

SERVICE PLAN
FOR
STONE CREEK METROPOLITAN DISTRICT
DOUGLAS COUNTY, COLORADO

Prepared

by

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APPROVED: 9/23/14

APPROVAL SUMMARY

This Service Plan for the Stone Creek Metropolitan District was approved by the Douglas County Board of County Commissioners on September 23, 2014. Resolution No. R-014-098, approving this Service Plan, has been recorded at Reception No. 2014054982 on September 24, 2014. The organizational and TABOR elections took place on November 4, 2014. The court decree organizing the District was recorded with the Douglas County Clerk and Recorder on December 15, 2014 at Reception No. 2014072823.

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This Service Plan has been prepared by the Organizers and the following participating consultants:

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EXECUTIVE SUMMARY

This service plan is for the Stone Creek Metropolitan District (the “District”), which will serve the public improvement needs of Stone Creek Ranch. The District is generally located at Scott Road and State Highway 83 (Parker Road) in the County of Douglas, State of Colorado, and contains approximately 251.655 acres, with a future inclusion area of approximately 151.08 acres. The District’s first phase of development will include 329 residential units and 0 square feet of commercial space. The District’s second phase of development will include 350 residential units and 0 square feet of commercial space.

The District will have a single district structure. This structure will allow the District to control both financing and services.

The District shall have the power and authority to provide the public improvements and related operation and maintenance services within and without the boundaries of the District as such power and authority is permitted by this Service Plan and described in the Special District Act, C.R.S. Title 32, and other applicable statutes, common law, and the Colorado Constitution, subject to the limitations set forth herein, including, but not limited to street improvements, safety controls, water improvements, sanitation improvements, stormwater improvements, park and recreation improvements, mosquito control, and covenant control.

The total authorized debt limit for the District shall be Eighteen Million Dollars (\$18,000,000). The District anticipates the issuance of an initial series of bonds in the amount of Eight Million Four Hundred Eighty Five Thousand Dollars (\$8,485,000) in December of 2017. The District anticipates a second issuance in the amount of Seven Million One Hundred Thirty Five Thousand Dollars (\$7,135,000) in December of 2020. The initial debt service mill levy will be forty (40) mills, with a Maximum Debt Service Mill Levy of fifty (50) mills. The initial operations and maintenance mill levy will be ten (10) mills, with a Maximum Operations and Maintenance Mill Levy of ten (10) mills. The combined initial mill levy for the District will be fifty (50) mills, with a maximum combined mill levy of sixty (60) mills.

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EXHIBITS

Exhibit A	Vicinity Map
Exhibit B-1	Legal Description-Initial District Boundaries
Exhibit B-2	Legal Description-Future Inclusion Area
Exhibit C-1	District Boundary Map
Exhibit C-2	Future Inclusion Area Boundary Map
Exhibit D-1	Initial District Boundaries Cost of Improvements
Exhibit D-2	Future Inclusion Area Cost of Improvements
Exhibit E	Map of Improvements
Exhibit F	Financial Plan
Exhibit G	Resolution of Approval
Exhibit H	Compliance with Section 18A, Water Supply – Overlay District
Exhibit I	Compliance with the Regional Clean Water Plan
Exhibit J-1	Draft Operation Funding Agreement
Exhibit J-2	Draft Facilities Funding and Acquisition Agreement
Exhibit K	Annual Report Requirements
Exhibit L	District Court Decree

I. INTRODUCTION

This service plan (the “Service Plan”) for the Stone Creek Metropolitan District (the “District”) is for a special district organized under Title 32 of the Colorado Revised Statutes to serve the public improvement needs of Stone Creek Ranch (the “Project”). The District is generally located at Scott Road and State Highway 83 (Parker Road), in the County of Douglas, State of Colorado (see **Exhibit A**, Vicinity Map) and contains approximately 251.655 acres (see **Exhibits B-1 and C-1**, Legal Description and District Boundary Map, respectively), with a future inclusion area of approximately 151.08 acres (see **Exhibits B-2 and C-2**, Future Inclusion Area Legal Description and Future Inclusion Area Boundary Map, respectively).

Pursuant to the requirements of the Special District Control Act, C.R.S. §32-1-201, *et seq.*, as amended, and the Special District Service Plan Review Procedures for Douglas County (the “County”), the following items are included in this Service Plan:

1. A description of the powers granted to and services to be provided by the District;
2. 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 District are compatible with facility and service standards of the County and of any municipalities and special districts which are interested parties;
3. A general written description of the estimated cost of acquiring land, engineering services, legal services, administrative services, initial indebtedness and estimated maximum interest rates and discounts, and other major expenses related to the organization and initial operation of the District;
4. A summary of general conditions regarding oversight of the District by the County;
5. A legal description and map of the District’s boundaries and an estimate of the population and valuation for assessment of the District;
6. A summary of estimated costs for improvements to be financed and constructed by the District;
7. A preliminary engineering and architectural survey showing how the improvements and services are to be provided;
8. A financial plan showing how District improvements and services are to be financed, including the operating revenue for the first budget year of the District;
9. The resolution of approval adopted by the Board of County Commissioners;
10. Information demonstrating compliance with Section 18A, Water Supply – Overlay District, of the Douglas County Zoning Resolution, as amended, and compliance with the Regional Clean Water Plan;
11. A description of any advance and reimbursement agreements;
12. A description of any arrangement or agreement with any political subdivision for the performance of any services between the District and such other political subdivision; and
13. The recorded court decree organizing the District.

Exhibits A through L, attached hereto, are hereby incorporated into the Service Plan.

II. PURPOSE OF THE DISTRICT

The purpose of the District is to provide public improvements and services for the benefit of all anticipated inhabitants and taxpayers of the District, either within or without its boundaries. The District also serves to finance and oversee the construction of these public improvements and to provide for ongoing operations and maintenance services.

III. DISTRICT FRAMEWORK

The District will be organized under a single district structure and will be responsible for all aspects of financing and services authorized under this Service Plan.

IV. NEED FOR DISTRICT

There are currently no other governmental entities, including the County, located in the immediate vicinity of the District that consider it desirable, feasible, or practicable to undertake the planning, design, acquisition, construction, installation, relocation, redevelopment, financing, and ongoing operations of the public improvements needed for the Project. Formation of the District is therefore necessary in order for the public improvements and services required for the Project to be provided in the most economical manner possible.

V. LOCATION AND BOUNDARIES

The District is located at the intersection of Scott Road and State Highway 83 (Parker Road) in Douglas County, Colorado. A vicinity map is attached hereto as **Exhibit A**. The area of the initial District's boundary encompasses approximately 251.655 acres. A legal description of the District's boundaries is attached hereto as **Exhibit B-1**. A map of the initial District's boundaries is attached hereto as **Exhibit C-1**.

It is anticipated that the District's boundaries may change from time to time as it undergoes inclusions and exclusions pursuant to C.R.S. §§ 32-1-401, *et seq.*, and C.R.S. §§ 32-1-501, *et seq.*, as amended. The Future Inclusion Area is identified in **Exhibits B-2 and C-2**. Prior to any inclusions or exclusions that are not identified in **Exhibits B-2 and Exhibit C-2**, the District shall provide forty-five (45) days published notice and written notice to the Board of County Commissioners pursuant to C.R.S. § 32-1-207(3)(b). If, within such forty-five (45) day period, the Board of County Commissioners objects to the inclusion or exclusion, then the inclusion or exclusion shall be prohibited and constitute a material modification of this Service Plan requiring an amendment, pursuant to Section XIII of the Service Plan and C.R.S. § 32-1-207(2).

The Developer is currently under contract to purchase all of the real property within the District's boundaries from BZH Land Company LLC, with an anticipated closing date in late August 2014. To the extent the Developer does not acquire the Property, an organizational election will not be held, and the District will not be organized.

VI. ASSESSED VALUATION/PROJECTIONS/LAND USE/POPULATION

The property within the District is planned to be zoned residential no later than October 2014. The current assessed valuation of the initial boundaries of the District is assumed to be \$0.00, for purposes of this Service Plan. The estimated assessed value at full build-out is Twenty Four Million Four Hundred One Thousand and Sixteen Dollars (\$24,401,016) and is expected to be sufficient to reasonably discharge the debt under the Financial Plan. Initially, the District will include 329 residential units and zero (0) square feet of commercial space. The District anticipates a second phase of development that will include 350 residential units and 0 square feet of commercial space. Based upon an estimated two and one half (2.5) persons per residence, the population of the District at build-out will be approximately one thousand six hundred and ninety eight (1,698) residents.

Approval of this Service Plan by the County does not constitute nor imply approval of the development of a specific area within the District, nor does it constitute or imply approval of the number of residential units or the total site/floor area of commercial or industrial buildings identified in this Service Plan or any of the exhibits attached hereto, unless such land use plans have been approved by the Board of County Commissioners as part of a separate development review process.

VII. POWERS AND RESPONSIBILITIES

The District shall have the power and authority to provide the public improvements and related operation and maintenance services within and without the boundaries of the District as such power and authority is permitted by this Service Plan and described in the Special District Act, C.R.S. Title 32, and other applicable statutes, common law, and the Colorado Constitution, subject to the limitations set forth herein.

A. General Powers

The District shall have the authority to construct, operate, and maintain the services and facilities as described in Section VIII.A of this Service Plan.

B. Miscellaneous Powers

In addition to the powers enumerated above, the District's Board shall have the power and authority:

1. To amend this Service Plan as provided for in Section XIII, Modification of Service Plan;

2. 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 and exclusions of property within the District, with prior notice to the County in accordance with C.R.S. § 32-1-202(2)(b), as amended;

3. To have and exercise all rights and powers necessary or incidental to, or implied from, the specific powers granted to the District in this Service Plan; and

4. To have and exercise the power of eminent domain, but only as necessary to construct, install, access, relocate or redevelop the public improvements identified in this Service Plan in the locations shown in **Exhibit E**. Any other use of eminent domain shall require the District to provide forty-five (45) days published notice and written notice to the Board of County Commissioners pursuant to C.R.S. § 32-1-207(3)(b). If, within such forty-five (45) day period, the Board of County Commissioners objects to the use of eminent domain, then it shall be prohibited and constitute a material modification of this Service Plan requiring an amendment, pursuant to Section XIII of the Service Plan and C.R.S. § 32-1-207(2).

VIII. DISTRICT SERVICES, FACILITIES, AND IMPROVEMENTS

A. Services and Facilities

The District shall have the authority pursuant to C.R.S. §§ 32-1-1001 and 32-1-1004, as amended, to provide the following services and public improvements described in this section.

1. Water

The District shall have the power and authority to finance, design, construct, acquire, install, maintain, and provide for potable water and irrigation water facilities and systems, including, but not limited to, water rights, water supply, treatment, storage, transmission, and distribution systems for domestic, irrigation, fire control, and other public purposes, together with all necessary and proper reservoirs, treatment facilities, wells, equipment, and appurtenances incident thereto, which may include, but shall not be limited to, transmission lines, pipes, distribution mains and laterals, storage facilities, and ditches, with all necessary and incidental and appurtenant facilities, land and easements, together with extensions and improvements thereto. The District shall have the power and authority to contract with other private or governmental entities to provide any or all of the services the District is authorized or empowered to provide.

The District boundaries are located within the boundaries of The Pinery Water and Wastewater District (“PWWD”), and the District will receive its domestic water supply from PWWD. PWWD is willing and able to provide water service within

the District boundaries, as is evidenced by the “will serve” letter set forth in **Exhibit H**. The District will construct or acquire, or require the construction and acquisition of, the necessary water improvements to connect to PWWD’s system in accordance with the requirements of the PWWD’s Rules and Regulations, as they may be amended from time to time. It is anticipated that, following acceptance by PWWD, the domestic water improvements will be owned, operated, and maintained by PWWD.

PWWD does not provide for the construction and financing of the water facilities anticipated to be provided by the District, as generally described in **Exhibit E** to this Service Plan. Therefore, the water improvements or facilities will not duplicate or interfere with any other improvements or facilities provided by PWWD within the District boundaries.

All improvements shall be in accordance with Douglas County and/or the water and service provider’s criteria. All proposed improvements must be reviewed, approved and permitted by Douglas County prior to construction.

2. Storm Sewer

The District shall have the power and authority to finance, design, construct, acquire, install, maintain, and provide for flood and surface drainage improvements, including, but not limited to, culverts, dams, retaining walls, access way inlets, detention and retention ponds, paving, roadside swales, curbs and gutters, disposal works and facilities, water quality facilities, and all necessary and proper equipment, with all necessary and incidental and appurtenant facilities, land and easements, together with extensions and improvements thereto.

Stormwater improvements subject to Colorado Discharge Permit System Regulations, if applicable, shall be owned and maintained by the District or such other governmental entity that may accept dedication. Dedication to another governmental entity of stormwater improvements subject to such regulations shall be subject to approval by the County. In no event will the District dedicate such detention ponds or facilities to a private homeowner’s association, or other property owner’s association, for operations or maintenance.

All improvements shall be in accordance with Douglas County and/or the water and service provider’s criteria. All proposed improvements must be reviewed, approved and permitted by Douglas County prior to construction.

3. Sanitation and Wastewater Treatment

The District shall have the power and authority to finance, design, construct, acquire, install, maintain, assess tap or other facility fees, and provide for sanitary sewers and to transport wastewater to an appropriate wastewater treatment facility, with all necessary and incidental and appurtenant facilities, land and easements, together with extensions and improvements thereto.

The District boundaries are located within the boundaries of PWWD, and the District will receive its sanitation services from PWWD. PWWD is willing and able to provide sanitary sewer service within the District boundaries, as is evidenced by the “will serve” letter set forth in **Exhibit H**. The District intends to construct, or require the construction, of the necessary sanitation improvements to connect to PWWD’s system in accordance with PWWD’s Rules and Regulations, as they may be amended from time to time. It is anticipated that, following acceptance by PWWD, the sanitation improvements constructed by the District will be owned, operated and maintained by PWWD.

PWWD does not provide for the construction and financing of the sanitation facilities anticipated to be provided by the District, as are generally described in the Exhibits to this Service Plan. Therefore, the sanitation and wastewater improvements and facilities will not duplicate or interfere with any other improvements or facilities already provided by PWWD within the District boundaries.

All improvements shall be in accordance with Douglas County and/or the water and service provider’s criteria. All proposed improvements must be reviewed, approved and permitted by Douglas County prior to construction.

4. Street Improvements

The District shall have the power and authority to finance, design, construct, acquire, install, maintain, and provide for arterial and collector streets and roadway improvements including, but not limited to, bridges, curbs, gutters, culverts, storm sewers and drainage facilities, detention and retention ponds, retaining walls and appurtenances, sidewalks, paving, lighting, grading, landscaping, streetscaping, placement of underground utilities, snow removal, tunnels, and other street improvements, and architectural enhancements to any or all of the above, with all necessary and incidental and appurtenant facilities, land and easements, together with extensions and improvements thereto. It is anticipated that following acceptance by the County, the County will own, operate and maintain the street improvements.

The District shall have the power and authority to finance, design, construct, acquire, install, maintain, and provide for the proposed Scott Avenue Bridge. The Scott Avenue Bridge shall be designed to meet County collector road standards, and to pass the one hundred (100) year flood event with one (1) foot on free-board. The Scott Avenue Bridge is anticipated to be two hundred forty (240) feet long, thirty nine (39) feet wide, and have a travel lane in each direction with six (6) foot shoulders.

All improvements shall be in accordance with Douglas County and/or the water and service provider’s criteria. All proposed improvements must be reviewed, approved and permitted by Douglas County prior to construction.

5. Safety Protection

The District shall have the power and authority to finance, design, construct, acquire, install, maintain, and provide for safety protection through traffic control devices and safety controls on streets, as well as such other facilities and improvements as are necessary or prudent, including, but not limited to, signalization at intersections, traffic signs, area identification signs, directional assistance and driver information signs, with all necessary and incidental and appurtenant facilities, and land and easements, together with extensions and improvements thereto. All traffic and safety control devices will be consistent with and in compliance with County rules and regulations.

All improvements shall be in accordance with Douglas County and/or the water and service provider's criteria. All proposed improvements must be reviewed, approved and permitted by Douglas County prior to construction.

6. Parks and Recreation

The District shall have the power and authority to finance, design, construct, acquire, install, maintain, and provide for public park and public recreation centers and other recreation facilities, services, or programs including, but not limited to, grading, soil preparation, sprinkler systems, fencing, pavilions, playgrounds, playing fields, open space, bike trails, pedestrian trails, pedestrian bridges, picnic areas, common area landscaping, streetscaping, storage buildings and facilities, weed control, paving, decorative paving, outdoor functional and decorative lighting, community events, and other services, programs and facilities, with all necessary and incidental and appurtenant facilities, land and easements, together with extensions and improvements thereto. It is anticipated that the park and recreation improvements will be owned, operated, and maintained by the District.

All improvements shall be in accordance with Douglas County and/or the water and service provider's criteria. All proposed improvements must be reviewed, approved and permitted by Douglas County prior to construction.

7. Mosquito Control

The District shall have the power and authority to finance, design, construct, acquire, install, operate, maintain, and provide for systems and methods for elimination and control of mosquitoes.

8. Covenant Enforcement and Design Review

The District shall have the power and authority to provide covenant enforcement and design review services subject to the limitations set forth in C.R.S. § 32-1-1004(8), as amended.

9. Security

The District shall have the power and authority to provide security services within the boundaries of the District, subject to the limitations set forth in C.R.S. § 32-1-1004(7), as amended. In no way is this power and authority intended to limit or supplant the responsibility and authority of local law enforcement (i.e., the Douglas County Sheriff's Department) within the boundaries of the District.

B. Estimated Costs and Phasing of Improvements

For the property within the initial District boundaries, an estimate of the costs of the public improvements which may be planned for, designed, acquired, constructed, installed, relocated, redeveloped, maintained, or financed was prepared based upon a preliminary engineering survey on the property and is approximately Fifteen Million Five Hundred Thirty Nine Thousand Nine Hundred and Thirty Seven Dollars (\$15,539,937) as shown in **Exhibit D-1**. **Exhibit D-1** includes an engineer's opinion of costs in current dollars of each public improvement, together with an explanation of methods, basis, and/or assumptions used. All descriptions of the public improvements to be constructed, and their related costs, are estimates only and are subject to modification as engineering, development plans, economics, the County's requirements, and construction scheduling may require. The District will continue to develop and refine cost estimates contained herein and prepare for issuance of debt. Any increase in public improvement costs, to be funded by the District, greater than twenty percent (20%), but less than forty percent (40%), of the stated amount in **Exhibit D-1**, exclusive of any contingency shown in **Exhibit D-1**, shall require an administrative review by County staff to determine if it constitutes a material modification. Any increase in public improvement costs, to be funded by the District, in excess of forty percent (40%) of the stated amount in **Exhibit D-1**, exclusive of any contingency shown in **Exhibit D-1**, will constitute a material modification of the Service Plan and will require review by the County and action by the Board of County Commissioners in accordance with Section XIII. All construction cost estimates assume construction to applicable local, State, or Federal requirements.

An estimate of the costs of the public improvements for the Future Inclusion which may be planned for, designed, acquired, constructed, installed, relocated, redeveloped, maintained, or financed was prepared based upon a preliminary engineering survey on the property and is approximately Seventeen Million Five Hundred Seventy Three Thousand and Thirty Three Dollars (\$17,573,033) as shown in **Exhibit D-2**.

Maps showing the preliminary location of the public improvements that the District is authorized to acquire or construct are attached hereto as **Exhibit E**. Phasing of construction shall be determined by the District to meet the needs of taxpayers within its boundaries. The District shall own, maintain, and replace public improvements constructed, installed, or acquired by the District or shall dedicate such public improvements to such other entity as shall accept dedication, subject to any limitations specified in this Service Plan.

In all instances, the District shall ensure that the public improvements are designed and constructed in accordance with the standards and specifications of the County or other such entity that may have authority over such design and construction. The District shall obtain approval of civil engineering and other plans and any applicable permits for the construction and installation of public improvements from the County and/or other appropriate regulatory agencies.

C. Services to be Provided by Other Governmental Entities

1. Water supply services shall be provided by PWWD or its successors and assigns.
2. Sanitation services shall be provided by PWWD or its successors and assigns.
3. Fire Protection and emergency medical services shall be provided by Franktown Fire Protection District or its successors and assigns.

D. Compliance with Section 18A, Water Supply – Overlay District, of the Douglas County Zoning Resolution, as amended

PWWD shall provide water supply services to the Project and has met the requirements of Section 18A, Water Supply – Overlay District, of the Douglas County Zoning Resolution, as amended, as described in its letter in **Exhibit H**.

E. Compliance with Clean Water Plan

PWWD has asserted its compliance with the regional Clean Water Plan as demonstrated in **Exhibit I**.

IX. EXISTING AND PROPOSED AGREEMENTS

None.

X. FINANCIAL INFORMATION

A. General

This section describes the nature, basis, and method of funding and debt and mill levy limitations associated with the District's public improvements. A detailed Financial Plan and statement of assumptions is contained in **Exhibit F**.

B. Assumptions

The maximum debt limitation contained herein is based on the assumption that 329 units will have an average value of approximately Four Hundred Thirty Five Thousand Dollars (\$435,000), and 350 units will have an average value of approximately

Four Hundred Thousand Dollars (\$400,000). The Financial Plan demonstrates that the District has the ability to finance the public improvements identified herein, will be capable of discharging the indebtedness on a reasonable basis, and will operate on a sound fiscal basis.

C. Identification of District Revenue

The District will impose a mill levy on taxable property within its boundaries as a primary source of revenue for repayment of debt and for operations and maintenance. The District may also rely upon various other revenue sources authorized by law. At the District's discretion, these may include the power to assess fees, rates, tolls, penalties, or charges as provided for in C.R.S. § 32-1-1001(1), as amended.

A Maximum Total Mill Levy of 60 mills is authorized to support debt service and operations and maintenance of the District. The District may request an amendment to the Service Plan, in accordance with Section XIII, to eliminate mill levy caps when the debt to assessed value ratio falls below fifty percent (50%).

In the event of legislation implementing changes in the ratio of actual valuation to assessed valuation for residential real property, pursuant to Article X, section 3(1)(b) of the Colorado Constitution, the mill levy limitations provided herein will be increased or decreased as to all taxable property in the District to reflect such changes so that, to the extent possible, the actual tax revenues generated by the mill levy, as adjusted, are neither diminished nor enhanced as a result of such changes ("Gallagher Adjustment"). If there are changes in the method of calculating assessed valuation or any constitutionally mandated tax credit, cut, or abatement, the mill levy limitation applicable to such operating and maintenance expenses may be increased or decreased to reflect such changes, such increases or decreases to be determined by the Board in good faith so that to the extent possible, the actual tax revenue generated by the mill levy are neither diminished nor enhanced as a result of such changes. For purposes of the foregoing, a change in the ratio of actual valuation shall be deemed to be a change in the method of calculating assessed valuation.

D. Debt Service Mill Levy

A maximum debt mill levy of 50 mills is authorized to support the debt service of the District, subject to the limitation of the Maximum Total Mill Levy. It is anticipated that an initial debt service mill levy of 40 mills will produce revenue sufficient to support debt service costs through the bond repayment period (see **Exhibit F**, Financial Plan).

E. Operations and Maintenance Mill Levy

It is anticipated that a maximum operations and maintenance mill levy of 10 mills is authorized to support the operations and maintenance of District services and public improvements, subject to the limitation of the Maximum Total Mill Levy (see **Exhibit F**, Financial Plan). Provided, however, the District's operations and maintenance mill levy

will be set to meet budgetary needs of the District on an annual basis. Revenue contributed, pledged or dedicated by covenant, agreement or otherwise may also be available and used for payment of operations and maintenance expenses.

F. District Expenditures

The estimated cost of public improvements, including the Future Inclusion Area, for the District is Thirty Three Million One Hundred Twelve Thousand Nine Hundred and Seventy Dollars (\$33,112,970). **Exhibit D-1** includes, in current dollars, the estimated cost of each public improvement for the first phase, together with an explanation of the methods, basis, and/or assumptions used to establish such costs. **Exhibit D-2** includes, in current dollars, the estimated cost of each public improvement for the Future Inclusion Area.

The District will require operating funds to plan and cause the public improvements contemplated herein to be constructed, operated, and maintained as permitted herein. Such costs are expected to include reimbursement of organizational costs, legal, engineering, accounting, bond issuance costs, and compliance with State budgeting, audit, and reporting, and other administrative and legal requirements. The organizational costs for the District for legal, engineering, surveying, and accounting services are estimated to be One Hundred Thousand Dollars (\$100,000). The first year's operating budget is estimated to be Fifty Thousand Dollars (\$50,000.00).

G. Debt

1. Debt Limitation

The total debt limit for the District is Eighteen Million Dollars (\$18,000,000), inclusive of costs of issuance, inflation, and other similar costs. For purposes of this Service Plan, debt shall be considered any outstanding bonds, notes, contracts, or other financial obligations of the District payable in whole or in part from *ad valorem* taxes or other revenues of the District for the purposes of financing, acquiring, constructing, or improving any of the public improvements contemplated herein. The debt limit shall not be increased unless approved by the County and as permitted by statute and the Colorado Constitution. Any change in debt limit shall be considered a material modification of the Service Plan, subject to the provisions of Section XIII of this Service Plan. The maximum term of any bond issue, including refunding and refinancing, shall be thirty (30) years from the original date of issuance.

2. Maximum Voted Interest Rate and Maximum Underwriting Discount

The interest rate on any debt is limited to the market rate at the time debt is issued. In the event of a default, the maximum voted interest rate on any debt shall not exceed twelve percent (12%). The maximum underwriting discount shall be five percent (5%). Debt, when issued, shall comply with all relevant requirements of this Service Plan, State law, and Federal law as is then applicable to the issuance of public securities.

XI. DEVELOPER ADVANCES AND REIMBURSEMENTS

The District anticipates receiving initial funding for both capital and ongoing administrative requirements from developer advances. Such advances may be made to the District subject to the District's obligation to reimburse the same, as may be evidenced by short-term reimbursement agreements or other acceptable agreements or resolutions. The interest rate on developer reimbursements shall not exceed the current Bond Buyer 20-Bond GO Index plus four percent (4%).

