

PLANNING AND COMMUNITY DEVELOPMENT DEPARTMENT  
CRAIG DOSSEY, EXECUTIVE DIRECTOR

**TO:** El Paso County Planning Commissioner  
Jim Egbert, Chair

**FROM:** Raimere Fitzpatrick, AICP, Project Manager/Planner II  
Craig Dossey, Executive Director

**RE:** Rock Creek Metropolitan District (ID-17-003): Special District Service Plan

**Parcel ID Nos:** 65000-00-135, 65303-07-001, 65303-07-002, 65303-07-003, 65303-07-004, 65303-07-005, 65303-07-008, 65303-07-009, 65303-07-019, 65303-08-007, 65303-08-008, 65303-08-009, 65303-08-010, 65303-08-011, 65303-08-012, 65303-08-013, 65303-08-014, 65303-08-015, 65303-08-016, 65303-09-015, and 65304-00-009

**APPLICANT:**

The Equity Group, LLC  
90 South Cascade, Suite 1500  
Colorado Springs, CO 80803

**REPRESENTATIVE:**

Spencer Fane  
1700 Lincoln Street, Suite 2000  
Denver, CO 80203-4554

**Commissioner District:** 4

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|---------------------------------------------|------------|
| Planning Commission Hearing Date:           | 12/12/2017 |
| Board of County Commissioners Hearing Date: | TBD        |

**EXECUTIVE SUMMARY**

A request by The Equity Group, LLC, for approval of a Colorado Revised Statutes Title 32 Special District service plan for Rock Creek Metropolitan District in support of the development of 211 single-family residences and a 240 unit multi-family development. The proposed district is located on the west side of State Highway 115 across from the intersection of State Highway 115 and Titus Boulevard. The proposed District will initially be formed to include 30 acres. Approximately 16 acres of the proposed District are located in the City of Colorado Springs; however, Title 32 of the Colorado Revised Statutes allows special districts to cross municipal boundaries. The remaining 14 acres are located within unincorporated El Paso County. An additional 60 acres are planned



for future inclusion into the proposed District. The 14 acres of land that are located in unincorporated El Paso County are located within the boundaries of the Southwestern/Highway 115 Comprehensive Plan (1990).

The proposed service plan grants the Rock Creek Metropolitan District authority as a full service district, which means it provides a full range of facilities and services. The purposes of the proposed District include: 1) design, construction, and financing of water and wastewater lines; 2) design, construction, and financing of street improvements and safety protection; and 3) design, construction, and financing of drainage facilities; 4) park and recreation service; 5) mosquito control; 6) television relay and translation; 7) covenant enforcement and design review; 8) security services; and 9) operation and maintenance of District facilities and services. The applicant is proposing the following: a maximum debt authorization of \$8 million, a maximum debt mill levy of 50 mills for residentially zoned properties located in unincorporated El Paso County and 35 mills for commercially zoned property located in the City of Colorado Springs, an operations and maintenance mill levy of 10 mills, and a special purpose mill levy of 5 mills for covenant enforcement and design review.

The existing Rock Creek Mesa Water District provides water service to a limited number of properties that are to be included within the proposed Rock Creek Metropolitan District boundaries and that are located in unincorporated El Paso County. Due to contractual limitations, Rock Creek Mesa Water District is not able to provide water service to support new development within the District's existing boundaries. Water and wastewater services for new development within the District will be provided by the Colorado Springs Utilities for any property located within the City. The proposed Rock Creek Metropolitan District will provide water and wastewater services for property located in unincorporated El Paso County, specifically for those properties that cannot be served by the existing Rock Creek Mesa Water District.

Electrical and natural gas service will be provided by Colorado Springs Utilities. Fire protection and emergency services will be provided by Highway 115 Fire Protection District. Trash collection and internet services will be through private service providers contracted by individual property owners within the district boundaries.

The draft service plan has reserved the ability of the proposed District to exercise the power of eminent domain and dominant eminent domain. The service plan also reserves an option for the district to create a separate non-profit development corporation to design, finance, and construct infrastructure and to finance the provision of other expressly stated purposes/services of the District as necessary, including the imposition of fees on certain land sales. Said fees would be solely for the purposes of servicing debt.

The applicant's justification for seeking approval of the service plan in advance of receiving the underlying land use approvals was to meet the timeline for getting on the ballot for the November 2017 election in order to form the district in 2017. The applicant did not meet the timeline necessary to place the formation of the District on the

November 2017 ballot. The applicant now intends to meet the timeline for a November, 2018 election to form the District. The applicant also states in the draft service plan that the formation of the District in advance of the land use approvals is necessary to facilitate the planning, implementation and financing of the engineering design and other related activities necessary for this project to complete the land use approval processes.

If it is determined that the request complies with the El Paso County Land Development Code (2016), the adopted El Paso County Special District Policies, and the criteria within the Colorado Revised Statutes for a Title 32 Special District Service Plan approval and if a motion for approval is made, then staff recommends including the conditions and notations identified in Section J of this report.

#### **A. PLANNING COMMISSION SUMMARY**

**Request Heard:**

**Recommendation:**

**Waiver Recommendation:**

**Vote:**

**Vote Rationale:**

**Summary of Hearing:**

#### **B. REQUEST/WAIVERS/AUTHORIZATION**

**Request:** A request for approval of a Colorado Revised Statutes Title 32 Special District service plan for Rock Creek Metropolitan District with a maximum debt authorization of \$8 million and a maximum combined mill levy of 65 mills, which represents a maximum of 50 mills assessed to residential property and 35 mills assessed to commercial property for debt service, a maximum of 10 mills for operations and maintenance, and a maximum special purpose mill levy of 5 mills for covenant enforcement and design review. The purposes of the District includes: 1) design, construction, and financing of water and wastewater lines; 2) design, construction, and financing of street improvements and safety protection; and 3) design, construction, and financing of drainage facilities; 4) park and recreation service; 5) mosquito control; 6) television relay and translation; 7) covenant enforcement and design review; 8) security services; and 9) ongoing operation and maintenance of District facilities and services.

#### **C. BACKGROUND/ STATUS OF LAND USE APPROVALS**

The proposed Rock Creek Metropolitan District is located on the west side of State Highway 115 adjacent to the intersection of State Highway 115 and Titus Boulevard.

Properties included in the proposed Rock Creek Metropolitan District are located within the Rock Creek Mesa Master Plan (circa 1971). The Plan included 176 acres of property and proposed a mixture of single family, multi-family, and commercial land uses as well as a mobile home park. The proposed Rock Creek Metropolitan District boundaries overlap the existing Rock Creek Mesa Water District service area and District boundaries. The Rock Creek Mesa Water District was formed in 1956

and currently provides water service to approximately 300 customers within the service area. Additional discussion regarding the overlapping boundaries is contained in the STATUS OF MAJOR ISSUES and APPROVAL CRITERIA Sections of this report. A copy of the Rock Creek Mesa Water District service area has been included as an attachment to this report.

One of the properties to be included within the proposed District boundaries is a 16.25 acre parcel located within the City of Colorado Springs that is zoned PBC (Planned Business Center) under the City's zoning ordinance. Section 32-1-204.5 of the Colorado Revised Statutes states that the County has authority to approve a service plan in support of the formation of a special district where the boundaries of the proposed district will be partially located within an adjacent municipality. The City will retain land use authority over the development of the 16.25 acre property located in the City of Colorado Springs. Properties located in unincorporated El Paso County are currently zoned F-5 (Forestry) and RM-30 (Residential Multi-family) and are subject to the County's land use authority. Approximately 14 acres of property located within unincorporated El Paso County are proposed to be included in the District, with an additional 60 acres of land also located within unincorporated El Paso County planned for future inclusion into the District.

The Equity Group, LLC, anticipates developing a 240 unit multifamily project on the 16.25 acre property located within the City of Colorado Springs. The developer also anticipates the development of 211 single-family residential lots in unincorporated El Paso County in the area identified for future inclusion into the District as depicted on the District Boundary Map. The applications necessary to receive the underlying land use approvals have not yet been submitted.

The 2007 Special District Policies (Board Resolution 07-272) encourage applicants for developer-initiated districts to obtain the associated underlying land use approvals prior to, or at a minimum, in conjunction with the application for approval of the District service plan. The applicant has not obtained the associated land use approvals and has not submitted land use applications concurrently with the service plan request. Therefore, pursuant to the Special District Policies, the applicant has the burden of justifying the need for the District, including approval of the service plan, in advance of obtaining the underlying land use approvals. Underlying land use approvals typically include, but may not necessarily be limited to, sketch plan, rezoning, preliminary plan, and final plat approvals.

The applicant's initial justification for seeking approval of the service plan in advance of receiving the underlying land use approvals was to meet the timeline for getting on the ballot for the November, 2017 election in order to form the district in 2017. The applicant did not meet the November, 2017 election. The applicant now intends to meet the timeline for a November, 2018 election to form the District. The applicant also states the formation of the District in advance of the land use approvals is necessary to facilitate the planning, implementation and financing of the engineering design and other related activities necessary for this project to complete the land use

processes. The applicant is not prohibited in any way from submitting necessary applications to obtain the underlying land use approvals prior to forming the District November 2018.

Since the applicant has chosen to submit a service plan in advance of obtaining underlying land use approvals, recommended conditions have been included to address potential subsequent denial or modification of the land use applications. A notation has been added making it clear that the County has no obligation whatsoever to approve subsequent land use applications.

The service plan states that the purpose of the district is to finance the design and construction of the improvements necessary to support the anticipated development within the district's boundaries. Required subdivision improvements typically include, but are not necessarily limited to: water and wastewater lines and appurtenant facilities, local and collector level street improvements together with traffic and safety controls and devices, and stormwater facilities such as detention/water quality ponds, culverts, pipes, channels, swales, and weirs. The extent of the costs associated with designing and constructing these improvements cannot be verified at this time due to the lack of obtaining any of the underlying land use approvals. Additional discussion on the subdivision improvements is provided in Section G, Services, of this report.

The service plan proposes to reserve the district's ability to exercise the powers of eminent domain and dominant eminent domain only as necessary to further the clear public purposes of the district, and then, only for land intended to be owned, controlled or maintained by the district or by another governmental entity. The service plan expressly prohibits the exercise of these powers for the furtherance of any economic development plan, or to convey such property or to make such property available to a private entity for economic development purposes.

The service plan does not anticipate formation of a public improvements company for the purpose of accepting sales tax revenues. Any formation of a public improvements corporation will constitute a material modification of the service plan, which would require an amendment to the service plan and hearings before the Planning Commission and Board of County Commissioners.

Although a public improvement company is not anticipated at this time, the proposed service plan does state the following with regard to a separate non-profit development corporation:

“The District may anticipate creating a separate non-profit development corporation for the purposes of providing design, financing, and construction of municipal infrastructure, and other services and the imposition of fees on certain land sales which fees would be committed to servicing debt.”

Fees collected by the non-profit corporation would be transferred to the District to be used for debt servicing. Formation of a separate non-profit development corporation would constitute a material modification of the service plan, which would require an amendment to the service plan as well as hearings before the Planning Commission and Board of County Commissioners.

**D. APPLICABLE RESOLUTIONS:**

|             |         |
|-------------|---------|
| Approval    | Page 37 |
| Disapproval | Page 38 |

**E. STATUS OF MAJOR ISSUES**

As discussed in Section C, Background/Status of Land Use Approvals, the applicant has elected to seek approval of a service plan prior to receiving underlying land use approvals. The BOCC will need to determine whether the justification provided is adequate to support formation of the district with no guarantee of future land use approvals or definitive development plans to review and whether such justification is also consistent with the 2007 Special District Policies, which are discussed in greater detail below in Section F.2 of this report.

It should be noted that because the service plan is being considered in advance of a final plat application, costs for improvements identified with the final construction drawings and supporting financial estimates provided with future final plat applications may be higher than projected in the service plan. Actual construction costs could exceed the maximum debt authorization in the approved service plan. Any increase in the maximum debt authorization or the inclusion of additional development and/or permit fees would be considered a material modification of the service plan and, as such, would require BOCC approval of a service plan amendment.

The boundaries of the proposed District will overlap the boundaries of Rock Creek Mesa Water District. Contractual limitations prohibit the Rock Creek Mesa Water District from obtaining additional water resources for additional customers within its boundaries. Rock Creek Mesa Water District purchases water from Jon May Wells, LLC, to distribute to its customers. The District's contract with John May Wells, LLC only provides water for 300 taps which includes 236 mobile homes within the Cheyenne Mountain Estates Mobile Home Park.

The proposed service plan will authorize Rock Creek Metropolitan District to provide water service to properties within the overlapping district boundaries, which are currently not able to obtain water service from Rock Creek Mesa Water District. Formation of Rock Creek Metropolitan District and/or future provision of water service to properties in unincorporated El Paso County may require properties currently located in Rock Creek Mesa Water District that are not currently served by Rock Creek Mesa Water District to disconnect from the Water District.

## **F. APPROVAL CRITERIA**

### **1. STATUTORY COMPLIANCE**

The following is a summary of staff's analysis of the compliance of this request with the standards and criteria in Section 32-1-203(1) of the Colorado Revised Statutes.

#### **Required findings**

##### **I. Sufficient existing and projected need**

A total of 211 single-family residential lots and 240 multi-family units are anticipated to be developed within the proposed Rock Creek Metropolitan District's boundaries. Development will require the construction of necessary supporting infrastructure such as on and off-site private and public improvements including water and wastewater, stormwater and drainage, transportation and safety infrastructure and the provision of other services such as covenant enforcement and design review, mosquito control, park and recreation, and television translation and relay services. The infrastructure and water resources required to extend water service to properties currently within but not able to be served by Rock Creek Mesa Water District is not available. The proposed service plan will authorize Rock Creek Metropolitan District to finance and construct the infrastructure and deliver the water resources necessary to serve these properties, which includes the anticipated development.

The stated purposes of the proposed District include financing of the above mentioned improvements. Currently there is no other entity that has expressed a desire and the ability to finance and/or construct the subdivision improvements necessary to support new development within the boundaries of the proposed District. The service plan proposed to justify the need for the District based on anticipated development with the District boundaries rather than actual land use approvals as such approvals have not yet been obtained. Approval of a service plan for the formation of a special district with the ability to issue debt without underlying land use approvals is not consistent with the Special District Policies.

A finding could be made that there is projected need for the District in the absence of underlying land use approvals based upon including the condition of approval below prohibiting the issuance of debt until and unless the rezoning, preliminary plan, and final plat approvals have been obtained for the anticipated development.

##### **II. Existing service is inadequate for present and projected needs**

Rock Creek Mesa Water District currently provides a limited amount water service to properties within the proposed Rock Creek Metropolitan District boundaries, but cannot provide service to additional properties currently unserved within the District's boundaries. All of the services identified in the service plan are currently unavailable in support of the existing and future

development within the boundaries of the proposed District. These services include financing, design, construction, and maintenance of water and wastewater utility line extensions, drainage and stormwater facilities, and street and transportation improvements, and parks and open space, mosquito control, television relay and translation, security, and covenant enforcement and design review services in support of new development.

There are no other service providers in the area that are willing or able to finance, design, and/or construct the required water and wastewater infrastructure, street and safety improvements, and drainage facilities. The lack of such alternative service provider(s) may be relied upon by the BOCC to justify a finding that existing service is inadequate to serve the anticipated development.

**III. District is capable of providing economical and sufficient service**

A financial summary attached to the proposed service plan, which is dated July 17, 2017, was submitted in support of the District's ability to economically provide sufficient service to the anticipated development. The financial summary includes a pro forma analysis of how the proposed mill levies assessed on properties to be included in the proposed District will be sufficient to service the debt issued by the District after development of the properties. The analysis is based upon anticipated development scenarios identified in the proposed service plan. The analysis is not based upon actual land use approvals as such approvals have not yet been obtained. Pursuant to the analysis and conclusions of the financial plan and based upon the anticipated development scenario, the district may be able to provide economical and sufficient service. This determination is largely based upon including the condition of approval below prohibiting the issuance of debt until and unless the rezoning, preliminary plan, and final plat approvals have been obtained for the anticipated development.

**IV. Financial ability to discharge proposed indebtedness**

The service plan projects initial cost estimates of \$4.6 million and authorizes a maximum debt of \$8 million. The July 10, 2017, financial plan submitted in support of the service plan indicates that the District would have the ability to discharge the proposed indebtedness if development proceeds as projected. The financial plan relied upon a four (4) year development build-out schedule consisting of a combination of single and multi-family units each year beginning in year 2019 and ending in year 2022. Specifically, 222 units are proposed in year 2019, 90 units in 2020, 31 units in 2021, and 108 units in 2022. The plan estimates a market price inflation of two percent (2%) per year. The plan also projects the generation of approximately \$13.4 million in revenues generated by the maximum debt service mill levy (50 mills). Based on the financial plan summary, the District would have the ability to discharge the proposed indebtedness.

### **Discretionary findings**

The following findings are discretionary on the part of the Board of County Commissioners:

#### **I. Adequate service is not or will not be available through other sources**

Rock Creek Mesa Water District currently provides water to existing taps for property within the proposed Rock Creek Metropolitan District's boundaries. Rock Creek Mesa Water District is limited to providing service to existing customers whose properties were included into the District at the time of its formation in 1956. Although Rock Creek Mesa Water District provides water to property within its service area boundaries, the contractual limitations discussed above in this report prevent the District from providing water to new customers within its current boundaries. A copy of the map of the Rock Creek Mesa Water District service area has been included as an attachment to this report.

In addition to water service, none of the services proposed for the District, including wastewater, transportation, drainage and stormwater, television relay and translation, mosquito control, covenant and design review, and security services are available through other sources. A portion of the proposed District is located adjacent to the boundaries of the City of Colorado Springs. To staff's knowledge, the City has not taken any steps toward annexing these properties.

#### **II. Facility and service standards compatible**

Any public facilities proposed to be constructed and dedicated are required to meet the respective standards of El Paso County, the City of Colorado Springs, CDOT, and any other applicable utility provider and will be subject to each entities licensing and permitting requirements.

#### **III. Compliance with master plan**

The El Paso County Policy Plan (1998) has a dual purpose; it serves as a guiding document concerning broader land use planning issues, and provides a framework to tie together the more detailed sub-area elements of the County Master Plan. Relevant policies are as follows:

##### ***Goal 14.1***

*Recognize and promote the essential role of special financing districts in the provision and maintenance of public facilities and services in unincorporated areas.*

The BOCC has adopted policies and procedures to provide a framework for the evaluation of applications for new, amended and updated special district service plans as authorized by Title 32 of the Colorado Revised Statutes. The applicant has submitted a draft service plan in support of the formation of a special district in accordance with these provisions.

**Policy 14.1.3**

*Discourage the use of special districts as a vehicle to fund substantial amounts of required infrastructure in predominantly undeveloped areas, and require the conservative phasing of infrastructure construction during the initial phases of development.*

The service plan proposes a maximum indebtedness of \$8 million. The proposed public improvement costs are estimated at \$4.6 million. Land to be included in the proposed District includes a parcel located within the City of Colorado Springs and the proposed service area boundary is located approximately 2 miles south of existing urban density development in the City of Colorado Springs. The proposed service area is also directly adjacent on its western boundaries to military housing located on Fort Carson.

**Policy 14.1.4**

*Encourage special districts to comprehensively plan for the resources and facilities they will need to accommodate potential future growth.*

The intended purpose of the District is to finance and construct water and wastewater lines and facilities, roadway and street improvements, and drainage and stormwater facilities, provide television relay and translation, mosquito control, covenant enforcement and design review and security services, all of which support future development within the proposed service area.

**Policy 14.1.5**

*Encourage the careful preparation and review of special district service plans in order to ensure that development and financial assumptions are reasonable, all plausible alternatives have been considered, services and boundaries are well-defined, and contingencies have been anticipated.*

Staff has reviewed the service plan with supporting development analysis financial assumption summaries and find that they are generally reasonable. The assumptions are based on existing and anticipated additional commercial development. It should be noted that while future market conditions may introduce new and/or differing commercial establishments, future unforeseen market conditions could create a conditions that may significantly or adversely affect the proposed District's ability to discharge debt.

Staff recommends the service plan is in general conformance with the Policy Plan (1998) and particularly with regard to Section 14, Public Financing Districts, of the Plan.

The proposed District is located within the boundaries of the Southwestern Area/Highway 115 Comprehensive Plan (1990). The Plan does not specifically address districts, but does identify concerns over potential substandard and/or failing on-site wastewater treatment systems (OWTS) in Section III.3.D.d, Critical Issue Identification, Public Facilities, of the Plan. Approval of the District and the provision of central wastewater service will limit the number of new OWTS systems in the District boundaries and provide an opportunity for existing OWTS systems to be abandoned in favor of connection to new central wastewater service.

The Plan also addresses the limitations of Rock Creek Mesa Water District to issue additional water taps due to contractual limitations with the entity that supplies its water for existing customers.

Regarding the challenges of water resources on development in the area, Section II.3.2.a, Infrastructure, Utilities, Water, of the Plan states:

Water has been and will continue to be one of the main restricting limits on development in the Planning Area. In 1987 the County adopted a policy requiring new subdivisions, including those depending on ground water, to demonstrate supplies adequate in terms of quantity; quality and dependability, with adequacy being defined as a minimum of a 300-year water supply. This may make it difficult to plat new subdivisions in the Planning Area without the development of additional sources of water supply.

The ability of Rock Creek Metropolitan District to provide water service within its boundaries is consistent with the analysis of water issues in the Plan.

#### **IV. Compliance with water quality management plan**

Section 3.6, Wastewater Treatment Facilities, of the Pikes Peak Area Council of Government's Water Quality Management Plan 2010 Update states that, "If it is economically feasible, wastewater service will be provided in regional and subregional publicly owned wastewater treatment facilities, and small privately owned facilities will be avoided." The Plan, however, goes on to recommend that, "when deemed cost-effective and when practical alternatives exist, to avoid the proliferation of individual wastewater treatment facilities and/or wastewater treatment agencies." Wastewater service in the proposed District boundaries development area will be provided by Colorado Springs Utilities for property located within the City. Wastewater service for the properties located in unincorporated El Paso County will be provided by the proposed District.

#### **V. In the best interests of the area to be served**

See other service provision discussions in this staff report.

## **2. COMPLIANCE WITH 2007 SPECIAL DISTRICT POLICIES**

**(The County's Special District Policies, dated June 25, 2007, are included as an attachment. The following is a summary of the analysis of those policies as they apply to this request.)**

### **I.Conformity with statutory standards**

(See discussion above and below)

### **II.Conformity with County Master Plan and Policies**

(See discussion above and below)

### **III.Content in conformance with statutes**

To the knowledge of staff, the service plan is consistent with the requirements of Colorado statutory law.

### **IV.Applicants responsible for meeting time lines**

Staff has worked responsively to process and review the proposed service plan to meet the applicant's intent to get the question regarding formation of the District on the ballot for the November 7, 2017; however, the applicant was unable to meet the required deadlines. It is the applicant's responsibility to ensure all applicable timelines and procedures are followed in order to meet the desired 2018 election and District formation schedule.

### **V.Limiting proliferation of districts**

The Special District Policies recognize "the many factors which may create a justification to form one or more new and independent special district(s), [however,] it is the policy of the County to discourage the unnecessary proliferation of additional districts in the County." Approval of this service plan amendment for the proposed District will create a new Title 32 Special District.

As discussed throughout this report, the proposed District boundaries overlap the existing Rock Creek Mesa Water District boundaries. Rock Creek Mesa Water District is not able to provide service to additional new customers and/or properties within its district boundaries. The formation of the proposed Rock Creek Metropolitan District will create an opportunity to bring water service to existing residences within Rock Creek Mesa Water District boundaries and provide water service for new development which is currently unable to be served by Rock Creek Mesa Water District.

The proposed Rock Creek Metropolitan District would be a full service district authorized to provide financing, construction, maintenance, and ongoing provision of water, wastewater, transportation, drainage and stormwater, television relay and translation, mosquito control, covenant

and design review, and security services in support of future development property within its boundaries. Rock Creek Mesa Water District only provides water service to existing customers within its boundaries; therefore, staff recommends that approval of the service plan will not result in unnecessary proliferation of districts.

#### **VI.Coordination with other elected officials and departments**

Staff and the applicant of the proposed District have coordinated with all applicable departments and have provided sufficient lead time to allow technical review of the proposed service plan.

#### **VII.Address potential for annexation**

A portion of the proposed District is located within the City of Colorado Springs. There is also a portion of the proposed District that is located adjacent to the City of Colorado Springs municipal boundaries. The unincorporated area of the proposed District is not included on the City of Colorado Springs Potential Annexation Areas Map (2006). The City was notified of the service plan submittal but has not expressed an interest in annexing the property.

#### **VIII.Development Analysis**

Service plans are required to provide a development analysis that includes a brief description of: 1) existing developed conditions within a proposed district's boundaries and additional inclusion areas; 2) total development at project buildout; 3) projected development phasing and absorption rates; and 4) status of underlying land use approvals. A summary of the development analysis is included in Section IV of the service plan.

The development analysis in the draft service plan states there are no public improvements within the proposed District's boundaries. There is Rock Creek Mesa Water District infrastructure located in the additional inclusion area. Final buildout is anticipated to be 211 single-family dwellings with average home prices around \$300,000 in year 2017 dollars and approximately 240 multi-family priced at approximately \$150,000 per unit in year 2017 dollars. The development analysis projects a five (5) year absorption rate. It is important to note that the analysis states that no underlying land use approvals have been obtained for development proposed within the District's boundaries. The development analysis is complete and is consistent with the adopted BOCC policies.

#### **IX.Mill Levy Caps**

Pursuant to the Special District Policies, the maximum debt service mill levy cap for full service districts should not exceed 50 mills, subject to Gallagher adjustment as permitted by law. The Gallagher adjustment is the allowed adjustment to the Maximum Debt Service Mill Levy, Maximum Operational Mill Levy, and/or Maximum Special Mill Levy intended to

offset the effect of adjustments to the ratio between market value and assessed value of taxable property within the District that would cause a reduction in the revenue otherwise produced from such maximums based on the ratio between market value and assessed value as of January 1 in the year in which a district's organizational election is held. The proposed service plan includes a request for a debt service mill levy cap of 50 mills, which may be considered consistent with the Policies if the BOCC finds that the development and financial analyses adequately support the service plan. The same approach should also be taken with regard to the proposed operations mill levy cap of 10 mills. In addition, the Special District Policies allow, if justified and fully documented by supporting information, an increase in the Maximum Combined Mill Levy Caps of up to 5 (five) additional mills. This increase may be specifically authorized as a Special Purpose Mill Levy for the purpose of funding ongoing covenant enforcement and/or maintenance of common facilities in the absence of a Homeowners Association. A maximum combined mill levy cap of 65 mills is consistent with the adopted BOCC policies if adequate justification is found by the BOCC within the service plan and attached analyses in support of the increase.

To the extent permitted by law, all mill levy caps may be lifted once a district achieves the ratios of assessed valuation to debt and other requirements which would allow these caps to be removed. However, actual removal of a mill levy cap is subject to BoCC approval. Removal of mill levy caps should be supported by justifications including, but not limited to, data establishing ratios of assessed valuation to debt that meet statutory criteria for the issuance of bonds without a mill levy cap, and enhancement of a district's ability to refinance debt at a more favorable rate (if proposed in connection with a refunding of debt).

#### **X.Master Districts**

The County's Policies discourage the use of master districts in favor of options for single or multiple districts without control districts. The master district configuration is not being proposed with this request.

#### **XI.Multiple Districts**

The proposed service plan does not propose a multiple district configuration.

#### **XII.Skeletal Service Plans**

This is a complete service plan. Therefore, this policy is not applicable.

#### **XIII.Authorization of Debt and Issuance of Bonds**

The proposed maximum amount of indebtedness for the District is \$8 million. The period of maturity for any issued debt, not including developer funding agreements, is limited to no more than thirty (30) years without

prior approval from the BOCC. A condition of approval has been recommended limiting the amount of indebtedness the District may incur.

### **3. POLICY PLAN COMPLIANCE**

As discussed in more detail above, the proposed service plan is in compliance with the El Paso County Policy Plan (1998) and particularly with regard to Section 14 of the Plan.

### **4. COMPLIANCE WITH COUNTY PROCEDURES AND GUIDELINES**

Staff believes the service plan and application are in compliance with all adopted processing procedures and guidelines.

## **G. SERVICES**

### **1. WATER**

Water service for future development within the proposed district will be provided by Colorado Springs Utilities for property located in the City and by Rock Creek Metropolitan District for property located in unincorporated El Paso County. The proposed district is requesting authority to finance, design, and construct water service infrastructure within the boundaries depicted on the District Boundary Map. The intent is to construct the necessary water lines and to dedicate such facilities for ongoing ownership and maintenance to the City of Colorado Springs for property located in the City. The District will own and maintain those facilities located in unincorporated El Paso County.

### **2. WASTEWATER**

Wastewater service for future development within the proposed district will be provided by Colorado Springs Utilities for property located in the City and Rock Creek Metropolitan District for property located in unincorporated El Paso County. The proposed District is requesting authority to finance, design, and construct wastewater lines within the boundaries depicted on the District Boundary Map. The intent is to construct the necessary wastewater lines and to dedicate such facilities for ongoing ownership and maintenance to the City of Colorado Springs for property located in the City. The District will own and maintain those facilities located in unincorporated El Paso County.

### **3. TRANSPORTATION**

Approval of the proposed service plan would authorize the District to issue debt in order to finance, design, and construct roadway improvements and necessary bridges, fences, trails, lighting, landscaping, and traffic and safety controls and devices, as needed, to support development within its boundaries. The District will be required to construct any necessary required transportation improvements to applicable El Paso County, City of Colorado Springs, and/or CDOT standards and to dedicate such facilities to the County, City, or CDOT as appropriate, for ongoing ownership and maintenance, subject to compliance with the respective licensing and permitting

requirements of each entity. All improvements constructed by the District located outside of the dedicated right-of-way shall be owned and maintained by the District unless otherwise provided through intergovernmental agreements with or between Colorado Springs Utilities or Rock Creek Mesa Water District.

#### **4. DRAINAGE**

Approval of the proposed service plan would authorize the district to finance, design, construct, and maintain drainage facilities, including detention/water quality ponds, culverts, pipes, channels, swales, and weirs. The service plan proposes the dedication of drainage facilities to the County; however, acceptance by the County for ongoing ownership and maintenance will be subject to specific County policies and requirements governing the eligibility for acceptance of privately constructed drainage facilities. It is anticipated that all detention/water quality ponds will be privately owned and maintained by the District.

#### **5. PARKS AND RECREATION**

The El Paso County Parks Master Plan (2013) does not identify any open space, park facilities, or trails intersected by or within the proposed District's boundaries.

#### **6. FIRE PROTECTION**

Southwestern Highway 115 Fire Protection District provides emergency and fire protection service to properties located on the District Boundary Map that are in unincorporated El Paso County. Colorado Springs Fire Department provides emergency and fire protection services to properties in the City limits depicted on the District Boundary Map.

#### **7. COMMUNITY FACILITIES**

No specific community facilities are proposed with this service plan. The draft service plan does, however, authorize the District to finance, construct, own, and/or manage community facilities that are required in connection with future subdivision within its boundaries.

#### **8. OTHER FACILITIES OR SERVICES**

Colorado Springs Utilities currently provides electrical service within the proposed District's boundaries. Colorado Springs Utilities has natural gas service near the proposed District's boundaries which can be extended into the area in the future.

#### **H. RELATIONSHIPS TO OTHER DISTRICTS OR MUNICIPALITIES**

The district anticipates entering into an Intergovernmental Agreement with Colorado Springs Utilities and Rock Creek Mesa Water District, to the extent necessary, to deliver water and wastewater services to properties within the proposed District boundaries.

## **I. SCHOOL DISTRICT IMPACTS OR CONCERNS**

The area of inclusion for the proposed district is located in Fountain/Fort Carson School District No. 8. The School District was provided a copy of the letter of intent and service plan for comment and review. No comments were received from the School District regarding formation of the proposed district.

## **J. CONDITIONS AND NOTATION**

It is noted that the majority of these conditions essentially paraphrase existing language in the Service Plan and formalize it as conditions.

### **CONDITIONS OF APPROVAL**

1. As stated in the attached service plan, the maximum authorized debt for the Districts shall be limited to \$8 million until and unless the District receives Board of County Commissioner approval to increase the maximum authorized debt.
2. As stated in the proposed service plan, the maximum combined debt service and operational mill levy shall not exceed 65 mills (Gallagher-adjusted) for any property within the District, with no more than 50 mills devoted to debt service, no more than 10 mills devoted to operations, and no more than 5 mills for covenant enforcement and design review until and unless the Districts receive Board of County Commissioner approval to increase the maximum mill levies.
3. Any future annexation of territory by the district (any territory more than five (5) miles from the district boundary lines) shall be considered a material modification of the amended service plan and shall require prior Board of County Commissioners approval.
4. The district shall provide a disclosure form to future purchasers of property in a form consistent with the approved Special District Annual Report form. Such notice shall be recorded with this service plan. With each subsequent final plat associated with the Meadowbrook development prepared by the developer, the developer shall provide written notation on the plat of this annually filed public notice and include reference to the El Paso County Planning and Community Development website where the most up-to-date notice can be found. County staff is authorized to administratively approve updates of the disclosure form to reflect current contact information and calculations.
5. The district is expressly prohibited from creating separate sub-districts, Public Improvement Corporations, or development corporations of any form except upon prior notice to the Board of County Commissioners, and subject to the Board of County Commissioners right to declare such creation to be a

material modification of the service plan, pursuant to C.R.S. § 32-1-1101(1)(f)(I).

