

SERVICE PLAN

for

BUFFALO RIDGE METROPOLITAN DISTRICT

CITY OF COMMERCE CITY

ADAMS COUNTY, COLORADO

Dated: July 25, 1996

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BUFFALO RIDGE METROPOLITAN DISTRICT

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**SERVICE PLAN FOR THE PROPOSED
BUFFALO RIDGE METROPOLITAN DISTRICT**

INTRODUCTION

Pursuant to the requirements of the Special District Control Act, Section 32-1-201, *et seq.*, Colorado Revised Statutes, and the proposed requirements of the City of Commerce City ("City"), this Service Plan consists of a financial analysis and an engineering plan showing how the proposed facilities and services of the proposed Buffalo Ridge Metropolitan District ("District") will be provided and financed. The following items are included in this Service Plan:

1. A description of the proposed services;
2. A financial plan showing how the proposed services are to be financed;
3. A preliminary engineering or architectural survey showing how the proposed services are to be provided;
4. A map of the proposed District boundaries and an estimate of the population and valuation for assessment of the proposed District;

5. 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 proposed District are compatible with facility and service standards of the City of Commerce City and the South Adams County Water and Sanitation District ("SACWSD") which are interested parties pursuant to Section 32-1-204(1), Colorado Revised Statutes;

6. A general description of the estimated cost of acquiring land, engineering services, legal services, administrative services, initial proposed indebtedness and estimated proposed maximum interest rates and discounts, and other major expenses related to the organization and initial operation of the proposed district; and

7. A description of any arrangement or proposed agreement with any political subdivision for the performance of any services between the proposed District and such other political subdivision.

PURPOSE OF THE DISTRICT

It is intended that the District will provide certain essential public purpose facilities for the use and benefit of its taxpayers. The District is expected to finance the construction of improvements and provide such other services as are described in this Service Plan.

The major purpose of the District is to finance and construct public improvements and to dedicate, when appropriate, such public improvements to the City of Commerce City, the South Adams County Water and Sanitation District, or to such other entity as appropriate for the use and benefit of the District taxpayers.

The proponents of the organization of the District evaluated the possibility for inclusion or cooperation with adjoining or overlapping existing districts. It was determined that these alternatives are inconsistent with the desire of the proponents to have direct input to the entity incurring the debt and operating the improvements by the parties benefitted and burdened thereby.

PROPOSED DISTRICT BOUNDARIES/MAPS

The area to be served by the proposed District is located in the City of Commerce City, generally south of 120th Avenue, west of Buckley Road, east of O'Brian Canal and north of 112th Avenue. The total area to be initially included in the proposed District is approximately four hundred forth-three and two-tenths (443.2) acres (the "Property"). A legal description of the Property is attached hereto as Exhibit A. A map of the boundaries of the District is attached as Exhibit B.

PROPOSED LAND USE/POPULATION PROJECTIONS

At present, the Property within the proposed District is zoned PUD by the City, which allows for the uses set forth in the Zoning Table of Permitted Uses attached as Exhibit J. The Property is now vacant and is not presently served with the facilities and/or services proposed to be provided by the proposed District, nor does the City or any other special district have any plans to provide such services within a reasonable time and on a comparable basis. It is anticipated that the Property within the proposed District would be utilized for single family and multi-family residential, retail and supportive uses. At an estimated buildout population of 6,130 residents and 1,050 non-residential persons, this would result in a peak population estimate of 7,180 persons, based upon current zoning. In order to facilitate the development of the Property as planned, organized provision of facilities and services proposed to be provided by the proposed District will be necessary.

Information on development projected to occur in this area of the City has been evaluated and forecasted in the "New Lands Comprehensive Plan", Commerce City, Colorado, 1992, and serves as a supplement to the Service Plan application.

It is anticipated that the District's boundaries may change from time to time as it undergoes inclusions and exclusions pursuant to parts 4 and 5 of Article 1, Title 32, C.R.S. The number, scope and terms of inclusions will be determined by the Board of Directors of the District at the time of consideration. The inclusion of any parcels zoned

for single family or multi-family residential uses and exclusions of any property shall constitute a material modification of this Service Plan, unless prior approval of the City is obtained.

DESCRIPTION OF PROPOSED SERVICES

The following paragraphs provide a description of the proposed services to be provided by the District.

A. Types of Improvements.

The District plans to provide for the design, acquisition, construction, installation, and financing of certain water, sanitation, street, fire and safety protection, park and recreation improvements, television relay and translation facilities, and transportation facilities and services within and without the boundaries of the District. This Service Plan describes with specificity those improvements anticipated for construction. The improvements will benefit the Property. A general description of each type of improvement and service to be provided by the District follows this paragraph, and Exhibit D lists the improvements currently planned to be provided relating to each type, the phasing of construction of such facilities, and the costs in current dollars. An explanation of the methods, basis, and/or assumptions used to prepare the above estimates is also included in Exhibit D. The Improvements generally depicted and described in Exhibits E through G

have been presented for illustration only, and the exact design, subphasing of construction and location of the Improvements will be determined at the time of platting and such decisions shall not be considered to be a material modification of the Service Plan.

1. Sanitation. The proposed District shall have the power to provide for the acquisition, construction, completion, installation and/or operation and maintenance of a local sanitary sewage collection and transmission system which may include, but shall not be limited to, collection mains and laterals, lift stations, transmission lines, land and easements, together with extensions of and improvements to said system within and without the boundaries of the proposed District.

It is anticipated that, following acceptance by the South Adams County Water and Sanitation District, the SACWSD will operate and maintain the sanitary sewer facilities within the District.

The District may supplement the SACWSD's maintenance as it deems necessary or desirable to benefit its taxpayers and service users. Following acceptance, the sanitation improvements will be owned, operated and maintained by SACWSD.

