

**CONSOLIDATED SERVICE PLAN**

**FOR**

**WYNDHAM HILL METROPOLITAN DISTRICT NOS. 1, 2 AND 3**

**FREDERICK, COLORADO**

**FEBRUARY 13, 2004**

Prepared for

Wyndham Hill Metropolitan District Nos. 1, 2 and 3

By

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## I. INTRODUCTION

### A. General Overview

This consolidated service plan ("Service Plan") for Wyndham Hill Metropolitan District Nos. 1, 2 and 3 (hereinafter collectively known as "Districts") constitutes a combined service plan for three Title 32 special districts proposed for organization to serve the needs of a new community to be known as "Wyndham Hill" located in the Town of Frederick ("Frederick"). Wyndham Hill is generally located west of Interstate 25, south of County Road 16, and north of State Highway 52. The project is planned for residential and commercial development. 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 storm drainage, water, streets, traffic and safety and park and recreation improvements needed for the area. This Service Plan addresses the public improvements, which may be provided and otherwise financed 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 Wyndham Hill Metropolitan District No. 1, Wyndham Hill Metropolitan District No. 2 (residential) and Wyndham Hill Metropolitan District No. 3 (commercial). Wyndham Hill Metropolitan District No. 1 shall be referred to as the "Service District," and Wyndham Hill Metropolitan District Nos. 2 and 3 shall be referred to as the "Financing Districts" or "Financing District." The Service District and the Financing Districts 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 Wyndham Hill. The Financing Districts 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 Wyndham Hill 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 are intended to help assure the orderly development of essential services and facilities resulting in a community that is aesthetic and an economic asset to Frederick.

The establishment of Wyndham Hill Metropolitan District No. 1 as the Service District, which will initially own and operate the public facilities throughout Wyndham Hill until such improvements are conveyed to Frederick or other entities as appropriate, and the establishment of Wyndham Hill Metropolitan District Nos. 2 and 3 as the Financing Districts, which will generate

the tax revenue sufficient to pay the costs of the capital improvements and operations, maintenance and administrative costs, and which will create several benefits for the inhabitants of the community and for Frederick. 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 Frederick are constructed in a timely and cost-effective manner.

2. Benefits of Multiple District Structure.

a. Coordinated Services. As presently planned, development of Wyndham Hill 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 Wyndham Hill will become 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 Districts to provide for the cost of infrastructure in Wyndham Hill 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 Districts the timing and issuance of bonds in such a way as to assure that improvements are constructed in conformance with the intended phases of development. 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. The Frederick Development Company, Inc. (the "Developer"), has contracts to purchase all property within the Wyndham Hill development, and all owners of such property described in Exhibits B and E consent to having such property be within the boundaries of the proposed Districts. A map and legal description setting forth the anticipated boundaries of the Districts is provided in Exhibits B and E respectively.

The improvements which are described in this Service Plan are necessary and applicable for the entirety of the Wyndham Hill project. 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 a district for exclusion and/or inclusion of property from or into the boundaries of a district. Additionally, less than one hundred percent of the owners of an area may petition a district for inclusion, or the board may adopt a resolution calling for an election on inclusion of the property.

The Districts shall be expressly permitted, without Frederick's consent or modification of the Service Plan, to approve other inclusions and exclusions for the property described in Exhibits B and E, which shall be at their discretion on the condition that all property originally in one of the Districts remains in one of the other Districts. All other inclusions or exclusions must have prior Frederick consent. Notice of all inclusions or exclusions shall be provided to Frederick pursuant to the annual reporting requirements set forth in Section VII, herein.

The "service area" (the area legally permitted to be served) for the Service District will consist of the entire area of the Wyndham Hill community, which is further described as the property within the Service District and the Financing Districts. The service area may also include areas beyond the boundaries of the Districts to allow for the completion and connection of certain public improvements as necessary. The service area for the Financing Districts will be within their respective physical boundaries, as may be adjusted from time to time consistent with the provisions contained herein. 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 on property and individuals outside of Wyndham Hill based upon services provided to such property and individuals. The Financing Districts have the power to impose taxes and other charges permitted by law only within their own service area to fund their individual obligations, as well as obligations each may have to the Service District. It is anticipated that no residential units will be located within the Service District. District No. 2 is expected to contain all of the residential development, and District No. 3 is expected to contain only commercial development.

4. Long-Term District Plan. After all bonds or other debt instruments have been issued by the Districts and adequate provision has been made for payment of all debt of the Districts and for operation of all of the Service District facilities not conveyed to Frederick or other entities, the electorate of the Service District and Financing Districts, respectively, will have the opportunity to consider either the consolidation of the Service District and the Financing Districts into a single entity, or the dissolution of the Districts. The Districts will consider consolidation and/or dissolution at the time at which both the Service District and the Financing Districts' 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. Ultimately, control of these decisions will rest with the electorate in each District. Dissolution is discussed further in Section VIII (7) hereof.

5. Existing Services and Districts. The Left Hand Water District provides the water service in conjunction with development of such improvements. The St. Vrain Sanitation District provides sanitary sewer service, and Frederick provides law enforcement services and other municipal services, as appropriate. The Frederick/Firestone and Mountain View Fire Protection Districts provide fire protection services in the area. There are currently no other entities in existence in the Wyndham Hill area that have the combined ability and 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. The Districts are authorized to undertake operation and

maintenance activities for the applicable warranty period and until acceptance of improvements to be dedicated and conveyed to the appropriate entities. It is not anticipated that the Districts will have continuing operations and maintenance responsibilities except as provided herein. As a general matter, operations and maintenance of park and recreation, storm drainage, street and traffic safety improvements and associated landscaping will be the responsibility of Frederick after such completed improvements are conveyed to Frederick, by or on behalf of, and at the direction of, the Service District.

The Districts anticipate construction of water main improvements as deemed necessary by the phased demand of the project, including reimbursements to Left Hand Water District for improvements to existing mainline improvements, the cost of which is contained in the cost estimates. Operation and maintenance of water improvements will be the responsibility of Left Hand Water District after such improvements are conveyed thereto and accepted by Left Hand Water District, by or on behalf of, and at the direction of, the Service District.

The Districts may retain some operational and maintenance responsibilities for certain facilities, such as a community pool and community club house and associated landscaping, but all other park and recreation improvements are to be conveyed to Frederick. The timing for conveyance of improvements to Frederick will be developed by mutual agreement between the Service District and Frederick as generally described above and in Section V hereof pursuant to an anticipated intergovernmental agreement between Frederick and the Districts (the "Town IGA"). The timing for conveyance to Left Hand Water District will be as mutually agreed and determined by the Districts and Left Hand Water District.