Such advances, which the Board is obligated to appropriate on an annual basis, shall count against the maximum allowable debt limit under this Service Plan and may be repaid by the District from bond proceeds or other legally available sources of revenue. Developer advances shall be subordinate to the District general obligation bonds and refinancing of the same shall not require County approval. Any amount of outstanding principal and accrued interest on such developer advances that remains unpaid as of the expiration of the Maximum Debt Service Mill Levy term shall be deemed to be forever discharged and satisfied in full. The total developer advances are anticipated to be Thirty Three Million One Hundred Twelve Thousand Nine Hundred and Seventy Dollars (\$33,112,970). Developer contributions, which will not be repaid by the District, are anticipated to be Twenty Million Four Hundred Twenty Seven Thousand Six Hundred and Twenty Nine Dollars (\$20,427,629). To the extent the District refunds any developer advances, such refunding shall not be applied towards the maximum allowable debt limit under this Service Plan.

XII. ANNUAL REPORT

The District shall be responsible for submitting an annual report to the County no later than October 1 of each year in accordance with the procedures set forth in C.R.S. § 32-1-207(3)(c) and (d), as amended. The annual report shall conform to the format attached hereto as **Exhibit K**, or in a format agreed to by the County.

XIII. MODIFICATION OF SERVICE PLAN

Pursuant to C.R.S. § 32-1-207, as amended, the District shall obtain prior written approval of the County before making any material modification to this Service Plan. Material modifications require a Service Plan amendment and include modifications of a basic or essential nature, including, but not limited to, the following: any addition to the types of services provided by the District; a decrease in the level of services; a decrease in

the financial ability of the District to discharge the existing or proposed indebtedness; or a decrease in the existing or projected need for organized service in the area. Inclusion of property that is located in a county or municipality with no other territory within the District may constitute a material modification of the Service Plan.

In the event the District plans to undertake an action which may not be permitted by this Service Plan, it shall be the District's responsibility to contact County staff to seek an administrative determination as to whether the action in question is permitted by the Service Plan. If County staff determines that the action may constitute a material modification, the District shall submit a proposal for action to the Board of County Commissioners. Thereafter, the Board of County Commissioners will determine whether the proposed action constitutes a material modification. If the Board of County Commissioners determines that the proposed action constitutes a material modification, then the action shall be prohibited and constitute a material modification of this Service Plan requiring an amendment, pursuant to Section XIII of the Service Plan and C.R.S. § 32-1-207(2).

XIV. DISCLOSURE STATEMENT

The District shall provide notice to all purchasers of property in the District regarding the District's authority to levy and collect *ad valorem* taxes and to impose and collect rates, fees, tolls, and charges, by recording a disclosure statement against the property within the District with the Office of the Douglas County Clerk and Recorder. Such disclosure statement shall also provide information concerning the structure of the Board and summarize how purchasers may participate in the affairs of the Board. The disclosure statement shall be recorded within thirty (30) days following the recordation of the court decree organizing the District.

XV. DISSOLUTION

It shall be mandatory for the District to initiate dissolution proceedings when the District has neither any financial obligations nor operations and maintenance obligations. The District may file a petition in the district court for dissolution when there are no financial obligations or outstanding bonds, or any such financial obligations or outstanding bonds are adequately secured by escrow funds or securities meeting the investment requirements in C.R.S. §§ 24-75-601, *et seq.*, as amended. The District's dissolution shall be subject to approval of a plan of dissolution in the district court of the County, pursuant to C.R.S. § 32-1-704, as amended.

XVI. DEFINITIONS

In this Service Plan, the following terms shall have the meanings indicated below, unless the context hereof clearly requires otherwise:

Board: the board of directors of the District.

Board of County Commissioners: the Board of County Commissioners of Douglas County, Colorado.

Control Act: Part 2 of Title 32 (Special Districts) of the Colorado Revised Statutes (C.R.S.), which outlines review procedures for service plans for a special district.

County: Douglas County, Colorado.

Debt: any bond, note debenture, contract, or other multiple-year financial obligation of a District.

Developer: means Choke Cherry Investors LLC, its successors and assigns.

District: the Stone Creek Metropolitan District.

District Boundary Map: the map attached hereto as **Exhibit C-1**, showing the District's boundaries.

Financial Plan: the Financial Plan described in Section X and attached as **Exhibit F**, which describes: (a) how the public improvements are to be financed; (b) how the debt is expected to be incurred; and (c) the estimated operating revenue derived from property taxes for the first budget year.

Future Inclusion Area: property anticipated to be included within the District described in the legal description attached hereto as **Exhibit B-2**.

General Obligation Bond: bonds or other obligations for the payment of which the District has promised to impose an *ad valorem* property tax mill levy.

Initial District Boundaries: the boundaries of the area described in the legal description attached hereto as **Exhibit B-1**.

Maximum Debt Service Mill Levy: the maximum mill levy the District is permitted to impose for payment of debt as set forth in Section X.D.

Maximum Operations and Maintenance Mill Levy: the maximum mill levy the District is permitted to impose for the payment of operating and maintenance expenses as set forth in Section X.E.

Maximum Total Mill Levy: the maximum mill levy the District is permitted to impose for the payment of debt as set forth in Section X.D. and operating and maintenance expenses as set forth in Section X.E.

Project: the development or property commonly referred to as Stone Creek Ranch.

Public Improvements: the improvements authorized to be planned, designed, acquired, constructed, installed, relocated, redeveloped, and financed as generally described in the Special District Act to serve the future taxpayers and inhabitants of the District as determined by the Board of the District.

Revenue Bond: bonds issued by the District to finance a specific project, the income from which will be used for repaying the bond.

Service Plan: the service plan for the District approved by the Board of County Commissioners.

Special District Act: C.R.S. § 32-1-101, *et seq.*, as amended.

State: the State of Colorado.

XVII. RESOLUTION OF APPROVAL

The District incorporates the Board of County Commissioner's resolution approving this Service Plan into this Service Plan to be presented to the district court attached hereto as **Exhibit G**.

XVIII. STATUTORY FINDINGS AND CONCLUSIONS

It is submitted that this Service Plan for the District, as required by C.R.S. § 32-1-203, as amended, establishes that:

1. There is sufficient existing and projected need for organized service in the area to be served by the District;

The purpose of the District is to finance, construct, own, operate and maintain the public improvements for the project, which is commonly known as Stone Creek. While the public improvements constructed by the District will be constructed for the use and benefit of the inhabitants and taxpayers of the District, the general public will also receive significant benefits from the District's improvements including, but not limited to extensive park and recreation improvements and trail connections.

2. The existing service in the area to be served by the District is inadequate for present and projected needs;

The County does not consider it feasible or practical to provide the property within the District (the "Property") with the improvements and facilities described in this Service Plan. Therefore, it is necessary that the District be organized to provide its taxpayers and inhabitants with those public improvements described in the Service Plan.

In addition, the property within the proposed District is located entirely within the boundaries of PWWD. The District fully recognizes PWWD's existence and the fact that PWWD is authorized to provide water and sanitation service within the District boundaries. However, pursuant to Section 32-1-1006(1)(b)(I), C.R.S., as amended, PWWD does not consider it feasible, practical or desirable for the good of PWWD to fund or construct the extension of water or sanitary sewer lines or facilities to the District, nor does PWWD plan to provide in the future for the construction and financing of the specific water and sanitation improvements that the District is being organized to provide. Therefore, pursuant to Section 32-1-203(2.5)(a), C.R.S., adequate water and sanitation service is not, or will not, be available to the area through PWWD, within a reasonable time and on a comparable basis. The District's inhabitants will require those water and sanitation services which PWWD has determined it cannot feasibly or practically provide within the District boundaries at this time.

3. The District is capable of providing economical and sufficient service to the area within its boundaries;

The formation of the District would ensure that the public improvements and other services are sufficient and built in a reasonable period of time for the benefit of the property owners in the community.

4. The area to be included in the District has, or will have, the financial ability to discharge the indebtedness on a reasonable basis;

*The estimated costs of the facilities to be constructed, installed and/or acquired by the District are set forth in the Service Plan as **Exhibits D-1 and D-2**. It is anticipated that the District will finance approximately Fifteen Million Six Hundred Twenty Thousand Dollars (\$15,620,000) towards the total cost of the construction, installation, and acquisition of the facilities to serve within the District boundaries, including contingencies. The Financial Plan demonstrates the issuance of the debt and the anticipated repayment based on the projected development within the District boundaries. The Financial Plan demonstrates that, at various projected levels of development, the District has the ability to finance the facilities identified herein, and will be capable of discharging the proposed indebtedness on a reasonable basis.*

To the extent that the cost of the improvements cannot be financed with debt proceeds, the Developer shall be required to pay such costs. Any obligations issued or otherwise contracted to reimburse the Developer for advanced construction costs shall be included within the debt limits described in the Service Plan.

5. Adequate service is not, or will not be, available to the area

through the County or other existing municipal or quasi-municipal corporations, including existing special districts, within a reasonable time and on a comparable basis;

The proposed improvements are not, and upon information and belief, will not be available to the area through the County or other existing municipality or quasi-municipal corporation, including special districts, within a reasonable time and on a comparable basis. See No. 1 above. In addition, PWWD does not consider it feasible, practical, or desirable to fund or construct the proposed water or sanitary sewer lines or facilities for the District, nor does PWWD plan to provide in the future for the construction and financing of the specific water and sanitation improvements that the District is proposing to provide.

6. The facility and service standards of the District are compatible with the facility and service standards of each county within which the District is to be located and each municipality which is an interested party under C.R.S. § 32-1-204(1), as amended;

As stated in the Service Plan, all facilities and services proposed will be constructed in accordance with the standards and specifications of Douglas County, the State of Colorado, PWWD, and any other appropriate jurisdictions.

7. The proposal is in substantial compliance with the Douglas County Comprehensive Master Plan, as amended, adopted pursuant to C.R.S. § 30-28-106, as amended;

The Developer of the project has thoroughly reviewed the Douglas County Comprehensive Master Plan and is aware of the County's desire to reflect, acknowledge and balance the common values, rights, and needs of all County residents and landowners, and its desire to honor and protect the unique, diverse communities and resources within Douglas County. The proposal is compatible with the community vision for the future and complies with the policies necessary to achieve sustainable growth within the County as expressed in the Comprehensive Master Plan.

8. The proposal is in compliance with the regional Clean Water Plan, as amended; and

*As demonstrated on **Exhibit I**, the proposal is in compliance with the regional Clean Water Plan.*

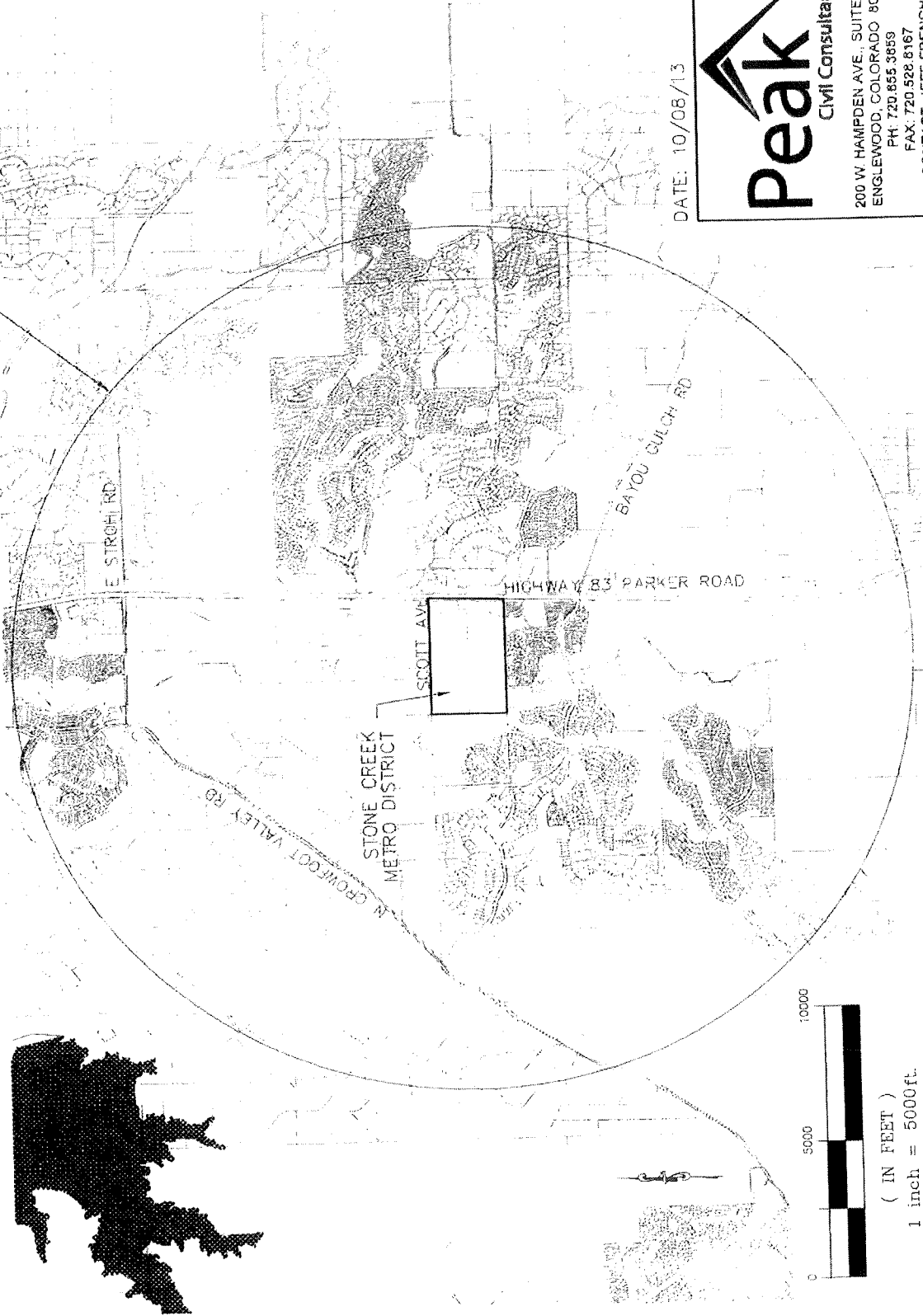
9. The creation of the District will be in the best interests of the area to be served.

As summarized below, the creation of the proposed Stone Creek Metropolitan District is in the best interest of the area to be served:

- *A special district can raise funds for public infrastructure through municipal bonds (or other governmental grant or loan programs if applicable) with favorable rates and terms not available to private entities.*
- *Special districts are exempt from sales, use and other taxes for equipment, supplies and services allowing lower overhead costs.*
- *A special district is not in the business of making a profit from the facilities and services provided.*
- *Specific statutes govern the expenditures and revenues of special districts.*
- *State-obligated budget, audit and other financial filing and reporting requirements provide regulatory oversight of a special district's operations.*
- *A special district is governed by local control over the services that are provided on a community basis.*
- *The special district is responsive and accountable for decisions through the election and public hearing processes.*
- *The business of the special district is conducted at public meetings.*
- *Special districts enjoy governmental immunity against certain legal actions thus avoiding expensive lawsuits and corresponding tax or fee increases.*
- *Because of its local nature, a special district is often better able to address issues of local concern to the community than could a larger county or municipality.*

Exhibit A
Vicinity Map

3 MILE RADIUS



DATE: 10/08/13



Civil Consultants

200 W HAMPDEN AVE., SUITE 200
ENGLEWOOD, COLORADO 80110
PH: 720.855.3859
FAX: 720.522.6167
CONTACT: JEFF FRENCH



Exhibit B-1
Initial District Boundaries Legal Description

STONE CREEK METROPOLITAN DISTRICT

LEGAL DESCRIPTION:

A PARCEL OF LAND LOCATED IN THE NORTH HALF OF SECTION 15, TOWNSHIP 7 SOUTH, RANGE 66 WEST OF THE SIXTH PRINCIPAL MERIDIAN, COUNTY OF DOUGLAS, STATE OF COLORADO, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTH EAST CORNER OF SAID SECTION 15, N89°57'57"W A DISTANCE OF 1123.09 FEET TO THE POINT OF BEGINNING;

THENCE S04°35'48"W A DISTANCE OF 334.60 FEET;
THENCE S00°25'18"W A DISTANCE OF 700.93 FEET;
THENCE S00°25'18"W A DISTANCE OF 344.67 FEET;
THENCE S06°48'33"W A DISTANCE OF 557.40 FEET;
THENCE S02°42'42"E A DISTANCE OF 716.97 FEET;
THENCE N89°56'33"W A DISTANCE OF 633.00 FEET;
THENCE N89°56'33"W A DISTANCE OF 3498.31 FEET;
THENCE N00°19'46"E A DISTANCE OF 2647.12 FEET;
THENCE S89°57'57"E A DISTANCE OF 2652.93 FEET;
THENCE S89°57'56"E A DISTANCE OF 1030.41 FEET;
THENCE S89°57'57"E A DISTANCE OF 499.43 FEET TO THE POINT OF BEGINNING;

CONTAINING 10,962,075.38 SQ. FT OR 251.655 ACRES, MORE OR LESS.



L. KELLEY STEVENSON

DATE

COLORADO P.L.S. NO. 38231
FOR AND ON BEHALF OF PEAK CIVIL CONSULTANTS, INC.
200 W. HAMPDEN AVENUE, SUITE 200
ENGLEWOOD, CO 80110

DATE: 11/06/13

Peak
Civil Consultants

200 W. HAMPDEN AVE., SUITE 200
ENGLEWOOD, COLORADO 80110
PH: 720 855 3859
FAX: 720 528 8167
CONTACT: JEFF FRENCH

Exhibit B-2
Future Inclusion Area Legal Description

LEGAL DESCRIPTION

PARCEL A:

VACATED ARLINGTON RANCHES, BEING THE SOUTHEAST 1/4 OF SECTION 9, TOWNSHIP 7 SOUTH, RANGE 66 WEST OF THE SIXTH PRINCIPAL MERIDIAN, COUNTY OF DOUGLAS, STATE OF COLORADO, EXCEPT TRACT A AND THAT PORTION OF ARLINGTON DRIVE, BY THE INSTRUMENT RECORDED APRIL 14, 1986 AT RECEPTION NO. 8604576.

FORMERLY KNOWN AS: LOTS 1 TO 29, INCLUSIVE, ARLINGTON RANCHES, COUNTY OF DOUGLAS, STATE OF COLORADO, TOGETHER WITH ALL OF THE GRANTOR'S RIGHT, TITLE AND INTEREST IN AND TO THE ADJACENT STREETS, PUBLIC RIGHTS OF WAY, EASEMENTS OR OPEN SPACE,

EXCEPTING THEREFROM THAT PORTION CONVEYED TO THE BOARD OF COUNTY COMMISSIONERS OF THE COUNTY OF DOUGLAS, STATE OF COLORADO BY THE QUITCLAIM DEED RECORDED AUGUST 19, 2008 AT RECEPTION NO. 2008058209,

COUNTY OF DOUGLAS,
STATE OF COLORADO.

PARCEL A CONTAINS 6,296,054.26 SF. OR 144.54 AC. MORE OR LESS.

PARCEL B:

A PARCEL OF LAND BEING A PORTION OF TRACT A, ARLINGTON RANCHES, IN THE COUNTY OF DOUGLAS, STATE OF COLORADO, PER THE PLAT RECORDED AT RECEPTION NO. 235709 IN THE RECORDS OF THE CLERK AND RECORDER OF SAID COUNTY, SITUATED IN THE SOUTHEAST QUARTER OF SECTION 9, TOWNSHIP 7 SOUTH, RANGE 66 WEST, OF THE 6TH PRINCIPAL MERIDIAN, SAID COUNTY AND STATE, MORE PARTICULARLY DESCRIBES AS FOLLOWS:

COMMENCING AT THE EAST SIXTEENTH CORNER COMMON TO SAID SECTION 9 AND SECTION 16, WHENCE THE SOUTH QUARTER CORNER OF SAID SECTION 9 BEARS SOUTH 89°11'34" WEST A DISTANCE OF 1321.01 FEET AND ALL BEARINGS ARE MADE AS A REFERENCE HEREON;
THENCE NORTH 44°35'33" WEST A DISTANCE OF 138.54 FEET TO THE POINT OF BEGINNING;
THENCE SOUTH 89°11'34" WEST A DISTANCE OF 300.64 FEET TO THE NORTHERLY LINE OF SAID TRACT A;
THENCE, ALONG THE NORTHERLY LINE OF SAID TRACT A THE FOLLOWING TWO COURSES:
1) NORTH 89°11'34" EAST, A DISTANCE OF 838.17 FEET;
2) NORTH 46°32'35" EAST, A DISTANCE OF 376.64 FEET TO THE WESTERLY RIGHT-OF-WAY OF ARLINGTON DRIVE AS DEDICATED ON SAID PLAT;
THENCE, ALONG THE SAID WESTERLY RIGHT-OF-WAY, SOUTH 43°30'47" WEST, A DISTANCE OF 106.32 FEET TO THE EASTERLY LINE OF SAID TRACT A;

THENCE, ALONG SAID EASTERLY LINE, SOUTH 46°23'24" WEST, A DISTANCE OF 702.95 FEET TO THE POINT OF BEGINNING,

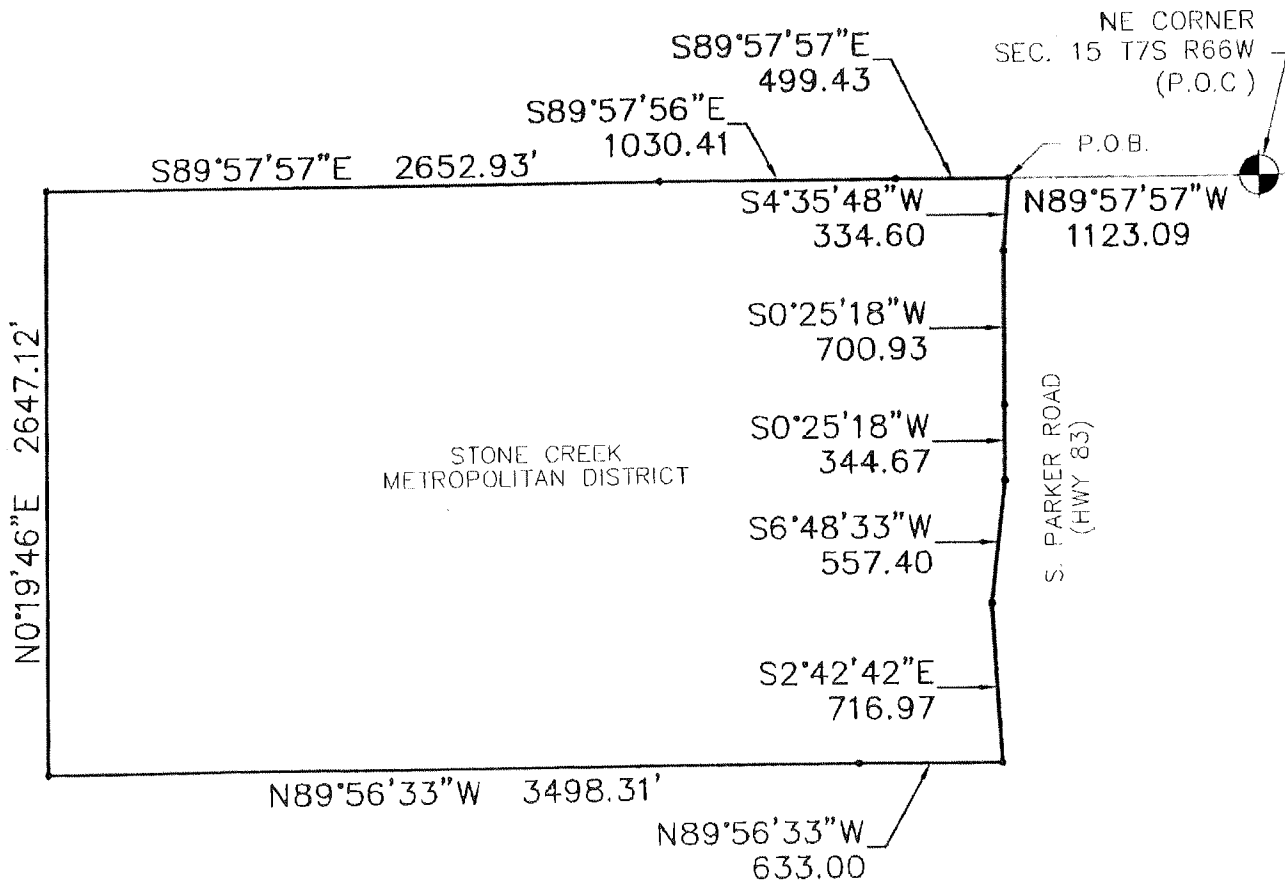
COUNTY OF DOUGLAS
STATE OF COLORADO.

PARCEL A CONTAINS 284,943.94 SF. OR 6.54 AC. MORE OR LESS.

TOTAL SITE CONTAINS 6,580,998.20 SF. OR 151.08 AC. MORE OR LESS.

Exhibit C-1
District Boundary Map

A PARCEL OF LAND LOCATED IN THE NORTH HALF
OF SECTION 15, TOWNSHIP 7 SOUTH, RANGE 66
WEST OF THE SIXTH PRINCIPAL MERIDIAN, COUNTY
OF DOUGLAS, STATE OF COLORADO



(IN FEET)
1 inch = 800 ft.