2. Water. The proposed District shall have the power to provide for the acquisition, construction, completion, and/or installation of a potable and nonpotable local water and distribution system, which may include, but shall not be limited to, wells and

storage facilities, distribution mains and laterals, pressure reducing stations, irrigation facilities, land and easements, and all necessary, incidental, and appurtenant facilities, together with extensions of and improvements to said system within and without the boundaries of the proposed District, subject to the Engineering Standards and Operating Rules of the South Adams County Water and Sanitation District.

The District, upon completion of construction and inspection of the system, shall convey the system and rights-of-way for said system to the SACWSD. It is anticipated that, following acceptance, the SACWSD will operate and maintain the water facilities conveyed to it within the District. Following acceptance, the water distribution system conveyed to SACWSD will be owned, operated and maintained by the SACWSD.

3. Drainage Facilities and Systems. The proposed District shall have the power to provide for storm sewer, flood or surface drainage facilities and systems, including detention/retention ponds and associated irrigation facilities and all necessary, incidental, and appurtenant facilities, land and easements, together with extensions of and improvements to said system within and without the boundaries of the proposed District.

All or a portion of the improvements described herein may be dedicated to and maintained by the City, subject to provisions of a development agreement to be approved by the City prior to development of the property.

4. Streets. The proposed District shall have the power to provide for the acquisition, construction, completion, installation and/or operation and maintenance of street improvements, including curbs, gutters, culverts, and other drainage facilities, sidewalks, bike paths and pedestrian ways, median islands, paving, lighting, grading, landscaping, streetscaping, fences, signage and irrigation, together with all necessary, incidental, and appurtenant facilities, land and easements, together with extensions of and improvements to said facilities within and without the boundaries of the proposed District.

All or a portion of the improvements described herein may be dedicated to and maintained by the City, subject to provisions of a development agreement to be approved by the City prior to development of the property. It is anticipated that, following acceptance by the City of Commerce City, the City will own, operate and maintain the streets within the District. The District may supplement the City's maintenance as it deems necessary or desirable to benefit its taxpayers and service users.

Certain streetscaping improvements may be maintained by the District, or an association of landowners within the Property, or both.

5. Safety Protection. The proposed District shall have the power to provide for the acquisition, construction, completion, installation and/or operation and maintenance of facilities and/or services for a system of traffic and safety controls and devices on streets and highways, including signalization, signing and striping, together with

all necessary, incidental, and appurtenant facilities, land and easements, together with extensions of and improvements to said facilities within and without the boundaries of the proposed District. Following acceptance, all safety protection improvements will be transferred to the City for ownership and maintenance.

All or a portion of the improvements described herein may be dedicated to and maintained by the City, subject to provisions of a development agreement to be approved by the City prior to development of the property.

6. Park and Recreation. The proposed District shall have the power to provide for the design, acquisition, construction, completion, installation, operation and maintenance of parks and recreational facilities and programs including, but not limited to, parks, bike paths and pedestrian ways, open space, landscaping, cultural activities, community recreational centers, water bodies, irrigation facilities, and other active and passive recreational facilities and programs, and all necessary, incidental and appurtenant facilities, land and easements, together with extensions of and improvements to said facilities within and without the boundaries of the District. Parks and recreational facilities not dedicated to the City will be owned and maintained by the District or an association of landowners within the Property. The District may supplement maintenance of parks and recreational facilities dedicated to the City, through agreements between the District and the City.

All or a portion of the improvements described herein may be dedicated to and maintained by the City, subject to provisions of a development agreement to be approved by the City prior to development of the property.

7. Fire Protection. The proposed District shall have the power to provide for the design, acquisition, construction, completion, installation, operation and maintenance of fire protection improvements, and all necessary, incidental and appurtenant facilities, land and easements, together with extensions of and improvements to said facilities without the boundaries of the District. The District shall have no authority or responsibility to provide fire protection services to the Property, except through the financing and installation of improvements and facilities.

All or a portion of the improvements described herein may be dedicated to and maintained by the City, subject to provisions of a development agreement to be approved by the City prior to development of the property.

8. Other Powers.

In addition to the enumerated powers, the Board of Directors of the District shall also have the following authority:

(A) Plan Amendments. To amend the Service Plan as needed, subject to the appropriate statutory procedures and subject to prior written approval by the City. Future District Boards shall be required to maintain commitments contained within the adopted Service Plan and as it may be amended.

(B) Phasing, Deferral. Without amending this Service Plan, to defer, forego, reschedule, or restructure the financing and construction of certain improvements and facilities, to better accommodate the pace of growth, resource availability, and potential inclusions of property within the District.

(C) Additional Services. Except as specifically provided herein, to provide such additional services and exercise such powers as are expressly or impliedly granted by Colorado law. Provided, however, if the District assumes an obligation for the incurrence of debt or for the construction or operation and maintenance of improvements beyond that described in this Service Plan, such action would be a material modification of the Service Plan if taken without the City's prior consent.

B. Land Acquisition. The District will be authorized to purchase land for easements and other purposes for the location of the improvements described in Section A above (the "Improvements"). The District shall not acquire property by eminent domain without the prior consent of the City.

C. Standards of Construction/Statement of Compatibility.

1. The sanitary sewer treatment and/or collection facilities will be designed, constructed and maintained in accordance with the standards of SACWSD, the Colorado Department of Health, the City and other applicable local, state or federal rules and regulations.

2. The proposed District's water system will be constructed and maintained in accordance with the standards of the SACWSD. The proposed water system is subject to review and change as required by the SACWSD.

3. All streets and safety protection facilities to be dedicated to the City will be constructed in accordance with the standards and specifications of the City.

4. All storm sewers and facilities will be constructed in accordance with the standards and specifications of the City, and the Urban Drainage and Flood Control District and other local jurisdictions, as appropriate.

5. All parks and recreational facilities and/or services will be constructed in accordance with engineering and design requirements appropriate for the surrounding terrain, and shall not be incompatible with standards of the City, or other local public entities, as appropriate.

6. All fire protection improvements and/or services shall be constructed in accordance with the standards and specifications determined to be applicable by the City, SACWSD and appropriate fire protection districts.

