

SERVICE PLAN
FOR
MOUNTAIN SKY METROPOLITAN DISTRICT
CITY OF FORT LUPTON, COLORADO

Approved June 26, 2017

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Div of Local Government

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I. INTRODUCTION

A. Purpose and Intent.

The District is an independent unit of local government, separate and distinct from the City of Fort Lupton, Colorado (the "City"), and, except as may otherwise be provided for by State or local law or this Service Plan, its activities are subject to review by the City only insofar as they may deviate in a material matter from the requirements of the Service Plan. It is intended that the District will provide a part or all of the Public Improvements for the use and benefit of all anticipated inhabitants and taxpayers of the District. The primary purpose of the District will be to finance the construction and installation of these Public Improvements and provide ongoing operation and maintenance services as more specifically set forth in this Service Plan.

B. Need for the District.

It is intended that the District will provide the Public Improvements necessary to serve the Project. There are currently no other governmental entities, including the City, 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, financing, and limited operations and maintenance of the Public Improvements needed for the Project. The District is intended to provide ongoing services including covenant enforcement, design review, and parks, open space and common area ownership and maintenance. Formation of the District is therefore necessary in order for the Public Improvements required for the Project to be provided in the most economic manner possible.

C. Objective of the City Regarding District's Service Plan.

The City's objective in approving the Service Plan is to authorize the District to provide for the planning, design, acquisition, construction, installation, relocation, redevelopment and financing of the Public Improvements from the proceeds of Debt to be issued by the District and other legally available revenues of the District. All Debt is expected to be repaid by taxes imposed and collected at a mill levy no higher than the Maximum Debt Mill Levy and/or Fees. Debt which is issued within these parameters and, as further described in the Financial Plan, will insulate property owners from excessive tax and Fee burdens to support the servicing of the Debt and will result in a timely and reasonable discharge of the Debt.

Use of revenue derived from imposition of an operations mill levy will allow the District to provide ongoing services to the Project and fund District administrative and management costs in an efficient manner while eliminating the need to form a homeowners' association and impose dues and incur collection expenses. The District may impose fees for Covenant Enforcement and Design Review services.

This Service Plan is intended to establish 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, if applicable, regional needs. Operational activities are allowed as more specifically set forth in this Service Plan.

If the District does not retain obligations for ownership, operation, maintenance, repair and/or replacement of certain Public Improvements, the District's Board shall take steps to dissolve the District upon payment or defeasance of all Debt incurred or upon a court determination that adequate provision has been made for the payment of all Debt.

The District shall be authorized to finance the Public Improvements that can be funded from Debt to be repaid from tax revenues, which shall not exceed the Maximum Debt Mill Levy, and from other legally available revenues of the District. 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 obligations or 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 the process established by the City for identifying, among other things, Public Improvements necessary for facilitating development of property within the Project, as determined at final platting and approved by the City through the appropriate PUD and/or site review process.

Board: means the board of directors of the District.

Bond, Bonds or Debt: means bonds or other multiple-fiscal year obligations for the payment of which the District has determined to impose *ad valorem* mill levies, and/or collect Fee revenues.

Boundary Map: means the map attached hereto as **Exhibit C**, depicting the District's boundaries.

Capital Improvements Plan: means the illustrative list of Public Improvements and estimated capital costs of such Public Improvements attached hereto as **Exhibit D**.

City: means the City of Fort Lupton, Colorado.

City Council: means the City Council of the City.

City Council Resolution of Approval: means the resolution approving this Service Plan, a certified copy of which shall be attached hereto as **Exhibit G**.

Covenant Enforcement and Design Review Services: means those services authorized under Section 32-1-1004(8), C.R.S.

Developer: means FL Mountain Sky, LLC, a Colorado limited liability company, and any successors or assigns acting on behalf of the then-current property owner(s).

District: means the Mountain Sky Metropolitan District.

District Boundaries: means the boundaries of the area legally described in **Exhibit A** and depicted on the Boundary Map.

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 with respect to 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; (iii) is not an officer or employee of the District; and (iv) has not been otherwise engaged to provide services to the District in connection with the transaction related to the applicable Debt.

Fees: means any fee imposed and/or received by the District for services, programs or facilities provided by the District, including privately imposed public improvement fees.

Financial Plan: means the Financial Plan described in Section VI, and attached hereto as **Exhibit E**, which describes for illustrative purposes only (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.

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

Municipal Code: means the Fort Lupton Municipal Code, 1993, as the same has been and may be modified, supplemented or amended from time to time.

Project: means the development or property commonly referred to as Mountain Sky PUD or Mountain Sky Subdivision.

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 District as determined by the Board.

Service Plan: means this service plan for the District, as approved by the City Council.

Service Plan Amendment: means an amendment to the Service Plan approved by the City Council in accordance with applicable law.

Service Plan IGA: means the Intergovernmental Agreement to be entered into between the District upon formation and the City substantially in the form attached hereto as **Exhibit F**.

Special District Act: means Section 32-1-101, *et seq.*, C.R.S., as amended from time to time.

State: means the State of Colorado.

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

Total Debt Issuance Limit: means the maximum amount of general obligation Debt the District may issue, which amount shall be Eleven Million Dollars (\$11,000,000).

III. BOUNDARIES

The District Boundaries encompass approximately 77 acres of vacant land. A legal description of the District Boundaries is attached hereto as **Exhibit A**. A vicinity map is attached hereto as **Exhibit B**. A map of the District Boundaries is attached hereto as **Exhibit C**. It is anticipated that the District's boundaries may change from time to time as they undergo 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.A.5, below.

IV. PROPOSED LAND USE/POPULATION PROJECTIONS/ASSESSED VALUATION

The District Boundaries encompass approximately 77 acres of vacant land. The current assessed valuation of the District is \$0.00 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 population of the District at build-out is anticipated to be approximately five hundred twenty (520) persons.

Approval of this Service Plan by the City 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 identified in this Service Plan or any of the exhibits attached thereto, unless the same is contained within an Approved Development Plan. Nothing herein shall be interpreted or construed as exempting the District or any owner of property within the District from the otherwise applicable provisions of the City's zoning, subdivision, building code and other land use requirements or the obligations of a developer or subdivider under the Municipal Code related to completion of subdivision improvements, except to the extent that the District has assumed the obligation to provide for the completion of Public Improvements as authorized herein under an Approved Development Plan entered into by the District.

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 provide for the acquisition, design, finance, construction, installation, repair and replacement of 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. The Capital Improvements Plan attached as **Exhibit D** is a list of the types of Public Improvements the District may provide with estimated costs in current dollars for illustration purposes only. The exact design, phasing of construction and location of the Public Improvements will be determined at the time of and pursuant to City approval of Approved Development Plans and

such decisions shall not be considered material modifications of the Service Plan. The District shall be authorized to finance and construct such Public Improvements without the necessity to seek an amendment of this Service Plan.

1. General Powers.

a. Streets. Streets, curbs, gutters, culverts, other drainage facilities, sidewalks, bridges, parking facilities, paving, lighting, grading, utility relocation necessitated by public rights-of-way, monumentation, signage, snow removal, streetscapes and related landscaping and irrigation improvements, together with all necessary, incidental and appurtenant facilities, equipment, land and easements and extensions of and improvements to such facilities.

b. Traffic and Safety Controls. Traffic and safety protection facilities and services provided through traffic and safety controls and devices on streets, highways and at railroad crossings, including traffic signals and signage, striping, area identification signs, directional assistance, driver information signs, lighting, and related landscaping and irrigation improvements, together with all necessary, incidental and appurtenant facilities, equipment, land and easements, and extensions of and improvements to such facilities.

c. Water. Water supply system improvements, including water rights, storage facilities, transmission and distribution lines for domestic use, fire hydrants, meters, facilities, equipment, and related landscaping and irrigation improvements, together with all necessary, incidental and appurtenant facilities, equipment, land and easements, and extensions of and improvements to such facilities.

d. Storm and Sanitary Sewer. Storm and sanitary sewer collection and transmission improvements, including storage facilities, collection mains and laterals, transmission lines, storm sewer, flood and surface drainage facilities and systems, and related landscaping and irrigation improvements, together with all necessary, incidental and appurtenant facilities, equipment, land and easements and extensions of and improvements to such facilities.

e. Parks and Recreation. Public park, open space, and recreation facilities or services, including parks, bike paths, pedestrian ways, signage, monumentation, playground areas, public area landscaping and weed control, streetscaping, perimeter fencing, outdoor lighting of all types, and related landscaping and irrigation improvements, together with all necessary, incidental and appurtenant facilities, equipment, land and easements, and extensions of and improvements to such facilities.

2. Operations and Maintenance. The District shall be authorized to operate and maintain Public Improvements not conveyed to the City or other governmental entity having proper jurisdiction. It is anticipated by the City and Developer that the District will perform homeowners' association functions for the property within its boundaries including, but not limited to, ownership, operation and maintenance of parks, trails, open space and common areas, Covenant Enforcement, Design Review, and social functions through designation of the District as the enforcement entity in the Covenants recorded against the Mountain Sky PUD.

3. Construction Standards Limitation. The District will ensure that the Public Improvements it finances, designs, installs and constructs are in accordance with the applicable

standards and specifications of the City, including without limitation any Subdivision Improvement Agreement(s) with the City applicable to such Public Improvements, and of other governmental entities having proper jurisdiction. All facilities conveyed or otherwise dedicated to the City or other entity designated by the City shall be free and clear of any lien, claim, encumbrance or demand and shall be subject to the City's normal warranty procedures.

4. Privately Placed Debt Limitation. 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.

5. Inclusion Limitation. The District shall not include within its boundaries any property outside the District Boundaries without the prior written consent of the City 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.

6. Overlap Limitation. The District shall not consent to the organization of another district under the Special District Act which will overlap the boundaries of the District unless the aggregate mill levy for payment of Debt of such proposed district will not at any time exceed the Maximum Debt Mill Levy of the District.

7. Initial Debt Limitation. On or before the effective date of approval by the City of an Approved Development Plan, the District shall not: (a) issue any Debt; (b) impose a mill levy for the payment of Debt by direct imposition or by transfer of funds from the operating fund to the debt service fund; nor (c) impose and collect any Fees used for the purpose of repayment of Debt.

8. Total Debt Issuance Limitation. The District shall not issue Debt in excess of the Total Debt Issuance Limit.

9. Monies from Other Governmental 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 City is eligible to apply for, except pursuant to an intergovernmental agreement with the City. This Section shall not apply to specific ownership taxes which shall be distributed to and be a revenue source for the District without any limitation.

10. Eminent Domain Limitation. The District shall not exercise the power of eminent domain to obtain any real property without the prior written approval of the City Council, as evidenced by resolution after a public hearing thereon.

11. 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 City.

12. Bankruptcy Limitation. All of the limitations contained in this Service Plan have been established under the authority City 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 (1 U.S.C.) Section 903, and are also included in “regulatory or electoral approval necessary under applicable non-bankruptcy 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 which results in a pledge, that exceeds the Maximum Debt Mill Levy 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 City as part a Service Plan Amendment.

