

**RESOLUTION NO. 17-15**

**A RESOLUTION APPROVING THE SERVICE PLAN FOR THE  
HERITAGE RIDGE METROPOLITAN DISTRICT**

THE BOARD OF TRUSTEES OF THE TOWN OF BERTHOUD, LARIMER COUNTY, COLORADO, RESOLVES:

1. THE BOARD OF TRUSTEES FINDS THAT:

- (a) A Service Plan for the organization of the Heritage Ridge Metropolitan District was filed in the office of the Board of Trustees of the Town of Berthoud; and
- (b) Pursuant to statute, the Board of Trustees of the Town of Berthoud has authority to review the Service Plan with reference to need, service and economic feasibility; and
- (c) The Board of Trustees of the Town of Berthoud has reviewed the Service Plan, the evidence and related exhibits, and has determined that the same meets the municipal approval criteria under the Special District Act and, therefore, has determined to adopt a resolution of approval of the Service Plan for the proposed Heritage Ridge Metropolitan District.

2. Upon consideration of the Service Plan for the proposed Heritage Ridge Metropolitan District, and evidence at the duly noticed public hearing on the Service Plan, the Board of Trustees of the Town of Berthoud does find, determine and declare, as required by Section 32-1-203(2), C.R.S., as follows:

- (a) That there is sufficient existing and projected need for organized service in the area to be serviced by the proposed District;
- (b) That the existing service in the area to be served by the proposed District is inadequate for present and projected needs;
- (c) That the proposed District is capable of providing economical and sufficient service to the area within its proposed boundaries; and
- (d) That the area to be included in the proposed District has, or will have, the financial ability to discharge the proposed indebtedness on a reasonable basis.

3. Upon consideration of the Service Plan, and all evidence disclosed at the public hearing on the Service Plan, the Service Plan for the Heritage Ridge Metropolitan District shall be and the same is hereby approved.

4. The Board of Trustees further finds that it is in the best interests of the citizens of the Town to authorize the appropriate Town officials to enter into an Intergovernmental Agreement ("IGA") with the proposed District for the purpose of assigning the relative rights and responsibilities between the Town and the proposed District with respect to certain functions, operations, and obligations of the proposed District.

Passed and adopted this 25th day of August, 2015, after public hearing on July 28, 2015, continued to August 25, 2015, and publication as required by statute.

TOWN OF BERTHOUD

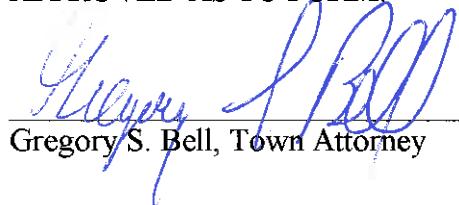
BY: 

David Gregg, Mayor

ATTEST:

  
Mary K. Cowdin, Town Clerk

APPROVED AS TO FORM:

  
Gregory S. Bell, Town Attorney

**Exhibit A**  
**Service Plan for Heritage Ridge Metropolitan District**

**Exhibit B**  
**Affidavit of Publication**

**AFFIDAVIT OF PUBLICATION**

**BERTHOUD WEEKLY  
SURVEYOR**

"Covering all the angles in the Garden Spot"

State of Colorado  
County of Larimer

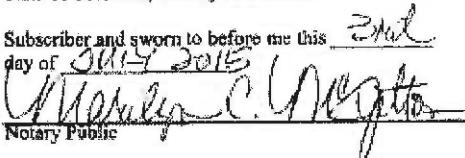
I, the undersigned agent, do solemnly swear that the BERTHOUD WEEKLY SURVEYOR is a weekly newspaper printed, in whole or in part, and published in the Town of Berthoud, County of Larimer, State of Colorado, and which has general circulation therein and in parts of Larimer and Weld Counties; that said newspaper has been continuously and uninterruptedly published for a period of more than twelve months prior to the first publication of the annexed legal notice of advertisement; that said newspaper has been admitted to the United States mails as second-class matter under the provision of the Act of March 3, 1879, or any amendments thereof, and that said newspaper is a weekly newspaper duly qualified for publishing legal notices and advertisements within the meaning of the laws of the State of Colorado; that a copy of each number of said newspaper, in which said notice of advertisement was published, and was transmitted by mail or carrier to each of the subscribers of said newspaper, according to the accustomed mode of business in this office.

That the annexed legal notice or advertisement was published in the regular and entire edition of said weekly newspaper once each week on the same day of each week for the period of 1 consecutive insertion; and that the first publication of said notice was in the issue of said newspaper dated July 2, 2015 and that the last publication of said notice was in the issue of said newspaper dated July 2, 2015.

Notice of Public Hearing - Service Plan, Heritage Ridge Metropolitan District

  
Rebecca J. Hemmings  
Agent/Publisher

State of Colorado, County of Larimer

Subscriber and sworn to before me this 2nd day of July 2015  
  
Marilyn C. McJilton  
Notary Public

**MARYLYN C. MCJILTON**  
NOTARY PUBLIC  
STATE OF COLORADO  
NOTARY ID 19974017827  
MY COMMISSION EXPIRES 11-1-2017

<b>NOTICE OF PUBLIC HEARING</b>	
Berthoud, in Larimer County, Colo.	
NOTICE IS FURTHER GIVEN that	
pursuant to Sections 32-1-204(3), C.R.S., that on	
Section 32-1-204(1), C.R.S., the owner	
and 32-1-204(1.5), C.R.S., the owner	
Tuesday, July 28, 2015, at 6:30 p.m.,	
or as soon as possible thereafter,	
a public hearing will be conducted.	
The hearing will be conducted at the	
Berthoud Town Hall, in the Town Hall	
Board Room, 328 Massachusetts Ave.	
In Berthoud, Colo., or at such other	
time and place as this hearing may	
be continued. A public hearing will	
be heard upon the application on	
file with the Town Board of Trustees,	
by the petitioners for the proposed	
Heritage Ridge Metropolitan District	
(the "District"), for a formation of a	
metropolitan district. The affected	
property is generally located south of	
Mountain Ave., west of S. 1st Street,	
east of County Road 17, and north of	
County Road 4E, in the Town of Ber-	
thoud, in Larimer County, Colo.	
NOTICE IS FURTHER GIVEN that	
pursuant to Sections 32-1-203(3.5),	
and 32-1-204(1.5), C.R.S., the owner	
of real property within the proposed	
District may file a request with the	
Town Board of Trustees, requesting	
that such real property be exclu-	
sive from the proposed District. Such	
request may be filed any time after	
the Service Plan is filed with the Town	
Board of Trustees, but no later than	
ten (10) days before the day fixed for	
the hearing on said Service Plan.	
Reason: Formation of a Title 32 Spec-	
ial District	
Project Name: Heritage Ridge Metro-	
politan District	
Date of Application: May 23, 2015	
Type of District: Metropolitan	
Published in: Berthoud Weekly Sur-	
veyor, July 2, 2015	

**Exhibit C**  
**Certificate of Mailing**

**NOTICE OF PUBLIC HEARING**

NOTICE is hereby given pursuant to Section 32-1-204(1), C.R.S., that on Tuesday, July 28, 2015, at 6:30pm, or as soon as possible thereafter, a public hearing will be conducted. The hearing will be conducted at the Berthoud Town Hall, in the Town Hall Board Room, 328 Massachusetts Avenue in Berthoud, Colorado, or at such other time and place as this hearing may be continued. A public hearing will be heard upon the application on file with the Town Board of Trustees, by the Petitioners for the proposed Heritage Ridge Metropolitan District (the "District"), for a formation of a metropolitan district. The affected property is generally located south of Mountain Ave., west of S. 1<sup>st</sup> Street, east of County Road 17, and north of County Road 4e, in the Town of Berthoud, in Larimer County, Colorado.

NOTICE IS FURTHER GIVEN that, pursuant to Sections 32-1-203(3.5) and 32-1-204(1.5), C.R.S., the owner of real property within the proposed District may file a request with the Town Board of Trustees, requesting that such real property be excluded from the proposed District. Such request may be filed any time after the Service Plan is filed with the Town Board of Trustees, but no later than ten (10) days before the day fixed for the hearing on said Service Plan.

Reason:	Formation of a Title 32 Special District
Project Name:	Heritage Ridge Metropolitan District
Date of Application:	May 23, 2015
Type of District:	Metropolitan
Published In:	Berthoud Weekly Surveyor
	July 2, 2015

**CERTIFICATE OF MAILING**

I hereby certify that on July 2, 2015, a true and correct copy of the foregoing Notice of Public Hearing on the proposed Service Plan for Heritage Ridge Metropolitan District was sent via regular mail to the person(s) and/or entities named on **Exhibit A** attached hereto.

McGEADY SISNEROS, P.C.

By:   
Paralegal

**Exhibit A**

**MAILING LIST**

Heritage Ridge I, LLC.  
729 Brookside Dr.  
Longmont, CO 80501

Board of Trustees - Town Hall  
328 Massachusetts Ave.  
P.O. Box 1229  
Berthoud, CO 80513

Division of Local Government  
1313 Sherman St., Suite 521  
Denver, CO 80203

**Interested Parties / 3-mile Radius**

**LARIMER COUNTY**  
200 W. Oak Street  
Fort Collins, CO 80521

**LOVELAND RURAL FIRE PROTECTION DISTRICT**  
500 East Third  
c/o Loveland Long Range Planning Div.  
Loveland, CO 80537

**THOMPSON VALLEY HEALTH SERVICES DISTRICT**  
4480 Clydesdale Pkwy  
Loveland, CO 80538

**LITTLE THOMPSON WATER DISTRICT**  
835 E. Highway 56  
Berthoud, CO 80513

**NORTHERN COLORADO WATER CONSERVANCY DISTRICT**  
220 Water Avenue  
Berthoud, CO 80513-9245

**BERTHOUD FIRE PROTECTION DISTRICT**  
P.O. Box 570  
Berthoud, CO 80513

**BERTHOUD - HERITAGE METROPOLITAN DISTRICT NOS. 2-9**  
1627 E. 18th Street  
c/o Pinnacle Consulting Group, Inc.  
Loveland, CO 80538

{00412219.DOCX v:1 }  
Mailing

**PRAIRIESTAR METROPOLITAN DISTRICT NOS. 1-4**  
141 Union Blvd., Ste 150  
c/o SDMS  
Lakewood, CO 80228-1898

**Exhibit D**

**Intergovernmental Agreement between the Town of Berthoud, Colorado and Heritage  
Ridge Metropolitan District**

**DRAFT**  
McGEADY SISNEROS, P.C.  
August 13, 2015

**SERVICE PLAN**

**FOR**

**HERITAGE RIDGE METROPOLITAN DISTRICT**

**TOWN OF BERTHOUD, COLORADO**

Prepared

by

McGeady Sisneros, P.C.  
450 E. 17<sup>th</sup> Avenue, Suite 400  
Denver, Colorado 80203

Submitted: April 23, 2015

Resubmitted: August 13, 2015

Approved: \_\_\_\_\_, 2015

Initials \_\_\_\_\_

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### LIST OF EXHIBITS

<b>EXHIBIT A-1</b>	Legal Description of Initial District Boundaries
<b>EXHIBIT A-2</b>	Legal Description of Inclusion Area
<b>EXHIBIT B</b>	Vicinity Map
<b>EXHIBIT C-1</b>	Initial District Boundary Map
<b>EXHIBIT C-2</b>	Inclusion Area Boundary Map
<b>EXHIBIT D-1</b>	Public Improvement Costs
<b>EXHIBIT D-2</b>	Public Improvement Depiction
<b>EXHIBIT E</b>	Financial Plan
<b>EXHIBIT F</b>	Intergovernmental Agreement

## **I. INTRODUCTION**

### **A. Purpose and Intent.**

This Service Plan is being submitted for the Heritage Ridge Metropolitan District. The District is an independent unit of local government, separate and distinct from the Town, as hereinafter defined, and, except as may otherwise be provided for by the State, as hereinafter defined, or local law or this Service Plan, its activities are subject to review by the Town only insofar as they may deviate in a material manner from the requirements of the Service Plan or the Intergovernmental Agreement between the Town and the District. It is intended that the District will provide a part or all of the Public Improvements, as hereinafter defined, for the use and benefit of the inhabitants and taxpayers of the District. The primary purpose of the District will be to finance the construction of these Public Improvements.

