

COMBINED SERVICE PLAN
FOR
NORTH PINE VISTAS METROPOLITAN DISTRICT NOS. 1-3
(with revised legal description)

City of Castle Pines, Colorado

Prepared by

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TABLE OF CONTENTS

I.	INTRODUCTION	3
	A. Overview.....	3
	B. Three District Format.....	4
	C. District Services.....	4
	D. Service Area, Configuration and Boundaries.....	4
	E. Existing Services and Districts.....	5
	F. General Financial Information and Assumptions.....	6
	G. Objectives of the City Regarding Service Plan.....	6
	H. Consultants.....	7
II.	DESCRIPTION OF LAGAE RANCH PLANNED DEVELOPMENT.....	8
	A. General.....	8
	B. Vicinity.....	8
III.	DESCRIPTION OF PROPOSED METROPOLITAN DISTRICT SERVICES.....	8
	A. Need for Metropolitan Districts.....	8
	B. General Service Authority.....	8
	(1) <u>Sanitation and Storm Drainage</u>	9
	(2) <u>Water</u>	9
	(3) <u>Streets</u>	9
	(4) <u>Traffic and Safety Controls</u>	10
	(5) <u>Parks and Recreation</u>	10
	(6) <u>Operations and Maintenance</u>	10
	(7) <u>Covenant Enforcement</u>	10
	(8) <u>Legal Powers</u>	11
	(9) <u>Eminent Domain</u>	11
	(10) <u>Construction Standards Limitation</u>	11
	(11) <u>Monies From Other Governmental Sources</u>	11
	(12) <u>Other</u>	11
IV.	DESCRIPTION OF FACILITIES AND IMPROVEMENTS.....	12
	A. General.....	12
	B. General Design Standards.....	13
	(1) <u>Wastewater System</u>	13
	(2) <u>Water System</u>	13
	(3) <u>Street System and Traffic Safety</u>	14
	(4) <u>Park and Recreation</u>	15
	C. Estimated Cost of Facilities.....	15
V.	PROPOSED AND EXISTING AGREEMENTS.....	16

	A.	Service Coordination.	16
	B.	Other Agreements/Authority.	16
VI.		FINANCIAL PLAN.....	16
	A.	Other Financial Information.	18
	B.	Elections.....	19
	C.	Provision for Bond Mill Levy Cap.	19
		(1) <u>Bonds</u>	19
	D.	Additional Bond Limitations.	20
	E.	Operations.	20
	F.	Enterprises.....	21
VII.		ANNUAL REPORT AND CITY INFORMATION	21
VIII.		DISCLOSURE TO RESIDENTS AND TAXPAYERS.....	22
IX.		MATERIAL MODIFICATIONS	22
X.		CONSOLIDATION OR DISSOLUTION.....	23
XI.		RESOLUTION OF APPROVAL	23
XII.		INTERGOVERNMENTAL AGREEMENT	24
XIII.		CONCLUSIONS.....	24
XIV.		LIST OF EXHIBITS.....	25

I. INTRODUCTION

A. Overview.

This Combined Service Plan ("Service Plan"), submitted in accordance with Part 2 of the Special District Act (§ 32-1-201, *et seq.*, C.R.S.), sets forth a proposal for the formation of North Pine Vistas Metropolitan District No. 1 ("District No. 1"), North Pine Vistas Metropolitan District No. 2 ("District No. 2") and North Pine Vistas Metropolitan District No. 3 ("District No. 3") (collectively the "Districts"), which are intended to serve the area commonly known as Lagae Ranch north and more accurately described as the area within "Lagae Ranch Filing 1, Final Plat" recorded at Reception No. 2008082081, which is located within the boundaries of the City of Castle Pines in Douglas County, Colorado (the "Development"). The developer of the Development and proponent of the Districts is R.I. Management of Tulsa, Inc. (the "Proponent" or "Developer"). The Development will be developed pursuant to such land use submittals approved by the City of Castle Pines (the "City").

District No. 1 will construct, own and operate the majority of the public services and facilities for the Development. District Nos. 2 and 3 will fund and assist in the coordination of metropolitan district services and facilities. District Nos. 2 and 3 will encompass the majority of the residential and commercial development except the property located in District No. 1, which will encompass a tract of approximately one (1) acre after final platting. At organization the boundaries of the Districts will overlap until final platting of the property. Using funds provided by and through District Nos. 2 and 3, District No. 1 will construct, own and operate certain public services and facilities for the Development. District No. 1 will also be the contracting party for any agreements with the City and any other service providers.

The Districts may authorize bonded and other indebtedness to finance a portion of the infrastructure necessary to develop the property located within its boundaries. In addition, the Districts will authorize an intergovernmental agreement between the Districts (the "Facilities Agreement" referenced in Section V.A. of this Service Plan) which will facilitate the transfer of capital construction and operating funds from District No. 2 and District No. 3 to District No. 1. The basic charge of District Nos. 2 and 3 is to issue debt and collect tax revenues to pay off debt and to fund the construction, operations, and maintenance of the public services and facilities to be constructed and managed by District No. 1. District No. 1 will also be the primary contracting party for agreements with other entities providing service within and outside the Districts.

Nothing in this Service Plan shall alter the obligation of the Developer to provide the City with improvement guarantees for the improvements identified in the development agreements, plats or zoning for the Development as entered into by the Developer and City, including warranty security for the same, as more particularly set forth in such documents and agreements, including but not limited to the Subdivision Improvements Agreement for the Development

recorded on December 4, 2008 at Reception No. 2008082082 in the real property records of Douglas County, Colorado, as such documents and agreements may be amended from time to time.

B. Three District Format.

There are three specific reasons for using three special districts to facilitate the infrastructure within the Development. First, District No. 1 will be overseen by a limited electorate, consisting initially of representatives of the Proponent and the Developer to allow consistency during the delineated phases of the planned Development and contracting with other entities.

Second, the multiple district concept has worked very well in other areas of the State of Colorado in the context of the restrictions of TABOR. Because District Nos. 2 and 3 authorize the debt and the intergovernmental agreement with District No. 1 at a single election, all of the necessary taxing and spending authority is authorized at the outset, and District Nos. 2 and 3 are therefore allowed to adjust their mill levies for both purposes at its discretion to allow for differences between commercial and residential valuations.

Finally, the three district concept will ensure that the construction and operation of the public facilities for the Development will be achieved in an efficient and cost effective manner and will allow for a single entity to negotiate and enter into long-term agreements and contracts with the City and other parties involved in the construction of the public infrastructure associated with the Development.

C. District Services.

District No. 1 will construct, own and operate the majority of the public services and facilities for the Development, as more specifically set forth in this Service Plan. District Nos. 2 and 3 will fund and assist in the coordination of metropolitan district services and facilities. Using funds provided by and through District Nos. 2 and 3, District No. 1 will construct, own and operate certain public services and facilities for the Development not otherwise dedicated to other appropriate service entities or the City.

D. Service Area, Configuration and Boundaries.

The service area of the Districts will initially include approximately 237 acres within the City and may include additional areas within or outside the City which may benefit the Districts as may be determined by the Districts' Board of Directors, subject to the limitations set forth in this Section I.D. ("Service Area").

A legal description of the initial boundaries of the Districts and a map depicting the boundaries are attached as **Exhibit A**. At formation, all Districts will have the same boundary and legal description. Once final uses of lots within the Development are determined, the final boundaries will be set by inclusion and exclusion of property by the respective Districts of property located within the Development. At build-out, it is anticipated that the Districts will contain approximately 631 single and multi-family residential units within the Development as well as office/commercial/retail development consisting of approximately 50,000 square feet. Current plans indicate that the Development will also contain areas of parks and open space. Projections and phasing for the improvements are more particularly set forth in **Exhibit C** attached to this Service Plan. The projected population of the Districts at full build-out is 1577 persons (assuming 631 units and 2.5 person average occupancy per residential unit of development.)

The area within the Districts is currently undeveloped and the current population of the Districts is assumed to be zero for the purposes of this Service Plan. To date the land within the Districts has been assessed at agricultural rates. At build-out of the Development, the expected assessed valuation is estimated at \$15,586,053, as more particularly set forth in **Exhibit B**. For purposes of this Service Plan the current assessed valuation of all taxable property within the boundaries of the Districts is assumed to be \$0.

The Districts shall not include within any of their respective boundaries any property outside of the current boundary described in **Exhibit A** that lies within the City without prior written consent of the City Council through a resolution approving the same. Boundary adjustment of the Districts within the area described in **Exhibit A** shall not constitute a material modification of this Service Plan absent a coinciding change of a basic or essential nature pursuant to C.R.S. Section 32-1-207(2) occurring as a result of such boundary change(s). The boundaries of the Districts shall not overlap unless the aggregate mill levy of the overlapping Districts will not at any time exceed the Mill Levy Cap as defined herein.

E. Existing Services and Districts.

There are currently no other entities in existence in the Development which have the ability or desire to undertake the design, financing, construction, operation and maintenance of all of the improvements designated herein which are needed for the Development. It is also the Proponent's understanding that the City does not consider it feasible or practicable for the City to provide the necessary services and facilities for the Development.

The Developer is a party to that certain Real Property Inclusion Agreement with the Castle Pines North Metropolitan District ("CPNMD") dated December 19, 2007, a copy of which is recorded at Reception No. 2008045280 in the real property records of Douglas County, Colorado ("Inclusion Agreement"). As set forth in Section III of this Service Plan, and except for the proposed sanitary sewer lift station and other improvements constructed outside of the

boundaries of CPNMD boundaries, it is currently anticipated that any water and wastewater infrastructure required for the Development that is constructed by District No. 1 will be dedicated to CPNMD for ongoing operation and maintenance pursuant to the terms of the Inclusion Agreement.

The City filed an application for dissolution with CPNMD on February 5, 2010. If voters approve the dissolution of CPNMD and authorize the City to assume responsibility for those water and wastewater services currently provided by CPNMD, water and wastewater infrastructure constructed within the Development by District No. 1 will be dedicated to the City for ongoing operations and maintenance.

Pursuant to Section 32-1-107(2), C.R.S. the Districts shall not provide the same services as provided by CPNMD within the CPNMD boundaries until such time as CPNMD has consented to the Districts providing such services. The Districts may provide such services outside of the boundaries of CPNMD.

F. General Financial Information and Assumptions.

The anticipated costs of the public improvements necessary to provide access to and appropriate public services within the Districts are estimated in **Exhibit C**. Costs are shown for each general category of improvements. The costs and types of infrastructure to be constructed by the Districts may change depending on the nature of projects deemed necessary by the Board of Directors of the Districts. As referenced in **Exhibit B**, the improvements are currently anticipated to be constructed in 2013-2016. The construction of the improvements will depend largely on the phasing of the Development. The Districts may obtain financing for capital improvements that it deems beneficial for the Districts and for the Development through the issuance of general obligation bonds or other debt instruments. General obligation debt will be payable from revenues derived from ad valorem property taxes and from other sources. The preliminary financial forecasts for the Districts are contained in the Financial Plan. The Financial Plan demonstrates one method which might be used by the Districts to finance the cost of infrastructure. At the time bonds or other debt instruments are proposed to be issued, alternative financial plans may be employed and utilized by the Districts as long as such alternative financial plans do not result in material economic deviation or change in the risk to property owners. The figures contained herein depicting costs of infrastructure and operations will not constitute legal limits on the financial powers of the Districts; provided, 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.

G. Objectives of the City Regarding Service Plan

This Service Plan is intended to establish a limited purpose for the Districts and explicit financial and operating constraints that are not to be violated under any circumstances. The primary purpose is to provide for the public improvements necessary for the Development. Operational activities by District No. 1 are allowed, but only to the extent set forth in this Service Plan.

H. Consultants.

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 services, was obtained from the Proponent and the Developer. Legal advice in the preparation of this Service Plan was provided by Grimshaw and Haring, P.C., which represents numerous special districts throughout Colorado. Financial recommendations and advice in the preparation of the Service Plan were provided by the Developer with the assistance of George K. Baum & Co.

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II. DESCRIPTION OF LAGAE RANCH PLANNED DEVELOPMENT

A. General.

The overall design theme of the Development is for a mixed use master planned community. The Development is proposed to contain approximately 231 single family detached homes and 400 multi-family residential units located over, adjacent to or near commercial and retail development.

B. Vicinity.

The Districts are located in the central portion of the City, in Douglas County, Colorado. The Development generally lies to the south of East Castle Pines Parkway, to the west of Yorkshire Drive and is bordered on the east by Interstate 25. Vacant agricultural land lies to the south of the Development.

III. DESCRIPTION OF PROPOSED METROPOLITAN DISTRICT SERVICES

A. Need for Metropolitan Districts.

The property contained within the boundaries of the Districts presently consists primarily of undeveloped land, a regional park and improved streets. It is anticipated that property within the District's boundaries will see development and construction activity in the near future pursuant to the increasing demand along the I-25 corridor. The Districts are an integral tool in establishing the necessary public infrastructure for the Development and allow such development to "pay its own way" by having the property owners within the Development pay for the infrastructure that serves the Development.

B. General Service Authority.

In addition to the statutory powers given to the Districts as set forth in Title 32, C.R.S., the Districts will have the power and authority to provide jointly the public improvements and services listed below, subject to the restrictions and limitations set forth herein. The specific improvements identified by the Districts as capital construction items will depend on the financial wherewithal of the Districts, but any one or a number of the improvements described below may be constructed by the Districts, either within or outside the boundaries of the Districts as may be determined necessary by the Districts' Board of Directors. It is intended, in any event, that the Districts will operate and maintain all facilities not dedicated to or owned by the City or other appropriate entity. Improvements will only be dedicated or otherwise made the responsibility of other entities in accordance with all applicable standards and requirements of and acceptance by such entities.

(1) Sanitation and Storm Drainage.

Subject to the restriction set forth in Section I.E., the Districts shall have the authority to design, acquire, install, construct, operate and maintain storm or sanitary sewers, or both, flood and surface drainage improvements including but not limited to water quality ponds and other storm water facilities, culverts, dams, retaining walls, access ways, inlets, detention ponds, paving, roadside swales and curb and gutter, treatment and disposal works and facilities, 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 facilities or systems. The intent is that any sanitary sewer infrastructure installed or constructed by the Districts will be dedicated to CPNMD or the City for ownership and maintenance.

(2) Water.

Subject to the restriction set forth in Section I.E., the Districts shall have the authority to design, acquire, install, construct, operate and maintain water and irrigation water systems including but not limited to water rights, water supply, water quality, treatment, storage, transmission and distribution systems for domestic and other public or private purposes, together with all necessary and proper reservoirs, treatment works and facilities, wells, water rights, equipment and appurtenances incident thereto within or outside the Districts boundaries which may include, but shall not be limited to, transmission lines, distribution mains and laterals, storage facilities, land and easements, together with extensions of and improvements to said systems and take all necessary actions related thereto. The intent is that water infrastructure installed or constructed within the Districts will be conveyed to the CPNMD or the City, as applicable, for ownership and maintenance.

(3) Streets.

The Districts shall have the authority to design, acquire, install, construct, operate and maintain 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, streetscaping or landscaping, entry features, monuments, undergrounding of public utilities, snow removal equipment, or tunnels and other street improvements, together with all necessary, incidental and appurtenant facilities, signage, land and easements, and all necessary extensions of and improvements to said facilities. Any and all streetscaping, landscaping, or entry monumentation in rights-of-way shall be maintained by the Districts or other appropriate entity having jurisdiction.

(4) Traffic and Safety Controls.

