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Douglas Combined Courts

SERVICE PLAN

FRANKTOWN BUSINESS AREA
METROPOLITAN DISTRICT

Prepared for
Franktown Business Association

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Approved by BOCC
10/3/2000

TABLE OF CONTENTS

I.	INTRODUCTION	1
	The Development and Preparation of the Plan	1
II.	GENERAL DESCRIPTION OF SERVICES TO BE PROVIDED	1
III.	PURPOSE OF THE DISTRICT	4
IV.	BOUNDARIES	4
	Initial and Potential Service Areas	4
	Changes in Boundaries	4
V.	RELATIONSHIP WITH OTHER DISTRICTS	5
VI.	FACILITIES TO BE CONSTRUCTED	5
	Type of Improvements	5
	Water Supply	6
	County Construction Standards	6
VII.	FINANCIAL PLAN	6
	General Discussion	7
	Debt Limitation	8
	Bond Limitations	8
	Revenue Bonds	8
	Facilities Fee	9
	Availability of Service Fees	9
	Debt Summary	9
	Operations.	9
	Limits on Mill Levy Increases.	10
	Economic Viability	10
	Enterprises	10
	Security for Debt	10
	Description of Existing Conditions	10
	Anticipated Development	11
	Public Improvement Schedule	11
VIII.	MODIFICATION OF SERVICE PLAN.	11
IX.	DISCLOSURE	11
X.	DISSOLUTION	11
XI.	CONSOLIDATION	12
XII.	FAILURE TO COMPLY WITH SERVICE PLAN	12
XIII.	INTERGOVERNMENTAL AGREEMENTS	12
XIV.	STATUTORY REQUIREMENTS	12
	EXHIBIT A: DESCRIPTION OF PROPERTIES WITHIN THE DISTRICT	14
	EXHIBIT B: MAP SHOWING DISTRICT BOUNDARY	15
	EXHIBIT C: PRELIMINARY INFRASTRUCTURE COST ESTIMATE	16
	EXHIBIT D: FINANCING PLAN	17

**FRANKTOWN BUSINESS AREA
METROPOLITAN DISTRICT
in Douglas County, Colorado**

SERVICE PLAN

I. INTRODUCTION

This service plan is for a new special district in Douglas County to be named the FRANKTOWN BUSINESS AREA METROPOLITAN DISTRICT ("District"). The District will finance public improvements for the Franktown Business Area and immediate surroundings comprising a significant portion of the Franktown Subarea Master Plan of the Douglas County Master Plan in unincorporated Douglas County. The area that will initially comprise the District is approximately 279 acres. An additional approximately 360 acres within the Franktown Subarea Master Plan is identified as being in the Potential Service Area. The District area will consist of mixed business and residential uses.

The purpose of this Service Plan is to establish a public entity that can provide financing and, where appropriate, operation for the essential public facilities and services that will serve the Franktown Business Area and support development anticipated in the Franktown Subarea Master Plan. The initial efforts of the District will be focused on establishment of a community sanitary sewer system to replace failing septic systems. Without the District, the financing would be more expensive than necessary and ongoing operation and maintenance would be less certain.

The Development and Preparation of the Plan

The area within the District is approximately 30% developed. This plan has been prepared for the Franktown Business Associates by a number of consultants, including R.S. Wells L.L.C., 6399 S. Fiddler's Green Circle, Suite 102, Greenwood Village, CO. (Attention: Wayne Monson (303) 779-4525); Grimshaw and Haring, P.C., 1700 Lincoln, Suite 3800, Denver, CO. 80203 (Attention: Norman F. Kron, (303) 839-3704); R. G. Consulting Engineers, Inc., 1331 17th. Street, Suite 710, Denver, CO. 80202; and Hanifen, Imhoff Inc., 1125 17th. Street, Suite 1600, Denver, CO. 80202.

II. GENERAL DESCRIPTION OF SERVICES TO BE PROVIDED

The purpose of the District is to finance public improvements, participate with other special districts and government entities in Intergovernmental Agreements, construct or acquire facilities, provide for ongoing maintenance and operations of facilities and provide operational and management services for the use and benefit of the District inhabitants and taxpayers.

The initial efforts of the District will be focused on the development of a community sanitary sewer system to replace aging and failing septic systems and to protect the water quality of the adjacent Cherry Creek alluvium. Future efforts will address the need for a community water supply if the development anticipated in the Franktown Subarea Master Plan is to be realized. Additionally, limited roadway improvements and beautification landscaping may assist in maintaining the economic viability of the Franktown Subarea Master Plan area.

The District shall have the following powers and be authorized to provide the following improvements. At any point in time, the District may choose to provide only a portion of its powers.

The acquisition, construction, relocation, completion, installation and/or operation and maintenance of a complete local **sanitary sewage collection and transmission system** which may include, but shall not be limited to, collection mains and laterals, transmission lines, treatment facilities, and/or storm sewer, flood and surface drainage facilities and systems, including detention/retention ponds and associated irrigation facilities, and all necessary, incidental, and appurtenant facilities, land and easements, together with extensions of and improvements to said system within and without the boundaries of the District.

