any debt, or impose any taxes or fees until Erie approves the Master IGA, which approval shall not be unreasonably withheld. The obligation of the Districts set forth in the Master IGA shall not count against any bonded debt limit or restriction of the Districts.

The Master IGA will establish extensive procedures and standards for the payment of the capital costs of the improvements, the payment of operation and maintenance expenses by the Districts, the payment of the administrative expenses of the Districts by the Financing District and



the construction, acquisition, operation and maintenance of the improvements and the administration of the affairs of the Districts by the Service District.

The Master IGA may be terminated by the parties upon one years notice; provided that (i) prior to termination, the Financing District shall have made all remaining payments into the construction and service accounts and (ii) the Service District shall transfer its interest in the improvements to the Financing District or to Erie.

B. Intergovernmental Agreement with Erie

Subsequent to their organization, the Districts will enter into an IGA with Erie (the "Town IGA") which may generally provide that: (1) Other than as set forth in this Service Plan, they shall take all action necessary to dissolve pursuant to Title 32, Article 1, part 7, C.R.S., as amended from time to time, as provided for under Colorado law if and in the event they do not need to remain in existence to operate and maintain facilities contemplated under this Service Plan; (2) the Districts shall not publish, without written consent of Erie, a notice under 32-1-207(3), C.R.S. of their intent to undertake construction of any facility, the issuance of bonds or other financial obligation, the levy of taxes, the imposition of rates, fees, tolls and charges, or any other proposed activity of the Districts which requires that any action to enjoin such activity as a material departure from the Service Plan be brought within forty-five (45) days of such notice; (3) that as a consequence of the organization, the Districts shall specifically assume certain development obligations of the Developer as set forth in the annexation agreement; (4) the provisions of the annexation agreement and subdivision improvement agreement for Erie Commons shall prevail over inconsistent provisions in the Service Plan; (5) the Districts are subject to Erie's zoning, subdivision and building codes and (6) other provisions as mutually agreed by the parties. The Districts shall not borrow any money, incur any debt or impose any taxes or fees until Erie and the Districts execute the Town IGA, and such execution shall not be unreasonably withheld.

C. Other Agreements/Authority

To the extent practicable, the Districts may enter into additional intergovernmental and other private agreements to better ensure long-term provision of the improvements and services and effective management. Agreements may also be executed with property owner associations and other service providers. All such agreements are authorized to be provided by each, pursuant to Colorado Constitution, Article XIV, Section 18 (2)(a) and Sections 29-1-201, et seq., Colorado Revised Statutes.

Upon formation, the Districts will enter into Erie's standard subdivision improvement agreement ("SIA") for the public improvements that the Districts are able to finance and otherwise provide. The Developer is expected to also enter into a SIA with Erie for other improvements that the Districts will not be undertaking.

## VI. OPERATING COSTS

Estimated costs for operating functions are presented in the Financing Plan at Exhibit F and are initially forecasted at approximately \$30,000 per year increasing 4% per year over the life of the forecast.

## VII. FINANCIAL PLAN

Attached to this Service Plan as Exhibit F is a Financing Plan that shows how the proposed services and facilities may be financed and operated by the Districts. The Financing Plan demonstrates one method that might be used by the Districts, however, alternative financing plans may be employed and utilized by the Districts without additional approval so long as such plans are within the parameters and limits contained herein, and do not constitute a material modification. The Financing Plan includes the proposed operating revenue derived from ad valorem property taxes for each applicable year, including the first budget year, to be used by the Service District. The Master IGA is expected to provide that the obligation of the Financing District to pay the Service District for capital and general operating expenses of the Districts, shall constitute "contractual debt" of the Financing District, but shall not count against the Districts' debt limitation as discussed herein. Accordingly, mill levies certified to make necessary payments to the Service District may be characterized as debt service mill levies notwithstanding that they are also imposed to pay contractual obligations for operations and maintenance services provided by the Service District. Initially, the Service District anticipates borrowing its initial operating and capital project funds from advances made by the Developer or other private entities or by issuing revenue bonds until such time as the Districts are able to generate sufficient revenues from ad valorem mill levies or from other legally permissible revenue sources. At such time, the Financing District is expected to issue limited tax general obligation debt supported by ad valorem mill levies. Proceeds from such bonds are anticipated to be used for, but are not limited to, paying back all funds borrowed by the Service District including any revenue bonds, to finance the acquisition, construction and completion of improvements and to finance all of the costs of issuance of the bonds.

Prior to the closing of any bond issue of either District, the District shall provide Erie with an opinion from the Districts' legal counsel stating that the bond issue is in conformance with the Service Plan. Additionally, in order to allow Erie an opportunity for review, the issuing District shall provide Erie with substantially final forms of any indenture, authorizing resolution and offering document intended to be adopted by the District in connection with such bond issue. Erie shall have ten (10) business days from receipt of such documents to provide the Districts with any and all objections that the structure or terms of such bond issue are in conflict with this Service Plan. Failure to make such objection within the allotted timeframe shall constitute consent to the proposed issuance. The Districts shall be responsible for all reasonable costs of Erie's review, conditioned upon Erie providing the Districts with a not-to-exceed estimate prior to each such review.

The Financing Plan identifies the proposed debt issuance schedules and shows the manner in which the financial operations of the Districts will be coordinated. The Districts are each permitted to impose a mill levy not to exceed forty (40) mills for debt service requirements, and an

aggregate of fifty (50) mills for combined debt service and operational and maintenance requirements of the Districts (collectively referred to as the "Mill Levy Cap"). The Mill Levy Cap shall be subject to automatic adjustment if, after the original date of approval of this Service Plan, the laws of the State change with respect to the assessment of property for taxation purposes, the ratio for determining assessed valuation changes, or other similar changes occur. In these events, the Mill Levy Cap shall be automatically adjusted so that the tax liability of individual property owners neither increases nor decreases as a result of any such changes thereby maintaining a constant level of tax receipts of the Districts and overall tax payments from property owners. The Districts may, eliminate the Mill Levy Cap with Erie's consent.

Upon approval of this Service Plan, the Districts will continue to develop and refine cost estimates contained herein and prepare for bond issuances. All cost estimates will be inflated to current dollars at the time of bond issuance and construction. Engineering and other contingencies, as well as capitalized interest and other costs of financing may be added. All construction cost estimates assume construction to applicable local, state or federal requirements.

The initial estimated construction costs of improvements are \$13,383,171 (in 2003 dollars) as set forth in Exhibit D, exclusive of organizational costs, interest on amounts borrowed from the Developer and other similar costs as well as costs of bond issuance (which shall expressly include, but not limited to debt service reserves, capitalized interest, underwriter's discount and legal fees). Organizational costs are estimated to be approximately \$80,000 and will be reimbursed to the Developer by the Districts out of their initial revenue sources including bond issue proceeds. The combined new money revenue and general obligation debt limit ("Debt Limit") for the Districts will be \$16,000,000, inclusive of organizational costs, but exclusive of any surety requirement, costs of issuance, including but not limited to debt service reserves, capitalized interest, underwriter's discount and legal fees so that the Districts shall have the authority to issue debt in an amount sufficient to fully finance and construct all facilities contemplated herein and fully implement the Service Plan without the need to seek approval of any modification of this Service Plan. Obligations of the Districts in the Master IGA discussed herein will not count against the debt limitation. In the event that the Tallgrass Property is annexed by Erie and included into the boundaries of the Financing District, the Debt Limit may be adjusted, if needed, with the consent of and approval by Erie. Increases in debt necessary to accomplish a refunding, re-issuance or restructuring of debt shall not count against the Debt Limit. If the Financing Plan assumptions are more conservative than what actually develops, the Districts, upon Erie's approval, shall have the ability to utilize excess debt capacity, which may develop within the Districts. The Districts shall also be permitted to seek debt authorization from their electorates in excess of the Debt Limit to account for contingencies. Reasonable modifications of public facilities and cost estimates shall be permitted. Final determination of the amount of debt for which approval will be sought from each District's electorate from time to time will be made by the Board of Directors of each District based on then current estimates of construction costs, issuance costs, and contingencies. Authorization to issue bonds and enter into various agreements described herein will be sought from each District's electorate pursuant to the terms of the Special District Act, and the Colorado Constitution, as amended from time to time.

In addition to ad valorem property taxes, and in order to offset the expenses of the anticipated construction and the Service District operations and maintenance costs, the Districts may

also rely upon various other revenue sources authorized by law. These will include the power to assess fees, rates, tolls, penalties, or charges as provided in § 32-1-1001(1), C.R.S., as amended. To the extent the Districts desire to adopt a fee not specifically contemplated pursuant to the Financing Plan, they shall advise Erie of the level of the anticipated fee and the reasons therefor and obtain Erie's consent of the same, which shall not be unreasonably withheld. The Financing Plan assumes various sources of revenue, including ad valorem property taxes, specific ownership taxes, together with interest earnings on retained amounts. Additionally, the Districts may receive certain revenues from reimbursement payments for the construction of public facilities as more fully described within the Financing Plan.

The Financing Plan does not project any significant accumulation of fund balances that might represent receipt of revenues in excess of expenditures under the TABOR Amendment. The operations of the Service District may, under certain circumstances, qualify as "enterprises" under the TABOR Amendment. If its operations do not qualify as enterprises under TABOR, revenues from all sources that exceed the permitted level of expenditures in a given year will be refunded to taxpayers, unless a vote approving the retention of such revenues is obtained. To the extent annual Districts' revenues exceed expenditures in this manner, the Districts will comply with the provisions of TABOR and either refund the excess or obtain voter approval to retain such amounts.

The maximum voted interest rate for bonds will be 18%. The proposed maximum underwriting discount will be 5%. The maximum term of bonds issued by the Districts shall be forty (40) years, and it shall be a condition that any amount of outstanding principal and/or accrued interest that remains unpaid upon final maturity of the bonds shall be deemed to be forever discharged and satisfied in full. Interest on all bonds and other debt instruments of the Districts, inclusive of reimbursement obligations to the Developer, shall be restricted to simple interest and will not compound. Acceleration of debt service shall be prohibited upon all bonds and other debt instruments of the Districts, inclusive of reimbursement obligations to the Developer.

In the discretion of the Boards of Directors, the Districts may set up other qualifying entities to manage, fund, construct and operate facilities, services, and programs. To the extent allowed by law, any entity created by the Districts will remain under the control of their Boards of Directors.

The Financing Plans demonstrate that the Districts will have the financial capability to discharge the proposed indebtedness with reasonable mill levies assuming reasonable increases in assessed valuation and assuming the rate of build-out estimated in the Financing Plan.

## VIII. OTHER REQUIREMENTS

The Districts shall be subject to the following additional requirements:

1. The Districts shall be responsible for submitting an annual report to Erie no later than March 1 for the prior year. The annual report shall include information as to any of the following events that occurred during the preceding calendar year as of December 31<sup>st</sup>:

- a. Boundary changes made or proposed.

- b. Intergovernmental Agreements with other governmental entities entered into or proposed.
- c. Changes or proposed changes in the Districts' policies.
- d. Changes or proposed changes in the Districts' operations.
- e. Any changes in the financial status of the Districts including revenue projections, or operating costs.
- f. A summary of any litigation which involves the Districts.
- g. Proposed plans for the year immediately following the year summarized in the annual report.
- h. Status of Districts' Public Improvement Construction Schedule.
- i. A list of all facilities and improvements constructed by the Districts that have been dedicated to and accepted by Erie.
- j. Summary of current assessed valuation in the Districts.

2. Material modifications of this Service Plan, except as contemplated herein, shall be subject to approval by Erie in accordance with the provisions of § 32-1-207, C.R.S. and the Town IGA.

3. Written notice of all regular and special meetings of the Districts will be delivered to the office of the City Clerk. Notices shall be delivered at least three days prior to such meeting.

4. The Districts shall be prohibited from claiming entitlement to funds from the Conservation Trust Fund. The Districts shall not apply for any grants from Greater Outdoors Colorado.

5. The Districts agree that they shall not be authorized or undertake any eminent domain actions pursuant to section 32-1-1004 (4), C.R.S. without the prior approval from Erie.

6. The petitioners for organization of the Districts will make a good faith effort to assure that the developers of the property located within the Districts provide adequate written notice to purchasers of land in the Districts regarding the existence of taxes, charges, or assessments which may be imposed in connection with the Districts by providing a written disclosure of the same. It is anticipated that the petitioners will require that all builders purchasing property within the Districts from the petitioners will provide such disclosure to homebuyers at the time of contracting. The disclosure shall include, but not necessarily be limited to the following matters: (1) the Districts' authorized debt; (2) facilities and services to be operated and maintained by the Districts or via contract with the HOA; (3) maximum mill levy and the procedure for any adjustment thereto; (4) any applicable fees and a statement that such fees are separate from any applicable HOA fees. Subsequent to organization, the Districts shall record the disclosure in the real property records of the County of Weld, State of Colorado.

## IX. CONCLUSIONS

It is submitted that this Service Plan as required by § 32-1-203(2), C.R.S., has established that:

(a) There is sufficient existing and projected need for organized service in the area to be served by the Districts;

(b) The existing service in the area to be served by the Districts is inadequate for present and projected needs;

(c) The Districts are capable of providing economical and sufficient service to the area within its boundaries;

(d) The area included in the Districts will have, the financial ability to discharge the proposed indebtedness on a reasonable basis;

Therefore, it is requested that the Town Council of Erie, Colorado, adopt a resolution that approves this "Consolidated Service Plan for Erie Commons Metropolitan District Nos. 1 and 2," as submitted, which shall be attached hereto as Exhibit G.

