

# SOLTERRA TOWN HALL

November 16, 2017

MINUTES OF A SPECIAL MEETING OF THE BOARD OF  
DIRECTORS

OF

FOSSIL RIDGE METROPOLITAN DISTRICT NOS. 1-3

Held: December 7, 2016 at 6:00 p.m.  
The Retreat, 15260 W. Evans Ave., Lakewood, CO 80223

The meeting referenced above was called and held in  
accordance with the applicable statutes of the State of  
Colorado. The following directors were in attendance:

Marc Savela  
Neil Simpson  
Ashley Tarufelli  
Chris Petro  
Shannon Robbins *absent*  
Tom Waterman, District No. 2  
Kathleen Kelley Dist. 2  
Jeff Becker, District No. 3 *absent*  
John Corbett, District No. 3

District No. 3: Consider Approval of Resolution and Related Documents Authorizing the issuance of general obligation indebtedness in the approximate amount of \$13,500,00, consisting of the Fossil Ridge Metropolitan District No. 3, (In the City of Lakewood, Colorado), General Obligation Limited Tax Bonds, Series 2016

The Board reviewed the Resolution and related documents authorizing the issuance of general obligation indebtedness for consideration. The closing date is set for December 21. The Board discussed pricing and favorable condition of current market with the average rate at 4.75%. The Bonds structure are similar to the 2010 and 2014 series. Bonds are callable in 2020, along with the series 2010 and series 2014 debt. The Board named Director Tarufelli as the authorized District representative on the Bond documents and related certificates authorized per the Resolution. Following discussion, a motion was duly made by Director Tarufelli and seconded by Director Savela to approve the Resolution and related documents authorizing the issuance of general obligation indebtedness in the approximate amount of \$13,500,000 up to \$15,000,000. No objection was noted by

any of the District Nos. 1, 2 or 3 Board members. The motion was unanimously passed.

NEW ISSUE  
BOOK-ENTRY-ONLY

RATING: S&P Global Ratings "BBB"  
See ("MISCELLANEOUS—Rating")

*In the opinion of Greenberg Traurig, LLP, Bond Counsel, assuming continuing compliance with certain tax covenants, under existing statutes, regulations, rulings and court decisions, interest on the Bonds is excludable from gross income for federal income tax purposes. Further, interest on the Bonds is not an item of tax preference for purposes of the alternative minimum tax imposed on individuals and corporations; however, such interest will be taken into account in determining adjusted current earnings for the purpose of computing the alternative minimum tax imposed on certain corporations. See "TAX MATTERS" herein for a description of the federal alternative minimum tax on corporations and certain other federal tax consequences of ownership of the Bonds. Bond Counsel is further of the opinion that interest on the Bonds is exempt from Colorado income taxes and is not a specific preference item for purposes of the State of Colorado alternative minimum income tax for any period during which interest on the Bonds is not included in gross income for federal income tax purposes. See "TAX MATTERS" herein.*

**\$12,415,000**  
**FOSSIL RIDGE METROPOLITAN DISTRICT NO. 3**  
**(IN THE CITY OF LAKEWOOD, COLORADO)**  
**GENERAL OBLIGATION LIMITED TAX BONDS**  
**SERIES 2016**

**Dated: Date of Delivery**

**Due: December 1, as shown below**

The Bonds are limited tax and special revenue obligations of Fossil Ridge Metropolitan District No. 3 ("District No. 3") secured by and payable from the Pledged Revenue, consisting of Property Taxes and Specific Ownership Taxes derived from the limited exercise of the ad valorem taxing power of District No. 3 and Fossil Ridge Metropolitan District No. 2 ("District No. 2"). Under the Indenture (with respect to District No. 3) and the 2014 Funding Agreement (with respect to District No. 2), both District No. 3 and District No. 2 have covenanted to levy an ad valorem mill levy upon all taxable property of each respective District determined in accordance with the provisions thereof, but not less than 30 mills and not to exceed 50 mills (in the case of such 50 mill maximum, subject to certain adjustments described herein). The Bonds are secured by the Pledged Revenue on a parity with certain previously issued bonds of District No. 3 and Fossil Ridge Metropolitan District No. 1 ("District No. 1"). The Bonds are also secured by amounts accumulated in the Surplus Fund, if any. Capitalized terms used on the cover page of this Official Statement and not otherwise defined shall have the meanings assigned them in the Introduction herein.

The Bonds are being issued as fully registered obligations in the denomination of \$5,000 or any integral multiple thereof. Interest on the Bonds is payable semiannually on June 1 and December 1 each year, commencing June 1, 2017, at the rates set forth below.