### **B. Need for the District.**

There are currently no other governmental entities, including the Town, located in the immediate vicinity of the District that consider it desirable, feasible or practical to undertake the planning, design, acquisition, construction, installation, relocation, redevelopment, and financing of the Public Improvements needed for the Project, as hereinafter defined. The District is therefore necessary in order for the Public Improvements required for the Project to be provided in the most economical manner possible.

### **C. Objective of the Town Regarding District's Service Plan.**

The Town's objective in approving the Service Plan for the District is to authorize the District to provide for the planning, design, acquisition, construction, installation, relocation and redevelopment of the Public Improvements from the proceeds of Debt, as hereinafter defined, to be issued by the District. All Debt is expected to be repaid by taxes, fees, rates tolls and other legally available revenues, as further set forth in the Service Plan. No debt service mill levy shall be imposed and collected at a level higher than the Maximum Debt Mill Levy, as hereinafter defined. Debt that is issued within these parameters, as further described in the Financial Plan, as hereinafter defined, will insulate property owners from excessive tax burdens to support the servicing of the Debt and will result in a timely and reasonable discharge of the Debt.

This Service Plan is intended to establish both a limited purpose for the District and explicit financial constraints that are not to be violated under any circumstances. The primary purpose is to provide for the Public Improvements associated with development and regional needs. Operational and maintenance activities are allowed, but only as authorized by Section V.A(1) of this Service Plan and by the Intergovernmental Agreement.

The District shall be authorized to finance the Public Improvements that can be funded from Debt to be repaid from tax revenues and other legally available revenue collected from a mill levy which shall not exceed the Maximum Debt Mill Levy. It is the intent of this Service Plan to assure to the extent possible that no property bear an economic burden that is greater than that associated with the Maximum Debt Mill Levy even under bankruptcy or other unusual

situations. Generally, the costs of Public Improvements that cannot be funded within these parameters are not costs to be paid by the District.

## II. DEFINITIONS

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

Approved Development Plan: means a development plan or other process established by the Town for identifying, among other things, Public Improvements necessary for facilitating development of property within the Service Area as approved by the Town pursuant to the Development Code as the same may be amended from time to time.

Board: means the board of directors of the District.

Board of Trustees: means the Board of Trustees of the Town of Berthoud, Colorado.

Bond, Bonds or Debt: means bonds or other obligations for the payment of which the District has promised to impose an *ad valorem* property tax mill levy, and other refunding and similar obligations of the District related to the Public Improvements.

Development Code: means the Development Code of the Town of Berthoud, Colorado.

District: means Heritage Ridge Metropolitan District.

External Financial Advisor: means a consultant that: (i) advises Colorado governmental entities on matters relating to the issuance of securities by Colorado governmental entities, including matters such as the pricing, sales and marketing of such securities and the procuring of bond ratings, credit enhancement and insurance in respect of such securities; (ii) shall be an underwriter, investment banker, or individual listed as a public finance advisor in the Bond Buyer's Municipal Market Place; and (iii) is not an officer or employee of the District and has not been otherwise engaged to provide services in connection with the transaction related to the applicable Debt.

Financial Plan: means the Financial Plan of the District as described in Section VI, which describes (i) how the Public Improvements are to be financed; (ii) how the Debt is expected to be incurred; and (iii) the estimated operating revenue derived from property taxes for the first budget year.

Inclusion Area Boundaries: means the boundaries of the area described in the Inclusion Area Boundary Map.

Inclusion Area Boundary Map: means the map attached hereto as **Exhibit C-2**.

Initial District Boundaries: means the boundaries of the area described in the Initial District Boundary Map.

Initial District Boundary Map: means the map attached hereto as **Exhibit C-1**, describing the District's initial boundaries.

Intergovernmental Agreement: means the intergovernmental agreement attached hereto as **Exhibit D** between the District and the Town of Berthoud, Colorado.

Maximum Debt Mill Levy: means the maximum mill levy the District is permitted to impose for payment of Debt as set forth in Section VI.C below.

Project: means the development or property commonly referred to as Heritage Ridge.

Public Improvements: means a part or all of the improvements authorized to be planned, designed, acquired, constructed, installed, relocated, redeveloped and financed as generally described in the Special District Act, except as specifically limited in Section V below, to serve the future taxpayers and inhabitants of the Service Area, as determined by the Board.

Service Area: means the property within the Initial District Boundary Map and the Inclusion Area Boundary Map.

Service Plan: means this service plan for the District as approved by the Board of Trustees.

Service Plan Amendment: means an amendment to the Service Plan as approved by the Board of Trustees in accordance with the Town's ordinances and the applicable State law.

Special District Act: means Section 32-1-101, *et seq.*, of the Colorado Revised Statutes, as amended from time to time.

State: means the State of Colorado.

Taxable Property: means real or personal property within the Service Area subject to *ad valorem* taxes imposed by the District.

Total Debt Issuance Limitation: means the total amount of Debt that the District may issue as set forth in Section V.A.8 below.

Town: means the Town of Berthoud, Colorado.

### **III. BOUNDARIES**

The area of the Initial District Boundaries includes approximately 69.160 acres and the total area proposed to be included in the Inclusion Area Boundaries is approximately 76.744 acres. A legal description of the Initial District Boundaries is attached hereto as **Exhibit A-1** and a legal description of the Inclusion Area Boundaries is attached hereto as **Exhibit A-2**. A vicinity map is attached hereto as **Exhibit B**. A map of the Initial District Boundaries is attached hereto as **Exhibit C-1**, and a map of the Inclusion Area Boundaries is attached hereto as **Exhibit**

C-2. It is anticipated that the District's boundaries may change from time to time as it undergoes inclusions and exclusions pursuant to Section 32-1-401, et seq., C.R.S., and Section 32-1-501, et seq., C.R.S., subject to the limitations set forth in Article V below.

#### **IV. PROPOSED LAND USE/POPULATION PROJECTIONS/ASSESSED VALUATION**

The Service Area consists of approximately one hundred forty six (146) acres of land. The current assessed valuation of the Service Area is \$-0- for purposes of this Service Plan and, at build out, is expected to be sufficient to reasonably discharge the Debt under the Financial Plan. The estimated assessed valuation of the Service Area at build out, subject to the following assumptions and qualifications, is estimated to be Twelve Million Nine Hundred Thirty Four Dollars (\$12,934,000). The foregoing estimated assessed valuation is based upon certain present day assumptions with regard to the District's ability to issue Debt; the ability of the developers of the Project to finance, construct, sell, lease and operate the Project; appreciation of real property values, population figures and other assumptions. The estimated assessed valuation is conditioned, and will be dependent, upon market and economic factors wholly outside the control of the District. The estimated assessed valuation is an estimate only; the District makes no guarantees, warranties or representations with regard to the estimated assessed valuation. The population of the District at build-out is estimated to be approximately One Thousand Fifty (1,050) people.

Approval of this Service Plan by the Town does not imply approval of the development of a specific area within the District, nor does it imply approval of the number of residential units or the total site/floor area of commercial or industrial buildings identified in this Service Plan or any of the exhibits attached thereto, unless the same is contained within an Approved Development Plan.

#### **V. DESCRIPTION OF PROPOSED POWERS, IMPROVEMENTS AND SERVICES**

##### **A. Powers of the District and Service Plan Amendment.**

The District shall have the power and authority to plan for, design, acquire, construct, install, relocate, redevelop, provide and finance the Public Improvements and related operation and maintenance services within and without the boundaries of the District as such power and authority is described in the Special District Act and other applicable statutes, common law and the Constitution, subject to the limitations set forth herein.

1. Operations and Maintenance Limitation. The purpose of the District is to plan for, design, acquire, construct, install, relocate, redevelop, provide and finance the Public Improvements. It is not the District's intention to own any Public Improvements that are of the type that would normally be dedicated to the Town or other governmental entities. The District shall dedicate the Public Improvements to the appropriate jurisdiction in a manner consistent with the Approved Development Plan and other rules and regulations of the Town and applicable provisions of the Development Code.

Those Public Improvements that are not conveyed to the Town, or other governmental entities, may be conveyed to an owners association, as appropriate and in compliance with State

law. With regard to those Public Improvements that may be dedicated to an owners association, the District shall undertake the operations and maintenance responsibilities for the improvements until such time as they are accepted by an owners association. The District is expected to undertake all ownership, operations and maintenance responsibilities for the Public Improvements that are not conveyed to the Town or other governmental entities, or an owners association, as appropriate, and will do so either itself or by contract with an owners association(s). Additionally, the District shall be authorized to provide ongoing services related to the maintenance of landscaping improvements and related to covenant enforcement, as provided under Section 32-1-1004(8)(a), C.R.S. During the period that the District operates any such facilities, revenue to pay the expenses of operations may be obtained from fees legally imposed, to the extent permitted by the Service Plan, by the District or other legally available revenues of the District. User fees for use of recreational facilities, to the extent permitted by the Service Plan, may be different for residents of the District than for outside users.

2. Acquisition of Land for Public Improvements and Easements. The District agrees to acquire by easement, plat dedication, condemnation (subject to the limitation set forth in Section V.A.3), or cause the dedication to the Town of all land required by the Town, the Development Code and any Approved Development Plan, for construction of Public Improvements being provided by the District that will be conveyed to the Town. Exceptions must be approved by the Town in writing. Failure to comply with this provision shall be deemed to be a material modification of this Service Plan.

3. Eminent Domain Limitation. The District may exercise its powers of eminent domain, as allowed under the Special District Act, with regard to any land located within the Initial District Boundaries and the Inclusion Area Boundaries, but shall not exercise such powers with regard to any land located outside of the Initial District Boundaries and the Inclusion Area Boundaries without the prior written consent of the Town, which consent may be withheld for any reason within the Town's discretion. The District shall not exercise its power of eminent domain with regard to any property owned by the Town, without the Town's prior written consent.

4. Construction Standards Limitation. The District will ensure that the Public Improvements are designed and constructed in accordance with the standards and specifications of the Town or other governmental entities having proper jurisdiction. The District will obtain the Town's approval of civil engineering plans and will obtain applicable permits for the construction and installation of Public Improvements prior to performing such work.

5. Privately Placed Debt Limit: Prior to the issuance of any privately placed Debt, the District shall obtain the certification of an External Financial Advisor substantially as follows:

We are [I am] an External Financial Advisor within the meaning of the District's Service Plan.

We [I] certify that (1) the net effective interest rate (calculated as defined in Section 32-1-103(12), C.R.S.) to be borne by [insert the

designation of the Debt] does not exceed a reasonable current [tax-exempt] [taxable] interest rate, using criteria deemed appropriate by us [me] and based upon our [my] analysis of comparable high yield securities; and (2) the structure of [insert designation of the Debt], including maturities and early redemption provisions, is reasonable considering the financial circumstances of the District.

6. Inclusion Limitation. The District shall not include within its boundaries any property outside the Inclusion Area Boundaries without the prior written consent of the Board of Trustees. The District shall not include within its boundaries any property inside the Inclusion Area Boundaries without the prior written consent of the Town except upon petition of the fee owner or owners of one hundred percent (100%) of such property as provided in Section 32-1-401(1)(a), C.R.S. The District shall not exclude any property from its boundaries without the prior written consent of the Board of Trustees.

7. Overlap Limitation. The District shall not consent to the organization of any other district organized under the Special District Act within the District's boundaries or within the Inclusion Area Boundaries that will overlap the boundaries of the District or the Inclusion Area Boundaries without the prior written consent of the Board of Trustees; provided, however, if the Town, Larimer County, or any State agency requests an overlap with a Town, Larimer County, or State agency-initiated district, the District shall not object to the organization of said overlapping district. In the event the property within the Inclusion Area Boundaries is included within the boundaries of any other special district, said property may not be included within the boundaries of the District without the prior written consent of the Board of Trustees.

8. Total Debt Issuance Limitation. The District shall not issue Debt in excess of the Total Debt Issuance Limitation, which shall be Sixteen Million Dollars (\$16,000,000).