The Districts shall have the authority to design, acquire, install, construct, operate and maintain 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 and easements, and all necessary extensions of and improvements to said facilities. The intent is that any traffic and safety protection devices will be dedicated to the City for operation and maintenance.

(5) Parks and Recreation.

The Districts shall have the authority to design, acquire, install, construct, operate and maintain public park and recreation facilities including but not limited to grading, soil preparation, sprinkler systems, playgrounds, bike and hiking trails, pedestrian trails, pedestrian bridges, public art, 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. It is anticipated that parks and recreation facilities will be limited to entryway monumentation, common areas within the Development and streetscaping.

(6) Operations and Maintenance

The public improvements to be constructed by the Districts may be required to be dedicated to other entities for operations and maintenance. Prior to final acceptance by the City, or for those public improvements that are not ultimately conveyed to the City, CPNMD, or other appropriate governmental entity, the District shall be authorized to undertake and coordinate any operational requirements for said public improvements. Upon final acceptance by the City, CPNMD, or other appropriate governmental entity, the Districts shall not be authorized to operate or maintain such public improvements, unless the provision of such operation and maintenance functions is pursuant to an intergovernmental agreement with the City or other appropriate governmental entity.

(7) Covenant Enforcement.

Pursuant to Section 32-1-1004(8), C.R.S., the Board of Directors of District No. 1 shall have the power to furnish covenant enforcement and design review services within District Nos. 2 and 3 if: (a) District No. 1 is named as the enforcement or design review entity in the declaration, rules and regulations, or any similar document containing the covenants to be enforced for the Development; and (b) the revenues used to furnish such services are derived from the property within District Nos. 2 and 3.

(8) Legal Powers.

The powers of the Districts will be exercised by their respective Boards of Directors to provide the services and infrastructure to the extent deemed necessary by the Board of Directors. The described improvements and services, along with all other activities permitted by applicable law as may be amended hereafter, will be undertaken in accordance with, and pursuant to, the procedures and conditions contained in the Special District Act, Title 32, Colorado Revised Statutes, other applicable statutes, and this Service Plan, as any or all of the same may be amended from time to time.

(9) Eminent Domain.

The Districts shall be prohibited from undertaking a condemnation action against the City without prior written approval of City Council.

(10) Construction Standards Limitation.

The Districts will ensure that all public improvements constructed by the Districts within the boundaries of the City are installed in accordance with construction drawings approved by the City Engineer, with any amendments or update approved by the City Engineer, and in accordance with all applicable City standards, requirements and regulations.

(11) Monies from Other Governmental Sources.

No District shall apply for or accept Conservation Trust Funds, Great Outdoors Colorado Funds, or other funds available from or through governmental entities that the City is eligible to apply for, except as may be specifically allowed by this Service Plan or as may be specifically authorized by the City in writing. This limitation shall not apply to specific ownership taxes which may be distributed to and constitute a revenue source for the Districts.

(12) Other.

In addition to the powers enumerated above, the Districts shall also have the following authority:

(a) To amend this Service Plan as needed, subject to Section 32-1-207, C.R.S., including, but not limited to, by written notice to the City pursuant to Section 32-1-207, C.R.S., of proposed actions which the Districts believe are permitted by this Service Plan but which may be unclear; and

(b) 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 have and exercise all rights and powers necessary or incidental to or implied from the specific powers granted to the Districts pursuant to Section 32-1-101, *et seq.*, C.R.S., as may be amended, or other applicable statutes.

IV. DESCRIPTION OF FACILITIES AND IMPROVEMENTS

The Districts will be permitted to exercise their statutory powers and authority as set forth herein to finance, construct, acquire, operate and maintain the public facilities and improvements described in Section III of this Service Plan either directly or by contract. Where appropriate, the Districts may contract with various public and/or private entities to undertake such functions.

Exhibit D shows the conceptual layouts of public facilities and improvements within the Development. It is anticipated that the improvements described in **Exhibit C**, will be constructed in phases as determined by development of the project. Detailed information for each type of improvement needed for the Development is set forth in the following pages. It is important to note that the preliminary layouts are conceptual in nature only, and that modifications to the type, configuration, and location of improvements will be necessary as development proceeds. Additional or alternative infrastructure may be constructed within or outside the District boundaries in the discretion of the Board of Directors of the Districts. Either the Districts or the Developer may construct the street and roadway improvements and main water and sewer improvements necessary to serve the Development. The public facilities and improvements described in Section III of this Service Plan will be designed in conformance with the criteria and standards of the City or other entity having jurisdiction.

The following sections contain general descriptions of proposed facilities and improvements which will be constructed, owned and operated (where applicable) by District No. 1.

A. General.

Construction of facilities and improvements within the Development 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 preliminary only and are subject to modification as engineering, development plans, economics, requirements of the City, needs of the District and construction design or scheduling may require. As depicted herein, the majority of capital improvements to be constructed by District No. 1 are necessary in the initial years of development. Such improvements may be required in part by development agreements affecting the Development, and in order to provide initial water, sewer and roadway systems to support property owners, residents and visitors of the Development. Funding for

these initial improvements is expected to occur through advances made by the Developer, through credit enhanced financings or through arrangements with other entities. The Districts may acquire public improvements and facilities constructed by the Developer or may reimburse the Developer for the costs of public facilities or improvements that the Developer conveys to the City or other applicable entity. Estimated costs of the facilities are included as **Exhibit C** to this Service Plan.

B. General Design Standards.

For consistency, improvements within the Districts will be designed and installed by District No. 1 in conformance with the standards and permitting requirements of the City and other entities having jurisdiction. Designs and contract documents prepared for improvements must be reviewed and approved by District No. 1 and must be in accordance with the applicable standards and specifications as set forth herein.

(1) Wastewater System.

The sanitary sewer lines will be designed and installed to conform to the current standards and recommendations of the Colorado Department of Health, the City, and rules and regulations adopted by District No. 1 or CPNMD, as the same may be amended from time to time. All wastewater facilities will be constructed, operated and maintained under management of the appropriate entity, which will charge system users for its services in accordance with applicable law.

In addition to sanitary sewer systems and facilities, District No. 1 plans to install, operate and maintain the necessary storm drainage system to serve the Development prior to dedication of the storm drainage system to the City. The proposed elements of the storm drainage system will provide a network of culverts, roadside swales, pipes, detention and water quality ponds, inlet and outlet structures, and curb and gutter designed and installed in accordance with applicable City criteria, local, state and federal regulatory standards and sound engineering judgment.

(2) Water System.

(a) Overall Plan.

The water system within the Development will be comprised of a water distribution system consisting of buried water mains, fire hydrants, booster pumps, water well pumps and related appurtenances located predominately within the Districts' boundaries. The final configuration of the internal water system is yet to be designed. When design and construction are finalized, the system will serve the Development from adjacent streets and roads. All major elements of the water facilities will be designed and installed by District No. 1.

Ongoing ownership, operations and maintenance of all water facilities within the Development will be provided by the CPNMD or other appropriate entity. The Districts may also construct or participate in the construction of off-site or out-of-District facilities for the benefit of the Districts as determined by the Districts.

(b) Design Criteria.

The proposed domestic potable water distribution system within the Development 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 but not limited to the City and CPNMD. The proposed water system shall be constructed in compliance with applicable rules, regulations or standards established by the State of Colorado. 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 applicable fire protection requirements. The development plan for the proposed water system is yet to be specifically designed. Out of District or out of City water improvements will be designed in accordance with the requirements of applicable entities having jurisdiction.

(3) Street System and Traffic Safety.

(a) General.

District No. 1 proposes to construct a collector street system to serve the Development. The existing and proposed elements of the street system will provide a network of local streets to serve the flow of traffic within the Districts. All facilities will be designed and installed in accordance with the City approved standards, other applicable regulatory standards, and sound engineering judgment.

(b) Streets.

All street and roadway improvements will be designed and installed in accordance with City approved criteria and pursuant to rules and regulations adopted by District No. 1, if any.

Traffic controls and signage conforming to City and CDOT criteria, standards, and specifications shall be provided along streets to aid the flow of traffic within the Development. To the extent that street lights are not installed by the Developer or others, they may be installed by District No. 1 along collector roadways.

(c) Landscaping.

District No. 1 may install entryway monumentation, landscaping and buffers within the Development, and if it does shall maintain same in accordance with City criteria. In addition, District No. 1 may acquire or install, and if it does shall maintain, landscaping along internal streets and entry features at major entrances and in parks or other areas within the Development.

(d) Signals and Signage.

Signals and signage may be installed by District No. 1 or the Developer as required by City or County criteria. Upon installation, and acceptance by the City, the signals and signage within the City rights of way shall be dedicated to and owned by the City. Signals and signage installed or acquired by the Districts shall conform to the Manual of Uniform Traffic Control Devices (MUTCD) criteria.

(4) Park and Recreation.

Any park and recreational facilities, landscape, open space and/or services that District No. 1 determines to undertake will be constructed in accordance with plans and specifications approved by the City. 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 the City's standards. District No. 1 shall retain responsibility for operation and maintenance of facilities and improvements it constructs. As set forth in Section III.B.5 above, park and recreational facilities will be limited to entryway monumentation and landscaping, common areas within the Development, and streetscaping.

C. Estimated Cost of Facilities.

The estimated costs of the facilities to be constructed, installed and/or acquired by District No. 1 for purposes of serving the Development are set forth in **Exhibit C**. The current estimated costs are approximately \$11,745,299.61 based on the anticipated build-out of the Development. The figures provided are in 2011 dollars and represent a preliminary estimate of the actual capital costs associated with the proposed improvements and facilities. Actual costs, as well as the timing and sequence of construction, may vary from the stated amounts and phasing to reflect fluctuations in general price levels, the pace and scope of improvements within and outside the Districts, and other contingencies.

V. PROPOSED AND EXISTING AGREEMENTS

A. Service Coordination.

The relationship between the three Districts, including the means for approving, financing, constructing, and operating the public services and improvements needed to serve the Development will be established by means of a District Facilities Construction and Service Agreement ("Facilities Agreement") which will be entered into by and between the Districts. Under the Facilities Agreement, District No. 1 will own, operate, construct, and maintain the water, sewer, street, park and recreation and other public facilities which are necessary to serve the Development. Funding of the public facilities will be provided by District Nos. 2 and 3. The Facilities Agreement will establish extensive procedures and standards for the approval of facility design, transfer of funds between the Districts, and continuing operation and maintenance of the facilities post-completion.

Under the terms of the Facilities Agreement, District Nos. 2 and 3 will be required over the life of the Facilities Agreement to acquire and pay over to District No. 1 certain operations funds as well as capital improvement funds. A complete copy of the Facilities Agreement shall be provided to the City Manager within thirty (30) days following the date on which the same has been approved by the Districts.

B. Other Agreements/Authority.

All intergovernmental agreements between the Districts and with other entities must be for facilities, services and agreements lawfully authorized to be provided by the Districts, pursuant to Colorado Constitution, Article XIV, Section 18 (2)(a) and Sections 29-1-201, *et seq.*, C.R.S. To the extent practicable, the Districts may enter into additional intergovernmental and private agreements to better ensure long-term provision of the improvements and services and effective management of the Districts. Agreements may also be executed with property owner associations and other service providers.

VI. FINANCIAL PLAN

The maximum voted interest rate on bonds shall be 15%. The proposed maximum underwriting discount will be 3.5%. It is estimated that the general obligation bonds, when issued, will mature as permitted by Colorado statute. The estimated costs of the organization and initial operation of the Districts through December 31, 2011 including legal, engineering, administrative and financial services, are expected to be approximately \$100,000. Organizational costs may be reimbursed to the Proponent by the Districts out of their initial revenue sources including but not limited to bond issue proceeds.

Exhibit C contains cost estimates for key proposed improvements and the projected capital costs of such improvements. Notwithstanding the cost estimate allocations set forth on **Exhibit C**, District No. 1 shall be permitted to reallocate costs between categories of improvements as it deems necessary in its sole discretion. The projected amounts may be adjusted down or upwards as the needs of the Districts evolve. However, the Districts will only finance those costs that can be lawfully paid taking into account the Mill Levy Cap (defined below). All facilities described herein will be designed in such a way as to assure that the facility and service standards will be in conformance with those of the City and of other local governmental entities which may be affected thereby. 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, District and City requirements, and construction scheduling may require.

It is currently anticipated that the Districts will issue either general obligation and/or revenue bonds in amounts sufficient to permit District No. 1 to construct a portion of the needed facilities. General obligation debt will be supported by ad valorem mill levies and other available revenues of the Districts. The Financial Plan attached hereto as **Exhibit B** shows construction beginning in 2013, ending in build-out at 2016, and demonstrates how the proposed services and facilities may be financed and operated by the Districts and identifies the proposed debt issuance schedule of the Districts.

The Financial Plan contemplates traditional bond financing and the Developer will be responsible for that portion of the public improvements which cannot be funded from bond proceeds. The latter will be reimbursed if and when the District is financially able to do so.

All general obligation bonds issued by the Districts may be payable from any and all legally available revenues of the Districts, including general ad valorem taxes to be imposed upon all taxable property within the boundaries of the Districts, which shall not exceed fifty (50) mills except as otherwise allowed by this Service Plan ("Maximum Debt Mill Levy"). Collectively, the Districts shall not issue general obligation bonds, revenue bonds or other debt instruments requiring elector approval (excluding obligations between the Districts set forth in the Facilities Agreement identified in Section V.A. of this Service Plan), collectively ("Debt"), in excess of Fifteen Million Dollars (\$15,000,000), exclusive of refundings.

The mill levy imposed by the Districts for operations and maintenance shall consist of up to nineteen (19) mills ("Maximum Operations Mill Levy"). The total mill levy cap for all purposes shall be sixty-nine (69) mills ("Mill Levy Cap"). If the Districts require operations funding in excess of 19 mills, the Maximum Operations Mill Levy may be increased only with an equal and corresponding reduction in the amount of the Maximum Debt Mill Levy (if not otherwise pledged to the repayment of Debt) so that at no time shall the combination of the Maximum Debt Mill Levy and the Maximum Operations Mill Levy exceed the Mill Levy Cap. The Maximum Debt Mill Levy, the Maximum Operations Mill Levy and the total Mill Levy Cap

shall be subject to adjustment if the laws change with respect to the assessment of property for taxation purposes, the ratio for determining assessed valuation changes, or other similar changes occur.

In any of these events, the mill levies may be increased or decreased to reflect such changes, such increases or decreases to be determined by the respective Boards of Directors of the Districts in good faith (such determination to be binding and final) so that to the extent possible, the actual tax revenues generated by the mill levies, as adjusted for changes occurring after January 1, 2012, are neither diminished nor enhanced as a result of such changes. For purposes of the foregoing, a change in the ratio of actual valuation shall be deemed to be a change in the method of calculating assessed valuation.

Any Debt issued by the Districts shall be issued in compliance with the requirements of Colorado law.

The Financial Plan attached hereto demonstrates one method that might be used by the Districts to finance the cost of infrastructure. The Financial Plan demonstrates that the cost of infrastructure described herein can be provided with reasonable mill levies assuming reasonable increases in assessed valuation and assuming the rate of build-out estimated in the Financial Plan.

In addition to revenues from the mill levy, the Districts anticipate revenue from specific ownership taxes, investment income, user fees, and other sources.

A. Other Financial Information.

The balance of the information contained in the Financial Plan is preliminary in nature. Upon approval of this Service Plan, the Districts will continue to develop and refine cost estimates contained herein and prepare for bond issues. All cost estimates will be inflated to then-current dollars at the time of bond issuance and construction. All construction cost estimates assume construction to applicable local, state or federal requirements.