The acquisition, construction, relocation, completion, installation and/or operation and maintenance of a complete **potable and/or non-potable local water supply system** which may include, but shall not be limited to, storage, transmission, treatment and distribution system, including wells, transmission lines, distribution mains and laterals, irrigation facilities, storage facilities, land and easements, and all necessary, incidental, and appurtenant facilities, together with extensions of and improvements to said system within and without the boundaries of the District.

The acquisition, construction, relocation, completion, installation and/or operation and maintenance of facilities and/or services for a system of **traffic and safety controls** and devices on streets and highways, including signalization, together with all necessary, incidental, and appurtenant facilities, land and easements, together with extensions of and improvements to said facilities within and without the boundaries of the District.

The acquisition, construction, relocation, completion, installation and/or operation and maintenance of **street improvements**, including curbs, gutters, culverts, and other drainage facilities, sidewalks, bridges, overpasses, bike paths and pedestrian ways, interchanges, median islands, paving, lighting, grading, landscaping, irrigation, parking lots and structures; and street-related

electric, telephone, cable and gas; together with all necessary, incidental, and appurtenant facilities, land and easements together with extensions of and improvements to said facilities within and without the boundaries of the District. The District may construct or participate in the construction of arterial, collector and local roadways and associated facilities serving the District whether within or without the boundaries of the District. All roadways and traffic and safety improvements will be constructed to Douglas County standards and will be dedicated to the County or the Colorado State Highway Department for perpetual ownership and maintenance.

The design, acquisition, installation, construction, operation, and maintenance of **public transportation** system improvements, including transportation equipment, bus systems, park and ride facilities and parking lots, structures, roofs, covers, and facilities, together with all necessary, incidental and appurtenant facilities, land and easements, and all necessary extension of and improvements to said facilities or systems within and without the boundaries of the District.

The design, acquisition, installation, construction, operation, and maintenance of **television relay and translation** system improvements, including equipment, cable, facilities and structures, together with all necessary, incidental and appurtenant facilities, land and easements, and all necessary extension of and improvements to said facilities or systems within and without the boundaries of the District.

The design, acquisition, installation, construction, operation, and maintenance of a system for the control and **elimination of mosquitoes**, including all necessary, incidental and appurtenant facilities, land and easements, and all necessary extension of and improvements to said facilities or systems within and without the boundaries of the District.

The acquisition, construction, relocation, completion, installation and/or operation and maintenance of **parks and recreational facilities** including, but not limited to, parks, bike paths and pedestrian ways, streetscapes, open space, landscaping, cultural activities, community recreational centers, water bodies, irrigation facilities, and other active and passive recreational facilities and programs, and all necessary, incidental and appurtenant facilities, land and easements, together with extensions of and improvements to said facilities within and without the boundaries of the District.

The establishment of the District to finance, acquire, construct, and operate the public facilities described in this Service Plan, whether within or without the District, to serve the District will assure that the construction of major public facilities throughout the

community will be primarily administered by a locally-controlled elected board and will not become a burden on the County. The development of the Franktown Business District area is expected to proceed over a number of years in several phases, each of which will require certain extensions and improvements of public facilities.

III. PURPOSE OF THE DISTRICT

It is intended that the District, as a Title 32 District, will provide certain essential public-purpose facilities for the use and benefit of its current and anticipated inhabitants and taxpayers. These persons include owners of real property located within the boundaries of the District as currently contemplated and as the same may be changed through the inclusion of additional territory and exclusion of territory.

It is not feasible or practical for the County itself to provide the area with the extensive public improvements and facilities needed to serve the Franktown Business District area and implement the Franktown Subarea Master Plan. The District is therefore necessary to provide the desired urban facilities and services.

The District acknowledges the need and its intent to cooperate with the County to serve and promote the health, safety, prosperity, security and general welfare of its inhabitants, and other County residents in the Cherry Creek basin.

IV. BOUNDARIES

Initial and Potential Service Areas

The initial service area of the District is generally described as a portion of the properties in the immediate environs of the Franktown Business Center. A legal description composed of the County parcel numbers of included properties is attached as Exhibit A. A metes and bounds legal description of the District boundary is not available and would be very costly to prepare. Attached as Exhibit B is a map showing boundary lines of the District and Potential Service Areas that might be considered for inclusion. The Potential Service Area is intended to be within the boundaries of the Franktown Subarea Master Plan plus three parcels currently zoned industrial to the north of the Master Plan area and a portion of the adjacent Cherry Creek flood plain to avoid splitting properties. The District will include approximately 281 acres (more or less) in its initial stage. The entire District is within the boundaries of Douglas County.

Changes in Boundaries

Additional property may be included within the District if it is located within the Potential Service Area depicted on Exhibit B. Areas outside of the Potential Service Area shall not be included into the District without the prior consent of the Douglas County

Commissioners. Changes in boundaries shall be made only as permitted under the Special District Act.

