

**CARRIAGE HILLS  
METROPOLITAN DISTRICT  
SERVICE PLAN**

**TOWN OF FREDERICK, COLORADO**

**APPROVED**

**APRIL 12, 2006**

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## **CARRIAGE HILLS METROPOLITAN DISTRICT**

### **SERVICE PLAN**

#### **I. INTRODUCTION**

The District shall be named the Carriage Hills Metropolitan District (the "District"). The purpose of the District is to finance certain streets, traffic safety controls, street lighting, water, landscaping, sanitary sewer, storm drainage, mosquito control and park and recreation improvements for the development to be known as the Carriage Hills planned unit development (the "Carriage Hills development") The developer of the Carriage Hills development and the petitioner for the formation of the District is Carriage Hills Development, Inc., a Colorado corporation ("CHD") (CHD or any successor developer of the Carriage Hills development shall be referred to herein as the "Developer"). The District shall have all of the powers of a metropolitan district described in §§ 32-1-1001 and -1004, C.R.S. with respect to streets, traffic safety controls, street lighting, water, landscaping, sanitary sewer, storm drainage, mosquito control and park and recreation improvements, except that the District shall not provide fire protection or emergency medical services or facilities

#### **II. PURPOSE**

Pursuant to the requirements of the Special District Act, §§ 32-1-101, *et seq.*, C.R.S. (the "Act"), and Article 14 of the Frederick Land Use Code (the "Code"), this Service Plan (the "Service Plan") consists of a financial analysis and an engineering plan illustrating how the proposed facilities and services of the District will be provided and financed. The following items are included in this Service Plan:

- a. A description of the proposed services;
- b. A financing plan showing how the proposed services are to be financed, including all elements required by § 32-1-202(2)(b), C.R.S. and the Code;
- c. A preliminary engineering or architectural survey showing how the proposed services are to be provided;
- d. A map of the proposed District's boundaries and an estimate of the population and valuation for assessment of the proposed District;
- e. A general description of the facilities to be constructed and the standards for construction, including a statement of how the facility and service standards of the proposed District are compatible with facility and service standards of the Town and special districts which are interested parties pursuant to § 32-1-204(1), C.R.S.;
- f. 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 District; and
- g. 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 and, if applicable, a form of the agreement.

### **III. ORGANIZERS OF PROPOSED DISTRICT**

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

Developer

Carriage Hills Development, Inc  
Aaron Grant  
436 Coffman Street, Suite 200  
Longmont, Colorado 80501  
(303) 772-2354  
(303) 772-9968—facsimile  
[aaron.grant@djforay.com](mailto:aaron.grant@djforay.com)

Financial Advisor

Piper Jaffray & Co.  
Michael P. Lund  
1050 17<sup>th</sup> Street, Suite 2100  
Denver, Colorado 80265  
(303) 820-5860  
(303) 820-5891—facsimile  
[Michael.P.Lund@pjc.com](mailto:Michael.P.Lund@pjc.com)

Bond Counsel

Sherman & Howard  
Blake T. Jordan, Esq  
633 17<sup>th</sup> Street, Suite 3000  
Denver, Colorado 80202  
(303) 299-8364  
(303) 298-0940—facsimile  
[bjordan@sah.com](mailto:bjordan@sah.com)

District Counsel

Miller, Gruber & Rosenbluth, LLC  
Jennifer L. Gruber, Esq.  
700 17<sup>th</sup> Street, Suite 2200  
Denver, Colorado 80202  
(303) 285-5320  
(303) 285-5330—facsimile  
[jgruber@mgrlawfirm.com](mailto:jgruber@mgrlawfirm.com)

Engineer

Civil Arts-Drexel Group  
Roger D. Walker, P.E.  
1860 Lefthand Circle, Suite A  
Longmont, Colorado 80501  
(303) 682-1131  
(303) 682-1149—facsimile  
[rwalker@drexel-co.com](mailto:rwalker@drexel-co.com)

#### IV. BOUNDARIES, POPULATION & VALUATION

The District is generally located north of State Highway 52 between Maple Street and Weld County Road 15. The District consists of approximately one hundred (100) acres located entirely within the boundaries of the Town of Frederick, Colorado (the “Town”), as more particularly set forth in the legal description attached hereto as **Exhibit A**, and as shown on the boundary map, attached hereto as **Exhibit B**, and the vicinity map, attached hereto as **Exhibit C**. The Developer and EJD, LLC, a Colorado limited liability company (“EJD”), an entity controlled by the Developer, are the sole owners of the property which constitutes the boundaries of the District. Proofs of the Developer’s and EJD’s ownerships are attached hereto as **Exhibit**

**D** and incorporated herein by this reference. Letters from the Developer and EJD consenting to the formation of this District are attached hereto as **Exhibit E** and incorporated herein by this reference.

The Carriage Hills subdivision is being developed for the anticipated construction of one hundred ninety-four (194) single-family homes, forty-nine (49) patio homes, eighty-one (81) modular homes and three hundred forty-four (344) townhomes by the Developer. The current population of the District is zero. The population of the District at full build-out is estimated to be one thousand eight hundred twenty-seven (1,827) people, subject to development approval by the Town. The estimated assessed value at full build-out is Fourteen Million Five Hundred Twenty-Six Thousand Seventy-Nine Dollars (\$14,526,079.00). The property is currently zoned residential and agricultural. The current assessed value is approximately Thirty-Seven Thousand Eighty Dollars (\$37,080 00). The total overlapping mill levy imposed upon the property within the proposed District for tax collection year 2005 was approximately eighty-three and four hundred five one-thousandths-of-one (83 405) mills

## **V. DESCRIPTION OF PROPOSED SERVICES**

The purpose of the District is to finance public improvements which may be dedicated to the Town, or other non-profit or governmental entities, for the use and benefit of District residents and taxpayers and, unless otherwise agreed, to finance perpetual maintenance of the streets, traffic safety controls, street lighting, sanitary sewer, water, landscaping, storm drainage, mosquito control and park and recreation facilities. The improvements shall include streets, traffic safety controls, street lighting, sanitary sewer, water, landscaping, storm drainage, mosquito control and park and recreation improvements and facilities. The District shall have all of the powers of a

metropolitan district described in §§ 32-1-1001 and -1004, C.R.S., except that the District shall not provide fire protection or emergency medical services or facilities.

#### **VI. NEED FOR THE PROPOSED DISTRICT**

The area to be served by the District is located entirely within the boundaries of the Town. The Town does not consider it feasible or practical to provide the District with the certain public infrastructure described in this Service Plan. Therefore, it is necessary that the District be organized to provide its inhabitants with the facilities and services described in this Service Plan.

#### **VII. OTHER GOVERNMENTAL ENTITIES**

The District shall receive fire protection services from the Frederick Fire Protection District. The District shall receive water services from the Central Weld County Water District through the Town. Pursuant to § 32-1-107(3)(b)(IV), C.R.S., the District shall obtain the consent of the Central Weld County Water District for the overlap in boundaries for the purposes of financing water improvements. The District shall not be empowered to provide water services. The District shall receive sanitary sewer services from the Weld County Tri-Area Sanitation District. Pursuant to §32-1-107(3)(b)(IV), C.R.S., the District shall obtain the consent of the Weld County Tri-Area Sanitation District for the overlap in boundaries for the purposes of financing the sanitary sewer improvements. The District shall not be empowered to provide sanitary sewer services; however, the District shall be empowered to maintain storm drainage facilities within the District, such improvements to include, but are not limited to, detention and retention ponds. The District is located within the Carbon Valley Park and Recreation District. Pursuant to § 32-1-107(3)(b)(IV), C.R.S., the District shall obtain the consent of the Carbon



Valley Park and Recreation District for the overlap in boundaries for the purposes of financing park and recreation improvements. Upon construction of the park and recreation facilities, the District shall dedicate said facilities to the Carbon Valley Park and Recreation District for operation and maintenance. With the exception of the Town, the District is not located within any other special districts or municipalities.

### **VIII. PROPOSED LAND USE & ANTICIPATED DEVELOPMENT**

At present, the property is zoned residential and agricultural. Other than as set forth in this Service Plan, the property is not presently provided with the facilities and/or services proposed to be provided by the District, nor does the Town or any other special district have any plans to provide such services within a reasonable time and on a comparable basis.

The Carriage Hills subdivision is being developed for the construction of approximately one hundred ninety-four (194) single-family homes, forty-nine (49) patio homes, eighty-one (81) modular homes and three hundred forty-four (344) townhomes. The Developer anticipates total build-out to occur by 2012 with the construction of twenty-five (25) single-family homes and thirty-five (35) modular homes in 2006, forty-eight (48) single-family homes, forty-eight (48) patio homes, forty-six (46) modular homes and sixty (60) townhomes in 2007, thirty-three (33) single-family homes, one (1) patio home and eighty (80) townhomes in 2008, twenty-four (24) single-family homes and ninety (90) townhomes in 2009, twenty-four (24) single-family homes and seventy-nine (79) townhomes in 2010, twenty-four (24) single-family homes and thirty-five (35) townhomes in 2011 and sixteen (16) single-family homes in 2012, subject to final design and development approval by the Town. It is acknowledged by the Developer that Town development

standards and requirements may affect the foregoing numbers of anticipated homes and the foregoing anticipated build-out schedule.

## **IX. PRELIMINARY ENGINEERING ANALYSIS**

### **a. Facilities to be Constructed, Acquired and/or Installed.**

The District will provide for the construction, acquisition and installation of streets, traffic safety controls, street lighting, sanitary sewer, water, landscaping, storm drainage, mosquito control and park and recreation improvements and facilities (as the foregoing terms are defined in § 32-1-1004(2), C.R.S., and the sections referenced therein), and for the ongoing maintenance of streets, traffic safety controls, street lighting, landscaping, storm drainage, mosquito control and park and recreation facilities, within and without the boundaries of the District that are not otherwise dedicated to other governmental entities. A general description and preliminary engineering survey of the facilities to be financed, constructed, acquired and/or installed are shown in **Exhibit F**, attached hereto and incorporated herein by this reference. A map showing the location of the public improvements to be financed by the District is attached hereto as **Exhibit G**.

### **b. Standards of Construction and Statement of Compatibility.**

The District will ensure that the proposed improvements are designed and constructed in accordance with the standards and specifications of the Town and other governmental entities having jurisdiction, and will obtain approval of civil engineering plans for such improvements from the Town and other governmental entities having jurisdiction.

c. **Estimated Costs of Facilities.**

The combined total estimated cost of the improvements is Nine Million One Hundred Ninety-Two Thousand Three Hundred Ninety-Two Dollars (\$9,192,392 00). The Developer shall be responsible for any improvement costs that exceed the amount of debt issued. The Town is not responsible for assuming any of the costs of the improvements constructed by the District.

The District shall be authorized to construct the public improvements generally shown on **Exhibit G**, subject to the specific final design and approval thereof by the Town or any other governmental entity having jurisdiction. Phasing of construction shall be determined by the District to meet the needs of residents and taxpayers within its boundaries. A map illustrating the anticipated phasing of the public improvements is included in **Exhibit G**.

d. **Dedication of Improvements to the Town.**

Upon completion of construction and installation, the District will dedicate all streets to the Town, all water improvements to the Town, all sanitary sewer improvements to the Weld County Tri-Area Sanitation District and all park and recreation improvements to the Carbon Valley Park and Recreation District for operation and maintenance. The District will dedicate all other public improvements, as required by the Town or its designee, upon completion of construction and installation. At the direction of the Town, landscaping, street lighting and storm drainage facilities shall be maintained by the District or by a homeowners' association formed for the Carriage Hills development. The dedicated improvements will be operated and maintained by the Town or its designee. All rights-of-way and easements necessary for the facilities will also be dedicated to the Town or its designee by the District, to the extent the District has the necessary property interest to provide such dedication. Dedications shall be in accordance with the Code and/or the Rules and Regulations of the governmental entity receiving the dedicated infrastructure or property.

## **X. FINANCIAL INFORMATION**

This Article X describes the nature, basis, method of funding and debt and mill levy limitations associated with the District's public improvements program and operations. Together with the Financing Plan, attached hereto as **Exhibit H** and further described below, this Article X constitutes the financial plan for the District as required by § 32-1-202(2)(b), C.R.S and Section 14.13(e)(7) of the Code. A detailed Financing Plan is contained in **Exhibit H**, attached hereto and incorporated herein. The Financing Plan includes estimated operations, maintenance, administration costs, proposed indebtedness and estimated interest rates and discounts and other major expenses related to the organization and operation of the District. The Financing Plan projects the issuance of the debt and the anticipated repayment based on the development assumptions (including the market projections and absorption forecasts set forth therein) for property within the boundaries of the District. The Financing Plan demonstrates that, at the projected level of development, and with the projected Developer support, 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.**

The provision of improvements and facilities by the District will be financed through the issuance of general obligation bonds (the "Bonds"), secured by the *ad valorem* taxing authority of the District. The Financing Plan anticipates the issuance of one (1) series of Bonds in 2007. The term of any Bonds issued by the District shall not exceed thirty (30) years. The combined total estimated cost of the improvements is Nine Million One Hundred Ninety-Two Thousand Three Hundred Ninety-Two Dollars (\$9,192,392.00). The District has the capacity to issue general obligation bonds in the aggregate principal amount of approximately Five Million Two Hundred

Thousand Dollars (\$5,200,000 00), projected to yield net bond proceeds of Three Million Eight Hundred Three Thousand Seven Hundred Sixty-Eight Dollars and Forty-Six Cents (\$3,803,768 46). Accordingly, it is currently anticipated that the bond proceeds will be insufficient to allow for repayment of Five Million Three Hundred Eighty-Eight Thousand Six Hundred Twenty-Three Dollars and Fifty-Four Cents (\$5,388,623 54), which will be contributed by the Developer; however, if the financing capability of the District changes and will permit repayment in the future (due to higher than anticipated assessment values, lower interest rates or any other circumstance), the District may agree to repay the Developer for unreimbursed public infrastructure costs so long as the District has the capacity to make such payments without exceeding the debt limit or Mill Levy Limit provided in this Service Plan

**b. Debt Issuance.**

The District intends to issue one (1) series of general obligation bonds in the aggregate principal amount of approximately Five Million Two Hundred Thousand Dollars (\$5,200,000 00) in 2007. The aggregate principal amount of all general obligation bonds and all other forms of borrowing by the District, throughout the District's existence and regardless of subsequent payments and discharges, shall be limited to a total of Seven Million Eight Hundred Thousand Dollars (\$7,800,000 00) ("debt limit"), except to the extent otherwise provided in Article V.d. with respect to refunding bonds. The authorized maximum voted interest rate is eighteen percent (18%) per annum and the maximum underwriting discount is five percent (5%) of bond principal.

The Developer acknowledges and accepts the risk that, if all or a part of the general obligation bonds proposed to be issued by the District are not issued because of changes in financial conditions or for any other reason, the Developer may not be paid or reimbursed for the cost of public improvements or other advances to the District.

Any bonds issued by the District pursuant to this Service Plan shall be in compliance with all applicable legal requirements, including without limitation § 32-1-1101(6), C.R.S., and article 59 of title 11, C.R.S., and shall be approved by nationally recognized bond counsel. An opinion shall also be obtained from bond counsel or counsel to the District that the bonds comply with all requirements of this Service Plan.

c. **Limited Mill Levy.**

“Limited Mill Levy” shall mean an *ad valorem* mill levy (a mill being equal to 1/10 of 1¢) imposed upon all taxable property in the District each year in an amount sufficient to pay the principal of, premium if any, and interest on the bonds as the same become due and payable, and to make up any deficiencies in any debt service reserve for the bonds, but, together with all other District mill levies, such mill levy shall not exceed fifty (50 000) mills. In the event of 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 and legislation implementing such constitutional provision, the fifty (50 000) mill levy limitation 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”). The Limited Mill Levy shall be an enforceable limit on all District mill levies.

