

Special District – Service Plan Staff Report

DATE: SEPTEMBER 12, 2024
TO: DOUGLAS COUNTY BOARD OF COUNTY COMMISSIONERS
THROUGH: DOUGLAS J. DEBORD, COUNTY MANAGER
FROM: TERENCE T. QUINN, AICP, DIRECTOR OF COMMUNITY DEVELOPMENT *rec/TTQ*
CC: DJ BECKWITH, PRINCIPAL PLANNER
LAUREN PULVER, PLANNING SUPERVISOR
KATI CARTER, AICP, ASSISTANT DIRECTOR OF PLANNING RESOURCES
SUBJECT: ARROWHEAD COLORADO METROPOLITAN DISTRICT NEW SERVICE PLAN

PROJECT FILE: SV2024-002

APPLICANT:
CHRIS PUCHALLA
ARROWHEAD COLORADO PROPCO LLC
9820 100TH
GRANDE PRAIRIE, ALBERTA

REPRESENTATIVE:
MEGAN BECHER
MCGEADY BECHER, P.C.
450 17TH STREET, SUITE 400
DENVER, CO 80203

PLANNING COMMISSION MEETING:	AUGUST 19, 2024 @ 6:00 PM
BOARD OF COUNTY COMMISSIONERS MEETING:	SEPTEMBER 10, 2024 @ 1:30 PM
BOARD OF COUNTY COMMISSIONERS HEARING:	SEPTEMBER 24, 2024 @ 2:30 PM

I. EXECUTIVE SUMMARY

This request is for approval of a service plan for Arrowhead Colorado Metropolitan District (District). The purpose of the service plan is to serve the public improvement and service needs of the "Homestead" project located in the Roxborough Planned Development (Project).

The Project consists of approximately 36 acres of land that is zoned Planned Development (PD) for residential use. The property is located in the Roxborough Separated Urban Area of the 2040 Comprehensive Master Plan (CMP). The Project area is also the subject of a PD Major Amendment application to allow for Open Space and Club/Resort uses. The service plan application includes alternative plans for the uses proposed in the PD Major Amendment application or the currently allowed residential development.

The Planning Commission (PC) considered the request at a public meeting on August 19, 2024, and recommended denial of the service plan by a vote of 5-1.

II. REQUEST

A. Request

Approval of a service plan for the purpose of providing the following services:

- Water Infrastructure
- Storm Sewer
- Sanitation and Wastewater Infrastructure
- Street Improvements
- Traffic Safety Protection
- Parks and Recreation
- Covenant Enforcement and Design Review

B. Process

Service plans and service plan amendments are processed in compliance with Colorado Revised Statutes (C.R.S.) Section 32-1-201 through 209 (the Control Act) and the County's Service Plan Review Procedures (Procedures).

The Control Act also provides that the Board of County Commissioners (Board) review the service plan to determine its compliance with specific criteria; see the discussion in Section IX – Staff Analysis.

C. Location

The District is generally located in Section 11, Township 7 South, Range 69 West of the 6th P.M. of the County of Douglas, Colorado. The District is surrounded by Arrowhead Golf Course in the Roxborough Separated Urban Area of the 2040 CMP.

III. CONTEXT

A. Background

The property within the District is zoned PD for residential use. The residential alternative detailed in the service plan is anticipated to include 31 residential units and zero square feet of commercial space. The population of the District at build-out is expected to be 93 residents. Based on information provided by the applicant, the estimated assessed value of the residential use at full build-out is anticipated to be \$2,000,000.

If the PD Major Amendment is approved to allow the club and resort uses, as planned, the District would include approximately 30,500 square feet of commercial space. Based on information provided by the applicant, the estimated assessed value at full build-out is anticipated to be \$13,000,000.

B. Adjacent Land Uses and Zoning

The District is surrounded by land owned by Arrowhead Golf Course that is zoned PD.

IV. DISTRICT FINANCIAL INFORMATION

A. Estimated Infrastructure Costs

Based on the preliminary engineering survey on infrastructure costs, the projected total cost of improvements of the residential plan is \$4,091,250 and the projected total cost of improvements of the commercial plan is \$4,060,718.

B. Operations Costs

Based on information in the service plan, for either the proposed commercial plan or residential plan, the District expects to initially impose a maximum of 10 mills to support the operations and maintenance (O&M) of the District services and public improvements. The first year's operating budget is estimated to be \$50,000.

C. Organizational Costs

The organizational costs for the District, which include legal, engineering, surveying, and accounting services, are estimated to be \$150,000.

D. Developer Advances

The District anticipates receiving initial funding for both capital and ongoing administrative requirements from developer advances. The applicant did not provide an estimated amount for developer advances.

E. District Revenues

Revenues for the District come primarily from a mill levy on taxable property within its boundaries. The District may also rely upon other revenue sources such as fees, rates, tolls, penalties, or charges. An initial mill levy of 50 mills is authorized to support the debt service of the District. The maximum debt service mill levy is contemplated to be 50 mills.

F. Mill Levies

A maximum total mill levy of 60 mills is proposed to support debt service and O&M for the District.

G. Authorized Debt

For either the proposed commercial plan or residential plan, the total debt limit for the District is \$8,500,000.

V. SERVICES

A. Water and Sanitary Sewer

It is anticipated that the District will receive water and sanitation services from Roxborough Water and Sanitation District (RWSD). The District will construct water and sanitation infrastructure that will be conveyed to RWSD.

B. Services to be Provided by Other Governmental Entities

West Metro Fire Protection District will provide fire protection services to the District.

VI. REFERRALS

Referrals for the proposed service plan were sent to the following agencies and a majority of the agencies either did not respond or responded with no comment; all responses received are included in the attachments.

- AT&T Long Distance - ROW
- Black Hills Energy
- CenturyLink
- Colorado Division of Water Resources
- Comcast
- CORE Electric Cooperative
- Douglas County Addressing Analyst
- Douglas County Assessor
- Douglas County Building Services
- Douglas County Conservation District
- Douglas County Engineering Services
- Douglas County Health Department
- Douglas County Libraries
- Douglas County Office of Emergency Management
- Douglas County School District RE 1
- Douglas County Sheriff's Office
- Mile High Flood District
- Plum Creek Water Reclamation Authority
- Ravenna Metro District
- Roxborough Village Metro District
- Roxborough Water & Sanitation District
- Rural Water Authority of Douglas County
- South Metro Fire Rescue
- Sterling Ranch Community Authority Board
- Thunderbird Water & Sanitation District
- West Douglas County FD
- West Metro Fire Protection District
- Xcel Energy-Right of Way & Permits

Douglas County Planning staff requested technical revisions to the service plan. These revisions include formatting and language changes. Additionally, staff recommended that the language describing water and sanitation services be narrowed to include only the powers necessary for the District to build infrastructure but not provide water and sanitation services directly. The applicant submitted a revised service plan stating that the

District will not have the authority to provide ongoing water and wastewater service, but will construct infrastructure to be conveyed to RWSD.

Staff requested clarification on the need for the District to retain fire protection powers with West Metro Fire Protection District proposed to provide these services. The applicant submitted a revised service plan stating that the District will not provide fire protection services, rather this will be provided by West Metro Fire Protection District.

Staff requested an explanation for the removal of language in the County's template service plan that relates to Developer Advances and Reimbursements counting toward the debt limit. The applicant provided a revised service plan that includes this template language.

Douglas County Engineering Services (Engineering) reviewed the proposed service plan and commented that the commercial use public infrastructure exhibit and cost estimate include an underground detention facility. Underground detention facilities are not allowed in the County. The applicant removed the underground detention facilities from the cost estimate and exhibit and replaced this with a "North detention and Water Quality Facility" to address onsite water quality needs. Engineering reviewed the updated service plan and had no additional comments.

The service plan application was also sent to the following County consultants for review:

- Hilltop Securities, Inc (financial plan review)
- BBC Research & Consulting (market study review)

Hilltop Securities, Inc (Hilltop) reviewed the service plan financial plan to determine if the anticipated revenues support the proposed indebtedness and any areas of concern. Hilltop concluded that, given the assumptions in the financial plan for commercial use, it is reasonable that the District will be capable of extinguishing all bonds within the requirements of the service plan. However, for the residential use, Hilltop stated that additional information is necessary in order to assess if projected financings fall within the requirements of the service plan and will support the proposed indebtedness. Hilltop reviewed additional information provided by the applicant and submitted a new comment letter, in which Hilltop concluded that it is reasonable that the District will be capable of extinguishing all bonds within the requirements of the service plan.

In their final review, Hilltop highlighted a discrepancy in the debt issuance base year provided in the service plan and the financial plan shown in the Exhibit H-2. This may impact the Residential Assessment Rate at the time of debt issuance but should not impact debt repayment feasibility outside of the typical uncertainties of market conditions in a service plan.

BBC reviewed the supplemental market feasibility information provided by the applicant and commented on the lack of detailed information regarding anticipated value of the

District's townhomes or single family homes, as well as a valuation of the commercial spa or its construction costs. The applicant provided a response with additional information to these comments. BBC has provided a review of the additional information and concluded in a new memo that the District is likely to generate adequate property tax revenue to support the financial viability of the District.

RWSD provided comments specifying infrastructure requirements in order for water and sanitation services to be provided. The comments also note that the service plan indicates 31 residential units, but RWSD has only committed service to 18 equivalent residential units for this property. The applicant provided information that the water committed from RWSD will be sufficient for the residential uses. RWSD provided an additional comment that consent to overlapping services is required in accordance with C.R.S. Title 32. The applicant has stated that RWSD Board of Directors is scheduled to consider the request for consent to overlapping services at their next board meeting on September 18, 2024.

VII. PUBLIC NOTICE AND INPUT

In accordance with C.R.S. § 32-1-204, public notice was published in the Douglas County News-Press and sent to surrounding jurisdictions and property owners.

VIII. PLANNING COMMISSION HEARING

At a public meeting on August 19, 2024, the Planning Commission recommended denial of the service plan by a vote of 5-1. Planning Commission questioned the need for new services via a district, the timing of the district related to future land use, and the potential for use of eminent domain. Five Planning Commissioners noted that the request did not meet service plan approval criteria numbers 1, 2, and 7. Numerous public comments were received, with the majority being in opposition of the proposed District.

The Planning Commission was given three conditions of approval prior to the project going before the Board. First, the applicant shall complete technical changes and corrections to the service plan to the satisfaction of Douglas County staff. Second, the applicant shall address all comments provided by the County's Financial Consultant. Third, the applicant must request and receive consent to overlapping services from RWSD. The first and the second conditions of approval have been met. The third is currently being addressed as RWSD will be reviewing the issue at its next Board meeting on September 18, 2024.

IX. STAFF ANALYSIS

The CMP promotes the sustainability of special districts in Goal 5-3. Essentially, it looks for special districts to be financially sound and managed in the best interest of County residents.

The Board is required to evaluate information pertaining to existing zoning, development growth rates, and projections for required services necessary to demonstrate a need for the District. These, and other issues requiring analysis as identified by the Control Act, are examined in the analysis of the approval criteria.

- 1. There is sufficient existing and projected need for organized service in the area to be serviced by the proposed special district.**

Staff Comment: The area encompassed by the District's boundaries is zoned Planned Development and there is a projected need for the proposed residential use of the District. Should the Major PD Amendment be approved to allow for commercial use, there may be a projected need for the proposed commercial alternative for the District.

- 2. The existing service in the area to be served by the proposed special district is inadequate for present and projected needs.**

Staff Comment: The existing public service infrastructure within the proposed District boundary area is lacking; therefore, existing services are inadequate for the projected needs of the service area.

- 3. The proposed special district is capable of providing economical and sufficient service to the area within its proposed boundaries.**

Staff Comment: Based upon comments from the County's financial consultant, the service plan demonstrates, for both the residential and commercial plans, the District can provide these services economically.

- 4. The area to be included in the proposed special district has, or will have, the financial ability to discharge the proposed indebtedness on a reasonable basis.**

Staff Comment: Based on the comments from the County's financial consultant, the service plan demonstrates, for both the residential and commercial plans, the District's revenues as projected in the financial plan would be sufficient to discharge the proposed indebtedness.

- 5. Adequate service is not, or 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.**

Staff Comment: No entity is able, or willing, to provide all the services desired within a reasonable time or on a comparable basis.

- 6. The facility and service standards of the proposed special district are compatible with the facility and service standards of each county within which the proposed special district is to be located and each municipality which is an interested party under section 31-1-204(1), C.R.S.**

Staff Comment: All facilities will be constructed in accordance with the standards of the County and any other applicable local, state, or Federal rules and regulations.

- 7. The proposal is in substantial compliance with a master plan adopted pursuant to section 30-28-106, C.R.S.**

Staff Comment: The service area of the District falls within the Roxborough Separated Urban Area of the CMP. The CMP outlines objectives for these areas that include supporting the logical build-out of Separated Urban Areas and to develop communities with adequate public facilities and services. The proposed development and services of the District supports these concepts.

- 8. The proposal is in compliance with any duly adopted county, regional, or state long-range water quality management plan for the area.**

Staff Comment: Based upon information provided by the applicant, the District is in compliance with the Clean Water Plan.

- 9. The creation of the proposed special district will be in the best interests of the area proposed to be served.**

Staff Comment: Based upon the level of services proposed for the area, and lack of service provision from existing service providers in the area, the District may be in the best interest of the area proposed to be served. The residential or commercial use of the District will be determined by the outcome of the Major PD Amendment.

X. STAFF ASSESSMENT

The Board is authorized to act on a service plan per C.R.S. Section 32-1-203.

Based upon this section, the Board shall deny the service plan application if there is not sufficient information to address the Approval Criteria #1-4 above. Additionally, the Board may deny the service plan application, at its sole discretion, if there is not sufficient information to address the Approval Criteria #5-9 above.

A red-lined copy of the service plan is included in the attachments; it highlights areas where the applicant's service plan deviates from the County's Service Plan Template (Template).

With regard to the Procedures, the applicants have addressed the Board's areas of interest as follows:

Mill levy

The service plan anticipates an estimated total mill levy of 60 mills. It is anticipated that the initial debt service mill will be 50 mills, with a maximum mill levy of 50 mills. The initial O&M mill is anticipated to be 10 mills, with a maximum mill levy of 10 mills.

Mill levy roll-off provision

Districts may propose to eliminate the mill levy cap at such time the District's assessed valuation is greater than 50% of the outstanding debt; this is referred to as a mill levy roll-off.

The applicant has included the Template language regarding a mill levy roll-off provision.

Inclusions and exclusions

The Template includes language that allows an organizer to identify future inclusion and exclusion areas, which allows greater flexibility to the District for boundary changes. The Template also includes a provision for notification to the County of any other proposed boundary changes not identified in the service plan; this notification allows the County time to request a formal material modification to the service plan to further review the proposed changes.

The applicant has included the Template language regarding future inclusions and exclusions.

Condemnation powers

The Template provides eminent domain powers only as necessary to construct public improvements identified in a service plan. The Template also provides that any other use of eminent domain requires a 45-day inquiry notice to the County.

The applicant has included the Template language regarding the use of eminent Domain.

Debt limits, developer advances, system development fees

The District has a total of \$8,500,000 authorized debt limit. The applicant did not provide an estimated amount for developer advances.

Provision of extraterritorial service

The service plan does not include any future inclusion areas or extraterritorial service Areas. The applicant has included the Template language regarding future changes to the District boundaries.

Consolidation and transition plan

The Template requires that the District initiates the dissolution process when the District has neither any financial obligations nor O&M obligations.

The applicant has included the Template language regarding future dissolution.

Provision for long-term, renewable water supply

Pending the final approval from RWSD, the District will be receiving water supply from Roxborough Water & Sanitation District, which provides long-term, renewable water services.

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RESOLUTION NO. R-024- _____

THE BOARD OF COUNTY COMMISSIONERS
OF THE COUNTY OF DOUGLAS, COLORADO

A RESOLUTION APPROVING THE SERVICE PLAN OF
ARROWHEAD COLORADO METROPOLITAN DISTRICT

WHEREAS, on July 11, 2024, a service plan for the proposed Arrowhead Colorado Metropolitan District (“**Service Plan**”) was filed with the Douglas County Clerk and Recorder (“**Clerk**”), and the Clerk, on behalf of the Board of County Commissioners (“**Board**”), mailed a Notice of Filing of Special District Service Plan to the Division of Local Government in the Department of Local Affairs on August 12, 2024; and

WHEREAS, on August 19, 2024, the Douglas County Planning Commission heard testimony but did not recommended approval of the Service Plan to the Board; and

WHEREAS, on September 10, 2024, the Board set a public hearing on the Service Plan for September 24, 2024 (“**Public Hearing**”), and (1) ratified publication of the notice of the date, time, location and purpose of such Public Hearing, which was published in *The Douglas County News-Press* on August 29, 2024; and (2) caused notice of the date, time and location of the Public Hearing to be mailed on August 27, 2024, to the governing body of the existing municipalities and special districts which have levied an *ad valorem* tax within the next preceding tax year and which have boundaries within a radius of three miles of the proposed boundaries of Arrowhead Colorado Metropolitan District (“**District**”) and, on August 27, 2024, to the petitioners and to the property owners, pursuant to the provisions of § 32-1-204(1.5), C.R.S.; and

WHEREAS, on September 24, 2024, a Public Hearing on the Service Plan was opened at which time all interested parties, as defined in § 32-1-204, C.R.S., were afforded an opportunity to be heard, and all testimony and evidence relevant to the Service Plan and the organization of the proposed District was heard, received and considered.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF THE COUNTY OF DOUGLAS, STATE OF COLORADO, THAT:

The Board does hereby determine that all procedural requirements of §§ 32-1-201, *et seq.*, C.R.S., relating to the Service Plan have been fulfilled and that the Board has jurisdiction in the matter.

The Board does hereby find:

- (1) that there is sufficient existing and projected need for organized service in the area to be serviced by the proposed District; and
- (2) that the existing service in the area to be served by the proposed District is inadequate for present and projected needs; and
- (3) that the proposed District is capable of providing economical and sufficient service to the area within the proposed boundaries; and
- (4) that the area to be included in the proposed District has, or will have, the financial ability to discharge the proposed indebtedness on a reasonable basis; and
- (5) that adequate service is not, or will not be, available to the area through Douglas County or other existing municipal or quasi-municipal corporations, including existing special districts, within a reasonable time and on a comparable basis; and
- (6) that the facility and service standards of the proposed District are compatible with the facility and service standards of Douglas County and each municipality which is an interested party under § 32-1-204, C.R.S.; and
- (7) that the proposal is in substantial compliance with the Douglas County Comprehensive Master Plan; and
- (8) that the proposal is in compliance with any duly adopted county, regional, or state long-range water quality management plan for the area; and
- (9) that the creation of the proposed District will be in the best interests of the area proposed to be served; and
- (10) that the Service Plan, based upon the statements set forth in the Service Plan and upon all evidence presented at the Public Hearing on the Service Plan, meets all conditions and requirements of §§ 32-1-201, *et seq.*, C.R.S.

The Board hereby approves the Service Plan without conditions; provided, however, that such action shall not imply the approval of any land development activity within the proposed District or its service area, or of any specific number of buildable units identified in the Service

Plan, unless the Board has approved such development activity as part of a separate development review process.

The legal description of the District shall be as provided in **Exhibit A**, attached hereto and incorporated herein by reference.

A certified copy of this resolution shall be filed in the records of Douglas County.

PASSED AND ADOPTED this 24th day of September 2024, in Castle Rock, Douglas County, Colorado.

THE BOARD OF COUNTY COMMISSIONERS
OF THE COUNTY OF DOUGLAS, COLORADO

BY: _____
George Teal, Chair

ATTEST: _____
_____, Deputy Clerk

EXHIBIT A TO RESOLUTION OF APPROVAL

(Legal Description)

PARCEL A:

PARCEL C-1, A PARCEL OF LAND LOCATED IN SECTION 11, AND PARTLY IN THE NORTH ONE-HALF OF SECTION 14, TOWNSHIP 7 SOUTH, RANGE 69 WEST OF THE 6TH PRINCIPAL MERIDIAN, COUNTY OF DOUGLAS, STATE OF COLORADO, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF PROJECT AREA NO. 4 OF ROXBOROUGH DOWNS, AS SAID PLAT IS RECORDED AND ON FILE WITH THE CLERK AND RECORDERS OFFICE OF DOUGLAS COUNTY, COLORADO, FROM WHENCE THE NORTH ONE-QUARTER CORNER OF SAID SECTION 11, BEARS NORTH 01 DEGREE 03 MINUTES 52 SECONDS EAST A DISTANCE OF 934.12 FEET;

THENCE NORTH 79 DEGREES 05 MINUTES 07 SECONDS EAST 278.13 FEET ALONG THE SOUTHERLY BOUNDARY OF SAID PROJECT AREA NO. 4 TO THE INTERSECTION WITH THE WEST LINE OF LOT 257 OF SAID ROXBOROUGH DOWNS;

THENCE SOUTH 13 DEGREES 13 MINUTES 30 SECONDS EAST 64.88 FEET TO THE SOUTHWEST CORNER OF SAID LOT 257;

THENCE SOUTH 17 DEGREES 19 MINUTES 55 SECONDS EAST 1608.86 FEET ALONG THE WEST BOUNDARY LINE OF LOTS 260, 261, 264, 265, 268, 269, 271, 272, 274, 275, 278, 279 AND 282 IN SAID ROXBOROUGH DOWNS TO THE SOUTHWEST CORNER OF SAID LOT 282;

THENCE SOUTH 25 DEGREES 15 MINUTES 26 SECONDS EAST 381.59 FEET ALONG THE WEST LINE OF LOTS 283, 286 AND 287 IN SAID ROXBOROUGH DOWNS TO THE SOUTHWEST CORNER OF SAID LOT 287;

THENCE SOUTH 69 DEGREES 32 MINUTES 47 SECONDS WEST 158.41 FEET;

THENCE SOUTH 15 DEGREES 11 MINUTES 08 SECONDS EAST 352.20 FEET;

THENCE SOUTH 01 DEGREE 13 MINUTES 23 SECONDS WEST 209.11 FEET TO THE INTERSECTION WITH AN ANGLE POINT ON THE WEST LINE OF PROJECT AREA NO. 3 IN SAID ROXBOROUGH DOWNS;

THENCE SOUTH 26 DEGREES 35 MINUTES 34 SECONDS EAST 312.69 FEET ALONG THE WEST LINE OF SAID PROJECT AREA NO. 3;

THENCE SOUTH 02 DEGREES 56 MINUTES 00 SECONDS EAST 224.00 FEET TO THE SOUTHWEST CORNER OF SAID PROJECT AREA NO. 3, SAID POINT BEING ON THE NORTHWESTERLY RIGHT-OF-WAY LINE OF SUNDOWN TRAIL;

THENCE SOUTH 38 DEGREES 12 MINUTES 00 SECONDS WEST 40.00 FEET ALONG SAID RIGHT-OF-WAY LINE TO THE NORTHEASTERLY CORNER OF PROJECT AREA NO. 2 IN SAID ROXBOROUGH DOWNS;

THENCE SOUTH 54 DEGREES 19 MINUTES 30 SECONDS WEST 330.17 FEET TO THE POINT OF BEGINNING FROM WHENCE THE NORTH ONE-QUARTER CORNER OF SAID SECTION 11 BEARS NORTH 09 DEGREES 42 MINUTES 15 SECONDS WEST 4217.28 FEET;

THENCE CONTINUING NORTH 77 DEGREES 18 MINUTES 00 SECONDS WEST 242.00 FEET;

THENCE NORTH 64 DEGREES 05 MINUTES 00 SECONDS WEST 155.00 FEET;

THENCE NORTH 29 DEGREES 20 MINUTES 00 SECONDS WEST 702.00 FEET;

THENCE NORTH 18 DEGREES 30 MINUTES 00 SECONDS WEST 221.00 FEET;

THENCE SOUTH 71 DEGREES 30 MINUTES 00 SECONDS WEST 50.00 FEET;

THENCE SOUTH 01 DEGREE 05 MINUTES 00 SECONDS WEST 180.00 FEET;

THENCE SOUTH 67 DEGREES 46 MINUTES 51 SECONDS WEST 76.19 FEET;

THENCE NORTH 23 DEGREES 06 MINUTES 00 SECONDS WEST 357.54 FEET;

THENCE SOUTH 41 DEGREES 25 MINUTES 00 SECONDS WEST 472.81 FEET;

THENCE NORTH 88 DEGREES 30 MINUTES 00 SECONDS WEST 220.80 FEET TO A POINT ON THE EASTERLY BOUNDARY LINE OF REPLAT OF LOTS 1-109 ROXBOROUGH DOWNS;

THENCE SOUTH 49 DEGREES 18 MINUTES 52 SECONDS WEST 4.87 FEET TO THE MOST SOUTHERLY CORNER OF LOT 78, REPLAT OF LOTS 1-109 ROXBOROUGH DOWNS;

THENCE SOUTH 40 DEGREES 41 MINUTES 08 SECONDS EAST 30.00 FEET;

THENCE SOUTH 05 DEGREES 45 MINUTES 44 SECONDS WEST 84.82 FEET;

THENCE NORTH 61 DEGREES 28 MINUTES 18 SECONDS EAST 40.56 FEET;

THENCE SOUTH 27 DEGREES 30 MINUTES 26 SECONDS EAST 139.71 FEET;

THENCE NORTH 62 DEGREES 29 MINUTES 34 SECONDS EAST 168.77 FEET;

THENCE SOUTH 77 DEGREES 53 MINUTES 22 SECONDS EAST 141.44 FEET;

THENCE SOUTH 49 DEGREES 32 MINUTES 30 SECONDS EAST 95.00 FEET;

THENCE SOUTH 28 DEGREES 54 MINUTES 01 SECOND EAST 152.18 FEET;

THENCE SOUTH 03 DEGREES 52 MINUTES 30 SECONDS EAST 246.00 FEET;

THENCE SOUTH 16 DEGREES 15 MINUTES 00 SECONDS EAST 621.88 FEET;

THENCE SOUTH 23 DEGREES 29 MINUTES 22 SECONDS EAST 470.54 FEET;

THENCE NORTH 71 DEGREES 20 MINUTES 00 SECONDS EAST 162.53 FEET;

THENCE SOUTH 42 DEGREES 24 MINUTES 41 SECONDS EAST 509.15 FEET;

THENCE NORTH 85 DEGREES 50 MINUTES 00 SECONDS EAST 372.00 FEET;

THENCE NORTH 13 DEGREES 54 MINUTES 52 SECONDS WEST 1214.37 FEET;

THENCE NORTH 57 DEGREES 54 MINUTES 45 SECONDS EAST 104.77 FEET TO THE POINT OF BEGINNING.

EXCEPTING THAT PARCEL DEEDED TO THE DENVER WATER DEPARTMENT IN BOOK 362 AT PAGE 858.

PARCEL B:

TOGETHER WITH A CORRECTED JOINT ACCESS EASEMENT FOR INGRESS AND EGRESS OVER AND ACROSS THE PROPERTY KNOWN AS ARROWHEAD GOLF COURSE, AS GRANTED IN INSTRUMENT RECORDED NOVEMBER 28, 1989 IN BOOK 883 AT PAGE 803, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWEST CORNER OF SECTION 11, TOWNSHIP 7 SOUTH, RANGE 69 WEST OF THE 6TH PRINCIPAL MERIDIAN, AN EXISTING BRASS CAP;

THENCE SOUTH 38 DEGREES 20 MINUTES 15 SECONDS EAST 5265.52 FEET TO THE POINT OF BEGINNING ON THE EASTERLY BOUNDARY OF "HOMESTEAD AT ARROWHEAD", BEING THE NORTHWEST CORNER OF SAID EASEMENT;

THENCE NORTH 57 DEGREES 30 MINUTES 31 SECONDS EAST 269.67 FEET ALONG SAID NORTH LINE;

THENCE NORTH 54 DEGREES 48 MINUTES 20 SECONDS EAST 162.39 FEET ALONG SAID NORTH LINE TO THE NORTHEAST CORNER OF SAID EASEMENT, BEING A POINT ON THE WEST LINE OF PROJECT AREA NO. 3 IN ROXBOROUGH DOWNS;

THENCE SOUTH 02 DEGREES 56 MINUTES 00 SECONDS EAST 30.00 FEET TO THE SOUTHWEST CORNER OF SAID PROJECT AREA NO. 3, SAID POINT BEING ON THE NORTHWESTERLY RIGHT-OF-WAY LINE OF SUNDOWN TRAIL;

THENCE SOUTH 38 DEGREES 12 MINUTES 00 SECONDS WEST 40.00 FEET ALONG SAID RIGHT-OF-WAY LINE;

THENCE SOUTH 51 DEGREES 48 MINUTES 00 SECONDS EAST, 30.00 FEET TO A POINT ON THE SOUTHEASTERLY RIGHT-OF-WAY LINE OF SAID SUNDOWN TRAIL, SAID POINT BEING THE MOST NORTHWESTERLY CORNER OF PROJECT AREA NO. 13 IN ROXBOROUGH DOWNS - FILING NO. II, BEING THE SOUTHEASTERLY CORNER OF SAID EASEMENT;

THENCE SOUTH 62 DEGREES 16 MINUTES 38 SECONDS WEST 120.00 FEET ALONG SAID SOUTH LINE;

THENCE SOUTH 57 DEGREES 30 MINUTES 31 SECONDS WEST 220.00 FEET ALONG SAID SOUTH LINE TO THE SOUTHWESTERLY CORNER OF SAID EASEMENT, SAID POINT BEING AN ANGLE POINT ON THE EASTERLY BOUNDARY LINE OF SAID "HOMESTEAD AT ARROWHEAD";

THENCE NORTH 77 DEGREES 18 MINUTES 00 SECONDS WEST 70.48 FEET ALONG SAID EASTERLY LINE TO THE POINT OF BEGINNING.

AMENDMENT TO EASEMENT AGREEMENT RECORDED NOVEMBER 28, 1989 IN BOOK 883 AT PAGE 929.

AMENDMENT TO EASEMENT AGREEMENT RECORDED SEPTEMBER 12, 1994 IN BOOK 1218 AT PAGE 646.

SECOND AMENDMENT TO EASEMENT AGREEMENT RECORDED NOVEMBER 14, 1994 IN BOOK 1231 AT PAGE 130.