V. RELATIONSHIP WITH OTHER DISTRICTS

The Franktown Business Area Metropolitan District will finance public improvements within or without the District for the benefit of the Franktown Business Area and immediate surroundings in unincorporated Douglas County.

The Franktown Business Area Metropolitan District may share in the cost of facilities with other area Districts, Communities, Authorities and Associations. Such co-operative funding relationships will be described in Intergovernmental Agreements or other written agreements between the participating entities.

The District anticipates the construction of an outfall sewer line to deliver raw sewage to the Pinery Water and Sanitation District treatment plant. A potential but less desirable alternative is for the District to construct a free standing treatment facility to serve the District Service Area. The outfall line has the advantages of being less costly, reduce the number of point source discharges on Cherry Creek, and allow the Pinery Water and Sanitation District greater protection of water quality for it's alluvial water supply.

VI. FACILITIES TO BE CONSTRUCTED

Type of Improvements

Upon its formation, the initial efforts of the District will be to provide sewer service to the properties within the District. This will permit the abandonment of failing and overloaded septic systems in the area. It will also protect the water quality of the Cherry Creek alluvium for downstream users.

As the area develops, the District plans to provide for the long term financing and acquisition, construction, installation and operation of some or all of these facilities, (a) a water system, (b) street improvements, (c) safety improvements, (d) transportation, (e) television relay and translation facilities, and (f) park and recreation facilities, both within and without the boundaries of the District.

The specific facilities to be provided are not known at this time. Detailed cost estimates can, therefore, not be provided. The following cost allocations are based on the experience of the preparers of this Service Plan without the benefit of a specific scope of improvements.

Sewer / Drainage	\$ 3,000,000
Water	\$ 4,000,000
Streets	\$ 2,000,000

Parks and Recreation	\$ 2,000,000
Transportation	\$ 1,000,000
Traffic and Safety	\$ 1,000,000
Television relay and translation	\$ 1,000,000
Mosquito Control	\$ 200,000

To the extent allowed by law and the debt authorization approved by the eligible electors of the District, the Board of Directors of the District shall have the authority to shift funds from one category of improvements to another so long as the debt limit approved by the electors is not exceeded. Notwithstanding anything to the contrary contained herein, the total cost of the improvements to be financed by long term debt by the District shall not exceed the amount authorized by the electors.

Water Supply

It is anticipated that water service will be provided by the District at a future date. A community water system is essential to the development of the Franktown Subarea Master Plan area. The District will acquire, develop and/or participate in the development of facilities to provide adequate water supply to service development within the District and the Franktown Subarea Master Plan area. Properties within the District will be required to dedicate the water rights in the Denver Basin aquifers underlying the property at no cost to the District. The District may purchase other water rights, either directly or through reimbursement, or may construct or participate in facilities to develop renewable or non-renewable water supply. The dedication of Denver and Dawson formation water rights may be delayed and required as a condition of water service. Pursuant to C.R.S. §32-1-203(25)(b), the District's provision of water supply will comply with the facility and service standards set forth in the Douglas County Zoning resolution § 1811A.02, as amended.

County Construction Standards

All proposed improvements will be designed and constructed in accordance with the standards and specifications set forth by Douglas County, appropriate utility providers and/or other regulatory entities. Roadway improvements will generally be dedicated to Douglas County if built to County standards and the County accepts such improvements for ownership and maintenance, or the State Highway Department for perpetual ownership and maintenance. Utility facilities will either be dedicated to appropriate utility providers or retained by the District. Other facilities provided by the District will be dedicated to responsible entities as appropriate. Certain facilities may remain the property of, and be maintained by, the District.

VII. FINANCIAL PLAN

The Financial Plan depicted in Exhibit D describes how the proposed initial sewer facilities and/or services are to be financed, including the estimated costs of

organization, engineering services, legal services, administration services, proposed indebtedness and estimated proposed maximum interest rates and discounts, and other major expenses related to the organization and operation of the proposed District. The Financial Plan demonstrates the issuance of the debt and the anticipated repayment based on the projected development in the District's boundaries and expected grants to assist in the development of the initial sewer system. The Financial Plan demonstrates that, at various projected levels of development, the proposed District has the ability to finance the facilities identified herein, and will be capable of discharging the proposed indebtedness on a reasonable basis.

General Discussion

The provision of facilities by the District will be primarily financed by the issuance of several series of general obligation bonds, secured by the ad valorem taxing authority of the proposed District and other District fees and charges. The Financial Plan demonstrates the issuance of the debt, anticipated grant revenue, and the anticipated repayment schedule for the initial sewer improvements. The financing of further improvements will be determined when the specifics of the improvements and the development projected are known with more certainty.

Pursuant to Section 32-1-1101, C.R.S., or the Supplemental Public Securities Act (Part 2 of Article 7 of Title II, C.R.S.) new money general obligation bonds would mature not more than forty (40) years from the date of issuance, with the first maturity being not later than three (3) years from the date of their issuance. The proposed maximum voted interest rate is eighteen percent (18%) and the maximum underwriter's discount is five percent (5%). The exact interest rates and discounts will be determined at the time the bonds are sold by the District and will reflect market conditions at the time of sale. The District may also issue notes, certificates, debentures, or other multiple fiscal year obligations, which issuances shall be subject to the limitations set forth in this Service Plan, including the debt limits described below.