7. The District shall be subject to the City zoning, subdivision, building codes and other land use regulations. If the District proceeds with construction of any improvements without securing the required approvals of the City pursuant to the City zoning, subdivision, building codes and other land use regulations, such action shall constitute a material modification of this Service Plan, unless prior approval of the City is obtained.

Based on an analysis of jurisdictions which are interested parties in the Service Plan proceedings as defined in the Colorado Revised Statutes, a list of which is attached as Exhibit C, the proposed District's Engineers have determined that the standards by which the facilities are to be constructed are compatible with the facilities of such other jurisdictions.

8. Reference is made in this Service Plan to the District securing the prior approval of the City to proceed with various activities. In all instances, the District shall make application to, and receive written approval or denial from, the City Manager of the City of Commerce City.

9. Construction of any improvements or provision of any services not described in this Service Plan or significantly modified from the description herein without the prior written approval of the City shall be a material modification of the Service Plan.

10. Areas proposed for dedication to the City shall be free and clear of any easements, unless the dedication of such area subject to an easement has been previously approved by the City.

11. In connection with the performance of the proposed services to be provided by the District, the District agrees not to refuse to hire, discharge, promote or demote, or to discriminate in matters of compensation against any person otherwise qualified, solely because of race, color, religion, national origin, gender, age, military status, sexual orientation, marital status, or physical or mental disability; and further agrees to insert the foregoing provision in all subcontracts hereunder.

12. Any issuance of debt in excess of the limitations set forth in the Section entitled Financial Plan/Proposed Indebtedness herein shall constitute a material modification of this Service Plan, unless prior approval of the City is obtained.

D. Facilities to be Constructed and/or Acquired.

The District proposes to provide and/or acquire those facilities generally described herein. A general description and preliminary engineering survey, as appropriate, of the facilities to be constructed and/or acquired are shown on Exhibits E through G. If the District assumes the obligation for the construction or operation and maintenance of improvements beyond that described herein, such action shall constitute a material modification of this Service Plan, unless prior approval of the City is obtained; provided, however, the District may phase in the construction or operation and maintenance of improvements or defer, delay or determine not to proceed with the construction or operation and maintenance of improvements and such actions shall not constitute material modifications of this Service Plan. However, all construction of water and sanitary sewer facilities, including phasing of construction, shall be subject to the Rules, Engineering Standards and policies of the SACWSD.

DISSOLUTION/CONSOLIDATION

In accordance with Section 32-1-701, C.R.S., et seq., the District may pursue dissolution or it may pursue consolidation of its boundaries, pursuant to Section 32-1-601, C.R.S., et seq. Consolidation of the District with another Title 32 special district shall constitute a material modification of this Service Plan, unless prior approval of the City is obtained.

ASSESSED VALUATION

The present assessed valuation of the property to be included within the proposed District is approximately \$96,000.

The projected assessed valuation of the property and improvements, based on the development heretofore noted, is \$37,205,000.

ESTIMATED COSTS OF FACILITIES

The estimated costs of the facilities to be constructed, installed and/or acquired by the proposed District are set forth in Exhibit D attached hereto. Exhibits E through G include a facility map and preliminary drawings for sanitary sewer, water and streets to be provided by the proposed District.

OPERATION AND MAINTENANCE/ESTIMATED COSTS

Subject to the provisions of the Development Agreement with the City, the proposed District intends to dedicate certain facilities constructed or acquired, to the appropriate jurisdiction for operations and maintenance. Facilities completed by the District or others within its boundaries may be owned, operated and/or maintained by the proposed District, pursuant to approvals being obtained from the appropriate jurisdiction(s).

Estimated costs for operation and maintenance functions are shown below. The earliest the District will be organized will be November, 1996; therefore, the Financial Plan assumes no operating expenses or debt will be incurred until 1997. The Financial Plan assumes the District will incur approximately Fifty Thousand Dollars (\$50,000) per year in expenses. The operating budget will authorize expenditures for District administration and for providing park and recreation and streetscape maintenance and minimal maintenance of other improvements after dedication of such improvements to other jurisdictions for ownership and maintenance. The Financial Plan assumes landscape operation and maintenance expenses will be incurred as set forth below. Additional fees and charges will be imposed and collected by the District for those areas not accepted by the City or other entities for increased maintenance and repair responsibility for improvements in the District's boundaries. The District shall not have the authority to provide maintenance of any facility dedicated to the City without the prior written approval of the City.

Operation and Maintenance Cost Estimates (Year 1)

| | |
|---------------------|----------|
| Engineering | \$ 4,000 |
| Legal | 4,000 |
| Accounting/Auditing | 5,000 |
| Management | 12,000 |
| Maintenance | 25,000 |

FINANCIAL PLAN/PROPOSED INDEBTEDNESS

The Financial Plan is attached hereto showing how the proposed facilities and/or services are to be financed including the estimated costs of engineering services, legal services, administrative services, proposed indebtedness and estimated proposed maximum interest rates and discounts, and other major expenses related to the organization and operation of the proposed District. The Financial Plan demonstrates the issuance of the debt and the anticipated repayment based on the projected development in the District's boundaries. The Financial Plan demonstrates that, at various projected levels of development, the proposed District has the ability to finance the facilities identified herein, and will be capable of discharging the proposed indebtedness on a reasonable basis.

The funds and assets of the City shall not be pledged as security for the repayment of debt issued by the District.

FINANCIAL PLAN

The following is a financial plan showing how the proposed facilities and/or services are to be financed, including the estimated costs of acquiring land, engineering services, legal services, administrative services, initial proposed indebtedness and estimated proposed maximum interest rates and discounts, and other major expenses related to the organization and initial operation of the District. The financial feasibility plan demonstrates

that, at the projected level of development, the proposed District has the ability to finance the facilities identified herein, and will be capable of discharging the proposed indebtedness on a reasonable basis.

A. General

Based upon consultation with the engineering, legal and financial advisors to this proposed District, it has been decided that the provision of facilities by the District will be primarily financed by the issuance of General Obligation bonds, secured by the unlimited ad valorem taxing authority of the District. It is anticipated that the first bond issue will occur in 1997. Prior to that time, the construction costs for necessary improvements will be paid by the developer of the District, subject to subsequent reimbursement by the District.