At any time that the District imposes a mill levy for debt service purposes, the District shall impose a mill levy of three (3 000) mills for purposes of financing capital improvements or for financing operations and maintenance expenses associated with Town capital improvements, which revenues shall be remitted to the Town upon the District’s receipt. The revenues received by the Town for capital improvements or operation and maintenance expenses may be applied to

any Town capital improvement so long as the capital improvement is one that the District could otherwise finance (i.e. streets, traffic safety controls, street lighting, water, landscaping, sanitary sewer, storm drainage, mosquito control and park and recreation improvements). The three (3.000) mills imposed for these purposes shall be included in the fifty (50.000) mill levy cap. The District's imposition of the three (3.000) mills for the capital improvements or operation and maintenance of the Town capital improvements shall be memorialized in an intergovernmental agreement after the District's organization and the District's failure to levy, collect and pay over to the Town the three (3.000) mills shall constitute a material modification of this Service Plan. In the event that the District has no debt service mill levy, the District shall have no obligation to levy, collect and pay over to the Town the three (3.000) mills set forth herein.

**d. Refunding bonds.**

General obligation refunding bonds may be issued by the District to defease original issue bonds in compliance with applicable law, but any such refunding shall not extend the maturity of the bonds being refunded nor increase the total debt service thereon and shall meet the requirements of § 32-1-1101(6)(a), C.R.S. Refunding bonds shall not be subject to the debt limit stated in Article X.b., above, provided that such refunding bonds demonstrate net present value debt service savings; but if such refunding bonds do not demonstrate net present value debt service savings, any increase in principal amount of the refunding bonds over the principal amount of bonds being refunded shall be subject to such debt limit.

**e. Identification of District Revenue.**

The District will impose a mill levy on all taxable property in the District as the primary source of revenue for repayment of debt service and for operations and maintenance. The mill levy imposed by the District for debt service purposes shall not exceed fifty (50.000) mills, except for Gallagher adjustments permitted under X.c., above. Although the mill levy imposed

may vary depending on the phasing of facilities anticipated to be funded, it is estimated that a mill levy of approximately forty-five (45.000) mills will produce revenue sufficient to support debt service and operations and maintenance expenses throughout the repayment period.

**f. Security for Debt.**

The District will not pledge any Town funds or assets for security for the indebtedness set forth in the Financing Plan of the District

**g. Services of District.**

The District will require sufficient operating funds to plan and cause the public improvements to be constructed. The costs are expected to include: organizational costs, legal, engineering, accounting and debt issuance costs, compliance with state reporting and other administrative requirements. The first year's operating budget (for 2007) is estimated to be Forty Thousand Dollars (\$40,000.00), inflated at one percent (1%) per annum to accommodate for inflation. Until the District receives sufficient revenue from *ad valorem* property taxes and other District sources, funds for District organizational costs, operations and administration will be contributed by the Developer.

## **XI. ANNUAL REPORT**

No later than September 1 of each calendar year, the District will submit an annual report to the Town in accordance with Section 14.3 of the Code, as it may be amended from time to time.

The annual report shall include the following:

- a. A narrative summary of the progress of the District in implementing its service plan for the report year;
- b. Except when an exemption from audit has been granted pursuant to the Local Government Audit Law of Colorado, the audited financial statements of the District



- for the report year, including a statement of financial condition (i.e. balance sheet) as of December 31<sup>st</sup> of the report year and the statement of operations (i.e. revenues and expenditures) for the report year;
- c. Unless disclosed within a separate schedule to the financial statements, a summary of the capital expenditures incurred by the District in development of public facilities in the report year, as well as any capital improvements or projects proposed to be undertaken in the five (5) years following the report year;
  - d. Unless disclosed within a separate schedule to the financial statements, a summary of the financial obligations of the District at the end of the report year, including the amount of outstanding indebtedness, the amount and terms of any new District indebtedness or long-term obligations issued in the report year, the amount of payment or retirement of existing indebtedness of the District in the report year, the total assessed valuation of all taxable properties within the District as of January 1 of the report year and the current mill levy of the District pledged to debt retirement in the report year;
  - e. The District's budget for the calendar year in which the annual report is submitted;
  - f. A summary of residential and commercial development in the District for the report year;
  - g. A summary of all fees, charges and assessments imposed by the District as of January 1 of the report year;
  - h. Certification of the Board of Directors of the District that no action, event or condition enumerated in Section 14.4 of the Code has occurred in the report year;
- and

- i. The name, business address and telephone number of each member of the Board and its chief administrative officer and general counsel, together with the date, place and time of the regular meetings of the Board of Directors of the District.

## **XII. LANDOWNERS' PUBLIC IMPROVEMENTS**

The creation of the District shall not relieve the Developer, its successors or assigns of the obligation to construct public improvements required by any annexation or other subdivision improvement agreement.

## **XIII. CONSERVATION TRUST FUND**

The District shall claim no entitlement to funds from the Conservation Trust Fund which is derived from lottery proceeds. The District shall remit to the Town any and all conservation trust funds that it receives.

## **XIV. DISSOLUTION**

The District shall 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 set forth in §§ 24-75-601, *et seq.*, C.R.S., and upon an independent determination by the Town Board of Trustees that the purposes for which the District was created have been achieved. Dissolution of the District is subject to approval of a plan of dissolution meeting the requirements of §§ 32-1-701, *et seq.*, C.R.S., by the Weld County District Court.

## **XV. MODIFICATION OF SERVICE PLAN**

The District will obtain the approval of the Town before making any material modifications to this Service Plan. Material modifications include modifications of a basic or essential nature including additions to the types of services provided by District, change in debt limit or change in revenue sources. This is not an exclusive list of all actions that may be identified as a material modification. Town approval is not required for modifications to this Service Plan necessary for the execution of financing or construction of public improvements already outlined in this Service Plan.

## **XVI. DISCLOSURE**

The Developer and the District will take steps to insure that the purchasers of property located within the District are provided with written notice at the time of closing of the existence of taxes, charges or assessments which may be imposed by or in connection with the District. The District will also record a statement against the property within the District, at such time as the property is legally included therein, including notice of the existence of the District, average expected tax levy, maximum expected tax levy and maximum allowed tax levy. The form of notice is attached hereto and incorporated herein as **Exhibit I**.

## **XVII. INTERGOVERNMENTAL AGREEMENTS**

The District may enter into a cost sharing agreement with the Marketplace Metropolitan District for shared facilities. The exact nature and terms of the cost sharing agreement are not known at this time. However, each district would be responsible for its proportionate share of the shared public improvements. The District anticipates entering into an intergovernmental agreement with the Town to memorialize the mill levy that will be remitted to the Town for costs associated

with the financing, operations and maintenance of Town capital improvements. No other intergovernmental agreements are proposed or contemplated at this time.

### **XVIII. INITIAL BOARD OF DIRECTORS**

The following persons, who are or will be owners of property within the District, are anticipated to be nominated for the initial board of directors of the District:

Aaron Grant  
1515 Ogden, #6  
Denver, Colorado 80218

Doug Grant  
10515 Mooring Road  
Longmont, Colorado 80504

Roger Walker  
1041 Oxford Road  
Longmont, Colorado 80504

JoAnna Grant  
10515 Mooring Road  
Longmont, Colorado 80504

Tabetha Ward  
1681 East 131<sup>st</sup> Circle  
Thornton, Colorado 80241

### **XIX. PETITION FOR ORGANIZATION**

A form of the petition for organization which the Petitioners intend to file with the Weld County District Court for organization of the District is set forth in **Exhibit J**, attached hereto and incorporated herein by this reference.

### **XX. RESOLUTION OF APPROVAL**

The District incorporates the Town Board of Trustees' resolution approving this Service Plan, including any conditions of approval, into this Service Plan as **Exhibit K**.

## **XXI. CONCLUSION**

This Service Plan demonstrates that:

- a. There is sufficient existing and projected need for organized service in the area to be serviced by the District;
- b. The existing service in the area to be served by the District is inadequate for present and projected needs;
- c. The District is capable of providing economical and sufficient service to the area within its proposed boundaries;
- d. The area to be included in the District has, or will have, the financial ability to discharge the proposed indebtedness on a reasonable basis;
- e. 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 § 32-1-204(1), C.R.S.;
- f. The proposal is in compliance with any duly adopted county, regional, or state long-range water quality management plan for the area; and
- g. The creation of the District will be in the best interests of the area proposed to be served.

EXHIBIT A  
Legal Description



-- ENGINEERING  
-- PLANNING  
-- SURVEYING

Civil Arts Drexel Group, Inc. • 1660 Leithand Circle, Suite A • Longmont, CO 80501 • Tel. (303) 682-1131 • Fax (303) 682-1149 • www.civilarts-drexel.com

## LEGAL DESCRIPTION- CARRIAGE HILLS METROPOLITAN DISTRICT

March 8, 2006

A description of the CARRIAGE HILLS METROPOLITAN DISTRICT located in the E1/2 of Section 31, T2N, R67W of the 6th P.M., Town of Frederick, Weld County, Colorado. For: Carriage Hills, LLC.

### LEGAL DESCRIPTION

A part of the E1/2 of Section 31, T2N, R67W of the 6th P.M., Town of Frederick, County of Weld, State of Colorado, described as follows:

(1) All of Carriage Hills Filing No. 1 according to the recorded plat thereof except the following:

All of Blocks 8, 9, 10, 11, and 12.

(2) All of Lot 1 of Prairie Greens Filing No. 2 according to the recorded plat thereof.

(3) A part of proposed Carriage Hills Filing No. 2 located in the NE1/4 of Section 31, T2N, R67W of the 6th P.M., County of Weld, State of Colorado, described as follows:

COMMENCING at the Southeast Corner of said Section 31, from which the E1/4 Corner of said Section 31 bears N00°00'34"W, 2647.48 feet (Basis of Bearing), thence N00°00'34"W, 2647.48 feet along the East Line of the SE1/4 of said Section 31 to the E1/4 Corner of said Section 31; Thence N00°00'00"E, 352.28 feet along the East Line of the NE1/4 of said Section 31 to the Northeast Corner of PRAIRIE GREENS 2, a subdivision located in the E1/2 of said Section 31 in the Town of Frederick, County of Weld, State of Colorado, according to the recorded plat thereof, and the TRUE POINT OF BEGINNING;

Thence S89°22'07"W, 1097.93 feet along the Northerly Line of said PRAIRIE GREENS 2 to a point of curve to the right, also being the Northerly Line of that tract of land conveyed to the Town of Frederick by EJD, LLC as described in Special Warranty Deed recorded April 9, 2001, as Reception No. 2838722 of the records of Weld County, Colorado;

The following courses and distances are along the Northerly Line of that tract of land as described as said Reception No. 2838722:

Thence Northwesterly, 230.48 feet along the arc of said curve to a point tangent, said arc having a radius of 250.00 feet, a central angle of 52°49'23", and being subtended by a chord that bears N64°13'11"W, 222.41 feet;

Thence N37°48'30"W, 184.60 feet to a point of curve to the left;

CARRIAGE HILLS METROPOLITAN DISTRICT

Thence Westerly, 80.59 feet along the arc of said curve to a point of compound curve to the left, said arc having a radius of 250.00 feet, a central angle of  $18^{\circ}28'14''$ , and being subtended by a chord that bears  $N47^{\circ}02'37''W$ , 80.24 feet;

Thence Southwesterly, 56.67 feet along the arc of said curve to the Easterly Line of said PRAIRIE GREENS 2, also being a point tangent, said arc having a radius of 35.00 feet, a central angle of  $92^{\circ}46'15''$ , and being subtended by a chord that bears  $S77^{\circ}20'09''W$ , 50.68 feet;

The following courses and distances are along the Easterly Line of said PRAIRIE GREENS 2:

Thence  $N30^{\circ}57'01''E$ , 32.72 feet to a point of curve to the left;

Thence Northerly, 308.81 feet along the arc of said curve to a point tangent, said arc having a radius of 530.00 feet, a central angle of  $33^{\circ}23'03''$ , and being subtended by a chord that bears  $N14^{\circ}15'30''E$ , 304.46 feet;

Thence  $N02^{\circ}26'02''W$ , 349.41 feet to a Northeasterly Corner of said PRAIRIE GREENS 2, also being a point on the Southerly Line of MAPLEWOOD SUBDIVISION, FILING 5, a subdivision located in the NE1/4 of said Section 31 in the Town of Frederick, County of Weld, State of Colorado, according to the recorded plat thereof;

The following courses and distances are along the Southerly and Easterly Lines of said MAPLEWOOD SUBDIVISION, FILING 5:

Thence  $S87^{\circ}45'32''E$ , 1.50 feet;

Thence  $N00^{\circ}00'31''W$ , 15.01 feet;

Thence Southeasterly, 550.47 feet along the arc of a curve concave to the Southwest to a point tangent, said arc having a radius of 727.00 feet, a central angle of  $43^{\circ}23'01''$ , and being subtended by a chord that bears  $S56^{\circ}25'39''E$ , 537.42 feet;

Thence  $S34^{\circ}44'14''E$ , 51.99 feet;

Thence  $N55^{\circ}15'46''E$ , 345.00 feet;

Thence  $N34^{\circ}44'14''W$ , 52.01 feet to a point of curve to the left;

Thence Northwesterly, 264.29 feet along the arc of said curve, said arc having a radius of 1072.00 feet, a central angle of  $14^{\circ}07'32''$ , and being subtended by a chord that bears  $N41^{\circ}48'00''W$ , 263.62 feet;

Thence  $N46^{\circ}12'38''W$ , 169.97 feet;



CARRIAGE HILLS METROPOLITAN DISTRICT

Thence N55°44'21"W, 157.88 feet;

Thence N02°26'02"W, 1020.90 feet to the North Line of the NE1/4 of said Section 31;

Thence leaving the Easterly Line of said MAPLEWOOD SUBDIVISION, FILING 5, N89°26'45"E, 1182.03 feet along the North Line of the NE1/4 of said Section 31 to the Northeast Corner of said Section 31;

Thence S00°00'00"W, 2295.08 feet along the East Line of the NE1/4 of said Section 31 to the Northeast Corner of said PRAIRIE GREENS 2 and the TRUE POINT OF BEGINNING.

NOTICE: According to Colorado law you must commence any legal action based upon any defect in this survey within three years after you first discovered such defect. In no event, may any action based upon any defect in this survey be commenced more than ten years from the date of the certification shown hereon.