**MATURITY SCHEDULE**  
CUSIP NO. 34988C 1,0

<u>Maturity Date (December 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>CUSIP<sup>1,0</sup></u>
2017	\$150,000	3.00%	1.74%	AP3
2018	160,000	4.00	2.05	AQ1
2019	170,000	4.00	2.41	AR9
2020	175,000	4.00	2.66	AS7

**\$1,225,000 5.00% Term Bond due December 1, 2026 Price 107.386% Yield 3.000%<sup>2</sup> CUSIP 34988C AT5<sup>1,0</sup>**  
**\$3,045,000 5.00% Term Bond due December 1, 2036 Price 103.318% Yield 4.080%<sup>2</sup> CUSIP 34988C AU2<sup>1,0</sup>**  
**\$7,490,000 5.00% Term Bond due December 1, 2046 Price 102.402% Yield 4.330%<sup>2</sup> CUSIP 34988C AV0<sup>1,0</sup>**

The Bonds are being issued pursuant to an Indenture of Trust dated as of December 1, 2016 between District No. 3 and UMB Bank, n.a., Denver, Colorado, as trustee. The Trustee will also act as Registrar and Paying Agent for the Bonds and DTC will act as securities depository for the Bonds. The Bonds will be issued in book-entry-only form and purchasers of the Bonds will not receive certificates evidencing their ownership interests in the Bonds.

The Bonds are subject to optional and mandatory sinking fund redemption prior to maturity at the prices and upon the terms set forth in this Official Statement.

Proceeds from the sale of the Bonds will be used for the purposes of: (i) reimbursing a portion of the costs of acquiring, constructing, and installing certain public infrastructure improvements; and (ii) paying the costs of issuance of the Bonds.

**This cover page contains certain information for quick reference only. It is not a summary of this issue. Prospective purchasers of the Bonds must read the entire Official Statement to obtain information essential to the making of an informed investment decision. Each prospective investor should read this entire Official Statement and should give particular attention to the section entitled "RISK FACTORS."**

The Bonds are offered when, as and if issued by District No. 3, subject to prior sale, withdrawal or modification of the offer without notice and subject to the approval of legality by Greenberg Traurig, LLP, Denver, Colorado, as Bond Counsel, and certain other conditions. Certain matters will be passed upon by White Bear Ankele Tanaka & Waldron Professional Corporation, Centennial, Colorado, as General Counsel to District No. 3. Kutak Rock LLP, Denver, Colorado, is acting as Counsel to the Underwriter and, in such capacity, has assisted in the preparation of this Official Statement. The Bonds are expected to be available for delivery through the facilities of DTC on or about December 21, 2016.



**This Official Statement is dated December 14, 2016.**

## **Constitutional Amendment Limiting Taxes and Spending**

On November 3, 1992, Colorado voters approved an amendment to the Colorado Constitution, which is commonly referred to as the Taxpayer's Bill of Rights, or TABOR, and now constitutes Section 20 of Article X of the Colorado Constitution. TABOR imposes various limits and new requirements on the State and all State local governments which do not qualify as "enterprises" under TABOR (each of which is referred to in this section as a "governmental unit"). Any of the following actions, for example, now requires voter approval in advance: (a) any increase in a governmental unit's spending from one year to the next in excess of the rate of inflation plus a "growth factor" based on (i) for the State, the percentage change in State population; (ii) for a school district, the percentage change in student enrollment; and (iii) for any other local government, the net percentage change in actual value of all real property from construction of taxable real property improvements, minus destruction of similar

***De-Brucing.*** At the 2006 Election, voters of the Districts approved election questions allowing the Districts to collect, retain and spend the full amount of all taxes, tax increment revenues, tap fees, park fees, facility fees, service charges, inspection charges, administrative charges, grants or any other fee, rate, toll, penalty, or charge authorized by law or contract to be imposed or collected by the Districts during fiscal year 2006 and each fiscal year thereafter for as long as the Districts continue in existence, without regard to any spending, revenue-raising, or other limitation contained within TABOR.

## **DEBT STRUCTURE**

The following is a discussion of the Districts' authority to incur general obligation indebtedness and other financial obligations and the amount of such obligations presently outstanding.

