

**CONSOLIDATED  
SERVICE PLAN  
FOR  
GREENSPIRE METROPOLITAN DISTRICT NOS. 1-3**

Prepared for

Greenspire Metropolitan District Nos. 1-3  
by

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## I. INTRODUCTION

### A. General Overview

This Service Plan ("Service Plan") for Greenspire Metropolitan District Nos. 1-3 (herein after "Districts") is for three special districts proposed to be organized to serve the needs of a new community to be known as "Greenspire".

The proposed Districts are generally located between WC Road 70, on the north, WC Road 19, on the east, and Highway 392 on the south. The site consists of approximately 284 acres divided into several development areas planned for development of residential and commercial areas.

The primary purpose of the proposed Districts is to provide public improvements some to be dedicated to the Town of Windsor ("Windsor") and some to be retained by the Districts for the use and benefit of the Districts' inhabitants and taxpayers. Improvements to be provided by the Districts shall include the types of facilities and improvements generally described in Section IV, consisting of park and recreation facilities and an irrigation water system as needed for the area.

It is hoped that the Districts' structure set forth herein can serve as a method by which development can occur in Windsor in such a way as to eliminate economic risk to Windsor, provide economic benefits to property owners, and place the risk of development on property developers.

The Financing Plan discussed herein has been designed to assure that at no time will obligations of the Districts be in risk of default, and that Windsor will never have any legal responsibility for any of the Districts' obligations. This Service Plan is designed to assure that the risk of development remains with the developer until a sufficient tax base has been achieved to pay the Districts' debt with reasonable mill levies. Initial bond issues will be purchased by the developer, and public sale of the Districts' obligations will not occur until the requirements of this Service Plan have been met.

This Service Plan has been prepared with sufficient flexibility to enable the Districts' to provide required services and facilities under evolving circumstances to meet the needs of the community. While the assumptions upon which this Service Plan are generally based are reflective of the anticipated initial zoning for the property upon annexation to Windsor within the proposed Districts, the cost estimates and the Financing Plan are sufficiently flexible to enable the Districts to provide necessary services and facilities without the need for repeated amendments to the Service Plan. Modification of the proposed configuration of improvements, scheduling of construction of such improvements, as well as the locations and dimensions of various facilities and improvements shall be permitted to accommodate development needs consistent with zoning and future development approvals for the property. The Districts shall not exercise any powers including powers pursuant to Section §31-23-209, C.R.S. to avoid meeting development requirements, timing, or construction standards imposed on the property

improvements by Windsor pursuant to the Annexation Agreement, zoning or subdivision approvals, or subdivision improvements agreements.

Considerable public infrastructure will be constructed to provide the required improvements needed for the Greenspire area. This Service Plan addresses the improvements that will be provided by the special districts and demonstrates how the districts will work cooperatively to provide the necessary public improvements. All Exhibits referred to herein are attached to the end of this Service Plan.

1. Multiple District Structure. This Service Plan is submitted in accordance with Part 2 of the Special District Act (§32-1-201, et seq., C.R.S.) It defines the powers and authorities of, as well as the limitations and restrictions on, Greenspire Metropolitan District Nos. 1-3. Greenspire Metropolitan District No. 1 shall be referred to as "the Service District". and Greenspire Metropolitan District Nos. 2 and 3 shall be referred to as "the Financing Districts". The Service District and Financing Districts are sometimes collectively referred to as "the Districts" and individually as "the District".

The use of a consolidated Service Plan for the Districts assures proper coordination of the powers and authorities of the independent Districts, and avoids confusion regarding the separate, but coordinated, purposes of the Districts that could arise if separate service plans were used. Unless otherwise specifically noted herein, general provisions of this Service Plan apply to all Districts. Where possible, however, specific reference is made to an individual District to help distinguish the powers and authorities of each District.

The "Financing Plan" discussed in Section VII refers to a preliminary financial plan for the Districts which is intended to be read as a unified Financing Plan which may be used for public improvements for Greenspire.

The Service District is responsible for managing the construction and operation of facilities and improvements needed for Greenspire. The Financing Districts are responsible for providing the funding and tax base needed to support the Financing Plan for capital improvements. Various agreements have been and are expected to be executed by the Districts clarifying the nature of the functions and services provided by each District. The agreements are designed to help assure the orderly development of essential services and facilities resulting in a community which will be both an aesthetic and economic asset to Windsor.

The continued operation of Greenspire Metropolitan District No. 1 as the Service District which owns and operates the public facilities throughout Greenspire, and the continued operation of Greenspire Metropolitan District Nos. 2 and 3 as the Financing Districts that will generate the tax revenue sufficient to pay the costs of the capital improvements, creates several benefits for the inhabitants of the community and Windsor. In general, those benefits are: (a) coordinated administration of construction and operation of public improvements, and delivery of those improvements in a timely manner; (b) maintenance of equitable mill levies and reasonable tax burdens on all residential and commercial areas of Greenspire through proper management of the financing and operation of public improvements; and (c) assured compliance with state laws regarding taxation in a manner which permits the issuance of tax exempt debt at the most

favorable interest rates possible. Each of these concepts is addressed in greater detail in the following paragraphs.

2. Benefits of Multiple District Structure.

a. Coordinated Services. Development of Greenspire will proceed in several phases, each of which requires the extension of public services and facilities. The multiple district structure assures that the construction and operation of each phase of public facilities is primarily administered by a single Board of Directors consistent with a long term construction and operations program. Use of the Service District as the entity responsible for construction of each phase of improvements and for management of operations will facilitate a well-planned financing effort through all phases of construction and assists in assuring coordinated extension of services.

The multiple district structure helps assure that facilities and services needed for future build-out of Greenspire will be provided when they are needed, and not sooner. This, in turn, allows the full costs of public improvements to be allocated over the full build-out of Greenspire and helps avoid disproportionate cost burdens being imposed on the early phases of development.

b. Equitable Mill Levy. Allocation of the responsibility for paying debt for capital improvements will continue to be managed through development of a unified financing plan for those improvements and through development of an integrated operating plan for long-term operations and maintenance. Use of the Service District to manage these functions helps assure that no area within Greenspire becomes obligated for more than its share of the costs of capital improvements and operations. Low-density areas will not bear a disproportionate burden of debt and operating costs, nor will high valued areas bear disproportionate burdens. Intergovernmental agreements between the Districts will assure that mill levies remain equitable throughout Greenspire.

3. Configuration of Districts. In order to implement the multiple district structure, the boundaries of the Service District and Financing Districts need to be carefully configured. A map showing the boundaries of the Districts is attached to this Service Plan as Exhibit A. The combined acreage of the Districts covers all acreage within Greenspire. Legal descriptions of the property within the boundaries of the Districts are attached to the end of this Service Plan as Exhibit B.

The "service area" (the area legally permitted to be served) for the Service District will consist of the entire Greenspire community, including the property within the Financing Districts' boundaries. The Service District has the power to impose taxes only within its legal boundaries, but is permitted to provide public services to the entire community, as well as to property or individuals outside of Greenspire. The Financing Districts have power to assess taxes and other charges permitted by law.

It is currently anticipated that at build-out no residential units will be located within the Service District and that it will include only open space or commercial areas. The Financing

Districts will contain both residential and commercial properties, expected to consist of approximately 860 residential units and 33 acres of commercial. The projected population of Greenspire at full build-out is 2,150 persons, and the projected total valuation is approximately \$24,565,583.

It is possible that additional property may be included in the Districts. Under Colorado law, the fee owner or owners of one hundred percent (100%) of any property proposed for inclusion may petition the boards of directors of the Districts for inclusion, or annexation, of property into the Districts. Additionally, less than one hundred percent (100%) of the owners of an area may petition the Districts for inclusion, or the boards may adopt a resolution calling for an election on inclusion of the property. The inclusion of additional property into the Districts will require Town approval. Realignment of the Districts' boundaries within the property currently contained in the Districts shall not require Town approval.

4. Long-Term District Plan. After all bonds or other debt instruments have been issued by the Districts, and adequate provision has been made for payment of all debt of the Districts, the electorate of the Districts will have the opportunity to consider either the consolidation of the Service District and Financing Districts into a single entity, or the dissolution of the Service District and/or Financing Districts in accordance with state law. The Service District and Financing Districts will consider consolidation and/or dissolution at the time each District's debt has been paid and adequate provision has been made for operation of all the Service District facilities. Ultimately, control of these decisions will rest with the electorate in each District.

5. Existing Services and Districts. There are currently no other entities in existence in the Greenspire area which have the ability and/or desire to undertake the design, financing and construction of improvements needed for the community. It is also the developer's understanding that Windsor does not consider it feasible or practicable for Windsor to provide the necessary services and facilities for Greenspire. Consequently, use of the new Districts is deemed necessary for the provision of public improvements in Greenspire.

In order to minimize the proliferation of new governmental structures and personnel, the Service District intends to utilize existing entities as much as possible for operations and maintenance of public improvements. The timing for conveyance of improvements to Windsor will be developed by mutual agreement between the Service District and Windsor as generally described above and in Section V hereof.

It is possible that other key operations and maintenance services may be provided by other entities by appropriate agreements with the Service District. Consequently, while the Service District and Financing Districts exist to finance capital improvements and coordinate the provision of services, they are expected to utilize existing entities and personnel as much as possible.

B. General Financial Information and Assumptions

The 2002 certified assessed valuation of all taxable property within the boundaries of Greenspire was approximately \$35,000.00.

The anticipated cost of improvements necessary to provide access to and appropriate services within Greenspire are estimated in Exhibit F attached hereto. The Districts may obtain financing for the capital improvements needed for Greenspire through the issuance of general obligation bonds or other debt instruments by the Financing Districts and from revenue bonds and other instruments issued by the Service District. General obligation debt will be payable from revenues derived from ad valorem property taxes and from other sources. It is currently anticipated that significant credit enhancement and security for debt issued by the Service District will be provided by the developer. The Financing Districts will issue general obligation debt after determination that the assessed valuation is sufficient to pay debt service with reasonable mill levies, thereby reducing risk to property owners. The revised preliminary financial forecasts for the Districts are contained in Exhibit C attached to this Service Plan. The "Financing Plan" demonstrates one method that 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 financing plans may be employed and be utilized by the Districts.

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

The financial structure contemplated in the Financing Plan demonstrates that the risks associated with development of Greenspire will be borne initially by the developer of the project. Due to the nature of liabilities associated with issuance of revenue bonds, the risk of development will continue to rest with the developers until such time as the Financing Districts have the ability to issue general obligation debt. At such time as general obligation debt is issued, the responsibility for payment of the costs of infrastructure needed for Greenspire will be shifted, incrementally, to the Financing Districts. General obligation debt issued by the Financing Districts will limit the responsibility for repayment of such debt to the Financing Districts. In this manner, Windsor can continue to be assured that the risks of development and the responsibility for repayment of debt issued for Greenspire will be borne solely by the residents and property owners of Greenspire, and will not become the responsibility, in any degree, of Windsor. Additionally, Windsor can be assured that mill levies paid by Greenspire residents cannot exceed acceptable levels.

C. Contents of Service Plan

This Service Plan consists of a preliminary financial analysis and preliminary engineering plan showing how the facilities and services for Greenspire can continue to be provided and financed by the Districts. Numerous items are included in this Service Plan in order to satisfy



the requirements of law for formation of special districts. Those items are listed in Exhibit D attached hereto. Each of the requirements of law are satisfied by this Service Plan.

The assumptions contained within this Service Plan were derived from a variety of sources. Information regarding the present status of property within the Districts, as well as the current status and projected future level of similar services, was obtained from the developer. Facility diagrams were provided by Rocky Mountain Consultants. Legal advice in the preparation of this Service Plan was provided by the law firm of White and Associates Professional Corporation, which represents numerous special districts.

#### D. Modification of Service Plan

This Service Plan has been designed with sufficient flexibility to enable the Districts to provide required services and facilities for Greenspire under evolving circumstances without the need for numerous amendments. While the assumptions upon which this Service Plan are generally based are reflective of current zoning for the property within Greenspire, the cost estimates and the Financing Plan is sufficiently flexible to enable the Districts to provide necessary services and facilities without the need to amend this Service Plan. Modification of the general types of services and facilities, and changes in proposed configurations, locations, or dimensions of various facilities and improvements shall be permitted to accommodate development needs consistent with then-current zoning for the property.

## II. NEED FOR NEW DISTRICTS AND GENERAL POWERS

#### A. Need for Metropolitan Districts

The property in Greenspire is undeveloped. No other entities exist which will finance the construction of the facilities needed for Greenspire. Operation and maintenance of some facilities will be assumed by Windsor in the future. The IGA referred to in Section V hereof will address and define the activities to be undertaken by various entities, including Windsor, with regard to public improvements.