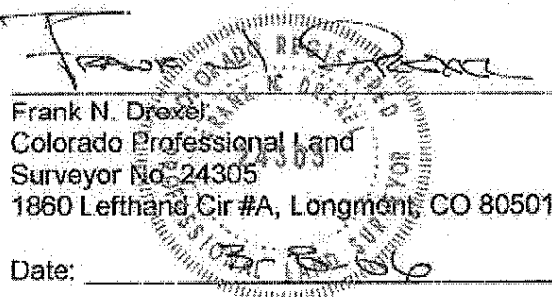
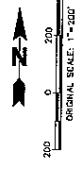
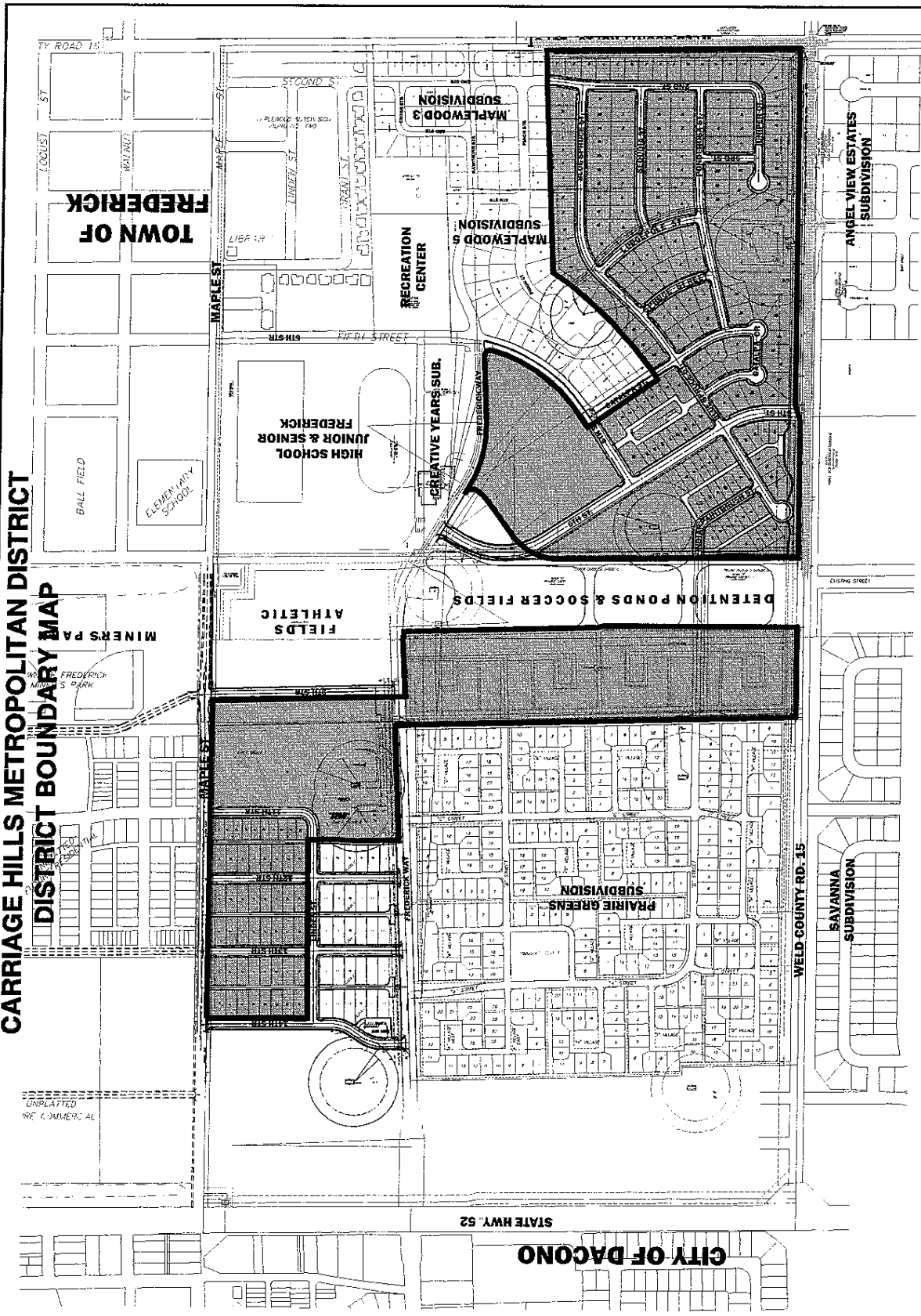
  
Frank N. Drexel  
Colorado Professional Land  
Surveyor No. 24305  
1860 Lefthand Cir #A, Longmont, CO 80501  
Date: \_\_\_\_\_

EXHIBIT B

Boundary Map

**CARRIAGE HILLS METROPOLITAN DISTRICT  
DISTRICT BOUNDARY MAP**



**CARRIAGE HILLS METROPOLITAN DISTRICT**

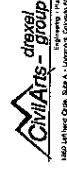


EXHIBIT C

Vicinity Map

# CARRIAGE HILLS METRO DISTRICT

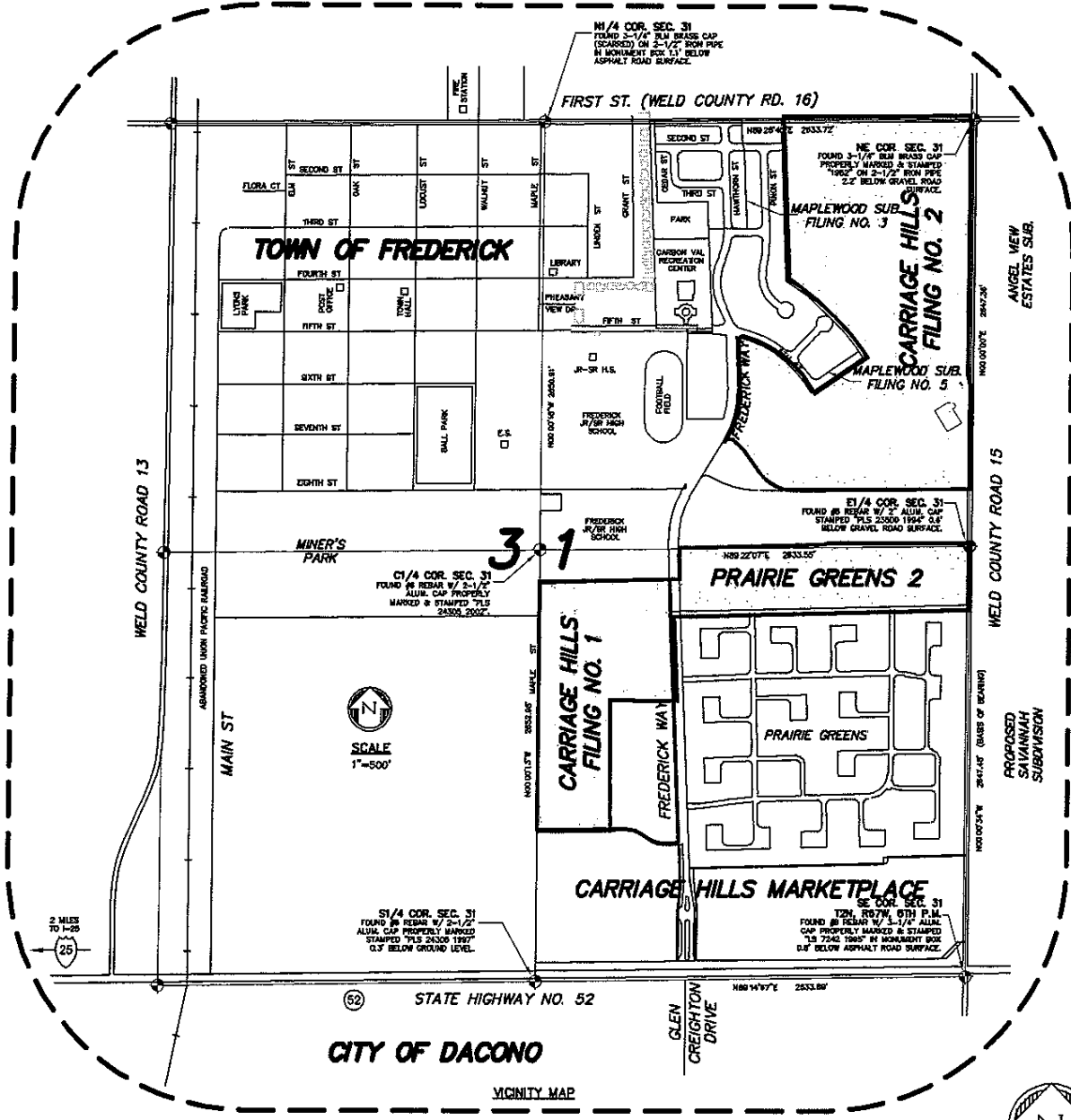


EXHIBIT MAP  
 DATE: 03-07-06  
 DWG: VIN MAP DWG



Engineering • Planning • Surveying  
 1860 Lathand Circle, Suite A • Longmont, Colorado 80501 (303) 682-1131

EXHIBIT D

Proofs of Ownership







R3129004	CARRIAGE HILLS DEVELOPMENT INC	1400	FRE CH1 L5 BLK6 CARRIAGE HILLS FG #1	436 COFFMAN ST STE 200	P O BOX 908	LONGMONT	CO	80502
R3129104	CARRIAGE HILLS DEVELOPMENT INC	1400	FRE CH1 L6 BLK6 CARRIAGE HILLS FG #1	436 COFFMAN ST STE 200	P O BOX 908	LONGMONT	CO	80502
R3129204	CARRIAGE HILLS DEVELOPMENT INC	1400	FRE CH1 L7 BLK6 CARRIAGE HILLS FG #1	436 COFFMAN ST STE 200	P O BOX 908	LONGMONT	CO	80502
R3129304	CARRIAGE HILLS DEVELOPMENT INC	1400	FRE CH1 L8 BLK6 CARRIAGE HILLS FG #1	436 COFFMAN ST STE 200	P O BOX 908	LONGMONT	CO	80502
R3129404	CARRIAGE HILLS DEVELOPMENT INC	1400	FRE CH1 L9 BLK6 CARRIAGE HILLS FG #1	436 COFFMAN ST STE 200	P O BOX 908	LONGMONT	CO	80502
R3129504	CARRIAGE HILLS DEVELOPMENT INC	1400	FRE CH1 L10 BLK6 CARRIAGE HILLS FG #1	436 COFFMAN ST STE 200	P O BOX 908	LONGMONT	CO	80502
R3129604	CARRIAGE HILLS DEVELOPMENT INC	1400	FRE CH1 L1 BLK7 CARRIAGE HILLS FG #1	436 COFFMAN ST STE 200	P O BOX 908	LONGMONT	CO	80502
R3129704	CARRIAGE HILLS DEVELOPMENT INC	1400	FRE CH1 OUTLOT A BLK7 CARRIAGE HILLS FG #1	436 COFFMAN ST STE 200	P O BOX 908	LONGMONT	CO	80502
R3129604	CARRIAGE HILLS DEVELOPMENT INC	1400	FRE CH1 L1 BLK7 CARRIAGE HILLS FG #1	436 COFFMAN ST STE 200	P O BOX 908	LONGMONT	CO	80502
R3129704	CARRIAGE HILLS DEVELOPMENT INC	1400	FRE CH1 OUTLOT A BLK7 CARRIAGE HILLS FG #1	436 COFFMAN ST STE 200	P O BOX 908	LONGMONT	CO	80502
R2700804	EJD	1401	FRE E2 31-2-67 EXC BEG S0D47E 1305.92' OF N4 COR S89D48E 892' S0D47W 977.87' N89D47W 892' TO C/L SEC N0D47E 977.75' TO BEG ALSO EXC BEG S0D47W 980.02' OF N4 COR SEC S89D48E 265' S0D47W 325.93 N89D48W 265' N0D47E 325.93' TO BEG ALSO EXC B	C/O JO ANNA GRANT	10515 MOORING RD	LONGMONT	CO	80504
R2087003	EJD LLC (72.96% INT) &	1401	FRE 2PG L1 PRAIRIE GREENS 2	C/O DOUGLAS GRANT	PO BOX 908	LONGMONT	CO	80502- 0908

EXHIBIT E  
Property Owners' Consents

March 7, 2006

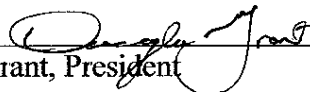
Town of Frederick, Colorado  
Post Office Box 435  
Frederick, Colorado 80530

**RE: Proposed Carriage Hills Metropolitan District (the "District")**

To Whom It May Concern:

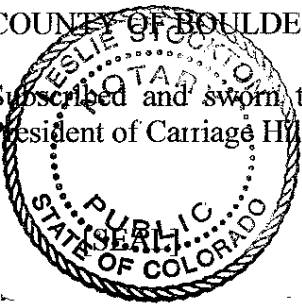
Carriage Hills Development, Inc., a Colorado corporation, is an owner of the property attached hereto as **Exhibit A**, which property is proposed to constitute the boundaries of the District. The purpose of this letter is to advise that I, Doug Grant, as President of Carriage Hills Development, Inc., consent to the organization of the District.


CARRIAGE HILLS DEVELOPMENT, INC.,  
A Colorado corporation

  
\_\_\_\_\_  
Doug Grant, President

STATE OF COLORADO                    )  
  )   ss  
COUNTY OF BOULDER                )

Subscribed and sworn to before me on this 7th day of March 2006, by Doug Grant, as President of Carriage Hills Development, Inc., a Colorado corporation.



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

My commission expires 1/3/2009

## EXHIBIT A



- ENGINEERING  
- PLANNING  
- SURVEYING

CivilArts Drexel Group, Inc. • 1860 Leffland Circle, Suite A • Loveland, CO 80541 • Tel: (303) 682-1151 • Fax: (303) 682-1149 • www.civilarts-drexel.com

## LEGAL DESCRIPTION- CARRIAGE HILLS METROPOLITAN DISTRICT

March 8, 2006

A description of the CARRIAGE HILLS METROPOLITAN DISTRICT located in the E1/2 of Section 31, T2N, R67W of the 6th P.M., Town of Frederick, Weld County, Colorado. For: Carriage Hills, LLC.

### LEGAL DESCRIPTION

A part of the E1/2 of Section 31, T2N, R67W of the 6th P.M., Town of Frederick, County of Weld, State of Colorado, described as follows:

(1) All of Carriage Hills Filing No. 1 according to the recorded plat thereof except the following:

All of Blocks 8, 9, 10, 11, and 12.

(2) All of Lot 1 of Prairie Greens Filing No. 2 according to the recorded plat thereof.