### **Required Elections**

Various State constitutional and statutory provisions require voter approval prior to the incurrence of general obligation indebtedness by the Districts. Among such provisions TABOR requires that, except for refinancing bonded debt at a lower interest rate and employee pension plan additions, the Districts

***Outstanding and Authorized but Unissued Debt.*** At the 2006 Election, the qualified electors for each of the Districts voting at such election approved indebtedness for each of the Districts of \$60,000,000 for public improvements in each of 10 infrastructure categories for a total of \$600,000,000 in total debt authorization for each of the Districts (excluding refunding authorization), and a maximum repayment cost for such indebtedness of \$4,920,000,000 for each of the Districts. Such authorization for the Districts was decreased by the original principal amount of District No. 1's Tax Supported Revenue Bonds, Series 2009 (\$7,000,000) and, with respect to the Financing Districts only, District No. 3's Series 2014 Bonds (\$8,715,000), resulting in remaining voter authorization of \$584,285,000 for each of the Financing Districts. Such authorization for each of District No. 2 and District No. 3 is expected to be further reduced by the principal amount of the Bonds. The Districts have also each obtained voter authorization at the 2006 Election for the issuance of indebtedness to refund previously incurred obligations (including at a higher interest rate) in the amount of \$120,000,000, with a maximum repayment cost of \$984,000,000. Such authorization for the Districts was decreased by the original principal amount of District No. 1's Tax Supported Revenue Refunding Bonds, Series 2010 (\$8,350,000), resulting in remaining voter authorization for refundings of \$111,650,000 for each of the Districts.

**BOARD OF CANVASSERS CERTIFICATE OF ELECTION RESULTS  
FOR THE REGULAR ELECTION  
HELD NOVEMBER 7, 2006  
§§1-11-103 and 32-1-104(1), C.R.S.**

**Fossil Ridge Metropolitan District No. 1**

Each of the undersigned members of the board of canvassers of the District certifies that the following is a true and correct statement of the results of the Regular Election for the above-named District, at which time the eligible electors of the District voted as indicated on the attached Judges' Certificate of Election Returns, and as a result of which the eligible electors elected to office the following Directors:

For each candidate elected to office:

	Name	Address	Term
1.	Christopher Bremner	166 Whitehaven Circle, Highlands Ranch, CO 80129	to May 2010
2.	Michael Partheymuller	11409 W. Bear Creek Drive, Lakewood, CO 80227	to May 2010
3.	Thomas P. Morton	8588 E. Kettle Place, Centennial, CO 80112	to May 2010
4.	Miles Stephens	15675 E. Prentice Lane, Centennial, CO 80015	to May 2008
5.	Daniel Romero	9839 Townsville Circle, Highlands Ranch, CO 80130	to May 2008

**That the votes cast for and against each ballot issue and ballot question submitted were as follows:**

	YES	NO
Ballot Issue A	eight 8	zero 0
	(Numeric & Spelled Out)	
Ballot Issue B	eight 8	zero 0
	(Numeric & Spelled Out)	
Ballot Issue C	eight 8	zero 0
	(Numeric & Spelled Out)	
Ballot Issue D	eight 8	zero 0
	(Numeric & Spelled Out)	
Ballot Issue E	eight 8	zero 0
	(Numeric & Spelled Out)	
Ballot Issue F	eight 8	zero 0
	(Numeric & Spelled Out)	
Ballot Issue G	eight 8	zero 0
	(Numeric & Spelled Out)	
Ballot Issue H	eight 8	zero 0
	(Numeric & Spelled Out)	
Ballot Issue I	eight 8	zero 0
	(Numeric & Spelled Out)	
Ballot Issue J	eight 8	zero 0
	(Numeric & Spelled Out)	
Ballot Issue K	eight 8	zero 0
	(Numeric & Spelled Out)	



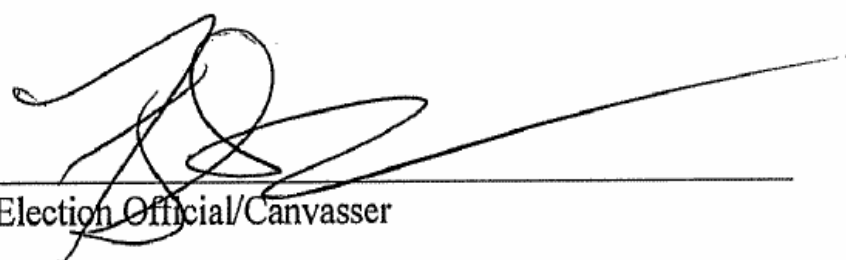
Ballot Issue V

8      40  
(Numeric & Spelled Out)

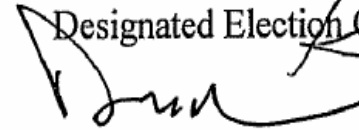
Ballot Question 3

8      40  
(Numeric & Spelled Out)