6. Approval of this application shall not constitute relinquishment or undermining of the County's authority to require the developer to complete subdivision improvements as required by the El Paso County Land Development Code (2016) and Engineering Criteria Manual (2017) and to require subdivision improvements agreements or development agreements and collateral of the developer at the final plat stage to guarantee improvements.
7. Any expansions, extensions, or construction of new facilities by the District will require prior review by the Planning and Community Development Department to determine if such actions are subject to the requirements of Appendix B of the El Paso County Land Development Code, Guidelines and Regulations for Areas and Activities of State Interest (a.k.a. "1041 Regulations"). If it is determined that such regulations apply, then the District will be required to submit and receive County approval of the appropriate development permit application(s) prior to construction.
8. Assuming the District is formed, the District shall not be authorized to issue debt until and unless the rezoning, preliminary plan, and final plat approvals have been obtained and unless such approvals are consistent with the assumed land uses and densities identified within the service plan and consistent with the approved financial plan.
9. Future alteration of the densities and/or land uses identified in the service plan may be considered by the Planning and Community Development Department Director a material modification of the service plan. All material modifications of the service plan require review and approval by the Board of County Commissioners.
10. Any formation of a public improvements corporation would constitute a material modification of the service plan, which would require an amendment to the service plan and hearings before the Planning Commission and Board of County Commissioners.
11. Any formation of a separate non-profit development corporation would constitute a material modification of the service plan and would require an amendment to the service plan as well as hearings before the Planning Commission and Board of County Commissioners.

## **NOTATIONS**

1. Approval of this Service Plan shall in no way be construed to infer a requirement or obligation on the Board of County Commissioners to approve any future land use requests for any property within the District's service area.

2. Any increase or addition of services, powers, formation of new districts or entities either stated or unstated by this service plan will constitute a material modification of the service plan and require additional approvals by the Board of County Commissioners.

**K. PUBLIC COMMENT AND NOTICE**

There are no posting or mailing requirements for hearings before the Planning Commission for Colorado Revised Statutes Title 32 Special District service plans. However, there are notice requirements for hearings before the Board of County Commissioners. The applicant shall notify all taxing jurisdictions within three (3) miles of the proposed District's boundaries as required by state statute prior to the Board of County Commissioners hearing.

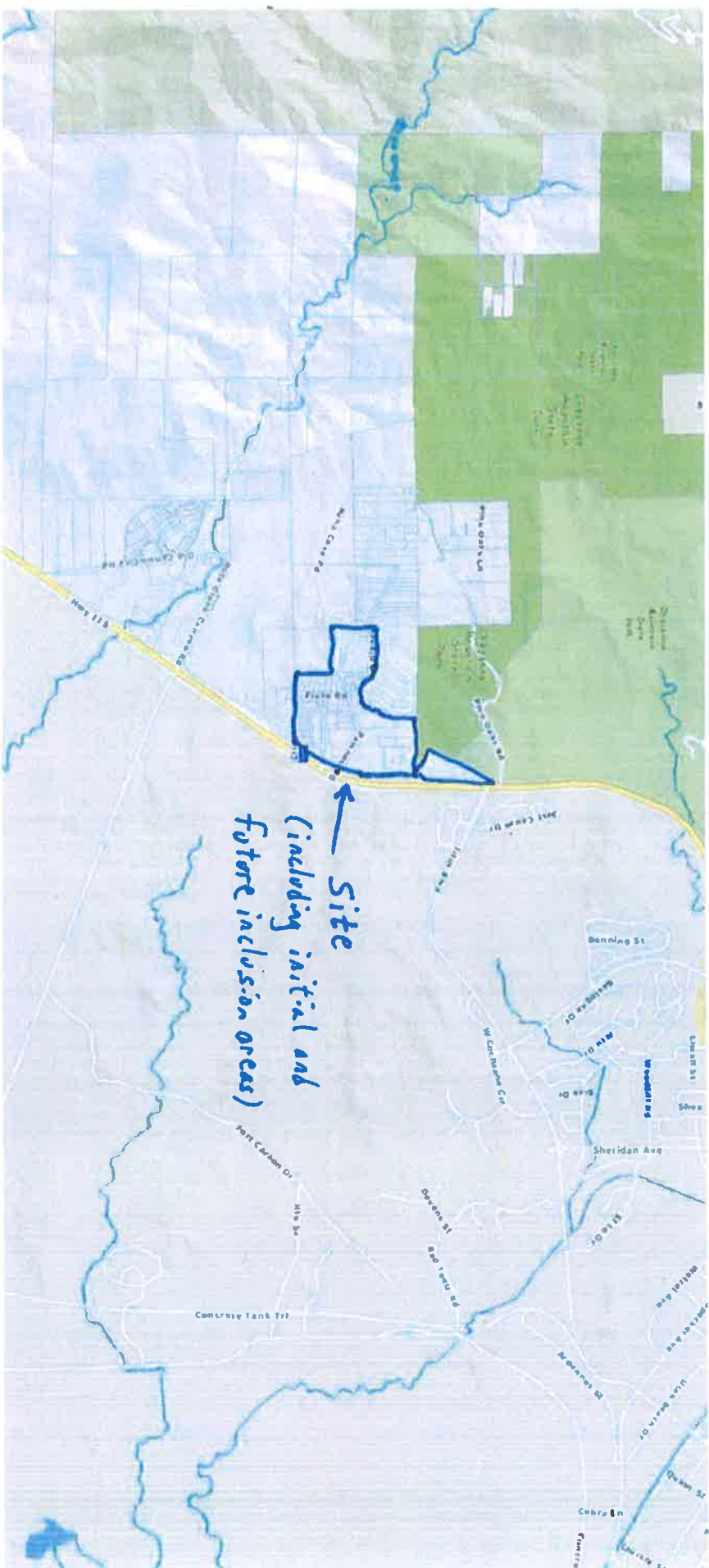
**L. ATTACHMENTS**

Vicinity Map  
Letter of Intent  
Proposed Service Plan and Attachments  
2007 El Paso County Special District Polices  
Rock Creek Mesa Water District Boundary Map  
Rock Creek Metropolitan District Boundary Map  
City of Colorado Springs Potential Annexation Areas Map

# Rock Creek Metropolitan District

## El Paso County Assessor's Office

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SpencerFane

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File No. 5022841.0011

August 4, 2017

El Paso County  
Planning and Community Development  
Attn: Raimere Fitzpatrick  
2880 International Circle  
Colorado Springs, CO 80910

**Re: Letter of Intent in Support of Formation of Proposed Rock Creek Metropolitan District**

Mr. Fitzpatrick:

The proposed formation of the Rock Creek Metropolitan District (the "District") encompasses multiple parcels of land generally located to the West of Highway 115 and to the South of Cheyenne Mountain State Park ("Rock Creek Property"). The Rock Creek Property includes approximately 30 acres of land to be included within the initial boundaries of the District, as well as additional parcels that may total an estimated 90 acres or more (depending on how many of the parcels are ultimately included within the District). Including the proposed future inclusion area, ultimately the District is anticipated to consist of 240 multi-family residential units and 211 single family residential units (no commercial development is currently planned). The Rock Creek Property lies entirely within the boundaries of El Paso County, Colorado (the "County").

We respectfully request consideration of the District on the next possible public hearing of the Board of County Commissioners (the "Board") of the County in order to meet the requirements of a formation election in November 2017. As an initial matter, we note that some portion of the proposed District is located within the boundaries of the City of Colorado Springs. That said, where, as here, only a portion of the Project comprising the District will be located within the boundaries of the City of Colorado Springs, it is not necessary for the County to obtain consent from the City of Colorado Springs prior to formation of the District. In particular, C.R.S. §§ 32-1-202 (outlining the service plan filing requirements) and 32-1-204.5 (detailing the municipal approval process) provide that municipal approval is only necessary when a proposed district's boundaries will be "wholly contained within the boundaries of a municipality or municipalities." C.R.S. § 32-1-204.5.

One of the primary purposes of the District is to provide for the construction, installation, completion, financing and possible ownership, operation and maintenance of public improvements including, but not limited to, on and off-site streets, roadway, water and sanitary sewer, and park and recreation improvements, and services and powers provided for metropolitan districts authorized by the Special District Act, pursuant to Title 32, C.R.S. and provided within similar districts within the County. To the extent any of the authorized facilities and improvements are dedicated to and accepted by the County, the County shall own, operate and maintain such accepted facilities and related improvements. The District shall be authorized to own, operate and maintain any facilities and improvements not otherwise dedicated to and accepted by any applicable public entity acting as a Provider Jurisdiction (as defined in the proposed Service Plan), subject to any County rules and regulations.



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The owners of the property are Colorado Springs Equities LLC; and, Equity Management LLC Defined Benefit Retirement Plan. Preparation of the District's supporting documentation was provided by the District's organizers. The Developer of the Rock Creek Property is The Equity Group LLC. Cost estimates for the proposed public improvements were generated by Developer representatives, with the assistance of consultants FEI Engineers and Matrix Design Group, Inc., who have experience in the completion of similar improvements; it should be noted, though, that such costs estimates are preliminary in nature and the ultimate costs may increase or decrease depending on numerous factors, many of which are out of Developer's control. In particular, these initial cost estimates only include the public improvement portion of costs and the total project improvement costs (including items such as dry utilities, etc.) will be significantly higher and will materially increase the overall costs.

Developer representatives will make up the initial District Board in order to complete the proposed public improvements in accordance with approved development plans with the County. The new District will help pay for and structure the financing of public improvements and to make the lots and the property permit ready and will help absorb finished lots and homes into the County tax base.

Consistent with the proposed Service Plan, the Developer and the District intend to work with any overlapping service providers to obtain the necessary consents and/or approvals (as necessary) for the provision of necessary public services to the District including, but not limited to, water, wastewater/sewer and fire protection services. Additionally, the Developer and the District intend to coordinate the completion of the necessary public improvements in compliance with any approved development plans obtained by, or for the benefit of, the District.

#### **I. Service Plan Letter of Intent.**

The proponents for the formation of the District intend that this Service Plan shall be in conformity with the applicable standards contained in C.R.S. 32-1-203 and shall be compliant with all applicable County rules and regulations including, but not limited to County requirements for notice, publication, hearings and policies and procedures of the County for approval of a metropolitan district service plan. All pertinent facts, matters and issues shall be submitted to the County and evidence satisfactory to the County that each of the following was presented:

- a. There is sufficient existing and projected need for continued organized service in the area to be served by the District;
- b. The existing service in the area to be served by the District is not adequate for present and projected needs without the organization of the District;
- c. The District is capable of providing economical and sufficient services to the area it intends upon serving and/or financing the public improvements which shall be dedicated to and accepted by the County, or other Provider Jurisdiction;
- d. The area to be included within the District has, or will have the financial ability to discharge the proposed indebtedness of the District on a reasonable basis within the mill levy caps and restrictions provided by the County rules and regulations.
- e. The proposed service plan shall be consistent with applicable elements of the El Paso County Master Plan and Special District Policies.



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## **II. Major Service Plan Points for Rock Creek Metropolitan District.**

- Approximately 30 acres of property in the initial boundaries, as well as the potential for an additional of up to an estimated 90 acres or more (depending on how many additional parcels are ultimately included within the District), and all within El Paso County.
- Completion of an estimated \$4,600,000 of on and off-site public improvements including, but not limited to on and off-site streets, roadway, water and sanitary, and landscaping improvements.
- Anticipated development of approximately 240 multi-family residential units and approximately 211 single family residential units.
- The estimated initial assessed value at time of complete build-out is \$7,778,704 (based upon an estimated initial market value at time of complete build-out of \$108,037,554 times 7.2%).
- The initial estimated cost of the public improvements needed for the project is \$4,600,000. The foregoing estimates are preliminary in nature and the ultimate costs may increase or decrease depending on numerous factors, many of which are out of Developer's control. In particular, these initial cost estimates only include the public improvement portion of costs and the total project improvement costs (including items such as dry utilities, etc.) will be significantly higher and will materially increase the overall costs.
- Public Improvements need additional financing from the District to complete.
- Debt is proposed to be issued in one or more series of bond issuances to allow for financing of constructed infrastructure and expedient completion of the overall project.
- Maximum Mill Levy of 65 mills inclusive of debt (50 mills), operations and administration (10 mills), and covenant enforcement and design review (up to 5 mills, if provided by the District), is proposed.
- Total projected mill levy of 50 mills for debt (residential), 35 mills for debt (commercial), 10 mills for operations and maintenance, and up to 5 mills for covenant enforcement and design review (if provided by the District) allows for financing of up to approximately \$7,600,000 based upon initial estimates.
- Requested Debt Authorization of \$8,000,000 allows for contingencies and financing variations based upon changes to construction costs, development build out and absorption of the project.
- Maximum voted interest rate of 12%, maximum underwriting discount of 5%.
- Metropolitan district powers allowed by the Special District Act and consistent with other El Paso County metropolitan districts.
- Formation Election after approval of the Service Plan in November 2017.
- There are no current residents within the District and no debt or bonds have been issued.



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August 7, 2017

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- Mill levies, interest rate limitations, term limitations and underwriting discounts will be consistent with the present County imposed limitations with other service plans approved by the County.
- Maximum term of any bond issue is 30 years for General Obligation Bonds.
- Rock Creek Metropolitan District shall develop and finance its own property.

The Rock Creek Metropolitan District Service Plan will serve the best interests of the taxpayers, property owners and development of the property within the Rock Creek Property, will minimize non-interested party obligations, and will maximize both development and absorption within the District and County without delays in development. The formation of the District will allow for financing and development to pay for only those improvements and costs which are a direct benefit to the property within the District.

We look forward to working with the County on this matter.

Sincerely,  
SPENCER FANE LLP

*/s/ Russell W. Dykstra*  
Russell W. Dykstra, General Counsel

ph/

**ROCK CREEK  
METROPOLITAN DISTRICT**

**EL PASO COUNTY, COLORADO**

**REVISED DRAFT  
(August 25, 2017)**

**SERVICE PLAN**  
**FOR**  
**ROCK CREEK**  
**METROPOLITAN DISTRICT**

Prepared by:

SPENCER FANE LLP  
Attention: Russell W. Dykstra  
1700 Lincoln Street, Suite 2000  
Denver, CO 80203-4554  
Phone: 303-839-3845  
E-mail: rdykstra@spencerfane.com

REVISED DRAFT (August 25, 2017)

Applicant(s)

Developer:

The Equity Group LLC  
Attention: Danny Mientka  
90 South Cascade Avenue, Suite 1500  
Colorado Springs, CO 80903  
Office: (719) 448-4034

Proposed Initial Directors:

Danny Mientka  
Rebecca Mientka  
Melissa Christensen  
Deirdre Aden-Smith

## Consultants(s)

- Underwriter

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Denver, CO 80202

- Engineers

FEI Engineers  
5325 South Valentia Way  
Greenwood Village, CO 80111

- Consultant

Matrix Design Group, Inc.  
2435 Research Parkway, Suite 300  
Colorado Springs, CO 80920

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## **EXHIBITS**

- A. Maps and Legal Descriptions
  - 1. Vicinity Map and Initially Included Property Map
  - 2. Legal Descriptions of Initially Included Properties
  - 3. Additional Included Property Map (if applicable)
- B. Development Summary
- C. Infrastructure Capital Costs
- D. Financial Plan Summary
- E. Annual Report and Disclosure Form

## I. EXECUTIVE SUMMARY

The following is a summary of general information regarding the proposed District provided for the convenience of the reviewers of this Service Plan. Please note that the following information is subject in all respects to the more complete descriptions contained elsewhere in this Service Plan.

|                                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|---------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Proposed District:                    | Rock Creek Metropolitan District                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| Property Owner(s):                    | Colorado Springs Equities LLC; and, Equity Management LLC Defined Benefit Retirement Plan                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| Developer(s):                         | The Equity Group LLC                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| Description of Development:           | <i>Approximately 30 acres within the initial proposed District boundaries in El Paso County and, together with the proposed additional boundary area, ultimately the District is anticipated to consist of 240 multi-family residential units with an average value of approximately \$160,000, and 211 single family residential units with an average value of approximately \$316,000</i>                                                                                                                                                                                                                                                                                            |
| Proposed Improvements to be Financed: | <i>Proposed completion of an estimated \$4,600,000 of on and off-site public improvements including, but not limited to, on and off-site streets, roadway, water and sanitary sewer, and park and recreation improvements. The foregoing costs estimates are preliminary in nature and the ultimate costs may increase or decrease depending on numerous factors, many of which are out of Developer's control. In particular, these initial cost estimates only include the public improvement portion of costs and the total project improvement costs (including items such as dry utilities, etc.) will be significantly higher and will materially increase the overall costs.</i> |
| Proposed Ongoing Services:            | <i>The Developer and the District intend to work with any overlapping service providers to obtain the necessary consents and/or approvals for the provision of necessary services to the District including, but not limited to, water, wastewater, streets, drainage, parks and recreation, and fire protection services. Additionally, the District shall have the power and authority to provide other services as authorized under the Special District Act including, but not limited to, mosquito control, television relay and translation, covenant enforcement and design review, and security services.</i>                                                                   |
| Infrastructure Capital Costs:         | Initial costs estimates of approximately \$4,600,000                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |

|                                     |                                                                                                                                                                                                   |
|-------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Maximum Debt Authorization:         | Up to \$8,000,000                                                                                                                                                                                 |
| Proposed Debt Mill Levy:            | 50 Mills – residential; 35 Mills – commercial                                                                                                                                                     |
| Proposed O & M Mill Levy:           | 10 Mills                                                                                                                                                                                          |
| Proposed Special Purpose Mill Levy: | Covenant enforcement and design review – if provided by the District an additional mill levy of up to 5 mills may be utilized                                                                     |
| Proposed Maximum Mill Levies:       | 65 Mills                                                                                                                                                                                          |
| Proposed Fees:                      | <i>(Development Fees of up to \$2,500 per single family equivalent units. Service Fees for covenant enforcement and design review (if provided) will be through a special purpose mill levy.)</i> |

## II. DEFINITIONS

The following terms are specifically defined for use in this Service Plan. For specific definitions of terms not listed below please also refer to the El Paso County Special District Policies, the El Paso County Land Development Code and Colorado Revised Statutes, as may be applicable.

Additional Inclusion Areas: means the property described in Section III. and depicted on the map found at Exhibit A.3 that is anticipated for future inclusion into the boundaries of the District.

Annual Report and Disclosure Statement: means the statement of the same name required to be filed annually with the Board of County Commissioners pursuant to Resolution 06-472 as may be amended.

Board: means the board of directors of the District.

Board of County Commissioners: means the Board of County Commissioners of El Paso County.

Conventional Representative District: A Title 32 district in which all property owners and residents may participate in district elections.

County: means El Paso County, Colorado

Debt: means bonds or other obligations for the payment of which the District has promised to impose an *ad valorem* property tax mill levy without such promise being subject to annual appropriation.

Developer Funding Agreement: An agreement of any kind executed between a special district and a Developer as this term is specifically defined below, including but not limited to advance funding agreements, reimbursement agreements or loans to the special district from a Developer, where such an agreement creates an obligation of any kind which may require the special district to re-pay the Developer. The term “Developer” means any person or entity (including but not limited to corporations, venture partners, proprietorships, estates and trusts) that owns or has a contract to purchase undeveloped taxable real property greater than or equal to ten percent (10%) of all real property located within the boundaries of the special district. The term “Developer Funding Agreement” shall not extend to any such obligation listed above if such obligation has been converted to Debt issued by the special district to evidence the obligation to repay such Developer Funding Agreement, including the purchase of such Debt by a Developer.

District: means the Rock Creek Metropolitan District as described in this Service Plan.

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

Gallagher Adjustment: means an allowed adjustment to the Maximum Debt Service Mill Levy, Maximum Operational Mill Levy, or Maximum Special Mill Levy intended to offset the effect of adjustments to the ratio between market value and assessed value of taxable property within the District that would cause a reduction in the revenue otherwise produced from such Maximums based on the ratio between market value and assessed value as of January 1 in the year in which the District’s organizational election is held.

Initial District Boundaries: means the initial boundaries of the District as described in Exhibit A.

Local Public Improvements: means facilities and other improvements which are or will be dedicated to the County or another governmental or quasi-governmental entity for substantially public use, but which do not qualify under the definition of Regional Public Improvements. Examples would include local streets and appurtenant facilities, water and sewer lines which serve individual properties and drainage facilities that do not qualify as reimbursable under adopted drainage basin planning studies.

Material Modification: has the meaning described in Section 32-1-207, C.R.S., as it may be amended from time to time, which, among other things, outlines what constitutes a material modification and the procedure for making a modification in a service plan.

Maximum Combined Mill Levy: The maximum combined ad valorem mill levy the District may certify against any property within the District for any purposes.

Maximum Debt Authorization: means the maximum principal amount of Debt that the District may have outstanding at any time, which under this Service Plan is \$8,000,000.

Maximum Debt Service Mill Levy: The maximum ad valorem mill levy the District may certify against any property within the District for the purpose of servicing any Debt incurred by or on behalf of the District.

Maximum Operational Mill Levy: The maximum ad valorem mill levy the District may certify against any property within the District for the purposes providing revenues for ongoing operation, maintenance, administration or any other allowable services and activities other than the servicing of Debt. This Maximum Operational Mill Levy is exclusive of any Maximum Special Mill Levy which might be separately authorized.

Maximum Special Purpose Mill Levy: means maximum ad valorem mill levy which is allowed in addition to the allowable Maximum Debt Service Mill Levy and the Maximum Operational Mill Levy (*E.g. a special earmarked levy for fire protection or covenant enforcement etc. – identify use within definition*)

Planning and Community Development Department: The department of the County formally charged with administering the development regulations of the County.

Public Improvements: Those improvements constituting Regional Public Improvements and Local Public Improvements collectively.

Public Improvement Fee: means any privately-imposed transaction-based charge on property within the boundaries of the District that is received by the District for application to authorized District purposes.

Regional Public Improvements: Facilities and other improvements which are or will be dedicated to the County or another governmental or quasi-governmental entity for substantially public use, and which serve the needs of the region.

Revenue Obligations: means bonds or other obligations not subject to annual appropriation that are payable from a pledge of revenues other than *ad valorem* property taxes.

Service Plan: means this Service Plan for the District.

Special District Act: means Section 32-1-101, *et seq.*, of the Colorado Revised Statutes, as amended from time to time, which laws generally outline the parameters of special districts, from organization through dissolution.

State: means the State of Colorado.

Underlying Land Use Approvals: means Board of County Commissioners approval of the applicable land use plans that form the basis for the need for the District and its proposed financing plan and/or services. Such approvals may be in the form of one or a combination of Sketch Plans, Generalized Planned Unit Development (PUD) Development Plans, site-specific PUD plans, or subdivision plans.

### **III. INTRODUCTION**

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

The District will be created pursuant to the Special District Act. The District is an independent unit of local government, separate and distinct from the County, and, except as may otherwise be provided for by State or local law or this Service Plan, their activities are subject to review by the County only insofar as they may deviate in a material matter from the requirements of the Service Plan. It is intended that the District, in their discretion, will provide a part or all of various Public Improvements necessary and appropriate for the development of a project generally located within the unincorporated County to be known as "Rock Creek" (the "Project"). Where, as here, only a portion of the Project comprising the District will be located within the boundaries of the City of Colorado Springs, it is not necessary for the County to obtain consent from the City of Colorado Springs prior to formation of the District. In particular, C.R.S. §§ 32-1-202 (outlining the service plan filing requirements) and 32-1-204.5 (detailing the municipal approval process) provide that municipal approval is only necessary when a proposed district's boundaries will be "wholly contained within the boundaries of a municipality or municipalities." C.R.S. § 32-1-204.5. The Public Improvements will be constructed for the use and benefit of all anticipated inhabitants, property owners and taxpayers of the District. The primary purpose of the District will be to finance the construction of these Public Improvements. Additional major purposes may include covenant enforcement, design review and park and recreation purposes.

#### **B. Need For The District.**

There is a need for creation of the District. There are currently no other governmental entities, including the County, located in the immediate vicinity of the District that consider it desirable, feasible or practical to undertake the planning, design, acquisition, construction installation, relocation, redevelopment, and financing of the Public Improvements needed for the Project. 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. County Objectives In Forming The District.**

The County recognizes the District as an independent quasi-municipal entity which is duly authorized for the purposes and functions identified in the Service Plan. Future County involvement in the affairs of the District will generally be limited to functions as required by the Colorado Revised Statutes, reporting and disclosure functions, determinations as to compliance with

the limits as set forth in this Service Plan or any conditions attached to its approval, as well as additional activities or relationships as may be stipulated in any intergovernmental agreements which may be entered in to between the District and the County in the future.

In approving this Service Plan the objectives of the County include an intent to allow the applicant(s) reasonable access to public tax-exempt financing for reasonable costs associated with the generally identified Public Improvements and to allow the applicant(s) the ability to prudently obligate future property owners for a reasonable share of the repayment costs of the Public Improvements which will benefit the properties within the District.

It is the additional objective of the County to allow for the District to provide for the identified ongoing services which either cannot or will not be provided by the County and/ or other districts.

In approving this District as a Conventional Representative District, it is also an objective of the County to maximize opportunities for full representative participation on the part of future eligible electors. However, because many of the critical financing decisions will be made prior to the existence of resident electors, it is the further intent of the County to accommodate and allow for reasonable and constructive ongoing notice to future property owners of the probable financial impacts associated with owning property within the District.

D. Specific Purposes - Facilities and Services.

The District is authorized to provide the following facilities and services, both within and without the boundaries of the District as may be necessary:

1. Water. The District shall have the power and authority to finance, design, construct, acquire, install, maintain, assess tap or other facility fees, and provide for potable water and irrigation water facilities and systems, including, but not limited to, water rights, water supply, treatment, storage, transmission, and distribution systems for domestic, irrigation, fire control, and other public purposes, together with all necessary and proper reservoirs, treatment facilities, wells, equipment, and appurtenances incident thereto, which may include, but shall not be limited to, transmission lines, pipes, distribution mains and laterals, storage facilities, and ditches, with all necessary and incidental and appurtenant facilities, land and easements, together with extensions and improvements thereto. The District shall have the power and authority to contract with other private or governmental entities to provide any or all of the services the District are authorized or empowered to provide. To the extent necessary, the District shall dedicate any necessary improvements to one or more governmental entities that provide service ("Provider Jurisdiction") in accordance with the Provider Jurisdiction rules and regulations.

It is not determined yet whether or to what extent the District intends to join the El Paso County Water Authority following formation.

2. Sanitation. The District shall have the power and authority to finance, design, construct, acquire, install, maintain, assess tap or other facility fees, and provide for sanitary sewers and to transport wastewater to an appropriate wastewater treatment facility, with all

necessary and incidental and appurtenant facilities, land and easements, together with extensions and improvements thereto. To the extent necessary, the District shall dedicate any necessary improvements to one or more governmental entities that provide service ("Provider Jurisdiction") in accordance with the Provider Jurisdiction rules and regulations.

3. Street Improvements, Transportation and Safety Protection. The District shall have the power and authority to finance, design, construct, acquire, install, maintain, and provide for arterial and collector streets and roadway improvements including, but not limited to, bridges, curbs, gutters, culverts, storm sewers and drainage facilities, detention and retention ponds, retaining walls and appurtenances, sidewalks, paving, lighting, grading, landscaping, streetscaping, placement of underground utilities, snow removal, tunnels, and other street improvements, and architectural enhancements to any or all of the above, with all necessary and incidental and appurtenant facilities, land and easements, together with extensions and improvements thereto. It is anticipated that the foregoing street improvements will be dedicated by the District to the County upon completion and, following acceptance by the County, the County will own, operation and maintain such street improvements.

4. Drainage. The District shall have the power and authority to finance, design, construct, acquire, install, maintain, and provide for flood and surface drainage improvements, including, but not limited to, culverts, dams, retaining walls, access way inlets, detention and retention ponds, paving, roadside swales, curbs and gutters, disposal works and facilities, water quality facilities, and all necessary and proper equipment, with all necessary and incidental and appurtenant facilities, land and easements, together with extensions and improvements thereto. To the extent necessary, the District shall dedicate any necessary improvements to one or more governmental entities that provide service ("Provider Jurisdiction") in accordance with the Provider Jurisdiction rules and regulations.

5. Parks and Recreation. The District shall have the power and authority to finance, design, construct, acquire, install, maintain, and provide for public park and public recreation centers and other recreation facilities, services, or programs including, but not limited to, grading, soil preparation, sprinkler systems, fencing, pavilions, playgrounds, playing fields, open space, bike trails, pedestrian trails, pedestrian bridges, picnic areas, common area landscaping, streetscaping, storage buildings and facilities, weed control, paving, decorative paving, outdoor functional and decorative lighting, community events, and other services, programs and facilities, with all necessary and incidental and appurtenant facilities, land and easements, together with extensions and improvements thereto. To the extent necessary, the District shall dedicate any necessary improvements to one or more governmental entities that provide service ("Provider Jurisdiction") in accordance with the Provider Jurisdiction rules and regulations.

The District shall not have the authority to apply for or utilize any Conservation Trust ("Lottery") funds without the express prior consent of the Board of County Commissioners. The District shall have the authority to apply for and receive any other grant funds, including, but not limited to, Great Outdoors Colorado (GOCO) discretionary grants. Such approval, although required, is not considered to be a material modification which would require the need to revise this Service Plan.

6. Mosquito Control. The District shall have the power and authority to finance, design, construct, acquire, install, operate, maintain, and provide for systems and methods for the eradication and control of mosquitoes, including but not limited to elimination or treatment of breeding grounds and purchase, lease, contracting or other use of equipment or supplies for mosquito control.

7. Fire Protection. The District shall not be authorized to plan for, design, acquire, construct, install, relocate, redevelop, finance, operate or maintain fire protection facilities or services, unless such facilities and services are provided pursuant to an intergovernmental agreement with the applicable Fire District. The authority to plan for, design, acquire, construct, install, relocate, redevelop or finance fire hydrants and related improvements installed as part of the water system shall not be limited by this provision.

8. Television Relay and Translation. The District shall have the power and authority to finance, design, construct, install, acquire, operate, and maintain television relay and translator facilities, with all necessary and incidental and appurtenant facilities, land and easements, together with extensions and improvements thereto.

9. Covenant Enforcement and Design Review. The District shall have the power and authority to provide covenant enforcement and design review services subject to the limitations set forth in C.R.S. § 32-1-1004(8), as amended, which section addresses covenant enforcement and design review services as additional powers of a metropolitan district under certain circumstances. The Covenant enforcement and design review powers will be coordinated through District No. 1 on behalf of all of the District pursuant to a Master Intergovernmental Agreement to be executed by the District at their organizational meeting.

10. Security Services. The District shall have the power and authority to provide security services within the boundaries of the District, subject to the limitations set forth in C.R.S. § 32-1-1004(7), as amended, which section addresses security services as an additional power of a metropolitan district under certain circumstances. In no way is this power and authority intended to limit or supplant the responsibility and authority of local law enforcement (i.e., the El Paso County Sheriff's Department) within the boundaries of the District.

11. Solid Waste Disposal. The District has no plans to provide solid waste disposal services.

12. General. To the extent any of the above referenced facilities, improvements and services are dedicated and accepted by the County, the County shall own, operate and maintain such accepted facilities and related improvements. The District shall be authorized to own, operate and maintain any facilities, improvements and appurtenances not otherwise dedicated to and accepted by any Provider Jurisdiction, subject to any applicable County rules and regulations.

E. Other Powers.

1. Amendments. The District shall have the power to amend this Service Plan as needed, subject to appropriate statutory procedures as set forth in Section 32-1-207, C.R.S., as it

may be amended from time to time, which, among other things, outlines what constitutes a material modification and the procedure for making a modification in a service plan.

2. Authority to Modify Implementation of Financing Plan and Public Infrastructure. Without amending this Service Plan, the District may defer, forego, reschedule or restructure the financing and construction of certain improvements and facilities, to better accommodate the pace of growth, resources availability, and potential inclusions of property within the District.

F. Other Statutory Powers.

The District may exercise such powers as are expressly or impliedly granted by Colorado law, if not otherwise limited by the Service Plan or its conditions of approval.

G. Eminent Domain.

The District may exercise the power of eminent domain or dominant eminent domain only as necessary to further the clear public purposes of the District.

The power of eminent domain and/or dominant eminent domain shall be limited to the acquisition of property that the applicable District intends to own, control or maintain by the District or other governmental entity and is for the material use or benefit of the general public. The term “material use or benefit for the general public” shall not include the acquisition of property for the furtherance of an economic development plan, nor shall it include as a purpose an intent to convey such property or to make such property available to a private entity for economic development purposes. The phrase “furtherance of an economic development plan” does not include condemnation of property to facilitate public infrastructure that is necessary for the development of the Project.

H. Sales Tax or Public Improvement Fees

The District does not anticipate entering into arrangements with the County of a Public Improvements Company (PIC) for the purpose of accepting sales tax revenues. The District may anticipate creating a separate non-profit development corporation for the purposes of providing design, financing, and construction of municipal infrastructure, and other services and the imposition of fees on certain land sales which fees would be committed to servicing debt.

I. Intergovernmental Agreements (IGAs).

The District is authorized to enter into IGAs to the extent permissible by law.

J. Description Of Proposed Boundaries And Service Area.

1. Initial District Boundaries. A vicinity map showing the general location of the area that may be served by the District is included as Exhibit A. The legal description of the District boundaries is in Exhibit A.

2. Additional Inclusion Areas/Boundary Adjustments. Additional inclusion areas are anticipated in addition to the initially included properties. These additional inclusion areas are found at Exhibit A.3. The District shall be authorized to include territory within the Additional Inclusion Area in accordance with applicable provisions of the Special District Act. Further, in order to accommodate the needs of Project phasing and other contingencies, the boundaries of the District may be adjusted via the inclusion or exclusion within the combined area of the Initial District Boundaries and the Additional Inclusion Areas in accordance with the applicable provisions of the Special District Act.

3. Extraterritorial Service Areas. The District does not anticipate providing services to areas outside of the Initial District Boundaries or the Additional Inclusion Area.

4. Analysis Of Alternatives. It is anticipated that the District will undertake the financing and construction of the improvements contemplated herein. If and as necessary, the District will enter into one or more intergovernmental agreements which will govern the relationships between and among the District and other entities (which may include other local jurisdictions) with respect to the financing, construction and operation of the improvements contemplated herein. Also if and as necessary, the District will establish a mechanism whereby the District may separately or cooperatively fund, construct, install and operate the improvements.