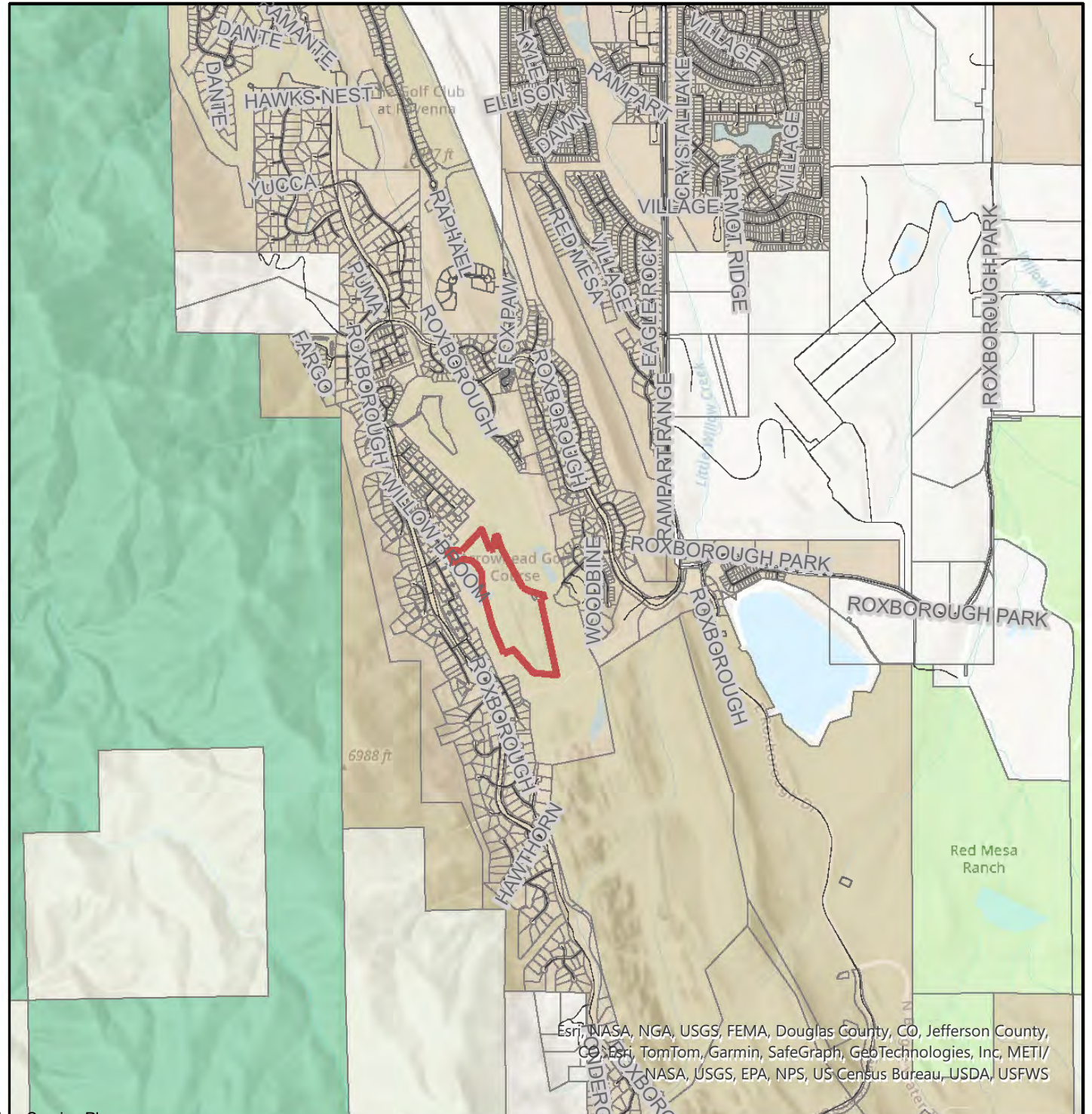
ARROWHEAD COLORADO METRO DISTRICT

SV2024-002 Zoning Map



LEGEND

-  Roads
-  Major Roads
-  Parcels - PARCELS
-  A1 - AGRICULTURAL ONE
-  PD - PLANNED DEVELOPMENT
-  OS - OPEN SPACE CONSERVATION
-  NF - NATIONAL FOREST



Esri, NASA, NGA, USGS, FEMA, Douglas County, CO, Jefferson County, CO, Esri, TomTom, Garmin, SafeGraph, GeoTechnologies, Inc, METI/ NASA, USGS, EPA, NPS, US Census Bureau, USDA, USFWS

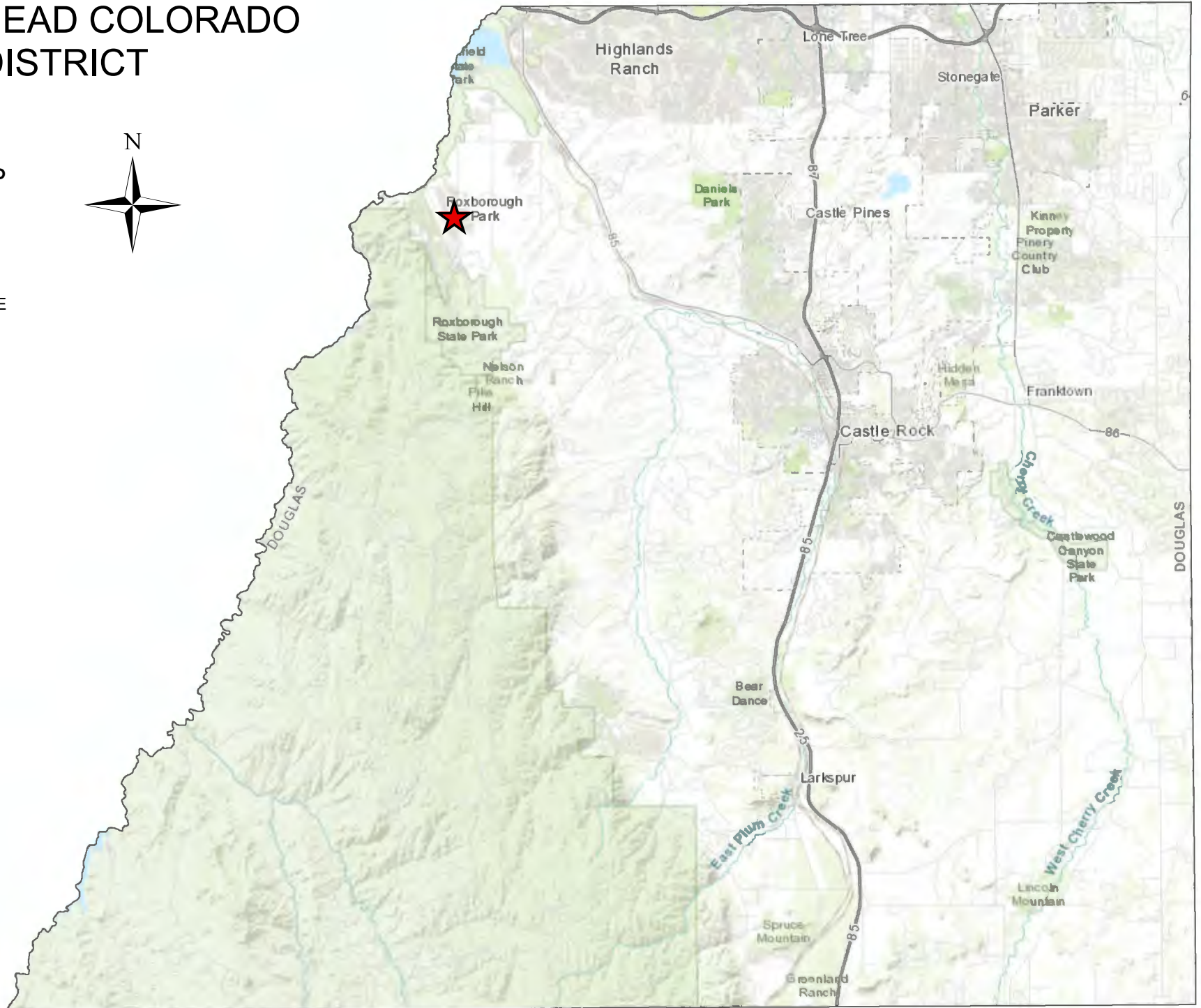
ARROWHEAD COLORADO METRO DISTRICT

SV2024-002
VICINITY MAP



LEGEND

 PROJECT SITE





DOUGLAS COUNTY
 Department of Community Development
 Planning Services
 100 Third Street, Castle Rock, CO 80104
 (303.660.7460)
 www.douglas.co.us

SPECIAL DISTRICT
 SERVICE PLAN APPLICATION

PLEASE FILL OUT THIS APPLICATION FORM COMPLETELY

<p>DISTRICT NAME: <u>Arrowhead Colorado MD</u></p> <p>LOCATION: <u>Roxborough</u></p> <p>LEGAL DESCRIPTION: (attach) <u>see svc. plan Ex. A</u></p> <p>PLANNED DEVELOPMENT SUBDIVISION NAME(S): <u>Roxborough PD</u></p> <p>FILING#: _____</p> <p>SECTION#: <u>11</u></p> <p>TOWNSHIP: <u>7S</u></p> <p>RANGE: <u>69W</u></p> <p>PROPERTY TAX PARCEL #(s): <u>23551400001</u> PRESENT ZONING: _____</p> <p>GROSS ACREAGE: <u>35.457</u></p>	<p>***PLANNING OFFICE USE ONLY***</p> <p><input checked="" type="checkbox"/> NEW DISTRICT/PRESUBMITTAL <input type="checkbox"/> MAJOR MODIFICATION</p> <p><input type="checkbox"/> NEW DISTRICT <input type="checkbox"/> CONSOLIDATION</p> <p>DATE COMPLETE APPLICATION SUBMITTED _____</p> <p>PLANNER SIGNATURE _____ DATE _____</p> <p>FEE (if required) _____ PROJECT NO. _____</p>
<p>APPLICANT (Petitioner not Consultant)</p> <p>NAME: <u>Arrowhead Colorado Propco</u></p> <p>ADDRESS: <u>Grand Prairie, Alberta</u></p> <p>Attn: <u>Chris Puchalla</u></p> <p>PHONE: <u>301-613-1336</u> FAX: _____</p> <p>Email: <u>chrisp@pomeroxlodging.com</u></p>	<p>FINANCIAL CONSULTANT</p> <p>NAME: <u>Piper Sandler / Shelby Noble</u></p> <p>ADDRESS: <u>Denver, Co</u></p> <p>Email: <u>shelby.noble@psc.com</u></p> <p><u>303-820-5865</u></p> <p>PHONE: _____ FAX: _____</p>
<p>AUTHORIZED REPRESENTATIVE</p> <p>NAME: <u>Chris Puchalla</u></p> <p>ADDRESS: <u>see above</u></p> <p>PHONE: _____ FAX: _____</p>	<p>ENGINEERING CONSULTANT</p> <p>NAME: <u>Kimley-Horn & Assoc.</u></p> <p>ADDRESS: <u>Greenwood Village, CO</u></p> <p>Attn: <u>Coy Williams P.E.</u></p> <p>PHONE: <u>303-228-2509</u> FAX: _____</p> <p>email: <u>coy.williams@kimley-horn.com</u></p>
<p>LEGAL CONSULTANT</p> <p>NAME: <u>Megan Becher</u></p> <p>ADDRESS: <u>McGeady Becher P.C.</u></p> <p><u>Denver, CO 80203</u></p> <p>PHONE: <u>720-351-0466</u> FAX: _____</p> <p>email: <u>mbecher@specialdistrictlaw.com</u></p>	<p>PROPERTY OWNER (Provide separate list if more than one owner)</p> <p>NAME: <u>Arrowhead Propco</u></p> <p>ADDRESS: <u>see above</u></p> <p><u>Applicant info</u></p> <p>PHONE: _____ FAX: _____</p> <p>To the best of my knowledge, the information contained on this application is true and accurate.</p> <p><u>[Signature]</u> <u>7/11/24</u></p> <p>APPLICANT SIGNATURE _____ DATE _____</p> <p><u>on behalf of</u></p>

SERVICE PLAN
FOR
ARROWHEAD COLORADO METROPOLITAN DISTRICT
DOUGLAS COUNTY, COLORADO

Prepared

by

MCGEADY BECHER, P.C.
450 E. 17TH AVENUE, SUITE 400
DENVER, CO 80203

APPROVAL DATE (ON FINAL SERVICE PLAN)

APPROVAL SUMMARY

This Service Plan for the Arrowhead Colorado Metropolitan District was approved by the Douglas County Board of County Commissioners on _____, 2024. Resolution No. _____, approving this Service Plan, has been recorded at Reception No. _____ on ____, 2024. The organizational and TABOR elections took place on _____, 2024. The court decree organizing the District was recorded with the Douglas County Clerk and Recorder on ____, 2024 at Reception No. _____.

ORGANIZERS AND CONSULTANTS

This Service Plan has been prepared by the Organizers and the following participating consultants:

<p><u>Organizer</u></p> <p>Arrowhead Colorado Propco LLC Attn: Chris Puchalla 9820 100th Ave Grande Prairie, Alberta T8V 0T8 Canada Phone: 301-613-1336 Email: chrisp@pomeroylodging.com</p>	<p><u>District Counsel</u></p> <p>McGeady Becher, P.C. Attn: Megan Becher 450 17th Street, Suite 400 Denver, CO 80203 Phone: 303-592-4320 Fax: 303-592-4385 Email: mbecher@specialdistrictlaw.com</p>
<p><u>Financial Advisor</u></p> <p>Piper Sandler & Co. Attn: Shelby Noble 1144 15th Street, Suite 2050 Denver, CO 80202 Phone: 303-820-5865 Email: shelby.noble@psc.com</p>	<p><u>Engineer</u></p> <p>Kimley-Horn and Associates, Inc. Attn: Coy Williams, P.E. 6200 S. Syracuse Way, Suite 300 Greenwood Village, CO 80111 Phone: 303-228-2300 Email: coy.williams@kimley-horn.com</p>

EXECUTIVE SUMMARY

This Service Plan is for the Arrowhead Colorado Metropolitan District (the “**District**”), which will serve the public improvement needs of the “Homestead” project located on Planning Areas 12 and 14 of the current Roxborough Planned Development (the “**Existing PD**”). The District is generally located in portions of the E1/2 of the SW1/4 and the W1/2 of the SE1/4 of Section 11, and the NW1/4 of the NE1/4 of Section 14, all in Township 7 South, Range 69 West of the 6th P.M., and contains approximately 36 acres.

The Existing PD allows for residential and golf course uses and, if an amendment to the Existing PD is not approved, the District is anticipated to include approximately 31 residential units (“**Residential Use**”). Alternatively, a Major Amendment to the Existing PD has been filed with the County and, if approved, the District will include Open Space and Club/Resort uses, as authorized in such approved Major Amendment (“**Commercial Use**”). The final, approved use for the property within the boundaries of the District (as is more particularly described in this Service Plan, the “**Property**”) will be as set forth in the Approved PD. This service plan provides the required information for two separate and alternative development programs: (1) for an Approved PD for Residential Use if the Major Amendment to the Existing PD *is not* approved, and (2) for an Approved PD for Commercial Use if the Major Amendment to the Existing PD *is* approved. The intent of providing this dual option service plan is so that it may be approved irrespective of the outcome of the Major Amendment.

The District will have a single district structure. This structure will allow the District to control both financing and services.

The District shall be authorized to provide the following services: parks and recreation, street improvement, water and sanitary sewer systems, storm drainage, and other services as described in C.R.S. §§ 32-1-1001 and 1004, as amended.

The total authorized debt limit for the District shall be Eight Million Five Hundred Thousand Dollars (\$8,500,000). The District anticipates the issuance of an initial series of bonds in the amount of Eight Million Fifteen Thousand Dollars (\$8,015,000) on December 1, 2025. The initial debt service mill levy will be 50 mills, with a Maximum Debt Service Mill Levy of 50 mills, adjusted as described herein. The initial operations and maintenance mill levy will be 10 mills, with a Maximum Operations and Maintenance Mill Levy of 10 mills, subject to Mill Levy Adjustment as described herein. The combined initial mill levy for the District will be 60 mills, with a maximum combined mill levy of 60 mills, subject to Mill Levy Adjustment as described herein.

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EXHIBITS

- Exhibit A** Vicinity Map
- Exhibit B** Legal Description
- Exhibit C** District Boundary Map
- Exhibit D** Residential Cost of Improvements
- Exhibit E** Residential Map of Improvements
- Exhibit F** Commercial Cost of Improvements
- Exhibit G** Commercial Map of Improvements
- Exhibit H-1** Commercial Financial Plan
- Exhibit H-2** Residential Financial Plan
- Exhibit I** Resolution of Approval
- Exhibit J** Compliance with Section 18A, Water Supply & Overlay District
Compliance with Colorado Clean Water Plan
- Exhibit K** Advance and Reimbursement Agreements
- Exhibit K-1** Facilities Funding and Acquisition Agreement
- Exhibit K-2** Operation Funding and Reimbursement Agreement
- Exhibit L** Annual Report Requirements

I. INTRODUCTION

This Service Plan for the Arrowhead Colorado Metropolitan District (the “**District**”) is for a special district organized under Title 32 of the Colorado Revised Statutes to serve the public improvement needs of the Existing PD and the Project. The District is generally located E1/2 of the SW1/4 and the W1/2 of the SE1/4 of Section 11, and the NW1/4 of the NE1/4 of Section 14, all in Township 7 South, Range 69 West of the 6th P.M., (see **Exhibit A**, Vicinity Map) and contains approximately 36 acres (see **Exhibits B & C**, Legal Description and District Boundary Map).

The Existing PD allows for the Residential Use of residential and golf course uses and, if an amendment to the Existing PD is not approved, the District is anticipated to include approximately 31 residential units. Alternatively, a Major Amendment to the Existing PD has been filed with the County and, if approved, the District will include the Commercial Use of Open Space and Club/Resort uses, as authorized in such approved Major Amendment. The final, approved use for the property within the boundaries of the District will be as set forth in any Approved PD document for the Property, as may be amended and approved by the County for identifying, among other things, the uses allowed by the Property and the Public Improvements necessary for facilitating development for property within the boundaries of the District as approved by the County. This Service Plan provides the required information for two separate and alternative development programs: (1) for an Approved PD for Residential Use if the Major Amendment to the Existing PD *is not* approved, and (2) for an Approved PD for Commercial Use if the Major Amendment to the Existing PD *is* approved.

Pursuant to the requirements of the Special District Control Act, C.R.S. §32-1-201, *et seq.*, as amended, and the Special District Service Plan Review Procedures for the County, the following items are included in this Service Plan:

1. A description of the powers granted to and services to be provided by the District;
2. A general description of the facilities to be constructed and the standards of such construction, including a statement of how the facility and service standards of the District are compatible with facility and service standards of the County and of any municipalities and special districts which are interested parties;
3. A general written description of the estimated cost of acquiring land, engineering services, legal services, administrative services, initial indebtedness and estimated maximum interest rates and discounts, and other major expenses related to the organization and initial operation of the District;
4. A summary of general conditions regarding oversight of the District by the County;
5. A legal description and map of the District’s boundaries and an estimate of the population and valuation for assessment of the District;

6. A summary of estimated costs for improvements to be financed and constructed by the District;
7. A preliminary engineering and architectural survey showing how the improvements and services are to be provided;
8. A financial plan showing how District improvements and services are to be financed, including the operating revenue for the first budget year of the District;
9. The resolution of approval adopted by the Board of County Commissioners;
10. Information demonstrating compliance with Section 18A, Water Supply – Overlay District, of the Douglas County Zoning Resolution, as amended, and compliance with the Denver Regional Council of Governments’ Clean Water Plan;
11. A description of any advance and reimbursement agreements;
12. A description of any arrangement or agreement with any political subdivision for the performance of any services between the District and such other political subdivision; and
13. The recorded court decree organizing the District.

Exhibits A through L, attached hereto, are hereby incorporated into the Service Plan.

II. PURPOSE OF THE DISTRICT

The purpose of the District is to provide public improvements and services for the benefit of all anticipated inhabitants and taxpayers of the District, either within or without its boundaries. The District also serves to finance and oversee the construction of these public improvements and to provide for ongoing operations and maintenance services.

III. DISTRICT FRAMEWORK

The District will be organized under a single district structure and will be responsible for all aspects of financing and services authorized under this Service Plan.

IV. NEED FOR 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 practicable to undertake the planning, design, acquisition, construction, installation, relocation, redevelopment, financing, and ongoing operations of the public improvements needed for the Project. Formation of the District is therefore necessary in order for the public improvements and services required for the Project to be provided in the most economical manner possible.

V. LOCATION AND BOUNDARIES

The District is located in the E1/2 of the SW1/4 and the W1/2 of the SE1/4 of Section 11, and the NW1/4 of the NE1/4 of Section 14, all in Township 7 South, Range 69 West of the 6th P.M. A vicinity map is attached hereto as **Exhibit A**. The area of the initial District's boundary encompasses approximately 36 acres. A legal description of the District's boundaries is attached hereto as **Exhibit B**. A map of the initial District's boundaries is attached hereto as **Exhibit C**.

It is anticipated that the District's boundaries may change from time to time as it undergoes inclusions and exclusions pursuant to C.R.S. §§ 32-1-401, et seq., and C.R.S. §§ 32-1-501, et seq., as amended. Future inclusion and exclusion areas are identified in **Exhibit C**. Prior to any inclusions or exclusions that are not identified in **Exhibit C**, the District shall provide forty-five (45) days published notice and written notice to the Board of County Commissioners pursuant to C.R.S. § 32-1-207(3)(b). If, within such forty-five (45) day period, the Board of County Commissioners objects to the inclusion or exclusion, then the inclusion or exclusion shall be prohibited and constitute a material modification of this Service Plan requiring an amendment, pursuant to Section XIII of the Service Plan and C.R.S. § 32-1-207(2).

VI. ASSESSED VALUATION/PROJECTIONS/LAND USE/POPULATION

The property within the District is zoned residential - unplatted as of July 2024. The current assessed value of property within the initial boundaries of the District is One Hundred Ninety-two Thousand Nine Hundred Ninety dollars (\$192,990) as of July 2024.

If the Approved PD results in the Commercial Use, the estimated assessed value at full build-out is anticipated to be approximately Thirteen Million Dollars (\$13,000,000) and is expected to be sufficient to reasonably discharge the debt under the Financial Plan. If developed for Commercial Use, it is anticipated the District will include approximately 30,500 square feet of commercial space. Based upon an estimated 3.7 persons per 1,000 square feet, the daytime population of the District at build-out will be approximately 115 customers.

If the Approved PD results in the Residential Use, the estimated assessed value at full build-out is anticipated to be approximately Two Million Dollars (\$2,000,000) and is expected to be sufficient to reasonably discharge the debt under the Financial Plan. If developed for Residential Use, it is anticipated the District will include approximately 31 residential units. Based upon an estimated three (3) persons per residence, the population of the District at build-out will be ninety-three (93) residents.

Approval of this Service Plan by the County does not constitute nor imply approval of the development of a specific area within the District, nor does it constitute or imply approval of the use of the Property, 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 hereto, unless such land use plans have been approved by the Board of County Commissioners as part of a separate development review process.

VII. POWERS AND RESPONSIBILITIES

The District shall have the power and authority to provide the public improvements and related operation and maintenance services within and without the boundaries of the District as such power and authority is permitted by this Service Plan and described in the Special District Act, C.R.S. Title 32, and other applicable statutes, common law, and the Colorado Constitution, subject to the limitations set forth herein.

A. General Powers

The District shall have the authority to construct, operate, and maintain the services and facilities as described in Section VIII.A of this Service Plan.

B. Miscellaneous Powers

In addition to the powers enumerated above, the District's Board shall have the power and authority:

1. To amend this Service Plan as provided for in Section XIII, Modification of Service Plan;
2. To forego, reschedule, or restructure the financing and construction of certain improvements and facilities in order to better accommodate the pace of growth, resource availability, and potential inclusions and exclusions of property within the District, with prior notice to the County in accordance with C.R.S. § 32-1-202(2)(b), as amended; and
3. To have and exercise all rights and powers necessary or incidental to, or implied from, the specific powers granted to the District in this Service Plan.
4. To have and exercise the power of eminent domain, but only as necessary to construct, install, access, relocate or redevelop the public improvements identified in this Service Plan. Any other use of eminent domain shall require the District to provide forty-five (45) days published notice and written notice to the Board of County Commissioners pursuant to C.R.S. § 32-1-207(3)(b). If, within such forty-five (45) day period, the Board of County Commissioners objects to the use of eminent domain, then it shall be prohibited and constitute a material modification of this Service Plan requiring an amendment, pursuant to Section XIII of the Service Plan and C.R.S. § 32-1-207(2).

VIII. DISTRICT SERVICES, FACILITIES, AND IMPROVEMENTS

A. Services and Facilities

The District shall have the authority pursuant to C.R.S. §§ 32-1-1001 and 32-1-1004, as amended, to provide the following services and public improvements described in this section.

1. Water

The District shall have the power and authority to finance, design, construct, acquire, install, 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 is authorized or empowered to provide.

Notwithstanding the foregoing, the District shall not have the authority to provide ongoing water service. The District’s boundaries overlap with the boundaries of RWSD. RWSD shall provide water supply services to the District. While the District shall have the authority to finance and construct water improvements in accordance with this Service Plans, all such water improvements shall be constructed in accordance with all applicable RWSD Rules and Regulations and all water improvements shall be conveyed to RWSD, as appropriate, in accordance with such RWSD Rules and Regulations, for perpetual ownership, operation and maintenance and for the provision of water service to the District. Correspondence from RWSD evidencing compliance with Section 18A, Water Supply – Overlay District and compliance with the Colorado Clean Water Plan is attached hereto as **Exhibit J**.

2. Storm Sewer

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.

Stormwater improvements subject to Colorado Discharge Permit System Regulations, if applicable, shall be owned and maintained by the District or such other governmental entity that may accept dedication. Dedication to another governmental entity of stormwater improvements subject to such regulations shall be subject to approval by the County. In no event will the District dedicate such detention ponds or facilities to a private homeowner’s association, or other property owner’s association, for operations or maintenance.

3. Sanitation and Wastewater Treatment

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.

Notwithstanding the foregoing, the District shall not have the authority to provide ongoing sanitation and/or wastewater service. The District's boundaries overlap with the boundaries of RWSD. RWSD shall provide sanitation and wastewater treatment services to the District. While the District shall have the authority to finance and construct sanitation improvements in accordance with this Service Plans, all such sanitation improvements shall be constructed in accordance with RWSD Rules and Regulations and all sanitation improvements shall be conveyed to RWSD, as appropriate, in accordance with such RWSD Rules and Regulations, for perpetual ownership, operation and maintenance and for the provision of water service to the District. Correspondence from RWSD evidencing compliance with Section 18A, Water Supply – Overlay District and compliance with the Colorado Clean Water Plan is attached hereto as **Exhibit J**.

4. Street Improvements

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.

5. Traffic Safety Protection

The District shall have the power and authority to finance, design, construct, acquire, install, maintain, and provide for safety protection through traffic control devices and safety controls on streets, as well as such other facilities and improvements as are necessary or prudent, including, but not limited to, signalization at intersections, traffic signs, area identification signs, directional assistance and driver information signs, with all necessary and incidental and appurtenant facilities, and land and easements, together with extensions and improvements thereto. All traffic and safety control devices will be consistent with and in compliance with County rules and regulations.

6. 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.

7. Fire Protection

The District shall not have the power and authority to provide fire protection, ambulance, and emergency medical and rescue services, including necessary equipment, personnel, and facilities. Fire Protection Service shall be provided by West Metro Fire Protection District.

8. 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.

(a) Estimated Costs and Phasing of Improvements: The project will be developed in accordance with the final, Approved PD:

1) Commercial Use: In the event the Approved PD results in the Commercial Use, the estimate of the costs of the public improvements which may be planned for, designed, acquired, constructed, installed, relocated, redeveloped, maintained, or financed was prepared based upon a preliminary engineering survey on the property and is approximately Four Million Sixty Thousand Seven Hundred Eighteen dollars (\$4,060,718) as shown in **Exhibit F**. **Exhibit F** includes an engineer's opinion of costs in current dollars of each public improvement, together with an explanation of methods, basis, and/or assumptions used. All descriptions of the public improvements to be constructed, and their related costs, are estimates only and are subject to modification as engineering, development plans, economics, the County's requirements, and construction scheduling may require. The District will continue to develop and refine cost estimates contained herein and prepare for issuance of debt. Any increase in public improvement costs greater than twenty percent (20%), but less than forty percent (40%), of the stated amount in **Exhibit F**, exclusive of any contingency shown in **Exhibit F**, shall require an administrative review by County staff. Any increase in public improvement costs in excess of forty percent (40%) of the stated amount in **Exhibit F**, exclusive of any contingency shown in **Exhibit F**, will constitute a material modification of the Service Plan and will require review by the County and action by the Board of County Commissioners in accordance with Section XIII. Any costs not covered by bond proceeds will be paid for by the Developer or other sources of revenues. All construction cost estimates assume construction to applicable local, State, or Federal requirements.

Maps showing the preliminary location of the public improvements that the District is authorized to acquire or construct related to a Commercial Use are attached hereto as **Exhibit G**. Phasing of construction shall be determined by the District to meet the needs of taxpayers within its boundaries. The District shall own, maintain, and replace public improvements constructed, installed, or acquired by the District or shall dedicate such public improvements to such other entity as shall accept dedication, subject to any limitations specified in this Service Plan.

2) Residential Use: In the event the Approved PD results in a Residential Use, the estimate of the costs of the public improvements which may be planned for, designed, acquired, constructed, installed, relocated, redeveloped, maintained, or financed was prepared based upon a preliminary engineering survey on the property and is approximately Four Million Ninety-one Thousand Two Hundred Fifty dollars (\$4,091,250) as shown in **Exhibit D**. **Exhibit D** includes an engineer's opinion of costs in current dollars of each public improvement, together with an explanation of methods, basis, and/or assumptions used. All descriptions of the public improvements to be constructed, and their related costs, are estimates only and are subject to modification as engineering, development plans, economics, the County's requirements, and construction scheduling may require. The District will continue to develop and refine cost estimates contained herein and prepare for issuance of debt. Any increase in public improvement costs greater than twenty percent (20%), but less than forty percent (40%), of the stated amount in **Exhibit D**, exclusive of any contingency shown in **Exhibit D**, shall require an administrative review by County staff. Any increase in public improvement costs in excess of forty percent (40%) of the stated amount in **Exhibit D**, exclusive of any contingency shown in **Exhibit D**, will constitute a material modification of the Service Plan and will require review by the County and action by the Board of County Commissioners in accordance with Section XIII. Any costs not covered by bond proceeds will be paid for by the Developer or other sources of revenues. All construction cost estimates assume construction to applicable local, State, or Federal requirements.

Maps showing the preliminary location of the public improvements that the District is authorized to acquire or construct related to the Residential Use are attached hereto as **Exhibit E**. Phasing of construction shall be determined by the District to meet the needs of taxpayers within its boundaries. The District shall own, maintain, and replace public improvements constructed, installed, or acquired by the District or shall dedicate such public improvements to such other entity as shall accept dedication, subject to any limitations specified in this Service Plan.

In all instances, whether the Approved PD results in Commercial Use or Residential Use, the District shall ensure that the public improvements are designed and constructed in accordance with the standards and specifications of the County or other such entity that may have authority over such design and construction. The District shall obtain approval of civil engineering and other plans and any applicable permits for the construction and installation of public improvements from the County and/or other appropriate regulatory agencies.

B. Services to be Provided by Other Governmental Entities

1. Fire Protection: West Metro Fire Rescue
2. Water and Wastewater Treatment: RWSD

C. Compliance with Section 18A, Water Supply – Overlay District, of the Douglas County Zoning Resolution, as amended and Compliance with Colorado Clean Water Plan

RWSD shall provide water supply and services to the Project. Correspondence from RWSD evidencing compliance with Section 18A, Water Supply – Overlay District and compliance with the Colorado Clean Water Plan is attached hereto as **Exhibit J**.

IX. EXISTING AND PROPOSED AGREEMENTS

Currently the District has no plans to enter into agreements with other governmental entities. It is anticipated that the District may need to enter into agreements with West Metro Fire Protection District for fire protection service, and/or the RWSD for water and sanitary sewer services.

X. FINANCIAL INFORMATION

A. General

This section describes the nature, basis, and method of funding and debt and mill levy limitations associated with the District’s public improvements. A detailed Financial Plan and statement of assumptions is contained in **Exhibit H-1 (Commercial) and H-2 (Residential)**. The Financial Plan exhibits the assumptions in the alternative for an Approved PD for Commercial Use and an Approved PD for Residential Use.

B. Assumptions

The maximum debt limitation contained herein is the same, irrespective of the Approved PD and is based on the anticipated costs of the improvements. The Financial Plan demonstrates that the District has the ability to finance the public improvements identified herein, will be capable of discharging the indebtedness on a reasonable basis, and will operate on a sound fiscal basis.

C. Identification of District Revenue

The District will impose a mill levy on taxable property within its boundaries as a primary source of revenue for repayment of debt and for operations and maintenance. The District may also rely upon various other revenue sources authorized by law. At the District’s discretion, these may include the power to assess fees, rates, tolls, penalties, or charges as provided for in C.R.S. § 32-1-1001(1), as amended.

A Maximum Total Mill Levy of 60 mills, subject to Mill Levy Adjustment (defined below), is authorized to support debt service and operations and maintenance of the District. The District may request an amendment to the Service Plan, in accordance with Section XIII, to eliminate mill levy caps when the debt to assessed value ratio falls below fifty percent (50%).

If, on or after the date of approval of the Service Plan, there are changes in the method of calculating assessed valuation or any constitutionally mandated tax credit, cut, or abatement, the mill levy limitation applicable to such debt and operating and maintenance expenses may be increased or decreased to reflect such changes, such increases or decreases to be determined by the Board in good faith so that to the extent possible, the actual tax revenue generated by the mill levy are neither diminished nor enhanced as a result of such changes (“**Mill Levy Adjustment**”). For purposes of the foregoing, a change in the ratio of actual valuation and any constitutional or legislative changes in the actual value against which the assessment rate is applied shall be deemed to be a change in the method of calculating assessed valuation.

D. Debt Service Mill Levy

Irrespective of the Approved PD, a maximum mill levy of 50.00 mills is authorized to support the debt service of the District, subject to Mill Levy Adjustment and the limitation of the Maximum Total Mill Levy. An initial debt service mill levy of 50.00 mills will produce revenue sufficient to support debt service costs through the bond repayment period (see **Exhibit H-1 (Commercial) and H-2 (Residential)**, Financial Plans).

E. Operations and Maintenance Mill Levy

Irrespective of the Approved PD, a maximum mill levy of 10 mills is authorized to support the operations and maintenance of District services and public improvements, subject to Mill Levy Adjustment and the limitation of the Maximum Total Mill Levy. An initial operations and maintenance mill levy of 10 mills will produce revenue sufficient to support the operations and maintenance of District services and public improvements (see **Exhibit H-1 (Commercial) and H-2 (Residential)**, Financial Plans).

F. District Expenditures

Commercial Use: If an Approved PD results in Commercial Use, the estimated cost of public improvements for the District is Four Million Sixty Thousand Seven Hundred Eighteen dollars and no cents (\$4,060,718.00). **Exhibit F** includes, in current dollars, the estimated cost of each public improvement, together with an explanation of the methods, basis, and/or assumptions used to establish such costs.

Residential Use: If an Approved PD results in Residential Use, the estimated cost of public improvements for the District is Four Million Ninety-One Thousand Two Hundred Fifty dollars and no cents (\$4,091,250.00). **Exhibit D** includes, in current dollars, the estimated cost of each public improvement, together with an explanation of the methods, basis, and/or assumptions used to establish such costs.

The District will require operating funds to plan and cause the public improvements contemplated herein to be constructed, operated, and maintained as permitted herein. Such costs are expected to include reimbursement of organizational costs, legal, engineering, accounting, bond issuance costs, and compliance with State budgeting, audit, and reporting, and other administrative and legal requirements. The organizational costs for the District for legal, engineering, surveying, and accounting services are estimated to be One Hundred Fifty Thousand Dollars (\$150,000). The first year's operating budget is estimated to be Fifty Thousand (\$50,000).

G. Debt

(a) Debt Limitation

Irrespective of whether the Approved PD results in Commercial Use or Residential Use, the total debt limit for the District shall be Eight Million Five Hundred Thousand Dollars (\$8,500,000), inclusive of costs of issuance, inflation, and other similar costs. For purposes of this Service Plan, debt shall be considered any outstanding bonds, notes, contracts, or other financial obligations of the District payable in whole or in part from *ad valorem* taxes or other revenues of the District for the purposes of financing, acquiring, constructing, or improving any of the public improvements contemplated herein. The debt limit shall not be increased unless approved by the County and as permitted by statute and the Colorado Constitution. Any change in debt limit shall be considered a material modification of the Service Plan, subject to the provisions of Section XIII of this Service Plan. ***The maximum term of any bond issue, including refunding and refinancing, shall be thirty (30) years from the original date of issuance.***

(b) Maximum Voted Interest Rate and Maximum Underwriting Discount

The interest rate on any debt is limited to the market rate at the time debt is issued. In the event of a default, the maximum voted interest rate on any debt shall not exceed twelve percent (12%). The maximum underwriting discount shall be five percent (5%). Debt, when issued, shall comply with all relevant requirements of this Service Plan, State law, and Federal law as is then applicable to the issuance of public securities.

XI. DEVELOPER ADVANCES AND REIMBURSEMENTS

The District anticipates receiving initial funding for both capital and ongoing administrative requirements from developer advances. Such advances may be made to the District subject to the District's obligation to reimburse the same, as may be evidenced by short-term reimbursement agreements or other acceptable agreements or resolutions. The interest rate on developer reimbursements shall not exceed the current Bond Buyer 20-Bond GO Index plus four percent (4%).

Such advances, which the Board is obligated to appropriate on an annual basis, shall count against the maximum allowable debt limit under this Service Plan and may be repaid by the District from bond proceeds or other legally available sources of revenue. Developer advances shall be subordinate to the District general obligation bonds and

refinancing of the same shall not require County approval. Any amount of outstanding principal and accrued interest on such developer advances that remains unpaid as of the expiration of the Maximum Debt Service Mill Levy term shall be deemed to be forever discharged and satisfied in full.

XII. ANNUAL REPORT

The District shall be responsible for submitting an annual report to the County no later than October 1 of each year in accordance with the procedures set forth in C.R.S. § 32-1-207(3)(c) and (d), as amended. The annual report shall conform to the format attached hereto as **Exhibit L**, or in a format agreed to by the County.