13. Material Modification. 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 which violate the limitations set forth herein or in Section 19-9(b) of the Municipal Code shall be deemed to be material modifications to this Service Plan requiring amendment of this Service Plan in accordance with the procedural requirements of Section 19-9 of the Municipal Code, and the City shall be entitled to all remedies available under State and local law to enjoin such actions of the District.

B. Preliminary Engineering Survey.

The District shall have authority to provide for the planning, design, acquisition, construction, installation, relocation, redevelopment, financing, and certain operation and maintenance of the Public Improvements within and without the boundaries of the District, to be more specifically defined in an Approved Development Plan. A preliminary estimate of costs of the Public Improvements which may be planned for, designed, acquired, constructed, installed, relocated, redeveloped, maintained and/or financed was prepared based upon a preliminary engineering survey and estimates derived from the zoning on the property in the District and is approximately Eight Million Eight Hundred Thousand Dollars (\$8,800,000.00), as shown in **Exhibit D**. All construction cost estimates are based on the assumption that construction conforms to applicable local, State or Federal requirements.

In the event, and to the extent, that any Public Improvements financed, constructed, acquired and/or installed by the District are oversized to serve or otherwise accommodate or benefit property outside District's Boundaries, the District shall be entitled to receive reimbursement from the owners of property benefitted by such Public Improvements for their pro-rata share of Public Improvement costs. It is anticipated that any such reimbursement rights will be determined and set forth in Cost Recovery Agreements and/or Subdivision Improvement Agreements or other agreements between the City and the District upon initial acceptance of the Public Improvement and prior to final platting or site plan review of the benefitted property, as applicable.

VI. FINANCIAL PLAN

A. General.

The District shall be authorized to provide for the financing, 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 a Debt mill levy up to the Maximum Debt Mill Levy, Fees, and other legally available revenues. The total Debt that the District shall be permitted to issue shall not exceed the Total Debt Issuance Limit 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; provided, however, that refundings shall not count against the Total Debt Issuance Limit. 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 and Fees to be imposed upon all Taxable Property of the District. The District will also rely upon various other revenue sources authorized by law. 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 to receive revenue from privately imposed public improvement fees, if applicable. Any refunding Debt shall not extend the maturity of the Bonds being refunded or the total debt service thereon without the prior written approval of the City.

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 proposed maximum interest rate on any Debt shall not exceed eighteen percent (18%). The proposed maximum underwriting discount will be 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 of the District for payment of Debt, and shall be determined as follows:

The Maximum Debt Mill Levy shall be fifty (50) mills, provided that if, on or after January 1, 2017, there are changes in the method of calculating assessed valuation or any constitutionally mandated tax credit, cut or abatement, the mill levy limitation applicable to such 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, 2017, 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.

To the extent that the District is composed of or subsequently organized into one or more sub-districts as permitted under Section 32-1-1101, C.R.S., the term "District" as used herein shall be deemed to refer to the District and to each such sub-district separately, so that each of the sub-districts shall be treated as a separate, independent district for purposes of the application of this definition.

Prior to the issuance of Debt, in compliance with Section 19-5(b)(1)(m) of the Municipal Code, the District shall obtain an opinion of an underwriter, if the District has engaged an underwriter for the proposed Debt transaction, and an opinion of a nationally recognized bond counsel. All issuances of general obligation Bonds shall be deemed to be in compliance with the Financial Plan so long as the Minimum Criteria, as hereinafter defined, have been met. "Minimum Criteria" shall mean that the general obligation Bonds are: (1) subject to the Maximum Debt Mill Levy, if required by this Service Plan; (2) together with other outstanding general obligation Bonds of the District, not in excess of the Total Debt Issuance Limitation set forth in this Service Plan, as may be amended from time to time; (3) together with other outstanding general obligation Bonds of the District, not in excess of the general obligation debt authority provided by the District's electorate; and (4) issued in compliance with the applicable requirements of Section 32-1-1101(6), C.R.S. Any issuance of general obligation Bonds that does not satisfy the Minimum Criteria shall constitute a material modification of this Service Plan and a default under the Service Plan IGA.

The costs of constructing the Public Improvements may be paid from available District mill levy revenues, Debt and/or advances from the Developer of the Project. The District shall be authorized to reimburse Developer advances, if any, with interest at a market reasonable rate from District mill levy revenues and/or proceeds from Debt privately placed with the Developer, and other legally available revenues of the District. Any such privately placed Debt shall be subject to the Privately Placed Debt Limitation set forth in Section V.A.4 and the Minimum Criteria.

In the event that the District determines that it is in the best interests of the District and its taxpayers to issue general obligation Bonds to parties other than the Developer to: (i) reimburse the Developer for Developer advances; (ii) refund or restructure Debt previously placed with the Developer; or (iii) finance Public Improvements, the District shall prepare a plan of finance for the purpose of determining whether the proposed issuance satisfies the Minimum Criteria. The plan of finance will include the amount of Bonds to be issued, uses of proceeds therefrom (including, if any, capitalized interest and costs of issuance), sources of revenues securing repayment of the Bonds and the repayment schedule for the Bonds, all as required by Section 19-

5(b)(1)c.2-4 of the Municipal Code. At least thirty (30) calendar days prior to any such issuance, the District shall submit the plan of finance together with an opinion of an underwriter or bond counsel, as required by Section 19-5(b)(1)m of the Municipal Code, to the City for review to determine whether the proposed issuance satisfies the Minimum Criteria. If the City does not provide the District with written objections to the proposed issuance concerning conforming to the Minimum Criteria within the thirty (30) day review period, City consent to the proposed issuance shall be deemed given.

D. Debt Repayment Sources.

The District may impose mill levies 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. At the District's discretion, these may 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. In no event shall the debt service mill levy certified by 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 with 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 with 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.

F. Security for Debt.

The District shall not pledge any revenue or property of the City 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 City 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 City 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. In the discretion of the Board, the District may set up other qualifying entities to manage, fund, construct and operate facilities, services, and programs. To the extent allowed by law, any entity created by the District will remain under the control of the District's Board.

H. District's Operating Costs.

The estimated cost of planning, engineering services, legal services and administrative services, together with the estimated costs of the District's organization and initial operations, are anticipated to be One Hundred Thousand Dollars (\$100,000), 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 is estimated to be Fifty Thousand Dollars (\$50,000), which is anticipated to be paid from property taxes and other District revenues.

The Maximum Debt Mill Levy for the repayment of Debt shall not apply to the District's General Fund mill levy, to be certified as necessary for District administration and for the provision of operations, maintenance, repair and replacement of authorized services and facilities to its taxpayers and residents.

VII. REPORTING REQUIREMENTS

A. Meeting Notices/Annual Report.

The District shall deliver written notice of every regular or special meeting to the office of the City Clerk at least three (3) working days prior to such meeting. The District shall be responsible for submitting an annual report to the City no later than August 1st of each year following the year in which the Order and Decree creating the District has been recorded. The annual report shall include information as to any of the following occurring during and as of December 31st of the subject calendar year:

1. Boundary changes made or proposed to the District's boundaries.
2. Intergovernmental Agreements either entered into or proposed.
3. Copies of the District's rules and regulations, if any.
4. A summary of any litigation which involves the District.
5. Status of the District's financing, acquisition, installation or construction of the Public Improvements.
6. A list of all Public Improvements financed, acquired, installed or constructed by the District that have been dedicated to and accepted by the City as of December 31st.
7. The assessed valuation of the District for the current year.
8. Current year's budget.

9. An independent audit of the District's financial statements or audit exemption, if applicable.

10. Notice of any uncured events of default by the District, which continue beyond a ninety (90) day period, under any Debt instrument.

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

VIII. DISSOLUTION

Upon (i) an independent determination of the City Council that the purposes for which the District was created have been accomplished or, (ii) if initial construction of any Public Improvements has not occurred within five (5) years of the date upon which the District was organized, the District Board agrees to file a petition for dissolution in Weld County District Court, pursuant to the applicable State statutes. Notwithstanding the foregoing, in no event shall 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.

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 and charges. Recordation of a disclosure notice on all property within the District's boundaries setting forth the information contained in this Article IX shall be deemed sufficient for purposes of meeting the notice requirements set forth herein.

X. INDEMNIFICATION

To the extent permitted by law, the District, and its proponents, upon formation of the District agree to hold the City harmless and indemnify the City from any and all damages or liabilities of any kind arising from actions of the District including, but not limited to, its formation and its plan for financing.

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 City or County or other existing municipal or quasi-municipal corporations, including existing special district, 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 City 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 by the City;
8. The proposal is in compliance with any duly adopted City, 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