In addition to ad valorem property taxes, and in order to offset the expenses of the anticipated construction as well as operations and maintenance, the Districts will 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 Section 32-1-1001(1), C.R.S., as amended from time to time, and to enter into other financial arrangements legally available to the Districts. The Financial Plan assumes various sources of revenue, including ad valorem property taxes, specific ownership taxes, and investment income on retained amounts.

A system of fees and charges may also be established for landscape maintenance, drainage maintenance, and recreation improvements and other improvements not owned and

operated by a property owners association or by the City. Notwithstanding the foregoing, all parks and trails located on open space dedicated to the City or other local parks within the Development shall be open to the general public.

The Financial Plan does not project any significant accumulation of fund balances which might represent receipt of revenues in excess of expenditures under TABOR. To the extent annual revenues of the Districts 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. Initial spending and revenue limits of the Districts, as well as mill levies, will be established by an election which satisfies TABOR requirements. In the discretion of their respective Boards, 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 a District will remain under the control of its Board of Directors.

B. Elections.

The Districts will seek the authorization of electors to issue bond debt, the proceeds of which will fund a portion of the capital improvements and services required for the Development as determined by the Board. While the Districts may be authorized by voters to issue bonded debt, the Districts shall not issue general obligation bonds and/or revenue bonds beyond the capability of the Districts to support the same within the parameters provided in this Section VI, including but not limited to the Maximum Debt Mill Levy described above and in (C) below. Should the Districts be unable to issue sufficient Debt to finance the necessary infrastructure under these restrictions, the traditional methods of financing infrastructure through Developer advances will be required to meet the needs of the Development.

The Districts shall call an election on the questions of setting in place the proposed financial structure as required by TABOR. This election will be conducted as provided in the Uniform Election Code of 1992, the Special District Act and TABOR.

C. Provision for Bond Mill Levy Cap.

(1) Bonds. All bonds issued by the Districts may be payable from any and all legally available revenues of the Districts, including general ad valorem taxes to be imposed upon all taxable property within the boundaries of the Districts, subject to the following limitations:

(a) For all general obligation debt, including refunding debt, the Maximum Debt Mill Levy the Districts can promise to impose to the payment of such debt shall be: fifty (50) mills subject to the offset, if any, for operations and maintenance as described in this Section VI; provided, however, the mill levy limitation applicable to such debt may be increased or decreased to reflect changes in the method of calculating assessed valuation with tax

year 2010 as the base year for calculation of any such adjustments, such increases or decreases to be determined by the Board of Directors of the Districts in good faith (such determination to be binding and final) so that to the extent possible, the actual tax revenues generated by the mill levy, as adjusted, are neither diminished nor enhanced as a result of such changes. For purposes of the foregoing, a change in the ratio of actual value to assessed value shall be deemed a change in the method of calculating assessed valuation.

(b) The Districts may also pay Debt with any and all other legally available revenues of the Districts.

D. Additional Bond Limitations.

In addition to the limitations set forth in this Service Plan, all bonds issued by the Districts shall also be subject to the limitations of applicable law. In the event of a conflict between the limitations of this Service Plan and applicable law, the more restrictive provision shall control.

No District shall impose a levy for repayment of any and all Debt (or use the proceeds of any mill levy for repayment of Debt) on any property developed for residential uses (as categorized by the Douglas County Assessor) which exceeds forty (40) years after the year of the initial imposition of such mill levy by the respective District, unless a majority of the Board of Directors of such District are residents of such District and the District Board has determined to refund a part or all of the Debt and such refunding will result in a net present value savings as set forth in Section 11-56-101, C.R.S., *et seq.*

E. Operations.

The Districts will require operating funds to plan and cause the public improvements to be constructed. Additional costs to the capital costs indicated herein are expected to include: the operation and maintenance of improvements by District No. 1 from the time of their construction to the time of their acceptance by the City or others; operation and maintenance of improvements, if any, which the City or others do not accept; and expenses related to operation of the Districts, such as reimbursement of legal, engineering, accounting and administrative services, preparation of budgets, audits, map filings, elections, informational filings, and the like. The first year's operating budget is estimated to be \$50,000. As shown in the Financial Plan, District No. 1's operating budget is projected to be approximately \$25,000/year beginning in 2012. Future operational revenues would be raised by Developer advances, user fees, an operating mill levy (subject to Mill Levy Cap) and any other legally available sources of revenue. As District No. 1 is able, it may reimburse the Developer in subsequent years for operations advances. The proposed operating revenue derived from property taxes for the first budget year of the District is \$0. If necessary, however, the District may supplement these

revenues with additional other revenue sources as allowed by law, such as fees or charges related to the improvements or services provided by the Districts.

F. Enterprises.

In the discretion of the Board of Directors of District No. 1, using the procedures and criteria provided by TABOR and applicable law, District No. 1 may set up enterprises to manage, fund, and operate such facilities, services, and programs as may qualify for enterprise status. To the extent allowed by law, any enterprise created by District No. 1 will remain under the control of the Board of Directors of District No. 1.

VII. ANNUAL REPORT AND CITY INFORMATION

The City may request, and the Districts shall provide, documentation related to the issuance of Debt, meeting schedules and other documentation as necessary to confirm compliance by the District with the terms of this Service Plan.

The Districts shall be responsible for submitting an annual report to the City Manager no later than August 1st of each year beginning with August 1, 2012. The annual report may be submitted on a consolidated basis by the Districts.

The annual report shall include, at a minimum, information pertaining to all of the following report areas:

1. Boundary changes made or proposed to the Districts' boundaries as of December 31 of the prior year.
2. Intergovernmental Agreements, either entered into or proposed as of December 31 of the prior year.
3. Copies of the rules and regulations of the Districts (if any) as of December 31 of the prior year.
4. A summary of any litigation which involves the public improvements or services of the Districts as of December 31 of the prior year.
5. Status of the Districts' construction and installation of the improvements contemplated in this Service Plan as of December 31 of the prior year.
6. A list of all facilities and improvements constructed by the Districts that have been dedicated to and accepted by the City, CPNMD, or other governmental entities as of December 31 of the prior year.

7. The assessed value of each of the Districts for the report year.
8. Current year budget including a description of the public improvements to be constructed in such year.
9. Audit of the Districts' financial statements, for the year ending December 31 of the previous year, prepared in accordance with generally accepted accounting principles or audit exemption, if applicable.
10. A list of all public improvements for which the Districts (or any District) has primary operation and maintenance responsibility during the report year.

VIII. DISCLOSURE TO RESIDENTS AND TAXPAYERS

The Districts shall cause a joint written notice regarding the existence of the Districts to be recorded against all of the real property situate within the Development. Said written notice shall, at a minimum, describe the purposes for which the Districts were formed, and shall provide a summary of the Maximum Debt Mill Levy, the Maximum Operations Mill Levy and overall Mill Levy Cap and the ability of the Districts to impose fees. The notice required by this Section VIII shall be recorded prior to December 31, 2012. Such notice shall be filed with the City Manager and the City Attorney's Office within thirty (30) days following the date on which the same has been recorded in the real property records of Douglas County, Colorado.

IX. MATERIAL MODIFICATIONS

Actions of the Districts which violate the limitations contained within the Service Plan, may in City Council's discretion, be deemed to be a material modification of the Service Plan, and the City shall be entitled to all remedies available under State and local law to enjoin actions of the Districts. In the event that any District desires to make a modification to this Service Plan, which modification may be material, the District shall submit such proposed modification to the City staff for determination of whether the modification is material. If the City determines that the proposed modification is material, then the District shall obtain the prior approval of the City before making any material modifications to this Service Plan in accordance with Section 32-1-207, *et seq.*, C.R.S., including, by written notice to the City pursuant to Section 32-1-207, C.R.S., of proposed actions which the District believes are permitted by this Service Plan but which may be unclear.

Material modifications shall include modifications of a basic or essential nature including, but not limited to, any additions to the types of services provided by the Districts beyond those authorized or generally described herein. Approval shall not be required for mechanical modifications to this Service Plan necessary for the execution of the Financial Plan.

This Service Plan has been designed with sufficient flexibility to enable the Districts to provide the described services and facilities under evolving circumstances without the need for numerous amendments. While the assumptions upon which this Service Plan are generally based are reflective of anticipated development within the Development, the cost estimates and Financial Plan are sufficiently flexible to enable the Districts to provide necessary services and facilities within and outside the Districts' boundaries without the need to amend this Service Plan as the objectives of the Districts change. Modification of the services and facilities, and changes in proposed configurations, locations, or dimensions of various facilities and improvements shall be permitted to accommodate District needs and objectives.

In the event the Districts, jointly or separately, take any action which constitutes a material modification from this Service Plan without approval from the City, the City may utilize the remedies set forth by statute to enjoin the actions of the District(s).

X. CONSOLIDATION OR DISSOLUTION

Subsequent to the time at which all public improvements authorized herein have been completed and finally accepted by the applicable entity and all permanent financing associated therewith has been defeased, the Districts may undertake proceedings necessary to pursue consolidation in accordance with Section 32-1-601, *et seq.*, C.R.S. District No. 1 shall not file a request with any Court to consolidate with another Title 32 district without the prior written consent of City Council, unless the proposed consolidation is with District No. 2 or District No. 3, or both.

Upon determination of the City Council that the purposes for which one or more of the Districts was or were created have been accomplished, the District(s) subject to such City Council determination agree to file a petition (or petitions) in the appropriate District Court for dissolution, pursuant to the Special District Act, which petition(s) shall contain a plan for dissolution, if required. If a plan for dissolution is required by the Special District Act, the Board(s) agrees to submit such plan(s) to the City Manager and City Attorney for review and approval prior to submitting the petition(s) for dissolution in the appropriate District Court. Any petition(s) for dissolution shall be filed by the District(s) with the District Court within ninety (90) days following the date on which the City Council has made the determination that the purposes for which one or more of the Districts have been created have been accomplished, unless: (1) the City Council consents to a longer time period in writing; or (2) a different time period is required by the Special District Act. In no event shall a final dissolution occur until the payment or discharge of all of the outstanding indebtedness and other obligations of the District(s) has been adequately addressed, inclusive of outstanding operational requirements, as required pursuant to the Special District Act

XI. RESOLUTION OF APPROVAL

The Districts agree to incorporate the City's Resolution of Approval, including any conditions on such approval into the Service Plan presented to the District Court.

XII. INTERGOVERNMENTAL AGREEMENT

The form of intergovernmental agreement relating to the limitations imposed on the Districts' activities is attached hereto as Exhibit E. The Districts shall approve the intergovernmental agreement in substantially the form attached as Exhibit E at the first joint meeting of the Districts occurring in 2012, but in any case not later than December 31, 2012. Failure of the Districts to execute the intergovernmental agreement as required herein shall constitute a material modification and shall require a Service Plan Amendment. The City Council shall approve the intergovernmental agreement in substantially the form attached as Exhibit E at the public hearing on this proposed Service Plan.

XIII. CONCLUSIONS

It is submitted that this Service Plan for North Pine Vistas Metropolitan District Nos. 1-3 has satisfied the required criteria of Section 32-1-203(2), C.R.S.. The Districts' responses to the required statutory criteria appear in italics below.

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

At build-out, the Development will consist of residential units and commercial/retail development. There are currently no other entities in existence in the Development which have the ability to undertake the design, financing, construction, operation and maintenance of all the improvements designated herein which are needed for the Development. It is also the Proponent's understanding that the City does not consider it feasible or practicable to provide the necessary services and facilities for the Development. The Service Plan complies with these statutory criteria.

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

There are currently no other entities in existence in the Development which have the ability or willingness to undertake the design, financing, and construction of capital improvements nor, in the case of parks, storm drainage, or landscaping, the operation and maintenance of the improvements designated herein which are needed for the Development. It is also the Proponent's understanding that the City does not consider it feasible or practicable to provide all of the necessary services and facilities for the Development. The Service Plan will allow

District No. 1 to assume responsibilities for the improvements and services designated herein. The Service Plan complies with these statutory criteria.

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

As shown in Section VI, the Financial Plan (Exhibit B to this Service Plan), the Districts' projected development can support the Districts' services contemplated herein. As demonstrated herein, District No. 1 can provide these services economically under a single administrative and maintenance umbrella. The Service Plan complies with these statutory criteria.

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

As shown in Section VI, the Financial Plan, and Exhibit B to this Service Plan, the projected assessed value of the District's development will allow the Districts to discharge proposed indebtedness on a reasonable basis. The Service Plan complies with the statutory criteria.

Therefore, it is requested that the City Council of the City of Castle Pines, which has jurisdiction to consider this Service Plan by virtue of Section 32-1-204.5, *et seq.*, C.R.S., adopt a resolution which approves this Service Plan for the Development as submitted.

XIII. LIST OF EXHIBITS

Exhibit A: Boundary Map and Legal Description of the Property Within the Districts