(3) A part of proposed Carriage Hills Filing No. 2 located in the NE1/4 of Section 31, T2N, R67W of the 6th P.M., County of Weld, State of Colorado, described as follows:

COMMENCING at the Southeast Corner of said Section 31, from which the E1/4 Corner of said Section 31 bears N00°00'34"W, 2647.48 feet (Basis of Bearing), thence N00°00'34"W, 2647.48 feet along the East Line of the SE1/4 of said Section 31 to the E1/4 Corner of said Section 31; Thence N00°00'00"E, 352.28 feet along the East Line of the NE1/4 of said Section 31 to the Northeast Corner of PRAIRIE GREENS 2, a subdivision located in the E1/2 of said Section 31 in the Town of Frederick, County of Weld, State of Colorado, according to the recorded plat thereof, and the TRUE POINT OF BEGINNING;

Thence S89°22'07"W, 1097.93 feet along the Northerly Line of said PRAIRIE GREENS 2 to a point of curve to the right, also being the Northerly Line of that tract of land conveyed to the Town of Frederick by EJD, LLC as described in Special Warranty Deed recorded April 9, 2001, as Reception No. 2838722 of the records of Weld County, Colorado;

The following courses and distances are along the Northerly Line of that tract of land as described as said Reception No. 2838722:

Thence Northwesterly, 230.48 feet along the arc of said curve to a point tangent, said arc having a radius of 250.00 feet, a central angle of 52°49'23", and being subtended by a chord that bears N64°13'11"W, 222.41 feet;

Thence N37°48'30"W, 184.60 feet to a point of curve to the left;

CARRIAGE HILLS METROPOLITAN DISTRICT

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CARRIAGE HILLS METROPOLITAN DISTRICT

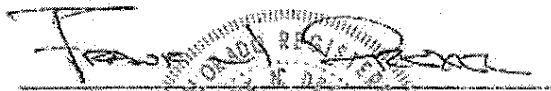
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Frank N. Drexel  
Colorado Professional Land  
Surveyor No. 24305  
1860 Lefthand Cir #A, Longmont, CO 80501  
Date: \_\_\_\_\_

File: LGL-0206 CH.doc

Project: E-177





EXHIBIT A



-- ENGINEERING  
-- PLANNING  
-- SURVEYING

CivilArts-Drexel Group, Inc. • 1880 Fellowship Circle, Suite A • Longmont, CO 80501 • Tel: (303) 682-1131 • Fax: (303) 682-1139 • www.civilarts-drexel.com

## LEGAL DESCRIPTION- CARRIAGE HILLS METROPOLITAIN DISTRICT

March 8, 2006

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CARRIAGE HILLS METROPOLITAN DISTRICT

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CARRIAGE HILLS METROPOLITAN DISTRICT

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\_\_\_\_\_  
Frank N. Drexel  
Colorado Professional Land  
Surveyor No. 24305  
1860 Lefthand Cir #A, Longmont, CO 80501  
Date: \_\_\_\_\_

EXHIBIT F

Engineer's Estimate of Costs

## UNIT COSTS for Metropolitan Districts

### Roads

	Unit	Unit Price
Internal Streets	LF	\$ 130
W/ Alleys, C&G, S/W & Street Lights		
Frederick Way	LF	\$ 100
Maple Street	LF	\$ 150
WCR 15	LF	\$ 95
WCR 15 full width	LF	\$ 150
WCR 16	LF	\$ 100
SH 52	LF	\$ 150

### Potable Water System

Potable Water System	LF	\$ 60
W / Pipe, Fittings, Thrust Blocks, Valves & FHs		

### Sanitary Sewer

Sanitary Sewer	LF	\$ 55
W / Pipe & Manholes		

### Drainage and Storm Sewer

Storm Sewer	LF	\$ 120
W / Pipe, Manholes & Inlets		
Detention Pond		see estimates
W / Outlet Structure & Water Quality		

### Parks, Recreation, Landscaping & Irrigation

Tract Landscaping	SF	\$ 1
Streetscape Landscaping	LF	\$ 25
Fencing	LF	\$ 20
Park Landscaping & Equipment	SF	\$ 2
Pond Area Landscaping		see estimates
Signage and Monumentation		see estimates

## Carriage Hills Metropolitan District

### Roads

	Quantity	Unit	Unit Price	Total
Internal Streets W/ Alleys	20,669	LF	\$ 130	\$ 2,686,970
WCR 15	1,200	LF	\$ 95	\$ 114,000
WCR 16	2,700	LF	\$ 100	\$ 270,000
Sub Total Roads				<b>\$ 3,070,970</b>

### Potable Water System

Potable Water System	21,462	LF	\$ 60	\$ 1,287,720
Sub Total Water				<b>\$ 1,287,720</b>

### Sanitary Sewer

Sanitary Sewer	17,454	LF	\$ 55	\$ 959,959
Sub Total Sanitary Sewer				<b>\$ 959,959</b>

### Drainage and Storm Sewer

Storm Sewer	6,305	LF	\$ 120	\$ 756,600
Detention Pond	1	ea	\$ 100,000	\$ 100,000
Sub Total				<b>\$ 856,600</b>

### Parks, Recreation & Landscape

#### Carriage Hills Filing No. 2

Tract A	75,359	SF	\$ 2	\$ 150,718
Tract G	21,780	SF	\$ 1	\$ 21,780
Tract H	25,265	SF	\$ 1	\$ 25,265
Tract K	3,485	SF	\$ 1	\$ 3,485
Tract L	14,375	SF	\$ 2	\$ 28,750
Ponds Area	1	LS	\$ 150,000	\$ 150,000
Signage and Monumentation	1	LS	\$ 200,000	\$ 200,000
WCR 15 Streetscape	1,182	LF	\$ 25	\$ 29,550
WCR 16 Streetscape	2,295	LF	\$ 25	\$ 57,375
WCR 15 Fencing	1,090	LF	\$ 20	\$ 21,800
WCR 16 Fencing	2,230	LF	\$ 20	\$ 44,600

#### Carriage Hills Filing No. 1

Tract A	50,000	SF	\$ 2	\$ 100,000
Maple Streetscape	2,500	LF	\$ 25	\$ 62,500
Sub Total Parks and Recreation				<b>\$ 895,822</b>

## **Carriage Hills Metropolitan District**

### **Estimate of Probable Cost -- Summary Sheet**

<u>Roads</u>	\$3,070,970
<u>Potable Water System</u>	\$1,287,720
<u>Sanitary Sewer</u>	\$959,959
<u>Drainage and Storm Sewer</u>	\$856,600
<u>Parks, Recreation &amp; Landscape</u>	\$895,822
Sub Total	\$7,071,071

#### Soft Cost

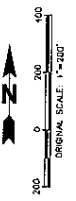
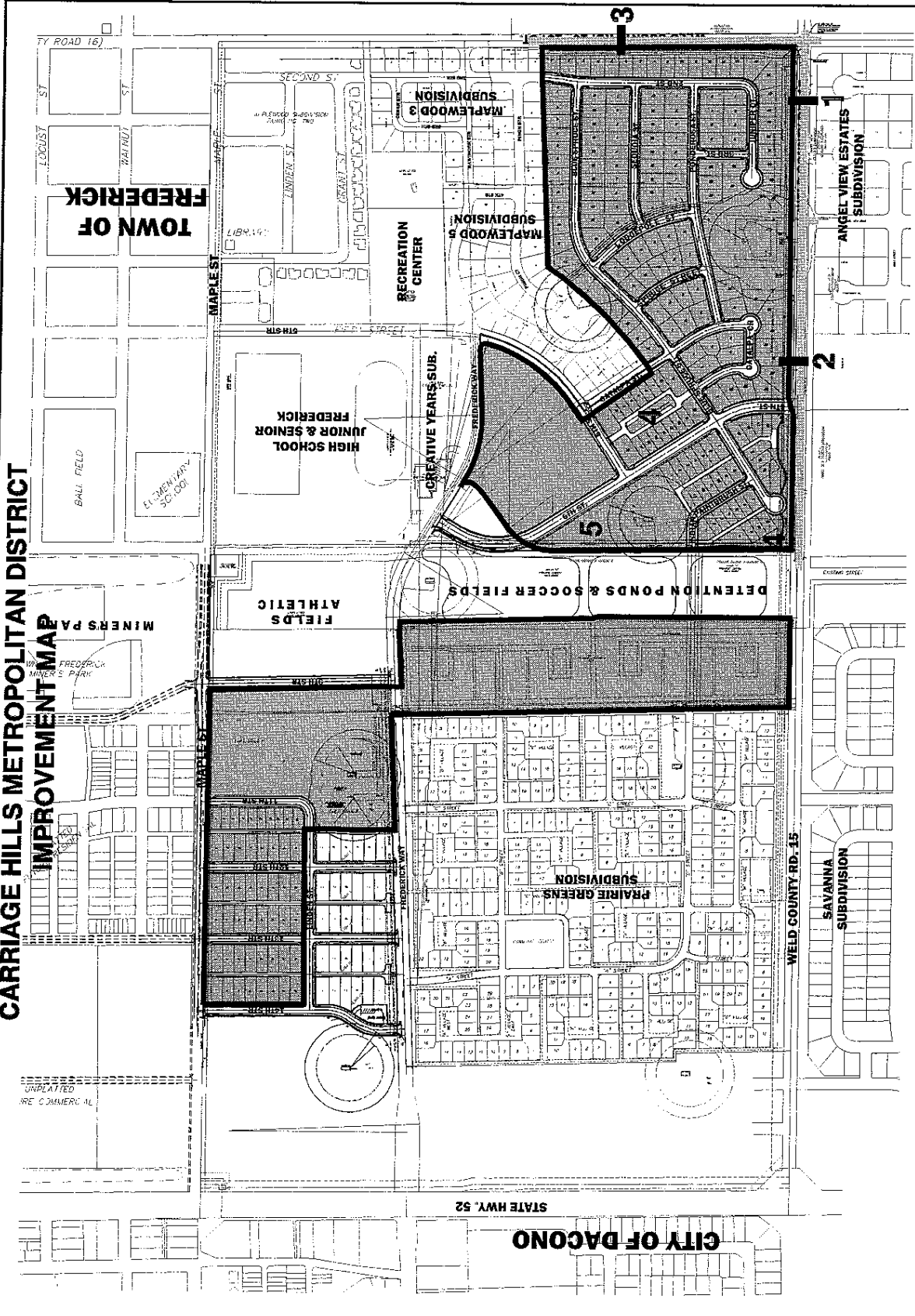
Contingency 10%	\$707,107
Engineering/Survey/Testing 15%	\$1,060,661
Project Management 10%	\$353,554
<b>Total</b>	<b>\$9,192,392</b>



## EXHIBIT G

### Location of Public Improvements

**CARRIAGE HILLS METROPOLITAN DISTRICT  
IMPROVEMENT MAP**



**CARRIAGE HILLS METROPOLITAN DISTRICT**





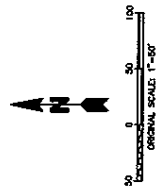
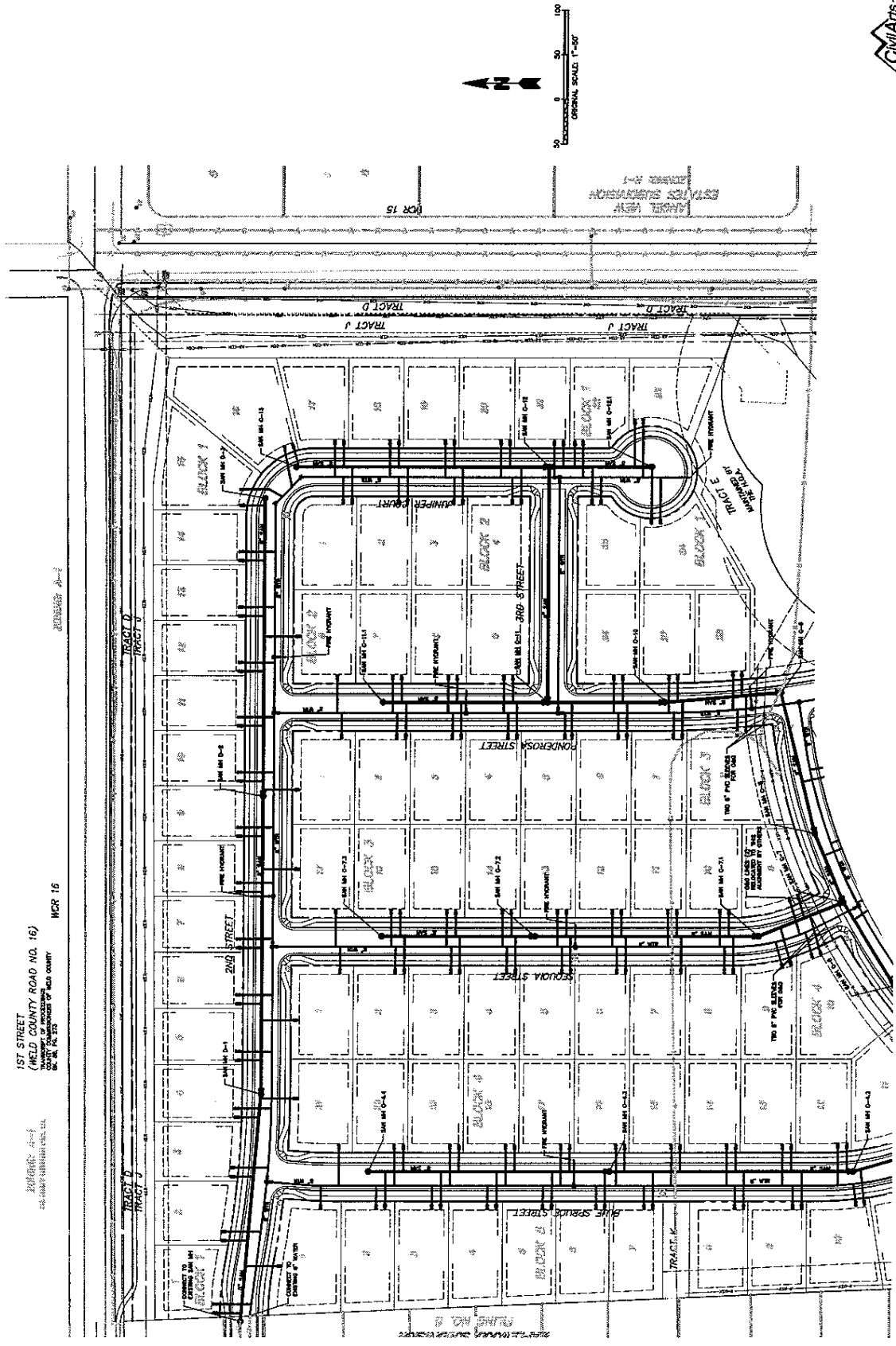
# CARRIAGE HILLS METROPOLITAN DISTRICT UTILITY MAP

1ST STREET  
(WELD COUNTY ROAD NO. 16)  
COUNTY OF WELD COUNTY  
CO. OF PLATS

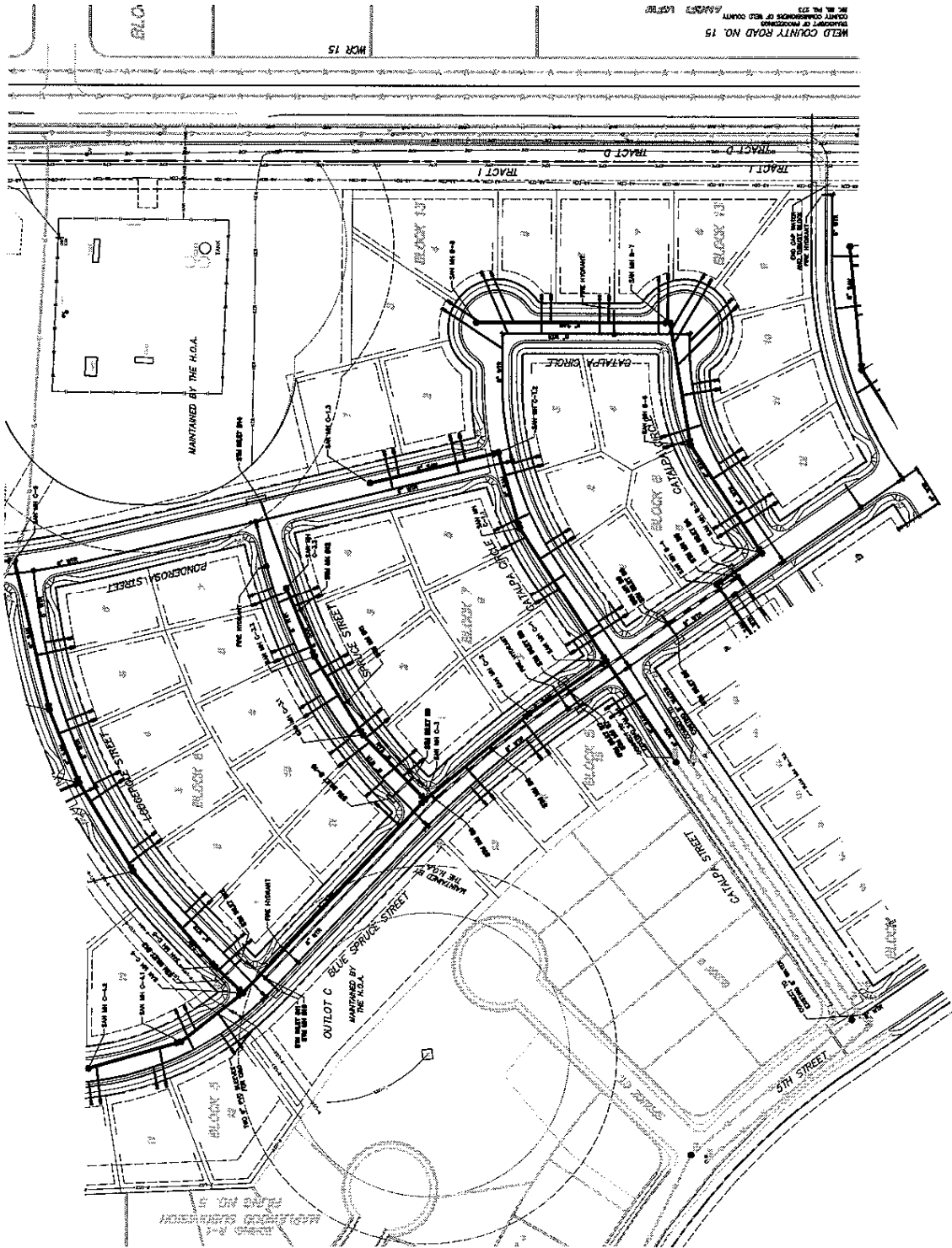
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20-0000-0000-0000  
20-0000-0000-0000