Respectfully submitted,

By:   
WHITE AND ASSOCIATES PROFESSIONAL  
CORPORATION

K. Sean Allen, Esq.  
Counsel to Proponents of the Districts

**EXHIBIT A**  
**Development Plan**

Erie Commons  
Districts Nos. 1 and 2

Proposed Facilities/ Improvements Narrative

A. Parks and Recreation

1. Community Center Site – The District will contribute \$500,000 to the Town for regional recreational improvements on the Community Center Site.
2. 7-Acre Neighborhood Park – The District will grade, seed and construct the irrigation improvements on 7 acres to be utilized as a neighborhood park by the Erie Commons and neighboring communities residents.
3. Coal Creek Corridor – The District will improve the creek corridor immediately adjacent to the Erie Commons Old Town Commercial District. These improvements and the associated re-vegetation of the native creek corridor will require extensive studies and engineering. This will include construction of the regional trail and a bridge crossing.
4. Tot Lots – The District will construct the required Tot Lots.
5. Misc. Trails – The District will construct additional trails within the development that provide for internal pedestrian connectivity.
6. Community Amenity South – The District will construct and pool and water play feature adjacent to a Tot Lot.

B. Streets and Traffic Safety

1. Leon A. Wurl Parkway – The District will construct two-lane improvements with traffic signalization to the Leon A. Wurl Parkway adjacent to the property or as otherwise delineated in the annexation agreement, including landscaping adjacent to the Owner's development parcels.
2. Leon A. Wurl Crossing – The District will construct a grade separated crossing of LAW from the southern portion of the development to the Community Center Site.
3. Briggs Street – The District will construct Briggs Street from the current terminus in Old Town thru LAW including the connector roadway located south of LAW.
4. County Line Road – The District will contribute to half road improvements of County Line Road adjacent to the property including re-vegetation of the row.
5. Mason Street – The District will construct ½ of Mason Street adjacent to the project and construct Mason Street through the project.
6. Jasper Road – The District will construct Jasper Road from County Line Road to Briggs Street.



5/29/03

C. Storm Drainage

1. Erie Outfall Systems Improvements – The District is responsible for constructing drainage improvements on Erie Commons that convey historic drainage to Coal Creek these improvements will include a culvert in the Briggs Street row as it bisects the row for the Town's future regional storm drainage channel and roadway improvements within the collector roadway system.

D. Water System

1. Water Main, Bore and PRV Valve – The District will construct the water trunk lines within the project including the necessary PRV valve for the appropriate pressure zone.

E. Sanitation

1. Collection Lines – The District will repay the Town for the existing sanitary sewer infrastructure that will serve the site and construct any sewer collection lines as required in addition to constructing the collection lines within the collector roadway system.

Erie Commons  
Districts Nos. 1 and 2

Proposed Facilities/ Improvements Timing

Description	Timing of Expense
<b>A. Parks and Recreation</b>	
1. Community Center Site	with first plat
2. 7-Acre Neighborhood Park	with development of Parcel B2
3. Coal Creek Corridor	with first commercial plat development
<b>B. Streets and Traffic Safety</b>	
1. LAW Parkway	with first phase of development
2. LAW Crossing	with adjacent development
3. Briggs Street	with first commercial plat development
4. County Line Road	prior to issuance of 50% of CO's
<b>C. Storm Drainage</b>	
1. Drainage Crossing of Briggs Street	with first commercial plat development
2. Drainage Crossing North of LAW	as required by adjacent drainage
3. Drainage Crossing South of LAW	as required by adjacent drainage
<b>D. Water System</b>	
1. Watermain North of LAW	with first connection north
2. Watermain Sout of LAW w/ bore & prv	with first connection south
<b>E. Sanitation</b>	
1. Sanitary North of LAW w/ Town repayment	with first connection
2. Sanitary South of LAW	

Erie Commons  
Districts Nos. 1 and 2

Proposed Facilities/ Improvements Timing

Per attached Phasing Map

Phase 1  
Phase 2  
Phase 1

Phase 1  
Phase 1  
Phase 1  
Phase 3

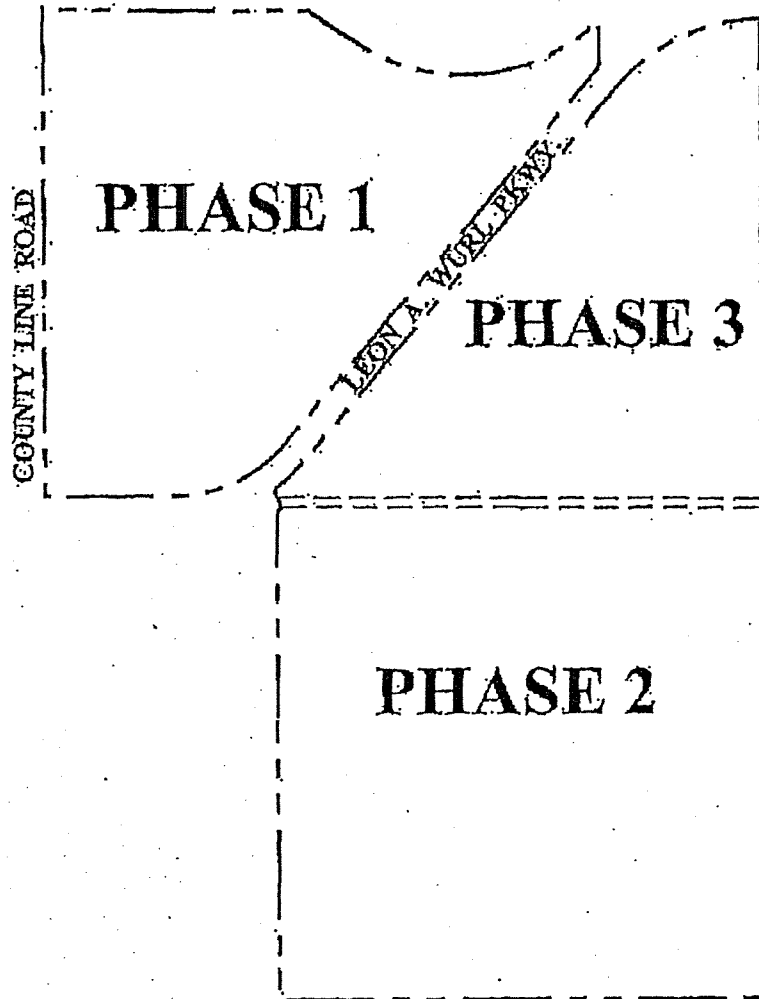
Phase 1  
Phase 1  
Phase 3

Phase 1  
Phase 2

Phase 1  
Phase 2

# ERIE COMMONS PHASING DIAGRAM

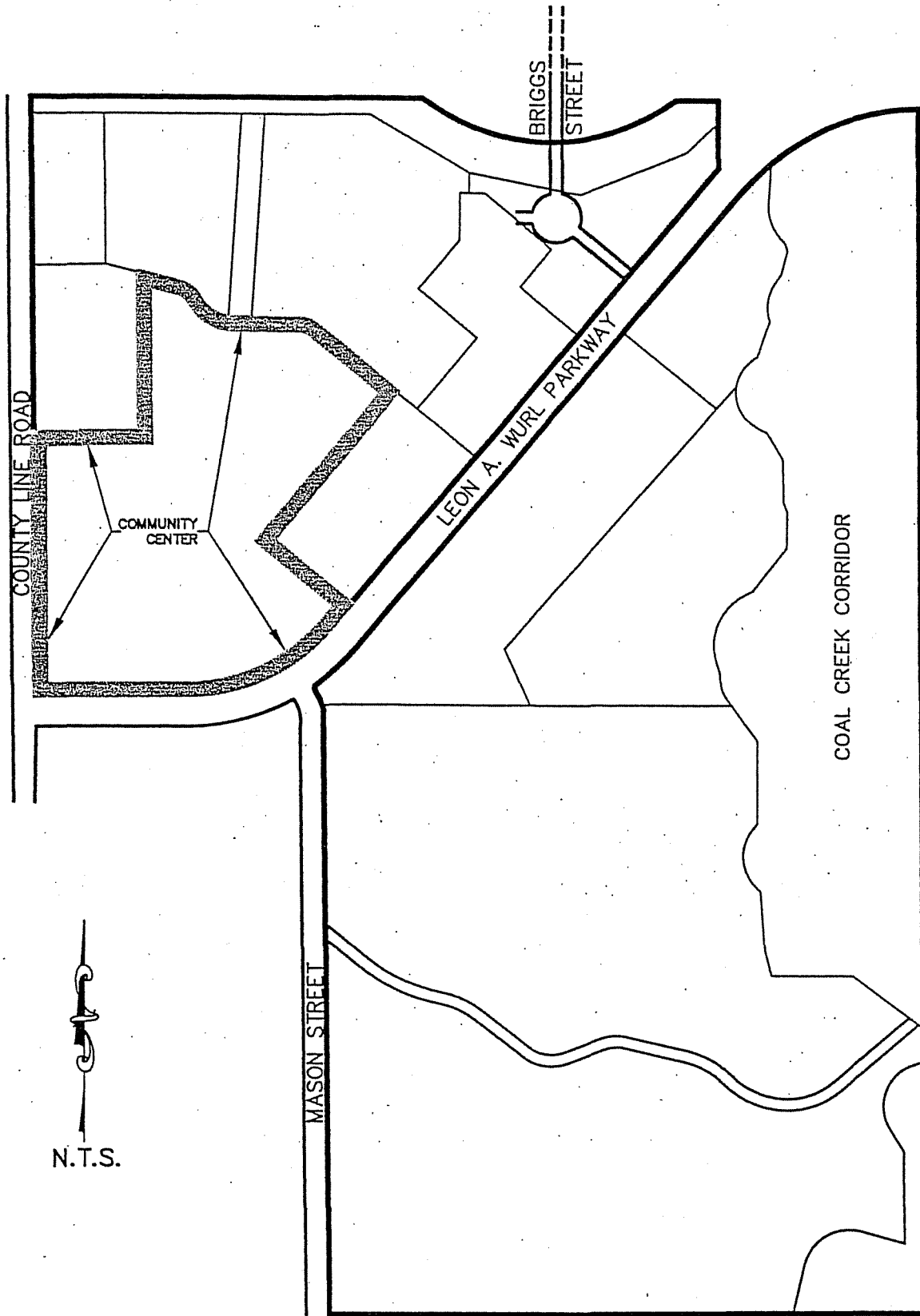
N.T.S



## Phasing

The overall phasing plan for the development consists of three steps:

1. Parcel A, north of Leon A. Wurl will be developed first, including commercial areas, trails, and residential areas.
2. Parcel B, Tracts B-2 and B-3 south of the existing gas line will be developed second, including a regional park, trails, and residential areas.
3. Parcel B, Tracts B-1, B-4, and B-5 will be developed third, including commercial areas, mixed-use development, trails, and residential areas.