9. Monies from Other Governments/Sources. The District shall not apply for or accept Conservation Trust Funds, Great Outdoors Colorado Funds, or other funds available from or through governmental or non-profit entities that the Town is eligible to apply for, except pursuant to an intergovernmental agreement with the Town. This Section shall not apply to specific ownership taxes which shall be distributed to and a revenue source for the District without any limitation.

10. Consolidation Limitation. The District shall not file a request with any Court to consolidate with another Title 32 district without the prior written consent of the Town.

11. Bankruptcy Limitation. All of the limitations contained in this Service Plan, including, but not limited to, those pertaining to the Maximum Debt Mill Levy, have been established under the authority of the Town to approve a Service Plan with conditions, pursuant to Section 32-1-204.5, C.R.S. It is expressly intended that such limitations:

(a) Shall not be subject to set-aside for any reason or by any court of competent jurisdiction, absent a Service Plan Amendment; and

(b) Are, together with all other requirements of Colorado law, included in the "political or governmental powers" reserved to the State under the U.S. Bankruptcy Code (11 U.S.C.) Section 903, and are also included in the "regulatory or electoral approval necessary under applicable nonbankruptcy law" as required for confirmation of a Chapter 9 Bankruptcy Plan under Bankruptcy Code Section 943(b)(6).

Any Debt, issued with a pledge or that results in a pledge, that exceeds the Maximum Debt Mill Levy or the Total Debt Issuance Limitation, shall be deemed a material modification of this Service Plan pursuant to Section 32-1-207, C.R.S., and shall not be an authorized issuance of Debt unless and until such material modification has been approved by the Town as part of a Service Plan Amendment.

12. Additional Services. In addition to the other powers of the District set forth in this Section V, the District shall also have the power and authority to, but shall not be obligated to, provide any and all of such additional services and exercise such powers as are expressly or impliedly granted to special districts by Colorado law; provided, however, the District shall not establish any subdistrict pursuant to Section 32-1-1101, C.R.S., or any special improvement district pursuant to Section 32-1-1101.7, C.R.S. without the prior written consent of the Board of Trustees.

13. Solar Farm Operation Limitation. In the event that, at any time in the future, applicable State law, or the interpretation thereof, permits, empowers or authorizes the District to plan for, design, acquire, construct, install, relocate, redevelop, provide, finance maintain and/or operate solar energy production facilities, the District will obtain the written consent of the Board of Trustees prior to performing any such activities or services (it being understood that the provision of such activities or services shall not constitute an amendment to this Service Plan if provided by the District after receipt of the Town's consent).

14. Service Plan Amendment Requirement. This Service Plan has been designed with sufficient flexibility to enable the District to provide required services and facilities under evolving circumstances without the need for numerous amendments. Actions of the District that violate the limitations set forth in this Service Plan or the Intergovernmental Agreement shall be deemed to be material modifications to this Service Plan and breaches of the Intergovernmental Agreement, and the Town shall be entitled to all remedies available at law or in equity under State and local law.

B. Preliminary Engineering Survey.

The District shall have authority to provide for the planning, design, acquisition, construction, installation, relocation, redevelopment, maintenance, and financing of the Public Improvements within and without the boundaries of the District, to be more specifically defined in an Approved Development Plan and as generally depicted on **Exhibit D-1** attached hereto. An estimate of the costs of the Public Improvements that may be planned for, designed, acquired, constructed, installed, relocated, redeveloped, maintained or financed was prepared based upon a preliminary engineering survey and estimates derived from the zoning on the property in the Service Area and is approximately Sixteen Million Dollars (\$16,000,000), as more particularly described on **Exhibit D-2** attached hereto.

All of the Public Improvements will be designed in such a way as to assure that the Public Improvements' standards will be compatible with those of the Town and shall be in accordance with the requirements of the Approved Development Plan and the Development Code. All construction cost estimates are based on the assumption that construction conforms to applicable local, State or Federal requirements.

## **VI. FINANCIAL PLAN**

### **A. General.**

The District shall be authorized to provide for the planning, design, acquisition, construction, installation, relocation and/or redevelopment of the Public Improvements from its revenues and by and through the proceeds of Debt to be issued by the District. The Financial Plan for the District shall be to issue such Debt as the District can reasonably pay from revenues derived from the Maximum Debt Mill Levy and other legally available revenues, which may include revenue assigned by third parties. A copy of the proposed Financial Plan is attached hereto as **Exhibit E**. The total Debt that the District shall be permitted to issue shall not exceed the Total Debt Issuance Limitation and shall be permitted to be issued on a schedule and in such year or years as the District determines shall meet the needs of the Financial Plan referenced above and phased to serve development as it occurs. All bonds and other Debt issued by the District may be payable from any and all legally available revenues of the District, including general *ad valorem* taxes to be imposed upon all taxable property within the District, subject to the limitations provided herein. The District will also rely upon various other revenue sources authorized by law, subject to the limitations provided herein. These will include the power to assess fees, rates, tolls, penalties, or charges as provided in Section 32-1-1001(1), C.R.S., as amended from time to time, and as limited as provided herein, and may include revenue assigned by third parties.

### **B. Maximum Voted Interest Rate and Maximum Underwriting Discount.**

The interest rate on any Debt is expected to be the market rate at the time the Debt is issued. In the event of a default, the maximum interest rate submitted to the District's electors on any Debt shall not exceed eighteen percent (18%). The maximum underwriting discount shall not exceed five percent (5%). Debt, when issued, will comply with all relevant requirements of this Service Plan, State law and Federal law as then applicable to the issuance of public securities.

### **C. Maximum Debt Mill Levy.**

The "Maximum Debt Mill Levy" shall be the maximum mill levy the District is permitted to impose upon the taxable property within the District for payment of Debt and such Maximum Debt Mill Levy shall not exceed fifty (50) mills, except that the Maximum Debt Mill Levy may be adjusted to account for any changes in the method of calculating assessed valuation or any constitutionally mandated tax credit, certificate or abatement. The mill levy limitation applicable to such Debt may be increased or decreased to reflect such changes, such increases or decreases to be determined by the Board in good faith (such determination to be binding and final) so that, to the extent possible, the actual tax revenues generated by the mill levy, as adjusted for changes

occurring after January 1, 2015, are neither diminished nor enhanced as a result of such changes. For purposes of the foregoing, a change in the ratio of actual valuation shall be deemed to be a change in the method of calculating assessed valuation.

**D. Debt Repayment Sources.**

The District may impose a mill levy on taxable property within its boundaries as a primary source of revenue for repayment of debt service and for operations and maintenance. The District may also rely upon various other revenue sources authorized by law and as permitted by this Service Plan. At the District's discretion, and subject to the limitations provided by this Service Plan, these may include the power to assess fees, rates, tolls, penalties, or charges as provided in Section 32-1-1001(l), C.R.S., as amended from time to time, and may include revenue assigned by third parties. The District shall not impose fees, rates, tolls, penalties, or charges for access to or use of any regional trail system or park system that must be made available for public use as determined by the Town. In no event shall the debt service mill levy in the District exceed the Maximum Debt Mill Levy.

**E. Debt Instrument Disclosure Requirement.**

In the text of each Bond and any other instrument representing and constituting Debt, the District shall set forth a statement in substantially the following form:

By acceptance of this instrument, the owner of this Bond agrees and consents to all of the limitations in respect of the payment of the principal of and interest on this Bond contained herein, in the resolution of the District authorizing the issuance of this Bond and in the Service Plan for creation of the District.

Similar language describing the limitations in respect of the payment of the principal of and interest on Debt set forth in this Service Plan shall be included in any document used for the offering of the Debt for sale to persons, including, but not limited to, a developer of property within the boundaries of the District.

**F. Security for Debt.**

The District shall not pledge any revenue or property of the Town as security for the indebtedness set forth in this Service Plan. Approval of this Service Plan shall not be construed as a guarantee by the Town of payment of any of the District's obligations; nor shall anything in the Service Plan be construed so as to create any responsibility or liability on the part of the Town in the event of default by the District in the payment of any such obligation.

**G. TABOR Compliance.**

The District will comply with the provisions of TABOR. Any enterprises or any conduit issuers, such as a 6320 Corporation, that the Board desires to establish will require the prior written consent of the Town (it being understood that the establishment of any such enterprise or conduit issuer shall not constitute an amendment to the Service Plan if established by the District after the receipt of the Town's consent). To the extent allowed by law, any entity established by

the District will remain under the control of the District's Board, subject to any additional limitations contained in any Town consent to the establishment of such entity.

H. District's Operating Costs.

The estimated cost of acquiring land, engineering services, legal services and administrative services, together with the estimated costs of the District's organization and initial operations, is part of the estimated cost of Public Improvements, which will be eligible for reimbursement from Debt proceeds.

In addition to the capital costs of the Public Improvements, the District will require operating funds for administration and to plan and cause the Public Improvements to be constructed and maintained. The first year's operating budget for the District is anticipated to be approximately Thirty Thousand Dollars (\$30,000) and will be derived from property taxes, developer advances and other revenues.

The Maximum Debt Mill Levy for the repayment of Debt shall not apply to the District's ability to set its mill levy as necessary for the provision of operation and maintenance services to its taxpayers and service users; provided, however, that the mill levy for the provision of operation and maintenance services shall not exceed fifteen (15) mills without the prior written consent of the Town. A mill levy for the provision of operation and maintenance services in excess of fifteen (15) mills shall not constitute an amendment to this Service Plan if imposed by the District after receipt of the Town's consent.

**VII. ANNUAL REPORT**

A. General.

The District shall be responsible for submitting an annual report to the Town Attorney's office no later than August 15<sup>th</sup> of each year following the year in which the Order and Decree creating the District has been issued.

B. Report Contents.

The annual report shall include information as to any of the following:

1. Boundary changes made or proposed to the District's boundary as of December 31<sup>st</sup> of the prior year.
2. Agreements with other governmental entities, either entered into or proposed as of December 31<sup>st</sup> of the prior year.
3. A list of all facilities and improvements constructed or acquired by the District and those that have been dedicated to and accepted by the Town as of December 31<sup>st</sup> of the prior year.

4. Audit of the District's financial statements, for the year ending December 31<sup>st</sup> of the previous year, prepared in accordance with generally accepted accounting principles or audit exemptions, if applicable.

5. Notice of continuing disclosure undertaking for events of default by the District, which continue beyond a ninety (90) day period, under any Debt instrument.

6. Any inability of the District to pay its obligations as they come due in accordance with the terms of and Debt instruments, which continue beyond a ninety (90) day period.

### **VIII. DISSOLUTION**

Upon an independent determination of the Board of Trustees that the purposes for which the District was created have been accomplished, the District agrees to file a petition in the appropriate District Court for dissolution, pursuant to the applicable State statutes. In no event shall a dissolution occur until the District has provided for the payment or discharge of all its outstanding indebtedness and other financial obligations as required pursuant to State statutes.

### **IX. DISCLOSURE TO PURCHASERS**

The District will use reasonable efforts to assure that all developers of the property located within the District provide written notice to all purchasers of property in the District regarding the Maximum Debt Mill Levy, as well as a general description of the District's authority to impose and collect rates, fees, tolls, charges and other amounts. The District will cause to be recorded with the Larimer County Clerk and Recorder's Office a one-page summary of such written notice, which recorded document will provide a website address where specific contact information will be provided where further information can be found.

### **X. INTERGOVERNMENTAL AGREEMENT**

The form of the Intergovernmental Agreement is attached hereto as **Exhibit F**. The District shall approve and execute the Intergovernmental Agreement within ninety (90) days of the date of organization. Failure of the District to execute the Intergovernmental Agreement as required herein shall constitute a material modification and shall require a Service Plan Amendment. The Board of Trustees shall approve the Intergovernmental Agreement in the form attached as **Exhibit F** at the public hearing approving the Service Plan. The Intergovernmental Agreement may be amended by mutual agreement of the Town and District, which amendment shall not require this Service Plan to be amended. In the event of conflict between the Intergovernmental Agreement and this Service Plan, the Intergovernmental Agreement shall govern.