To further avoid duplication of services and proliferation of governmental entities, improvements that are not conveyed to, or accepted by, Frederick 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 or a facilities management company through appropriate agreements with the Service District. Consequently, the Service District and the Financing Districts will exist primarily to finance capital improvements and coordinate the provision of services.

Frederick's approval of development and construction plans relative to the public improvements constructed and otherwise financed by the Districts does not constitute acceptance of such improvements. All required and intended dedication of public improvements by the Districts to Frederick, and the acceptance thereof, must be in a separate writing.

6. Property Owner Associations. Certain services may be provided within Wyndham Hill by one or more property owner associations expected to be organized as Colorado non-profit, private membership organizations comprised of property owners in Wyndham Hill. 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 community pool/clubhouse and its associated landscaping, are expected to be transferred to Frederick (or Left Hand Water District for water improvements) subject to the acceptance thereof and provision of warranties as appropriate. Therefore, the



Districts do not anticipate owning, operating and maintaining any of the public improvements other than limited park and recreation improvements discussed herein, and they will have authority to do so for any such improvements not otherwise dedicated to and accepted by Frederick or other appropriate entities. The Service District may contract with a homeowners' association or other entities for the operation and maintenance of the facilities not otherwise conveyed. 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 other entities, 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 Wyndham Hill is substantial and is estimated in Exhibit D. The Districts anticipate obtaining financing for capital improvements initially through Developer advances secured by promissory notes, then subsequently through the Financing Districts' issuance of limited tax general obligation bonds or other debt instruments. General obligation debt will be payable from revenues derived from ad valorem property taxes and from other legally available sources. Financing may also be obtained through the Service District's issuance of revenue bonds secured by revenues received from the Financing Districts. 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 Frederick so long as said alternative plans are generally consistent with and within the limitations set forth in the Financing Plan and do not constitute a material modification of this Service Plan.

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; however, 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 Wyndham Hill will be borne initially by the Developer of the project and then by bondholders. 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 Districts reach sufficient assessed valuation to support the debt service requirements of the bonds issued. Frederick is assured that the risks of development and the responsibility for repayment of debt issued by the Districts for Wyndham Hill will be borne solely by the residents and property owners of Wyndham Hill, and will never become the responsibility, in any degree, of Frederick.

Additionally, Frederick 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 indebtedness that 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 Wyndham Hill 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 Wyndham Hill 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 Wyndham Hill, 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 Frederick's review for a material modification initiated by the Districts, conditioned upon Frederick 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 water, 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 Frederick or Left Hand Water

District, as appropriate, upon final acceptance thereof. Frederick does not consider it feasible or practicable to provide Wyndham Hill 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 Districts 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 Frederick's standards and specifications then in effect:

1. 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 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.

2. 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.

3. 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, and together with extensions of and improvements to said facilities.

4. 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, community swimming pool and clubhouse, bike and hiking trails, pedestrian trails, pedestrian bridges, picnic

areas, common area landscaping and weed control, outdoor lighting of all types, community events, 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.

5. 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.

6. 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.

7. 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.

8. 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 Frederick 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. Each District shall have the right to amend this Service Plan independent of participation of the other Districts; provided, however, that no District shall 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.

e. Due to St. Vrain Sanitation District's current position of withholding consent to allow overlapping special districts to exercise sanitation powers, there will be no funding of sanitation improvements or the exercise of sanitation powers by the Districts, except as provided for and contemplated herein. In the event St. Vrain Sanitation District gives written consent for the Districts' funding and/or exercise of sanitation powers granted by Title 32, Colorado Revised Statute, the Districts shall have the ability to exercise such power including the ability to finance, design, acquire, install, and construct 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 without any Service Plan amendment, except for any corresponding and necessary debt limit and/or mill levy cap increase that may become necessary to accommodate the financing of such improvements. The Districts shall not fund or exercise sanitation powers without St. Vrain's consent. Evidence of St. Vrain's consent, if any, shall be provided to Frederick.

### 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 improvement needed for Wyndham Hill 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 Frederick 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, Frederick'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 the then current standards adopted by the Service District and Frederick. Designs

and contract documents prepared for improvements must be reviewed and approved by the Service District and must be in accordance with Frederick's applicable standards and specifications.

1. Storm Drainage.

a. Generally. The Service District plans to install the necessary storm drainage system to serve Wyndham Hill. The proposed elements of the storm drainage system will provide a network of culverts and curbs and gutters 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 Frederick 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. Outfall and Ditch Improvements. The Districts will construct drainage improvements to detain developed drainage and convey historic drainage as needed. The Districts will construct trail and ditch improvements as needed.

An overall drainage plan will be developed that will identify the major facilities necessary to convey the storm runoff from Wyndham Hill. This plan will include all infrastructure required to convey the flows generated within Wyndham Hill. 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.

2. 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 Frederick. The Drinking Water Design Criteria of the Colorado Department of Health will also be followed where applicable. The water system will be designed based on Frederick fire protection requirements. The individual water system components will be sized based upon the projected potable, irrigation and fire flow requirements of Wyndham Hill. The phased demand includes repayments for existing mainline improvements to the Left Hand Water District.

The water distribution system will be dedicated to Left Hand Water District and Frederick as appropriate. 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.

2.1 Water Right Purchase. The Districts anticipate a need to purchase raw water rights from providers for their common area and open space and park and recreation improvement water and irrigation needs. In the event this purchase is made, the Districts shall be authorized to incur debt and impose a reasonable mill levy for such water right acquisition, which shall be subject to the mill levy cap and debt limit discussed below.

### 3. Street System and Traffic Safety.

a. General. The Service District proposes to construct an arterial street system to serve all of Wyndham Hill. 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), Frederick'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 Wyndham Hill. 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.

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 Frederick. The Districts anticipate contributing a proportional share of the cost of signals based on the impact created by the development within the Districts and the surrounding property, as reasonably determined by Frederick.

4. Park and Recreation. All park and recreational facilities and/or services will be constructed in accordance with plans and specifications approved by Frederick 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 constructed in accordance with Frederick's standards or the standards of other local public entities, as appropriate.

Pursuant to the Annexation Agreement, the Districts will contribute \$750,000 for Frederick improvements to the regional park. The Districts will construct the required parks and trails to

serve Wyndham Hill, including landscaping and re-vegetation of common open spaces as may be required. The Districts will construct a pool to serve the residential community within Wyndham Hill.