XIII. MODIFICATION OF SERVICE PLAN

Pursuant to C.R.S. § 32-1-207, as amended, the District shall obtain prior written approval of the County before making any material modification to this Service Plan. Material modifications require a Service Plan amendment and include modifications of a basic or essential nature, including, but not limited to, the following: any addition to the types of services provided by the District; a decrease in the level of services; a decrease in the financial ability of the District to discharge the existing or proposed indebtedness; or a decrease in the existing or projected need for organized service in the area. Inclusion of property that is located in a county or municipality with no other territory within the District may constitute a material modification of the Service Plan.

In the event the District plans to undertake an action which may not be permitted by this Service Plan, it shall be the District's responsibility to contact County staff to seek an administrative determination as to whether the action in question is permitted by the Service Plan. If County staff determines that the action may constitute a material modification, the District shall submit a proposal for action to the Board of County Commissioners. Thereafter, the Board of County Commissioners will determine whether the proposed action constitutes a material modification. If the Board of County Commissioners determines that the proposed action constitutes a material modification, then the action shall be prohibited and constitute a material modification of this Service Plan requiring an amendment, pursuant to Section XIII of the Service Plan and C.R.S. § 32-1-207(2).

XIV. DISCLOSURE STATEMENT

The District shall provide notice to all purchasers of property in the District regarding the District's authority to levy and collect *ad valorem* taxes and to impose and collect rates, fees, tolls, and charges, by recording a disclosure statement against the property within the District with the Office of the Douglas County Clerk and Recorder. Such disclosure statement shall also provide information concerning the structure of the Board and summarize how purchasers may participate in the affairs of the Board. The disclosure statement shall be recorded within thirty (30) days following the recordation of the court decree organizing the District.

XV. DISSOLUTION

It shall be mandatory for the District to initiate dissolution proceedings when the District has neither any financial obligations nor operations and maintenance obligations. The District may file a petition in the district court for dissolution when there are no financial obligations or outstanding bonds, or any such financial obligations or outstanding bonds are adequately secured by escrow funds or securities meeting the investment requirements in C.R.S. §§ 24-75-601, *et seq.*, as amended. The District's dissolution shall be subject to approval of a plan of dissolution in the district court of the County, pursuant to C.R.S. § 32-1-704, as amended.

XVI. DEFINITIONS

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

Approved PD: any Planned Development document for the Property, as may be amended and approved by the County for identifying, among other things, the uses allowed by the Property and the Public Improvements necessary for facilitating development for property within the boundaries of the District as approved by the County

Board: the board of directors of the District

Board of County Commissioners: the Board of County Commissioners of Douglas County, Colorado

Commercial Use: any commercial use set forth in an Approved PD as a result of a Major Amendment to the Existing PD which, if approved, is anticipated to include Open Space and Club/Resort uses, as authorized in such approved Major Amendment

Control Act: Part 2 of Title 32 (Special Districts) of the Colorado Revised Statutes (C.R.S.), which outlines review procedures for service plans for a special district

County: Douglas County, Colorado

Debt: any bond, note debenture, contract, or other multiple-year financial obligation of a District

Developer: the owner of the property proposing development of the project

District: the Arrowhead Colorado Metropolitan District

District Boundaries: the boundaries of the area described in the legal description attached hereto as **Exhibit B**

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

Existing PD: the “Homestead” project located on Planning Areas 12 and 14 of the current Roxborough Planned Development

Financial Plan: the Financial Plans described in Section X and attached as **Exhibit H-1 (Commercial) and H-2 (Residential)**, which describe: (a) how the public improvements are to be financed; (b) how the debt is expected to be incurred; and (c) the estimated operating revenue derived from property taxes for the first budget year.

General Obligation Bond: bonds or other obligations for the payment of which the District has promised to impose an *ad valorem* property tax mill levy

Maximum Debt Service Mill Levy: the maximum mill levy the District is permitted to impose for payment of debt as set forth in Section X.D

Maximum Operations and Maintenance Mill Levy: the maximum mill levy the District is permitted to impose for the payment of operating and maintenance expenses as set forth in Section X.E

Maximum Total Mill Levy: the maximum mill levy the District is permitted to impose for the payment of debt as set forth in Section X.D. and operating and maintenance expenses as set forth in Section X.E

Project: the development or property commonly referred to as the “Homestead”

Public Improvements: the improvements authorized to be planned, designed, acquired, constructed, installed, relocated, redeveloped, and financed as generally described in the Special District Act to serve the future taxpayers and inhabitants of the District as determined by the Board of the District

Residential Use: The Existing PD allows for residential and golf course uses and, if an amendment to the Existing PD is not approved, the District is anticipated to include approximately 31 residential units (“**Residential Use**”)

Revenue Bond: bonds issued by the District to finance a specific project, the income from which will be used for repaying the bond

RWSD: Roxborough Water and Sanitation District

RWSD Rules and Regulations: the rules, regulations and guidelines of RWSD

Service Plan: the service plan for the District approved by the Board of County Commissioners

Special District Act: C.R.S. § 32-1-101, *et seq.*, as amended

State: the State of Colorado

XVII. RESOLUTION OF APPROVAL

The District incorporates the Board of County Commissioner’s resolution approving this Service Plan into this Service Plan to be presented to the district court attached hereto as **Exhibit I**.

XVIII. STATUTORY FINDINGS AND CONCLUSIONS

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

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

There is sufficient existing and projected need for organized service in the area to be served by the District. This need is demonstrated by current and expected demand, population growth, and community development plans, which all indicate a sustained and increasing requirement for organized services to meet the needs of residents and businesses effectively. There are no services in the area to be served by the District and therefore are inadequate for projected needs;

2. The District is capable of providing economical and sufficient service to the area within its boundaries;

Yes, the District can provide economical and sufficient service to the area within its boundaries. With strategic planning, efficient resource allocation, and leveraging economies of scale, the District can establish and maintain services that meet the needs of the community and commercial customers in a cost-effective manner.

3. The area to be included in the District has, or will have, the financial ability to discharge the indebtedness on a reasonable basis;

Yes, the area to be included in the District will have the financial ability to discharge the indebtedness on a reasonable basis. Projections of future revenue, combined with prudent fiscal management and potential growth in the tax base, indicate that the area will be able to meet its financial obligations effectively.

4. Adequate service is not, or 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;

There are currently no services available, and existing entities, including the County, are not positioned to provide adequate service within a reasonable time frame or on a comparable basis.

5. The facility and service standards of the District are compatible with the facility and service standards of each county within which the District is to be located and each municipality which is an interested party under C.R.S. § 32-1-204(1), as amended;

The facility and service standards of the District are designed to be compatible with those of the County, ensuring a cohesive and efficient integration of services.

6. The proposal is in substantial compliance with the Douglas County Comprehensive Master Plan, as amended, adopted pursuant to C.R.S. § 30-28-106, as amended;

The proposal aligns well with the Douglas County Comprehensive Master Plan, adhering to the guidelines and objectives set forth for sustainable development and service provision.

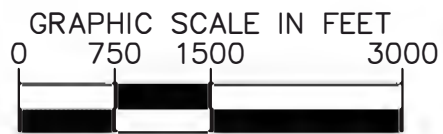
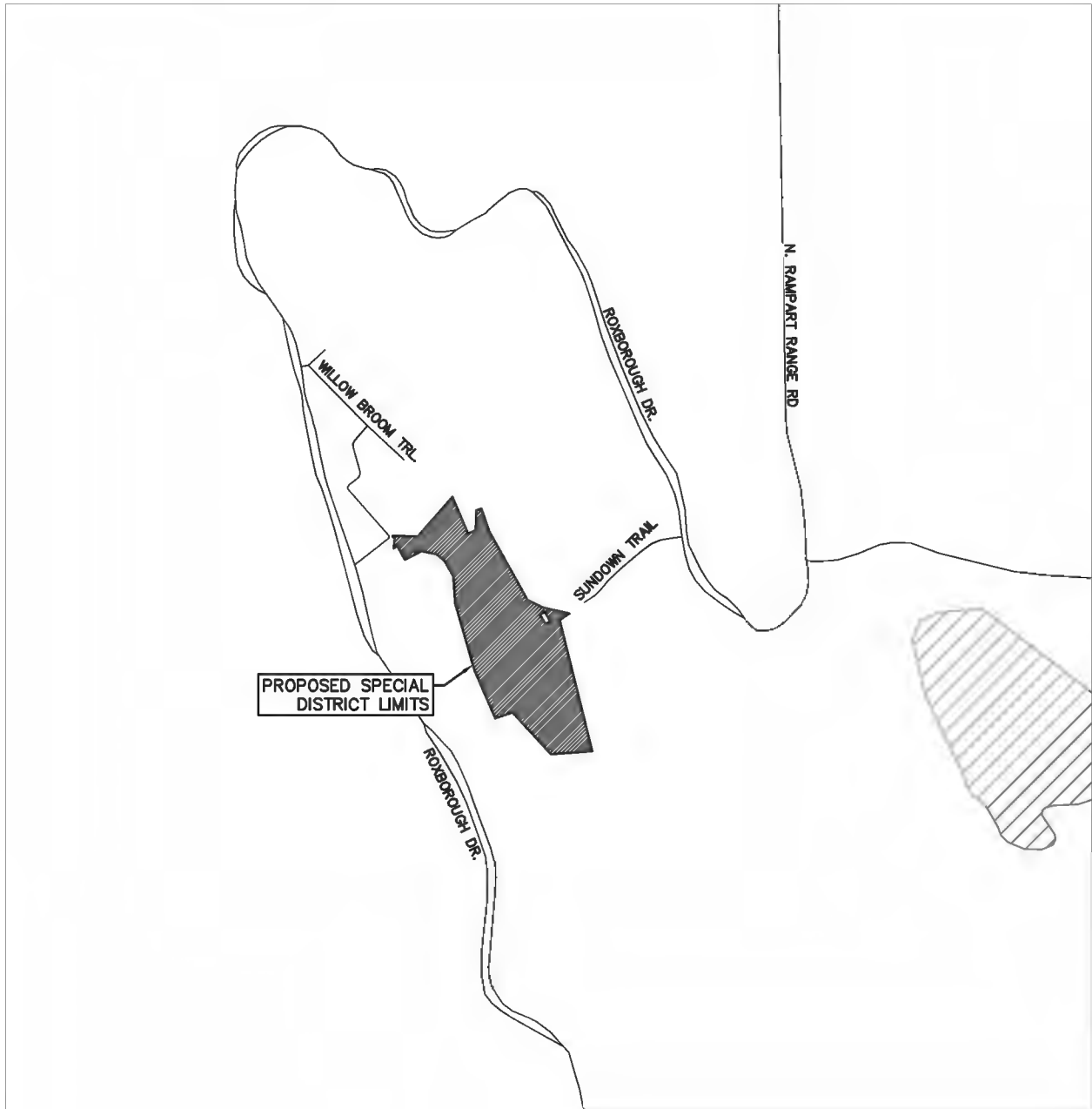
7. The proposal is in compliance with the regional Clean Water Plan, as amended; and

The proposal adheres to the regional Clean Water Plan, ensuring that all planned activities meet the necessary environmental standards and regulations for water quality.

8. The creation of the District will be in the best interests of the area to be served.

The establishment of the District will serve the best interests of the community by providing necessary services that are currently lacking, thereby improving the quality of life and supporting sustainable development.

Exhibit A
Vicinity Map



ARROWHEAD COLORADO
 METRO DISTRICT
 DRAWN BY: DEK | SCALE:
 CK'D BY: CMW | DATE: 05/23/2024

EXHIBIT A
 VICINITY MAP

Kimley»Horn
 2024 KIMLEY-HORN AND ASSOCIATES, INC.
 6200 S SYRACUSE WAY, SUITE 300
 GREENWOOD VILLAGE, CO 80111
 PHONE: 303-228-2300

Exhibit B
Legal Description

{01168876.DOCX v:8}

Service Plan for Arrowhead Colorado Metropolitan District

Exhibit B - Legal Description - Arrowhead Colorado

PARCEL A:

PARCEL C-1, A PARCEL OF LAND LOCATED IN SECTION 11, AND PARTLY IN THE NORTH ONE-HALF OF SECTION 14, TOWNSHIP 7 SOUTH, RANGE 69 WEST OF THE 6TH PRINCIPAL MERIDIAN, COUNTY OF DOUGLAS, STATE OF COLORADO, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF PROJECT AREA NO. 4 OF ROXBOROUGH DOWNS, AS SAID PLAT IS RECORDED AND ON FILE WITH THE CLERK AND RECORDERS OFFICE OF DOUGLAS COUNTY, COLORADO, FROM WHENCE THE NORTH ONE-QUARTER CORNER OF SAID SECTION 11, BEARS NORTH 01 DEGREE 03 MINUTES 52 SECONDS EAST A DISTANCE OF 934.12 FEET;

THENCE NORTH 79 DEGREES 05 MINUTES 07 SECONDS EAST 278.13 FEET ALONG THE SOUTHERLY BOUNDARY OF SAID PROJECT AREA NO. 4 TO THE INTERSECTION WITH THE WEST LINE OF LOT 257 OF SAID ROXBOROUGH DOWNS;

THENCE SOUTH 13 DEGREES 13 MINUTES 30 SECONDS EAST 64.88 FEET TO THE SOUTHWEST CORNER OF SAID LOT 257;

THENCE SOUTH 17 DEGREES 19 MINUTES 55 SECONDS EAST 1608.86 FEET ALONG THE WEST BOUNDARY LINE OF LOTS 260, 261, 264, 265, 268, 269, 271, 272, 274, 275, 278, 279 AND 282 IN SAID ROXBOROUGH DOWNS TO THE SOUTHWEST CORNER OF SAID LOT 282;

THENCE SOUTH 25 DEGREES 15 MINUTES 26 SECONDS EAST 381.59 FEET ALONG THE WEST LINE OF LOTS 283, 286 AND 287 IN SAID ROXBOROUGH DOWNS TO THE SOUTHWEST CORNER OF SAID LOT 287;

THENCE SOUTH 69 DEGREES 32 MINUTES 47 SECONDS WEST 158.41 FEET;

THENCE SOUTH 15 DEGREES 11 MINUTES 08 SECONDS EAST 352.20 FEET;

THENCE SOUTH 01 DEGREE 13 MINUTES 23 SECONDS WEST 209.11 FEET TO THE INTERSECTION WITH AN ANGLE POINT ON THE WEST LINE OF PROJECT AREA NO. 3 IN SAID ROXBOROUGH DOWNS;

THENCE SOUTH 26 DEGREES 35 MINUTES 34 SECONDS EAST 312.69 FEET ALONG THE WEST LINE OF SAID PROJECT AREA NO. 3;

THENCE SOUTH 02 DEGREES 56 MINUTES 00 SECONDS EAST 224.00 FEET TO THE SOUTHWEST CORNER OF SAID PROJECT AREA NO. 3, SAID POINT BEING ON THE NORTHWESTERLY RIGHT-OF-WAY LINE OF SUNDOWN TRAIL;

THENCE SOUTH 38 DEGREES 12 MINUTES 00 SECONDS WEST 40.00 FEET ALONG SAID RIGHT-OF-WAY LINE TO THE NORTHEASTERLY CORNER OF PROJECT AREA NO. 2 IN SAID ROXBOROUGH DOWNS;

THENCE SOUTH 54 DEGREES 19 MINUTES 30 SECONDS WEST 330.17 FEET TO THE POINT OF BEGINNING FROM WHENCE THE NORTH ONE-QUARTER CORNER OF SAID SECTION 11 BEARS NORTH 09 DEGREES 42 MINUTES 15 SECONDS WEST 4217.28 FEET;

THENCE CONTINUING NORTH 77 DEGREES 18 MINUTES 00 SECONDS WEST 242.00 FEET;

THENCE NORTH 64 DEGREES 05 MINUTES 00 SECONDS WEST 155.00 FEET;

THENCE NORTH 29 DEGREES 20 MINUTES 00 SECONDS WEST 702.00 FEET;

THENCE NORTH 18 DEGREES 30 MINUTES 00 SECONDS WEST 221.00 FEET;

THENCE SOUTH 71 DEGREES 30 MINUTES 00 SECONDS WEST 50.00 FEET;

THENCE SOUTH 01 DEGREE 05 MINUTES 00 SECONDS WEST 180.00 FEET;

THENCE SOUTH 67 DEGREES 46 MINUTES 51 SECONDS WEST 76.19 FEET;

THENCE NORTH 23 DEGREES 06 MINUTES 00 SECONDS WEST 357.54 FEET;

THENCE SOUTH 41 DEGREES 25 MINUTES 00 SECONDS WEST 472.81 FEET;

THENCE NORTH 88 DEGREES 30 MINUTES 00 SECONDS WEST 220.80 FEET TO A POINT ON THE
EASTERLY BOUNDARY LINE OF REPLAT OF LOTS 1-109 ROXBOROUGH DOWNS;

THENCE SOUTH 49 DEGREES 18 MINUTES 52 SECONDS WEST 4.87 FEET TO THE MOST SOUTHERLY
CORNER OF LOT 78, REPLAT OF LOTS 1-109 ROXBOROUGH DOWNS;

THENCE SOUTH 40 DEGREES 41 MINUTES 08 SECONDS EAST 30.00 FEET;

THENCE SOUTH 05 DEGREES 45 MINUTES 44 SECONDS WEST 84.82 FEET;

THENCE NORTH 61 DEGREES 28 MINUTES 18 SECONDS EAST 40.56 FEET;

THENCE SOUTH 27 DEGREES 30 MINUTES 26 SECONDS EAST 139.71 FEET;

THENCE NORTH 62 DEGREES 29 MINUTES 34 SECONDS EAST 168.77 FEET;

THENCE SOUTH 77 DEGREES 53 MINUTES 22 SECONDS EAST 141.44 FEET;

THENCE SOUTH 49 DEGREES 32 MINUTES 30 SECONDS EAST 95.00 FEET;

THENCE SOUTH 28 DEGREES 54 MINUTES 01 SECOND EAST 152.18 FEET;

THENCE SOUTH 03 DEGREES 52 MINUTES 30 SECONDS EAST 246.00 FEET;

THENCE SOUTH 16 DEGREES 15 MINUTES 00 SECONDS EAST 621.88 FEET;

THENCE SOUTH 23 DEGREES 29 MINUTES 22 SECONDS EAST 470.54 FEET;

THENCE NORTH 71 DEGREES 20 MINUTES 00 SECONDS EAST 162.53 FEET;

THENCE SOUTH 42 DEGREES 24 MINUTES 41 SECONDS EAST 509.15 FEET;

THENCE NORTH 85 DEGREES 50 MINUTES 00 SECONDS EAST 372.00 FEET;

THENCE NORTH 13 DEGREES 54 MINUTES 52 SECONDS WEST 1214.37 FEET;

THENCE NORTH 57 DEGREES 54 MINUTES 45 SECONDS EAST 104.77 FEET TO THE POINT OF BEGINNING.
EXCEPTING THAT PARCEL DEEDED TO THE DENVER WATER DEPARTMENT IN BOOK 362 AT PAGE 858.

PARCEL B:

TOGETHER WITH A CORRECTED JOINT ACCESS EASEMENT FOR INGRESS AND EGRESS OVER AND
ACROSS THE PROPERTY KNOWN AS ARROWHEAD GOLF COURSE, AS GRANTED IN INSTRUMENT
RECORDED NOVEMBER 28, 1989 IN BOOK 883 AT PAGE 803, MORE PARTICULARLY DESCRIBED AS
FOLLOWS:

COMMENCING AT THE NORTHWEST CORNER OF SECTION 11, TOWNSHIP 7 SOUTH, RANGE 69 WEST OF
THE 6TH PRINCIPAL MERIDIAN, AN EXISTING BRASS CAP;

THENCE SOUTH 38 DEGREES 20 MINUTES 15 SECONDS EAST 5265.52 FEET TO THE POINT OF BEGINNING
ON THE EASTERLY BOUNDARY OF "HOMESTEAD AT ARROWHEAD", BEING THE NORTHWEST CORNER OF
SAID EASEMENT;

THENCE NORTH 57 DEGREES 30 MINUTES 31 SECONDS EAST 269.67 FEET ALONG SAID NORTH LINE;

THENCE NORTH 54 DEGREES 48 MINUTES 20 SECONDS EAST 162.39 FEET ALONG SAID NORTH LINE TO
THE NORTHEAST CORNER OF SAID EASEMENT, BEING A POINT ON THE WEST LINE OF PROJECT AREA
NO. 3 IN ROXBOROUGH DOWNS;

THENCE SOUTH 02 DEGREES 56 MINUTES 00 SECONDS EAST 30.00 FEET TO THE SOUTHWEST CORNER
OF SAID PROJECT AREA NO. 3, SAID POINT BEING ON THE NORTHWESTERLY RIGHT-OF-WAY LINE OF
SUNDOWN TRAIL;

THENCE SOUTH 38 DEGREES 12 MINUTES 00 SECONDS WEST 40.00 FEET ALONG SAID RIGHT-OF-WAY LINE;

THENCE SOUTH 51 DEGREES 48 MINUTES 00 SECONDS EAST, 30.00 FEET TO A POINT ON THE SOUTHEASTERLY RIGHT-OF-WAY LINE OF SAID SUNDOWN TRAIL, SAID POINT BEING THE MOST NORTHWESTERLY CORNER OF PROJECT AREA NO. 13 IN ROXBOROUGH DOWNS - FILING NO. II, BEING THE SOUTHEASTERLY CORNER OF SAID EASEMENT;

THENCE SOUTH 62 DEGREES 16 MINUTES 38 SECONDS WEST 120.00 FEET ALONG SAID SOUTH LINE;

THENCE SOUTH 57 DEGREES 30 MINUTES 31 SECONDS WEST 220.00 FEET ALONG SAID SOUTH LINE TO THE SOUTHWESTERLY CORNER OF SAID EASEMENT, SAID POINT BEING AN ANGLE POINT ON THE EASTERLY BOUNDARY LINE OF SAID "HOMESTEAD AT ARROWHEAD";

THENCE NORTH 77 DEGREES 18 MINUTES 00 SECONDS WEST 70.48 FEET ALONG SAID EASTERLY LINE TO THE POINT OF BEGINNING.

AMENDMENT TO EASEMENT AGREEMENT RECORDED NOVEMBER 28, 1989 IN BOOK 883 AT PAGE 929.

AMENDMENT TO EASEMENT AGREEMENT RECORDED SEPTEMBER 12, 1994 IN BOOK 1218 AT PAGE 646.

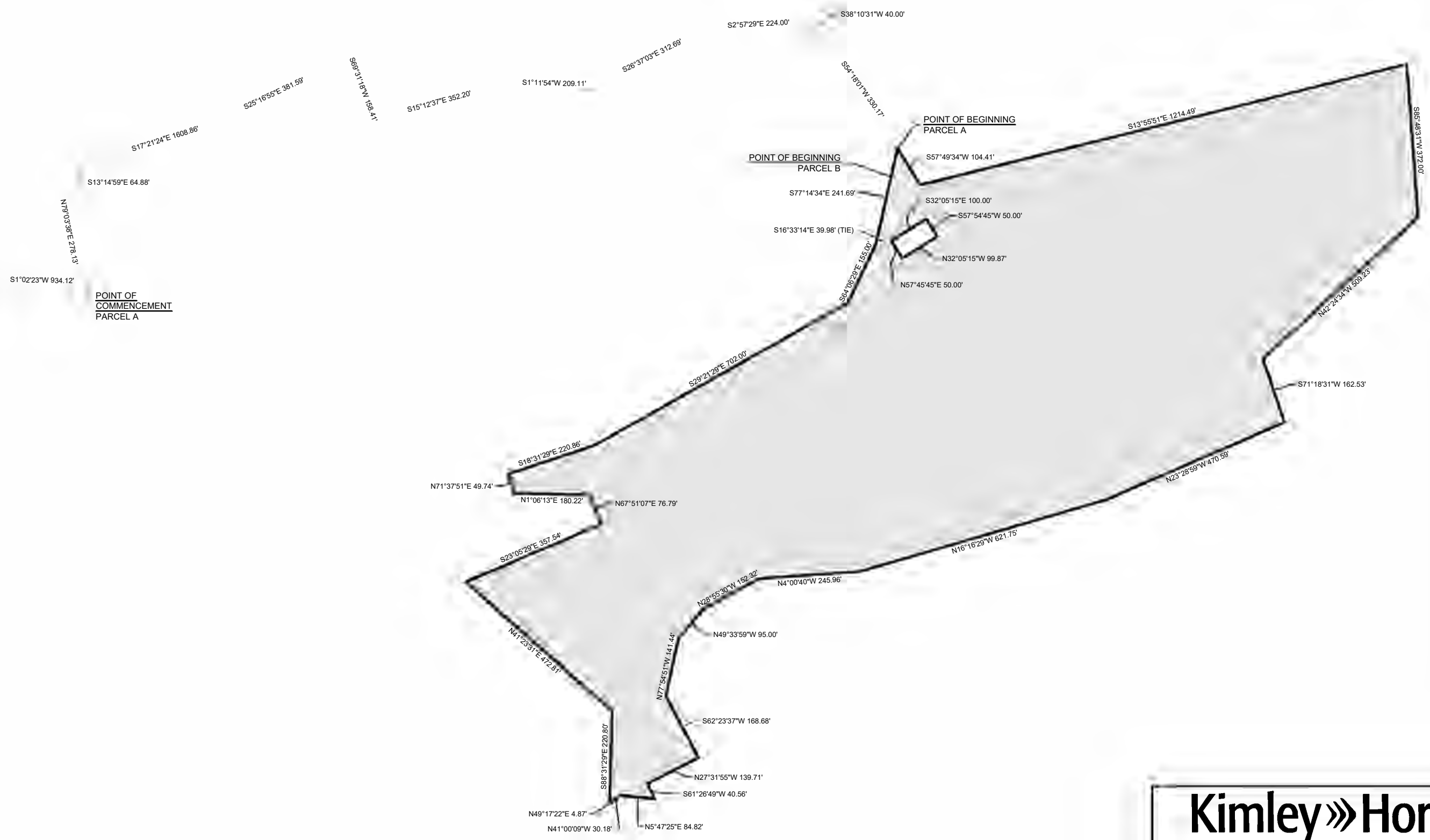
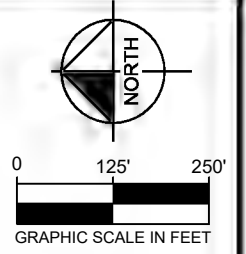
SECOND AMENDMENT TO EASEMENT AGREEMENT RECORDED NOVEMBER 14, 1994 IN BOOK 1231 AT PAGE 130.

Exhibit C
District Boundary Map

{01168876.DOCX v:8}

Service Plan for Arrowhead Colorado Metropolitan District

EXHIBIT C - DISTRICT BOUNDARY MAP



POINT OF COMMENCEMENT
 PARCEL B
 NORTHWEST CORNER
 SEC. 11, T7S, R69W

Kimley»Horn

Scale	Drawn by	Checked by	Date	Project No.	Sheet No.
1" = 250'	PTM	DRW	5/2/2024	196338000	1 OF 1

Exhibit D
Residential Cost of Improvements

{01168876.DOCX v:8}

Service Plan for Arrowhead Colorado Metropolitan District

Exhibit D - Residential Cost of Improvements

Arrowhead Colorado Metro District - Residential
 May 2024
 Master Summary



ITEM	TOTAL COST
Roadways	\$1,081,947
Water System	\$1,288,350
Sanitary Sewer System	\$869,399
Storm Drainage	\$663,554
Parks & Rec	\$188,000
	TOTAL COSTS:
	<u>\$4,091,250</u>

Arrowhead Colorado Metro District - Residential
 May 2024
 Roadway - EXHIBIT D1



ITEM	UNIT	QUANTITIY	UNIT COST	TOTAL COST
Internal Collector Street Section				
Full depth asphalt (4" depth) *to be confirmed by geotechnical engineer	SY	11,600	\$ 22.20	\$ 257,520
Class 6 road base (6" depth) *to be confirmed by geotechnical engineer	SY	11,600	\$ 9.60	\$ 111,360
Pavement Striping	EA	2	\$ 5,000.00	\$ 10,000
Rough grading of roadways	\$/CY	69,600	\$ 3.50	\$ 243,600
Over excavation and compaction of roadways	\$/CY	9,667	\$ 3.50	\$ 33,833
Roadway signage	EA	5	\$ 475.00	\$ 2,375
Cul-de-sac	EA	4	\$ 50,000.00	\$ 200,000
Construction Subtotal				\$ 858,688
Civil Engineering Design	%	6%		\$ 51,521
Contingency	%	20%		\$ 171,738
			TOTAL COSTS:	\$ 1,081,947

Arrowhead Colorado Metro District - Residential
 May 2024
 Water - EXHIBIT D2



ITEM	UNIT	QUANTITY	UNIT COST	TOTAL COST
Off-Site Connect to Existing RWSD Operated Main	EA	4	\$ 15,000	\$60,000
Fire Hydrant Assembly	EA	6	\$ 10,000	\$60,000
8" PVC Watermain w/ Fittings & Appurtenances	LF	5,025	\$ 110.00	\$552,750
Service Line w/ Fittings & Appurtenances	LF	1,742	\$ 175.00	\$304,850
Full depth asphalt (4" depth) Connection trench	LF	100	\$ 298.50	\$29,850
Class 6 road base (6" depth) Connection trench	LF	100	\$ 150.50	\$15,050
Construction Subtotal				\$1,022,500
Civil Engineering Design	%	6%		\$61,350
Contingency	%	20%		\$204,500
	TOTAL COSTS:			\$1,288,350

Arrowhead Colorado Metro District - Residential
 May 2024
 Sanitary- EXHIBIT D3



ITEM	UNIT	QUANTITY	UNIT COST	TOTAL COST
6" SDR-35 PVC Service (4'-6' Depth)	LF	5,567.00	\$ 97.00	\$539,999
4' Dia Manhole (4'-6' Depth) (Every 300')	EA	14	\$ 7,500.00	\$105,000
Connection to Existing Main	EA	3	\$ 15,000.00	\$45,000
Construction Subtotal				\$689,999
Civil Engineering Design	%	6%		\$41,400
Contingency	%	20%		\$138,000
TOTAL COSTS:				\$869,399

Arrowhead Colorado Metro District - Residential
 May 2024
 Storm - EXHIBIT D4



ITEM	UNIT	QUANTITIY	UNIT COST	TOTAL COST
Storm Main (24" RCP) (5'-8' Depth)	LF	1,062	\$ 135.00	\$143,370
4' Manhole (5'-8' Depth)	EA	4	\$ 7,500.00	\$30,000
24" Flared End Section	EA	4	\$ 7,500.00	\$30,000
10' Type 'R' Inlet	EA	4	\$ 12,500.00	\$50,000
Outlet Structure	EA	4	\$ 35,000.00	\$140,000
Above Ground Detention and Water Quality Facility	\$/ac	1.28	\$ 75,000.00	\$96,000
Stormwater Conveyance Swale	LF	1863	\$ 20.00	\$37,260
Construction Subtotal				\$526,630
Civil Engineering Design	%	6%		\$31,598
Contingency	%	20%		\$105,326
	TOTAL COSTS:			\$663,554

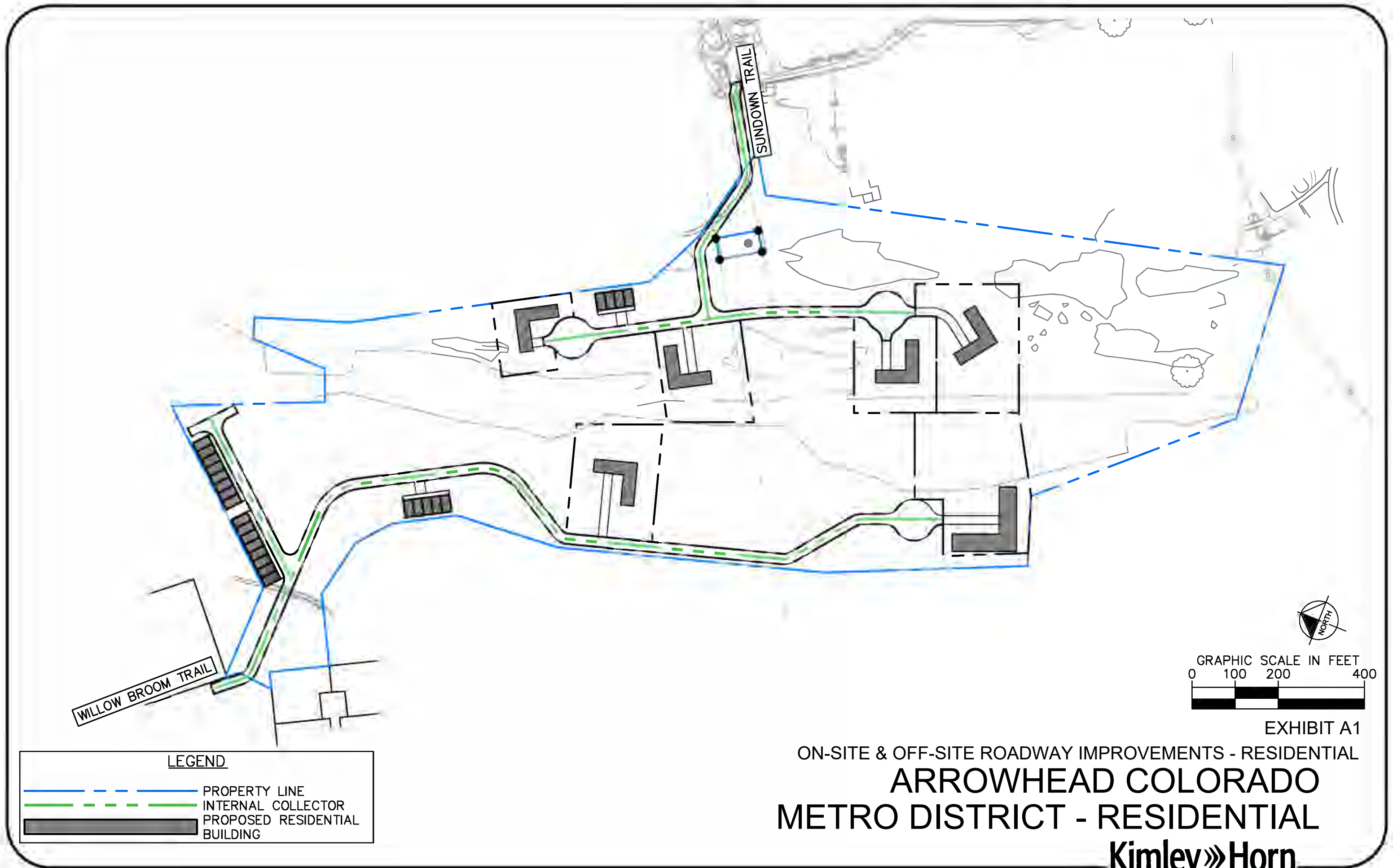
PARKS AND RECREATION - EXHIBIT D6

ITEM	UNIT	QUANTITY	UNIT COST	TOTAL COST
6' Wide Park Trail Decomposed Granite	LF	7750	\$ 10.00	\$77,500
Park Benches	EA	15	\$ 2,500.00	\$37,500
	Construction Subtotal *			\$115,000
Landscape Design	ALLOW	1	\$ 50,000.00	\$50,000
Contingency	%	20%		\$23,000
	TOTAL COSTS:			\$188,000