It is proposed that a total maximum principal amount of 10 Million Dollars (\$10,000,000) in 2000 dollars of bonds that are secured by ad valorem property taxes (including general obligation and any bonds issued, the repayment of which is from the pledge of revenue from a debt service mill levy) for various purposes be submitted to the electors of the proposed District for their approval at an election. In no event shall the principal amount of the bonds which are secured by ad valorem property taxes and are outstanding at any one time exceed the amount authorized by District electors. Such limitation shall not be applicable to refunding of the bonds authorized to be issued hereunder, including obligations issued to repay the account party on any Letter of Credit issued to secure such Bonds. The bonds will contain adequate call provisions to allow for the prior redemption or refinancing of bonds sold by the proposed District.

The District will have a mill levy in an unlimited rate and amount assessed on all taxable property in the proposed District as a primary source of revenue for repayment of debt service. The proponents of the organization of the District are comfortable with the reasonableness of the overlapping mill levies and the anticipated mill levy for the proposed District when compared with similar areas. Although the mill levy may vary depending upon the elected Board's decision to fund the projects contemplated in this Service Plan, it is estimated that an initial mill levy of twenty seven (27) mills will produce revenue which together with fees and charges and anticipated grant funds will be sufficient to support the debt retirement for the initial sewer improvements, however, there will be no limit on the mill levy that may be certified by the District.

In addition, the District may capitalize interest to permit payment of interest during the time lapse between development of taxable properties and the collection of tax levies therefrom. Interest income through the reinvestment of construction funds, capitalized interest and annual tax receipts will provide additional funds. These revenue sources together with the possible imposition of rates, tolls, fees and charges should be sufficient to retire the proposed indebtedness if growth occurs as projected. Increases in the mill levy and/or the imposition of additional rates, tolls, fees and charges may be necessary.

Debt Limitation

The total general obligation debt limit for the District shall be as authorized by the electors of the District. The initial authorization is expected to be Ten Million Dollars, (\$10,000,000)

The general obligation debt limit can be raised only with the voted authorization of the District's electors.

Bond Limitations

The bonds may be issued to the general public or to certain investors of the bonds and comply with the applicable limitations found in Section 32-1-1101(6)(a)(I), (II), (III), or (IV) C.R.S. or Section 32-1-1101(6)(b), C.R.S., or the Supplemental Public Securities Act as the same may be amended from time to time.

Revenue Bonds

The District shall have authority to issue revenue bonds as allowed by Colorado law. Revenue Bonds shall not be limited by the voted general obligation debt limit.

Facilities Fee

The District may assess a "Facilities Fee" against property within the District. The obligation of the landowner to pay the Facilities Fee shall create a perpetual statutory lien on the property. The District may assess fees for the usage of facilities within the District.

Availability of Service Fees

The District may assess reasonable fees against undeveloped properties and/or properties that are otherwise tax exempt where District provided facilities and/or services are available to the properties. These fees are intended to compensate the District for the cost of providing the facilities and/or services where development has not occurred and/or ad valorem tax revenue is not sufficient that the properties are paying an equitable share.

Debt Summary

The Financial Plan reflects the amount of bonds anticipated to be sold to finance the construction, acquisition and/or installation of the initial service facilities which are expected to consist of sewer facilities, including all costs and expenses related to the anticipated bond issuances. The amount of bonds sold will be based upon engineering estimates and available grants. Organizational costs, including legal fees, and capitalized engineering costs may be paid from the proceeds of bond issues. The interest rates as set forth in the Financial Plan are based upon the advice of potential underwriters for the District.

The Financial Plan projects the anticipated flow of funds and is based upon estimates of construction and projected needs for bond proceeds to finance the initial sewer improvements. The District's engineer has evaluated the timing and cost estimate of the proposed District's improvements which are necessary to support the proposed absorptions of development as projected in the Financial Plan and has concurred with the assumptions. The Financial Plan sets forth a reasonable estimate of growth within the proposed District and allows the Board of Directors a measure of flexibility such that the proposed District need not incur debt in excess of what it needs to meet a growing population's demands for facilities and services. The District may accelerate or defer the issuance of bonds or the construction of facilities as necessary to meet the needs of development within the Franktown Business Area Metropolitan District.

Operations

The District will require operating funds to plan and cause public improvements to be constructed. Additional costs to the capital costs are expected to include possible operation and maintenance of the improvements by the District, operation and maintenance of improvements, if any, which the County chooses not to accept, and

expenses related to the formation and operation of the District (such as reimbursement of organizational costs, legal, engineering, accounting and issuance costs of indebtedness, preparation of budgets, audits, elections, informational filings, and the like).

Annual administrative, operational and maintenance expenses will be established by the District in their annual budgeting process. Any expenses associated with these items are expected to be fulfilled by an operational mill levy which shall be established from time to time by the Board of Directors, together with appropriate rates, tolls, fees and charges. The mill levies projected in Exhibit D include such operational mill levy. If necessary, however, the proposed District reserves the right to supplement these revenues with additional revenue sources as permitted by the Special District Act. The District may use all or any portion of the operational mill levy for payment of debt.