5. Material Modifications/Service Plan Amendment. Material modifications of this Service Plan shall, at a minimum, trigger the need for prior approval of the Board of County Commissioners at an advertised public hearing and may require a need for a complete re-submittal of an amended Service Plan along with a hearing before the County's planning commission. For the purpose of this Service Plan the following changes shall be considered material modifications:

a. Any change in the basic services provided by the District, including the addition of any types of services not authorized by this Service Plan.

b. Any other matter which is now, or may in the future, be described as a material modification by the Special District Act.

c. Imposition of a mill levy in excess of any of the Maximum Mill Levies as authorized in this approved Service Plan.

d. Issuance of Debt in excess of the Maximum Debt Authorization authorized in this Service Plan

e. Issuance of any Debt with a maturity period of greater than thirty (30) years, from the date of issuance of such Debt.

f. Creation of any sub-District as contemplated in the Special District Act.

g. Inclusion into the District of any property over five (5) miles from

the combined area of the Initial District Boundaries and the property described in Exhibit A.3 unless explicitly contemplated in this Service Plan.

#### **IV. DEVELOPMENT ANALYSIS**

##### **A. Existing Developed Conditions.**

At the present time there are no public improvements within the proposed District boundaries and there is no population.

##### **B. Total Development At Project Buildout.**

At complete Project build-out, development within the District (including both the current and future proposed inclusion area) is planned to consist of approximately 211 single family homes, with prices of homes in the project expected to average approximately \$300,000 in year 2017 dollars; and, approximately 240 multi-family units, with prices of units in the project expected to average approximately \$150,000 per unit in year 2017 dollars.

##### **C. Development Phasing And Absorption.**

Absorption of the project is projected to take 5 years, beginning in 2018 and ending in 2022 and is further described in the Development Summary Table found at Exhibit B.

##### **D. Status of Underlying Land Use Approvals.**

The underlying land use approval process is progressing. It is requested that the service plan approval process move forward so that the organizational and debt election can occur in November 2017. This will allow future purchasers to have full knowledge of the District. Additionally, approval of the District at this stage will facilitate the planning, implementation and financing of the engineering, design and other related activities necessary for this project to move forward.

#### **V. INFRASTRUCTURE SUMMARY**

Attached as Exhibit C is summary of the estimated costs of Public Improvements which are anticipated to be required within the District. A general description of the categories of Public Improvements is included in Section III.D. of this Service Plan. The total costs of the Public Improvement is estimated to be approximately \$4,600,000, in year 2017 dollars. It should be noted, though, the foregoing costs estimates are preliminary in nature and the ultimate costs may increase or decrease depending on numerous factors, many of which are out of Developer's control. In particular, these initial cost estimates only include the public improvement portion of costs and the total project improvement costs (including items such as dry utilities, etc.) will be significantly higher and will materially increase the overall costs. It is estimated that the District will finance up to approximately \$8,000,000, but the amount ultimately financed by the District will depend upon the ultimate costs of the Public Improvements, and will be subject to the Maximum Authorized Debt limit and financial capacity of the District within the limitations provided in the Service Plan.

All Public Improvements will be designed and constructed in accordance with the standards of the governmental entity to which such Public Improvements will be dedicated (including, with respect to storm sewer and drainage facilities, the applicable NPDES standards), and otherwise in accordance with applicable El Paso County standards. The composition of specific Public Improvements will be determined in connection with applicable future land use and development approvals required by El Paso County rules and regulations.

## **VI. FINANCIAL PLAN SUMMARY.**

### **A. Financial Plan Assumptions and Debt Capacity Model.**

Attached at Exhibit D is a summary of development assumptions, projected assessed valuation, description of revenue sources (including applicable mill levies and fees) and expenses for both operations and debt service, and an overall debt capacity model associated with projected future development of the Project. The model demonstrates that the District is capable of providing sufficient and economic service within the Project, and that the District has or will have the financial ability to discharge the District's Debt on a reasonable basis. The financial model attached as Exhibit D is an example of the manner in which the District may finance the Public Improvements. The specific structure for financing the Public Improvements shall be determined in the discretion of the Boards of Directors of the District, subject to the limitations set forth in this Service Plan.

### **B. Maximum Authorized Debt.**

The District is authorized to issue Debt up to \$8,000,000 in principal amount. The additional amount beyond actual costs is provided to allow for contingencies and unanticipated changes from the date of approval of this Service Plan.

### **C. Maximum Mill Levies.**

1. Maximum Debt Service Mill Levy. The Maximum Debt Service Mill Levy shall be fifty (50) mills, subject to Gallagher Adjustment. All Debt issued by the District must be issued in compliance with the requirements of Section 32-1-1101, C.R.S. (which outlines the various financial powers of a special district), and all other requirements of State law.

2. Maximum Operational Mill Levy. The Maximum Operational Mill Levy Cap for the District shall be ten (10) mills, subject to Gallagher Adjustment.

3. Maximum Special Purpose Mill Levy. The Maximum Special Purpose Mill Levy for the District is five (5) Mills, subject to Gallagher Adjustment.

4. Maximum Combined Mill Levy. The Maximum Combined Mill Levy is 65 Mills, subject to Gallagher Adjustment.

Increases to or removal of any of the Maximum Mill Levies shall be subject to Board of County

Commissioner approval without the need for a formal Service Plan Amendment (unless the Board otherwise requires).

D. Maximum Maturity Period For Debt.

The period of maturity for issuance of any Debt (but not including Developer Funding Agreements) shall be limited to no more than thirty (30) years without express, prior approval of the Board of County Commissioners. Such approval, although required, is not considered to be a Material Modification of the Service Plan which would trigger the need to amend said Service Plan. However, the District is specifically authorized to refund or restructure existing Debt so long as the period of maturity for the refunding or restructured Debt is no greater than 30 years from the date of the issuance thereof.

E. Developer Funding Agreements.

The Developer does intend to enter into Developer Funding Agreements with the District in addition to recovery of the eligible costs associated with creation of the District. It is anticipated that in the formative years the District will have shortfalls in funding its capital costs and monthly operations and maintenance expenses. The Developer may fund these obligations for the District to promote the Project's development subject to the Developer being repaid from future District revenues.

Developer Funding Agreements may allow for the earning of simple interest thereon, but under no circumstances shall any such agreement permit the compounding of interest. The Developer Funding Agreements may permit an interest rate that does not exceed the prime interest rate plus two points thereon.

The maximum term for repayment of a Developer Funding Agreement shall be twenty (20) years from the date the District becomes obligated to repay the Developer Funding Agreement under the associated contractual obligation. For the purpose of this provision, Developer Funding Agreements are considered repaid once the obligations are fully paid in cash or when converted to bonded indebtedness of the District (including privately placed bonds). Any extension of such term is considered a Material Modification and must be approved by the Board of County Commissioners.

Required disclosure notices shall clearly identify the potential for the District to enter into obligations associated with Developer Funding Agreements.

F. 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 this Service Plan.

We [I] certify that (1) the net effective interest rate (calculated as defined in Section 32-1-103(12), C.R.S., which defines "net effective interest rate" for purposes of the Special District Act) 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.

G. Revenue Obligations. The District shall also be permitted to issue Revenue Obligations in such amount as the District may determine. Amounts issued as Revenue Obligations are not subject to the Maximum Debt Authorization.

## **VII. OVERLAPPING TAXING ENTITIES, NEIGHBORING JURISDICTIONS**

### **A. Overlapping Taxing Entities.**

The directly overlapping taxing entities and their respective year 2016 mill levies are as follows:

For property located within the City of Colorado Springs:

|                                             |         |
|---------------------------------------------|---------|
| El Paso County                              | .007589 |
| El Paso County Road and Bridge Share        | .000165 |
| City of Colorado Springs                    | .004279 |
| El Paso County Road and Bridge Share        | .000165 |
| Fountain/Fort Carson School. District No. 8 | .024748 |
| Pikes Peak Library District                 | .003957 |
| Southeastern Colorado Water Conservancy     | .000940 |
| Total Existing Mill Levy:                   | .041843 |

The total mill levy for property located within the City of Colorado Springs including the initially proposed District's mill levy is .106843 mills.

For property located outside of the City of Colorado Springs:

|                                                   |         |
|---------------------------------------------------|---------|
| El Paso County                                    | .007589 |
| El Paso County Road and Bridge (unshared)         | .000330 |
| Fountain/Fort Carson School. District No. 8       | .024748 |
| Pikes Peak Library District                       | .003957 |
| Southwestern Highway 115 Fire Protection District | .013200 |
| Total Existing Mill Levy:                         | .049824 |

The total mill levy for property located outside of the City of Colorado Springs including the initially proposed District's mill levy is .114824 mills.

It is not anticipated that there will be any significant financial impacts to these entities.

B. Neighboring Jurisdictions.

The following additional taxing and or service providing entities include territory within three (s) miles of the Initial District Boundaries: Broadmoor Fire Protection District; Cheyenne Mountain 12 School District; City of Colorado Springs; El Paso County Conservation District; Fountain/Fort Carson 8 School District; Harrison 2 School District; Red Rock Valley Estates Water District; Rock Creek Mesa Water District; Southeastern Colorado Water Conservancy District; Southwestern Highway 115 Fire Protection District; and, Widefield 3 School District.

Anticipated relationships and impacts to these entities: As noted previously, the Developer and the District intend to work with any overlapping service providers to obtain the necessary consents and/or approvals for the provision of necessary services to the District including, but not limited to, water, wastewater and fire protection services.

**VIII. DISSOLUTION**

A. Dissolution. Upon an independent determination of the Board of County Commissioners that the purposes for which the District was created have been accomplished, the District agrees to file a petition in the appropriate District Court for dissolution, pursuant to the applicable State statutes. In no event shall 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.

B. Administrative Dissolution. The District shall be subject to administrative dissolution by the Division of Local Government as set forth in Section 32-1-710, C.R.S., which, among other things, outlines the various circumstances under which the Division of Local Government may pursue dissolution of a district.

**IX. COMPLIANCE**

A. An Annual Report and Disclosure Form will be required and submitted as described in C.R.S. 32-1-207(3)(d), which generally outlines the annual reporting parameters, and as further articulated by Board of County Commissioners Resolution No. 07-273, which Resolution adopted the County's model service plan.

B. Material Modifications of this Service Plan shall be subject to the provisions contained in Section 32-1-207, C.R.S. (as it may be amended from time to time, which, among other things, outlines what constitutes a material modification and the procedure for making a modification in a service plan), relating to approvals and notices thereof.

**X. MISCELLANEOUS.**

The following is additional information to further explain the functions of the District:

A. Special District Act.

The contemplated municipal services are under the jurisdiction of the Special District Act and not the Public Utilities Commission.

B. Disclosure to Prospective Purchasers.

After formation of the District, and in conjunction with final platting of any properties within the proposed District, the Board of Directors of the District shall prepare a notice acceptable to the Planning and Community Development Department Staff informing all purchasers of property within the District of the District's existence, purpose and debt, taxing, and other revenue-raising powers and limitations. Such notice obligation shall be deemed satisfied by recording the notice with this Service Plan and each final plat associated with the Project, or by such other means as the Planning and Community Development Department approves. Such notice shall be modified to address the potential for future Debt issuance which may be required to meet the obligations associated with loans incurred by the District. In conjunction with subsequent plat recordings, Planning and Community Development Department Staff is authorized to administratively approve updates of the disclosure form to reflect current information.

C. Local Improvements.

Prior to the financing of Local Public Improvements, and if required by County policy uniformly applied, agreements shall be in place to prevent a loss of sales tax revenue from sales of construction materials that would otherwise accrue to the County.

D. Service Plan not a Contract.

The grant of authority contained in this Service Plan does not constitute the agreement or binding commitment of the District enforceable by third parties to undertake the activities described, or to undertake such activities exactly as described.

E. Land Use and Development Approvals.

Approval of this Service Plan does not imply approval of the development of a specific area within the Project, nor does it imply approval of the number of residential units or the total site/floor area of commercial or industrial buildings identified in this Service Plan or any of the exhibits attached thereto. All such land use and development approvals shall be processed and obtained in accordance with applicable El Paso County rules, regulations and policies.

**XI. CONCLUSION**

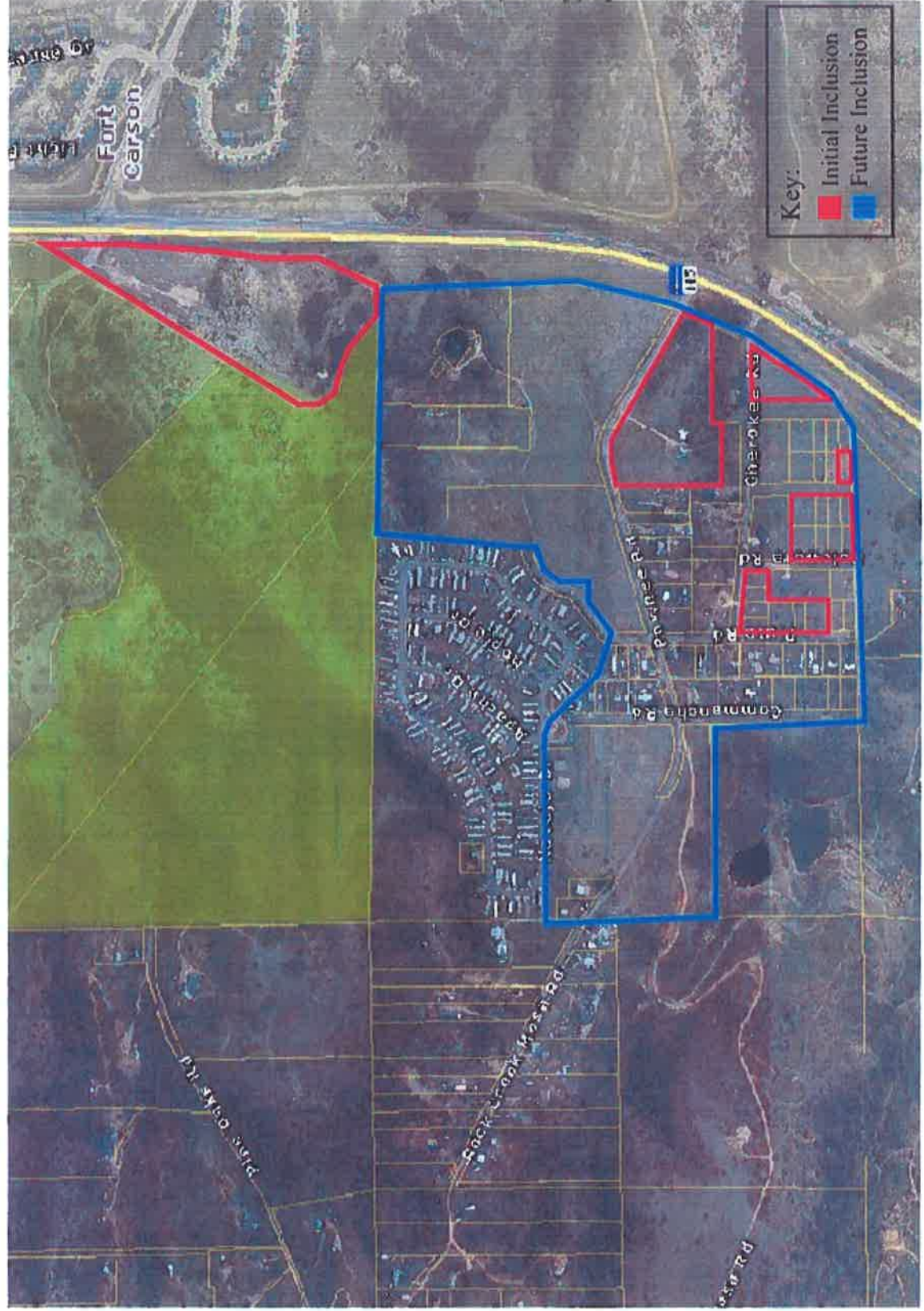
It is submitted that this Service Plan for the District establishes that:

- A. There is sufficient existing and projected need for organized service in the area to be serviced by the proposed District;
- B. The existing service in the area to be served by the proposed District is inadequate for present and projected needs;
- C. The proposed District is capable of providing economical and sufficient service to the Project;
- D. The area to be included in the proposed District does have, and will have, the financial ability to discharge the proposed indebtedness on a reasonable basis;
- E. Adequate service is not, and will not be, available to the area through the County or other existing municipal or 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 County;
- G. The proposal is in substantial compliance with the County master plan.
- H. The creation of the proposed District is in the best interests of the area proposed to be served.

# **EXHIBIT A**

## **MAPS AND LEGAL DESCRIPTIONS**

**Rock Creek Metropolitan District  
Boundary Map - Initial Inclusion & Future Inclusion**



## EXHIBIT A

### ROCK CREEK METROPOLITAN DISTRICT

Property Address: 3 30-15-66  
Tax Schedule No. 65000-00-135  
Ownership: Colorado Springs Equities LLC

Legal Description:

THAT PART OF W2NE4 SEC 30-15-66 LY BETWEEN OLD AND NEW CANON CITY ROADS

Property Address: Cherokee Drive  
Tax Schedule No. 65303-07-001  
Ownership: Colorado Springs Equities LLC

Legal Description: LOT 1 BLOCK 8 ROCK CREEK MESA SUBDIVISION ADDITION 2

Property Address: 153 Cherokee Drive  
Tax Schedule No. 65303-07-002  
Ownership: Colorado Springs Equities LLC

Legal Description: LOT 2 BLOCK 8 ROCK CREEK MESA SUBDIVISION ADDITION 2

Property Address: Cherokee Drive  
Tax Schedule No. 65303-07-003  
Ownership: Colorado Springs Equities LLC

Legal Description: LOT 3 BLOCK 8 ROCK CREEK MESA SUBDIVISION ADDITION 2

Property Address: Cherokee Drive  
Tax Schedule No. 65303 07 004  
Ownership: Colorado Springs Equities LLC

Legal Description: LOT 4 BLOCK 8 ROCK CREEK MESA SUBDIVISION ADDITION 2

Property Address: 0 Piute Road  
Tax Schedule No. 65303 07 005  
Ownership: Colorado Springs Equities LLC

Legal Description: LOT 5 BLOCK 8 ROCK CREEK MESA SUBDIVISION ADDITION 2

Property Address: Piute Road  
Tax Schedule No. 65303 07 008  
Ownership: Colorado Springs Equities LLC

Legal Description: LOT 6 BLOCK 8 ROCK CREEK MESA SUBDIVISION ADDITION 2

Property Address: Piute Road  
Tax Schedule No. 65303 07 009  
Ownership: Colorado Springs Equities LLC

Legal Description: LOT 7 BLOCK 8 ROCK CREEK MESA SUBDIVISION ADDITION 2

Property Address: Piute Road  
Tax Schedule No. 65303 07 019  
Ownership: Colorado Springs Equities LLC

Legal Description: LOTS 8 & 9 BLOCK 8 ROCK CREEK MESA SUBDIVISION ADDITION 2

Property Address: Seneca Road  
Tax Schedule No. 65303-08-007  
Ownership: Colorado Springs Equities LLC

Legal Description: LOT 15, BLOCK 9, ROCK CREEK MESA SUBDIVISION ADDITION 2

Property Address: Delaware Road  
Tax Schedule No. 65303 08 008  
Ownership: Colorado Springs Equities LLC

Legal Description: LOT 6 BLOCK 9 ROCK CREEK MESA SUBDIVISION ADDITION 2

Property Address: Delaware Road  
Tax Schedule No. 65303 08 009  
Ownership: Colorado Springs Equities LLC

Legal Description: LOT 7 BLOCK 9 ROCK CREEK MESA SUBDIVISION ADDITION 2

Property Address: Seneca Road  
Tax Schedule No. 65303 08 010  
Ownership: Colorado Springs Equities LLC

Legal Description: LOT 14 BLOCK 9 ROCK CREEK MESA SUBDIVISION ADDITION 2

Property Address: Seneca Road  
Tax Schedule No. 65303 08 011  
Ownership: Colorado Springs Equities LLC

Legal Description: LOT 13 BLOCK 9 ROCK CREEK MESA SUBDIVISION ADDITION 2

Property Address: Delaware Road  
Tax Schedule No. 65303-08-012  
Ownership: Colorado Springs Equities LLC

Legal Description: LOT 8 BLOCK 9 ROCK CREEK MESA SUBDIVISION ADDITION 2

Property Address: Delaware Road  
Tax Schedule No. 65303 08 013  
Ownership: Colorado Springs Equities LLC

Legal Description: LOT 9 BLOCK 9 ROCK CREEK MESA SUBDIVISION ADDITION 2

Property Address: Seneca Road  
Tax Schedule No. 65303 08 014  
Ownership: Colorado Springs Equities LLC

Legal Description: LOT 12 BLOCK 9 ROCK CREEK MESA SUBDIVISION ADDITION 2

Property Address: Seneca Road  
Tax Schedule No. 65303 08 015  
Ownership: Colorado Springs Equities LLC

Legal Description: LOT 11 BLOCK 9 ROCK CREEK MESA SUBDIVISION ADDITION 2

Property Address: Delaware Road  
Tax Schedule No. 65303 08 016  
Ownership: Colorado Springs Equities LLC

Legal Description: LOT 10 BLOCK 9 ROCK CREEK MESA SUBDIVISION ADDITION 2

Property Address: Seneca Road  
Tax Schedule No. 65303 09 015  
Ownership: Colorado Springs Equities LLC

Legal Description: LOT 8 BLOCK 10 ROCK CREEK MESA SUBDIVISION ADDITION 2

Property Address: 0 30-15-66  
Tax Schedule No: 65304-00-009  
Ownership: Equity Management LLC Defined Benefit Retirement Plan

Legal Description:

That portion of the South half of Section 30 in Township 15 South, Range 66 West of the 6<sup>th</sup> P.M., described as follows: Commencing at the South quarter corner of said Section 30; Thence East on the South line thereof 206.7 feet to its intersection with the center line of State Highway No. 115 as described in Deed recorded in Book 941 at page 394 of the records of El Paso County, Colorado, under Reception No. 604859; Thence Northerly on the center line of said highway, 716 feet, more or less, to the most Easterly corner of the tract of land described in Deed to Howard L. McMillen and Evelyn B. McMillen recorded in Book 1393 at page 121 of said records under Reception No. 904410 for the point of beginning of the tract to be described hereby; Thence Westerly on the Northerly line of said McMillen tract to an angle point thereon; thence North on an Easterly line of said McMillen tract 100 feet to a corner thereof; Thence West on the Northerly line of said McMillen tract 300 feet to a corner thereof; Thence North on an Easterly line thereof 292 feet; Thence East parallel with the South line of said Section 300 feet; Thence South parallel with the West line of said Section 242 feet; Thence East parallel with the South line of said Section to intersect the center line of said State Highway No. 115; Thence Southwesterly on said center line to the point of beginning; EXCEPT that portion described in Deed recorded in Book 2035 at page 159 under Reception No. 368209; and that portion of the South half of Section 30 in Township 15 South, Range 66 West of the 6<sup>th</sup> P.M., described as follows: Commencing at a point where the center line of State Highway No. 115 and the Northeast corner of that tract of land conveyed to Percy G. and Opal May Griffin in Book 1570 at page 408 of the El Paso County, Colorado, records coincide; thence West along the North line of said Griffin tract to a point which is a corner of said Griffin tract; thence North along and

Easterly line of said Griffin tract a distance of 242 feet to a point which is a corner of said Griffin tract; thence West along the North line of said Griffin tract a distance of 300 feet to a point on an East line of that tract of land conveyed to Howard L. McMillen and Evelyn E. McMillen by Deed recorded in Book 1393 at page 121; thence North on said East line of said McMillen tract a distance of 353 feet to the South line of the County Road as it is now used; Thence Easterly and Southeasterly along the South line of said County road to its intersection with the center line of State Highway No. 115; Thence Southwesterly along the center line of said State Highway to the place of beginning; County of El Paso, State of Colorado

Property Address: 0 Sioux Road  
Tax Schedule No. 65304 01 001  
Ownership: Colorado Springs Equities LLC

Legal Description: ALL BLOCK 11 ROCK CREEK MESA SUBDIVISION ADDITION EXCEPT  
.777 ACRES TO HIGHWAY

## **EXHIBIT B**

### **DEVELOPMENT SUMMARY**

Approximately 211 single family homes are anticipated to be developed and completed over a period of 4 years beginning in 2018, with prices of such homes expected to average approximately \$300,000 in year 2017 dollars.

Additionally, approximately 240 multi-family units are anticipated to be developed and completed over a period of 5 years beginning in 2018, with prices of such units expected to average approximately \$150,000 per unit in year 2017 dollars.

## **EXHIBIT C**

### **ESTIMATED INFRASTRUCTURE CAPITAL COSTS**

**Pine Oaks - Sanitary Sewer Extension**  
**Opinion of Probable Construction Costs**  
Matrix Design Group, Inc.  
March 11, 2015

|                                                               | <u>Quantity</u> | <u>Unit</u> | <u>Unit Cost</u> | <u>Total Cost</u> |
|---------------------------------------------------------------|-----------------|-------------|------------------|-------------------|
| <u>Mobile Home Park Connection</u>                            |                 |             |                  |                   |
| Development Charges for Mobile Homes (Connection Fees)*       | 236             | ea          | \$ 1,900         | \$ 448,400        |
| Development Charges for Single Family Unit (Connection Fees)* | 1               | ea          | \$ 2,882         | \$ 2,882          |
| Cost Recovery for JL Ranch Pump Station                       | 42.77           | ac          | \$ 161           | \$ 6,900          |
| * Requires City Council approval for outside user             |                 |             |                  | \$ 458,182        |

Extension Costs from Mobile Home Park to New Lift Station

|                                                   |       |    |             |            |
|---------------------------------------------------|-------|----|-------------|------------|
| Mobilization                                      | 1     | ls | \$ 7,500    | \$ 7,500   |
| Grading within Easement                           | 1     | ls | \$ 25,000   | \$ 25,000  |
| Erosion Control                                   | 1     | ls | \$ 7,500    | \$ 7,500   |
| Reseeding/Stabilization                           | 1     | ls | \$ 5,000    | \$ 5,000   |
| Connection from Existing MHP System to New System | 1     | ls | \$ 10,000   | \$ 10,000  |
| 8" Sanitary Sewer Main                            | 1,675 | lf | \$ 45.00    | \$ 75,375  |
| 4' Manhole                                        | 7     | ea | \$ 4,500.00 | \$ 31,500  |
| Subtotal - Hard Costs                             |       |    |             | \$ 161,875 |

|                         |   |    |           |           |
|-------------------------|---|----|-----------|-----------|
| Design Survey           | 1 | ls | \$ 3,500  | \$ 3,500  |
| Easement Documentation  | 1 | ls | \$ 2,000  | \$ 2,000  |
| Engineering             | 1 | ls | \$ 12,500 | \$ 12,500 |
| Construction Surveying  | 1 | ls | \$ 2,500  | \$ 2,500  |
| Construction Management | 1 | ls | \$ 5,000  | \$ 5,000  |
| Subtotal - Soft Costs   |   |    |           | \$ 25,500 |

|                        |            |
|------------------------|------------|
| Subtotal Project Costs | \$ 187,375 |
| Contingency (20%)      | \$ 37,475  |
| Total Estimated Cost   | \$ 224,850 |

Extension Costs from New Lift Station to JL Ranch Height Road

|                                                                        |       |    |              |            |
|------------------------------------------------------------------------|-------|----|--------------|------------|
| Mobilization                                                           | 1     | ls | \$ 15,000    | \$ 15,000  |
| Grading within Easement                                                | 1     | ls | \$ 50,000    | \$ 50,000  |
| Erosion Control                                                        | 1     | ls | \$ 20,000    | \$ 20,000  |
| Reseeding/Stabilization                                                | 1     | ls | \$ 15,000    | \$ 15,000  |
| Lift Station                                                           | 1     | ls | \$ 450,000   | \$ 450,000 |
| Electric Service for Lift Station                                      | 1     | ls | \$ 15,000    | \$ 15,000  |
| 4" Sanitary Sewer Force Main                                           | 5,700 | lf | \$ 40.00     | \$ 228,000 |
| 4' Manhole                                                             | 1     | ea | \$ 4,500.00  | \$ 4,500   |
| Check Valves                                                           | 10    | ea | \$ 1,000.00  | \$ 10,000  |
| Air Release Station                                                    | 1     | ea | \$ 12,500.00 | \$ 12,500  |
| 5' Manhole with Sewer Tie-in to Gravity Main (Includes bypass pumping) | 1     | ls | \$ 10,000    | \$ 10,000  |
| Upgrades to JL Ranch Pump Station                                      | 1     | ls | \$ 80,000    | \$ 80,000  |
| Cost Recovery for JL Ranch Pump Station                                | 16.04 | ac | \$ 161       | \$ 2,588   |
| Subtotal - Hard Costs                                                  |       |    |              | \$ 912,588 |

|                                                               |   |    |           |            |
|---------------------------------------------------------------|---|----|-----------|------------|
| 208 Permitting/Permitting Fees/Preliminary Engineering Design | 1 | ls | \$ 50,000 | \$ 50,000  |
| Design Survey                                                 | 1 | ls | \$ 3,500  | \$ 3,500   |
| Easement Documentation                                        | 1 | ls | \$ 2,500  | \$ 2,500   |
| Final Engineering                                             | 1 | ls | \$ 45,000 | \$ 45,000  |
| Construction Surveying                                        | 1 | ls | \$ 3,500  | \$ 3,500   |
| Construction Management                                       | 1 | ls | \$ 10,000 | \$ 10,000  |
| Subtotal - Soft Costs                                         |   |    |           | \$ 114,500 |

|                        |              |
|------------------------|--------------|
| Subtotal Project Costs | \$ 1,027,088 |
| Contingency (20%)      | \$ 205,418   |
| Total Estimated Cost   | \$ 1,232,505 |

**Pine Oaks - Water Main Extension**  
**Opinion of Probable Construction Costs**  
Matrix Design Group, Inc.  
March 11, 2015

|                                                                                 | <u>Quantity</u> | <u>Unit</u> | <u>Unit Cost</u> | <u>Total Cost</u> |
|---------------------------------------------------------------------------------|-----------------|-------------|------------------|-------------------|
| <u>Extension Costs from Northern Property Boundary to JL Ranch Heights Road</u> |                 |             |                  |                   |
| Mobilization                                                                    | 1               | ls          | \$ 15,000        | \$ 15,000         |
| Grading within Easement                                                         | 1               | ls          | \$ 50,000        | \$ 50,000         |
| Erosion Control                                                                 | 1               | ls          | \$ 20,000        | \$ 20,000         |
| Reseeding/Stabilization                                                         | 1               | ls          | \$ 15,000        | \$ 15,000         |
| 8" Water Main with Bends and Valves                                             | 10,950          | lf          | \$ 50.00         | \$ 547,500        |
| Air Release Station                                                             | 1               | ea          | \$ 12,500.00     | \$ 12,500         |
| Cost Recovery ?????                                                             |                 | ac          | \$               | \$ -              |
| Subtotal - Hard Costs                                                           |                 |             |                  | \$ 660,000        |
| Design Survey                                                                   | 1               | ls          | \$ 3,500         | \$ 3,500          |
| Easement Documentation                                                          | 1               | ls          | \$ 2,500         | \$ 2,500          |
| Final Engineering                                                               | 1               | ls          | \$ 25,000        | \$ 25,000         |
| Construction Surveying                                                          | 1               | ls          | \$ 3,500         | \$ 3,500          |
| Construction Management                                                         | 1               | ls          | \$ 10,000        | \$ 10,000         |
| Subtotal - Soft Costs                                                           |                 |             |                  | \$ 44,500         |
| Subtotal Project Costs                                                          |                 |             |                  | \$ 704,500        |
| Contingency (20%)                                                               |                 |             |                  | \$ 140,900        |
| Total Estimated Cost                                                            |                 |             |                  | \$ 845,400        |



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## TECHNICAL MEMORANDUM

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**TO:** Mr. Dany Mientka, The Equity Group, LLC

**FROM:** Nathan Martinson, P.E.

**REVIEWED BY:** Bob Frachetti, P.E.

**DATE:** June 9, 2017

**SUBJECT:** Pine Oaks Lift Station, Alternative Service Area Cost Comparison

**PN/File No.:** EQTY-17-0235 5.0

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The purpose of this technical memorandum (TM) is to evaluate alternatives and costs to potentially connect two additional service areas into the planned Pine Oaks lift station (Project) for the Sundance at Rock Creek Apartments Development (Sundance). Adding service areas to this Project will increase capital and long term operation and maintenance (O&M) costs. However, the present worth of O&M costs may be less than the capital.

### 1. BACKGROUND

The Equity Group (Owner) is currently in planning phases for the Sundance development which will reside in El Paso County, Colorado. The planned lift station will be located in the south or southeastern portion of the Sundance development site, with the exact location to be determined. The lift station will convey municipal wastewater through a 5,500-linear foot of force main to a terminal gravity sewer which is owned, operated, and maintained by Colorado Springs Utilities (CSU). The force main will run along north portion of State Highway 115 (Vietnam Veterans Memorial Highway) until it reaches the terminal manhole. At a minimum, the primary service area will consist of wastewater from the Sundance development, and the Project's lift station and force main will be sized to convey this wastewater generated from the planned 240 apartment units. See Attachment A for the Sundance development site plan provided from the Owner.

With the assistance of this TM's findings, the Owner may decide to negotiate two other adjacent service area land owners to use the Sundance's lift station. The two adjacent service areas evaluated for potential tie in are: (1) The Pinions at Rock Creek Mesa (Pinions) located west of Sundance, and (2) Cheyenne Mountain Estates Mobile Home Park (Cheyenne Estates) located to the northwest of Sundance. The Pinions is an adjacent development that is also currently in the planning stages while the Cheyenne Estates is existing and currently using individual septic systems for wastewater disposal and treatment.

This TM will determine sewer flows from these potential service areas and provide a conceptual level Engineer's Opinion of Probable Construction Cost (OPCC) for each. FEI notes potential service area tap fees, user fees, or similar for each additional service area were not evaluated within the scope of this TM. Additionally, easement costs and/or land use acquisition costs from one service area to another are excluded.