Exhibit E
Residential Map of Improvements

{01168876.DOCX v:8}

Service Plan for Arrowhead Colorado Metropolitan District



WILLOW BROOM TRAIL

SUNDOWN TRAIL

LEGEND

- - - PROPERTY LINE
- - - INTERNAL COLLECTOR
- PROPOSED RESIDENTIAL BUILDING

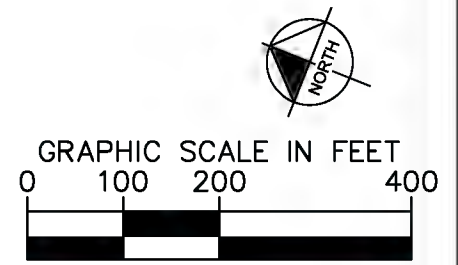
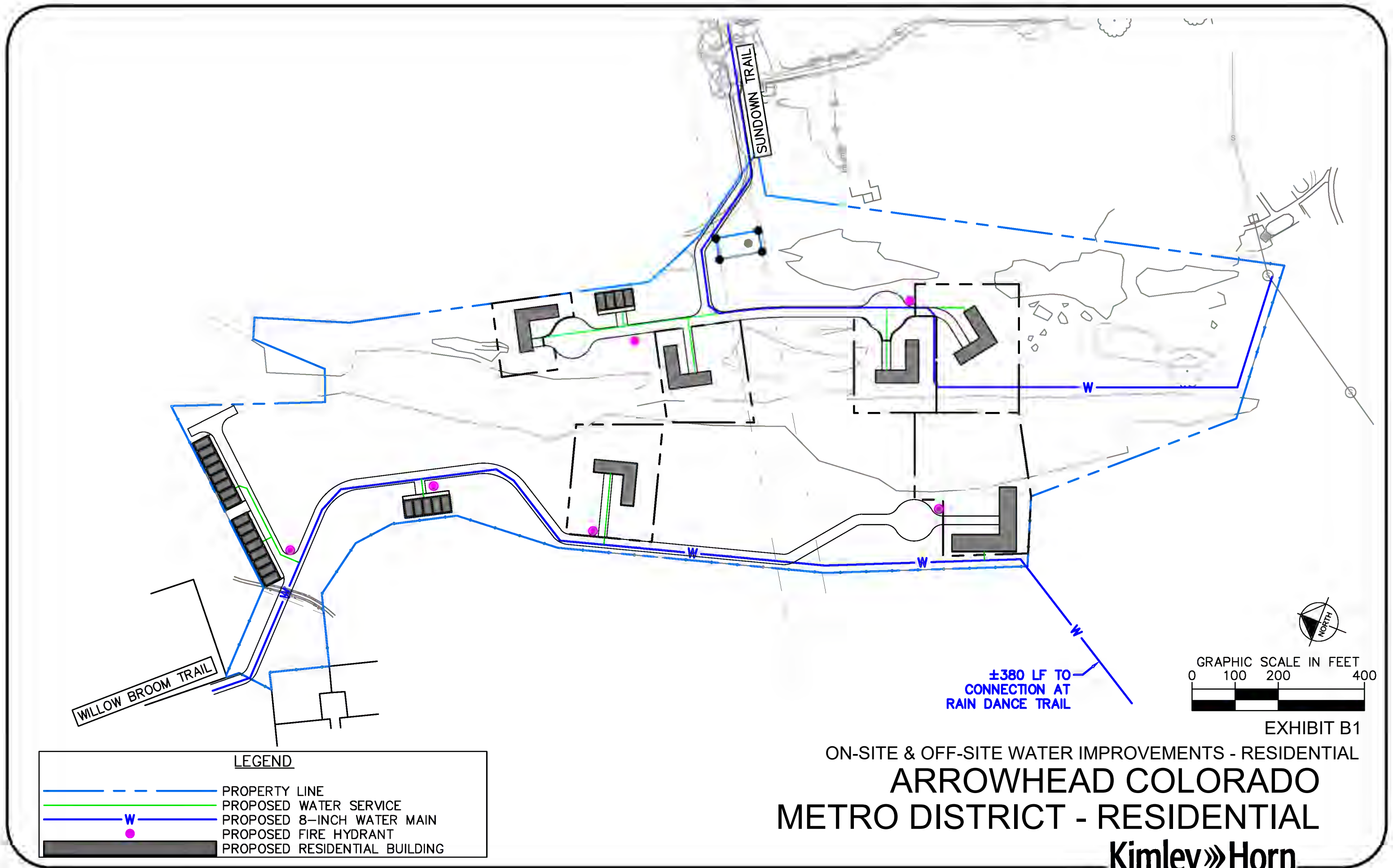


EXHIBIT A1
ON-SITE & OFF-SITE ROADWAY IMPROVEMENTS - RESIDENTIAL
ARROWHEAD COLORADO
METRO DISTRICT - RESIDENTIAL

Kimley»Horn



LEGEND	
	PROPERTY LINE
	PROPOSED WATER SERVICE
	PROPOSED 8-INCH WATER MAIN
	PROPOSED FIRE HYDRANT
	PROPOSED RESIDENTIAL BUILDING

±380 LF TO CONNECTION AT RAIN DANCE TRAIL

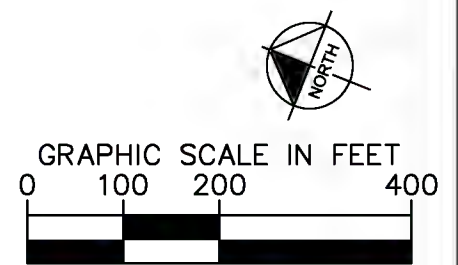
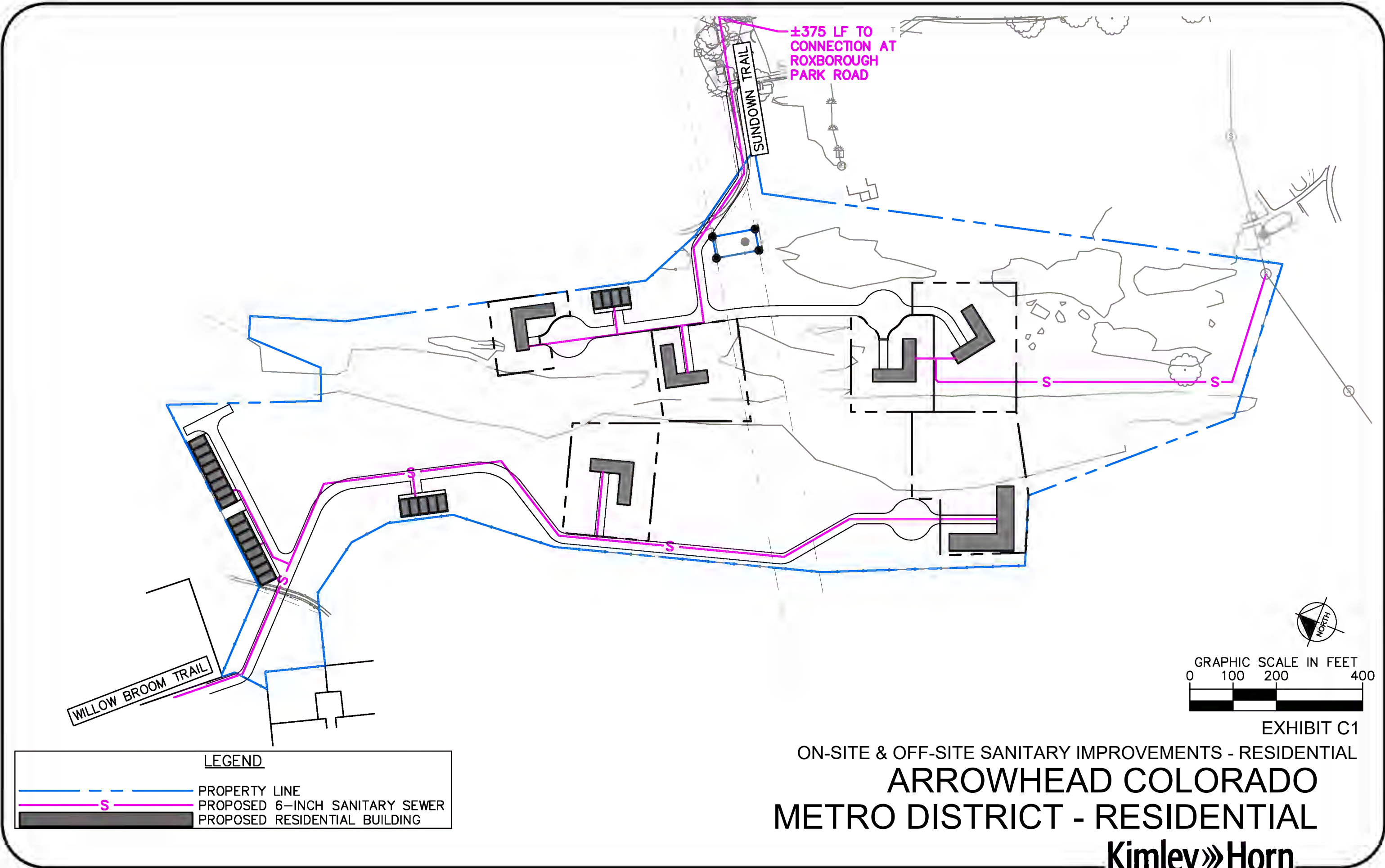
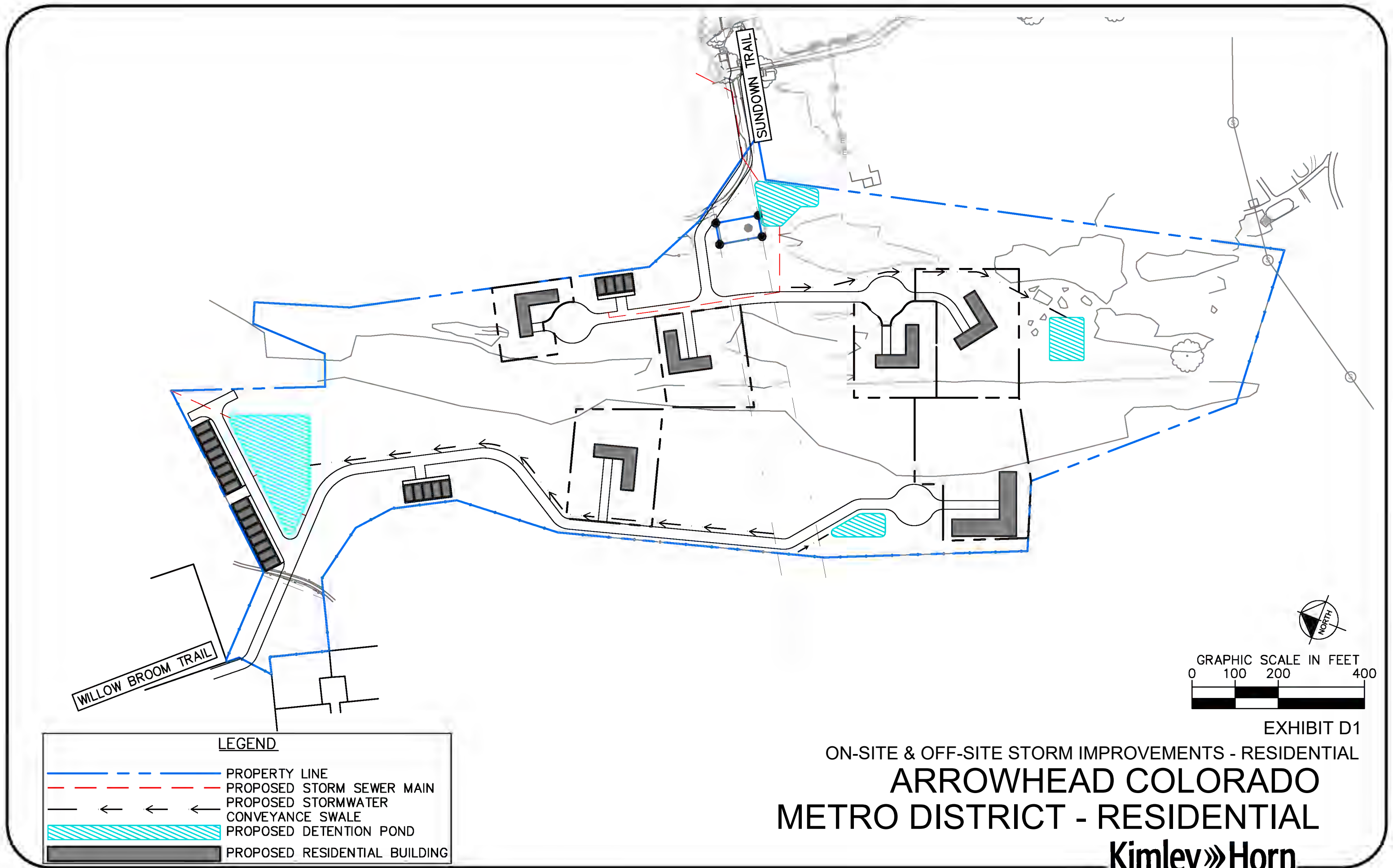


EXHIBIT B1
 ON-SITE & OFF-SITE WATER IMPROVEMENTS - RESIDENTIAL
ARROWHEAD COLORADO
METRO DISTRICT - RESIDENTIAL

Kimley»Horn



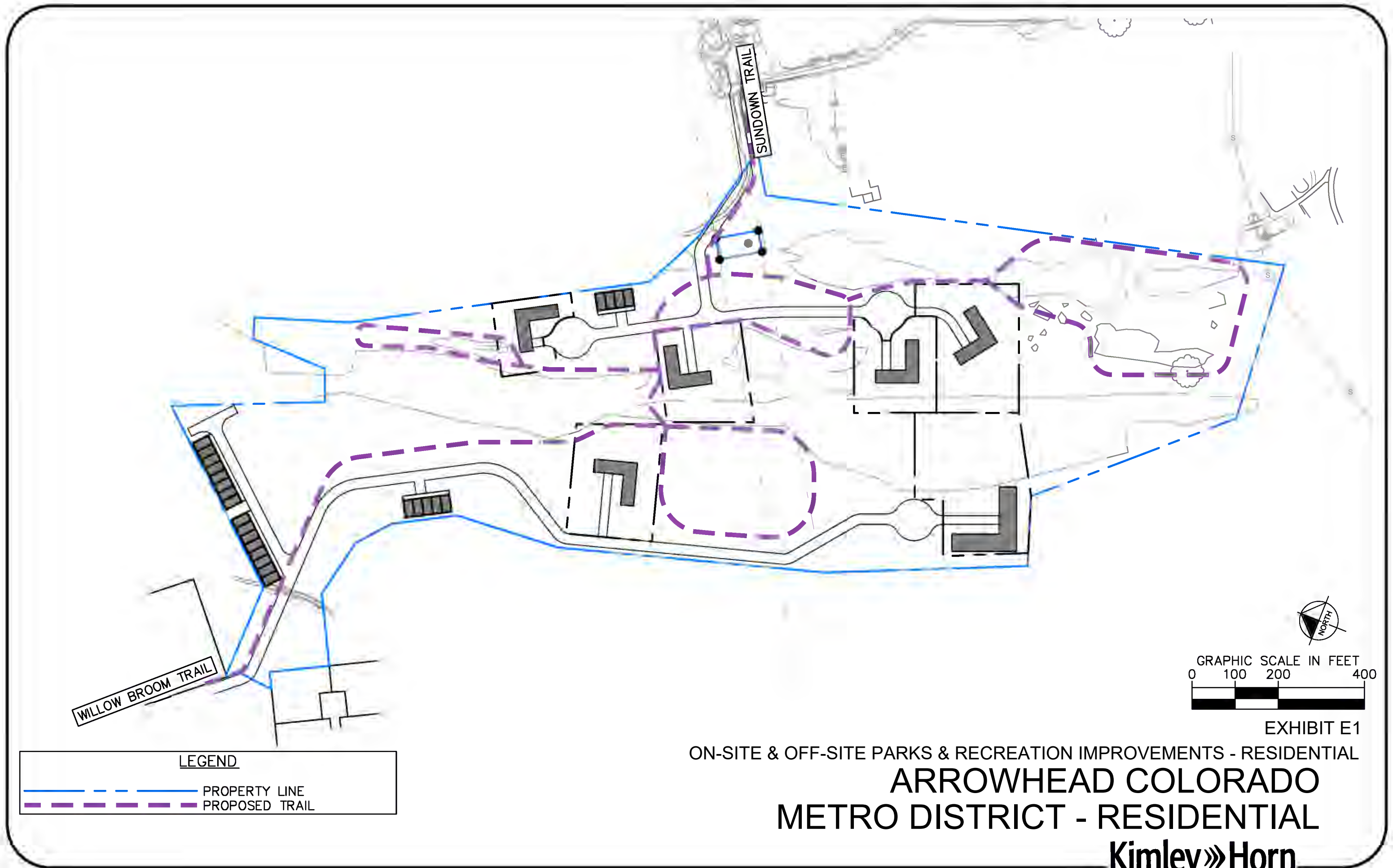




LEGEND

	PROPERTY LINE
	PROPOSED STORM SEWER MAIN
	PROPOSED STORMWATER CONVEYANCE SWALE
	PROPOSED DETENTION POND
	PROPOSED RESIDENTIAL BUILDING

EXHIBIT D1
 ON-SITE & OFF-SITE STORM IMPROVEMENTS - RESIDENTIAL
ARROWHEAD COLORADO
METRO DISTRICT - RESIDENTIAL

Kimley»Horn



LEGEND	
	PROPERTY LINE
	PROPOSED TRAIL

ON-SITE & OFF-SITE PARKS & RECREATION IMPROVEMENTS - RESIDENTIAL

ARROWHEAD COLORADO

METRO DISTRICT - RESIDENTIAL

Kimley»Horn

Exhibit F
Commercial Cost of Improvements

{01168876.DOCX v:8}

Service Plan for Arrowhead Colorado Metropolitan District

Exhibit F - Commercial Cost of Improvements

Arrowhead Colorado Metro District - Commercial

May 2024

Master Summary



ITEM	TOTAL COST
Roadways	\$804,312
Water System	\$2,114,526
Sanitary Sewer System	\$225,398
Storm Drainage	\$618,383
Parks & Rec	\$298,100
TOTAL COSTS:	\$4,060,718

Arrowhead Colorado Metro District - Commercial
 May 2024
 Roadway - EXHIBIT F1



ITEM	UNIT	QUANTITY	UNIT COST	TOTAL COST
Internal Collector Street Section				
Full depth asphalt (4" depth) *to be confirmed by geotechnical engineer	SY	632	\$ 22.20	\$ 14,030
Class 6 road base (6" depth) *to be confirmed by geotechnical engineer	SY	632	\$ 9.60	\$ 6,067
Pavement Striping	EA	1	\$ 5,000.00	\$ 5,000
Rough grading of roadways	\$/CY	3,792	\$ 3.50	\$ 13,272
Over excavation and compaction of roadways	\$/CY	527	\$ 3.50	\$ 1,843
Collector with Parking Street Section				
Full depth asphalt (4" depth) *to be confirmed by geotechnical engineer	SY	11,100	\$ 22.20	\$ 246,420
Class 6 road base (6" depth) *to be confirmed by geotechnical engineer	SY	11,100	\$ 9.60	\$ 106,560
Pavement Striping	EA	1	\$ 5,000.00	\$ 5,000
Rough grading of roadways	\$/CY	44,400	\$ 3.50	\$ 155,400
Over excavation and compaction of roadways	\$/CY	9,250	\$ 3.50	\$ 32,375
Roadway signage	EA	5	\$ 475.00	\$ 2,375
Cul-de-sac	EA	1	\$ 50,000.00	\$ 50,000
Construction Subtotal				\$ 638,343
Civil Engineering Design	%	6%		\$ 38,301
Contingency	%	20%		\$ 127,669
TOTAL COSTS:				\$ 804,312

Arrowhead Colorado Metro District - Commercial
 May 2024
 Water - EXHIBIT F2



ITEM	UNIT	QUANTITY	UNIT COST	TOTAL COST
Off-Site Connect to Existing RWSD Operated Main	EA	2	\$ 15,000	\$30,000
Fire Hydrant Assembly	EA	1	\$ 10,000	\$10,000
8" PVC Watermain w/ Fittings & Appurtenances	LF	2,205	\$ 110.00	\$242,550
Service Line w/ Fittings & Appurtenances	LF	650	\$ 175.00	\$113,750
Full depth asphalt (4" depth) Connection trench	LF	2,855	\$ 298.50	\$852,218
Class 6 road base (6" depth) Connection trench	LF	2,855	\$ 150.50	\$429,678
Construction Subtotal				\$1,678,195
Civil Engineering Design	%	6%		\$100,692
Contingency	%	20%		\$335,639
	TOTAL COSTS:			\$2,114,526

Arrowhead Colorado Metro District - Commercial
 May 2024
 Sanitary- EXHIBIT F3



ITEM	UNIT	QUANTITY	UNIT COST	TOTAL COST
6" SDR-35 PVC Service (4'-6' Depth)	LF	1,071.00	\$ 97.00	\$103,887
4' Dia Manhole (4'-6' Depth) (Every 300')	EA	2	\$ 7,500.00	\$15,000
Connection to Existing Main	EA	4	\$ 15,000.00	\$60,000
Construction Subtotal				\$178,887
Civil Engineering Design	%	6%		\$10,733
Contingency	%	20%		\$35,777
TOTAL COSTS:				\$225,398

Arrowhead Colorado Metro District - Commercial
 May 2024
 Storm - EXHIBIT F4



ITEM	UNIT	QUANTITY	UNIT COST	TOTAL COST
Storm Main (24" RCP) (5'-8' Depth)	LF	930	\$ 135.00	\$125,550
4' Manhole (5'-8' Depth)	EA	7	\$ 7,500.00	\$52,500
24" Flared End Section	EA	2	\$ 7,500.00	\$15,000
10' Type 'R' Inlet	EA	6	\$ 12,500.00	\$75,000
Outlet Structure	EA	2	\$ 35,000.00	\$70,000
North Detention and Water Quality Facility	\$/ac	0.24	\$ 500,000.00	\$119,433
South Ground Detention and Water Quality Facility	\$/ac	0.28	\$ 75,000.00	\$21,057
Stormwater Conveyance Swale	LF	612	\$ 20.00	\$12,240
Construction Subtotal				\$490,780
Civil Engineering Design	%	6%		\$29,447
Contingency	%	20%		\$98,156
	TOTAL COSTS:			\$618,383

PARKS AND RECREATION - EXHIBIT F5

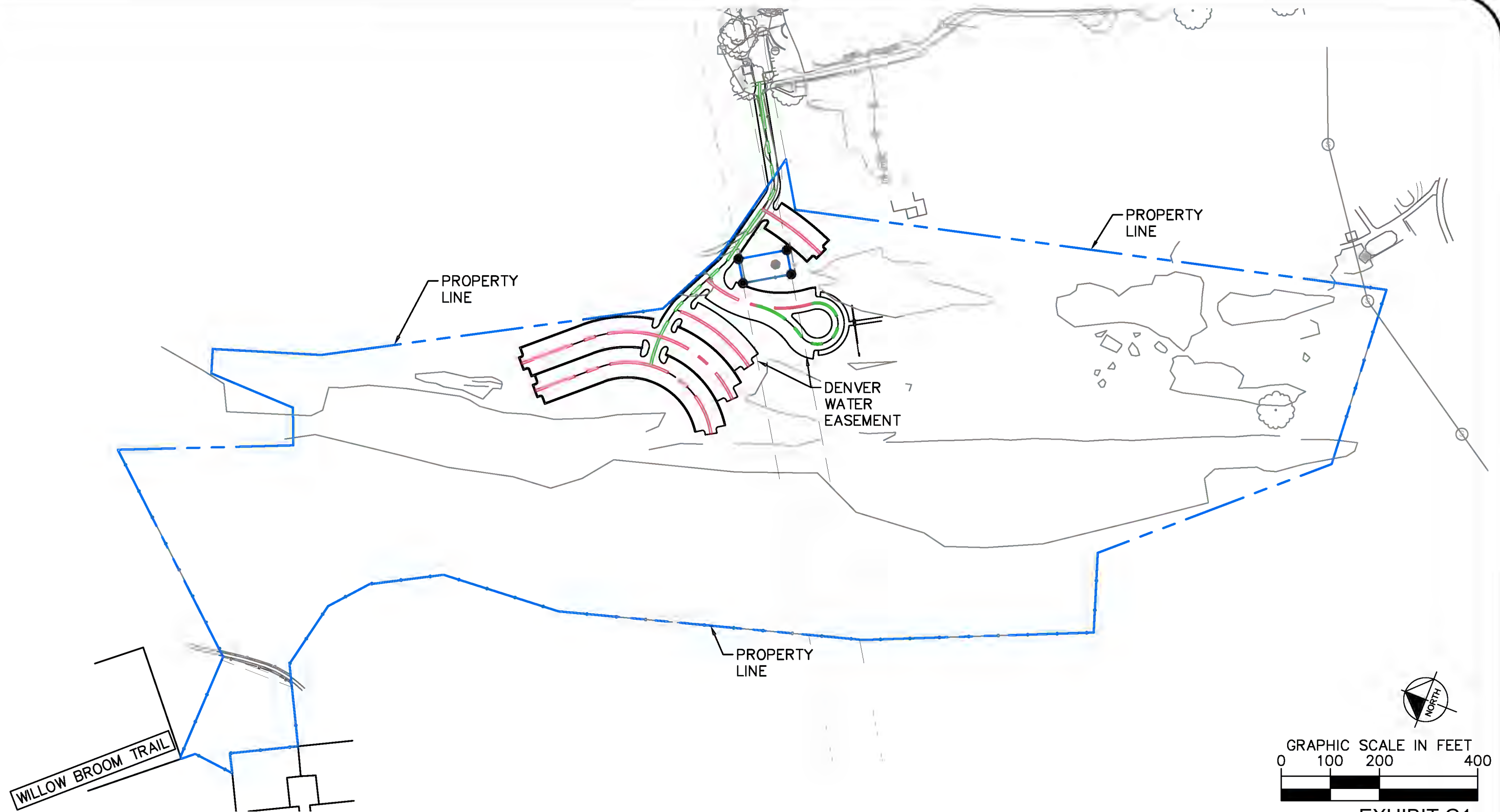
ITEM	UNIT	QUANTITY	UNIT COST	TOTAL COST
Street Scape Trees	EA	15	\$ 750.00	\$11,250
Street Scape Shrubs/Bush	EA	30	\$ 100.00	\$3,000
Park Benches	EA	5	\$ 2,500.00	\$12,500
Residential Security Gates	EA	6	\$ 30,000.00	\$180,000
	Construction Subtotal *			\$206,750
Landscape Design	ALLOW	1	\$ 50,000.00	\$50,000
Contingency	%	20%		\$41,350
	TOTAL COSTS:			\$298,100