Bonds would mature not more than twenty years from the date of issuance, with the first maturity being not later than three years from the date of their issuance. The proposed maximum voted interest rate is estimated at 12% and the maximum discount at 5%. The exact interest rates and discounts will be determined at the time the bonds are sold by the District, and will reflect market conditions at the time of sale. The proposed District may also issue revenue bonds, notes, certificates, debentures or other evidences of indebtedness.

The City must approve financial plans for improvements based on engineering studies prior to issuance of bonds for such improvements. If the plans are not reviewed and approved by the City within 15 working days of a complete submittal, the plans shall be deemed approved.

B. Cost Summary and Bond Development

It is proposed that a total of \$12,000,000 of General Obligation bonds for various purposes be submitted to the electors of the proposed District for their approval at an election called for such purpose. The amount to be voted exceeds the amount of bonds to be sold, as shown in the attached schedules, to allow for unforeseen contingencies and increases in construction costs due to inflation, and to cover all issuance costs, including capitalized interest, reserve funds, discounts, legal fees and other incidental costs of issuance. Based upon construction estimates as computed during the preparation of this Service Plan, it is anticipated that a total of \$9,900,000 of bonds will be issued. Based upon future needs of the District, the District Board and their financial advisors may determine that one or more additional bond issues would be of benefit to the District. The bonds will contain adequate call provisions to allow for the prior redemption or refinancing of bonds sold by the proposed District.

The proposed District will have a mill levy assessed on all taxable property in the District as a primary source of revenue with additional revenue to be acquired through

the imposition of a system of other development fees. Although the mill levy may vary depending upon the elected board's decision to fund the projects contemplated in the Service Plan, it is estimated at a level of ¹⁵20 mills throughout the bond repayment period. In addition, the proposed District may capitalize interest to permit payment of interest during the time lapse between development of taxable properties and the collection of tax levies therefrom. Interest income through the reinvestment of construction funds, capitalized interest and annual tax receipts will provide additional funds. These revenue sources should be sufficient to retire the proposed indebtedness if growth occurs as projected; otherwise, increased in the mill levy and/or the imposition of new and/or greater fees and charges may be necessary.

The following schedules reflect the amount of bonds to be sold to finance the completion, construction, acquisition and/or installation of the proposed facilities, including all costs and expenses related to the bond issuance. The amount of bonds sold will be based upon final engineering estimates and/or actual construction contracts. Organizational costs, including legal fees and capitalized engineering costs, are to be paid from the proceeds of the first bond issue. Upon the advice of investment bankers for the proposed District, interest rates as set forth in such schedules have been assumed for the calculations pertaining to the projected bond issues.

The Financial Plan projects the anticipated flow of funds and is based upon estimates of construction and project needs for bond proceeds to refinance the proposed

District's improvements. The Financial Plan indicates the best estimate of growth within the proposed District and allows the Board of Directors a measure of flexibility, such that the District need not incur debt in excess of what it needs to meet a growing population's demands for facilities and services.

Cost Summary and Bond Development

SOURCES AND USES OF FUNDS

Buffalo Ridge Metropolitan District
 General Obligation Bonds
Series 1997

Dated Date 12/01/1996
 Delivery Date 12/01/1996

Sources:

| | |
|-----------------------|--------------------------|
| Bond Proceeds: | |
| Par Amount | 5,170,000.00 |
| | <hr/> 5,170,000.00 <hr/> |

Uses:

| | |
|--------------------------------|--------------------------|
| Project Fund Deposits: | |
| Project Construction Fund | 4,589,851.00 |
| Other Fund Deposits: | |
| Capitalized Interest | 372,322.27 |
| Delivery Date Expenses: | |
| Cost of Issuance | 206,800.00 |
| Other Uses of Funds: | |
| Additional Proceeds | 1,026.73 |
| | <hr/> 5,170,000.00 <hr/> |

Bond Development

| Year | Bonds Issued | Available for Construction | Issue 1 Debt Service | Issue 2 Debt Service | Issue 3 Debt Service | Issue 4 Debt Service | Total Debt Service | Projected Assessed |
|--------------|------------------|----------------------------|----------------------|----------------------|----------------------|----------------------|--------------------|--------------------|
| 1997 | 5,170,000 | 4,589,851 | 0 | | | | 0 | 0 |
| 1998 | 2,045,000 | 1,815,450 | 387,750 | | | | 387,750 | 518,000 |
| 1999 | | | 402,750 | 0 | | | 402,750 | 2,460,500 |
| 2000 | | | 406,625 | 153,375 | | | 560,000 | 4,693,000 |
| 2001 | | | 410,125 | 213,375 | | | 623,500 | 7,024,000 |
| 2002 | | | 578,250 | 208,875 | | | 787,125 | 10,132,000 |
| 2003 | | | 578,625 | 209,375 | | | 788,000 | 13,677,000 |
| 2004 | | | 577,875 | 209,500 | | | 787,375 | 16,494,920 |
| 2005 | 1,430,000 | 1,372,250 | 581,000 | 209,250 | | | 790,250 | 18,204,320 |
| 2006 | | | 577,625 | 213,625 | 142,250 | | 933,500 | 19,996,600 |
| 2007 | | | 578,125 | 212,250 | 139,625 | | 930,000 | 24,278,800 |
| 2008 | 1,255,000 | 1,201,385 | 577,125 | 210,500 | 142,000 | | 929,625 | 28,778,904 |
| 2009 | | | 579,625 | 213,375 | 139,000 | 124,125 | 1,058,125 | 31,265,304 |
| 2010 | | | 580,250 | 210,500 | 141,000 | 121,875 | 1,053,625 | 35,501,172 |
| 2011 | | | 579,000 | 212,250 | 137,625 | 124,625 | 1,053,500 | 37,966,852 |
| 2012 | | | 580,875 | 208,250 | 139,250 | 122,000 | 1,050,375 | 40,220,852 |
| 2013 | | | 580,500 | 208,875 | 140,500 | 124,375 | 1,054,250 | 40,220,852 |
| 2014 | | | 577,875 | 208,750 | 141,375 | 121,375 | 1,049,375 | 40,220,852 |
| 2015 | | | 578,000 | 212,875 | 141,875 | 123,375 | 1,056,125 | 40,220,852 |
| 2016 | | | 580,500 | 210,875 | 142,000 | 125,000 | 1,058,375 | 40,220,852 |
| 2017 | | | 208,125 | 208,125 | 141,750 | 121,250 | 471,125 | 40,220,852 |
| 2018 | | | 209,625 | 209,625 | 141,125 | 122,500 | 473,250 | 40,220,852 |
| 2019 | | | | | 140,125 | 123,375 | 263,500 | 40,220,852 |
| 2020 | | | | | 138,750 | 123,875 | 262,625 | 40,220,852 |
| 2021 | | | | | 137,000 | 124,000 | 261,000 | 40,220,852 |
| 2022 | | | | | 139,675 | 123,750 | 263,425 | 40,220,852 |
| 2023 | | | | | 137,000 | 123,125 | 260,125 | 40,220,852 |
| 2024 | | | | | 138,750 | 122,125 | 260,875 | 40,220,852 |
| 2025 | | | | | 139,750 | 120,750 | 260,500 | 40,220,852 |
| 2026 | | | | | | 124,000 | 124,000 | 40,220,852 |
| 2027 | | | | | | 121,500 | 121,500 | 40,220,852 |
| 2028 | | | | | | 123,625 | 123,625 | 40,220,852 |
| Total | 9,900,000 | 8,978,946 | 10,292,500 | 3,943,625 | 2,800,625 | 2,460,625 | 19,497,375 | |