MCR 16

20-0000-0000-0000

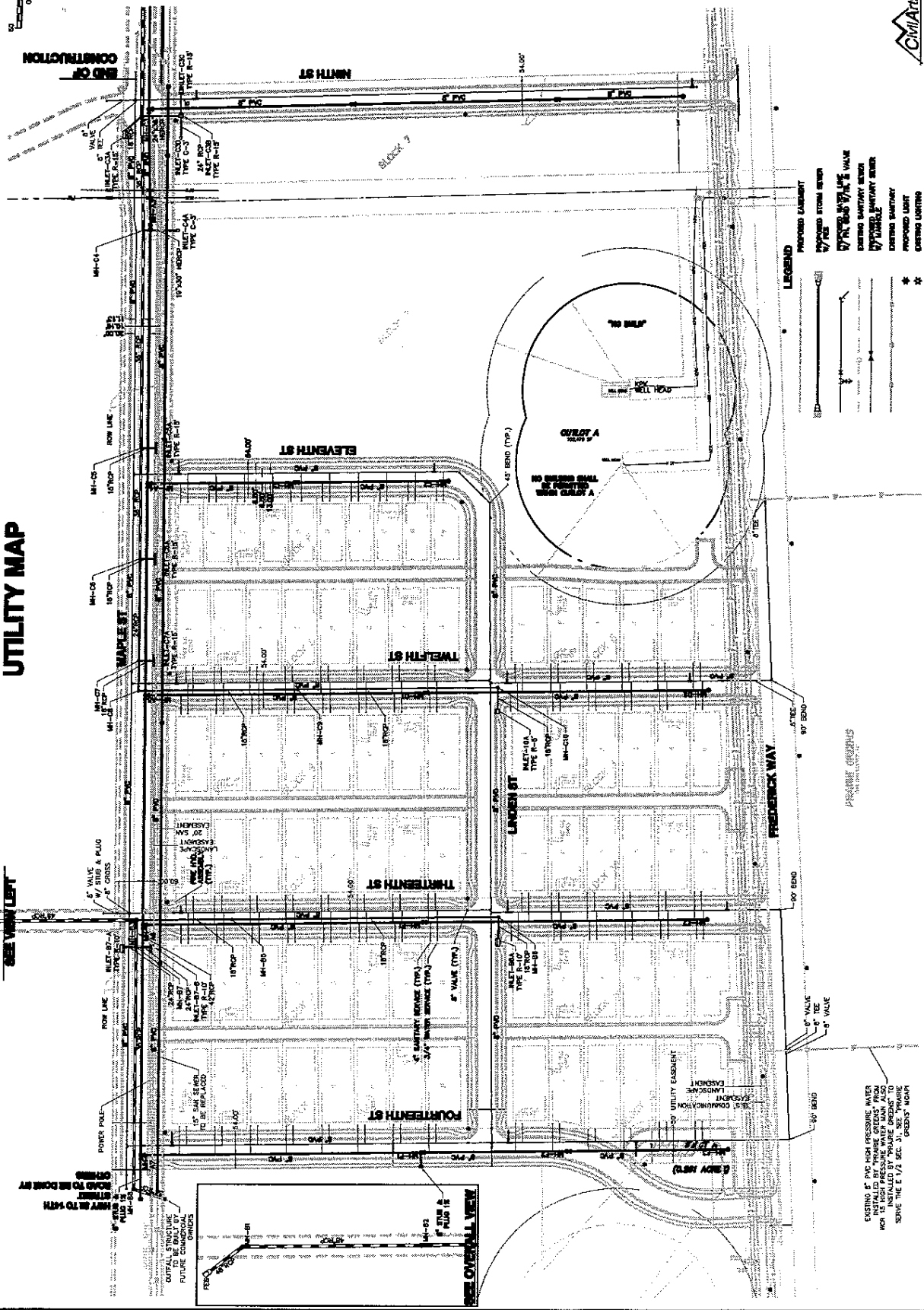
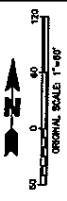


# CARRIAGE HILLS METROPOLITAN DISTRICT UTILITY MAP



WELD COUNTY ROAD NO. 15  
 TRACT 1, 2, 3  
 COUNTY COMMISSIONERS OF WELD COUNTY  
 APPROVED: 1/27/08

# CARRIAGE HILLS METROPOLITAN DISTRICT UTILITY MAP

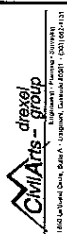


**LEGEND**

	PROPOSED EASEMENT
	PROPOSED STORM SEWER
	EXISTING STORM SEWER
	EXISTING SANITARY SEWER
	EXISTING WATER MAIN
	EXISTING GAS MAIN
	PROPOSED STORM SEWER
	PROPOSED SANITARY SEWER
	PROPOSED WATER MAIN
	PROPOSED GAS MAIN
	PROPOSED EASEMENT
	PROPOSED LIGHT
	EXISTING LIGHT

PRECAST GREENS  
MANHOLES

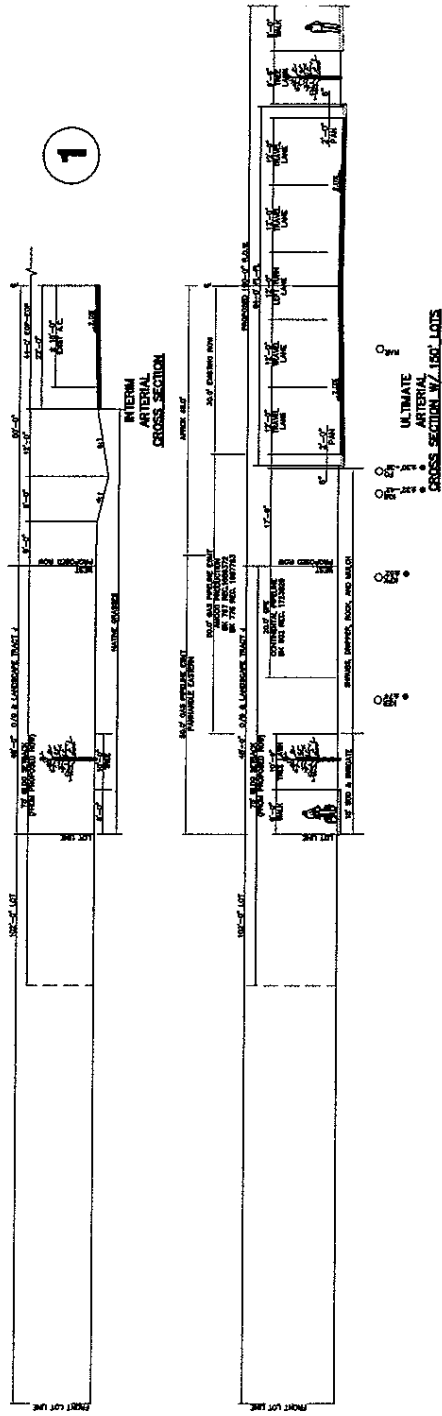
EXISTING 8" PVC HIGH PRESSURE WATER MAIN IS NOT PRECAST GREENS. PRECAST GREENS WATER MAIN ALSO SEE THE E. 1/2 SEC. 31, SEE "PRECAST GREENS" MAP



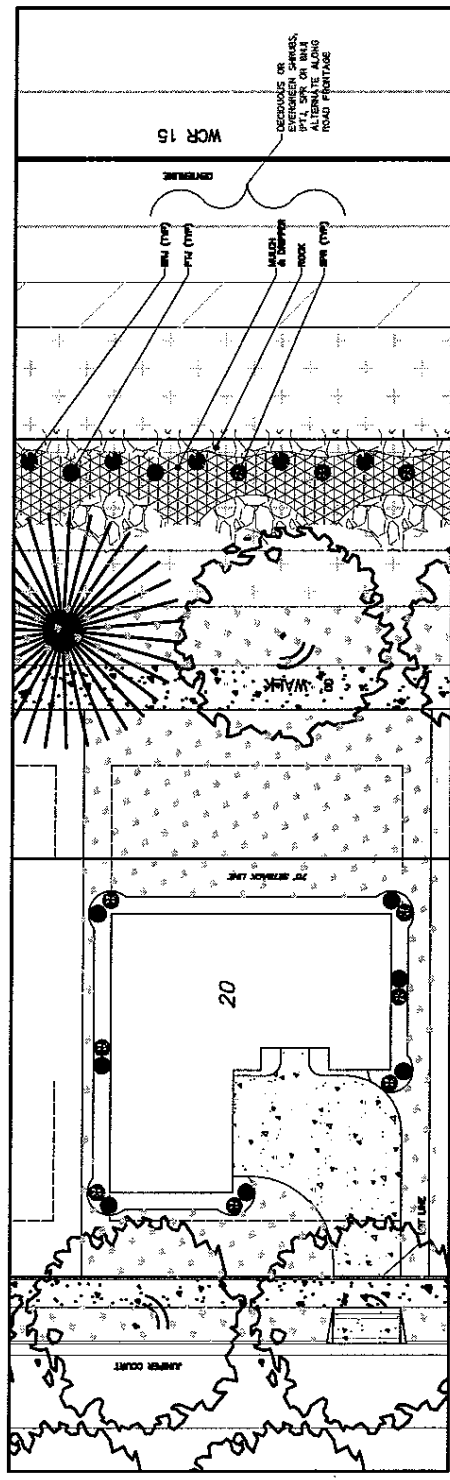
1600 Lakeside Drive, Suite 400, Englewood, Colorado 80151 (303) 751-1111

# CARRIAGE HILLS METRO DISTRICT

WCR 15 SEC A-A



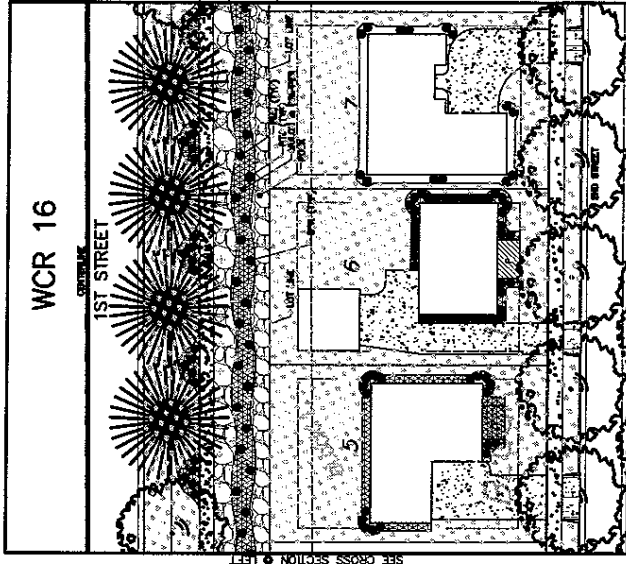
ULTIMATE ARTERIAL CROSS SECTION W/ 150' LOTS







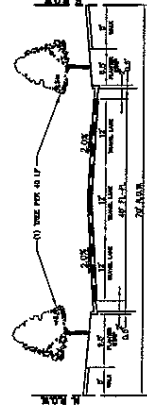
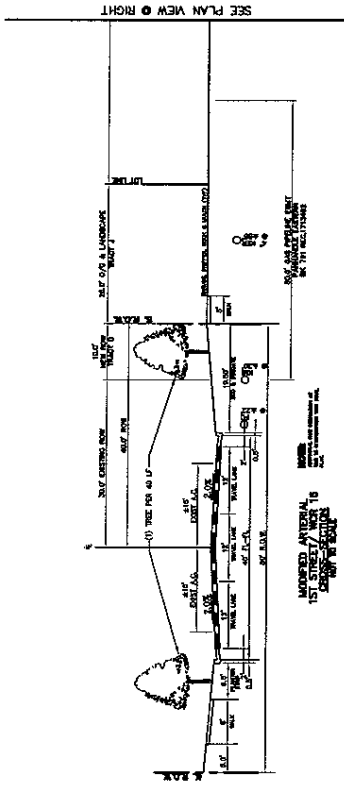
# CARRIAGE HILLS METRO DISTRICT