Limits on Mill Levy Increases

There are statutory and constitutional limits on the District's ability, without an election, to increase its mill levy for provision of operation and maintenance services.

Economic Viability.

The Financial Plan (Exhibit D) illustrates the estimated income and expenses for the District for construction of the initial sewer facilities by the District. The Financial Plan illustrates the economic viability of the District for providing the initial sewer facilities.

Enterprises.

In the discretion of the Board of Directors using the procedures and criteria provided by Amendment 1 (Const. Colo. Art. X, Sec. 20) and Colorado law, the District may establish enterprises to manage, fund, and operate such facilities, services, and programs as may qualify for enterprise status. To the extent allowed by law, any enterprise created by the District will remain under the control of the Board of Directors of the District.

Security for Debt

The District will not pledge any County funds or assets for security for the indebtedness set forth in the financial plan of the District. Security for indebtedness of the District may be provided in any legally permissible manner and may include security provided by development entities or others.

Description of Existing Conditions

The current assessed value of the land proposed to be within the District is approximately \$ 1,235,920. Projected values are described in the attached Exhibit D. The

current population of the District is estimated as 14, the projected resident population of the District is not known at this time.

Anticipated Development

The future development projections within the boundaries of the District as shown on Exhibit D estimate a 5% growth per year in business development and are not intended to project development of the larger undeveloped parcels within the Franktown Subarea Master Plan area. Development of currently vacant land will increase assessed value at a faster rate and the projections shown in Exhibit D will be more conservative.

Public Improvement Schedule

The initial sewer facilities are expected to be constructed as soon as grant funds or other financing methods can be secured. Additional water, sewer, roads, storm drainage and other improvements are expected to take place as development progresses within the District.

VIII. MODIFICATION OF SERVICE PLAN

Material modifications to this Service Plan shall be first approved by Douglas County. Material modifications shall include modifications of a basic or essential nature including any additions to the types of services to be provided by the District. The County's approval shall not be required for modifications to this Service Plan necessary for the execution of the original financing plan, for modifications to the financing plan as provided herein, for inclusions within the Potential Service Area shown on Exhibit B, or for modifications required to implement changes in the enabling legislation. Areas outside of the Potential Service Area shall not be included into the District without the prior consent of Douglas County.

IX. DISCLOSURE

The District will request that the developers of property located within the District provide adequate notice at the time of closing to purchasers of land within the District regarding the existence of the District, its services, mill levies and fees.

X. DISSOLUTION

The District agrees to file a petition in Douglas County, subject to completion of all required statutory procedures, for dissolution at the request of Douglas County if provision for payment of the financial obligations of the District has been made, all improvements contemplated by the District have been completed, all developer reimbursements have been fully paid and the ongoing operations and maintenance

obligations of the District are assumed, to the satisfaction of the District, by other responsible entities.

XI. CONSOLIDATION

The District shall not file a request with the Douglas County District Court to consolidate with another District without prior consent of the Douglas County Commissioners.

XII. FAILURE TO COMPLY WITH SERVICE PLAN

In the event that the District takes any action which constitutes a material modification from the Service Plan without approval from the County, the County may utilize the remedies set forth in applicable law to seek to enjoin the actions of the District.

XIII. INTERGOVERNMENTAL AGREEMENTS

The District may participate in joint financing and service agreements with other governmental units. By example and not by way of limitation, the District may enter into Intergovernmental Agreements for the provision of utility service, the development of roadways, the installation of traffic signals or the beautification of rights-of-way.

XIV. STATUTORY REQUIREMENTS

It is submitted that this Service Plan for the Franktown Business Area Metropolitan District meets the requirements of the Special District Control Act, meets applicable requirements of the Colorado Constitution, and those of the County. It is further submitted that:

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

(a) The existing service in the area to be served by the District is inadequate for projected needs;

(b) The District is capable of providing economical and sufficient service to the area within its boundaries;

(c) The area within the District does have, and will have, the financial ability to discharge the existing and proposed indebtedness on a reasonable basis;

(d) Adequate service is not, and will not be, available to the area through the County, or other existing municipal or quasi-municipal corporations, including existing

special Districts (other than the District), within a reasonable time and on a comparable basis;

(e) The facility and service standards of the District are compatible with the facility and service standards of the county within which the District is located and each municipality which is an interested party under Section 32-1-204(1), Colorado Revised Statutes;

(f) The Service Plan is in substantial compliance with a master plan adopted pursuant to Section 30-28-106, Colorado Revised Statutes. The planned improvements are specifically intended to facilitate the development projected in the Franktown Subarea Master Plan;

(g) The Service Plan is in compliance with any duly adopted county, regional, or state long-range water quality management plan for the area. The facilities to be provided by the District will improve water quality in the Cherry Creek alluvium and attempts are being made to connect to an existing discharge facility. The District will process an ammendment to the Clean Water Plan if construction of a freestanding wastewater treatment plant becomes necessary;

(h) The Service Plan will be in the best interests of the area served by the District.