C. Estimated Cost of Facilities and Surety

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

Any surety required of the Districts by Frederick 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 District surety shall also be mutually exclusive and separate from any lot development or other type of security Frederick may require from the Developer or other private entities. The amounts and timing of the District surety, if any, shall be based on final plat approval, and shall be due for only the District funded improvements contemplated. Furthermore, the Districts surety shall be posted only on an incremental and phase-by-phase basis of the Districts' construction. The Districts' 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 Wyndham Hill will be established by means of a Master IGA to be executed by the Districts after organization. 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 Districts and the construction, acquisition, operation and maintenance of the improvements and the administration of the affairs of the Districts by the Service District. The Districts shall not incur any



debt, or impose any taxes or fees until the Master IGA is submitted to Frederick for its review and approval to determine whether or not it constitutes a material modification of this Service Plan. Frederick's approval thereof shall not be unreasonably withheld.

B. Intergovernmental Agreement with Frederick

Subsequent to their organization, the Districts may enter into an IGA with Frederick (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 Frederick, 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 memorandum of agreement for public improvements in Wyndham Hill shall prevail over inconsistent provisions in the Service Plan; (5) the Districts are subject to Frederick's zoning, subdivision and building codes; and, (6) other provisions as mutually agreed by the parties. The Districts shall not incur any debt, or impose any taxes or fees until the Town IGA is submitted to Frederick for its review and approval, which 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 may enter into Frederick's standard memorandum of agreement for public improvement for the public improvements that the Districts are able to finance and otherwise provide. The Developer is expected to also enter into such agreement with Frederick for other improvements that the Districts will not be undertaking.

VI. OPERATING COSTS

Estimated costs for operating functions are presented in the Financing Plan as Exhibit F and are initially forecasted at approximately \$36,000 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 Districts to pay the Service District for capital and general operating expenses of the Districts shall constitute "contractual debt" of the Financing Districts, 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 Financing Districts are able to generate sufficient revenues from ad valorem taxes or from other legally permissible revenue sources. At such time, the Financing District(s) is expected to issue limited tax general obligation debt supported by ad valorem taxes. 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 promissory notes and revenue bonds, to finance the acquisition, construction and completion of improvements and to finance all of the costs of issuance of the bonds.

The Financing Plan identifies the proposed debt issuance schedules and shows the manner in which the financial operations of the Districts will be coordinated. District No. 1 does not intend to impose a mill levy. 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 and overall tax payments from property owners. The Districts may eliminate the Mill Levy Cap with Frederick'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 \$20,645,000 (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 be 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 \$28,000,000, exclusive of surety requirements, but inclusive of organizational costs, and costs of issuance, including debt service reserves, capitalized interest, underwriter's discount and bond issuance legal fees. To the extent the Districts have additional debt capacity, it may seek to amend this Service Plan to increase the Debt Limit and/or Mill Levy Cap. Obligations of the Districts in the Master IGA discussed herein will not count against the debt limitation. If the Financing Plan assumptions are more conservative than what actually develops, the Districts, upon Frederick'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. The Financing Plan assumes various sources of revenue, including ad valorem property taxes and 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 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 is 11%. 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 Frederick 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 Frederick.
- 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 Frederick 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 prior approval from Frederick.

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 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. Immediately following organization, the Districts shall record the disclosure in the real property records of the County of Weld, State of Colorado.

7. When all of the financial obligations issued by the Districts have been repaid (or when adequate provisions for payment thereof has been made), and no further operational requirements for Districts' improvements exist on the part of the Districts, the Districts will notify Frederick and Left Hand Water District within sixty (60) days thereof requesting a meeting to discuss the steps necessary under then applicable law to dissolve the Districts if such dissolution proceeding is mutually determined to be in the best interest of the Districts.

## 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 Frederick, Colorado, adopt a resolution that approves this "Consolidated Service Plan for Wyndham Hill Metropolitan District Nos. 1, 2 and 3," as submitted, which shall be attached hereto as Exhibit G.

Respectfully submitted,

By: 

WHITE AND ASSOCIATES PROFESSIONAL  
CORPORATION

K. Sean Allen, Esq.

Counsel to Petitioners of the Districts

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

12/4/03

Wyndham Hill  
Metropolitan District's 1, 2 and 3

Proposed Facilities/ Improvements Narrative

A. Parks and Recreation

1. Community Park – The District will contribute up to \$750,000 for Town improvements to the Regional Park
2. Parks – The District will construct the required parks to serve the project.
3. Trails – The District will construct the trails to serve the project, including the landscaping and re-vegetation of common open spaces as required.
4. Recreational Amenity/ Pool – The District will construct a pool to serve the residential community.
5. Re-vegetation of Open Spaces – The District will re-vegetate the native open space buffers and trail corridors.
6. Raw Water Supply – The District will purchase the required raw water for the parks and open spaces for which the District is required to improve. This does not include the Community Park.

B. Streets and Traffic Safety

1. Weld County Road 7 – The District will add an additional travel lane and shoulder improvements to WCR 7 adjacent to the project boundaries.
2. Weld County Road 16 - The District will construct ½ of WCR 16 adjacent to the property.
3. State Hwy 52 – The District will construct acceleration/ deceleration lanes and shoulder improvements to Hwy 52 adjacent to the project boundaries.
4. Weld County Road 7 1/2 - The District will construct a 2 lane roadway at WCR 7 ½ as access into the commercial zoned properties immediately adjacent to Hwy 52.
5. Traffic Signalization – The District will contribute a proportional share of the cost of a signal based on the District boundary as it relates to the ownership of the four corners of the intersection.
6. Entry Features – As part of the landscaping improvements to the roadways the District will construct entry monuments.