Exhibit B: Financial Plan

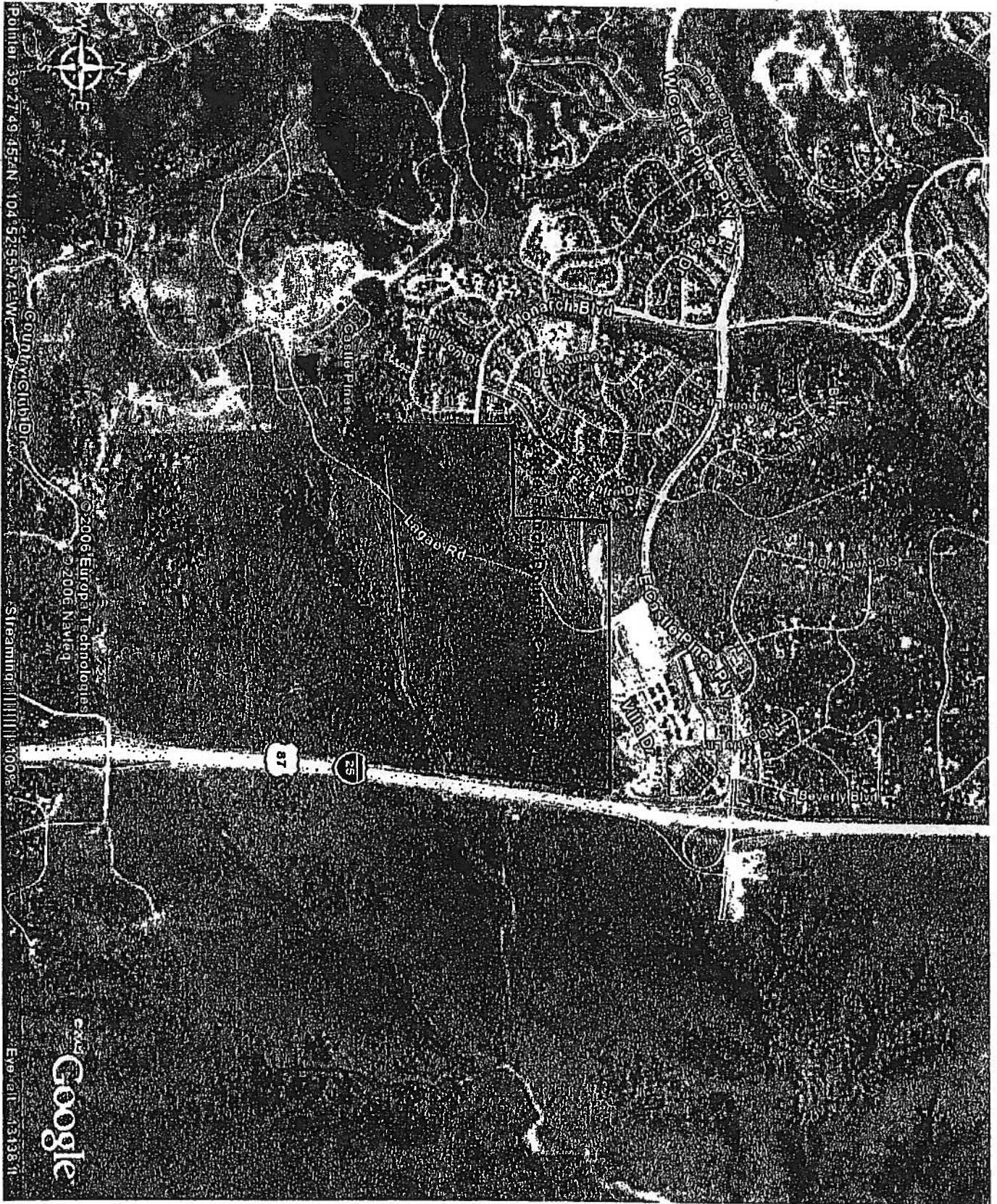
Exhibit C: Construction Costs

Exhibit D: Maps Depicting Initial Proposed Facilities

Exhibit E: Intergovernmental Agreement

EXHIBIT A

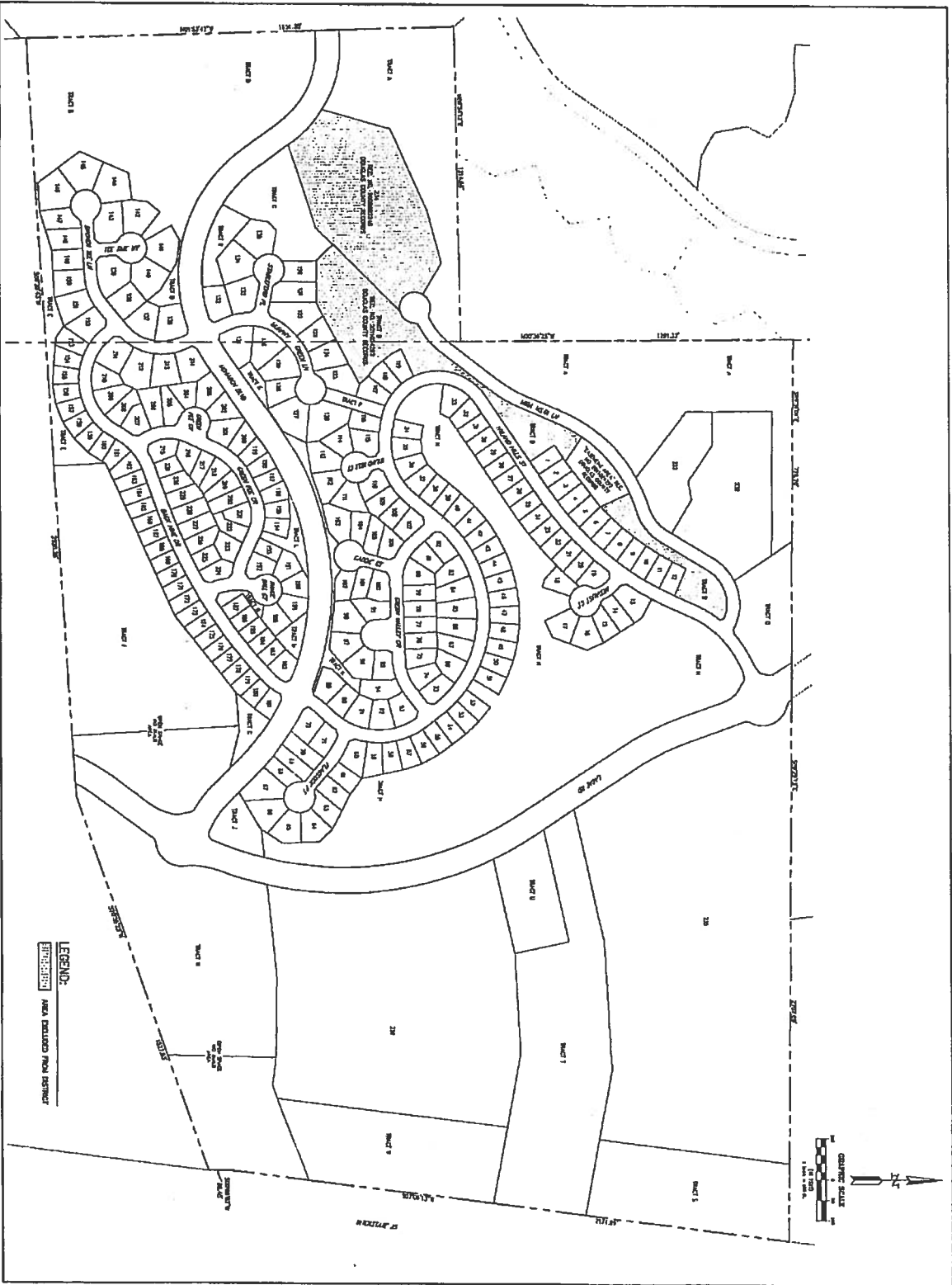
LEGAL DESCRIPTION AND MAP OF DISTRICTS



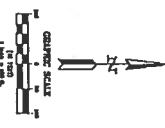
Point: 39° 27' 49.45"N, 104° 52' 55.74"W

County Club Dr

© 2006 Europa Technologies
© 2006 Navteq
Google
Eye alt: 13138.1'



LEGEND:
 [Hatched Box] AREA EXCLUDED FROM DISTRICT



SHEET
 1 OF 1

DATE: 10/5/2011
SCALE: 1" = 200'
PROJECT: LAGAE RANCH FILING 1

**LAGAE RANCH FILING 1
 NORTH PINE VISTAS METROPOLITAN DISTRICT NOS. 1-3
 EXHIBIT A2
 DISTRICT BOUNDARY**

PREPARED FOR: M.T. HOLDINGS, L.L.C.
 4000 S. 100TH ST., SUITE 100
 OMAHA, NE 68137
 DRAWN BY: JAC

NO.	DATE	BY	REVISION
1	10/5/2011	JAC	ISSUED FOR PERMIT
2			
3			
4			
5			
6			
7			
8			
9			
10			

EXHIBIT "A"
LAGAE RANCH FILING NO. 1
DOUGLAS COUNTY
DISTRICT BOUNDARY

PARCEL DESCRIPTION

A PARCEL OF LAND LOCATED IN THE SOUTH ONE-HALF (S 1/2) OF SECTION 3, THE EAST ONE-HALF (E 1/2) OF SECTION 9 AND THE NORTH ONE-HALF (N 1/2) OF SECTION 10, TOWNSHIP 7 SOUTH, RANGE 67 WEST OF THE 6TH PRINCIPAL MERIDIAN, COUNTY OF DOUGLAS, STATE OF COLORADO, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

ALL OF "LAGAE RANCH FILING NO. 1", AS RECORDED AT RECEPTION NO. 2008082081, DOUGLAS COUNTY RECORDS.

EXCLUDING:

LOT 234, AS RECORDED AT RECEPTION NO. 2008082248 AND
TRACT B, AS RECORDED AT RECEPTION NO. 2011024292

TOGETHER WITH:

"EASEMENT AREA" AS RECORDED AT RECEPTION NO. 2011024292
ALL DOUGLAS COUNTY RECORDS.

CONTAINING 237.756 ACRES OF LAND, MORE OR LESS.

PREPARED BY: JANET A. CALDWELL, PLS 29027
FOR AND ON BEHALF OF THE LUND PARTNERSHIP INC.
12265 W. BAYAUD AVE., SUITE 130
LAKEWOOD, COLORADO 80228

EXHIBIT B
FINANCIAL PLAN

Lagae Ranch Metropolitan District
 In the City of Castle Pines North, Colorado
 Limited Tax General Obligation Bonds

Lagae (50 Mills)
 Cover
 3/21/2011

Table of Schedules

Assumptions	Bond Levy 50 Mills
0 Mill Bond Levy	
Preliminary as of 03/20/2011	8.00% Current Rate
Non Rated - Bank Qualified	

	Par Amount	Project Funds
Series 2012	\$9,250,000	\$6,250,000

- 1 . Cover Page
- 2 . Schedule of Cashflows
- 3 . Schedule of Improved Lot Value
- 4 . Schedule of Residential Homes Sold
- 5 . Schedule of Commercial Valuation
- 6 . Assessed Value Summary
- 7 . Debt Service Schedule
- 8 . Sources and Uses of Funds

Series 2012
Debt Service Schedule
Sources and Uses of Funds

Lagave Ranch Metropolitan District
In the City of Castle Pines North, Colorado
Limited Tax General Obligation Bonds

Collection Year	Projected Assessed Value	Ratio of Debt to AV	Mill Levy for Debt			Mill Levy for Operations			Specific Ownership Tax %	Facilities Fees	Earnings on Surplus 0.50%	Revenue Available for Debt Service	\$9,250,000 Series 2012 Net Debt Service	Series 2012 Capitalized Interest	Total Net Debt Service	Operating Expense	Combined Bond / Operating Mill Levy	Annual Surplus/Deficit	Cumulative Surplus/Deficit				
			Mill Levy	Property Tax @ 98.5%	Operating Mill Levy	Property Tax @ 98.5%	Operating Mill Levy	Property Tax @ 98.5%															
2010	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-				
2011	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-				
2012	2,218,500	417%	50.000	109,261	11.7	25,567	9.438	120,000	-	476	120,000	363,063	(363,063)	-	25,000	0.0	95,000	95,000					
2013	3,567,670	259%	50.000	175,718	7.4	26,006	14,121	220,000	-	1,672	284,741	726,125	(726,125)	10,000	25,250	61.7	239,491	334,491					
2014	5,955,870	183%	50.000	293,327	4.5	26,399	22,361	174,000	-	3,693	437,517	735,325	(735,325)	-	25,503	57.4	402,014	736,506					
2015	8,462,987	129%	50.000	416,802	3.3	27,509	31,102	100,000	-	2,476	519,789	734,525	-	735,325	25,758	54.5	(241,293)	495,212					
2016	11,956,487	91%	50.000	586,857	2.4	28,265	43,189	50,000	-	1,563	711,893	743,725	-	743,525	26,275	53.3	(182,651)	312,561					
2017	14,956,717	78%	50.000	694,315	2.1	28,741	49,914	-	-	1,272	764,242	742,125	-	742,125	26,538	52.4	(68,117)	254,444					
2018	14,956,717	72%	50.000	736,618	2.0	29,465	53,626	-	-	1,250	820,959	715,525	-	715,525	26,803	52.0	18,631	260,024					
2019	15,835,851	68%	50.000	779,916	1.9	29,637	56,669	-	-	1,343	867,564	709,125	-	709,125	27,071	51.9	44,388	313,022					
2020	16,152,569	64%	50.000	795,514	1.9	29,637	57,802	-	-	1,719	867,786	809,725	-	809,725	27,342	51.9	30,719	343,741					
2021	16,152,569	65%	50.000	811,424	1.9	30,230	57,802	-	-	1,948	868,494	811,725	-	811,725	27,616	51.9	45,924	389,665					
2022	16,475,620	62%	50.000	827,653	1.9	30,834	58,958	-	-	2,072	903,289	832,925	-	832,925	27,892	51.9	49,924	439,589					
2023	16,475,620	61%	50.000	844,206	1.9	31,451	60,137	-	-	2,440	921,661	846,725	-	846,725	28,171	51.9	47,219	486,808					
2024	17,141,235	59%	50.000	861,090	1.9	32,080	61,340	-	-	2,898	940,464	862,925	-	862,925	28,452	51.9	30,328	536,292					
2025	17,141,235	57%	50.000	878,312	1.9	32,721	62,567	-	-	3,241	959,795	876,725	-	876,725	28,737	51.9	42,224	587,650					
2026	17,484,060	53%	50.000	895,878	1.9	33,376	63,818	-	-	3,606	979,433	895,925	-	895,925	29,024	51.9	32,388	639,038					
2027	17,484,060	50%	50.000	913,796	1.9	34,043	65,094	-	-	3,928	999,103	916,725	-	916,725	29,314	51.9	48,224	687,814					
2028	17,833,741	45%	50.000	932,071	1.9	34,724	66,386	-	-	3,279	1,019,451	932,925	-	932,925	29,604	51.9	57,912	745,726					
2029	18,190,416	37%	50.000	950,713	1.9	35,419	67,724	-	-	3,664	1,040,493	951,725	-	951,725	29,894	51.9	67,440	813,166					
2030	18,554,224	30%	50.000	969,713	1.9	36,127	69,079	-	-	3,506	1,061,363	969,925	-	969,925	30,203	51.9	81,889	894,055					
2031	18,925,308	25%	50.000	989,713	1.9	36,843	70,449	-	-	3,664	1,082,613	989,925	-	989,925	30,505	51.9	97,440	991,495					
2032	19,303,615	17%	50.000	1,003,713	1.9	37,567	71,824	-	-	3,664	1,104,233	1,003,725	-	1,003,725	30,807	51.9	113,999	1,105,494					
2033	19,688,925	12%	50.000	1,020,713	1.9	38,291	73,204	-	-	3,664	1,126,233	1,020,725	-	1,020,725	31,109	51.9	131,608	1,237,102					
2034	19,688,925	12%	50.000	1,040,713	1.9	38,916	74,584	-	-	3,664	1,148,233	1,040,725	-	1,040,725	31,411	51.9	150,222	1,387,324					
2035	19,688,925	12%	50.000	1,060,713	1.9	39,541	75,964	-	-	3,664	1,170,233	1,060,725	-	1,060,725	31,713	51.9	170,836	1,558,160					
2036	19,688,925	12%	50.000	1,080,713	1.9	40,166	77,344	-	-	3,664	1,192,233	1,080,725	-	1,080,725	32,015	51.9	192,450	1,750,610					
2037	19,688,925	12%	50.000	1,100,713	1.9	40,791	78,724	-	-	3,664	1,214,233	1,100,725	-	1,100,725	32,317	51.9	215,064	1,965,674					
2038	19,688,925	12%	50.000	1,120,713	1.9	41,416	80,104	-	-	3,664	1,236,233	1,120,725	-	1,120,725	32,619	51.9	238,678	2,204,352					
2039	19,688,925	12%	50.000	1,140,713	1.9	42,041	81,484	-	-	3,664	1,258,233	1,140,725	-	1,140,725	32,921	51.9	263,292	2,467,644					
2040	19,688,925	12%	50.000	1,160,713	1.9	42,666	82,864	-	-	3,664	1,280,233	1,160,725	-	1,160,725	33,223	51.9	288,906	2,756,550					
2041	19,688,925	12%	50.000	1,180,713	1.9	43,291	84,244	-	-	3,664	1,302,233	1,180,725	-	1,180,725	33,525	51.9	315,520	3,072,070					
21,986,042													913,236	1,602,946	784,000	87,913	25,374,140	25,140,088	(1,816,313)	23,324,775	869,622	1,179,743	

Lagae Ranch Metropolitan District
 In the City of Castle Pines North, Colorado
 Limited Tax General Obligation Bonds