## 2. PROBABLE COST APPROACH & METHODOLOGY

FEI used a lump sum price approach to estimate the conceptual capital cost for the lift station for the three alternatives. Each portion of work is divided into one of the Construction Specification Institute (CSI) Divisions - 1 through 16. Each CSI Division is further subdivided into specific portions of work (i.e., line item for each product/material) – where a lump sum price is given for each line item.

To reach a total estimated conceptual level, capital project cost, the subtotal cost must also be adjusted to account for construction prorates, contractor's overhead and profit, a construction contingency, and an estimate for engineering services. It is FEI's experience that construction prorates typically account for 18 percent of the subtotal; 10 percent for overhead and profit; and for typical cost estimations at this conceptual level, a 30 percent design/construction contingency; and 15 percent estimate for engineering services. Contingency can be adjusted based on projected changes from the conceptual planning stages to final design plans and specifications. A detailed breakout of the subtotals and adjustments is included in the OPCCs provided as an attachment to this TM.

To determine the lump sum prices for each line item, FEI used the following sources to assist in the development of each OPCC:

- Historic bid tabulations from FEI's archived lift station projects within Colorado (adjusted for inflation, 2017 dollars)
- Historic bid tabulations from various other sources within Colorado (adjusted for inflation, 2017 dollars)
- Historic contractor cost estimates for previously completed FEI projects (adjusted for inflation, 2017 dollars)
- Unit price cost data from published sources (e.g., RS Means)
- When multiple sources provided cost estimates for specific line items, FEI used the most reliable source, which was typically local contractor cost estimates for projects completed within the last calendar year.

### 2.1. DESIGN ASSUMPTIONS FOR BASE COST OF LIFT STATION AND FORCE MAIN

A base cost will be determined for the lift station and force main as these facilities will be required, at a minimum, to serve the Sundance development service area. This base cost evaluation is also considered "Alternative 1". The costs for tying in the alternative service areas are considered "adder costs", and are in addition to the base cost generated for Alternative 1.

By evaluating and incorporating feedback from the Owner; Matrix Design Services (the Owner's Representative); and CSU, FEI has made the following assumptions to assist in the preparation of each the Alternative 1 base cost and additional alternative costs:

- Lift station wetwell will be a buried, below grade structure not exceeding 25 feet in depth and utilizing submersible non-clog sewage pumps.
- Lift station and its components will include submersible solids handling pumps, accessories, valves, and discharge piping to the force main. Accessories include but are not limited to: motors, motor starters, guide rails for removal, electrical, packaged controls, level sensors, flow metering devices, and other instrumentation.
- A masonry block building with a control room and backup generator room will be provided. The masonry building will meet all code requirements, including a fully automated HVAC system. Access to the wetwell and pumps will be provided exterior of the building. Interior

access of the wetwell and pumps within the building is considerably more expensive and not a typical design practice.

- Electrical components include a backup generator, service disconnects, lighting panels, lights, receptacles, interior transformer(s), and other electrical gear. Electrical service requirements prior to the main service disconnect are the responsibility of the electrical utility and are not included.
- Native soils that are easily excavated, backfilled, and compacted, and do not consist of bedrock.
- Ground water table is greater than 25 feet below ground surface. Groundwater dewatering for construction is not included.
- Bedrock would not be encountered within the vicinity of the excavation for the lift station.

All OPCC's made available within this TM are preliminary, conceptual, and are subject to change as the design progresses. The relative accuracy of the OPCC is costs provided with a 30 percent contingency due to the current preliminary and conceptual state of the project.

### **3. SERVICE AREA ALTERNATIVES**

Each service area alternative added to Alternative 1, or the base alternative, will increase the cost and would ultimately be passed onto the users via tap fees and/or monthly user fees. As mentioned, the Owner may negotiate with the adjacent service area landowners provided there is cost benefit to do so.

The receiving treatment facility for all potential service areas for this lift station is owned and operated by CSU. El Paso County and CSU provide guidelines for sewer generation estimates on a gallon per person per day basis. Both El Paso County and CDPHE On-site Wastewater Treatment Systems regulations (Regulation 43) recommend a design wastewater generation rate of 75 gallons per day (gpd) per person. FEI used historic census data to determine the persons per household for each dwelling unit (DU). This TM will analyze expected sewer flow from these service areas by categorizing them into three alternatives.

1. Alternative 1 (Base Cost): Sundance at Rock Creek Apartments.
2. Alternative 2: Sundance at Rock Creek Apartments combined with Pinons at Rock Creek Mesa.
3. Alternative 3: Sundance at Rock Creek Apartments combined with Pinions at Rock Creek Mesa and the existing Cheyenne Estates.

#### **3.1. ALTERNATIVE 1 (BASE ALTERNATIVE): SUNDANCE AT ROCK CREEK APARTMENTS**

The Sundance development will be located near the intersection of Pine Oaks Road and State Highway 115. The development will be a 2-phased construction and the buildout service area will have 240 DU. Based on US Census Data for Colorado Springs, average occupancy for apartments is 2.27 persons per household (i.e., DU). Based on the County sewer flow design requirements of 75 gallons per person per day, the service area is expected to generate 40,900 gallons of wastewater per day (average day flow). See Figure 1 for the service area location and the proposed location of the lift station.

Table 1 presents the flow calculations for this base alternative.

**Table 1. Alternative 1 Estimated Wastewater Generation (Sundance Apartments)**

| Item                                                | Value          | Unit                      |
|-----------------------------------------------------|----------------|---------------------------|
| Number of Apartments                                | 240            | Dwelling Units            |
| Number of persons per Apartment <sup>(1)</sup>      | 2.27           | Persons/household         |
| Sewer flow per person <sup>(2)</sup>                | 75             | Gallons per day           |
| <b>Total Estimated Average Daily Flow</b>           | <b>40,900</b>  | <b>Gallons per day</b>    |
| <b>Total Estimated Peak Hour Flow<sup>(3)</sup></b> | <b>204,500</b> | <b>Gallons per day</b>    |
|                                                     | <b>142</b>     | <b>Gallons per minute</b> |

(1) US Census Bureau for City of Colorado Springs.

(2) Per El Paso County and CDPHE On-Site Wastewater Treatment Systems Regulation.

(3) Peaking factor of 5.0.

Table 2 provides the OPCC for Alternative 1 which includes the wet well below grade structures, above grade structures, lift station equipment, and electrical/controls. The cost of the force main was not included, as preliminary flow data indicates the pipe size will not change, and likely will remain the minimum size of 4-inch for all alternatives. Additionally, the gravity sewer pipelines within the Sundance development were omitted as they will not directly impact the lift station or alternate service areas.

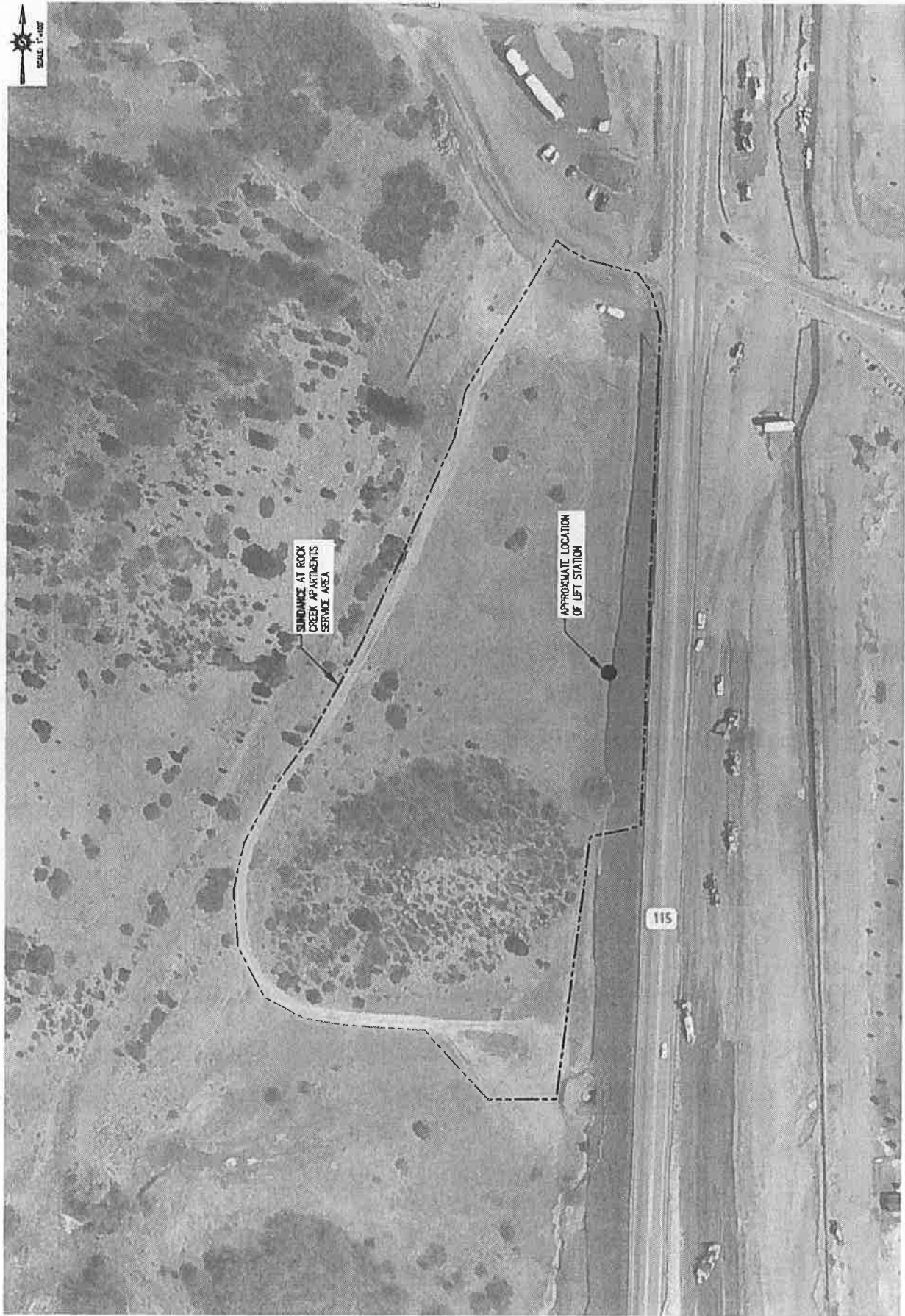
**Table 2. Alternative 1 Opinion of Probably Construction Cost (Sundance Apartments)**

| Division | Item                                   | Alternative 1<br>(Base Cost) |
|----------|----------------------------------------|------------------------------|
| 2        | Civil / Site Work <sup>(1)</sup>       | \$ 25,000                    |
| 3        | Concrete (precast)                     | \$ 100,000                   |
| 4        | Masonry <sup>(2)</sup>                 | \$ 50,000                    |
| 5        | Metals                                 | \$ 15,000                    |
| 9        | Finishes                               | \$ 15,000                    |
| 11       | Equipment                              | \$ 100,000                   |
| 15       | Mechanical/HVAC                        | \$ 5,000                     |
| 16       | Electrical, Instrumentation & Controls | \$ 250,000                   |
|          | <b>Raw Subtotal 1</b>                  | <b>\$ 560,000</b>            |
|          | Construction Prorates (18%)            | \$ 100,800                   |
|          | Contractor's Overhead & Profit (10%)   | \$ 56,000                    |
|          | <b>Subtotal 2</b>                      | <b>\$ 716,800</b>            |
|          | Engineering (15%)                      | \$ 107,500                   |
|          | Contingency (30%)                      | \$ 215,000                   |
|          | <b>TOTAL CONSTRUCTION COST</b>         | <b>\$ 1,039,400</b>          |

(1) Does not include cost of force main construction or sanitary sewer within Sundance.

(2) Assumes above grade masonry block building.

Alternative 1 is used as base cost for the additions of Alternative 2 and Alternative 3. Subtotal 1 cost is the bare cost for construction. Construction prorates and contractor overhead & profit (OH&P) costs are added to construction subtotal 1 to calculate subtotal 2 cost. Engineering and contingency costs are added to subtotal 2 cost to calculate the total construction cost. The 30 percent contingency is considered a conservative, industry standard value used for conceptual cost estimates.



### 3.2. ALTERNATIVE 2: SUNDANCE AND THE PINONS AT ROCK CREEK MESA

The Pinons at Rock Creek Mesa (Pinons) development will be located near the intersection of Pawnee Road and State Highway 115, and will be to the south of the Apartments. The Pinons is projected to have 211 single family DU. Based on US Census Data for Colorado Springs, average occupancy for single family DU is 3.04 persons per household. Based on 75 gallons per person per day, the Pinons service area will generate 48,100 gallons of wastewater per day (average day flow). The Pinons and Sundance service areas will result in a combined sewer flow of 89,000 gallons per day. Table 3 provides the breakdown of sewer flow from the Sundance and the Pinons. Figure 2 shows the service area locations and additional sanitary facilities required.

**Table 3. Alternative 2 Estimated Wastewater Generation**

| <b>Total Wastewater Generation Rates</b>                | <b>Value</b>   | <b>Unit</b>               |
|---------------------------------------------------------|----------------|---------------------------|
| Number of Homes at Pinons                               | 211            | Dwelling Unit             |
| Number of persons per Single Family Home <sup>(1)</sup> | 3.04           | Persons per Household     |
| Sewer flow per person <sup>(2)</sup>                    | 75             | Gallons per day           |
| Flow from Pinons                                        | 48,100         | Gallons per day           |
| Flow from Apartments (Sundance)                         | 40,900         | Gallons per day           |
| <b>Total Estimated Average Daily Flow</b>               | <b>89,000</b>  | <b>Gallons per day</b>    |
| <b>Total Estimated Peak Hour Flow<sup>(3)</sup></b>     | <b>445,000</b> | <b>Gallons per day</b>    |
|                                                         | <b>309</b>     | <b>Gallons per minute</b> |

(1) US Census Bureau for City of Colorado Springs

(2) Per El Paso County and CDPHE

(3) Peaking factor of 5.0.

The main additional cost for Alternative 2 includes additional installation of approximately 1,400 linear feet of gravity sewer required to convey wastewater from the Pinons development to the Sundance development.



Cost estimate for Alternative 2 is split into an added cost included with the Alternative 1 base cost. The added cost will include the additional gravity sewer pipe from Pinons to Sundance, increased concrete requirement for additional wet well emergency storage capacity, increased equipment cost for larger pumps and motors, and increased electrical and instrumentation cost. Table 4 provides the OPCC for Alternative 2.

**Table 4. Alternative 2 Opinion of Probable Construction Cost (Apartments + Pinions)**

| Division | Item                                                    | Alternative 2<br>(Adder Cost) |
|----------|---------------------------------------------------------|-------------------------------|
|          | <b>Alternative 1, Base Cost Construction Subtotal 1</b> | <b>\$ 560,000</b>             |
| 2        | Civil / Site Work <sup>(1)</sup>                        | \$ 105,000                    |
| 3        | Concrete <sup>(2)</sup>                                 | \$ 50,000                     |
| 11       | Equipment <sup>(3)</sup>                                | \$ 25,000                     |
| 16       | Electrical, Instrumentation & Controls                  | \$ 25,000                     |
|          | <b>Raw Alternative 2 Additional Cost</b>                | <b>\$ 205,000</b>             |
|          | Raw Alternative 2 - Construction Subtotal 1             | \$ 765,000                    |
|          | Construction Prorates (18%)                             | \$ 137,700                    |
|          | Contractor's Overhead & Profit (10%)                    | \$ 76,500                     |
|          | Subtotal 2                                              | \$ 979,200                    |
|          | Engineering (15%)                                       | \$ 146,900                    |
|          | Contingency (30%)                                       | \$ 293,800                    |
|          | <b>TOTAL CONSTRUCTION COST</b>                          | <b>\$ 1,419,900</b>           |

(1) 1,400 linear feet of 8-inch gravity sanitary sewer.

(2) Additional concrete for additional emergency wetwell storage capacity.

(3) Increased equipment size to accommodate additional flow

### 3.3. ALTERNATIVE 3: SUNDANCE, PINIONS, AND CHEYENNE ESTATES

Alternative 3 includes Sundance, Pinons, and adds the neighboring Cheyenne Estates to the lift station service area. The Cheyenne Estates is currently located to the southwest of the Apartments development and uses individual septic systems for their current method of waste disposal. The Park's buildout currently has 240 mobile homes and does not plan on additional spaces in the future.

At this time, flow data from the existing Cheyenne Estates is not available. El Paso County Board of Health and CDPHE On-site Wastewater Treatment Systems regulations (Regulation 43) recommends design sewer flow of 300 gallons per day per Cheyenne Estates space, which results in approximately 4 persons per mobile home. Table 5 provides the breakdown of generated sewer flow from all three service areas.

**Table 5. Alternative 3 Estimated Wastewater Generation**

| <b>Total Wastewater Generation Rates</b>            | <b>Value</b>   | <b>Unit</b>               |
|-----------------------------------------------------|----------------|---------------------------|
| Number of Mobile Homes                              | 240            | Dwelling Units            |
| Flow per Mobile Home Space                          | 300            | Gallons per day per space |
| Flow from Sundance                                  | 40,900         | Gallons per day           |
| Flow from Pinons                                    | 48,100         | Gallons per day           |
| Flow from Mobile Homes                              | 72,000         | Gallons per day           |
| <b>Total Estimated Average Daily Flow</b>           | <b>161,000</b> | <b>Gallons per day</b>    |
| <b>Total Estimated Peak Hour Flow<sup>(3)</sup></b> | <b>805,000</b> | <b>Gallons per day</b>    |
|                                                     | <b>559</b>     | <b>Gallons per minute</b> |

(1) 1,400 linear feet of 8-inch gravity sanitary sewer.

(2) Additional concrete for additional emergency wetwell storage capacity.

(3) Peaking factor of 5.0.

The main additive cost for Alternative 3 is approximately 1,150 linear feet of gravity sewer line from the mobile homes, which can connect to the proposed gravity sewer line from the Pinions, then continue as a combined gravity sewer to the lift station. FEI notes that due to the individual onsite sewer treatment systems at the Cheyenne Estates, it is likely that an interior gravity sewer collection system does not exist – this cost is not included in the scope of this TM, and assumes any interior collection improvements would not be provided by the Equity Group. Figure 3 shows the service areas and proposed gravity sewer line facilities for this alternative.

Like Alternative 2, the cost estimate for Alternative 3 is split into adder cost and base cost. The adder cost will include the cost for gravity sewer pipe from Pinons to lift station, increased concrete requirement, increased equipment cost and increased electrical and instrumentation cost. The adder cost will then be added to the Alternative 1 cost to calculate Alternative 3 OPC. Table 6 provides the OPC for Alternative 3. Adder cost is added to construction subtotal 1 cost from Table 2 to calculate Construction Subtotal 1 cost for Alternative 3.

**Table 6. Alternative 3 Opinion of Probable Construction Costs  
(Apartments + Pinions + Park)**

| <b>Division</b> | <b>Item</b>                                                 | <b>Alternative 3<br/>(Adder Cost)</b> |
|-----------------|-------------------------------------------------------------|---------------------------------------|
|                 | <b>Raw Alternative 1, Base Cost Construction Subtotal 1</b> | <b>\$ 560,000</b>                     |
|                 | <b>Raw Alternative 2, Construction Subtotal 1</b>           | <b>\$ 205,000</b>                     |
| 2               | Civil / Site Work <sup>(1)</sup>                            | \$ 87,000                             |
| 3               | Concrete                                                    | \$ 50,000                             |
| 11              | Equipment                                                   | \$ 25,000                             |
| 16              | Electrical, Instrumentation & Controls                      | \$ 25,000                             |
|                 | <b>Raw Alternative 3 Additional Cost</b>                    | <b>\$ 187,000</b>                     |
|                 | Raw Alternative 3 - Construction Subtotal 1                 | \$ 952,000                            |
|                 | Construction Prorates (18%)                                 | \$ 171,400                            |
|                 | Contractor's Overhead & Profit (10%)                        | \$ 95,200                             |
|                 | Subtotal 2                                                  | \$ 1,218,600                          |
|                 | Engineering (15%)                                           | \$ 182,800                            |
|                 | Contingency (30%)                                           | \$ 365,600                            |
|                 | <b>TOTAL CONSTRUCTION COST</b>                              | <b>\$ 1,767,000</b>                   |

(1) 1,150 linear feet of 8-inch gravity sanitary sewer.



#### 4. PROBABLE COST SUMMARY

Capital construction costs are summarized and compared below for each alternative in Table 7.

**Table 7. Conceptual Probable Construction Costs**

| Item                                          | Alternative 1<br>(Base Cost) | Alternative 2       | Alternative 3       |
|-----------------------------------------------|------------------------------|---------------------|---------------------|
| Raw Base Cost                                 | \$ 560,000                   | --                  | --                  |
| Alternative Adder Cost <sup>(1)</sup>         | --                           | \$ 205,000          | \$ 187,000          |
| <b>Raw Construction Subtotal 1</b>            | <b>\$ 560,000</b>            | <b>\$ 765,000</b>   | <b>\$ 1,352,000</b> |
| Adjusted Subtotal 2 <sup>(2)</sup>            | \$ 716,800                   | \$ 979,200          | \$ 1,218,600        |
| <b>TOTAL CONSTRUCTION COST <sup>(3)</sup></b> | <b>\$ 1,039,400</b>          | <b>\$ 1,419,900</b> | <b>\$ 1,767,000</b> |

(1) Additional cost for collection sewer from one service area to another, plus costs for lift station to handle additional flow.

(2) Includes Contractor Overhead and Profit and Construction Prorates.

(3) Includes Engineering and 30 percent Contingency.

(4) Costs do not include gravity sewer systems interior of any service area, only from one service area to another. Additionally, for conceptual purposes, the shortest alignment routes from one service area to another were assumed. Alternate routes will increase costs.

(5) Costs do not include cost of force main.

(6) Costs do not include easement or land acquisition costs.

#### 5. ATTACHMENTS

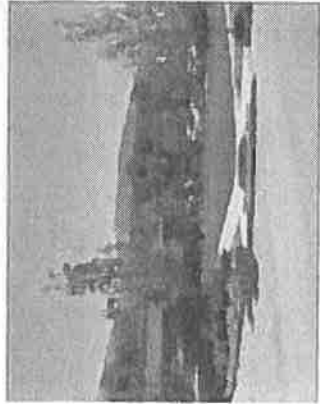
Attachment A

Sundance At Rock Creek Apartments Site Plan

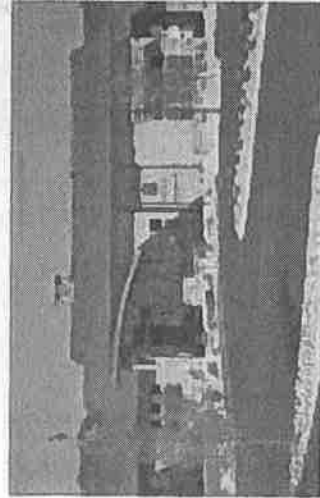
Attachment B

Pinons at Rock Creek Mesa Site Plan

**END OF MEMORANDUM**



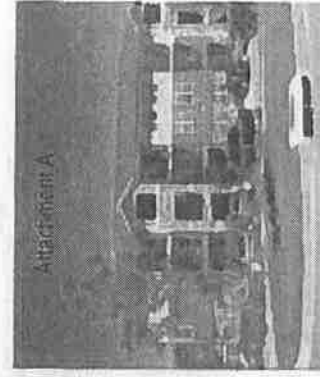
Clubhouse



Pool Amenity Area

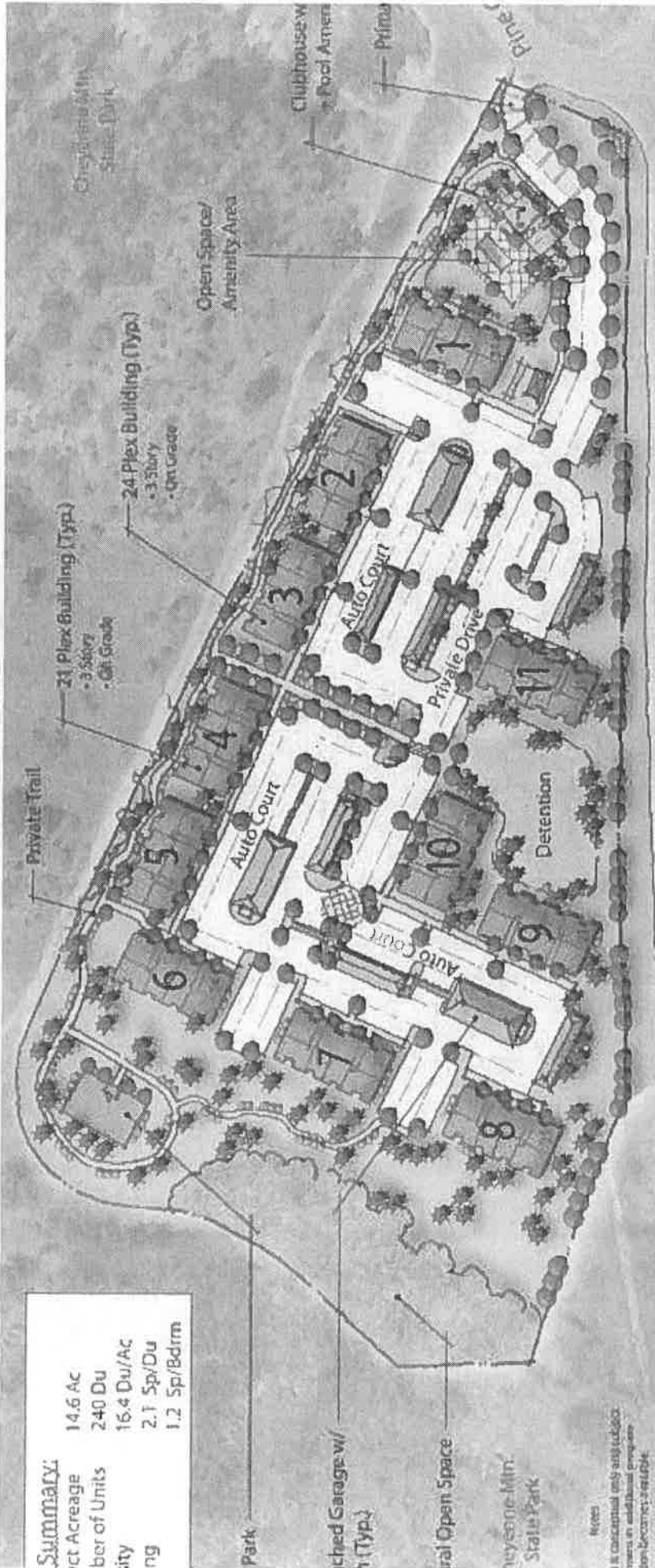


Attachment A



Elevation Imagery

|                 |              |
|-----------------|--------------|
| <b>Summary:</b> |              |
| Project Acreage | 14.6 Ac      |
| Number of Units | 240 Du       |
| Unit Type       | 16.4 Du/Ac   |
| Unit Type       | 2.1 Sp/Du    |
| Unit Type       | 1.2 Sp/Bd/rm |







## **EXHIBIT D**

### **FINANCIAL PLAN SUMMARY**

**ROCK CREEK METROPOLITAN DISTRICT**

**Development Projection at \$5.277 (target) Mills for Debt Service**

Series 2019, G.O. Bonds, Non-Related, 130x, 30-yr. Maturity; plus Series 2019B Cash-Flow Suba.

[illegible]☐ RAR @ 7.98% thru 2017

**ROCK CREEK METROPOLITAN DISTRICT**  
Development Projection at 65.277 (target) Mills for Debt Service

Series 2019, G.O. Bonds, Non-Rated, 150x, 30-yr. Maturity; plus Series 2019B Cash-Flow Subs.

| YEAR | Net Available<br>for Debt Svc | Ser. 2019<br>\$4,940,000 Par<br>(Net \$3,760 Mil) | Annual<br>Surplus | Surplus<br>Release @<br>50% DA<br>to \$400,000 | Cumulative<br>Surplus<br>\$400,000 Target | Senior<br>Debt/<br>Assessed<br>Ratio | Senior<br>Debt/<br>Act'l Value<br>Ratio | Cov. of Mat DS:<br>@ 65.277 target | Cov. of Mat DS:<br>@ 65.277 Cap |
|------|-------------------------------|---------------------------------------------------|-------------------|------------------------------------------------|-------------------------------------------|--------------------------------------|-----------------------------------------|------------------------------------|---------------------------------|
| 2017 | \$0                           |                                                   | n/a               |                                                | 0                                         | n/a                                  | n/a                                     | 0.0%                               | 0.0%                            |
| 2018 | 0                             |                                                   | n/a               |                                                | 0                                         | n/a                                  | n/a                                     | 0.0%                               | 0.0%                            |
| 2019 | 0                             | \$0                                               | 0                 |                                                | 0                                         | 365%                                 | 6%                                      | 0.0%                               | 0.0%                            |
| 2020 | 77,933                        |                                                   | 77,933            | 0                                              | 77,933                                    | 116%                                 | 6%                                      | 0.0%                               | 0.0%                            |
| 2021 | 246,266                       | 146,364                                           | 97,903            | 0                                              | 176,835                                   | 84%                                  | 5%                                      | 166.0%                             | 188.0%                          |
| 2022 | 339,278                       | 296,728                                           | 42,551            | 0                                              | 218,386                                   | 73%                                  | 5%                                      | 114.3%                             | 114.3%                          |
| 2023 | 382,388                       | 296,728                                           | 95,660            | 0                                              | 314,046                                   | 84%                                  | 5%                                      | 132.2%                             | 132.2%                          |
| 2024 | 446,667                       | 341,728                                           | 104,939           | 0                                              | 418,985                                   | 83%                                  | 4%                                      | 130.7%                             | 130.7%                          |
| 2025 | 446,667                       | 339,028                                           | 107,639           | 30,624                                         | 486,000                                   | 81%                                  | 4%                                      | 131.7%                             | 131.7%                          |
| 2026 | 455,600                       | 346,328                                           | 109,272           | 109,272                                        | 496,000                                   | 61%                                  | 4%                                      | 131.6%                             | 131.6%                          |
| 2027 | 455,600                       | 346,028                                           | 107,572           | 107,572                                        | 496,000                                   | 59%                                  | 4%                                      | 130.9%                             | 130.9%                          |
| 2028 | 464,712                       | 354,428                                           | 110,284           | 109,484                                        | 496,000                                   | 59%                                  | 4%                                      | 130.8%                             | 130.8%                          |
| 2029 | 464,712                       | 355,228                                           | 109,484           | 109,484                                        | 496,000                                   | 58%                                  | 4%                                      | 130.8%                             | 130.8%                          |
| 2030 | 474,008                       | 360,728                                           | 113,279           | 113,279                                        | 496,000                                   | 55%                                  | 4%                                      | 131.4%                             | 131.4%                          |
| 2031 | 474,008                       | 360,628                                           | 113,379           | 113,379                                        | 496,000                                   | 53%                                  | 4%                                      | 131.4%                             | 131.4%                          |
| 2032 | 483,486                       | 370,228                                           | 113,258           | 113,258                                        | 496,000                                   | 51%                                  | 4%                                      | 130.6%                             | 130.6%                          |
| 2033 | 483,486                       | 368,928                                           | 114,558           | 114,558                                        | 496,000                                   | 49%                                  | 3%                                      | 131.1%                             | 131.1%                          |
| 2034 | 483,156                       | 377,328                                           | 115,828           | 115,828                                        | 496,000                                   | 48%                                  | 3%                                      | 130.7%                             | 130.7%                          |
| 2035 | 493,156                       | 374,628                                           | 118,528           | 118,528                                        | 496,000                                   | 45%                                  | 3%                                      | 131.6%                             | 131.6%                          |
| 2036 | 503,019                       | 382,028                                           | 120,992           | 120,992                                        | 496,000                                   | 44%                                  | 3%                                      | 131.7%                             | 131.7%                          |
| 2037 | 503,019                       | 383,328                                           | 119,692           | 119,692                                        | 496,000                                   | 41%                                  | 3%                                      | 131.2%                             | 131.2%                          |
| 2038 | 513,080                       | 394,028                                           | 118,052           | 118,052                                        | 496,000                                   | 39%                                  | 3%                                      | 130.2%                             | 130.2%                          |
| 2039 | 513,080                       | 393,528                                           | 119,552           | 119,552                                        | 496,000                                   | 38%                                  | 3%                                      | 130.4%                             | 130.4%                          |
| 2040 | 523,341                       | 402,428                                           | 120,914           | 120,914                                        | 496,000                                   | 34%                                  | 2%                                      | 130.0%                             | 130.0%                          |
| 2041 | 523,341                       | 400,128                                           | 123,214           | 123,214                                        | 496,000                                   | 31%                                  | 2%                                      | 130.8%                             | 130.8%                          |
| 2042 | 533,808                       | 407,228                                           | 126,580           | 126,580                                        | 496,000                                   | 29%                                  | 2%                                      | 131.1%                             | 131.1%                          |
| 2043 | 533,808                       | 408,128                                           | 125,680           | 125,680                                        | 496,000                                   | 25%                                  | 2%                                      | 130.8%                             | 130.8%                          |
| 2044 | 544,484                       | 418,128                                           | 126,357           | 126,357                                        | 496,000                                   | 22%                                  | 2%                                      | 130.2%                             | 130.2%                          |
| 2045 | 544,484                       | 416,628                                           | 127,857           | 127,857                                        | 496,000                                   | 19%                                  | 1%                                      | 130.7%                             | 130.7%                          |
| 2046 | 555,374                       | 424,228                                           | 131,146           | 131,146                                        | 496,000                                   | 18%                                  | 1%                                      | 130.9%                             | 130.9%                          |
| 2047 | 555,374                       | 425,328                                           | 130,046           | 130,046                                        | 496,000                                   | 12%                                  | 1%                                      | 130.6%                             | 130.6%                          |
| 2048 | 566,481                       | 435,228                                           | 131,254           | 131,254                                        | 496,000                                   | 8%                                   | 0%                                      | 130.2%                             | 130.2%                          |
| 2049 | 566,481                       | 432,228                                           | 134,254           | 630,254                                        | 0                                         | 0%                                   | 0%                                      | 131.1%                             | 131.1%                          |
|      | 14,170,268                    | 10,761,642                                        | 3,408,455         | 3,408,455                                      |                                           |                                      |                                         |                                    |                                 |