Legal Description

EXHIBIT A

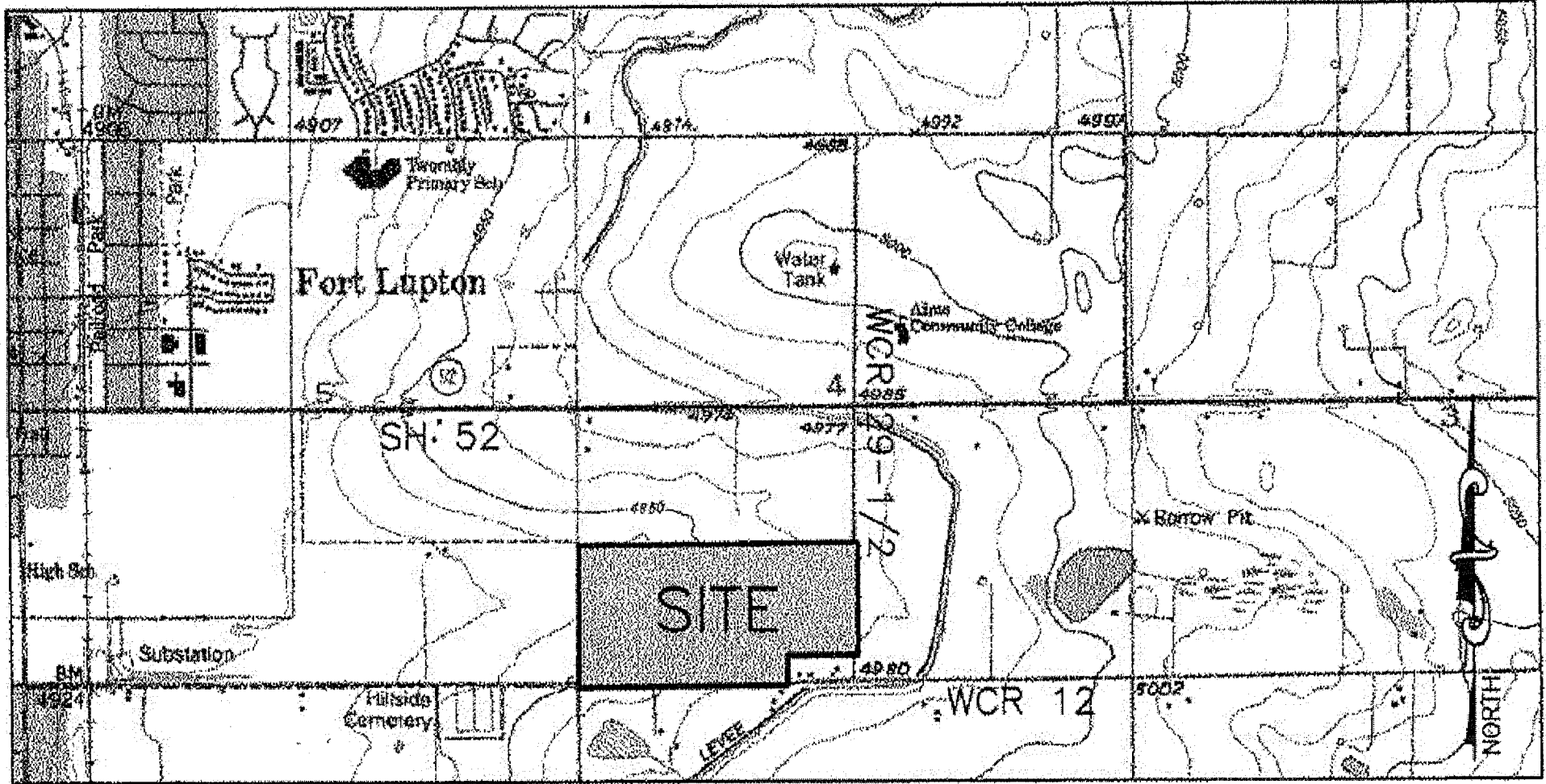
Legal Description

Lot B of Recorded Exemption No. 1471-04-3-RE2046, recorded August 21, 1997 in Book 1622 at Reception No. 2564863, being a part of the S1/2 of the SW1/4 of Section 4, Township 1 North, Range 66 West of the 6th P.M., County of Weld, State of Colorado.

Approximately 77 acres.

EXHIBIT B

Vicinity Map



VICINITY MAP

EXHIBIT C

Boundary Map

EXHIBIT D

Capital Improvements Plan



Mountain Sky Metropolitan District

City of Fort Lupton, Colorado

Infrastructure Summary Sheet

ENGINEER'S OPINION OF PROBABLE CONSTRUCTION COSTS

Street Total Cost	\$ 4,025,591.50
Hwy 52 Turn Lanes	\$ 165,861.46
Drainage Facility Total Cost	\$ 1,445,178.24
Sanitary Sewer Total Cost	\$ 816,847.87
Water Main Total Cost	\$ 845,076.48
CR 29-1/2 Waterline Extension	\$ 545,342.00
Parks & Openspace Total Cost	<u>\$ 891,540.00</u>
Grand Total - Metro District Improvements	\$ 8,735,437.55



**Mountain Sky Metro District
City of Fort Lupton, Colorado
Streets**

ENGINEER'S OPINION OF PROBABLE CONSTRUCTION COSTS

ITEM NO.	DESCRIPTION	QTY	UNIT	UNIT PRICE	COST
1	REMOVAL OF ASPHALT	-	SF	\$ 2.00	\$ -
2	DEMOLITION	1	LS	\$ 8,000.00	\$ 8,000.00
3	GRADING	13,077	CY	\$ 2.60	\$ 34,000.20
4	SUBGRADE PREP	41,782	SY	\$ 3.15	\$ 131,614.00
4	6" BASE COURSE	28,922	SY	\$ 7.02	\$ 203,035.56
5	5.5" FULL DEPTH ASPHALT	28,922	SY	\$ 22.00	\$ 636,293.78
5	9" FULL DEPTH ASPHALT	12,860	SY	\$ 36.00	\$ 462,952.00
6	RAISE MANHOLES	44	EA	\$ 640.00	\$ 28,160.00
7	RAISE WATER VALVES	46	EA	\$ 275.00	\$ 12,650.00
8	SIGNAGE AND STRIPING	1	LS	\$ 11,523.00	\$ 11,523.00
9	VERTICAL CURB AND 1' GUTTER	-	LF	\$ 9.75	\$ -
10	MOUNTABLE 36"	16,854	LF	\$ 15.20	\$ 256,180.80
11	VERTICAL CURB AND 2' GUTTER	3,370	LF	\$ 12.95	\$ 43,641.50
11	CURB AND GUTTER SUB GRADE PREPARATIO	16,854	LF	\$ 1.85	\$ 31,179.90
12	8' CONCRETE SIDEWALK	-	LF	\$ 31.00	\$ -
13	5' CONCRETE SIDEWALK	101,657	SF	\$ 3.45	\$ 350,716.65
14	SIDEWALK SUB GRADE PREP	19,019	LF	\$ 1.85	\$ 35,184.41
15	CONCRETE MEDIAN	4,512	SF	\$ 8.00	\$ 36,096.00
16	CONCRETE CURB RAMP	31	EA	\$ 2,100.00	\$ 65,100.00
17	LANDSCAPE - NATIVE AND TREES	30,000	SF	\$ 3.25	\$ 97,500.00
18	STREET LIGHTS	49	EA	\$ 3,500.00	\$ 171,500.00
19	TRAFFIC CONTROL	5	DAYS	\$ 1,100.00	\$ 5,500.00
				Subtotal	\$ 2,620,827.80
20	Contingency 20%				\$ 524,165.56
21				Subtotal	\$ 3,144,993.36
22	Mobilization 5%				\$ 157,249.67
23	Engineering & Surveying 11%				\$ 345,949.27
24	Construction Management / Testing / Permits 12%				\$ 377,399.20
	Street Total				\$ 4,025,591.50



**Mountain Sky Subdivision
City of Fort Lupton, Colorado
HWY 52 TURN LANES**

ENGINEER'S OPINION OF PROBABLE CONSTRUCTION COSTS

NOTES REGARDING COST PROJECTION					
	This projection of costs is based on a preliminary analysis only. No design work has been completed. This projection is intended for preliminary budgeting only, and it is likely that costs will change, perhaps significantly as construction plans are developed. During the design process the governing agencies may impose requirements that impact these projections.				
	Most unit costs are based on bids received for similar projects in the Denver Metropolitan area. Some unit costs were obtained from contractors operating in the local area, and may vary.				
	Other costs such as fees, administration, legal, and accounting are not included.				
	Dry utility relocations are not included				
	Unidentified subsurface conditions may exist that would significantly impact the cost of development. No cost has been included for dewatering, soil stabilization, moisture or chemical treatment of the soil, rock excavation, or geotechnical investigation.				
	Costs associated with any night work have not been included.				
	Reimbursable costs are not subtracted from the total costs, for any of the sections.				
	The probable costs below includes only those items listed, and any items not specifically listed below should be accounted for by the user.				
GRADING	QTY	UNITS	UNIT PRICE	COST	COMMENTS
CLEARING AND GRUBBING	1700	SY	\$ 1.25	\$ 2,125.00	
GRADING	306	CY	\$ 6.00	\$ 1,836.00	
SUBTOTAL - GRADING				\$ 3,961.00	
EROSION CONTROL	QTY	UNITS	UNIT PRICE	COST	COMMENTS
EROSION CONTROL	1	LS	\$ 7,500.00	\$ 7,500.00	
SUBTOTAL - EROSION CONTROL				\$ 7,500.00	
ASPHALT PAVING IMPROVEMENTS	QTY	UNITS	UNIT PRICE	COST	COMMENTS
ROAD BASE PREP	1700	SY	\$ 2.50	\$ 4,250.00	
PAVING (10.0")	935	TON	\$ 80.00	\$ 74,800.00	8.0" Base Layer, 2" Surface Layer, 150 pcf
4' ROADWAY SHOULDER	1447	LF	\$ 1.25	\$ 1,808.75	
STRIPING (4" WIDTH)	5	GAL	\$ 38.00	\$ 190.00	EDGE OF ROAD, DOUBLE YELLOW ENITRE LENGTH
PAVEMENT MARKINGS (THERMOPLATIC)	70	SF	\$ 28.00	\$ 1,960.00	4 DIRECTIONAL ARROWS
SIGNAGE	1	LS	\$ 2,500.00	\$ 2,500.00	
SUBTOTAL - ASPHALT PAVING IMPROVEMENTS				\$ 85,508.75	
CONCRETE IMPROVEMENTS	QTY	UNITS	UNIT PRICE	COST	COMMENTS
24" VERTICAL C&G		LF	\$ 20.00	\$ -	Assumed not needed
5' WIDE X 6" THICK SIDEWALK		SY	\$ 38.00	\$ -	
SUBTOTAL - CONCRETE IMPROVEMENTS				\$ -	
ADDITIONAL COSTS	QTY	UNITS	UNIT PRICE	COST	COMMENTS
ENGINEERING	1	LS	\$ 8,946.98	\$ 8,946.98	10% OF CONSTRUCTION COST
TRAFFIC CONTROL	1	LS	\$ 4,473.49	\$ 4,473.49	5% OF CONSTRUCTION COST
MOBILIZATION	1	LS	\$ 8,946.98	\$ 8,946.98	10% CONSTRUCTION COST
DEMOBILIZATION	1	LS	\$ 8,946.98	\$ 8,946.98	5% CONSTRUCTION COST
GENERAL CONDITIONS AND REQUIREMENTS	1	LS	\$ 7,157.58	\$ 7,157.58	8% OF CONSTRUCTION COST
BOND & INSURANCE	1	LS	\$ 4,473.49	\$ 4,473.49	5% OF CONSTRUCTION COST
OVERHEAD AND PROFIT	1	LS	\$ 8,052.28	\$ 8,052.28	9% OF CONSTRUCTION COST
CONTINGENCY	1	LS	\$ 17,893.95	\$ 17,893.95	20% CONTINGENCY
SUBTOTAL - ADDITIONAL COSTS				\$ 68,891.71	
PROJECT TOTAL				\$ 165,861.46	



**Mountain Sky Metro District
City of Fort Lupton, Colorado
Sanitary Sewer**

ENGINEER'S OPINION OF PROBABLE CONSTRUCTION COSTS

ITEM NO.	DESCRIPTION	QTY	UNIT	UNIT PRICE	COST
1	8" SDR 35 Sewer Main - Normal Depth	6,745	LF	\$ 38.00	\$ 256,310.00
2	8" SDR 35 Sewer Main -13' to 16' Depth	655	LF	\$ 36.00	\$ 23,580.00
3	10" SDR 35 Sewer Main - Normal Depth	400	LF	\$ 42.00	\$ 16,800.00
4	10" SDR 35 Sewer Main -13' to 16' Depth	200	LF	\$ 46.00	\$ 9,200.00
5	Trench Dewatering	600	LF	\$ 35.00	\$ 21,000.00
6	4' Dia Manholes - Normal Depth	44	EA	\$ 3,223.00	\$ 141,812.00
7	4' Dia Manholes - 13' to 16' Depth	2	EA	\$ 4,200.00	\$ 8,400.00
8	Manhole Tie-in	1	EA	\$ 1,500.00	\$ 1,500.00
9	Sanitary Sewer Encasement	125	LF	\$ 80.00	\$ 10,000.00
10	Underdrain	8,000	LF	\$ 5.40	\$ 43,200.00
10				Subtotal	\$ 531,802.00
11	Contingency 20%				\$ 106,360.40
12				Subtotal	\$ 638,162.40
13	Mobilization 5%				\$ 31,908.12
14	Engineering & Surveying 11%				\$ 70,197.86
15	Construction Management / Testing / Permits 12%				\$ 76,579.49
Sanitary Sewer Total					\$ 816,847.87