#### B. General Powers of Districts

Each District will continue to have power and authority to provide the services and facilities described in this Service Plan both within and outside their boundaries in accordance with the law. The powers and authorities of each District will be allocated and further refined in a "Master" IGA between the Districts. For purposes of the Control Act, the IGA shall not constitute an amendment of this Service Plan. It will constitute a binding agreement between the Districts regarding implementation of the powers contained in this Service Plan.

In accordance with (a) all of the policies, procedures, rules and regulations of the Windsor Municipal Code; (b) all of the terms and conditions of the annexation agreement between Windsor and the developer; and (c) all of the terms and conditions outlined in Section V.B. Town IGA of this Service Plan, each District shall provide for all of the following services and facilities:

1. Non-Potable Water. The design, acquisition, installation, construction, operation, and maintenance of an irrigation water system, including, but not limited to, water rights, water supply, storage, transmission and distribution systems for public or private purposes, together with all necessary and proper reservoirs, and facilities, wells, water rights, equipment and appurtenances incident thereto 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.

2. Parks and Recreation. The design, acquisition, installation, construction, operation and maintenance of public park and recreation facilities including, but not limited to, bike paths, hiking trails, pedestrian trails, pedestrian bridges, entry signage, picnic areas and facilities, common area and street landscaping and weed control, outdoor lighting of all types, 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.

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

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

a. To amend this Service Plan as needed, subject to the appropriate statutory procedures, and after obtaining a resolution of approval from the Windsor Board of Trustees The Districts shall have the right to amend this Service Plan independent of participation of the other Districts; provided, that the Districts shall not be permitted to amend those portions of this Service Plan which effect, impair, or impinge upon the rights or powers of the other Districts without such District's consent; 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 provide all such additional services and exercise all such powers as are granted expressly or by implication of Colorado law, and which the Districts are required to provide or exercise or, in their discretion, choose to provide or exercise, within the scope of the powers set forth above; and

d. To exercise all necessary and implied powers under Title 32, C.R.S. in the reasonable discretion of the Boards of Directors of the Districts.

### III. DESCRIPTION OF FACILITIES AND IMPROVEMENTS

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

The diagrams contained in the appendix to this Service Plan show the conceptual layouts of the public facilities and improvements described in Section II hereof. Additional information for each type of improvement needed for Greenspire is set forth in the following pages. It is important to note that the preliminary layouts contained in the appendix are conceptual in nature only, and that modifications to the type, configuration, and location of improvements will be necessary as development proceeds. All facilities will be designed in such a way as to assure that the facility and service standards will be compatible with those of Windsor and of other municipalities and special districts which may be affected thereby. The following sections contain general descriptions of the contemplated facilities and improvements that will be financed by the Financing Districts.

#### A. General

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

#### B. General Design Standards

Improvements within the Districts will be designed and installed by the Service District in general conformance with current standards adopted by the Service District and Windsor. Designs prepared for improvements must be reviewed and approved by the Service District and Windsor.

#### C. Non-Potable Water System

1. General. The Service District proposes to provide an irrigation water system to serve the entire Greenspire community. The water system will provide irrigation water supply for residential and commercial customers. The proposed elements of the irrigation water system provide a hydraulically balanced network of transmission lines and distribution lines for the supply of irrigation water. All facilities will continue to be designed and installed in accordance with applicable Windsor ordinances and regulations applicable at the time of construction. The development plan for the Districts' proposed potable water system is illustrated in Exhibit E attached hereto. The irrigation water system shall be operational before

any building permits are issued in the Districts. Windsor shall not be charged a tap fee for connecting parks to the non-potable water system.

All major elements of the non-potable water system required for proper operation will be designed and installed by the Service District. The system will be designed according to Windsor's requirements. The homeowner will be responsible for construction of the service line from the meter. All individual services will be metered. Raw water dedication requirements of the Town will be met in accordance with current Town requirements.

2. Non-Potable Water Demand. Demands placed on the water system will fluctuate with use. Demand will be that required to satisfy the needs of the Service District's customers for landscape irrigation, which will reduce the amount of potable water required. Raw water systems will not be conveyed to Windsor nor become Windsor's responsibility for operations and maintenance.

#### D. Park and Recreation

All park and recreational facilities and/or services will be constructed in accordance with plans and specifications approved by Windsor. All park and recreational facilities will be constructed in accordance with engineering and design requirements appropriate for the surrounding terrain, and all such facilities shall be compatible with Windsor's standards. Any design, construction and/or dedication of park and recreation facilities shall be in accordance with (a) all requirements of the Windsor Parks and Recreation Master Plan and the Windsor Municipal Code and (b) all of the terms and conditions of the annexation agreement between Windsor and the developer. All park and recreation facilities financed through the Districts will be open to the public.

1. Landscaping. Landscaping may be installed by the Service District along the roadway rights-of-way and trail easements. The Service District also intends to install and maintain landscaped highlights along the internal streets and entry features at major entrances. Additional features may be installed and maintained by the developers of the individual parcels. The Districts shall also install landscaping along public right-of-ways as required by the Windsor Municipal Code. Trees within the right-of-way will be maintained by Windsor in accordance with applicable Windsor ordinances.

#### E. Estimated Cost of Facilities

The estimated cost of the facilities to be constructed, installed and/or acquired by the Service District are shown in Exhibit F attached hereto.

### IV. DEVELOPMENT PROJECTIONS

Land use within the project will be residential and commercial, as set forth in Exhibit C attached hereto.

## V. PROPOSED AGREEMENTS

### A. Master Intergovernmental Agreements

As noted in this Service Plan, the relationship between the Service District and Financing Districts, including the means for approving, financing, constructing, and operating the public services and improvements needed to serve Greenspire will be established by means of the Master IGA. The Master IGA will establish extensive procedures and standards for the approval of the design of facilities, transfer of funds between the Districts, and operation and maintenance of the facilities. The Master IGA will also provide for coordinated administration of management services for the Districts.

### B. Town IGA

Windsor and the Service District will enter into an IGA ("Town IGA") regarding the nature of the relationship between the Service District and Windsor, and setting forth various procedures and agreements regarding the construction, ownership, operation and maintenance of improvements constructed by the Service District. A draft of the Town IGA is attached as Exhibit G.

### C. Other Agreements/Authority

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

## VI. OPERATION AND MAINTENANCE COSTS

Estimated costs for operation and maintenance functions are presented in Exhibit C attached hereto. Additionally, the Service District will impose a system of tap and user service charges. The estimated revenues from such fees and charges are reflected in the Financing Plan discussed in the following section.

## VII. FINANCING PLAN

Attached to this Service Plan as Exhibit C is a preliminary Financing Plan which shows how the proposed services and facilities may be financed and operated by the Districts. The Financing Plan includes the proposed operating revenue derived from ad valorem property taxes for the first budget year, and thereafter, and are to be used by the Service District. The Master IGA will provide that the obligation of the Financing Districts to pay the Service District for operating expenses incurred for provision of services to property within the Financing Districts shall constitute "debt" of the Financing Districts. Accordingly, mill levies certified to make necessary payments to the Service District are characterized as debt service mill levies notwithstanding that they are imposed to pay contractual obligations for operations and

maintenance services provided by the Service District. The Service District will borrow its initial operating funds from private entities to be repaid after it is able to generate operating revenues from the Financing Districts.

The Financing Plan identifies the proposed debt issuance schedules of the Service District and Financing Districts and show how the financial operations of the Districts are being coordinated. The Financing Districts are expected to issue general obligation debt supported by ad valorem mill levies. This mechanism will help assure the transition of appropriate tax revenue to the payment of debt issued to provide services for Greenspire.

The Districts shall be entitled to modify the proposed structure of the Financing Plan by causing the Service District to obtain funding directly from the Developer, its lender, or assigns of Developer, provided that all such borrowing shall comply with the requirements of state law regarding limitations on the amount of general obligation debt which may be issued. For example, the Service District shall be entitled to obtain funding from the Developer rather than issuing revenue bonds and agree to repay the Developer from revenue sources that the Service District might otherwise become entitled, pursuant to the Master IGA or other agreements. Any advances made by the developer to the District that are not repaid within 30 years from the date the debt was incurred or 40 years from the organization of the Districts shall be deemed discharged and satisfied in full. The Districts shall have the ability to utilize excess debt capacity, which may be developed within the Districts if the assumptions contained in the Financing Plan are more conservative than what actually develops within Greenspire, by issuing contingent repayment obligations in amounts which exceed the estimated general obligation debt estimated in this Service Plan on condition that the provisions of such contingent repayment obligations are in compliance with state law.

The balance of the information contained in this section of this Service Plan is preliminary in nature. All dollars are stated in 2002, uninflated dollars. Upon approval of this Service Plan, the Districts will continue to develop and refine cost estimates contained herein and prepare for bond issuance. All cost estimates will be inflated to current dollars at the time of bond issuance and construction. Engineering and other contingencies, as well as capitalized interest and other costs of financing, will be added. All construction cost estimates assume construction to applicable local, state or federal requirements.

The "Mill Levy Cap" shall be 20 mills for debt that is greater than 50% of the Districts' assessed valuation. For debt that is less than 50% of the Districts' assessed valuation, the Mill Levy Cap shall be such amount as may be necessary to pay the debt service on such debt, without limitation of rate. Provided however, that the foregoing mill levy limit shall be subject to adjustment if the laws of the State change with respect to the assessment of property for taxation purposes, the ratio for determining assessed valuation changes, or other similar changes occur. In any of these events, the Mill Levy Cap shall be automatically adjusted so that the tax liability of individual property owners neither increases nor decreases as a result of any such changes, thereby maintaining a constant level of tax receipts of the Districts and overall tax payments from property owners. A disclosure documents explaining the mill levy shall be recorded on the property within the Districts after the Districts are organized. A form of the disclosure is attached as Exhibit H.

The maximum general obligation bonded indebtedness for the Financing Districts is not expected to exceed \$4,500,000 (in 2002 dollars) exclusive of costs of issuance, inflation, contingencies and other similar costs. Actual costs are anticipated to be approximately \$3,800,000. Contractual general obligation debt of the Districts shall not count against any bonded debt limitation or restriction on the Districts. Further, the obligations of the Districts pursuant to any Master IGA between the Districts shall not count against any bonded debt limitation or restriction on the Districts. The Districts shall have authority to finance and construct all facilities contemplated herein without the need to seek approval of any modification of this Service Plan. The Districts shall also be permitted to seek debt authorization from their electorates in excess of this amount to account for contingencies. Reasonable modifications of facilities and cost estimates shall likewise be permitted. Final determination of the amount of debt for which approval will be sought from each District's electorate from time to time will be made by the Board of Directors of each District based on then-current estimates of construction costs, issuance costs, and contingencies. Authorization to issue bonds and enter into various agreements described herein will be sought from each District's electorate pursuant to the terms of the Special District Act, and the Colorado Constitution as amended from time to time.

In addition to ad valorem property taxes, and in order to offset the expenses of the anticipated construction and the Service District's operations and maintenance costs, 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 §32-1-1001(I), C.R.S., as amended. The Financing Plan assumes various sources of revenue, including ad valorem property taxes, specific ownership taxes, tap fees, and user charges, together with interest earnings on retained amounts. It is anticipated that a system of user charges will be established.

The Financing Plan does not project any significant accumulation of fund balances that might represent receipt of revenues in excess of expenditures under the TABOR Amendment. To the extent annual district revenues exceed expenditures in this manner, the Districts will comply with the provisions of TABOR and either refund the excess or obtain voter approval to retain such amounts.

The estimated costs of the facilities and improvements to be constructed and installed by the Districts, including the costs of acquisition of land, and engineering services, legal services, administrative services, initial proposed indebtedness, and other major expenses related to the facilities and improvements to be constructed and installed, are set forth in Exhibit F attached hereto of the Service Plan, and are not expected to exceed \$200,000 initially. Organizational costs will be reimbursed to the developer by the Districts out of their initial revenue sources including bond issue proceeds.

The maximum voted interest rate for bonds will be eighteen percent (18%). The proposed maximum underwriting discount will be five percent (5%). It is estimated that the general obligation bonds, when issued, will mature not more than forty (40) years from date of issuance.

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

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

#### VIII. OTHER REQUIREMENTS

The Financing Districts and Service District shall continue to be subject to the following additional requirements:

1. Submission of annual reports as described in §32-1-207(3), C.R.S., in the form prescribed by Windsor.
2. Material modifications of this Service Plan, except as contemplated herein, shall be subject to approval by Windsor in accordance with the provisions of §32-1-207, C.R.S.