Improved Lot Assessed Value

Completion Year	Assessment Year	Collection Year	Single Family Homes				Multi-Family Units				Improved Lot Market Value	Assessed Value
			Lots Improved	Homes Built	Remaining Lots	Market Value/Lot	Units	Units Built	Units to Build	Market Value/Unit		
2009	2010	2011	-	-	-	75,000	-	-	-	16,000	-	-
2010	2011	2012	-	-	-	75,000	-	-	-	16,000	6,400,000	1,855,000
2011	2012	2013	-	-	-	75,000	400	-	400	16,000	10,900,000	3,161,000
2012	2013	2014	60	-	60	75,000	-	-	400	16,000	10,900,000	3,161,000
2013	2014	2015	60	60	60	75,000	-	-	400	16,000	10,900,000	3,161,000
2014	2015	2016	60	60	60	75,000	-	-	400	16,000	7,850,000	2,276,500
2015	2016	2017	62	60	62	75,000	-	200	200	16,000	3,200,000	928,000
2016	2017	2018	-	62	-	75,000	-	-	200	16,000	-	-
Total			242				400					

Lagae Ranch Metropolitan District
 In the City of Castle Pines North, Colorado
 Limited Tax General Obligation Bonds

Lagae (94 Mills)
 Res Sold

Residential Homes Sold

Completion Year	Assessment Year	Collection Year	Single Family Homes		Multi-Family Units		Residential Construction Value	Assessed Value	Cumulative Assessed Value
			Units	Value / Unit	Units	Value / Unit			
2009	2010	2011		500,000	-	125,000	-	-	
2010	2011	2012	-	500,000	-	125,000	-	-	
2011	2012	2013	-	500,000	-	125,000	-	-	
2013	2014	2015	60	500,000	-	125,000	2,388,000	2,388,000	
2014	2015	2016	60	500,000	-	125,000	30,000,000	4,776,000	
2015	2016	2017	60	500,000	200	125,000	55,000,000	9,154,000	
2016	2017	2018	62	500,000	-	125,000	31,000,000	11,621,600	
2017	2018	2019	-	500,000	200	125,000	25,000,000	13,611,600	
Total Units Developed			242		400		171,000,000	13,611,600	

George K. Baum Company

3/21/2011

Lagae Ranch Metropolitan District
 In the City of Castle Pines North, Colorado
 Limited Tax General Obligation Bonds

Commercial Development

Completion Year	Assessment Year	Collection Year	Commercial Pad		Commercial Building		Commercial Development Market Value	Assessed Value
			Square Feet	Value/ Sq. Ft	Square Feet	Value/ Sq. Ft		
2008	2009	2010	-	5.00	-	80	-	-
2009	2010	2011	-	5.00	-	80	-	-
2010	2011	2012	-	5.00	-	80	1,250,000	362,500
2011	2012	2013	250,000	5.00	25,000	80	2,000,000	580,000
2016	2017	2018	-	5.00	25,000	80	2,000,000	580,000
2018	2019	2020	-	5.00	-	80	-	-
Total			250,000		50,000		5,250,000	1,522,500

Lagae Ranch Metropolitan District
 In the City of Castle Pines North, Colorado
 Limited Tax General Obligation Bonds

6
 Lagae (50 Mln)
 AV Summary

Assessed Value Summary

Completion Year	Assessment Year	Tax Collection Year	Improved Lot Value	Residential Assessed Value	Commercial Assessed Value	Total Assessed Value		
						Incremental AV	Growth Factor 2.0%	Cumulative Assessed Value
2008	2009	2010				-	-	-
2009	2010	2011	-	-	-	-	-	-
2010	2011	2012	-	-	-	-	-	-
2011	2012	2013	1,856,000	-	362,500	2,218,500	-	2,218,500
2012	2013	2014	1,305,000	-	-	1,305,000	44,370	3,567,870
2013	2014	2015	-	2,388,000	-	2,388,000	-	5,955,870
2014	2015	2016	-	2,388,000	-	2,388,000	119,117	8,462,987
2015	2016	2017	(884,500)	4,378,000	-	3,493,500	-	11,966,487
2016	2017	2018	(1,348,500)	2,467,600	580,000	1,699,100	239,130	13,694,717
2017	2018	2019	(928,000)	1,990,000	-	1,062,000	-	14,956,717
2018	2019	2020	-	-	580,000	580,000	299,134	16,835,851
2019	2020	2021	-	-	-	-	-	15,835,851
2020	2021	2022	-	-	-	-	316,717	16,152,569
2021	2022	2023	-	-	-	-	-	16,152,569
2022	2023	2024	-	-	-	-	323,051	16,475,620
2023	2024	2025	-	-	-	-	-	16,475,620
2024	2025	2026	-	-	-	-	329,512	16,805,132
2025	2026	2027	-	-	-	-	-	16,805,132
2026	2027	2028	-	-	-	-	336,103	17,141,235
2027	2028	2029	-	-	-	-	-	17,141,235
2028	2029	2030	-	-	-	-	342,825	17,484,060
2029	2030	2031	-	-	-	-	-	17,484,060
2030	2031	2032	-	-	-	-	349,681	17,833,741
2031	2032	2033	-	-	-	-	-	17,833,741
2032	2033	2034	-	-	-	-	356,875	18,190,416
2033	2034	2035	-	-	-	-	-	18,190,416
2034	2035	2036	-	-	-	-	363,808	18,564,224
2035	2036	2037	-	-	-	-	-	18,564,224
2036	2037	2038	-	-	-	-	371,084	18,925,308
2037	2038	2039	-	-	-	-	-	18,925,308
2038	2039	2040	-	-	-	-	378,506	19,303,815
2039	2040	2041	-	-	-	-	-	19,303,815
Total			0	13,811,600	1,522,500	15,134,100	4,169,715	

Lagan Ranch Metropolitan District
 In the City of Castle Pines North, Colorado
 Limited Tax General Obligation Bonds
 Series 2012

Lagan (50 1/4%)
 Debt Service
 3/21/2011

Debt Service Schedule
 \$9,250,000

New Money

Date	Principal	Interest Rate	Interest	P & I	Annual P & I	Capitalized Interest	DSRF Earnings 1.50%	Net Annual P & I
12/01/12	-	8.00	370,000.00	370,000.00	370,000.00	(363,062.50)	(6,937.50)	0.00
06/01/13	-	-	370,000.00	370,000.00		(363,062.50)	(6,937.50)	
12/01/13	-	8.00	370,000.00	370,000.00	740,000.00	(363,062.50)	(6,937.50)	0.00
06/01/14	-	-	370,000.00	370,000.00		(363,062.50)	(6,937.50)	
12/01/14	10,000	8.00	370,000.00	380,000.00	750,000.00	(363,062.50)	(6,937.50)	10,000.00
06/01/15	-	-	369,600.00	369,600.00		-	(6,937.50)	
12/01/15	10,000	8.00	369,600.00	379,600.00	749,200.00	-	(6,937.50)	735,325.00
06/01/16	-	-	369,200.00	369,200.00			(6,937.50)	
12/01/16	10,000	8.00	369,200.00	379,200.00	748,400.00		(6,937.50)	734,625.00
06/01/17	-	-	368,800.00	368,800.00			(6,937.50)	
12/01/17	20,000	8.00	368,800.00	388,800.00	757,800.00		(6,937.50)	743,725.00
06/01/18	-	-	368,000.00	368,000.00			(6,937.50)	
12/01/18	20,000	8.00	368,000.00	388,000.00	768,000.00		(6,937.50)	742,125.00
06/01/19	-	-	367,200.00	367,200.00			(6,937.50)	
12/01/19	55,000	8.00	367,200.00	422,200.00	789,400.00		(6,937.50)	776,625.00
06/01/20	-	-	366,000.00	366,000.00			(6,937.50)	
12/01/20	80,000	8.00	366,000.00	446,000.00	810,000.00		(6,937.50)	796,125.00
06/01/21	-	-	361,800.00	361,800.00			(6,937.50)	
12/01/21	100,000	8.00	361,800.00	461,800.00	823,800.00		(6,937.50)	809,725.00
06/01/22	-	-	357,800.00	357,800.00			(6,937.50)	
12/01/22	110,000	8.00	357,800.00	467,800.00	825,600.00		(6,937.50)	811,725.00
06/01/23	-	-	353,400.00	353,400.00			(6,937.50)	
12/01/23	140,000	8.00	353,400.00	493,400.00	846,800.00		(6,937.50)	832,925.00
06/01/24	-	-	347,800.00	347,800.00			(6,937.50)	
12/01/24	150,000	8.00	347,800.00	497,800.00	846,600.00		(6,937.50)	831,725.00
06/01/25	-	-	341,800.00	341,800.00			(6,937.50)	
12/01/25	175,000	8.00	341,800.00	516,800.00	858,600.00		(6,937.50)	844,725.00
06/01/26	-	-	334,800.00	334,800.00			(6,937.50)	
12/01/26	180,000	8.00	334,800.00	524,800.00	859,600.00		(6,937.50)	845,725.00
06/01/27	-	-	327,200.00	327,200.00			(6,937.50)	
12/01/27	220,000	8.00	327,200.00	547,200.00	874,400.00		(6,937.50)	860,525.00
06/01/28	-	-	318,400.00	318,400.00			(6,937.50)	
12/01/28	240,000	8.00	318,400.00	568,400.00	878,800.00		(6,937.50)	862,925.00
06/01/29	-	-	308,800.00	308,800.00			(6,937.50)	
12/01/29	275,000	8.00	308,800.00	583,800.00	892,600.00		(6,937.50)	876,725.00
06/01/30	-	-	297,800.00	297,800.00			(6,937.50)	
12/01/30	295,000	8.00	297,800.00	592,800.00	899,600.00		(6,937.50)	879,725.00
06/01/31	-	-	288,000.00	288,000.00			(6,937.50)	
12/01/31	340,000	8.00	288,000.00	628,000.00	912,000.00		(6,937.50)	898,125.00
06/01/32	-	-	272,400.00	272,400.00			(6,937.50)	
12/01/32	365,000	8.00	272,400.00	637,400.00	909,800.00		(6,937.50)	895,925.00
06/01/33	-	-	257,800.00	257,800.00			(6,937.50)	
12/01/33	415,000	8.00	257,800.00	672,800.00	930,800.00		(6,937.50)	916,725.00
06/01/34	-	-	241,200.00	241,200.00			(6,937.50)	
12/01/34	445,000	8.00	241,200.00	688,200.00	927,400.00		(6,937.50)	913,625.00
06/01/35	-	-	223,400.00	223,400.00			(6,937.50)	
12/01/35	500,000	8.00	223,400.00	723,400.00	946,800.00		(6,937.50)	932,925.00
06/01/36	-	-	203,400.00	203,400.00			(6,937.50)	
12/01/36	640,000	8.00	203,400.00	743,400.00	946,800.00		(6,937.50)	932,925.00
06/01/37	-	-	181,800.00	181,800.00			(6,937.50)	
12/01/37	600,000	8.00	181,800.00	781,800.00	963,600.00		(6,937.50)	949,725.00
06/01/38	-	-	167,800.00	167,800.00			(6,937.50)	
12/01/38	650,000	8.00	167,800.00	807,800.00	966,800.00		(6,937.50)	951,725.00
06/01/39	-	-	131,800.00	131,800.00			(6,937.50)	
12/01/39	725,000	8.00	131,800.00	858,800.00	988,800.00		(6,937.50)	974,725.00
06/01/40	-	-	102,800.00	102,800.00			(6,937.50)	
12/01/40	785,000	8.00	102,800.00	887,800.00	999,600.00		(6,937.50)	976,725.00
06/01/41	-	-	71,400.00	71,400.00			(6,937.50)	
12/01/41	1,785,000	8.00	71,400.00	1,856,400.00	1,927,800.00		(931,937.50)	988,925.00
	9,250,000		17,224,400.00	26,474,400.00	26,474,400.00	(1,815,312.50)	(1,334,312.50)	23,324,775.00

Dated	06/01/12	Average Coupon	8.000000
		NIC	8.085925
Settlement	06/01/12	TIC	8.198830
		Arbitrage Yield	8.000000
		Bond Years	215,305.00
		Average Life	23.28
		Accrued Interest	0.00

Lagae Ranch Metropolitan District
 In the City of Castle Pines North, Colorado
 Limited Tax General Obligation Bonds
 Series 2012

8
 Lagae (60 Mills)
 Sources/Uses
 3/21/2011

Sources and Uses of Funds

New Money

Sources

Principal Amount of Bond Issue	9,250,000.00
	<u>9,250,000.00</u>

Uses

Project Fund		6,250,000.00
Reserve Fund		925,000.00
Bond Discount	\$20.00 /\$1,000	185,000.00
Capitalized Interest Fund		1,790,000.00
Cost of Issuance		100,000.00
Contingency		0.00
		<u>9,250,000.00</u>

EXHIBIT C

IMPROVEMENT COST ESTIMATES

EXHIBIT C

**LAGAE RANCH FILING NO. 1
OFF-SITE IMPROVMENTS
SECOND WESTBOUND TURN LANE AT CASTLE PINES PARKWAY
AND LAGAE ROAD
02-Mar-11**

	DESCRIPTION	UNIT	QUANTITY	UNIT COST	TOTAL
1	Vertical Curb and 2' Gutter	LF	400	\$11.00	\$4,400.00
2	Concrete Paving-6" Full Depth	SY	383	\$25.00	\$9,575.00
3	Handicap Ramp	EA	1	\$750.00	\$750.00
4	Sign	EA	2	\$250.00	\$500.00
5	Striping	LF	300	\$0.50	\$150.00
6	Remove Existing Curb and Gutter	LF	344	\$8.00	\$2,752.00
7	Remove Existing Pavement	SF	688	\$4.00	\$2,752.00
				SUBTOTAL	\$20,879.00
				CONTINGENCY at 15%	\$3,131.85
				Total	\$24,010.85

Notes:

- 1 This estimate includes a second westbound left turn lane with a 200-foot lane and 144-foot taper.

EXHIBIT C

**LAGAE RANCH FILING NO. 1
SANITARY SEWER AND WATER
ENTIRE DISTRICT SITE**

8/17/2011

DESCRIPTION	UNIT	QUANTITY	UNIT COST	TOTAL
SANITARY SEWER				
12" PVC	LF	2,408	\$75.00	\$180,600.00
10" PVC	LF	1,921	\$50.00	\$96,050.00
8" PVC	LF	12,551	\$35.00	\$439,285.00
NORMAL MANHOLE (<12' DEEP)	EA	56	\$2,000.00	\$112,000.00
DEEP MANHOLE (>12' DEEP)	EA	51	\$3,200.00	\$163,200.00
4-INCH SERVICE	EA	231	\$450.00	\$103,950.00
LIFT STATION	EA	1	\$500,000.00	\$500,000.00
OFF SITE SANITARY SEWER	LS	1	\$1,927,335.00	\$1,927,335.00
WATER SYSTEM				
12" DIP	LF	11,752	\$70.00	\$822,640.00
8" DIP	LF	7,996	\$50.00	\$399,800.00
6" DIP	LF	1,970	\$46.00	\$90,620.00
12" GATE VALVE	EA	39	\$1,100.00	\$42,900.00
8" GATE VALVE	EA	35	\$675.00	\$23,625.00
6" GATE VALVE	EA	36	\$500.00	\$18,000.00
FIRE HYDRANT ASSEMBLY	EA	28	\$2,500.00	\$70,000.00
3/4-INCH SERVICE	EA	231	\$500.00	\$115,500.00
SUBTOTAL				\$5,105,505.00
15% WARRANTY				\$765,825.75
TOTAL				\$5,871,330.75

NOTES:

1. WATER LINE FITTINGS ARE INCLUDED IN THE UNIT COST FOR PIPE.
2. OFF SITE SANITARY SEWER INCLUDES THE INSTALLATION FROM THE LIFT STATION TO THE TREATMENT PLANT.