**Mountain Sky Metro District
City of Fort Lupton, Colorado
Drainage**

ENGINEER'S OPINION OF PROBABLE CONSTRUCTION COSTS

ITEM NO.	DESCRIPTION	QTY	UNIT	UNIT PRICE	COST	
1	Stripping, Stockpiling & Respreading	4550	CY	\$ 4.20		\$ 19,110.00
2	Excavation Pond & Channel - Cut to Fill	39853	CY	\$ 2.60		\$ 103,617.80
3	Grade Control Structure	245	SF	\$ 35.00		\$ 8,575.00
4	Silt Fence	5800	SF	\$ 1.35		\$ 7,830.00
5	Sediment Control Logs	20224	SF	\$ 1.50		\$ 30,336.00
6	Seeding and Mulching Pond and Channel	8.5	AC	\$ 2,500.00		\$ 21,250.00
7	PIPE 18" RCP CL-III	1439	LF	\$ 45.00		\$ 64,755.00
8	PIPE 24" RCP CL-III	1693	LF	\$ 61.00		\$ 103,273.00
9	PIPE 30" RCP CL-III	712	LF	\$ 80.00		\$ 56,960.00
10	PIPE 36" RCP CL-III	246	LF	\$ 97.00		\$ 23,862.00
11	PIPE 42" RCP CL-III	944	LF	\$ 125.00		\$ 118,000.00
12	18" FES	0	EA	\$ 2,417.00		\$ -
13	24" FES	0	EA	\$ 2,532.00		\$ -
14	30" FES	0	EA	\$ 1,600.00		\$ -
15	36" FES	0	EA	\$ 4,068.00		\$ -
16	42" FES	1	EA	\$ 2,700.00		\$ 2,700.00
17	5' TYPE R INLET (0-5')	4	EA	\$ 4,068.00		\$ 16,272.00
18	5' TYPE R INLET EXTRA DEPTH	0	VF	\$ 375.00		\$ -
19	10' TYPE R INLET (0-5')	18	EA	\$ 6,816.00		\$ 122,688.00
20	15' TYPE R INLET (0-5')	0	EA	\$ 8,718.00		\$ -
21	TYPE C INLET	1	EA	\$ 3,200.00		\$ 3,200.00
22	TYPE D INLET	1	EA	\$ 2,148.65		\$ 2,148.65
23	5' ID MANHOLE (0-8')	12	EA	\$ 3,165.00		\$ 37,980.00
24	6' ID MANHOLE (0-8')	4	EA	\$ 3,305.40		\$ 13,221.60
25	11' x 7' REINF. CONCRETE BOX CULVERT	60	LF	\$ 1,350.00		\$ 81,000.00
26	BOX CULVERT WINGWALLS AND HEADWALL	1	LS	\$ 45,000.00		\$ 45,000.00
27	OUTLET STRUCTURE	1	EA	\$ 31,584.00		\$ 31,584.00
28	FOREBAY	1	EA	\$ 8,766.00		\$ 8,766.00
29	RIR RAP	750	TON	\$ 65.00		\$ 48,750.00
30	TRICKLE CHANNEL	520	LF	\$ 111.00		\$ 57,720.00
31	WATER QUALITY POND	1	LS	\$ 35,000.00		\$ 35,000.00
					Subtotal	\$ 940,871.25
32	Contingency 20%					\$ 188,174.25
					Subtotal	\$ 1,129,045.50
33	Mobilization 5%					\$ 56,452.28
34	Engineering & Surveying 11%					\$ 124,195.01
35	Construction Management / Testing / Permits 12%					\$ 135,485.46
	Drainage Total					\$ 1,445,178.24



**Mountain Sky Metro District
City of Fort Lupton, Colorado
Onsite Water**

ENGINEER'S OPINION OF PROBABLE CONSTRUCTION COSTS

ITEM NO.	DESCRIPTION	QTY	UNIT	UNIT PRICE	COST
1	8" PVC WATER	5,067	LF	\$ 30.00	\$ 152,010.00
2	8" GATE VALVES	24	EA	\$ 1,562.00	\$ 37,488.00
3	8" TEES	8	EA	\$ 498.00	\$ 3,984.00
4	8" FITTINGS	23	EA	\$ 332.00	\$ 7,636.00
5	8" PLUG w/ 2" BLOWOFF ASSEMBLY	1	EA	\$ 3,862.00	\$ 3,862.00
6	FIRE HYDRANT ASSEMBLY	18	EA	\$ 5,992.00	\$ 107,856.00
7	12" PVC WATER	3,264	LF	\$ 45.00	\$ 146,880.00
8	12" GATE VALVES	22	EA	\$ 2,300.00	\$ 50,600.00
9	12" APPNG TEE & GATE VALVE	6	EA	\$ 2,800.00	\$ 16,800.00
10	12" TEES	11	EA	\$ 1,074.00	\$ 11,814.00
11	12" FITTINGS	9	EA	\$ 750.00	\$ 6,750.00
12	AIR RELIEF VALVE	1	EA	\$ 4,500.00	\$ 4,500.00
				Subtotal	\$ 550,180.00
13	Contingency 20%				\$ 110,036.00
14				Subtotal	\$ 660,216.00
15	Mobilization 5%				\$ 33,010.80
16	Engineering & Surveying 11%				\$ 72,623.76
17	Construction Management / Testing / Permits 12%				\$ 79,225.92
Water Main Total					\$ 845,076.48



**Mountain Sky Subdivision
City of Fort Lupton, Colorado**

CR 29-1/2 WATERLINE EXTENSION

ENGINEER'S OPINION OF PROBABLE CONSTRUCTION COSTS

Item	Description	Unit	Quantity	Unit Price	Amount
1	Install new 12" C900 PVC waterline, complete-in-place; work includes pipe material, trenching, backfill and compaction (5-ft minimum cover), all associated appurtenances and incidental work (CR 29 1/2)	LF	2,750	\$65	\$178,750
2	Connection to existing 16" waterline crossing CR 29 1/2, complete-in-place; work includes 12" tapping valve and sleeve, tapping machine rental, valve box, concrete thrust block, excavation, backfill and compaction, all associated appurtenances, and incidental work	LS	1	\$11,000	\$11,000
3	Jack and bore under Highway 52, complete-in-place; work includes unloading, staging, earthwork for boring pits, 22" steel casing, installation, site power, diesel fuel, all associated appurtenances, and incidental work	LF	120	\$345	\$41,400
4	Jack and bore under irrigation canal, complete-in-place; work includes unloading, staging, earthwork for boring pits, 22" steel casing installation, site power, diesel fuel, all associated appurtenances, and incidental work	LF	100	\$345	\$34,500
5	Air-release valves, complete-in-place; work includes excavation, backfill and compaction, valve vault (48" manhole), halliday access door, all associated appurtenances and incidental work	EA	2	\$6,000	\$12,000
6	12" MJ resilient wedge gate valve w/valve box, complete-in-place	LS	7	\$5,750	\$40,250
7	CR 29-1/2 restoration, complete-in-place; work includes regrading, reseeding, and restoration to original condition	SY	3,050	\$17	\$50,828
Construction Subtotal					\$368,728
8	Traffic Control	LS	1	\$15,000	\$15,000
9	SWPP Implementation	LS	1	\$10,000	\$10,000
10	Utility Location Allowance	ALLOW	1	\$5,000	\$5,000
11	Testing Allowance	ALLOW	1	\$5,000	\$5,000
12	Mobilization/Demobilization	LS	1	\$25,000	\$25,000
13	Construction Contingency @ 20%	LS	1	\$85,746	\$85,746
14	Design Fee @ 6%	LS	1	\$30,868	\$30,868
Total Estimated Cost					\$545,342