#### IX. CONCLUSIONS

It is submitted that this Consolidated Service Plan for, Greenspire Metropolitan District Nos. 1-3 as required by §32-1-203(2), C.R.S., has established that:

- (a) There is sufficient existing and projected need for organized service in the area to be served by the Districts;
- (b) The existing service in the area to be served by the Districts is inadequate for present and projected needs;
- (c) The Districts are capable of providing economical and sufficient service to the area within their boundaries;
- (d) The area included in the Districts does have, and will have, the financial ability to discharge the proposed indebtedness on a reasonable basis;
- (e) Adequate service is not, and will not be, available to the area through Windsor, or other existing municipal or quasi-municipal corporations, including existing special districts, within a reasonable time and on a comparable basis;
- (f) The facility and service standards of the Districts are compatible with the facility and service standards of Windsor within which the Districts are to be located and each municipality which is an interested party under §32-1-204(1), C.R.S.;



(g) The proposal is in substantial compliance with a master plan adopted pursuant to §30-28-108, C.R.S.;

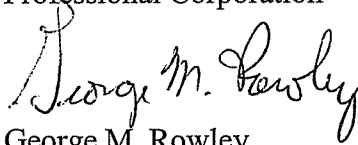
(h) The proposal is in compliance with any duly adopted county, regional, or state long-range water quality management plan for the area; and

(i) The ongoing existence of the Districts is in the best interests of the area proposed to be served.

Therefore, it is requested that the Board of Trustees of Windsor, Colorado, which has jurisdiction to approve this Service Plan by virtue of §32-1-204.5, C.R.S., et seq., as amended, adopt a resolution which approves this "Consolidated Service Plan for Greenspire Metropolitan District Nos. 1-3", as submitted.

Respectfully submitted,

WHITE AND ASSOCIATES  
Professional Corporation



George M. Rowley  
Counsel to Proponents of the Districts

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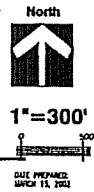
**EXHIBIT A**  
**Map of Districts**

WELD COUNTY ROAD 70

SHEET 2

PROPOSED ZONE  
RMU  
10,000 AC.

DISTRICT No. 3



DISTRICT No. 2

COLORADO HIGHWAY 257

WINDSORAL DISTRICT OF

WELD COUNTY ROAD 19

PROPOSED ZONE:  
RMU

PROPOSED ZONE:  
GC  
10,000 AC.  
21,000 AC.

HIGHWAY 392

DISTRICT No. 1

**EXHIBIT B**  
**District Legal Descriptions**

**District No. 1**

WIN 23375 PT SE4 16 6 67 BEG SE COR OF SEC N01D08'W 809.44' N88D30'W 30.01' TO TRUE POB CONT N88D30'W 1225.16' S02D26'W 516.44' N88D57'W 205' S95' N88D57'W 112' S 183.93' M/L TO PT ON N R/W LN HWY 392 THENCE N88D40'E 1553.65' N43D40'E 35.40' TO PT

**District No. 2**

WIN 23375-F PT SE4 16 6 67 (KIRBY FARM ANNEX) BEG SE COR SEC N01D08'W 809.44' TO TRUE POB N88D30'W 1251.17' N03D45'E 419.31' N06D16'W 313.24' N31D37'W 59.07' N88D30'W 169.29' N30D20'W 650.09' N44D15'W TO N LN SE4 TH E TO NE COR SE4 S01D08'E 1010' M/L

**District No. 3**

WIN 23374 N2NE4/SE4NE4 16 6 67 (KIRBY FARM ANNEX) EXC BEG S01D08'E 1013.03' FROM NE COR OF SEC THENCE S89D16'W 382.82' S03D31'W 113.66' S24D52'W 286.67' THENCE SELY ALONG C/L OF GREELEY #2 CANAL TO E LN OF NE4 THENCE N0108'W 425.27' TO BEG (7.31D 1:

**EXHIBIT C**  
**Financing Plan**

**Greenspire Metropolitan Districts**

**Forecasted Statement of Sources  
and Uses of Cash**

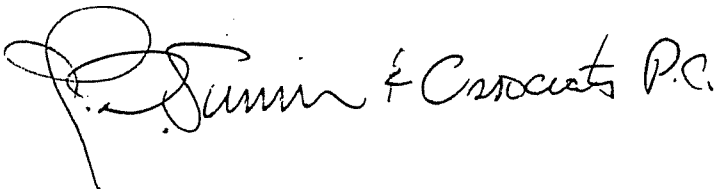
**For the Years Ending  
December 31, 2002 through 2037**



To the Petitioners of the Proposed  
Greenspire Metropolitan Districts  
Town of Windsor, Colorado

We have compiled the accompanying forecasted statements of sources and uses of cash of the proposed Greenspire Metropolitan Districts and the related forecasted schedules of debt service, absorption, market values and development fees (Schedules 1 to 3) for the years ending December 31, 2002 through 2037, in accordance with standards established by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of a forecast information that is the representation of management and does not include evaluation of the support for the assumptions underlying the forecast. We have not examined the forecast and, accordingly, do not express an opinion or any other form of assurance on the accompanying statements or assumptions. Furthermore, there will usually be differences between the forecasted and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material. We have no responsibility to update this report for events and circumstances occurring after the date of this report.



August 26, 2002



## **Greenspire Metropolitan Districts**

### **Summary of Significant Assumptions and Accounting Policies December 31, 2002 through 2037**

The foregoing forecast presents, to the best of the Petitioner's knowledge and belief, the expected cash receipts and disbursements for the forecast period. Accordingly, the forecast reflects its judgment as of August 29, 2002. The assumptions disclosed herein are those that management believes are sufficient to the forecast. There will usually be differences between the forecasted and actual results because events and circumstances frequently do not occur as expected, and those differences may be material

The purpose of this forecast is to show the amount of funds available for the future construction of infrastructure within the Districts by the issuance of general obligation bonds and the anticipated funds available for repayment of the bonds.

The petitioner anticipates the formation of three Title 32 Districts. This forecast represents a consolidation of the three Districts.

#### **Note 1: Ad Valorem Taxes**

Residential property is currently assessed at 9.15% of fair market values. The forecast assumes the assessment ratio will approximate 9.15% for assessment year 2002 and thereafter. Market values for new residential homes are expected to range from \$100,000 to \$375,000 and inflate at 1.5% per annum. Schedule 3 details the forecasted absorption, market values and assessed values.

Commercial property is assessed at 29% of fair market values. Commercial property is forecasted to have a market value of \$80 per finished square foot.

Currently property is re-assessed every other year. Existing residential property is assumed to inflate at 1.5% per annum.

Property is assumed to be assessed annually as of January 1st. Homes are assumed to be assessed on the next January 1st. The forecast recognizes the related property taxes as revenue in the subsequent year.

The County Treasurer currently charges a 1.5% fee for the collection of property taxes. These charges are reflected in the accompanying forecast as Treasurers fees.

The forecast assumes that Specific Ownership Taxes collected on motor vehicle registrations will be 10% of property taxes collected.

The mill levy imposed by the District is proposed to be 14.000 mills of which up to 3 mills may be used for operating expenses and the balance is assumed to be restricted for debt service. The forecast reflects the mill levy decreasing from 14 mills to 11 mills over the life of the forecast.

## Greenspire Metropolitan Districts

### Summary of Significant Assumptions and Accounting Policies December 31, 2002 through 2037

#### Note 2: Plant Investment Fees

The forecast assumes that the District will receive a \$2,000 fee for each single family equivalent for water plant improvements. The commercial property is expected to generate 50 single family equivalents. The fees are anticipated to be used to defray a portion of the developer advances to the Capital Project Fund. After the issuance of the bonds, the fees are anticipated to be restricted for debt repayment.

#### Note 3: Bond Assumptions

The Districts proposes the issuance of limited tax general obligation bonds totaling \$3,920,000 in 2007. The bonds are expected to be issued with a coupon of 7.0%. The bonds will have a maturity of 30 years. Issuance costs of forecasted to be 4% of the issue amount and \$274,400 of the proceeds are restricted form capitalized interest. Schedule 2 reflects the proposed repayment schedule of these bonds.

#### Note 4: Interest Income

Interest income is assumed to be earned at 3.0% per annum. Interest income is based on the year's beginning cash balance and an estimate of the timing of the receipt of revenues and the outflow of disbursements during the course of the year.

#### Note 5: Operating Expenses

Operating expenses are for legal, accounting, audit, insurance and landscape maintenance are estimated at \$50,000. Operating expenses inflate at 1% per annum. The District estimates that it will need to charge each single family residential equivalent, \$30 per month to cover the cost of providing water service.

#### Note 6: Construction Costs

With the bond issues described in Note 3 and developer advances, , the forecast estimates the ability of the District to support \$3,800,000 of capital improvements.

#### Note 7: Developer Advances

The developer is expected to advance funds to the District from 2003 through 2008 to cover shortages in available revenues for operating expenses in the amount of \$143,285. Commencing in 2009, it is forecasted that the District will commence repayment of the advances without interest. The developer will also need to advance \$3,081,000 for capital improvements. These advances for capital improvements along with interest at 7% are forecasted to be repaid upon the issuance of the proposed Series 2007 Bonds described in Note 3.

**Greenspire Metropolitan Districts  
Forecasted Sources and Uses of Cash  
For the Years Ended December 31, 2002 through 2037**

	Totals	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
<b>General Fund</b>												
Beginning cash available	0	0	0	0	0	0	0	(0)	0	(0)	(0)	(0)
Revenues												
Property taxes	1,987,245	0	75	75	1,843	11,021	27,139	38,327	54,882	65,668	77,224	77,224
Specific ownership taxes	198,725	0	8	8	184	1,102	2,714	3,833	5,488	6,567	7,722	7,722
Water service fees	6,854,490		3,960	27,180	70,650	108,540	144,090	180,180	206,370	218,340	218,340	218,340
Developer advances	143,285	0	24,920	25,170	23,531	38,207	21,461	9,996				
	9,183,744	0	28,963	52,432	96,208	158,871	195,404	232,336	266,740	290,574	303,287	303,287
Expenditures												
County treasurer fees	59,617	0	2	2	55	331	814	1,150	1,646	1,970	2,317	2,317
Repay developer advances	143,285								7,209	18,234	30,080	29,554
Operating expenses - water	6,854,490		3,960	27,180	70,650	108,540	144,090	180,180	206,370	218,340	218,340	218,340
Admin & landscape maintenance	1,950,456	0	25,000	25,250	25,503	50,000	50,500	51,005	51,515	52,030	52,551	53,076
	9,007,848	0	28,962	52,432	96,208	158,871	195,404	232,335	266,740	290,574	303,287	303,287
Ending cash available	175,896	0	0	0	0	0	(0)	0	(0)	(0)	(0)	(0)
Mill levy		0.000	3.000	3.000	3.000	3.000	3.000	3.000	3.000	3.000	3.000	3.000
<b>Capital Projects Fund</b>												
Beginning cash available	0	0	0	0	0	0	0	7,725	7,725	7,725	7,725	7,725
Revenues												
Developer advances	3,081,000		906,000	736,000	661,000	778,000				0		
Plant investment fee	982,000		44,000	214,000	289,000	172,000	263,000					
Interest Income	0	0										
GO Bond proceeds	3,920,000						3,920,000					
	7,983,000	0	950,000	950,000	950,000	950,000	4,183,000	0	0	0	0	0
Expenditures												
Issuance costs	156,800	0	0	0	0	0	156,800	0				
Transfer to Debt Service	274,400				0		274,400					
Repay developer advances	3,744,075		0				3,744,075			0	0	0
District improvements	3,800,000	0	950,000	950,000	950,000	950,000						
	7,975,275	0	950,000	950,000	950,000	950,000	4,175,275	0	0	0	0	0
Ending cash available	7,725	0	0	0	0	0	7,725	7,725	7,725	7,725	7,725	7,725

**Greenspire Metropolitan Districts  
Forecasted Sources and Uses of Cash  
For the Years Ended December 31, 2002 through 2037**