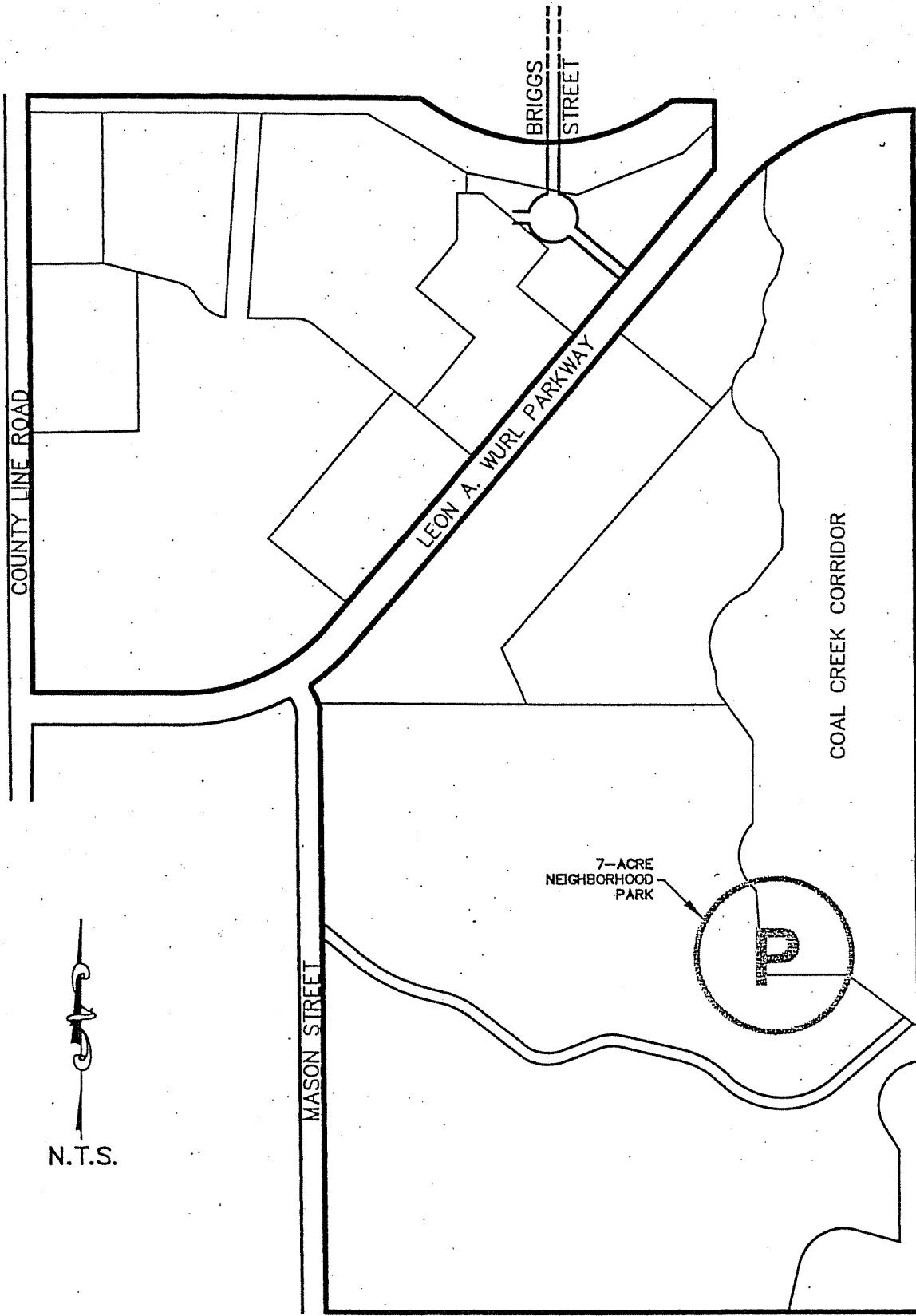
ERIE COMMONS  
METROPOLITAN DISTRICT EXHIBIT

A1 COMMUNITY CENTER SITE



CONSULTANTS, INC. OF COLORADO

7901 E. Belleview Avenue  
Suite 150  
Englewood, CO 80111  
Tel: (720) 482-9526  
Fax: (720) 482-9546



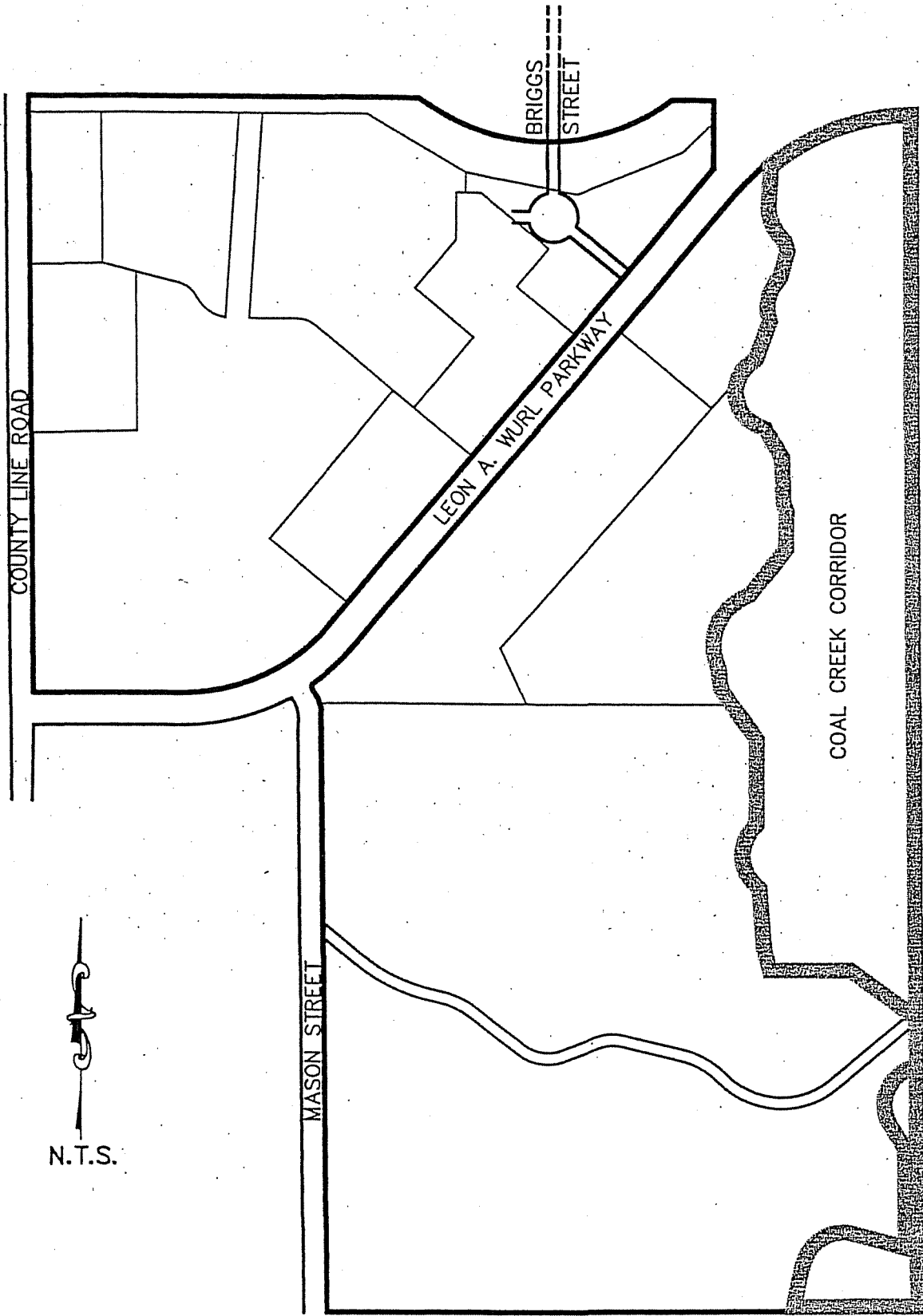
ERIE COMMONS  
METROPOLITAN DISTRICT EXHIBIT

A2 7-ACRE NEIGHBORHOOD PARK



CONSULTANTS, INC. OF COLORADO

7901 E. Belleview Avenue  
Suite 150  
Englewood, CO 80111  
Tel: (720) 482-9526  
Fax: (720) 482-9546



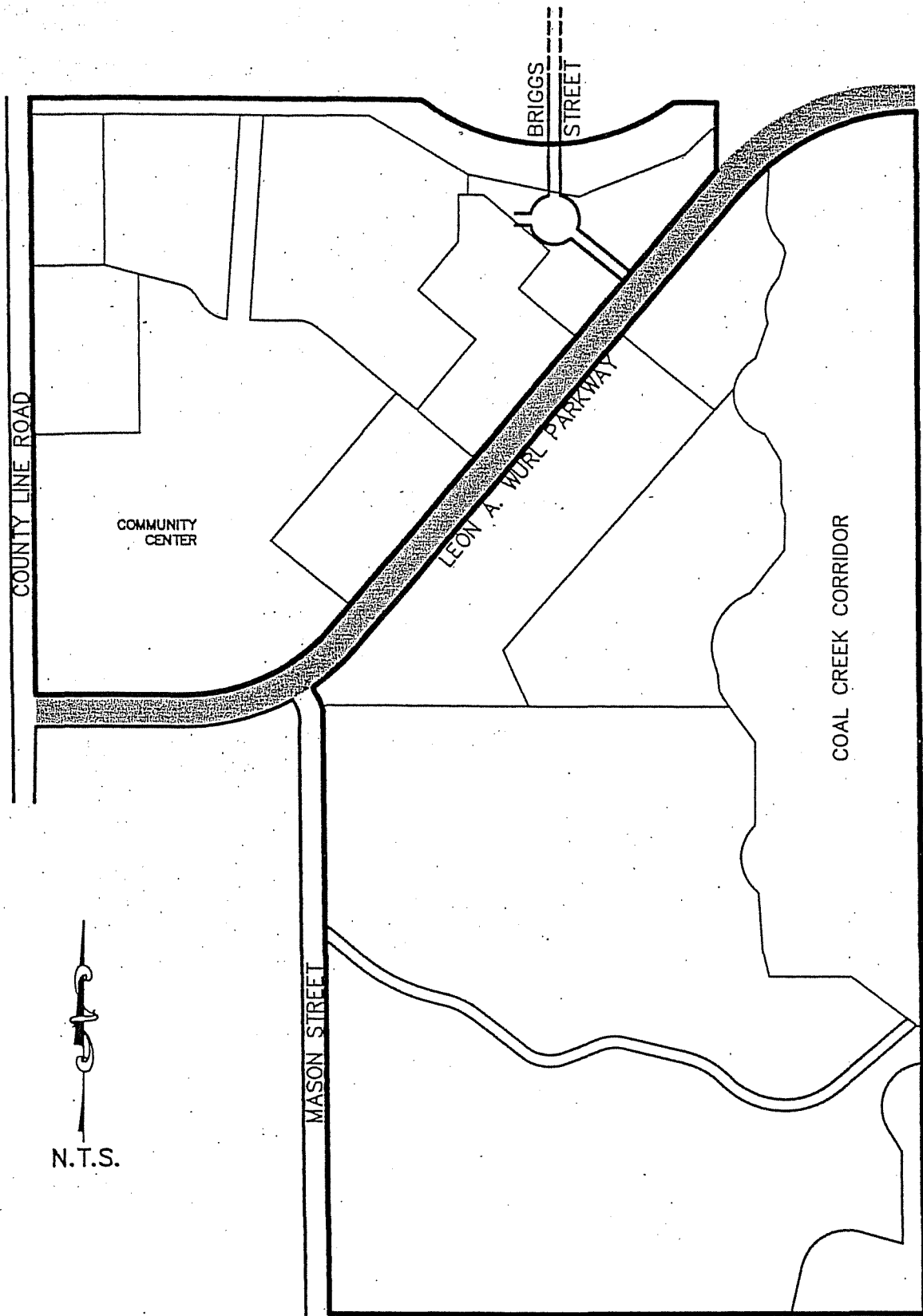
ERIE COMMONS  
METROPOLITAN DISTRICT EXHIBIT

A3. COAL CREEK CORRIDOR



CONSULTANTS, INC. OF COLORADO  
CIVIL ENGINEERING · LAND SURVEYING · LAND PLANNING

7901 E. Belleview Avenue  
Suite 150  
Englewood, CO 80111  
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ERIE COMMONS  
METROPOLITAN DISTRICT EXHIBIT