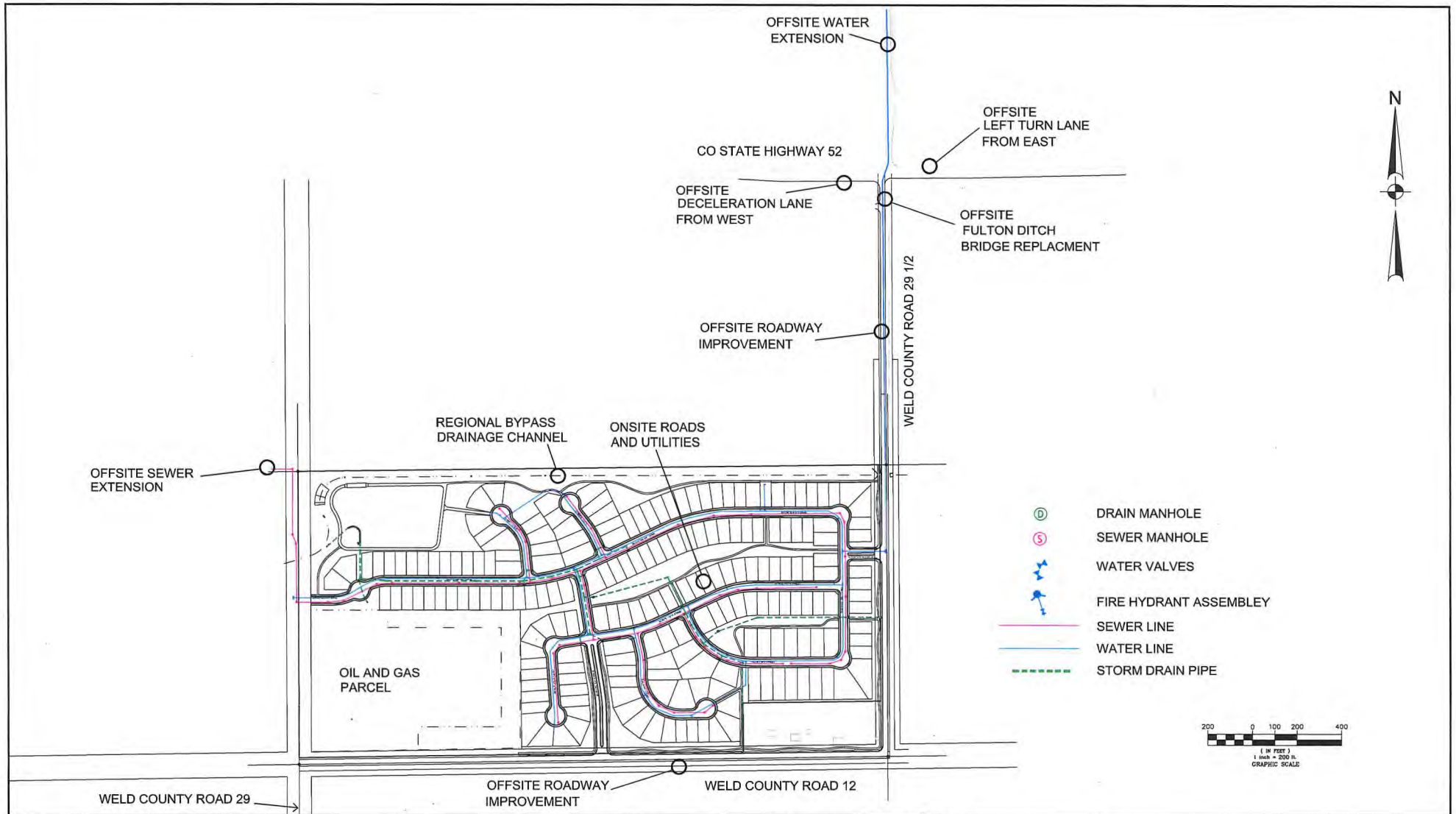


**Mountain Sky Metro District
City of Fort Lupton, Colorado
Parks**

ENGINEER'S OPINION OF PROBABLE CONSTRUCTION COSTS

Mountain Sky Metro District
Sanitary Sewer Estimated Cost

ITEM NO.	DESCRIPTION	QTY	UNIT	UNIT PRICE	COST
1	Playground	1	LS	\$ 125,000.00	\$ 125,000.00
2	Fencing and crusher fines path	1	LS	\$ 160,000.00	\$ 160,000.00
3	Parks and open space landscape and irrigation	1	LS	\$ 300,000.00	\$ 300,000.00
10				Subtotal	\$ 585,000.00
11	Contingency 20%				\$ 117,000.00
12				Subtotal	\$ 702,000.00
13	Mobilization 5%				\$ 35,100.00
14	Planning & Surveying 10%				\$ 70,200.00
15	Construction Management / Testing / Permits 12%				\$ 84,240.00
Parks & Openspace Total					\$ 891,540.00



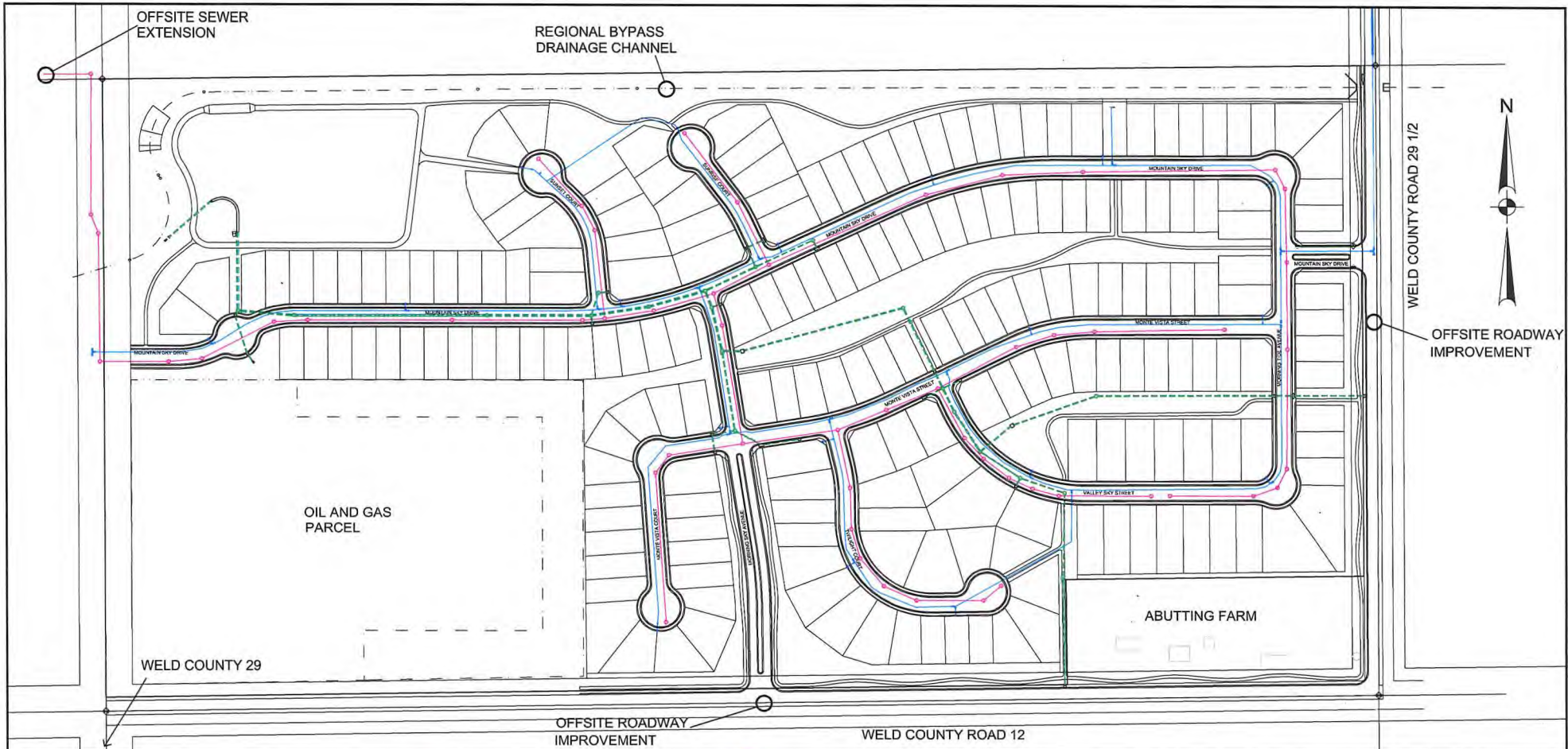
Developer:
 FL MOUNTAIN SKY
 9200 E. MINERAL AVENUE, #365
 CENTENIAL, COLORADO 80112

PUBLIC IMPROVEMENTS OVERVIEW PLAN
 MOUNTAIN SKY SUBDIVISION
 COUNTY ROADS 29 1/2 AND 12
 FORT LUPTON, WELD COUNTY, COLORADO

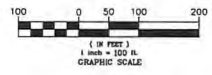
REVISIONS			
DATE	DESCRIPTION	DWN BY	CK BY

Rokeh Consulting, LLC
 89 KING ROAD, CHICHESTER, NH
 PH: 603-387-8688

SCALE: 1" = 200'
 DATE: MAY 8, 2017
 DR. BY: JR CK. BY: JR
 JOB NO: _____
 SHEET NO. 1 OF 1



- D DRAIN MANHOLE
- S SEWER MANHOLE
- WATER VALVES
- FIRE HYDRANT ASSEMBLY
- SEWER LINE
- WATER LINE
- STORM DRAIN PIPE



Developer:
 FL MOUNTAIN SKY
 9200 E. MINERAL AVENUE, #365
 CENTENIAL, COLORADO 80112

PUBLIC IMPROVEMENTS OVERVIEW PLAN
 MOUNTAIN SKY SUBDIVISION
 COUNTY ROADS 29 1/2 AND 12
 FORT LUPTON, WELD COUNTY, COLORADO

REVISIONS			
DATE	DESCRIPTION	DWN BY	CK BY

Rokeh Consulting, LLC
 89 KING ROAD, CHICHESTER, NH
 PH: 603-387-8688

SCALE: 1" = 100'
 DATE: MAY 8, 2017
 DR. BY: JR CK. BY: JR
 JOB NO. _____
 SHEET NO. 1 OF 1

EXHIBIT E

Financial Plan



George K. Baum & Company

INVESTMENT BANKERS SINCE 1928

May 25, 2017

Ms. Joan Fritsche
Collins Cockrel & Cole
390 Union Blvd
Denver, Colorado 80228

RE: Proposed Mountain Sky Metropolitan District

Dear Ms. Fritsche:

George K. Baum & Company prepared the financial plan for the proposed Mountain Sky Metropolitan District, which shows that the District can support the debt shown in the plan. We have based this analysis on information provided to us by the developer among other things, and have not independently verified that information.

The following assumptions were provided by the developer:

1. The development is proposed to include 200 homes being built from 2019 to 2023 with a starting price of \$400,000.
2. The development is proposed to include oil and gas valuation of \$32 million across five well pads.

George K. Baum & Company made a series of assumptions regarding the revenues available to the District as well as the structure of the proposed bond issue:

1. The debt service mill levy is assumed to be 50.000 mills. We assumed an operations mill levy of 10.000 mills.
2. It was assumed that the District issues one series of bonds in 2021, with a par amount of \$9,020,000. An interest rate of 5.75% was assumed with 30-year term. At issuance, the bonds would fund \$620,000 in debt service reserve funds and costs of issuance, and \$8,400,000 used to reimburse the developer for eligible expenditures.
3. The bond surplus was assumed to grow to about \$1.4 million.
4. Specific ownership taxes have been calculated as 7% of the property tax revenue received in each year.
5. It was assumed that the District would have a Development Fee in the amount of \$5,000 per residential unit.
6. A 3% biennial inflation factor has been applied to the value of the homes.

Based on the information provided above, the bonding capacity for the Mountain Sky Metropolitan District is \$9,020,000. Based on our financial plan, the proposed District will have the financial capacity to retire all debt described in the service plan.

The actual financial results for the proposed District may differ from the financial plan more or less based on a number of variables including the general economy, housing market, success of this specific project, interest rates and many other factors.

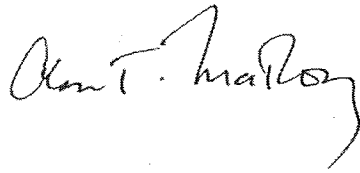
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George K. Baum & Company believes this financial plan to be reasonable based on the information provided to us and our assumptions. The issuance of bonds will depend upon market conditions described above and the preparation, review and acceptance by all interested parties of all bond documents, structure and terms. George K. Baum & Company certifies that based upon the assumptions contained herein and its professional opinion, Mountain Sky Metropolitan District is expected to retire all debt referenced in the financial plan within the restrictions set forth in the Service Plan, including but not limited to, the Maximum Debt Mill Levy and the Maximum Debt Mill Levy Imposition Term.

If George K. Baum & Company can be of any additional assistance, please do not hesitate to contact me at 303.391.5503.

Sincerely,

GEORGE K. BAUM & COMPANY

A handwritten signature in black ink, appearing to read "Alan T. Matlosz". The signature is fluid and cursive, with a large, sweeping flourish at the end.