### **XI. CONCLUSION**

It is submitted that this Service Plan for the District, as required by Section 32-1-203(2), C.R.S., establishes that:

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

2. The existing service in the area to be served by the District is inadequate for present and projected needs;
3. The District is capable of providing economical and sufficient service to the area within its proposed boundaries;
4. The area to be included in the District does have, and will have, the financial ability to discharge the proposed indebtedness on a reasonable basis;
5. Adequate service is not, and will not be, available to the area through the Town or county or other existing municipal or quasi-municipal corporations, including existing special districts, within a reasonable time and on a comparable basis;
6. The facility and service standards of the District are compatible with the facility and service standards of the Town within which the special district is to be located and each municipality which is an interested party under Section 32-1-204(1), C.R.S.;
7. The proposal is in substantial compliance with a comprehensive plan adopted pursuant to the Development Code;
8. The proposal is in compliance with any duly adopted Town, regional or state long-range water quality management plan for the area; and
9. The creation of the District is in the best interests of the area proposed to be served.

**EXHIBIT A-1**

**Legal Description of the Initial District Boundaries**



**DESCRIPTION:**

A tract of land located in the Southeast Quarter of Section 23, Township 4 North, Range 69 West of the 6th Principal Meridian, Town of Berthoud, County of Larimer, State of Colorado being more particularly described as follows:

Considering the West line of the Southeast Quarter of Section 23 as bearing North 00° 18' 12" West and with all bearings contained herein relative thereto:

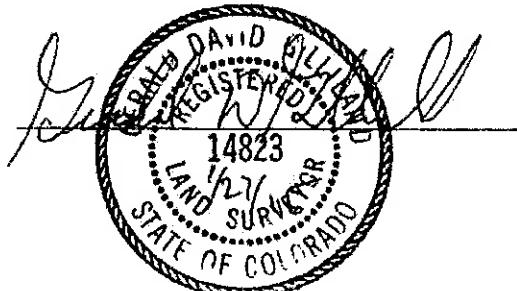
**COMMENCING** at the Center Quarter Corner of Section 23; thence along said West line, South 00° 18' 12" East, 30.00 feet to the South right-of-way line of Spartan Avenue, said point being the **POINT OF BEGINNING**; thence along said South line, North 89° 35' 45" East, 757.50 feet; thence, North 00° 18' 23" West, 30.00 feet to the North line of the Southeast Quarter of Section 23; thence along said North line, North 89° 35' 45" East, 185.81 feet; thence, South 00° 24' 17" East, 406.72 feet; thence, South 00° 23' 46" East, 49.58 feet; thence, South 07° 54' 40" East, 73.01 feet; thence, South 07° 13' 28" East, 10.00 feet; thence, South 82° 46' 32" West, 158.51 feet; thence along a curve concave to the southeast having a central angle of 92° 40' 18" with a radius of 5.00 feet, an arc length of 8.09 feet and the chord of which bears South 36° 26' 23" West, 7.23 feet; thence along a curve concave to the northeast having a central angle of 20° 26' 53" with a radius of 949.00 feet, an arc length of 338.69 feet and the chord of which bears South 20° 07' 12" East, 336.89 feet; thence, South 30° 20' 39" East, 761.45 feet; thence along a curve concave to the southwest having a central angle of 29° 59' 44" with a radius of 607.00 feet, an arc length of 317.78 feet and the chord of which bears South 15° 20' 47" East, 314.16 feet; thence, South 00° 20' 55" East, 808.14 feet to the South line of the Southeast Quarter of Section 23; thence along said South line, South 89° 39' 04" West, 1370.87 feet to the South Quarter Corner of Section 23; thence along the West line of the Southeast Quarter of Section 23, North 00° 18' 12" West, 2620.56 feet to the Point of Beginning.

The above described area contains 69.160 acres more or less and is subject to all easements and rights of way now existing or of record.

**Surveyor's Certificate:** To Kenneth and Virginia Schleiger Living Trust dated March 17, 1993 and Edward Michael Davis: This is to certify that this Description and Exhibit is based on a field survey completed in April, 2014 by Northern Engineering and the records of the Clerk and Recorder of Larimer County. This description does not represent a monumented boundary survey.

For and on Behalf of Northern Engineering Services, Inc.  
Gerald D. Gilliland  
Reg. Land Surveyor  
Colorado Reg. No. 14823

January 27, 2015  
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**EXHIBIT A-2**

**Legal Description of the Inclusion Area Boundaries**



**NORTHERN  
ENGINEERING**

**DESCRIPTION:**

A tract of land located in the Southeast Quarter of Section 23, Township 4 North, Range 69 West of the 6th Principal Meridian, Town of Berthoud, County of Larimer, State of Colorado being more particularly described as follows:

Considering the North line of the Southeast Quarter of Section 23 as bearing North 89° 35' 45" East and with all bearings contained herein relative thereto:

COMMENCING at the Center Quarter Corner of Section 23; thence along said North line, North 89° 35' 45" East, 943.31 feet to the POINT OF BEGINNING; thence, North 89° 35' 45" East, 794.28 feet; thence, South 64° 45' 47" East, 177.65 feet; thence along a non-tangent curve concave to the northeast having a central angle of 10° 29' 26" with a radius of 2654.51 feet, an arc length of 486.03 feet and the chord of which bears South 26° 03' 47" East, 485.35 feet; thence, South 31° 18' 30" East, 255.12 feet; thence along a curve concave to the southwest having a central angle of 16° 48' 01" with a radius of 2635.89 feet, an arc length of 772.89 feet and the chord of which bears South 22° 54' 30" East, 770.13 feet; thence, South 14° 30' 29" East, 220.70 feet; thence along a curve concave to the southwest having a central angle of 02° 41' 40" with a radius of 6088.82 feet, an arc length of 286.35 feet and the chord of which bears South 13° 09' 39" East, 286.32 feet; thence, South 00° 21' 21" East, 715.06 feet; thence, South 89° 39' 04" West, 1283.90 feet; thence, North 00° 20' 55" West, 808.14 feet; thence along a curve concave to the southwest having a central angle of 29° 59' 44" with a radius of 607.00 feet, an arc length of 317.78 feet and the chord of which bears North 15° 20' 47" West, 314.16 feet; thence, North 30° 20' 39" West, 761.45 feet; thence along a curve concave to the northeast having a central angle of 20° 26' 53" with a radius of 949.00 feet, an arc length of 338.69 feet and the chord of which bears North 20° 07' 12" West, 336.89 feet; thence along a curve concave to the southeast having a central angle of 92° 40' 18" with a radius of 5.00 feet, an arc length of 8.09 feet and the chord of which bears North 36° 26' 23" East, 7.23 feet; thence, North 82° 46' 32" East, 158.51 feet; thence, North 07° 13' 28" West, 10.00 feet; thence, North 07° 54' 40" West, 73.01 feet; thence, North 00° 23' 46" West, 49.58 feet; thence, North 00° 24' 17" West, 406.72 feet to the Point of Beginning.

The above described area contains 76.744 acres more or less and is subject to all easements and rights of way now existing or of record.

LMS

June 8, 2015

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**EXHIBIT B**

**Vicinity Map**



### Heritage Ridge in Berthoud, Colorado

Created by Larimer County using data from multiple sources. Larimer County makes no warranty as to the accuracy of this product. This map may not reflect recent updates prior to the date of printing.



Printed: 11/23/14

**EXHIBIT C-1**

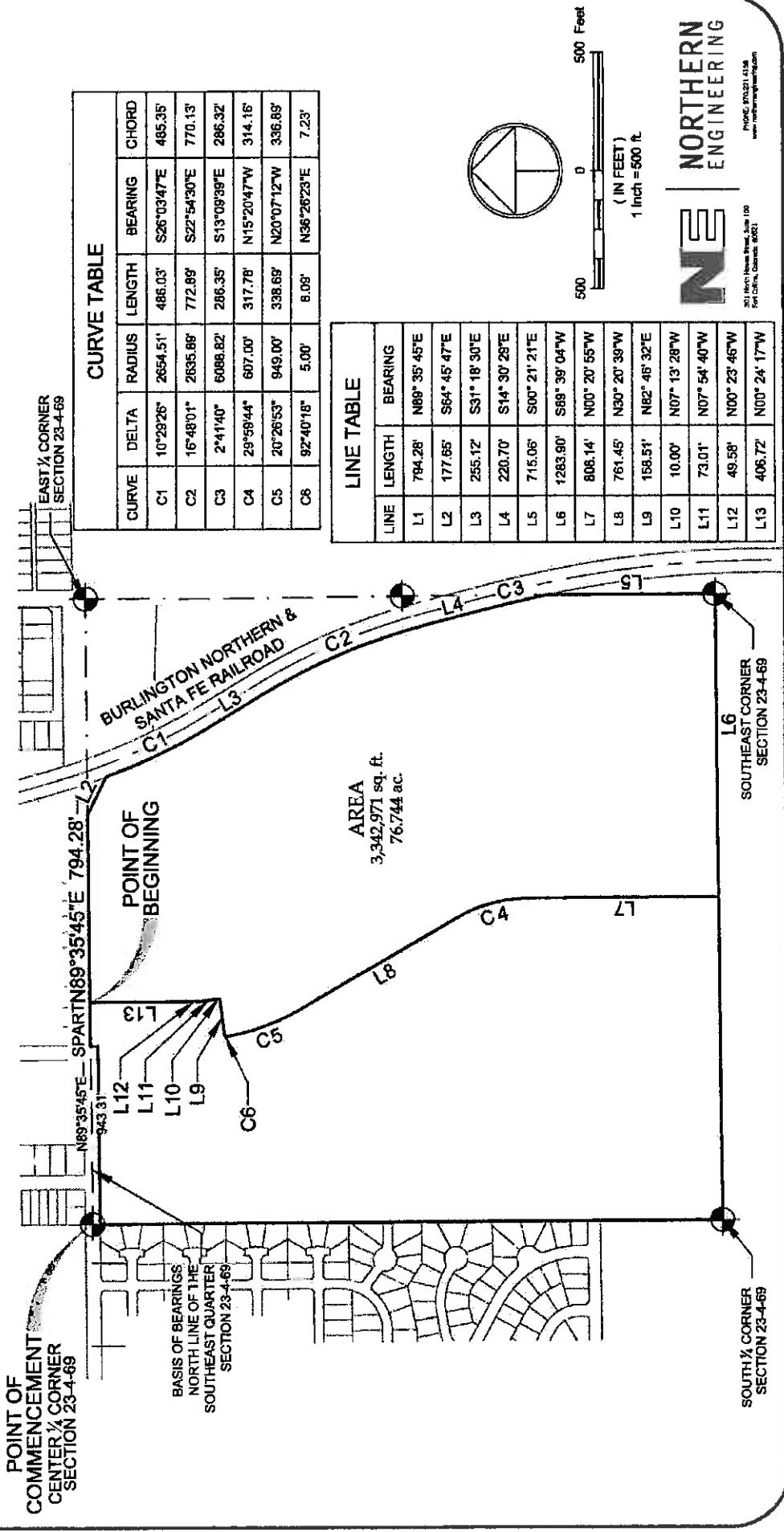
**Initial District Boundary Map**



**EXHIBIT C-2**  
**Inclusion Area Boundary Map**

**EXHIBIT**

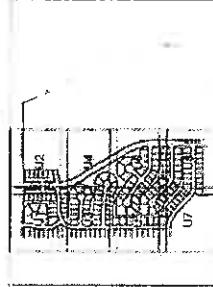
**A TRACT OF LAND LOCATED IN THE SOUTHEAST QUARTER OF SECTION 23, TOWNSHIP 4 NORTH,  
RANGE 69 WEST OF THE 6TH P.M., TOWN OF BERTHOUD, COUNTY OF LARIMER, STATE OF COLORADO**



**EXHIBIT D-1**

**PUBLIC IMPROVEMENT DECPITION**

A circular arrow with a diagonal line through it, indicating the direction of North.



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## OVERALL UTILITY PLAN HERITAGE RIDGE SUBMISSION

001

A detailed black and white map of a complex highway interchange, likely a bridge or overpass, showing multiple levels of ramps and roads. The map is labeled with various street names and landmarks. A small inset map in the top left corner shows a broader area with labels like 'MOUNTAIN VIEW', 'SANTA CLARA', 'MENLO PARK', and 'REDWOOD CITY'. A north arrow is located in the top right corner.