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
	<b>General Fund</b>											
Beginning cash available	(0)	0	4,261	8,018	11,229	15,640	19,494	24,590	29,117	34,929	40,161	46,722
Revenues												
Property taxes	79,541	79,541	54,618	54,618	56,257	56,257	57,945	57,945	59,683	59,683	61,473	61,473
Specific ownership taxes	7,954	7,954	5,462	5,462	5,626	5,626	5,794	5,794	5,968	5,968	6,147	6,147
Water service fees	218,340	218,340	218,340	218,340	218,340	218,340	218,340	218,340	218,340	218,340	218,340	218,340
Developer advances												
	305,835	305,835	278,420	278,420	280,223	280,223	282,079	282,079	283,991	283,991	285,961	285,961
Expenditures												
County treasurer fees	2,386	2,386	1,639	1,639	1,688	1,688	1,738	1,738	1,790	1,790	1,844	1,844
Repay developer advances	31,502	26,706										
Operating expenses - water	218,340	218,340	218,340	218,340	218,340	218,340	218,340	218,340	218,340	218,340	218,340	218,340
Admin & landscape maintenance	53,607	54,143	54,684	55,231	55,783	56,341	56,905	57,474	58,048	58,629	59,215	59,807
	305,835	301,575	274,663	275,210	275,811	276,369	276,983	277,552	278,179	278,759	279,399	279,992
Ending cash available	0	4,261	8,018	11,229	15,640	19,494	24,590	29,117	34,929	40,161	46,722	52,691
Mill levy	3.000	3.000	2.000	2.000	2.000	2.000	2.000	2.000	2.000	2.000	2.000	2.000
	<b>Capital Projects Fund</b>											
Beginning cash available	7,725	7,725	7,725	7,725	7,725	7,725	7,725	7,725	7,725	7,725	7,725	7,725
Revenues												
Developer advances												
Plant investment fee												
Interest Income												
GO Bond proceeds												
	0	0	0	0	0	0	0	0	0	0	0	0
Expenditures												
Issuance costs												
Transfer to Debt Service												
Repay developer advances												
District improvements												
	0	0	0	0	0	0	0	0	0	0	0	0
Ending cash available	7,725	7,725	7,725	7,725	7,725	7,725	7,725	7,725	7,725	7,725	7,725	7,725

**Greenspire Metropolitan Districts  
Forecasted Sources and Uses of Cash  
For the Years Ended December 31, 2002 through 2037**

	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037
<b>General Fund</b>													
Beginning cash available	52,691	60,035	66,776	74,938	82,485	91,503	99,892	109,802	119,071	129,914	140,102	151,918	163,066
Revenues													
Property taxes	63,318	63,318	65,217	65,217	67,174	67,174	69,189	69,189	71,264	71,264	73,402	73,402	75,605
Specific ownership taxes	6,332	6,332	6,522	6,522	6,717	6,717	6,919	6,919	7,126	7,126	7,340	7,340	7,560
Water service fees	218,340	218,340	218,340	218,340	218,340	218,340	218,340	218,340	218,340	218,340	218,340	218,340	218,340
Developer advances													
	287,989	287,989	290,079	290,079	292,231	292,231	294,448	294,448	296,731	296,731	299,083	299,083	301,505
Expenditures													
County treasurer fees	1,900	1,900	1,957	1,957	2,015	2,015	2,076	2,076	2,138	2,138	2,202	2,202	2,268
Repay developer advances	218,340	218,340	218,340	218,340	218,340	218,340	218,340	218,340	218,340	218,340	218,340	218,340	218,340
Operating expenses - water	60,405	61,010	61,620	62,236	62,858	63,487	64,122	64,763	65,410	66,065	66,725	67,392	68,066
Admin & landscape maintenance													
	280,645	281,249	281,916	282,532	283,213	283,842	284,537	285,178	285,888	286,542	287,267	287,935	288,675
Ending cash available	60,035	66,776	74,938	82,485	91,503	99,892	109,802	119,071	129,914	140,102	151,918	163,066	175,896
Mill levy	2.000	2.000	2.000	2.000	2.000	2.000	2.000	2.000	2.000	2.000	2.000	2.000	2.000
<b>Capital Projects Fund</b>													
Beginning cash available	7,725	7,725	7,725	7,725	7,725	7,725	7,725	7,725	7,725	7,725	7,725	7,725	7,725
Revenues													
Developer advances													
Plant investment fee													
Interest Income													
GO Bond proceeds													
	0	0	0	0	0	0	0	0	0	0	0	0	0
Expenditures													
Issuance costs													
Transfer to Debt Service													
Repay developer advances													
District improvements													
	0	0	0	0	0	0	0	0	0	0	0	0	0
Ending cash available	7,725	7,725	7,725	7,725	7,725	7,725	7,725	7,725	7,725	7,725	7,725	7,725	7,725

**Greenspire Metropolitan Districts  
Forecasted Sources and Uses of Cash  
For the Years Ended December 31, 2002 through 2037**

	Totals	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
						<b>Debt Service Fund</b>						
Beginning cash available	0	0	0	0	304	7,787	52,667	298,303	357,908	414,982	362,080	353,486
Revenues												
Property taxes	8,572,296	0		275	6,756	40,412	99,509	140,532	201,232	240,781	283,156	283,156
Specific ownership taxes	857,230	0	0	28	676	4,041	9,951	14,053	20,123	24,078	28,316	28,316
Plant investment fees	331,000							178,000	153,000			
Transfer from Capital Project	274,400		0				274,400					
Interest income	284,749			6	153	1,033	469	3,528	5,137	7,100	6,931	6,836
	10,319,675	0	0	308	7,584	45,486	384,329	336,113	379,492	271,959	318,403	318,308
Expenditures												
Debt service - senior Bonds	9,586,500	0	0	0	0	0	137,200	274,400	319,400	321,250	322,750	318,900
County treasurer fees	128,584	0	0	4	101	606	1,493	2,108	3,018	3,612	4,247	4,247
	9,715,084	0	0	4	101	606	138,693	276,508	322,418	324,862	326,997	323,147
Ending cash available	604,590	0	0	304	7,787	52,667	298,303	357,908	414,982	362,080	353,486	348,646
Mill levy		0.000	11.000	11.000	11.000	11.000	11.000	11.000	11.000	11.000	11.000	11.000
Total Mill Levy		0.000	14.000	14.000	14.000	14.000	14.000	14.000	14.000	14.000	14.000	14.000
Assessed valuation (000's)												
Beginning		25	25	25	25	614	3,674	9,046	12,776	18,294	21,889	25,741
New construction	24,566			0	588	3,060	5,262	3,729	5,135	3,595	3,196	0
Inflation (1.5% per annum)	13,212				1		110		383		657	
Ending	37,777	25	25	25	614	3,674	9,046	12,776	18,294	21,889	25,741	25,741

**Greenspire Metropolitan Districts  
Forecasted Sources and Uses of Cash  
For the Years Ended December 31, 2002 through 2037**

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
	<b>Debt Service Fund</b>											
Beginning cash available	348,646	351,939	354,481	366,298	378,249	400,668	424,147	459,338	496,559	541,688	524,065	512,661
Revenues												
Property taxes	291,651	291,651	300,401	300,401	309,413	309,413	318,695	318,695	328,256	268,573	276,630	276,630
Specific ownership taxes	29,165	29,165	30,040	30,040	30,941	30,941	31,870	31,870	32,826	26,857	27,663	27,663
Plant investment fees												
Transfer from Capital Project												
Interest income	6,901	6,951	7,182	7,417	7,856	8,317	9,007	9,736	10,621	10,276	10,052	9,892
	327,717	327,767	337,623	337,857	348,210	348,671	359,571	360,301	371,703	305,706	314,345	314,185
Expenditures												
Debt service - senior Bonds	320,050	320,850	321,300	321,400	321,150	320,550	319,600	318,300	321,650	319,300	321,600	318,200
County treasurer fees	4,375	4,375	4,506	4,506	4,641	4,641	4,780	4,780	4,924	4,029	4,149	4,149
	324,425	325,225	325,806	325,906	325,791	325,191	324,380	323,080	326,574	323,329	325,749	322,349
Ending cash available	351,939	354,481	366,298	378,249	400,668	424,147	459,338	496,559	541,688	524,065	512,661	504,497
Mill levy	11.000	11.000	11.000	11.000	11.000	11.000	11.000	11.000	11.000	9.000	9.000	9.000
Total Mill Levy	14.000	14.000	13.000	13.000	13.000	13.000	13.000	13.000	13.000	11.000	11.000	11.000
Assessed valuation (000's)												
Beginning	25,741	26,514	26,514	27,309	27,309	28,128	28,128	28,972	28,972	29,841	29,841	30,737
New construction	0	0										
Inflation (1.5% per annum)	772		795		819		844		869		895	
Ending	26,514	26,514	27,309	27,309	28,128	28,128	28,972	28,972	29,841	29,841	30,737	30,737

**Greenspire Metropolitan Districts  
Forecasted Sources and Uses of Cash  
For the Years Ended December 31, 2002 through 2037**

	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037
	<b>Debt Service Fund</b>												
Beginning cash available	504,497	504,079	503,092	511,698	521,342	537,405	556,441	584,159	611,769	650,677	691,841	747,026	592,736
Revenues													
Property taxes	284,929	284,929	293,477	293,477	302,281	302,281	311,350	311,350	320,690	320,690	330,311	330,311	0
Specific ownership taxes	28,493	28,493	29,348	29,348	30,228	30,228	31,135	31,135	32,069	32,069	33,031	33,031	0
Plant investment fees													
Transfer from Capital Project													
Interest income	9,884	9,865	10,033	10,222	10,537	10,911	11,454	11,995	12,758	13,566	14,648	11,622	11,855
	323,306	323,287	332,858	333,047	343,047	343,420	353,939	354,480	365,518	366,325	377,990	374,964	11,855
Expenditures													
Debt service - senior Bonds	319,450	320,000	319,850	319,000	322,450	319,850	321,550	322,200	321,800	320,350	317,850	524,300	0
County treasurer fees	4,274	4,274	4,402	4,402	4,534	4,534	4,670	4,670	4,810	4,810	4,955	4,955	0
	323,724	324,274	324,252	323,402	326,984	324,384	326,220	326,870	326,610	325,160	322,805	529,255	0
Ending cash available	504,079	503,092	511,698	521,342	537,405	556,441	584,159	611,769	650,677	691,841	747,026	592,736	604,590
Mill levy	9.000	9.000	9.000	9.000	9.000	9.000	9.000	9.000	9.000	9.000	9.000	9.000	0.000
Total Mill Levy	11.000	11.000	11.000	11.000	11.000	11.000	11.000	11.000	11.000	11.000	11.000	11.000	2.000
Assessed valuation (000's)													
Beginning	30,737	31,659	31,659	32,609	32,609	33,587	33,587	34,594	34,594	35,632	35,632	36,701	36,701
New construction				0	0	0	0	0	0	0	0	0	0
Inflation (1.5% per annum)	922		950		978		1,008		1,038		1,069		1,101
Ending	31,659	31,659	32,609	32,609	33,587	33,587	34,594	34,594	35,632	35,632	36,701	36,701	37,802



**Greenspire Metropolitan Districts**  
**Schedule of General Obligation Debt**  
**For the Years Ended December 31, 2007 to 2036**

**Issue #1**  
**Series 2007**  
**7.00%**  
**Principal**

**Coupon**      **Interest**      **Total Payment**      **Annual Payment**      **Balance**

2001						
2002						
2002			0	0	0	0
2003			0	0	0	0
2003			0	0	0	0
2004			0	0	0	0
2004			0	0	0	0
2005			0	0	0	0
2005			0	0	0	0
2006			0	0	0	0
2006			0	0	0	0
2007				0		3,920,000
2007			137,200	137,200	137,200	3,920,000
2008			137,200	137,200		3,920,000
2008			137,200	137,200	274,400	3,920,000
2009			137,200	137,200		3,920,000
2009	45,000	7.00%	137,200	182,200	319,400	3,875,000
2010			135,625	135,625		3,875,000
2010	50,000	7.00%	135,625	185,625	321,250	3,825,000
2011			133,875	133,875		3,825,000
2011	55,000	7.00%	133,875	188,875	322,750	3,770,000
2012			131,950	131,950		3,770,000
2012	55,000	7.00%	131,950	186,950	318,900	3,715,000
2013			130,025	130,025		3,715,000
2013	60,000	7.00%	130,025	190,025	320,050	3,655,000
2014			127,925	127,925		3,655,000
2014	65,000	7.00%	127,925	192,925	320,850	3,590,000
2015			125,650	125,650		3,590,000
2015	70,000	7.00%	125,650	195,650	321,300	3,520,000
2016			123,200	123,200		3,520,000
2016	75,000	7.00%	123,200	198,200	321,400	3,445,000
2017			120,575	120,575		3,445,000
2017	80,000	7.00%	120,575	200,575	321,150	3,365,000
2018			117,775	117,775		3,365,000
2018	85,000	7.00%	117,775	202,775	320,550	3,280,000
2019			114,800	114,800		3,280,000
2019	90,000	7.00%	114,800	204,800	319,600	3,190,000
2020			111,650	111,650		3,190,000

**Greenspire Metropolitan Districts  
Schedule of General Obligation Debt  
For the Years Ended December 31, 2007 to 2036**