Exhibit G
Commercial Map of Improvements

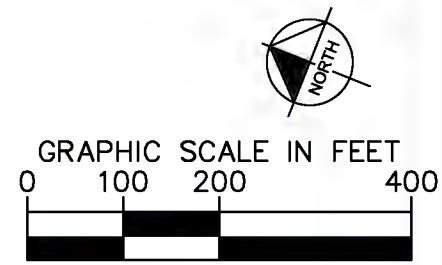
{01168876.DOCX v:8}

Service Plan for Arrowhead Colorado Metropolitan District

Exhibit G - Commercial Map of Improvements

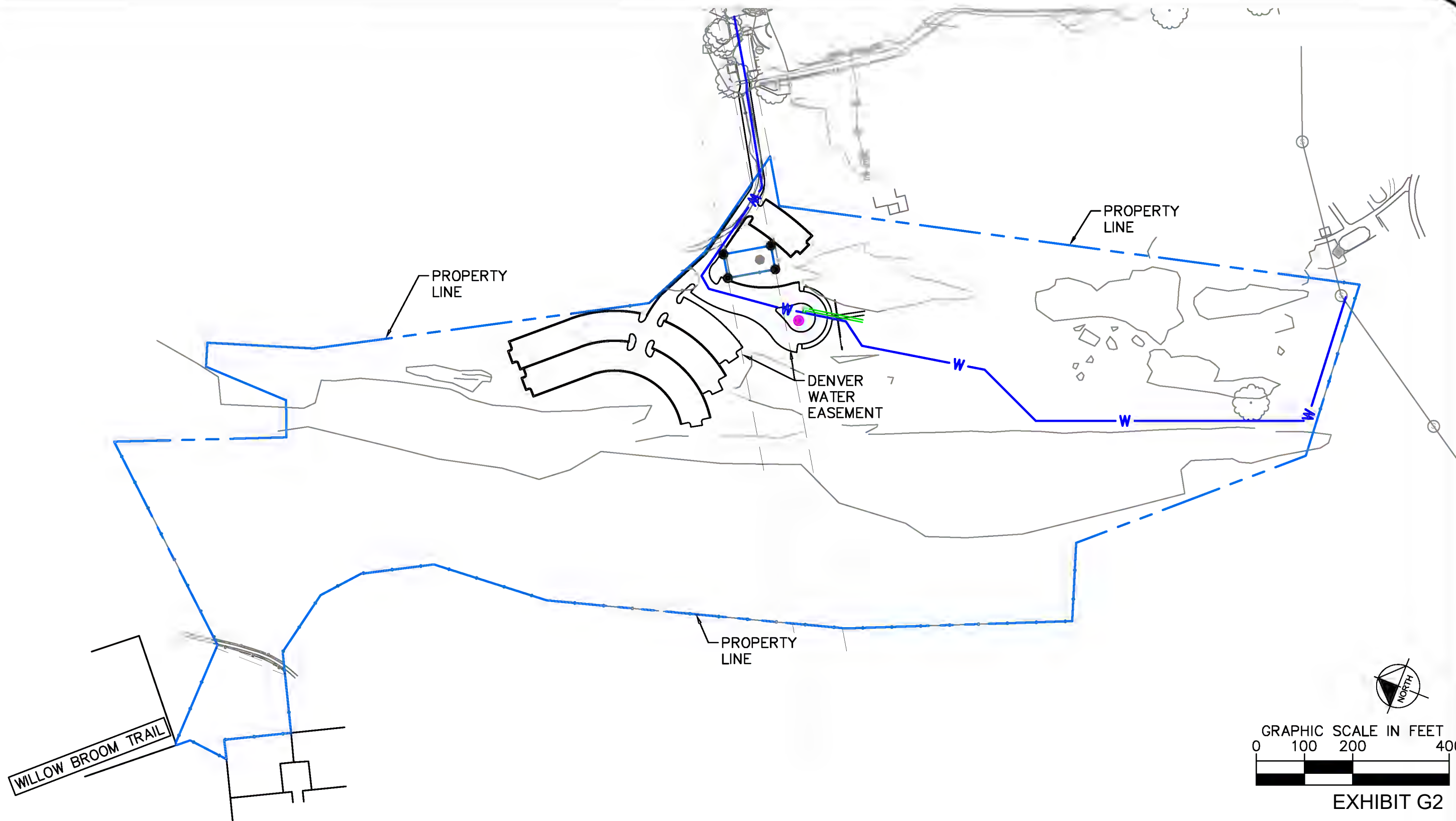


LEGEND	
	PROPERTY LINE
	INTERNAL COLLECTOR
	COLLECTOR W/ PARKING



ON-SITE & OFF-SITE ROADWAY IMPROVEMENTS - COMMERCIAL
ARROWHEAD COLORADO
METRO DISTRICT - COMMERCIAL

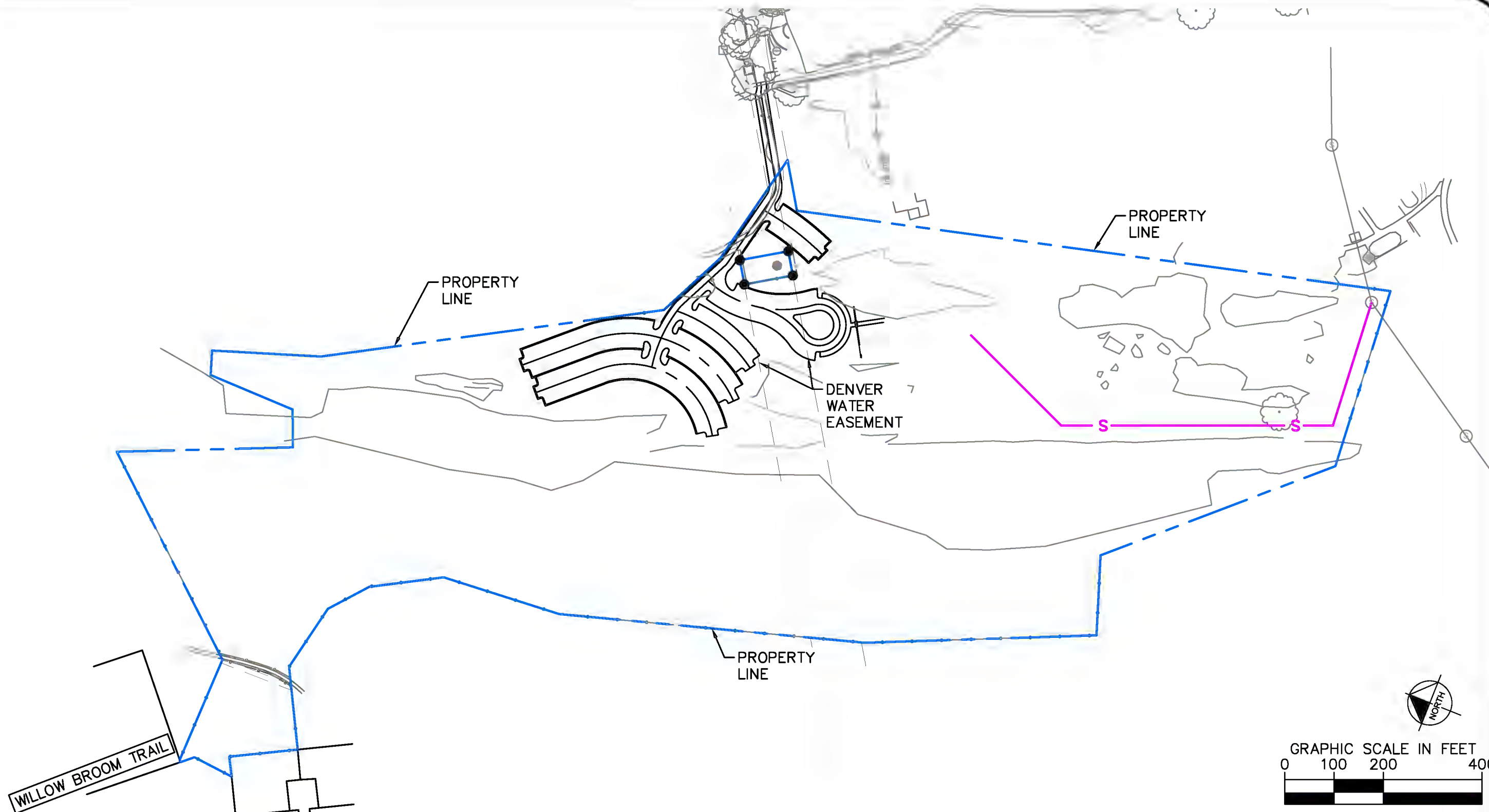




LEGEND	
	PROPERTY LINE
	PROPOSED WATER SERVICE
	PROPOSED 8-INCH WATER MAIN
	PROPOSED FIRE HYDRANT

ON-SITE & OFF-SITE WATER IMPROVEMENTS - COMMERCIAL
ARROWHEAD COLORADO
METRO DISTRICT - COMMERCIAL







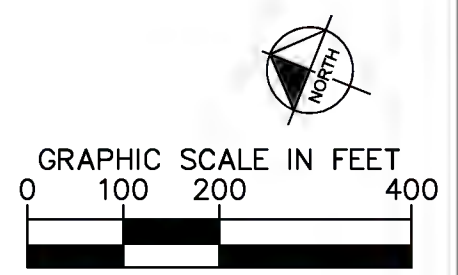
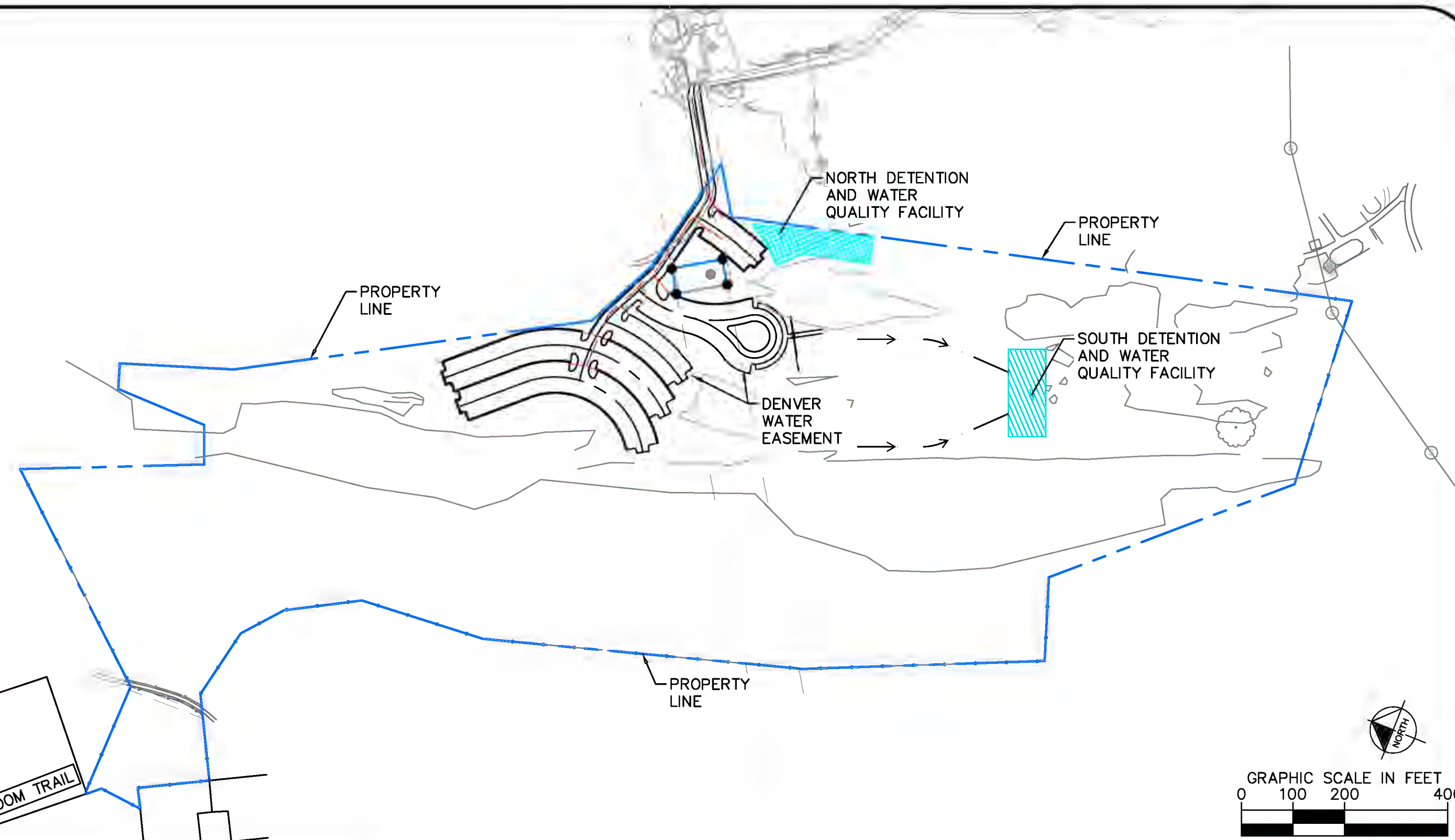
LEGEND	
	PROPERTY LINE
	PROPOSED 6-INCH SANITARY SEWER

EXHIBIT G3
 ON-SITE SANITARY IMPROVEMENTS - COMMERCIAL
ARROWHEAD COLORADO
METRO DISTRICT - COMMERCIAL

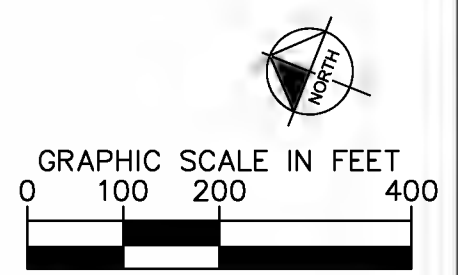






LEGEND	
	PROPERTY LINE
	PROPOSED STORM SEWER
	PROPOSED SOUTH DETENTION
	PROPOSED NORTH DETENTION
	PROPOSED STORMWATER CONVEYANCE SWALE

EXHIBIT G4
 ON-SITE & OFF-SITE STORM IMPROVEMENTS - COMMERCIAL
ARROWHEAD COLORADO
METRO DISTRICT - COMMERCIAL





LEGEND	
	PROPERTY LINE
	ENHANCED STREETSCAPING

ON-SITE & OFF-SITE PARKS & RECREATION IMPROVEMENTS - COMMERCIAL
ARROWHEAD COLORADO
METRO DISTRICT - COMMERCIAL

Kimley»Horn

**Exhibit H-1
Commercial Financial Plan**

{01168876.DOCX v:8}

Service Plan for Arrowhead Colorado Metropolitan District

Exhibit H-1 - Commercial Financial Plan

Arrowhead Nordic Spa Metropolitan District Douglas County, Colorado

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### General Obligation Bonds, Series 2025

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Service Plan

<u>Bond Assumptions</u>	<u>Series 2025</u>
Closing Date	12/1/2025
First Call Date	12/1/2030
Final Maturity	12/1/2055
Sources of Funds	
Par Amount	8,015,000
<u>Total</u>	<u>8,015,000</u>
Uses of Funds	
Project Fund	5,728,000
Capitalized Interest	1,202,250
Reserve Fund	621,000
Cost of Issuance	460,300
Rounding	3,450
<u>Total</u>	<u>8,015,000</u>
Debt Features	
Projected Coverage at Mill Levy Cap	2.65x
Tax Status	Tax-Exempt
Interest Payment Type	Current
Rating	Non-Rated
Coupon (Interest Rate)	5.000%
Annual Trustee Fee	\$4,000
Biennial Reassessment	
Commercial	2.00%
<u>Tax Authority Assumptions</u>	
Metropolitan District Revenue	
Residential Assessment Ratio	
Service Plan Base Year	2025
Debt Service Mills	
Service Plan Mill Levy Cap	50.000
Specific Ownership Tax	6.00%
County Treasurer Fee	1.50%
Sales Tax Revenue	
Add-on PIF	3.00%
PIF Collection Fee	0.50%
Operations	
Mill Levy	10.000

**Arrowhead Nordic Spa Metropolitan District
Development Summary**

	Commercial								
	Arrowhead Nordic Spa	-	-	-	-	-	-	-	Total
Statutory Actual Value (2024)	\$1,480	-	-	-	-	-	-	-	-
Sales per Unit	\$638	-	-	-	-	-	-	-	-
2024	-	-	-	-	-	-	-	-	-
2025	-	-	-	-	-	-	-	-	-
2026	30,415	-	-	-	-	-	-	-	30,415
2027	-	-	-	-	-	-	-	-	-
2028	-	-	-	-	-	-	-	-	-
2029	-	-	-	-	-	-	-	-	-
2030	-	-	-	-	-	-	-	-	-
2031	-	-	-	-	-	-	-	-	-
2032	-	-	-	-	-	-	-	-	-
2033	-	-	-	-	-	-	-	-	-
2034	-	-	-	-	-	-	-	-	-
2035	-	-	-	-	-	-	-	-	-
2036	-	-	-	-	-	-	-	-	-
2037	-	-	-	-	-	-	-	-	-
2038	-	-	-	-	-	-	-	-	-
2039	-	-	-	-	-	-	-	-	-
2040	-	-	-	-	-	-	-	-	-
2041	-	-	-	-	-	-	-	-	-
2042	-	-	-	-	-	-	-	-	-
2043	-	-	-	-	-	-	-	-	-
2044	-	-	-	-	-	-	-	-	-
2045	-	-	-	-	-	-	-	-	-
2046	-	-	-	-	-	-	-	-	-
2047	-	-	-	-	-	-	-	-	-
2048	-	-	-	-	-	-	-	-	-
2049	-	-	-	-	-	-	-	-	-
2050	-	-	-	-	-	-	-	-	-
2051	-	-	-	-	-	-	-	-	-
2052	-	-	-	-	-	-	-	-	-
2053	-	-	-	-	-	-	-	-	-
2054	-	-	-	-	-	-	-	-	-
2055	-	-	-	-	-	-	-	-	-
Total Units	30,415	-	-	-	-	-	-	-	30,415
Total Statutory Actual Value	\$45,014,200	-	-	-	-	-	-	-	\$45,014,200
Annual Sales	\$19,417,544	-	-	-	-	-	-	-	\$19,417,544

**Arrowhead Nordic Spa Metropolitan District
Assessed Value**

	Vacant and Improved Land ¹		Commercial				Total
	Cumulative Statutory Actual Value	Assessed Value in Collection Year 2 Year Lag	Commercial SF Delivered	Biennial Reassessment 2.00%	Statutory Value	Assessment Rate	Assessed Value in Collection Year 2 Year Lag
2024	0	0	-	-	0	27.900%	0
2025	4,501,420	0	-	-	0	27.900%	0
2026	0	0	30,415	-	46,832,774	27.900%	0
2027	0	1,255,896	-	-	46,832,774	27.900%	1,255,896
2028	0	0	-	936,655	47,769,429	27.900%	13,066,344
2029	0	0	-	-	47,769,429	27.900%	13,066,344
2030	0	0	-	955,389	48,724,818	27.900%	13,327,671
2031	0	0	-	-	48,724,818	27.900%	13,327,671
2032	0	0	-	974,496	49,699,314	27.900%	13,594,224
2033	0	0	-	-	49,699,314	27.900%	13,594,224
2034	0	0	-	993,986	50,693,300	27.900%	13,866,109
2035	0	0	-	-	50,693,300	27.900%	13,866,109
2036	0	0	-	1,013,866	51,707,166	27.900%	14,143,431
2037	0	0	-	-	51,707,166	27.900%	14,143,431
2038	0	0	-	1,034,143	52,741,310	27.900%	14,426,299
2039	0	0	-	-	52,741,310	27.900%	14,426,299
2040	0	0	-	1,054,826	53,796,136	27.900%	14,714,825
2041	0	0	-	-	53,796,136	27.900%	14,714,825
2042	0	0	-	1,075,923	54,872,059	27.900%	15,009,122
2043	0	0	-	-	54,872,059	27.900%	15,009,122
2044	0	0	-	1,097,441	55,969,500	27.900%	15,309,304
2045	0	0	-	-	55,969,500	27.900%	15,309,304
2046	0	0	-	1,119,390	57,088,890	27.900%	15,615,490
2047	0	0	-	-	57,088,890	27.900%	15,615,490
2048	0	0	-	1,141,778	58,230,668	27.900%	15,927,800
2049	0	0	-	-	58,230,668	27.900%	15,927,800
2050	0	0	-	1,164,613	59,395,281	27.900%	16,246,356
2051	0	0	-	-	59,395,281	27.900%	16,246,356
2052	0	0	-	1,187,906	60,583,187	27.900%	16,571,283
2053	0	0	-	-	60,583,187	27.900%	16,571,283
2054	0	0	-	1,211,664	61,794,850	27.900%	16,902,709
2055	0	0	-	-	61,794,850	27.900%	16,902,709
Total			30,415	14,962,077			

1. Vacant land value calculated in year prior to construction as 10% build-out market value

**Arrowhead Nordic Spa Metropolitan District
Revenue**

	Total	District Mill Levy Revenue			Sales Tax Revenue		Expense			Total
	Assessed Value in Collection Year	Debt Mill Levy	Debt Mill Levy Collections	Specific Ownership Taxes	Taxable Retail Sales	Add-On PIF	County Treasurer Fee	PIF Collection Fee	Annual Trustee Fee	Revenue Available for Debt Service
		50.000 Cap 50.000 Target	99.50%	6.00%		3.00%	1.50%	0.50%		
2024	0	0.000	0	0	0	0	0	0	0	0
2025	0	0.000	0	0	0	0	0	0	0	0
2026	0	50.000	0	0	9,903,918	297,118	0	0	(4,000)	293,118
2027	1,255,896	50.000	62,481	3,749	15,004,436	450,133	(937)	(2,251)	(4,000)	509,175
2028	13,066,344	50.000	650,051	39,003	20,205,974	606,179	(9,751)	(3,031)	(4,000)	1,278,451
2029	13,066,344	50.000	650,051	39,003	20,408,034	612,241	(9,751)	(3,061)	(4,000)	1,284,483
2030	13,327,671	50.000	663,052	39,783	20,612,115	618,363	(9,946)	(3,092)	(4,000)	1,304,161
2031	13,327,671	50.000	663,052	39,783	20,818,236	624,547	(9,946)	(3,123)	(4,000)	1,310,313
2032	13,594,224	50.000	676,313	40,579	21,026,418	630,793	(10,145)	(3,154)	(4,000)	1,330,385
2033	13,594,224	50.000	676,313	40,579	21,236,682	637,100	(10,145)	(3,186)	(4,000)	1,336,662
2034	13,866,109	50.000	689,839	41,390	21,449,049	643,471	(10,348)	(3,217)	(4,000)	1,357,136
2035	13,866,109	50.000	689,839	41,390	21,663,540	649,906	(10,348)	(3,250)	(4,000)	1,363,538
2036	14,143,431	50.000	703,636	42,218	21,880,175	656,405	(10,555)	(3,282)	(4,000)	1,384,423
2037	14,143,431	50.000	703,636	42,218	22,098,977	662,969	(10,555)	(3,315)	(4,000)	1,390,954
2038	14,426,299	50.000	717,708	43,063	22,319,966	669,599	(10,766)	(3,348)	(4,000)	1,412,256
2039	14,426,299	50.000	717,708	43,063	22,543,166	676,295	(10,766)	(3,381)	(4,000)	1,418,919
2040	14,714,825	50.000	732,063	43,924	22,768,598	683,058	(10,981)	(3,415)	(4,000)	1,440,648
2041	14,714,825	50.000	732,063	43,924	22,996,284	689,889	(10,981)	(3,449)	(4,000)	1,447,444
2042	15,009,122	50.000	746,704	44,802	23,226,247	696,787	(11,201)	(3,484)	(4,000)	1,469,609
2043	15,009,122	50.000	746,704	44,802	23,458,509	703,755	(11,201)	(3,519)	(4,000)	1,476,542
2044	15,309,304	50.000	761,638	45,698	23,693,094	710,793	(11,425)	(3,554)	(4,000)	1,499,150
2045	15,309,304	50.000	761,638	45,698	23,930,025	717,901	(11,425)	(3,590)	(4,000)	1,506,223
2046	15,615,490	50.000	776,871	46,612	24,169,325	725,080	(11,653)	(3,625)	(4,000)	1,529,284
2047	15,615,490	50.000	776,871	46,612	24,411,019	732,331	(11,653)	(3,662)	(4,000)	1,536,499
2048	15,927,800	50.000	792,408	47,544	24,655,129	739,654	(11,886)	(3,698)	(4,000)	1,560,022
2049	15,927,800	50.000	792,408	47,544	24,901,680	747,050	(11,886)	(3,735)	(4,000)	1,567,382
2050	16,246,356	50.000	808,256	48,495	25,150,697	754,521	(12,124)	(3,773)	(4,000)	1,591,376
2051	16,246,356	50.000	808,256	48,495	25,402,204	762,066	(12,124)	(3,810)	(4,000)	1,598,884
2052	16,571,283	50.000	824,421	49,465	25,656,226	769,687	(12,366)	(3,848)	(4,000)	1,623,359
2053	16,571,283	50.000	824,421	49,465	25,912,788	777,384	(12,366)	(3,887)	(4,000)	1,631,017
2054	16,902,709	50.000	840,910	50,455	26,171,916	785,157	(12,614)	(3,926)	(4,000)	1,655,982
2055	16,902,709	50.000	840,910	50,455	26,433,635	793,009	(12,614)	(3,965)	(4,000)	1,663,795
Total			20,830,217	1,249,813		20,223,242	(312,453)	(99,631)	(120,000)	41,771,188

**Arrowhead Nordic Spa Metropolitan District
Debt Service**

	Total Revenue Available for Debt Service	Net Debt Service		Surplus Fund		Ratio Analysis		
		Series 2025		Annual Surplus	Cumulative Balance ¹ \$801,500	Released Revenue	Debt Service Coverage	Senior Debt to Assessed Value
		Dated: 12/1/2025 Par: \$8,015,000 Proj: \$5,728,000						
2024								
2025	0	0	0	0	0	n/a	n/a	
2026	293,118	0	293,118	293,118	0	n/a	638%	
2027	509,175	0	509,175	801,500	792	n/a	61%	
2028	1,278,451	0	1,278,451	801,500	1,278,451	n/a	61%	
2029	1,284,483	480,750	803,733	801,500	803,733	267%	60%	
2030	1,304,161	486,750	817,411	801,500	817,411	268%	59%	
2031	1,310,313	492,250	818,063	801,500	818,063	266%	57%	
2032	1,330,385	497,250	833,135	801,500	833,135	268%	56%	
2033	1,336,662	501,750	834,912	801,500	834,912	266%	54%	
2034	1,357,136	510,750	846,386	801,500	846,386	266%	53%	
2035	1,363,538	514,000	849,538	801,500	849,538	265%	51%	
2036	1,384,423	521,750	862,673	801,500	862,673	265%	50%	
2037	1,390,954	523,750	867,204	801,500	867,204	266%	48%	
2038	1,412,256	530,250	882,006	801,500	882,006	266%	47%	
2039	1,418,919	531,000	887,919	801,500	887,919	267%	44%	
2040	1,440,648	541,250	899,398	801,500	899,398	266%	43%	
2041	1,447,444	545,500	901,944	801,500	901,944	265%	41%	
2042	1,469,609	549,000	920,609	801,500	920,609	268%	39%	
2043	1,476,542	551,750	924,792	801,500	924,792	268%	36%	
2044	1,499,150	563,750	935,400	801,500	935,400	266%	35%	
2045	1,506,223	564,500	941,723	801,500	941,723	267%	32%	
2046	1,529,284	574,500	954,784	801,500	954,784	266%	30%	
2047	1,536,499	578,250	958,249	801,500	958,249	266%	27%	
2048	1,560,022	586,000	974,022	801,500	974,022	266%	25%	
2049	1,567,382	587,500	979,882	801,500	979,882	267%	22%	
2050	1,591,376	598,000	993,376	801,500	993,376	266%	19%	
2051	1,598,884	602,000	996,884	801,500	996,884	266%	16%	
2052	1,623,359	609,750	1,013,609	801,500	1,013,609	266%	13%	
2053	1,631,017	611,000	1,020,017	801,500	1,020,017	267%	10%	
2054	1,655,982	621,000	1,034,982	801,500	1,034,982	267%	7%	
2055	1,663,795	623,250	1,040,545	0	1,842,045	267%	0%	
Total	41,771,188	14,897,250	26,873,938		26,873,938			

**Arrowhead Nordic Spa Metropolitan District
Revenue**

	Total	Operations Mill Levy Revenue			Expense	Total
	Assessed Value in Collection Year	O&M Mill Levy 10.000 Cap 10.000 Target	O&M Mill Levy Collections 99.50%	Specific Ownership Taxes 6.00%	County Treasurer Fee 1.50%	Revenue Available for Operations
2024	0	0.000	0	0	0	0
2025	0	0.000	0	0	0	0
2026	0	10.000	0	0	0	0
2027	1,255,896	10.000	12,496	750	(187)	13,058
2028	13,066,344	10.000	130,010	7,801	(1,950)	135,861
2029	13,066,344	10.000	130,010	7,801	(1,950)	135,861
2030	13,327,671	10.000	132,610	7,957	(1,989)	138,578
2031	13,327,671	10.000	132,610	7,957	(1,989)	138,578
2032	13,594,224	10.000	135,263	8,116	(2,029)	141,349
2033	13,594,224	10.000	135,263	8,116	(2,029)	141,349
2034	13,866,109	10.000	137,968	8,278	(2,070)	144,176
2035	13,866,109	10.000	137,968	8,278	(2,070)	144,176
2036	14,143,431	10.000	140,727	8,444	(2,111)	147,060
2037	14,143,431	10.000	140,727	8,444	(2,111)	147,060
2038	14,426,299	10.000	143,542	8,613	(2,153)	150,001
2039	14,426,299	10.000	143,542	8,613	(2,153)	150,001
2040	14,714,825	10.000	146,413	8,785	(2,196)	153,001
2041	14,714,825	10.000	146,413	8,785	(2,196)	153,001
2042	15,009,122	10.000	149,341	8,960	(2,240)	156,061
2043	15,009,122	10.000	149,341	8,960	(2,240)	156,061
2044	15,309,304	10.000	152,328	9,140	(2,285)	159,182
2045	15,309,304	10.000	152,328	9,140	(2,285)	159,182
2046	15,615,490	10.000	155,374	9,322	(2,331)	162,366
2047	15,615,490	10.000	155,374	9,322	(2,331)	162,366
2048	15,927,800	10.000	158,482	9,509	(2,377)	165,613
2049	15,927,800	10.000	158,482	9,509	(2,377)	165,613
2050	16,246,356	10.000	161,651	9,699	(2,425)	168,926
2051	16,246,356	10.000	161,651	9,699	(2,425)	168,926
2052	16,571,283	10.000	164,884	9,893	(2,473)	172,304
2053	16,571,283	10.000	164,884	9,893	(2,473)	172,304
2054	16,902,709	10.000	168,182	10,091	(2,523)	175,750
2055	16,902,709	10.000	168,182	10,091	(2,523)	175,750
Total			4,166,043	249,963	(62,491)	4,353,515

SOURCES AND USES OF FUNDS

ARROWHEAD NORDIC SPA METROPOLITAN DISTRICT Douglas County, Colorado

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#### GENERAL OBLIGATION BONDS, SERIES 2025

|               |            |
|---------------|------------|
| Dated Date    | 12/01/2025 |
| Delivery Date | 12/01/2025 |

*Sources:*

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|                |              |
|----------------|--------------|
| Bond Proceeds: |              |
| Par Amount     | 8,015,000.00 |
| <hr/>          |              |
|                | 8,015,000.00 |

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*Uses:*

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|                           |              |
|---------------------------|--------------|
| Project Fund Deposits:    |              |
| Project Fund              | 5,728,000.00 |
| <br>                      |              |
| Other Fund Deposits:      |              |
| Capitalized Interest Fund | 1,202,250.00 |
| Debt Service Reserve Fund | 621,000.00   |
|                           | <hr/>        |
|                           | 1,823,250.00 |
| <br>                      |              |
| Cost of Issuance:         |              |
| Cost of Issuance          | 300,000.00   |
| <br>                      |              |
| Underwriter's Discount:   |              |
| Underwriter's Discount    | 160,300.00   |
| <br>                      |              |
| Other Uses of Funds:      |              |
| Additional Proceeds       | 3,450.00     |
| <hr/>                     |              |
|                           | 8,015,000.00 |

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## BOND SUMMARY STATISTICS

### ARROWHEAD NORDIC SPA METROPOLITAN DISTRICT Douglas County, Colorado

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GENERAL OBLIGATION BONDS, SERIES 2025

Dated Date	12/01/2025
Delivery Date	12/01/2025
Last Maturity	12/01/2055
Arbitrage Yield	5.000000%
True Interest Cost (TIC)	5.160037%
Net Interest Cost (NIC)	5.092068%
All-In TIC	5.472950%
Average Coupon	5.000000%
Average Life (years)	21.723
Duration of Issue (years)	12.887
Par Amount	8,015,000.00
Bond Proceeds	8,015,000.00
Total Interest	8,705,500.00
Net Interest	8,865,800.00
Total Debt Service	16,720,500.00
Maximum Annual Debt Service	1,244,250.00
Average Annual Debt Service	557,350.00
Underwriter's Fees (per \$1000)	
Average Takedown	
Other Fee	20.000000
Total Underwriter's Discount	20.000000
Bid Price	98.000000

<i>Bond Component</i>	<i>Par Value</i>	<i>Price</i>	<i>Average Coupon</i>	<i>Average Life</i>
Term Bond Due 2055	8,015,000.00	100.000	5.000%	21.723
	8,015,000.00			21.723

	<u>TIC</u>	<u>All-In TIC</u>	<u>Arbitrage Yield</u>
Par Value	8,015,000.00	8,015,000.00	8,015,000.00
+ Accrued Interest			
+ Premium (Discount)			
- Underwriter's Discount	(160,300.00)	(160,300.00)	
- Cost of Issuance Expense		(300,000.00)	
- Other Amounts			
Target Value	7,854,700.00	7,554,700.00	8,015,000.00
Target Date	12/01/2025	12/01/2025	12/01/2025
Yield	5.160037%	5.472950%	5.000000%

BOND PRICING

**ARROWHEAD NORDIC SPA METROPOLITAN DISTRICT
Douglas County, Colorado**

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**GENERAL OBLIGATION BONDS, SERIES 2025**

| <i>Bond Component</i> | <i>Maturity Date</i> | <i>Amount</i> | <i>Rate</i> | <i>Yield</i> | <i>Price</i> |
|-----------------------|----------------------|---------------|-------------|--------------|--------------|
| Term Bond Due 2055:   |                      |               |             |              |              |
|                       | 12/01/2026           |               | 5.000%      | 5.000%       | 100.000      |
|                       | 12/01/2027           |               | 5.000%      | 5.000%       | 100.000      |
|                       | 12/01/2028           |               | 5.000%      | 5.000%       | 100.000      |
|                       | 12/01/2029           | 80,000        | 5.000%      | 5.000%       | 100.000      |
|                       | 12/01/2030           | 90,000        | 5.000%      | 5.000%       | 100.000      |
|                       | 12/01/2031           | 100,000       | 5.000%      | 5.000%       | 100.000      |
|                       | 12/01/2032           | 110,000       | 5.000%      | 5.000%       | 100.000      |
|                       | 12/01/2033           | 120,000       | 5.000%      | 5.000%       | 100.000      |
|                       | 12/01/2034           | 135,000       | 5.000%      | 5.000%       | 100.000      |
|                       | 12/01/2035           | 145,000       | 5.000%      | 5.000%       | 100.000      |
|                       | 12/01/2036           | 160,000       | 5.000%      | 5.000%       | 100.000      |
|                       | 12/01/2037           | 170,000       | 5.000%      | 5.000%       | 100.000      |
|                       | 12/01/2038           | 185,000       | 5.000%      | 5.000%       | 100.000      |
|                       | 12/01/2039           | 195,000       | 5.000%      | 5.000%       | 100.000      |
|                       | 12/01/2040           | 215,000       | 5.000%      | 5.000%       | 100.000      |
|                       | 12/01/2041           | 230,000       | 5.000%      | 5.000%       | 100.000      |
|                       | 12/01/2042           | 245,000       | 5.000%      | 5.000%       | 100.000      |
|                       | 12/01/2043           | 260,000       | 5.000%      | 5.000%       | 100.000      |
|                       | 12/01/2044           | 285,000       | 5.000%      | 5.000%       | 100.000      |
|                       | 12/01/2045           | 300,000       | 5.000%      | 5.000%       | 100.000      |
|                       | 12/01/2046           | 325,000       | 5.000%      | 5.000%       | 100.000      |
|                       | 12/01/2047           | 345,000       | 5.000%      | 5.000%       | 100.000      |
|                       | 12/01/2048           | 370,000       | 5.000%      | 5.000%       | 100.000      |
|                       | 12/01/2049           | 390,000       | 5.000%      | 5.000%       | 100.000      |
|                       | 12/01/2050           | 420,000       | 5.000%      | 5.000%       | 100.000      |
|                       | 12/01/2051           | 445,000       | 5.000%      | 5.000%       | 100.000      |
|                       | 12/01/2052           | 475,000       | 5.000%      | 5.000%       | 100.000      |
|                       | 12/01/2053           | 500,000       | 5.000%      | 5.000%       | 100.000      |
|                       | 12/01/2054           | 535,000       | 5.000%      | 5.000%       | 100.000      |
|                       | 12/01/2055           | 1,185,000     | 5.000%      | 5.000%       | 100.000      |
|                       |                      | 8,015,000     |             |              |              |

|                         |              |             |
|-------------------------|--------------|-------------|
| Dated Date              | 12/01/2025   |             |
| Delivery Date           | 12/01/2025   |             |
| First Coupon            | 06/01/2026   |             |
| Par Amount              | 8,015,000.00 |             |
| Original Issue Discount |              |             |
| Production              | 8,015,000.00 | 100.000000% |
| Underwriter's Discount  | (160,300.00) | (2.000000%) |
| Purchase Price          | 7,854,700.00 | 98.000000%  |
| Accrued Interest        |              |             |
| Net Proceeds            | 7,854,700.00 |             |

## NET DEBT SERVICE

### ARROWHEAD NORDIC SPA METROPOLITAN DISTRICT Douglas County, Colorado

#### ~~~ GENERAL OBLIGATION BONDS, SERIES 2025

| <i>Period<br/>Ending</i> | <i>Principal</i> | <i>Coupon</i> | <i>Interest</i> | <i>Total<br/>Debt Service</i> | <i>Capitalized<br/>Interest<br/>Fund</i> | <i>Debt Service<br/>Reserve Fund</i> | <i>Net<br/>Debt Service</i> |
|--------------------------|------------------|---------------|-----------------|-------------------------------|------------------------------------------|--------------------------------------|-----------------------------|
| 12/01/2026               |                  |               | 400,750         | 400,750                       | 400,750                                  |                                      |                             |
| 12/01/2027               |                  |               | 400,750         | 400,750                       | 400,750                                  |                                      |                             |
| 12/01/2028               |                  |               | 400,750         | 400,750                       | 400,750                                  |                                      |                             |
| 12/01/2029               | 80,000           | 5.000%        | 400,750         | 480,750                       |                                          |                                      | 480,750                     |
| 12/01/2030               | 90,000           | 5.000%        | 396,750         | 486,750                       |                                          |                                      | 486,750                     |
| 12/01/2031               | 100,000          | 5.000%        | 392,250         | 492,250                       |                                          |                                      | 492,250                     |
| 12/01/2032               | 110,000          | 5.000%        | 387,250         | 497,250                       |                                          |                                      | 497,250                     |
| 12/01/2033               | 120,000          | 5.000%        | 381,750         | 501,750                       |                                          |                                      | 501,750                     |
| 12/01/2034               | 135,000          | 5.000%        | 375,750         | 510,750                       |                                          |                                      | 510,750                     |
| 12/01/2035               | 145,000          | 5.000%        | 369,000         | 514,000                       |                                          |                                      | 514,000                     |
| 12/01/2036               | 160,000          | 5.000%        | 361,750         | 521,750                       |                                          |                                      | 521,750                     |
| 12/01/2037               | 170,000          | 5.000%        | 353,750         | 523,750                       |                                          |                                      | 523,750                     |
| 12/01/2038               | 185,000          | 5.000%        | 345,250         | 530,250                       |                                          |                                      | 530,250                     |
| 12/01/2039               | 195,000          | 5.000%        | 336,000         | 531,000                       |                                          |                                      | 531,000                     |
| 12/01/2040               | 215,000          | 5.000%        | 326,250         | 541,250                       |                                          |                                      | 541,250                     |
| 12/01/2041               | 230,000          | 5.000%        | 315,500         | 545,500                       |                                          |                                      | 545,500                     |
| 12/01/2042               | 245,000          | 5.000%        | 304,000         | 549,000                       |                                          |                                      | 549,000                     |
| 12/01/2043               | 260,000          | 5.000%        | 291,750         | 551,750                       |                                          |                                      | 551,750                     |
| 12/01/2044               | 285,000          | 5.000%        | 278,750         | 563,750                       |                                          |                                      | 563,750                     |
| 12/01/2045               | 300,000          | 5.000%        | 264,500         | 564,500                       |                                          |                                      | 564,500                     |
| 12/01/2046               | 325,000          | 5.000%        | 249,500         | 574,500                       |                                          |                                      | 574,500                     |
| 12/01/2047               | 345,000          | 5.000%        | 233,250         | 578,250                       |                                          |                                      | 578,250                     |
| 12/01/2048               | 370,000          | 5.000%        | 216,000         | 586,000                       |                                          |                                      | 586,000                     |
| 12/01/2049               | 390,000          | 5.000%        | 197,500         | 587,500                       |                                          |                                      | 587,500                     |
| 12/01/2050               | 420,000          | 5.000%        | 178,000         | 598,000                       |                                          |                                      | 598,000                     |
| 12/01/2051               | 445,000          | 5.000%        | 157,000         | 602,000                       |                                          |                                      | 602,000                     |
| 12/01/2052               | 475,000          | 5.000%        | 134,750         | 609,750                       |                                          |                                      | 609,750                     |
| 12/01/2053               | 500,000          | 5.000%        | 111,000         | 611,000                       |                                          |                                      | 611,000                     |
| 12/01/2054               | 535,000          | 5.000%        | 86,000          | 621,000                       |                                          |                                      | 621,000                     |
| 12/01/2055               | 1,185,000        | 5.000%        | 59,250          | 1,244,250                     |                                          | 621,000                              | 623,250                     |
|                          | 8,015,000        |               | 8,705,500       | 16,720,500                    | 1,202,250                                | 621,000                              | 14,897,250                  |