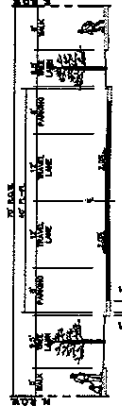
PLANTING SHADE OF EVERGREENS OR ALONG ROAD FRONTAGE BETWEEN TREES

DECIDUOUS OR EVERGREEN SHRUBS, ALTERNATE ALONG SIDEWALK/ OPEN SPACE

3



COLLECTOR STREETS PROHIBIT PARKING FROM CURB TO CURB



COLLECTOR STREETS WITH PARKING FROM CURB TO CURB

# INTERNAL STREETS/ ALLEYS

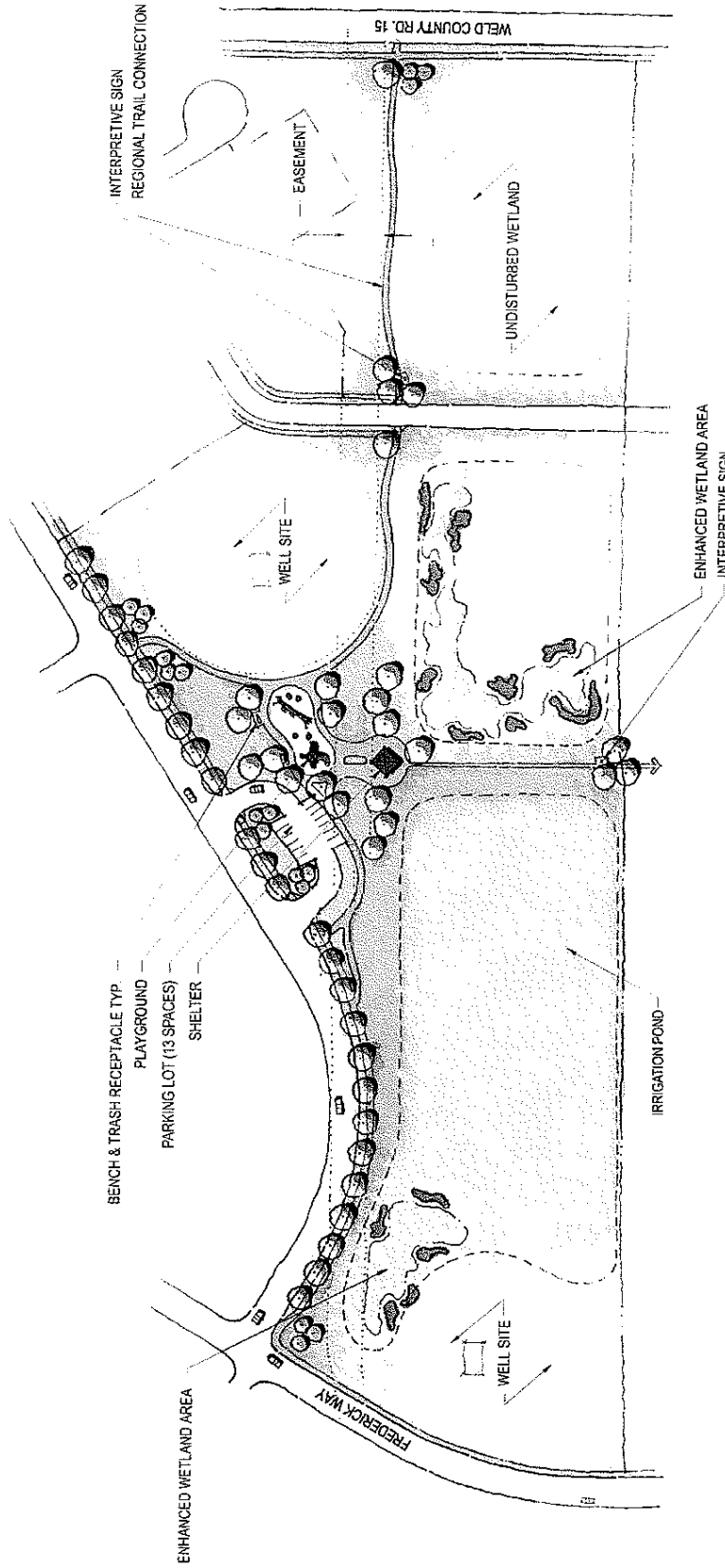


# CARRIAGE HILLS COMMUNITY PARK

## CONCEPTUAL PLAN

MARCH 2, 2006

5



CARRIAGE HILLS METROPOLITAN DISTRICT

CARRIAGE HILLS METROPOLITAN DISTRICT PHASING MAP

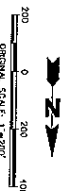
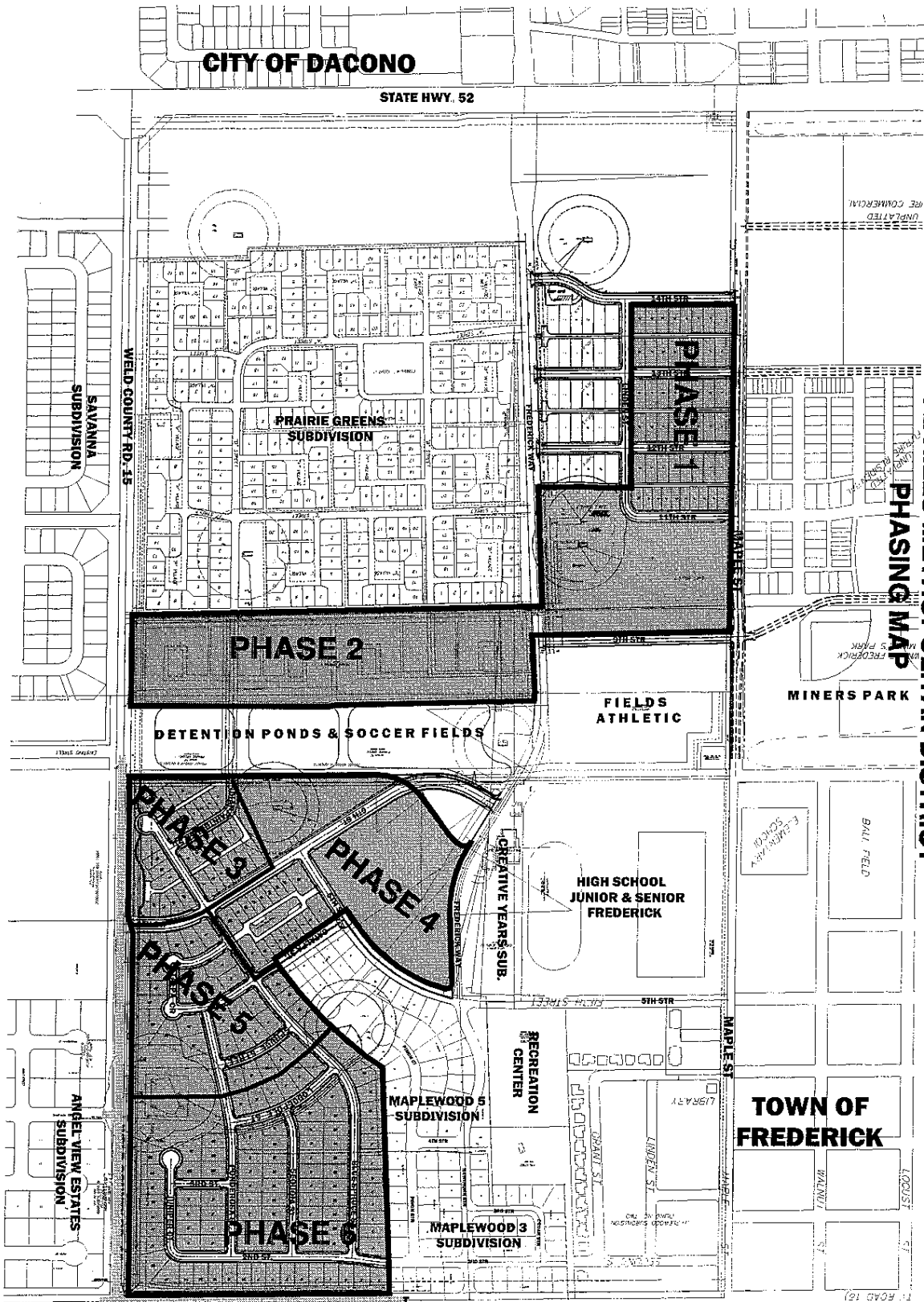


EXHIBIT H

Financing Plan

Carrage Hills Metropolitan District  
Town of Frederick, Colorado  
Limited Tax General Obligation Bonds

Residential Bond Cashflow - District Debt Capacity Schedule

Year	Residential Property Tax Revenue			Net Revenue Available for Debt Service	Principal	Interest	D6RF	CAPI Fund	Net Debt Service	Coverage	Annual Surplus/Deficit	Cumulative Surplus/Deficit
	Total Cumulative Assessed Value (1)	Mill Levy	Total Property Tax Revenue (2)									
2006	\$ 1,273,600	40	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	\$ -
2007	5,350,354	40	-	51,199	-	364,000	(20,800)	(364,000)	(20,800)	0.90	71,999	71,999
2008	7,691,666	40	50,944	215,084	-	364,000	(20,800)	(364,000)	(20,800)	0.90	235,884	307,883
2009	9,982,906	40	214,014	309,205	-	364,000	(20,800)	(364,000)	(20,800)	1.17	(33,995)	273,888
2010	12,136,970	40	307,667	401,313	-	364,000	(20,800)	(364,000)	(20,800)	1.18	58,113	332,001
2011	13,596,907	40	399,316	38,838	70,000	364,000	(20,800)	(364,000)	(20,800)	1.18	74,706	406,707
2012	14,239,858	40	485,479	43,510	125,000	359,100	(20,800)	(20,800)	(20,800)	1.18	83,296	490,003
2013	14,382,236	40	543,876	45,568	155,000	350,350	(20,800)	(20,800)	(20,800)	1.18	87,892	577,895
2014	14,526,079	40	569,594	46,023	170,000	339,500	(20,800)	(20,800)	(20,800)	1.18	89,467	667,362
2015	14,671,340	40	575,290	46,483	185,000	327,600	(20,800)	(20,800)	(20,800)	1.19	92,148	759,510
2016	14,818,033	40	581,043	46,948	205,000	314,650	(20,800)	(20,800)	(20,800)	1.18	90,938	850,448
2017	14,966,233	40	586,854	47,418	225,000	300,300	(20,800)	(20,800)	(20,800)	1.18	91,186	941,634
2018	15,115,896	40	592,722	47,892	245,000	284,550	(20,800)	(20,800)	(20,800)	1.18	92,893	1,034,526
2019	15,267,055	40	598,649	48,371	265,000	267,400	(20,800)	(20,800)	(20,800)	1.19	96,039	1,130,565
2020	15,419,725	40	604,636	48,855	290,000	248,850	(20,800)	(20,800)	(20,800)	1.18	95,686	1,226,271
2021	15,573,923	40	610,682	49,343	315,000	228,550	(20,800)	(20,800)	(20,800)	1.18	97,123	1,323,394
2022	15,729,662	40	616,789	49,837	345,000	206,500	(20,800)	(20,800)	(20,800)	1.19	100,782	1,418,765
2023	15,886,958	40	622,957	50,335	370,000	182,350	(20,800)	(20,800)	(20,800)	1.18	98,006	1,519,548
2024	16,045,828	40	629,186	50,838	405,000	156,450	(20,800)	(20,800)	(20,800)	1.18	97,742	1,617,553
2025	16,206,286	40	635,478	51,347	440,000	128,100	(20,800)	(20,800)	(20,800)	1.18	99,593	1,715,296
2026	16,368,349	40	641,833	51,860	465,000	97,300	(10,400)	(10,400)	(10,400)	1.18	188,258	1,814,888
2027	16,532,033	40	648,251	52,379	925,000	64,750	(520,000)	(728,000)	9,222,700	1.40	188,258	2,003,146
2028	16,697,353	40	654,734	52,893	\$ 5,200,000	\$ 5,676,300	\$ (925,600)	\$ (728,000)	\$ 9,222,700			

(1) Based on annual inflation of 1.00%

(2) Revenue delayed 2 years due to collection period

(3) Based on 7.00% Interest Rate, Generating a Project Amount of \$3,803,768

Carrage Hills Metropolitan District  
Town of Frederick, Colorado  
Limited Tax General Obligation Bonds

Residential General Administration Costs Cashflow - District Debt Capacity Schedule

		Residential Property Tax Revenue		Net Revenue Available for General Administration Costs		Annual General Admin Costs		Coverage		Annual Surplus/Deficit		Cumulative Surplus/Deficit	
	Total Cumulative Assessed Value	Mill Levy	Total Property Tax Revenue	Specific Ownership Tax @ 8.0% of Property Tax	Net Revenue Available for General Administration Costs	Annual General Admin Costs	Coverage	Annual Surplus/Deficit	Cumulative Surplus/Deficit				
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
2006	1,273,600	5	0	0	0	0	0	0	0	0	0	0	0
2007	5,350,354	5	6,368	509	6,877	6,877	1.00	0	0	0	0	0	0
2008	7,691,666	5	26,752	2,140	28,892	28,892	1.00	0	0	0	0	0	0
2009	9,982,906	5	38,458	3,077	41,535	41,535	1.00	0	0	0	0	0	0
2010	12,136,970	5	49,915	3,993	53,908	53,908	1.00	0	0	0	0	0	0
2011	13,596,907	5	60,685	4,855	65,540	65,540	1.00	0	0	0	0	0	0
2012	14,239,858	5	67,985	5,439	73,423	73,423	1.00	0	0	0	0	0	0
2013	14,382,256	5	71,199	5,696	76,895	76,895	1.00	0	0	0	0	0	0
2014	14,526,079	5	71,911	5,753	77,664	77,664	1.00	0	0	0	0	0	0
2015	14,671,340	5	72,630	5,810	78,441	78,441	1.00	0	0	0	0	0	0
2016	14,818,053	5	73,357	5,869	79,225	79,225	1.00	0	0	0	0	0	0
2017	14,966,233	5	74,090	5,927	80,017	80,017	1.00	0	0	0	0	0	0
2018	15,115,896	5	74,831	5,986	80,818	80,818	1.00	0	0	0	0	0	0
2019	15,267,055	5	75,579	6,046	81,626	81,626	1.00	0	0	0	0	0	0
2020	15,419,725	5	76,335	6,107	82,442	82,442	1.00	0	0	0	0	0	0
2021	15,573,923	5	77,099	6,168	83,267	83,267	1.00	0	0	0	0	0	0
2022	15,729,662	5	77,870	6,230	84,099	84,099	1.00	0	0	0	0	0	0
2023	15,886,958	5	78,648	6,292	84,940	84,940	1.00	0	0	0	0	0	0
2024	16,045,828	5	79,435	6,355	85,790	85,790	1.00	0	0	0	0	0	0
2025	16,206,286	5	80,229	6,418	86,647	86,647	1.00	0	0	0	0	0	0
2026	16,368,349	5	81,031	6,483	87,514	87,514	1.00	0	0	0	0	0	0
2027	16,532,033	5	81,842	6,547	88,389	88,389	1.00	0	0	0	0	0	0
2028	16,697,353	5	82,660	6,613	89,273	89,273	1.00	0	0	0	0	0	0
2029	16,864,326	5	83,487	6,679	90,166	90,166	1.00	0	0	0	0	0	0
2030	17,032,970	5	84,322	6,746	91,067	91,067	1.00	0	0	0	0	0	0
2031	17,203,299	5	85,165	6,813	91,978	91,978	1.00	0	0	0	0	0	0
2032	17,375,332	5	86,016	6,881	92,898	92,898	1.00	0	0	0	0	0	0
2033	17,549,086	5	86,877	6,950	93,827	93,827	1.00	0	0	0	0	0	0
2034	17,724,577	5					1.00	0	0	0	0	0	0
	\$1,904,776		\$152,382	\$2,057,158	\$2,057,158	\$2,057,158							

Preliminary

**\$5,200,000**

**CARRIAGE HILLS METROPOLITAN DISTRICT  
LIMITED TAX REVENUE BONDS  
Series 2007**

**Sources & Uses**

Dated 12/01/2007 | Delivered 12/01/2007

**Sources Of Funds**

Par Amount of Bonds	\$5,200,000.00
---------------------	----------------

<b>Total Sources</b>	<b>\$5,200,000.00</b>
----------------------	-----------------------

**Uses Of Funds**

Total Underwriter's Discount (2.000%)	104,000.00
---------------------------------------	------------

Costs of Issuance	75,000.00
-------------------	-----------

Deposit to Debt Service Reserve Fund (DSRF)	520,000.00
---	------------

Deposit to Capitalized Interest (CIF) Fund	697,231.54
--	------------

Deposit to Project Account	3,803,768.46
----------------------------	--------------

<b>Total Uses</b>	<b>\$5,200,000.00</b>
-------------------	-----------------------