12/4/03

C. Storm Drainage

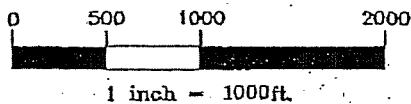
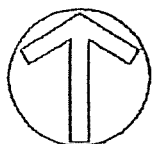
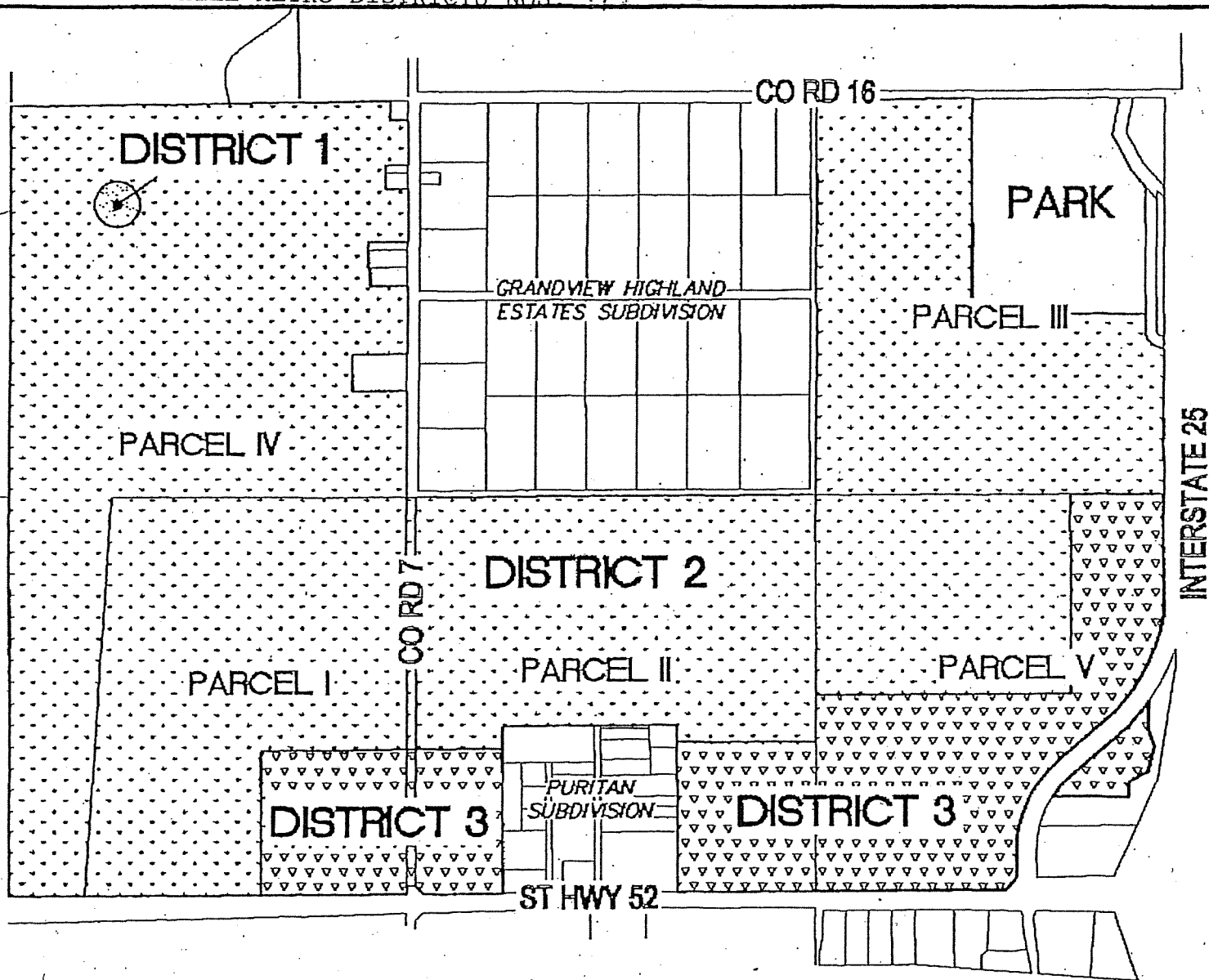
1. Frederick Outfall Systems Improvements – The District is responsible for constructing drainage improvements on the Property that detain developed drainage and convey historic drainage per Town of Frederick construction standards.
2. Ditch Improvements – The District will construct trail and ditch improvements including piping of any ditches.

D. Water System

1. Water Main Extensions – The District will construct offsite and onsite water main improvements as deemed necessary by the phased demand of the project, including repayments for existing mainline improvements to the Left Hand Water District.

**EXHIBIT B**  
**Map**

WYNDHAM HILL METRO DISTRICTS NOS. 1, 2 & 3.



SCALE: HOR. 1"=1000'  
 VERT. N/A  
 DESIGNED BY: BO  
 DATE: 10/08/03  
 FILE: C:\202041\041-DISTRICT MAP.DWG



**HURST & ASSOCIATES, INC.**  
 CONSULTING ENGINEERS  
 1801 Pearl East Circle, Suite 104  
 Boulder, Colorado 80501 (303) 440-0025

SHEET 1 OF 1

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

WYNDHAM HILL METROPOLITAN DISTRICT  
DEVELOPMENT PLAN

PRODUCT	UNIT	HOME VALUE		TOTAL	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
			PER UNIT											
1+ acre residential	EACH	\$	750,000	61	3	-	16	13	-	12	17			
5,500 s.f. residential	EACH	\$	280,000	639	189	150	150	150	-	-				
7,000 s.f. residential	EACH	\$	320,000	163	41	-	40	46	36	-				
8,000 s.f. residential	EACH	\$	350,000	89	18	-	25	24	8	14				
12,000 s.f. residential	EACH	\$	400,000	32	-	-	-	11	17	4				
Multifamily	EACH	\$	225,000	400	-	-	150	250	-	-				
Commercial	S.F.	\$	75	955,532	-	-	-	188,179	-	110,991	236,923		236,923	182,516

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

WYNDHAM HILL METROPOLITAN DISTRICT  
ESTIMATED COSTS OF IMPROVEMENTS

	CURRENT BUDGET
Water:	
Internal 12" line west of WCR 7	\$ 482,383
Internal 12" line east of WCR 7	723,575
Left Hand W.D. repayment	4,250,000
Drainage:	
Pipe irrigation	548,163
Detention ponds w/ outlets	652,575
Offsite releases	182,721
Transportation:	
WCR 7 - 1/2 adj to property	2,584,197
WCR 16 - 1/2 adj to property	1,205,959
HWY 52 - 1/2 adj to property	1,696,695
WCR 7 1/2 to commercial	593,843
Signalization - 1/2 cost	293,659
Parks & recreation:	
Regional park	750,000
Community amenity west	1,500,000
Trail system	826,943
Pocket parks	1,566,180
Neighborhood parks	522,060
Revegetation of open space	454,819
Raw water acquisition for common areas	1,811,229
	<hr/>
	\$ 20,645,000
	<hr/>

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



wyndham hill

## EXHIBIT

DISTRICT 1:

A CIRCULAR PARCEL OF LAND WITH A RADIUS OF 150.00 FEET LOCATED IN THE NORTHEAST QUARTER OF SECTION 33, TOWNSHIP 2 NORTH, RANGE 68 WEST OF THE 6TH P.M., WELD COUNTY, COLORADO, WHICH RADIUS POINT LIES S45°34'33"E, 968.86 FEET FROM THE NORTHWEST CORNER OF THE SAID NORTHEAST QUARTER OF SECTION 33. CONTAINING 1.62 ACRES.