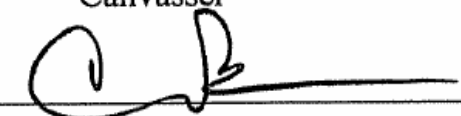
(Signed)

  
\_\_\_\_\_  
Designated Election Official/Canvasser

(Signed)

  
\_\_\_\_\_  
Canvasser

(Signed)

  
\_\_\_\_\_  
Canvasser

**CONTACT PERSON FOR THE DISTRICT:**

Kristen D. Bear, Esq.  
1805 Shea Center Drive, Suite 100  
Highlands Ranch, CO 80129  
(303) 858-1800

SHALL FOSSIL RIDGE METROPOLITAN DISTRICT NO. 1 BE AUTHORIZED TO COLLECT, RETAIN, AND SPEND THE FULL AMOUNT OF ALL TAXES, TAX INCREMENT REVENUES, TAP FEES, PARK FEES, FACILITY FEES, SERVICE CHARGES, INSPECTION CHARGES, ADMINISTRATIVE CHARGES, GRANTS OR ANY OTHER FEE, RATE, TOLL, PENALTY, OR CHARGE AUTHORIZED BY LAW OR CONTRACT TO BE IMPOSED, COLLECTED OR RECEIVED BY THE DISTRICT DURING 2006 AND EACH FISCAL YEAR THEREAFTER, SUCH AMOUNTS TO CONSTITUTE A VOTER-APPROVED REVENUE CHANGE AND BE COLLECTED, RETAINED AND SPENT BY THE DISTRICT WITHOUT REGARD TO ANY SPENDING, REVENUE-RAISING, OR OTHER LIMITATION CONTAINED WITHIN ARTICLE X, SECTION 20 OF THE COLORADO CONSTITUTION, THE LIMITS IMPOSED ON INCREASES IN PROPERTY TAXATION BY SECTION 29-1-301, C.R.S. IN ANY SUBSEQUENT YEAR, OR ANY OTHER LAW WHICH PURPORTS TO LIMIT THE DISTRICT'S REVENUES OR EXPENDITURES AS IT CURRENTLY EXISTS OR AS IT MAY BE AMENDED IN THE FUTURE, AND WITHOUT LIMITING IN ANY YEAR THE AMOUNT OF OTHER REVENUES THAT MAY BE COLLECTED, RETAINED AND SPENT BY THE DISTRICT?

YES

NO

8

0

- C.R.S. [32-1-1101](#)

- COLORADO REVISED STATUTES

\*\*\* Current through all laws passed during the 2017 Legislative Session. \*\*\*

- TITLE 32. SPECIAL DISTRICTS  
SPECIAL DISTRICT ACT

- ARTICLE 1. SPECIAL DISTRICT PROVISIONS

- PART 11. FINANCIAL POWERS  
C.R.S. [32-1-1101](#) (2017)

- [32-1-1101](#). Common financial powers

- 2) Whenever the board determines, by resolution, that the interest of the special district and the public interest or necessity demand the acquisition, construction, installation, or completion of any works or other improvements or facilities or the making of any contract with the United States or other persons or corporations to carry out the objects or purposes of such district, requiring the creation of a general obligation indebtedness exceeding one and one-half percent of the valuation for assessment of the taxable property in the special district, **the board shall order the submission of the proposition of issuing general obligation bonds** or creating other general obligation indebtedness, except the issuing of revenue bonds, **at an election held for that purpose.** The resolution shall also fix the date upon which the election will be held. The election shall be held and conducted as provided in articles 1 to 13.5 of title 1, C.R.S. Any election may be held separately or may be held jointly or concurrently with any other election authorized by this article. **If the issuance of general obligation bonds is approved at an election held pursuant to this subsection (2), the board shall be authorized to issue such bonds for a period not to exceed the later of five years following the date of the election or, subject to the provisions of [section 32-1-1101.5](#), for a period not to exceed twenty years** following the date of the election if the issuance of such bonds is in material compliance with the financial plan set forth in the service plan, as that plan is amended from time to time, or in material compliance with the statement of purposes of the special district. **After the specified period has expired, the board shall not be authorized to issue bonds which were authorized but not issued after the initial election unless the issuance is approved at a subsequent election**; except that nothing in this subsection (2) shall be construed as limiting the board's power to issue refunding bonds in accordance with statutory requirements.