Alan T. Matlosz
Senior Vice President
Colorado Public Finance

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**Mountain Sky Metropolitan District
Fort Lupton, Colorado
General Obligation Bonds**

Cover
5/25/2017

**Series 2021
Table of Schedules**

Assumptions	Non-Rated, 30 Year, Fixed Rate
Preliminary as of 05/25/2017	50.00 Mill Bond Levy
Rate of 5.75%	50% Full DSRF 200 Homes

	Par Amount	Funds Available
Revenue Prior to Issuance		\$5,359,375
Series 2021	\$9,020,000	\$8,400,000
Total	\$9,020,000	\$13,759,375

- 1 . Cover Page
- 2 . Schedule of Cashflows
- 3 . Assessed Value Summary
- 4 . Oil and Gas
- 5 . Residential Development
- 6 . Operations
- 7 . Sources and Uses of Funds
- 8 . Debt Service Schedule
- 10 . Net Debt Service Schedule

Series 2021

Series 2021

Cash Flow Schedule

Collection Year	Bond Levy Revenue				Additional Fees \$5,000 Per house fee	Other Revenue Earnings on Surplus Funds	Total Revenue Revenue Available For Debt Service	Cumulative Surplus from O&G Available for Project Before Bonds	Series 2021 Net Debt Service	Annual Surplus/ Deficit	Cumulative Surplus/ Deficit
	Assessed Value	Bond Mill Levy	Mill Levy Revenue	Specific Ownership Tax							
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
			98.5% Collection	7.00%		0% Annual					
2019	28,437,500	50.000	1,400,547	98,038	200,000	0	1,698,585	1,421,875			276,710
2020	52,500,000	50.000	2,585,625	180,994	200,000	0	2,966,619	2,625,000			341,619
2021	27,402,000	50.000	1,349,549	94,468	200,000	0	1,644,017	1,312,500			331,517
2022	17,991,870	50.000	886,100	62,027	200,000	0	1,148,127		844,813	303,313	634,830
2023	14,528,402	50.000	715,524	50,087	200,000	0	965,610		925,838	39,772	674,603
2024	13,626,458	50.000	671,103	46,977		0	718,080		686,113	31,967	706,570
2025	13,406,757	50.000	660,283	46,220		0	706,503		678,751	27,752	734,321
2026	12,486,540	50.000	614,962	43,047		0	658,009		631,101	26,909	761,230
2027	12,184,528	50.000	600,088	42,006		0	642,094		615,463	26,631	787,861
2028	12,091,005	50.000	595,482	41,684		0	637,166		610,113	27,053	814,914
2029	11,818,439	50.000	582,058	40,744		0	622,802		599,476	23,327	838,240
2030	11,758,692	50.000	579,116	40,538		0	619,654		593,838	25,815	864,056
2031	11,512,702	50.000	567,001	39,690		0	606,691		582,913	23,777	887,833
2032	11,484,177	50.000	565,596	39,592		0	605,187		581,988	23,199	911,032
2033	11,262,170	50.000	554,662	38,826		0	593,488		570,488	23,000	934,032
2034	11,262,585	50.000	554,682	38,828		0	593,510		568,988	24,522	958,554
2035	11,062,224	50.000	544,815	38,137		0	582,952		556,913	26,038	984,593
2036	11,089,543	50.000	546,160	38,231		0	584,391		559,838	24,553	1,009,146
2037	10,908,717	50.000	537,254	37,608		0	574,862		551,901	22,961	1,032,107
2038	10,961,123	50.000	539,835	37,788		0	577,624		553,676	23,948	1,056,055
2039	10,797,928	50.000	531,798	37,226		0	569,024		544,588	24,436	1,080,491
2040	10,920,320	50.000	537,826	37,648		0	575,474		550,213	25,260	1,105,751
2041	10,815,593	50.000	532,668	37,287		0	569,955		544,688	25,267	1,131,017
2042	10,952,376	50.000	539,405	37,758		0	577,163		553,588	23,575	1,154,592
2043	10,854,852	50.000	534,601	37,422		0	572,024		546,051	25,973	1,180,565
2044	11,005,721	50.000	542,032	37,942		0	579,974		557,938	22,036	1,202,601
2045	10,914,904	50.000	537,559	37,629		0	575,188		553,101	22,087	1,224,688
2046	11,079,595	50.000	545,670	38,197		0	583,867		557,401	26,466	1,251,155
2047	10,995,024	50.000	541,505	37,905		0	579,410		555,263	24,147	1,275,302
2048	11,173,312	50.000	550,286	38,520		0	588,806		561,976	26,830	1,302,132
2049	11,094,558	50.000	546,407	38,248		0	584,655		561,963	22,692	1,324,824
2050	11,286,255	50.000	555,848	38,909		0	594,757		570,513	24,244	1,349,068
2051	11,212,917	50.000	552,236	38,657		0	590,893		548,370	42,522	1,391,590
TOTAL			22,698,280	1,588,880	1,000,000	0	25,287,160	5,359,375	17,917,866	1,060,073	

Assumptions

- (1) Assessed Value from Weld County Assessor - assumes a 3% biennial growth rate for Residential
- (2) Extended Final Maturity

Mountain Sky Metropolitan District
Fort Lupton, Colorado
General Obligation Bonds

Series 2021

Assessed Value Summary

Collection Year	Oil & Gas Assessed Value	Residential Assessed Value*	Total Assessed Value
(1)	(2)	(3)	(4)
		3% Biennial Growth	
2019	28,437,500	0	28,437,500
2020	52,500,000	0	52,500,000
2021	26,250,000	1,152,000	27,402,000
2022	15,618,750	2,373,120	17,991,870
2023	10,933,125	3,595,277	14,528,402
2024	8,664,502	4,961,957	13,626,458
2025	7,148,214	6,258,543	13,406,757
2026	6,040,241	6,446,299	12,486,540
2027	5,738,229	6,446,299	12,184,528
2028	5,451,317	6,639,688	12,091,005
2029	5,178,751	6,639,688	11,818,439
2030	4,919,814	6,838,879	11,758,692
2031	4,673,823	6,838,879	11,512,702
2032	4,440,132	7,044,045	11,484,177
2033	4,218,125	7,044,045	11,262,170
2034	4,007,219	7,255,366	11,262,585
2035	3,806,858	7,255,366	11,062,224
2036	3,616,515	7,473,027	11,089,543
2037	3,435,689	7,473,027	10,908,717
2038	3,263,905	7,697,218	10,961,123
2039	3,100,710	7,697,218	10,797,928
2040	2,992,185	7,928,135	10,920,320
2041	2,887,458	7,928,135	10,815,593
2042	2,786,397	8,165,979	10,952,376
2043	2,688,873	8,165,979	10,854,852
2044	2,594,763	8,410,958	11,005,721
2045	2,503,946	8,410,958	10,914,904
2046	2,416,308	8,663,287	11,079,595
2047	2,331,737	8,663,287	10,995,024
2048	2,250,126	8,923,185	11,173,312
2049	2,171,372	8,923,185	11,094,558
2050	2,095,374	9,190,881	11,286,255
2051	2,022,036	9,190,881	11,212,917
2052	1,951,265	9,466,607	11,417,872
TOTAL	243,135,260	229,161,399	472,296,659

*Assumes 3% biennial growth

Mountain Sky Metropolitan District
 Fort Lupton, Colorado
 General Obligation Bonds

Series 2021

Schedule of Oil & Gas Revenue - Projected

Collection Year	Production Revenue and Assessed Value Estimates	
	Horizontal Well Revenue	Assessed Value
(1)	(2)	(3)
		87.50%
2017		
2018		
2019	32,500,000	28,437,500
2020	60,000,000	52,500,000
2021	30,000,000	26,250,000
2022	17,850,000	15,618,750
2023	12,495,000	10,933,125
2024	9,902,288	8,664,502
2025	8,169,387	7,148,214
2026	6,903,132	6,040,241
2027	6,557,976	5,738,229
2028	6,230,077	5,451,317
2029	5,918,573	5,178,751
2030	5,622,644	4,919,814
2031	5,341,512	4,673,823
2032	5,074,436	4,440,132
2033	4,820,715	4,218,125
2034	4,579,679	4,007,219
2035	4,350,695	3,806,858
2036	4,133,160	3,616,515
2037	3,926,502	3,435,689
2038	3,730,177	3,263,905
2039	3,543,668	3,100,710
2040	3,419,640	2,992,185
2041	3,299,952	2,887,458
2042	3,184,454	2,786,397
2043	3,072,998	2,688,873
2044	2,965,443	2,594,763
2045	2,861,653	2,503,946
2046	2,761,495	2,416,308
2047	2,664,843	2,331,737
2048	2,571,573	2,250,126
2049	2,481,568	2,171,372
2050	2,394,713	2,095,374
2051	2,310,898	2,022,036
2052	2,230,017	1,951,265
TOTAL	277,868,869	243,135,260

Series 2021

Residential Develop Residential Development Value (Projected)

Completion Year	Collection Year	Residential Development Value				
		Completed Homes	Value per Home*	Market Value	Assessed Value	Cumulative Assessed Value
(1)	(2)	(3)	(4)	(5)	(6)	(7)
					7.20%	7.20%
2019	2021	40	400,000	16,000,000	1,152,000	1,152,000
2020	2022	40	412,000	16,480,000	1,186,560	2,338,560
2021	2023	40	424,360	16,974,400	1,222,157	3,560,717
2022	2024	40	437,091	17,483,632	1,258,822	4,819,538
2023	2025	40	450,204	18,008,141	1,296,586	6,116,124
TOTAL	TOTAL	200		84,946,173	6,116,124	

*3% Annual Price *3% Annual Price Growth

**Mountain Sky Metropolitan District
Fort Lupton, Colorado
General Obligation Bonds**

Series 2021

Operations & Maintenance

Collection Year	Assessed Value	O&M Mill Levy	Collections 98.50% Net	Expenses	Annual Surplus	Cumulative Surplus
(1)	(2)	(3)	(4)	(5)	(6)	(7)
2019	28,437,500	10.000	280,109	279,109	1,000	1,000
2020	52,500,000	10.000	517,125	516,125	1,000	2,000
2021	27,402,000	10.000	269,910	268,910	1,000	3,000
2022	17,991,870	10.000	177,220	176,220	1,000	4,000
2023	14,528,402	10.000	143,105	142,105	1,000	5,000
2024	13,626,458	10.000	134,221	133,221	1,000	6,000
2025	13,406,757	10.000	132,057	131,057	1,000	7,000
2026	12,486,540	10.000	122,992	121,992	1,000	8,000
2027	12,184,528	10.000	120,018	119,018	1,000	9,000
2028	12,091,005	10.000	119,096	118,096	1,000	10,000
2029	11,818,439	10.000	116,412	115,412	1,000	11,000
2030	11,758,692	10.000	115,823	114,823	1,000	12,000
2031	11,512,702	10.000	113,400	112,400	1,000	13,000
2032	11,484,177	10.000	113,119	112,119	1,000	14,000
2033	11,262,170	10.000	110,932	109,932	1,000	15,000
2034	11,262,585	10.000	110,936	109,936	1,000	16,000
2035	11,062,224	10.000	108,963	107,963	1,000	17,000
2036	11,089,543	10.000	109,232	108,232	1,000	18,000
2037	10,908,717	10.000	107,451	106,451	1,000	19,000
2038	10,961,123	10.000	107,967	106,967	1,000	20,000
2039	10,797,928	10.000	106,360	105,360	1,000	21,000
2040	10,920,320	10.000	107,565	106,565	1,000	22,000
2041	10,815,593	10.000	106,534	105,534	1,000	23,000
2042	10,952,376	10.000	107,881	106,881	1,000	24,000
2043	10,854,852	10.000	106,920	105,920	1,000	25,000
2044	11,005,721	10.000	108,406	107,406	1,000	26,000
2045	10,914,904	10.000	107,512	106,512	1,000	27,000
2046	11,079,595	10.000	109,134	108,134	1,000	28,000
2047	10,995,024	10.000	108,301	107,301	1,000	29,000
2048	11,173,312	10.000	110,057	109,057	1,000	30,000
2049	11,094,558	10.000	109,281	108,281	1,000	31,000
2050	11,286,255	10.000	111,170	110,170	1,000	32,000
2051	11,212,917	10.000	110,447	109,447	1,000	33,000
2052	11,417,872	10.000	112,466	111,466	1,000	34,000
TOTAL			4,652,122	4,618,122	34,000	595,000