(All 1017 bonds)

**ROCK CREEK METROPOLITAN DISTRICT**  
**Development Projection at \$5.277 (target) Mills for Debt Service**  
**Series 2019, G.O. Bonds, Non-Rated, 130x, 30-yr. Maturity; plus Series 2019B Cash-Flow Subs.**

Cash-Flow Subs. > > >

| YEAR | Surplus Available for Debt Service | Application of Prior Year Surplus | Date Bonds Issued | Total Available for Debt Service | Sub Bond Interest @ 6.00% | Less Payments Toward Sub Bond Interest | Accrued Interest + Int. on Bal. @ 6.00% | Less Payments Toward Accrued Interest | Balance of Accrued Interest | Sub Bonds Principal Issued | Less Payments Toward Bond Principal | Balance of Bond Principal | Total Sub. Debt Pmt. | Surplus Cash Flow | Surplus Release | Cum. Surplus |
|------|------------------------------------|-----------------------------------|-------------------|----------------------------------|---------------------------|----------------------------------------|-----------------------------------------|---------------------------------------|-----------------------------|----------------------------|-------------------------------------|---------------------------|----------------------|-------------------|-----------------|--------------|
| 2017 | 0                                  | 0                                 |                   | 0                                | \$2,598                   | \$0                                    | \$2,598                                 | \$0                                   | \$2,598                     | \$835,000                  | \$0                                 | \$835,000                 | \$0                  | 0                 | 0               | 0            |
| 2018 | 0                                  | 0                                 | 12/1/19           | 0                                | 66,800                    | 0                                      | 66,800                                  | 0                                     | 66,800                      | 0                          | 0                                   | 835,000                   | 0                    | 0                 | 0               | 0            |
| 2019 | 0                                  | 0                                 | 0                 | 0                                | 72,368                    | 0                                      | 72,368                                  | 0                                     | 141,974                     | 0                          | 0                                   | 835,000                   | 0                    | 0                 | 0               | 0            |
| 2020 | 0                                  | 0                                 | 0                 | 0                                | 78,158                    | 0                                      | 78,158                                  | 0                                     | 220,132                     | 0                          | 0                                   | 835,000                   | 0                    | 0                 | 0               | 0            |
| 2021 | 0                                  | 0                                 | 0                 | 0                                | 84,411                    | 0                                      | 84,411                                  | 0                                     | 304,543                     | 0                          | 0                                   | 835,000                   | 0                    | 0                 | 0               | 0            |
| 2022 | 0                                  | 0                                 | 0                 | 0                                | 91,183                    | 0                                      | 91,183                                  | 0                                     | 395,706                     | 0                          | 0                                   | 835,000                   | 0                    | 0                 | 0               | 0            |
| 2023 | 0                                  | 0                                 | 0                 | 0                                | 67,633                    | 0                                      | 67,633                                  | 0                                     | 463,539                     | 0                          | 0                                   | 835,000                   | 30,624               | 0                 | 0               | 0            |
| 2024 | 30,824                             | 0                                 | 0                 | 30,824                           | 66,800                    | 30,824                                 | 66,800                                  | 42,472                                | 458,150                     | 0                          | 0                                   | 835,000                   | 109,272              | 0                 | 0               | 0            |
| 2025 | 109,272                            | 0                                 | 0                 | 109,272                          | 66,800                    | 66,800                                 | 37,083                                  | 40,772                                | 458,150                     | 0                          | 0                                   | 835,000                   | 107,572              | 0                 | 0               | 0            |
| 2026 | 110,284                            | 0                                 | 0                 | 110,284                          | 66,800                    | 66,800                                 | 38,652                                  | 40,772                                | 458,150                     | 0                          | 0                                   | 835,000                   | 110,284              | 0                 | 0               | 0            |
| 2027 | 109,484                            | 0                                 | 0                 | 109,484                          | 66,800                    | 66,800                                 | 38,322                                  | 43,484                                | 448,967                     | 0                          | 0                                   | 835,000                   | 109,484              | 0                 | 0               | 0            |
| 2028 | 113,279                            | 0                                 | 0                 | 113,279                          | 66,800                    | 66,800                                 | 35,749                                  | 42,684                                | 439,932                     | 0                          | 0                                   | 835,000                   | 113,279              | 0                 | 0               | 0            |
| 2029 | 113,279                            | 0                                 | 0                 | 113,279                          | 66,800                    | 66,800                                 | 35,185                                  | 48,479                                | 428,648                     | 0                          | 0                                   | 835,000                   | 113,279              | 0                 | 0               | 0            |
| 2030 | 113,279                            | 0                                 | 0                 | 113,279                          | 66,800                    | 66,800                                 | 34,292                                  | 46,578                                | 416,362                     | 0                          | 0                                   | 835,000                   | 113,279              | 0                 | 0               | 0            |
| 2031 | 113,259                            | 0                                 | 0                 | 113,259                          | 66,800                    | 66,800                                 | 33,309                                  | 46,459                                | 403,212                     | 0                          | 0                                   | 835,000                   | 113,259              | 0                 | 0               | 0            |
| 2032 | 114,559                            | 0                                 | 0                 | 114,559                          | 66,800                    | 66,800                                 | 32,257                                  | 47,759                                | 387,710                     | 0                          | 0                                   | 835,000                   | 114,559              | 0                 | 0               | 0            |
| 2033 | 115,828                            | 0                                 | 0                 | 115,828                          | 66,800                    | 66,800                                 | 31,017                                  | 49,028                                | 368,668                     | 0                          | 0                                   | 835,000                   | 115,828              | 0                 | 0               | 0            |
| 2034 | 118,328                            | 0                                 | 0                 | 118,328                          | 66,800                    | 66,800                                 | 29,576                                  | 51,526                                | 347,746                     | 0                          | 0                                   | 835,000                   | 118,328              | 0                 | 0               | 0            |
| 2035 | 120,992                            | 0                                 | 0                 | 120,992                          | 66,800                    | 66,800                                 | 27,820                                  | 54,192                                | 321,374                     | 0                          | 0                                   | 835,000                   | 120,992              | 0                 | 0               | 0            |
| 2036 | 119,892                            | 0                                 | 0                 | 119,892                          | 66,800                    | 66,800                                 | 25,710                                  | 52,892                                | 294,183                     | 0                          | 0                                   | 835,000                   | 119,892              | 0                 | 0               | 0            |
| 2037 | 119,052                            | 0                                 | 0                 | 119,052                          | 66,800                    | 66,800                                 | 23,535                                  | 52,252                                | 265,476                     | 0                          | 0                                   | 835,000                   | 119,052              | 0                 | 0               | 0            |
| 2038 | 118,552                            | 0                                 | 0                 | 118,552                          | 66,800                    | 66,800                                 | 21,238                                  | 52,752                                | 233,962                     | 0                          | 0                                   | 835,000                   | 118,552              | 0                 | 0               | 0            |
| 2039 | 120,914                            | 0                                 | 0                 | 120,914                          | 66,800                    | 66,800                                 | 18,717                                  | 54,114                                | 198,566                     | 0                          | 0                                   | 835,000                   | 120,914              | 0                 | 0               | 0            |
| 2040 | 123,214                            | 0                                 | 0                 | 123,214                          | 66,800                    | 66,800                                 | 15,885                                  | 56,414                                | 158,037                     | 0                          | 0                                   | 835,000                   | 123,214              | 0                 | 0               | 0            |
| 2041 | 126,580                            | 0                                 | 0                 | 126,580                          | 66,800                    | 66,800                                 | 12,643                                  | 59,780                                | 110,900                     | 0                          | 0                                   | 835,000                   | 126,580              | 0                 | 0               | 0            |
| 2042 | 125,680                            | 0                                 | 0                 | 125,680                          | 66,800                    | 66,800                                 | 8,872                                   | 58,880                                | 68,882                      | 0                          | 0                                   | 835,000                   | 125,680              | 0                 | 0               | 0            |
| 2043 | 126,357                            | 0                                 | 0                 | 126,357                          | 66,800                    | 66,800                                 | 4,871                                   | 59,557                                | 6,207                       | 0                          | 0                                   | 835,000                   | 126,357              | 0                 | 0               | 0            |
| 2044 | 127,857                            | 0                                 | 0                 | 127,857                          | 66,800                    | 66,800                                 | 487                                     | 6,703                                 | 0                           | 0                          | 54,000                              | 781,000                   | 353                  | 0                 | 353             | 0            |
| 2045 | 131,148                            | 353                               | 0                 | 131,500                          | 62,480                    | 62,480                                 | 0                                       | 0                                     | 0                           | 0                          | 89,000                              | 712,000                   | 127,503              | (334)             | 0               | 20           |
| 2046 | 130,048                            | 20                                | 0                 | 130,068                          | 56,960                    | 56,960                                 | 0                                       | 0                                     | 0                           | 0                          | 73,000                              | 639,000                   | 131,480              | 88                | 0               | 106          |
| 2047 | 131,254                            | 106                               | 0                 | 131,359                          | 51,120                    | 51,120                                 | 0                                       | 0                                     | 0                           | 0                          | 80,000                              | 559,000                   | 131,120              | 134               | 0               | 238          |
| 2048 | 630,254                            | 0                                 | 0                 | 630,254                          | 44,720                    | 44,720                                 | 0                                       | 0                                     | 0                           | 0                          | 559,000                             | 0                         | 603,720              | 26,534            | 26,773          | 0            |
|      | 3,408,455                          | 478                               |                   | 3,408,934                        | 1,954,878                 | 1,581,904                              | 984,778                                 | 984,779                               | 0                           | 835,000                    | 835,000                             | 0                         | 3,381,882            | 26,773            | 26,773          |              |

COI (ent):  
Proceeds:

835,000  
25,030  
809,930

ROCK CREEK METROPOLITAN DISTRICT  
Operations Revenue and Expense Projection

| YEAR | Total<br>Assessed<br>Value | Oper's<br>Mill Levy | Total<br>Collections<br>@ 8% | Specific<br>Ownership Tax<br>@ 6% | Total<br>Available<br>For O&M | Total<br>Mills |
|------|----------------------------|---------------------|------------------------------|-----------------------------------|-------------------------------|----------------|
| 2017 | 0                          | 11.055              | 0                            | 0                                 | 0                             | 66.332         |
| 2018 | 1,357,200                  | 11.055              | 14,704                       | 832                               | 15,536                        | 66.332         |
| 2019 | 4,288,732                  | 11.055              | 46,484                       | 2,789                             | 49,273                        | 66.332         |
| 2020 | 5,808,535                  | 11.055              | 64,012                       | 3,841                             | 67,853                        | 66.332         |
| 2021 | 6,833,431                  | 11.055              | 74,033                       | 4,442                             | 78,475                        | 66.332         |
| 2022 | 7,778,704                  | 11.055              | 84,274                       | 5,056                             | 89,330                        | 66.332         |
| 2023 | 7,778,704                  | 11.055              | 84,274                       | 5,056                             | 89,330                        | 66.332         |
| 2024 | 7,834,278                  | 11.055              | 85,959                       | 5,158                             | 91,117                        | 66.332         |
| 2025 | 7,934,278                  | 11.055              | 85,959                       | 5,158                             | 91,117                        | 66.332         |
| 2026 | 8,082,864                  | 11.055              | 87,678                       | 5,261                             | 92,939                        | 66.332         |
| 2027 | 8,082,864                  | 11.055              | 87,678                       | 5,261                             | 92,939                        | 66.332         |
| 2028 | 8,254,823                  | 11.055              | 89,432                       | 5,366                             | 94,798                        | 66.332         |
| 2029 | 8,419,919                  | 11.055              | 91,221                       | 5,473                             | 96,694                        | 66.332         |
| 2030 | 8,588,316                  | 11.055              | 93,045                       | 5,583                             | 98,628                        | 66.332         |
| 2031 | 8,588,316                  | 11.055              | 93,045                       | 5,583                             | 98,628                        | 66.332         |
| 2032 | 8,760,084                  | 11.055              | 94,906                       | 5,694                             | 100,600                       | 66.332         |
| 2033 | 8,760,084                  | 11.055              | 94,906                       | 5,694                             | 100,600                       | 66.332         |
| 2034 | 8,935,286                  | 11.055              | 96,804                       | 5,808                             | 102,612                       | 66.332         |
| 2035 | 8,935,286                  | 11.055              | 96,804                       | 5,808                             | 102,612                       | 66.332         |
| 2036 | 9,113,991                  | 11.055              | 98,740                       | 5,924                             | 104,664                       | 66.332         |
| 2037 | 9,113,991                  | 11.055              | 98,740                       | 5,924                             | 104,664                       | 66.332         |
| 2038 | 9,298,271                  | 11.055              | 100,715                      | 6,043                             | 106,758                       | 66.332         |
| 2039 | 9,298,271                  | 11.055              | 100,715                      | 6,043                             | 106,758                       | 66.332         |
| 2040 | 9,482,197                  | 11.055              | 102,729                      | 6,164                             | 108,893                       | 66.332         |
| 2041 | 9,482,197                  | 11.055              | 102,729                      | 6,164                             | 108,893                       | 66.332         |
| 2042 | 9,671,841                  | 11.055              | 104,784                      | 6,287                             | 111,071                       | 66.332         |
| 2043 | 9,671,841                  | 11.055              | 104,784                      | 6,287                             | 111,071                       | 66.332         |
| 2044 | 9,865,277                  | 11.055              | 106,879                      | 6,413                             | 113,292                       | 66.332         |
| 2045 | 9,865,277                  | 11.055              | 106,879                      | 6,413                             | 113,292                       | 66.332         |
| 2046 |                            |                     |                              |                                   |                               |                |
| 2047 |                            |                     |                              |                                   |                               |                |
| 2048 |                            |                     |                              |                                   |                               |                |
|      |                            |                     | 2,873,544                    | 180,413                           | 2,833,957                     |                |

# ROCK CREEK METROPOLITAN DISTRICT

Development Projection – Buildout Plan (updated 7/7/17)

| YEAR | Residential Development |                                         |                   |                     |              |                |                                         |                   |                     |              | Residential Summary            |                   |                                                                          |             |
|------|-------------------------|-----------------------------------------|-------------------|---------------------|--------------|----------------|-----------------------------------------|-------------------|---------------------|--------------|--------------------------------|-------------------|--------------------------------------------------------------------------|-------------|
|      | SFD                     |                                         |                   |                     |              | Apts           |                                         |                   |                     |              | Total Residential Market Value | Total Res'd Units | Value of Platted & Developed Lots Adjustment <sup>1</sup> Adjusted Value |             |
|      | # Lots Devel'd          | Incr/(Decr) In Finished Lot Value @ 10% | # Units Completed | Price Inflated @ 2% | Market Value | # Lots Devel'd | Incr/(Decr) In Finished Lot Value @ 10% | # Units Completed | Price Inflated @ 2% | Market Value |                                |                   |                                                                          |             |
| 2017 | 0                       | 0                                       | 0                 | \$300,000           | 0            | 0              | 0                                       | 0                 | \$150,000           | 0            | \$0                            | 0                 | 0                                                                        | 0           |
| 2018 | 90                      | 2,700,000                               | 0                 | 306,000             | 0            | 132            | 1,980,000                               | 0                 | 153,000             | 0            | 0                              | 0                 | 0                                                                        | 4,680,000   |
| 2019 | 90                      | 0                                       | 90                | 312,120             | 28,090,800   | 0              | (1,980,000)                             | 132               | 156,060             | 20,599,920   | 48,690,720                     | 222               | 0                                                                        | (1,980,000) |
| 2020 | 31                      | (1,770,000)                             | 90                | 318,362             | 28,652,616   | 0              | 0                                       | 0                 | 159,181             | 0            | 28,652,616                     | 90                | 0                                                                        | (1,770,000) |
| 2021 | 0                       | (930,000)                               | 31                | 324,730             | 10,066,619   | 108            | 1,620,000                               | 0                 | 162,365             | 0            | 10,066,619                     | 31                | 0                                                                        | 690,000     |
| 2022 | 0                       | 0                                       | 0                 | 331,224             | 0            | 0              | (1,620,000)                             | 108               | 165,612             | 17,886,109   | 17,886,109                     | 108               | 0                                                                        | (1,620,000) |
| 2023 | 0                       | 0                                       | 0                 | 337,849             | 0            | 0              | 0                                       | 0                 | 168,924             | 0            | 0                              | 0                 | 0                                                                        | 0           |
| 2024 | 0                       | 0                                       | 0                 | 344,606             | 0            | 0              | 0                                       | 0                 | 172,303             | 0            | 0                              | 0                 | 0                                                                        | 0           |
| 2025 | 0                       | 0                                       | 0                 | 351,498             | 0            | 0              | 0                                       | 0                 | 175,749             | 0            | 0                              | 0                 | 0                                                                        | 0           |
| 2026 | 0                       | 0                                       | 0                 | 358,528             | 0            | 0              | 0                                       | 0                 | 179,264             | 0            | 0                              | 0                 | 0                                                                        | 0           |
| 2027 | 0                       | 0                                       | 0                 | 365,698             | 0            | 0              | 0                                       | 0                 | 182,849             | 0            | 0                              | 0                 | 0                                                                        | 0           |
| 2028 | 0                       | 0                                       | 0                 | 373,012             | 0            | 0              | 0                                       | 0                 | 186,506             | 0            | 0                              | 0                 | 0                                                                        | 0           |
| 2029 | 0                       | 0                                       | 0                 | 380,473             | 0            | 0              | 0                                       | 0                 | 190,236             | 0            | 0                              | 0                 | 0                                                                        | 0           |
| 2030 | 0                       | 0                                       | 0                 | 388,082             | 0            | 0              | 0                                       | 0                 | 194,041             | 0            | 0                              | 0                 | 0                                                                        | 0           |
| 2031 | 0                       | 0                                       | 0                 | 395,844             | 0            | 0              | 0                                       | 0                 | 197,922             | 0            | 0                              | 0                 | 0                                                                        | 0           |
| 2032 | 0                       | 0                                       | 0                 | 403,761             | 0            | 0              | 0                                       | 0                 | 201,880             | 0            | 0                              | 0                 | 0                                                                        | 0           |
| 2033 | 0                       | 0                                       | 0                 | 411,836             | 0            | 0              | 0                                       | 0                 | 205,918             | 0            | 0                              | 0                 | 0                                                                        | 0           |
| 2034 | 0                       | 0                                       | 0                 | 420,072             | 0            | 0              | 0                                       | 0                 | 210,036             | 0            | 0                              | 0                 | 0                                                                        | 0           |
| 2035 | 0                       | 0                                       | 0                 | 428,474             | 0            | 0              | 0                                       | 0                 | 214,237             | 0            | 0                              | 0                 | 0                                                                        | 0           |
| 2036 | 0                       | 0                                       | 0                 | 437,043             | 0            | 0              | 0                                       | 0                 | 218,522             | 0            | 0                              | 0                 | 0                                                                        | 0           |
| 2037 | 0                       | 0                                       | 0                 | 445,784             | 0            | 0              | 0                                       | 0                 | 222,892             | 0            | 0                              | 0                 | 0                                                                        | 0           |
|      | 211                     | 0                                       | 211               |                     | 66,810,035   | 240            |                                         | 240               |                     | 38,486,029   | 105,296,064                    | 451               | 0                                                                        | 0           |

[1] Adj. to actual/prelim. AV

**SOURCES AND USES OF FUNDS**  
**ROCK CREEK METROPOLITAN DISTRICT**  
**Combined Results**  
For the Period Ending 12/31/2019  
**GENERAL OBLIGATION BONDS, SERIES 2019A**  
**SUBORDINATE BONDS, SERIES 2019B**  
For the Period

[ Preliminary -- for discussion only ]

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

| <b>Sources:</b>           | <b>SERIES 2019A</b> | <b>SERIES 2019B</b> | <b>Total</b> |
|---------------------------|---------------------|---------------------|--------------|
| Bond Proceeds:            |                     |                     |              |
| Par Amount                | 4,960,000.00        | 835,000.00          | 5,795,000.00 |
|                           | 4,960,000.00        | 835,000.00          | 5,795,000.00 |
| <b>Uses:</b>              | <b>SERIES 2019A</b> | <b>SERIES 2019B</b> | <b>Total</b> |
| Project Fund Deposits:    |                     |                     |              |
| Project Fund              | 3,780,053.01        | 809,950.00          | 4,590,003.01 |
| Other Fund Deposits:      |                     |                     |              |
| Capitalized Interest Fund | 444,646.99          |                     | 444,646.99   |
| Debt Service Reserve      | 436,100.00          |                     | 436,100.00   |
|                           | 880,746.99          |                     | 880,746.99   |
| Cost of Issuance:         |                     |                     |              |
| Other Cost of Issuance    | 200,000.00          |                     | 200,000.00   |
| Delivery Date Expenses:   |                     |                     |              |
| Underwriter's Discount    | 99,200.00           | 25,050.00           | 124,250.00   |
|                           | 4,960,000.00        | 835,000.00          | 5,795,000.00 |

**SOURCES AND USES OF FUNDS**

**ROCK CREEK METROPOLITAN DISTRICT**  
**GENERAL OBLIGATION BONDS, SERIES 2019A**  
**55.277 (target) Mills**  
**Non-Rated, 130x, 30-yr. Maturity**  
**[ Preliminary – for discussion only ]**

|               |            |
|---------------|------------|
| Dated Date    | 12/01/2019 |
| Delivery Date | 12/01/2019 |

**Sources:**

|                |                     |
|----------------|---------------------|
| Bond Proceeds: |                     |
| Par Amount     | 4,960,000.00        |
|                | <u>4,960,000.00</u> |

**Uses:**

|                           |                     |
|---------------------------|---------------------|
| Project Fund Deposits:    |                     |
| Project Fund              | 3,780,053.01        |
| Other Fund Deposits:      |                     |
| Capitalized Interest Fund | 444,646.99          |
| Debt Service Reserve      | <u>436,100.00</u>   |
|                           | 880,746.99          |
| Cost of Issuance:         |                     |
| Other Cost of Issuance    | 200,000.00          |
| Delivery Date Expenses:   |                     |
| Underwriter's Discount    | 99,200.00           |
|                           | <u>4,960,000.00</u> |

## BOND SUMMARY STATISTICS

### ROCK CREEK METROPOLITAN DISTRICT GENERAL OBLIGATION BONDS, SERIES 2019A

55.277 (target) Mills

Non-Rated, 130x, 30-yr. Maturity

[ Preliminary – for discussion only ]

|                                 |                |
|---------------------------------|----------------|
| Dated Date                      | 12/01/2019     |
| Delivery Date                   | 12/01/2019     |
| First Coupon                    | 06/01/2020     |
| Last Maturity                   | 12/01/2049     |
| Arbitrage Yield                 | 6.000000%      |
| True Interest Cost (TIC)        | 6.171001%      |
| Net Interest Cost (NIC)         | 6.000000%      |
| All-In TIC                      | 6.532524%      |
| Average Coupon                  | 6.000000%      |
| Average Life (years)            | 22.544         |
| Duration of Issue (years)       | 12.115         |
| Par Amount                      | 4,960,000.00   |
| Bond Proceeds                   | 4,960,000.00   |
| Total Interest                  | 6,709,200.00   |
| Net Interest                    | 6,808,400.00   |
| Bond Years from Dated Date      | 111,820,000.00 |
| Bond Years from Delivery Date   | 111,820,000.00 |
| Total Debt Service              | 11,669,200.00  |
| Maximum Annual Debt Service     | 869,200.00     |
| Average Annual Debt Service     | 388,973.33     |
| Underwriter's Fees (per \$1000) |                |
| Average Takedown                |                |
| Other Fee                       | 20.000000      |
| Total Underwriter's Discount    | 20.000000      |
| Bid Price                       | 98.000000      |

| Bond Component  | Par Value    | Price   | Average Coupon | Average Life | Average Maturity Date | PV of 1 bp change |
|-----------------|--------------|---------|----------------|--------------|-----------------------|-------------------|
| 30-yr Term Bond | 4,960,000.00 | 100.000 | 6.000%         | 22.544       | 06/17/2042            | 6,894.40          |
|                 | 4,960,000.00 |         |                | 22.544       |                       | 6,894.40          |

|                            | TIC          | All-In TIC   | Arbitrage Yield |
|----------------------------|--------------|--------------|-----------------|
| Par Value                  | 4,960,000.00 | 4,960,000.00 | 4,960,000.00    |
| + Accrued Interest         |              |              |                 |
| + Premium (Discount)       |              |              |                 |
| - Underwriter's Discount   | -99,200.00   | -99,200.00   |                 |
| - Cost of Issuance Expense |              | -200,000.00  |                 |
| - Other Amounts            |              |              |                 |
| Target Value               | 4,860,800.00 | 4,660,800.00 | 4,960,000.00    |
| Target Date                | 12/01/2019   | 12/01/2019   | 12/01/2019      |
| Yield                      | 6.171001%    | 6.532524%    | 6.000000%       |

**DETAILED BOND DEBT SERVICE**

**ROCK CREEK METROPOLITAN DISTRICT**

**GENERAL OBLIGATION BONDS, SERIES 2019A**

**55.277 (target) Mills**

**Non-Rated, 130x, 30-yr. Maturity**

**[ Preliminary -- for discussion only ]**

**30-yr Term Bond**

| <b>Period<br/>Ending</b> | <b>Principal</b> | <b>Coupon</b> | <b>Interest</b> | <b>Debt<br/>Service</b> | <b>Annual<br/>Debt<br/>Service</b> |
|--------------------------|------------------|---------------|-----------------|-------------------------|------------------------------------|
| 06/01/2020               |                  |               | 148,800         | 148,800                 |                                    |
| 12/01/2020               |                  |               | 148,800         | 148,800                 | 297,600                            |
| 06/01/2021               |                  |               | 148,800         | 148,800                 |                                    |
| 12/01/2021               |                  |               | 148,800         | 148,800                 | 297,600                            |
| 06/01/2022               |                  |               | 148,800         | 148,800                 |                                    |
| 12/01/2022               |                  |               | 148,800         | 148,800                 | 297,600                            |
| 06/01/2023               |                  |               | 148,800         | 148,800                 |                                    |
| 12/01/2023               |                  |               | 148,800         | 148,800                 | 297,600                            |
| 06/01/2024               |                  |               | 148,800         | 148,800                 |                                    |
| 12/01/2024               | 45,000           | 6.000%        | 148,800         | 193,800                 | 342,600                            |
| 06/01/2025               |                  |               | 147,450         | 147,450                 |                                    |
| 12/01/2025               | 45,000           | 8.000%        | 147,450         | 192,450                 | 339,900                            |
| 06/01/2026               |                  |               | 146,100         | 146,100                 |                                    |
| 12/01/2026               | 55,000           | 6.000%        | 146,100         | 201,100                 | 347,200                            |
| 06/01/2027               |                  |               | 144,450         | 144,450                 |                                    |
| 12/01/2027               | 60,000           | 8.000%        | 144,450         | 204,450                 | 348,900                            |
| 06/01/2028               |                  |               | 142,650         | 142,650                 |                                    |
| 12/01/2028               | 70,000           | 6.000%        | 142,650         | 212,650                 | 355,300                            |
| 06/01/2029               |                  |               | 140,550         | 140,550                 |                                    |
| 12/01/2029               | 75,000           | 6.000%        | 140,550         | 215,550                 | 356,100                            |
| 06/01/2030               |                  |               | 138,300         | 138,300                 |                                    |
| 12/01/2030               | 85,000           | 8.000%        | 138,300         | 223,300                 | 361,600                            |
| 06/01/2031               |                  |               | 135,750         | 135,750                 |                                    |
| 12/01/2031               | 90,000           | 6.000%        | 135,750         | 225,750                 | 361,500                            |
| 06/01/2032               |                  |               | 133,050         | 133,050                 |                                    |
| 12/01/2032               | 105,000          | 6.000%        | 133,050         | 238,050                 | 371,100                            |
| 06/01/2033               |                  |               | 129,900         | 129,900                 |                                    |
| 12/01/2033               | 110,000          | 8.000%        | 129,900         | 239,900                 | 369,800                            |
| 06/01/2034               |                  |               | 128,600         | 128,600                 |                                    |
| 12/01/2034               | 125,000          | 6.000%        | 128,600         | 251,600                 | 378,200                            |
| 06/01/2035               |                  |               | 122,850         | 122,850                 |                                    |
| 12/01/2035               | 130,000          | 6.000%        | 122,850         | 252,850                 | 375,700                            |
| 06/01/2036               |                  |               | 118,950         | 118,950                 |                                    |
| 12/01/2036               | 145,000          | 6.000%        | 118,950         | 263,950                 | 382,900                            |
| 06/01/2037               |                  |               | 114,600         | 114,600                 |                                    |
| 12/01/2037               | 155,000          | 8.000%        | 114,600         | 269,600                 | 384,200                            |
| 06/01/2038               |                  |               | 109,950         | 109,950                 |                                    |
| 12/01/2038               | 175,000          | 6.000%        | 109,950         | 284,950                 | 394,900                            |
| 06/01/2039               |                  |               | 104,700         | 104,700                 |                                    |
| 12/01/2039               | 185,000          | 6.000%        | 104,700         | 289,700                 | 394,400                            |
| 06/01/2040               |                  |               | 99,150          | 99,150                  |                                    |
| 12/01/2040               | 205,000          | 6.000%        | 99,150          | 304,150                 | 403,300                            |
| 06/01/2041               |                  |               | 93,000          | 93,000                  |                                    |
| 12/01/2041               | 215,000          | 6.000%        | 93,000          | 308,000                 | 401,000                            |
| 06/01/2042               |                  |               | 88,550          | 88,550                  |                                    |
| 12/01/2042               | 235,000          | 6.000%        | 88,550          | 321,550                 | 408,100                            |
| 06/01/2043               |                  |               | 79,500          | 79,500                  |                                    |
| 12/01/2043               | 250,000          | 6.000%        | 79,500          | 329,500                 | 409,000                            |
| 06/01/2044               |                  |               | 72,000          | 72,000                  |                                    |
| 12/01/2044               | 275,000          | 6.000%        | 72,000          | 347,000                 | 419,000                            |
| 06/01/2045               |                  |               | 63,750          | 63,750                  |                                    |
| 12/01/2045               | 290,000          | 6.000%        | 63,750          | 353,750                 | 417,500                            |
| 06/01/2046               |                  |               | 55,050          | 55,050                  |                                    |
| 12/01/2046               | 315,000          | 6.000%        | 55,050          | 370,050                 | 425,100                            |
| 06/01/2047               |                  |               | 45,600          | 45,600                  |                                    |
| 12/01/2047               | 335,000          | 6.000%        | 45,600          | 380,600                 | 426,200                            |
| 06/01/2048               |                  |               | 35,550          | 35,550                  |                                    |
| 12/01/2048               | 365,000          | 6.000%        | 35,550          | 400,550                 | 436,100                            |
| 06/01/2049               |                  |               | 24,600          | 24,600                  |                                    |
| 12/01/2049               | 820,000          | 6.000%        | 24,600          | 844,600                 | 869,200                            |
|                          | 4,960,000        |               | 6,709,200       | 11,669,200              | 11,669,200                         |

# NET DEBT SERVICE

## ROCK CREEK METROPOLITAN DISTRICT GENERAL OBLIGATION BONDS, SERIES 2019A

55.277 (target) Mills

Non-Rated, 130x, 30-yr. Maturity

[ Preliminary -- for discussion only ]

| Period<br>Ending | Principal | Interest  | Total<br>Debt Service | Debt Service<br>Reserve | Capitalized<br>Interest<br>Fund | Net<br>Debt Service |
|------------------|-----------|-----------|-----------------------|-------------------------|---------------------------------|---------------------|
| 12/01/2020       |           | 297,600   | 297,600               |                         | -297,600                        |                     |
| 12/01/2021       |           | 297,600   | 297,600               | -436.10                 | -148,800                        | 148,363.90          |
| 12/01/2022       |           | 297,600   | 297,600               | -872.20                 |                                 | 296,727.80          |
| 12/01/2023       |           | 297,600   | 297,600               | -872.20                 |                                 | 296,727.80          |
| 12/01/2024       | 45,000    | 297,600   | 342,600               | -872.20                 |                                 | 341,727.80          |
| 12/01/2025       | 45,000    | 294,900   | 339,900               | -872.20                 |                                 | 339,027.80          |
| 12/01/2026       | 55,000    | 292,200   | 347,200               | -872.20                 |                                 | 346,327.80          |
| 12/01/2027       | 60,000    | 288,900   | 348,900               | -872.20                 |                                 | 348,027.80          |
| 12/01/2028       | 70,000    | 285,300   | 355,300               | -872.20                 |                                 | 354,427.80          |
| 12/01/2029       | 75,000    | 281,100   | 356,100               | -872.20                 |                                 | 355,227.80          |
| 12/01/2030       | 85,000    | 276,600   | 361,600               | -872.20                 |                                 | 360,727.80          |
| 12/01/2031       | 90,000    | 271,500   | 361,500               | -872.20                 |                                 | 360,627.80          |
| 12/01/2032       | 105,000   | 266,100   | 371,100               | -872.20                 |                                 | 370,227.80          |
| 12/01/2033       | 110,000   | 259,800   | 369,800               | -872.20                 |                                 | 368,927.80          |
| 12/01/2034       | 125,000   | 253,200   | 378,200               | -872.20                 |                                 | 377,327.80          |
| 12/01/2035       | 130,000   | 245,700   | 375,700               | -872.20                 |                                 | 374,827.80          |
| 12/01/2036       | 145,000   | 237,900   | 382,900               | -872.20                 |                                 | 382,027.80          |
| 12/01/2037       | 155,000   | 229,200   | 384,200               | -872.20                 |                                 | 383,327.80          |
| 12/01/2038       | 175,000   | 219,900   | 394,900               | -872.20                 |                                 | 394,027.80          |
| 12/01/2039       | 185,000   | 209,400   | 394,400               | -872.20                 |                                 | 393,527.80          |
| 12/01/2040       | 205,000   | 198,300   | 403,300               | -872.20                 |                                 | 402,427.80          |
| 12/01/2041       | 215,000   | 186,000   | 401,000               | -872.20                 |                                 | 400,127.80          |
| 12/01/2042       | 235,000   | 173,100   | 408,100               | -872.20                 |                                 | 407,227.80          |
| 12/01/2043       | 250,000   | 159,000   | 409,000               | -872.20                 |                                 | 408,127.80          |
| 12/01/2044       | 275,000   | 144,000   | 419,000               | -872.20                 |                                 | 418,127.80          |
| 12/01/2045       | 290,000   | 127,500   | 417,500               | -872.20                 |                                 | 416,627.80          |
| 12/01/2046       | 315,000   | 110,100   | 425,100               | -872.20                 |                                 | 424,227.80          |
| 12/01/2047       | 335,000   | 91,200    | 426,200               | -872.20                 |                                 | 425,327.80          |
| 12/01/2048       | 365,000   | 71,100    | 436,100               | -872.20                 |                                 | 435,227.80          |
| 12/01/2049       | 820,000   | 49,200    | 869,200               | -436,972.20             |                                 | 432,227.80          |
|                  | 4,960,000 | 8,709,200 | 11,669,200            | -460,957.70             | -446,400                        | 10,761,842.30       |