C. Projections of Assessed Valuation

For purposes of developing this Financial Plan, it was assumed that living units within the proposed District would be assessed at various percentages depending upon the year of construction. It is also assumed that the assessed valuation will be realized one year after construction and that tax collections will be realized two years after initial construction.

D. Operations and Maintenance

Annual administrative, operational and maintenance expenses are estimated as shown on Page 17. The Financial Plan projects that a mill levy of ⁵~~20~~ mills would be sufficient to meet these expenses. If necessary, however, the proposed District reserves the right to supplement these revenues with additional revenue sources as permitted by law.

The District shall make its best efforts to notify and inform home buyers and residents of its programs and the mill levy and budgets required to finance its operation, and provide to landowners an annual notification by mail of the regular meeting place and time and names of the District's Board of Directors.

CONCLUSION

It is submitted that this Service Plan for the proposed Buffalo Ridge Metropolitan District establishes that:

- (a) There is sufficient existing and projected need for organized service in the area to be serviced by the proposed District;
- (b) The existing service in the area to be served by the proposed District is inadequate for present and projected needs;
- (c) The proposed District is capable of providing economical and sufficient service to the area within its proposed boundaries;
- (d) The area to be included in the proposed District does have, and will have, the financial ability to discharge the proposed indebtedness on a reasonable basis;
- (e) Adequate service is not, and will not be, available to the area through the City or other existing municipal or quasi-municipal corporation, including existing special districts, within a reasonable time and on a comparable basis;

(f) The facility and service standards of the proposed District are compatible with the facility and service standards of the City within which the proposed special district is to be located and each municipality which is an interested party under Section 32-1-204(1), Colorado Revised Statutes;

(g) The proposal is in substantial compliance with a master plan adopted pursuant to ordinances of the City of Commerce City; and

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

(i) The creation of the proposed District is in the best interests of the area proposed to be served.

EXHIBIT A

LEGAL DESCRIPTION OF PROPERTY

The West 1/2 and Northeast 1/4 of Section 5, Township 2 South, Range 66 West of the 6th P.M., County of Adams, State of Colorado.

Also including a portion of the East 1/2 of Section 6, Township 2 South, Range 66 West of the 6th P.M., County of Adams, State of Colorado, being more particularly described as follows:

Commencing at the Northeast corner of said Section 6; thence South $00^{\circ}27'42''$ W along the East line of the Northeast, of Section 6 a distance of 30.00 feet to the true point of beginning; thence South $89^{\circ}22'19''$ W 30.00 feet South and parallel with the North line of said Northeast, a distance of 1433.91 feet to a point on the easterly right-of-way line of the O'Brian Canal; thence along said easterly right-of-way the following nine (9) courses:

Thence South $40^{\circ}35'47''$ West, a distance of 849.39 feet; thence South $27^{\circ}20'59''$ West, a distance of 216.34 feet; thence South $02^{\circ}30'50''$ West, a distance of 150.70 feet; thence South $09^{\circ}20'54''$ East, a distance of 487.78 feet; thence South $24^{\circ}34'02''$ East, a distance of 190.80 feet; thence South $24^{\circ}17'20''$ East, a distance of 133.66 feet; thence South $16^{\circ}33'27''$ East, a distance of 297.97 feet; thence South $09^{\circ}53'34''$ East, a distance of 321.68 feet; thence South $09^{\circ}13'45''$ West, a distance of 201.96 feet; thence leaving said easterly right-of-way line at a bearing of North $88^{\circ}32'45''$ East, a distance of 1751.64 feet to a point on the East line of the Southeast, of said Section 6; thence North $00^{\circ}30'43''$ West, along said East line, a distance of 18.94 feet to the Southeast corner of the Northeast, of said Section 6; thence North $00^{\circ}27'42''$ East, along the east line of the Northeast 1/4, a distance of 2518.58 feet to the true point of beginning, except for rights-of-way held by others, and, except for that property conveyed to the Golf Enterprise Fund by Agreement dated August 24, 1994.