BASIS OF BEARINGS: THE NORTH LINE OF THE NORTHEAST QUARTER OF SECTION 33 (N89°08'36"E, 2,641.99")

DISTRICT 2:

A PARCEL OF LAND LOCATED IN THE EAST HALF OF SECTION 33, THE NORTHEAST QUARTER AND SOUTH HALF OF SECTION 33, ALL IN TOWNSHIP 2 NORTH, RANGE 68 WEST OF THE 6TH P.M., WELD COUNTY, COLORADO AND DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTH QUARTER CORNER OF SECTION 33;

THENCE N00°02'52"W, 30.00 FEET ALONG THE WEST LINE OF THE SOUTHEAST QUARTER OF SECTION 33 TO THE POINT OF BEGINNING;

THENCE CONTINUING ALONG SAID LINE N00°02'52"W 2,648.47 FEET;

THENCE N00°02'38"W, 2,594.11 FEET ALONG THE WEST LINE OF THE NORTHEAST QUARTER;

THENCE N89°08'30"E, 2,491.97 FEET ALONG A LINE PARALLEL WITH AND 30.00 FEET SOUTH OF THE NORTH LINE OF THE NORTHEAST QUARTER;

THENCE S00°02'01"E, 125.01 FEET;

THENCE N89°08'30"E, 120.01 FEET;

THENCE S00°02'01"E, 304.55 FEET ALONG A LINE PARALLEL WITH AND 30.00 FEET WEST OF THE EAST LINE OF THE NORTHEAST QUARTER;

THENCE S89°57'59"W, 150.00 FEET ALONG THE NORTH BOUNDARY OF A PARCEL RECORDED 04/24/1926 AT BOOK 788, PAGE 400;

THENCE S00°02'01"E, 150.00 FEET;

THENCE N89°57'59"E, 150.00 FEET ALONG THE SOUTH BOUNDARY OF A PARCEL RECORDED 04/12/1945 AT BOOK 1153, PAGE 15;

THENCE S00°02'01"E, 353.51 FEET;

THENCE ALONG THE BOUNDARY OF A PARCEL RECORDED 01/29/1993 AT RECEPTION NO. 2319928 THE FOLLOWING THREE COURSES:

1) S89°57'59"W, 263.30 FEET;

2) S00°02'01"E, 56.21 FEET;

3) N89°57'59"E, 3.30 FEET;

THENCE ALONG THE BOUNDARY OF A PARCEL OWNED BY NICK HARKALES IN THE YEAR 1948, THE FOLLOWING TWO COURSES:

1) S00°02'01"E, 110.00 FEET;

2) N89°57'59"E, 10.00 FEET;

THENCE ALONG THE BOUNDARY OF A PARCEL RECORDED AT RECEPTION NO. 2288334 THE FOLLOWING TWO COURSES:

1) S00°02'01"E, 120.00 FEET;

2) N89°57'59"E, 250.00 FEET;

THENCE S00°02'01"E, 449.60 FEET;

THENCE ALONG THE BOUNDARY OF A PARCEL RECORDED 05/13/1998 AT RECEPTION NO. 2612563 THE FOLLOWING THREE COURSES:


1) S89°57'59"W, 363.76 FEET;

2) S00°02'01"E, 240.00 FEET;

3) N89°57'59"E, 363.76 FEET;

THENCE S00°02'01"E, 722.66 FEET;

(CONTINUED)

SCALE	HOR. N/A VERT. N/A		<b>HURST &amp; ASSOCIATES, INC.</b> CONSULTING ENGINEERS 4999 Pearl East Circle, Suite 100 Boulder, Colorado 80501 (303) 449-2100
DESIGN/APPR.			
DRAWN BY	80		
DATE	10/08/03		
FILE Q:\202041\041-DISTRICT MAP.DWG			SHEET 1 OF 4

## WYNDHAM HILL

## EXHIBIT

(DISTRICT 2. CONTINUED)

THENCE N89°57'46"E, 30.00 FEET ALONG THE EAST-WEST CENTERLINE OF SECTION 33 TO THE EAST QUARTER CORNER OF SECTION 33;  
 THENCE N89°38'49"E, 2,656.41 FEET ALONG THE NORTH LINE OF THE SOUTHWEST QUARTER OF SECTION 34 TO THE CENTER QUARTER CORNER OF SECTION 34;  
 THENCE N00°10'33"W, 2,629.48 FEET ALONG THE WEST LINE OF THE NORTHEAST QUARTER OF SECTION 34;  
 THENCE N89°38'41"E, 1,027.33 FEET ALONG A LINE PARALLEL WITH AND 30.00 FEET SOUTH OF THE NORTH LINE OF THE NORTHEAST QUARTER OF SECTION 34;  
 THENCE S00°27'33"E, 1,418.85 FEET;  
 THENCE N89°43'27"E, 1,133.21 FEET;  
 THENCE ALONG THE WEST RIGHT OF WAY LINE OF THE LOWER BOULDER IRRIGATION DITCH THE FOLLOWING THREE COURSES:  
 1) S00°14'51"E, 111.27 FEET;  
 2) 119.97 FEET ALONG THE ARC OF A TANGENT CURVE TO THE LEFT, SAID ARC SUBTENDED BY A RADIUS OF 101.81 FEET, A CENTRAL ANGLE OF 67°39'01" AND A CHORD BEARING S34°04'22"E, 113.12 FEET;  
 3) S67°53'52"E, 66.57 FEET;  
 THENCE S00°14'51"E, 978.34 FEET ALONG THE WEST RIGHT OF WAY OF INTERSTATE HIGHWAY 25;  
 THENCE S89°38'49"W, 607.44 FEET ALONG THE NORTH LINE OF THE SOUTHEAST QUARTER OF SECTION 34;  
 THENCE S00°21'11"E, 1,324.99 FEET;  
 THENCE S89°38'49"W, 1,690.26 FEET;  
 THENCE S00°10'33"E, 305.58 FEET ALONG THE NORTH-SOUTH CENTERLINE OF SECTION 34;  
 THENCE N89°59'20"W, 910.98 FEET;  
 THENCE ALONG THE BOUNDARY OF THE PURITAN SUBDIVISION AS RECORDED 07/01/1947 IN BOOK 7, PAGE 38 THE FOLLOWING THREE COURSES:  
 1) N00°23'32"W, 106.27 FEET;  
 2) S89°36'28"W, 1,143.15 FEET;  
 3) S00°23'32"E, 143.15 FEET;  
 THENCE S89°36'28"W, 1,801.88 FEET;  
 THENCE S00°12'06"E, 969.71 FEET;  
 THENCE S89°37'29"W, 1,848.36 FEET ALONG A LINE PARALLEL WITH AND 30.00 FEET NORTH OF THE SOUTH LINE OF THE SOUTHEAST QUARTER OF SECTION 33 TO THE POINT OF BEGINNING, CONTAINING 535.09 ACRES;

EXCEPTING THEREFROM, A CIRCULAR PARCEL OF LAND WITH A RADIUS OF 150.00 FEET LOCATED IN THE NORTHEAST QUARTER OF SECTION 33, WHICH RADIUS POINT LIES S45°34'33"E, 968.88 FEET FROM THE NORTHWEST CORNER OF THE SAID NORTHEAST QUARTER OF SECTION 33, CONTAINING 1.62 ACRES.