NOTE: THIS EXHIBIT DOES NOT
REPRESENT A MONUMENTED LAND
SURVEY. IT IS INTENDED ONLY TO
DEPICT THE LEGAL DESCRIPTION
ON EXHIBIT "A"

DATE: 11/06/13

Peak
Civil Consultants

200 W. HAMPDEN AVE., SUITE 200
ENGLEWOOD, COLORADO 80110
PH: 720.855.3859
FAX: 720.528.8167
CONTACT: JEFF FRENCH

Exhibit C-2
Future Inclusion Area Boundary Map

Exhibit D-1
Initial District Boundaries Cost of Improvements

STONE CREEK METROPOLITAN DISTRICT
Conceptual District Infrastructure Cost Estimate



Prepared By: Peak Civil Consultants, Inc
 Date: November 7, 2013

Category	Description	Village A	Village B	Village C	Village D	Total	Comments
<u>Local Infrastructure</u>							
	Streets	1,250,102	838,794	755,437	688,734	3,511,066	
	Sanitary Sewer	421,840	276,916	229,347	280,587	1,207,690	
	Water Main	500,625	325,605	230,410	260,624	1,323,264	
	Storm Sewer/Drainage	419,015	124,450	155,980	187,175	886,620	
	Landscape	1,511,719	951,823	761,458	500,000	3,725,000	
	Park Tract A	479,883	302,148	241,719		1,023,750	
	Local Infrastructure Costs Sub-total	4,583,192	2,318,736	2,380,351	1,897,120	11,677,398	
	15% Contingency	687,479	422,510	357,053	284,568	1,751,610	
	Total Local Infrastructure Costs	5,270,670	3,239,246	2,737,404	2,181,687	13,429,008	
<u>Spine Infrastructure</u>							
	Street Improvements	311,710	196,262	157,009		664,980	
	Water	111,755	70,364	56,291		238,410	
	Storm Sewer	436,969	275,128	220,103		932,200	
	Spine Infrastructure Costs Sub-total	860,433	541,754	433,403		1,835,590	
	15% Contingency	129,065	81,263	65,010		275,339	
	Total Spine Infrastructure Costs	989,498	623,017	498,414		2,110,929	
	Total Infrastructure Cost	6,260,168	3,862,264	3,235,817		15,539,937	

Notes:

1) This estimate is based upon a preliminary land plan, and is conceptual only

STONE CREEK METROPOLITAN DISTRICT
Conceptual District Infrastructure Cost Estimate



Prepared By: _____ sd
 Job Number: _____ 13.15

Project: Stone Creek Ranch _____
 Date: November 7, 2013 _____

Village A

Street Improvements

Street	Quantity	Unit	Unit Cost	Item Cost	Description
Mondolithic C&G and Walk w/ Subgrade prep	12,500	LF	\$27.56	\$344,500.00	
9" Road Base w/ subgrade prep	38,194	SY	\$8.00	\$305,552.00	
4" Asphalt Paving with raised valves and manholes	38,194	SY	\$15.00	\$572,910.00	
Corner Handicap Ramp	23	EA	\$1,180.00	\$27,140.00	
Total Streets				\$1,250,102.00	

Sanitary Sewer

Description	Onsite Quantity	Unit	Unit Cost	Onsite Item Cost	Description
8" PVC w/air, deflection test & jet, video	6,150	LF	\$28.00	\$172,200.00	
MH (averaged cost for various size and depth)	33	EA	\$1,600.00	\$52,800.00	
4" Sewer Service	4,725	LF	\$23.00	\$108,675.00	
8" x 4" Wye	135	EA	\$58.00	\$7,830.00	
6" PVC underdrain	6,150	LF	\$7.50	\$46,125.00	
Underdrain cleanout in MH	33	EA	\$321.00	\$10,593.00	
4" Underdrain Service	4,725	LF	\$5.00	\$23,625.00	
Total Sanitary Sewer				\$421,848.00	

Water

Description	Onsite Quantity	Unit	Unit Cost	Onsite Item Cost	Description
8" PVC w/clear water, pressure test, restraints	6,250	LF	\$41.00	\$256,250.00	
Hydrant Assembly and Tee	11	EA	\$4,850.00	\$53,350.00	
3/4" Copper Service	4,725	LF	\$14.00	\$66,150.00	
Meter Pit, Corp Stop & Saddle	135	EA	\$925.00	\$124,875.00	

Note: Unit price includes valves and fittings. Detailed design has not been performed at this time to determine valve and fitting detail.

Total Water **\$500,625.00**

Storm Sewer & Drainage

Drainage	Onsite Quantity	Unit	Unit Cost	Item Cost	Description
Storm Sewer	140	LF	\$39.00	\$5,460.00	
18" RCP Storm	2,050	LF	\$57.00	\$116,850.00	
24" RCP Storm	800	LF	\$91.00	\$72,800.00	
36" RCP Storm	935	LF	\$115.00	\$107,525.00	
42" RCP Storm	300	LF	\$139.00	\$41,700.00	
48" RCP Storm	1	EA	\$1,800.00	\$1,800.00	
48" FES	18	EA	\$2,200.00	\$39,600.00	
5' Storm Sewer Manhole	8	EA	\$4,160.00	\$33,280.00	
5' Type R Inlet					

Total Storm Sewer/Drainage **\$419,015.00**

STONE CREEK METROPOLITAN DISTRICT
Conceptual District Infrastructure Cost Estimate



Prepared By: _____
 Job Number: _____

Project: Stone Creek Ranch
 Date: November 7, 2013

Village B

Street Improvements

	Onsite Quantity	Unit	Unit Cost	Onsite Item Cost	Description
Street					
Monolithic C&G and Walk w/ Subgrade prep	8,360	LF	\$27.56	\$230,401.60	
9" Road Base w/ subgrade prep	25,544	SY	\$8.00	\$204,352.00	
4" Asphalt Paving with raised valves and manholes	25,544	SY	\$15.00	\$383,160.00	
Corner Handicap Ramp	16	EA	\$1,180.00	\$18,880.00	
Total Streets				\$836,793.60	

Sanitary Sewer

	Onsite Quantity	Unit	Unit Cost	Onsite Item Cost	Description
Description					
8" PVC w/air, deflection test & jet, video	3,880	LF	\$28.00	\$108,640.00	
MH (averaged cost for various size and depth)	26	EA	\$1,600.00	\$41,600.00	
4" Sewer Service	2,975	LF	\$23.00	\$68,425.00	
8" x 4" Wye	85	EA	\$58.00	\$4,930.00	
6" PVC underdrain	3,880	LF	\$7.50	\$29,100.00	
Underdrain cleanout in MH	26	EA	\$321.00	\$8,346.00	
4" Underdrain Service	2,975	LF	\$5.00	\$14,875.00	
Total Sanitary Sewer				\$275,916.00	

Water

Description	Onsite Quantity	Unit	Unit Cost	Onsite Item Cost	Description
8" PVC w/clear water, pressure test, restraints	4,180	LF	\$41.00	\$171,380.00	
Hydrant Assembly and Tee	7	EA	\$4,850.00	\$33,950.00	
3/4" Copper Service	2,975	LF	\$14.00	\$41,650.00	
Meter Pit, Corp Stop & Saddle	85	EA	\$925.00	\$78,625.00	

Total Water \$325,605.00

Note: Unit price includes valves and fittings. Detailed design has not been performed at this time to determine valve and fitting detail.

Storm Sewer & Drainage

Drainage	Onsite Quantity	Unit	Unit Cost	Onsite Item Cost	Description
Storm Sewer	60	LF	\$39.00	\$2,340.00	
18" RCP Storm	520	LF	\$57.00	\$29,640.00	
24" RCP Storm	180	LF	\$91.00	\$16,380.00	
36" RCP Storm	370	LF	\$115.00	\$42,550.00	
42" RCP Storm	0	LF	\$139.00	\$0.00	
48" RCP Storm	0	EA	\$1,800.00	\$0.00	
48" FES	7	EA	\$2,200.00	\$15,400.00	
5' Storm Sewer Manhole	4	EA	\$4,160.00	\$16,640.00	
5' Type R Inlet					

Total Storm Sewer/Drainage \$124,450.00

STONE CREEK METROPOLITAN DISTRICT
Conceptual District Infrastructure Cost Estimate



Project: Stone Creek Ranch
 Date: November 7, 2013

Prepared By: _____
 Job Number: 13.15

Village C

Street Improvements

Street	Quantity	Unit	Unit Cost	Item Cost	Description
Monolithic C&G and Walk w/ Subgrade prep	7,480	LF	\$27.56	\$206,148.80	
9" Road Base w/ subgrade prep	22,856	SY	\$8.00	\$182,848.00	
4" Asphalt Paving with raised valves and manholes	22,856	SY	\$15.00	\$342,840.00	
Corner Handicap Ramp	20	EA	\$1,180.00	\$23,600.00	
Total Streets				\$755,436.80	

Sanitary Sewer

Description	Quantity	Unit	Unit Cost	Item Cost	Description
8" PVC w/air, deflection test & jet, video	3,470	LF	\$28.00	\$97,160.00	
MH (averaged cost for various size and depth)	18	EA	\$1,600.00	\$28,800.00	
4" Sewer Service	2,380	LF	\$23.00	\$54,740.00	
8" x 4" Wye	68	EA	\$58.00	\$3,944.00	
6" PVC underdrain	3,470	LF	\$7.50	\$26,025.00	
Underdrain cleanout in MH	18	EA	\$321.00	\$5,778.00	
4" Underdrain Service	2,380	LF	\$5.00	\$11,900.00	
Connect To Exist	1	EA	\$1,000.00	\$1,000.00	
Total Sanitary Sewer				\$229,347.00	

Water

Description	Quantity	Unit	Unit Cost	Item Cost	Description
8" PVC w/clear water, pressure test, restraints	3,740	LF	\$31.00	\$115,940.00	
Hydrant Assembly and Tee	5	EA	\$4,850.00	\$24,250.00	
3/4" Copper Service	2,380	LF	\$14.00	\$33,320.00	
Meter Pit, Corp Stop & Saddle	68	EA	\$925.00	\$62,900.00	
			Total Water	\$236,410.00	

Note: Unit price includes valves and fittings. Detailed design has not been performed at this time to determine valve and fitting detail.

Storm Sewer & Drainage

Drainage	Quantity	Unit	Unit Cost	Item Cost	Item Cost
Storm Sewer	90	LF	\$39.00	\$3,510.00	
18" RCP Storm	380	LF	\$57.00	\$21,660.00	
24" RCP Storm	300	LF	\$91.00	\$27,300.00	
36" RCP Storm	190	LF	\$115.00	\$21,850.00	
42" RCP Storm	300	LF	\$139.00	\$41,700.00	
48" RCP Storm	1	EA	\$1,800.00	\$1,800.00	
48" FES	6	EA	\$2,200.00	\$13,200.00	
5' Storm Sewer Manhole	6	EA	\$4,160.00	\$24,960.00	
5' Type R Inlet					
			Total Storm Sewer/Drainage	\$155,980.00	

STONE CREEK METROPOLITAN DISTRICT
Conceptual District Infrastructure Cost Estimate



Project: Stone Creek Ranch
 Date: January 8, 2014

Prepared By: MR
 Job Number: 13.15

Village D

Street Improvements

Street	Quantity	Unit	Unit Cost	Item Cost	Description
Mondithic C&G and Walk w/ Subgrade prep	7,401	LF	\$27.56	\$203,971.56	
9" Road Base w/ subgrade prep	19,694	SY	\$8.00	\$157,552.00	
4" Asphalt Paving with raised valves and manholes	19,694	SY	\$15.00	\$295,410.00	
Corner Handicap Ramp	10	EA	\$1,180.00	\$11,800.00	
Total Streets				\$668,733.56	

Sanitary Sewer

Description	Quantity	Unit	Unit Cost	Item Cost	Description
8" PVC w/air, deflection test & jet, video	6,034	LF	\$28.00	\$168,952.00	
MH (averaged cost for various size and depth)	20	EA	\$1,600.00	\$32,000.00	
4" Sewer Service	880	LF	\$23.00	\$20,240.00	
8" x 4" Wye	40	EA	\$58.00	\$2,320.00	
6" PVC underdrain	6,034	LF	\$7.50	\$45,255.00	
Underdrain cleanout in MH	20	EA	\$321.00	\$6,420.00	
4" Underdrain Service	880	LF	\$5.00	\$4,400.00	
Connect To Exist	1	EA	\$1,000.00	\$1,000.00	
Total Sanitary Sewer				\$280,587.00	

Water

Description	Quantity	Unit	Unit Cost	Item Cost	Description
8" PVC w/clear water, pressure test, restraints	6,034	LF	\$31.00	\$187,054.00	
Hydrant Assembly and Tee	5	EA	\$4,850.00	\$24,250.00	
3/4" Copper Service	880	LF	\$14.00	\$12,320.00	
Meter Pit, Corp Stop & Saddle	40	EA	\$925.00	\$37,000.00	
Total Water				<u>\$260,624.00</u>	

Note: Unit price includes valves and fittings. Detailed design has not been performed at this time to determine valve and fitting detail.

Storm Sewer & Drainage

Drainage	Quantity	Unit	Unit Cost	Item Cost	Item Cost
Storm Sewer	41	LF	\$57.00	\$2,337.00	
24" RCP Storm	1,162	LF	\$139.00	\$161,518.00	
48" RCP Storm	1	EA	\$1,800.00	\$1,800.00	
48" FES	6	EA	\$2,200.00	\$13,200.00	
5' Storm Sewer Manhole	2	EA	\$4,160.00	\$8,320.00	
5' Type R Inlet					
Total Storm Sewer/Drainage				<u>\$187,175.00</u>	

STONE CREEK METROPOLITAN DISTRICT
Conceptual District Infrastructure Cost Estimate

Project: Stone Creek Ranch
Date: November 7, 2013

Prepared By: sd
Job Number: 13.15



Spine Infrastructure

Street Improvements

	Onsite Quantity	Unit	Unit Cost	Item Cost	Description
Hwy 83					
Monolithic C&G w/ Subgrade prep	832	LF	\$27.56	\$22,929.92	
Side Walk (6")	832	SF	\$3.14	\$2,612.48	
Total Hwy 83				\$25,542.40	

	Onsite Quantity	Unit	Unit Cost	Item Cost	Description
Szymanski					
6" Vertical C&G w/ Subgrade prep	5,700	LF	\$27.56	\$157,032.00	
Side Walk (5")	14,250	SF	\$3.14	\$44,745.00	
1.5' Median curb	1,400	LF	\$11.35	\$15,890.00	
Median Curb Subgrade Prep.	1,400	SF	\$1.60	\$2,240.00	
5" Road Base w/ subgrade prep	17,417	SY	\$8.00	\$139,336.00	
4" Asphalt Paving with raised valves and	17,417	SY	\$15.00	\$261,255.00	
Corner Handicap Ramp	16	EA	\$1,180.00	\$18,880.00	

Szymanski Subtotal \$639,438.00

Street Total \$664,980.40

Water

Description	Onsite Quantity	Unit	Unit Cost	Item Cost	Description
8" PVC w/ clear water, pressure test, restraints	3,740	LF	\$31.00	\$115,940.00	
Hydrant Assembly and Tee	5	EA	\$4,850.00	\$24,250.00	
3/4" Copper Service	2,380	LF	\$14.00	\$33,320.00	
Meter Pit, Corp Stop & Saddle	68	EA	\$925.00	\$62,900.00	
Connect to Existing Water Line	2	EA	\$1,000.00	\$2,000.00	
Total Water				\$238,410.00	

Storm Sewer & Drainage

Drainage	Onsite Quantity	Unit	Unit Cost	Item Cost	Description
Storm Sewer					
48" RCP Storm	1,450	LF	\$139.00	\$201,550.00	
54" RCP Storm	2,750	LF	\$163.00	\$448,250.00	
48" FES	1	EA	\$1,800.00	\$1,800.00	
54" FES	1	EA	\$2,100.00	\$2,100.00	
5' Storm Sewer Manhole	15	EA	\$2,200.00	\$33,000.00	
Ponds	2	EA	\$50,000.00	\$100,000.00	
Check Structure	3	EA	\$25,000.00	\$75,000.00	Cherry Creek
Riprap	940	CY	\$75.00	\$70,500.00	Cherry Creek
			Total Storm	\$932,200.00	

Park, Open Space, Trails and Ponds

	Onsite Quantity	Unit	Unit Cost	Item Cost	Description
Park	1	LS	\$1,023,750.00	\$1,023,750.00	
Landscaping	1	LS	\$3,225,000.00	\$3,225,000.00	
			Total Park, Open Space, Trails and Ponds Subtotal	\$4,248,750.00	

Note:
No cost estimating is currently available for riparian resodrain and other floodplain related improvements.
Collaboration will need to take place with environmental consultant to quantify potential improvements.

Exhibit D-2
Future Inclusion Area Cost of Improvements

STONE CREEK METROPOLITAN DISTRICT
Conceptual Infrastructure Cost Estimate for the Arlington Parcel

Prepared By: Peak Civil Consultants, Inc.
 Date : March 11, 2014

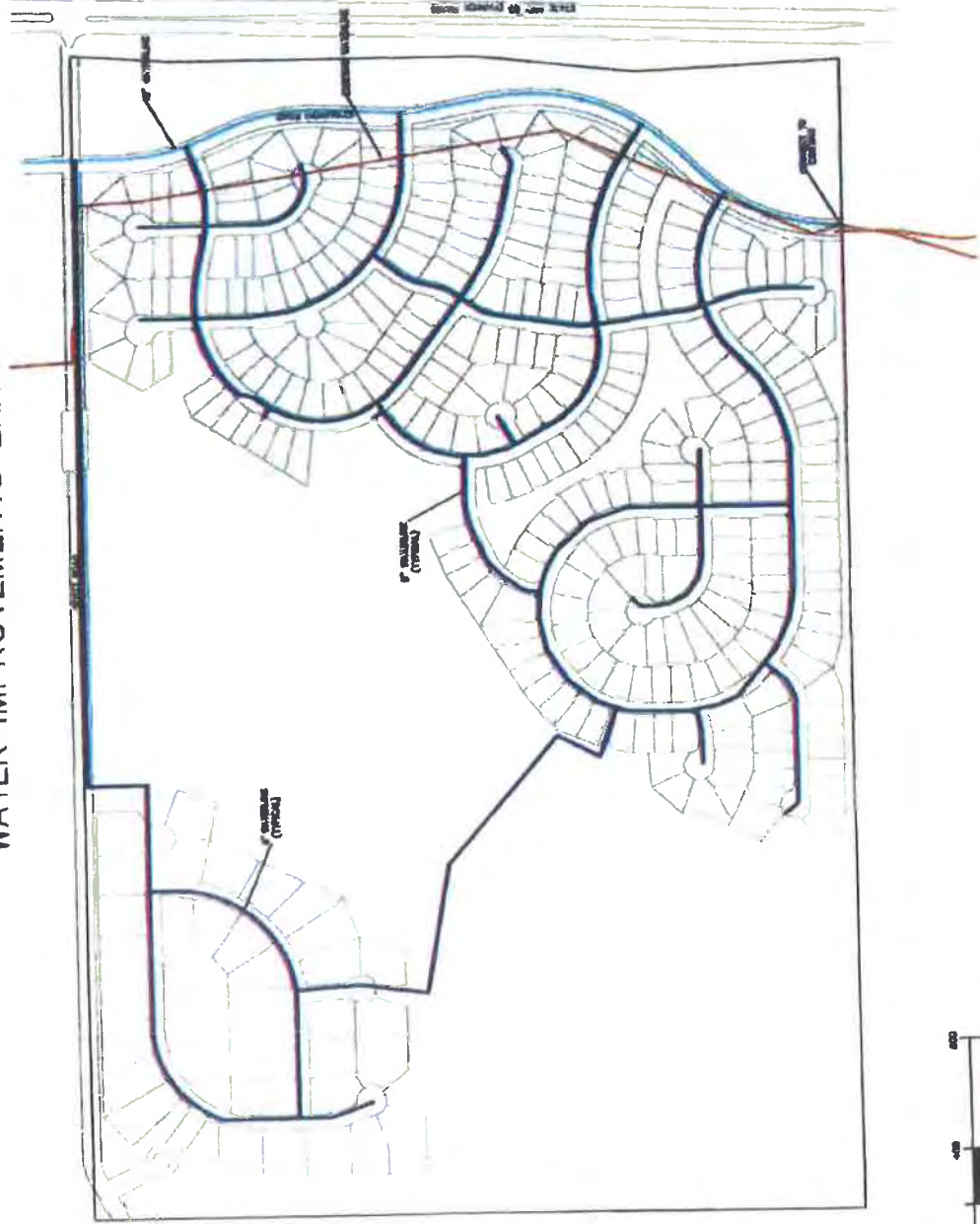


Category	Description	Total	Comments
	No Lots/Units	350	
Hard Costs			
	Grading, Earthwork, Erosion Control	1,111,540	
	Streets	2,950,912	
	Street Lights	183,000	
	Sanitary Sewer	990,660	
	Water Main	1,154,682	
	Storm Sewer/Drainage	725,850	
	Landscape	3,706,828	
	Park Tract A	1,108,764	
	Onsite Hard Costs Sub-total	11,932,236	
	15% Contingency	1,789,835	
	Total On-site Hard Costs	13,722,071	
	Cost/Lot	39,206	
Spine Infrastructure			
	Scott Road and Chambers Road	2,151,000	
	Scott Road Bridge	298,183	
	Water Tank	400,550	
	Lift Station	498,929	
	Off-site Hard Costs Sub-total	3,348,662	
	15% Contingency	502,299	
	Total Off-site Hard Costs	3,850,961	
	Cost/Lot	11,003	
	Total Costs	17,573,033	
	Cost/Lot	50,209	

Exhibit E
Map of Improvements

STONE CREEK-METROPOLITAN DISTRICT

WATER IMPROVEMENTS EXHIBIT



DATE: 10/08/13

Peak
CMI Consultants
200 W HAMPTON AVE - SUITE 200
ENGLEWOOD, COLORADO 80110
PH: 720.856.3659
FAX: 720.856.5187
COUNTY OF DENVER

STONE CREEK-METROPOLITAN DISTRICT

STREET IMPROVEMENTS EXHIBIT

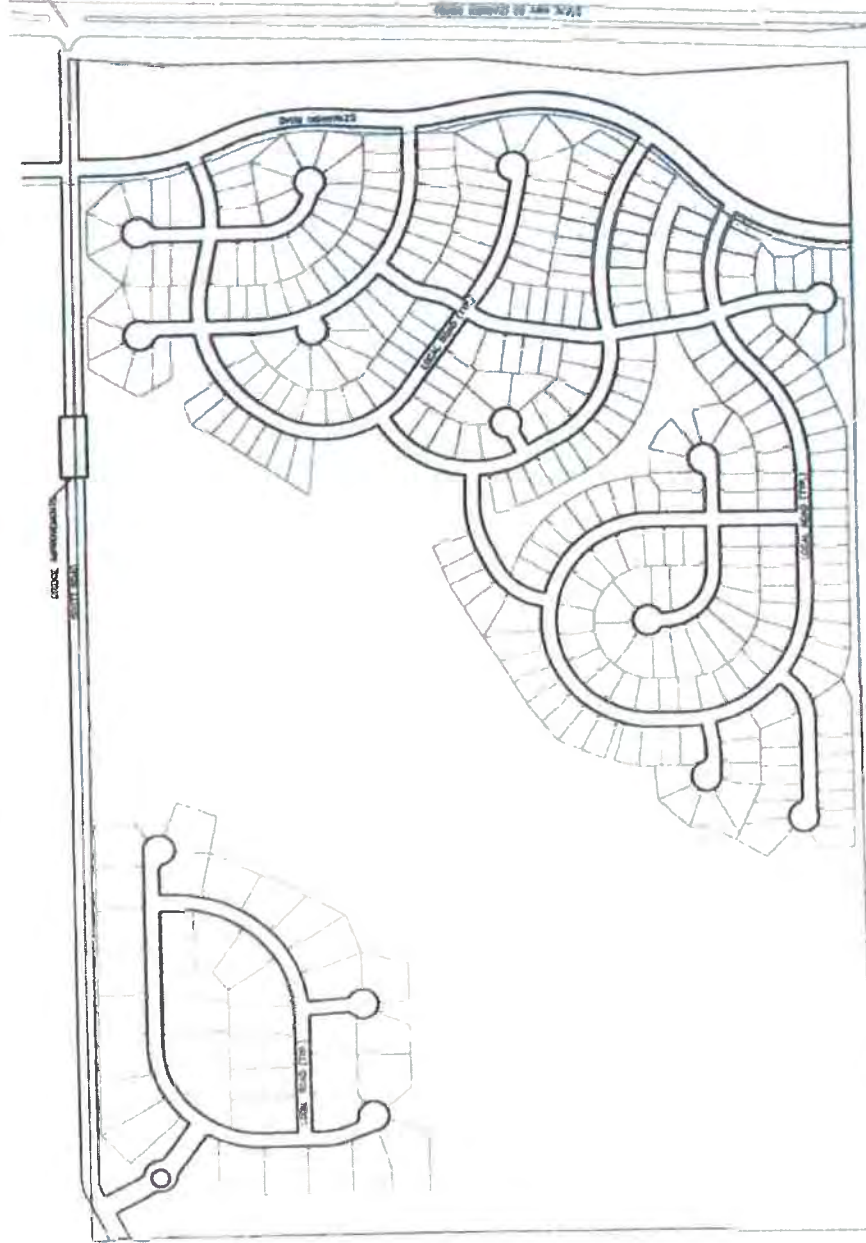
PROPOSED RIGHT OF WAY

LEGEND

PROPOSED RIGHT OF WAY

DATE: 10/08/13



Peak
Civil Consultants
200 W. HAMMOEN AVE., SUITE 200
ENGLEWOOD, COLORADO 80110
PH 720.855.3853
FAX 720.855.3167
COSTA MATEO ARCHITECT



(IN FEET)
1 inch = 400 ft

STONE CREEK-METROPOLITAN DISTRICT SANITARY IMPROVEMENTS EXHIBIT

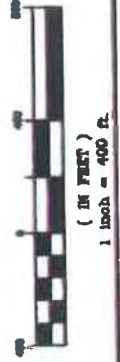
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	PROPOSED SANITARY LINE
	EXISTING SANITARY LINE