EXHIBIT C

**LAGAE RANCH FILING NO. 1
PHASE 1 - MIRA VISTA LANE
02-Mar-11**

	DESCRIPTION	UNIT	QUANTITY	UNIT COST	TOTAL
1	6" Vertical Curb and 2' Gutter	LF	2,047	\$11.00	\$22,517.00
2	Combination Curb (4"), Gutter and SW	LF	732	\$23.00	\$16,836.00
3	4" Rolled Curb and Gutter	LF	1,041	\$15.00	\$15,615.00
4	Median Curb and Gutter	LF	418	\$11.00	\$4,598.00
5	5' Sidewalk	LF	1,174	\$20.00	\$23,480.00
6	Asphalt Paving-6" Full Depth	SY	4,219	\$24.00	\$101,256.00
7	Concrete Paving - 6"	SF	2,165	\$4.50	\$9,742.50
8	Handicap Ramp	EA	8	\$750.00	\$6,000.00
9	Cross pan	EA	3	\$3,000.00	\$9,000.00
10	24" RCP	LF	1,238	\$55.00	\$68,090.00
11	30" RCP	LF	26	\$60.00	\$1,560.00
12	36" RCP	LF	75	\$65.00	\$4,875.00
13	36" FES	EA	1	\$1,560.00	\$1,560.00
14	5' Dia Manhole	EA	8	\$3,400.00	\$27,200.00
15	Type D Inlet	EA	1	\$5,500.00	\$5,500.00
16	5' Type R Inlet	EA	1	\$4,800.00	\$4,800.00
17	10' Type R Inlet	EA	1	\$7,200.00	\$7,200.00
18	Riprap	CY	236	\$100.00	\$23,600.00
19	Median Landscape	SF	1,257	\$3.50	\$4,399.50
20	Sign	EA	24	\$250.00	\$6,000.00
21	Interim Paving 4" Full Depth(Hyland Hills)	SY	870	\$15.00	\$13,050.00
22	Interim 24" RCP	LF	204	\$55.00	\$11,220.00
23	Interim 36" RCP	LF	120	\$65.00	\$7,800.00
24	Interim 36" FES	EA	1	\$1,560.00	\$1,560.00
25	Interim 5' Dia Manhole	EA	1	\$3,400.00	\$3,400.00
26	Interim Retention Pond	EA	1	\$15,000.00	\$15,000.00
27	Barricade (Type III)	EA	1	\$1,000.00	\$1,000.00
				SUBTOTAL	\$416,859.00
				CONTINGENCY at 15%	\$62,528.85
				Total	\$479,387.85

EXHIBIT C

LAGAE RANCH FILING NO. 1

PHASE 2

02-Mar-11

	DESCRIPTION	UNIT	QUANTITY	UNIT COST	TOTAL
1	Remove Ex Asphalt (Lagae Rd)	SY	4,917	\$6.50	\$31,960.50
2	Remove Ex Box Culvert & Wingwalls	LS	1	\$20,000.00	\$20,000.00
3	Remove Ex 72" Pipe Culvert	LF	102	\$40.00	\$4,080.00
4	36" RCP	LF	590	\$65.00	\$38,350.00
5	18" FES	EA	1	\$1,020.00	\$1,020.00
6	36" FES	EA	1	\$1,560.00	\$1,560.00
7	5' Dia Manhole	EA	4	\$3,400.00	\$13,600.00
8	5' Type R Inlet	EA	4	\$4,800.00	\$19,200.00
9	15' Type R Inlet	EA	1	\$9,000.00	\$9,000.00
10	Combination Curb (4"), Gutter and SW	LF	3,900	\$23.00	\$89,700.00
11	Handicap Ramp	EA	3	\$750.00	\$2,250.00
12	Sign	EA	4	\$250.00	\$1,000.00
13	Asphalt Paving-6" Full Depth (Local)	SY	7,094	\$24.00	\$170,256.00
				SUBTOTAL	\$401,976.50
				CONTINGENCY at 15%	\$60,296.48
				Total	\$462,272.98

EXHIBIT C

**LAGAE RANCH FILING NO. 1
PHASE 3 - LAGAE ROAD AND MONARCH BLVD.
02-Mar-11**

	DESCRIPTION	UNIT	QUANTITY	UNIT COST	TOTAL
1	18" RCP	LF	440	\$45.00	\$19,800.00
2	24" RCP	LF	550	\$55.00	\$30,250.00
3	30" RCP	LF	180	\$60.00	\$10,800.00
4	36" RCP	LF	930	\$65.00	\$60,450.00
5	66" RCP	LF	864	\$170.00	\$146,880.00
6	18" FES	EA	2	\$1,020.00	\$2,040.00
7	24" FES	EA	1	\$1,200.00	\$1,200.00
9	5' Dia Manhole	EA	12	\$3,400.00	\$40,800.00
10	Headwall with Concrete Apron	EA	4	\$10,000.00	\$40,000.00
11	5' Type R Inlet	EA	7	\$4,800.00	\$33,600.00
12	10' Type R Inlet	EA	2	\$7,200.00	\$14,400.00
13	15' Type R Inlet	EA	1	\$9,000.00	\$9,000.00
14	Riprap	CY	74	\$100.00	\$7,400.00
15	6" Vertical Curb and 2' Gutter	LF	12,780	\$11.00	\$140,580.00
16	6" Median Curb and 1' Gutter	LF	5,795	\$11.00	\$63,745.00
17	5' Sidewalk	LF	12,500	\$20.00	\$250,000.00
18	Handicap Ramp	EA	18	\$750.00	\$13,500.00
19	Asphalt Paving-10" Full Depth (Lagae Rd)	SY	15,145	\$30.00	\$454,350.00
20	Asphalt Paving-9" Full Depth (Monarch)	SY	23,830	\$28.00	\$667,240.00
21	Median Landscape (Lagae Rd)	SF	27,230	\$3.50	\$95,305.00
22	Signage	EA	60	\$250.00	\$15,000.00
23	Striping	LF	24,906	\$0.50	\$12,453.00
24	Barricade (Type III)	EA	2	\$1,000.00	\$2,000.00
				SUBTOTAL	\$2,130,793.00
				CONTINGENCY at 15%	\$319,618.95
				Total	\$2,450,411.95

EXHIBIT C

LAGAE RANCH FILING NO. 1

PHASE 4

02-Mar-11

	DESCRIPTION	UNIT	QUANTITY	UNIT COST	TOTAL
1	24" RCP	LF	100	\$55.00	\$5,500.00
2	36" RCP	LF	116	\$65.00	\$7,540.00
3	24" FES	EA	5	\$1,200.00	\$6,000.00
4	10' GRAVEL MAINT. TRAIL	SF	13,000	\$3.00	\$39,000.00
5	10 CONCRETE MAINT. TRAIL	SF	4,300	\$4.00	\$17,200.00
6	Riprap	CY	500	\$100.00	\$50,000.00
7	Boulder Drop	EA	3	\$20,000.00	\$60,000.00
8	Concrete Apron (Pond Forebay)	SF	8,000	\$4.00	\$32,000.00
9	Concrete Trickle Channel	LF	425	\$20.00	\$8,500.00
10	Pond Outlet Structure	EA	1	\$10,000.00	\$10,000.00
11	Boulder Rundown	EA	1	\$20,000.00	\$20,000.00
				SUBTOTAL	\$255,740.00
				CONTINGENCY at 15%	\$38,361.00
				Total	\$294,101.00

EXHIBIT C

LAGAE RANCH FILING NO. 1

PHASE 5

02-Mar-11

	DESCRIPTION	UNIT	QUANTITY	UNIT COST	TOTAL
1	Remove Ex Asphalt (Lagae Rd)	SY	1,638	\$6.50	\$10,647.00
2	18" RCP	LF	529	\$45.00	\$23,805.00
3	24" RCP	LF	257	\$55.00	\$14,135.00
4	30" RCP	LF	436	\$60.00	\$26,160.00
5	36" RCP	LF	239	\$65.00	\$15,535.00
6	42" RCP	LF	114	\$80.00	\$9,120.00
7	48" RCP	LF	136	\$110.00	\$14,960.00
8	18" FES	EA	1	\$1,020.00	\$1,020.00
9	24" FES	EA	2	\$1,200.00	\$2,400.00
10	30" FES	EA	1	\$1,380.00	\$1,380.00
11	48" FES	EA	1	\$1,920.00	\$1,920.00
12	5' Dia Manhole	EA	13	\$3,400.00	\$44,200.00
13	6' Dia Manhole	EA	1	\$4,200.00	\$4,200.00
14	10' Type R Inlet	EA	5	\$7,200.00	\$36,000.00
15	15' Type R Inlet	EA	1	\$9,000.00	\$9,000.00
16	Combination Curb (4"), Gutter and SW	LF	7,835	\$23.00	\$180,205.00
17	Crossspan (36')	EA	5	\$3,000.00	\$15,000.00
18	Crossspan (90')	EA	1	\$7,500.00	\$7,500.00
19	Handicap Ramp	EA	21	\$750.00	\$15,750.00
20	Sign	EA	21	\$250.00	\$5,250.00
21	Asphalt Paving-6" Full Depth (Local)	SY	16,258	\$24.00	\$390,192.00
				SUBTOTAL	\$828,379.00
				CONTINGENCY at 15%	\$124,256.85
				Total	\$952,635.85

EXHIBIT C

LAGAE RANCH FILING NO. 1

PHASE 6

02-Mar-11

	DESCRIPTION	UNIT	QUANTITY	UNIT COST	TOTAL
1	Remove Ex Asphalt (Lagae Rd)	SY	5,115	\$6.50	\$33,247.50
2	18" RCP	LF	515	\$45.00	\$23,175.00
3	24" RCP	LF	200	\$55.00	\$11,000.00
4	30" RCP	LF	341	\$60.00	\$20,460.00
5	36" RCP	LF	674	\$65.00	\$43,810.00
6	42" RCP	LF	89	\$80.00	\$7,120.00
7	48" RCP	LF	106	\$110.00	\$11,660.00
8	18" FES	EA	2	\$1,020.00	\$2,040.00
9	24" FES	EA	2	\$1,200.00	\$2,400.00
10	5' Dia Manhole	EA	13	\$3,400.00	\$44,200.00
11	6' Dia Manhole	EA	1	\$4,200.00	\$4,200.00
12	5' Type R Inlet	EA	4	\$4,800.00	\$19,200.00
13	10' Type R Inlet	EA	4	\$7,200.00	\$28,800.00
14	15' Type R Inlet	EA	1	\$9,000.00	\$9,000.00
15	Combination Curb (4"), Gutter and SW	LF	9,156	\$23.00	\$210,588.00
16	Crosspan (36')	EA	1	\$3,000.00	\$3,000.00
17	Handicap Ramp	EA	18	\$750.00	\$13,500.00
18	Sign	EA	15	\$250.00	\$3,750.00
19	Asphalt Paving-6" Full Depth (Local)	SY	18,222	\$24.00	\$437,328.00
				SUBTOTAL	\$928,478.50
				CONTINGENCY at 15%	\$139,271.78
				Total	\$1,067,750.28

EXHIBIT C

LAGAE RANCH FILING NO. 1

PHASE 7

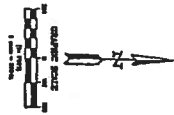
LAGAE ROAD FROM MONARCH BLVD. TO THE SOUTH PROPERTY LINE

02-Mar-11

	DESCRIPTION	UNIT	QUANTITY	UNIT COST	TOTAL
1	6" Vertical Curb and 2' Gutter	LF	936	\$11.00	\$10,296.00
2	6" Median Curb and 1' Gutter	LF	880	\$11.00	\$9,680.00
3	5' Sidewalk	LF	936	\$20.00	\$18,720.00
4	Asphalt Paving-10" Full Depth (Lagae Rd)	SY	2,203	\$30.00	\$66,090.00
5	Median Landscape (Lagae Rd)	SF	4,840	\$3.50	\$16,940.00
6	Sign	EA	2	\$250.00	\$500.00
7	Striping	LF	936	\$0.50	\$468.00
8	Barricade (Type III)	EA	2	\$1,000.00	\$2,000.00
				SUBTOTAL	\$124,694.00
				CONTINGENCY at 15%	\$18,704.10
				Total	\$143,398.10

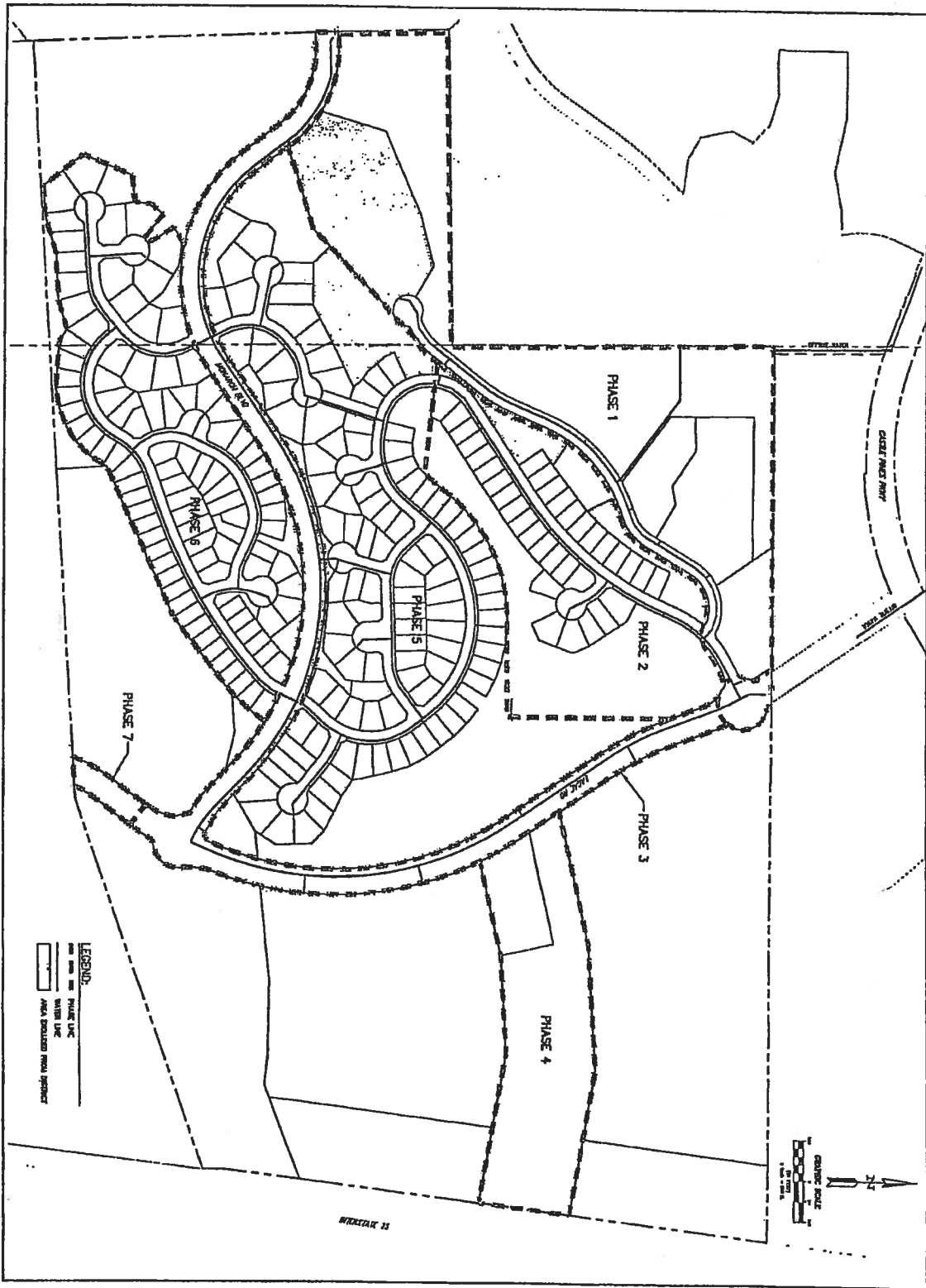
EXHIBIT D

DEPICTION OF IMPROVEMENT LOCATIONS



<p>DATE: JAN 15, 2011 BY: JAMES J. SMITH SCALE: 1" = 100'</p>	<p>SCALE: 1" = 100'</p>	<p>LAGAE RANCH FILING 1 LAGAE METROPOLITAN DISTRICT EXHIBIT D1 ROADS</p> <p>PREPARED FOR: ST. JOHNS, L.L.C. & HARRIS COUNTY DIST. #300 12112 W. HOUSTON RD., HOUSTON, TX 77060</p>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th>NO.</th> <th>DATE</th> <th>BY</th> <th>REVISION</th> </tr> <tr> <td> </td> <td> </td> <td> </td> <td> </td> </tr> <tr> <td> </td> <td> </td> <td> </td> <td> </td> </tr> <tr> <td> </td> <td> </td> <td> </td> <td> </td> </tr> </table>	NO.	DATE	BY	REVISION													<p>LAGAE LAND</p> <p>12112 W. HOUSTON RD., HOUSTON, TX 77060 (281) 416-1000 www.lagae.com</p>
NO.	DATE	BY	REVISION																	