NET ACREAGE OF DISTRICT 2: 533.47 ACRES.

BASIS OF BEARINGS: THE WEST LINE OF THE SOUTHEAST QUARTER OF SECTION 33 (N00°02'52"W, 2,678.47')


DISTRICT 3

THREE PARCELS OF LAND LOCATED IN THE SOUTHEAST QUARTER OF SECTION 33 AND THE SOUTH HALF OF SECTION 34, BOTH IN TOWNSHIP 2 NORTH, RANGE 88 WEST OF THE 6TH P.M., WELD COUNTY, COLORADO, DESCRIBED AS FOLLOWS:

PARCEL 1

COMMENCING AT THE SOUTHEAST CORNER OF THE SOUTHEAST QUARTER OF SECTION 33;  
 THENCE N00°12'06"W, 80.14 FEET ALONG THE EAST LINE OF SAID SOUTHEAST QUARTER TO THE POINT OF BEGINNING;  
 THENCE S89°47'54"W, 30.00 FEET;  
 THENCE S00°12'06"E, 50.24 FEET;  
 THENCE S89°37'29"W, 970.00 FEET ALONG THE NORTH RIGHT OF WAY OF STATE HIGHWAY 52, BEING A LINE PARALLEL WITH AND 30.00 FEET NORTH OF THE SOUTH LINE OF SAID SOUTHEAST QUARTER;

(CONTINUED)

SCALE	HOR. N/A VERT. N/A		<b>HURST &amp; ASSOCIATES, INC.</b> CONSULTING ENGINEERS 4202 Pearl East Circle, Suite 106 Boulder, Colorado 80501 (303) 440-9100
DESIGN/APPR.			
DRAWN BY	BO		
DATE	10/08/03		
FILE G:\202041\041-DISTRICT MAP.DWG			SHEET 2 OF 4

## WYNDHAM HILL

## EXHIBIT

(DISTRICT 3, PARCEL 1 CONTINUED)

THENCE N00°12'06"W, 969.71 FEET;  
THENCE N89°36'28"E, 1,601.68 FEET;  
THENCE S00°23'32"E, 970.00 FEET ALONG THE WEST BOUNDARY OF THE PURITAN SUBDIVISION AS RECORDED  
07/01/1947 IN BOOK 7, PAGE 38;  
THENCE ALONG THE NORTH RIGHT OF WAY OF STATE HIGHWAY 52 THE FOLLOWING TWO COURSES:  
1) S89°36'28"W, 524.87 FEET;  
2) N45°17'17"W, 70.64 FEET;  
THENCE S89°47'54"W, 30.00 FEET TO THE POINT OF BEGINNING, CONTAINING 35.60 ACRES;


PARCEL 2

COMMENCING AT THE SOUTH QUARTER CORNER OF SECTION 34;  
THENCE N00°10'33"W, 30.00 FEET ALONG THE NORTH-SOUTH CENTERLINE OF SECTION 34 TO THE POINT OF  
BEGINNING;  
THENCE S89°36'28"W, 907.18 FEET ALONG THE NORTH RIGHT OF WAY OF STATE HIGHWAY 52, BEING A LINE  
PARALLEL WITH 30.00 FEET NORTH OF THE SOUTH LINE OF THE SOUTHWEST QUARTER OF SECTION 34;  
THENCE N00°23'32"W, 1,006.88 FEET ALONG THE EAST BOUNDARY OF THE PURITAN SUBDIVISION AS RECORDED  
07/01/1947 IN BOOK 7 PAGE 38;  
THENCE S89°59'20"E, 910.98 FEET;  
THENCE N00°10'33"W, 305.58 FEET ALONG THE NORTH-SOUTH CENTERLINE OF SECTION 34;  
THENCE N89°38'49"E, 1,690.26 FEET;  
THENCE N00°21'11"W, 1,324.99 FEET;  
THENCE N89°38'49"E, 607.44 FEET ALONG THE NORTH LINE OF THE SOUTHEAST QUARTER OF SECTION 34;  
THENCE ALONG THE WEST RIGHT OF WAY LINE OF INTERSTATE 25 AND FRONTAGE ROAD THE FOLLOWING SIX  
COURSES:  
1) S00°19'47"E, 802.34 FEET;  
2) 838.11 FEET ALONG THE ARC OF A NON-TANGENT CURVE TO THE RIGHT, SAID ARC SUBTENDED BY A  
RADIUS OF 1,164.70 FEET, A CENTRAL ANGLE OF 41°13'47" AND A CHORD BEARING S28°44'52"W, 820.15 FEET;  
3) S49°21'45"W, 383.83 FEET;  
4) 676.63 FEET ALONG THE ARC OF A TANGENT CURVE TO THE LEFT, SAID ARC SUBTENDED BY A RADIUS OF  
771.00 FEET, A CENTRAL ANGLE OF 50°16'57" AND A CHORD BEARING S24°13'17"W, 655.12 FEET;  
5) S00°55'12"E, 178.26 FEET;  
6) S39°58'59"W, 116.78 FEET;  
THENCE S89°36'09"W, 1,263.62 FEET ALONG THE NORTH LINE OF STATE HIGHWAY 52, BEING A LINE PARALLEL  
WITH AND 30.00 FEET NORTH OF THE SOUTH LINE OF THE SOUTHEAST QUARTER OF SECTION 34 TO THE POINT  
OF BEGINNING, CONTAINING 84.83 ACRES;