**EXHIBIT D-2**

**Public Improvement Costs**

**PUBLIC IMPROVEMENT COST SUMMARY FOR HERITAGE RIDGE METRO DISTRICT**

Item Description	Parcel A Cost	Parcel B Cost
Civil Engineering Consultants	\$ 172,500	\$ 226,000
Geotechnical Testing and Monitoring	\$ 80,000	\$ 105,000
Sanitary Sewer	\$ 815,000	\$ 1,020,000
Storm Sewer	\$ 275,000	\$ 365,000
SWPPP Monitoring	\$ 40,000	\$ 53,175
Mobilization/General Site Conditions	\$ 40,000	\$ 55,000
Erosion Control	\$ 46,500	\$ 62,000
Entry Signage	\$ 30,000	\$ 40,000
Excavation ( Streets Only)	\$ 330,000	\$ 420,000
Paving	\$ 880,000	\$ 1,170,000
Curb, Gutter and Sidewalk	\$ 630,000	\$ 835,000
Water Main w/o laterals	\$ 640,000	\$ 855,000
Construction Staking ( Streets Only)	\$ 42,000	\$ 66,000
Amenity Center Architectural	\$ 25,000	\$ 25,000
Amenity Center (Pool Club House)	\$ 500,000	\$ 600,000
Purchase Irrigation Water	\$ 275,000	\$ 365,200
Irrigation Systems	\$ 435,000	\$ 580,000
Landscaping/Trails	\$ 600,000	\$ 800,000
Consultants/Development Fees	\$ 155,000	\$ 207,500
<b>SUBTOTAL PUBLIC INFRASTRUCTURE</b>	<b>\$ 6,011,000</b>	<b>\$ 7,849,875</b>
<b>TOTAL ALL PARCELS IN DISTRICT</b>	<b>\$</b>	<b>13,860,875</b>

**PRELIMINARY AND CONCEPTUAL ONLY**

**EXHIBIT E**  
**Financial Plan**

**HERITAGE RIDGE METROPOLITAN DISTRICT**  
 Development Projection at \$2.00 (target) District Mills

Series 2019, General Obligation Bonds, Non-Rated, 120x<sup>2</sup> Cap, 30-yr. Maturity

YEAR	Total Units Rate/Limit	< < < < Residential > > > >			< Platted/Developed Lots >			< District >			< District >		
		Mrkt Value Borrowed Reassessmt @ 2.0%	Cumulative Market Value (@ 2.0% Per Year)	As-std Value @ 7.36% of Market (2-yr Avg)	Cumulative Market Value (@ 2.0% Per Year)	As-std Value @ 29.00% of Market (2-yr Avg)	Total Assessed Value	DIS Mill Levy [@2.000 Bngld \$0.000 Cap]	DIS Mill Levy [@2.000 Bngld \$0.000 Cap]	DIS Mill Levy Collections @ 95%	DIS Mill Levy Collections @ 95%	S.C. Taxes Collected @ 6%	Total Available Revenue
2014	0	0	0	0	0	0	\$0	\$0	\$0	\$0	\$0	\$0	0
2015	0	0	31,836,240	0	3,187,500	0	0	0	0	0	0	0	0
2016	85	0	65,662,245	0	2,975,000	887,400	887,400	42,000	36,525	2,192	38,717	150,895	150,895
2017	95	1,313,245	99,177,847	2,534,165	3,700,020	924,375	3,458,540	42,000	142,353	8,541	150,895	295,681	295,681
2018	85	140,028,836	52,226,715	7,894,557	1,750,000	862,750	6,038,485	42,000	250,642	15,039	391,251	391,251	391,251
2019	115	2,800,577	162,537,255	11,145,295	0	1,073,000	8,967,567	42,000	389,105	22,146	508,450	508,450	508,450
2020	50	0	162,537,255	11,145,295	0	507,500	11,653,735	42,000	479,670	28,780	564,478	564,478	564,478
2021	0	3,250,745	165,788,001	12,937,986	0	0	12,937,986	42,000	532,527	31,952	564,478	564,478	564,478
2022	0	165,788,001	12,937,986	0	0	0	12,937,986	42,000	532,527	31,952	564,478	564,478	564,478
2023	0	3,315,760	169,103,761	13,186,725	0	0	13,186,725	42,000	543,177	32,591	575,768	575,768	575,768
2024	0	169,103,761	13,186,725	0	0	0	13,186,725	42,000	543,177	32,591	575,768	575,768	575,768
2025	0	3,382,075	172,485,836	13,460,659	0	0	13,460,659	42,000	554,041	33,242	587,283	587,283	587,283
2026	0	172,485,836	13,460,659	0	0	0	13,460,659	42,000	554,041	33,242	587,283	587,283	587,283
2027	0	3,449,717	175,935,652	13,729,873	0	0	13,729,873	42,000	565,122	33,907	599,029	599,029	599,029
2028	0	175,935,652	13,729,873	0	0	0	13,729,873	42,000	565,122	33,907	599,029	599,029	599,029
2029	0	3,518,711	179,454,264	14,004,470	0	0	14,004,470	42,000	576,424	34,585	611,009	611,009	611,009
2030	0	179,454,264	14,004,470	0	0	0	14,004,470	42,000	576,424	34,585	611,009	611,009	611,009
2031	0	3,589,085	183,043,349	14,284,559	0	0	14,284,559	42,000	587,952	35,277	623,230	623,230	623,230
2032	0	183,043,349	14,284,559	0	0	0	14,284,559	42,000	587,952	35,277	623,230	623,230	623,230
2033	0	3,660,867	186,704,216	14,570,251	0	0	14,570,251	42,000	599,712	35,983	635,694	635,694	635,694
2034	0	186,704,216	14,570,251	0	0	0	14,570,251	42,000	599,712	35,983	635,694	635,694	635,694
2035	0	3,734,084	190,438,300	14,861,656	0	0	14,861,656	42,000	611,706	36,702	648,408	648,408	648,408
2036	0	190,438,300	14,861,656	0	0	0	14,861,656	42,000	611,706	36,702	648,408	648,408	648,408
2037	0	3,808,766	194,247,066	15,155,889	0	0	15,155,889	42,000	623,940	37,436	661,376	661,376	661,376
2038	0	194,247,066	15,155,889	0	0	0	15,155,889	42,000	623,940	37,436	661,376	661,376	661,376
2039	0	3,884,941	198,132,007	15,462,066	0	0	15,462,066	42,000	638,419	38,185	674,604	674,604	674,604
2040	0	198,132,007	15,462,066	0	0	0	15,462,066	42,000	638,419	38,185	674,604	674,604	674,604
2041	0	3,962,640	202,094,848	15,771,308	0	0	15,771,308	42,000	649,147	38,949	688,096	688,096	688,096
2042	0	202,094,848	15,771,308	0	0	0	15,771,308	42,000	649,147	38,949	688,096	688,096	688,096
2043	0	202,094,848	15,771,308	0	0	0	15,771,308	42,000	652,130	39,728	701,859	701,859	701,859
2044	0	206,135,541	16,086,734	0	0	0	16,086,734	42,000	652,130	39,728	701,859	701,859	701,859
2045	0	206,135,541	16,086,734	0	0	0	16,086,734	42,000	675,373	40,532	715,895	715,895	715,895
2046	0	210,258,271	16,436,469	0	0	0	16,436,469	42,000	675,373	40,522	715,895	715,895	715,895
2047	0	210,258,271	16,436,469	0	0	0	16,436,469	42,000	688,860	41,333	730,213	730,213	730,213
2048	0	214,484,457	16,738,638	0	0	0	16,738,638	42,000	688,860	41,333	730,213	730,213	730,213
2049	0	214,484,457	16,738,638	0	0	0	16,738,638	42,000	688,860	41,333	730,213	730,213	730,213
		56,041,023						16,291,362		1,097,484		19,388,876	
		420											

**HERITAGE RIDGE METROPOLITAN DISTRICT**

Development Projection at 42.0% (target) District Mills

Series 2019, General Obligation Bonds, Non-Rated, 120x ② Cap, 30-yr. Maturity

YEAR	Net Available for Debt Serv.	Ser. 2019 \$4,670,000 par (Net \$7,002 MM) Net Debt Service	Annual Surplus	Surplus Release ② 50% DIA to \$887,000	Cumulative Surplus \$887,000 Target	Debt/ Assessed Ratio	Actv Value Ratio	Gov. of Nat DS:	
								④ 42.00 Dist. Mills:	④ \$0.0 Dist. Mill Cap
2014	0	n/a	n/a	0	n/a	n/a	n/a	0.0%	0.0%
2015	0	n/a	n/a	0	n/a	n/a	n/a	0.0%	0.0%
2016	0	n/a	n/a	0	0%	0%	0%	0.0%	0.0%
2017	38,777	n/a	n/a	0	0%	0%	0%	0.0%	0.0%
2018	160,895	n/a	n/a	0	0%	0%	0%	0.0%	0.0%
2019	285,681	\$0	391,251	0	285,681	285,681	0%	0.0%	0.0%
2020	391,251	243,001	265,250	35,181	887,000	887,000	59%	0.0%	0.0%
2021	508,450	564,478	558,402	8,077	887,000	887,000	78%	208.1%	248.9%
2022	564,478	557,552	568,427	6,927	887,000	887,000	69%	101.5%	120.8%
2023	564,478	557,552	568,427	7,341	887,000	887,000	69%	101.2%	120.5%
2024	575,758	568,427	568,477	7,291	887,000	887,000	65%	101.3%	120.8%
2025	575,758	578,283	578,252	9,032	887,000	887,000	65%	101.6%	120.9%
2026	587,283	582,202	582,202	5,082	887,000	887,000	65%	100.8%	120.1%
2027	587,283	590,602	590,602	8,427	887,000	887,000	61%	101.4%	120.7%
2028	590,602	593,477	585,852	5,852	887,000	887,000	59%	101.0%	120.2%
2029	599,029	605,202	5,808	5,808	887,000	887,000	57%	101.0%	120.2%
2030	611,008	601,127	9,883	9,883	887,000	887,000	56%	101.6%	121.0%
2031	611,009	616,777	6,453	6,453	887,000	887,000	54%	101.0%	120.3%
2032	623,230	616,932	7,178	7,178	887,000	887,000	53%	101.2%	120.4%
2033	623,230	629,777	5,918	5,918	887,000	887,000	50%	100.5%	120.2%
2034	635,694	627,127	8,568	8,568	887,000	887,000	49%	101.4%	120.7%
2035	635,694	638,927	9,481	9,481	887,000	887,000	48%	101.5%	120.8%
2036	648,408	639,352	9,056	9,056	887,000	887,000	44%	101.0%	120.7%
2037	648,408	653,952	7,425	7,425	887,000	887,000	41%	101.2%	120.4%
2038	651,376	651,902	9,475	9,475	887,000	887,000	39%	101.5%	120.8%
2039	651,376	669,027	5,577	5,577	887,000	887,000	37%	100.8%	120.0%
2040	674,604	664,227	10,377	10,377	887,000	887,000	34%	101.6%	120.9%
2041	674,604	678,502	9,494	9,494	887,000	887,000	31%	101.4%	120.7%
2042	689,096	681,052	7,044	7,044	887,000	887,000	2%	101.1%	120.4%
2043	688,096	691,927	9,731	9,731	887,000	887,000	25%	101.4%	120.7%
2044	701,858	696,277	5,581	5,581	887,000	887,000	22%	100.8%	120.0%
2045	701,858	708,777	7,118	7,118	887,000	887,000	19%	101.0%	120.2%
2046	715,895	709,077	6,816	6,816	887,000	887,000	16%	101.0%	120.2%
2047	715,895	722,727	7,486	7,486	887,000	887,000	12%	101.0%	120.3%
2048	730,213	719,727	10,486	887,000	0	0	8%	101.5%	120.8%
2049	730,213								
					1,139,167		1,139,167		
					18,050,097				
					19,388,876				

(C:M1315 161bc)