	Issue #1 Series 2007 7.00% Principal	Coupon	Interest	Total Payment	Annual Payment	Balance
2020	95,000	7.00%	111,650	206,650	318,300	3,095,000
2021			108,325	108,325		3,095,000
2021	105,000	7.00%	108,325	213,325	321,650	2,990,000
2022			104,650	104,650		2,990,000
2022	110,000	7.00%	104,650	214,650	319,300	2,880,000
2023			100,800	100,800		2,880,000
2023	120,000	7.00%	100,800	220,800	321,600	2,760,000
2024			96,600	96,600		2,760,000
2024	125,000	7.00%	96,600	221,600	318,200	2,635,000
2025			92,225	92,225		2,635,000
2025	135,000	7.00%	92,225	227,225	319,450	2,500,000
2026			87,500	87,500		2,500,000
2026	145,000	7.00%	87,500	232,500	320,000	2,355,000
2027			82,425	82,425		2,355,000
2027	155,000	7.00%	82,425	237,425	319,850	2,200,000
2028			77,000	77,000		2,200,000
2028	165,000	7.00%	77,000	242,000	319,000	2,035,000
2029			71,225	71,225		2,035,000
2029	180,000	7.00%	71,225	251,225	322,450	1,855,000
2030			64,925	64,925		1,855,000
2030	190,000	7.00%	64,925	254,925	319,850	1,665,000
2031			58,275	58,275		1,665,000
2031	205,000	7.00%	58,275	263,275	321,550	1,460,000
2032			51,100	51,100		1,460,000
2032	220,000	7.00%	51,100	271,100	322,200	1,240,000
2033			43,400	43,400		1,240,000
2033	235,000	7.00%	43,400	278,400	321,800	1,005,000
2034			35,175	35,175		1,005,000
2034	250,000	7.00%	35,175	285,175	320,350	755,000
2035			26,425	26,425		755,000
2035	265,000	7.00%	26,425	291,425	317,850	490,000
2036			17,150	17,150		490,000
2036	490,000	7.00%	17,150	507,150	524,300	0
2037			0	0		0
	<b>3,920,000</b>		<b>5,666,500</b>	<b>9,586,500</b>	<b>9,586,500</b>	<b>0</b>

**Greenspire Metropolitan Districts  
Forecasted Schedules of Absorption, Market Values and Assessed Values  
For the Years Ended December 31, 2002 through 2012**

**Schedule of Absorption**

Property description	Single Family Equivalent	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Total
Phase I Single Family	100.00%		13	53	40								106
Phase I Single Patio	100.00%		2	9	13								24
Phase I Single Townhomes	50.00%		2	20	20	20	20	9					91
Phase I Single Condos	25.00%		10	40	40								90
Phase I Single Duplex	50.00%		7	26	23								56
Phase II Single Family	100.00%			12	50	50	37						149
Phase III Single Family	100.00%					7	30	30	22				89
Phase III Single Patio	100.00%					9	37	37	37				120
Phase III Assisted Living	25.00%						30	30	30				90
Commercial Sq feet	N/A				40,920	40,920	40,920	40,920	40,920				204,600
Platted lots													0

**Schedule of Plant Investment Fee Rebates**

Absorption Residential (SFE's)		0	22	107	135	76	122	79	67	0	0	0	607
Development fees residential	2,000		44,000	214,000	269,000	152,000	243,000	158,000	133,000	0	0	0	1,213,000
			0	0	20,000	20,000	20,000	20,000	20,000	0	0	0	100,000
		0	44,000	214,000	289,000	172,000	263,000	178,000	153,000	0	0	0	1,313,000
Actual amounts paid per agreement		0											0

**Schedule of Market Values**

Market Value	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Total	
Phase I Single Family	240,000	0	3,182,400	13,233,888	10,187,597	0	0	0	0	0	0	26,603,885	
Phase I Single Patio	230,000		469,200	2,153,628	3,173,012	0	0	0	0	0	0	5,795,840	
Phase I Single Townhomes	187,500		382,500	3,901,500	3,979,530	4,059,121	4,140,303	1,900,399	0	0	0	18,363,353	
Phase I Single Condos	130,000		1,326,000	5,410,080	5,518,282	0	0	0	0	0	0	12,254,362	
Phase I Single Duplex	150,000		1,071,000	4,057,560	3,661,168	0	0	0	0	0	0	8,789,728	
Phase II Single Family	375,000		0	4,681,800	19,897,650	20,295,603	15,319,121	0	0	0	0	60,194,174	
Phase III Single Family	350,000		0	0	0	2,651,959	11,592,848	11,824,705	8,844,880	0	0	34,914,392	
Phase III Single Patio	250,000		0	0	0	2,435,472	10,212,747	10,417,002	10,625,342	0	0	33,690,565	
Phase III Assisted Living	100,000		0	0	0	0	3,312,242	3,378,487	3,446,057	0	0	10,136,787	
Commercial Sq feet	80		0	0	3,473,971	3,543,450	3,614,319	3,686,605	3,760,337	0	0	18,078,682	
Totals		0	6,431,100	33,438,456	49,891,208	32,985,605	48,191,581	31,207,199	26,676,616	0	0	0	228,821,766

**Schedule of Assessed Valuation**

Assessment to Market Ratio	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Total
Residential	9.15%	0	588,446	3,059,619	4,247,177	2,693,957	4,078,820	2,518,134	2,096,840	0	0	19,282,992
Commercial (Platted lots)	29%	0	0	0	1,015,094	1,035,396	1,056,104	1,077,226	1,098,771	0	0	5,282,591
Totals		0	588,446	3,059,619	5,262,271	3,729,353	5,134,923	3,595,360	3,195,610	0	0	24,565,583
Cumulative		0	588,446	3,648,064	8,910,336	12,639,689	17,774,613	21,369,973	24,565,583	24,565,583	24,565,583	24,565,583
Collection Yr		2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014

**EXHIBIT D**  
**Statutory Contents of this Service Plan**

- I. A description of the proposed services;
- II. A financial plan showing how the proposed services are to be financed;
- III. A preliminary engineering or architectural survey showing how the proposed services are to be provided;
- IV. A map of the Districts' boundaries and an estimate of the population and valuation for assessment of the Districts;
- V. A general description of the facilities to be constructed and the standards of such construction, including a statement of how the facility and service standards of the Districts are compatible with facility and service standards of Windsor and of municipalities and special districts which are interested parties pursuant to §32-1-204(l), C.R.S.;
- VI. A general description of the estimated cost of acquiring land, engineering services, legal services, administrative services, initial proposed indebtedness and estimated proposed maximum interest rates and discounts, and other major expenses related to the organization and initial operation of the Districts;
- VII. A description of any arrangement or proposed agreement with any political subdivision for the performance of any services between the Districts and such other political subdivisions; and
- VIII. Information satisfactory to establish that each of the following criteria as set forth in §32-1-203, C.R.S., has been met:
  - (a) That there is sufficient existing and projected need for organized service in the area to be served by the Districts;
  - (b) That the existing service in the area to be served by the Districts is inadequate for the present and projected needs;
  - (c) That the Districts are capable of providing economical and sufficient service to the area within their boundaries;
  - (d) That the area to be included in the Districts has, or will have, the financial ability to discharge the proposed indebtedness on a reasonable basis;
  - (e) That adequate service is not, or will not be, available to the area through Windsor, other existing municipal or quasi-municipal corporations, including existing special districts, within a reasonable time and on a comparable basis;

(f) That the facility and service standards of the Districts are compatible with the facility and service standards of Windsor within which the Districts are to be located and each municipality which is an interested party under §32-1-204(l), C.R.S.;

(g) The proposal is in substantial compliance with any master plan adopted pursuant to §30-28-106, C.R.S.;

(h) That the proposal is in compliance with any duly adopted city, county, regional, or state long-range water quality management plan for the area; and

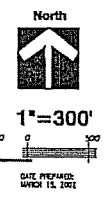
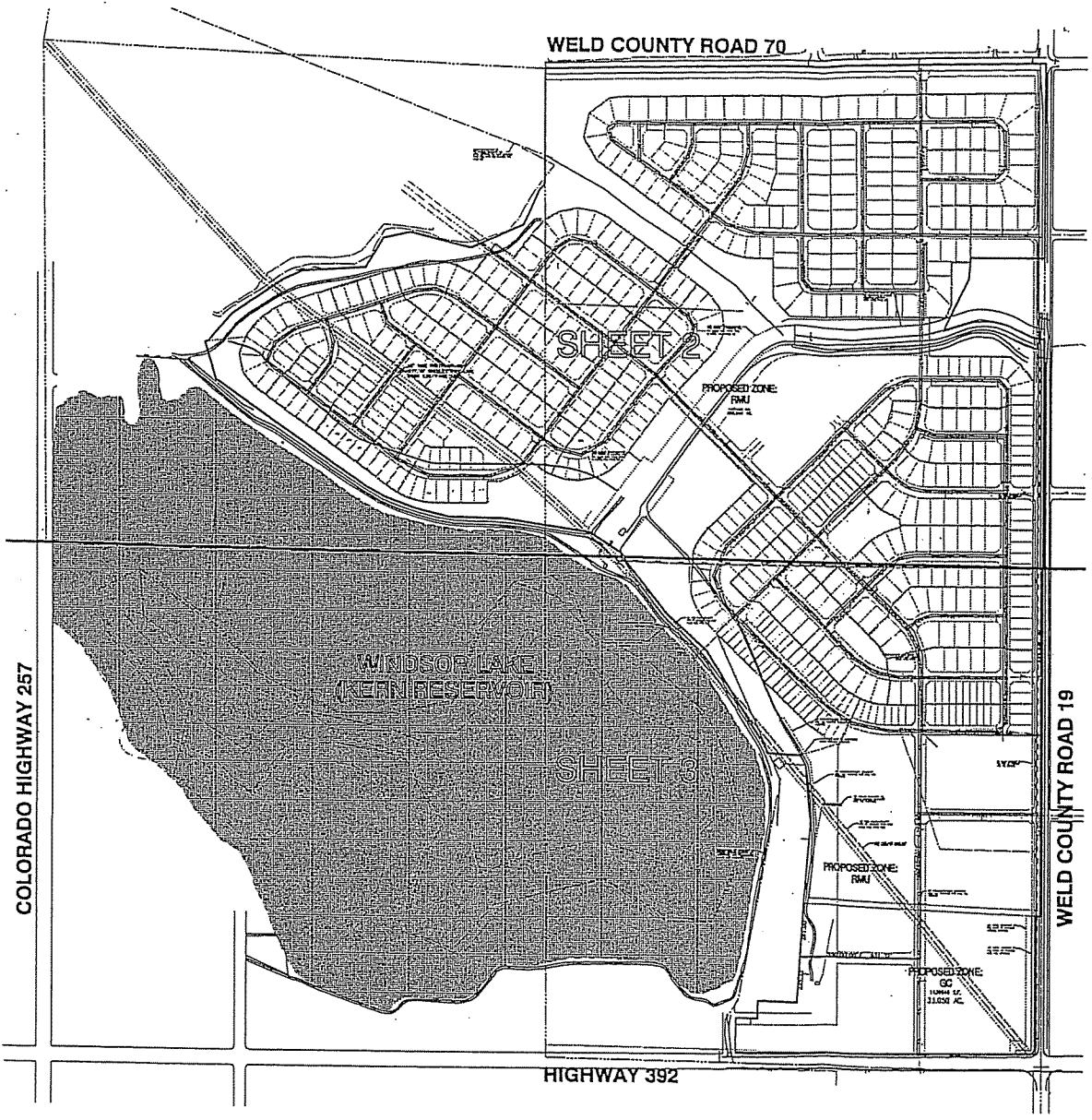
(i) That the formation of the Districts will be in the best interests of the area proposed to be served.