- LEGAL TO DO IT
- ALSO LEGAL TO UNDO IT!
- BOARD SHOULD DECLINE AUTHORITY TO ISSUE BONDS
- BOARD SHOULD SUBMIT BOND ISSUE TO VOTE BY THE RESIDENTS

**Fossil Ridge Metropolitan District #3**  
**Statement of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual**  
**For the Twelve Months Ended December 31, 2016**  
**Capital Projects Fund**

See Accountant's Compilation Report

	Annual Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Bond Proceeds	\$ 14,950,000	\$ 12,415,000	\$ (2,535,000)
Bond Premium	-	395,458	395,458
	<u>14,950,000</u>	<u>12,810,458</u>	<u>(2,139,542)</u>
<b>Expenditures</b>			
Issuance costs	598,000	210,075	387,925
Transfer to District #1	12,726,065	12,591,883	134,182
Transfer to Debt Service - reserve	1,253,625	-	1,253,625
Transfer to Debt Service - cap int	372,310	-	372,310
	<u>14,950,000</u>	<u>12,801,958</u>	<u>2,148,042</u>
Excess (deficiency) of revenues over expenditures	:	8,500	8,500
Fund balance beginning	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance (deficit) ending	\$ <u>-</u>	\$ <u>8,500</u>	\$ <u>8,500</u>

	<u>Annual</u> <u>Budget</u>	<u>Actual</u>
<b>Revenues</b>		
<b>Bond Proceeds</b>	\$ 14,950,000	\$ 12,415,000
Bond Premium	-	395,458
	<hr/>	<hr/>
	14,950,000	12,810,458
	<hr/>	<hr/>
<b>Expenditures</b>		
Issuance costs	598,000	210,075
<b>Transfer to District #1</b>	12,726,065	12,591,883
Transfer to Debt Service - reserve	1,253,625	-
Transfer to Debt Service - cap int	372,310	-
	<hr/>	<hr/>
	14,950,000	12,801,958
	<hr/>	<hr/>
<b>Excess (deficiency) of revenues over expenditures</b>	-	8,500

**Fossil Ridge Metropolitan District #1**  
**Statement of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual**  
**For the Twelve Months Ended December 31, 2016**  
**Capital Projects Fund**

See Accountant's Compilation Report

	Annual Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Developer advances	\$ 5,690,425	\$ 4,595,497	\$ (1,094,928)
Development fees	315,000	557,550	242,550
Storm drainage fees	75,000	132,750	57,750
Sewer fees	19,575	37,062	17,487
Interest income	-	1,452	1,452
CTF Income	-	3,718	3,718
Transfer from District #3	<u>12,726,065</u>	<u>12,591,883</u>	<u>(134,182)</u>
	<u>18,826,065</u>	<u>17,919,912</u>	<u>(906,153)</u>
<b>Expenditures</b>			
Accounting	16,000	24,789	(8,789)
Legal	40,000	79,939	(39,939)
Capital Expenditures	5,745,000	5,296,957	448,043
Miscellaneous	4,000	12,541	(8,541)
Drainage improvements	120,000	-	120,000
Lowr pool access	75,000	-	75,000
Repay developer principal/interest	12,726,065	12,591,883	134,182
Transfer to General Fund	<u>100,000</u>	<u>-</u>	<u>100,000</u>
	<u>18,826,065</u>	<u>18,006,109</u>	<u>819,956</u>
Excess (deficiency) of revenues over expenditures	-	(86,197)	(86,197)
Fund balance beginning	<u>-</u>	<u>86,197</u>	<u>86,197</u>
Fund balance (deficit) ending	\$ <u><u>-</u></u>	\$ <u><u>-</u></u>	\$ <u><u>-</u></u>



	<u>Budget</u>	<u>Actual</u>
<b>Revenues</b>		
<b>Developer advances</b>	\$ 5,690,425	\$ 4,595,497
Development fees	315,000	557,550
Storm drainage fees	75,000	132,750
Sewer fees	19,575	37,062
Interest income	-	1,452
CTF Income	-	3,718
<b>Transfer from District #3</b>	<u>12,726,065</u>	<u>12,591,883</u>
	<u>18,826,065</u>	<u>17,919,912</u>
<b>Expenditures</b>		
Accounting	16,000	24,789
Legal	40,000	79,939
<b>Capital Expenditures</b>	5,745,000	<b>5,296,957</b>
Miscellaneous	4,000	12,541
Drainage improvements	120,000	-
Lowr pool access	75,000	-
<b>Repay developer principal/interest</b>	12,726,065	<b>12,591,883</b>
Transfer to General Fund	<u>100,000</u>	<u>-</u>