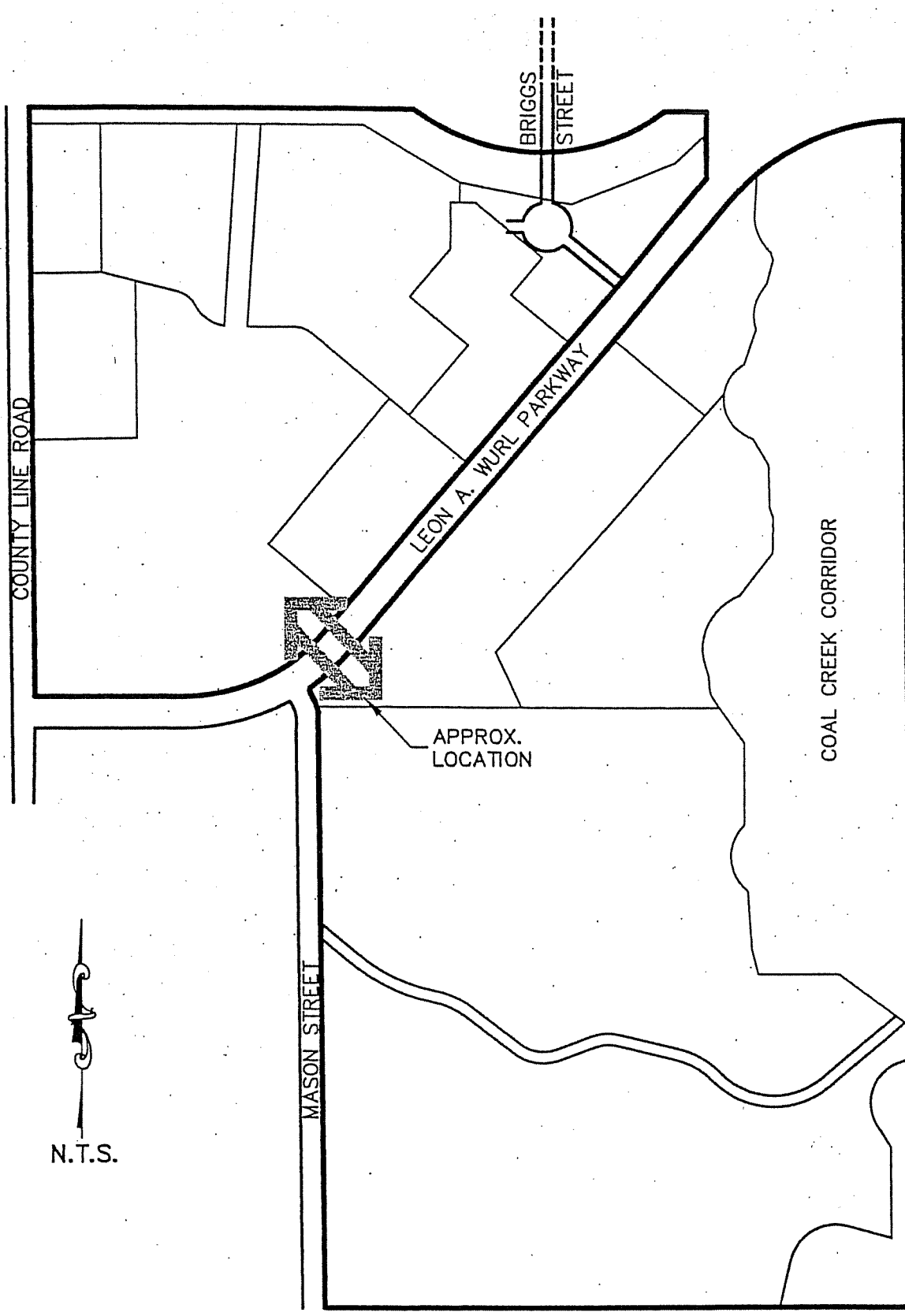
B1. LEON A. WURL PARKWAY



CONSULTANTS, INC. OF COLORADO  
CIVIL ENGINEERING · LAND SURVEYING · LAND PLANNING

7901 E. Belleview Avenue  
Suite 150  
Englewood, CO 80111  
Tel: (720) 482-9526  
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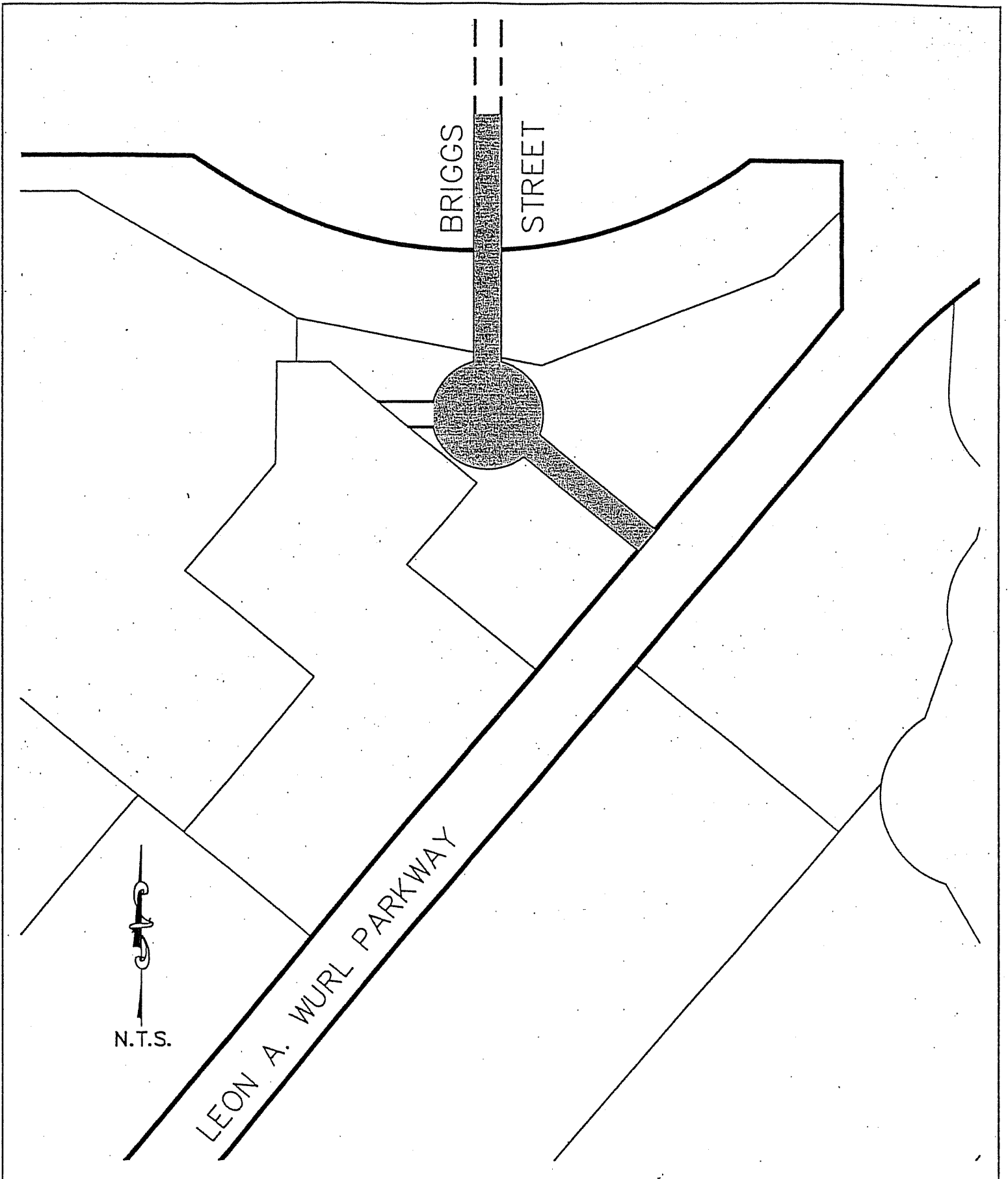
ERIE COMMONS  
METROPOLITAN DISTRICT EXHIBIT

B2. LEON A. WURL CROSSING



CONSULTANTS, INC. OF COLORADO  
CIVIL ENGINEERING • LAND SURVEYING • LAND PLANNING

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Englewood, CO 80111  
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ERIE COMMONS  
METROPOLITAN DISTRICT EXHIBIT

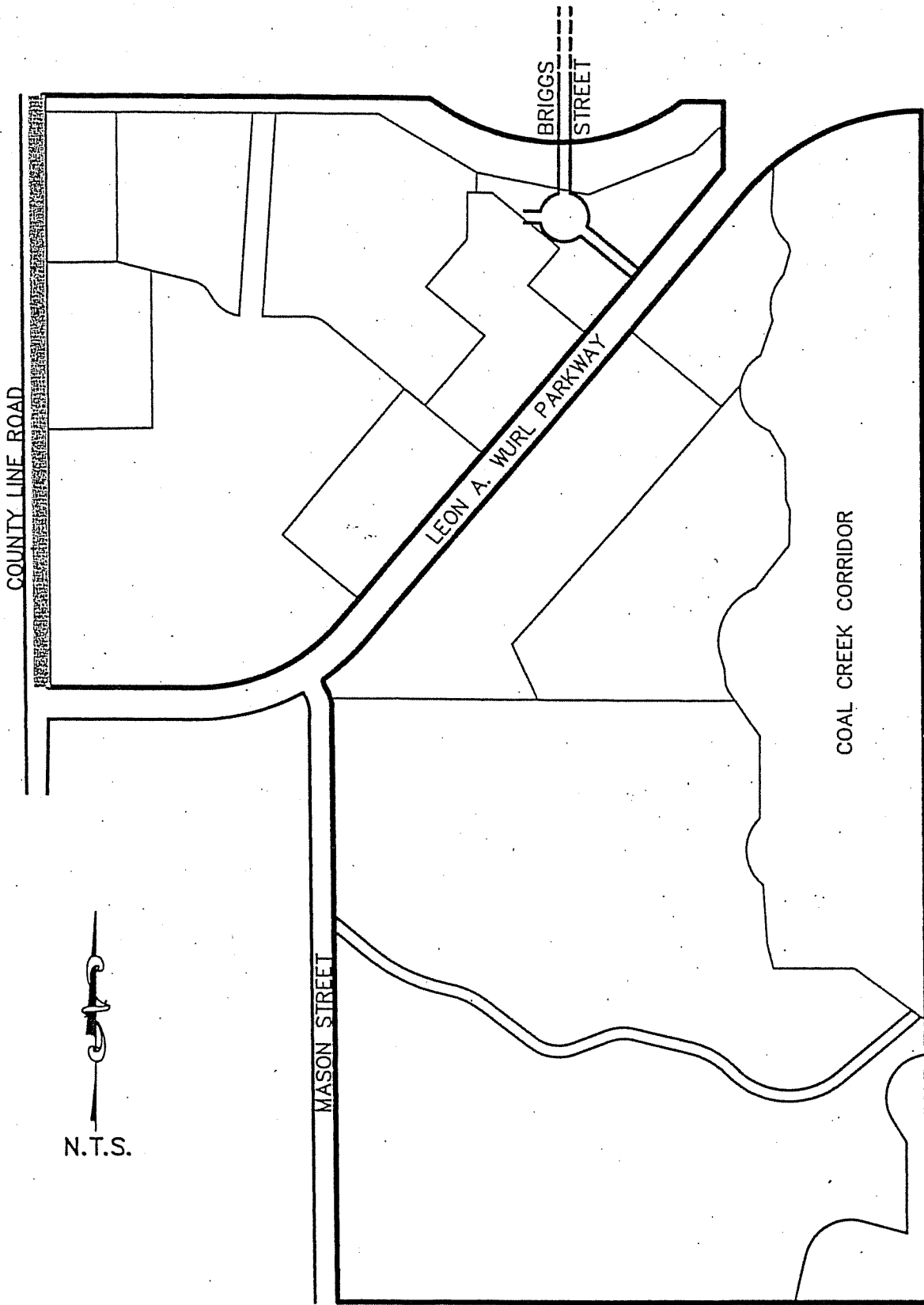
B3. BRIGGS STREET



CONSULTANTS, INC. OF COLORADO

CIVIL ENGINEERING • LAND SURVEYING • LAND PLANNING

7901 E. Belleview Avenue  
Suite 150  
Englewood, CO 80111  
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ERIE COMMONS  
METROPOLITAN DISTRICT EXHIBIT

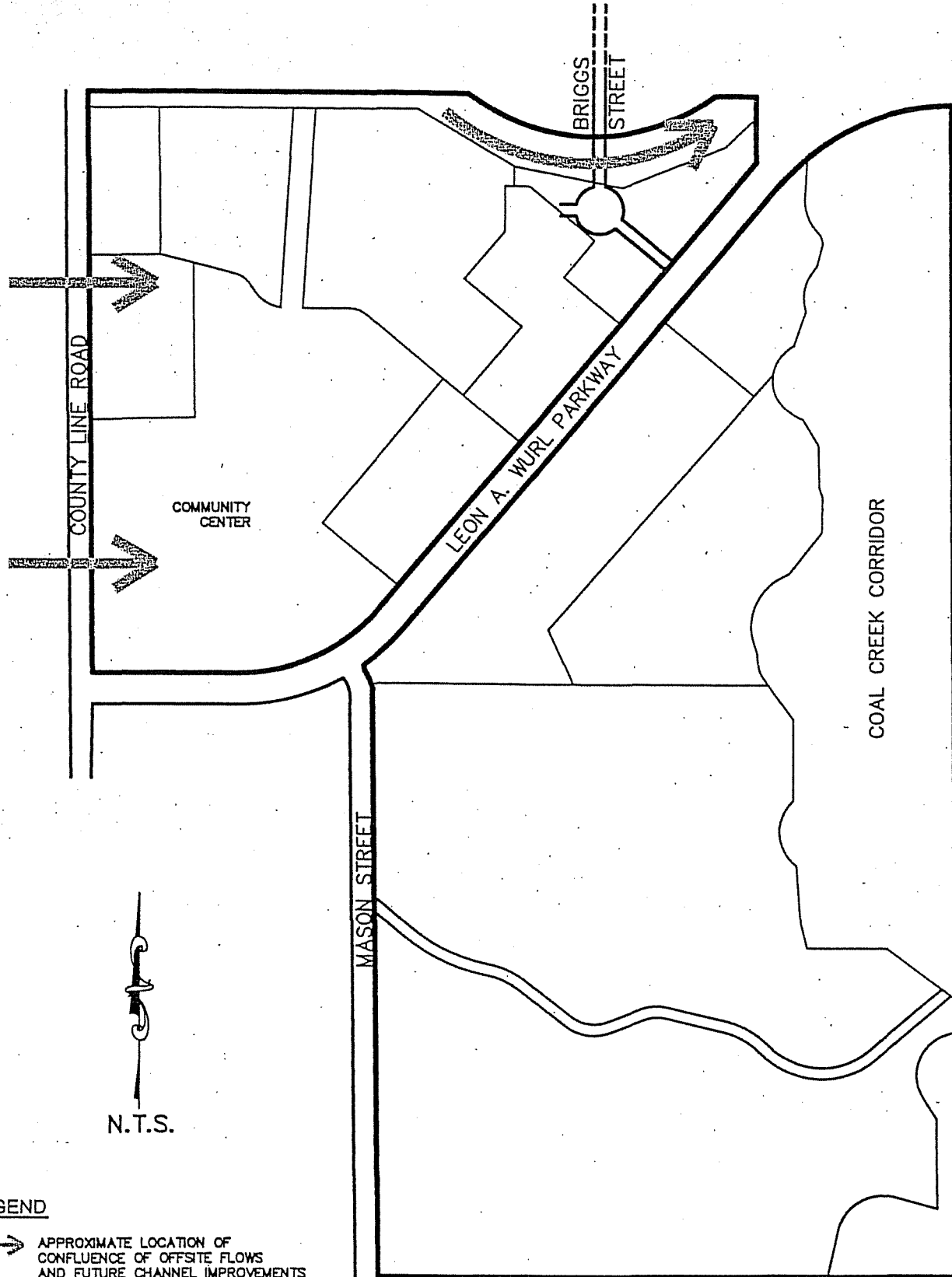
B4. COUNTY LINE ROAD



CONSULTANTS, INC. OF COLORADO

CIVIL ENGINEERING · LAND SURVEYING · LAND PLANNING

7901 E. Belleview Avenue  
Suite 150  
Englewood, CO 80111  
Tel: (720) 482-9526  
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**LEGEND**