## BOND DEBT SERVICE

### ARROWHEAD NORDIC SPA METROPOLITAN DISTRICT Douglas County, Colorado

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#### GENERAL OBLIGATION BONDS, SERIES 2025

| <i>Period<br/>Ending</i> | <i>Principal</i> | <i>Coupon</i> | <i>Interest</i> | <i>Debt<br/>Service</i> | <i>Annual<br/>Debt<br/>Service</i> |
|--------------------------|------------------|---------------|-----------------|-------------------------|------------------------------------|
| 06/01/2026               |                  |               | 200,375         | 200,375                 |                                    |
| 12/01/2026               |                  |               | 200,375         | 200,375                 | 400,750                            |
| 06/01/2027               |                  |               | 200,375         | 200,375                 |                                    |
| 12/01/2027               |                  |               | 200,375         | 200,375                 | 400,750                            |
| 06/01/2028               |                  |               | 200,375         | 200,375                 |                                    |
| 12/01/2028               |                  |               | 200,375         | 200,375                 | 400,750                            |
| 06/01/2029               |                  |               | 200,375         | 200,375                 |                                    |
| 12/01/2029               | 80,000           | 5.000%        | 200,375         | 280,375                 | 480,750                            |
| 06/01/2030               |                  |               | 198,375         | 198,375                 |                                    |
| 12/01/2030               | 90,000           | 5.000%        | 198,375         | 288,375                 | 486,750                            |
| 06/01/2031               |                  |               | 196,125         | 196,125                 |                                    |
| 12/01/2031               | 100,000          | 5.000%        | 196,125         | 296,125                 | 492,250                            |
| 06/01/2032               |                  |               | 193,625         | 193,625                 |                                    |
| 12/01/2032               | 110,000          | 5.000%        | 193,625         | 303,625                 | 497,250                            |
| 06/01/2033               |                  |               | 190,875         | 190,875                 |                                    |
| 12/01/2033               | 120,000          | 5.000%        | 190,875         | 310,875                 | 501,750                            |
| 06/01/2034               |                  |               | 187,875         | 187,875                 |                                    |
| 12/01/2034               | 135,000          | 5.000%        | 187,875         | 322,875                 | 510,750                            |
| 06/01/2035               |                  |               | 184,500         | 184,500                 |                                    |
| 12/01/2035               | 145,000          | 5.000%        | 184,500         | 329,500                 | 514,000                            |
| 06/01/2036               |                  |               | 180,875         | 180,875                 |                                    |
| 12/01/2036               | 160,000          | 5.000%        | 180,875         | 340,875                 | 521,750                            |
| 06/01/2037               |                  |               | 176,875         | 176,875                 |                                    |
| 12/01/2037               | 170,000          | 5.000%        | 176,875         | 346,875                 | 523,750                            |
| 06/01/2038               |                  |               | 172,625         | 172,625                 |                                    |
| 12/01/2038               | 185,000          | 5.000%        | 172,625         | 357,625                 | 530,250                            |
| 06/01/2039               |                  |               | 168,000         | 168,000                 |                                    |
| 12/01/2039               | 195,000          | 5.000%        | 168,000         | 363,000                 | 531,000                            |
| 06/01/2040               |                  |               | 163,125         | 163,125                 |                                    |
| 12/01/2040               | 215,000          | 5.000%        | 163,125         | 378,125                 | 541,250                            |
| 06/01/2041               |                  |               | 157,750         | 157,750                 |                                    |
| 12/01/2041               | 230,000          | 5.000%        | 157,750         | 387,750                 | 545,500                            |
| 06/01/2042               |                  |               | 152,000         | 152,000                 |                                    |
| 12/01/2042               | 245,000          | 5.000%        | 152,000         | 397,000                 | 549,000                            |
| 06/01/2043               |                  |               | 145,875         | 145,875                 |                                    |
| 12/01/2043               | 260,000          | 5.000%        | 145,875         | 405,875                 | 551,750                            |
| 06/01/2044               |                  |               | 139,375         | 139,375                 |                                    |
| 12/01/2044               | 285,000          | 5.000%        | 139,375         | 424,375                 | 563,750                            |
| 06/01/2045               |                  |               | 132,250         | 132,250                 |                                    |
| 12/01/2045               | 300,000          | 5.000%        | 132,250         | 432,250                 | 564,500                            |
| 06/01/2046               |                  |               | 124,750         | 124,750                 |                                    |
| 12/01/2046               | 325,000          | 5.000%        | 124,750         | 449,750                 | 574,500                            |
| 06/01/2047               |                  |               | 116,625         | 116,625                 |                                    |
| 12/01/2047               | 345,000          | 5.000%        | 116,625         | 461,625                 | 578,250                            |
| 06/01/2048               |                  |               | 108,000         | 108,000                 |                                    |
| 12/01/2048               | 370,000          | 5.000%        | 108,000         | 478,000                 | 586,000                            |
| 06/01/2049               |                  |               | 98,750          | 98,750                  |                                    |
| 12/01/2049               | 390,000          | 5.000%        | 98,750          | 488,750                 | 587,500                            |
| 06/01/2050               |                  |               | 89,000          | 89,000                  |                                    |
| 12/01/2050               | 420,000          | 5.000%        | 89,000          | 509,000                 | 598,000                            |
| 06/01/2051               |                  |               | 78,500          | 78,500                  |                                    |
| 12/01/2051               | 445,000          | 5.000%        | 78,500          | 523,500                 | 602,000                            |
| 06/01/2052               |                  |               | 67,375          | 67,375                  |                                    |
| 12/01/2052               | 475,000          | 5.000%        | 67,375          | 542,375                 | 609,750                            |
| 06/01/2053               |                  |               | 55,500          | 55,500                  |                                    |
| 12/01/2053               | 500,000          | 5.000%        | 55,500          | 555,500                 | 611,000                            |
| 06/01/2054               |                  |               | 43,000          | 43,000                  |                                    |
| 12/01/2054               | 535,000          | 5.000%        | 43,000          | 578,000                 | 621,000                            |
| 06/01/2055               |                  |               | 29,625          | 29,625                  |                                    |
| 12/01/2055               | 1,185,000        | 5.000%        | 29,625          | 1,214,625               | 1,244,250                          |
|                          | 8,015,000        |               | 8,705,500       | 16,720,500              | 16,720,500                         |

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**CALL PROVISIONS**

**ARROWHEAD NORDIC SPA METROPOLITAN DISTRICT  
Douglas County, Colorado**

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GENERAL OBLIGATION BONDS, SERIES 2025

Call Table: CALL

<i>Call Date</i>	<i>Call Price</i>
12/01/2030	103.00
12/01/2031	102.00
12/01/2032	101.00
12/01/2033	100.00

BOND SOLUTION

ARROWHEAD NORDIC SPA METROPOLITAN DISTRICT Douglas County, Colorado

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GENERAL OBLIGATION BONDS, SERIES 2025

<i>Period Ending</i>	<i>Proposed Principal</i>	<i>Proposed Debt Service</i>	<i>Debt Service Adjustments</i>	<i>Total Adj Debt Service</i>	<i>Revenue Constraints</i>	<i>Unused Revenues</i>	<i>Debt Service Coverage</i>
12/01/2026		400,750	(400,750)		293,118	293,118	
12/01/2027		400,750	(400,750)		509,175	509,175	
12/01/2028		400,750	(400,750)		1,278,451	1,278,451	
12/01/2029	80,000	480,750		480,750	1,284,483	803,733	267%
12/01/2030	90,000	486,750		486,750	1,304,161	817,411	268%
12/01/2031	100,000	492,250		492,250	1,310,313	818,063	266%
12/01/2032	110,000	497,250		497,250	1,330,385	833,135	268%
12/01/2033	120,000	501,750		501,750	1,336,662	834,912	266%
12/01/2034	135,000	510,750		510,750	1,357,136	846,386	266%
12/01/2035	145,000	514,000		514,000	1,363,538	849,538	265%
12/01/2036	160,000	521,750		521,750	1,384,423	862,673	265%
12/01/2037	170,000	523,750		523,750	1,390,954	867,204	266%
12/01/2038	185,000	530,250		530,250	1,412,256	882,006	266%
12/01/2039	195,000	531,000		531,000	1,418,919	887,919	267%
12/01/2040	215,000	541,250		541,250	1,440,648	899,398	266%
12/01/2041	230,000	545,500		545,500	1,447,444	901,944	265%
12/01/2042	245,000	549,000		549,000	1,469,609	920,609	268%
12/01/2043	260,000	551,750		551,750	1,476,542	924,792	268%
12/01/2044	285,000	563,750		563,750	1,499,150	935,400	266%
12/01/2045	300,000	564,500		564,500	1,506,223	941,723	267%
12/01/2046	325,000	574,500		574,500	1,529,284	954,784	266%
12/01/2047	345,000	578,250		578,250	1,536,499	958,249	266%
12/01/2048	370,000	586,000		586,000	1,560,022	974,022	266%
12/01/2049	390,000	587,500		587,500	1,567,382	979,882	267%
12/01/2050	420,000	598,000		598,000	1,591,376	993,376	266%
12/01/2051	445,000	602,000		602,000	1,598,884	996,884	266%
12/01/2052	475,000	609,750		609,750	1,623,359	1,013,609	266%
12/01/2053	500,000	611,000		611,000	1,631,017	1,020,017	267%
12/01/2054	535,000	621,000		621,000	1,655,982	1,034,982	267%
12/01/2055	1,185,000	1,244,250	(621,000)	623,250	1,663,795	1,040,545	267%
	8,015,000	16,720,500	(1,823,250)	14,897,250	41,771,188	26,873,938	

**Exhibit H-2
Residential Financial Plan**

{01168876.DOCX v:8}

Service Plan for Arrowhead Colorado Metropolitan District

Exhibit H-2 - Residential Financial Plan

Arrowhead Nordic Spa Metropolitan District Douglas County, Colorado

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General Obligation Bonds, Series 2025 General Obligation Refunding & Improvement Bonds, Series 2035

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Service Plan

Bond Assumptions	Series 2025	Series 2035	Total
Closing Date	12/1/2025	12/1/2035	
First Call Date	12/1/2030	12/1/2045	
Final Maturity	12/1/2055	12/1/2065	
Discharge Date	12/1/2065	12/1/2065	
Sources of Funds			
Par Amount	2,230,000	3,995,000	6,225,000
Funds on Hand	0	354,000	354,000
Total	2,230,000	4,349,000	6,579,000
Uses of Funds			
Project Fund	1,357,900	1,669,000	3,026,900
Capitalized Interest	334,500	0	334,500
Reserve Fund	193,000	260,000	453,000
Cost of Issuance	344,600	230,000	574,600
Total	2,230,000	4,349,000	6,579,000
Debt Features			
Projected Coverage at Mill Levy Cap	1.00x	1.00x	
Tax Status	Tax-Exempt	Tax-Exempt	
Interest Payment Type	Current	Current	
Rating	Non-Rated	Investment Grade	
Coupon (Interest Rate)	5.000%	3.000%	
Annual Trustee Fee	\$4,000	\$4,000	
Biennial Reassessment			
Residential	6.00%	6.00%	
Tax Authority Assumptions			
Metropolitan District Revenue			
Residential Assessment Ratio			
Service Plan Base Year	2027		
Debt Service Mills			
Service Plan Mill Levy Cap	50.000		
Specific Ownership Tax	6.00%		
County Treasurer Fee	1.50%		

**Arrowhead Nordic Spa Metropolitan District
Development Summary**

Statutory Actual Value (2024)	Residential - Single Family									Total
	Type 1	Type 2	-	-	-	-	-	-	-	
	\$650,000	\$1,500,000	-	-	-	-	-	-	-	
2024	-	-	-	-	-	-	-	-	-	-
2025	8	2	-	-	-	-	-	-	-	10
2026	16	2	-	-	-	-	-	-	-	18
2027	7	2	-	-	-	-	-	-	-	9
2028	-	-	-	-	-	-	-	-	-	-
2029	-	-	-	-	-	-	-	-	-	-
2030	-	-	-	-	-	-	-	-	-	-
2031	-	-	-	-	-	-	-	-	-	-
2032	-	-	-	-	-	-	-	-	-	-
2033	-	-	-	-	-	-	-	-	-	-
2034	-	-	-	-	-	-	-	-	-	-
2035	-	-	-	-	-	-	-	-	-	-
2036	-	-	-	-	-	-	-	-	-	-
2037	-	-	-	-	-	-	-	-	-	-
2038	-	-	-	-	-	-	-	-	-	-
2039	-	-	-	-	-	-	-	-	-	-
2040	-	-	-	-	-	-	-	-	-	-
2041	-	-	-	-	-	-	-	-	-	-
2042	-	-	-	-	-	-	-	-	-	-
2043	-	-	-	-	-	-	-	-	-	-
2044	-	-	-	-	-	-	-	-	-	-
2045	-	-	-	-	-	-	-	-	-	-
2046	-	-	-	-	-	-	-	-	-	-
2047	-	-	-	-	-	-	-	-	-	-
2048	-	-	-	-	-	-	-	-	-	-
2049	-	-	-	-	-	-	-	-	-	-
2050	-	-	-	-	-	-	-	-	-	-
2051	-	-	-	-	-	-	-	-	-	-
2052	-	-	-	-	-	-	-	-	-	-
2053	-	-	-	-	-	-	-	-	-	-
2054	-	-	-	-	-	-	-	-	-	-
2055	-	-	-	-	-	-	-	-	-	-
2056	-	-	-	-	-	-	-	-	-	-
2057	-	-	-	-	-	-	-	-	-	-
2058	-	-	-	-	-	-	-	-	-	-
2059	-	-	-	-	-	-	-	-	-	-
2060	-	-	-	-	-	-	-	-	-	-
2061	-	-	-	-	-	-	-	-	-	-
2062	-	-	-	-	-	-	-	-	-	-
2063	-	-	-	-	-	-	-	-	-	-
2064	-	-	-	-	-	-	-	-	-	-
2065	-	-	-	-	-	-	-	-	-	-
Total Units	31	6	-	-	-	-	-	-	-	37
Total Statutory Actual Value	\$20,150,000	\$9,000,000	-	-	-	-	-	-	-	\$29,150,000

**Arrowhead Nordic Spa Metropolitan District
Assessed Value**

	Vacant and Improved Land ¹		Residential - Single Family				Total	
	Cumulative Statutory Actual Value	Assessed Value in Collection Year 2 Year Lag 29.00%	Residential Units Delivered	Biennial Reassessment 6.00%	Statutory Actual Value	Assessment Rate	Assessed Value in Collection Year 2 Year Lag	Assessed Value in Collection Year 2 Year Lag
	2024	820,000	0	-	-	0	6.700%	0
2025	1,340,000	0	10	-	8,364,000	6.700%	0	0
2026	755,000	237,800	18	501,840	22,807,200	6.400%	0	237,800
2027	0	388,600	9	-	30,819,320	6.950%	581,298	969,898
2028	0	218,950	-	1,849,159	32,668,480	6.950%	1,585,100	1,804,050
2029	0	0	-	-	32,668,480	6.950%	2,141,943	2,141,943
2030	0	0	-	1,960,109	34,628,588	6.950%	2,270,459	2,270,459
2031	0	0	-	-	34,628,588	6.950%	2,270,459	2,270,459
2032	0	0	-	2,077,715	36,706,304	6.950%	2,406,687	2,406,687
2033	0	0	-	-	36,706,304	6.950%	2,406,687	2,406,687
2034	0	0	-	2,202,378	38,908,682	6.950%	2,551,088	2,551,088
2035	0	0	-	-	38,908,682	6.950%	2,551,088	2,551,088
2036	0	0	-	2,334,521	41,243,203	6.950%	2,704,153	2,704,153
2037	0	0	-	-	41,243,203	6.950%	2,704,153	2,704,153
2038	0	0	-	2,474,592	43,717,795	6.950%	2,866,403	2,866,403
2039	0	0	-	-	43,717,795	6.950%	2,866,403	2,866,403
2040	0	0	-	2,623,068	46,340,863	6.950%	3,038,387	3,038,387
2041	0	0	-	-	46,340,863	6.950%	3,038,387	3,038,387
2042	0	0	-	2,780,452	49,121,314	6.950%	3,220,690	3,220,690
2043	0	0	-	-	49,121,314	6.950%	3,220,690	3,220,690
2044	0	0	-	2,947,279	52,068,593	6.950%	3,413,931	3,413,931
2045	0	0	-	-	52,068,593	6.950%	3,413,931	3,413,931
2046	0	0	-	3,124,116	55,192,709	6.950%	3,618,767	3,618,767
2047	0	0	-	-	55,192,709	6.950%	3,618,767	3,618,767
2048	0	0	-	3,311,563	58,504,271	6.950%	3,835,893	3,835,893
2049	0	0	-	-	58,504,271	6.950%	3,835,893	3,835,893
2050	0	0	-	3,510,256	62,014,528	6.950%	4,066,047	4,066,047
2051	0	0	-	-	62,014,528	6.950%	4,066,047	4,066,047
2052	0	0	-	3,720,872	65,735,399	6.950%	4,310,010	4,310,010
2053	0	0	-	-	65,735,399	6.950%	4,310,010	4,310,010
2054	0	0	-	3,944,124	69,679,523	6.950%	4,568,610	4,568,610
2055	0	0	-	-	69,679,523	6.950%	4,568,610	4,568,610
2056	0	0	-	4,180,771	73,860,295	6.950%	4,842,727	4,842,727
2057	0	0	-	-	73,860,295	6.950%	4,842,727	4,842,727
2058	0	0	-	4,431,618	78,291,912	6.950%	5,133,290	5,133,290
2059	0	0	-	-	78,291,912	6.950%	5,133,290	5,133,290
2060	0	0	-	4,697,515	82,989,427	6.950%	5,441,288	5,441,288
2061	0	0	-	-	82,989,427	6.950%	5,441,288	5,441,288
2062	0	0	-	4,979,366	87,968,793	6.950%	5,767,765	5,767,765
2063	0	0	-	-	87,968,793	6.950%	5,767,765	5,767,765
2064	0	0	-	5,278,128	93,246,920	6.950%	6,113,831	6,113,831
2065	0	0	-	-	93,246,920	6.950%	6,113,831	6,113,831
Total			37	62,929,440				

1. Vacant land value calculated in year prior to construction as 10% build-out market value

**Arrowhead Nordic Spa Metropolitan District
Revenue**

	Total Assessed Value in Collection Year	District Mill Levy Revenue			Expense		Total Revenue Available for Debt Service
		Debt Mill Levy 50.000 Cap 50.000 Target	Debt Mill Levy Collections 99.50%	Specific Ownership Taxes 6.00%	County Treasurer Fee 1.50%	Annual Trustee Fee	
2024	0	0.000	0	0	0	0	0
2025	0	0.000	0	0	0	0	0
2026	237,800	50.000	11,831	710	(177)	(4,000)	8,363
2027	969,898	50.000	48,252	2,895	(724)	(4,000)	46,424
2028	1,804,050	50.000	89,752	5,385	(1,346)	(4,000)	89,790
2029	2,141,943	50.000	106,562	6,394	(1,598)	(4,000)	107,357
2030	2,270,459	50.000	112,955	6,777	(1,694)	(4,000)	114,038
2031	2,270,459	50.000	112,955	6,777	(1,694)	(4,000)	114,038
2032	2,406,687	50.000	119,733	7,184	(1,796)	(4,000)	121,121
2033	2,406,687	50.000	119,733	7,184	(1,796)	(4,000)	121,121
2034	2,551,088	50.000	126,917	7,615	(1,904)	(4,000)	128,628
2035	2,551,088	50.000	126,917	7,615	(1,904)	(4,000)	128,628
2036	2,704,153	50.000	134,532	8,072	(2,018)	(4,000)	136,586
2037	2,704,153	50.000	134,532	8,072	(2,018)	(4,000)	136,586
2038	2,866,403	50.000	142,604	8,556	(2,139)	(4,000)	145,021
2039	2,866,403	50.000	142,604	8,556	(2,139)	(4,000)	145,021
2040	3,038,387	50.000	151,160	9,070	(2,267)	(4,000)	153,962
2041	3,038,387	50.000	151,160	9,070	(2,267)	(4,000)	153,962
2042	3,220,690	50.000	160,229	9,614	(2,403)	(4,000)	163,440
2043	3,220,690	50.000	160,229	9,614	(2,403)	(4,000)	163,440
2044	3,413,931	50.000	169,843	10,191	(2,548)	(4,000)	173,486
2045	3,413,931	50.000	169,843	10,191	(2,548)	(4,000)	173,486
2046	3,618,767	50.000	180,034	10,802	(2,701)	(4,000)	184,135
2047	3,618,767	50.000	180,034	10,802	(2,701)	(4,000)	184,135
2048	3,835,893	50.000	190,836	11,450	(2,863)	(4,000)	195,423
2049	3,835,893	50.000	190,836	11,450	(2,863)	(4,000)	195,423
2050	4,066,047	50.000	202,286	12,137	(3,034)	(4,000)	207,389
2051	4,066,047	50.000	202,286	12,137	(3,034)	(4,000)	207,389
2052	4,310,010	50.000	214,423	12,865	(3,216)	(4,000)	220,072
2053	4,310,010	50.000	214,423	12,865	(3,216)	(4,000)	220,072
2054	4,568,610	50.000	227,288	13,637	(3,409)	(4,000)	233,516
2055	4,568,610	50.000	227,288	13,637	(3,409)	(4,000)	233,516
2056	4,842,727	50.000	240,926	14,456	(3,614)	(4,000)	247,767
2057	4,842,727	50.000	240,926	14,456	(3,614)	(4,000)	247,767
2058	5,133,290	50.000	255,381	15,323	(3,831)	(4,000)	262,873
2059	5,133,290	50.000	255,381	15,323	(3,831)	(4,000)	262,873
2060	5,441,288	50.000	270,704	16,242	(4,061)	(4,000)	278,886
2061	5,441,288	50.000	270,704	16,242	(4,061)	(4,000)	278,886
2062	5,767,765	50.000	286,946	17,217	(4,304)	(4,000)	295,859
2063	5,767,765	50.000	286,946	17,217	(4,304)	(4,000)	295,859
2064	6,113,831	50.000	304,163	18,250	(4,562)	(4,000)	313,850
2065	6,113,831	50.000	304,163	18,250	(4,562)	(4,000)	313,850
Total			7,238,314	434,299	(108,575)	(160,000)	7,404,038

**Arrowhead Nordic Spa Metropolitan District
Debt Service**

	Total Revenue Available for Debt Service	Net Debt Service		Total	Surplus Fund				Ratio Analysis	
		Series 2025	Series 2035		Annual Surplus	Funds on Hand Used as a Source	Cumulative Balance \$223,000	Released Revenue	Debt Service Coverage	Senior Debt to Assessed Value
		Dated: 12/1/2025 Par: \$2,230,000 Proj: \$1,357,900	Dated: 12/1/2035 Par: \$3,995,000 Proj: \$1,669,000							
2024	0			0			0	0		
2025	0	0		0	0		0	0	n/a	938%
2026	8,363	0		0	8,363		8,363	0	n/a	230%
2027	46,424	0		0	46,424		54,787	0	n/a	124%
2028	89,790	0		0	89,790		144,577	0	n/a	104%
2029	107,357	111,500		111,500	(4,143)		140,434	0	96%	98%
2030	114,038	111,500		111,500	2,538		142,972	0	102%	98%
2031	114,038	111,500		111,500	2,538		145,511	0	102%	93%
2032	121,121	116,500		116,500	4,621		150,131	0	104%	92%
2033	121,121	116,250		116,250	4,871		155,002	0	104%	87%
2034	128,628	126,000		126,000	2,628		157,630	0	102%	86%
2035	128,628	125,250	0	125,250	3,378	161,000	0	8	103%	229%
2036	136,586	Refunded	134,850	134,850	1,736		0	1,736	101%	147%
2037	136,586		134,400	134,400	2,186		0	2,186	102%	138%
2038	145,021		143,950	143,950	1,071		0	1,071	101%	137%
2039	145,021		143,200	143,200	1,821		0	1,821	101%	129%
2040	153,962		152,450	152,450	1,512		0	1,512	101%	128%
2041	153,962		151,400	151,400	2,562		0	2,562	102%	119%
2042	163,440		160,350	160,350	3,090		0	3,090	102%	118%
2043	163,440		159,000	159,000	4,440		0	4,440	103%	110%
2044	173,486		172,650	172,650	836		0	836	100%	108%
2045	173,486		170,850	170,850	2,636		0	2,636	102%	100%
2046	184,135		179,050	179,050	5,085		0	5,085	103%	99%
2047	184,135		181,950	181,950	2,185		0	2,185	101%	91%
2048	195,423		194,700	194,700	723		0	723	100%	89%
2049	195,423		192,000	192,000	3,423		0	3,423	102%	81%
2050	207,389		204,300	204,300	3,089		0	3,089	102%	79%
2051	207,389		206,150	206,150	1,239		0	1,239	101%	72%
2052	220,072		217,850	217,850	2,222		0	2,222	101%	69%
2053	220,072		219,100	219,100	972		0	972	100%	62%
2054	233,516		230,200	230,200	3,316		0	3,316	101%	59%
2055	233,516		230,850	230,850	2,666		0	2,666	101%	53%
2056	247,767		246,350	246,350	1,417		0	1,417	101%	49%
2057	247,767		246,250	246,250	1,517		0	1,517	101%	43%
2058	262,873		261,000	261,000	1,873		0	1,873	101%	39%
2059	262,873		260,150	260,150	2,723		0	2,723	101%	33%
2060	278,886		274,150	274,150	4,736		0	4,736	102%	29%
2061	278,886		277,550	277,550	1,336		0	1,336	100%	23%
2062	295,859		295,650	295,650	209		0	209	100%	19%
2063	295,859		293,000	293,000	2,859		0	2,859	101%	14%
2064	313,850		310,200	310,200	3,650		0	3,650	101%	9%
2065	313,850		311,650	311,650	2,200		0	2,200	101%	0%
Total	7,404,038	818,500	6,355,200	7,173,700	230,338	161,000		69,338		

SOURCES AND USES OF FUNDS

ARROWHEAD NORDIC SPA METROPOLITAN DISTRICT Douglas County, Colorado

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### GENERAL OBLIGATION BONDS, SERIES 2025 Service Plan

|               |            |
|---------------|------------|
| Dated Date    | 12/01/2025 |
| Delivery Date | 12/01/2025 |

*Sources:*

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|                |              |
|----------------|--------------|
| Bond Proceeds: |              |
| Par Amount     | 2,230,000.00 |
| <hr/>          |              |
|                | 2,230,000.00 |
| <hr/> <hr/>    |              |

*Uses:*

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|                           |              |
|---------------------------|--------------|
| Project Fund Deposits:    |              |
| Project Fund              | 1,357,900.00 |
| <br>                      |              |
| Other Fund Deposits:      |              |
| Capitalized Interest Fund | 334,500.00   |
| Debt Service Reserve Fund | 193,000.00   |
|                           | <hr/>        |
|                           | 527,500.00   |
| <br>                      |              |
| Cost of Issuance:         |              |
| Cost of Issuance          | 300,000.00   |
| <br>                      |              |
| Underwriter's Discount:   |              |
| Underwriter's Discount    | 44,600.00    |
|                           | <hr/>        |
|                           | 2,230,000.00 |
| <hr/> <hr/>               |              |

## BOND SUMMARY STATISTICS

### ARROWHEAD NORDIC SPA METROPOLITAN DISTRICT Douglas County, Colorado

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GENERAL OBLIGATION BONDS, SERIES 2025 Service Plan

Dated Date	12/01/2025
Delivery Date	12/01/2025
Last Maturity	12/01/2055
Arbitrage Yield	5.000000%
True Interest Cost (TIC)	5.148516%
Net Interest Cost (NIC)	5.083093%
All-In TIC	6.277048%
Average Coupon	5.000000%
Average Life (years)	24.070
Duration of Issue (years)	13.890
Par Amount	2,230,000.00
Bond Proceeds	2,230,000.00
Total Interest	2,683,750.00
Net Interest	2,728,350.00
Total Debt Service	4,913,750.00
Maximum Annual Debt Service	425,250.00
Average Annual Debt Service	163,791.67
Underwriter's Fees (per \$1000)	
Average Takedown	
Other Fee	20.000000
Total Underwriter's Discount	20.000000
Bid Price	98.000000

<i>Bond Component</i>	<i>Par Value</i>	<i>Price</i>	<i>Average Coupon</i>	<i>Average Life</i>
Term Bond Due 2055	2,230,000.00	100.000	5.000%	24.070
	2,230,000.00			24.070

	TIC	All-In TIC	Arbitrage Yield
Par Value	2,230,000.00	2,230,000.00	2,230,000.00
+ Accrued Interest			
+ Premium (Discount)			
- Underwriter's Discount	(44,600.00)	(44,600.00)	
- Cost of Issuance Expense		(300,000.00)	
- Other Amounts			
Target Value	2,185,400.00	1,885,400.00	2,230,000.00
Target Date	12/01/2025	12/01/2025	12/01/2025
Yield	5.148516%	6.277048%	5.000000%

BOND PRICING

ARROWHEAD NORDIC SPA METROPOLITAN DISTRICT Douglas County, Colorado

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### GENERAL OBLIGATION BONDS, SERIES 2025 Service Plan

| <i>Bond Component</i> | <i>Maturity Date</i> | <i>Amount</i> | <i>Rate</i> | <i>Yield</i> | <i>Price</i> |
|-----------------------|----------------------|---------------|-------------|--------------|--------------|
| Term Bond Due 2055:   |                      |               |             |              |              |
|                       | 12/01/2026           |               | 5.000%      | 5.000%       | 100.000      |
|                       | 12/01/2027           |               | 5.000%      | 5.000%       | 100.000      |
|                       | 12/01/2028           |               | 5.000%      | 5.000%       | 100.000      |
|                       | 12/01/2029           |               | 5.000%      | 5.000%       | 100.000      |
|                       | 12/01/2030           |               | 5.000%      | 5.000%       | 100.000      |
|                       | 12/01/2031           |               | 5.000%      | 5.000%       | 100.000      |
|                       | 12/01/2032           | 5,000         | 5.000%      | 5.000%       | 100.000      |
|                       | 12/01/2033           | 5,000         | 5.000%      | 5.000%       | 100.000      |
|                       | 12/01/2034           | 15,000        | 5.000%      | 5.000%       | 100.000      |
|                       | 12/01/2035           | 15,000        | 5.000%      | 5.000%       | 100.000      |
|                       | 12/01/2036           | 25,000        | 5.000%      | 5.000%       | 100.000      |
|                       | 12/01/2037           | 25,000        | 5.000%      | 5.000%       | 100.000      |
|                       | 12/01/2038           | 35,000        | 5.000%      | 5.000%       | 100.000      |
|                       | 12/01/2039           | 35,000        | 5.000%      | 5.000%       | 100.000      |
|                       | 12/01/2040           | 50,000        | 5.000%      | 5.000%       | 100.000      |
|                       | 12/01/2041           | 50,000        | 5.000%      | 5.000%       | 100.000      |
|                       | 12/01/2042           | 60,000        | 5.000%      | 5.000%       | 100.000      |
|                       | 12/01/2043           | 65,000        | 5.000%      | 5.000%       | 100.000      |
|                       | 12/01/2044           | 80,000        | 5.000%      | 5.000%       | 100.000      |
|                       | 12/01/2045           | 80,000        | 5.000%      | 5.000%       | 100.000      |
|                       | 12/01/2046           | 95,000        | 5.000%      | 5.000%       | 100.000      |
|                       | 12/01/2047           | 100,000       | 5.000%      | 5.000%       | 100.000      |
|                       | 12/01/2048           | 120,000       | 5.000%      | 5.000%       | 100.000      |
|                       | 12/01/2049           | 125,000       | 5.000%      | 5.000%       | 100.000      |
|                       | 12/01/2050           | 140,000       | 5.000%      | 5.000%       | 100.000      |
|                       | 12/01/2051           | 150,000       | 5.000%      | 5.000%       | 100.000      |
|                       | 12/01/2052           | 170,000       | 5.000%      | 5.000%       | 100.000      |
|                       | 12/01/2053           | 180,000       | 5.000%      | 5.000%       | 100.000      |
|                       | 12/01/2054           | 200,000       | 5.000%      | 5.000%       | 100.000      |
|                       | 12/01/2055           | 405,000       | 5.000%      | 5.000%       | 100.000      |
|                       |                      | 2,230,000     |             |              |              |

|                         |              |             |
|-------------------------|--------------|-------------|
| Dated Date              | 12/01/2025   |             |
| Delivery Date           | 12/01/2025   |             |
| First Coupon            | 06/01/2026   |             |
| Par Amount              | 2,230,000.00 |             |
| Original Issue Discount |              |             |
| Production              | 2,230,000.00 | 100.000000% |
| Underwriter's Discount  | (44,600.00)  | (2.000000%) |
| Purchase Price          | 2,185,400.00 | 98.000000%  |
| Accrued Interest        |              |             |
| Net Proceeds            | 2,185,400.00 |             |