Plan Analysis/Consulting for Energy Star	\$700.00	\$700.00	\$0.00	
Plan Analysis/Consulting for Energy Star	\$127.50	\$127.50	\$0.00	
Plan Analysis/Consulting for Energy Star	\$75.00	\$75.00	\$0.00	
Plan Analysis/Consulting for Energy Star	\$75.00	\$75.00	\$0.00	
Plan Analysis/Consulting for Energy Star	\$175.00	\$175.00	\$0.00	
Plan Analysis/Consulting for Energy Star	\$175.00	\$175.00	\$0.00	
Plan Analysis/Consulting for Energy Star	\$200.00	\$200.00	\$0.00	
Plan Analysis/Consulting for Energy Star	\$200.00	\$200.00	\$0.00	
	<b>\$1,727.50</b>	<b>\$1,727.50</b>	<b>\$0.00</b>	
Indiana Box Culvert Design	\$843.03	\$843.03	\$0.00	
Prelim. Engineering Svcs for Interchange	\$43,897.28	\$43,897.28	\$0.00	C470/Alameda
Preliminary Interchange Design	\$58,560.64	\$58,560.64	\$0.00	C470/Alameda
	<b>\$103,300.95</b>	<b>\$103,300.95</b>	<b>\$0.00</b>	
Recreation Center and Park - Pay App 2	\$82,990.57	\$82,990.57	\$0.00	Grading and EC
Recreation Center and Park - Pay App 3	\$119,910.09	\$119,910.09	\$0.00	Grading and EC
Recreation Center and Park - Pay App 4	\$139,306.06	\$139,306.06	\$0.00	Grading and EC
Recreation Center and Park - Pay App 5	\$9,180.00	\$9,180.00	\$0.00	Grading and EC
Recreation Center and Park - Pay App 6	\$92,252.95	\$92,252.95	\$0.00	Grading and EC
Recreation Center and Park - Pay App 7	\$18,942.42	\$18,942.42	\$0.00	Grading and EC
Recreation Center and Park - Pay App 8	\$64,265.16	\$64,265.16	\$0.00	Grading and EC
Recreation Center and Park - Pay App 10	\$4,329.96	\$4,329.96	\$0.00	Grading and EC
	<b>\$531,177.21</b>	<b>\$531,177.21</b>	<b>\$0.00</b>	
Trash Removal - Pre Park Grading Clean Up	\$1,249.00	\$1,249.00	\$0.00	Iron Springs Par
Trash Removal - Pre Park Grading Clean Up	\$1,450.00	\$1,450.00	\$0.00	Iron Springs Par
Trash Removal - During Grading	\$465.50	\$465.50	\$0.00	East Park
Fence & Trash Removal for Park Grading	\$2,837.25	\$2,837.25	\$0.00	Iron Springs Par
R&R Rock Socks, Install Wattle - Alameda	\$1,319.00	\$1,319.00	\$0.00	
Install Safety Fence, Remove Wire Fence	\$2,684.00	\$2,684.00	\$0.00	Alameda Gradin
Trash Removal for Alameda Grading	\$1,206.00	\$1,206.00	\$0.00	

## **DEBT SERVICE FUND**

The District has no requirements to service debt in 2015. Fees collected on residential real estate sales within the District's boundaries by Brookfield (Developer), will reduce amounts owed to them under the financing agreement entered into in 2008.

## **CAPITAL PROJECTS FUND**

Revenues are provided by loans from the City of Lakewood, Jefferson County and developers with the District. The City of Lakewood has committed \$3,000,000 (2,000,000 in 2007 and 1,000,000 in 2008, Jefferson County \$6,000,000 (\$4,000,000 in 2007 and \$2,000,000 in 2008) and Carma/Brookfield, a developer within the District, \$10,525,000 in 2008. These funds were used for the construction of an interchange at Alameda and W-470, and for the operations of the District until such time as the District has property within its boundaries, sufficient to begin paying back the City and County. All loans have been made and the project is now complete.

## **PENDITURES**

### **GENERAL FUND**

The General Fund provides for normal administrative and operating expenses. The General Fund receives funds from property tax revenues.

# Overall Cost of Improvements vs. Reimbursement

Total Public and Private Infrastructure Costs = \$160 Million

Total Public Infrastructure Costs = \$137 Million

District General Obligation Debt Limit = \$705 Million

559.8mm District Bonds Issued or Planned to be Issued

557.2mm Bond Proceeds - Developer Bond (Interest)

Total Share of Regional Improvement Costs: \$10,443,654\*  
 Total District Improvement Costs: \$40,588,897\*  
 Total FRMD Share of Improvements: \$51,032,551\*

*Service Plan assumed*  
*5% costs.*

\* Includes Projected Costs Remaining  
 Region 32,859 (10,443) Share.  
 District Improvement 40,589  
 Interchange 12,000  
 Lot Development 74,609  $\approx 70\%$   
 $160,000 @ 1350 \Rightarrow 55K/LC$

The Developer will build and/or advance approximately \$137 Million for public infrastructure costs for Solterra. Fossil Ridge MD Nos. 1-3 will issue approximately \$60 Million in bonds based on current estimates, of which the Developer will receive approximately \$57.2 Million.