PARCEL 3

COMMENCING AT THE SOUTH QUARTER CORNER OF SECTION 34;  
THENCE N00°10'33"W, 30.00 FEET ALONG THE NORTH-SOUTH CENTERLINE OF SECTION 34;  
THENCE N89°36'09"E, 1,263.62 FEET ALONG THE NORTH LINE OF STATE HIGHWAY 52, BEING A LINE PARALLEL  
WITH AND 30.00 FEET NORTH OF THE SOUTH LINE OF THE SOUTHEAST QUARTER;  
THENCE ALONG THE WEST RIGHT OF WAY LINE OF THE INTERSTATE HIGHWAY 25 FRONTAGE ROAD THE  
FOLLOWING THREE COURSES:  
1) N39°58'59"E, 116.78 FEET;  
2) N00°55'12"W, 178.26 FEET;  
3) 457.62 FEET ALONG THE ARC OF A TANGENT CURVE TO THE RIGHT, SAID ARC SUBTENDED BY A RADIUS  
OF 771.00 FEET, A CENTRAL ANGLE OF 34°00'27" AND A CHORD BEARING N16°05'01"E, 450.93 FEET;  
THENCE S56°54'45"E, 131.25 FEET TO THE POINT OF BEGINNING;  
THENCE ALONG THE EAST RIGHT OF WAY LINE OF THE INTERSTATE HIGHWAY 25 THE FOLLOWING THREE  
COURSES:  
1) 181.72 FEET ALONG THE ARC OF A NON-TANGENT CURVE TO THE RIGHT, SAID ARC SUBTENDED BY A  
RADIUS OF 639.75 FEET, A CENTRAL ANGLE OF 16°16'30" AND A CHORD BEARING N41°13'30"E, 181.11 FEET;

(CONTINUED)

SCALE	HOR. N/A VERT. N/A		<b>HURST &amp; ASSOCIATES, INC.</b> CONSULTING ENGINEERS 4808 Pearl East Circle, Suite 104 Boulder, Colorado 80501 (303) 447-8194
DESIGN/APPR.			
DRAWN BY	BO		
DATE	10/08/03		
FILE G:\202041\041-DISTRICT MAP.DWG			SHEET 3 OF 4

## WYNDHAM HILL

## EXHIBIT

(DISTRICT 3, PARCEL 3 CONTINUED)

- 2) N49°21'45"E, 383.63 FEET;  
3) 321.78 FEET ALONG THE ARC OF A TANGENT CURVE TO THE LEFT, SAID ARC SUBTENDED BY A RADIUS OF 1,295.95 FEET, A CENTRAL ANGLE OF 14°13'32" AND A CHORD BEARING N42°14'59"E, 320.94 FEET;  
THENCE ALONG THE BOUNDARY OF CDOT PARCEL "216A REV" AS RECORDED 02/28/2000 AT RECEPTION NO. 2751849 THE FOLLOWING SIX COURSES:  
1) S00°00'12"E, 170.61 FEET;  
2) S18°15'17"E, 128.16 FEET;  
3) S14°09'05"W, 164.21 FEET;  
4) S60°41'30"W, 143.03 FEET;  
5) S00°00'04"E, 102.08 FEET  
6) N89°59'58"W, 501.55 FEET TO THE POINT OF BEGINNING, CONTAINING 4.14 ACRES.

NET ACREAGE OF DISTRICT 3: 124.57 ACRES.

BASIS OF BEARINGS: THE EAST LINE OF THE SOUTHEAST QUARTER OF SECTION 33 (N00°12'06"W, 2,662.90')

SCALE	HOR. N/A VERT. N/A
DESIGN/APPR.	
DRAWN BY	80
DATE	10/08/03



HURST &amp; ASSOCIATES, INC.

CONSULTING ENGINEERS

4828 Pearl East Circle, Suite 100  
Boulder, Colorado 80504 (303) 449-1100

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

**Wyndham Hill Metropolitan Districts No.1, 2 and 3**

**Forecasted Statements**

**Sources and Uses of Funds**

**For the Years Ending**

**December 31, 2003 through 2042**

**Wyndham Hill Metropolitan Districts No. 1, 2 and 3  
Weld County, Colorado**

**Summary of Significant Assumptions and Accounting Policies  
December 31, 2003 through 2042**

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 December 4, 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 three (3) Title 32 Special Districts.

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

Residential property is currently assessed at approximately 8.00% of actual value. The market values of residential units within the District will range from \$225,000 to \$750,000 and will vary based upon the type of unit, development location and lot size. Market values are inflated at 4% per year commencing three (3) years after initial construction. Commercial property is currently assessed at 29% of actual value. The market value of commercial property within the District assumes a range of 21 to 24% coverage, at a value of \$75 per square foot of building.

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 on the residential construction is initially projected to be 40 mills. The mill levy proposed to be imposed by the Districts on the commercial construction is initially projected to be 11 mills. These levies are 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 4.0%. 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**

Initially, 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. 1 contemplates and proposes to issue revenue bonds to pay for public improvements, which will constitute special revenue obligations payable from all moneys collected from District Nos. 2 and 3 pursuant to a pledge agreement between the Districts. District Nos. 2 and 3 may issue general obligation bonds to refund any outstanding promissory notes of District No. 1 and to pay for public improvements. Based upon the aforementioned assessment ratios, District No. 2's mill levy is projected to not exceed 40 mills and District No. 3's mill levy is not expected to exceed 11 mills to pay debt service obligations and operating expenses of the District. The general obligation bonds will be issued in denominations of \$5,000 or multiples thereof and will bear an estimated interest rate of 6.0%.

**Note 4.        Operating Expenses**

Operating expenses for legal, accounting, audit and management are forecast to be \$36,000 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 \$20,645,000.



WYNDHAM HILL METROPOLITAN DISTRICT										
SOURCE AND APPLICATION OF FUNDS										
SOURCES:	TOTAL	2003	2004	2005	2006	2007	2008	2009		
Beginning cash		-	895	2,860	33,603	38,322	7,955	85,117		
Property tax revenue - residential	52,654,098							238,688		
Property tax revenue - commercial	6,519,297							-		
Specific ownership taxes	2,958,670							-		
Reimbursements	5,271,400							-		
Developer financing	26,140,000	52,000	38,000	6,100,000	3,600,000	5,000,000	5,400,000	2,700,000		
General obligation bonds	26,000,000									
Interest income	75,302	-		114	1,344	1,533	318	3,405		
	119,618,766	52,000	38,895	6,102,974	4,115,847	5,520,755	5,889,173	3,620,944		
APPLICATION:										
Infrastructure construction	20,645,000	-		5,769,472	3,362,375	4,430,710	4,278,469	1,678,975		
Interest - developer financing	15,810,340	1,105	6,035	266,900	679,150	1,044,650	1,486,650	1,830,900		
Principal - developer financing	26,140,000									
Issuance costs	780,000									
Interest - general obligation bonds	26,158,500									
Principal - general obligation bonds	26,000,000									
Treasurer's fees	931,981	-						3,759		
Formation and operating costs	3,054,281	50,000	30,000	33,000	36,000	37,440	38,938	40,495		
Contingency	48,665	-								
	119,568,767	51,105	36,035	6,069,372	4,077,525	5,512,800	5,804,056	3,554,129		
ENDING CASH	50,000	895	2,860	33,603	38,322	7,955	85,117	66,815		
MILL LEVY - RESIDENTIAL							40.0	40.0		
MILL LEVY - COMMERCIAL							11.0	11.0		