**EXHIBIT E**  
**Facility Diagrams**

WELD COUNTY ROAD 70

# KIRBY FARM PRELIMINARY UTILITY PLAN

A PARCEL OF LAND LOCATED IN THE EAST HALF AND THE NORTHWEST QUARTER OF SECTION 16, TOWNSHIP 6 NORTH, RANGE 67 WEST OF THE SIXTH PRINCIPAL MERIDIAN, TOWN OF WINDSOR, COUNTY OF WELD, STATE OF COLORADO



**PROJECTED TREATED WATER DEMANDS**

LAND USE	UNITS	ACRES	MAX DAF (GAL/DAY)	PEAK HOUR (GAL/HOUR)
SINGLE FAMILY RES.	110		107,210	5,875
TOWNHOMES	87		18,792	1,028
DUPLX	23		71,232	500
CONDOMINIUMS	80		17,180	1,000
APARTMENT BLDG.	80		17,180	1,000
COMMERCIAL	22		107,250	4,221
OFFICE SPACE	65		0	0
<b>TOTAL</b>			<b>528,824</b>	<b>13,624</b>

**PROJECTED SANITARY SEWER BASE FLOW**

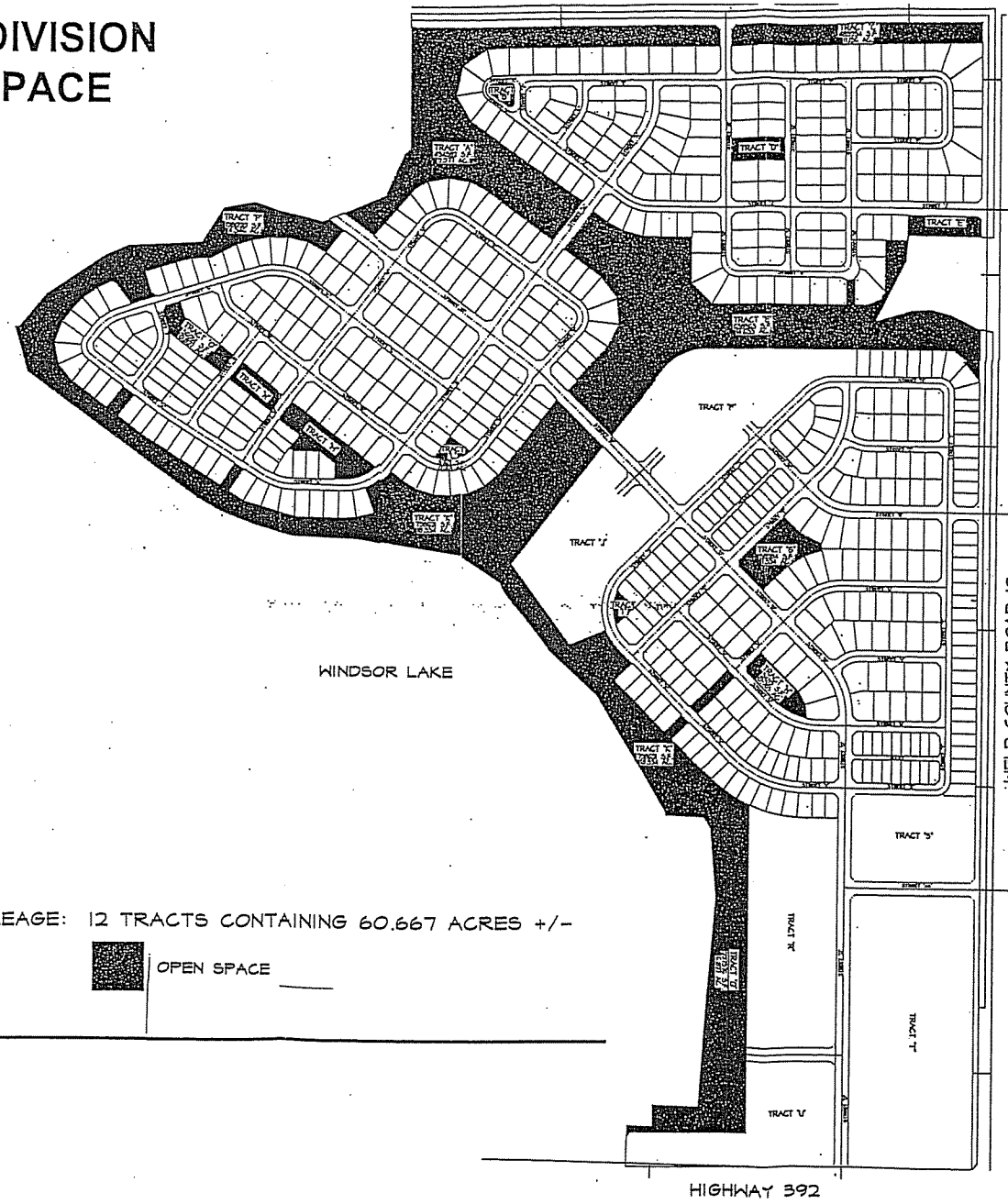
LAND USE	UNITS	ACRES	TOTAL (GAL/DAY)
SINGLE FAMILY RES.	110		118,748
TOWNHOMES	87		17,117
DUPLX	23		14,117
CONDOMINIUMS	80		14,117
APARTMENT BLDG.	80		14,117
COMMERCIAL	22		21,800
OFFICE SPACE	65		0
WELLER & INFIL.	320		33,000
<b>TOTAL</b>			<b>331,116</b>

- LEGEND:**
- 6" SA — PROPOSED SANITARY SEWER
  - 6" W — PROPOSED WATER LINE
  - 4" W — PROPOSED IRRIGATION WATER LINE

PLOTTED: Tue Jul 18 12:23:28 2007. R:\GIS\170\Projects\170\KIRBY Farm\Drawings\17022.dwg

# GREENSPIRE SUBDIVISION OPEN SPACE

SIGNED BY: BI  
 DRAWN BY: BI  
 CHECKED BY: BS  
 JOB NUMBER:  
 80.06336.126.00  
 SHEET:  
 1 of 1



ACREAGE: 12 TRACTS CONTAINING 60.667 ACRES +/-

■ OPEN SPACE

**RMC** ROCKY MOUNTAIN CONSULTANTS INC.  
 1900 SOUTH SUNSET ST., SUITE 1-F, LONGMONT, CO 80501  
 (303) 772-5282 METRO: (303) 665-6283 FAX: (303) 665-6959



**EXHIBIT F**  
**Cost Estimates**

Greenspire

Description	Qty	Unit	Unit Cost	Extension
<b>NON-POTABLE IRRIGATION DISTRIBUTION SYSTEM</b>				
4" NPW Laterals	30,000	lf	\$ 10.00	\$ 300,000
6" NPW Main	26,000	lf	\$ 12.00	\$ 312,000
8" NPW Main	5,500	lf	\$ 21.00	\$ 115,500
NPW Pump Station	1	ls	\$ 551,500.00	\$ 551,500
NPW Services	614	ea	\$ 200.00	\$ 122,800
<b>Subtotal</b>				<b>\$ 1,401,800</b>
<b>Landscape &amp; Irrigation</b>				
Landscape & Irrigation of Common Areas	1,500,500	sf	\$ 1.00	\$ 1,500,500
Pedestrian Trail, 10 w x 6" Concrete	6,500	lf	\$ 25.00	\$ 162,500
Landscape & Irrigation of WCR 19	368,000	sf	\$ 1.29	\$ 474,720
Entry Signage	4	ea	\$ 70,000.00	\$ 280,000
<b>Subtotal</b>				<b>\$ 2,417,720</b>
<b>Total</b>				<b>\$ 3,819,520</b>

**EXHIBIT G**  
**Form IGA**

## INTERGOVERNMENTAL IMPROVEMENT AGREEMENT

This Intergovernmental Improvement Agreement ("Agreement") is entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2002, by and between the Town of Windsor, Colorado, a municipal corporation and political subdivision of the State of Colorado ("Windsor"), and Greenspire Metropolitan District No. 1, a quasi-municipal corporation and political subdivision of the State of Colorado ("District").

WHEREAS, Windsor has approved the organization of the District and has approved a Consolidated Service Plan ("Service Plan") for Greenspire Metropolitan District Nos. 1-3 (the "Districts"); and

WHEREAS, the Service Plan provides that the District has authority to construct and operate an irrigation water system and distribution lines ("Irrigation Water System") and provide, park and recreation facilities, and other related appurtenances (collectively "Improvements") for a new community to be constructed within Windsor's boundaries including all properties within the Districts (the "Development"); and

WHEREAS, Windsor has historically required developers of property to enter into a "Development Agreement" which addresses the responsibilities of Windsor and the developer with regard to the construction of improvements needed for new subdivisions; and

WHEREAS, Windsor and the District desire to set forth in this Agreement their agreements and understandings regarding the construction, ownership, operations and maintenance of improvements needed for the Development, among other matters set forth herein; and

WHEREAS, the organization of the District with authority under the Service Plan to provide the Improvements which have historically been the subject of a Development Agreement and the execution and the performance of this Agreement by Windsor and the District negate the need for execution of a Development Agreement by developers of property within the Development for the Irrigation Water System and the park and recreation improvements, which are the subject of this Agreement;

NOW, THEREFORE, in consideration of the forgoing recitals, the mutual covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Windsor and the District hereby agree as follows:

### 1. GENERAL PROVISIONS

#### 1.1 Scope and Purpose of Agreement.

A. The Parties hereto acknowledge that among the purposes of this Agreement is the desire of the Parties to set forth the understandings and agreements of the Parties with respect to the approval, provision, ownership, and maintenance of Improvements

needed for the Development. The Parties acknowledge that absent the execution of this Agreement by the District and Windsor, Windsor would continue to require the execution of a Development Agreement by any developer of property within the Development, such Development Agreement being intended to assure Windsor of the timely completion of Improvements, and such Development Agreement being sufficiently secured by such developer to protect Windsor from the financial burden of completion of such Improvements. Windsor has approved the organization of the District with sufficient power and authority to construct all Improvements needed within the Development. Recognizing that the District is a governmental entity and political subdivision of the State of Colorado with power and authority under its Service Plan to provide Improvements needed for the provision of essential services and facilities within the Development to protect the public health, safety, and welfare of residents therein, the Parties agree that the District shall have the primary responsibility for assuring the adequacy and completion of Improvements for the community and that Windsor shall not bear such responsibility except as contemplated herein.

The Service Plan for the District contemplates the provision of such Improvements by the District as the District determines are necessary. Furthermore, the Parties agree that this Agreement shall not be deemed to constitute an amendment or modification of the Service Plan, that any such modification of the Service Plan will require approval of Windsor and that the District shall have the day-to-day responsibility and discretion to provide Improvements within the Development, or to cause such Improvements to be provided. So long as the District is reasonably implementing its Service Plan, Windsor shall not have responsibility or authority with respect to completion of such Improvements other than as such responsibility and authority is set forth in this Agreement.

B. The Improvements which are the subject of this Agreement shall be constructed by the District, or by a developer for and on behalf of the District. Under all circumstances the District shall remain responsible for seeing that said Improvements are constructed in accordance with its obligations to Windsor. The District shall supply to Windsor such certifications of adequacy of construction and completion, including as-built drawings, as may be requested by Windsor.

## 1.2 Conditions Precedent.

A. The Parties agree that the financial ability of the District to discharge its obligations hereunder shall be a condition precedent to the obligation of the District to construct the Improvements contemplated herein and a condition precedent to waiver by Windsor of its rights to require a Development Agreement for the Improvements from developers of property in the Development. The intention of this provision is to assure Windsor that Improvements can be completed within the Development as a condition to waiver by Windsor of the requirement of developers to execute a Development Agreement with Windsor, and to avoid the imposition of financial burdens on residents and property owners of the Development which cannot be reasonably discharged in accordance with the general plan of finance set forth in the Service Plan. So long as the District provides reasonable evidence of its ability to implement its general plan of finance, and Windsor concurs that the District is able to implement its general plan of

finance, which concurrence shall not be unreasonably withheld, the condition precedent set forth in this Section shall be deemed to have been satisfied by the District.

For purposes of demonstration by the District to Windsor of its ability to implement its general plan of finance as contemplated in this Section 1.2 A., the District shall submit the following materials for review by Windsor in connection with each phase of development for which the District desires to effectuate the waiver by Windsor of its requirement for a Development Agreement from a developer:

(1) Most recent monthly financial statement of the District.

(2) Most recent annual audit of the District.

(3) Letter from the District's financial advisor containing the advisor's statement that the District is financially viable, is reasonably implementing the general plan of finance contained in the Service Plan, and is reasonably capable of providing required Improvements.

Upon review of the District's submittal, Windsor shall be deemed to have concurred with the District's assertion of its ability to implement its general plan of finance unless written objection specifying the nature of the deficiency is received from Windsor by the District within ten (10) calendar days of submittal by the District. The District submittals shall be subject to review by the Town administrator and shall not require approval by Windsor's board of trustees. If the District's submittal is complete, and unless the material presented by the District fails to reasonably demonstrate that the District has, or can reasonably and timely obtain, sufficient funds to complete the required improvements, the condition precedent of this Section 1.2 A. shall be deemed satisfied.

B. The Parties agree that the obligations of the District and Windsor set forth herein are several and are severable with respect to each phase of development to be completed within the Development; meaning, that on condition that the District is able to demonstrate a reasonable financial ability to provide Improvements within any phase of development, the District's obligation to complete such Improvements, or cause them to be completed, and Windsor's waiver of its requirement for a Development Agreement, shall be effective with respect to such phase of development only.