County of Adams
State of Colorado

EXHIBIT B

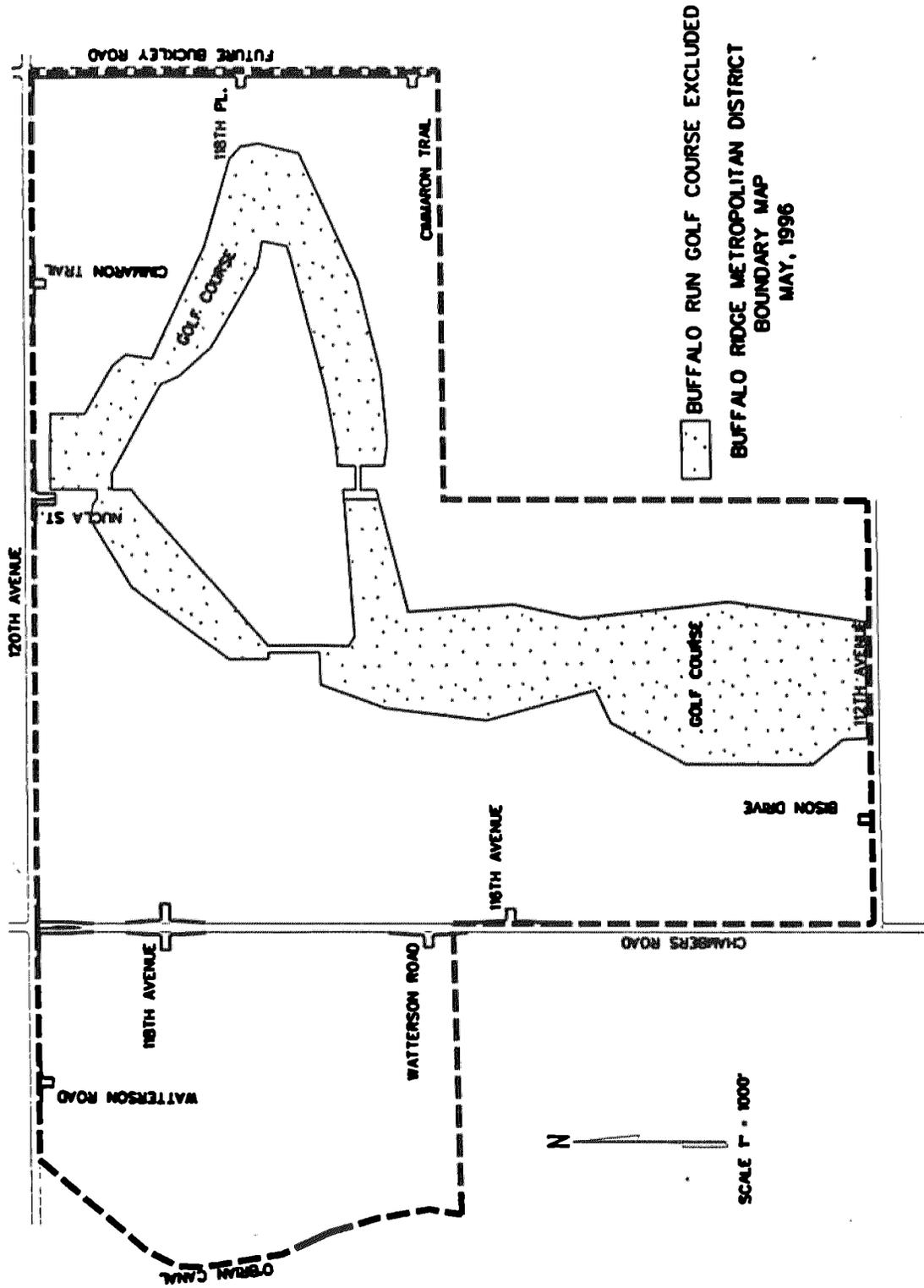


EXHIBIT C

LIST OF INTERESTED PARTIES

Adams County

John Young, Mgr. Budgets & Fin. Anal.
450 South 4th Avenue
Brighton, CO 80601
Phone: 654-6055

City of Brighton

Ted Anderson, City Manager
22 South 4th Street
Brighton, CO 60601
Phone: 654-1642

City of Commerce City

Betty Martin, City Clerk
P O Box 40, 5291 East 60th Avenue
Commerce City, CO 80037
Phone: 289-3611

City of Thornton

Paul Nilles, Accounting Manager
P O Box 291220, 9500 Civic Center Drive
Thornton, CO 80229-1220
Phone: 538-7350

Commerce City School District No. 14

Rick Boos, Manager of Finance
Administration Building
4720 East 69th Avenue
Commerce City, CO 80022
Phone: 289-3947

Brighton School District No. 27-J

Gary Epperson, Exec. Dir. of Finance
630 Bulldog Avenue
Brighton, CO 80601-3295
Phone: 659-4820

Adams County Library District

President, Board of Directors
8992 North Washington
Thornton, CO 80229
Phone: 288-2001

Regional Transportation District

Susan Cohen, Sr. Financial Analyst
Blk. #35, 1600 Blake Street
Denver, CO 80202-1399
Phone: 299-2470

Urban Drainage & Flood Control

L. Scott Tucker, Executive Director
2480 West 26th Avenue, Suite 156-B
Denver, CO 80211
Phone: 455-6277

Urban Drainage & Flood Control - South Platte Levy

L. Scott Tucker, Executive Director
2480 West 26th Avenue, Suite 156-B
Denver, CO 80211
Phone: 455-6277

Barr Lake Village Metropolitan District

James Stitt, Court Appointed Receiver
7301 Federal Boulevard, Suite 301
Westminster, CO 80030
Phone 428-8526

Central Colorado Water Conservancy District

Tom Cech, Executive Director
3209 West 29th Street
Greeley, CO 80631
Phone: 330-4540

LIST OF INTERESTED PARTIES (cont'd)

**Central Colorado Groundwater Mgmt.
District**

Tom Cech, Executive Director
3209 West 29th Street
Greeley, CO 80631
Phone: 330-4540

South Adams Water & Sanitation District

Frank Kraly, President
6595 East 70th Avenue, P O Box 597
Commerce City, CO 80037-0597
Phone: 288-2646