EXHIBIT A

(Corrected 10/18/2000)

DESCRIPTION OF PROPERTIES WITHIN THE DISTRICT

Erdrss_id	State Parcel No.	Schedule No.	Tax District
26	234927000017	0054501	0142
27	234927000018	0337068	0142
60	234934000007	0051385	0142
131	234934000008	0353097	0142
202	234935000022	0378183	0142
204	234935000026	0396432	0142
206	234934000009	0051641	0141
209	234935000012	0053487	0141
222	234935000011	0054455	0141
231	234935000016	0208776	0141
233	234935000013	0051756	0141
238	234935000006	0050817	0141
244	234935000009	0052484	0141
246	234935000014	0208784	0141
247	234935000019	0352946	0141
248	234935088888		
249	234935000008	0050711	0141
270	250702001009	0410764	0119
271	250702002004	0045874	0119
273	250702002015	0396013	0119
274	250702002014	0396012	0119
275	250702002013	0396011	0119
276	250702002012	0396010	0119
278	250702001010	0413290	0119
280	250702000045	0041857	0119
281	250702000044	0042251	0119
289	250702000046	0352945	0119
293	250702001011	0413288	0119
294	250702001006	0352996	0119
302	250702000018	0042593	0119
306	250702000023	0229569	0119
307	250702000017	0353938	0119
308	250702000022	0043123	0119
313	250702000024	0040109	0119
314	250702000011	0040811	0119
327	250702000031	0038033	0118
356	250702000033	0217656	0118

EXHIBIT B

BOUNDARY AND SERVICE AREA LIMITS

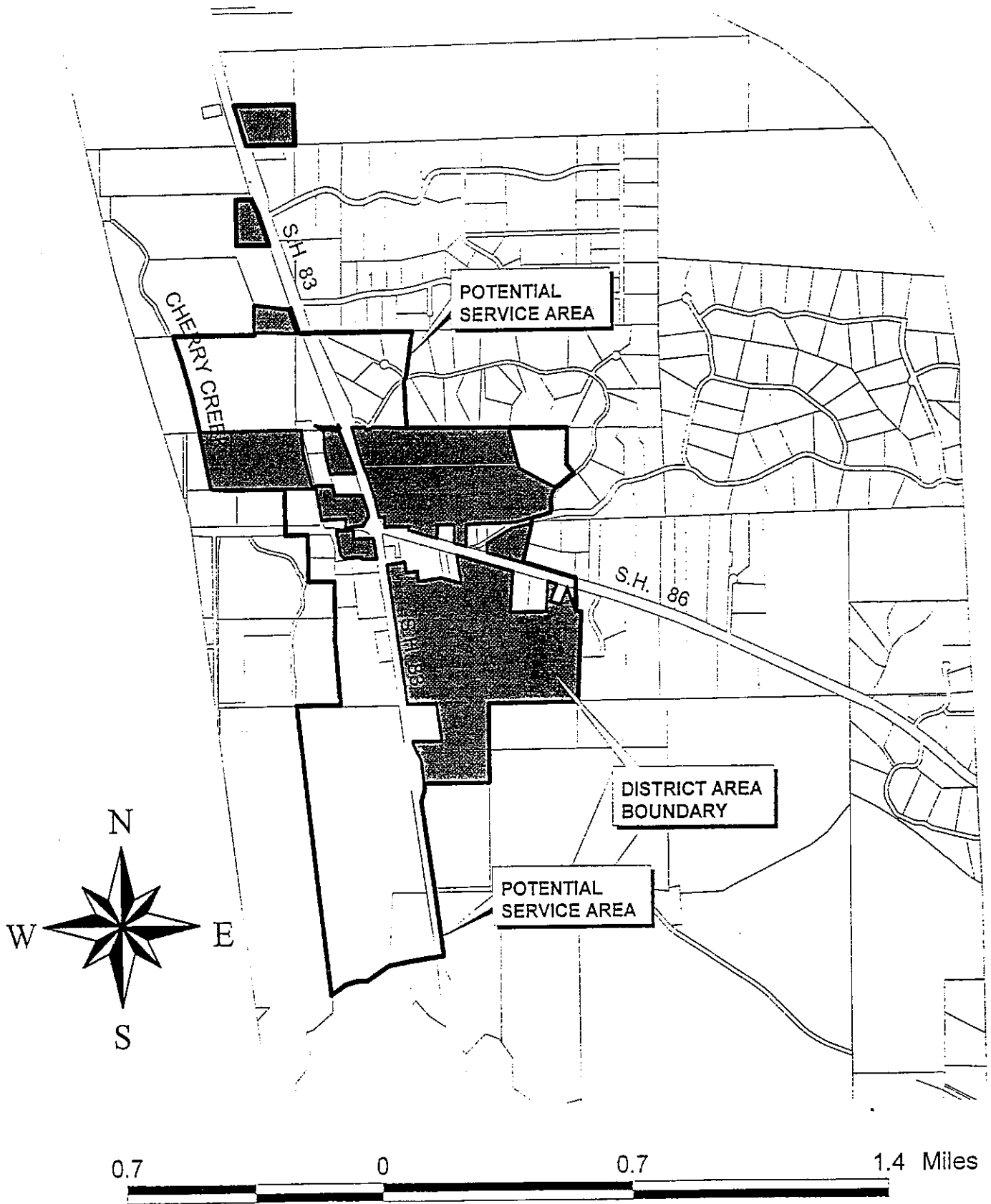


EXHIBIT C

Preliminary Infrastructure Cost Estimate Initial Sewer Facilities.