*MAS*



**MASTER INTERGOVERNMENTAL  
DISTRICT FACILITIES CONSTRUCTION AND SERVICE AGREEMENT**

This **MASTER INTERGOVERNMENTAL DISTRICT FACILITIES CONSTRUCTION AND SERVICE AGREEMENT** (the "Agreement") is made and entered into and dated as of \_\_\_\_\_, 2008 by and between **FOSSIL RIDGE METROPOLITAN DISTRICT NO. 1** ("the Service District") and **FOSSIL RIDGE METROPOLITAN DISTRICT NO. 2** and **FOSSIL RIDGE METROPOLITAN DISTRICT NO. 3** (collectively, "the Financing District"), individually and/or collectively referred to as the "District" or the "Districts," as the context indicates. The Districts are quasi-municipal corporations and political subdivisions of the State of Colorado.

**RECITALS**

WHEREAS, the Service Plan (defined below) for the Districts was approved by the City Council of the City of Lakewood and the District Court in and for Jefferson County approved the formation of the Districts as multiple districts whose purposes are to provide essential public improvements and services as contemplated herein; and

WHEREAS, the purposes for which the Districts were formed are specifically set forth in the Service Plan, which was prepared for the Districts pursuant to Sections 32-1-201, et seq., C.R.S., and with respect to which all required governmental approvals have been obtained; and

WHEREAS, subject to approval by the City of Lakewood, Colorado (the "City"), the Service Plan may be amended from time to time as permitted herein, and any and all such amendments shall become part of the Service Plan as such term is used herein; and

WHEREAS, under the Service Plan, the Districts are required to work together and through their efforts with respect to all activities contemplated in the Service Plan including the provision of essential

Plan.

3.4 Disbursements of Funds. The Service District shall have the sole authority to withdraw monies from the Accounts and shall be accountable to the Financing District for the funds so withdrawn and payments made therefrom, upon receipt of a reasonable advance request. Funds deposited by the Financing District into the Accounts, together with interest earned thereon, shall only be used to pay Capital Costs and Service Costs incurred by the Service District pursuant to this Agreement. By its execution hereof, the Districts covenant, promise and agree not to undertake any act or commit any omission with respect to the Accounts, the moneys contained therein, or the Facilities, which would adversely affect the tax-exempt status of the interest paid on any tax-exempt Bonds issued by the Districts for the purpose of funding the Accounts or constructing or acquiring the Facilities.

1. Except as set forth herein, or as otherwise

day and year first above written.

**FOSSIL RIDGE METROPOLITAN  
DISTRICT NO. 1**

By: *Michael Partheymuller*  
Vice President

**ATTEST:**

*Miles Stephens*  
Secretary

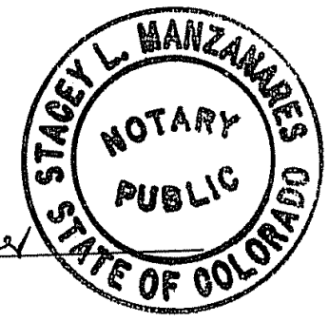
STATE OF COLORADO            )  
  ) ss.  
COUNTY OF DOUGLAS        )

The foregoing Agreement was acknowledged before me on this 8<sup>th</sup> day of January, 2008, by Michael Partheymuller as President and Miles Stephens as Secretary of Fossil Ridge Metropolitan District No. 1.

WITNESS my hand and official seal.

My Commission expires: 12-18-2010

*Stacey Manzanares*  
Notary Public







**FOSSIL RIDGE METROPOLITAN  
DISTRICT NO. 3**

By: Michael P. Law  
Vice President

**ATTEST:**

Miles Stephens  
Secretary

STATE OF COLORADO )  
 ) ss.  
COUNTY OF Douglas )

The foregoing Agreement was acknowledged before me on this 8<sup>th</sup> day of January, 2008, by Michael Partheymuller as President and Miles Stephens as Secretary of Fossil Ridge Metropolitan District No. 3.

WITNESS my hand and official seal.