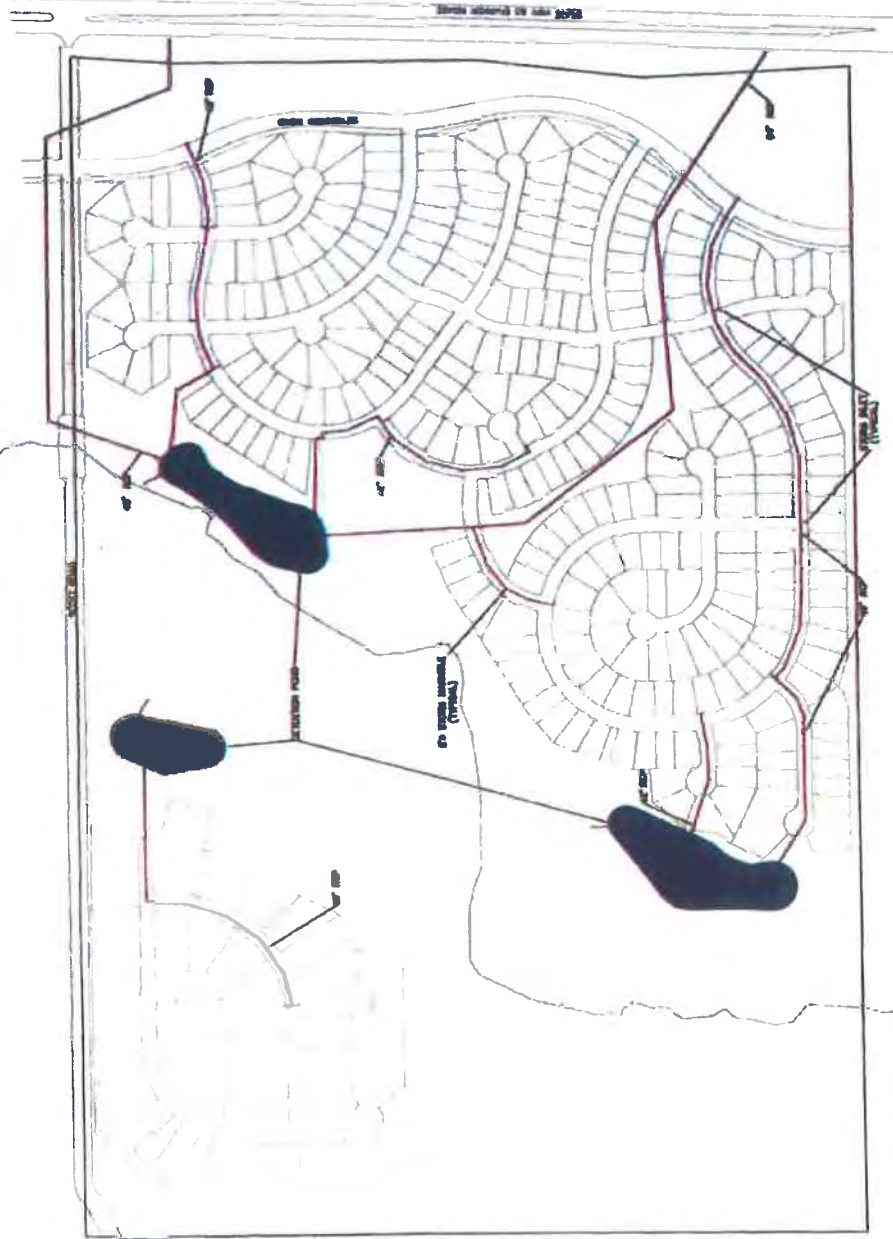
DATE: 10/08/13

Peak
CMA Consultants
200 W. HAMPSHIRE AVE. SUITE 200
ENGLEWOOD, COLORADO 80110
PH: 726-655-3333
FAX: 726-655-3333
CONTACT: JEFF FINCH



STONE CREEK-METROPOLITAN DISTRICT

STORM SEWER AND DRAINAGE IMPROVEMENT EXHIBIT



LEGEND

— PROPOSED STORM PIPE

● PROPOSED DETENTION POND

DATE: 10/08/13

Peak
Civil Consultants

200 W. MANIPPOEN AVE., SUITE 200
ENGLISHTOWN, CALIFORNIA 92011
PH: 760-925-3529
FAX: 760-548-6157
CONTACT: JEFF FRISCH



(IN FEET)
1 inch = 400 ft

STONE CREEK-METROPOLITAN DISTRICT

OPEN SPACE IMPROVEMENTS EXHIBITS



LEGEND	
	OPEN SPACE
	PARK
	PROPOSED DETENTION POND
	PROPOSED REGIONAL TRAILS
	PROPOSED LOCAL TRAILS

DATE: 10/08/13

Peak
Civil Consultants
200 W. HAMMON AVENUE, SUITE 200
DENVER, COLORADO 80110
TEL: 720.438.8187
FAX: 720.438.8187
CONTACT: JEFF FRISCH

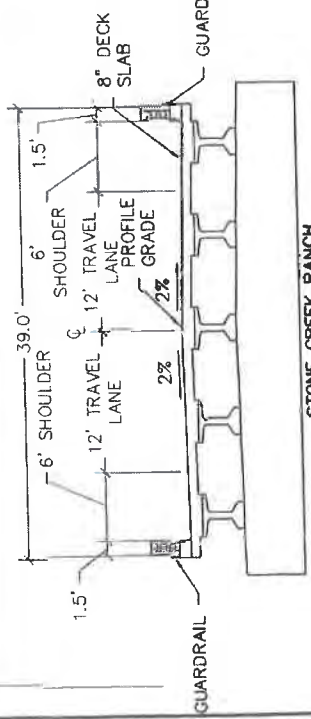
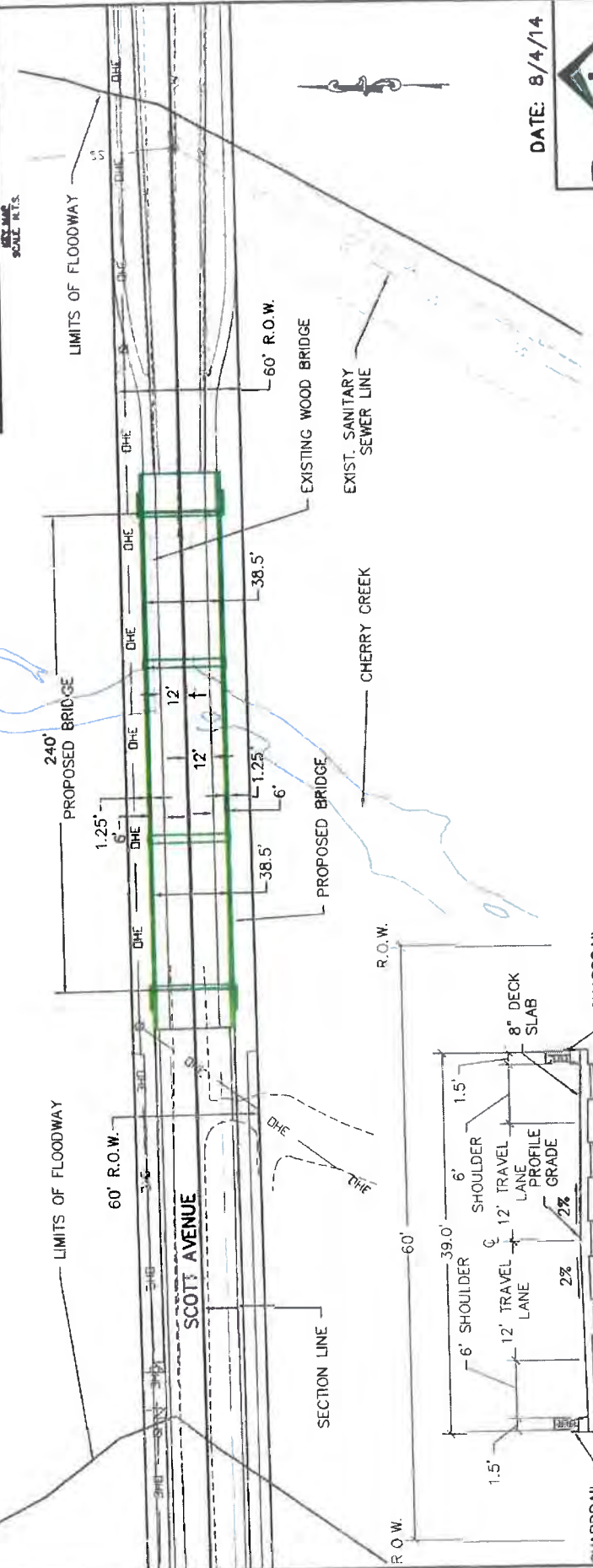


(IN FEET)
1 inch = 400 ft.

STONE CREEK RANCH SCOTT AVENUE BRIDGE EXHIBIT

LEGEND

- == PROPOSED CURB & GUTTER
- CHERRY CREEK



STONE CREEK RANCH
SCOTT AVENUE BRIDGE
COLLECTOR ROAD TYPICAL SECTION
1:10 HOR.

DATE: 8/4/14

Peak
Civil Consultants
200 W. HAMDEN AVE. SUITE 200
ENGLEWOOD, COLORADO 80110
PH. 720.855.3459
FAX. 720.520.8167
CONTACT: JEFF FRENCH



(IN FEET)
1 inch = 50 ft.

Exhibit F
Financial Plan



D.A. Davidson & Co.
member SIPC

July 8, 2014

Proposed Stone Creek Metropolitan District
Attention: Mike Sanders
Choke Cherry Investors LLC
960 Westlake Blvd Suite 202
Westlake Village, CA 91361

RE: Proposed Stone Creek Metropolitan District

Scope and Limitations of Engagement

We have analyzed the bonding capacity for the proposed Stone Creek Metropolitan District ("the District"). The analysis presented summarizes and presents information provided by Choke Cherry Investors LLC ("the Developer") and does not include independently verifying the accuracy of the information or assumptions.

Assumptions

The following assumptions have been provided by the Developer and form the basis of the analysis.

1. There are two stages of development modeled – the first stage is completed in 2017 and the second stage (on the FIA parcel) is completed in 2020.
2. The first phase of development is assumed to include two different types of residential products both with a price of \$435,000. A total of 329 units are assumed to be completed at a pace of 68 units in 2015, 133 units in 2016 and the last 128 units in 2017.
3. The second phase of development on the FIA parcel has one type of residential product with a price of \$400,000. A total of 350 units are assumed to be completed within this product type at a pace of 50 units in 2017, 75 units in 2018, 100 units in 2019 and the last 125 units in 2020.
4. The debt service mill levy is assumed to be 40.00 mills (with a cap of 50.00 mills) beginning in tax collection year 2016 which is assumed to be the first collection year for which a mill levy will have been certified by the Districts. In addition to the debt service mill levy, the Districts are anticipated to levy approximately 10.00 mills for Operations through 2033. The combined debt service and operating levy is assumed to be 50.00 mills for this plan of finance through 2033.
5. It is assumed the District issues two bonds – the first is a Non-Rated Bond with a par of \$8,485,000.00 in December of 2017. An interest rate of 6% was assumed based upon 30-year debt sized to 1.25x debt service coverage at the maximum debt service mill levy of 50.00 mills. At issuance, it is assumed that the District will fund \$760,700.98 for Capitalized Interest, \$729,400.00 for a Debt Service Reserve Fund and \$339,400.00 in costs of issuance with bond proceeds. The remaining \$6,655,499.02 is assumed to reimburse the Developer for eligible expenses.

6. It is assumed the District later issues a Non-Rated Bond with a par of \$7,135,000.00 in December of 2020. An interest rate of 6% was assumed based upon 30-year debt sized to 1.25x debt service coverage at the maximum debt service mill levy of 50.00 mills. At issuance, it is assumed that the District will fund \$106,258.37 for Capitalized Interest, \$713,500.00 for a Debt Service Reserve Fund and \$285,400.00 in costs of issuance with bond proceeds. The remaining \$6,029,841.63 is assumed to reimburse the Developer for eligible expenses.
7. The Surplus Fund is sized to \$1,000,000.00 so long as the District is above a 50% debt to assessed ratio. For any period when the debt to assessed drops below 50%, the Surplus is reduced to \$200,000.00.
8. Specific Ownership Tax revenues have been calculated based on applying a factor of 6.0% to annual property tax revenues (on both the Debt Service and Operations levies).
9. It is assumed that 98% of property taxes levied will be collected and available to the District (for both the Debt Service and Operations levies).
10. It is assumed that there will be a 2% biennial inflation rate on assessments. The bonding capacity could be higher if the rate of assessment inflation is greater or conversely lower if the inflation rate is below 2%.

Estimate of Potential Bonding Capacity

Including all phases of development, total bonding capacity based on the assumptions outlined, is projected to be \$15.6M.

Disclaimer

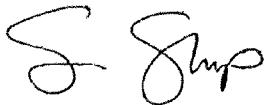
The assumptions disclosed in the Financial Plan are those of the Developer and have not been independently reviewed by D.A. Davidson. Those assumptions identified are believed to be the significant factors in determining financial feasibility; however, they are likely not to be all-inclusive. There will usually be differences between forecasted and actual results, because events and circumstances frequently do not occur as assumed, and those differences may be material. Key assumptions — like those relating to market values of real property improvements and the build out schedule of such property — are particularly sensitive in terms of the timing necessary to create the tax base for the District. A small variation in these variables, and to their timing, can have a large effect on the forecasted results. There is a high probability that the forecasted results will differ from realized future tax base factors and such variations can be material. Additionally, other key assumptions relating to inflation, assessment ratios, interest rates, and infrastructure, administrative, and operating costs may, and likely will, vary from those assumed.

Because D.A. Davidson has not independently evaluated or reviewed the assumptions that the Financial Model is based upon, we do not vouch for the achievability (and disclaim any opinion) of the information presented on the accompanying Exhibit 1 and Schedule 1. Furthermore, because of the inherent nature of future events, which are subject to change and variation as events and circumstances change, the actual results may vary materially from the results presented here. D.A. Davidson has no responsibility or

obligation to update this information or this Financial Model for events occurring after the date of this report.

Respectfully submitted,

D.A. DAVIDSON & CO. FIXED INCOME CAPITAL MARKETS

A handwritten signature in black ink, appearing to read "S Sharp". The signature is fluid and cursive, with the first letter "S" being large and the last name "Sharp" written in a more compact, cursive style.

Sam Sharp

Managing Director, Public Finance

STONE CREEK METROPOLITAN DISTRICT
 Development Projection at 40,000 (target) Mills for Debt Service
 Series 2017 & Series 2020, G.O. Bonds, Non-Rated, 30-yr. Maturities

YEAR	Net Available for Debt Svc.	Series 2017 \$8,435,000 Par [Net \$6,655M] Net Debt Service	Series 2020 \$7,135,000 Par [Net \$5,030 MM] Net Debt Service	Annual Surplus	Surplus Releases @ 50% Total D/A to \$200,000	Cumulative Surplus \$1,000,000 Target	Senior Debt/ Assessed Ratio	Senior Debt/ Act'l Value Ratio	Net D/S Coverage @ Mill Levy Cap
2014	\$0			n/a		0	n/a	n/a	n/a
2015	35,644			n/a		0	n/a	n/a	n/a
2016	167,553	\$0		167,553		167,553	588%	5%	125%
2017	386,174	0		386,174	0	553,726	125%	3%	n/a
2018	591,556	253,821		337,735	0	891,462	91%	4%	n/a
2019	720,014	562,641		157,373	0	1,048,835	60%	3%	291%
2020	875,271	564,341	\$0	(9,431)	39,403	1,000,000	49%	3%	160%
2021	1,013,911	575,741		1,497	1,497	1,000,000	74%	5%	124%
2022	1,013,911	575,741		1,597	1,597	1,000,000	64%	5%	125%
2023	1,034,189	586,441		2,275	2,275	1,000,000	63%	5%	125%
2024	1,034,189	586,441		4,175	4,175	1,000,000	62%	5%	125%
2025	1,034,189	586,441		4,175	4,175	1,000,000	61%	5%	125%
2026	1,054,873	595,741		2,059	2,059	1,000,000	59%	5%	125%
2027	1,054,873	595,741		1,059	1,059	1,000,000	59%	5%	125%
2028	1,075,970	610,041		1,756	1,756	1,000,000	57%	4%	125%
2029	1,075,970	611,341		3,156	3,156	1,000,000	56%	4%	125%
2030	1,097,490	622,041		1,676	1,676	1,000,000	55%	4%	125%
2031	1,097,490	621,541		776	776	1,000,000	54%	4%	125%
2032	1,119,440	635,441		2,725	2,725	1,000,000	52%	4%	125%
2033	1,119,440	637,841		4,825	4,825	1,000,000	51%	4%	125%
2034	1,141,828	649,341		214	800,214	200,000	48%	4%	125%
2035	1,141,828	649,341		914	914	200,000	47%	4%	125%
2036	1,164,665	663,441		651	651	200,000	45%	4%	125%
2037	1,164,665	660,741		251	251	200,000	44%	3%	125%
2038	1,187,958	672,141		4,644	4,644	200,000	41%	3%	125%
2039	1,187,958	676,741		3,444	3,444	200,000	39%	3%	125%
2040	1,211,718	689,841		507,773	2,803	200,000	37%	3%	125%
2041	1,211,718	685,841		2,803	2,803	200,000	37%	3%	125%
2042	1,235,952	700,641		1,938	1,938	200,000	35%	3%	125%
2043	1,235,952	703,041		1,538	1,538	200,000	32%	2%	125%
2044	1,250,671	713,641		3,257	3,257	200,000	27%	2%	125%
2045	1,250,671	716,841		4,157	4,157	200,000	25%	2%	125%
2046	1,285,884	727,941		2,970	2,970	200,000	22%	1%	125%
2047	1,285,884	731,941		470	470	200,000	19%	1%	125%
2048	1,311,602	0		529	529	200,000	13%	1%	125%
2049	1,311,602	0		4,429	4,429	200,000	10%	1%	125%
2050	1,337,834	0		1,661	201,661	0	6%	0%	125%
	36,506,349	18,281,974	17,086,179	1,102,563	1,102,563	1,102,563			
					PV to '17 @ 6%	275,336			

(EJ00814 17mbe) (EJ00814 20mbe)

STONE CREEK METROPOLITAN DISTRICT

Operations Revenue and Expense Projection

YEAR	Total Assessed Value	Opertns Mill Levy	Total Collections @ 50%	S.O. Tax Collections @ 5%	Total Available For O&M	Less District Operations Infl. @ 1% or max 10.0 mills	Developer Advances for Operations	Developer Repayment for Operations	Annual Surplus
2014	0								0
2015	0								0
2016	857,820	10.000	8,407	504	8,911	200,000	191,089	0	0
2017	4,032,363	10.000	39,517	2,371	41,888	202,000	160,112	0	0
2018	9,293,743	10.000	91,079	5,465	96,543	204,020	107,477	0	(0)
2019	14,236,525	10.000	139,518	8,371	147,889	206,060	56,171	0	(0)
2020	17,328,021	10.000	169,815	10,189	180,003	208,121	28,117	0	0
2021	21,064,484	10.000	206,432	12,386	218,818	210,202	0	8,616	0
2022	24,401,016	10.000	239,130	14,348	253,478	212,304	0	41,174	0
2023	24,401,016	10.000	239,130	14,348	253,478	214,427	0	39,051	0
2024	24,889,036	10.000	243,913	14,635	258,547	216,571	0	41,976	0
2025	24,889,036	10.000	243,913	14,635	258,547	218,737	0	39,810	0
2026	25,386,817	10.000	248,791	14,927	263,718	220,924	0	42,794	0
2027	25,386,817	10.000	248,791	14,927	263,718	223,134	0	40,585	0
2028	25,894,553	10.000	253,767	15,226	268,993	225,365	0	43,628	0
2029	26,412,444	10.000	258,842	15,531	274,372	227,619	0	41,374	0
2030	26,412,444	10.000	258,842	15,531	274,372	229,895	0	44,478	0
2031	26,940,693	10.000	264,019	15,841	279,860	214,427	0	59,945	0
2032	26,940,693	10.000	264,019	15,841	279,860	216,571	0	63,289	0
2033	27,479,507	7.739	208,419	12,505	220,924	218,737	0	38,248	22,875
2034	27,479,507	7.739	208,419	12,505	220,924	220,924	0	0	0
2035	28,029,097	7.740	212,608	12,630	223,134	223,134	0	0	0
2036	28,029,097	7.740	212,608	12,630	223,134	225,365	0	0	0
2037	28,569,679	7.817	214,795	12,884	227,619	227,619	0	0	(0)
2038	28,569,679	7.817	214,795	12,884	227,619	229,895	0	0	0
2039	29,161,473	7.742	221,241	13,143	232,194	232,194	0	0	(0)
2040	29,161,473	7.742	221,241	13,143	232,194	234,516	0	0	0
2041	29,744,702	7.819	223,454	13,407	236,861	236,861	0	0	0
2042	29,744,702	7.742	225,688	13,541	239,229	239,229	0	0	0
2043	29,744,702	7.820	227,945	13,677	241,622	241,622	0	0	0
2044	30,339,595	7.743	230,225	13,813	244,038	244,038	0	0	0
2045	30,339,595	7.821	232,527	13,952	246,478	246,478	0	0	0
2046	30,946,388	7.744	234,852	14,091	248,943	248,943	0	0	(0)
2047	30,946,388	7.821	237,201	14,232	251,433	251,433	0	0	(0)
2048	31,565,316	7.745	239,573	14,374	253,947	253,947	0	0	0
2049	31,565,316	7.822	241,968	14,518	256,486	256,486	0	0	(0)
2050	32,196,622	7.745	244,388	14,663	259,051	259,051	0	0	(0)
			7,512,948	450,777	7,963,725	7,940,850	544,966	544,966	22,875

STONE CREEK METROPOLITAN DISTRICT

Development Projection – Buildout Plan (updated 7/8/14)

YEAR	Residential Development										Residential Summary									
	SFDs (50' x 145')					SFDs (60' x 115')					SFDs (Phase 2)					Total				
	Incr/Dest In		Incr/Dest In		Incr/Dest In		Incr/Dest In		Incr/Dest In		Incr/Dest In		Incr/Dest In		Incr/Dest In		Incr/Dest In		Incr/Dest In	
	# Lots Developed	Value @ 10%	# Units Completed	Price Inflated @ 2%	Market Value	# Lots Developed	Value @ 10%	# Units Completed	Price Inflated @ 2%	Market Value	# Lots Developed	Value @ 10%	# Units Completed	Price Inflated @ 2%	Market Value	Residential Market Value	Total Market Value	Total Res'l Units	Value of Platted & Developed Lots Adjustment ¹	Adjusted Value
2014	30	1,305,000	30	\$435,000	13,050,000	0	0	38	\$435,000	16,530,000	0	0	0	\$400,000	0	\$0	\$0	0	0	2,958,000
2015	57	1,174,500	57	443,700	13,050,000	76	1,559,000	76	443,700	33,721,200	0	0	0	408,000	0	\$29,590,000	\$29,590,000	68	0	2,027,500
2016	58	43,500	57	443,700	25,290,900	70	(261,000)	70	452,574	31,680,180	50	2,000,000	50	416,160	0	\$59,012,100	\$59,012,100	133	0	1,792,500
2017	0	(2,523,000)	58	452,574	25,249,292	0	(3,045,000)	70	452,574	31,680,180	75	1,000,000	50	416,160	20,808,000	\$78,737,472	\$78,737,472	178	0	(4,558,000)
2018	0	0	0	461,625	0	0	0	0	461,625	0	100	1,000,000	75	424,493	31,836,240	\$31,836,240	\$31,836,240	75	0	1,000,000
2019	0	0	0	470,858	0	0	0	0	470,858	0	125	1,000,000	100	432,973	43,297,266	\$43,297,266	\$43,297,266	100	0	1,000,000
2020	0	0	0	480,275	0	0	0	0	480,275	0	0	(5,000,000)	125	441,632	55,204,040	\$55,204,040	\$55,204,040	125	0	(5,000,000)
2021	0	0	0	489,881	0	0	0	0	489,881	0	0	0	0	450,465	0	\$0	\$0	0	0	0
2022	0	0	0	499,678	0	0	0	0	499,678	0	0	0	0	459,474	0	\$0	\$0	0	0	0
2023	0	0	0	509,672	0	0	0	0	509,672	0	0	0	0	468,864	0	\$0	\$0	0	0	0
2024	0	0	0	519,865	0	0	0	0	519,865	0	0	0	0	478,037	0	\$0	\$0	0	0	0
2025	0	0	0	530,263	0	0	0	0	530,263	0	0	0	0	487,598	0	\$0	\$0	0	0	0
2026	0	0	0	540,868	0	0	0	0	540,868	0	0	0	0	497,350	0	\$0	\$0	0	0	0
2027	0	0	0	551,685	0	0	0	0	551,685	0	0	0	0	507,297	0	\$0	\$0	0	0	0
2028	0	0	0	562,719	0	0	0	0	562,719	0	0	0	0	517,443	0	\$0	\$0	0	0	0
2029	0	0	0	573,973	0	0	0	0	573,973	0	0	0	0	527,752	0	\$0	\$0	0	0	0
2030	0	0	0	585,453	0	0	0	0	585,453	0	0	0	0	538,347	0	\$0	\$0	0	0	0
2031	0	0	0	597,162	0	0	0	0	597,162	0	0	0	0	549,114	0	\$0	\$0	0	0	0
2032	0	0	0	609,105	0	0	0	0	609,105	0	0	0	0	560,097	0	\$0	\$0	0	0	0
2033	0	0	0	621,287	0	0	0	0	621,287	0	0	0	0	571,298	0	\$0	\$0	0	0	0
2034	0	0	0	633,713	0	0	0	0	633,713	0	0	0	0	582,724	0	\$0	\$0	0	0	0
	145	(0)	145		64,590,192	184	0	184		81,931,380	350	0	350		151,145,567	297,667,199	297,667,199	679	0	0

(1) Adj. to actual/prelim AV

SOURCES AND USES OF FUNDS

STONE CREEK METROPOLITAN DISTRICT
GENERAL OBLIGATION BONDS, SERIES 2017
40.00 (target) Mills
Non-Rated, 30-yr. Maturity
(Sized on Growth thru. 2017)
[Preliminary -- for discussion only]

Dated Date 12/01/2017
Delivery Date 12/01/2017

Sources:

Bond Proceeds:	
Par Amount	8,485,000.00
	8,485,000.00

Uses:

Project Fund Deposits:	
Project Fund #1	6,655,499.02
Other Fund Deposits:	
Capitalized Interest	760,700.98
Debt Service Reserve Fund	728,400.00
	1,489,100.98
Delivery Date Expenses:	
Cost of Issuance	359,400.00
	8,485,000.00