PV to 1% @ 6.0%:  
\$194,973

**HERITAGE RIDGE METROPOLITAN DISTRICT**  
Operations Revenue and Expenses Projection

YEAR	Total Assessed Value	Operating Mill Levy	Total Collections @ 98%	S.O. Taxes Collected @ 6%	Total Available For Outlay	Total Miles
2014	0	8,000	0	0	0	50,000
2015	0	8,000	0	0	0	50,000
2016	0	8,000	6,957	417	7,375	50,000
2017	887,400	8,000	27,115	1,627	28,742	50,000
2018	3,458,540	8,000	47,741	2,864	50,805	50,000
2019	6,059,465	8,000	70,306	4,218	74,524	50,000
2020	8,967,557	8,000	91,368	5,482	96,848	50,000
2021	11,663,785	8,000	101,434	6,086	107,520	50,000
2022	12,937,986	8,000	101,434	6,086	107,520	50,000
2023	12,937,986	8,000	103,462	6,208	109,670	50,000
2024	13,196,725	8,000	103,462	6,208	109,670	50,000
2025	13,196,725	8,000	105,532	6,332	111,863	50,000
2026	13,460,659	8,000	105,532	6,332	111,863	50,000
2027	13,460,659	8,000	107,642	6,459	114,101	50,000
2028	13,729,873	8,000	107,642	6,459	114,101	50,000
2029	14,004,470	8,000	108,795	6,588	116,383	50,000
2030	14,004,470	8,000	109,795	6,588	116,383	50,000
2031	14,284,559	8,000	111,991	6,719	118,710	50,000
2032	14,284,559	8,000	111,991	6,719	118,710	50,000
2033	14,284,559	8,000	114,231	6,854	121,085	50,000
2034	14,570,251	8,000	114,231	6,854	121,085	50,000
2035	14,570,251	8,000	121,223	7,273	128,496	50,000
2036	14,861,656	8,000	121,223	7,273	128,496	50,000
2037	14,861,656	8,000	123,647	7,419	131,086	50,000
2038	15,158,889	8,000	118,846	7,131	125,976	50,000
2039	15,158,889	8,000	118,846	7,131	125,976	50,000
2040	15,462,066	8,000	126,120	7,567	133,887	50,000
2041	15,462,066	8,000	126,120	7,567	133,887	50,000
2042	15,771,308	8,000	128,642	7,719	136,361	50,000
2043	15,771,308	8,000	123,647	7,419	131,086	50,000
2044	16,086,734	8,000	128,120	7,567	133,887	50,000
2045	16,086,734	8,000	128,120	7,567	133,887	50,000
2046	16,408,469	8,000	126,642	7,719	136,361	50,000
2047	16,408,469	8,000	128,642	7,719	136,361	50,000
2048	16,736,538	8,000	131,215	7,873	139,088	50,000
2049	16,736,538	8,000	131,215	7,873	139,088	50,000
					6,027,026	
						361,622
						6,388,648

**HERITAGE RIDGE METROPOLITAN DISTRICT**

**Development Projection – Buildout Plan (updated 7/13/15)**

YEAR	Residential Development						SFDs (\$360K)						SFDs (\$375K)						SFDs (\$350K)					
	Incr/(Decr) in Finished Lot			SFDs (\$360K)			Incr/(Decr) in Finished Lot			SFDs (\$375K)			Incr/(Decr) in Finished Lot			SFDs (\$350K)								
	# Lots Devel'd	10% Value	85% Completed	# Units	Completed	Price Inflated @ 2%	Market Value	# Lots Devel'd	10% Value	# Units	Completed	Price Inflated @ 2%	Market Value	# Lots Devel'd	10% Value	# Units	Completed	Price Inflated @ 2%	Market Value					
2014	0	0	0	\$360,000	0	0	\$375,000	0	0	0	0	0	\$350,000	0	0	0	0	0	\$350,000	0				
2015	85	3,060,000	85	374,544	367,200	0	382,500	0	0	0	0	0	357,000	0	0	0	0	0	357,000	0				
2016	0	(3,060,000)	0	382,035	0	(3,187,500)	85	3,187,500	0	390,150	0	0	364,140	0	0	0	0	0	364,140	0				
2017	0	0	0	389,676	0	0	0	0	0	405,912	0	85	2,975,000	85	50	(1,225,000)	50	50	371,423	0				
2018	0	0	0	397,469	0	0	0	0	0	414,030	0	0	0	0	0	0	0	0	378,851	32,202,357				
2019	0	0	0	405,418	0	0	0	0	0	422,311	0	0	0	0	0	0	0	0	50	386,428	19,321,414			
2020	0	0	0	413,527	0	0	0	0	0	430,757	0	0	0	0	0	0	0	0	50	394,157	19,707,842			
2021	0	0	0	421,797	0	0	0	0	0	439,372	0	0	0	0	0	0	0	0	0	402,040	0			
2022	0	0	0	430,233	0	0	0	0	0	448,160	0	0	0	0	0	0	0	0	0	410,081	0			
2023	0	0	0	438,838	0	0	0	0	0	457,123	0	0	0	0	0	0	0	0	0	418,282	0			
2024	0	0	0	447,615	0	0	0	0	0	466,265	0	0	0	0	0	0	0	0	0	426,648	0			
2025	0	0	0	456,567	0	0	0	0	0	475,591	0	0	0	0	0	0	0	0	0	435,181	0			
2026	0	0	0	465,698	0	0	0	0	0	485,102	0	0	0	0	0	0	0	0	0	443,885	0			
2027	0	0	0	475,012	0	0	0	0	0	494,805	0	0	0	0	0	0	0	0	0	452,762	0			
2028	0	0	0	484,513	0	0	0	0	0	504,701	0	0	0	0	0	0	0	0	0	461,818	0			
2029	0	0	0	494,203	0	0	0	0	0	514,795	0	0	0	0	0	0	0	0	0	471,054	0			
2030	0	0	0	504,087	0	0	0	0	0	525,091	0	0	0	0	0	0	0	0	0	480,475	0			
2031	0	0	0	514,169	0	0	0	0	0	535,592	0	0	0	0	0	0	0	0	0	490,084	0			
2032	0	0	0	524,452	0	0	0	0	0	546,304	0	0	0	0	0	0	0	0	0	499,886	0			
2033	0	0	0	534,941	0	0	0	0	0	557,230	0	0	0	0	0	0	0	0	0	509,884	0			
2034	0	0	0	85	0	0	85	0	0	85	0	0	0	0	0	0	0	0	0	520,082	0			
	85	0	0	31,836,240	85	0	85	0	0	85	0	0	33,826,005	185	0	185	0	0	185	71,231,613				

**HERITAGE RIDGE METROPOLITAN DISTRICT**

Development Projection -- Buildout Plan (updated 7/13/15)

**Residential Summary**

YEAR	Develed	SFDs (\$3000)				Total Residential Market Value	Total SFD Units	Value of Platted & Developed Lots	Adjustment <sup>[1]</sup>	Adjusted Value
		# Lots	Incr/(Decr) in Finished Lot	# Units Completed	Price Inflated @ 2%					
2014	0	0	0	0	\$300,000	0	\$0	0	0	0
2015	0	0	0	306,000	0	0	0	0	3,060,000	3,060,000
2016	0	0	0	312,120	0	31,836,240	85	0	127,500	127,500
2017	0	0	0	318,362	0	33,826,005	85	0	(212,500)	(212,500)
2018	65	1,950,000	0	324,730	0	32,202,357	85	0	725,000	725,000
2019	0	(1,950,000)	65	331,224	21,529,576	40,850,990	115	0	(1,950,000)	(1,950,000)
2020	0	0	0	337,849	0	19,707,842	50	0	0	0
2021	0	0	0	344,606	0	0	0	0	0	0
2022	0	0	0	351,498	0	0	0	0	0	0
2023	0	0	0	358,528	0	0	0	0	0	0
2024	0	0	0	365,698	0	0	0	0	0	0
2025	0	0	0	373,012	0	0	0	0	0	0
2026	0	0	0	380,473	0	0	0	0	0	0
2027	0	0	0	388,082	0	0	0	0	0	0
2028	0	0	0	395,844	0	0	0	0	0	0
2029	0	0	0	403,761	0	0	0	0	0	0
2030	0	0	0	411,836	0	0	0	0	0	0
2031	0	0	0	420,072	0	0	0	0	0	0
2032	0	0	0	428,474	0	0	0	0	0	0
2033	0	0	0	437,043	0	0	0	0	0	0
2034	0	0	0	445,784	0	0	0	0	0	0
	65	0	65			21,529,576				
						158,423,434	420	0	0	

[1] Adj. to actual/prelim AV

## SOURCES AND USES OF FUNDS

**HERITAGE RIDGE METROPOLITAN DISTRICT  
GENERAL OBLIGATION BONDS, SERIES 2019**  
**Non-Rated, 120x, 30-yr. Maturity**  
**(Sized on All Growth)**  
**[Preliminary -- for discussion only]**

Dated Date	12/01/2019
Delivery Date	12/01/2019

**Sources:**

Bond Proceeds:	8,870,000.00
Par Amount	8,870,000.00
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**Uses:**

Project Fund Deposits:	7,062,151.53
Project Fund	7,062,151.53
<hr/>	
Other Fund Deposits:	728,873.47
Capitalized Interest Fund	728,873.47
Debt Service Reserve Fund	724,175.00
	<hr/>
	1,453,048.47
<hr/>	
Delivery Date Expenses:	354,800.00
Cost of Issuance (est.)	354,800.00
<hr/>	
	8,870,000.00
<hr/>	

## BOND SUMMARY STATISTICS

**HERITAGE RIDGE METROPOLITAN DISTRICT**  
**GENERAL OBLIGATION BONDS, SERIES 2019**  
**Non-Rated, 120x, 30-yr. Maturity**  
**(Sized on All Growth)**  
**[ Preliminary -- for discussion only ]**

Dated Date	12/01/2019
Delivery Date	12/01/2019
First Coupon	06/01/2020
Last Maturity	12/01/2049
Arbitrage Yield	5.500000%
True Interest Cost (TIC)	5.500000%
Net Interest Cost (NIC)	5.500000%
All-In TIC	5.839175%
Average Coupon	5.500000%
Average Life (years)	21.907
Duration of Issue (years)	12.496
Par Amount	8,870,000.00
Bond Proceeds	8,870,000.00
Total Interest	10,687,325.00
Net Interest	10,687,325.00
Bond Years from Dated Date	194,315,000.00
Bond Years from Delivery Date	194,315,000.00
Total Debt Service	19,557,325.00
Maximum Annual Debt Service	1,445,350.00
Average Annual Debt Service	651,910.83
Underwriter's Fees (per \$1000)	
Average Takedown	
Other Fee	
Total Underwriter's Discount	
Bid Price	100.000000

Bond Component	Par Value	Price	Average Coupon	Average Life	PV of 1 bp change
30-yr Term Bond	8,870,000.00	100.000	5.500%	21.907	12,950.20
	8,870,000.00			21.907	12,950.20

	TIC	All-In TIC	Arbitrage Yield
Par Value	8,870,000.00	8,870,000.00	8,870,000.00
+ Accrued Interest			
+ Premium (Discount)			
- Underwriter's Discount			
- Cost of Issuance Expense			
- Other Amounts		-354,800.00	
Target Value	8,870,000.00	8,515,200.00	8,870,000.00
Target Date	12/01/2019	12/01/2019	12/01/2019
Yield	5.500000%	5.839175%	5.500000%

**BOND DEBT SERVICE**
**HERITAGE RIDGE METROPOLITAN DISTRICT  
GENERAL OBLIGATION BONDS, SERIES 2019**

 Non-Rated, 120x, 30-yr. Maturity  
 (Sized on All Growth)

[ Preliminary -- for discussion only ]