## NET DEBT SERVICE

### ARROWHEAD NORDIC SPA METROPOLITAN DISTRICT Douglas County, Colorado

#### ~ ~ ~ GENERAL OBLIGATION BONDS, SERIES 2025 Service Plan

| <i>Period<br/>Ending</i> | <i>Principal</i> | <i>Coupon</i> | <i>Interest</i> | <i>Total<br/>Debt Service</i> | <i>Capitalized<br/>Interest<br/>Fund</i> | <i>Debt Service<br/>Reserve Fund</i> | <i>Net<br/>Debt Service</i> |
|--------------------------|------------------|---------------|-----------------|-------------------------------|------------------------------------------|--------------------------------------|-----------------------------|
| 12/01/2026               |                  |               | 111,500         | 111,500                       | 111,500                                  |                                      |                             |
| 12/01/2027               |                  |               | 111,500         | 111,500                       | 111,500                                  |                                      |                             |
| 12/01/2028               |                  |               | 111,500         | 111,500                       | 111,500                                  |                                      |                             |
| 12/01/2029               |                  |               | 111,500         | 111,500                       |                                          |                                      | 111,500                     |
| 12/01/2030               |                  |               | 111,500         | 111,500                       |                                          |                                      | 111,500                     |
| 12/01/2031               |                  |               | 111,500         | 111,500                       |                                          |                                      | 111,500                     |
| 12/01/2032               | 5,000            | 5.000%        | 111,500         | 116,500                       |                                          |                                      | 116,500                     |
| 12/01/2033               | 5,000            | 5.000%        | 111,250         | 116,250                       |                                          |                                      | 116,250                     |
| 12/01/2034               | 15,000           | 5.000%        | 111,000         | 126,000                       |                                          |                                      | 126,000                     |
| 12/01/2035               | 15,000           | 5.000%        | 110,250         | 125,250                       |                                          |                                      | 125,250                     |
| 12/01/2036               | 25,000           | 5.000%        | 109,500         | 134,500                       |                                          |                                      | 134,500                     |
| 12/01/2037               | 25,000           | 5.000%        | 108,250         | 133,250                       |                                          |                                      | 133,250                     |
| 12/01/2038               | 35,000           | 5.000%        | 107,000         | 142,000                       |                                          |                                      | 142,000                     |
| 12/01/2039               | 35,000           | 5.000%        | 105,250         | 140,250                       |                                          |                                      | 140,250                     |
| 12/01/2040               | 50,000           | 5.000%        | 103,500         | 153,500                       |                                          |                                      | 153,500                     |
| 12/01/2041               | 50,000           | 5.000%        | 101,000         | 151,000                       |                                          |                                      | 151,000                     |
| 12/01/2042               | 60,000           | 5.000%        | 98,500          | 158,500                       |                                          |                                      | 158,500                     |
| 12/01/2043               | 65,000           | 5.000%        | 95,500          | 160,500                       |                                          |                                      | 160,500                     |
| 12/01/2044               | 80,000           | 5.000%        | 92,250          | 172,250                       |                                          |                                      | 172,250                     |
| 12/01/2045               | 80,000           | 5.000%        | 88,250          | 168,250                       |                                          |                                      | 168,250                     |
| 12/01/2046               | 95,000           | 5.000%        | 84,250          | 179,250                       |                                          |                                      | 179,250                     |
| 12/01/2047               | 100,000          | 5.000%        | 79,500          | 179,500                       |                                          |                                      | 179,500                     |
| 12/01/2048               | 120,000          | 5.000%        | 74,500          | 194,500                       |                                          |                                      | 194,500                     |
| 12/01/2049               | 125,000          | 5.000%        | 68,500          | 193,500                       |                                          |                                      | 193,500                     |
| 12/01/2050               | 140,000          | 5.000%        | 62,250          | 202,250                       |                                          |                                      | 202,250                     |
| 12/01/2051               | 150,000          | 5.000%        | 55,250          | 205,250                       |                                          |                                      | 205,250                     |
| 12/01/2052               | 170,000          | 5.000%        | 47,750          | 217,750                       |                                          |                                      | 217,750                     |
| 12/01/2053               | 180,000          | 5.000%        | 39,250          | 219,250                       |                                          |                                      | 219,250                     |
| 12/01/2054               | 200,000          | 5.000%        | 30,250          | 230,250                       |                                          |                                      | 230,250                     |
| 12/01/2055               | 405,000          | 5.000%        | 20,250          | 425,250                       |                                          | 193,000                              | 232,250                     |
|                          | 2,230,000        |               | 2,683,750       | 4,913,750                     | 334,500                                  | 193,000                              | 4,386,250                   |

## BOND DEBT SERVICE

### ARROWHEAD NORDIC SPA METROPOLITAN DISTRICT Douglas County, Colorado

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#### GENERAL OBLIGATION BONDS, SERIES 2025 Service Plan

| <i>Period<br/>Ending</i> | <i>Principal</i> | <i>Coupon</i> | <i>Interest</i> | <i>Debt<br/>Service</i> | <i>Annual<br/>Debt<br/>Service</i> |
|--------------------------|------------------|---------------|-----------------|-------------------------|------------------------------------|
| 06/01/2026               |                  |               | 55,750          | 55,750                  |                                    |
| 12/01/2026               |                  |               | 55,750          | 55,750                  | 111,500                            |
| 06/01/2027               |                  |               | 55,750          | 55,750                  |                                    |
| 12/01/2027               |                  |               | 55,750          | 55,750                  | 111,500                            |
| 06/01/2028               |                  |               | 55,750          | 55,750                  |                                    |
| 12/01/2028               |                  |               | 55,750          | 55,750                  | 111,500                            |
| 06/01/2029               |                  |               | 55,750          | 55,750                  |                                    |
| 12/01/2029               |                  |               | 55,750          | 55,750                  | 111,500                            |
| 06/01/2030               |                  |               | 55,750          | 55,750                  |                                    |
| 12/01/2030               |                  |               | 55,750          | 55,750                  | 111,500                            |
| 06/01/2031               |                  |               | 55,750          | 55,750                  |                                    |
| 12/01/2031               |                  |               | 55,750          | 55,750                  | 111,500                            |
| 06/01/2032               |                  |               | 55,750          | 55,750                  |                                    |
| 12/01/2032               | 5,000            | 5.000%        | 55,750          | 60,750                  | 116,500                            |
| 06/01/2033               |                  |               | 55,625          | 55,625                  |                                    |
| 12/01/2033               | 5,000            | 5.000%        | 55,625          | 60,625                  | 116,250                            |
| 06/01/2034               |                  |               | 55,500          | 55,500                  |                                    |
| 12/01/2034               | 15,000           | 5.000%        | 55,500          | 70,500                  | 126,000                            |
| 06/01/2035               |                  |               | 55,125          | 55,125                  |                                    |
| 12/01/2035               | 15,000           | 5.000%        | 55,125          | 70,125                  | 125,250                            |
| 06/01/2036               |                  |               | 54,750          | 54,750                  |                                    |
| 12/01/2036               | 25,000           | 5.000%        | 54,750          | 79,750                  | 134,500                            |
| 06/01/2037               |                  |               | 54,125          | 54,125                  |                                    |
| 12/01/2037               | 25,000           | 5.000%        | 54,125          | 79,125                  | 133,250                            |
| 06/01/2038               |                  |               | 53,500          | 53,500                  |                                    |
| 12/01/2038               | 35,000           | 5.000%        | 53,500          | 88,500                  | 142,000                            |
| 06/01/2039               |                  |               | 52,625          | 52,625                  |                                    |
| 12/01/2039               | 35,000           | 5.000%        | 52,625          | 87,625                  | 140,250                            |
| 06/01/2040               |                  |               | 51,750          | 51,750                  |                                    |
| 12/01/2040               | 50,000           | 5.000%        | 51,750          | 101,750                 | 153,500                            |
| 06/01/2041               |                  |               | 50,500          | 50,500                  |                                    |
| 12/01/2041               | 50,000           | 5.000%        | 50,500          | 100,500                 | 151,000                            |
| 06/01/2042               |                  |               | 49,250          | 49,250                  |                                    |
| 12/01/2042               | 60,000           | 5.000%        | 49,250          | 109,250                 | 158,500                            |
| 06/01/2043               |                  |               | 47,750          | 47,750                  |                                    |
| 12/01/2043               | 65,000           | 5.000%        | 47,750          | 112,750                 | 160,500                            |
| 06/01/2044               |                  |               | 46,125          | 46,125                  |                                    |
| 12/01/2044               | 80,000           | 5.000%        | 46,125          | 126,125                 | 172,250                            |
| 06/01/2045               |                  |               | 44,125          | 44,125                  |                                    |
| 12/01/2045               | 80,000           | 5.000%        | 44,125          | 124,125                 | 168,250                            |
| 06/01/2046               |                  |               | 42,125          | 42,125                  |                                    |
| 12/01/2046               | 95,000           | 5.000%        | 42,125          | 137,125                 | 179,250                            |
| 06/01/2047               |                  |               | 39,750          | 39,750                  |                                    |
| 12/01/2047               | 100,000          | 5.000%        | 39,750          | 139,750                 | 179,500                            |
| 06/01/2048               |                  |               | 37,250          | 37,250                  |                                    |
| 12/01/2048               | 120,000          | 5.000%        | 37,250          | 157,250                 | 194,500                            |
| 06/01/2049               |                  |               | 34,250          | 34,250                  |                                    |
| 12/01/2049               | 125,000          | 5.000%        | 34,250          | 159,250                 | 193,500                            |
| 06/01/2050               |                  |               | 31,125          | 31,125                  |                                    |
| 12/01/2050               | 140,000          | 5.000%        | 31,125          | 171,125                 | 202,250                            |
| 06/01/2051               |                  |               | 27,625          | 27,625                  |                                    |
| 12/01/2051               | 150,000          | 5.000%        | 27,625          | 177,625                 | 205,250                            |
| 06/01/2052               |                  |               | 23,875          | 23,875                  |                                    |
| 12/01/2052               | 170,000          | 5.000%        | 23,875          | 193,875                 | 217,750                            |
| 06/01/2053               |                  |               | 19,625          | 19,625                  |                                    |
| 12/01/2053               | 180,000          | 5.000%        | 19,625          | 199,625                 | 219,250                            |
| 06/01/2054               |                  |               | 15,125          | 15,125                  |                                    |
| 12/01/2054               | 200,000          | 5.000%        | 15,125          | 215,125                 | 230,250                            |
| 06/01/2055               |                  |               | 10,125          | 10,125                  |                                    |
| 12/01/2055               | 405,000          | 5.000%        | 10,125          | 415,125                 | 425,250                            |
|                          | 2,230,000        |               | 2,683,750       | 4,913,750               | 4,913,750                          |

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**CALL PROVISIONS**

**ARROWHEAD NORDIC SPA METROPOLITAN DISTRICT  
Douglas County, Colorado**

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**GENERAL OBLIGATION BONDS, SERIES 2025
Service Plan**

Call Table: CALL

<i>Call Date</i>	<i>Call Price</i>
12/01/2030	103.00
12/01/2031	102.00
12/01/2032	101.00
12/01/2033	100.00

BOND SOLUTION

ARROWHEAD NORDIC SPA METROPOLITAN DISTRICT Douglas County, Colorado

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GENERAL OBLIGATION BONDS, SERIES 2025 Service Plan

<i>Period Ending</i>	<i>Proposed Principal</i>	<i>Proposed Debt Service</i>	<i>Debt Service Adjustments</i>	<i>Total Adj Debt Service</i>	<i>Revenue Constraints</i>	<i>Unused Revenues</i>	<i>Debt Service Coverage</i>
12/01/2026		111,500	(111,500)		8,363	8,363	
12/01/2027		111,500	(111,500)		46,424	46,424	
12/01/2028		111,500	(111,500)		89,790	89,790	
12/01/2029		111,500		111,500	107,357	(4,143)	96%
12/01/2030		111,500		111,500	114,038	2,538	102%
12/01/2031		111,500		111,500	114,038	2,538	102%
12/01/2032	5,000	116,500		116,500	121,121	4,621	104%
12/01/2033	5,000	116,250		116,250	121,121	4,871	104%
12/01/2034	15,000	126,000		126,000	128,628	2,628	102%
12/01/2035	15,000	125,250		125,250	128,628	3,378	103%
12/01/2036	25,000	134,500		134,500	136,586	2,086	102%
12/01/2037	25,000	133,250		133,250	136,586	3,336	103%
12/01/2038	35,000	142,000		142,000	145,021	3,021	102%
12/01/2039	35,000	140,250		140,250	145,021	4,771	103%
12/01/2040	50,000	153,500		153,500	153,962	462	100%
12/01/2041	50,000	151,000		151,000	153,962	2,962	102%
12/01/2042	60,000	158,500		158,500	163,440	4,940	103%
12/01/2043	65,000	160,500		160,500	163,440	2,940	102%
12/01/2044	80,000	172,250		172,250	173,486	1,236	101%
12/01/2045	80,000	168,250		168,250	173,486	5,236	103%
12/01/2046	95,000	179,250		179,250	184,135	4,885	103%
12/01/2047	100,000	179,500		179,500	184,135	4,635	103%
12/01/2048	120,000	194,500		194,500	195,423	923	100%
12/01/2049	125,000	193,500		193,500	195,423	1,923	101%
12/01/2050	140,000	202,250		202,250	207,389	5,139	103%
12/01/2051	150,000	205,250		205,250	207,389	2,139	101%
12/01/2052	170,000	217,750		217,750	220,072	2,322	101%
12/01/2053	180,000	219,250		219,250	220,072	822	100%
12/01/2054	200,000	230,250		230,250	233,516	3,266	101%
12/01/2055	405,000	425,250	(193,000)	232,250	233,516	1,266	101%
	2,230,000	4,913,750	(527,500)	4,386,250	4,605,566	219,316	

SOURCES AND USES OF FUNDS

ARROWHEAD NORDIC SPA METROPOLITAN DISTRICT Douglas County, Colorado

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### GENERAL OBLIGATION REFUNDING & IMPROVEMENT BONDS, SERIES 2035 Service Plan

|               |            |
|---------------|------------|
| Dated Date    | 12/01/2035 |
| Delivery Date | 12/01/2035 |

*Sources:*

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|                         |              |
|-------------------------|--------------|
| Bond Proceeds:          |              |
| Par Amount              | 3,995,000.00 |
| Other Sources of Funds: |              |
| Reserve Fund            | 193,000.00   |
| Surplus Fund            | 161,000.00   |
|                         | <hr/>        |
|                         | 354,000.00   |
|                         | <hr/>        |
|                         | 4,349,000.00 |
|                         | <hr/> <hr/>  |

*Uses:*

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|                            |              |
|----------------------------|--------------|
| Project Fund Deposits:     |              |
| Project Fund               | 1,669,000.00 |
| Refunding Escrow Deposits: |              |
| Cash Deposit               | 2,190,000.00 |
| Other Fund Deposits:       |              |
| Debt Service Reserve Fund  | 260,000.00   |
| Cost of Issuance:          |              |
| Cost of Issuance           | 200,000.00   |
| Underwriter's Discount:    |              |
| Underwriter's Discount     | 30,000.00    |
|                            | <hr/>        |
|                            | 4,349,000.00 |
|                            | <hr/> <hr/>  |

## BOND SUMMARY STATISTICS

### ARROWHEAD NORDIC SPA METROPOLITAN DISTRICT Douglas County, Colorado

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GENERAL OBLIGATION REFUNDING & IMPROVEMENT BONDS, SERIES 2035 Service Plan

Dated Date	12/01/2035
Delivery Date	12/01/2035
Last Maturity	12/01/2065
Arbitrage Yield	3.000000%
True Interest Cost (TIC)	3.048605%
Net Interest Cost (NIC)	3.034349%
All-In TIC	3.385910%
Average Coupon	3.000000%
Average Life (years)	21.862
Duration of Issue (years)	15.724
Par Amount	3,995,000.00
Bond Proceeds	3,995,000.00
Total Interest	2,620,200.00
Net Interest	2,650,200.00
Total Debt Service	6,615,200.00
Maximum Annual Debt Service	571,650.00
Average Annual Debt Service	220,506.67
Underwriter's Fees (per \$1000)	
Average Takedown	
Other Fee	7.509387
Total Underwriter's Discount	7.509387
Bid Price	99.249061

<i>Bond Component</i>	<i>Par Value</i>	<i>Price</i>	<i>Average Coupon</i>	<i>Average Life</i>
Term Bond due 2065	3,995,000.00	100.000	3.000%	21.862
	3,995,000.00			21.862

	TIC	All-In TIC	Arbitrage Yield
Par Value	3,995,000.00	3,995,000.00	3,995,000.00
+ Accrued Interest			
+ Premium (Discount)			
- Underwriter's Discount	(30,000.00)	(30,000.00)	
- Cost of Issuance Expense		(200,000.00)	
- Other Amounts			
Target Value	3,965,000.00	3,765,000.00	3,995,000.00
Target Date	12/01/2035	12/01/2035	12/01/2035
Yield	3.048605%	3.385910%	3.000000%

BOND PRICING

**ARROWHEAD NORDIC SPA METROPOLITAN DISTRICT
Douglas County, Colorado**

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**GENERAL OBLIGATION REFUNDING & IMPROVEMENT BONDS, SERIES 2035  
Service Plan**

| <i>Bond Component</i> | <i>Maturity Date</i> | <i>Amount</i> | <i>Rate</i> | <i>Yield</i> | <i>Price</i> |
|-----------------------|----------------------|---------------|-------------|--------------|--------------|
| Term Bond due 2065:   |                      |               |             |              |              |
|                       | 12/01/2036           | 15,000        | 3.000%      | 3.000%       | 100.000      |
|                       | 12/01/2037           | 15,000        | 3.000%      | 3.000%       | 100.000      |
|                       | 12/01/2038           | 25,000        | 3.000%      | 3.000%       | 100.000      |
|                       | 12/01/2039           | 25,000        | 3.000%      | 3.000%       | 100.000      |
|                       | 12/01/2040           | 35,000        | 3.000%      | 3.000%       | 100.000      |
|                       | 12/01/2041           | 35,000        | 3.000%      | 3.000%       | 100.000      |
|                       | 12/01/2042           | 45,000        | 3.000%      | 3.000%       | 100.000      |
|                       | 12/01/2043           | 45,000        | 3.000%      | 3.000%       | 100.000      |
|                       | 12/01/2044           | 60,000        | 3.000%      | 3.000%       | 100.000      |
|                       | 12/01/2045           | 60,000        | 3.000%      | 3.000%       | 100.000      |
|                       | 12/01/2046           | 70,000        | 3.000%      | 3.000%       | 100.000      |
|                       | 12/01/2047           | 75,000        | 3.000%      | 3.000%       | 100.000      |
|                       | 12/01/2048           | 90,000        | 3.000%      | 3.000%       | 100.000      |
|                       | 12/01/2049           | 90,000        | 3.000%      | 3.000%       | 100.000      |
|                       | 12/01/2050           | 105,000       | 3.000%      | 3.000%       | 100.000      |
|                       | 12/01/2051           | 110,000       | 3.000%      | 3.000%       | 100.000      |
|                       | 12/01/2052           | 125,000       | 3.000%      | 3.000%       | 100.000      |
|                       | 12/01/2053           | 130,000       | 3.000%      | 3.000%       | 100.000      |
|                       | 12/01/2054           | 145,000       | 3.000%      | 3.000%       | 100.000      |
|                       | 12/01/2055           | 150,000       | 3.000%      | 3.000%       | 100.000      |
|                       | 12/01/2056           | 170,000       | 3.000%      | 3.000%       | 100.000      |
|                       | 12/01/2057           | 175,000       | 3.000%      | 3.000%       | 100.000      |
|                       | 12/01/2058           | 195,000       | 3.000%      | 3.000%       | 100.000      |
|                       | 12/01/2059           | 200,000       | 3.000%      | 3.000%       | 100.000      |
|                       | 12/01/2060           | 220,000       | 3.000%      | 3.000%       | 100.000      |
|                       | 12/01/2061           | 230,000       | 3.000%      | 3.000%       | 100.000      |
|                       | 12/01/2062           | 255,000       | 3.000%      | 3.000%       | 100.000      |
|                       | 12/01/2063           | 260,000       | 3.000%      | 3.000%       | 100.000      |
|                       | 12/01/2064           | 285,000       | 3.000%      | 3.000%       | 100.000      |
|                       | 12/01/2065           | 555,000       | 3.000%      | 3.000%       | 100.000      |
|                       |                      | 3,995,000     |             |              |              |

|                         |              |             |
|-------------------------|--------------|-------------|
| Dated Date              | 12/01/2035   |             |
| Delivery Date           | 12/01/2035   |             |
| First Coupon            | 06/01/2036   |             |
| Par Amount              | 3,995,000.00 |             |
| Original Issue Discount |              |             |
| Production              | 3,995,000.00 | 100.000000% |
| Underwriter's Discount  | (30,000.00)  | (0.750939%) |
| Purchase Price          | 3,965,000.00 | 99.249061%  |
| Accrued Interest        |              |             |
| Net Proceeds            | 3,965,000.00 |             |

## NET DEBT SERVICE

### ARROWHEAD NORDIC SPA METROPOLITAN DISTRICT Douglas County, Colorado

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GENERAL OBLIGATION REFUNDING & IMPROVEMENT BONDS, SERIES 2035 Service Plan

<i>Period Ending</i>	<i>Principal</i>	<i>Coupon</i>	<i>Interest</i>	<i>Total Debt Service</i>	<i>Debt Service Reserve Fund</i>	<i>Net Debt Service</i>
12/01/2036	15,000	3.000%	119,850	134,850		134,850
12/01/2037	15,000	3.000%	119,400	134,400		134,400
12/01/2038	25,000	3.000%	118,950	143,950		143,950
12/01/2039	25,000	3.000%	118,200	143,200		143,200
12/01/2040	35,000	3.000%	117,450	152,450		152,450
12/01/2041	35,000	3.000%	116,400	151,400		151,400
12/01/2042	45,000	3.000%	115,350	160,350		160,350
12/01/2043	45,000	3.000%	114,000	159,000		159,000
12/01/2044	60,000	3.000%	112,650	172,650		172,650
12/01/2045	60,000	3.000%	110,850	170,850		170,850
12/01/2046	70,000	3.000%	109,050	179,050		179,050
12/01/2047	75,000	3.000%	106,950	181,950		181,950
12/01/2048	90,000	3.000%	104,700	194,700		194,700
12/01/2049	90,000	3.000%	102,000	192,000		192,000
12/01/2050	105,000	3.000%	99,300	204,300		204,300
12/01/2051	110,000	3.000%	96,150	206,150		206,150
12/01/2052	125,000	3.000%	92,850	217,850		217,850
12/01/2053	130,000	3.000%	89,100	219,100		219,100
12/01/2054	145,000	3.000%	85,200	230,200		230,200
12/01/2055	150,000	3.000%	80,850	230,850		230,850
12/01/2056	170,000	3.000%	76,350	246,350		246,350
12/01/2057	175,000	3.000%	71,250	246,250		246,250
12/01/2058	195,000	3.000%	66,000	261,000		261,000
12/01/2059	200,000	3.000%	60,150	260,150		260,150
12/01/2060	220,000	3.000%	54,150	274,150		274,150
12/01/2061	230,000	3.000%	47,550	277,550		277,550
12/01/2062	255,000	3.000%	40,650	295,650		295,650
12/01/2063	260,000	3.000%	33,000	293,000		293,000
12/01/2064	285,000	3.000%	25,200	310,200		310,200
12/01/2065	555,000	3.000%	16,650	571,650	260,000	311,650
	3,995,000		2,620,200	6,615,200	260,000	6,355,200

BOND DEBT SERVICE

ARROWHEAD NORDIC SPA METROPOLITAN DISTRICT Douglas County, Colorado

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GENERAL OBLIGATION REFUNDING & IMPROVEMENT BONDS, SERIES 2035 Service Plan

<i>Period Ending</i>	<i>Principal</i>	<i>Coupon</i>	<i>Interest</i>	<i>Debt Service</i>	<i>Annual Debt Service</i>
06/01/2036			59,925	59,925	
12/01/2036	15,000	3.000%	59,925	74,925	134,850
06/01/2037			59,700	59,700	
12/01/2037	15,000	3.000%	59,700	74,700	134,400
06/01/2038			59,475	59,475	
12/01/2038	25,000	3.000%	59,475	84,475	143,950
06/01/2039			59,100	59,100	
12/01/2039	25,000	3.000%	59,100	84,100	143,200
06/01/2040			58,725	58,725	
12/01/2040	35,000	3.000%	58,725	93,725	152,450
06/01/2041			58,200	58,200	
12/01/2041	35,000	3.000%	58,200	93,200	151,400
06/01/2042			57,675	57,675	
12/01/2042	45,000	3.000%	57,675	102,675	160,350
06/01/2043			57,000	57,000	
12/01/2043	45,000	3.000%	57,000	102,000	159,000
06/01/2044			56,325	56,325	
12/01/2044	60,000	3.000%	56,325	116,325	172,650
06/01/2045			55,425	55,425	
12/01/2045	60,000	3.000%	55,425	115,425	170,850
06/01/2046			54,525	54,525	
12/01/2046	70,000	3.000%	54,525	124,525	179,050
06/01/2047			53,475	53,475	
12/01/2047	75,000	3.000%	53,475	128,475	181,950
06/01/2048			52,350	52,350	
12/01/2048	90,000	3.000%	52,350	142,350	194,700
06/01/2049			51,000	51,000	
12/01/2049	90,000	3.000%	51,000	141,000	192,000
06/01/2050			49,650	49,650	
12/01/2050	105,000	3.000%	49,650	154,650	204,300
06/01/2051			48,075	48,075	
12/01/2051	110,000	3.000%	48,075	158,075	206,150
06/01/2052			46,425	46,425	
12/01/2052	125,000	3.000%	46,425	171,425	217,850
06/01/2053			44,550	44,550	
12/01/2053	130,000	3.000%	44,550	174,550	219,100
06/01/2054			42,600	42,600	
12/01/2054	145,000	3.000%	42,600	187,600	230,200
06/01/2055			40,425	40,425	
12/01/2055	150,000	3.000%	40,425	190,425	230,850
06/01/2056			38,175	38,175	
12/01/2056	170,000	3.000%	38,175	208,175	246,350
06/01/2057			35,625	35,625	
12/01/2057	175,000	3.000%	35,625	210,625	246,250
06/01/2058			33,000	33,000	
12/01/2058	195,000	3.000%	33,000	228,000	261,000
06/01/2059			30,075	30,075	
12/01/2059	200,000	3.000%	30,075	230,075	260,150
06/01/2060			27,075	27,075	
12/01/2060	220,000	3.000%	27,075	247,075	274,150
06/01/2061			23,775	23,775	
12/01/2061	230,000	3.000%	23,775	253,775	277,550
06/01/2062			20,325	20,325	
12/01/2062	255,000	3.000%	20,325	275,325	295,650
06/01/2063			16,500	16,500	
12/01/2063	260,000	3.000%	16,500	276,500	293,000
06/01/2064			12,600	12,600	
12/01/2064	285,000	3.000%	12,600	297,600	310,200
06/01/2065			8,325	8,325	
12/01/2065	555,000	3.000%	8,325	563,325	571,650
	3,995,000		2,620,200	6,615,200	6,615,200

CALL PROVISIONS

**ARROWHEAD NORDIC SPA METROPOLITAN DISTRICT
Douglas County, Colorado**

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**GENERAL OBLIGATION REFUNDING & IMPROVEMENT BONDS, SERIES 2035  
Service Plan**

**Call Table: CALL**

| <i>Call Date</i> | <i>Call Price</i> |
|------------------|-------------------|
| 12/01/2045       | 100.00            |

## SUMMARY OF BONDS REFUNDED

### ARROWHEAD NORDIC SPA METROPOLITAN DISTRICT Douglas County, Colorado

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GENERAL OBLIGATION REFUNDING & IMPROVEMENT BONDS, SERIES 2035 Service Plan

<i>Bond</i>	<i>Maturity Date</i>	<i>Interest Rate</i>	<i>Par Amount</i>	<i>Call Date</i>	<i>Call Price</i>
Series 2025 Service Plan, 25SP, TERM55:					
	12/01/2036	5.000%	25,000	12/01/2035	100.000
	12/01/2037	5.000%	25,000	12/01/2035	100.000
	12/01/2038	5.000%	35,000	12/01/2035	100.000
	12/01/2039	5.000%	35,000	12/01/2035	100.000
	12/01/2040	5.000%	50,000	12/01/2035	100.000
	12/01/2041	5.000%	50,000	12/01/2035	100.000
	12/01/2042	5.000%	60,000	12/01/2035	100.000
	12/01/2043	5.000%	65,000	12/01/2035	100.000
	12/01/2044	5.000%	80,000	12/01/2035	100.000
	12/01/2045	5.000%	80,000	12/01/2035	100.000
	12/01/2046	5.000%	95,000	12/01/2035	100.000
	12/01/2047	5.000%	100,000	12/01/2035	100.000
	12/01/2048	5.000%	120,000	12/01/2035	100.000
	12/01/2049	5.000%	125,000	12/01/2035	100.000
	12/01/2050	5.000%	140,000	12/01/2035	100.000
	12/01/2051	5.000%	150,000	12/01/2035	100.000
	12/01/2052	5.000%	170,000	12/01/2035	100.000
	12/01/2053	5.000%	180,000	12/01/2035	100.000
	12/01/2054	5.000%	200,000	12/01/2035	100.000
	12/01/2055	5.000%	405,000	12/01/2035	100.000
			2,190,000		

ESCROW REQUIREMENTS

**ARROWHEAD NORDIC SPA METROPOLITAN DISTRICT
Douglas County, Colorado**

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**GENERAL OBLIGATION REFUNDING & IMPROVEMENT BONDS, SERIES 2035  
Service Plan**

| <i>Period<br/>Ending</i> | <i>Principal<br/>Redeemed</i> | <i>Total</i> |
|--------------------------|-------------------------------|--------------|
| 12/01/2035               | 2,190,000                     | 2,190,000.00 |
|                          | 2,190,000                     | 2,190,000.00 |



## BOND SOLUTION

### ARROWHEAD NORDIC SPA METROPOLITAN DISTRICT Douglas County, Colorado

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#### GENERAL OBLIGATION REFUNDING & IMPROVEMENT BONDS, SERIES 2035 Service Plan

| <i>Period Ending</i> | <i>Proposed Principal</i> | <i>Proposed Debt Service</i> | <i>Debt Service Adjustments</i> | <i>Total Adj Debt Service</i> | <i>Revenue Constraints</i> | <i>Unused Revenues</i> | <i>Debt Service Coverage</i> |
|----------------------|---------------------------|------------------------------|---------------------------------|-------------------------------|----------------------------|------------------------|------------------------------|
| 12/01/2036           | 15,000                    | 134,850                      |                                 | 134,850                       | 136,586                    | 1,736                  | 101%                         |
| 12/01/2037           | 15,000                    | 134,400                      |                                 | 134,400                       | 136,586                    | 2,186                  | 102%                         |
| 12/01/2038           | 25,000                    | 143,950                      |                                 | 143,950                       | 145,021                    | 1,071                  | 101%                         |
| 12/01/2039           | 25,000                    | 143,200                      |                                 | 143,200                       | 145,021                    | 1,821                  | 101%                         |
| 12/01/2040           | 35,000                    | 152,450                      |                                 | 152,450                       | 153,962                    | 1,512                  | 101%                         |
| 12/01/2041           | 35,000                    | 151,400                      |                                 | 151,400                       | 153,962                    | 2,562                  | 102%                         |
| 12/01/2042           | 45,000                    | 160,350                      |                                 | 160,350                       | 163,440                    | 3,090                  | 102%                         |
| 12/01/2043           | 45,000                    | 159,000                      |                                 | 159,000                       | 163,440                    | 4,440                  | 103%                         |
| 12/01/2044           | 60,000                    | 172,650                      |                                 | 172,650                       | 173,486                    | 836                    | 100%                         |
| 12/01/2045           | 60,000                    | 170,850                      |                                 | 170,850                       | 173,486                    | 2,636                  | 102%                         |
| 12/01/2046           | 70,000                    | 179,050                      |                                 | 179,050                       | 184,135                    | 5,085                  | 103%                         |
| 12/01/2047           | 75,000                    | 181,950                      |                                 | 181,950                       | 184,135                    | 2,185                  | 101%                         |
| 12/01/2048           | 90,000                    | 194,700                      |                                 | 194,700                       | 195,423                    | 723                    | 100%                         |
| 12/01/2049           | 90,000                    | 192,000                      |                                 | 192,000                       | 195,423                    | 3,423                  | 102%                         |
| 12/01/2050           | 105,000                   | 204,300                      |                                 | 204,300                       | 207,389                    | 3,089                  | 102%                         |
| 12/01/2051           | 110,000                   | 206,150                      |                                 | 206,150                       | 207,389                    | 1,239                  | 101%                         |
| 12/01/2052           | 125,000                   | 217,850                      |                                 | 217,850                       | 220,072                    | 2,222                  | 101%                         |
| 12/01/2053           | 130,000                   | 219,100                      |                                 | 219,100                       | 220,072                    | 972                    | 100%                         |
| 12/01/2054           | 145,000                   | 230,200                      |                                 | 230,200                       | 233,516                    | 3,316                  | 101%                         |
| 12/01/2055           | 150,000                   | 230,850                      |                                 | 230,850                       | 233,516                    | 2,666                  | 101%                         |
| 12/01/2056           | 170,000                   | 246,350                      |                                 | 246,350                       | 247,767                    | 1,417                  | 101%                         |
| 12/01/2057           | 175,000                   | 246,250                      |                                 | 246,250                       | 247,767                    | 1,517                  | 101%                         |
| 12/01/2058           | 195,000                   | 261,000                      |                                 | 261,000                       | 262,873                    | 1,873                  | 101%                         |
| 12/01/2059           | 200,000                   | 260,150                      |                                 | 260,150                       | 262,873                    | 2,723                  | 101%                         |
| 12/01/2060           | 220,000                   | 274,150                      |                                 | 274,150                       | 278,886                    | 4,736                  | 102%                         |
| 12/01/2061           | 230,000                   | 277,550                      |                                 | 277,550                       | 278,886                    | 1,336                  | 100%                         |
| 12/01/2062           | 255,000                   | 295,650                      |                                 | 295,650                       | 295,859                    | 209                    | 100%                         |
| 12/01/2063           | 260,000                   | 293,000                      |                                 | 293,000                       | 295,859                    | 2,859                  | 101%                         |
| 12/01/2064           | 285,000                   | 310,200                      |                                 | 310,200                       | 313,850                    | 3,650                  | 101%                         |
| 12/01/2065           | 555,000                   | 571,650                      | (260,000)                       | 311,650                       | 313,850                    | 2,200                  | 101%                         |
|                      | 3,995,000                 | 6,615,200                    | (260,000)                       | 6,355,200                     | 6,424,530                  | 69,330                 |                              |

**Exhibit I**  
**Resolution of Approval**

{01168876.DOCX v:8}

**Service Plan for Arrowhead Colorado Metropolitan District**

RESOLUTION NO. R-013- \_\_\_\_\_

THE BOARD OF COUNTY COMMISSIONERS  
OF THE COUNTY OF DOUGLAS, COLORADO

A RESOLUTION APPROVING THE SERVICE PLAN OF  
ARROWHEAD COLORADO METROPOLITAN DISTRICT

WHEREAS, on [INSERT DATE], a service plan for the proposed **Arrowhead Colorado Metropolitan District** (“Service Plan”) was filed with the Douglas County Clerk and Recorder (“Clerk”), and the Clerk, on behalf of the Board of County Commissioners (“Board”), mailed a Notice of Filing of Special District Service Plan to the Division of Local Government in the Department of Local Affairs on [INSERT DATE]; and

WHEREAS, on [INSERT DATE], the Douglas County Planning Commission recommended approval of the Service Plan to the Board; and

WHEREAS, on [INSERT DATE], the Board set a public hearing on the Service Plan for [INSERT DATE] (“Public Hearing”), and (1) ratified publication of the notice of the date, time, location and purpose of such Public Hearing, which was published in *The Douglas County News-Press* on [INSERT DATE]; and (2) caused notice of the date, time and location of the Public Hearing to be mailed on [INSERT DATE], to the governing body of the existing municipalities and special districts which have levied an *ad valorem* tax within the next preceding tax year and which have boundaries within a radius of three miles of the proposed boundaries of **Arrowhead Colorado Metropolitan District** (“District”) and, on [INSERT DATE], to the petitioners and to the property owners, pursuant to the provisions of § 32-1-204(1.5), C.R.S.; and

WHEREAS, on [INSERT DATE], a Public Hearing on the Service Plan was opened at which time all interested parties, as defined in § 32-1-204, C.R.S., were afforded an opportunity to be heard, and all testimony and evidence relevant to the Service Plan and the organization of the proposed District was heard, received and considered.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF THE COUNTY OF DOUGLAS, STATE OF COLORADO, THAT:

Section 1. The Board does hereby determine that all procedural requirements of §§ 32-1-201, *et seq.*, C.R.S., relating to the Service Plan have been fulfilled and that the Board has jurisdiction in the matter.