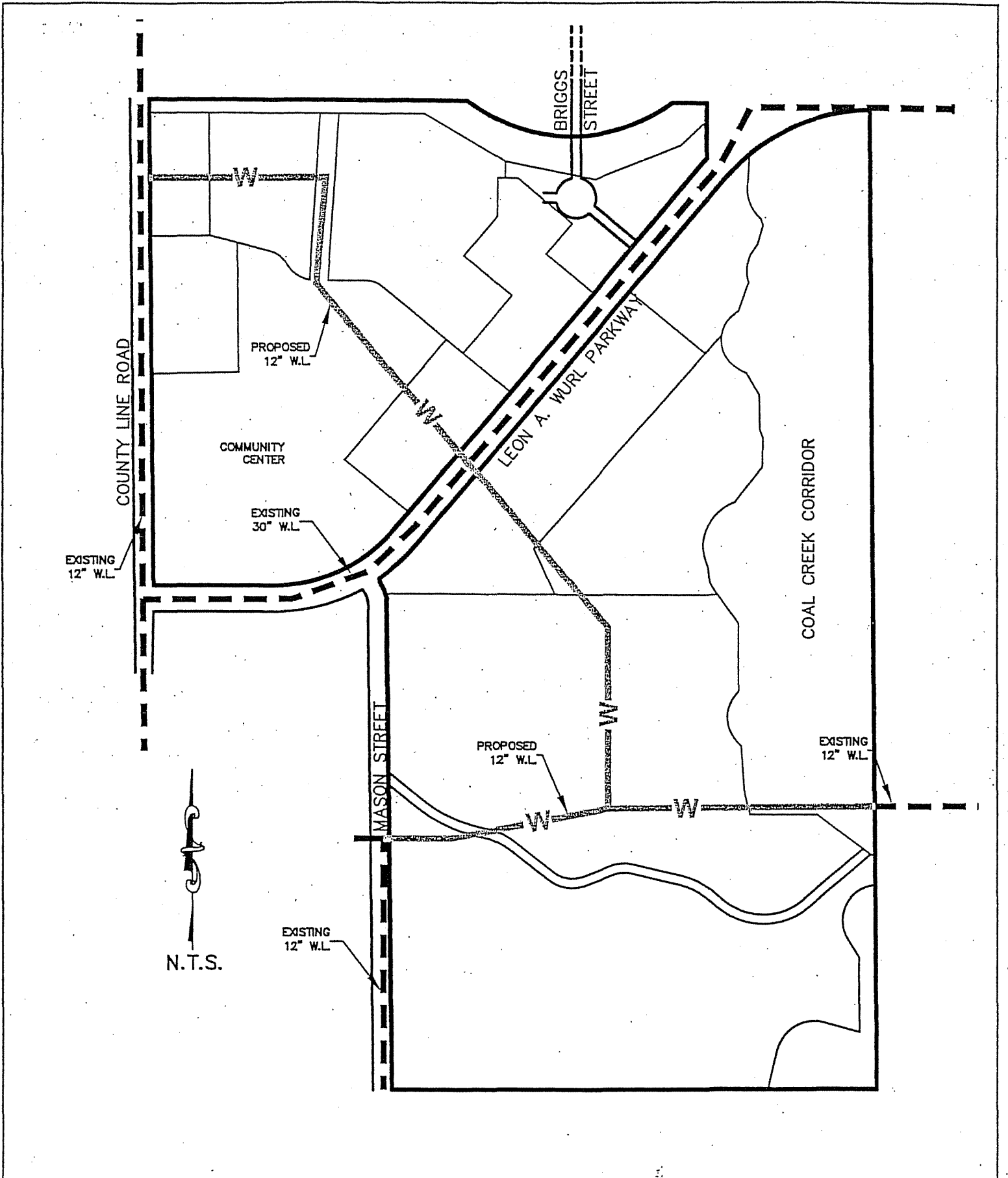
→ APPROXIMATE LOCATION OF CONFLUENCE OF OFFSITE FLOWS AND FUTURE CHANNEL IMPROVEMENTS

**ERIE COMMONS  
METROPOLITAN DISTRICT EXHIBIT**

C1 ERIE OUTFALL SYSTEMS IMPROVEMENTS



7901 E. Belleview Avenue  
Suite 150  
Englewood, CO 80111  
Tel: (720) 482-9526  
Fax: (720) 482-9546



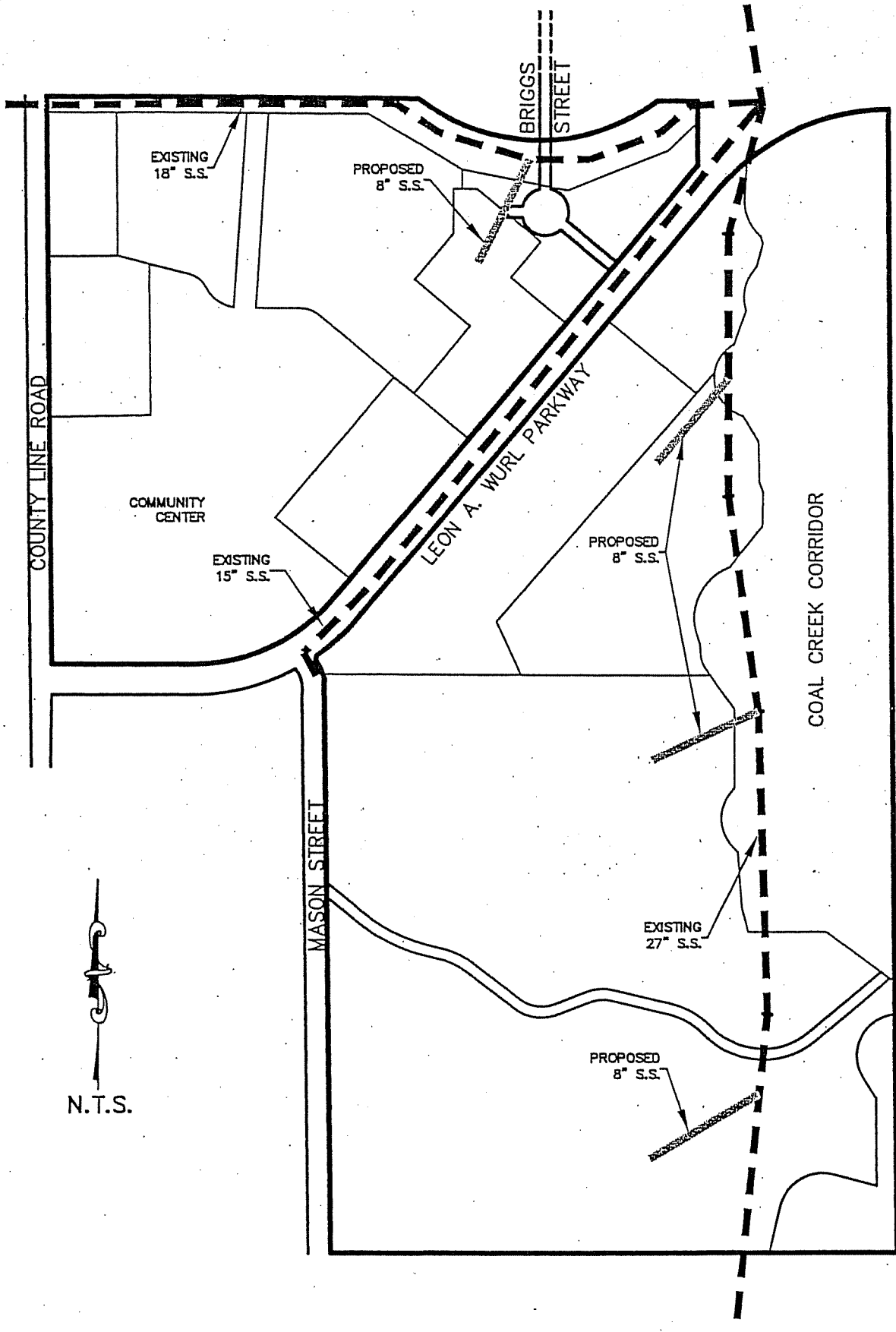
ERIE COMMONS  
METROPOLITAN DISTRICT EXHIBIT

D1 WATER MAIN



CONSULTANTS, INC. OF COLORADO

7901 E. Belleview Avenue  
Suite 150  
Englewood, CO 80111  
Tel: (720) 482-9526  
Fax: (720) 482-9546



ERIE COMMONS  
 METROPOLITAN DISTRICT EXHIBIT

E1. EXISTING INFRASTRUCTURE

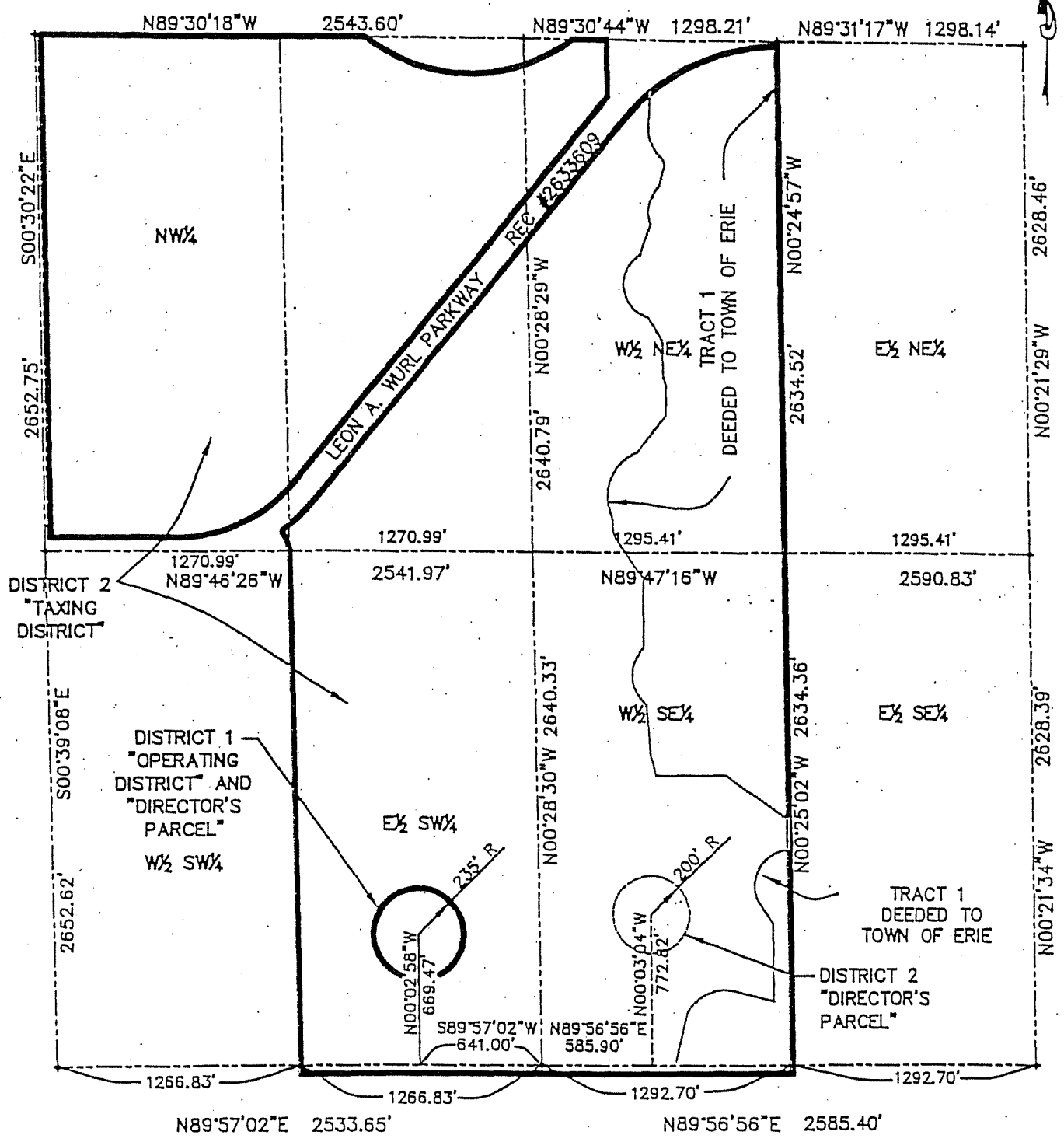
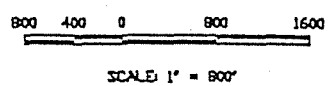


CONSULTANTS, INC. OF COLORADO

7901 E. Belleview Avenue  
 Suite 150  
 Englewood, CO 80111  
 Tel: (720) 482-9526  
 Fax: (720) 482-9546

**EXHIBIT B**  
**Map – Boundaries**

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SECTION 19, T 1 N, R 68 W - WELD COUNTY, COLORADO

JANUARY 4, 2001

ERIE COMMONS  
METROPOLITAN DISTRICT EXHIBIT



7901 E. Belleview Avenue  
Suite 150  
Englewood, CO 80111  
Tel: (720) 482-9526  
Fax: (720) 482-9546

This drawing is intended to accompany the attached legal description and does not represent a monumented land survey.