BOND SUMMARY STATISTICS

STONE CREEK METROPOLITAN DISTRICT GENERAL OBLIGATION BONDS, SERIES 2017

40.00 (target) Mills

Non-Rated, 30-yr. Maturity
(Sized on Growth thru. 2017)

[Preliminary -- for discussion only]

Dated Date	12/01/2017
Delivery Date	12/01/2017
First Coupon	06/01/2018
Last Maturity	12/01/2047
Arbitrage Yield	6.000000%
True Interest Cost (TIC)	6.000000%
Net Interest Cost (NIC)	6.000000%
All-In TIC	6.351269%
Average Coupon	6.000000%
Average Life (years)	22.258
Duration of Issue (years)	12.101
Par Amount	8,485,000.00
Bond Proceeds	8,485,000.00
Total Interest	11,331,600.00
Net Interest	11,331,600.00
Bond Years from Dated Date	188,860,000.00
Bond Years from Delivery Date	188,860,000.00
Total Debt Service	19,816,600.00
Maximum Annual Debt Service	1,462,800.00
Average Annual Debt Service	660,553.33
Underwriter's Fees (per \$1,000)	
Average Take-down	
Other Fee	
Total Underwriter's Discount	
Bid Price	100.000000

Bond Component	Par Value	Price	Average Coupon	Average Life	Average Maturity Date	PV of 1 bp change
Term bond due 2047	8,485,000.00	100.000	6.000%	22.258	03/04/2040	11,794.15
	8,485,000.00			22.258		11,794.15

Par Value	8,485,000.00	All-In TIC	Arbitrage Yield
+ Accrued Interest			
+ Premium (Discount)		8,485,000.00	6.000000%
- Underwriter's Discount			
- Cost of Issuance Expense		-338,400.00	
- Other Amounts			
Target Value	8,485,000.00		8,485,000.00
Target Date	12/01/2017		12/01/2017
Yield	6.000000%		6.000000%



BOND DEBT SERVICE

STONE CREEK METROPOLITAN DISTRICT
GENERAL OBLIGATION BONDS, SERIES 2017
40.00 (target) Mills

Non-Rated, 30-yr. Maturity

(Sized on Growth thru. 2017)

[Preliminary – for discussion only]

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
06/01/2018			254,550	254,550	
12/01/2018			254,550	254,550	509,100
06/01/2019			254,550	254,550	
12/01/2019			254,550	254,550	509,100
06/01/2020			254,550	254,550	
12/01/2020	55,000	6.000%	254,550	309,550	584,100
06/01/2021			252,900	252,900	
12/01/2021	60,000	6.000%	252,900	312,900	585,800
06/01/2022			251,100	251,100	
12/01/2022	75,000	6.000%	251,100	326,100	577,200
06/01/2023			248,850	248,850	
12/01/2023	80,000	6.000%	248,850	328,850	577,700
06/01/2024			246,450	246,450	
12/01/2024	95,000	6.000%	246,450	341,450	587,900
06/01/2025			243,600	243,600	
12/01/2025	100,000	6.000%	243,600	343,600	587,200
06/01/2026			240,600	240,600	
12/01/2026	120,000	6.000%	240,600	360,600	601,200
06/01/2027			237,000	237,000	
12/01/2027	125,000	6.000%	237,000	362,000	595,000
06/01/2028			233,250	233,250	
12/01/2028	145,000	6.000%	233,250	378,250	612,800
06/01/2029			228,900	228,900	
12/01/2029	155,000	6.000%	228,900	353,900	622,500
06/01/2030			224,250	224,250	
12/01/2030	175,000	6.000%	224,250	399,250	635,000
06/01/2031			219,000	219,000	
12/01/2031	185,000	6.000%	219,000	413,450	623,200
06/01/2032			213,450	213,450	
12/01/2032	210,000	6.000%	213,450	427,950	632,500
06/01/2033			207,150	207,150	
12/01/2033	225,000	6.000%	207,150	433,150	639,300
06/01/2034			200,100	200,100	
12/01/2034	250,000	6.000%	200,100	450,400	659,800
06/01/2035			192,900	192,900	
12/01/2035	285,000	6.000%	192,900	457,900	650,800
06/01/2036			184,850	184,850	
12/01/2036	295,000	6.000%	184,850	479,550	664,900
06/01/2037			176,100	176,100	
12/01/2037	310,000	6.000%	176,100	485,100	662,200
06/01/2038			166,800	166,800	
12/01/2038	340,000	6.000%	166,800	506,800	672,600
06/01/2039			156,600	156,600	
12/01/2039	365,000	6.000%	156,600	521,600	678,200
06/01/2040			145,650	145,650	
12/01/2040	400,000	6.000%	145,650	545,650	691,300
06/01/2041			133,650	133,650	
12/01/2041	420,000	6.000%	133,650	553,650	687,300
06/01/2042			121,050	121,050	
12/01/2042	460,000	6.000%	121,050	581,050	702,100
06/01/2043			107,250	107,250	
12/01/2043	480,000	6.000%	107,250	597,250	704,500
06/01/2044			92,550	92,550	
12/01/2044	530,000	6.000%	92,550	622,550	715,100
06/01/2045			76,650	76,650	
12/01/2045	565,000	6.000%	76,650	641,650	718,300
06/01/2046			59,700	59,700	
12/01/2046	510,000	6.000%	59,700	685,700	729,400
06/01/2047			41,400	41,400	
12/01/2047	1,380,000	6.000%	41,400	1,421,400	1,462,800
	8,485,000		11,331,600	15,616,600	19,616,600

NET DEBT SERVICE

STONE CREEK METROPOLITAN DISTRICT
GENERAL OBLIGATION BONDS, SERIES 2017

40.00 (target) Mills

Non-Rated, 30-yr. Maturity

(Sized on Growth thru. 2017)

[Preliminary -- for discussion only]

Period Ending	Principal	Interest	Debt Service	Total	Debt Service Reserve Fund	Capitalized Interest	Net Debt Service
12/01/2018		509,100		509,100		-509,100	253,820.60
12/01/2019		509,100		509,100	-728.40	-254,550	562,641.20
12/01/2020	55,000	509,100		564,100	-1,458.80		554,341.20
12/01/2021	60,000	505,800		565,800	-1,458.80		575,741.20
12/01/2022	75,000	502,200		577,200	-1,458.80		576,241.20
12/01/2023	80,000	497,700		577,700	-1,458.80		586,441.20
12/01/2024	95,000	492,900		587,900	-1,458.80		585,741.20
12/01/2025	100,000	487,200		587,200	-1,458.80		593,741.20
12/01/2026	120,000	481,200		601,200	-1,458.80		597,541.20
12/01/2027	125,000	474,000		599,000	-1,458.80		610,041.20
12/01/2028	145,000	466,500		611,500	-1,458.80		611,341.20
12/01/2029	155,000	457,800		612,800	-1,458.80		622,041.20
12/01/2030	175,000	448,500		623,500	-1,458.80		621,541.20
12/01/2031	185,000	438,000		623,000	-1,458.80		635,441.20
12/01/2032	210,000	426,900		636,900	-1,458.80		637,841.20
12/01/2033	225,000	414,300		639,300	-1,458.80		649,341.20
12/01/2034	250,000	400,800		650,800	-1,458.80		649,341.20
12/01/2035	265,000	385,800		650,800	-1,458.80		663,441.20
12/01/2036	295,000	369,900		664,900	-1,458.80		663,441.20
12/01/2037	310,000	352,200		662,200	-1,458.80		676,741.20
12/01/2038	340,000	333,600		673,600	-1,458.80		676,741.20
12/01/2039	365,000	313,200		678,200	-1,458.80		689,841.20
12/01/2040	400,000	291,300		691,300	-1,458.80		685,841.20
12/01/2041	420,000	267,300		687,300	-1,458.80		700,641.20
12/01/2042	460,000	242,100		702,100	-1,458.80		703,041.20
12/01/2043	490,000	214,500		704,500	-1,458.80		713,641.20
12/01/2044	530,000	185,100		715,100	-1,458.80		716,841.20
12/01/2045	565,000	153,300		718,300	-1,458.80		727,941.20
12/01/2046	610,000	119,400		729,400	-1,458.80		731,941.20
12/01/2047	1,380,000	82,800		1,462,800	-730,858.80		
	8,485,000	11,331,600		19,816,600	-770,975.80	-763,650	18,281,974.20

SOURCES AND USES OF FUNDS

STONE CREEK METROPOLITAN DISTRICT GENERAL OBLIGATION BONDS, SERIES 2020

40.00 (target) Mills
Non-Rated, 30-yr. Maturity
(Sized on All growth)

[Preliminary -- for discussion only]

Dated Date 12/01/2020
Delivery Date 12/01/2020

Sources:

Bond Proceeds:	
Par Amount	7,135,000.00
	7,135,000.00

Uses:

Project Fund Deposits:	
Project Fund #1	6,029,841.63
Other Fund Deposits:	
Capitalized Interest	106,256.37
Debt Service Reserve Fund	719,500.00
	819,756.37
Delivery Date Expenses:	
Cost of Issuance	285,400.00
	7,135,000.00

BOND SUMMARY STATISTICS

STONE CREEK METROPOLITAN DISTRICT GENERAL OBLIGATION BONDS, SERIES 2020

40.00 (target) Mills
Non-Rated, 30-yr. Maturity
(Sized on All Growth)

[Preliminary -- for discussion only]

Dated Date 12/01/2020
Delivery Date 12/01/2020
First Coupon 06/01/2021
Last Maturity 12/01/2050

Arbitrage Yield 6.000000%
True Interest Cost (TIC) 6.000000%
Net Interest Cost (NIC) 6.000000%
All-In TIC 6.326924%
Average Coupon 6.000000%

Average Life (years) 25.260
Duration of Issue (years) 13.004

Par Amount 7,135,000.00
Bond Proceeds 7,135,000.00
Total Interest 10,813,800.00
Net Interest 10,813,800.00
Bond Years from Dated Date 180,230,000.00
Bond Years from Delivery Date 180,230,000.00
Total Debt Service 17,948,800.00
Maximum Annual Debt Service 2,051,100.00
Average Annual Debt Service 588,293.33

Underwriter's Fees (per \$1000)
Average Take-down
Other Fee

Total Underwriter's Discount 100.000000
Bid Price

Bond Component	Par Value	Price	Average Coupon	Average Life	Average Maturity Date	PV of 1 bp change
Term Bond due 2050	7,135,000.00	100.000	6.000%	25.260	03/06/2046	9.917.55
	7,135,000.00			25.260		9.917.65

	TIC	All-In TIC	Arbitrage Yield
Par Value	7,135,000.00	7,135,000.00	7,135,000.00
+ Accrued Interest			
- Premium (Discount)			
- Underwriter's Discount			
- Cost of Issuance Expense		-255,400.00	
- Other Amounts			
Target Value	7,135,000.00	6,849,600.00	7,135,000.00
Target Date	12/01/2020	12/01/2020	12/01/2020
Yield	6.000000%	6.326924%	6.000000%

BOND DEBT SERVICE
STONE CREEK METROPOLITAN DISTRICT
GENERAL OBLIGATION BONDS, SERIES 2020
40.00 (target) Mills
Non-Rated, 30-yr. Maturity
(Sized on All growth)
[Preliminary -- for discussion only]

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
06/01/2021			214,050	214,050	214,050
12/01/2021			214,050	214,050	428,100
06/01/2022		5.000%	214,050	224,050	438,100
12/01/2022	10,000	5.000%	213,750	223,750	437,500
06/01/2023	10,000	5.000%	213,450	223,450	446,500
12/01/2023	20,000	5.000%	212,850	222,850	445,700
06/01/2024	20,000	5.000%	212,250	222,250	454,500
12/01/2024	30,000	5.000%	211,350	221,350	457,700
06/01/2025	35,000	5.000%	210,300	220,300	465,500
12/01/2025	45,000	5.000%	208,950	218,950	462,900
06/01/2026	45,000	5.000%	207,600	217,600	475,200
12/01/2026	50,000	5.000%	205,800	215,800	476,600
06/01/2027	65,000	5.000%	203,850	213,850	482,700
12/01/2027	75,000	5.000%	201,600	211,600	478,200
06/01/2028	75,000	5.000%	199,350	209,350	493,700
12/01/2028	85,000	5.000%	196,500	206,500	493,000
06/01/2029	100,000	5.000%	193,500	203,500	502,000
12/01/2029	115,000	5.000%	190,050	199,050	505,100
06/01/2030	125,000	5.000%	186,300	195,300	512,600
12/01/2030	140,000	5.000%	182,100	191,100	508,200
06/01/2031	145,000	5.000%	177,750	186,750	520,500
12/01/2031	165,000	5.000%	172,800	181,800	525,600
06/01/2032	180,000	5.000%	167,400	176,400	534,600
12/01/2032	200,000	5.000%	161,400	170,400	532,800
06/01/2033	210,000	5.000%	155,100	164,100	545,200
12/01/2033	235,000	5.000%	148,050	157,050	541,100
06/01/2034	245,000	5.000%	140,700	149,700	555,400
12/01/2034	275,000	5.000%	132,450	141,450	554,300
06/01/2035	290,000	5.000%	123,750	132,750	1,312,500
12/01/2035	1,065,000	5.000%	91,600	1,186,750	1,308,600
06/01/2036	1,125,000	5.000%	58,050	1,216,600	58,050
12/01/2036	1,935,000	5.000%	58,050	1,993,050	2,051,100
12/01/2036	7,135,000		10,813,600	17,948,600	17,948,600

NET DEBT SERVICE

STONE CREEK METROPOLITAN DISTRICT GENERAL OBLIGATION BONDS, SERIES 2020

40.00 (target) Mills
 Non-Rated, 30-yr. Maturity
 (Sized on All growth)

[Preliminary -- for discussion only]

Period Ending	Principal	Interest	Debt Service	Total	Debt Service Reserve Fund	Capitalized Interest	Net Debt Service
12/01/2021		428,100	428,100	428,100	-713.50	-107,025	320,361.50
12/01/2022	10,000	428,100	438,100	438,100	-1,427.00		436,673.00
12/01/2023	10,000	427,500	437,500	437,500	-1,427.00		436,073.00
12/01/2024	20,000	428,900	448,900	448,900	-1,427.00		447,473.00
12/01/2025	20,000	428,700	448,700	448,700	-1,427.00		447,273.00
12/01/2026	30,000	424,500	454,500	454,500	-1,427.00		453,073.00
12/01/2027	35,000	422,700	457,700	457,700	-1,427.00		456,273.00
12/01/2028	45,000	420,600	465,600	465,600	-1,427.00		464,173.00
12/01/2029	45,000	417,900	462,900	462,900	-1,427.00		461,473.00
12/01/2030	65,000	415,200	475,200	475,200	-1,427.00		473,773.00
12/01/2031	65,000	411,600	476,600	476,600	-1,427.00		475,173.00
12/01/2032	75,000	407,700	482,700	482,700	-1,427.00		481,273.00
12/01/2033	95,000	403,200	478,200	478,200	-1,427.00		476,773.00
12/01/2034	100,000	398,700	493,700	493,700	-1,427.00		492,273.00
12/01/2035	115,000	393,000	483,000	483,000	-1,427.00		491,573.00
12/01/2036	125,000	387,000	502,000	502,000	-1,427.00		500,573.00
12/01/2037	140,000	380,100	505,100	505,100	-1,427.00		511,173.00
12/01/2038	145,000	372,800	512,600	512,600	-1,427.00		507,173.00
12/01/2039	165,000	364,200	509,200	509,200	-1,427.00		519,073.00
12/01/2040	160,000	355,600	520,500	520,500	-1,427.00		519,073.00
12/01/2041	200,000	345,600	525,600	525,600	-1,427.00		524,173.00
12/01/2042	210,000	334,800	534,800	534,800	-1,427.00		533,373.00
12/01/2043	235,000	322,800	532,800	532,800	-1,427.00		531,373.00
12/01/2044	245,000	310,200	545,200	545,200	-1,427.00		543,773.00
12/01/2045	275,000	281,400	556,400	556,400	-1,427.00		554,973.00
12/01/2046	290,000	264,900	554,900	554,900	-1,427.00		553,473.00
12/01/2047	1,065,000	247,500	1,312,500	1,312,500	-1,427.00		1,311,073.00
12/01/2048	1,125,000	183,600	1,308,600	1,308,600	-1,427.00		1,307,173.00
12/01/2049	1,855,000	116,100	2,051,100	2,051,100	-714,927.00		1,336,173.00
12/01/2050							
	7,135,000	10,813,800	17,948,800	17,948,800	-755,536.50	-107,025	17,086,178.50

Exhibit G
Resolution of Approval

RESOLUTION NO. R-014- _____

**THE BOARD OF COUNTY COMMISSIONERS
OF THE COUNTY OF DOUGLAS, COLORADO**

**A RESOLUTION APPROVING THE SERVICE PLAN OF
STONE CREEK METROPOLITAN DISTRICT**

WHEREAS, on [INSERT DATE], a service plan for the proposed **STONE CREEK METROPOLITAN DISTRICT** ("Service Plan") was filed with the Douglas County Clerk and Recorder ("Clerk"), and the Clerk, on behalf of the Board of County Commissioners ("Board"), mailed a Notice of Filing of Special District Service Plan to the Division of Local Government in the Department of Local Affairs on [INSERT DATE]; and

WHEREAS, on [INSERT DATE], the Douglas County Planning Commission recommended approval of the Service Plan to the Board; and

WHEREAS, on [INSERT DATE], the Board set a public hearing on the Service Plan for [INSERT DATE] ("Public Hearing"), and (1) ratified publication of the notice of the date, time, location and purpose of such Public Hearing, which was published in *The Douglas County News-Press* on [INSERT DATE]; and (2) caused notice of the date, time and location of the Public Hearing to be mailed on [INSERT DATE], to the governing body of the existing municipalities and special districts which have levied an *ad valorem* tax within the next preceding tax year and which have boundaries within a radius of three miles of the proposed boundaries of **STONE CREEK METROPOLITAN DISTRICT** ("District") and, on [INSERT DATE], to the petitioners and to the property owners, pursuant to the provisions of § 32-1-204(1.5), C.R.S.; and

WHEREAS, on [INSERT DATE], a Public Hearing on the Service Plan was opened at which time all interested parties, as defined in § 32-1-204, C.R.S., were afforded an opportunity to be heard, and all testimony and evidence relevant to the Service Plan and the organization of the proposed District was heard, received and considered.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF THE COUNTY OF DOUGLAS, STATE OF COLORADO, THAT:

Section 1. The Board does hereby determine that all procedural requirements of §§ 32-1-201, *et seq.*, C.R.S., relating to the Service Plan have been fulfilled and that the Board has jurisdiction in the matter.

Section 2. The Board does hereby find:

(a) that there is sufficient existing and projected need for organized service in the area to be serviced by the proposed District; and

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

(c) that the proposed District is capable of providing economical and sufficient service to the area within the proposed boundaries; and

(d) that the area to be included in the proposed District has, or will have, the financial ability to discharge the proposed indebtedness on a reasonable basis; and

(e) that adequate service is not, or will not be, available to the area through Douglas County or other existing municipal or quasi-municipal corporations, including existing special districts, within a reasonable time and on a comparable basis; and

(f) that the facility and service standards of the proposed District are compatible with the facility and service standards of Douglas County and each municipality which is an interested party under § 32-1-204, C.R.S.; and

(g) that the proposal is in substantial compliance with the Douglas County Comprehensive Master Plan; and

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

(i) that the creation of the proposed District will be in the best interests of the area proposed to be served; and

(j) that the Service Plan, based upon the statements set forth in the Service Plan and upon all evidence presented at the Public Hearing on the Service Plan, meets all conditions and requirements of §§ 32-1-201, *et seq.*, C.R.S.

Section 3. The Board hereby approves the Service Plan without conditions; provided, however, that such action shall not imply the approval of any land development activity within the proposed District or its service area, or of any specific number of buildable units identified in the Service Plan, unless the Board has approved such development activity as part of a separate development review process.

Section 4. The legal description of the District shall be as provided in **Exhibit A**, attached hereto and incorporated herein by reference.

Section 5. A certified copy of this resolution shall be filed in the records of Douglas County.

PASSED AND ADOPTED this ____ day of _____, 2014, in Castle Rock, Douglas County, Colorado.

THE BOARD OF COUNTY COMMISSIONERS
OF THE COUNTY OF DOUGLAS, COLORADO

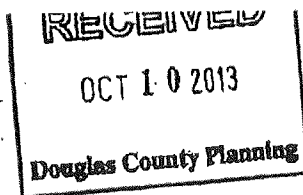
BY: _____
_____, Chair

ATTEST:

Deputy Clerk

EXHIBIT A TO RESOLUTION OF APPROVAL
(Legal Description)

Exhibit H
Compliance with Section 18A, Water Supply – Overlay District



P.O. BOX 1660 ■ PARKER, CO 80134 ■ 303/841-2797 ■ FAX 303/841-2123

October 9, 2013

Mr. Dan Avery
Douglas County Community Development
100 Third Street
Castle Rock, CO 80104

FAX: 303-860-9550

RE: Stone Creek Ranch

Dear Mr. Avery,

Pursuant to Section 1805a.01.3 of the Douglas County Zoning Resolution, the Pinery Water & Wastewater District (the "District") acknowledges its willingness and ability to serve the proposed subdivision, Stone Creek Ranch. The land where the proposed subdivision is located is within the District boundaries.

Commitment to Serve:

The District is committed to providing water and sanitary sewer service to the proposed development. As clarification and planning of the proposed development proceeds, an agreement between the developer and the District will be completed. This agreement will contain obligations from both the District and the developer. It is far too early in the planning process to identify what obligations the District will require of the developer.

Water Demand

Based on the proposed 350 single-family dwelling units (468 gpd/resident equaling 0.52 acre-feet/year/residence) the proposed development will require 182 acre-feet/year.

Water Supply

Please find enclosed a copy of our District's Present and Future Water Sources report that the District has provided the State Division of Water Resources as required by Section 30-28-136(1)(h)(ii), C.R.S. Also included are two tables showing the water usage in 2012 and projected usage at District build-out.

Water Quality

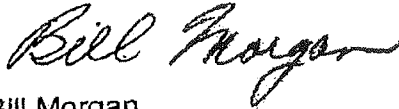
The District is in compliance with the Colorado Department of Public Health and Environment testing and quality requirements.

Feasibility of Service

It is physically and economically feasible for the District to extend service to the proposed development.

If you have further concerns or questions, please feel free to call or e-mail.

Sincerely,
PINERY WATER & WASTEWATER DISTRICT

A handwritten signature in black ink that reads "Bill Morgan". The signature is written in a cursive, flowing style.

Bill Morgan
District Engineer
Office (303-841-2797 ext. 204)
billm@pinerywater.com

Present and Future Water Sources Denver Southeast Suburban Water & Sanitation District

Prepared by HRS Water Consultants, Inc. in Consultation with Denver Southeast Suburban
Water & Sanitation District
July 2013

A. General

The Denver Southeast Suburban Water and Sanitation District AKA Pinery Water and Wastewater District (DSSWSD) has two types or sources of water for present and future water supply. These are tributary shallow wells constructed in the Cherry Creek alluvium and deep non-tributary Denver Basin Aquifer wells. The shallower alluvial wells have water rights from the senior Harrison and Haley Ditch rights, along with junior water rights which are covered under an existing plan for augmentation in Case No. W-6862 and a new plan for augmentation application (Case No. 11CW198) and an associated substitute water supply plan. The annual appropriation for the deep Denver Basin aquifer wells is derived from: 1) Pre Senate Bill 213 wells; 2) District decrees; 3) Decrees from others that have been included in the District. In total, DSSWSD has water rights for a maximum of 15,037 af/yr.

B. Water Rights Considerations

The pumping of the shallow wells constructed in the Cherry Creek alluvium is covered by the District's existing plan for augmentation (W-6268) and a new plan for augmentation (11CW198) which adds additional tributary wells and water sources. The current augmentation plan allows for tributary pumping using three sources:

1. In-priority pumping based upon the historic use from the senior Harrison and Haley ditch rights totaling 1,220 acre-feet per year;
2. Infrequent in-priority pumping under the junior well water rights;
3. Out-of-priority pumping derived from return flow credit from District use of non-tributary (pre-S.B. 213) wells pursuant to the plan for augmentation.

The District also has begun supplying water under the pending application in Case No. 11CW198 under an annually renewed substitute water supply plan. This new plan includes additional alluvial wells, nontributary water rights not included in the original augmentation plan, and additional water sources. These sources potentially will include:

4. Infrequent in-priority pumping under new alluvial well water rights;
5. Additional nontributary water rights and wells;
6. Water available from the Cherry Creek Project Water Authority;
7. Water available through the W.I.S.B agreement;
8. Out-of-priority alluvial well pumping to be allowed under the new plan for augmentation and derived from return flow credits and/or direct releases and exchanges from the above sources.

The District has acquired a substantial amount of non-tributary ground water through adjudications by the District or Senior Corp., or through inclusions into the District, or by direct purchase. The attached Table 1 provides a summary of the various decreed non-tributary rights and annual appropriations.

The primary source of non-tributary ground water currently in use by the District is from the original set of Pre-Senate Bill 213 (Pre-S.B. 213) wells which are referenced in the augmentation plan in Case No. W-6268 and three associated decrees (W-6265, W-6267 and W-7241). These are the wells designated as A through M. Because part of the original appropriations for wells A, B and J have been reduced, and Well C has been abandoned, the present total availability of non-tributary water for this set of wells is 1,865 acre-feet per year (af/yr).

The District acquired water rights from Senior Corp., initially for property east of Highway 83 and then for property west of the highway. These rights were originally filed together under applications for each of the four Denver basin aquifers, but were then separated into two sets of decrees based on lands east and west of Highway 83. Non-tributary rights acquired from Senior Corp. for the District area east of the highway total 2,261 af/yr, and 3,051 af/yr for the west area.

The District also acquired the non-tributary water rights associated with the Gondolier Farms which was decreed in Case No. 84CW208. These rights total 885 af/yr.