Distribution System

7450 LF of 8" sewer @ \$20.00/LF	\$ 149,000.00
900 LF of 10" sewer @ \$22.00/LF	\$ 19,800.00
2550 LF of 12" sewer @ \$25.00/LF	\$ 63,750.00
5350 LF of 15" sewer @ \$30.00/LF	\$ 160,500.00
49 Manholes @ \$2,000.00/Each	\$ 98,000.00
Bores	\$ 90,000.00
Easement Acquisition	\$ 35,800.00
Subtotal	\$ 616,850.00
7% Mobilization	\$ 43,179.50
Subtotal	\$ 660,029.50
20% Contingency	\$ 132,005.90
Subtotal	\$ 792,035.40
15% Engineering	\$ 118,805.31
Total	\$ 910,840.71

Outfall Sewer to Bayou Gulch Road

13200 LF of 15" sewer @ \$30.00/LF	\$ 396,000.00
33 Manholes @ \$2,000.00/Each	\$ 66,000.00
Easement Acquisition	\$ 30,300.00
Subtotal	\$ 492,300.00
7% Mobilization	\$ 34,500.00
Subtotal	\$ 526,800.00
20% Contingency	\$ 105,400.00
Subtotal	\$ 632,200.00
15% Engineering	\$ 94,800.00
Total	\$ 727,000.00

Total Initial Sewer Facilities

Distribution System	\$ 910,840.71
Outfall Sewer to Bayou Gulch Road	\$ 727,000.00
	\$ 1,637,840.71

EXHIBIT D

ASSUMPTIONS TO FINANCING PLAN

- Assessed Valuation is assumed to grow by 5% from growth and 2% from inflation.
- Specific ownership taxes are assumed to be 6% of property taxes.
- Sewer Tap Fees of \$ 8,000 are projected with \$ 4,000 of that tap fee projected to be paid to the Pinery District in return for connection to their plant.
- Grant funds of \$ 800,000 are projected. Specific grant funds cannot be determined until the District is formed and availability determined at that point in time.
- Tax collection fees of 1.5% are projected.
- Operating costs of \$30,000 per year are projected. These costs will likely be higher when a water system is initiated.
- The projected mill levy provides funds needed assuming that the assessed valuation, grant proceeds, construction costs and operating costs are as projected.
- It is assumed that the projected growth will result in an average of 4 single family equivalent taps per year.

Franktown
Metropolitan District,
Douglas County, Colorado
Sources and Uses of Cash

APPROVED BOCC 10/3/2000

18

EXHIBIT D - CONTINUED

	Total	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Beginning Cash Available		0	0	11,467	380,992	386,101	389,520	396,625	377,794	363,590	349,464	340,929	333,514
Revenues:													
Property Taxes	1,403,922	0	39,715	39,715	42,495	45,470	48,653	52,059	55,703	59,602	63,774	68,238	73,015
6.00% Specific Ownership Taxes	84,235	0	2,383	2,383	2,550	2,728	2,919	3,124	3,342	3,576	3,826	4,094	4,381
0 Residential Development Fees	0	0	0	0	0	0	0	0	0	0	0	0	0
0 Water Tap Fee	0	0	0	0	0	0	0	0	0	0	0	0	0
8,000 Sewer Tap Fee	1,003,200	0	0	715,200	32,000	32,000	32,000	32,000	32,000	32,000	32,000	32,000	32,000
0.00% Non-Residential Development Fee	0	0	0	0	0	0	0	0	0	0	0	0	0
DS Bond Proceeds	850,000	0	0	850,000	0	0	0	0	0	0	0	0	0
Grants	800,000			800,000									
Capitalized Interest	0	0	0	0	0	0	0	0	0	0	0	0	0
4.00% Investment Income	254,088	0	0	459	15,240	15,444	15,581	15,865	15,112	14,544	13,979	13,637	13,341
Total Annual Income	4,395,446	0	42,098	2,407,757	92,285	95,642	99,153	103,047	106,157	109,722	113,579	117,970	122,736
Expenditures:													
DS Debt Service	1,348,850	0	0	0	40,500	45,500	45,275	75,050	73,475	76,900	75,100	78,300	76,275
CONST Construction	1,650,000	0	0	1,650,000	0	0	0	0	0	0	0	0	0
4,000 Sewer Tap Fee To Pinery	501,600	0	0	357,600	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000
1.50% Tax Collection Fees	22,322	0	631	631	676	723	774	828	886	948	1,014	1,085	1,161
Operating Expenses	630,000	0	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000
Total Annual Expenses	4,152,772	0	30,631	2,038,231	87,176	92,223	92,049	121,878	120,361	123,848	122,114	125,385	123,436
Ending Cash Available	242,673	0	11,467	380,992	386,101	389,520	396,625	377,794	363,590	349,464	340,929	333,514	332,814
Mill Levy			27.00	27.00	27.00	27.00	27.00	27.00	27.00	27.00	27.00	27.00	27.00
Assessed Valuation													
Beginning			1,470,936	1,470,936	1,573,902	1,684,075	1,801,960	1,928,097	2,063,064	2,207,478	2,362,002	2,527,342	2,704,256
2.00% Increase From Inflation				29,419	31,478	33,681	36,039	38,562	41,261	44,150	47,240	50,547	54,085
5.00% Increase From Construction	3,410,920	1,470,936	0	73,547	78,695	84,204	80,098	96,405	103,153	110,374	118,100	126,367	0
Cummulative	3,429,650	1,470,936	1,470,936	1,573,902	1,684,075	1,801,960	1,928,097	2,063,064	2,207,478	2,362,002	2,527,342	2,704,256	2,758,341
Absorblio													
Number of Units- SFE	125	0	0	89.4	4	4	4	4	4	4	4	4	4
9.73% Residential Value	0	0	0	0	0	0	0	0	0	0	0	0	0
29.00% Non-Residential Value	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Market Value	0	0	0	0	0	0	0	0	0	0	0	0	0
Assessed Valuation	1,235,920	1,235,920	0	0	0	0	0	0	0	0	0	0	0