C. The conditions precedent set forth in this Section 1.2 shall be applied and evaluated in conjunction with each phase of development, the Parties recognizing that the conditions precedent may be satisfied with respect to individual phases of development but not necessarily all phases of development. In all phases of development for which the conditions precedent have not been satisfied, developers of property therein shall be required to execute a Development Agreement with Windsor in the form and manner required by Windsor, and the District shall be excused from its obligations arising hereunder to provide Improvements, or to cause such Improvements to be provided, for such phase of development.

## 2. SPECIFIC PROVISIONS

2.1 Construction of Improvements. The District shall construct, acquire or cause to be constructed the improvements listed below which improvements are intended to be retained in the District's ownership or conveyed to Windsor as set forth below.

A. Irrigation Water Improvements. The District shall construct or cause to be constructed an Irrigation Water System which will provide irrigation water to the property within the Districts' boundaries. The facilities will be constructed in accordance with Windsor's regulations and ordinances then in effect for such facilities and the District shall maintain as-built drawing of the infrastructure. The District shall also maintain irrigation resources necessary to operate and supply its customers through the Irrigation Water System and shall provide that the non-potable water resources shall be available both physically and legally in perpetuity. The District shall effect adequate guarantees and assurances that the Irrigation Water System shall be operated, repaired and maintained or shall accrue to Windsor without cost should the District fail to continue the operation and maintenance of the Irrigation Water System. The parties acknowledge that should Windsor assume operational responsibility for the ownership or operational responsibility for the Irrigation Water System at any time in the future, that Windsor shall adopt a system of fees and charges to the customers in the Districts which will reflect Windsor's actual cost of operation and improvement.

B. Park and Recreation Improvements. Park and Recreation Improvements shall be completed in compliance with the Service Plan and shall be owned, operated, and maintained by the District in accordance with the Service Plan and rules and regulations to be adopted by the District. The Park and Recreation Improvements shall be open to the general public. Windsor shall have no responsibility for operation and maintenance of such Improvements.

C. Landscape Improvements. Landscaping Improvements provided by the District in roadway medians shall be completed by the District in compliance with the Service Plan, and shall be owned, operated, and maintained by the Town.

2.2 Construction, Completion and Conveyance of Improvements. The Irrigation Water System will be completed in accordance with section 2.3, and is intended to be owned by the District. It shall be available both physically and legally in perpetuity to provide irrigation water to the property within the District.

### 2.3 Plant Investment Fees.

A. In recognition that the District will construct the Irrigation Water System to serve property within the Development, Windsor agrees that the plant investment fee within the Development shall be sixty one and one-half percent (61.5%) of the fee otherwise due to Windsor. Said price adjustment shall be subject to review and audit by the Parties only if Windsor undertakes a review and audit resulting in a price adjustment favorable to any other development in Windsor. Any necessary adjustments shall be made to the price, pursuant to the

modification provisions of Section 4.5 hereof to assure that the District and Windsor are receiving a fair number of taps and a fair amount of fees for water which is supplied for use in the Development for domestic consumption.

D. The above-referenced plant investment fee sharing arrangement shall not be effected until the Irrigation Water System is constructed and operational, with respect to each phase of development, thus assuring Windsor that the thirty-eight and one-half percent (38.5%) of water expected to be used for irrigation will not be required from the potable water system. The District agrees to have the Irrigation Water System operational prior to the issuance of the first building permit within the District.

#### 2.4 Service Charges.

A. Monthly service charges shall be imposed and collected by the District from all customers connected to the Irrigation Water System, including Windsor, in accordance with the standard rates established by the District.

B. It is acknowledged by the Parties that the District may charge a Development Fee and a Cost of Connection Fee to the Irrigation Water System, including the cost of metering. The District also intends to charge a service charge for irrigation water use, which may fluctuate from time to time. Windsor shall not be obligated to pay the Development Fee for park and open space taps.

2.5 Water Rights. Properties within the Development shall cause to be conveyed to Windsor, prior to the issuance of building permit, the amount of water required to be conveyed to Windsor as set forth in the Development Agreement for the Development. The quantity of water requested from each single-family equivalent unit shall be subject to periodic review and audit by Windsor and necessary adjustments shall be made to such quantity or price as a result of said periodic review. The first such review shall not occur prior to the passage of five (5) years following the execution of this Agreement. Subsequent reviews shall occur as may be agreed upon by the Parties, but not more than five (5) years following the previous review. Changes in the quantity of water requested from each single-family equivalent unit necessitated by any such review shall not be retroactive. The District shall separately and independently acquire the necessary irrigation water resources for operation of the Irrigation Water System.

2.6 Security. In recognition of the status of the District as a governmental entity and political subdivision of the State of Colorado, and in reliance by Windsor upon performance of this Agreement by the District, Windsor agrees that it shall not require bonds or other forms of security from the District or developers within the Development to assure the completion of Improvements for subdivisions within the Development. The District and Windsor agree, however, that failure of the District to perform this agreement in furtherance of the Service Plan may allow draw on any security provided and/or may constitute a material modification of such Service Plan which Windsor shall be entitled to seek to enjoin.

2.7 Issuance of Building Permits. In addition to all the requirements necessary to obtain a building permit, no building permit shall be issued by Windsor until the Town receives



written confirmation from the District that all fees and charges have been paid to the District for the property for which a building permit is requested.

### 3. REPRESENTATIONS, DEFAULTS AND REMEDIES

3.1 Representation and Warranties. In addition to the other representations, warranties and covenants made by the Parties herein, the Parties make the following representations, warranties and covenants to each other, and may be held liable for any loss suffered as a consequence of any misrepresentation or breach under this Section 3.1:

A. Each Party has the full right, power and authority to enter into, perform and observe this Agreement.

B. Neither the execution of this Agreement, the consummation of the transactions contemplated hereunder, nor the fulfillment of or by the compliance with the terms and conditions of this Agreement by either Party will conflict with or result in a breach of any terms, conditions, or provisions of, or constitute a default under, or result in the imposition of any prohibited lien, charge, or encumbrance of any nature under any agreement, instrument, indenture, or any judgment, order, or decree to which either Party is a party or by which either Party is bound.

C. This Agreement is the valid, binding and legally enforceable obligation of the Parties and is enforceable in accordance with its terms.

D. The Parties shall keep and perform all of the covenants and agreements contained herein and shall take no action which could have the effect of rendering this Agreement unenforceable in any manner.

E. When fulfilling its obligations under this Agreement, the District represents that it shall comply with all relevant laws, ordinances, and regulations in effect at the time of final subdivision plat approval. When necessary to protect the public health, safety and welfare, the District agrees that it shall be subject to laws, ordinances and regulations that become effective after final plat approval and before the completion of Improvements.

### 3.2 Default, Remedies, and Enforcement.

A. The failure to perform or observe any covenants, agreements, or conditions in this Agreement on the part of either Party, and to cure such failure within ten (10) days of receipt of notice from the other Party of such failure, shall constitute an Event of Default hereunder.

B. Upon the occurrence of an Event of Default, the Parties hereto shall have the following rights and remedies:

(1) Either Party may ask a court of competent jurisdiction to undertake a Rule 106 review to compel the defaulting Party to perform its duties under this Agreement, and either Party may seek from a court of competent jurisdiction temporary and/or permanent restraining orders or orders of specific performance to compel the other to perform in accordance with the obligations set forth under this Agreement.

(2) The Parties may protect and enforce their rights under this Agreement by such suit, action, or special proceedings as they shall deem appropriate, including without limitation any proceedings for the enforcement of any appropriate legal or equitable remedy, or for the recovery of damages caused by breach of this Agreement, including attorneys' fees and all other costs and expenses incurred in enforcing this Agreement.

(3) In the event of a breach of this Agreement by the District resulting in the inadequacy of Improvements needed to provide services within one or more approved phases of development, Windsor shall be entitled to withhold building permits for construction in current phases of development and all subsequent phases of development until such breach is cured by the District, and/or to exercise such other remedies that are available to it in law or in equity. In the event of a default by the District which may require an extended period of time to cure, Windsor agrees to work in good faith with the District to permit construction to continue and to issue building permits in such phase of development, and in subsequent phases of development, as long as the District is reasonably proceeding with such cure, it being the intention of the Parties that development should be permitted to proceed as long as the District is attempting in good faith to cure its breaches and as long as the interests of Windsor are not materially adversely affected.

C. No delay or omission of either Party to exercise any right or power accruing upon any Event of Default shall exhaust or impair any such right or power or shall be construed to be a waiver of any such Event or Default, or acquiescence therein.

D. No waiver of any Event of Default hereunder by either Party shall extend to or effect any subsequent or any other then existing Event of Default or shall impair any rights or remedies consequent thereon. Upon declaration of an Event of Default, all rights and remedies of the Parties provided herein may be exercised with or without notice, shall be cumulative, may be exercised separately, concurrently, or repeatedly, and the exercise of any such right or remedy shall not affect or impair the exercise of any other right or remedy.

E. Except as otherwise provided by law, no recovery of any judgment by the Parties shall in any manner or to any extent affect any rights, powers, and remedies of the Parties hereunder, but such rights, powers, and remedies of the Parties shall continue unimpaired as before.

F. In case either Party shall have proceeded to enforce any right under this Agreement and such proceedings shall have been discontinued or abandoned for any reason, or shall have been determined adversely to such Party, then and in every such case the Parties shall continue as if no such proceedings had been taken.

#### IV. MISCELLANEOUS PROVISIONS

##### 4.1 Insurance.

A. The District shall maintain the following insurance coverage with companies and in amounts acceptable to the District's board with respect to completed Improvements which are owned by the District:

(1) Sufficient insurance of a type and amount to insure against damage to Improvements which have been completed and for which Acceptance has been accomplished, to provide for full replacement of such Improvements in the event of loss or damage as a result of acts of God, or otherwise, and sufficient insurance of a type and amount to insure against injury to third persons from operation of such Improvements, the latter insurance to be in a minimum amount of \$150,000 per person/per occurrence and \$600,000 total per occurrence, or in the amount reflecting the current level of governmental immunity provided by statute, whichever is greater. Nothing contained herein shall be construed as a waiver of governmental immunity as set forth in the Governmental Immunity Act.

(2) The Parties shall make provisions for workers' compensation insurance, social security employment insurance, and unemployment compensation for their employees performing this Agreement as required by any law of the State of Colorado or the federal government and shall, upon written request, exhibit evidence thereof to the other Party.

(3) Within thirty (30) days of a written request, each Party shall furnish to the other, certificates or memoranda of insurance showing compliance with the foregoing requirements. Said certificates or memoranda of each Party shall state that the policy or policies will not be canceled or altered without at least thirty (30) days prior written notice to each Party.

4.2 Relationship of Parties. This Agreement does not and shall not be construed as creating a relationship of joint venturers, partners, or employer-employee between the Parties. The Parties intend that this Agreement be interpreted as creating an independent contractor relationship. Pursuant to that intent, it is agreed that the conduct and control of the duties required by this Agreement shall lie solely with each Party respectively which shall be free to exercise reasonable discretion in the performance of its individual duties under this Agreement. Neither Party shall, with respect to any activity, be considered an agent or employee of the other Party.

4.3 Liability of Parties. No provision, covenant or agreement contained in this Agreement, nor any obligations herein imposed upon the Parties nor the breach thereof, nor the issuance and sale of any bonds by either Party, shall constitute or create an indebtedness or other financial obligation of the other Party within the meaning of any Colorado constitutional provision or statutory limitation. Neither Party shall have any obligation whatsoever to repay any debt, financial obligation, or liability of the other Party.

4.4 Assignment. Neither this Agreement, nor any of either Party's rights, obligations, duties or authority hereunder may be assigned in whole or in part by either Party without the prior written consent of the other Party which consent shall not be reasonably withheld. Any attempted assignment in violation of this Section 4.4 shall be deemed void and of no force and effect. Consent to one assignment shall not be deemed to be consent to any subsequent assignment, nor the waiver of any right to consent to such subsequent assignment.

4.5 Modification. This Agreement may be modified, amended, changed or terminated, except as otherwise provided herein, in whole or in part, only by an agreement in writing duly authorized and executed by both Parties. No consent of any third party shall be required for the negotiation and execution of any such agreement.

4.6 Severability. Invalidation of any of the provisions of this Agreement or of any paragraph, sentence, clause, phrase, or word herein, or the application thereof in any given circumstance, by a court of competent jurisdiction shall not affect the validity of any other provision of this Agreement.

4.7 Survival of Obligations. Unfulfilled obligations of the Parties arising under this Agreement shall be deemed to survive the expiration or termination by court order or otherwise of this Agreement, and shall be binding upon and inure to the benefit of the Parties and their respective successors and permitted assigns.