In Case No. 85CW203, the District adjudicated all remaining water underlying District lands east of Highway 83 which had not previously been adjudicated in any of the above-described decrees. This decree also recovered a portion of the water made available by the reduction in appropriations for Pre-S.B. 213 wells A, B, C and J. The total non-tributary ground water made available under this decree is 2,466 af/yr.

The District has also obtained additional decreed ground water rights by inclusion of the Reata South (1,608 af/yr) and Vistancia/Scott Road (184 af/yr) developments. In addition the District purchased decreed ground water rights from the Evans Ranch in the amount of 1,146 af/yr. These additional rights total 2,938 af/yr.

All of the above-described decrees provide additional non-tributary ground water for District use beyond the amount originally included in the District augmentation plan. The total of these additional rights is 11,601 af/yr. When combined with the original Pre-S.B. 213 well appropriations, the District has a total non-tributary ground water supply of about 13,466 af/yr. It should be noted that several of the listed decrees include provisions where the final ground water appropriation may be changed based on site-specific data at the time wells are drilled. Based on past experience, such data is not likely to change the decreed appropriations more than plus or minus 5 percent.

The decree in Case No. W-6268 also includes changes in use for the District's 5/9 interest in the Harrison Ditch, and the 85% interest in the Haley Ditch. The decree made findings of a combined total 1220 af/yr may be pumped through certain District alluvial wells as alternate points of diversion and used directly for municipal purposes. With priorities of May 30, 1874,

and July 1, 1873, respectively, these are some of the most senior rights on Cherry Creek and provide a firm yield of 1,220 af/y.

Under the existing augmentation plan in Case No. W-6268, the District can utilize return flows from municipal use of non-tributary water supplied by the District's Denver Basin aquifer wells as credits against out-of-priority tributary well pumping. Under the augmentation plan, return flow credits for non-tributary pumping are calculated based on the monthly consumptive use percentages included in Paragraph 22 of the decree. Depletions from tributary well pumping are calculated as equal to the monthly consumptive use percentages. The credits for return flows are then applied to offset the calculated depletions on an annual basis. As long as the total non-tributary return flows equal or exceed the total tributary well depletions at the end of the year, the District's augmentation plan is in compliance and no injury to other water rights will occur.

Under the proposed plan for augmentation in Case No. 11CW198, additional nontributary water rights and associated return flow credits are included as augmentation sources to also allow for additional tributary well pumping. Up to eight additional alluvial wells (2 currently in use) can be added under the plan. Depletions from out-of-priority pumping from the alluvial wells will be offset from return flows from nontributary well pumping under the plan, as well as other sources. These other sources include water available to the District through its participation in the Cherry Creek Project Water Authority and the W.I.S.E agreement, a plan by which recycled water from Denver and Aurora is made available via pipeline for use by several southeastern metro area water providers. The augmentation plan also includes provisions to maximize use and flexibility for the various water sources via exchanges and storage, including aquifer storage and recovery.

The water listed in Table 1 under the Broe Aug Plan and Rosie Wells decree (Broe) can only be used for future development of the Broe property.

C. Requirements

The water requirements of DSSWSD has varied over the years, depending upon stage of buildout and precipitation. Table 2 shows the recorded use during the past 30 years. As can be noted, the system use has more than doubled since 1982 to a total of 3,471 af in the water year 2012. Projected build out water use for the District is estimated to be 4,200 af/y.

D. Summary

The tabulation below shows the past ten years of water used within the existing system. The uses within the District should be more than covered by the 15,066 af/yr of water for which the District has water rights.

Year	Tributary (af/yr)	Non-Tributary (af/yr)	Total (af/yr)
2002	2,002	832	2,834
2003	1,730	687	2,417
2004	1,862	360	2,211
2005	2,088	652	2,740
2006	2,704	811	3,514
2007	2,474	613	3,087
2008	2,450	1021	3,470
2009	1,928	608	2,537
2010	2,160	1150	3,310
2011	2,536	769	3,305
2012	2,198	1273	3,471

(H:\Eric Sanger\Client\DSS\WSD\Present & Future water sources\Present & Future Water Sources 07 31 13.doc)

TABLE I

**Denver Southeast Suburban
Water & Sanitation District**

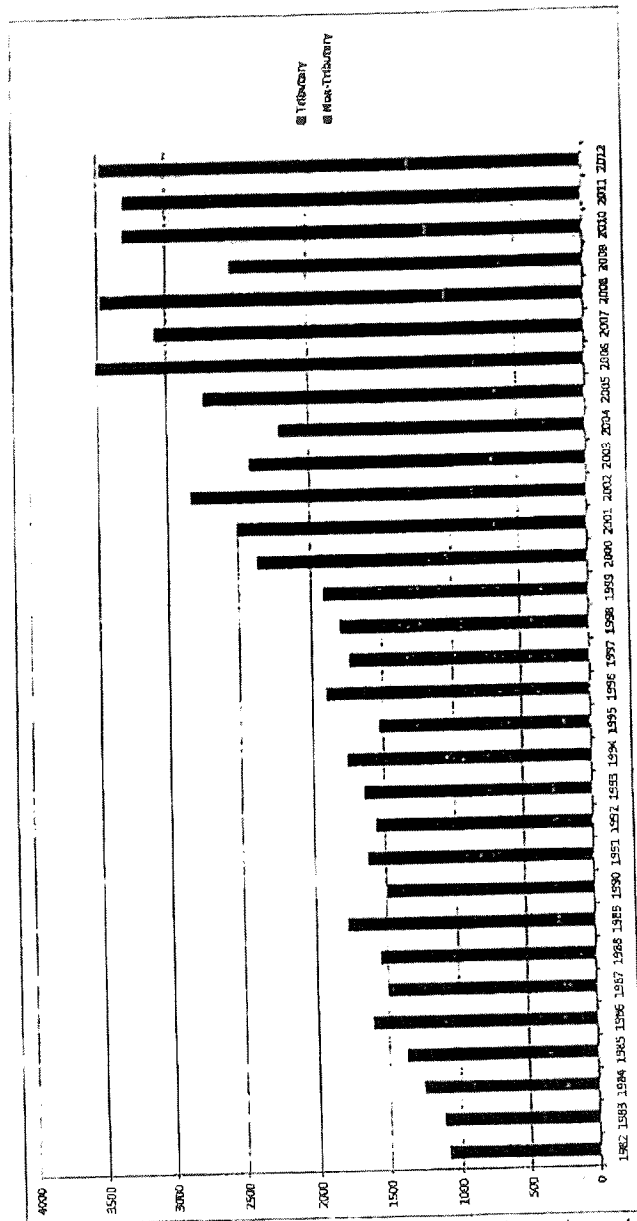
Water Rights Summary

Case No.	Description	Decreed Amount (af/yr)	Subtotals (af/yr)
A. Tributary Water Rights			
W-6268	Harrison & Haley Ditches	1220	1220
W-6268	Junior Water Rights	Variable	
B. Nontributary Water Rights			
W-6265	Wells A, B and C	243	
W-6267	Well J	103	
W-7241	Wells F,G,H,I,K,L and M	1519	
	Pre-S.B. 213 Wells Subtotal:		1865
	(amount w/Current Aug Plan in W-6268)		3085
83CW087E	Senior Corp. East Side - Arapahoe	1202	
83CW088E	Senior Corp. East Side - Denver	240	
83CW089E	Senior Corp. East Side - Dawson	305	
83CW090E	Senior Corp. East Side - LFH	514	
	Senior Corp East Side Subtotal:		2261
82CW087W	Senior Corp. West Side - Arapahoe	1823	
83CW088W	Senior Corp. West Side - Denver	396	
83CW089W	Senior Corp. West Side - Dawson	154	
83CW090W	Senior Corp. West Side - LFH	678	
	Senior Corp West Side Subtotal:		3051
84CW208	Gondolier Farms Decree	885	
85CW203	DSSWSD Nontributary Determination	2466	
89CW086, 087, 088, and 089	Reata South	1608	
93CW146 & 2003CW344	Evans Ranch	1146	
85CW139	Wolf/Vistancia/Scott Road	184	
	Additional Nontributary Water Subtotal:		6289
	Total Nontributary Water:		13,466
Nontributary Water Assigned to Broe Aug Plan (87CW338)			
82CW418	Rosie Wells Decree (Broe)	351	351
C. Total Water Sources, including Broe			15,037

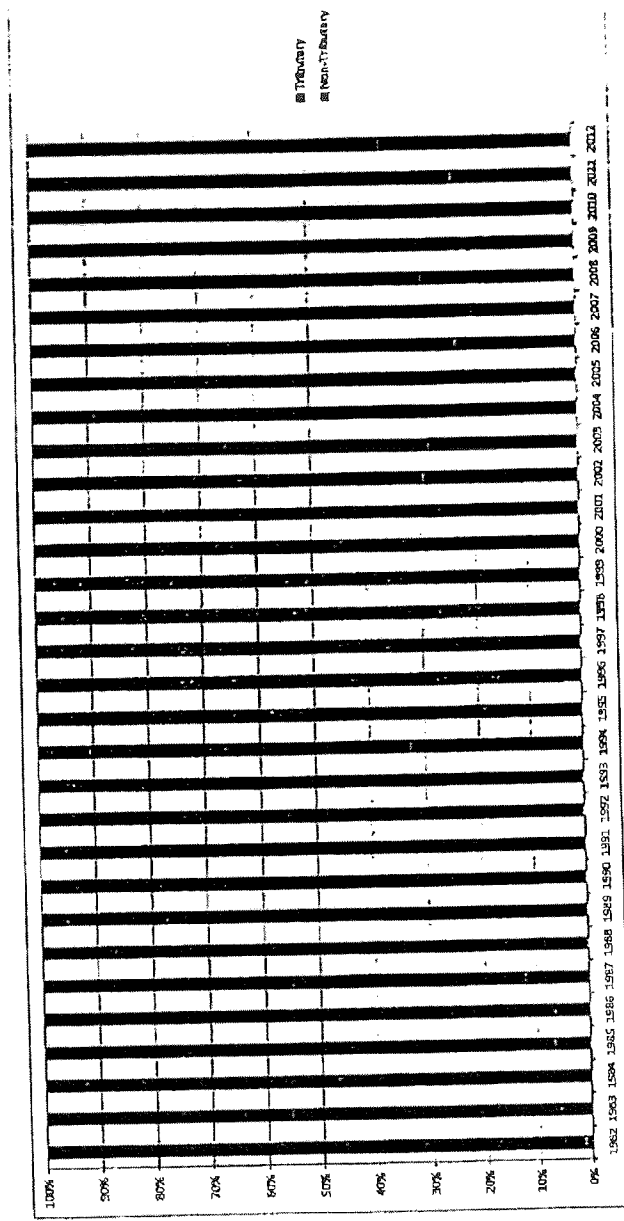
Pinery Water and Wastewater District
Water Use based on Water Year

Table 2

	(in ac-ft.)		
	Tributary	Non-Tributary	Total
1982	1,060	12	1,071
1983	1,123	0	1,123
1984	1,258	0	1,258
1985	1,282	51	1,334
1986	1,511	103	1,614
1987	1,324	179	1,504
1988	1,422	127	1,549
1989	1,527	250	1,777
1990	1,225	271	1,496
1991	1,282	344	1,626
1992	1,407	136	1,543
1993	1,379	285	1,664
1994	1,184	574	1,758
1995	1,351	178	1,529
1996	1,601	303	1,904
1997	1,477	254	1,731
1998	1,537	257	1,795
1999	1,598	306	1,914
2000	1,838	533	2,371
2001	1,839	669	2,508
2002	2,002	832	2,834
2003	1,730	687	2,417
2004	1,852	360	2,211
2005	2,088	852	2,940
2006	2,704	811	3,514
2007	2,474	613	3,087
2008	2,450	1021	3,470
2009	1,928	606	2,537
2010	2,160	1150	3,310
2011	2,538	789	3,305
2012	2,186	1273	3,471



	(in ac-ft.)	
	Tributary	Non-Tributary
1982	98.9%	1.1%
1983	100.0%	0.0%
1984	100.0%	0.0%
1985	93.4%	6.6%
1986	93.6%	6.4%
1987	88.1%	11.9%
1988	91.8%	8.2%
1989	85.9%	14.1%
1990	81.9%	18.1%
1991	78.8%	21.2%
1992	90.0%	10.0%
1993	83.5%	16.5%
1994	67.3%	32.7%
1995	88.3%	11.7%
1996	84.1%	15.9%
1997	85.3%	14.7%
1998	85.7%	14.3%
1999	83.0%	17.0%
2000	77.5%	22.5%
2001	73.3%	26.7%
2002	70.6%	29.4%
2003	71.6%	28.4%
2004	81.7%	18.3%
2005	76.2%	23.8%
2006	76.9%	23.1%
2007	80.1%	19.9%
2008	70.6%	29.4%
2009	76.0%	24.0%
2010	65.3%	34.7%
2011	76.7%	23.3%
2012	63.3%	36.7%



Water Usage Report

2012

Month	Total Gallons Pumped (1000 Gal.)	Year to Date Accumulation (1000 Gal.)	Avg per Day (1000 Gal.)	Peak Day (1000 Gal.)	Peak Day (less leaks) (1000 Gal.)	Commercial Gallons Used (1000 Gal.)	Gallons Pumped (1000 Gal.)	Gallons From Lakes Pumped (1000 Gal.)	Gallons Used (1000 Gal.)	Dwelling Units	Residential Includes unaccounted (1000 Gal.)	Residential Used (1000 Gal.)	Residential unaccounted (1000 Gal.)	Residential pumping/flows (gallons)	Precipitation (inches)	Weather High (inches)	Weather Average (inches)	Weather Low (inches)
January	27,806	27,808	887	1,095	1,000	731	3,683	193	193	4,141	23,385	20,905	163	163	0.28	80	16	16
February	24,928	52,737	860	1,014	904	569	3,045	0	0	4,141	21,314	18,634	157	157	1.00	46	18	18
March	38,648	91,385	1,247	2,587	2,252	1,056	4,793	7,622	7,622	4,142	32,799	30,319	226	226	0.04	65	32	32
April	96,334	186,719	3,178	5,187	3,698	7,035	32,184	25,353	25,353	4,144	56,105	53,825	431	431	1.50	88	37	37
May	148,374	335,093	4,786	5,981	4,767	14,366	40,512	38,052	38,052	4,146	93,536	91,026	708	708	1.68	75	44	44
June	184,338	499,431	5,478	7,033	5,576	18,984	28,686	45,162	45,162	4,148	118,856	116,178	894	894	2.03	88	56	56
July	178,428	677,859	5,756	7,172	5,450	21,758	41,417	45,906	45,906	4,150	115,283	112,773	877	877	2.30	91	61	61
August	174,970	852,769	5,842	6,919	5,523	17,686	35,046	38,121	38,121	4,152	122,228	118,748	930	930	0.49	89	58	58
September	147,394	1,000,163	4,913	6,537	5,271	15,869	30,488	31,499	31,499	4,154	100,926	98,446	790	790	1.93	78	50	50
October	50,375	1,050,538	1,625	2,884	2,888	5,333	4,517	10,088	10,088	4,155	40,525	38,045	285	285	0.85	64	36	36
November	26,293	1,076,831	943	1,214	1,103	1,521	2,025	7,258	7,258	4,155	24,747	22,267	179	179	0.10	60	30	30
December	31,929	1,107,760	1,030	1,280	1,169	918	5,628	2,815	2,815	4,155	25,383	22,903	178	178	0.15	40	19	19

Total	1,110,760	103,865	232,066	251,987	15	774,329	745,069	12.73	91	16
Average	92,563	8,655	19,339	20,889	4,149	64,569	62,089	1.06	88	38
Minimum	24,928	569	2,025	0	0	21,314	18,634	0.04	49	16
Maximum	178,428	21,758	4,417	45,906	5,576	122,228	119,748	2.63	91	61

Peak Day for 2008 was August 3rd @ 7,606 Mgd or 77% of the adjusted capacity.
Peak Day for 2009 was May 18th @ 6,613 Mgd or 67% of the adjusted capacity.
Peak Day for 2010 was Aug 29th @ 7,497 Mgd or 76% of the adjusted capacity.
Peak Day for 2011 was June 29th @ 7,291 Mgd or 74% of the adjusted capacity.

Excludes residential water use for report

Denver SE Suburban Water and Sanitation District

Pinery Water and Wastewater District
Water Use by Customer Class (in million gallons)
System Buildout

Month	System Loss (estimated)	Residential				Commercial	Construction	Golf Courses	Total
		Residential Inside	Residential Outside	Residential Total	Dwelling Units (rounded)				
January	2,678	31,283	0,145	31,428	5,782	9,005	0,075	3,714	46,890
February	2,419	33,837	0,289	34,125	5,782	8,839	0,075	3,342	48,800
March	2,678	30,699	0,721	31,421	5,782	8,934	0,508	5,354	48,895
April	2,592	31,789	16,375	48,164	5,782	9,605	0,558	22,056	82,855
May	2,678	32,828	73,134	105,962	5,782	16,430	0,483	40,693	188,246
June	2,592	31,789	109,319	141,088	5,782	23,483	0,15	37,501	204,814
July	2,678	32,828	135,747	168,575	5,782	31,842	0,15	47,538	250,784
August	2,678	32,828	83,279	116,107	5,782	24,813	0,15	26,010	189,798
September	2,592	31,759	71,378	103,147	5,782	21,456	0,1	28,495	153,790
October	2,678	32,828	28,607	61,435	5,782	17,640	0,075	23,786	108,815
November	2,592	31,375	1,143	33,118	5,782	9,071	0,054	3,139	47,974
December	2,678	30,236	0,288	30,522	5,782	8,738	0,025	0,000	41,962

System Loss		Res In	Res Out	Comm	Const.	Golf
Total	31,536	384,650	520,423	189,852	2,403	239,629
Average	2,628	32,054	43,369	15,821	0,200	19,988
Minimum	2,419	30,256	0,145	8,736	0,025	0,000
Maximum	2,678	33,837	135,747	31,842	0,558	47,538

Note: Indoor residential usage is based off winter month usage.
based off 2008 year

Pinery Water and Wastewater District
Water Use by Customer Class (in acre-feet)
System Buildout

Month	System Loss (estimated)	Residential				Commercial	Construction	Golf Courses	Total
		Residential Inside	Residential Outside	Residential Total	(Buildout) Dwelling Units				
January	8.220	96,010	0.445	96,455	5,782	27,636	0.230	11,399	143,940
February	7.425	103,848	0.887	104,734	5,782	27,127	0.230	10,257	149,773
March	8.220	94,219	2,214	96,434	5,782	27,419	1,559	16,432	150,064
April	7.955	97,503	50,257	147,760	5,782	29,477	1,713	67,692	254,597
May	8.220	100,753	224,455	325,207	5,782	50,425	1,482	124,890	510,225
June	7.955	97,503	335,511	433,014	5,782	72,071	0.450	115,094	628,594
July	8.220	100,753	416,619	517,372	5,782	97,726	0.450	145,900	768,679
August	8.220	100,753	255,590	356,343	5,782	76,153	0.480	79,628	521,005
September	7.955	97,503	219,066	316,569	5,782	65,850	0.307	81,315	471,895
October	8.220	100,753	87,799	188,551	5,782	54,139	0.230	73,002	324,143
November	7.955	98,134	3,509	101,643	5,782	27,839	0.166	9,634	147,237
December	8.220	92,798	0.877	93,675	5,782	26,813	0.077	0.000	128,785

	system loss	Res In	Res Out	Comm	Const.	Golf
Total	96.787	1,180,528	1,597,229	582,675	7,375	735,443
Average	8.066	98,377	133,102	48,556	0.615	61,287
Minimum	7.425	92,798	0.445	28,813	0.077	0.000
Maximum	8.220	103,848	416,619	97,726	1,713	145,900
						4,200,037
						350,003
						128,785
						769,879

Note: Indoor residential usage is based off winter month usage.

based on 2008



P.O. BOX 1660 ■ PARKER, CO 80134 ■ 303/841-2797 ■ FAX 303/841-2123

August 4, 2014

Mr. Dan Avery
Douglas County Community Development
100 Third Street
Castle Rock, CO 80104

RE: Arlington Ranch

Dear Mr. Avery:

Pinery Water & Wastewater District (the "District") acknowledges its ability to serve the proposed subdivision, Arlington Ranch, contingent upon the Board of Director's approval of the current application for inclusion into the District. Further, all District requirements as may be set forth in a written agreement with the District must be satisfied. The land where the proposed subdivision is located is not currently within the District boundaries.

Commitment to Serve:

The District is investigating providing water and sanitary sewer service to the proposed development. As clarification and planning of the proposed development proceeds, an agreement between the developer and the District may be completed. This agreement will contain obligations from both the District and the developer including the requirement to be included in the District boundaries. It is too early in the planning process to identify what obligations the District will require of the developer.

Water Demand:

Based on the proposed 350 single-family dwelling units (468 gpd/residence equaling 0.52 acre-feet/year/residence) the proposed development will require 182 acre-feet/year.

Water Supply:

Please find enclosed a copy of our District's Present and Future Water Sources report that the District has provided the State Division of Water Resources as required by Section 30-28-136(1)(h)(ii), C.R.S. Also included are two tables showing the water usage in 2012 and projected usage at District build-out.

Water Quality:

The District is in compliance with the Colorado Department of Public Health and Environment testing and quality requirements.

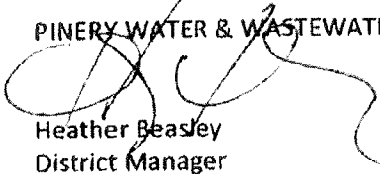
Feasibility of Service:

It may be physically and economically feasible for the District to extend service to the proposed development, subject to the findings of our current investigations with the project.

If you have further concerns or questions, please feel free to call or e-mail.

Sincerely,

PINERY WATER & WASTEWATER DISTRICT



Heather Beasley
District Manager

Present and Future Water Sources Denver Southeast Suburban Water & Sanitation District

Prepared by HRS Water Consultants, Inc. in Consultation with Denver Southeast Suburban
Water & Sanitation District
May 2014

A. General

The Denver Southeast Suburban Water and Sanitation District AKA Pinery Water and Wastewater District (DSSWSD) has two types or sources of water for present and future water supply. These are tributary shallow wells constructed in the Cherry Creek alluvium and deep non-tributary Denver Basin Aquifer wells. The shallower alluvial wells have water rights from the senior Harrison and Haley Ditch rights, along with junior water rights which are covered under an existing plan for augmentation in Case No. W-6862 and a new plan for augmentation application (Case No. 11CW198) and an associated substitute water supply plan. The annual appropriation for the deep Denver Basin aquifer wells is derived from: 1) Pre Senate Bill 213 wells; 2) District decrees; 3) Decrees from others that have been included in the District. In total, DSSWSD has water rights for a maximum of 15,037 af/yr.

B. Water Rights Considerations

The pumping of the shallow wells constructed in the Cherry Creek alluvium is covered by the District's existing plan for augmentation (W-6268) and a new plan for augmentation (11CW198) which adds additional tributary wells and water sources. The current augmentation plan allows for tributary pumping using three sources:

1. In-priority pumping based upon the historic use from the senior Harrison and Haley ditch rights totaling 1,220 acre-feet per year;
2. Infrequent in-priority pumping under the junior well water rights;
3. Out-of-priority pumping derived from return flow credit from District use of non-tributary (pre-S.B. 213) wells pursuant to the plan for augmentation.

The District also has begun supplying water under the pending application in Case No. 11CW198 under an annually renewed substitute water supply plan. This new plan includes additional alluvial wells, nontributary water rights not included in the original augmentation plan, and additional water sources. These sources potentially will include:

4. Infrequent in-priority pumping under new alluvial well water rights;
5. Additional nontributary water rights and wells;
6. Water available from the Cherry Creek Project Water Authority;
7. Water available through the W.I.S.E agreement;
8. Out-of-priority alluvial well pumping to be allowed under the new plan for augmentation and derived from return flow credits and/or direct releases and exchanges from the above sources.

The District has acquired a substantial amount of non-tributary ground water through adjudications by the District or Senior Corp., or through inclusions into the District, or by direct purchase. The attached Table 1 provides a summary of the various decreed non-tributary rights and annual appropriations.

The primary source of non-tributary ground water currently in use by the District is from the original set of Pre-Senate Bill 213 (Pre-S.B. 213) wells which are referenced in the augmentation plan in Case No. W-6268 and three associated decrees (W-6265, W-6267 and W-7241). These are the wells designated as A through M. Because part of the original appropriations for wells A, B and J have been reduced, and Well C has been abandoned, the present total availability of non-tributary water for this set of wells is 1,865 acre-feet per year (af/yr).

The District acquired water rights from Senior Corp., initially for property east of Highway 83 and then for property west of the highway. These rights were originally filed together under applications for each of the four Denver basin aquifers, but were then separated into two sets of decrees based on lands east and west of Highway 83. Non-tributary rights acquired from Senior Corp. for the District area east of the highway total 2,261 af/yr, and 3,051 af/yr for the west area.

The District also acquired the non-tributary water rights associated with the Gondolier Farms which was decreed in Case No. 84CW208. These rights total 885 af/yr.

In Case No. 85CW203, the District adjudicated all remaining water underlying District lands east of Highway 83 which had not previously been adjudicated in any of the above-described decrees. This decree also recovered a portion of the water made available by the reduction in appropriations for Pre-S.B. 213 wells A, B, C and J. The total non-tributary ground water made available under this decree is 2,466 af/yr.

The District has also obtained additional decreed ground water rights by inclusion of the Reata South (1,608 af/yr) and Vistancia/Scott Road (184 af/yr) developments. In addition the District purchased decreed ground water rights from the Evans Ranch in the amount of 1,146 af/yr. These additional rights total 2,938 af/yr.

All of the above-described decrees provide additional non-tributary ground water for District use beyond the amount originally included in the District augmentation plan. The total of these additional rights is 11,601 af/yr. When combined with the original Pre-S.B. 213 well appropriations, the District has a total non-tributary ground water supply of about 13,466 af/yr. It should be noted that several of the listed decrees include provisions where the final ground water appropriation may be changed based on site-specific data at the time wells are drilled. Based on past experience, such data is not likely to change the decreed appropriations more than plus or minus 5 percent.