Series 2006 | SINGLE PURPOSE | 2/22/2006 | 11:11 AM

**Piper Jaffray & Co.**  
Fixed Income Capital Markets



Preliminary

**\$5,200,000**

**CARRIAGE HILLS METROPOLITAN DISTRICT  
LIMITED TAX REVENUE BONDS  
Series 2007**

**Net Debt Service Schedule**

Date	Principal	Coupon	Interest	Total P+I	DSR	CIF	Net New D/S
12/01/2007	-	-	-	-	-	-	-
12/01/2008	-	-	364,000.00	364,000.00	(20,800.00)	(364,000.00)	(20,800.00)
12/01/2009	-	-	364,000.00	364,000.00	(20,800.00)	(364,000.00)	(20,800.00)
12/01/2010	-	-	364,000.00	364,000.00	(20,800.00)	-	343,200.00
12/01/2011	-	-	364,000.00	364,000.00	(20,800.00)	-	343,200.00
12/01/2012	70,000.00	7.00%	364,000.00	434,000.00	(20,800.00)	-	413,200.00
12/01/2013	125,000.00	7.00%	359,100.00	484,100.00	(20,800.00)	-	463,300.00
12/01/2014	155,000.00	7.00%	350,350.00	505,350.00	(20,800.00)	-	484,550.00
12/01/2015	170,000.00	7.00%	339,500.00	509,500.00	(20,800.00)	-	488,700.00
12/01/2016	185,000.00	7.00%	327,600.00	512,600.00	(20,800.00)	-	491,800.00
12/01/2017	205,000.00	7.00%	314,650.00	519,650.00	(20,800.00)	-	498,850.00
12/01/2018	225,000.00	7.00%	300,300.00	525,300.00	(20,800.00)	-	504,500.00
12/01/2019	245,000.00	7.00%	284,550.00	529,550.00	(20,800.00)	-	508,750.00
12/01/2020	265,000.00	7.00%	267,400.00	532,400.00	(20,800.00)	-	511,600.00
12/01/2021	290,000.00	7.00%	248,850.00	538,850.00	(20,800.00)	-	518,050.00
12/01/2022	315,000.00	7.00%	228,550.00	543,550.00	(20,800.00)	-	522,750.00
12/01/2023	345,000.00	7.00%	206,500.00	551,500.00	(20,800.00)	-	530,700.00
12/01/2024	370,000.00	7.00%	182,350.00	552,350.00	(20,800.00)	-	531,550.00
12/01/2025	405,000.00	7.00%	156,450.00	561,450.00	(20,800.00)	-	540,650.00
12/01/2026	440,000.00	7.00%	128,100.00	568,100.00	(20,800.00)	-	547,300.00
12/01/2027	465,000.00	7.00%	97,300.00	562,300.00	(10,400.00)	-	551,900.00
12/01/2028	925,000.00	7.00%	64,750.00	989,750.00	(520,000.00)	-	469,750.00
<b>Total</b>	<b>\$5,200,000.00</b>	<b>-</b>	<b>\$5,676,300.00</b>	<b>\$10,876,300.00</b>	<b>(925,600.00)</b>	<b>(728,000.00)</b>	<b>\$9,222,700.00</b>

Series 2006 | SINGLE PURPOSE | 2/22/2006 | 11:11 AM

Piper Jaffray & Co.  
Fixed Income Capital Markets

**Carriage Hills Starting Date Absorpt. Median Price 2006 2007 2008 2009 2010 2011 2012 2013 2014 2015 2016 Total**

Phase	Starting Date	Absorpt.	Median Price	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	Total Units	Product Type	Total
Phase #1	3/1/2006	3.00	\$ 325,000.00		25											70 Single Family House	\$ 22,750,000.00
Phase #2	6/1/2007	2.00	\$ 375,000.00		38											124 Single Family House	\$ 46,500,000.00
Phase #3	1/1/2007	4.00	\$ 250,000.00		12	24	24	24	24	16						48 Patis Homes	\$ 12,250,000.00
Phase #4	6/1/2008	5.00	\$ 225,000.00		48	1										61 Modular Housing	\$ 18,225,000.00
Phase #5	1/1/2007	5.00	\$ 200,000.00		80	20										80 4-plex Town Homes	\$ 16,000,000.00
Phase #6	6/1/2009	5.00	\$ 200,000.00		80		30	19								48 4-plex Town Homes	\$ 9,600,000.00
Phase #7	1/1/2008	5.00	\$ 200,000.00		80	80	80	35								215 4-plex Town Homes	\$ 43,000,000.00
<b>Total</b>																	<b>\$ 229,925,000.00</b>

Total Residential Mkt. Value 16,000,000 51,055,000 29,741,318 27,819,127 28,006,979 16,915,181 6,389,121

Cumulative Inflation Residential Mkt. Value 16,000,000 67,215,000 86,628,873 125,413,389 152,474,503 179,615,498 179,892,893

Inflation Factor 1.00% 1.00% 1.00% 1.00% 1.00% 1.00% 1.00%

Residential Assessed Value 1,273,600 5,350,354 7,881,696 8,982,696 12,135,970 13,596,807 14,230,656 14,382,256 152,488,428 184,313,311 188,156,444

1.00% 1.00% 1.00% 1.00% 1.00% 1.00% 1.00%

The following is a summary of the Carriage Hills Metropolitan District financial plan. All build out estimates are based on preliminary plans provided by the developer. A detailed cash flow model is included with the financial plan. This cash flow model displays the estimated annual revenues and debt service of the District, the estimated term of the bonds and absorption schedule. This financial model has been developed based on the following assumptions:

- Bonds will be issued in late 2007 with an estimated par amount of \$5,200,000. At this time, the District plans to issue one series of bonds, but depending on the absorption of homes and the interest rate market at the time of issuance the District may issue multiple series of bonds for a total par amount up to \$7,800,000.
- The District's repayment sources for the bond will be based on property tax collections from property owners within the District.
- Assuming a par amount of \$5,200,000, the District estimates the total costs of issuance to be \$179,000, which included both legal and underwriting fees associated with the issuance of the bonds.
- Based on current market conditions and similar bond offerings, the District has assumed the bond issue will require two years of capitalized interest, which will be funded from proceeds of the bond sale. The attached financial plan additionally assumes that proceeds from the bond issuance will be used to fund a debt service reserve fund that will be approximately equal to one year's debt service payments. The District has estimated an interest rate of 7% on the bonds, however the actual rate can not be determined until the date of the sale.
- At this time the District does not anticipate using any credit enhancements.
- The following is a list of several risks associated with the financing plan and particularly the issuance of bonds:
  - Reductions in assessed values.
  - Development within the District is different than projected.
  - Continuation of development is not assured.
  - Dependence upon developer contributions.
  - Dependence upon timely payment of property taxes.
  - Market demand for bonds at the time of issuance.

EXHIBIT I

District Disclosure Statement

**CARRIAGE HILLS METROPOLITAN DISTRICT**  
WELD COUNTY, COLORADO

.....  
**DISCLOSURE STATEMENT**  
.....

**DISTRICT ORGANIZATION:**

The Carriage Hills Metropolitan District (the "District"), Weld County, Colorado is a quasi-municipal corporation and political subdivision of the State of Colorado duly organized and existing as a metropolitan district pursuant to Title 32, Colorado Revised Statutes. The District was declared an organized and existing metropolitan district on \_\_\_\_\_, 2006, pursuant to an Order and Decree Organizing District and Issuance of Certificates of Election for the Carriage Hills Metropolitan District, issued in the District Court of Weld County, Colorado. The Order and Decree was recorded in the records of the Weld County Clerk and Recorder on \_\_\_\_\_, 2006 at Reception # \_\_\_\_\_.

The District is located entirely within the corporate limits of the Town of Frederick, Colorado, in Weld County. The legal description of the property forming the boundaries of the District is described in **Exhibit A**.

**DISTRICT PURPOSE:**

The District was organized for the purpose of financing streets, traffic safety controls, street lighting, sanitary sewer, water, landscaping, storm drainage, mosquito control and park and recreation improvements, all in accordance with its Service Plan, which improvements may be dedicated to the Town of Frederick or other governmental entities for operation and maintenance, or may be operated and maintained by the District or a homeowners' association formed for the Carriage Hills development. The District's Service Plan is on file and available for review at the office of the District's general counsel, Miller, Gruber & Rosenbluth, LLC, 700 17<sup>th</sup> Street, Suite 2200, Denver, Colorado 80202, and at the office of the Town Clerk, Town of Frederick, 401 Locust Street, Post Office Box 435, Frederick, Colorado 80530.

**TAX LEVY INFORMATION:**

The primary source of revenue for the District is *ad valorem* property taxes. Property taxes are determined annually by the District's Board of Directors and set by the Board of County Commissioners for Weld County as to rate or levy based upon the assessed valuation of the property within the District. The levy is expressed in terms of mills. A mill is 1/1,000 of the assessed valuation, and a levy of one mill equals \$1 of tax for each \$1,000 of assessed value. The financial forecast for the District (as set forth in its Service Plan) assumes that the District will be able to set its tax levy at approximately forty-five (45 000) mills (or less) for 2006 through 2028 for debt service and administration purposes. Except for certain adjustments permitted by the Service Plan to compensate for legally required changes to residential valuation

ratios, the District shall not impose a mill levy in excess of fifty (50 000) mills. District taxes are collected as part of the property tax bill from Weld County

CARRIAGE HILLS METROPOLITAN DISTRICT

\_\_\_\_\_  
President

STATE OF COLORADO

)

) ss.

COUNTY OF \_\_\_\_\_

)

The foregoing instrument was acknowledged before me this \_\_\_ day of \_\_\_\_\_, 2006  
by \_\_\_\_\_, as President of the Carriage Hills Metropolitan District.

WITNESS my hand and official seal.

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

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

**EXHIBIT A**  
(Legal Description of District)



— ENGINEERING  
— PLANNING  
— SURVEYING

Civil Arts Drexel Group, Inc. • 1800 Lathrop Circle, Suite A • Longmont, CO 80501 • Tel: (303) 692-1131 • Fax: (303) 692-1149 • www.civilarts-drexel.com

## LEGAL DESCRIPTION- CARRIAGE HILLS METROPOLITAN DISTRICT

March 8, 2006

A description of the CARRIAGE HILLS METROPOLITAN DISTRICT located in the E1/2 of Section 31, T2N, R67W of the 6th P.M., Town of Frederick, Weld County, Colorado. For: Carriage Hills, LLC.

### LEGAL DESCRIPTION

A part of the E1/2 of Section 31, T2N, R67W of the 6th P.M., Town of Frederick, County of Weld, State of Colorado, described as follows:

(1) All of Carriage Hills Filing No. 1 according to the recorded plat thereof except the following:

All of Blocks 8, 9, 10, 11, and 12.

(2) All of Lot 1 of Prairie Greens Filing No. 2 according to the recorded plat thereof.

(3) A part of proposed Carriage Hills Filing No. 2 located in the NE1/4 of Section 31, T2N, R67W of the 6th P.M., County of Weld, State of Colorado, described as follows:

COMMENCING at the Southeast Corner of said Section 31, from which the E1/4 Corner of said Section 31 bears N00°00'34"W, 2647.48 feet (Basis of Bearing), thence N00°00'34"W, 2647.48 feet along the East Line of the SE1/4 of said Section 31 to the E1/4 Corner of said Section 31; Thence N00°00'00"E, 352.28 feet along the East Line of the NE1/4 of said Section 31 to the Northeast Corner of PRAIRIE GREENS 2, a subdivision located in the E1/2 of said Section 31 in the Town of Frederick, County of Weld, State of Colorado, according to the recorded plat thereof, and the TRUE POINT OF BEGINNING;

Thence S89°22'07"W, 1097.93 feet along the Northerly Line of said PRAIRIE GREENS 2 to a point of curve to the right, also being the Northerly Line of that tract of land conveyed to the Town of Frederick by EJD, LLC as described in Special Warranty Deed recorded April 9, 2001, as Reception No. 2838722 of the records of Weld County, Colorado;

The following courses and distances are along the Northerly Line of that tract of land as described as said Reception No. 2838722:

Thence Northwesterly, 230.48 feet along the arc of said curve to a point tangent, said arc having a radius of 250.00 feet, a central angle of 52°49'23", and being subtended by a chord that bears N64°13'11"W, 222.41 feet;

Thence N37°48'30"W, 184.60 feet to a point of curve to the left;



CARRIAGE HILLS METROPOLITAN DISTRICT

Thence Westerly, 80.59 feet along the arc of said curve to a point of compound curve to the left, said arc having a radius of 250.00 feet, a central angle of  $18^{\circ}28'14''$ , and being subtended by a chord that bears  $N47^{\circ}02'37''W$ , 80.24 feet;

Thence Southwesterly, 56.67 feet along the arc of said curve to the Easterly Line of said PRAIRIE GREENS 2, also being a point tangent, said arc having a radius of 35.00 feet, a central angle of  $92^{\circ}46'15''$ , and being subtended by a chord that bears  $S77^{\circ}20'09''W$ , 50.68 feet;

The following courses and distances are along the Easterly Line of said PRAIRIE GREENS 2:

Thence  $N30^{\circ}57'01''E$ , 32.72 feet to a point of curve to the left;

Thence Northerly, 308.81 feet along the arc of said curve to a point tangent, said arc having a radius of 530.00 feet, a central angle of  $33^{\circ}23'03''$ , and being subtended by a chord that bears  $N14^{\circ}15'30''E$ , 304.46 feet;

Thence  $N02^{\circ}26'02''W$ , 349.41 feet to a Northeasterly Corner of said PRAIRIE GREENS 2, also being a point on the Southerly Line of MAPLEWOOD SUBDIVISION, FILING 5, a subdivision located in the NE $\frac{1}{4}$  of said Section 31 in the Town of Frederick, County of Weld, State of Colorado, according to the recorded plat thereof;

The following courses and distances are along the Southerly and Easterly Lines of said MAPLEWOOD SUBDIVISION, FILING 5:

Thence  $S87^{\circ}45'32''E$ , 1.50 feet;

Thence  $N00^{\circ}00'31''W$ , 15.01 feet;

Thence Southeasterly, 550.47 feet along the arc of a curve concave to the Southwest to a point tangent, said arc having a radius of 727.00 feet, a central angle of  $43^{\circ}23'01''$ , and being subtended by a chord that bears  $S56^{\circ}25'39''E$ , 537.42 feet;

Thence  $S34^{\circ}44'14''E$ , 51.99 feet;

Thence  $N55^{\circ}15'46''E$ , 345.00 feet;

Thence  $N34^{\circ}44'14''W$ , 52.01 feet to a point of curve to the left;

Thence Northwesterly, 264.29 feet along the arc of said curve, said arc having a radius of 1072.00 feet, a central angle of  $14^{\circ}07'32''$ , and being subtended by a chord that bears  $N41^{\circ}48'00''W$ , 263.62 feet;

Thence  $N46^{\circ}12'38''W$ , 169.97 feet;

CARRIAGE HILLS METROPOLITAN DISTRICT


Thence N55°44'21"W, 157.88 feet;

Thence N02°26'02"W, 1020.90 feet to the North Line of the NE1/4 of said Section 31;

Thence leaving the Easterly Line of said MAPLEWOOD SUBDIVISION, FILING 5, N89°26'45"E, 1182.03 feet along the North Line of the NE1/4 of said Section 31 to the Northeast Corner of said Section 31;

Thence S00°00'00"W, 2295.08 feet along the East Line of the NE1/4 of said Section 31 to the Northeast Corner of said PRAIRIE GREENS 2 and the TRUE POINT OF BEGINNING.

**NOTICE:** According to Colorado law you must commence any legal action based upon any defect in this survey within three years after you first discovered such defect. In no event, may any action based upon any defect in this survey be commenced more than ten years from the date of the certification shown hereon.