SHEET
1 OF 1



DATE: 10/25/11
 DRAWING NO.: 11-010
 SHEET: 1 OF 1

LEGEND:
 --- PHASE LINE
 --- WATER LINE
 [] AREA ENCLOSED FROM APPLICANT

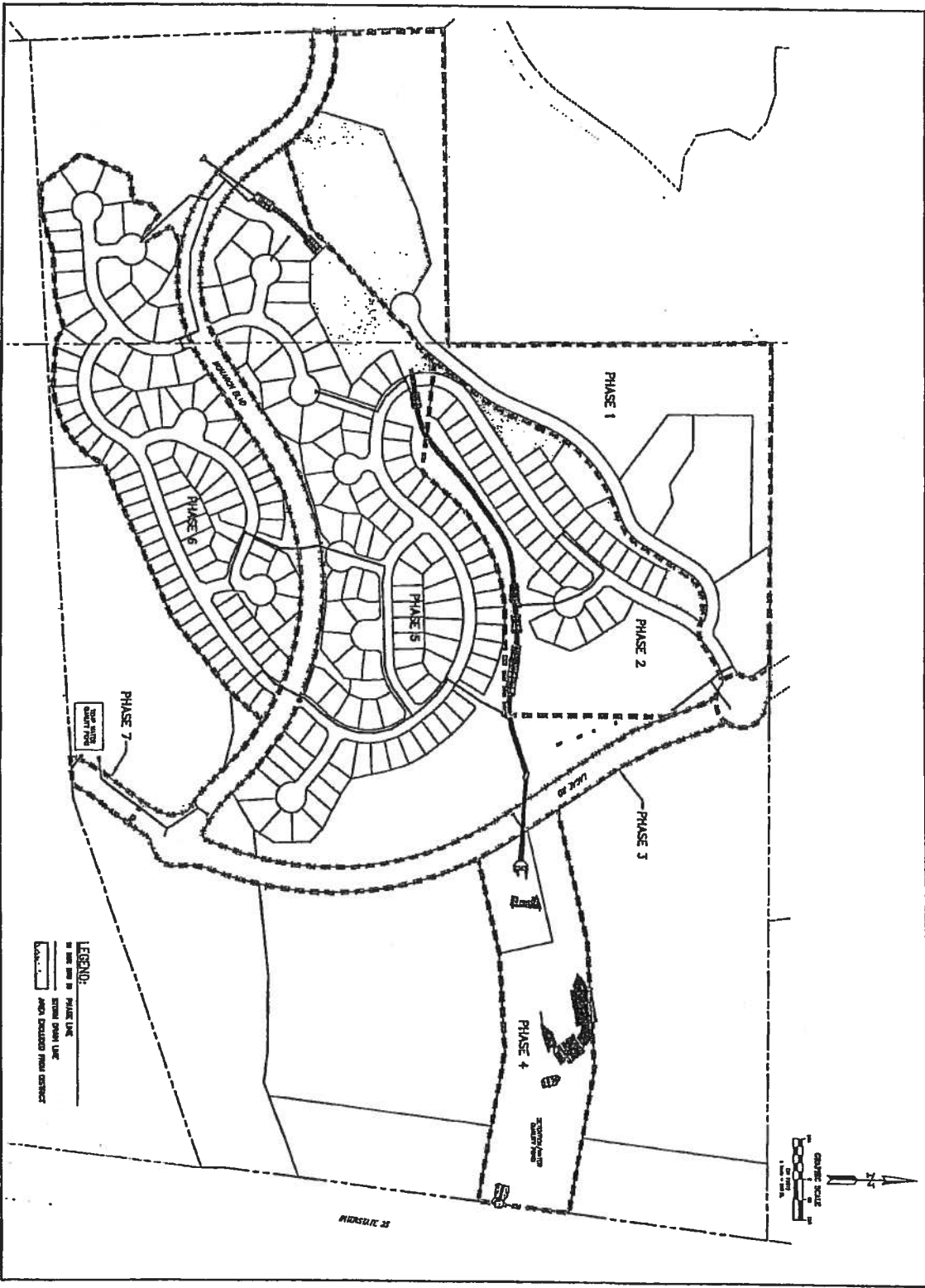
CALL ORIENTAL NOTIFICATION
 CITY OF LAGAE
 1000 LAGAE BLVD
 LAGAE, MISSISSIPPI 39069
 601-791-4100

**LAGAE RANCH FILING 1
 LAGAE METROPOLITAN DISTRICT
 EXHIBIT D2
 WATER**

PREPARED FOR: R.C. BELLSHAW, L.L.C.
 ADDRESS: 4 WINDMILL COUNTRY EAST ROAD
 MISSISSIPPI, MS 39012

NO.	DATE	BY	REVISION

LAND
 ENGINEERING & SURVEYING, INC.
 1000 LAGAE BLVD
 LAGAE, MISSISSIPPI 39069
 601-791-4100



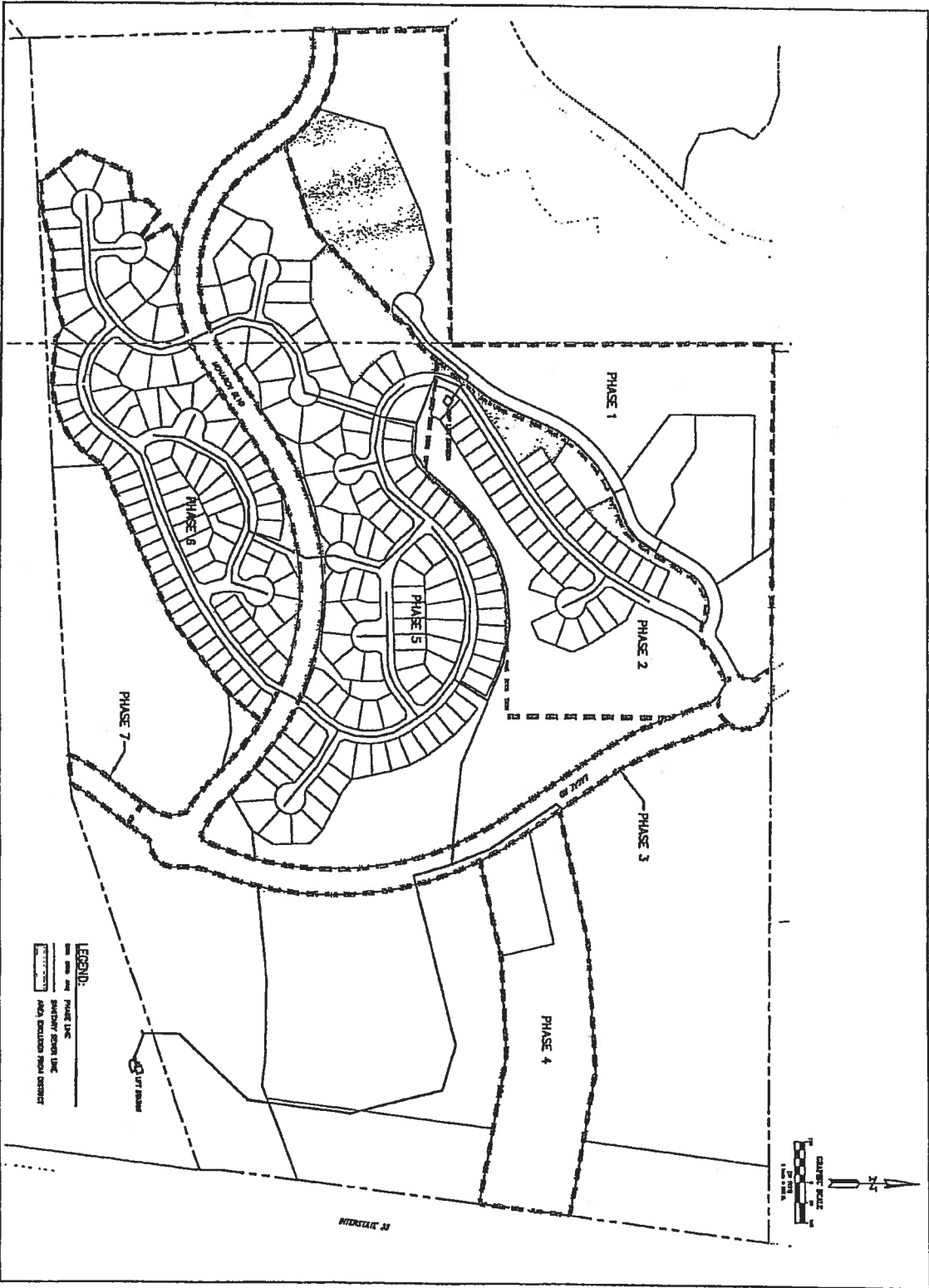
DATE: 08/12/10
 BY: [Redacted]
 SCALE: 1"=400'
 SHEET
 1 OF 1

QUALITY NOTATION
 THIS DOCUMENT HAS BEEN REVIEWED FOR CONFORMANCE WITH THE STANDARDS AND PRACTICES OF THE PROFESSION OF SURVEYING AND MAPPING AS SET FORTH IN THE RULES AND REGULATIONS OF THE BOARD OF SURVEYING AND MAPPING, STATE OF TEXAS.

**LAGAE RANCH FILING 1
 LAGAE METROPOLITAN DISTRICT
 EXHIBIT D3
 STORM DRAIN**
 PREPARED FOR: HCF, HOLDINGS, L.L.C.
 ADDRESS: 6 HEMPSTEAD COURT EAST 2ND
 DALLAS, TEXAS 75243

NO.	DATE	BY	REVISION

LAGAE
 10000 LAGAE DRIVE
 DALLAS, TEXAS 75243
 TEL: 972.980.1234
 FAX: 972.980.1235
 WWW.LAGAE.COM



DATE: JAN 1, 2011
 SHEET NO: 1 OF 1
 SHEET

LAGAE RANCH FILING 1
 LAGAE METROPOLITAN DISTRICT
 EXHIBIT D4
 SANITARY SEWER

LAGAE RANCH FILING 1
 LAGAE METROPOLITAN DISTRICT
 EXHIBIT D4
 SANITARY SEWER

**LAGAE RANCH FILING 1
 LAGAE METROPOLITAN DISTRICT
 EXHIBIT D4
 SANITARY SEWER**

PREPARED FOR: SAC SERVICES, LLC
 6 INCHES DIA 15 FT DIA
 6 INCHES DIA 15 FT DIA

NO.	DATE	BY	REVISION

LAGAE
 LAGAE METROPOLITAN DISTRICT
 10000 LAGAE BLVD
 LAGAE, MO 64085

EXHIBIT E

INTERGOVERNMENTAL AGREEMENT

INTERGOVERNMENTAL AGREEMENT

THE NORTH PINES METROPOLITAN DISTRICT NOS. 1 - 3

THIS INTERGOVERNMENTAL AGREEMENT (the "Agreement") is made and entered into as of this ___ day of _____, 201__, by and between the **CITY OF CASTLE PINES** (the "City"), and the **NORTH PINE VISTAS METROPOLITAN DISTRICT NOS. 1 - 3**, inclusive, all quasi-municipal corporations and political subdivisions of the State of Colorado (each, a "District" and collectively the "Districts"). The City and the Districts are referred to herein as the Parties.

RECITALS

WHEREAS, the Districts were organized to provide those services and to exercise powers as are more specifically set forth in the Districts' combined service plan approved by the City on _____, 2011 (the "Service Plan"); and

WHEREAS, the Service Plan requires the execution of an intergovernmental agreement by the Parties; and

WHEREAS, the City and the Districts have determined it to be in the best interests of their respective taxpayers, residents and property owners to enter into this Agreement.

NOW, THEREFORE, in consideration of the covenants and mutual agreements herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto agree as follows:

COVENANTS AND AGREEMENTS

1. Objective of the City Regarding Service Plan. The Service Plan is intended to establish a limited purpose for the Districts and explicit financial and operating constraints that are not to be violated under any circumstances. The primary purpose of the Districts is to provide a financing mechanism for the public improvements necessary for the Development. Operational activities by District No. 1 (the "Operating District") are allowed, but only to the extent specifically authorized by the Service Plan or identified in a subsequent intergovernmental agreement by and between the Operating District and the City.

2. Operations and Maintenance. The public improvements described in the Service Plan shall be dedicated to the City, the Castle Pines North Metropolitan District ("CPNMD") or other appropriate governmental entity in a manner consistent with the development plan for the Development (as the same may be amended from time to time) and other rules and regulations of the City and applicable provisions of the City Code. Pending final acceptance by the City, or for those public improvements that are not ultimately conveyed to the City, CPNMD, or other appropriate governmental entity, District No. 1 (the "Operating District") shall at all times be authorized to undertake and coordinate any operational requirements for such public improvements.

i) Water and Sanitation Limitation. Property within the Service Area is currently anticipated to be provided water and sanitation services by CPNMD pursuant to the Inclusion Agreement (dated December 19, 2007, a copy of which is recorded at Reception No. 2008045280 in the real property records of Douglas County, Colorado). For so long as CPNMD, or other water and sanitation provider is providing water and sanitation services to the area within the Districts overlapped by CPNMD, the Districts shall not be permitted to own, operate or maintain water and sanitation improvements unless the same is necessary prior to the final acceptance of such water and sanitation improvements by CPNMD or other appropriate service provider. Notwithstanding the foregoing limitation, the Districts shall be expressly permitted to undertake the construction and financing of water and sanitation improvements. Pursuant to Section 32-1-107(2), C.R.S. the Districts shall not provide the same services as provided by CPNMD within the CPNMD boundaries until such time as CPNMD has consented to the Districts providing such services. The Districts may provide such services outside of the boundaries of CPNMD.

3. Construction Standards. The Districts will ensure that all public improvements are designed and constructed in accordance with the standards and specifications of the City and of other governmental entities having proper jurisdiction. The Districts will obtain the City's approval of civil engineering plans and will obtain applicable permits for construction and installation of public improvements prior to performing such work.

4. Inclusion Limitation. The Districts shall not include within any of their boundaries any property within the City and outside the Districts' boundaries without the prior written consent of the City Council through a resolution authorizing the same.