Third Creek Ranch Metropolitan District

Kathleen Berger, Vice President
c/o Antonoff & Co.
1610 Wynkoop Street, Suite 550
Denver, CO 80202
Phone: 623-0200

West Adams Fire District No. 1

c/o Richard L. Shearer, Atty.
Station No. 1, 10550 Huron Street
Northglenn, CO 80234
Phone: 830-9111

South Adams Fire District No. 4

Herb H. Hast, Jr., Treasurer
4801 East 60th Avenue
Commerce City, CO 80022
Phone: 288-1515

Brighton Fire District No. 6

William Malone, Fire Chief
425 South Main Street
Brighton, CO 80601
Phone: 659-4101

EXHIBIT D

DESCRIPTION OF FACILITIES AND COSTS

Sanitary Sewer (Exhibit E)

| | |
|------------------------------|---------------|
| Offsite Sewer Main Extension | \$1,600,000 |
| Chambers Road Sewer | 154,200 |
| 120th Avenue Sewer | 91,000 |
| 120th Avenue Lift Station | 250,000 |
| 112th Avenue Sewer | <u>18,750</u> |

\$2,113,950

Water (Exhibit F)

| | |
|---|----------------|
| Offsite Water Main Extension | \$1,146,960 |
| Chambers Road Water | 288,500 |
| 120th Avenue Water | 351,500 |
| 120th Avenue Pump Station and Reservoir | 1,045,000 |
| 112th Avenue Water | <u>118,000</u> |

\$2,949,960

Streets (Exhibit G)

| | |
|---------------|----------------|
| 120th Avenue | \$ 695,850 |
| 112th Avenue | 223,000 |
| Chambers Road | 507,000 |
| Buckley Road | <u>417,150</u> |

\$1,843,000

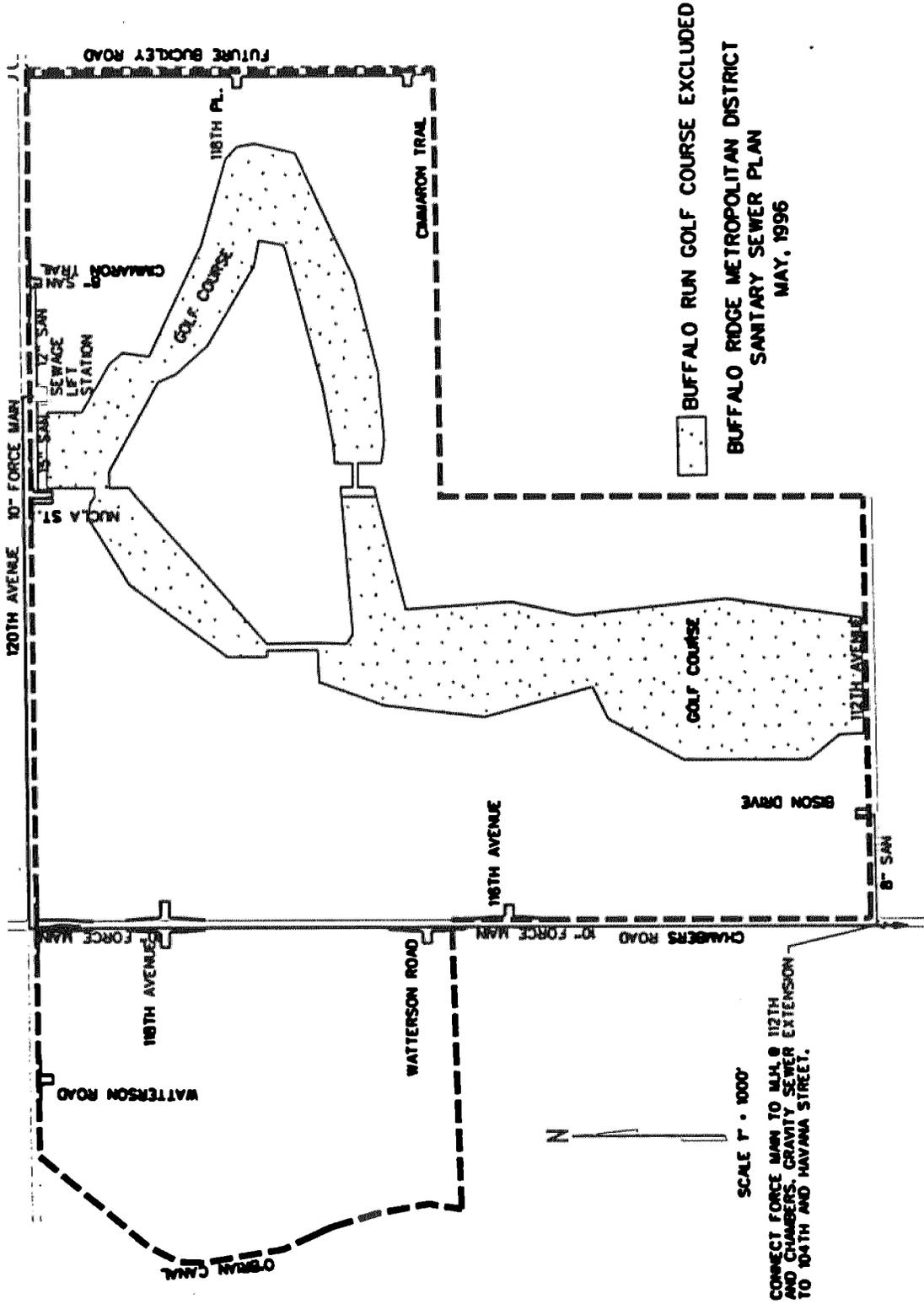
Plus 30% for Contingencies, Engineering and
Construction Management

\$2,072,073

TOTAL COSTS

\$8,978,983

EXHIBIT E



BUFFALO RUN GOLF COURSE EXCLUDED
 BUFFALO RIDGE METROPOLITAN DISTRICT
 SANITARY SEWER PLAN
 MAY, 1996

SCALE 1" = 1000'

CORRECT FORCE MAIN TO MAN @ 117TH AND CHAMBERS. GRAVITY SEWER EXTENSION TO 104TH AND HAVANA STREET.