My Commission expires: 12-18-2010



**REIMBURSEMENT OF DEVELOPER LOAN  
AND  
PUBLIC INFRASTRUCTURE ACQUISITION AGREEMENT**

THIS REIMBURSEMENT OF DEVELOPER LOAN AND PUBLIC INFRASTRUCTURE ACQUISITION AGREEMENT ("**Agreement**") is made and entered into as of the 13<sup>th</sup> day of May, 2008 by and between **FOSSIL RIDGE METROPOLITAN DISTRICT NO. 1** (the "**District**"), a quasi-municipal corporation and political subdivision of the State of Colorado, and **CARMA LAKEWOOD, LLC** (the "**Developer**"), a Colorado limited liability company. The District and the Developer are sometimes individually referred to as a "**Party**" and collectively as the "**Parties**."


**RECITALS**

WHEREAS, the District has been duly and validly organized as a quasi-municipal corporation and political subdivision of the State of Colorado, in accordance with the provisions of Article 1, Title 32, Colorado Revised Statutes ("**Special District Act**"), and with the power to provide certain public infrastructure, improvements and services, as described in the Act, including but not limited to water, street, traffic and safety controls, transportation, parks and recreation, sanitation, and mosquito control (among other powers permitted under Title 32 and subject to the Service Plan as approved by the City of Lakewood, Colorado) within and without its boundaries (collectively, the "**Public Infrastructure**"), as authorized and in accordance with the Second Amended and Restated Service Plan for Fossil Ridge Metropolitan District No. 1, Fossil Ridge Metropolitan District No. 2 and Fossil Ridge Metropolitan District No. 3 (the "**Service Plan**"), approved by the City of Lakewood, Colorado (the "**City**") on August 27, 2007, which Service Plan may be amended from time to time as authorized under applicable law; and

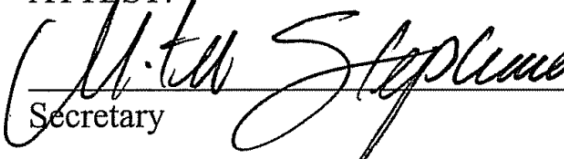
WHEREAS, in accordance with Section 32-1-1001(1)(f), (h) and (i), C.R.S., the District

**IN WITNESS WHEREOF, the Parties hereto have executed this Agreement on the date and year first above written.**

**FOSSIL RIDGE METROPOLITAN DISTRICT  
NO. 1**

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

ATTEST:

  
\_\_\_\_\_  
Secretary

(SEAL)

**DEVELOPER:**

**CARMA LAKEWOOD, LLC,  
A Colorado limited liability company**

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

Fossil Ridge Metropolitan District No. 1  
Fossil Ridge Metropolitan District No. 2  
Fossil Ridge Metropolitan District No. 3  
c/o White, Bear & Ankele Professional Corporation  
Attn: Kristen D. Bear, Esq.  
1805 Shea Center Drive, Suite 100  
Highlands Ranch, CO 80129


Re: Master Intergovernmental District Facilities Construction and Service Agreement  
and Reimbursement of Developer Loan and Public Infrastructure Acquisition  
Agreement

Dear Kristen:

The City of Lakewood staff and legal counsel have reviewed and recommended revisions to the drafts of the proposed Reimbursement of Developer Loan and Public Infrastructure Acquisition Agreement between Fossil Ridge Metropolitan District No. 1 and Carma Lakewood, LLC and the Master Intergovernmental District Facilities Construction and Service Agreement between Fossil Ridge Metropolitan District No. 1, Fossil Ridge Metropolitan District No. 2, and Fossil Ridge Metropolitan District No. 3. Such review was conducted pursuant to Section IV.F of the Second Amended and Restated Service Plan for the Fossil Ridge Metropolitan Districts. Such review was for the sole purpose of determining if the Agreements are in substantial compliance with the terms of such Service Plan. The City assumes no responsibility for the validity, enforceability, or any other aspect of the Agreements.

As revised, these Agreements are acceptable to the City of Lakewood.

Very Truly Yours,

  
Randy D. Funk

- BONDS ONLY APPROVED AT PUBLIC ELECTION – BY A VOTE OF THE RESIDENTS
- INDEPENDENT CONSTRUCTION FINANCE AUDITS – HOW MUCH DO WE REALLY OWE BROOKFIELD?

- SAVE FUTURE DEBT FOR SOLTERRA RESIDENTS – NOT BROOKFIELD
- SAVE FUTURE DEBT FOR SOLTERRA RESIDENTS – NOT TO PAVE THE WAY FOR FUTRE DEVELOPMENT OF ROONEY VALLEY

- 2018 SOLTERRA BUDGET
- FINANCIAL / OPERATIONAL MANAGEMENT OF THE RETREAT, POOL, & OPEN SPACES
- MAY 8, 2018 (FIRST) PUBLIC ELECTION