Franktown
Metropolitan District,
Douglas County, Colorado
Sources and Uses of Cash

APPROVED BOCC 10/3/2000

19

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Beginning Cash Available	332,814	319,636	304,512	292,618	279,117	269,201	258,047	250,864	242,845	239,216	233,340
Revenues:											
Property Taxes	74,475	75,965	77,484	79,034	80,614	82,227	83,871	85,549	87,260	89,005	0
6.00% Specific Ownership Taxes	4,469	4,558	4,649	4,742	4,837	4,934	5,032	5,133	5,236	5,340	0
0 Residential Development Fees	0	0	0	0	0	0	0	0	0	0	0
0 Water Tap Fee	0	0	0	0	0	0	0	0	0	0	0
8,000 Sewer Tap Fee	0	0	0	0	0	0	0	0	0	0	0
0.00% Non-Residential Development Fee	0	0	0	0	0	0	0	0	0	0	0
DS Bond Proceeds	0	0	0	0	0	0	0	0	0	0	0
Grants	0	0	0	0	0	0	0	0	0	0	0
Capitalized Interest	0	0	0	0	0	0	0	0	0	0	0
4.00% Investment Income	13,313	12,785	12,180	11,705	11,165	10,768	10,322	10,035	9,714	9,569	9,334
Total Annual Income	92,256	93,308	94,314	95,480	96,616	97,928	99,225	100,716	102,209	103,914	9,334
Expenditures:											
DS Debt Service	74,250	77,225	74,975	77,725	75,250	77,775	75,075	77,375	74,450	78,375	0
CONST Construction	0	0	0	0	0	0	0	0	0	0	0
4,000 Sewer Tap Fee To Pinery	0	0	0	0	0	0	0	0	0	0	0
1.50% Tax Collection Fees	1,184	1,208	1,232	1,257	1,282	1,307	1,334	1,360	1,387	1,415	0
Operating Expenses	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	0
Total Annual Expenses	105,434	108,433	106,207	108,982	106,532	109,082	106,409	108,735	105,837	109,790	0
Ending Cash Available	319,636	304,512	292,618	279,117	269,201	258,047	250,864	242,845	239,216	233,340	242,673
Mill Levy	27.00	27.00	27.00	27.00	27.00	27.00	27.00	27.00	27.00	27.00	0.00
Assessed Valuation											
Beginning	2,758,341	2,813,508	2,869,778	2,927,173	2,985,717	3,045,431	3,106,340	3,168,467	3,231,836	3,298,473	3,362,402
2.00% Increase From Inflation	55,167	58,270	57,396	58,543	59,714	60,909	62,127	63,369	64,637	65,929	67,248
5.00% Increase From Construction	0	0	0	0	0	0	0	0	0	0	0
Cummulative	2,813,508	2,869,778	2,927,173	2,985,717	3,045,431	3,106,340	3,168,467	3,231,836	3,296,473	3,362,402	3,429,650
Absorbable											
Number of Units- SFE	0	0	0	0	0	0	0	0	0	0	0
9.73% Residential Value	0	0	0	0	0	0	0	0	0	0	0
29.00% Non-Residential Value	0	0	0	0	0	0	0	0	0	0	0
Total Market Value	0	0	0	0	0	0	0	0	0	0	0
Assessed Valuation	0	0	0	0	0	0	0	0	0	0	0

EXHIBIT D - CONTINUED