EXHIBIT G

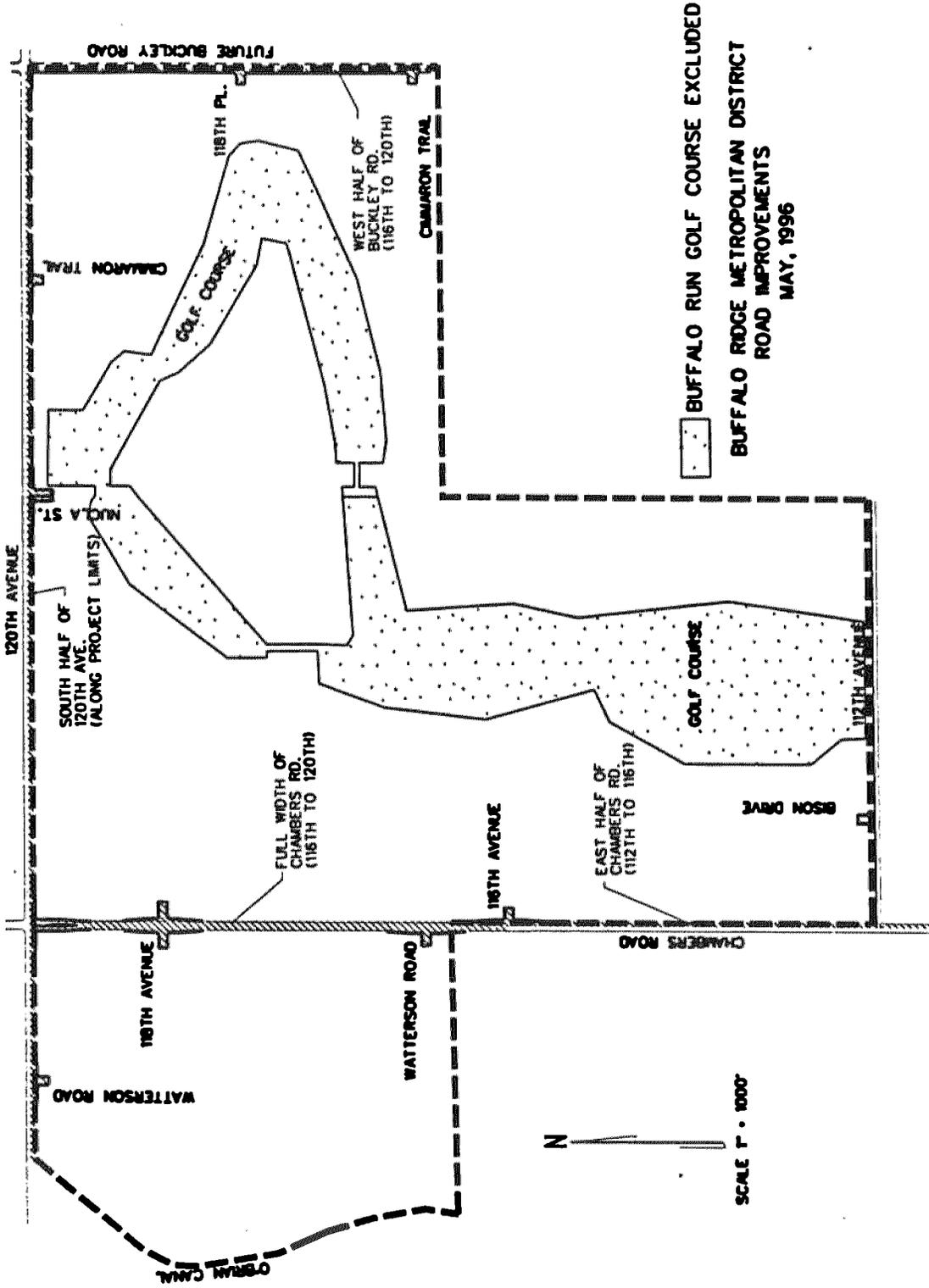


EXHIBIT H

ZONING TABLE OF PERMITTED USES

Property West of Chambers Road

| <u>Type of Use</u> | <u>Maximum Acres</u> | <u>Density Dwelling Units/Acre</u> |
|---|----------------------|------------------------------------|
| Office/Commercial | 31 | |
| Park | 2 | |
| Single Family Residential (including single family attached) | 45 | 7 |
| Multi-Family (including townhouse) | 25 | 24 |

Development areas shall be calculated to the center of interior streets. Density is determined by dividing the number of dwelling units by the number of gross acres designated for each type of use. Land not used for office/commercial purposes may be developed as either single family or multi-family residential. Land not used for multi-family residential may be developed as single family residential.

Property East of Chambers Road

1. Property shall contain a minimum of 120 acres of commercial development.
2. Residential development shall be in the following proportions:

| <u>Type Residential</u> | <u>% of Total Residential Acreage</u> | <u>Dwelling Units/Acre</u> |
|-------------------------|---------------------------------------|----------------------------|
| Single Family | 66% | 7 d.u. |
| Townhouse | 25% | 12 d.u. |
| Multi-Family | 9% | 24 d.u. |

3. Final determination of the proportion of residential versus commercial acreage shall be made only after alignments of major arterials adjacent to or running through the property are finalized. These include, but are not limited to, E-470 and Buckley Road.
4. For every increase in acre of commercial development, there shall be a pro-rata decrease in acreage and type of residential development approved for the property, such that density per acre of residential development shall remain constant.

OWNERSHIP

Excluding rights-of-way and easements, 100% of the Proposed Buffalo Ridge Metropolitan District is owned by:

Northwood Village Associates, Ltd.
120th / Buckley Ltd.
120th / Chambers LLC

Contact: Russ Watterson
Watterson and Fair
2401 - 15th Street, Suite 200
Denver, CO 80202