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
06/01/2020			243,925.00	243,925.00	
12/01/2020			243,925.00	243,925.00	487,850
06/01/2021			243,925.00	243,925.00	
12/01/2021			243,925.00	243,925.00	487,850
06/01/2022			243,925.00	243,925.00	
12/01/2022	70,000	5.500%	243,925.00	313,925.00	557,850
06/01/2023			242,000.00	242,000.00	
12/01/2023	75,000	5.500%	242,000.00	317,000.00	559,000
06/01/2024			239,937.50	239,937.50	
12/01/2024	90,000	5.500%	239,937.50	329,937.50	569,875
06/01/2025			237,462.50	237,462.50	
12/01/2025	95,000	5.500%	237,462.50	332,462.50	569,925
06/01/2026			234,850.00	234,850.00	
12/01/2026	110,000	5.500%	234,850.00	344,850.00	579,700
06/01/2027			231,825.00	231,825.00	
12/01/2027	120,000	5.500%	231,825.00	351,825.00	583,650
06/01/2028			228,525.00	228,525.00	
12/01/2028	135,000	5.500%	228,525.00	363,525.00	592,050
06/01/2029			224,812.50	224,812.50	
12/01/2029	145,000	5.500%	224,812.50	369,812.50	594,625
06/01/2030			220,825.00	220,825.00	
12/01/2030	165,000	5.500%	220,825.00	385,825.00	606,650
06/01/2031			216,287.50	216,287.50	
12/01/2031	170,000	5.500%	216,287.50	386,287.50	602,575
06/01/2032			211,612.50	211,612.50	
12/01/2032	195,000	5.500%	211,612.50	406,612.50	618,225
06/01/2033			206,250.00	206,250.00	
12/01/2033	205,000	5.500%	206,250.00	411,250.00	617,500
06/01/2034			200,612.50	200,612.50	
12/01/2034	230,000	5.500%	200,612.50	430,612.50	631,225
06/01/2035			194,287.50	194,287.50	
12/01/2035	240,000	5.500%	194,287.50	434,287.50	628,575
06/01/2036			187,687.50	187,687.50	
12/01/2036	265,000	5.500%	187,687.50	452,687.50	640,375
06/01/2037			180,400.00	180,400.00	
12/01/2037	280,000	5.500%	180,400.00	460,400.00	640,800
06/01/2038			172,700.00	172,700.00	
12/01/2038	310,000	5.500%	172,700.00	482,700.00	655,400
06/01/2039			164,175.00	164,175.00	
12/01/2039	325,000	5.500%	164,175.00	489,175.00	653,350
06/01/2040			155,237.50	155,237.50	
12/01/2040	360,000	5.500%	155,237.50	515,237.50	670,475
06/01/2041			145,337.50	145,337.50	
12/01/2041	375,000	5.500%	145,337.50	520,337.50	666,675
06/01/2042			135,025.00	135,025.00	
12/01/2042	410,000	5.500%	135,025.00	545,025.00	680,050
06/01/2043			123,750.00	123,750.00	
12/01/2043	435,000	5.500%	123,750.00	558,750.00	682,500
06/01/2044			111,787.50	111,787.50	
12/01/2044	470,000	5.500%	111,787.50	581,787.50	693,575
06/01/2045			98,862.50	98,862.50	
12/01/2045	500,000	5.500%	98,862.50	598,862.50	697,725
06/01/2046			85,112.50	85,112.50	
12/01/2046	540,000	5.500%	85,112.50	625,112.50	710,225
06/01/2047			70,262.50	70,262.50	
12/01/2047	570,000	5.500%	70,262.50	640,262.50	710,525
06/01/2048			54,587.50	54,587.50	
12/01/2048	615,000	5.500%	54,587.50	669,587.50	724,175
06/01/2049			37,675.00	37,675.00	
12/01/2049	1,370,000	5.500%	37,675.00	1,407,675.00	1,445,350
	8,870,000		10,687,325.00	19,557,325.00	19,557,325

**NET DEBT SERVICE**
**HERITAGE RIDGE METROPOLITAN DISTRICT  
GENERAL OBLIGATION BONDS, SERIES 2019**
**Non-Rated, 120x, 30-yr. Maturity**
**(Sized on All Growth)**
**[ Preliminary -- for discussion only ]**

Period Ending	Principal	Interest	Total	Debt Service Reserve Fund	Capitalized Interest Fund	Net Debt Service
12/01/2020		487,850	487,850		-487,850	
12/01/2021		487,850	487,850	-724.18	-243,925	243,200.82
12/01/2022	70,000	487,850	557,850	-1,448.36		556,401.64
12/01/2023	75,000	484,000	559,000	-1,448.36		557,551.64
12/01/2024	90,000	479,875	569,875	-1,448.36		568,426.64
12/01/2025	95,000	474,925	569,925	-1,448.36		568,476.64
12/01/2026	110,000	469,700	579,700	-1,448.36		578,251.64
12/01/2027	120,000	463,650	583,650	-1,448.36		582,201.64
12/01/2028	135,000	457,050	592,050	-1,448.36		590,601.64
12/01/2029	145,000	449,625	594,625	-1,448.36		593,176.64
12/01/2030	165,000	441,650	606,650	-1,448.36		605,201.64
12/01/2031	170,000	432,575	602,575	-1,448.36		601,126.64
12/01/2032	195,000	423,225	618,225	-1,448.36		616,776.64
12/01/2033	205,000	412,500	617,500	-1,448.36		616,051.64
12/01/2034	230,000	401,225	631,225	-1,448.36		629,776.64
12/01/2035	240,000	388,575	628,575	-1,448.36		627,126.64
12/01/2036	265,000	375,375	640,375	-1,448.36		638,926.64
12/01/2037	280,000	360,800	640,800	-1,448.36		639,351.64
12/01/2038	310,000	345,400	655,400	-1,448.36		653,951.64
12/01/2039	325,000	328,350	653,350	-1,448.36		651,901.64
12/01/2040	360,000	310,475	670,475	-1,448.36		669,026.64
12/01/2041	375,000	290,675	665,675	-1,448.36		664,226.64
12/01/2042	410,000	270,050	680,050	-1,448.36		678,601.64
12/01/2043	435,000	247,500	682,500	-1,448.36		681,051.64
12/01/2044	470,000	223,575	693,575	-1,448.36		692,126.64
12/01/2045	500,000	197,725	697,725	-1,448.36		696,276.64
12/01/2046	540,000	170,225	710,225	-1,448.36		708,776.64
12/01/2047	570,000	140,525	710,525	-1,448.36		709,076.64
12/01/2048	615,000	109,175	724,175	-1,448.36		722,726.64
12/01/2049	1,370,000	75,350	1,445,350	-725,623.36		719,726.64
	8,870,000	10,687,325	19,557,325	-765,453.26	-731,775	18,060,096.74

**BOND SOLUTION**

**HERITAGE RIDGE METROPOLITAN DISTRICT**  
**GENERAL OBLIGATION BONDS, SERIES 2019**  
**Non-Rated, 120x, 30-yr. Maturity**  
**(Sized on All Growth)**  
**[ Preliminary -- for discussion only ]**

Period Ending	Proposed Principal	Proposed Debt Service	Debt Service Adjustments	Total Adj Debt Service	Revenue Constraints	Unused Revenues	Debt Serv Coverage
12/01/2020		487,850	-487,850		465,775	465,775	
12/01/2021		487,850	-244,649	243,201	605,298	362,097	248.88819%
12/01/2022	70,000	557,850	-1,448	556,402	671,998	115,596	120.77569%
12/01/2023	75,000	559,000	-1,448	557,552	671,998	114,446	120.52658%
12/01/2024	90,000	569,875	-1,448	568,427	685,438	117,011	120.58511%
12/01/2025	95,000	569,925	-1,448	568,477	685,438	116,961	120.57450%
12/01/2026	110,000	579,700	-1,448	578,252	699,147	120,895	120.90699%
12/01/2027	120,000	583,650	-1,448	582,202	699,147	116,945	120.08669%
12/01/2028	135,000	592,050	-1,448	590,602	713,130	122,528	120.74629%
12/01/2029	145,000	594,625	-1,448	593,177	713,130	119,953	120.22213%
12/01/2030	165,000	606,650	-1,448	605,202	727,392	122,191	120.19005%
12/01/2031	170,000	602,575	-1,448	601,127	727,392	126,266	121.00481%
12/01/2032	195,000	618,225	-1,448	616,777	741,940	125,163	120.29314%
12/01/2033	205,000	617,500	-1,448	616,052	741,940	125,888	120.43471%
12/01/2034	230,000	631,225	-1,448	629,777	756,779	127,002	120.16622%
12/01/2035	240,000	628,575	-1,448	627,127	756,779	129,652	120.67400%
12/01/2036	265,000	840,375	-1,448	638,927	771,914	132,988	120.81424%
12/01/2037	280,000	640,800	-1,448	639,352	771,914	132,563	120.73393%
12/01/2038	310,000	655,400	-1,448	653,952	787,353	133,401	120.39922%
12/01/2039	325,000	653,350	-1,448	651,902	787,353	135,451	120.77783%
12/01/2040	360,000	670,475	-1,448	669,027	803,100	134,073	120.04002%
12/01/2041	375,000	665,675	-1,448	664,227	803,100	138,873	120.90749%
12/01/2042	410,000	680,050	-1,448	678,602	819,162	140,560	120.71320%
12/01/2043	435,000	682,500	-1,448	681,052	819,162	138,110	120.27895%
12/01/2044	470,000	693,575	-1,448	692,127	835,545	143,418	120.72140%
12/01/2045	500,000	697,725	-1,448	696,277	835,545	139,268	120.00187%
12/01/2046	540,000	710,225	-1,448	708,777	852,256	143,479	120.24322%
12/01/2047	570,000	710,525	-1,448	709,077	852,256	143,179	120.19235%
12/01/2048	615,000	724,175	-1,448	722,727	869,301	146,574	120.28074%
12/01/2049	1,370,000	1,445,350	-725,623	719,727	869,301	149,574	120.78210%
	8,870,000	19,557,325	-1,497,228	18,060,097	22,539,980	4,479,883	

**EXHIBIT F**

**Intergovernmental Agreement**

**INTERGOVERNMENTAL AGREEMENT BETWEEN  
THE TOWN OF BERTHOUD, COLORADO  
AND  
HERITAGE RIDGE METROPOLITAN DISTRICT**

THIS INTERGOVERNMENTAL AGREEMENT (this "Agreement") is made and entered into as of this \_\_\_\_\_ day of \_\_\_\_\_, 2015, by and between the TOWN OF BERTHOUD, a municipal corporation of the State of Colorado ("Town"), and HERITAGE RIDGE METROPOLITAN DISTRICT, a quasi-municipal corporation and political subdivision of the State of Colorado (the "District"). The Town and the District are collectively referred to as the "Parties."

**RECITALS**

WHEREAS, the District was organized to provide those services and to exercise powers as are more specifically set forth in the District's Service Plan approved by the Town on \_\_\_\_\_ (the "Service Plan"); and

WHEREAS, the Service Plan makes reference to the execution of an intergovernmental agreement between the Town and the District; and

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

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

**COVENANTS AND AGREEMENTS**

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

2. **Operations and Maintenance.** The District shall dedicate the Public Improvements (as defined in the Service Plan) to the Town, other jurisdiction, or an owners association, as appropriate, in a manner consistent with the Approved Development Plan and other rules and regulations of the Town and applicable provisions of the Development Code.

The District is expected to undertake all ownership, operations and maintenance responsibilities for the Public Improvements that are not conveyed to the Town or other governmental entities, or an owners association, as appropriate, and will do so either itself or by contract with an owners association. The District is authorized to provide for the ongoing operations and maintenance of landscaping improvements, and is authorized to provide covenant enforcement services, in accordance with Section 32-1-1004(8)(a), C.R.S. Revenue to pay the expenses of operations may be obtained from fees legally imposed by the District or other legally available revenues of the District subject to any limitations in the Service Plan. Whether the facilities are operated directly by District, or are operated by an owners association, user fees

may be obtained by the District to offset the expenses. User fees for use of recreational facilities may be different for residents of the District than for outside users.

The District shall not impose fees, rates, tolls, penalties, or charges for access to or use of any regional trail system or park system that must be made available for public use as determined by the Town.

3. Acquisition of Land for Public Improvements and Easements. The District agrees to acquire by easement, plat dedication, condemnation (subjection to the limitation set forth in Section 4), or cause the dedication to the Town of, all land required by the Town for construction of public improvements being provided by the District that will be conveyed to the Town. Exceptions must be approved by the Town in writing. Failure to comply with this provision shall be deemed to be a material modification of the Service Plan. The District agrees to acquire all land needed by the Town for construction of normal street improvements required by the Town through dedication by the District's developers or by condemnation (subject to the limitation set forth in Section 4). Exceptions must be approved by the Town in writing. Failure to acquire all land needed by the Town for such construction of street improvements shall be deemed to be a material modification of the Service Plan.