CONSULTANTS, INC. OF COLORADO  
CIVIL ENGINEERING · LAND SURVEYING · LAND PLANNING



**EXHIBIT C**  
**Development Projections**

ERIE COMMONS METROPOLITAN DISTRICT DEVELOPMENT PLAN									
PRODUCT	UNIT	VALUE PER UNIT	TOTAL	2005	2006	2007	2008	2009	2010
52.5's	EACH	\$ 250,000	137	30	29	41	37		
55's	EACH	\$ 275,000	252	62	45	50	60	35	
65's	EACH	\$ 345,000	156	34	41	32	49		
Multifamily	EACH	\$ 225,000	225	-	72	72	81		
Commercial	S.F.	\$ 83	290,000	80,000	180,000	-	-	-	30,000

**EXHIBIT D**  
**Estimated Costs of Improvements**

5/29/03

Erie Commons  
Districts Nos. 1 and 2

Proposed Facilities/ Improvements Cost Estimate

A. Parks and Recreation

1. Community Center Site	\$500,000
2. 7-Acre Neighborhood Park	\$767,622
3. Coal Creek Corridor	\$1,391,611
4. Tot Lots	\$1,303,995
5. Misc. Trails	\$27,322
6. Community Amenity South	\$745,140

B. Streets and Traffic Safety

1. Leon A. Wurl Parkway	\$2,561,492
2. LAW Crossing	\$200,000
3. Briggs Street	\$991,607
4. County Line Road	\$678,077
5. Mason Street	\$982,000
6. Jasper Road	\$894,000

C. Storm Drainage

1. in LAW Parkway	\$156,000
2. in Briggs Street	\$52,000
3. in Jasper Road	\$145,000
4. Outfall South	\$543,952
5. Outfall North	\$319,541
6. Ditch Piping	\$407,343

D. Water System

1. in LAW Parkway	\$84,000
2. in Briggs Street	\$122,000
3. in Jasper Road	\$82,000
4. in Mason Street	\$87,000
5. PRV Valves	\$124,190

E. Sanitation

1. in Briggs Street	\$57,000
2. in Jasper Road	\$87,000
3. Sewer Connection	\$65,000

**EXHIBIT E**  
**Legal Descriptions**



Civil Engineering  
Land Surveying  
Land Planning

DESCRIPTION OF DISTRICT 2 "TAXING DISTRICT"

A part of Section 19, Township 1 North, Range 68 West of the Sixth Principal Meridian, Town of Erie, County of Weld, State of Colorado, more particularly described as follows:

All of the Northwest Quarter and part of the Northeast Quarter of said Section 19 lying northerly of Leon A. Wurl Parkway as described at Reception Number 2633609 in the Weld County Clerk and Recorder's Office and southerly of the north right of way line of the Union Pacific Railroad.  
Containing 120.600 acres, more or less.

Together with

All of the Northwest Quarter, the West Half of the Northeast Quarter, the West Half of the Southeast Quarter and the East Half of the Southwest Quarter of said Section 19 lying southerly of the Leon A. Wurl Parkway as described at Reception Number 2633609 in the Weld County Clerk and Recorder's Office, excepting the right of way of any County Road.  
Containing 246.540 acres, more or less.

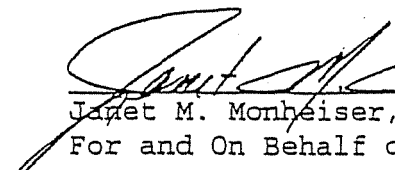
EXCEPTION THEREFROM

A parcel of land 235 feet in radius in the Southwest Quarter of Section 19, Township 1 North, Range 68 West of the Sixth Principal Meridian, Town of Erie, County of Weld, State of Colorado, more particularly described as follows:

COMMENCING at the South Quarter corner of said Section 19;  
Thence South 89°57'02" West along the southerly line of the Southwest Quarter of said Section 19 a distance of 641.00 feet to a point;  
Thence North 00°02'58" West a distance of 669.47 feet to the center point of said parcel.

Containing 3.983 Acres, more or less.

CONTAINING A TOTAL OF 363.157 ACRES, MORE OR LESS.

  
Janet M. Monheiser, PLS  
For and On Behalf of CVL Consultants, Inc.





Civil Engineering  
 Land Surveying  
 Land Planning

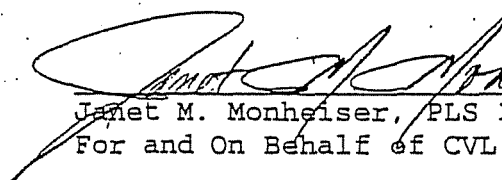
CONSULTANTS, INC.

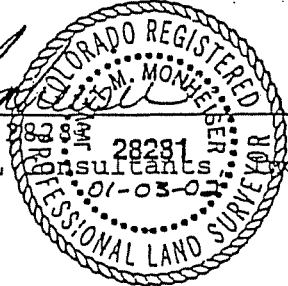
DESCRIPTION OF DISTRICT 2 "DIRECTOR'S PARCEL"

A parcel of land 200 feet in radius in the Southeast Quarter of Section 19, Township 1 North, Range 68 West of the Sixth Principal Meridian, Town of Erie, County of Weld, State of Colorado, more particularly described as follows:

COMMENCING at the South Quarter corner of said Section 19;  
 Thence North 89°56'56" East along the southerly line of the Southeast Quarter of said Section 19 a distance of 585.90 feet to a point;  
 Thence North 00°03'04" West a distance of 772.82 feet to the center point of said parcel.

Containing 2.885 Acres, more or less.

  
 Janet M. Monheiser, PLS 28281  
 For and On Behalf of CVL Consultants, Inc.



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 January 3, 2002



Civil Engineering  
 Land Surveying  
 Land Planning

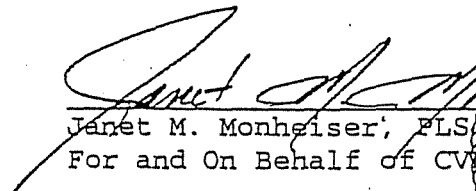
CONSULTANTS, INC.

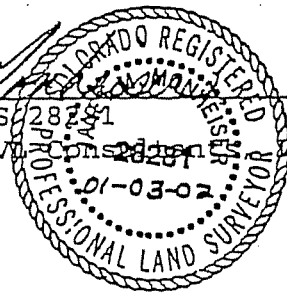
DESCRIPTION OF DISTRICT 1 "OPERATING DISTRICT" AND "DIRECTOR'S PARCEL"

A parcel of land 235 feet in radius in the Southwest Quarter of Section 19, Township 1 North, Range 68 West of the Sixth Principal Meridian, Town of Erie, County of Weld, State of Colorado, more particularly described as follows:

COMMENCING at the South Quarter corner of said Section 19;  
 Thence South 89°57'02" West along the southerly line of the Southwest Quarter of said Section 19 a distance of 641.00 feet to a point;  
 Thence North 00°02'58" West a distance of 669.47 feet to the center point of said parcel.

Containing 3.983 Acres, more or less.

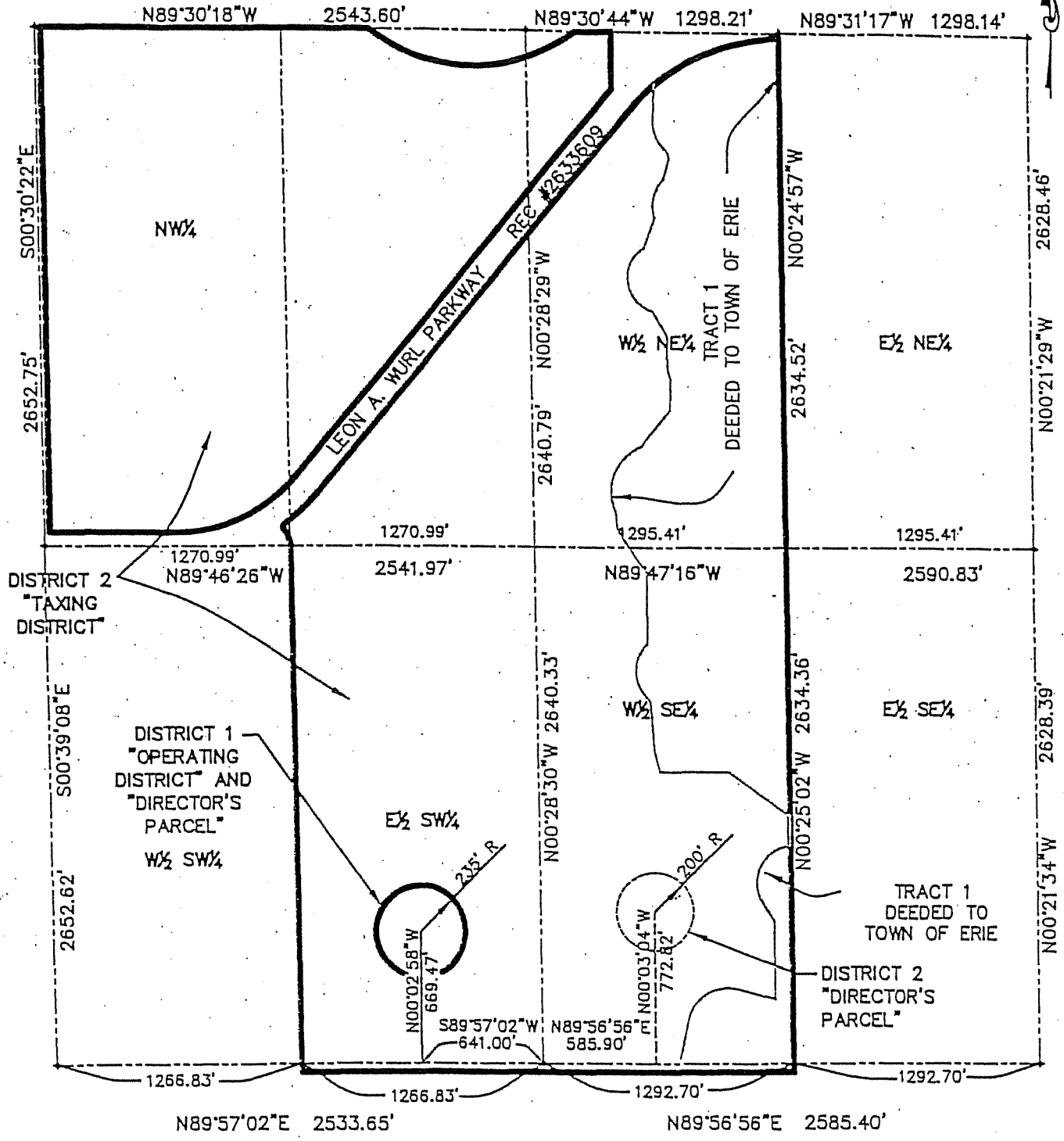
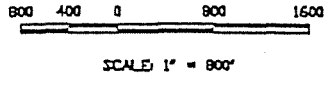
  
 Janet M. Monheiser, PLS 28281  
 For and On Behalf of CVL Consultants, Inc.



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 January 3, 2002



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SECTION 19, T 1 N, R 68 W - WELD COUNTY, COLORADO

JANUARY 4, 2001

ERIE COMMONS  
METROPOLITAN DISTRICT EXHIBIT



7901 E. Belleview Avenue  
Suite 150  
Englewood, CO 80111  
Tel: (720) 482-9526  
Fax: (720) 482-9546

This drawing is intended to accompany the attached legal description and does not represent a monumented land survey.

CONSULTANTS, INC. OF COLORADO  
CIVIL ENGINEERING • LAND SURVEYING • LAND PLANNING

**EXHIBIT F**  
**Financing Plan**

6/5/03

**Erie Commons Metropolitan Districts No.1 and No. 2**

**Forecasted Statements**

**Sources and Uses of Funds**

**For the Years Ending**

**December 31, 2003 through 2041**

**Erie Commons Metropolitan Districts No. 1 and No. 2**  
Erie, Colorado

Summary of Significant Assumptions and Accounting Policies  
December 31, 2003 through 2041

The following forecast presents, to the best of the Petitioner's knowledge and belief, the expected cash receipts and disbursements for the forecast period. Accordingly, the forecast reflects the Petitioner's judgment as of June 5, 2003. The assumptions disclosed herein are those that the Petitioner believes are significant to the forecast. There will usually be differences between the forecasted and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material.

The purpose of this forecast is to show the amount of funds available for construction of infrastructure within the Districts by the issuance of promissory notes to the Developer and the anticipated funds available for repayment of the promissory notes.

The Petitioner anticipates the formation of two (2) Title 32 Special Districts.

**Note 1. Ad Valorem and Specific Ownership Taxes**

Residential property is currently assessed at 7.96% of actual value. The market values of residential units within the District will range from \$225,000 to \$345,000 and will vary based upon the type of unit, development location and lot size. Market values are inflated at 4% per year commencing in the third year of buildout of all units. Commercial property is currently assessed at 29% of actual value. The market value of commercial property within the District assumes a total of 290,000 square feet at a value of \$83 per square foot.

Property is assumed to be assessed annually as of January 1. Residences are assumed to be assessed on January 1 of the year following the year of construction. The forecast of property tax revenue recognizes the related revenue in the subsequent year.