5. Overlap Limitation. The boundaries of the Districts shall not overlap unless the aggregate mill levy of the overlapping Districts will not at any time exceed the Mill Levy Cap.

6. Total Debt Issuance. The Districts shall not issue Debt in excess of Fifteen Million Dollars (\$15,000,000) in the aggregate, exclusive of refundings.

7. Debt Issuance Limitation. With the specific exception of the Facilities Agreement or contractual loan agreements or resolutions concerning funding and reimbursement obligations from and to private entities, the Districts shall not be authorized issue any Debt until such time as the Districts have executed this Agreement and have complied with other applicable provisions of the Service Plan.

8. Consolidation. No District shall file a request with any Court to consolidate with another Title 32 district without the prior written consent of the City, unless such consolidation is between the Operating District and District No. 2 and/or District No. 3.

9. Dominant Eminent Domain. No District shall undertake any condemnation action against the City without the prior written approval of the City Council.

10. Disclosure to Residents and Taxpayers. The Districts shall cause a joint written notice regarding the existence of the Districts to be recorded against all of the real property situate within the boundaries of the Development. Said written notice shall, at a minimum,

describe the purposes for which the Districts were formed, and shall provide a summary of the Mill Levy Cap. The notice required by this Section 11 shall be recorded prior to the date on which property within the Operating District or any of the remaining Districts is sold to third party purchasers for construction and sale of residential or commercial property. Such notice shall be filed with the City Manager and the City Attorney's Office within thirty (30) days following the date on which the same has been recorded in the real property records of Douglas County, Colorado.

11. Annual Report. Each of the Districts shall be responsible for submitting an annual report to the City Manager no later than August 1st of each year beginning with August 1, 2012, pursuant to Section XII of the Service Plan. The annual report may be submitted on a consolidated basis by the Districts.

12. District Meetings. The annual report shall provide the schedule of regular meetings to the City Manager's office. If requested by the City, the District shall provide agendas and other public meeting documents to the City Manager, as requested.

13. Mill Levy Cap. The Districts shall not impose a mill levy in excess of the Mill Levy Cap, except as may be specifically permitted by the Service Plan. The Maximum Debt Mill Levy shall be fifty (50) mills and the Maximum Operating Mill Levy shall not exceed nineteen (19) mills without a corresponding reduction in the Maximum Debt Mill Levy, so that the combined total mill levy will not exceed the Mill Levy Cap of sixty nine (69) mills.

14. Maximum Mill Levy Imposition Term for Repayment of Debt. No District shall impose a levy for repayment of any and all Debt (or use the proceeds of any mill levy for repayment of Debt) on any single property developed for residential uses which exceeds forty (40) years after the year of the initial imposition of such mill levy by the respective District, unless a majority of the Board of Directors of such District are residents of such District and have voted in favor of a refunding of a part or all of the Debt and such refunding will result in a net present value savings as set forth in Section 11-56-101, C.R.S., et seq.

15. Monies from Other Governmental Sources. No District shall apply for or accept Conservation Trust Funds, Great Outdoors Colorado Funds, or other funds available from or through governmental entities that the City is eligible to apply for, except as may be specifically provided for in this Agreement or as may be specifically authorized by the City in writing. This Paragraph shall not apply to specific ownership taxes which may be distributed to and constitute a revenue source for the Districts.

16. Applicable Laws. The Districts acknowledge that all real property within the Service Area shall be subject to all ordinances, rules and regulations of the City, including, without limitation, ordinances and rules and regulations relating to zoning, subdivision, building and land use, water conservation regulations, and relating to all City land use policies, comprehensive plans, and related plans.

17. Dissolution. Upon an independent determination of the City Council that the purposes for which one or more of the Districts was or were created have been accomplished, the District(s) subject to such City Council determination agree to file a petition in the appropriate

District Court for dissolution, pursuant to the Special District Act, which petition(s) shall contain a plan for dissolution, if required. If a plan for dissolution is required by the Special District Act, the Board(s) agrees to submit such plan(s) to the City Manager and City Attorney for review and approval prior to submitting the petition(s) for dissolution in the appropriate District Court. Any petition(s) for dissolution shall be filed by the District(s) with the District Court within ninety (90) days following the date on which the City Council has made the determination that the purposes for which one or more of the Districts have been created have been accomplished, unless: (1) the City Council consents to a longer time period in writing; or (2) a different time period is required by the Special District Act. In no event shall a final dissolution occur until the payment or discharge of all of the outstanding indebtedness and other obligations of the District(s) has been adequately addressed, inclusive of outstanding operational requirements, as required pursuant to the Special District Act.

18. Service Plan Amendment Requirement. Actions of the Districts which violate the limitations contained within the Service Plan or which violate the provisions of this Agreement may, in City Council's discretion, be deemed to be a material modification of the Service Plan, and the City shall be entitled to all remedies available under State and local law to enjoin actions of the Districts.

19. Notices. All notices, demands, requests or other communications to be sent by one party to the other hereunder or required by law shall be in writing and shall be deemed to have been validly given or served by delivery of same in person to the address or by courier delivery, via United Parcel Service or other nationally recognized overnight air courier service, or by depositing same in the United States mail, postage prepaid, addressed as follows:

To the Districts: North Pine Vistas Metropolitan District Nos. 1 - 3
 (as applicable)
 Grimshaw & Haring, P.C.
 Denver, CO 80203
 Attn: Russell W. Dykstra, Esq.
 Phone: (303) 839-3845
 Fax: (303) 839-3838

To the City: City of Castle Pines
 7501 Village Square Drive, Suite 100
 Castle Pines, CO 80108
 Attn: City Manager

 Phone: (303) 705-0200
 Fax: (303) 705-0201

All notices, demands, requests or other communications shall be effective upon such personal delivery or one (1) business day after being deposited with United Parcel Service or other nationally recognized overnight air courier service or three (3) business days after deposit in the United States mail. By giving the other party/parties hereto at least ten (10) days

written notice thereof in accordance with the provisions hereof, each of the Parties shall have the right from time to time to change its address.

20. Amendment. This Agreement may be amended, modified, changed, or terminated in whole or in part only by a written agreement duly authorized and executed by the Parties hereto.

21. Assignment. No Party hereto shall assign any of its rights nor delegate any of its duties hereunder to any person or entity without having first obtained the prior written consent of all other Parties, which consent will not be unreasonably withheld. Any purported assignment or delegation in violation of the provisions hereof shall be void and ineffectual.

22. Default/Remedies. In the event of a breach or default of this Agreement by any Party, the non-defaulting Parties shall be entitled to exercise all remedies available at law or in equity, specifically including suits for specific performance and/or monetary damages. In the event of any proceeding to enforce the terms, covenants or conditions hereof, the prevailing Party/Parties in such proceeding shall be entitled to obtain as part of its judgment or award its reasonable attorneys' fees.

23. Governing Law and Venue. This Agreement shall be governed and construed under the laws of the State of Colorado. Venue for all actions brought hereunder shall be in the District Court in and for Douglas County.

24. Inurement. Each of the terms, covenants and conditions hereof shall be binding upon and inure to the benefit of the Parties hereto and their respective successors and assigns.

25. Integration. This Agreement merges and supersedes all prior negotiations, representations, and agreements between the Parties relating to the subject matter hereof and this Agreement, together with the provisions of the Service Plan that serve to supplement or complement this Agreement, constitutes the entire agreement between the Parties with respect to the subject matter hereof.

26. Parties Interested Herein. Nothing expressed or implied in this Agreement is intended or shall be construed to confer upon, or to give to, any person other than the Districts and the City any right, remedy, or claim under or by reason of this Agreement or any covenants, terms, conditions, or provisions thereof, and all the covenants, terms, conditions, and provisions in this Agreement by and on behalf of the Districts and the City shall be for the sole and exclusive benefit of the Districts and the City.

27. Severability. If any covenant, term, condition, or provision under this Agreement shall, for any reason, be held to be invalid or unenforceable, the invalidity or unenforceability of such covenant, term, condition, or provision shall not affect any other provision contained herein, the intention being that such provisions are severable.

28. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall constitute an original and all of which shall constitute one and the same document.

29. Paragraph Headings. Paragraph headings are inserted for convenience of reference only.

30. Defined Terms. Capitalized terms used herein and not otherwise defined shall have the meanings ascribed to them in the Service Plan.

CITY OF CASTLE PINES, COLORADO

By: _____
Jeffrey T. Huff, Mayor

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney

**NORTH PINE VISTAS METROPOLITAN
DISTRICT NO. 1**

By: _____
President

ATTEST:

Secretary

**NORTH PINE VISTAS METROPOLITAN
DISTRICT NO. 2**

By: _____
President

ATTEST:

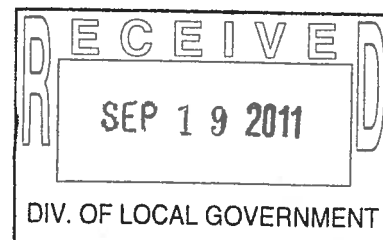
Secretary

**NORTH PINE VISTAS METROPOLITAN
DISTRICT NO. 3**

By: _____
President

ATTEST:

Secretary



RESOLUTION NO. 11-53

**A RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF CASTLE PINES, COLORADO
APPROVING THE COMBINED SERVICE PLAN FOR THE NORTH
PINE VISTAS METROPOLITAN DISTRICT NOS. 1 - 3, AND
AUTHORIZING EXECUTION OF AN INTERGOVERNMENTAL
AGREEMENT BETWEEN THE CITY AND DISTRICT NOS. 1 - 3**

WHEREAS, pursuant to Section 32-1-204.5, C.R.S., the Combined Service Plan for the North Pine Vistas Metropolitan District Nos. 1 - 3 (the "Service Plan") was submitted to the City Council (the "City Council") of the City of Castle Pines, Colorado (the "City") (the North Pine Vistas Metropolitan District Nos. 1 - 3 are collectively referred to herein as the "Districts"); and

WHEREAS, pursuant to the provisions of Title 32, Article 1, C.R.S., as amended (the "Special District Act"), the City Council held a public hearing on the Service Plan on August 23, 2011; and

WHEREAS, notice of the hearing before the City Council was duly published in the Douglas County News-Press, a newspaper of general circulation within the City and sent to property owners as of the same date; and

WHEREAS, the City Council has considered the Service Plan and all other testimony and evidence presented at the hearing; and

WHEREAS, the City Council finds that the Service Plan should be approved subject to the conditions as set forth herein; and

WHEREAS, the City Council further finds it is in the best interests of the citizens of the City to enter into an Intergovernmental Agreement with the Districts, in substantially the form attached the Service Plan as an exhibit (the "IGA"), for the purpose of assigning the relative rights and responsibilities between the City and the Districts with respect to certain functions, operations, and obligations.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CASTLE PINES, COLORADO, THAT:

Section 1. The City Council hereby determines that all of the requirements of Title 32, Article 1, Part 2, C.R.S., as amended, and of the City relating to the filing of the Service Plan have been fulfilled and that petitioners caused notice of the public hearing on this service plan to be published and given in the manner set forth above.

Section 2. The City Council further determines that all pertinent facts, matters and issues were submitted at the public hearing; that all interested parties were heard or had the

opportunity to be heard; and that evidence satisfactory to the City Council of each of the following was presented:

- a. There is sufficient existing and projected need for organized service in the area to be serviced 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 proposed boundaries; and
- d. The area to be included in the Districts has, or will have, the financial ability to discharge the proposed indebtedness on a reasonable basis.

Section 3. The City Council hereby approves the Service Plan for the Districts as submitted, subject to the conditions set forth in **Section 4** below.

Section 4. Pursuant to Section 32-1-204.5(1)(c), C.R.S., the Service Plan is conditionally approved subject to the following modifications being made to the Service Plan or information being provided by the City:

- No modifications (check if applicable).
- Modifications listed below apply (check if applicable):

- a. The second paragraph of Article X of the Service Plan, titled "Consolidation or Dissolution" shall be amended to include the following sentence:

"Any petition(s) for dissolution shall be filed by the District(s) with the District Court within ninety (90) days following the date on which the City Council has made the determination that the purposes for which one or more of the Districts have been created have been accomplished, unless: (1) the City Council consents to a longer time period in writing; or (2) a different time period is required by the Special District Act."

The above sentence shall be inserted between the second and third sentences of the second paragraph of Article X of the Service Plan.

- b. Section 17 of the IGA, attached to the Service Plan as Exhibit E, shall be amended to include the sentence set forth in a. above.

The modifications identified above, if any, shall be made to the Service Plan by the petitioners / proponents of the Districts prior to the date that the petitions for organization of the Districts are submitted to the Douglas County District Court in accordance with the controlling provisions of the Special District Act. In order to ensure that the City is able to confirm that the modifications identified above have been made to the Service Plan, the Service Plan, as revised, shall be submitted to the City Manager and City Attorney at least five (5) business days prior to the date

on which the proponents / petitioners intend to file the petitions for organization with the Douglas County District Court together with a letter summarizing the changes made and affirmatively stating that the modifications required by this Section 4 have been incorporated into the revised version of the Service Plan.

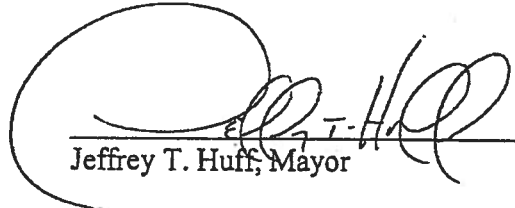
Section 5. The Mayor and the City Clerk are hereby authorized to execute, on behalf of the City, the IGA in substantially the form attached to the Service Plan, with such technical additions, deletions, and variations as the City Attorney may deem necessary or appropriate and not inconsistent with this Resolution. The Boards of Directors of the Districts shall be required to execute the IGA at their first regular meeting occurring after the entry of the order and decree organizing the Districts by the District Court for and in Douglas County, Colorado. Failure of the Districts to execute the IGA prior to December 31, 2012 shall constitute a material modification of the Service Plan.

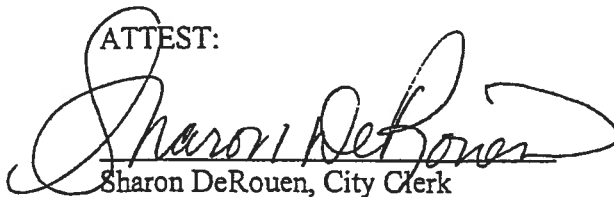
Section 6. This Resolution shall be filed in the records of the City and a certified copy thereof submitted to petitioners for the Districts for the purpose of filing in the District Court of Douglas County.

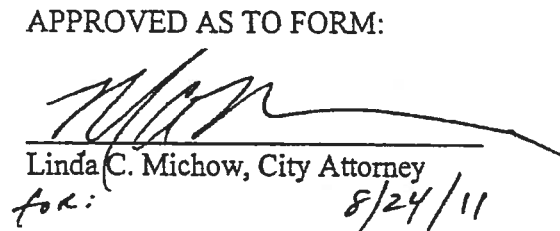
Section 7. All prior resolutions or any parts thereof, to the extent they are inconsistent with this Resolution, are hereby rescinded.

Section 8. Effective Date. This Resolution shall take effect upon its approval by the City Council.

INTRODUCED, READ AND ADOPTED AT A REGULAR MEETING OF THE CITY COUNCIL OF THE CITY OF CASTLE PINES by a vote of 5 in favor and 0 against this 23rd day of August, 2011.


Jeffrey T. Huff, Mayor

ATTEST:

Sharon DeRouen, City Clerk

APPROVED AS TO FORM:

Linda C. Michow, City Attorney
for: 8/24/11