Mountain Sky Metropolitan District

Fort Lupton, CO

General Obligation Bonds, Series 2021

Assumed Rate of 5.75%

Sources & Uses

Dated 12/01/2021 | Delivered 12/01/2021

Sources Of Funds

Par Amount of Bonds..... \$9,020,000.00

Total Sources..... \$9,020,000.00

Uses Of Funds

Total Underwriter's Discount (1.500%)..... 135,300.00

Costs of Issuance..... 100,000.00

Deposit to Debt Service Reserve Fund (DSRF)..... 383,680.21

Deposit to Project Construction Fund..... 8,400,000.00

Rounding Amount..... 1,019.79

Total Uses..... \$9,020,000.00

Mountain Sky Metropolitan District

Fort Lupton, CO

General Obligation Bonds, Series 2021

Assumed Rate of 5.75%

Debt Service Schedule

Part 1 of 2

Date	Principal	Coupon	Interest	Total P+I
12/01/2021	-	-	-	-
12/01/2022	330,000	5.750%	518,650	848,650
12/01/2023	430,000	5.750%	499,675	929,675
12/01/2024	215,000	5.750%	474,950	689,950
12/01/2025	220,000	5.750%	462,588	682,588
12/01/2026	185,000	5.750%	449,938	634,938
12/01/2027	180,000	5.750%	439,300	619,300
12/01/2028	185,000	5.750%	428,950	613,950
12/01/2029	185,000	5.750%	418,313	603,313
12/01/2030	190,000	5.750%	407,675	597,675
12/01/2031	190,000	5.750%	396,750	586,750
12/01/2032	200,000	5.750%	385,825	585,825
12/01/2033	200,000	5.750%	374,325	574,325
12/01/2034	210,000	5.750%	362,825	572,825
12/01/2035	210,000	5.750%	350,750	560,750
12/01/2036	225,000	5.750%	338,675	563,675
12/01/2037	230,000	5.750%	325,738	555,738
12/01/2038	245,000	5.750%	312,513	557,513
12/01/2039	250,000	5.750%	298,425	548,425
12/01/2040	270,000	5.750%	284,050	554,050
12/01/2041	280,000	5.750%	268,525	548,525
12/01/2042	305,000	5.750%	252,425	557,425
12/01/2043	315,000	5.750%	234,888	549,888
12/01/2044	345,000	5.750%	216,775	561,775
12/01/2045	360,000	5.750%	196,938	556,938
12/01/2046	385,000	5.750%	176,238	561,238
12/01/2047	405,000	5.750%	154,100	559,100
12/01/2048	435,000	5.750%	130,813	565,813
12/01/2049	460,000	5.750%	105,800	565,800
12/01/2050	495,000	5.750%	79,350	574,350
12/01/2051	885,000	5.750%	50,888	935,888
Total	\$9,020,000	-	\$9,396,650	\$18,416,650

Mountain Sky Metropolitan District

Fort Lupton, CO

General Obligation Bonds, Series 2021

Assumed Rate of 5.75%

Debt Service Schedule

Part 2 of 2

Yield Statistics

Bond Year Dollars.....	\$163,420.00
Average Life.....	18.118 Years
Average Coupon.....	5.7500000%
Net Interest Cost (NIC).....	5.8327928%
True Interest Cost (TIC).....	5.8993035%
Bond Yield for Arbitrage Purposes.....	5.7500000%
All Inclusive Cost (AIC).....	6.0121265%
IRS Form 8038	
Net Interest Cost.....	5.7500000%
Weighted Average Maturity.....	18.118 Years

Mountain Sky Metropolitan District

Fort Lupton, CO

General Obligation Bonds, Series 2021

Assumed Rate of 5.75%

Net Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	DSR	Net New D/S
12/01/2021	-	-	-	-	-	-
12/01/2022	330,000	5.750%	518,650	848,650	(3,837)	844,813
12/01/2023	430,000	5.750%	499,675	929,675	(3,837)	925,838
12/01/2024	215,000	5.750%	474,950	689,950	(3,837)	686,113
12/01/2025	220,000	5.750%	462,588	682,588	(3,837)	678,751
12/01/2026	185,000	5.750%	449,938	634,938	(3,837)	631,101
12/01/2027	180,000	5.750%	439,300	619,300	(3,837)	615,463
12/01/2028	185,000	5.750%	428,950	613,950	(3,837)	610,113
12/01/2029	185,000	5.750%	418,313	603,313	(3,837)	599,476
12/01/2030	190,000	5.750%	407,675	597,675	(3,837)	593,838
12/01/2031	190,000	5.750%	396,750	586,750	(3,837)	582,913
12/01/2032	200,000	5.750%	385,825	585,825	(3,837)	581,988
12/01/2033	200,000	5.750%	374,325	574,325	(3,837)	570,488
12/01/2034	210,000	5.750%	362,825	572,825	(3,837)	568,988
12/01/2035	210,000	5.750%	350,750	560,750	(3,837)	556,913
12/01/2036	225,000	5.750%	338,675	563,675	(3,837)	559,838
12/01/2037	230,000	5.750%	325,738	555,738	(3,837)	551,901
12/01/2038	245,000	5.750%	312,513	557,513	(3,837)	553,676
12/01/2039	250,000	5.750%	298,425	548,425	(3,837)	544,588
12/01/2040	270,000	5.750%	284,050	554,050	(3,837)	550,213
12/01/2041	280,000	5.750%	268,525	548,525	(3,837)	544,688
12/01/2042	305,000	5.750%	252,425	557,425	(3,837)	553,588
12/01/2043	315,000	5.750%	234,888	549,888	(3,837)	546,051
12/01/2044	345,000	5.750%	216,775	561,775	(3,837)	557,938
12/01/2045	360,000	5.750%	196,938	556,938	(3,837)	553,101
12/01/2046	385,000	5.750%	176,238	561,238	(3,837)	557,401
12/01/2047	405,000	5.750%	154,100	559,100	(3,837)	555,263
12/01/2048	435,000	5.750%	130,813	565,813	(3,837)	561,976
12/01/2049	460,000	5.750%	105,800	565,800	(3,837)	561,963
12/01/2050	495,000	5.750%	79,350	574,350	(3,837)	570,513
12/01/2051	885,000	5.750%	50,888	935,888	(387,517)	548,370
Total	\$9,020,000	-	\$9,396,650	\$18,416,650	(498,784)	\$17,917,866

EXHIBIT F

Form of Intergovernmental Agreement

**INTERGOVERNMENTAL AGREEMENT
BY AND BETWEEN
THE CITY OF FORT LUPTON, COLORADO
AND
MOUNTAIN SKY METROPOLITAN DISTRICT**

THIS INTERGOVERNMENTAL AGREEMENT is made and entered into as of this ____ day of _____, _____ (this "**Agreement**") by and between the CITY OF FORT LUPTON, a municipal corporation of the State of Colorado ("**City**"), and MOUNTAIN SKY METROPOLITAN DISTRICT, a quasi-municipal corporation and political subdivision of the State of Colorado (the "**District**"). The City 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 City on _____, 2017 ("**Service Plan**"); and

WHEREAS, the Service Plan makes reference to the execution of an intergovernmental agreement between the City and the District, as required by the City Code; and

WHEREAS, any capitalized term used, but not defined, in this Agreement shall have the meaning ascribed to such term in the Service Plan; and

WHEREAS, the City and the District have determined it to be in the best interests of their respective taxpayers and property owners to enter into this Intergovernmental Agreement ("**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

A. Operations and Maintenance. The District shall be authorized to operate and maintain Public Improvements not conveyed to the City or other governmental entities having proper jurisdiction, including parks, trails open space and common area ownership and maintenance and the powers of Covenant Enforcement and Design Review.

B. Construction Standards Limitation. The District will ensure that the Public Improvements are designed and constructed in accordance with the applicable standards and specifications of the City, including without limitation any Subdivision Improvement Agreement(s) with the City applicable to such Public Improvements, and of other governmental entities having proper jurisdiction. All facilities conveyed or otherwise dedicated to the City or other entity designated by the City shall be free and clear of any lien, claim, encumbrance or demand and shall be subject to the City's normal warranty procedures.

C. Privately Placed Debt Limitation. 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.

D. Inclusion Limitation. The District shall not include within its boundaries any property without the prior written consent of the City except upon petition of the fee owner or owners of 100 percent of such property as provided in Section 32-1-401(1)(a), C.R.S.

E. Overlap Limitation. The boundary of the District shall not overlap with another district unless the aggregate mill levy for payment of Debt of the overlapping district will not at any time exceed the Maximum Debt Mill Levy of the District. Additionally, the District shall not consent to the organization of any other district organized under the Special District Act which will overlap the boundary of the District unless the aggregate mill levy for payment of Debt of such proposed district will not at any time exceed the Maximum Debt Mill Levy of the District.

F. Initial Debt Limitation. On or before the effective date of approval by the City of an Approved Development Plan, the District shall not: (a) issue any Debt; nor (b) impose a mill levy for the payment of Debt by direct imposition or by transfer of funds from the operating fund to the Debt service funds; nor (c) impose and collect any Fees used for the purpose of repayment of Debt.

G. Total Debt Issuance Limitation. The District shall not issue Debt in excess of the Total Debt Issuance Limit.

H. Monies from Other Governmental 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 City is eligible to apply for, except pursuant to an intergovernmental agreement with the City. This Section shall not apply to specific ownership taxes which shall be distributed to and be a revenue source for the District without any limitation.

I. Eminent Domain Limitation. The District shall not exercise the power of eminent domain to obtain any real property without the prior approval of the City Council, as evidenced by resolution after a public hearing thereon.

J. 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 City.

K. Bankruptcy Limitation. All of the limitations contained in the Service Plan have been established under the authority of the City to approve a Service Plan with conditions pursuant to Section 32-1-204.5, C.R.S. It is expressly intended that such limitations:

1. Shall not be subject to set-aside for any reason or by any court of competent jurisdiction, absent a Service Plan Amendment; and
2. 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 which results in a pledge, that exceeds the Maximum Debt Mill Levy 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 City as part of a Service Plan Amendment.

L. 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 of the District for payment of Debt, and shall be determined as follows:

The Maximum Debt Mill Levy shall be fifty (50) mills, provided that if, on or after January 1, 2017, there are changes in the method of calculating assessed valuation or any constitutionally mandated tax credit, cut or abatement, the mill levy limitation applicable to such 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, 2017, 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.