## BOND SOLUTION

### ROCK CREEK METROPOLITAN DISTRICT GENERAL OBLIGATION BONDS, SERIES 2019A 55.277 (target) Mills Non-Rated, 130x, 30-yr. Maturity [ Preliminary -- for discussion only ]

| Period<br>Ending | Proposed<br>Principal | Proposed<br>Debt Service | Debt Service<br>Adjustments | Total Adj<br>Debt Service | Revenue<br>Constraints | Unused<br>Revenues | Debt Serv<br>Coverage |
|------------------|-----------------------|--------------------------|-----------------------------|---------------------------|------------------------|--------------------|-----------------------|
| 12/01/2020       |                       | 297,600                  | -297,600                    |                           | 77,933                 | 77,933             |                       |
| 12/01/2021       |                       | 297,600                  | -149,236                    | 148,364                   | 246,266                | 97,903             | 165.98814%            |
| 12/01/2022       |                       | 297,600                  | -872                        | 296,728                   | 339,278                | 42,551             | 114.33994%            |
| 12/01/2023       |                       | 297,600                  | -872                        | 296,728                   | 392,388                | 95,660             | 132.23822%            |
| 12/01/2024       | 45,000                | 342,600                  | -872                        | 341,728                   | 446,667                | 104,939            | 130.70835%            |
| 12/01/2025       | 45,000                | 339,900                  | -872                        | 339,028                   | 446,667                | 107,639            | 131.74930%            |
| 12/01/2026       | 55,000                | 347,200                  | -872                        | 346,328                   | 455,600                | 109,272            | 131.55170%            |
| 12/01/2027       | 60,000                | 348,900                  | -872                        | 348,028                   | 455,600                | 107,572            | 130.90911%            |
| 12/01/2028       | 70,000                | 355,300                  | -872                        | 354,428                   | 464,712                | 110,284            | 131.11616%            |
| 12/01/2029       | 75,000                | 356,100                  | -872                        | 355,228                   | 464,712                | 109,484            | 130.82087%            |
| 12/01/2030       | 85,000                | 361,600                  | -872                        | 360,728                   | 474,006                | 113,279            | 131.40278%            |
| 12/01/2031       | 90,000                | 361,500                  | -872                        | 360,628                   | 474,006                | 113,379            | 131.43922%            |
| 12/01/2032       | 105,000               | 371,100                  | -872                        | 370,228                   | 483,486                | 113,259            | 130.59162%            |
| 12/01/2033       | 110,000               | 369,800                  | -872                        | 368,928                   | 483,486                | 114,559            | 131.05179%            |
| 12/01/2034       | 125,000               | 378,200                  | -872                        | 377,328                   | 493,156                | 115,828            | 130.69703%            |
| 12/01/2035       | 130,000               | 375,700                  | -872                        | 374,828                   | 493,156                | 118,328            | 131.56874%            |
| 12/01/2036       | 145,000               | 382,900                  | -872                        | 382,028                   | 503,019                | 120,992            | 131.67087%            |
| 12/01/2037       | 155,000               | 384,200                  | -872                        | 383,328                   | 503,019                | 119,692            | 131.22433%            |
| 12/01/2038       | 175,000               | 394,900                  | -872                        | 394,028                   | 513,080                | 119,052            | 130.21409%            |
| 12/01/2039       | 185,000               | 394,400                  | -872                        | 393,528                   | 513,080                | 119,552            | 130.37954%            |
| 12/01/2040       | 205,000               | 403,300                  | -872                        | 402,428                   | 523,341                | 120,914            | 130.04601%            |
| 12/01/2041       | 215,000               | 401,000                  | -872                        | 400,128                   | 523,341                | 123,214            | 130.79354%            |
| 12/01/2042       | 235,000               | 408,100                  | -872                        | 407,228                   | 533,808                | 126,580            | 131.08342%            |
| 12/01/2043       | 250,000               | 409,000                  | -872                        | 408,128                   | 533,808                | 125,680            | 130.79436%            |
| 12/01/2044       | 275,000               | 419,000                  | -872                        | 418,128                   | 544,484                | 126,357            | 130.21959%            |
| 12/01/2045       | 290,000               | 417,500                  | -872                        | 416,628                   | 544,484                | 127,857            | 130.68842%            |
| 12/01/2046       | 315,000               | 425,100                  | -872                        | 424,228                   | 555,374                | 131,146            | 130.91410%            |
| 12/01/2047       | 335,000               | 426,200                  | -872                        | 425,328                   | 555,374                | 130,046            | 130.57552%            |
| 12/01/2048       | 365,000               | 436,100                  | -872                        | 435,228                   | 566,481                | 131,254            | 130.15746%            |
| 12/01/2049       | 820,000               | 869,200                  | -436,972                    | 432,228                   | 566,481                | 134,254            | 131.06086%            |
|                  | 4,960,000             | 11,669,200               | -907,358                    | 10,761,842                | 14,170,298             | 3,408,456          |                       |

## SOURCES AND USES OF FUNDS

### ROCK CREEK METROPOLITAN DISTRICT SUBORDINATE BONDS, SERIES 2019B Non-Rated, Cash-Flow Bonds, Annual Pay, 12/15/2049 (Stated) Maturity [ Preliminary -- for discussion only ]

|               |            |
|---------------|------------|
| Dated Date    | 12/01/2019 |
| Delivery Date | 12/01/2019 |

#### Sources:

|                |            |
|----------------|------------|
| Bond Proceeds: |            |
| Par Amount     | 835,000.00 |
|                | 835,000.00 |

#### Uses:

|                         |            |
|-------------------------|------------|
| Project Fund Deposits:  |            |
| Project Fund            | 809,950.00 |
| Delivery Date Expenses: |            |
| Underwriter's Discount  | 25,050.00  |
|                         | 835,000.00 |

## BOND PRICING

**ROCK CREEK METROPOLITAN DISTRICT  
SUBORDINATE BONDS, SERIES 2019B  
Non-Rated, Cash-Flow Bonds, Annual Pay, 12/15/2049 (Stated) Maturity  
[ Preliminary – for discussion only ]**

| Bond Component    | Maturity Date | Amount  | Rate   | Yield  | Price   |
|-------------------|---------------|---------|--------|--------|---------|
| 30-yr. Term Bond: | 12/15/2049    | 835,000 | 8.000% | 8.000% | 100.000 |
|                   |               | 835,000 |        |        |         |

|                         |            |             |
|-------------------------|------------|-------------|
| Dated Date              | 12/01/2019 |             |
| Delivery Date           | 12/01/2019 |             |
| First Coupon            | 12/15/2019 |             |
| Par Amount              | 835,000.00 |             |
| Original Issue Discount |            |             |
| Production              | 835,000.00 | 100.000000% |
| Underwriter's Discount  | -25,050.00 | -3.000000%  |
| Purchase Price          | 809,950.00 | 97.000000%  |
| Accrued Interest        |            |             |
| Net Proceeds            | 809,950.00 |             |

**ROCK CREEK METROPOLITAN DISTRICT**

Development Projection at 55.277 (target) MUs for Debt Service

Series 2022, G.O. Bonds, Non-Rated, 130x, 30-yr. Maturity; plus Series 2022B Cash-Flow Subs.

[illegible]

7.98% thru 2017

**ROCK CREEK METROPOLITAN DISTRICT**

Development Projection at \$5,277 (target) Mills for Debt Service

Series 2022, G.O. Bonds, Non-Rated, 130x, 30-yr. Maturity, plus Series 2022B Cash-Flow Subs.

| YEAR | Net Available<br>for Debt Svc. | Ser. 2022<br>\$4,625,000 Pw<br>(Net \$5,171 MM) | Annual<br>Surplus | Surplus<br>Release @<br>50% DVA<br>to \$52,500 | Cumulative<br>Surplus<br>to \$52,500 Target | Senior<br>Debt/<br>Assessed<br>Ratio | Senior<br>Debt/<br>Acct Value<br>Ratio | Cov. of Net DB:<br>@ \$5,277 target | Cov. of Net DB:<br>@ \$5,277 Cap |
|------|--------------------------------|-------------------------------------------------|-------------------|------------------------------------------------|---------------------------------------------|--------------------------------------|----------------------------------------|-------------------------------------|----------------------------------|
| 2017 | \$0                            |                                                 | n/a               |                                                | 0                                           | n/a                                  | n/a                                    | 0.0%                                | 0.0%                             |
| 2018 | 0                              |                                                 | n/a               |                                                | 0                                           | n/a                                  | n/a                                    | 0.0%                                | 0.0%                             |
| 2019 | 0                              |                                                 | n/a               |                                                | 0                                           | 0%                                   | 0%                                     | 0.0%                                | 0.0%                             |
| 2020 | 77,933                         |                                                 | n/a               |                                                | 0                                           | 0%                                   | 0%                                     | 0.0%                                | 0.0%                             |
| 2021 | 246,286                        |                                                 | n/a               |                                                | 0                                           | 0%                                   | 0%                                     | 0.0%                                | 0.0%                             |
| 2022 | 339,278                        |                                                 | 339,278           |                                                | 339,278                                     | 85%                                  | 5%                                     | 0.0%                                | 0.0%                             |
| 2023 | 392,368                        |                                                 | 85,064            |                                                | 434,342                                     | 74%                                  | 5%                                     | 132.0%                              | 132.0%                           |
| 2024 | 446,867                        |                                                 | 116,843           | 0                                              | 551,286                                     | 73%                                  | 5%                                     | 135.5%                              | 135.5%                           |
| 2025 | 446,867                        |                                                 | 115,843           | 84,728                                         | 582,500                                     | 70%                                  | 5%                                     | 135.1%                              | 135.1%                           |
| 2026 | 455,800                        |                                                 | 124,076           | 124,076                                        | 582,500                                     | 69%                                  | 5%                                     | 137.4%                              | 137.4%                           |
| 2027 | 455,800                        |                                                 | 123,476           | 123,476                                        | 582,500                                     | 86%                                  | 5%                                     | 137.2%                              | 137.2%                           |
| 2028 | 464,712                        |                                                 | 132,188           | 132,188                                        | 582,500                                     | 84%                                  | 5%                                     | 139.8%                              | 139.8%                           |
| 2029 | 464,712                        |                                                 | 131,988           | 131,988                                        | 582,500                                     | 82%                                  | 4%                                     | 139.7%                              | 139.7%                           |
| 2030 | 474,008                        |                                                 | 141,282           | 141,282                                        | 582,500                                     | 60%                                  | 4%                                     | 142.5%                              | 142.5%                           |
| 2031 | 474,008                        |                                                 | 141,482           | 141,482                                        | 582,500                                     | 57%                                  | 4%                                     | 142.5%                              | 142.5%                           |
| 2032 | 483,488                        |                                                 | 151,382           | 151,382                                        | 582,500                                     | 56%                                  | 4%                                     | 145.8%                              | 145.8%                           |
| 2033 | 483,488                        |                                                 | 151,982           | 151,982                                        | 582,500                                     | 53%                                  | 4%                                     | 145.8%                              | 145.8%                           |
| 2034 | 483,156                        |                                                 | 162,432           | 162,432                                        | 582,500                                     | 51%                                  | 4%                                     | 148.1%                              | 148.1%                           |
| 2035 | 483,156                        |                                                 | 158,432           | 158,432                                        | 582,500                                     | 48%                                  | 3%                                     | 147.3%                              | 147.3%                           |
| 2036 | 503,019                        |                                                 | 169,895           | 169,895                                        | 582,500                                     | 46%                                  | 3%                                     | 150.9%                              | 150.9%                           |
| 2037 | 513,080                        |                                                 | 171,295           | 171,295                                        | 582,500                                     | 44%                                  | 3%                                     | 151.6%                              | 151.6%                           |
| 2038 | 513,080                        |                                                 | 183,156           | 183,156                                        | 582,500                                     | 42%                                  | 3%                                     | 155.5%                              | 155.5%                           |
| 2039 | 513,080                        |                                                 | 180,156           | 180,156                                        | 582,500                                     | 38%                                  | 3%                                     | 154.1%                              | 154.1%                           |
| 2040 | 523,341                        |                                                 | 192,817           | 192,817                                        | 582,500                                     | 37%                                  | 3%                                     | 158.3%                              | 158.3%                           |
| 2041 | 523,341                        |                                                 | 180,417           | 180,417                                        | 582,500                                     | 34%                                  | 2%                                     | 157.2%                              | 157.2%                           |
| 2042 | 533,808                        |                                                 | 203,884           | 203,884                                        | 582,500                                     | 32%                                  | 2%                                     | 161.8%                              | 161.8%                           |
| 2043 | 533,808                        |                                                 | 202,084           | 202,084                                        | 582,500                                     | 29%                                  | 2%                                     | 160.9%                              | 160.9%                           |
| 2044 | 544,484                        |                                                 | 211,360           | 211,360                                        | 582,500                                     | 28%                                  | 2%                                     | 163.4%                              | 163.4%                           |
| 2045 | 544,484                        |                                                 | 210,380           | 210,380                                        | 582,500                                     | 23%                                  | 2%                                     | 163.0%                              | 163.0%                           |
| 2046 | 555,374                        |                                                 | 225,650           | 225,650                                        | 582,500                                     | 21%                                  | 1%                                     | 168.4%                              | 168.4%                           |
| 2047 | 555,374                        |                                                 | 225,250           | 225,250                                        | 582,500                                     | 18%                                  | 1%                                     | 168.2%                              | 168.2%                           |
| 2048 | 566,481                        |                                                 | 236,357           | 236,357                                        | 582,500                                     | 15%                                  | 1%                                     | 171.8%                              | 171.8%                           |
| 2049 | 566,481                        |                                                 | 231,757           | 231,757                                        | 582,500                                     | 12%                                  | 1%                                     | 169.2%                              | 169.2%                           |
| 2050 | 577,811                        |                                                 | 244,087           | 244,087                                        | 582,500                                     | 9%                                   | 1%                                     | 173.1%                              | 173.1%                           |
| 2051 | 583,838                        |                                                 | 246,312           | 246,312                                        | 582,500                                     | 6%                                   | 0%                                     | 171.3%                              | 171.3%                           |
| 2052 | 595,192                        |                                                 | 257,868           | 257,868                                        | 582,500                                     | 0%                                   | 0%                                     | 174.7%                              | 174.7%                           |
|      | 15,926,937                     | 9,634,320                                       | 5,668,418         | 5,668,418                                      | 0                                           |                                      |                                        |                                     |                                  |

(AM1017 Zmiba)

**ROCK CREEK METROPOLITAN DISTRICT**  
Development Projection at \$5,277 (target) Mills for Debt Service  
Series 2022, G.O. Bonds, Non-Rated, 130x, 30-yr. Maturity, plus Series 2022B Cash-Flow Subs.

Cash-Flow Subs. >>>

| YEAR | Surplus Available for Debt Service | Application of Price Year Surplus | Date Bonds Issued | Total Available for Debt Service | Sub Bond Interest on Balance 7.00% | Less Payments Toward Sub Bond Interest | Accrued Interest * Int. on Bal. @ 7.00% | Less Payments Toward Accrued Interest | Balance of Accrued Interest | Sub Bonds Principal Issued | Less Payments Toward Bond Principal | Balance of Sub Bond Principal | Total Sub. Debt Pmt. | Surplus Cash Flow | Surplus Releases | Cum. Surplus |
|------|------------------------------------|-----------------------------------|-------------------|----------------------------------|------------------------------------|----------------------------------------|-----------------------------------------|---------------------------------------|-----------------------------|----------------------------|-------------------------------------|-------------------------------|----------------------|-------------------|------------------|--------------|
| 2017 | 0                                  | 0                                 | 12/1/22           | 0                                | \$4,780                            | \$0                                    | \$4,780                                 | \$0                                   | \$4,780                     | \$1,756,000                | \$0                                 | \$1,756,000                   | \$0                  | 0                 | 0                | 0            |
| 2018 | 0                                  | 0                                 |                   | 0                                | 122,920                            | 0                                      | 122,920                                 | 0                                     | 122,920                     | 1,756,000                  | 0                                   | 1,756,000                     | 0                    | 0                 | 0                | 0            |
| 2019 | 0                                  | 0                                 |                   | 0                                | 122,920                            | 0                                      | 131,882                                 | 0                                     | 131,882                     | 1,756,000                  | 0                                   | 1,756,000                     | 0                    | 0                 | 0                | 0            |
| 2020 | 84,728                             | 84,728                            | 0                 | 84,728                           | 122,920                            | 84,728                                 | 56,387                                  | 0                                     | 316,304                     | 1,756,000                  | 0                                   | 1,756,000                     | 84,728               | 0                 | 0                | 0            |
| 2021 | 124,076                            | 124,076                           | 0                 | 124,076                          | 122,920                            | 122,920                                | 22,141                                  | 1,156                                 | 337,269                     | 1,756,000                  | 0                                   | 1,756,000                     | 124,076              | 0                 | 0                | 0            |
| 2022 | 123,476                            | 123,476                           | 0                 | 123,476                          | 122,920                            | 122,920                                | 23,610                                  | 556                                   | 360,343                     | 1,756,000                  | 0                                   | 1,756,000                     | 123,476              | 0                 | 0                | 0            |
| 2023 | 132,188                            | 132,188                           | 0                 | 132,188                          | 122,920                            | 122,920                                | 25,224                                  | 9,268                                 | 378,299                     | 1,756,000                  | 0                                   | 1,756,000                     | 132,188              | 0                 | 0                | 0            |
| 2024 | 131,988                            | 131,988                           | 0                 | 131,988                          | 122,920                            | 122,920                                | 26,341                                  | 9,068                                 | 393,572                     | 1,756,000                  | 0                                   | 1,756,000                     | 131,988              | 0                 | 0                | 0            |
| 2025 | 141,282                            | 141,282                           | 0                 | 141,282                          | 122,920                            | 122,920                                | 27,550                                  | 18,362                                | 402,760                     | 1,756,000                  | 0                                   | 1,756,000                     | 141,282              | 0                 | 0                | 0            |
| 2026 | 141,462                            | 141,462                           | 0                 | 141,462                          | 122,920                            | 122,920                                | 28,193                                  | 18,562                                | 412,391                     | 1,756,000                  | 0                                   | 1,756,000                     | 141,462              | 0                 | 0                | 0            |
| 2027 | 151,362                            | 151,362                           | 0                 | 151,362                          | 122,920                            | 122,920                                | 28,697                                  | 28,442                                | 412,815                     | 1,756,000                  | 0                                   | 1,756,000                     | 151,362              | 0                 | 0                | 0            |
| 2028 | 151,862                            | 151,862                           | 0                 | 151,862                          | 122,920                            | 122,920                                | 28,897                                  | 29,042                                | 412,870                     | 1,756,000                  | 0                                   | 1,756,000                     | 151,862              | 0                 | 0                | 0            |
| 2029 | 162,432                            | 162,432                           | 0                 | 162,432                          | 122,920                            | 122,920                                | 28,887                                  | 39,512                                | 402,045                     | 1,756,000                  | 0                                   | 1,756,000                     | 162,432              | 0                 | 0                | 0            |
| 2030 | 158,432                            | 158,432                           | 0                 | 158,432                          | 122,920                            | 122,920                                | 28,143                                  | 35,512                                | 394,676                     | 1,756,000                  | 0                                   | 1,756,000                     | 158,432              | 0                 | 0                | 0            |
| 2031 | 169,695                            | 169,695                           | 0                 | 169,695                          | 122,920                            | 122,920                                | 27,627                                  | 46,776                                | 375,528                     | 1,756,000                  | 0                                   | 1,756,000                     | 169,695              | 0                 | 0                | 0            |
| 2032 | 171,285                            | 171,285                           | 0                 | 171,285                          | 122,920                            | 122,920                                | 26,287                                  | 48,375                                | 353,438                     | 1,756,000                  | 0                                   | 1,756,000                     | 171,285              | 0                 | 0                | 0            |
| 2033 | 183,156                            | 183,156                           | 0                 | 183,156                          | 122,920                            | 122,920                                | 24,741                                  | 60,236                                | 317,944                     | 1,756,000                  | 0                                   | 1,756,000                     | 183,156              | 0                 | 0                | 0            |
| 2034 | 180,156                            | 180,156                           | 0                 | 180,156                          | 122,920                            | 122,920                                | 22,258                                  | 57,235                                | 282,965                     | 1,756,000                  | 0                                   | 1,756,000                     | 180,156              | 0                 | 0                | 0            |
| 2035 | 192,817                            | 192,817                           | 0                 | 192,817                          | 122,920                            | 122,920                                | 19,008                                  | 69,897                                | 232,875                     | 1,756,000                  | 0                                   | 1,756,000                     | 192,817              | 0                 | 0                | 0            |
| 2036 | 190,417                            | 190,417                           | 0                 | 190,417                          | 122,920                            | 122,920                                | 16,301                                  | 67,497                                | 181,679                     | 1,756,000                  | 0                                   | 1,756,000                     | 190,417              | 0                 | 0                | 0            |
| 2037 | 203,684                            | 203,684                           | 0                 | 203,684                          | 122,920                            | 122,920                                | 12,718                                  | 80,964                                | 113,432                     | 1,756,000                  | 0                                   | 1,756,000                     | 203,684              | 0                 | 0                | 0            |
| 2038 | 202,084                            | 202,084                           | 0                 | 202,084                          | 122,920                            | 122,920                                | 7,940                                   | 78,184                                | 42,208                      | 1,756,000                  | 0                                   | 1,756,000                     | 202,084              | 0                 | 0                | 0            |
| 2039 | 211,360                            | 211,360                           | 0                 | 211,360                          | 122,920                            | 122,920                                | 2,956                                   | 45,163                                | 0                           | 1,713,000                  | 43,000                              | 1,713,000                     | 202,084              | 277               | 0                | 277          |
| 2040 | 210,360                            | 210,360                           | 277               | 210,360                          | 118,610                            | 118,610                                | 0                                       | 0                                     | 0                           | 1,623,000                  | 90,000                              | 1,623,000                     | 211,083              | 0                 | 0                | 0            |
| 2041 | 225,650                            | 225,650                           | 728               | 225,650                          | 113,610                            | 113,610                                | 0                                       | 0                                     | 0                           | 1,511,000                  | 112,000                             | 1,511,000                     | 209,910              | 450               | 0                | 728          |
| 2042 | 225,250                            | 225,250                           | 768               | 225,250                          | 105,770                            | 105,770                                | 0                                       | 0                                     | 0                           | 1,381,000                  | 120,000                             | 1,381,000                     | 225,610              | 40                | 0                | 768          |
| 2043 | 236,357                            | 236,357                           | 248               | 236,357                          | 87,370                             | 87,370                                 | 0                                       | 0                                     | 0                           | 1,252,000                  | 138,000                             | 1,252,000                     | 225,770              | (520)             | 0                | 248          |
| 2044 | 231,757                            | 231,757                           | 235               | 231,757                          | 87,840                             | 87,840                                 | 0                                       | 0                                     | 0                           | 1,108,000                  | 144,000                             | 1,108,000                     | 236,370              | (13)              | 0                | 235          |
| 2045 | 244,087                            | 244,087                           | 353               | 244,087                          | 77,560                             | 77,560                                 | 0                                       | 0                                     | 0                           | 942,000                    | 166,000                             | 942,000                       | 231,640              | 117               | 0                | 353          |
| 2046 | 246,312                            | 246,312                           | 880               | 246,312                          | 65,940                             | 65,940                                 | 0                                       | 0                                     | 0                           | 761,000                    | 181,000                             | 761,000                       | 243,560              | 527               | 0                | 880          |
| 2047 | 640,368                            | 640,368                           | 0                 | 640,368                          | 53,270                             | 53,270                                 | 0                                       | 0                                     | 0                           | 0                          | 761,000                             | 0                             | 246,940              | (628)             | 0                | 252          |
| 2048 | 5,668,418                          | 3,489                             |                   | 5,671,907                        | 3,430,090                          | 3,141,278                              | 744,780                                 | 744,780                               | 0                           | 1,756,000                  | 1,756,000                           | 0                             | 814,270              | 26,098            | 26,350           | 0            |
| 2049 |                                    |                                   |                   |                                  |                                    |                                        |                                         |                                       |                             |                            |                                     |                               | 5,642,088            | 26,350            | 26,350           |              |
| 2050 |                                    |                                   |                   |                                  |                                    |                                        |                                         |                                       |                             |                            |                                     |                               |                      |                   |                  |              |
| 2051 |                                    |                                   |                   |                                  |                                    |                                        |                                         |                                       |                             |                            |                                     |                               |                      |                   |                  |              |
| 2052 |                                    |                                   |                   |                                  |                                    |                                        |                                         |                                       |                             |                            |                                     |                               |                      |                   |                  |              |

COI (est):  
Proceeds:

52,680  
1,703,320

**ROCK CREEK METROPOLITAN DISTRICT**  
Operations Revenue and Expense Projection

| YEAR | Total<br>Assessed<br>Value | Op'n's<br>Mill Levy | Total<br>Collections<br>\$ 100% | Specific<br>Ownership Tax<br>\$ 1% | Total<br>Available<br>For O&M | Total<br>Mills |
|------|----------------------------|---------------------|---------------------------------|------------------------------------|-------------------------------|----------------|
| 2017 | 0                          | 11.055              | 0                               | 0                                  | 0                             | 66.332         |
| 2018 | 1,357,200                  | 11.055              | 14,704                          | 882                                | 15,586                        | 66.332         |
| 2019 | 4,288,732                  | 11.055              | 46,464                          | 2,788                              | 49,252                        | 66.332         |
| 2020 | 5,808,535                  | 11.055              | 64,012                          | 3,841                              | 67,853                        | 66.332         |
| 2021 | 6,833,431                  | 11.055              | 74,033                          | 4,442                              | 78,475                        | 66.332         |
| 2022 | 7,778,704                  | 11.055              | 84,274                          | 5,056                              | 89,330                        | 66.332         |
| 2023 | 7,934,278                  | 11.055              | 85,858                          | 5,158                              | 91,017                        | 66.332         |
| 2024 | 8,092,964                  | 11.055              | 87,678                          | 5,261                              | 92,939                        | 66.332         |
| 2025 | 8,254,823                  | 11.055              | 89,432                          | 5,368                              | 94,798                        | 66.332         |
| 2026 | 8,418,919                  | 11.055              | 91,221                          | 5,473                              | 96,694                        | 66.332         |
| 2027 | 8,588,318                  | 11.055              | 93,045                          | 5,583                              | 98,628                        | 66.332         |
| 2028 | 8,760,064                  | 11.055              | 94,906                          | 5,694                              | 100,600                       | 66.332         |
| 2029 | 8,935,288                  | 11.055              | 96,804                          | 5,808                              | 102,612                       | 66.332         |
| 2030 | 9,113,991                  | 11.055              | 98,740                          | 5,924                              | 104,664                       | 66.332         |
| 2031 | 9,296,271                  | 11.055              | 100,715                         | 6,043                              | 106,758                       | 66.332         |
| 2032 | 9,482,167                  | 11.055              | 102,729                         | 6,164                              | 108,893                       | 66.332         |
| 2033 | 9,671,841                  | 11.055              | 104,784                         | 6,287                              | 111,071                       | 66.332         |
| 2034 | 9,865,277                  | 11.055              | 106,879                         | 6,413                              | 113,292                       | 66.332         |
| 2035 | 10,062,583                 | 11.055              | 109,017                         | 6,541                              | 115,558                       | 66.332         |
| 2036 | 10,263,835                 | 11.055              | 111,197                         | 6,672                              | 117,869                       | 66.332         |
|      |                            |                     | <u>3,002,776</u>                | <u>180,167</u>                     | <u>3,182,942</u>              |                |

# ROCK CREEK METROPOLITAN DISTRICT

Development Projection – Buildout Plan (updated 7/17/17)

| Residential Development |                |                            |                   |                     |              |                |                            |                   |                     |              |                          |                   |                                                                          |
|-------------------------|----------------|----------------------------|-------------------|---------------------|--------------|----------------|----------------------------|-------------------|---------------------|--------------|--------------------------|-------------------|--------------------------------------------------------------------------|
| YEAR                    | SFD            |                            |                   |                     |              | Apts           |                            |                   |                     |              | Total                    |                   |                                                                          |
|                         | # Lots Devel'd | Incr/(Decr) In Value @ 10% | # Units Completed | Price Inflated @ 2% | Market Value | # Lots Devel'd | Incr/(Decr) In Value @ 10% | # Units Completed | Price Inflated @ 2% | Market Value | Residential Market Value | Total Res'l Units | Value of Platted & Developed Lots Adjustment <sup>1</sup> Adjusted Value |
| 2017                    | 0              | 0                          | 0                 | \$300,000           | 0            | 0              | 0                          | 0                 | \$150,000           | 0            | \$0                      | 0                 | 0                                                                        |
| 2018                    | 90             | 2,700,000                  | 0                 | 306,000             | 0            | 132            | 1,980,000                  | 0                 | 153,000             | 0            | 0                        | 0                 | 4,680,000                                                                |
| 2019                    | 90             | 0                          | 90                | 312,120             | 28,090,800   | 0              | (1,980,000)                | 132               | 156,060             | 20,599,920   | 48,690,720               | 222               | (1,980,000)                                                              |
| 2020                    | 31             | (1,770,000)                | 90                | 318,362             | 28,652,616   | 0              | 0                          | 0                 | 159,181             | 0            | 28,652,616               | 90                | (1,770,000)                                                              |
| 2021                    | 0              | (930,000)                  | 31                | 324,730             | 10,066,619   | 108            | 1,620,000                  | 0                 | 162,365             | 0            | 10,066,619               | 31                | 690,000                                                                  |
| 2022                    | 0              | 0                          | 0                 | 331,224             | 0            | 0              | (1,620,000)                | 108               | 165,612             | 17,886,109   | 17,886,109               | 108               | (1,620,000)                                                              |
| 2023                    | 0              | 0                          | 0                 | 337,849             | 0            | 0              | 0                          | 0                 | 168,924             | 0            | 0                        | 0                 | 0                                                                        |
| 2024                    | 0              | 0                          | 0                 | 344,606             | 0            | 0              | 0                          | 0                 | 172,303             | 0            | 0                        | 0                 | 0                                                                        |
| 2025                    | 0              | 0                          | 0                 | 351,498             | 0            | 0              | 0                          | 0                 | 175,749             | 0            | 0                        | 0                 | 0                                                                        |
| 2026                    | 0              | 0                          | 0                 | 358,528             | 0            | 0              | 0                          | 0                 | 179,264             | 0            | 0                        | 0                 | 0                                                                        |
| 2027                    | 0              | 0                          | 0                 | 365,698             | 0            | 0              | 0                          | 0                 | 182,849             | 0            | 0                        | 0                 | 0                                                                        |
| 2028                    | 0              | 0                          | 0                 | 373,012             | 0            | 0              | 0                          | 0                 | 186,506             | 0            | 0                        | 0                 | 0                                                                        |
| 2029                    | 0              | 0                          | 0                 | 380,473             | 0            | 0              | 0                          | 0                 | 190,236             | 0            | 0                        | 0                 | 0                                                                        |
| 2030                    | 0              | 0                          | 0                 | 388,082             | 0            | 0              | 0                          | 0                 | 194,041             | 0            | 0                        | 0                 | 0                                                                        |
| 2031                    | 0              | 0                          | 0                 | 395,844             | 0            | 0              | 0                          | 0                 | 197,922             | 0            | 0                        | 0                 | 0                                                                        |
| 2032                    | 0              | 0                          | 0                 | 403,761             | 0            | 0              | 0                          | 0                 | 201,880             | 0            | 0                        | 0                 | 0                                                                        |
| 2033                    | 0              | 0                          | 0                 | 411,836             | 0            | 0              | 0                          | 0                 | 205,918             | 0            | 0                        | 0                 | 0                                                                        |
| 2034                    | 0              | 0                          | 0                 | 420,072             | 0            | 0              | 0                          | 0                 | 210,036             | 0            | 0                        | 0                 | 0                                                                        |
| 2035                    | 0              | 0                          | 0                 | 428,474             | 0            | 0              | 0                          | 0                 | 214,237             | 0            | 0                        | 0                 | 0                                                                        |
| 2036                    | 0              | 0                          | 0                 | 437,043             | 0            | 0              | 0                          | 0                 | 218,522             | 0            | 0                        | 0                 | 0                                                                        |
| 2037                    | 0              | 0                          | 0                 | 445,784             | 0            | 0              | 0                          | 0                 | 222,892             | 0            | 0                        | 0                 | 0                                                                        |
|                         | 211            | 0                          | 211               |                     | 66,810,035   | 240            | 0                          | 240               |                     | 38,486,029   | 105,296,064              | 451               | 0                                                                        |

[1] Adj. to actual/prelim. AV

**SOURCES AND USES OF FUNDS**  
**ROCK CREEK METROPOLITAN DISTRICT**  
**Combined Results**  
Amounts in thousands of dollars  
**GENERAL OBLIGATION BONDS, SERIES 2022A**  
**SUBORDINATE BONDS, SERIES 2022B**  
Amount in \$