  
\_\_\_\_\_  
Frank N. Drexel  
Colorado Professional Land  
Surveyor No. 24305  
1860 Lefthand Cir #A, Longmont, CO 80501  
Date: \_\_\_\_\_

File: LGL-0206 CH.doc

Project: E-177

EXHIBIT J

Form Petition for Organization

DISTRICT COURT COUNTY OF WELD, COLORADO Court Address: 901 9 <sup>th</sup> Avenue Greeley, Colorado 80631 Telephone No.: (970) 351-7300	<p style="text-align: center;">▲ COURT USE ONLY ▲</p>
Petitioner: Carriage Hills Metropolitan District	
Attorneys for Petitioner:  Jennifer L. Gruber Miller, Gruber & Rosenbluth, LLC 700 17 <sup>th</sup> Street, Suite 2200 Denver, Colorado 80202 Phone Number: (303) 285-5320 Fax Number: (303) 285-5330 E-mail: <a href="mailto:jgruber@mgrlawfirm.com">jgruber@mgrlawfirm.com</a> Atty. Reg. #: 32056	Case Number:  Div :                      Ctm:
<b>PETITION</b> <b>IN RE THE ORGANIZATION OF CARRIAGE HILLS METROPOLITAN</b> <b>DISTRICT, WELD COUNTY, COLORADO</b>	

TO THE HONORABLE DISTRICT COURT IN AND FOR WELD COUNTY, STATE OF COLORADO:

We, the undersigned, constituting not less than thirty percent (30%) of the taxpaying electors of the proposed Carriage Hills Metropolitan District (the "District"), present this petition for the organization of a special district (the "Petition"), pursuant to and in accordance with the provisions of §§ 32-1-301, *et seq*, C R S , and in support of the Petition state:

1        The name of the proposed District is "Carriage Hills Metropolitan District," in the Town of Frederick, County of Weld, Colorado

2        The proposed District will manage the financing, construction, acquisition and installation of facilities and improvements specifically described in the Service Plan for the District, dated March 10, 2006 (the "Service Plan"), and generally described as follows:

- a        Streets
- b        Traffic and Safety Controls
- c        Water

- d Sanitary Sewer and Storm Drainage
- e Parks and Recreation
- f Mosquito Control

3 A general description of the facilities and improvements to be financed, designed, acquired, constructed and/or installed by the District and to be operated and maintained for the District are:

a Streets The design, acquisition, installation, construction, operation and maintenance of street and roadway improvements, including, but not limited to, curbs, gutters, culverts, storm sewers and other drainage facilities, detention ponds, retaining walls and appurtenances, as well as sidewalks, bridges, parking facilities, paving, lighting, grading, landscaping, snow removal equipment and other street improvements, together with all necessary, incidental and appurtenant facilities, land and easements, together with extensions of and improvements to said facilities.

b. Traffic and Safety Controls The design, acquisition, construction and installation of traffic and safety protection facilities and services through traffic and safety controls and devices on streets and highways, environmental monitoring, as well as other facilities and improvements, including, but not limited to, main entry buildings, access gates, signalization at intersections, traffic signs, area identification signs, directional assistance and driver information signs, together with all necessary, incidental and appurtenant facilities, land easements, together with extensions of and improvements to said facilities

c Water The design, acquisition, construction and installation of a complete water and irrigation water system, including, but not limited to, transmission and distribution systems for domestic and other public or private purposes, including hot and chilled water distribution lines, together with all necessary and proper facilities, equipment and appurtenances incident thereto which may include, but shall not be limited to, transmission lines, distribution mains and laterals, land and easements, together with extensions of and improvements to said systems.

d Sanitary Sewer and Storm Drainage The design, acquisition, construction and installation of storm and sanitary sewers, flood and surface drainage, wastewater treatment and disposal works and facilities, and all necessary or proper equipment and appurtenances incident thereto, together with all necessary, incidental and appurtenant facilities, land and easements, and all necessary extensions of and improvements to said facilities or systems.

e Parks and Recreation The design, acquisition, construction and installation of public and/or private park and recreation facilities or programs, including, but not limited to, landscaping, bike paths, hiking trails, pedestrian trails, pedestrian bridges, pedestrian malls, public fountains and sculpture, art, botanical gardens, equestrian trails and centers,

picnic areas, skating areas and facilities, common area landscaping and weed control, outdoor lighting of all types, community events and other facilities, together with all necessary, incidental and appurtenant facilities, land and easements, and all necessary extensions of and improvements to said facilities or systems

f Mosquito Control The design, acquisition, construction, installation and financing of facilities and services for the elimination and control of mosquitoes

4 The District lies wholly within the boundaries of the Town of Frederick, Colorado (the "Town") and is more particularly described in **Exhibit A**, attached hereto and incorporated herein by this reference. The District also is located within the boundaries of the Central Weld County Water District which provides some of the same services as the proposed District. Pursuant to and in accordance with the provisions of § 32-1-107, C.R.S., the District will obtain a resolution from the Central Weld County Water District consenting to the overlap in boundaries prior to the Court hearing. The District also is located within the boundaries of the Weld County Tri-Area Sanitation District which provides some of the same services as the proposed District. Pursuant to and in accordance with the provisions of § 32-1-107, C.R.S., the District will obtain a resolution from the Weld County Tri-Area Sanitation District consenting to the overlap in boundaries prior to the Court hearing. The District also is located within the boundaries of the Carbon Valley Park and Recreation District which provides some of the same services as the proposed District. Pursuant to and in accordance with the provisions of § 32-1-107, C.R.S., the District will obtain a resolution from the Carbon Valley Park and Recreation District consenting to the overlap in boundaries prior to the Court hearing. The District does not lie within the boundaries of any other special district providing the same services and facilities as those proposed by the District.

5 The estimated cost of the proposed facilities and improvements is Nine Million One Hundred Ninety-Two Thousand Three Hundred Ninety-Two Dollars (\$9,192,392.00). The District anticipates issuing one series of general obligation bonds in the approximate amount of Seven Million Eight Hundred Thousand Dollars (\$7,800,000.00) to finance the facilities and improvements, which are anticipated to be issued in 2006. These amounts include design, acquisition, construction and/or installation of the proposed facilities, plus contingencies and engineering.

6 The estimated property tax revenues for the proposed District's first budget year (2006) are Zero Dollars (\$0.00).

7 Pursuant to § 32-1-301(3), C.R.S., attached hereto as **Exhibit B** are the Service Plan of the District and the form of resolution of the Board of Trustees of the Town of Frederick, Colorado approving the Service Plan, which the Petitioners anticipate will be approved at the public hearing on the Service Plan. A fully executed copy of the resolution will be provided prior to the Court hearing.

8 The bond of petitioners required by § 32-1-302, C.R.S. is filed herewith.

WHEREFORE, Petitioners pray this Honorable Court to enter such orders and decrees as may be necessary or proper for the organization of the District, including an order for an election of the eligible electors of the District on the question of organizing the District and electing its initial Board of Directors; and

Petitioners further pray that, in accordance with §§ 32-1-301(2)(h) and 32-1-803.5, C.R.S., this Honorable Court will enter such orders and decrees as may be necessary or proper for the submission to the electors of the District, at such organizational election, of any questions permitted to be submitted at such election, including the proposition of issuing general obligation bonds or creating other general obligation indebtedness or multiple fiscal year obligation or any question or questions necessary to implement the provisions of Article X, Section 20 of the Colorado Constitution. Pursuant to § 32-1-803.5, C.R.S., the order of the Court shall make the determinations required by §§ 32-1-1101(2) and (3)(a), C.R.S., and shall require the Clerk of the Court to conduct the election in accordance with Article X, Section 20 of the Colorado Constitution.

**WARNING**

DO NOT SIGN THIS PETITION UNLESS YOU ARE A TAXPAYING ELECTOR OF THE PROPOSED MARKETPLACE METROPOLITAN DISTRICT:

TO BE A QUALIFIED TAXPAYING ELECTOR, YOU MUST, AT THE TIME YOU SIGN THIS PETITION:

- (1) Be registered to vote in the State of Colorado pursuant to the Uniform Election Code of 1992; AND
- (2) You, or your spouse, must own taxable real or personal property within the proposed District, whether or not you or your spouse reside within the District. A person who is obligated to pay taxes under a contract to purchase taxable property situated within the area to be included within the special district shall be considered an owner for this purpose.

**Do not sign this Petition unless you have read or had read to you the Petition in its entirety and understand its meaning.**

**By signing this Petition, I hereby certify that I am a qualified taxpaying elector.**

**NAME**

**ADDRESS**

Douglas Grant  
Signature

10515 Moorway Road

Douglas Grant  
Print Name

Longmont, Co 80504

Aaron D. Grant  
Signature

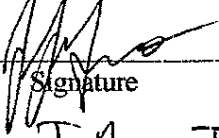
1515 Ogden #6 Denver, Co, 80218

Aaron D. Grant  
Print Name



NAME

ADDRESS

  
Signature

Joanna J. Grant  
Print Name

10515 Moring Road

Longmont, Co, 80501

Signature

Print Name

Signature

Print Name

Signature

Print Name

Signature

Print Name

IN THE DISTRICT COURT, WELD COUNTY, COLORADO

Civil Action No. \_\_\_\_\_


**CIRCULATOR'S AFFIDAVIT**

I, Aaron Grant, being first duly sworn on oath and deposed, state:

That I am one of the Petitioners named in the foregoing Petition; that I have read said Petition and know the contents thereof and that the same is true to the best of my knowledge, information, and belief

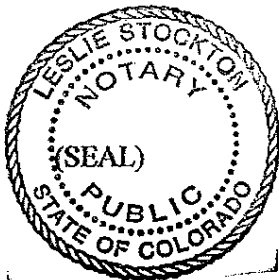
I further state that I know the persons whose names are subscribed to the foregoing Petition, that I have circulated the Petition, that each signature thereon was affixed in my presence and that each signature thereon is the true, genuine and correct signature of the person it purports to be.

I further state that, to my best knowledge and belief, the persons whose names are subscribed to the foregoing Petition are persons who are qualified to vote at elections in the State of Colorado and who or whose spouse owns taxable real or personal property within the area to be included in the proposed Marketplace Metropolitan District (the "District"), whether or not such person resides within the proposed District.

Affiant 

Subscribed and sworn to before me this 20<sup>th</sup> day of March, 2006.

My commission expires 1/3/2009



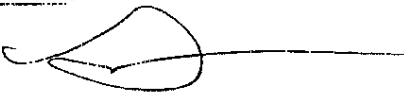
  
Notary Public

EXHIBIT A  
Legal Description of the Proposed District

EXHIBIT K

Resolution of Town Board of Trustees Approving Service Plan

**TOWN OF FREDERICK, COLORADO  
RESOLUTION NO. 06R017**

**A RESOLUTION OF THE TOWN OF FREDERICK, COLORADO, IN SUPPORT  
OF THE FORMATION OF THE CARRIAGE HILLS METROPOLITAN  
DISTRICT, TOWN OF FREDERICK, COUNTY OF WELD, STATE OF  
COLORADO.**

**WHEREAS**, Carriage Hills Development, Inc, the developer of the Carriage Hills Subdivision within the Town of Frederick, has proposed the organization of the Carriage Hills Metropolitan District to provide certain public improvements for the subdivision in accordance with the plans described in the Service Plans for the district; and

**WHEREAS**, pursuant to the requirements of the Special District Act, C.R.S. §31-1-101, et seq. service plans for the district consists of a financial and jurisdictional analysis demonstrating how the proposed facilities and services of the proposed district will be constructed and financed; and

**WHEREAS**, C.R.S. §31-1-204.5 provides that no special district, including metropolitan districts, shall be organized if its boundaries are wholly contained within the boundaries of a municipality, except upon adoption of resolution of approval by the governing body of such municipality; and

**WHEREAS**, C.R.S. §31-1-204.5 sets forth the information required for the Service Plan and the criteria applicable to such approval;

**NOW THEREFORE, BE IT RESOLVED** by the Board of Trustees of the Town of Frederick, Weld County, Colorado, that:

Section 1. **Findings of Fact.** The Board of Trustees of the Town of Frederick, having reviewed the petition and Service Plan for the Metropolitan District dated April 6, 2005 and presented by Carriage Hills Development, Inc, has determined the following findings based solely upon the Service Plan for the proposed Metropolitan District and evidence presented to the Board of Trustees in support of said Service Plan during a public hearing called for that purpose

- a. The Service Plan provides an adequate description of the proposed services;
- b. The Service Plan provides an adequate financial plan showing how the proposed services are to be financed, including the proposed operating revenue derived from property taxes for the first budget year of the district, which shall not be materially exceeded except as authorized pursuant to C.R.S. 32-1-207 or 29-1-302. All proposed indebtedness for the district has been displayed together with a schedule indicating the year or years in which the debt is scheduled to be issued. The board of directors of the district shall notify the governing body of the municipality of any alteration or revision of the proposed schedule of debt issuance set forth in the financial plan.
- c. The Service Plan provides an adequate engineering or architectural survey showing how the proposed services are to be provided;
- d. The Service Plan provides a map of the proposed special district boundaries and an estimate of the population and valuation for assessment of the proposed special district;

e. The Service Plan provides 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 special district are compatible with facility and service standards of Weld County, the Town of Frederick and special districts which are interested parties pursuant to C R S. §32-1-204(1);

f. The Service Plan provides 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 district;

g. The Service Plan provides a description of any arrangement or proposed agreement with any political subdivision for the performance of any services between the proposed special district and such other political subdivision, and, if the form contract to be used is available, it is attached to the service plan;

h. The Service Plan provides adequate information that along with other evidence presented at the hearing, is satisfactory to establish that each of the criteria set forth in C R S. §32-1-203, if applicable, is met;

i. The Service Plan provides such additional information as the Board of Trustees may require by resolution on which to base its findings pursuant to C R.S. §32-1-203. There is sufficient existing and projected need for organized service in the area to be serviced by the proposed special district.

**Section 2. Conclusions and Order Approving the Service Plan for the Metropolitan District.**

a. There is sufficient existing and projected need for organized service in the area to be serviced by the proposed special district.

b. The existing service in the area to be served by the proposed special district is inadequate for present and projected needs.

c. The proposed special district are capable of providing economical and sufficient service to the area within its proposed boundaries.

d. The area to be included in the proposed special district has, or will have, the financial ability to discharge the proposed indebtedness on a reasonable basis.

e. The facility and service standards of the proposed special district are compatible with the facility and service standards of the Town of Frederick.

f. The proposal is in substantial compliance with *Town of Frederick Comprehensive Plan*.

g. The proposal is in compliance with any duly adopted county, regional, or state long-range water quality management plans for the area.

h. The creation of the proposed special district will be in the best interests of the area proposed to be served.

Section 3. The Service Plan for the district shall be and the same is hereby approved. The terms, provisions and limitations of the Service Plan shall be incorporated in an Intergovernmental Agreement between the District and the Town and the District shall not borrow money, incur any indebtedness, certify any mill levy, or impose any fees until the Town approves the Intergovernmental Agreement, which approval shall not be unreasonably withheld.

Section 4. The Town's approval of the Service Plan is not a waiver of, nor a limitation upon any power that the Town is legally permitted to exercise with respect to the property subject to the proposed District.

Section 5. **Effective Date.** This ordinance shall be published and become effective as provided by law.


Section 6. **Severability.** If any part, section, subsection, sentence, clause or phrase of this ordinance is for any reason held to be invalid, such invalidity shall not affect the validity of the remaining sections of the Ordinance. The Board of Trustees hereby declares that it would have passed the ordinance including each part, section, subsection, sentence, clause or phrase thereof, irrespective of the fact that one or more parts, sections, subsections, sentence, clauses or phrases are declared invalid.

Section 7. **Repealer.** All ordinances or resolutions, or parts thereof, in conflict with this ordinance are hereby repealed, provided that such repealer shall not repeal the repealer clauses of such ordinance nor revive any ordinance thereby.

Section 8. **Certification.** The Town Clerk shall certify to the passage of this ordinance and make not less than one copy of the adopted Code available for inspection by the public during regular business hours.

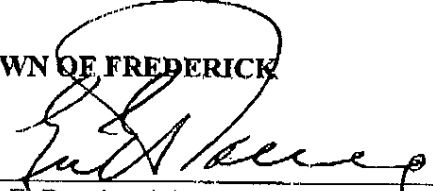
**INTRODUCED, READ, PASSED, AND ADOPTED THIS 12<sup>TH</sup> DAY OF APRIL 2005.**

ATTEST:

By   
Nanette S. Fornof, Town Clerk



TOWN OF FREDERICK

  
Eric E. Doering, Mayor