The decree in Case No. W-6268 also includes changes in use for the District's 5/9 interest in the Harrison Ditch, and the 85% interest in the Haley Ditch. The decree made findings of a combined total 1220 af/yr may be pumped through certain District alluvial wells as alternate points of diversion and used directly for municipal purposes. With priorities of May 30, 1874,

and July 1, 1873, respectively, these are some of the most senior rights on Cherry Creek and provide a firm yield of 1,220 af/y.

Under the existing augmentation plan in Case No. W-6268, the District can utilize return flows from municipal use of non-tributary water supplied by the District's Denver Basin aquifer wells as credits against out-of-priority tributary well pumping. Under the augmentation plan, return flow credits for non-tributary pumping are calculated based on the monthly consumptive use percentages included in Paragraph 22 of the decree. Depletions from tributary well pumping are calculated as equal to the monthly consumptive use percentages. The credits for return flows are then applied to offset the calculated depletions on an annual basis. As long as the total non-tributary return flows equal or exceed the total tributary well depletions at the end of the year, the District's augmentation plan is in compliance and no injury to other water rights will occur.

Under the proposed plan for augmentation in Case No. 11CW198, additional nontributary water rights and associated return flow credits are included as augmentation sources to also allow for additional tributary well pumping. Up to eight additional alluvial wells (2 currently in use) can be added under the plan. Depletions from out-of-priority pumping from the alluvial wells will be offset from return flows from nontributary well pumping under the plan, as well as other sources. These other sources include water available to the District through its participation in the Cherry Creek Project Water Authority and the W.I.S.E agreement, a plan by which recycled water from Denver and Aurora is made available via pipeline for use by several southeastern metro area water providers. The augmentation plan also includes provisions to maximize use and flexibility for the various water sources via exchanges and storage, including aquifer storage and recovery.

The water listed in Table 1 under the Broe Aug Plan and Rosie Wells decree (Broe) can only be used for future development of the Broe property.

C. Requirements

The water requirements of DSSWSD has varied over the years, depending upon stage of buildout and precipitation. Table 2 shows the recorded use during the past 30 years. As can be noted, the system use has more than doubled since 1982 to a total of 3,471 af in the water year 2012. Projected build out water use for the District is estimated to be 4,200 af/y.

D. Summary of Uses and Projected Dry Year and Average Year Yields

The tabulation below shows the past ten years of water used within the existing system. The uses within the District should be more than covered by the 15,037 af/yr of water for which the District has water rights.

The yield of the District's Denver Basin water rights will not be affected by a dry year. Thus the dry year and average year yield will be the same and will be as decreed, with a total of up to 13,800 af/y of decreed rights available.

The District's Cherry Creek alluvial water rights can be impacted by a dry year in terms of both physical supply and water available through the administration of water rights. The most senior water rights for the Haley and Harrison ditches have a firm yield of 1,220 af/y. When both the junior and senior alluvial well water rights are combined with Denver Basin water under the District augmentation plans, the actual yield of the alluvial wells is greater. During drought years from 2002 through 2004, total alluvial well pumping was in the range of 1,700 to 2,000 af/y. Based on those years, the dry year yield of the alluvial wells can be considered to be 1,700 af/y. The expected average yield of the alluvial water rights is about 2,150 af/y.

The current and proposed uses of the District's water rights are the same and are for all uses. These uses correspond to the existing decreed water rights of the District.

Year	Tributary (af/yr)	Non- Tributary (af/yr)	Total (af/yr)
2002	2,002	832	2,834
2003	1,730	687	2,417
2004	1,852	360	2,211
2005	2,088	652	2,740
2006	2,704	811	3,514
2007	2,474	613	3,087
2008	2,450	1021	3,470
2009	1,928	608	2,537
2010	2,160	1150	3,310
2011	2,536	769	3,305
2012	2,198	1273	3,471
2013	1,704	1195	2,898

TABLE I

**Denver Southeast Suburban
Water & Sanitation District**

Water Rights Summary

Case No.	Description	Decreed Amount (af/yr)	Subtotals (af/yr)
A. Tributary Water Rights			
W-6268	Harrison & Haley Ditches	1220	1220
W-6268	Junior Water Rights	Variable	
B. Nontributary Water Rights			
W-6265	Wells A, B and C	243	
W-6267	Well J	103	
W-7241	Wells F,G,H,I,K,L and M	1519	
	Pre-S.B. 213 Wells Subtotal:		1865
	(amount w/Current Aug Plan in W-6268)		3085
83CW087E	Senior Corp. East Side - Arapahoe	1202	
83CW088E	Senior Corp. East Side - Denver	240	
83CW089E	Senior Corp. East Side - Dawson	305	
83CW090E	Senior Corp. East Side - LFH	514	
	Senior Corp East Side Subtotal:		2261
82CW087W	Senior Corp. West Side - Arapahoe	1823	
83CW088W	Senior Corp. West Side - Denver	396	
83CW089W	Senior Corp. West Side - Dawson	154	
83CW090W	Senior Corp. West Side - LFH	678	
	Senior Corp West Side Subtotal:		3051
84CW208	Gondolier Farms Decree	885	
85CW203	DSSWSD Nontributary Determination	2466	
89CW086, 087, 088, and 089	Reata South	1608	
93CW146 & 2003CW344	Evans Ranch	1146	
85CW139	Wolf/Vistancia/Scott Road	184	
	Additional Nontributary Water Subtotal:		6289
	Total Nontributary Water:		13,466
Nontributary Water Assigned to Broe Aug Plan (87CW338)			
82CW418	Rosie Wells Decree (Broe)	351	351
C. Total Water Sources, including Broe			
			15,037

Plinery Water and Wastewater District
Water Use based on Water Year
Table 2

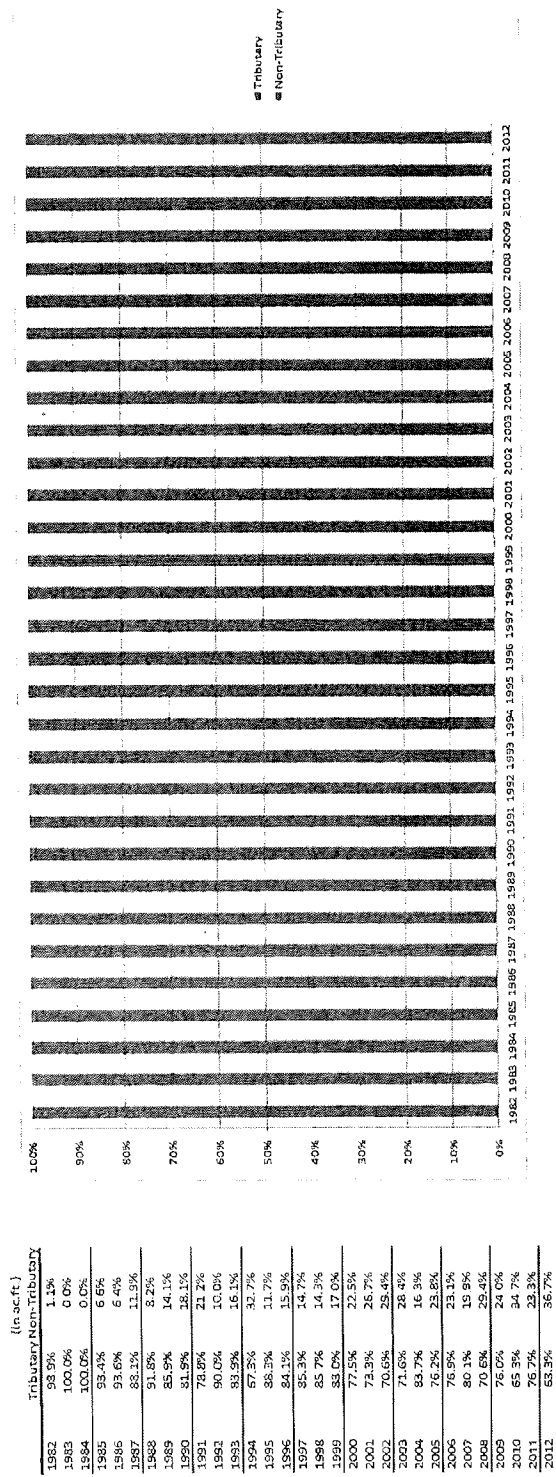
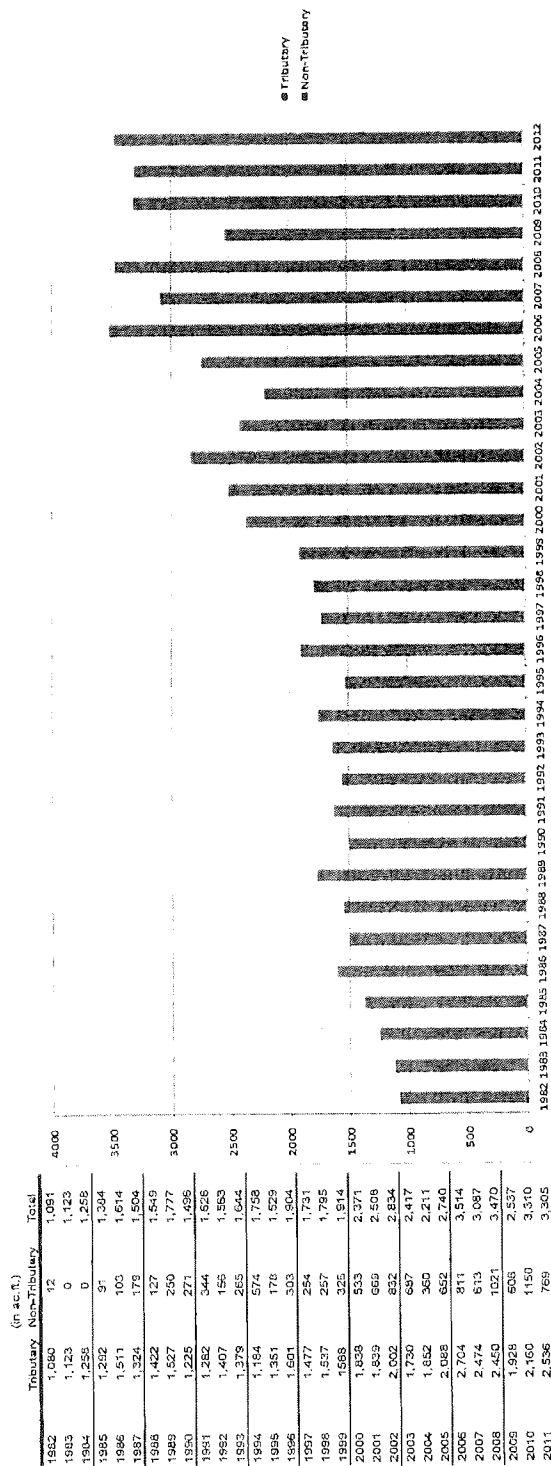


Exhibit I
Compliance with the Regional Clean Water Plan



P.O. BOX 1660 ■ PARKER, CO 80134 ■ 303/841-2797 ■ FAX 303/841-2123

February 4, 2014

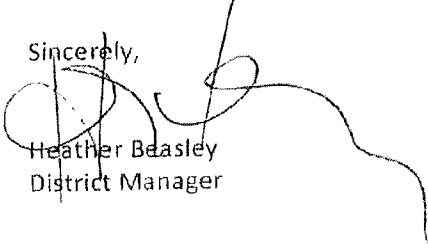
Patrick Lyng
3580 S. Lincoln St.
Englewood, CO 80113

Compliance with Regional Clean Water Plan

Patrick,

The Pinery Water and Wastewater District is in Compliance with the Regional Clean Water Plan.

Sincerely,



Heather Beasley
District Manager

Exhibit J-1
Draft Operation Funding Agreement

NOTE: ANNUAL APPROPRIATION AGREEMENT

YEAR OPERATION FUNDING AGREEMENT

This **OPERATION FUNDING AGREEMENT** ("Agreement") is made and entered into this _____ day of _____, 20_____, with an effective date of _____, by and between **STONE CREEK METROPOLITAN DISTRICT**, a quasi-municipal corporation and political subdivision of the State of Colorado (the "District") and **CHOKE CHERRY INVESTORS, LLC**, a Colorado limited liability company (the "Developer") (individually, each a "Party" and collectively the "Parties").

RECITALS

WHEREAS, Developer is the owner of property within a project located in Douglas County, Colorado, commonly known as Stone Creek Ranch (the "Property"); and

WHEREAS, pursuant to the authority granted to the District by its Service Plan, as approved by Douglas County, Colorado on _____, as it may be amended from time to time (the "Service Plan"), the District intends to construct and/or acquire certain public improvements and provide certain services to benefit properties within its boundaries (the "District Services"); and

WHEREAS, the District Services will benefit the Property; and

WHEREAS, in order for the public improvements to be constructed and/or acquired it is necessary for the District to be able to pay its ongoing operations and maintenance expenses which enable it to provide the District Services; and

WHEREAS, the District anticipates that it will not have sufficient revenues to make payment of its operations and maintenance expenses for fiscal year _____; and

WHEREAS, in order to enable the District to provide District Services, Developer is willing to advance funds to the District or to pay consultants directly for operations and maintenance expenses pursuant to the terms of this Agreement; and

WHEREAS, the District's Service Plan authorizes the repayment of amounts advanced for operations and maintenance expenses, together with interest thereon, by the District; and

WHEREAS, the District and the Developer desire to set forth the rights, obligations and procedures for the Developer to advance funds and for the District to reimburse the Developer for the advances made hereunder.

NOW, THEREFORE, in consideration of the foregoing and the respective agreements of the Parties contained herein, the Parties agree as follows:

COVENANTS AND AGREEMENTS

1. Acknowledgement of Anticipated Shortfalls. The District anticipates a shortfall in revenues available for operations and maintenance expenses to be incurred for fiscal year _____ in an aggregate amount of ___ Dollars (\$___) (the "Shortfall Amount").
2. Payment of Shortfall. The Developer shall advance funds necessary to fund, or shall directly pay, the District's operations and maintenance expenses on a periodic basis as needed for the fiscal year _____ up to the Shortfall Amount. The District shall, from time to time, provide written notice to the Developer that an advance of all or part of the Shortfall Amount is required. The Developer shall make an advance of funds to the District within fifteen (15) days of receipt from the District of any such written notice that an advance of funds is required ("Developer Advance").
3. Request for Additional Developer Advance. If the District requires additional advances above the Shortfall Amount from the Developer in order to meet its operation and maintenance expenses, the District shall request such additional funds in writing. Such request shall be accompanied by written explanation regarding the reasons additional funds are required. The Developer shall provide such additional funds within fifteen (15) days of receipt of notice requesting such funds. The amount of the additional funds shall be added to and included in the Shortfall Amount.
4. Accounting. The Developer shall provide the District with written documentation relative to any expenses paid directly to consultants. The District shall keep an accounting of each advance made by the Developer, including the accrued and unpaid interest on such advances, and shall provide unaudited financial statements reflecting this accounting to the Developer on a monthly/quarterly/annual basis.
5. Repayment. The District hereby agrees that it is its intention to repay the amounts the Developer has advanced or directly paid pursuant to this Agreement, to the extent it has funds available from the imposition of its taxes, fees, rates, tolls, penalties, and charges and from any other revenue legally available, after the payment of its annual debt service obligations and annual operations and maintenance expenses, which repayment is subject to annual budget and appropriation. Simple interest shall accrue on each Developer Advance from the date of deposit into the District's account or from the date of directly payment by Developer, until paid, at the rate of ___ percent (___%) per annum. It is hereby agreed and acknowledged that this Agreement evidences an intent to reimburse the Developer hereunder, but that this Agreement shall not constitute a debt or indebtedness of the District within the meaning of any constitutional or statutory provision, nor shall it constitute a multiple fiscal year financial obligation, and the making of any reimbursement hereunder shall be at all times subject to annual appropriation by the District in its absolute discretion. By acceptance of this Agreement, Developer agrees and consents to all of the limitations in respect of the payment of the principal and interest due hereunder and in the District's Service Plan.
6. Priority of Payments. Subject to the provisions of Section 5 above, payments to reimburse the Developer shall be made on December 2 of each year and shall be applied as

follows: (a) first to the accrued and unpaid interest and then to the principal amount due pursuant to this Agreement.

7. Representations. Developer hereby represents and warrants to and for the benefit of the District as follows:

(a) The Developer is a Colorado limited liability company in good standing under the law of the State of Colorado.

(b) Developer has the full power and legal authority to enter into this Agreement. Neither the execution and delivery of this Agreement nor the compliance by the Developer with any of its terms, covenants or conditions is or shall become a default under any other agreement or contract to which Developer is a party or by which Developer is or may be bound. Developer has taken or performed all requisite acts or actions which may be required by its organizational or operational documents to confirm its authority to execute, deliver and perform each of its obligations under this Agreement.

(c) Developer represents that it has sufficient available funds to fulfill its obligations under this Agreement.

The foregoing representations and warranties are made as of the date hereof and shall be deemed continually made by Developer to District for the entire term of this Agreement.

8. Term/Repose. The term of this Agreement shall commence on the date hereof and shall expire on December 31, 20____, unless terminated earlier by the mutual agreement of the Parties. Any obligation of Developer to advance funds will expire on March 15, 20____. Any obligation of District to reimburse Developer shall expire on December 31, 20____. In the event the District has not reimbursed the Developer for any Developer Advance(s) made pursuant to this Agreement on or before December 31, 20____, any amount of principal and accrued interest outstanding on such date shall be deemed to be forever discharged and satisfied in full.

9. Termination of Reimbursement Obligations. Notwithstanding any provision herein to the contrary, the District's obligations to reimburse the Developer for any and all funds advanced or otherwise payable to the Developer under and pursuant to this Agreement (whether the Developer has already advanced or otherwise paid such funds or intends to make such advances or payments in the future) shall terminate automatically and be of no further force or effect upon the occurrence of (a) the Developer's voluntary dissolution, liquidation, winding up, or cessation to carry on business activities as a going concern; (b) administrative dissolution (or other legal process not initiated by the Developer dissolving the Developer as a legal entity) that is not remedied or cured within 60 days of the effective date of such dissolution or other process; or (c) the initiation of bankruptcy, receivership or similar process or actions with regard to the Developer (whether voluntary or involuntary). The termination of the District's reimbursement obligations as set forth in this section shall be absolute and binding upon the Developer, its successors and assigns. The Developer, by its execution of this Agreement, waives and releases any and all claims and rights, whether existing now or in the future, against the District relating

to or arising out of the District's reimbursement obligations under this Agreement in the event that any of the occurrences described in this section occur.

10. Notices. All notices, demands, requests or other communications to be sent by one party to the other hereunder or required by law shall be in writing and shall be deemed to have been validly given or served by delivery of same in person to the addressee or by courier delivery via Federal Express or other nationally recognized overnight air courier service, by electronically-confirmed email transmission, or by depositing same in the United States mail, postage prepaid, addressed as follows:

To District: Stone Creek Metropolitan District
 c/o McGeady Sisneros, P.C.
 450 17th Avenue, Suite 400
 Denver, CO 80203-1214
 Attention: Mary Jo Dougherty
 Phone: 303-592-4380
 Email: mjdougherty@mcgeadysisneros.com

With a copy to: McGeady Sisneros, P.C.
 450 17th Avenue, Suite 400
 Denver, CO 80203-1214
 Attention: Mary Jo Dougherty
 Phone: 303-592-4380
 Email: mjdougherty@mcgeadysisneros.com

To Developer: Choke Cherry Investors, LLC
 Attn: Michael Sanders
 960 Westlake Boulevard, Suite 202
 Westlake Village, California 91361
 Phone: 310-460-6324
 Email: landdad@gmail.com

With a copy to: _____

 Attention:
 Phone:
 Email:

All notices, demands, requests or other communications shall be effective upon such personal delivery or one (1) business day after being deposited with Federal Express or other nationally recognized overnight air courier service, on the date of transmission if sent by electronically-confirmed email transmission, or three (3) business days after deposit in the United States mail. By giving the other party hereto at least ten (10) days' written notice thereof

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

11. Assignment. The Developer shall not assign any of its rights or delegate any of its duties hereunder to any person or entity. Any purported assignment or delegation in violation of the provisions hereof shall be void and ineffectual.

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

13. Default/Remedies. In the event of a breach or default of this Agreement by either party, the non-defaulting party shall be entitled to exercise all remedies available at law or in equity. In the event of any litigation, arbitration or other proceeding to enforce the terms, covenants or conditions hereof, the prevailing party in such litigation, arbitration or other proceeding shall obtain as part of its judgment or award its reasonable attorneys' fees.

14. Governing Law and Jurisdiction. This Agreement shall be governed and construed under the laws of the State of Colorado. Venue for any legal action relating to this Agreement shall be exclusive to the State District Court in and for the County of Douglas, Colorado.

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

16. Integration. This Agreement constitutes the entire agreement between the Parties with respect to the matters addressed herein. All prior discussions and negotiations regarding the subject matter hereof are merged herein.

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

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

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

20. Amendment. This Agreement may be amended from time to time by agreement between the Parties hereto, provided, however, that no amendment, modification, or alteration of

DRAFT
McGEADY SISNEROS, P.C.

the terms or provisions hereof shall be binding upon the District or the Developer unless the same is in writing and duly executed by the Parties hereto.

SIGNATURE PAGE FOLLOWS

SIGNATURE PAGE TO OPERATION FUNDING AGREEMENT

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

STONE CREEK METROPOLITAN DISTRICT, a quasi-municipal corporation and political subdivision of the State of Colorado

By: _____
President

Attest:

Secretary

CHOKE CHERRY INVESTORS, LLC, a Colorado limited liability company

By: _____

Title: _____

Exhibit J-2
Draft Facilities Funding and Acquisition Agreement

FACILITIES FUNDING AND ACQUISITION AGREEMENT

This FACILITIES FUNDING AND ACQUISITION AGREEMENT ("Agreement") is made and entered into this _____ day of _____, 2014, with an effective date of _____, by and between **STONE CREEK METROPOLITAN DISTRICT**, a quasi-municipal corporation and political subdivision of the State of Colorado (the "District") and **CHOKE CHERRY INVESTORS, LLC**, a Colorado limited liability company (the "Developer") (collectively, the "Parties").

RECITALS

WHEREAS, Developer is the developer of a project located in the County of Douglas, Colorado, commonly known as Stone Creek Ranch (the "Property"); and

WHEREAS, the Property is within the boundaries of the District; and

WHEREAS, the District was organized on [ENTER ORGANIZATION/ORDER & DECREE RECORDING DATE] ("Organization Date"); and

WHEREAS, pursuant to the authority granted to the District by its Service Plan, as approved by Douglas County on _____, as it may be amended from time to time (the "Service Plan"), the District intends to acquire certain public improvements to benefit properties within its boundaries; and

WHEREAS, in order for the Property to be developed, the Improvements need to be constructed and/or acquired; and

WHEREAS, the District does not currently have sufficient monies available to fund the cost of construction of the Improvements or to acquire the Improvements; and

WHEREAS, funds related to the design, testing, engineering, and construction of the Improvements together with the related consultant and management fees associated with the construction of the Improvements have been and/or will be expended by the Parties ("Construction Related Expenses"); and

WHEREAS, it is anticipated that the District will issue bonds, the proceeds of which may be utilized in part to reimburse the Developer for Organization Expenses, Construction Related Expenses, and/or acquisition of Improvements; and

WHEREAS, in order to encourage development within the District, the District and the Developer have determined that until bonds are issued it is in the best interests of the District for the Developer to advance funds to the District for the Construction Related Expenses and/or for the District's acquisition of the Improvements upon completion, and the Developer is willing to so proceed; and

WHEREAS, the District desires to reimburse the Developer for the Construction Related Expenses and to acquire such Improvements completed by the Developer; and

WHEREAS, the Developer has incurred expenses for the organization of the District (the "Organization Expenses"); and

WHEREAS, the District desires to reimburse the Developer for the Organization Expenses; and

WHEREAS, the District and the Developer desire to set forth the rights, obligations, and procedures for the acquisition of the Improvements and for the District to reimburse the Developer as provided herein.

NOW, THEREFORE, in consideration of the foregoing and the respective agreements of the Parties contained herein, the Parties agree as follows:

COVENANTS AND AGREEMENTS

ARTICLE I FUNDING OF ORGANIZATION EXPENSES

1.1 Acknowledgement of and Reimbursement for Organization Expenses. District acknowledges that Developer has expended funds for the Organization Expenses. Developer shall provide written documentation relative to the Organization Expenses to the District's accountant, such documentation to be satisfactory to the District. Upon the District's accountant's verification of the documentation in determining the amount of the Organization Expenses, such amount shall be reimbursable to the Developer. Subject to the receipt of funding pursuant to Article 4 herein, the Developer shall be reimbursed for those Organization Expenses that have been verified and approved by the District's accountant, as well as amounts advanced to the District by the Developer to pay for the costs incurred by the District for such review, verification and approval, together with interest thereon which shall accrue from the Organization Date at the rate of _____ percent (_____%) per annum.

ARTICLE II FUNDING OF IMPROVEMENTS TO BE CONSTRUCTED BY THE DISTRICT

2.1 Improvements Constructed by the District. The Parties acknowledge that the District will design, construct, and complete certain Improvements and incur Construction Related Expenses in accordance with the provisions of this Article II.

2.2 Acknowledgement of Anticipated Shortfall. Developer acknowledges that in connection with the construction of the Improvements, the District will incur Construction Related Expenses in reliance upon the Developer's commitments herein to provide funding. The total estimated cost to complete construction of the Improvements, including contingencies, is _____ Dollars (\$_____) (the "Shortfall Amount").

2.3 Payment of Shortfall. The Developer shall advance funds necessary to fund the Construction Related Expenses incurred by the District on a periodic basis as needed for the fiscal years 20__ through 20__ of the District, up to the Shortfall Amount. The District shall, from time to time, provide written notice to the Developer that an advance of all or part of the Shortfall Amount is required. The Developer shall make an advance of funds to the District within fifteen (15) days of receipt from the District of any such written notice that an advance of funds is required ("Developer Advance").