The Weld County Treasurer currently charges a 1.5% fee for the collection of property taxes on the assessed property and improvements. These charges are reflected in the accompanying forecasts as Treasurer's fees.

The forecast assumes that Specific Ownership Taxes collected on motor vehicle registrations will be 5.0% of property taxes collected.

The mill levy proposed to be imposed by the Districts is initially projected to be 39.57 mills, based upon the above assessment ratios. This levy is used to pay construction financing debt service, general obligation debt service and operating expenses of the District

**Note 2. Interest Income**

Revenues received by the Districts are assumed to be invested, until expended, at a rate of 2.0%. Interest income earned is based on the beginning cash balance each year and includes an estimate of the timing of the receipt of other revenues and the disbursement of funds during the year.

**Note 3. Bond Issuance Assumptions**

District No. 1 proposes to issue its promissory notes based upon the need for construction, operating and debt service funds for the project. The Developer will advance funds to the District for these purposes in exchange for the District's promissory notes. The promissory notes will bear a variable interest rate, estimated at 8.5%. District No. 2 will issue bonds to refund the promissory notes of District No. 1, and these bonds will be general obligation bonds of the developed district. The mill levy is projected to not exceed 39.57 mills to pay debt service obligations and operating expenses of the District, based upon the above assessment ratios. The general obligation bonds will be issued in denominations of \$5,000 or multiples thereof and will bear an estimated interest rate of 4.75%.

**Note 4. Operating Expenses**

Operating expenses for legal, accounting, audit and management are forecast to be \$30,000 per year. Operating expenses are inflated at a constant rate of 4.0% per year over the life of the forecast.

**Note 5. Construction Costs**

Construction costs of infrastructure are estimated to be \$13,383,171.

ERIE COMMONS METROPOLITAN DISTRICT									
SOURCE AND APPLICATION OF FUNDS			6/5/03						
			THROUGH						
	TOTAL	4/30/2003	2003	2004	2005	2006	2007	2008	
<b>SOURCES:</b>									
Beginning cash		-	-	37,293	54,465	55,851	45,647	55,778	
Property tax revenue	30,839,060				-	-	190,469	519,305	
Specific ownership taxes	1,541,953		-	-	-	-	9,523	25,965	
Reimbursements	3,080,000			20,000	400,000	480,000	520,000	620,000	
Construction financing	15,000,000	96,182	78,818	5,075,000	3,150,000	3,125,000	3,175,000	300,000	
General obligation bonds	15,500,000							-	
Interest income	52,305	-	-	746	1,089	1,117	913	1,116	
	66,013,318	96,182	78,818	5,133,039	3,605,555	3,661,968	3,941,553	1,522,163	
<b>APPLICATION:</b>									
Infrastructure construction	13,383,171		-	4,816,811	2,937,131	2,735,762	2,733,117	160,350	
Interest - construction financing	6,515,088	-	11,525	230,563	580,125	846,813	1,114,563	1,262,250	
Principal - construction financing	15,000,000								
Issuance costs	465,000	-							
Interest - general obligation bonds	11,791,875								
Prncipal - general obligation bonds	15,500,000								
Treasurer's fees	485,715	-	-	-	-	-	3,000	8,179	
Formation and operating costs	2,808,456	96,182	30,000	31,200	32,448	33,746	35,096	36,500	
Contingency	14,013	-	-	-	-	-	-	-	
	65,963,318	96,182	41,525	5,078,573	3,549,704	3,616,320	3,885,775	1,467,279	
<b>ENDING CASH</b>	<b>50,000</b>	<b>-</b>	<b>37,293</b>	<b>54,465</b>	<b>55,851</b>	<b>45,647</b>	<b>55,778</b>	<b>54,885</b>	
<b>MILL LEVY</b>							39.57	39.57	

	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>SOURCES:</b>									
Beginning cash	54,885	64,142	45,013	527,804	247,539	63,872	50,186	50,551	50,326
Property tax revenue	709,090	929,239	1,025,089	989,938	1,065,803	1,210,821	1,201,854	1,178,530	1,156,039
Specific ownership taxes	35,454	46,462	51,254	49,497	53,290	60,541	60,093	58,927	57,802
Reimbursements	640,000	400,000							
Construction financing									
General obligation bonds	8,000,000		7,500,000						
Interest income	1,098	1,283	900	10,556	4,951	1,277	1,004	1,011	1,007
	9,440,527	1,441,126	8,622,256	1,577,794	1,371,583	1,336,512	1,313,137	1,289,019	1,265,174
<b>APPLICATION:</b>									
Infrastructure construction	-	-	-						
Interest - construction financing	1,275,000	612,000	582,250						
Principal - construction financing	7,800,000	350,000	6,850,000						
Issuance costs	240,000	-	225,000						
Interest - general obligation bonds		380,000	380,000	736,250	710,804	685,357	659,911	634,464	609,018
Prncipal - general obligation bonds	-	-	-	535,714	535,714	535,714	535,714	535,714	535,714
Treasurer's fees	11,168	14,636	16,145	15,592	16,786	19,070	18,929	18,562	18,208
Formation and operating costs	37,960	39,478	41,057	42,699	44,407	46,184	48,031	49,952	51,950
Contingency	12,257	-	-	-	-	-	-	-	-
	9,376,385	1,396,113	8,094,452	1,330,255	1,307,712	1,286,325	1,262,585	1,238,693	1,214,890
<b>ENDING CASH</b>	<u>64,142</u>	<u>45,013</u>	<u>527,804</u>	<u>247,539</u>	<u>63,872</u>	<u>50,186</u>	<u>50,551</u>	<u>50,326</u>	<u>50,284</u>
<b>MILL LEVY</b>	39.57	39.57	39.57	35.00	35.00	37.12	34.20	31.29	28.49

	2018	2019	2020	2021	2022	2023	2024	2025	2026	
<b>SOURCES:</b>										
Beginning cash	50,284	50,123	50,076	50,029	50,550	50,031	50,225	50,290	50,272	
Property tax revenue	1,133,331	1,110,930	1,088,500	1,066,706	1,043,438	1,021,977	999,788	977,746	955,998	
Specific ownership taxes	56,667	55,546	54,425	53,335	52,172	51,099	49,989	48,887	47,800	
Reimbursements										
Construction financing										
General obligation bonds										
Interest income	1,006	1,002	1,002	1,001	1,011	1,001	1,004	1,006	1,005	
	1,241,287	1,217,602	1,194,003	1,171,072	1,147,171	1,124,108	1,101,007	1,077,930	1,055,075	
<b>APPLICATION:</b>										
Infrastructure construction										
Interest - construction financing										
Principal - construction financing										
Issuance costs										
Interest - general obligation bonds	583,571	558,125	532,679	507,232	481,786	456,339	430,893	405,446	380,000	
Prncipal - general obligation bonds	535,714	535,714	535,714	535,714	535,714	535,714	535,714	535,714	535,714	
Treasurer's fees	17,850	17,497	17,144	16,801	16,434	16,096	15,747	15,400	15,057	
Formation and operating costs	54,028	56,189	58,437	60,774	63,205	65,734	68,363	71,098	73,941	
Contingency	-	-	-	-	-	-	-	-	-	
	<u>1,191,164</u>	<u>1,167,526</u>	<u>1,143,974</u>	<u>1,120,522</u>	<u>1,097,140</u>	<u>1,073,883</u>	<u>1,050,717</u>	<u>1,027,658</u>	<u>1,004,713</u>	
<b>ENDING CASH</b>	<u>50,123</u>	<u>50,076</u>	<u>50,029</u>	<u>50,550</u>	<u>50,031</u>	<u>50,225</u>	<u>50,290</u>	<u>50,272</u>	<u>50,363</u>	
<b>MILL LEVY</b>	26.06	23.83	21.88	19.90	18.16	16.51	15.07	13.68	12.48	



	2027	2028	2029	2030	2031	2032	2033	2034	
<b>SOURCES:</b>									
Beginning cash	50,363	50,387	50,649	50,564	50,008	51,033	50,385	50,816	
Property tax revenue	934,188	912,788	890,937	869,095	849,377	826,615	806,686	785,613	
Specific ownership taxes	46,709	45,639	44,547	43,455	42,469	41,331	40,334	39,281	
Reimbursements									
Construction financing									
General obligation bonds									
Interest income	1,007	1,008	1,013	1,011	1,000	1,021	1,008	1,016	
	1,032,267	1,009,822	987,146	964,126	942,854	919,999	898,413	876,727	
<b>APPLICATION:</b>									
Infrastructure construction									
Interest - construction financing									
Principal - construction financing									
Issuance costs									
Interest - general obligation bonds	354,554	329,107	303,661	278,214	252,768	227,321	201,875	176,429	
Principal - general obligation bonds	535,714	535,714	535,714	535,714	535,714	535,714	535,714	535,714	
Treasurer's fees	14,713	14,376	14,032	13,688	13,378	13,019	12,705	12,373	
Formation and operating costs	76,899	79,975	83,174	86,501	89,961	93,560	97,302	101,194	
Contingency	-	-	-	-	-	-	-	-	
	<u>981,880</u>	<u>959,173</u>	<u>936,581</u>	<u>914,118</u>	<u>891,821</u>	<u>869,614</u>	<u>847,597</u>	<u>825,710</u>	
<b>ENDING CASH</b>	<u>50,387</u>	<u>50,649</u>	<u>50,564</u>	<u>50,008</u>	<u>51,033</u>	<u>50,385</u>	<u>50,816</u>	<u>51,016</u>	
<b>MILL LEVY</b>	11.32	10.32	9.35	8.51	7.72	7.01	6.35	5.77	

	2035	2036	2037	2038	2039	2040	2041
<b>SOURCES:</b>							
Beginning cash	51,016	50,489	51,496	50,621	50,140	50,555	51,487
Property tax revenue	764,216	745,176	722,967	703,163	684,014	388,410	381,222
Specific ownership taxes	38,211	37,259	36,148	35,158	34,201	19,421	19,061
Reimbursements							
Construction financing							
General obligation bonds							
Interest income	1,020	1,010	1,030	1,012	1,003	1,011	1,030
	854,463	833,934	811,640	789,955	769,357	459,397	452,800
<b>APPLICATION:</b>							
Infrastructure construction							
Interest - construction financing							
Principal - construction financing							
Issuance costs							
Interest - general obligation bonds	150,982	125,536	100,089	74,643	49,196	23,750	11,875
Principal - general obligation bonds	535,714	535,714	535,714	535,714	535,714	250,000	250,000
Treasurer's fees	12,036	11,737	11,387	11,075	10,773	6,117	6,004
Formation and operating costs	105,242	109,451	113,829	118,383	123,118	128,043	133,164
Contingency	-	-	-	-	-	-	1,756
	803,975	782,438	761,020	739,815	718,802	407,910	402,800
<b>ENDING CASH</b>	<u>50,489</u>	<u>51,496</u>	<u>50,621</u>	<u>50,140</u>	<u>50,555</u>	<u>51,487</u>	<u>50,000</u>
<b>MILL LEVY</b>	5.21	4.74	4.29	3.91	3.53	1.87	1.72



ERIE COMMONS METROPOLITAN DISTRICT										
FINANCING AND VALUATION										
	2009	2010	2011	2012	2013	2014	2015	2016	2017	
<b>CONSTRUCTION FINANCING:</b>										
Beginning balance	15,000,000	7,200,000	6,850,000	-	-	-	-	-	-	-
Draws	-	-	-	-	-	-	-	-	-	-
Repayments	(7,800,000)	(350,000)	(6,850,000)	-	-	-	-	-	-	-
Ending balance	7,200,000	6,850,000	-	-	-	-	-	-	-	-
<b>GENERAL OBLIGATION BONDS:</b>										
Beginning balance	-	8,000,000	8,000,000	15,500,000	14,964,286	14,428,571	13,892,857	13,357,143	12,821,429	
Proceeds	8,000,000	-	7,500,000	-	-	-	-	-	-	-
Repayments	-	-	-	(535,714)	(535,714)	(535,714)	(535,714)	(535,714)	(535,714)	(535,714)
Ending balance	8,000,000	8,000,000	15,500,000	14,964,286	14,428,571	13,892,857	13,357,143	12,821,429	12,285,714	
<b>ASSESSED VALUATION:</b>										
Beginning valuation	17,919,888	23,483,423	25,905,705	28,283,935	30,451,520	32,619,106	35,141,931	37,664,756	40,577,024	
Increase from inflation	717,487	1,656,132	1,656,132	2,167,586	2,167,586	2,522,825	2,522,825	2,912,267	2,912,267	
Increase from building	4,846,048	766,150	722,097	-	-	-	-	-	-	
Ending valuation	23,483,423	25,905,705	28,283,935	30,451,520	32,619,106	35,141,931	37,664,756	40,577,024	43,489,291	
<b>ABSORPTION:</b>										
Assessed valuation increase	4,846,048	766,150	722,097							
Cumulative assessed valuation	22,048,449	22,814,599	23,536,696							
<b>DEBT TO ASSESSED RATIO:</b>										
Outstanding G.O. debt	8,000,000	8,000,000	8,000,000	15,500,000	14,964,286	14,428,571	13,892,857	13,357,143	12,821,429	
% Debt to assessed	34.07%	30.88%	28.28%	50.90%	45.88%	41.06%	36.89%	32.92%	29.48%	