To the extent that the District is composed of or subsequently organized into one or more subdistricts as permitted under Section 32-1-1101, C.R.S., the term "District" as used herein shall be deemed to refer to the District and to each such subdistrict separately, so that each of the subdistricts shall be treated as a separate, independent district for purposes of the application of this definition.

Prior to the issuance of Debt, in compliance with Section 19-5(b)(1)(m) of the Municipal Code, the District shall obtain an opinion of an underwriter, if the District has engaged an underwriter for the proposed Debt transaction, and an opinion of a nationally recognized bond counsel. All issuance of general obligation Bonds shall be deemed to be in compliance with the Financial Plan so long as the Minimum Criteria, as hereinafter defined, have been met. "Minimum Criteria" shall mean that the general obligation Bonds are: (1) subject to the Maximum Debt Mill Levy, if required by this Service Plan; (2) together with other outstanding general obligation Bonds of the District, not in excess of the Total Debt Issuance Limitation set

forth in this Service Plan, as may be amended from time to time; (3) together with other outstanding general obligation Bonds of the District, not in excess of the general obligation debt authority provided by the District's electorate; and (4) issued in compliance with the applicable requirements of Section 32-1-1101(6), C.R.S. Any issuance of general obligation Bonds that does not satisfy the Minimum Criteria shall constitute a material modification of the Service Plan and a default under the Service Plan IGA.

The District shall be authorized to reimburse Developer advances, if any, with interest at a market reasonable rate from District mill levy revenues and/or proceeds from Debt privately placed with the Developer, and other legally available revenues of the District. Any such privately placed Debt shall be subject to the Privately Placed Debt Limitation set forth in Section V.A.4 of the Service Plan and the Minimum Criteria.

In the event that the District determines that it is in the best interests of the District and its taxpayers to issue general obligation Bonds to parties other than the Developer to (i) reimburse the Developer for Developer advances, (ii) refund or restructure Debt previously placed with the Developer, or (iii) finance additional Public Improvements, the District shall prepare a plan of finance for the purpose of determining whether the proposed issuance satisfies the Minimum Criteria. The plan of finance will include the amount of Bonds to be issued, uses of proceeds therefrom (including, if any, capitalized interest and costs of issuance), sources of revenues securing repayment of the Bonds and the repayment schedule for the Bonds, all as required by Section 19-5(b)(1)c.2-4 of the Municipal Code. At least thirty (30) calendar days prior to any such issuance, the District shall submit the plan of finance together with an opinion of an underwriter or bond counsel, as required by Section 19-5(b)(1)m of the Municipal Code, to the City for review to determine whether the proposed issuance satisfies the Minimum Criteria.

If the City does not provide the District with written objections to the proposed issuance within the thirty (30) day review period, City consent to the proposed issuance shall be deemed given.

M. Dissolution. Upon (i) an independent determination of the City Council that the purposes for which the District was created have been accomplished or (ii) if the District has not commenced construction of any Public Improvements within five (5) years of the date upon which the District was organized, the District agrees to file petitions in the appropriate District Court for dissolution, pursuant to the applicable State statutes. Notwithstanding the foregoing, in no event shall a dissolution occur until the District has provided for the payment or discharge of all of their outstanding indebtedness and other financial obligations as required pursuant to State statutes.

N. Meeting Notices/Annual Report. The District shall deliver written notice of every regular or special meeting to the office of the City Clerk at least three (3) working days prior to such meeting. The District shall be responsible for submitting an annual report to the City containing the information set forth in Section VII.A.1-11 of the Service Plan no later than August 1st of each year following the year in which the Order and Decree creating the District has been recorded.

O. Material Modification. Actions of the District which violate the limitations set forth in Sections A-L above or Section 19-9(b) of the Municipal Code shall be deemed to be material modifications to the Service Plan requiring amendment of the Service Plan in accordance with the procedural requirements of Section 19-9 of the Municipal Code, and the City shall be entitled to all remedies available under State and local law to enjoin such actions of the District. The remedies herein shall be in addition to any remedies the City may have or actions the City may bring under Section 32-1-207, C.R.S., or any other applicable statute. The District shall have thirty (30) days to cure such material modification. If the material modification is of a type that is not capable of being cured within the 30-day period and the District shall give written notice to the City within the 30-day period that it is actively and diligently pursuing the cure, the District will have a reasonable period of time given the nature of the material modification following the end of the 30-day period, but not to exceed sixty (60) days, to cure the material modification, provided that the District is at all times actively and diligently pursuing the cure, failing which, the District will be in default under this Agreement. In the event the District fails to complete the cure or take any action to cure the material modification, the City may impose any sanctions allowed by the Municipal Code or statute. Nothing herein is intended to modify or prevent the use of the provisions of Section 32-1-207(3)(b), C.R.S.

P. 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 United Parcel Service 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: Mountain Sky Metropolitan District
390 Union Blvd, Suite 400
Denver, CO 80228
Attn: Joan M. Fritsche
Phone: (303) 986-1551
Fax: (303) 986-1755

With a Copy to: Collins Cockrel & Cole, PC
390 Union Blvd, Suite 400
Denver, CO 80228
Attn: Joan M. Fritsche
Phone: (303) 986-1551
Fax: (303) 986-1755

To the City: City of Fort Lupton
130 South McKinley
Fort Lupton, CO 80621
Attn: Claud Hanes
Phone: (720) 466-6103
Fax: (303) 857-0351

All notices, demands, requests or other communications shall be effective upon such personal delivery, one (1) business day after being deposited with a nationally recognized overnight air courier service, or three (3) business days after deposit in the United States First Class Mail. Each Party may change its address by giving notice to the other party in accordance with the provisions hereof.

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

R. Assignment. Neither Party hereto shall assign any of its rights nor delegate any of its duties hereunder to any person or entity without 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.

S. 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.

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

U. 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.

V. 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.

W. 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 City 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 City shall be for the sole and exclusive benefit of the District and the City.

X. 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.

Y. 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.

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

IN WITNESS WHEREOF the Parties have executed this agreement effective as of the date set forth above.

MOUNTAIN SKY METROPOLITAN DISTRICT

By: _____
President

Attest:

Secretary

CITY OF FORT LUPTON, COLORADO

By: _____
Mayor

Attest:

By: _____
Its: _____

APPROVED AS TO FORM: _____

EXHIBIT G

City Council Resolution of Approval of Service Plan



COME PAINT YOUR FUTURE WITH US

City Clerk

130 S. McKinley Avenue
Fort Lupton, CO 80621

Phone: 303.857.6694
Fax: 303.857.0351

www.fortlupton.org

I, Nanette Fornof, City Clerk of the City of Fort Lupton, Colorado, do hereby certify that the attached is a true and correct copy of 2017R032, Resolution of the City Council of the City of Fort Lupton Colorado Approving the Service Plan for the Mountain Sky Metropolitan District, approved at a Special City Council meeting held at the Fort Lupton City Complex on the 26th day of June 2017.

IN WITNESS WHEREOF, I have hereunto set my hand and the seal of the City of Fort Lupton this 6th day of July 2017.

Nanette S. Fornof, MMC
City Clerk



RESOLUTION NO. 2017R032

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FORT LUPTON,
COLORADO APPROVING THE SERVICE PLAN FOR THE MOUNTAIN SKY
METROPOLITAN DISTRICT**

WHEREAS, pursuant to §32-1-204.5, C.R.S., a Service Plan ("**Service Plan**") for the proposed Mountain Sky Metropolitan District ("**District**") has been filed with the City of Fort Lupton, Colorado ("**City**"); and

WHEREAS, §32-1-204.5, C.R.S., provides that no special district shall be organized within the boundaries of the City except upon adoption of a resolution of the City Council ("**Council**") approving the Service Plan of the proposed District; and

WHEREAS, the territory of the proposed District is located wholly within the boundaries of the City; and

WHEREAS, pursuant to the provisions of Title 32, Article 1, C.R.S., the Council held a public hearing on the Service Plan for the District on June 26, 2017; and

WHEREAS, notice of the hearing before the Council was duly published in the *Fort Lupton Press*, a newspaper of general circulation within the City, on May 31, 2017, as required by law, and notice was forwarded to the petitioners, others entitled to postcard or letter notice, the Division of Local Government, and the governing body of each municipality, Title 32 district and school district that levied an *ad valorem* tax within the next preceding tax year and that has boundaries within a radius of three miles of the District; and

WHEREAS, the Council has considered the Service Plan and all other testimony and evidence presented at the hearing; and

WHEREAS, the Council finds that the Service Plan should be approved unconditionally, as permitted by §§32-1-203(2) and 32-1-204.5(1)(a), C.R.S.; and

WHEREAS, the Council further finds that it is in the best interests of the citizens of the City to enter into an Intergovernmental Agreement ("**IGA**") with the District for the purpose of assigning the relative rights and responsibilities between the City and the District with respect to certain functions, operations, and obligations of the District, upon formation of the District.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE
CITY OF FORT LUPTON, COLORADO:**

1. The City Council has jurisdiction to hear this matter.
2. The Council hereby determines that all of the requirements of Title 32, Article 1, Part 2, C.R.S. related to the filing of the Service Plan for the District have been fulfilled and that notice of the hearing was given in the time and manner required by law.

3. The Council further determines that all pertinent facts, matters and issues were submitted at the public hearing; that all interested parties were heard or had the opportunity to be heard and that evidence satisfactory to the Council of each of the following was presented with respect to the District:

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

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

(c) The proposed District is capable of providing economical and sufficient service to the areas within its proposed boundaries.

(d) 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.

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

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

(g) The proposal is in substantial compliance with a comprehensive plan adopted pursuant to the City Code.

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

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

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

4. The Council hereby approves the Service Plan for the District as revised to cap the mill levy for debt service purposes at 50 mills, as adjusted for constitutional and legislative changes, as such language is approved by City's special counsel. Nothing herein limits the City's powers with respect to the District, the property within the District, or the improvements to be constructed or caused to be constructed by the District. The City's findings are based solely upon the evidence in the Service Plan and such other evidence presented at the public hearing, and the City has not conducted any independent investigation of the evidence. The City makes no guarantee as to the financial viability of the District or the achievability of the results.

5. The Mayor and the City Clerk are hereby authorized to execute, on behalf of the City, the IGA in substantially the form presented at this meeting, with such technical additions, deletions, and variations as the City Attorney may deem necessary or appropriate and not inconsistent with this Resolution upon formation of the District.

6. This Resolution shall be filed in the records of the City and a certified copy thereof submitted to the petitioners for the District for the purpose of filing in the District Court of Weld County, Colorado.

7. All prior resolutions or any parts thereof, to the extent that they are inconsistent with this Resolution, are hereby rescinded.

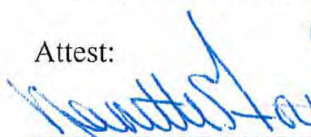
**APPROVED AND ADOPTED BY THE FORT LUPTON CITY COUNCIL THIS 26TH
DAY OF JUNE 2017.**

City of Fort Lupton, Colorado



Tommy Holton, Mayor

Attest:



Nanette S. Fornof, MM
City Clerk



Approved as to form:

Andy Ausmus, City Attorney