2.4 Request for Additional Developer Advance. If the District requires additional advances above the Shortfall Amount from the Developer for the Construction Related Expenses, the District shall request such additional funds in writing. Such request shall be accompanied by written explanation regarding the reasons additional funds are required. The Developer shall provide such additional funds within fifteen (15) days of receipt of notice requesting such funds. The amount of the additional funds shall be added to and included within the Shortfall Amount.

2.5 Accounting. The District shall keep an accounting of each Developer Advance, including the accrued and unpaid interest thereon, and shall provide unaudited financial statements reflecting this accounting to the Developer on a monthly/quarterly/annual basis.

[ALTERNATIVE ARTICLE II PROVISIONS – DEPENDING ON WHETHER DISTRICT OR DEVELOPER WILL CONSTRUCT THE IMPROVEMENTS:]

2.1 Improvements Constructed by the District. The Parties anticipate that the Developer may design, construct and complete certain Improvements and incur Construction Related Expenses, in which case the District will acquire such Improvements in accordance with the provisions of Article III. In the event that the District proceeds with the design, construction and completion of any Improvements, the District shall request funding from the Developer in writing. Such request shall be accompanied by written explanation regarding the reasons funds required. The Developer shall review such requests and, upon approval, shall advance the funds.

2.2 Accounting. The District shall keep an accounting of each Developer Advance, including the accrued and unpaid interest thereon, and shall provide unaudited financial statements reflecting this accounting to the Developer on a monthly/quarterly/annual basis.]

ARTICLE III CONSTRUCTION OF IMPROVEMENTS TO BE ACQUIRED BY THE DISTRICT

3.1 Improvements Acquired by District. The Parties acknowledge that the Developer has or will design, construct, and complete certain Improvements in accordance with the provisions of this Article III for District acquisition upon completion. Developer agrees that the Improvements it has constructed or the Improvements it undertakes to construct shall be constructed in full conformance with the design standards and specifications as established and

in use by the District or other appropriate jurisdiction and in accordance with the provisions of this Agreement and the District's Service Plan.

3.2 Construction Contract Requirements. The Developer agrees that any construction contract for all or any portion of the Improvements shall require the contractor to provide a warranty from the date of initial acceptance of the completed Improvement and a security mechanism to secure the warranty approved by the District or as required by the applicable government entity to which the Improvements shall be dedicated.

3.3 Verification of Costs. The Developer agrees that prior to requesting that the District acquire any Improvements pursuant to this Agreement, the Developer shall obtain a certification of an independent engineer that the Construction Related Expenses are reasonable and comparable for similar projects as constructed in the Denver Metropolitan Area/Local Community, and verification from the District's accountant that the Construction Related Expenses are reimbursable ("Verified Costs") based on the copies of the invoices, bills, and requests for payment provided to the District pursuant to Section 3.5 herein. The Developer shall provide the District with written evidence of the date that payment was made by the Developer for all Verified Costs. The Developer shall advance to the District funds necessary to pay the costs incurred by the District for such review and cost verification, including legal, accounting, management and engineering expenses.

3.4 Periodic Reports. If the District so requests, Developer will provide periodic reports on the status of completion of the Improvements and/or accounting of Construction Related Expenses.

3.5 Acquisition of the Improvements. The District shall acquire the Improvements after preliminary acceptance from the appropriate accepting jurisdiction and prior to final acceptance upon receipt, review and approval by the District's accountant and engineer, as applicable, of the following:

- (a) As-built drawings for the Improvements to be conveyed by the Developer;
- (b) Lien waivers and indemnifications from each contractor verifying that all amounts due to contractors, subcontractors, material providers, or suppliers have been paid in full, in a form acceptable to the District;
- (c) An assignment from the Developer to the District of any warranties associated with the Improvements, in a form acceptable to the District;
- (d) Copies of all contracts, pay requests, change orders, invoices, the final AIA payment form (or similar form approved by the District), canceled checks, and any other requested documentation to verify the amount requested;
- (e) An executed Bill of Sale conveying the Improvements to the District, substantially in a form of **Exhibit A** attached hereto; and

(f) Such other documentation, records and verifications as may reasonably be required by the District.

ARTICLE IV
REIMBURSEMENT OF DEVELOPER

4.1 Reimbursement of Developer. Subject to the receipt of funding pursuant to Section 4.3 herein and all other applicable provisions hereof, the District agrees to make payment to the Developer for all Developer Advances and/or Verified Costs together with interest thereon. Developer and District acknowledge the existence of limitations on the District's ability to make such payments as a result of _____. The Developer acknowledges the District may elect to be inactive in any one or more of the years this Agreement is in effect, and the Developer and the District agree that, during the period of inactivity: the District shall have no financial obligations outstanding or contracts in effect that require performance by the District; the District shall not impose a mill levy for tax collection; the District shall not anticipate any receipt of revenue and shall have no planned expenditures, except for statutory compliance, in said fiscal year(s); the District shall have no operation or maintenance responsibility for any facilities; and the District shall file an initial notice of inactive status pursuant to Section 32-1-104, C.R.S., and each year thereafter that the District continues to be inactive, the District shall file a notice of inactive status pursuant to Section 32-1-104(4), C.R.S. By acceptance of this Agreement, Developer agrees that during any period of District inactivity, the District shall have no obligations, including no obligations to make reimbursements, under this Agreement and shall not be required to take any other actions hereunder.

4.2 Interest and Payment Priority. Simple interest shall accrue on Organization Expenses and Construction Related Expenses at the rate of ____ percent (____%) per annum until paid. For Organization Expenses, simple interest shall accrue from the Organization Date. For Construction Related Expenses, simple interest shall accrue as follows:

- (a) On each Developer Advance, from the date of deposit into the District's account.
- (b) On Verified Costs for amounts expended by the Developer for Construction Related Expenses incurred prior to the Organization Date, from the Organization Date.
- (c) On Verified Costs for amounts expended by the Developer for Improvements constructed after the Organization Date, from the date Verified Costs were incurred by the Developer.

The Parties agree that payments by the District to the Developer shall credit first against accrued and unpaid interest and then to the principal amount due.

4.3 Funding Requirement. The Parties agree that no payment shall be required of the District hereunder unless and until the District issues bonds in an amount sufficient to reimburse the Developer for all or a portion of the Organization Expenses, Developer Advances and/or Verified Costs. The District agrees to exercise reasonable efforts to issue bonds to reimburse the Developer subject to the limitations herein. In addition, the District agrees to utilize any available moneys not otherwise pledged to payment of bonds, used for operation and maintenance expenses, or otherwise encumbered, to reimburse the Developer. It is hereby agreed and acknowledged that this Agreement evidences an intent to reimburse the Developer hereunder, but that this Agreement shall not constitute a debt or indebtedness of the District within the meaning of any constitutional or statutory provision, nor shall it constitute a multiple fiscal year financial obligation, and the making of any reimbursement hereunder shall be at all times subject to annual appropriation by the District. By acceptance of this Agreement, Developer agrees and consents to all of the limitations in respect of the payment of the principal and interest due hereunder and in the District's Service Plan.

ARTICLE V
GENERAL PROVISIONS

5.1 Representations. Developer hereby represents and warrants to and for the benefit of the District as follows:

- (a) The Developer is a Colorado limited liability company in good standing under the law of the State of Colorado.
- (b) Developer has the full power and legal authority to enter into this Agreement. Neither the execution and delivery of this Agreement nor the compliance by the Developer with any of its terms, covenants or conditions is or shall become a default under any other agreement or contract to which Developer is a party or by which Developer is or may be bound. Developer has taken or performed all requisite acts or actions which may be required by its organizational or operational documents to confirm its authority to execute, deliver and perform each of its obligations under this Agreement.
- (c) Developer represents that it has sufficient available funds to fulfill its obligations under this Agreement.
- (d) The foregoing representations and warranties are made as of the date hereof and shall be deemed continually made by Developer to District for the entire term of this Agreement.

5.2 Term; Repose. Notwithstanding anything set forth in this Agreement to the contrary, the District shall not be obligated to make any payments to the Developer for Organization Expenses, Construction Related Expenses and/or Verified Costs incurred by the Developer but not invoiced (as evidenced by the delivery of the documents described in Article 3 above) to the District within ___ of the date incurred. In the event the District has not paid or

reimbursed the Developer for any Organization Expenses, Construction Related Expenses and/or Verified Costs by December 31, 20██, whether invoiced or not invoiced by such date, any amount of principal and accrued interest outstanding on such date shall be deemed to be forever discharged and satisfied in full.

5.3 Termination of Reimbursement Obligations. Notwithstanding any provision herein to the contrary, the District's obligations to reimburse the Developer for any and all funds advanced or otherwise payable to the Developer under and pursuant to this Agreement (whether the Developer has already advanced or otherwise paid such funds or intends to make such advances or payments in the future) shall terminate automatically and be of no further force or effect upon the occurrence of (a) the Developer's voluntary dissolution, liquidation, winding up, or cessation to carry on business activities as a going concern; (b) administrative dissolution (or other legal process not initiated by the Developer dissolving the Developer as a legal entity) that is not remedied or cured within 60 days of the effective date of such dissolution or other process; or (c) the initiation of bankruptcy, receivership or similar process or actions with regard to the Developer (whether voluntary or involuntary). The termination of the District's reimbursement obligations as set forth in this section shall be absolute and binding upon the Developer, its successors and assigns. The Developer, by its execution of this Agreement, waives and releases any and all claims and rights, whether existing now or in the future, against the District relating to or arising out of the District's reimbursement obligations under this Agreement in the event that any of the occurrences described in this section occur.

5.4 Certification of Compliance with Illegal Alien Statute. By its execution hereof, the Developer confirms and ratifies all of the certifications, statements, representations and warranties set forth in **Exhibit B** attached hereto and made a part hereof by this reference.

5.5 Notices. All notices, demands, requests or other communications to be sent by one party to the other hereunder or required by law shall be in writing and shall be deemed to have been validly given or served by delivery of same in person to the addressee or by courier delivery via Federal Express or other nationally recognized overnight air courier service, by electronically-confirmed email transmission, or by depositing same in the United States mail, postage prepaid, addressed as follows:

DRAFT
McGEADY SISNEROS, P.C.

To District: Stone Creek Metropolitan District
c/o McGeady Sisneros, P.C.
450 17th Avenue, Suite 400
Denver, CO 80203-1214
Attention: Mary Jo Dougherty
Phone: 303-592-4380
Email: mjdougherty@mcgeadysisneros.com

With a copy to: McGeady Sisneros, P.C.
450 17th Avenue, Suite 400
Denver, CO 80203-1214
Attention: Mary Jo Dougherty
Phone: 303-592-4380
Email: mjdougherty@mcgeadysisneros.com

To Developer: Choke Cherry Investors, LLC
Attn: Michael Sanders
960 Westlake Boulevard, Suite 202
Westlake Village, California 91361
Phone: 310-460-6324
Email: landdad@gmail.com

With a copy to: _____

Attention:
Phone:
Email:

All notices, demands, requests or other communications shall be effective upon such personal delivery, one (1) business day after being deposited with United Parcel Service or other nationally recognized overnight air courier service, on the date of transmission if sent by electronically-confirmed facsimile or email transmission, or three (3) business days after deposit in the United States mail. By giving the other party hereto at least ten (10) days written notice thereof in accordance with the provisions hereof, each of the Parties shall have the right from time to time to change its address or contact information.

5.6 Assignment. The Developer shall not assign any of its rights or delegate any of its duties hereunder to any person or entity. Any purported assignment or delegation in violation of the provisions hereof shall be void and ineffectual.

5.7 Parties Interested Herein. Nothing expressed or implied in this Agreement is intended or shall be construed to confer upon, or to give to, any person other than the District and the Developer any right, remedy, or claim under or by reason of this Agreement or any

covenants, terms, conditions, or provisions thereof, and all the covenants, terms, conditions, and provisions in this Agreement by and on behalf of the District and the Developer shall be for the sole and exclusive benefit of the District and the Developer.

5.8 Default/Remedies. In the event of a breach or default of this Agreement by either Party, the non-defaulting Party shall be entitled to exercise all remedies available at law or in equity. In the event of any litigation, arbitration or other proceeding to enforce the terms, covenants or conditions hereof, the prevailing Party in such proceeding shall obtain as part of its judgment or award its reasonable attorneys' fees.

5.9 Governing Law and Jurisdiction. This Agreement shall be governed and construed under the laws of the State of Colorado. Venue for any legal action relating to this Agreement shall be exclusive to the District Court in and for the County of Douglas, Colorado.

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

5.11 Integration. This Agreement constitutes the entire agreement between the Parties with respect to the matters addressed herein. All prior discussions and negotiations regarding the subject matter hereof are merged herein.

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

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

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

5.15 Amendment. This Agreement may be amended from time to time by agreement between the Parties hereto, provided, however, that no amendment, modification, or alteration of the terms or provisions hereof shall be binding upon the District or the Developer unless the same is in writing and duly executed by the Parties hereto.

DRAFT
McGEADY SISNEROS, P.C.

IN WITNESS WHEREOF, the Parties have executed this Facilities Funding and Acquisition Agreement as of the day and year first set forth above.

STONE CREEK METROPOLITAN DISTRICT,
a quasi-municipal corporation and political
subdivision of the State of Colorado

By: _____
 , President

Attest:

 , Secretary

CHOKE CHERRY INVESTORS, LLC, a
Colorado limited liability company

By: _____

Name: _____

Its: _____

EXHIBIT A
BILL OF SALE

KNOW ALL BY THESE PRESENTS that _____, a _____
("Grantor"), for and in consideration of the sum of Ten Dollars (\$10.00) and other good and
valuable consideration, the receipt of which is hereby acknowledged, has bargained and sold,
and by these presents does grant and convey unto _____, a _____, whose
address is _____ ("District"), its successors and assigns, all of Grantor's right, title and
interest in and to the facilities, personal property and the improvements shown on **Exhibit I**
attached hereto and incorporated herein by this reference ("Improvements").

TO HAVE AND TO HOLD the same unto the District, its successors and assigns
forever; and Grantor, its successors and assigns, shall warrant and defend the sale of said
Improvements made unto the District, its successors and assigns, against all and every person or
persons whomsoever, and warrants that (i) the conveyance of the Improvements to the District,
its successors and assigns, is made free from any claim or demand whatsoever, and (ii) the
Improvements were constructed and installed in accordance with plans and specifications
reviewed and approved by the District and all applicable Rules and Regulations of the District.

IN WITNESS WHEREOF, Grantor executes this Bill of Sale this ____ day of
_____, 20__.

[SIGNATURE PAGE FOLLOWS]

[SIGNATURE PAGE TO BILL OF SALE]

GRANTOR:

_____, a _____

By: _____

Its: _____

STATE OF COLORADO)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____,
20_____, by _____, as _____ of _____
[and by _____ as _____ of _____].

Witness my hand and official seal.

My commission expires: _____

Notary Public

EXHIBIT I

(Improvements)

Project Description

Estimated Cost

EXHIBIT B
CERTIFICATION OF CONSULTANT

1. Pursuant to the requirements of Section 8-17.5-102(1), C.R.S., the Developer hereby certifies to the District that the Developer does not knowingly employ or contract with an illegal alien who will perform work under the Agreement and that it will participate in the E-Verify Program or Department Program (as defined in Sections 8-17.5-101(3.3) and (3.7), C.R.S.) in order to confirm the employment eligibility of all employees of the Developer who are newly hired to perform work under the Agreement.
2. In accordance with Section 8-17.5-102(2)(a), C.R.S., the Developer shall not:
 - (a) Knowingly employ or contract with an illegal alien to perform work under the Agreement; or
 - (b) Enter into a contract with a subcontractor that fails to certify to the Developer that the subcontractor shall not knowingly employ or contract with an illegal alien to perform work under the Agreement.
3. The Developer represents and warrants it has confirmed the employment eligibility of all employees who are newly hired for employment to perform work under the Agreement through participation in either the E-Verify Program or the Department Program.
4. The Developer is prohibited from using either the E-Verify Program or the Department Program procedures to undertake pre-employment screening of job applicants while the Agreement is in effect.
5. If the Developer obtains actual knowledge that a subcontractor performing work under the Agreement knowingly employs or contracts with an illegal alien, the Developer shall:
 - (a) Notify the subcontractor and the District within three days that the Developer has actual knowledge that the subcontractor is employing or contracting with an illegal alien; and
 - (b) Terminate the subcontract with the subcontractor if within three days of receiving the notice the subcontractor does not stop employing or contracting with the illegal alien; except that the Developer shall not terminate the contract with the subcontractor if during such three days the subcontractor provides information to establish that the subcontractor has not knowingly employed or contracted with an illegal alien.
6. The Developer shall comply with any reasonable request by the Colorado Department of Labor and Employment ("Department") made in the course of an investigation that the Department is undertaking, pursuant to the law.
7. If the Developer violates any provision of Section 8-17.5-102(1), C.R.S., the District may terminate the Agreement immediately and the Developer shall be liable to the District for actual and consequential damages of the District resulting from such termination, and

the District shall report such violation by the Developer to the Colorado Secretary of State, as required by law.

Exhibit K
Annual Report Requirements

The District shall be responsible for submitting an annual report to the County no later than October 1 of each year. The annual report shall conform to the following format:

Name of District

Year ANNUAL REPORT

(For Activities Completed in Year, and With Information About Prospective Years)

- I. District Description - General Information
 - a. Board members, officers' titles, and terms
 - b. Changes in board membership in past year
 - c. Name and address for official District contact
 - d. Elections held in the past year and their purpose
- II. Boundary changes for the report year and proposed changes for the coming year
- III. List of intergovernmental agreements (existing or proposed) and a brief description of each detailing the financial and service arrangements
 - a. Contracts for operations, debt, and other contractual obligations with sub-districts or operating and taxing districts
 - b. Reimbursement agreements with developers and/or builders for advances to fund capital costs and administrative/operational and maintenance costs of the District
- IV. Service Plan
 - a. List and description of services authorized in Service Plan
 - b. List and description of facilities authorized in Service Plan
 - c. List and description of any extraterritorial services, facilities, and agreements

V. Development Progress

- a. Indicate the estimated year of build-out, as set forth in the Service Plan
- b. List the services provided with the date service began compared to the date authorized by the Service Plan
- c. List changes made to the Service Plan, including when the change was authorized, when it was implemented or is expected to be implemented
- d. List facilities to be acquired or constructed or leased back as set forth in the Service Plan and compare the date of completion or operation with the date authorized by the Service Plan
- e. List facilities not completed. Indicate the reason for incompleteness and provide a revised schedule, if any
- f. List facilities currently under construction with the percentage complete and an anticipated date of completion
- g. Indicate the population of the District for the previous five (5) years and provide population projections for the next five (5) years
- h. List the planned number of housing units by type and the number of commercial and industrial properties with respective square footage and anticipated dates of completion/operation. Compare the completed units and completed commercial and industrial properties to the amount planned in the Service Plan.
- i. List any enterprises created by and/or operated by or on behalf of the District, and summarize the purpose of each

VI. Financial Plan and Financial Activities

- a. Provide a copy of the audit or exemption from the audit for the reporting year.
- b. Provide a copy of the budget, showing the reporting and previous years.
- c. Show revenues and expenditures of the District for the previous five (5) years and provide projections for the next five (5) years. Include any non-District or non-governmental financial support. Include and list individually all fees, rates, tolls, etc., with a summary of the purpose of

- each. Show other miscellaneous tax revenue, such as specific ownership taxes. For the same period, show actual and projected mill levies by purpose (showing mill levies for each individual general obligation, revenue-based obligation, or contractual obligation).
- d. List all debt that has been issued, including all individual issuances with a schedule of service until the debt is retired
 - e. List individually all authorized but unissued debt, including the purpose, ballot issue letter designation and election date, and amounts authorized and unissued
 - f. List the total amount of debt issued and outstanding as of the date of the annual report and compare to the maximum authorized debt level as set forth in the Service Plan
 - g. Enterprises of the District
 - i. Include revenues of the enterprise, showing both direct support from the District and all other sources
 - ii. Include expenses of the enterprise, showing both direct payments to the District and all other obligations
 - h. Detail contractual obligations
 - i. Describe the type of obligation, current year dollar amount, and any changes in the payment schedule, e.g. balloon payments.
 - ii. Report any inability of the District to pay current obligations that are due within the current budget year
 - iii. Describe any District financial obligations in default
 - i. Actual and Assessed Valuation History
 - i. Report the annual actual and assessed valuation for the current year and for each of seven (7) years prior to current year
 - ii. For each year, compare the certified assessed value with the Service Plan estimate for that year. If Service Plan estimates are not available, indicate the same and report the certified value.

j. Mill Levy History

- i. Report the annual mill levy for the current year and for each of the seven (7) years prior to current year. Break the mill levies out by purpose (e.g., debt issuance and operations and maintenance)
- ii. For each year, compare the actual mill levy with the Service Plan estimate for that year. If Service Plan estimates are not available, indicate the same and report the actual mill levies.

k. Miscellaneous Taxes History

- i. Report the annual miscellaneous tax revenue for the current year and for each of the seven (7) years prior to the current year. Break the tax revenue out by purpose (e.g., general operations, revenue-based obligations, debt by issue, contractual obligations, other)
- ii. For each year, compare the actual miscellaneous tax revenue with the Service Plan estimate for that year (if provided in Plan). If the Service Plan estimates are not available, indicate the same and report the actual taxes.

l. Estimated Assessed Valuation of District at 100% Build-Out

- i. Provide an updated estimate and compare this with the Service Plan estimate.

m. Estimated Amount of Additional General Obligation Debt to be Issued by the District between the End of Current Year and 100% Build-Out.

- i. Provide an updated estimate based on current events. Do not include refunding bonds.

Exhibit L
District Court Decree

DISTRICT COURT, COUNTY OF DOUGLAS, STATE OF COLORADO 4000 Justice Way, Suite 2009 Castle Rock, CO 80109 720-437-6200	
IN RE THE ORGANIZATION OF STONE CREEK METROPOLITAN DISTRICT	
BY THE COURT	▲ COURT USE ONLY ▲ Case Number: _____ Div.: _____ Ctrm.: _____
	ORDER AND DECREE CREATING DISTRICT, ISSUING CERTIFICATES OF ELECTION AND RELEASING BOND

THIS MATTER comes before the Court on the Motion for Order and Decree Creating District, Issuing Certificates of Election and Releasing Bond, filed by the Petitioners in regard to the organization of Stone Creek Metropolitan District (the "District"). The Court, being fully advised in the premises, hereby FINDS AND ORDERS:

1. That the required Notice of Election was duly published in a newspaper of general circulation in the proposed District, one time, in compliance with law.
2. That a majority of the votes cast at the election held on May 6, 2014, in which the question of organization of the District was submitted to eligible electors, were in favor of organization, and that the election was held in accordance with Articles 1 to 13 of Title 1, C.R.S. and Section 20 of Article X of the Colorado Constitution.
3. The following ballots were cast on the question of organization of the proposed District:

FOR the Organization of the District

VOTES CAST

AGAINST the Organization of the District

4. That all of the provisions of law, and more particularly all of the requirements of Title 32, Article 1, Part 3, Colorado Revised Statutes, have been complied with, met and performed, in the organization of the District.

5. That the District shall be and is hereby duly and regularly organized in accordance with the requirements of Article 1 of Title 32, C.R.S.

6. That the District shall be known as "Stone Creek Metropolitan District," the corporate name as designated in the Petition filed with this Court.

7. That the District is located in Douglas County, Colorado, as more particularly described in Exhibit A, attached hereto and made a part hereof.

8. That the District shall be a quasi-municipal corporation and a political subdivision of the State of Colorado with all the powers thereof.

9. That the following qualified persons were duly elected as members of the District's first Board of Directors for the indicated terms, and as further shown on the Certificates of Election, to be issued by this Court in accordance with Section 32-I-305.5(5), C.R.S., which Certificates are submitted herewith separate from this order for execution by the Court:

<u>NAME</u>	<u>TERM</u>
_____	until the next regular election
_____	until the next regular election
_____	until the second regular election
_____	until the second regular election
_____	until the second regular election

10. That the Clerk of this Court shall release to Petitioners the organizational expenses bond in the amount submitted in connection with the organization of the District.

11. That the interest of the District and the public interest and necessity demand the incurrence of indebtedness to carry out the objectives and purposes of the District requiring the creation of a general obligation indebtedness:

(a) the District has the power to provide for the acquisition, construction, installation, and completion of certain improvements: water; sanitation; street; safety protection; park and recreation, transportation, and mosquito control;

(b) the estimated cost of the debt to be authorized is not greater than \$10,500,000 in principal amount for water improvements; \$10,500,000 in principal amount for sanitation improvements; \$10,500,000 in principal amount for street and safety improvements; \$10,500,000 in principal amount for park and recreation improvements; \$10,500,000 for intergovernmental agreements; \$10,500,000 for refunding purposes; \$10,500,000 for operations and maintenance purposes of the District; and the amount of principal to be incurred does not exceed such amount;

(c) the estimated cost of the improvements to be defrayed out of any state or federal grant is unknown at this time; and

(d) the maximum net effective interest rate to be paid on the debt is 12% per annum.

12. Said District shall be a governmental subdivision of the State of Colorado, and a body corporate and politic with all the powers of a public or quasi-municipal corporation. The facilities, services and financial arrangements of the District shall conform as far as practicable to the approved Service Plan and the resolution of approval of the Board of County Commissioners of Douglas County, Colorado. The approved Service Plan and resolution of approval required by Title 32, Article 1, Part 2, C.R.S., previously filed in the within action shall be and the same are hereby incorporated by reference in this Order. Pursuant to Section 32-1-205(2), C.R.S., a copy of the Resolution of Approval is appended hereto as **Exhibit B**.

13. The Board of Directors shall take such steps and proceedings as the needs of the District require; and in accordance with Section 32-1-306, C.R.S., within thirty (30) days after the date hereof, the District shall transmit the following:

(a) A certified copy of this Order and Decree Creating District, and a copy of the District's approved Service Plan to the Clerk and Recorder of Douglas County, Colorado and to the Division of Local Government ("DLG"); and

(b) A copy of the District map to the Douglas County Assessor and to the DLG.

DONE IN COURT this ____ day of _____, 20____.

BY THE COURT:

Judge

EXHIBIT A
(Legal Description)

EXHIBIT B
(Resolution of Approval)