ERIE COMMONS METROPOLITAN DISTRICT										
FINANCING AND VALUATION										
		2018	2019	2020	2021	2022	2023	2024	2025	2026
<b>CONSTRUCTION FINANCING:</b>										
	Beginning balance	-	-	-	-	-	-	-	-	-
	Draws	-	-	-	-	-	-	-	-	-
	Repayments	-	-	-	-	-	-	-	-	-
	Ending balance	-	-	-	-	-	-	-	-	-
<b>GENERAL OBLIGATION BONDS:</b>										
	Beginning balance	12,285,714	11,750,000	11,214,286	10,678,571	10,142,857	9,607,143	9,071,429	8,535,714	8,000,000
	Proceeds	-	-	-	-	-	-	-	-	-
	Repayments	(535,714)	(535,714)	(535,714)	(535,714)	(535,714)	(535,714)	(535,714)	(535,714)	(535,714)
	Ending balance	11,750,000	11,214,286	10,678,571	10,142,857	9,607,143	9,071,429	8,535,714	8,000,000	7,464,286
<b>ASSESSED VALUATION:</b>										
	Beginning valuation	43,489,291	46,618,962	49,748,633	53,603,337	57,458,041	61,900,496	66,342,951	71,472,689	76,602,427
	Increase from inflation	3,129,671	3,129,671	3,854,704	3,854,704	4,442,455	4,442,455	5,129,738	5,129,738	5,923,005
	Increase from building	-	-	-	-	-	-	-	-	-
	Ending valuation	46,618,962	49,748,633	53,603,337	57,458,041	61,900,496	66,342,951	71,472,689	76,602,427	82,525,432
<b>ABSORPTION:</b>										
	Assessed valuation increase									
	Cumulative assessed valuation	-	-	-	-	-	-	-	-	-
<b>DEBT TO ASSESSED RATIO:</b>										
	Outstanding G.O. debt	12,285,714	11,750,000	11,214,286	10,678,571	10,142,857	9,607,143	9,071,429	8,535,714	8,000,000
	% Debt to assessed	26.35%	23.62%	20.92%	18.58%	16.39%	14.48%	12.69%	11.14%	9.69%

ERIE COMMONS METROPOLITAN DISTRICT									
FINANCING AND VALUATION									
	2027	2028	2029	2030	2031	2032	2033	2034	
<b>CONSTRUCTION FINANCING:</b>									
Beginning balance	-	-	-	-	-	-	-	-	-
Draws	-	-	-	-	-	-	-	-	-
Repayments	-	-	-	-	-	-	-	-	-
Ending balance	-	-	-	-	-	-	-	-	-
<b>GENERAL OBLIGATION BONDS:</b>									
Beginning balance	7,464,286	6,928,571	6,392,857	5,857,143	5,321,429	4,785,714	4,250,000	3,714,286	
Proceeds	-	-	-	-	-	-	-	-	-
Repayments	(535,714)	(535,714)	(535,714)	(535,714)	(535,714)	(535,714)	(535,714)	(535,714)	(535,714)
Ending balance	6,928,571	6,392,857	5,857,143	5,321,429	4,785,714	4,250,000	3,714,286	3,178,571	
<b>ASSESSED VALUATION:</b>									
Beginning valuation	82,525,432	88,448,436	95,287,391	102,126,346	110,022,895	117,919,445	127,037,138	136,154,832	
Increase from inflation	5,923,005	6,838,955	6,838,955	7,896,549	7,896,549	9,117,694	9,117,694	10,527,679	
Increase from building	-	-	-	-	-	-	-	-	-
Ending valuation	88,448,436	95,287,391	102,126,346	110,022,895	117,919,445	127,037,138	136,154,832	146,682,511	
<b>ABSORPTION:</b>									
Assessed valuation increase									
Cumulative assessed valuation	-	-	-	-	-	-	-	-	-
<b>DEBT TO ASSESSED RATIO:</b>									
Outstanding G.O. debt	7,464,286	6,928,571	6,392,857	5,857,143	5,321,429	4,785,714	4,250,000	3,714,286	
% Debt to assessed	8.44%	7.27%	6.26%	5.32%	4.51%	3.77%	3.12%	2.53%	

ERIE COMMONS METROPOLITAN DISTRICT								
FINANCING AND VALUATION								
		2035	2036	2037	2038	2039	2040	2041
<b>CONSTRUCTION FINANCING:</b>								
	Beginning balance	-	-	-	-	-	-	-
	Draws	-	-	-	-	-	-	-
	Repayments	-	-	-	-	-	-	-
	Ending balance	-	-	-	-	-	-	-
<b>GENERAL OBLIGATION BONDS:</b>								
	Beginning balance	3,178,571	2,642,857	2,107,143	1,571,429	1,035,714	500,000	250,000
	Proceeds	-	-	-	-	-	-	-
	Repayments	(535,714)	(535,714)	(535,714)	(535,714)	(535,714)	(250,000)	(250,000)
	Ending balance	2,642,857	2,107,143	1,571,429	1,035,714	500,000	250,000	0
<b>ASSESSED VALUATION:</b>								
	Beginning valuation	146,682,511	157,210,190	168,523,683	179,837,177	193,771,611	207,706,046	221,640,480
	Increase from inflation	10,527,679	11,313,494	11,313,494	13,934,434	13,934,434	13,934,434	13,934,434
	Increase from building	-	-	-	-	-	-	-
	Ending valuation	157,210,190	168,523,683	179,837,177	193,771,611	207,706,046	221,640,480	235,574,915
<b>ABSORPTION:</b>								
	Assessed valuation increase	-	-	-	-	-	-	-
	Cumulative assessed valuation	-	-	-	-	-	-	-
<b>DEBT TO ASSESSED RATIO:</b>								
	Outstanding G.O. debt	3,178,571	2,642,857	2,107,143	1,571,429	1,035,714	500,000	250,000
	% Debt to assessed	2.02%	1.57%	1.17%	0.81%	0.50%	0.23%	0.11%

ERIE COMMONS METROPOLITAN DISTRICT  
USE OF FUNDS FROM G.O. BOND ISSUES

	<u>2009</u>	<u>2011</u>
Bond Issue	<u>\$ 8,000,000</u>	<u>\$ 7,500,000</u>
Use of Funds:		
Issuance costs, @ 3%	\$ 240,000	\$ 225,000
Capitalized interest	-	500,000
Promissory notes	<u>7,760,000</u>	<u>6,775,000</u>
	<u>\$ 8,000,000</u>	<u>\$ 7,500,000</u>



ERIE COMMONS METROPOLITAN DISTRICT								
AMORTIZATION SCHEDULE								
	SERIES				SERIES			
	2009				2011			
	PAYMENT	INTEREST	PRINCIPAL	BALANCE	PAYMENT	INTEREST	PRINCIPAL	BALANCE
				8,000,000				7,500,000
2010	380,000	380,000	-	8,000,000				
2011	380,000	380,000	-	8,000,000				
2012	665,714	380,000	285,714	7,714,286	606,250	356,250	250,000	7,250,000
2013	652,143	366,429	285,714	7,428,571	594,375	344,375	250,000	7,000,000
2014	638,571	352,857	285,714	7,142,857	582,500	332,500	250,000	6,750,000
2015	625,000	339,286	285,714	6,857,143	570,625	320,625	250,000	6,500,000
2016	611,429	325,714	285,714	6,571,429	558,750	308,750	250,000	6,250,000
2017	597,857	312,143	285,714	6,285,714	546,875	296,875	250,000	6,000,000
2018	584,286	298,571	285,714	6,000,000	535,000	285,000	250,000	5,750,000
2019	570,714	285,000	285,714	5,714,286	523,125	273,125	250,000	5,500,000
2020	557,143	271,429	285,714	5,428,571	511,250	261,250	250,000	5,250,000
2021	543,571	257,857	285,714	5,142,857	499,375	249,375	250,000	5,000,000
2022	530,000	244,286	285,714	4,857,143	487,500	237,500	250,000	4,750,000
2023	516,429	230,714	285,714	4,571,429	475,625	225,625	250,000	4,500,000
2024	502,857	217,143	285,714	4,285,714	463,750	213,750	250,000	4,250,000
2025	489,286	203,571	285,714	4,000,000	451,875	201,875	250,000	4,000,000
2026	475,714	190,000	285,714	3,714,286	440,000	190,000	250,000	3,750,000
2027	462,143	176,429	285,714	3,428,571	428,125	178,125	250,000	3,500,000
2028	448,571	162,857	285,714	3,142,857	416,250	166,250	250,000	3,250,000
2029	435,000	149,286	285,714	2,857,143	404,375	154,375	250,000	3,000,000
2030	421,429	135,714	285,714	2,571,429	392,500	142,500	250,000	2,750,000
2031	407,857	122,143	285,714	2,285,714	380,625	130,625	250,000	2,500,000
2032	394,286	108,571	285,714	2,000,000	368,750	118,750	250,000	2,250,000
2033	380,714	95,000	285,714	1,714,286	356,875	106,875	250,000	2,000,000
2034	367,143	81,429	285,714	1,428,571	345,000	95,000	250,000	1,750,000
2035	353,571	67,857	285,714	1,142,857	333,125	83,125	250,000	1,500,000
2036	340,000	54,286	285,714	857,143	321,250	71,250	250,000	1,250,000
2037	326,429	40,714	285,714	571,429	309,375	59,375	250,000	1,000,000
2038	312,857	27,143	285,714	285,714	297,500	47,500	250,000	750,000
2039	299,286	13,571	285,714	0	285,625	35,625	250,000	500,000
2040					273,750	23,750	250,000	250,000
2041					261,875	11,875	250,000	-

**EXHIBIT G**  
**Erie Resolution of Approval**

**RESOLUTION NO. 03 – 42  
TOWN OF ERIE, COLORADO**

**RESOLUTION OF THE TOWN OF ERIE RELATING TO THE APPROVAL OF  
THE CONSOLIDATED SERVICE PLAN FOR ERIE COMMONS  
METROPOLITAN DISTRICT NOS. 1 AND 2**

**WHEREAS**, a Consolidated Service Plan (“Service Plan”) for the creation of the Erie Commons Metropolitan District Nos. 1 and 2 (the “Districts”), whose boundaries are wholly within the corporate limits of the Town of Erie (the “Town”), was filed in the office of the Town Clerk; and

**WHEREAS**, pursuant to the Special District Control Act, Part 2 of Article 1, Title 32, C.R.S. (the “statute”), the Board of Trustees is the approving authority and is required to review any Service Plan with reference to need, service and economic feasibility; and

**WHEREAS**, the statute requires that any service plan submitted to a district court for the creation of a special district must first be approved by resolution of the governing body of the municipality within which the proposed special district lies; and

**WHEREAS**, the Board of Trustees has reviewed the Service Plan, the evidence and related exhibits and has determined that the same meets the conditions necessary under the statute for approval, and therefore, has determined to conduct a public hearing on the matter, which has been properly noticed, and adopt a resolution of approval of the Service Plan for the Districts, subject to the conditions set forth herein.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE  
TOWN OF ERIE, COLORADO, AS FOLLOWS:**

Section 1. Upon consideration of the Service Plan for the Districts and all the facts appearing at the public hearing on the Service Plan, the Board of Trustees does find, determine and declare as follows:

- A. That there is sufficient existing and projected need for the organized service in the area to be served by the proposed Districts; and
- B. That the existing service in the area to be served by the proposed Districts is inadequate for present and projected needs; and
- C. That the proposed Districts are capable of providing economical and sufficient service to the area within the proposed boundaries, or service area, or both; and
- D. That the area to be included in the proposed Districts has, or will have, the financial ability to discharge the proposed indebtedness on a reasonable basis; and
- E. That adequate service is not, and will not be, available to the area through the county, the Town or other existing municipal or quasi-

municipal corporations, including existing special districts, within a reasonable time and on a comparable basis; and

- F. That the facility and service standards of the proposed Districts are compatible with the facility and service standards of the Town within which the proposed Districts are to be located and each municipality which is an interested party under Section 32-1-204(1), C.R.S.; and
- G. That the proposal is in substantial compliance with a master plan adopted pursuant to Section 30-28-106, C.R.S.; and
- H. That the proposal is in compliance with any duly adopted Town, county, regional, or state long-range water quality management plan for the area; and
- I. That the creation of the proposed Districts is in the best interests of the area proposed to be served.

Section 2. The Service Plan for the Districts shall be and the same is hereby approved. The terms, provisions and limitations of the Service Plan shall be incorporated in an Intergovernmental Agreement proposed by the Districts between the Town, and the Districts shall not borrow money, incur any indebtedness, certify any mill levy or impose any fees until the Town approves the Master IGA between the Districts, which approval shall not be unreasonably withheld, and until the Town approves the Town IGA with the Districts, which approval shall not be unreasonably withheld.

Section 3. The Town's approval of the Service Plan is not a waiver of nor a limitation upon any power that the Town is legally permitted to exercise with respect to the property subject to the proposed Districts.

**RESOLUTION ADOPTED AND APPROVED THIS 8<sup>th</sup> DAY OF JULY 2003.**

**TOWN OF ERIE**, a Colorado  
municipal corporation,

By: Barbara Connors  
Barbara Connors, Mayor

ATTEST:

By: Teresa G. Andrews  
Teresa G. Andrews, Town Clerk