4. Eminent Domain Limitation. The District may exercise its powers of eminent domain, as allowed under the Special District Act (Section 32-1-101, et seq., of the Colorado Revised Statutes, as amended from time to time), with regard to any land located within the Initial District Boundaries and the Inclusion Area Boundaries, but shall not exercise such powers with regard to any land located outside of the Initial District Boundaries and the Inclusion Area Boundaries without the prior written consent of the Town, which consent may be withheld for any reason within the Town's discretion. Further, the District shall not exercise its power of dominant eminent domain with regard to any property owned by the Town without the Town's prior written consent.

5. Solar Farm Operation Limitation. In the event that, at any time in the future, applicable State law, or the interpretation thereof, permits, empowers or authorizes the District to plan for, design, acquire, construct, install, relocate, redevelop, provide, finance maintain and/or operate solar energy production facilities, the District will obtain written consent of the Board of Trustees prior to performing any such activities or services (it being understood that the provision of such activities or services shall not constitute an amendment to the Service Plan if provided by the District after receipt of the Town's consent).

6. Construction Standards. The District will ensure that the Public Improvements are designed and constructed in accordance with the standards and specifications of the Town and of other governmental entities having proper jurisdiction and in accordance with the requirements of the Approved Development Plan. The District will obtain the Town's approval of civil engineering plans and will obtain applicable permits for construction and installation of Public Improvements prior to performing such work. All construction cost estimates are based on the assumption that construction conforms to applicable local, State or Federal requirements.

7. Issuance of Privately Placed Debt. Prior to the issuance of any privately placed Debt, the District shall obtain the certification of an External Financial Advisor substantially as follows:

We are [I am] an External Financial Advisor within the meaning of the District's Service Plan.

We [I] certify that (1) the net effective interest rate (calculated as defined in Section 32-1-103(12), C.R.S.) to be borne by [insert the designation of the Debt] does not exceed a reasonable current [tax-exempt] [taxable] interest rate, using criteria deemed appropriate by us [me] and based upon our [my] analysis of comparable high yield securities; and (2) the structure of [insert designation of the Debt], including maturities and early redemption provisions, is reasonable considering the financial circumstances of the District.

8. Inclusion/Exclusion. The District shall not include within its boundaries any property outside the Inclusion Area Boundaries without the prior written consent of the Board of Trustees. The District shall not include within any of its boundaries any property inside the Inclusion Area Boundaries without the prior written consent of the Town except upon petition of the fee owner or owners of one hundred percent (100%) of such property as provided in Section 32-1-401(1)(A), C.R.S. The District shall not exclude any property from its boundaries without the prior written consent of the Board of Trustees.

9. Overlap Limitation. The District shall not consent to the organization of any other district organized under the Special District Act within the District's boundaries or within the Inclusion Area Boundaries that will overlap the boundaries of the District or the Inclusion Area Boundaries without the prior written consent of the Board of Trustees; provided, however, if the Town, Larimer County, or any State agency requests an overlap with a Town, Larimer County, or State agency-initiated district, the District shall not object to the organization of said overlapping district. In the event the property within the Inclusion Area Boundaries is included within the boundaries of any other special district, said property may not be included within the boundaries of the District without the prior written consent of the Board of Trustees, aggregate mill levy rate for the payment of Debt shall not include any mill levy of such Town-initiated district.

10. Monies from Other Governments/Sources. The District shall not apply for or accept Conservation Trust Funds, Great Outdoors Colorado Funds, or other funds available from or through governmental or non-profit entities that the Town is eligible to apply for, except pursuant to an intergovernmental agreement with the Town. This section shall not apply to specific ownership taxes which shall be distributed to and a revenue source for the District without any limitation.

11. Total Debt Issuance. The District shall not issue Debt in excess of the Total Debt Issuance Limitation, as such term is defined in the Service Plan.

12. Additional Services The District shall have the power and authority to, but shall not be obligated to, provide any and all of such additional services and exercise such powers as are expressly or impliedly granted to special districts by Colorado law; provided, however, the District shall not establish any subdistrict pursuant to Section 32-1-1101, C.R.S., or any special improvement district pursuant to Section 32-1-1101.7, C.R.S. without the prior written consent of the Board of Trustees. Consolidation. The District shall not file a request with any Court to consolidate with another Title 32 district without the prior written consent of the Town, unless such consolidation is with one or more of the District.

14. Bankruptcy Limitation. All of the limitations contained in this Agreement, including, but not limited to, those pertaining to the Maximum Debt Mill Levy have been established under the authority of the Town to approve a Service Plan with conditions pursuant to Section 32-1-204.5, C.R.S. It is expressly intended that such limitations:

(a) Shall not be subject to set-aside for any reason or by any court of competent jurisdiction, absent a Service Plan Amendment; and

(b) Are, together with all other requirements of Colorado law, included in the "political or governmental powers" reserved to the State under the U.S. Bankruptcy Code (11 U.S.C.) Section 903, and are also included in the "regulatory or electoral approval necessary under applicable nonbankruptcy law" as required for confirmation of a Chapter 9 Bankruptcy Plan under Bankruptcy Code Section 943(b)(6).

Any Debt issued with a pledge or that results in a pledge that exceeds the Maximum Debt Mill Levy shall be deemed a material modification of the Service Plan, and shall not be an authorized issuance of Debt unless and until such material modification has been approved by the Town as part of a Service Plan Amendment.

15. Dissolution. Upon an independent determination of the Board of Trustees that the purposes for which the District was created have been accomplished, the District agrees to file a petition in the appropriate District Court for dissolution pursuant to the applicable State statutes. In no event shall a dissolution occur until the District has provided for the payment or discharge of all of its outstanding indebtedness and other financial obligations as required pursuant to State statutes.

16. Disclosure to Purchasers. The District will use reasonable efforts to assure that all developers of the property located within the District provide written notice to all purchasers of property in the District regarding the Maximum Debt Mill Levy, as well as a general description of the District's authority to impose and collect rates, fees, tolls, charges and other amounts. The District will cause to be recorded with the Larimer County Clerk and Recorder's Office a one-page summary of such written notice, which recorded document will provide a website address where specific contact information will be provided where further information can be found.

17. TABOR Compliance. The District will comply with the provisions of TABOR. Any enterprises or any conduit issuers, such as a 6320 Corporation, that the Board desires to establish will require the prior written consent of the Town (it being understood that the establishment of any such enterprise or conduit issuer shall not constitute an amendment to the

Service Plan if established by the District after the receipt of the Town's consent). To the extent allowed by law, any entity established by the District will remain under the control of the District's Board, subject to any additional limitations contained in any Town consent to the establishment of such entity.

18. Service Plan Amendment Requirement. Actions of the District that violate the limitations set forth in the Service Plan or this Agreement shall be deemed to be material modifications to the Service Plan and breaches of this Agreement and the Town shall be entitled to all remedies available at law or in equity under State and local law.

19. Annual Report. The District shall be responsible for submitting an annual report to the Town no later than August 15<sup>th</sup> of each year following the year in which the Order and Decree creating the District has been issued.

The annual report shall include information as to any of the following:

A. Boundary changes made or proposed to the District's boundary as of December 31<sup>st</sup> of the prior year;

B. Agreements with other governmental entities, either entered into or proposed as of December 31<sup>st</sup> of the prior year;

C. A list of all facilities and improvements constructed or acquired by the District and those that have been dedicated to and accepted by the Town as of December 31<sup>st</sup> of the prior year;

D. Audit of the District's financial statements for the year ending December 31<sup>st</sup> of the previous year prepared in accordance with generally accepted accounting principles or audit exemptions, if applicable;

E. Notice of continuing disclosure undertaking for events of default by the District, which continue beyond a ninety (90) day period, under any Debt instrument; and

F. Any inability of the District to pay its obligations as they come due in accordance with the term of any Debt instruments, which continue beyond a ninety (90) day period.

20. Maximum Debt Mill Levy. The "Maximum Debt Mill Levy" shall be the maximum mill levy the District is permitted to impose upon the taxable property within the District for payment of Debt and such Maximum Debt Mill Levy shall not exceed fifty (50) mills, except that the Maximum Debt Mill Levy may be adjusted to account for changes in the method of calculating assessed valuation or any constitutionally mandated tax credit, cut or abatement. The mill levy limitation applicable to such Debt may be increased or decreased to reflect such changes. Such increases or decreases are to be determined by the Board in good faith (such determination to be binding and final) so that to the extent possible, the actual tax revenues generated by the mill levy, as adjusted for changes occurring after January 1, 2015, are neither diminished nor enhanced as a result of such changes. For purposes of the foregoing, a

change in the ratio of actual valuation shall be deemed to be a change in the method of calculating assessed valuation.

21. Debt Instrument Disclosure Requirement. In the text of each Bond and any other instrument representing and constituting Debt, the District shall set forth a statement in substantially the following form:

By acceptance of this instrument, the owner of this Bond agrees and consents to all of the limitations in respect of the payment of the principal of and interest on this Bond contained herein, in the resolution of the District authorizing the issuance of this Bond and in the Service Plan for creation of the District.

Similar language describing the limitations in respect to the payment of the principal of and interest on Debt set forth in this Service Plan shall be included in any document used for the offering of the Debt for sale to persons, including, but not limited to, a developer of property within the boundaries of the District.

22. Security for Debt. The District shall not pledge any revenue or property of the Town as security for the indebtedness set forth in the Service Plan. Approval of the Service Plan and this Agreement shall not be construed as a guarantee by the Town of payment of any of the District's obligations, nor shall anything in the Service Plan or this Agreement be construed so as to create any responsibility or liability on the part of the Town in the event of default by the District in the payment of any such obligation.

23. Operations and Maintenance Mill Levy. The Maximum Debt Mill Levy for the repayment of Debt shall not apply to the District's ability to set its mill levy as necessary for the provision of operation and maintenance services to its taxpayers and service users; provided, however, that the mill levy for the provision of operation and maintenance services shall not exceed fifteen (15) mills without the prior written consent of the Town. A mill levy for the provision of operation and maintenance services in excess of fifteen (15) mills shall not constitute an amendment to the Service Plan if imposed by the District after receipt of the Town's consent.

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

To the District:

Heritage Ridge Metropolitan District  
c/o Megan Becher, Esq.  
450 E. 17th Ave., Suite 400  
Denver, CO 80203

To the Town: Town of Berthoud  
Attention: Town Attorney  
Town Hall, 328 Massachusetts Ave.  
P.O. Box 1229  
Berthoud, Colorado 80513

All notices, demands, requests or other communications shall be effective upon such personal delivery or one (1) business day after being deposited with Federal Express or other nationally recognized overnight air courier service or three (3) business days after deposit in the United States mail. By giving the other party hereto at least ten (10) days written notice thereof in accordance with the provisions hereof, each of the Parties shall have the right from time to time to change its address.

25. Amendment. This Agreement may be amended, modified, changed, or terminated in whole or in part only by a written agreement duly authorized and executed by the Parties hereto and without amendment to the Service Plan.

26. Assignment. Neither Party hereto shall assign any of its rights nor delegate any of its duties hereunder to any person or entity without having first obtained the prior written consent of the other Party, which consent will not be unreasonably withheld. Any purported assignment or delegation in violation of the provisions hereof shall be void and ineffectual.

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

28. Governing Law and Venue. This Agreement shall be governed and construed under the laws of the State of Colorado.

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

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

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

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

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

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

**[THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]**

[SIGNATURE PAGE FOR INTERGOVERNMENTAL AGREEMENT]

HERITAGE RIDGE METROPOLITAN  
DISTRICT

By: \_\_\_\_\_  
President

Attest:

Secretary

TOWN OF BERTHOUD, COLORADO

By: \_\_\_\_\_  
Mayor

Attest:

By: \_\_\_\_\_  
Its: \_\_\_\_\_

APPROVED AS TO FORM: \_\_\_\_\_