4.8 Governing Law. This Agreement shall be governed and construed in accordance with the laws of the State of Colorado.

4.9 Time Is of the Essence. Time is of the essence hereof; provided, however, that if the last day permitted or the date otherwise determined for the performance of any act required or permitted under this Agreement falls on a Saturday, Sunday or legal holiday, the time for performance shall be extended to the next succeeding business day, unless otherwise expressly stated herein.

4.10 Persons Interested Herein. Except as expressly provided in Article I hereof, 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 Parties, any right, remedy, or claim under or by reason of this Agreement or any covenants, terms, conditions, or provisions hereof. All of the covenants, terms, conditions, and provisions in this Agreement by and on behalf of the Parties shall be for the sole and exclusive benefit of the Parties.

4.11 Notices. Any notice required or permitted by this Agreement shall be deemed effective when personally delivered in writing or three (3) days after notice is deposited with the U.S. Postal Service, postage prepaid, certified, and return receipt requested, and addressed as follows:

If to Windsor:           Town Administrator  
                                  Town of Windsor  
                                  301 Walnut Street

Windsor, CO 80550

cc: Town Attorney  
John Frey, Esq.  
Windsor Town Attorney  
318 Canyon Avenue, Suite 200  
Fort Collins, CO 80521

If to District: Greenspire Metropolitan District No. 1

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

cc: Legal Counsel:  
George M. Rowley, Esq.  
White and Associates Professional Corporation  
8005 South Chester Street  
Englewood, CO 80112

Either Party by written notice so provided may change the address to which future notices shall be sent.

4.12 Recovery of Costs. In the event of any litigation between the Parties hereto concerning the subject matter hereof, the prevailing Party in such litigation shall be entitled to receive from the losing Party in addition to the amount of any judgment or other award entered therein, all reasonable costs and expenses, including attorney's fees, incurred by the prevailing Party in such litigation.

4.13 Compliance with Law. The Parties agree to comply with all federal, state and local laws, rules and regulations which are now, or in the future may become applicable to the Parties, to their business or operations, or to actions required to be undertaken pursuant to this Agreement.

4.14 Instruments of Further Assurance. The Parties each covenant that they will do, execute, acknowledge, and deliver or cause to be done, executed, acknowledged, and delivered, such acts, instruments, and transfers as may reasonably be required for the performance of their obligations hereunder.

4.15 Integration. This Agreement constitutes the entire agreement between the parties and no statement(s), promise(s), or inducements(s) that is/are not contained in this Agreement and its Exhibits shall be binding on the Parties.

4.16 Recordation. Either Party may record a copy of this Agreement in the Clerk and Recorder's Office of Weld County, Colorado.

4.17 Immunity. Nothing contained in this Agreement constitutes a waiver of the Town's sovereign immunity under any applicable state law.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the day and year first above written.

TOWN OF WINDSOR

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
Town Clerk

APPROVED AS TO FORM  
AND CONTENT

APPROVED AS TO FORM

\_\_\_\_\_  
Town Administrator

\_\_\_\_\_  
Town Attorney

STATE OF COLORADO                    )  
  ) ss.  
COUNTY OF                                )

The foregoing Agreement was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2002, by \_\_\_\_\_ Town Clerk of the Town of Windsor, Colorado.

WITNESS my hand and official seal.

My commission expires: \_\_\_\_\_

\_\_\_\_\_  
Notary Public

GREENSPIRE METROPOLITAN  
DISTRICT NO. 1

\_\_\_\_\_  
President

ATTEST:

\_\_\_\_\_  
Secretary

STATE OF COLORADO                 )  
  ) ss.  
COUNTY OF                                 )

The foregoing Agreement was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2002, by \_\_\_\_\_ as President of Greenspire Metropolitan District.

WITNESS my hand and official seal.  
My commission expires: \_\_\_\_\_

\_\_\_\_\_  
Notary Public

**EXHIBIT H**  
**Form Disclosure**



**GENERAL DISCLOSURE AND COMMON QUESTIONS REGARDING  
GREENSPIRE METROPOLITAN DISTRICTS NOS. 1 - 3  
AND HOMEOWNERS ASSOCIATION**

**1. What do the Districts do and how are they different from the homeowners association?**

**Answer:** Greenspire Metropolitan Districts Nos. 1 - 3 (collectively the "Districts") were organized pursuant to Orders of the Weld County District Court dated \_\_\_\_\_, 2002, recorded with the Weld County Clerk and Recorder on \_\_\_\_\_, 2002 at reception number \_\_\_\_\_. Pursuant to a Consolidated Service Plan, the Districts have responsibility for constructing park and recreation facilities and a raw water irrigation system. In addition, the Districts will be responsible for continued operation and maintenance of the irrigation system and certain landscaping improvements within the common areas of the Districts. The Districts are governmental entities, have the power to impose property taxes, and are governed by an elected board of directors made up of property owners within each Districts' respective boundaries. The Districts also have the power to adopt and charge monthly fees for services including but not limited to supplying irrigation water, general maintenance and landscaping services. These fees will be used by the Districts to help pay the costs of construction of facilities and to reduce property taxes within the Districts. All District fees and rates may be adopted and/or amended from time to time by the Districts' board of directors at their discretion, as permitted by law.

The homeowners association is separate and distinct from the Districts and is responsible for reviewing exterior architectural changes to homes and is permitted to enforce restrictive covenants in the community. The homeowners association may be responsible for continued operation and maintenance of amenities. The homeowners association will charge a monthly fee for its services.

It is conceivable that boundary adjustments may be made to the Districts. Any such boundary adjustment is subject to prior approval by the Town of Windsor and must be considered at a public hearing of the respective District Board of Directors. District boundary adjustments will not have any affect upon the financial and other constraints and limitations applicable to the Districts, as set forth herein and within the Consolidated Service Plan.

**2. How much property tax will the Districts collect to construct improvements and pay for operations and maintenance?**

**Answer:** The Districts have authority to impose property taxes for all of the activities identified in their "Consolidated Service Plan," a copy of which is available to prospective purchasers. The Districts anticipate issuing bonds to provide for the costs of capital improvements within their boundaries. In order to meet the debt service for the bonds, and to pay operations and maintenance costs associated with provision of services, the Districts may impose mill levies under their Consolidated Service Plan. The debt service mill levy is expected to be approximately 15.00 mills, but may be adjusted upward or downward over time as permitted by the Consolidated Service Plan. The operations and maintenance mill levy is expected to be 3 mills. In addition, various voter limitations exist which affect the taxing powers of the Districts, including maximum annual

taxing limitations and expenditure limitations.

**3. How are amenities financed in other areas which do not use metropolitan districts?**

**Answer:** Many areas in Colorado utilize special districts to finance public improvements. Many homeowners are surprised to find that they have lived for years in water and sanitation districts, or other types of special districts, with mill levies similar to those in the Greenspire Districts. Since cities and counties typically do not provide irrigation water facilities in new communities, special districts have been organized to build these facilities. Special districts, and the financial powers they utilize, permit earlier construction of recreation facilities and other amenities for the benefit of the community when compared with developments not within special districts. Where special districts are utilized, the costs of improvements within the community are generally spread over 20 to 30 years and are paid from mill levies. Under current tax laws, this results in a better financial opportunity for homeowners by potentially creating certain state and/or federal income tax advantages. In addition, special districts are governed by property owners within the community who are better able to address issues of concern to the community than could a larger city or county. Additionally, it is anticipated that homeowners will realize a cost savings from the irrigation system to be built by the Districts because they will not be paying for treated water to water lawns and other landscaping.

**4. How can I be assured that the Districts do not issue too many bonds and create unreasonably high mill levies?**

**Answer:** All bonds issued by the Districts will be governed by the controls adopted by the Colorado legislature governing the process by which bonds are issued by special districts. In addition, the organization of the Districts was overseen by the Town of Windsor. The Town has limited the amount of debt the Districts can issue. This limit, as well as others existing under Colorado law and various voter approvals, are believed to be adequate to control the tax levels within the Districts. As noted above, however, many of the limits of the Consolidated Service Plan and existing voter limits may be amended from time to time. The mill levies expected in the Districts are reasonable and comparable to other developments in the metropolitan area served by special districts providing similar services and amenities.

Market constraints also require that the mill levy within the Districts be comparable to mill levies in competing development areas in order to further the community as an attractive place for individuals to buy homes. Therefore, it is in both the Districts' and the project developers' best interest to maintain mill levies in the Districts comparable to the total property taxes paid in other similar communities so that the property taxes paid for the amenities and services in the Districts are a good value.

**5. Who bears the risk that the community may not fully develop?**

**Answer:** Bondholders will be providing funding to the Districts to provide for construction of irrigation water and park and recreation amenities. These initial bonds for the District will be supported, in part, by the developer of the project or may be purchased by the developer. Property taxes on all homes will help pay the costs of all bonds issued by the Districts. This results in the

risk of development being shared in part by bondholders and the developer. The homeowners also share risk relative to the bonds which are currently limited as noted above in paragraph 4. As previously stated, it is within the Districts' discretion to impose other fees to help pay for public improvements.

**6. What will my tax bill look like, and what are the various taxes used for?**

**Answer:** It is anticipated that the tax bill for your property will show mill levies for Weld County, the Town of Windsor, the local school district, and various other service providers, including the Greenspire Metropolitan Districts. The Town of Windsor provides various services to the property within the Districts. The District will convey certain public improvements for continued operations and maintenance to appropriate service providers upon completion of construction of the facilities.

Exhibit A, attached hereto, is an estimate taken from the Weld County Treasurer records of the mill levies that are anticipated to be levied against the property within Greenspire, totaling approximately 126. Colorado municipalities certify their mill levies on an annual basis, so the most accurate manner of ascertaining the specific taxing entities and current mill levies imposed on any property is by contacting the County Treasurer directly. Exhibit B, attached hereto, is a general formula for the manner in which residential property in Colorado is assessed.

You should feel free to contact the Districts' attorney's offices referenced in the following question for updates regarding a District's mill levy. In the end, it is anticipated that the total mill levy charged to properties within the boundaries of the Greenspire Metropolitan Districts will be comparable to those of surrounding comparable communities.

**7. Where can I get additional information regarding the Districts?**

**Answer:** This document is not intended to address all issues associated with special districts generally or with Greenspire Metropolitan Districts Nos. 1 - 3 specifically. More information may be obtained by contacting the Districts' attorney's offices, White and Associates Professional Corporation, 8005 S. Chester, Suite 125, Englewood, CO 80112, (303) 858-1800 or by attending a District meeting.

I, \_\_\_\_\_, hereby acknowledge that I have received and read this GENERAL DISCLOSURE AND COMMON QUESTIONS REGARDING GREENSPIRE METROPOLITAN DISTRICTS NUMBERS 1 - 3 AND HOMEOWNERS ASSOCIATION.

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Buyer	Lot	Address	Date
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Buyer	Lot	Address	Date
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## EXHIBIT A

### ESTIMATE OF OVERLAPPING MILL LEVIES

Municipality	2001
School District RE4	58.425
Weld County (check to see if still accurate)	20.559
Town of Windsor	12.030
NCW Water	1.0
NWC Water	0.0
Windsor Severance Fire Protection District	6.417
Aims Junior College	6.620
Windsor Library	2.571
West Greeley Soil	.414
Greenspire Metro Districts	18.00
TOTAL	126.036

\*\*This estimate of Overlapping Mill Levies is based upon anticipated mill levy certifications that will be made by each overlapping municipality during 2001 and are intended only to give approximations of the total overlapping mill levies within the Districts. The stated mill levies are therefore subject to change and you should contact the County Treasurer's office to obtain the most accurate and up to date information.

## EXHIBIT B

### GENERAL FORMULA FOR ASSESSEMENT OF RESIDENTIAL PROPERTY

1. Assessor's office makes a market value determination based upon sales prices of comparable homes in the area (the "Market Property Valuation").
2. Market Property Valuation is multiplied by the assessment rate which is set every odd numbered year and as of January 1, 2001, was 9.15%. The current assessment rate can be obtained from the County Assessor's Office (Market Property Valuation times the assessment rate = Assessment Valuation).
3. Applicable Mill Levy is applied to the Assessment Valuation, resulting in the total assessment to the residential property.

For example, a home and property sold for \$250,000 should have a "market value" of \$250,000. Applying the 9.15% valuation factor produces an assessed valuation of \$22,875. One mill (.001) applied to that assessed valuation produces \$22.88 of additional taxes. Using 126 mills as the total overlapping taxation level, the homeowner would have an annual tax bill of 126 times 22.88, or \$2882.88. Of that total \$411.84 or \$34.32 a month is attributable to the Districts.