[ Preliminary -- for discussion only ]

Dated Date 12/01/2022  
Delivery Date 12/01/2022

| <b>Sources:</b>         | <b>SERIES 2022A</b> | <b>SERIES 2022B</b> | <b>Total</b> |
|-------------------------|---------------------|---------------------|--------------|
| Bond Proceeds:          |                     |                     |              |
| Par Amount              | 5,825,000.00        | 1,756,000.00        | 7,581,000.00 |
|                         | 5,825,000.00        | 1,756,000.00        | 7,581,000.00 |
| <hr/>                   |                     |                     |              |
| <b>Uses:</b>            | <b>SERIES 2022A</b> | <b>SERIES 2022B</b> | <b>Total</b> |
| Project Fund Deposits:  |                     |                     |              |
| Project Fund            | 5,170,500.00        | 1,703,320.00        | 6,873,820.00 |
| Other Fund Deposits:    |                     |                     |              |
| Debt Service Reserve    | 338,000.00          |                     | 338,000.00   |
| Cost of Issuance:       |                     |                     |              |
| Other Cost of Issuance  | 200,000.00          |                     | 200,000.00   |
| Delivery Date Expenses: |                     |                     |              |
| Underwriter's Discount  | 116,500.00          | 52,680.00           | 169,180.00   |
|                         | 5,825,000.00        | 1,756,000.00        | 7,581,000.00 |

**SOURCES AND USES OF FUNDS**

**ROCK CREEK METROPOLITAN DISTRICT**  
**GENERAL OBLIGATION BONDS, SERIES 2022A**  
**55.277 (target) Mills**  
**Non-Rated, 130x, 30-yr. Maturity**  
**(Full Growth / No Reassessment Projections)**  
**[ Preliminary -- for discussion only ]**

|               |            |
|---------------|------------|
| Dated Date    | 12/01/2022 |
| Delivery Date | 12/01/2022 |

**Sources:**

|                |                     |
|----------------|---------------------|
| Bond Proceeds: |                     |
| Par Amount     | 5,825,000.00        |
|                | <u>5,825,000.00</u> |

**Uses:**

|                         |                     |
|-------------------------|---------------------|
| Project Fund Deposits:  |                     |
| Project Fund            | 5,170,500.00        |
| Other Fund Deposits:    |                     |
| Debt Service Reserve    | 338,000.00          |
| Cost of Issuance:       |                     |
| Other Cost of Issuance  | 200,000.00          |
| Delivery Date Expenses: |                     |
| Underwriter's Discount  | 116,500.00          |
|                         | <u>5,825,000.00</u> |

## BOND SUMMARY STATISTICS

**ROCK CREEK METROPOLITAN DISTRICT  
GENERAL OBLIGATION BONDS, SERIES 2022A  
55.277 (target) Mills  
Non-Rated, 130x, 30-yr. Maturity  
(Full Growth / No Reassessment Projections)  
[ Preliminary -- for discussion only ]**

|                                 |                |
|---------------------------------|----------------|
| Dated Date                      | 12/01/2022     |
| Delivery Date                   | 12/01/2022     |
| First Coupon                    | 06/01/2023     |
| Last Maturity                   | 12/01/2052     |
| Arbitrage Yield                 | 4.000000%      |
| True Interest Cost (TIC)        | 4.161194%      |
| Net Interest Cost (NIC)         | 4.000000%      |
| All-In TIC                      | 4.449734%      |
| Average Coupon                  | 4.000000%      |
| Average Life (years)            | 19.174         |
| Duration of Issue (years)       | 12.730         |
| Par Amount                      | 5,825,000.00   |
| Bond Proceeds                   | 5,825,000.00   |
| Total Interest                  | 4,467,600.00   |
| Net Interest                    | 4,584,100.00   |
| Bond Years from Dated Date      | 111,690,000.00 |
| Bond Years from Delivery Date   | 111,690,000.00 |
| Total Debt Service              | 10,292,600.00  |
| Maximum Annual Debt Service     | 676,000.00     |
| Average Annual Debt Service     | 343,086.67     |
| Underwriter's Fees (per \$1000) |                |
| Average Takedown                |                |
| Other Fee                       | 20.000000      |
| Total Underwriter's Discount    | 20.000000      |
| Bid Price                       | 98.000000      |

| Bond Component  | Par Value    | Price   | Average Coupon | Average Life | Average Maturity Date | PV of 1 bp change |
|-----------------|--------------|---------|----------------|--------------|-----------------------|-------------------|
| 30-yr Term Bond | 5,825,000.00 | 100.000 | 4.000%         | 19.174       | 02/02/2042            | 10,135.50         |
|                 | 5,825,000.00 |         |                | 19.174       |                       | 10,135.50         |

|                            | TIC          | All-In TIC   | Arbitrage Yield |
|----------------------------|--------------|--------------|-----------------|
| Par Value                  | 5,825,000.00 | 5,825,000.00 | 5,825,000.00    |
| + Accrued Interest         |              |              |                 |
| + Premium (Discount)       |              |              |                 |
| - Underwriter's Discount   | -116,500.00  | -116,500.00  |                 |
| - Cost of Issuance Expense |              | -200,000.00  |                 |
| - Other Amounts            |              |              |                 |
| Target Value               | 5,708,500.00 | 5,508,500.00 | 5,825,000.00    |
| Target Date                | 12/01/2022   | 12/01/2022   | 12/01/2022      |
| Yield                      | 4.161194%    | 4.449734%    | 4.000000%       |

**DETAILED BOND DEBT SERVICE**

**ROCK CREEK METROPOLITAN DISTRICT**

**GENERAL OBLIGATION BONDS, SERIES 2022A**

**55.277 (target) Mills**

**Non-Rated, 130x, 30-yr. Maturity**

**(Full Growth / No Reassessment Projections)**

**[ Preliminary -- for discussion only ]**

**30-yr Term Bond**

| <b>Period<br/>Ending</b> | <b>Principal</b> | <b>Coupon</b> | <b>Interest</b> | <b>Debt<br/>Service</b> | <b>Annual<br/>Debt<br/>Service</b> |
|--------------------------|------------------|---------------|-----------------|-------------------------|------------------------------------|
| 06/01/2023               |                  |               | 116,500         | 116,500                 |                                    |
| 12/01/2023               | 65,000           | 4.000%        | 116,500         | 181,500                 | 298,000                            |
| 06/01/2024               |                  |               | 115,200         | 115,200                 |                                    |
| 12/01/2024               | 100,000          | 4.000%        | 115,200         | 215,200                 | 330,400                            |
| 06/01/2025               |                  |               | 113,200         | 113,200                 |                                    |
| 12/01/2025               | 105,000          | 4.000%        | 113,200         | 218,200                 | 331,400                            |
| 06/01/2026               |                  |               | 111,100         | 111,100                 |                                    |
| 12/01/2026               | 110,000          | 4.000%        | 111,100         | 221,100                 | 332,200                            |
| 06/01/2027               |                  |               | 108,900         | 108,900                 |                                    |
| 12/01/2027               | 115,000          | 4.000%        | 108,900         | 223,900                 | 332,800                            |
| 06/01/2028               |                  |               | 106,600         | 106,600                 |                                    |
| 12/01/2028               | 120,000          | 4.000%        | 106,600         | 226,600                 | 333,200                            |
| 06/01/2029               |                  |               | 104,200         | 104,200                 |                                    |
| 12/01/2029               | 125,000          | 4.000%        | 104,200         | 228,200                 | 333,400                            |
| 06/01/2030               |                  |               | 101,700         | 101,700                 |                                    |
| 12/01/2030               | 130,000          | 4.000%        | 101,700         | 231,700                 | 333,400                            |
| 06/01/2031               |                  |               | 99,100          | 99,100                  |                                    |
| 12/01/2031               | 135,000          | 4.000%        | 99,100          | 234,100                 | 333,200                            |
| 06/01/2032               |                  |               | 96,400          | 96,400                  |                                    |
| 12/01/2032               | 140,000          | 4.000%        | 96,400          | 236,400                 | 332,800                            |
| 06/01/2033               |                  |               | 93,600          | 93,600                  |                                    |
| 12/01/2033               | 145,000          | 4.000%        | 93,600          | 238,600                 | 332,200                            |
| 06/01/2034               |                  |               | 90,700          | 90,700                  |                                    |
| 12/01/2034               | 150,000          | 4.000%        | 90,700          | 240,700                 | 331,400                            |
| 06/01/2035               |                  |               | 87,700          | 87,700                  |                                    |
| 12/01/2035               | 160,000          | 4.000%        | 87,700          | 247,700                 | 335,400                            |
| 06/01/2036               |                  |               | 84,500          | 84,500                  |                                    |
| 12/01/2036               | 165,000          | 4.000%        | 84,500          | 249,500                 | 334,000                            |
| 06/01/2037               |                  |               | 81,200          | 81,200                  |                                    |
| 12/01/2037               | 170,000          | 4.000%        | 81,200          | 251,200                 | 332,400                            |
| 06/01/2038               |                  |               | 77,800          | 77,800                  |                                    |
| 12/01/2038               | 175,000          | 4.000%        | 77,800          | 252,800                 | 330,600                            |
| 06/01/2039               |                  |               | 74,300          | 74,300                  |                                    |
| 12/01/2039               | 185,000          | 4.000%        | 74,300          | 258,300                 | 333,600                            |
| 06/01/2040               |                  |               | 70,600          | 70,600                  |                                    |
| 12/01/2040               | 190,000          | 4.000%        | 70,600          | 260,600                 | 331,200                            |
| 06/01/2041               |                  |               | 66,800          | 66,800                  |                                    |
| 12/01/2041               | 200,000          | 4.000%        | 66,800          | 266,800                 | 333,800                            |
| 06/01/2042               |                  |               | 62,800          | 62,800                  |                                    |
| 12/01/2042               | 205,000          | 4.000%        | 62,800          | 267,800                 | 330,600                            |
| 06/01/2043               |                  |               | 58,700          | 58,700                  |                                    |
| 12/01/2043               | 215,000          | 4.000%        | 58,700          | 273,700                 | 332,400                            |
| 06/01/2044               |                  |               | 54,400          | 54,400                  |                                    |
| 12/01/2044               | 225,000          | 4.000%        | 54,400          | 279,400                 | 333,800                            |
| 06/01/2045               |                  |               | 49,900          | 49,900                  |                                    |
| 12/01/2045               | 235,000          | 4.000%        | 49,900          | 284,900                 | 334,800                            |
| 06/01/2046               |                  |               | 45,200          | 45,200                  |                                    |
| 12/01/2046               | 240,000          | 4.000%        | 45,200          | 285,200                 | 330,400                            |
| 06/01/2047               |                  |               | 40,400          | 40,400                  |                                    |
| 12/01/2047               | 250,000          | 4.000%        | 40,400          | 290,400                 | 330,800                            |
| 06/01/2048               |                  |               | 35,400          | 35,400                  |                                    |
| 12/01/2048               | 260,000          | 4.000%        | 35,400          | 295,400                 | 330,800                            |
| 06/01/2049               |                  |               | 30,200          | 30,200                  |                                    |
| 12/01/2049               | 275,000          | 4.000%        | 30,200          | 305,200                 | 335,400                            |
| 06/01/2050               |                  |               | 24,700          | 24,700                  |                                    |
| 12/01/2050               | 285,000          | 4.000%        | 24,700          | 309,700                 | 334,400                            |
| 06/01/2051               |                  |               | 19,000          | 19,000                  |                                    |
| 12/01/2051               | 300,000          | 4.000%        | 19,000          | 319,000                 | 338,000                            |
| 06/01/2052               |                  |               | 13,000          | 13,000                  |                                    |
| 12/01/2052               | 650,000          | 4.000%        | 13,000          | 663,000                 | 676,000                            |
|                          | 5,825,000        |               | 4,467,600       | 10,292,600              | 10,292,600                         |

## NET DEBT SERVICE

**ROCK CREEK METROPOLITAN DISTRICT  
GENERAL OBLIGATION BONDS, SERIES 2022A  
55.277 (target) Mills  
Non-Rated, 130x, 30-yr. Maturity  
(Full Growth / No Reassessment Projections)  
[ Preliminary -- for discussion only ]**

| Period<br>Ending | Principal | Interest  | Total<br>Debt Service | Debt Service<br>Reserve | Net<br>Debt Service |
|------------------|-----------|-----------|-----------------------|-------------------------|---------------------|
| 12/01/2023       | 65,000    | 233,000   | 298,000               | -676                    | 297,324             |
| 12/01/2024       | 100,000   | 230,400   | 330,400               | -676                    | 329,724             |
| 12/01/2025       | 105,000   | 226,400   | 331,400               | -676                    | 330,724             |
| 12/01/2026       | 110,000   | 222,200   | 332,200               | -676                    | 331,524             |
| 12/01/2027       | 115,000   | 217,800   | 332,800               | -676                    | 332,124             |
| 12/01/2028       | 120,000   | 213,200   | 333,200               | -676                    | 332,524             |
| 12/01/2029       | 125,000   | 208,400   | 333,400               | -676                    | 332,724             |
| 12/01/2030       | 130,000   | 203,400   | 333,400               | -676                    | 332,724             |
| 12/01/2031       | 135,000   | 198,200   | 333,200               | -676                    | 332,524             |
| 12/01/2032       | 140,000   | 192,800   | 332,800               | -676                    | 332,124             |
| 12/01/2033       | 145,000   | 187,200   | 332,200               | -676                    | 331,524             |
| 12/01/2034       | 150,000   | 181,400   | 331,400               | -676                    | 330,724             |
| 12/01/2035       | 160,000   | 175,400   | 335,400               | -676                    | 334,724             |
| 12/01/2036       | 165,000   | 169,000   | 334,000               | -676                    | 333,324             |
| 12/01/2037       | 170,000   | 162,400   | 332,400               | -676                    | 331,724             |
| 12/01/2038       | 175,000   | 155,600   | 330,600               | -676                    | 329,924             |
| 12/01/2039       | 185,000   | 148,600   | 333,600               | -676                    | 332,924             |
| 12/01/2040       | 190,000   | 141,200   | 331,200               | -676                    | 330,524             |
| 12/01/2041       | 200,000   | 133,600   | 333,600               | -676                    | 332,924             |
| 12/01/2042       | 205,000   | 125,600   | 330,600               | -676                    | 329,924             |
| 12/01/2043       | 215,000   | 117,400   | 332,400               | -676                    | 331,724             |
| 12/01/2044       | 225,000   | 108,800   | 333,800               | -676                    | 333,124             |
| 12/01/2045       | 235,000   | 99,800    | 334,800               | -676                    | 334,124             |
| 12/01/2046       | 240,000   | 90,400    | 330,400               | -676                    | 329,724             |
| 12/01/2047       | 250,000   | 80,800    | 330,800               | -676                    | 330,124             |
| 12/01/2048       | 260,000   | 70,800    | 330,800               | -676                    | 330,124             |
| 12/01/2049       | 275,000   | 60,400    | 335,400               | -676                    | 334,724             |
| 12/01/2050       | 285,000   | 49,400    | 334,400               | -676                    | 333,724             |
| 12/01/2051       | 300,000   | 38,000    | 338,000               | -676                    | 337,324             |
| 12/01/2052       | 650,000   | 26,000    | 676,000               | -338,676                | 337,324             |
|                  | 5,825,000 | 4,467,600 | 10,292,600            | -358,280                | 9,934,320           |

## BOND SOLUTION

**ROCK CREEK METROPOLITAN DISTRICT  
 GENERAL OBLIGATION BONDS, SERIES 2022A  
 55.277 (target) Mills  
 Non-Rated, 130x, 30-yr. Maturity  
 (Full Growth / No Reassessment Projections)  
 [ Preliminary – for discussion only ]**

| Period<br>Ending | Proposed<br>Principal | Proposed<br>Debt Service | Debt Service<br>Adjustments | Total Adj<br>Debt Service | Revenue<br>Constraints | Unused<br>Revenues | Debt Serv<br>Coverage |
|------------------|-----------------------|--------------------------|-----------------------------|---------------------------|------------------------|--------------------|-----------------------|
| 12/01/2023       | 65,000                | 298,000                  | -676                        | 297,324                   | 388,361                | 91,037             | 130.61894%            |
| 12/01/2024       | 100,000               | 330,400                  | -676                        | 329,724                   | 435,332                | 105,608            | 132.02935%            |
| 12/01/2025       | 105,000               | 331,400                  | -676                        | 330,724                   | 435,332                | 104,608            | 131.63014%            |
| 12/01/2026       | 110,000               | 332,200                  | -676                        | 331,524                   | 435,332                | 103,808            | 131.31250%            |
| 12/01/2027       | 115,000               | 332,800                  | -676                        | 332,124                   | 435,332                | 103,208            | 131.07528%            |
| 12/01/2028       | 120,000               | 333,200                  | -676                        | 332,524                   | 435,332                | 102,808            | 130.91760%            |
| 12/01/2029       | 125,000               | 333,400                  | -676                        | 332,724                   | 435,332                | 102,608            | 130.83891%            |
| 12/01/2030       | 130,000               | 333,400                  | -676                        | 332,724                   | 435,332                | 102,608            | 130.83891%            |
| 12/01/2031       | 135,000               | 333,200                  | -676                        | 332,524                   | 435,332                | 102,808            | 130.91760%            |
| 12/01/2032       | 140,000               | 332,800                  | -676                        | 332,124                   | 435,332                | 103,208            | 131.07528%            |
| 12/01/2033       | 145,000               | 332,200                  | -676                        | 331,524                   | 435,332                | 103,808            | 131.31250%            |
| 12/01/2034       | 150,000               | 331,400                  | -676                        | 330,724                   | 435,332                | 104,608            | 131.63014%            |
| 12/01/2035       | 160,000               | 335,400                  | -676                        | 334,724                   | 435,332                | 100,608            | 130.05714%            |
| 12/01/2036       | 165,000               | 334,000                  | -676                        | 333,324                   | 435,332                | 102,008            | 130.60339%            |
| 12/01/2037       | 170,000               | 332,400                  | -676                        | 331,724                   | 435,332                | 103,608            | 131.23333%            |
| 12/01/2038       | 175,000               | 330,600                  | -676                        | 329,924                   | 435,332                | 105,408            | 131.94931%            |
| 12/01/2039       | 185,000               | 333,600                  | -676                        | 332,924                   | 435,332                | 102,408            | 130.76031%            |
| 12/01/2040       | 190,000               | 331,200                  | -676                        | 330,524                   | 435,332                | 104,808            | 131.70979%            |
| 12/01/2041       | 200,000               | 333,600                  | -676                        | 332,924                   | 435,332                | 102,408            | 130.76031%            |
| 12/01/2042       | 205,000               | 330,600                  | -676                        | 329,924                   | 435,332                | 105,408            | 131.94931%            |
| 12/01/2043       | 215,000               | 332,400                  | -676                        | 331,724                   | 435,332                | 103,608            | 131.23333%            |
| 12/01/2044       | 225,000               | 333,800                  | -676                        | 333,124                   | 435,332                | 102,208            | 130.68180%            |
| 12/01/2045       | 235,000               | 334,800                  | -676                        | 334,124                   | 435,332                | 101,208            | 130.29069%            |
| 12/01/2046       | 240,000               | 330,400                  | -676                        | 329,724                   | 435,332                | 105,608            | 132.02935%            |
| 12/01/2047       | 250,000               | 330,800                  | -676                        | 330,124                   | 435,332                | 105,208            | 131.86937%            |
| 12/01/2048       | 260,000               | 330,800                  | -676                        | 330,124                   | 435,332                | 105,208            | 131.86937%            |
| 12/01/2049       | 275,000               | 335,400                  | -676                        | 334,724                   | 435,332                | 100,608            | 130.05714%            |
| 12/01/2050       | 285,000               | 334,400                  | -676                        | 333,724                   | 435,332                | 101,608            | 130.44686%            |
| 12/01/2051       | 300,000               | 338,000                  | -676                        | 337,324                   | 441,157                | 103,833            | 130.78152%            |
| 12/01/2052       | 650,000               | 676,000                  | -338,676                    | 337,324                   | 441,157                | 103,833            | 130.78152%            |
|                  | 5,825,000             | 10,292,600               | -358,280                    | 9,934,320                 | 13,024,653             | 3,090,333          |                       |

## SOURCES AND USES OF FUNDS

### ROCK CREEK METROPOLITAN DISTRICT SUBORDINATE BONDS, SERIES 2022B Non-Rated, Cash-Flow Bonds, Annual Pay, 12/15/2052 (Stated) Maturity [ Preliminary -- for discussion only ]

|               |            |
|---------------|------------|
| Dated Date    | 12/01/2022 |
| Delivery Date | 12/01/2022 |

**Sources:**

|                |              |
|----------------|--------------|
| Bond Proceeds: |              |
| Par Amount     | 1,756,000.00 |
|                | 1,756,000.00 |

**Uses:**

|                         |              |
|-------------------------|--------------|
| Project Fund Deposits:  |              |
| Project Fund            | 1,703,320.00 |
| Delivery Date Expenses: |              |
| Underwriter's Discount  | 52,680.00    |
|                         | 1,756,000.00 |

## BOND PRICING

**ROCK CREEK METROPOLITAN DISTRICT  
SUBORDINATE BONDS, SERIES 2022B  
Non-Rated, Cash-Flow Bonds, Annual Pay, 12/15/2052 (Stated) Maturity  
[ Preliminary -- for discussion only ]**

| Bond Component    | Maturity Date | Amount    | Rate   | Yield  | Price   |
|-------------------|---------------|-----------|--------|--------|---------|
| 30-yr. Term Bond: | 12/15/2052    | 1,756,000 | 7.000% | 7.000% | 100.000 |
|                   |               | 1,756,000 |        |        |         |

|                         |              |             |
|-------------------------|--------------|-------------|
| Dated Date              | 12/01/2022   |             |
| Delivery Date           | 12/01/2022   |             |
| First Coupon            | 12/15/2022   |             |
| Par Amount              | 1,756,000.00 |             |
| Original Issue Discount |              |             |
| Production              | 1,756,000.00 | 100.000000% |
| Underwriter's Discount  | -52,680.00   | -3.000000%  |
| Purchase Price          | 1,703,320.00 | 97.000000%  |
| Accrued Interest        |              |             |
| Net Proceeds            | 1,703,320.00 |             |

## **EXHIBIT E**

### **ANNUAL REPORT AND DISCLOSURE FORM** (Sample attached)

**EL PASO COUNTY SPECIAL DISTRICT  
ANNUAL REPORT and DISCLOSURE FORM**

|     |                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                 |
|-----|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1.  | Name of District(s):                                                                                                                                                                                                                                                             | Rock Creek Metropolitan District                                                                                                                                                                                                                                                                                                |
| 2.  | Report for Calendar Year:                                                                                                                                                                                                                                                        | 2018                                                                                                                                                                                                                                                                                                                            |
| 3.  | Contact Information                                                                                                                                                                                                                                                              | SPENCER FANE LLP<br>Attention: Russell W. Dykstra<br>1700 Lincoln Street, Suite 2000<br>Denver, CO 80203-4554<br>Phone: 303-839-3845<br>E-mail: <a href="mailto:rdykstra@spencerfane.com">rdykstra@spencerfane.com</a>                                                                                                          |
| 4.  | Meeting Information                                                                                                                                                                                                                                                              | Meeting information can be found by contacting the contact person listed above.                                                                                                                                                                                                                                                 |
| 5.  | Type of District(s)/ Unique Representational Issues (if any)                                                                                                                                                                                                                     | Colorado Revised Statutes Title 32 Metropolitan District                                                                                                                                                                                                                                                                        |
| 6.  | Authorized Purposes of the District(s)                                                                                                                                                                                                                                           | The Service Plan authorizes all permissible purposes as allowed under Colorado Revised Statutes Title 32                                                                                                                                                                                                                        |
| 7.  | Active Purposes of the District(s)                                                                                                                                                                                                                                               | Proposed design, construction and completion of an estimated \$4,600,000 of on and off-site public improvements including, but not limited to, on and off-site streets, roadway, water and sanitary sewer, and park and recreation improvements                                                                                 |
| 8.  | Current Certified Mill Levies<br>a. Debt Service<br>b. Operational<br>c. Other<br>d. Total                                                                                                                                                                                       | a. 50 Mills (as may be Gallagher adjusted)<br>b. 10 Mills (as may be Gallagher adjusted)<br>c. 5 Mills (as may be Gallagher adjusted)<br>d. 65 Mills (as may be Gallagher adjusted)                                                                                                                                             |
| 9.  | Sample Calculation of Current Mill Levy for a Residential and Commercial Property (as applicable).                                                                                                                                                                               | Assume a residential property with a value of \$300,000 x 7.96% = \$23,880 (assessed value);<br>\$23,880 x .065 = \$1,552 taxes per year due to the District<br><br>Assume a commercial property with a value of \$500,000 x 29% = \$145,000 (assessed value);<br>\$145,000 x .065 = \$9,425 taxes per year due to the District |
| 10. | Maximum Authorized Mill Levy Caps (Note: these are maximum allowable mill levies which could be certified in the future unless there was a change in state statutes or Board of County Commissioners approvals)<br><br>a. Debt Service<br>b. Operational<br>c. Other<br>d. Total | a. 50 Mills (as may be Gallagher adjusted)<br>b. 10 Mills (as may be Gallagher adjusted)<br>c. 5 Mills (as may be Gallagher adjusted)<br>d. 65 Mills (as may be Gallagher adjusted)                                                                                                                                             |
| 11. | Sample Calculation of Mill Levy Cap for a Residential and Commercial Property (as                                                                                                                                                                                                | See #9 above.                                                                                                                                                                                                                                                                                                                   |

|     |                                                                                        |     |
|-----|----------------------------------------------------------------------------------------|-----|
|     | applicable).                                                                           |     |
| 12. | Current Outstanding Debt of the District (as of the end of year of this report)        | N/A |
| 13. | Total voter-authorized debt of the District (including current debt)                   | N/A |
| 14. | Debt proposed to be issued, reissued or otherwise obligated in the coming year.        | N/A |
| 15. | Major facilities/ infrastructure improvements initiated or completed in the prior year | N/A |
| 16. | Summary of major property exclusion or inclusion activities in the past year.          | N/A |

Reminder:

- A. As per Colorado Revised Statutes, Section 32-1-306 (as it may be amended from time to time, which, among other things, outlines requirements to be met following organization of a district), the special district shall maintain a current, accurate map of its boundaries and shall provide for such map to be on file with the County Assessor.

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Name and Title of Respondent

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Signature of Respondent

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Date

RETURN COMPLETED FORM TO: El Paso County Board of County Commissioners  
Attention: Clerk to the Board  
200 South Cascade Avenue  
Colorado Springs, Colorado 80903

**\*\*NOTE:** As per CRS Section 32-1-104(2) (which outlines certain requirements related to the filing of an annual notice), a copy of this report should also be submitted to:

County Assessor – 1675 West Garden of the Gods Road, Suite 2300, Colorado Springs, Colorado 80907

County Treasurer – 1675 West Garden of the Gods Road, Suite 2100, Colorado Springs, Colorado 80907

**RESOLUTION NO. 07-272**  
**EXHIBIT A**  
**SPECIAL DISTRICT POLICIES**

**I. PURPOSE, INTENT AND APPLICATION**

- A. Purpose.** The purpose of these policies is to provide a framework for the evaluation of applications for new, amended and updated special district service plans as authorized by C.R.S. Title 32 and which are under the jurisdiction of the El Paso County Board of County Commissioners.
- B. Intent.** It is the intent that applications for new and revised service plans should be drafted to both address and be consistent with these policies. However, the applicant(s) for a proposed district or districts, or amendment to any existing service plan shall have the right to seek relief or modification from any of these stated policies, based on proper justification, to the extent allowable by law. The County, for its part, maintains its discretion to apply additional evaluation criteria, policies and limitations to the formation of new and revised districts, as the County may deem applicable.
- C. Model Service Plans.** New service plans and any major amendments thereof shall adhere to the applicable Model Service Plan formats as further addressed in Resolution No. 07-273 (June 25, 2007) as may be amended. The purposes of the model plan approach include standardizing the organization of information, and inclusion of standard language and limitations consistent with current Board policy. Additionally, this approach is intended to focus on variations from standard language and/or policy. The appropriate Model Service Plan template (i.e. Single District, Multiple District, and Master District) should be utilized and then modified as appropriate to address the particular needs and circumstances associated with a given application. Title 32 Special Districts which are not metropolitan districts should adhere to the Model Service Plan template to the extent possible.
- D. Required Hearings.** Prior to a hearing of the Board of County Commissioners, all service plans for new Title 32 Special Districts and Major Amendments thereof shall first be considered at a hearing of the Planning Commission in accordance with Colorado Revised Statutes and as further described in the El Paso County Land Development Code and its accompanying Procedures Manual. Any request

for a service plan amendment which does not meet the definition of a Major Amendment does not require a hearing by the Planning Commission unless a need for this hearing is specifically determined by the Development Services Department Director. The above policy is intended to apply retroactively to any previously approved Service Plans which may have had conditions requiring all requests for Material Modifications to first be heard by the Planning Commission.

**E. Special Justification.** Certain matters shall be specifically and comprehensively justified based on the unique needs and circumstances associated with the particular Service Plan application. Matters requiring special justification include but are not necessarily limited to the following, as further addressed in these policies:

1. Use of Master Districts;
2. Authorization of mill levy caps in excess of the caps as set forth in Section III.F;
3. Specific authorization of special purpose mill levy caps which have the effect of increasing the Maximum Combined Mill Levy Cap above 60 (sixty) mills as set forth in Section III.F.5 and 6;
3. Processing of service plans prior to approval of underlying land use approvals as set forth in Section III.I.;
4. Use of a district or districts for covenant enforcement in lieu of Homeowners Associations (HOAs), where a Master District arrangement is proposed and/or where the district or districts are not otherwise being used to provide ongoing services.

**F. Procedures.** The detailed procedures governing the application process for new and amended service plans shall be maintained by the Development Services Director in a Procedures Manual (to be subsequently adopted by the BoCC and as may be amended).

## **II. BACKGROUND**

**A. History.** Prior to 2007, El Paso County followed Special District policies which were initially adopted on September 2, 2004, and subsequently amended on September 22, 2005, and on December 28, 2006 to address limited changes. El Paso County has processed approximately 40 new and amended Service Plan Applications between 2000 and mid- 2007, involving about 70 separate districts. During this period, policy issues have continued to evolve. In October of 2006

the Board of County Commissioners directed the Long Range Planning Division Staff to review the County's existing policy language for additional updates and pursue the adoption of a Model Service Plan approach.

- B. **Formation of Special District Task Force.** Since the County recognizes the value Special Districts provide in developing community infrastructure and services, a Special District Task Force was formed in early 2007, comprised of special district attorneys and managers, members of the development community, El Paso County Administration and Commissioners, and citizen representatives.
- C. **Objectives of Special District Task Force.** The initial, 2006 objectives of the Task Force were (1) to recommend an updated Annual Report form; and (2) make a policy recommendation pertaining to developer advances. Additional objectives for 2007 included revising existing County policy and preparation of Model Service Plans. It was contemplated the Task Force may also be utilized to provide beneficial input regarding potential future legislative and technological changes. The importance of using the County Web site as a vehicle for communication and disclosure was also agreed upon.
- D. **Outcome of Special District Task Force.** An updated Annual Report Form was prepared to include a single combined Annual Report and Disclosure form, approved by the Board of County Commissioners on December 18, 2006. County staff worked together to reference this document on the Assessor's tax bill and allow for internet availability. The developer funding agreement policy was proposed and approved by the Board of County Commissioners on December 28, 2006. Special District Model Service Plans and revised Policies were approved by the Board of County Commissioners on June 25, 2007.

### III. **OVERALL SERVICE PLAN POLICIES**

- A. **Conformity.** All proposed service plans shall be evaluated by both the applicant and County staff for conformity with the applicable standards contained in C.R.S. 32-1-203. Evaluation shall consist of more than a simple listing of the standards and/or statement that the service plan complies.
- B. **Consistency.** All proposed service plans shall also be evaluated by the County for consistency with applicable elements of the El Paso County Master Plan, and with respect to these Special District Policies.

- C. **Applicable Statutes and El Paso County Preferences.** It shall be the responsibility of the applicant to assure that service plans are drafted to meet all of the minimum requirements contained in C.R.S. Title 32, specifically including C.R.S. 32-1-202 (2) as well as all other applicable State requirements.
1. Districts which include water supply as one of their purposes shall be strongly encouraged to join the El Paso County Water Authority upon formation.
  2. The preference of El Paso County is for the formation of conventional districts which accord full electoral representation to residents and property owners within the district(s) and/or service area(s).
- D. **Application and Schedule.** Although the County will endeavor to be reasonably flexible in accommodating the scheduling needs of special district applicants, it is the ultimate responsibility of the applicants to allow sufficient time to meet the County's procedural guidelines and requirements for application processing.
- E. **Review.** Service plans shall be drafted and processed in a manner that allows for coordination and input of all affected elected officials and County departments and other external agencies, specifically including the Clerk and Recorder, the Assessor and the Treasurer.
- F. **Mill Levy Caps**
1. All proposed districts that rely significantly on future development to meet financing projections shall include mill levy caps as part of their service plans. To the extent permitted by law, such caps may be lifted once the district achieves the ratios of assessed valuation to debt and other requirements which would allow these caps to be removed. However, actual removal of a Board-imposed mill levy cap is subject to approval of the Board of County Commissioners at the time the cap is proposed to be removed. Removal of mill levy caps should be supported by justifications including, but not limited to, data establishing ratios of assessed valuation to debt that meet statutory criteria for the issuance of bonds without a mill levy cap, and enhancement of a district's ability to refinance debt at a more favorable rate (if proposed in connection with a refunding of debt).
  2. The Maximum Debt Service Mill Levy Cap for Full Service Districts shall normally be 50 (fifty) mills, subject to Gallagher adjustment as permitted by law. Debt Service Caps for Limited Service Districts should be

correspondingly lower based generally on the proportion of services and facilities the district will be providing compared with a Full Service District.