[illegible]

[illegible]

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[illegible]

SOURCES:	2038	2039	2040	2041	2042				
Beginning cash	52,018	51,566	53,233	52,034	53,591				
Property tax revenue - residential	1,311,165	1,261,651	1,207,987	1,159,393	1,106,796				
Property tax revenue - commercial	175,427	168,802	161,622	155,120	148,083				
Specific ownership taxes	74,330	71,523	68,480	65,726	62,744				
Reimbursements - transportation fees									
Developer financing									
General obligation bonds									
Interest income	2,081	2,063	2,129	2,081	2,144				
APPLICATION:	1,615,019	1,555,604	1,493,451	1,434,354	1,373,357				
Infrastructure construction									
Interest - developer financing									
Principal - developer financing									
Issuance costs									
Interest - general obligation bonds	326,250	261,000	195,750	130,500	65,250				
Principal - general obligation bonds	1,087,500	1,087,500	1,087,500	1,087,500	1,087,500				
Treasurer's fees	23,414	22,530	21,571	20,704	19,764				
Formation and operating costs	126,290	131,342	136,595	142,059	147,742				
Contingency	-	-	-	-	3,102				
	1,563,454	1,502,371	1,441,417	1,380,763	1,323,358				
ENDING CASH	51,566	53,233	52,034	53,591	50,000				
MILL LEVY - RESIDENTIAL	15.2	14.2	13.2	12.3	11.4				
MILL LEVY - COMMERCIAL	4.2	3.9	3.6	3.4	3.1				

## FINANCING AND VALUATION

WYNDHAM HILL METROPOLITAN DISTRICT								
FINANCING AND VALUATION								
<b>DEVELOPER FINANCING:</b>			<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>
	Beginning balance			52,000	90,000	6,190,000	9,790,000	14,790,000
	Draws	52,000	38,000	6,100,000	3,600,000	5,000,000	5,400,000	2,700,000
	Repayments	-	-	-	-	-	-	-
	Ending balance	52,000	90,000	6,190,000	9,790,000	14,790,000	20,190,000	22,890,000
<b>GENERAL OBLIGATION BONDS:</b>								
	Beginning balance			-	-	-	-	-
	Proceeds	-	-	-	-	-	-	-
	Repayments	-	-	-	-	-	-	-
	Ending balance	-	-	-	-	-	-	-
<b>ASSESSED VALUATION - RESIDENTIAL:</b>								
	Beginning valuation	-	-				-	5,967,200
	Increase from inflation		-					
	Increase from building						-	5,967,200
	Ending valuation						-	5,967,200
<b>ASSESSED VALUATION - COMMERCIAL:</b>								
	Beginning valuation						-	
	Increase from inflation							
	Increase from building						-	
	Ending valuation						-	
<b>DEBT TO ASSESSED RATIO:</b>								
	Outstanding G.O. debt							
	% Debt to assessed							

[illegible]



DEVELOPER FINANCING:									
Beginning balance	2017	2018	2019	2020	2021	2022	2023		
Draws	9,115,000	-	-	-	-	-	-	-	-
Repayments	(9,115,000)	-	-	-	-	-	-	-	-
Ending balance	-	-	-	-	-	-	-	-	-
GENERAL OBLIGATION BONDS:									
Beginning balance	17,000,000	26,000,000	25,350,000	24,625,000	23,800,000	22,825,000	21,750,000		
Proceeds	9,000,000	-	-	-	-	-	-	-	-
Repayments	-	(650,000)	(725,000)	(825,000)	(975,000)	(1,075,000)	(1,087,500)		
Ending balance	26,000,000	25,350,000	24,625,000	23,800,000	22,825,000	21,750,000	20,662,500		
ASSESSED VALUATION:									
Beginning valuation	46,369,457	47,760,540	49,193,357	50,669,157	52,189,232	53,754,909	55,367,556		
Increase from inflation	1,391,084	1,432,816	1,475,801	1,520,075	1,565,677	1,612,647	1,661,027		
Increase from building	-	-	-	-	-	-	-		
Ending valuation	47,760,540	49,193,357	50,669,157	52,189,232	53,754,909	55,367,556	57,028,583		
ASSESSED VALUATION - COMMERCIAL:									
Beginning valuation	22,559,911	23,236,708	23,933,809	24,651,824	25,391,378	26,153,120	26,937,713		
Increase from inflation	676,797	697,101	718,014	739,555	761,741	784,594	808,131		
Increase from building	-	-	-	-	-	-	-		
Ending valuation	23,236,708	23,933,809	24,651,824	25,391,378	26,153,120	26,937,713	27,745,845		
DEBT TO ASSESSED RATIO:									
Outstanding G.O. debt	17,000,000	26,000,000	25,350,000	24,625,000	23,800,000	22,825,000	21,750,000		
% Debt to assessed	23.94%	35.55%	33.66%	31.74%	29.78%	27.73%	25.66%		

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**EXHIBIT G**  
**Frederick Resolution of Approval**

**RESOLUTION NO. 04 - R - 05**

**RESOLUTION OF THE TOWN OF FREDERICK RELATING TO THE APPROVAL  
OF THE CONSOLIDATED SERVICE PLAN FOR WYNDHAM HILL  
METROPOLITAN DISTRICT NOS. 1, 2 AND 3**

**WHEREAS**, a Consolidated Service Plan ("Service Plan") for the creation of the Wyndham Hill Metropolitan District Nos. 1, 2 and 3 (the "Districts"), whose boundaries are wholly within the corporate limits of the Town of Frederick (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 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 FREDERICK, COLORADO, AS FOLLOWS:**

Section 1. Upon consideration of the Service Plan for the Districts and all the facts appearing at an open meeting 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; 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.

Section 4. The Town's approval of the Service Plan is conditioned upon the approval and completion of the Town's annexation of the Property within the proposed Districts and shall not be effective until such annexation is final and unappealable.

**RESOLUTION ADOPTED AND APPROVED THIS 12<sup>th</sup> DAY OF FEBRUARY 2004.**

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

By: *Richard J. [Signature]*  
Mayor

ATTEST:

By: *Acqueline McConnell*  
Town Clerk

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0727.0003 & 0007