3. A Maximum Operational Mill Levy Caps of up to 10 (ten) mills shall be allowed if supported by the Service Plan and accompanying Development and Financial analyses. Unless a special district has been "de-TABORED" with respect to its operational mill levy, the Maximum Operational Mill Levy Cap shall not subject to Gallagher adjustment.
4. All service plans for metropolitan districts shall specify a Maximum Combined Mill Levy cap. Unless otherwise provided for and justified below, the Maximum Combined Mill Levy shall be 60 (sixty) mills
5. If justified and fully documented by supporting information, an increase in the Maximum Operational, Debt Service and/or Maximum Combined Mill Levy Caps to allow up to 15 (fifteen) additional mills may be specifically authorized for the purpose of funding ongoing fire protection services where either the District itself will be providing these services or the District(s) propose to contract with another district to provide these services. Such additional mill levy caps shall only be allowed in cases where the property within the proposed district is not presently included in an organized fire protection district.
6. If justified and fully documented by supporting information, an increase in the Maximum Combined Mill Levy Caps of up to 5 (five) additional mills may be specifically authorized as a Special Purpose Mill Levy for the purpose of funding ongoing covenant enforcement and/or maintenance of common facilities in the absence of a Homeowners Association, or if such covenant enforcement, in the alternative, is to be undertaken by the District.
7. In cases where districts are subject to a mill levy cap and will be relying significantly on future development to meet financing projections, notice shall be provided in the service plan or its approval to the effect that repayment periods for bonds and/or other district obligations are subject to extension in the event revenues come in at a rate lower than anticipated.

**G. Disclosure, Notice and Annual Reports**

1. It is the policy of El Paso County to further and encourage full, balanced, clear, convenient and constructive disclosure of special district information to all potentially effected parties especially including existing and potential future residential property owners.
2. Notice and disclosure should specifically address topics including but not necessarily limited to unique representational issues (e.g. master districts), dissemination of contact and basic financial information to property owners, and apprising tax and rate payers of their potential maximum financial risk and exposure associated with owning property in the district(s)
3. All districts shall file an Annual Report and Disclosure form in accordance with Resolution 06-472, as may be amended.

**H. Non-Proliferation and Need for Districts.** Notwithstanding the many factors which may create a justification to form one or more new and independent special district(s), it is the policy of the County to discourage the unnecessary proliferation of additional districts in the County.

1. All proposals for new districts shall clearly and comprehensively justify their need compared with alternatives including using existing districts or non-special district options.
2. Plans for new districts shall be designed and implemented to allow reasonable options for inclusion of additional property; thereby reducing the necessity of creating additional districts in the future.
3. Although the County supports the reasonable and judicious inclusion of additional territory by existing and proposed new districts, conditions should be placed on new and revised service plans to limit the potential for inclusion of remote properties unless these actions were anticipated in the original service plan.
4. Service Plans should be written with contingences that contemplate eventual annexation of territory by a municipality, in cases where this is a significant possibility.

**I. Land Use Approvals.** Applicants for developer-initiated districts are encouraged to obtain Underlying Land Use Approvals prior to, or at a minimum, in conjunction with service plan application. In those cases where an applicant desires to process a service plan prior to final action on underlying land use approvals, the

burden shall be on the applicant to justify the necessity of this timing, sufficient conditions shall be placed on the service plan to address potential subsequent denial or modification of the land use applications, and notations shall be added making it clear that the County has no obligation whatsoever to approve subsequent land use applications in cases where applicants may chose to process service plans in advance of obtaining underlying land use approvals.

**J. Fees.** Within the limits of State Statutes, it is the policy of the County to establish and charge fees commensurate with the actual cost of processing and reviewing of new and amended service plans. Such fees are established by separate Board resolution, and may be waived or reduced by the Board of County Commissioners either in advance of or in conjunction with the hearing on a given service plan. Justifications for fee waiver or reduction include, but are not limited to:

1. County-initiated or partnered service plans.
2. Reduced fee based on limited non-controversial modification to an existing Service Plan.
3. Processing of service plans for volunteer initiatives and/or for districts with limited proposed indebtedness and revenue generation.

#### **IV. SERVICE PLAN REQUIREMENTS & PROCEDURES**

**A. Development and Financial Analysis.** A development analysis shall be required prior to formation or full authorization of all proposed districts which rely significantly on future development to meet financial projections

1. At a minimum, the development analysis shall include a summary of the anticipated development within the district described by applicable category and with development absorption projected throughout the applicable forecast period.
2. A summary financial analysis shall be provided to correspond with the development analysis. This financial analysis shall include, a first year revenue budget, a summary of projected revenues, expenditures, and proposed debt issuances over the forecast period, and at a minimum shall address the requirements of C.R.S. 32-1-202 (2) (b) and (f).
3. The development analysis and financial plan shall address the "most probable" market absorption assumptions at a minimum, but shall also specifically address contingencies in the event initial development is

significantly delayed and/or market absorption occurs at significantly lower rates than anticipated.

4. Service Plans for newly developing areas shall specifically address the potential vulnerability of the development forecasts to short-term market downturns at the beginning of the forecast period.

**B. Eligible Improvements.**

1. It is the policy of the County to encourage the use of financing districts for Regional Public Improvements which provide a benefit to a significant share of residents and businesses within a larger development and/ or to areas outside the development.
2. Special districts may be authorized to fund Local Public Improvements, where a need is demonstrated, and if a plan for this financing can be justified in the Service Plan.
3. Districts shall not be authorized to finance non-public improvements, nor shall district facilities be used for non-public purposes without proper remuneration to the district(s).
4. In cases where districts are used to finance Local Public Improvements which are tied to the subdivision process, any Service plans and/or subdivision agreements shall be structured in order to prevent a loss of sales tax revenue from sales of construction materials which would otherwise accrue to the County or other local government taxing entities.

**C. Acquisitions and Eminent Domain**

1. The policy of the County is to generally discourage the use of districts as a mechanism to reimburse developers for the cost of facilities or other costs already committed to a land development project unless such reimbursement was contemplated in previous County approvals.
2. The contemplated use of eminent domain and/or dominant eminent domain should be addressed in the service plan with reasonable limits placed on thereon, based on the intended use of the district(s). Such limits may include the requirement for express prior approval of the Board for any purposes not explicitly identified in the service plan.
3. In no case shall the authorized eminent or dominant eminent domain powers of the district(s) be used to acquire land or other assets for the purpose of private economic development of such property, where such

acquisition is not clearly necessary to support the essential facility and service provision purposes of the districts (s).

4. Pursuant to Colorado Revised Statutes, districts shall not be authorized to acquire water rights by condemnation.

**D. Authorization of Debt and Issuance of Bonds**

1. Districts shall be encouraged to prudently phase the issuance of debt, especially in situations where future development will be substantially relied upon for to generate revenue to pay such debt.
2. The pre-authorization of debt shall be reasonably limited.
3. In cases where there will be a Master District arrangement, consideration may be given to limitations which require prior Board of County Commissioners approval for re-authorization of debt if and when the original authorization expires.
4. Districts shall evaluate their proposed mill levy and debt in relationship to the current and potential future combined mill levies and debt which may be levied by all overlapping and eligible taxing entities for the affected area.
5. Where applicable and appropriate, districts are encouraged to rely on a combination of property taxes, fees and charges both to diversify their revenue sources and to reduce some of the repayment impact on future property owners, particularly in the case where the district(s) will be used to fund Local Public Improvements.
6. Districts are encouraged to limit the term of bond issuances to the shortest time period that is reasonable and practical. The term of each individual bond issue should be limited to thirty (30) years or less unless specific justification for a longer duration is provided.
7. In cases where developers or other directly interested parties may be purchasing developer-held bonds, an opinion letter from an external financial advisor shall be provided to ensure that interest rates for these bonds are competitive as compared with bonds sold on the open market.
8. Districts shall not be authorized to directly accept sales or use tax revenues (i.e. from tax increment financing arrangements) without express prior approval of the Board).

**E. Developer Funding Agreements.** Districts shall be allowed to prudently use developer funding agreements and/or capitalized interest as a means of compensating for delays in receipt of property tax and other revenues in newly developing districts.

1. The proposed and potential use of Developer Funding Agreements shall be addressed as part of the Service Plan for new districts and Major Amendments, as well as for other non-Major Amendments if this topic is deemed by the Development Services Director to be pertinent to the amendment.
2. To the extent Developer Funding Agreements are included in an approved Service Plan (or any amendment thereof), such Agreements may provide for the earning of simple interest thereon, but under no circumstances shall any such Agreement permit the compounding of interest. The Service Plan may permit an interest rate that does not exceed the prime interest rate plus two points thereon
3. Unless specifically addressed in the original Service Plan or a Board of County Commissioners-approved amendment of the Service Plan, the maximum term for repayment of a Developer Funding Agreement shall be twenty (20) years from the date the Special District becomes obligated to repay the Developer Funding Agreement under the associated contractual obligation. For the purpose of this provision, Developer Funding Agreements are considered repaid once the obligations are fully paid in cash or when converted to bonded indebtedness of the Special District (including privately placed bonds). Any extension of such term must be approved by the Board.
4. Required disclosure notices shall clearly identify the potential for a Special District to enter into obligations associated with Developer Funding Agreements.

**F. Multiple Districts.**

1. Multiple District Service Plans shall include the following:
  - a. Provide justification that the total number of proposed districts is the minimum necessary to effectively manage the infrastructure and operational needs of the service area.

- b. Clearly and comprehensively address the relationships among separate districts, including proposed intergovernmental agreements and contingencies for potential dissolution or combination.
  - c. Clearly address intent to fairly and equitably distribute costs and benefits among separate districts.
- 2. If justified in the Service plan(s) the Board may consider Multiple District concepts for the following purposes:
  - a. Accommodating the phasing of infrastructure financing for distinct major phases of a larger land development project
  - b. Allowing for differential mill levies between non-residential and residential areas within a larger project for the purposes of addressing the impact of the Gallagher Amendment.

**G. Master Districts.** Service plans which contemplate Master District concepts shall provide justification that the total number of proposed districts is the minimum necessary to effectively manage the infrastructure and operational needs of the service area. Master District approvals shall be allowed subject to specific justification of the unique need for these limited representation arrangements.

- 1. The preference of El Paso County is for the formation of conventional districts that accord full electoral representation to residents and property owners within the district(s) and/or service area(s).
- 2. Service Plans that contemplate Master District concepts shall provide justification that the total number of proposed districts is the minimum necessary to effectively manage the infrastructure and operational needs of the service area.
- 3. In cases where one or more Master Districts will provide services or facilities to a larger defined service area, the applicants for the district shall use reasonable means (including mailings and/or informational meeting) to inform existing property owners of the proposed district arrangement.
- 4. Board of County Commissioners appointed Citizen Advisory Councils (CACs) should be actively considered as a means to allow a more formal role in the affairs of the Controlling Board of Directors, including, where appropriate, consideration of establishing the Chair of the CAC as either

an ex-officio or formal voting member of the Controlling Board of Directors.

5. If not initially required as a condition of Service Plan approval, and if so provided as part of such approval, at any time during the existence of the Controlling Board of Directors, the Board of County Commissioners, either on its own initiative or in response to citizen input, may exercise their prerogative to require the creation a Citizen Advisory Council (CAC) if it is determined to be in the best interest of the County, and/or the property owners within the service area. The Board may establish the Chair of the CAC as either an *ex-officio* or formal voting member of the Controlling Board of Directors.
6. Other than responsibility for the appointment process, the Controlling Board of Directors shall have responsibility for support of any CACs, which may be required.
7. In the event of insufficient interest in CAC membership, appropriate justification presented by the Controlling District Board of Directors, or for any other reason, the Board of County Commissioners, at its sole discretion, shall have the right to eliminate a prior requirement for a CAC.
8. Service plans which contemplate Master District arrangements shall include provisions to accommodate a transition back to a conventional district once the area served by the district(s) is fully developed.

**H. Covenant Enforcement and Homeowner's Association Functions.**

1. Any intent or reserved option to use the proposed District(s) for Homeowners Association (HOA) functions, including covenant enforcement or common area maintenance should be clearly described in the Service Plan. Such description should specify whether there is intent to use the District(s) in lieu of one or more HOAs or to contract with HOA(s) for provision of certain services.
2. Use of district(s) for ongoing covenant enforcement purposes should be specifically discouraged if there are expected to be no other ongoing needs for the perpetual existence of the District(s).

**I. Service Plan Amendments & Material Modifications.**

1. The Board of County Commissioners reserves the discretion to impose review standards and hearing requirements as deemed appropriate and

necessary for any application for amendment of an existing Service Plan, as otherwise allowed under State Statute.

2. In cases where one or more Major Amendments are proposed to be made to an existing Service Plan, a revised Service Plan submittal shall be required with hearings to be scheduled before both the Planning Commission and the Board of County Commissioners consistent with the review of a Service Plan for a new district, except where these procedures may be clearly inapplicable. Final action on a Major Amendment shall consist of approval of the new Service Plan which will have the effect of replacing the previous one, and any conditions or notations which may have been imposed on that plan by the Board of County Commissioners.
3. In cases where one or more Minor Amendments are proposed to be made to an existing Service Plan, the submittal shall not normally require a complete new Service Plan, but only those materials necessary to support and justify the amendment as determined by the Development Services Department Director in consultation with the County Attorney's Office. The hearing or hearings addressing Minor Amendments shall be scheduled directly before the Board of County Commissioners. Final action on a Minor Amendment shall consist of approval of a resolution specifically amending the language included in the existing Service Plan or the conditions or notations imposed on that plan by the Board of County Commissioners.
4. Material Modifications may be processed as either Major or Minor Amendments at the discretion of the Development Services Department Director in consultation with the County Attorney's Office.
5. Administrative amendments to approved Service Plans shall only be approved administratively (by the Development Services Department Director in consultation with the County Attorney's Office) in those cases where this authority is expressly delegated by the Board of County Commissioners.
6. Determinations as to the use and applicability of the Major or Minor Amendment process, as outlined above, shall be made by the Development Services Department Director for all Service Plans

approved prior to the date of adoption of these policies, based on a determination of the need for and appropriateness of the Minor versus Major Amendment processes.

7. Any administrative decisions concerning IV. J. 2-6 above may be appealed to the Board of County Commissioners pursuant to applicable procedures as outlined in the El Paso County Land Development Code, or as otherwise provided for in State Statute.

## V. **DEFINITIONS**

The following terms are defined specifically and solely for use in conjunction with these El Paso County Special District Policies. The definitions may or may not completely correspond with definitions in State Statutes, the El Paso County Land Development Code, or other relevant documents:

- Board – The Board of County Commissioners of El Paso County, unless otherwise specified
- Citizens Advisory Council (CAC) – A five (5) member advisory board appointed by the Board of County Commissioners for the purpose of providing input to the Commissioners and to the Controlling Board(s) in the case of Master District arrangements.
- Complete Service Plan – A complete service plan filed in accordance with C.R.S. Title 32 and County requirements and these Policies, and specifically including a complete financial plan as well as a market study, if applicable
- Controlling Board of Directors – The board or boards of directors of that have the ability to directly influence the major financial decisions of a district or combination of related districts.
- Conventional Representative District – One or more Title 32 special districts, each of which is structured to allow all residents and property owners to participate in elections for the Controlling Board(s) of Directors, as otherwise allowed by Statute.
- County – El Paso County, Colorado, as represented by its Board of County Commissioners.
- Developer Funding Agreement – An agreement of any kind executed between a Special District (“District”) and a Developer as this term is specifically defined below, including but not limited to advance funding agreements, reimbursement agreements or loans to the District from a Developer, where such an agreement creates an obligation of any kind which may require the District to re-pay the Developer. The term “Developer” means any person or entity (including but not limited to corporations, venture partners,

proprietorships, estates and trusts) that owns or has a contract to purchase undeveloped taxable real property greater than or equal to ten percent (10%) of all real property located within the boundaries of the District. The term "Developer Funding Agreement" shall not extend to any such obligation listed above if such obligation has been converted to any bonds issued by the District to evidence the obligation to repay such Developer Funding Agreement, including the purchase of these bonds by a Developer.

- District(s) – Any district or districts duly organized or contemplated to be organized under C.R.S. Title 32.
- Dominant Eminent Domain – Condemnation action undertaken by one governmental entity with respect to property owned by another governmental entity.
- External Financial Advisor – A consultant that: (i) advises Colorado governmental entities on matters relating to the issuance of securities by Colorado governmental entities, including matters such as the pricing, sales and marketing of such securities and the procuring of bond ratings, credit enhancement and insurance in respect of such securities; (ii) shall be an underwriter, investment banker, or individual listed as a public finance advisor in the Bond Buyer's Municipal Market Place; and (iii) is not an officer or employee of the District for which External Advisor Services are being rendered, and (iv) has not been otherwise engaged to provide services in connection with the transaction related to the applicable Debt.
- Full Service District – A 32 district which may be a metropolitan district and which provides a substantially full range of facilities and services to normally include central water and sewer, along with a combination of other purposes which may include road improvements, parks and recreation, and drainage. A Full Service District may contract or otherwise arrange with other entities to provide some of these facilities and services.
- Gallagher Adjustment – An allowed adjustment to the Maximum Debt Service Mill Levy, Maximum Operational Mill Levy, or Maximum Special Mill Levy intended to offset the effect of adjustments to the ratio between market value and assessed value of taxable property within the applicable District that would cause a reduction in the revenue otherwise produced from such Maximums based on the ratio between market value and assessed value as of January 1 in the year in which the applicable District's organizational election is held.
- Limited Service District – A Title 32 district that may be a metropolitan district and which provides a more limited range of facilities, services or purposes than a Full Service

District, such that either other entities or the individual property owner are responsible for providing a significant share of the facility and service needs of the development.

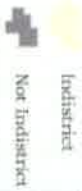
- Local Public Improvements – Facilities and other improvements which are or will be dedicated to the County or another governmental or quasi-governmental entity for substantially public use, but which do not qualify under the definition of Regional Public Improvements. Examples would include local streets and appurtenant facilities, water and sewer lines which serve individual properties and drainage facilities that do not qualify as reimbursable under adopted drainage basin planning studies.
- Major Amendment – An amendment to an existing approved Service Plan which is considered substantial enough to warrant the submittal of a revised Service Plan and the requirement for hearings by both the Planning Commission and the Board of County Commissioners, as determined by the Development Services Department Director in consultation with the County Attorney's Office. Such Amendments specifically include but are not limited to those amendments which are expressly stipulated as being Major Amendments, either in the text of the existing Service Plan or in the conditions or notations attached to its approval.
- Material Modification – Any variance or deviation from an existing approved Service Plan which meets the definition of this term as it is defined in C.R.S. 32-1-207 (2) and/or any other variance or deviation which is specifically identified as a Material Modification either in the text of the existing approved Service Plan or the conditions or notations attached to its approval. The procedure for Board of County Commissioners approval of Material Modifications may involve either a Minor or a Major Amendment as addressed in these policies.
- Master District – Any arrangement of districts with the intent of using one or more small directors parcels for the purpose of retaining control of the key financial decisions of the districts such that the majority of future property owners who will receive facilities and/or services of the district(s) will not be eligible to participate in the election of the Controlling Board of Directors.
- Maximum Debt Service Mill Levy Cap – The maximum Gallagher-adjusted ad valorem mill levy the district, or combination of districts which are part of a consolidated service plan, may certify against any property within the district(s) for the purpose of servicing any debt incurred by or on behalf of the districts (s).
- Maximum Operational Mill Levy Cap – The maximum Gallagher-adjusted ad valorem mill levy the district, or combination of districts which are part of a consolidated service

plan, may certify against any property within the district(s) for the purposes providing revenues for ongoing services, administration or any other allowable activities other than the servicing of debt.

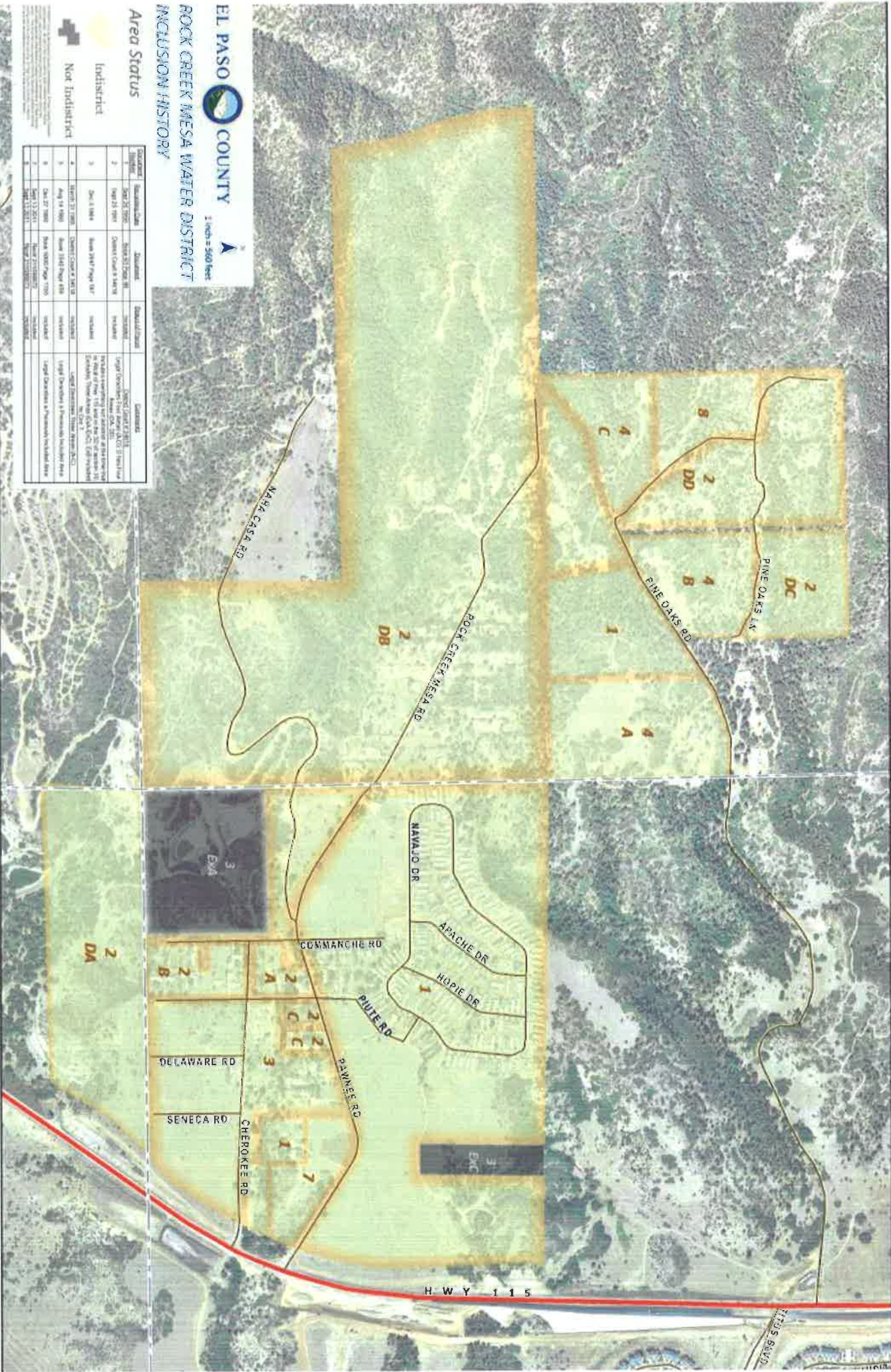
- Maximum Combined Mill Levy Cap – The maximum combined Gallagher-adjusted ad valorem mill levy the district, or combination of districts which are part of a consolidated service plan, may certify against any property within the district(s) for any purposes.
- Minor Amendment – An amendment to an existing approved Service Plan which is not considered substantial enough to warrant the requirement for submittal of a complete revised Service Plan and the requirement for hearings by both the Planning Commission and the Board of County Commissioners, as determined by the Development Services Department Director in consultation with the County Attorney's Office. Such Amendments specifically include but are not limited to those amendments which are expressly stipulated as being Minor Amendments either in the text of the existing Service Plan or the conditions or notations attached to its approval.
- Model Service Plan – The applicable standardized format and content for a service plan as currently adopted by the Board of County Commissioners.
- Multiple Districts – Any combination of two (2) or more districts as part of a consolidated service plan for the purpose(s) of phasing the relinquishment of control by a developer-controlled board of directors and/or phasing the issuance of debt in accordance with phased land use plan and/or accommodation of differential mill levies within the consolidated service area.
- Planning Commission – The El Paso County Planning Commission.
- Regional Public Improvements – Facilities and other improvements which are or will be dedicated to the County or another governmental or quasi-governmental entity for substantially public use, and which serve the needs of the region.
- TABOR and deTABOR – “TABOR” is an acronym which refers to the Taxpayer Bill of Rights found in Article 10, Section 20 of the Colorado Constitution.
- Underlying Land Use Approvals – Any pre-existing approvals by the Board of County Commissioners of one or more sketch plans, generalized planned unit development (PUD) Plans, site-specific PUD plans, conventional rezonings, preliminary plans, final plats, or any combinations of the foregoing which are consistent with and support the development assumptions included in the Service Plan.

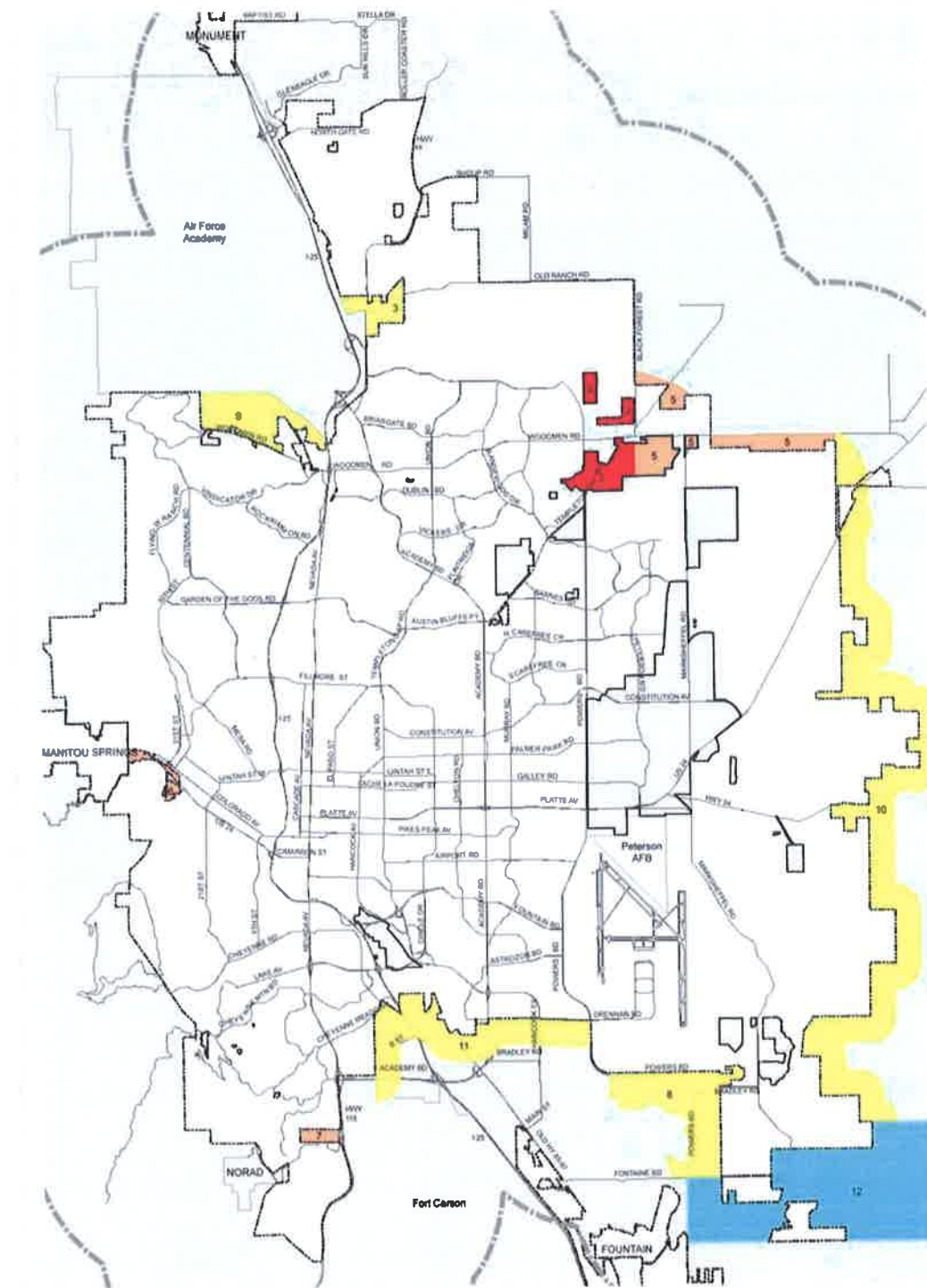
ROCK CREEK MESA WATER DISTRICT  
INCLUSION HISTORY

Area Status



| Year | Area     | Area Status | Comments |
|------|----------|-------------|----------|
| 1    | Area 1   | Indistrict  | Area 1   |
| 2    | Area 2   | Indistrict  | Area 2   |
| 3    | Area 3   | Indistrict  | Area 3   |
| 4    | Area 4   | Indistrict  | Area 4   |
| 5    | Area 5   | Indistrict  | Area 5   |
| 6    | Area 6   | Indistrict  | Area 6   |
| 7    | Area 7   | Indistrict  | Area 7   |
| 8    | Area 8   | Indistrict  | Area 8   |
| 9    | Area 9   | Indistrict  | Area 9   |
| 10   | Area 10  | Indistrict  | Area 10  |
| 11   | Area 11  | Indistrict  | Area 11  |
| 12   | Area 12  | Indistrict  | Area 12  |
| 13   | Area 13  | Indistrict  | Area 13  |
| 14   | Area 14  | Indistrict  | Area 14  |
| 15   | Area 15  | Indistrict  | Area 15  |
| 16   | Area 16  | Indistrict  | Area 16  |
| 17   | Area 17  | Indistrict  | Area 17  |
| 18   | Area 18  | Indistrict  | Area 18  |
| 19   | Area 19  | Indistrict  | Area 19  |
| 20   | Area 20  | Indistrict  | Area 20  |
| 21   | Area 21  | Indistrict  | Area 21  |
| 22   | Area 22  | Indistrict  | Area 22  |
| 23   | Area 23  | Indistrict  | Area 23  |
| 24   | Area 24  | Indistrict  | Area 24  |
| 25   | Area 25  | Indistrict  | Area 25  |
| 26   | Area 26  | Indistrict  | Area 26  |
| 27   | Area 27  | Indistrict  | Area 27  |
| 28   | Area 28  | Indistrict  | Area 28  |
| 29   | Area 29  | Indistrict  | Area 29  |
| 30   | Area 30  | Indistrict  | Area 30  |
| 31   | Area 31  | Indistrict  | Area 31  |
| 32   | Area 32  | Indistrict  | Area 32  |
| 33   | Area 33  | Indistrict  | Area 33  |
| 34   | Area 34  | Indistrict  | Area 34  |
| 35   | Area 35  | Indistrict  | Area 35  |
| 36   | Area 36  | Indistrict  | Area 36  |
| 37   | Area 37  | Indistrict  | Area 37  |
| 38   | Area 38  | Indistrict  | Area 38  |
| 39   | Area 39  | Indistrict  | Area 39  |
| 40   | Area 40  | Indistrict  | Area 40  |
| 41   | Area 41  | Indistrict  | Area 41  |
| 42   | Area 42  | Indistrict  | Area 42  |
| 43   | Area 43  | Indistrict  | Area 43  |
| 44   | Area 44  | Indistrict  | Area 44  |
| 45   | Area 45  | Indistrict  | Area 45  |
| 46   | Area 46  | Indistrict  | Area 46  |
| 47   | Area 47  | Indistrict  | Area 47  |
| 48   | Area 48  | Indistrict  | Area 48  |
| 49   | Area 49  | Indistrict  | Area 49  |
| 50   | Area 50  | Indistrict  | Area 50  |
| 51   | Area 51  | Indistrict  | Area 51  |
| 52   | Area 52  | Indistrict  | Area 52  |
| 53   | Area 53  | Indistrict  | Area 53  |
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| 55   | Area 55  | Indistrict  | Area 55  |
| 56   | Area 56  | Indistrict  | Area 56  |
| 57   | Area 57  | Indistrict  | Area 57  |
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| 59   | Area 59  | Indistrict  | Area 59  |
| 60   | Area 60  | Indistrict  | Area 60  |
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| 64   | Area 64  | Indistrict  | Area 64  |
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| 66   | Area 66  | Indistrict  | Area 66  |
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| 81   | Area 81  | Indistrict  | Area 81  |
| 82   | Area 82  | Indistrict  | Area 82  |
| 83   | Area 83  | Indistrict  | Area 83  |
| 84   | Area 84  | Indistrict  | Area 84  |
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| 86   | Area 86  | Indistrict  | Area 86  |
| 87   | Area 87  | Indistrict  | Area 87  |
| 88   | Area 88  | Indistrict  | Area 88  |
| 89   | Area 89  | Indistrict  | Area 89  |
| 90   | Area 90  | Indistrict  | Area 90  |
| 91   | Area 91  | Indistrict  | Area 91  |
| 92   | Area 92  | Indistrict  | Area 92  |
| 93   | Area 93  | Indistrict  | Area 93  |
| 94   | Area 94  | Indistrict  | Area 94  |
| 95   | Area 95  | Indistrict  | Area 95  |
| 96   | Area 96  | Indistrict  | Area 96  |
| 97   | Area 97  | Indistrict  | Area 97  |
| 98   | Area 98  | Indistrict  | Area 98  |
| 99   | Area 99  | Indistrict  | Area 99  |
| 100  | Area 100 | Indistrict  | Area 100 |





**Map 3.1**  
**City of Colorado Springs**  
**Potential Annexation Areas**



- Strongly Recommended for Annexation
- Recommended for Annexation
- Eligible for Annexation, but not recommended
- Potential Growth Area for the City of Fountain
- 3 Mile Buffer



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