Section 2. The Board does hereby find:

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

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

(c) that the proposed District is capable of providing economical and sufficient service to the area within the proposed boundaries; and

(d) that the area to be included in the proposed District has, or will have, the financial ability to discharge the proposed indebtedness on a reasonable basis; and

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

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

(g) that the proposal is in substantial compliance with the Douglas County Comprehensive Master Plan; and

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

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

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

Section 3. The Board hereby approves the Service Plan without conditions; provided, however, that such action shall not imply the approval of any land development activity within the proposed District or its service area, or of any specific number of

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Service Plan for Arrowhead Colorado Metropolitan District

buildable units identified in the Service Plan, unless the Board has approved such development activity as part of a separate development review process.

Section 4. The legal description of the District shall be as provided in **Exhibit A**, attached hereto and incorporated herein by reference.

Section 5. A certified copy of this resolution shall be filed in the records of Douglas County.

PASSED AND ADOPTED this \_\_\_ day of \_\_\_\_\_, 20 \_\_, in Castle Rock, Douglas County, Colorado.

THE BOARD OF COUNTY COMMISSIONERS  
OF THE COUNTY OF DOUGLAS, COLORADO

BY: \_\_\_\_\_  
\_\_\_\_\_, Chair

ATTEST:  
  
\_\_\_\_\_  
Deputy Clerk

EXHIBIT A TO RESOLUTION OF APPROVAL

(Legal Description)

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**Service Plan for Arrowhead Colorado Metropolitan District**

**Exhibit J**  
**Compliance with Section 18A, Water Supply – Overlay District**

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**Service Plan for Arrowhead Colorado Metropolitan District**

# Exhibit J - Compliance with Section 18A



## Roxborough

Water & Sanitation District

May 10, 2024

Coy Williams  
Kimley-Horn  
4582 South Ulster Street, Suite 1500  
Denver, CO 80237

Re: Roxborough Park Project Areas 12 and 14

Dear Mr. Williams

Roxborough Water and Sanitation District is providing this letter regarding water service to the referenced property, in accordance with the Rules and Regulations of the District as amended from time to time. The referenced project is within the boundaries of the District.

### Development Water Demand

The referenced property will accommodate the proposed 18 EQR's for water. Water demand for the above-mentioned property is planned as follows.

| <u>Type of Use</u>                     | <u>Quantity</u> | <u>Required Water Supply(ac-ft/yr)</u> |
|----------------------------------------|-----------------|----------------------------------------|
| Residential /<br>Commercial Conversion | 18 EQR's        | 7.92 Acre feet per year                |

### Water Supply Availability

Roxborough Water and Sanitation District has a 90-year agreement with automatic and continuous renewals with the City of Aurora to purchase 2,235-acre feet of water annually. Under that agreement, 1,950-acre feet per year is available for potable water supply, and 285-acre feet per year is available for irrigation of Arrowhead Golf Course and Roxborough Village Metro District parks and open space.

Per the water supply agreement with Aurora, 1,950-acre feet of water, with a maximum of 0.44 ac-ft/yr/EQR, can serve a maximum of 4,431 EQR's. As of December 31, 2023, the District provided water service to 3,974 EQR's, that used a total of 985-acre feet of water in 2023, or 0.25 ac-ft/yr/EQR. Buildout within the current service area, which includes this property is expected to be 4,377 EQR's with a required water supply of 1,925 ac-ft/yr leaving 25-acre feet remaining for future inclusions in the District's service area.





# Roxborough

Water & Sanitation District

## **Water Quality**

The District's water is diverted from the South Platte River at Strontia Springs Reservoir and then runs through the City of Aurora's tunnel to Rampart Range Reservoir and transmission pipelines to the District's Larry D. Moore Water Treatment Plant. Once it reaches the treatment facility, we utilize a number of treatment processes including coagulation, flocculation, sedimentation, filtration and disinfection. Roxborough Water and Sanitation District meets or exceeds all Colorado Department of Public Health and Environment testing and quality requirements and provides high quality water to its customers. The District's most recent Annual Water Quality Report can be found on our website ([www.roxwater.org](http://www.roxwater.org)).

This letter affirms that Roxborough Water and Sanitation District has sufficient water supply to serve the property. For the purposes of Douglas County's concurrency management process, please accept this letter as confirmation that Roxborough Water and Sanitation District has reviewed the proposed development and determined that it meets the District's service standards. This letter does not constitute authorization to connect any of the proposed commercial properties to the District's system.

## **Sewer Service Availability**

The District and the City of Littleton entered into an agreement under which Littleton provides wastewater treatment service to the District. To receive treatment service from Littleton, the District constructed all facilities required to connect to the Littleton system. Regionalization with the Littleton system enabled the decommissioning of the former Roxborough Water and Sanitation District and Lockheed Martin wastewater treatment facilities. In September 2007, the District completed construction of facilities, owned and operated by the District, to convey wastewater to the Littleton system.

Facilities required to connect to the Littleton wastewater system include two lift stations and approximately 14 miles of pipeline. The Waterton lift station serves the Lockheed Martin Waterton Campus; the Roxborough lift station serves the District's entire service area, including the Ravenna Maintenance Site. A pipeline conveys wastewater from Roxborough to the Littleton wastewater collection system for treatment at South Platte Renew owned by the Cities of Littleton and Englewood. The overall capacity of the wastewater conveyance system is 1.75 million gallons per day (MGD), to serve the ultimate wastewater flow condition for build out of the District's service area.

Interceptor sewers are in place to serve the ultimate development condition, and all interceptors have adequate capacity to carry the projected ultimate wastewater flows.



# Roxborough

Water & Sanitation District

This letter affirms that Roxborough Water and Sanitation District has sufficient water supply and wastewater treatment capacity to serve the proposed development. For the purposes of Douglas County's concurrency management process, please accept this letter as confirmation that Roxborough Water and Sanitation District has reviewed the proposed development and determined that it meets the District's service standards. This letter does not constitute authorization to connect any of the proposed commercial properties to the District's system. Prior to connection, each proposed property will need to pay the System Development Charge in effect at that time and a Connection Permit Fee to obtain a Connection Permit.

Sincerely,

Mike Marcum  
General Manager

**Exhibit K-1**  
**FACILITIES FUNDING AND ACQUISITION AGREEMENT**

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**Service Plan for Arrowhead Colorado Metropolitan District**

# Exhibit K-1

## FACILITIES FUNDING AND ACQUISITION AGREEMENT

This **FACILITIES FUNDING AND ACQUISITION AGREEMENT** (“**Agreement**”) is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 20\_\_, with an effective date of the \_\_\_\_ day of \_\_\_\_\_, 20\_\_, by and between **ARROWHEAD COLORADO METROPOLITAN DISTRICT**, a quasi-municipal corporation and political subdivision of the State of Colorado (the “**District**”), and **DEVELOPER NAME**, a Corporate Designation (the “**Developer**”) (each a “**Party**”, and collectively, the “**Parties**”).

### RECITALS

- A. The Developer is developing property within a project located in Douglas County, Colorado, commonly known as the Homestead project (the “**Property**”).
- B. The Property is within the boundaries and/or service area of the District.
- C. The District was organized on \_\_\_\_\_, 20\_\_\_\_. (“**Organization Date**”).
- D. Pursuant to the authority granted to the District by its Service Plan, as approved by Douglas County on \_\_\_\_\_, 20\_\_\_\_, as it may be amended from time to time (the “**Service Plan**”), the District is authorized to construct, acquire and install public improvements, including water, sanitation (including storm drainage), street, safety protection, park and recreation, transportation, fire protection, television relay and translation, and mosquito control and other facilities and services (“**Improvements**”), which benefit property within the District’s boundaries and/or service area.
- E. In order for the Property to be developed, the Improvements need to be constructed and/or acquired.
- F. The District does not currently have sufficient monies available to fund the cost of construction of the Improvements or to acquire the Improvements.
- G. Funds related to the design, testing, engineering, and construction of the Improvements, together with the related consultant and management fees associated with the construction of the Improvements, have been and/or will be expended by the Parties (“**Construction Related Expenses**”).
- H. The Developer has incurred expenses for the organization of the District (“**Organization Expenses**”).
- I. It is anticipated that the District will issue bonds, the proceeds of which may be utilized in part to reimburse the Developer for Organization Expenses, Construction Related Expenses, and/or acquisition of Improvements.
- J. In order to encourage development within the District, the District and the Developer have determined that until bonds are issued it is in the best interests of the District for

the Developer to advance funds to the District for the Construction Related Expenses and/or for the District's acquisition of the Improvements upon completion, and the Developer is willing to so proceed.

K. The District desires to reimburse the Developer for the Construction Related Expenses and to acquire such Improvements completed by the Developer.

L. The District desires to reimburse the Developer for the Organization Expenses.

M. The District and the Developer desire to set forth the rights, obligations, and procedures for the acquisition of the Improvements and for the District to reimburse the Developer as provided herein.

NOW, THEREFORE, in consideration of the foregoing and the respective agreements of the Parties contained herein, the Parties agree as follows:

## **COVENANTS AND AGREEMENTS**

### **ARTICLE I FUNDING OF ORGANIZATION EXPENSES**

1.1 Acknowledgement of and Reimbursement for Organization Expenses. The District hereby acknowledges that the Developer has incurred Organization Expenses and the District is authorized to reimburse the Developer for such Organization Expenses subject to the requirements of this Section. The Developer shall provide to the District's accountant written documentation of the Organization Expenses it has incurred and such other information as the District's accountant may reasonably require in order to verify the amount of Organization Expenses reimbursable to the Developer. Subject to the receipt of funding pursuant to Section 4.3, the District shall reimburse to the Developer the amount of Organization Expenses that have been verified by the District's accountant and approved by the District's Board of Directors, plus amounts, if any, advanced to the District by the Developer to pay the costs incurred for such review, verification and approval.

### **ARTICLE II FUNDING OF IMPROVEMENTS TO BE CONSTRUCTED BY THE DISTRICT**

2.1 Improvements Constructed by the District. The Parties acknowledge that the District will design, construct, and complete certain Improvements and incur Construction Related Expenses in accordance with the provisions of this Article II.

2.2 Acknowledgement of Anticipated Shortfall. The Developer acknowledges that in connection with the construction of the Improvements, the District will incur Construction Related Expenses in reliance upon the Developer's commitments herein to provide funding. The total estimated cost to complete construction of the Improvements, including contingencies, is \_\_\_\_\_ Dollars (\$ \_\_\_\_\_) (the "**Shortfall Amount**").

2.3 Payment of Shortfall. The Developer shall advance funds necessary to fund the Construction Related Expenses incurred by the District on a periodic basis as needed for the

fiscal years 20\_\_\_\_ through 20\_\_\_\_ of the District, up to the Shortfall Amount. The District shall, from time to time, provide written notice to the Developer that an advance of all or part of the Shortfall Amount is required. The Developer shall make an advance of funds to the District within fifteen (15) days of receipt from the District of any such written notice that an advance of funds is required (“**Developer Advance**”).

2.4 Request for Additional Developer Advance. If the District requires additional advances above the Shortfall Amount from the Developer for the Construction Related Expenses, the District shall request such additional funds in writing. Such request shall be accompanied by written explanation regarding the reasons additional funds are required. The Developer shall provide written acknowledgement of approval of the increased Shortfall Amount as well as such additional funds within fifteen (15) days of receipt of notice requesting such funds. The amount of the additional funds shall be added to and included within the Shortfall Amount.

2.5 Accounting. The District shall keep an accounting of each Developer Advance, including the accrued and unpaid interest thereon, and shall provide unaudited financial statements reflecting this accounting to the Developer on a [monthly/quarterly/annual] basis.

### **ARTICLE III CONSTRUCTION OF IMPROVEMENTS TO BE ACQUIRED BY THE DISTRICT**

3.1 Improvements Acquired by District. The Parties agree that prior to the Developer requesting that the District acquire any Improvements pursuant to this Agreement, the District shall obtain a certification of an independent engineer that the Construction Related Expenses are reasonable and comparable for similar projects as constructed in the Denver Metropolitan Area and Douglas County, and verification from the District’s accountant that the Construction Related Expenses are reimbursable (“Verified Costs”) based on the copies of the invoices, bills, and requests for payment provided to the District pursuant to Section 3.4 herein. The Developer shall provide the District and/or the independent engineer with written evidence of the date that payment was made by the Developer for all Verified Costs. The Developer shall advance to the District funds necessary to pay the costs incurred by the District for such review and cost verification, including legal, accounting, management and engineering expenses.

3.2 Construction Contract Requirements. The Developer agrees that any construction contract for all or any portion of the Improvements shall require the contractor and/or the Developer to provide a warranty from the date of initial acceptance of the completed Improvements and a security mechanism to secure the warranty approved by the District or as required by the applicable government entity to which the Improvements shall be dedicated.

3.3 Periodic Reports. If the District so requests, the Developer will provide periodic reports on the status of completion of the Improvements and/or accounting of Construction Related Expenses.

3.4 Acquisition of the Improvements. The District shall acquire the Improvements after preliminary acceptance from the appropriate accepting jurisdiction and prior to final

acceptance upon receipt, review and approval by the District’s accountant and engineer, as applicable, of the following:

- (a) As-built drawings for the Improvements to be conveyed by the Developer;
- (b) Lien waivers and indemnifications from each contractor verifying that all amounts due to contractors, subcontractors, material providers, or suppliers have been paid in full, in a form acceptable to the District;
- (c) An assignment from the Developer to the District of any warranties associated with the Improvements, in a form acceptable to the District, such as a warranty agreement;
- (d) Copies of all contracts, pay requests, change orders, invoices and evidence of payment of same, the final AIA payment form (or similar form approved by the District), canceled checks, and any other requested documentation to verify the amount of reimbursable Construction Costs requested;
- (e) An executed Bill of Sale conveying the Improvements to the District, substantially in the form attached hereto as **Exhibit A**; and
- (f) Such other documentation, records and verifications as may reasonably be required by the District.

#### **ARTICLE IV REIMBURSEMENT OF DEVELOPER**

4.1 **Reimbursement of Developer.** Subject to the receipt of funding pursuant to Section 4.3 herein and all other applicable provisions hereof, the District agrees to make payment to the Developer for all Developer Advances and/or Verified Costs, together with interest thereon, unless otherwise agreed to in writing by the Parties. Developer and District acknowledge the existence of limitations on the District's ability to make such payments as a result of Section XI of the Service Plan, which limits the interest rate on developer reimbursements to not exceed the current Bond Buyer 20-Bond GO Index plus four percent (4%).

4.2 **Interest and Payment Priority.** Simple interest shall accrue on Organization Expenses and Construction Related Expenses at the rate of \_\_\_\_\_ percent (\_\_\_\_%) per annum until paid. For Organization Expenses, simple interest shall accrue from the Organization Date. For Construction Related Expenses, simple interest shall accrue as follows:

- (g) On each Developer Advance, from the date of deposit into the District’s account.
- (h) On Verified Costs for amounts expended by the Developer for Construction Related Expenses incurred prior to the Organization Date, from the Organization Date.

(i) On Verified Costs for amounts expended by the Developer for Improvements constructed after the Organization Date, from the date Verified Costs were incurred by the Developer.

The Parties agree that payments by the District to the Developer shall credit first against accrued and unpaid interest and then to the principal amount due. **CONSIDER PRIORITY OF REIMBURSEMENT BETWEEN DEVELOPER ADVANCES AND VERIFIED COSTS.**

4.3 **Funding Requirement.** The Parties agree that no payment shall be required of the District hereunder unless and until the District issues bonds in an amount sufficient to reimburse the Developer for all or a portion of the Organization Expenses, Developer Advances and/or Verified Costs. The District agrees to exercise reasonable efforts to issue bonds to reimburse the Developer subject to the limitations herein. In addition, the District agrees to utilize any available moneys not otherwise pledged to payment of bonds, used for operation and maintenance expenses, or otherwise encumbered, to reimburse the Developer. It is hereby agreed and acknowledged that this Agreement evidences an intent to reimburse the Developer hereunder, but that this Agreement shall not constitute a debt or indebtedness of the District within the meaning of any constitutional or statutory provision, nor shall it constitute a multiple fiscal year financial obligation for the purposes of Article X, Section 20 of the Colorado Constitution, and the making of any reimbursement hereunder shall be at all times subject to annual appropriation by the District. By acceptance of this Agreement, the Developer agrees and consents to all of the limitations in respect of the payment of the principal and interest due hereunder and in the District's Service Plan.

## **ARTICLE V GENERAL PROVISIONS**

5.1 **Representations.** The Developer hereby represents and warrants to and for the benefit of the District as follows:

(a) The Developer is a CORPORATE DESIGNATION in good standing and qualified to conduct business under the laws of the State of Colorado.

(b) The Developer has the full power and legal authority to enter into this Agreement. Neither the execution and delivery of this Agreement nor the compliance by the Developer with any of its terms, covenants or conditions is or shall become a default under any other agreement or contract to which the Developer is a party or by which the Developer is or may be bound. The Developer has taken or performed all requisite acts or actions which may be required by its organizational or operational documents to confirm its authority to execute, deliver and perform each of its obligations under this Agreement.

(c) The Developer represents that it has sufficient available funds to fulfill its obligations under this Agreement.

(d) The foregoing representations and warranties are made as of the date hereof and shall be deemed continually made by the Developer to the District for the entire term of this Agreement.



5.2 Term; Repose. CONSULT WITH SHAREHOLDER Notwithstanding anything set forth in this Agreement to the contrary, the District shall not be obligated to the Developer for Organization Expenses, Construction Related Expenses and/or Verified Costs incurred by the Developer, but not invoiced (as evidenced by the delivery of the documents described in Article 3 above) to the District within \_\_\_\_ days of the date incurred. In the event the District has not paid or reimbursed the Developer for any Organization Expenses, Construction Related Expenses and/or Verified Costs by December 31, 20\_\_\_\_ LESSER OF 40 YEARS OR THE USEFUL LIFE OF THE IMPROVEMENTS AS CALCULATED BY DISTRICT ACCOUNTANT, whether invoiced or not invoiced by such date, any amount of principal and accrued interest outstanding on such date shall be deemed to be forever discharged and satisfied in full.

5.3 Inactive Status. The Developer acknowledges the District may elect to be inactive in any one or more of the years this Agreement is in effect, and the Developer and the District agree that, during the period of inactivity: the District shall have no financial obligations outstanding or contracts in effect that require performance by the District; the District shall not impose a mill levy for tax collection; the District shall not anticipate any receipt of revenue and shall have no planned expenditures, except for statutory compliance, in said fiscal year(s); the District shall have no operation or maintenance responsibility for any facilities; and the District shall file an initial notice of inactive status pursuant to Section 32-1-104, C.R.S., and each year thereafter that the District continues to be inactive, the District shall file a notice of inactive status pursuant to Section 32-1-104(4), C.R.S. By acceptance of this Agreement, the Developer agrees that during any period of District inactivity, the District shall have no obligations, including no obligations to make reimbursements, under this Agreement and shall not be required to take any other actions hereunder.

5.4 Termination of Reimbursement Obligations. Notwithstanding any provision herein to the contrary, the District's obligations to reimburse the Developer for any and all funds advanced or otherwise payable to the Developer under and pursuant to this Agreement (whether the Developer has already advanced or otherwise paid such funds or intends to make such advances or payments in the future) shall terminate automatically and be of no further force or effect upon the occurrence of (a) the Developer's voluntary dissolution, liquidation, winding up, or cessation to carry on business activities as a going concern; (b) administrative dissolution (or other legal process not initiated by the Developer dissolving the Developer as a legal entity) that is not remedied or cured within sixty (60) days of the effective date of such dissolution or other process; or (c) the initiation of bankruptcy, receivership or similar process or actions with regard to the Developer (whether voluntary or involuntary). The termination of the District's reimbursement obligations as set forth in this Section shall be absolute and binding upon the Developer, its successors and assigns. The Developer, by its execution of this Agreement, waives and releases any and all claims and rights, whether existing now or in the future, against the District relating to or arising out of the District's reimbursement obligations under this Agreement in the event that any of the occurrences described in this Section occur.

5.5 Notices. All notices, demands, requests or other communications to be sent by one Party to the other hereunder or required by law shall be in writing and shall be deemed to have been validly given or served by delivery of same in person to the addressee or by courier delivery via FedEx or other nationally recognized overnight air courier service, by electronically-

confirmed email transmission, or by depositing same in the United States mail, postage prepaid, addressed as follows:

To District: Arrowhead Colorado Metropolitan District  
c/o McGeady Becher  
450 E. 17<sup>th</sup> Ave, Suite 400  
Denver, CO 80202  
Phone: 303-592-4380  
Email: legalnotices@specialdistrictlaw.com

With a copy to: McGeady Becher P.C.  
**DELETE IF NOT NEEDED** 450 East 17<sup>th</sup> Avenue, Suite 400  
Denver, CO 80203-1254  
Phone: 303-592-4380  
Email: legalnotices@specialdistrictlaw.com

To Developer: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Attention: \_\_\_\_\_  
Phone: \_\_\_\_\_  
Email: \_\_\_\_\_

With a copy to: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Attention: \_\_\_\_\_  
Phone: \_\_\_\_\_  
Email: \_\_\_\_\_

All notices, demands, requests or other communications shall be effective upon such personal delivery, one (1) business day after being deposited with FedEx or other nationally recognized overnight air courier service, on the date of transmission if sent by electronically-confirmed email transmission, or three (3) business days after deposit in the United States mail. By giving the other Party hereto at least ten (10) days’ written notice thereof in accordance with the provisions hereof, each of the Parties shall have the right from time to time to change its address or contact information.

5.6 Assignment. The Developer shall not assign any of its rights or delegate any of its duties hereunder to any person or entity. Any purported assignment or delegation in violation of the provisions hereof shall be void and ineffectual.

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

provisions in this Agreement by and on behalf of the District and the Developer shall be for the sole and exclusive benefit of the District and the Developer.

5.8 Default/Remedies. In the event of a breach or default of this Agreement by either Party, the non-defaulting Party shall be entitled to exercise all remedies available at law or in equity. In the event of any litigation, arbitration or other proceeding to enforce the terms, covenants or conditions hereof, the prevailing Party in such proceeding shall obtain as part of its judgment or award its reasonable attorneys' fees.

5.9 Governing Law and Jurisdiction. This Agreement shall be governed and construed under the laws of the State of Colorado. Venue for any legal action relating to this Agreement shall be exclusive to the State District Court in and for the County of \_\_\_\_\_, Colorado.

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

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

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

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

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

5.15 Amendment. This Agreement may be amended from time to time by agreement between the Parties hereto; provided, however, that no amendment, modification, or alteration of the terms or provisions hereof shall be binding upon the District or the Developer unless the same is in writing and duly executed by the Parties hereto.

**SIGNATURE PAGE FOLLOWS**

**SIGNATURE PAGE TO FACILITIES FUNDING AND ACQUISITION AGREEMENT**

IN WITNESS WHEREOF, the Parties have executed this Facilities Funding and Acquisition Agreement as of the day and year first set forth above.

**ARROWHEAD COLORADO  
METROPOLITAN DISTRICT**, a quasi-municipal corporation and political subdivision of the State of Colorado

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

Attest:

\_\_\_\_\_  
\_\_\_\_\_, Secretary

**DEVELOPER NAME**, a corporate designation

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

Name: \_\_\_\_\_

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

**EXHIBIT A**

**Bill of Sale**

KNOW ALL BY THESE PRESENTS that \_\_\_\_\_, a \_\_\_\_\_, whose address is \_\_\_\_\_ (“**Grantor**”), for and in consideration of the sum of Ten Dollars (\$10.00) and other good and valuable consideration, the receipt of which is hereby acknowledged, has bargained and sold, and by these presents does grant and convey unto \_\_\_\_\_, a \_\_\_\_\_, whose address is \_\_\_\_\_ (the “**District**”), its successors and assigns, all of Grantor’s right, title and interest in and to the facilities, personal property and the improvements shown on **Exhibit I** attached hereto and incorporated herein by this reference (“**Improvements**”), excluding therefrom those Improvements previously conveyed to other jurisdictions for perpetual ownership.

TO HAVE AND TO HOLD the same unto the District, its successors and assigns forever; and Grantor, its successors and assigns, shall warrant and defend the sale of said Improvements made unto the District, its successors and assigns, against all and every person or persons whomsoever, and warrants that (i) the conveyance of the Improvements to the District, its successors and assigns, is made free from any claim or demand whatsoever; and (ii) the Improvements were constructed and installed in accordance with plans and specifications reviewed and approved by the District and all applicable Rules and Regulations of the District.

IN WITNESS WHEREOF, Grantor executes this Bill of Sale this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

GRANTOR:

\_\_\_\_\_, a \_\_\_\_\_

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

STATE OF COLORADO            )  
                                                  )    ss.  
COUNTY OF \_\_\_\_\_           )

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by \_\_\_\_\_, as \_\_\_\_\_ of \_\_\_\_\_ and by \_\_\_\_\_ as \_\_\_\_\_ of \_\_\_\_\_.

Witness my hand and official seal.

My commission expires: \_\_\_\_\_

\_\_\_\_\_  
Notary Public

**EXHIBIT I**

Improvements

Project Description

Estimated Cost

**EXHIBIT K-2**  
**OPERATION FUNDING AND REIMBURSEMENT AGREEMENT**

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**Service Plan for Arrowhead Colorado Metropolitan District**

**Exhibit K-2**

**OPERATION FUNDING AND REIMBURSEMENT AGREEMENT**

This **OPERATION FUNDING AND REIMBURSEMENT AGREEMENT** (“**Agreement**”) is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, with an effective date of the \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by and between **ARROWHEAD COLORADO METROPOLITAN DISTRICT**, a quasi-municipal corporation and political subdivision of the State of Colorado (the “**District**”), and **DEVELOPER NAME**, a corporate designation (the “**Developer**”) (individually, each a “**Party**” and collectively, the “**Parties**”).

**RECITALS**

- A. The Developer is developing property within a project located in Douglas County, Colorado, commonly known as the Homestead project (the “**Property**”).
- B. The Property is within the boundaries and/or service area of the District.
- C. The District was organized on \_\_\_\_\_, 20\_\_\_\_. (“**Organization Date**”).
- D. Pursuant to the authority granted to the District by its Service Plan, as approved by Douglas County on DATE, as it may be amended from time to time (the “**Service Plan**”), the District intends to construct and/or acquire certain public improvements and provide certain services to benefit properties within its boundaries and/or service area (the “**District Services**”).
- E. The District Services will benefit the Property.
- F. In order for the public improvements to be constructed and/or acquired it is necessary for the District to be able to pay its ongoing operations, maintenance and administrative expenses which enable it to provide the District Services.
- G. The District anticipates that it will not have sufficient revenues to make payment of its operations, maintenance and administrative expenses for fiscal years YEARS.
- H. In order to enable the District to provide District Services, the Developer is willing to advance funds to the District or to pay consultants directly for operations, maintenance and administrative expenses pursuant to the terms of this Agreement.
- I. The District’s Service Plan authorizes the repayment of amounts advanced for operations, maintenance and administrative expenses, together with interest thereon, by the District.
- J. The District and the Developer desire to set forth the rights, obligations and procedures for the Developer to advance funds and for the District to reimburse the Developer for the advances made hereunder.

NOW, THEREFORE, in consideration of the foregoing and the respective agreements of the Parties contained herein, the Parties agree as follows:



## COVENANTS AND AGREEMENTS

1. Acknowledgement of Anticipated Shortfall. The District anticipates a shortfall in revenues available for operations, maintenance and administrative expenses to be incurred for fiscal years YEAR through YEAR in an aggregate amount of \_\_\_\_\_ Dollars (\$ \_\_\_\_\_) (the “**Shortfall Amount**”).

2. Payment of Shortfall. The Developer shall advance funds necessary to fund, or shall directly pay, the District’s operations, maintenance and administrative expenses on a periodic basis as needed for the fiscal years \_\_\_\_ through \_\_\_\_ up to the Shortfall Amount. The District shall, from time to time, provide written notice to the Developer that an advance of all or part of the Shortfall Amount is required. The Developer shall make an advance of funds to the District within fifteen (15) days of receipt from the District of any such written notice that an advance of funds is required (“**Developer Advance**”).

3. Request for Additional Developer Advance. If the District requires additional advances above the Shortfall Amount from the Developer in order to meet its operation and maintenance expenses, the District shall request such additional funds in writing. Such request shall be accompanied by written explanation regarding the reasons additional funds are required. The Developer shall provide such additional funds within fifteen (15) days of receipt of notice requesting such funds. The amount of the additional funds shall be added to and included in the Shortfall Amount.

4. Accounting. The Developer shall provide the District with written documentation relative to any expenses paid directly to consultants. The District shall keep an accounting of each advance made by the Developer, including the accrued and unpaid interest on such advances, and shall provide unaudited financial statements reflecting this accounting to the Developer on a monthly/quarterly/annual basis.

5. Repayment. The District hereby agrees that it is its intention to repay the amounts the Developer has advanced or directly paid pursuant to this Agreement, including any amounts paid directly by the Developer during any period of inactive status pursuant to Section 7 below, to the extent it has funds available from the imposition of its taxes, fees, rates, tolls, penalties and charges, and from any other revenue legally available, after the payment of its annual debt service obligations and annual operations, maintenance and administrative expenses, which repayment is subject to annual budget and appropriation. Simple interest shall accrue on each Developer Advance from the date of deposit into the District’s account or from the date of direct payment by the Developer, until paid, at the rate of \_\_\_\_\_ percent (\_\_\_\_%) per annum. It is hereby agreed and acknowledged that this Agreement evidences an intent to reimburse the Developer hereunder, but that this Agreement shall not constitute a debt or indebtedness of the District within the meaning of any constitutional or statutory provision, nor shall it constitute a multiple fiscal year financial obligation, and the making of any reimbursement hereunder shall be at all times subject to annual appropriation by the District in its absolute discretion. By acceptance of this Agreement, the Developer agrees and consents to all of the limitations in respect of the payment of the principal and interest due hereunder and in the District’s Service Plan.

6. Priority of Payments. Subject to the provisions of Section 5 above, payments to reimburse the Developer shall be made on December 2 of each year and shall be applied as follows: (a) first to the YEAR OFA accrued and unpaid interest and then to the YEAR OFA principal amount due; and then (b) first to the accrued and unpaid interest and then to the principal amount due pursuant to this Agreement.

7. Inactive Status. The Developer acknowledges the District may elect to be inactive in any one or more of the years this Agreement is in effect, and the Developer and the District agree that, during the period of inactivity the District shall:

- (a) have no financial obligations outstanding or contracts in effect that require performance by the District;
- (b) not impose a mill levy for tax collection;
- (c) not anticipate any receipt of revenue and shall have no planned expenditures, except for statutory compliance, in said fiscal year(s);
- (d) have no operation or maintenance responsibility for any facilities; and
- (e) file an initial notice of inactive status pursuant to Section 32-1-104, C.R.S., and each year thereafter that the District continues to be inactive, the District shall file a notice of inactive status pursuant to Section 32-1-104(4), C.R.S.

By acceptance of this Agreement, the Developer agrees, throughout any period of inactivity, to directly pay for any operation and maintenance expenses of the District which may be required to maintain the District's corporate existence and compliance with applicable laws, rules and regulations of the State of Colorado and the City/County. The Developer further acknowledges and agrees that during any period of District inactivity, the District shall have no obligations, including no obligations to make reimbursements, under this Agreement and shall not be required to take any other actions hereunder. Further, by acceptance of this Agreement, the Developer agrees and consents to all of the limitations in respect of the payment of the principal and interest due hereunder and in the District's Service Plan.

8. Representations. The Developer hereby represents and warrants to and for the benefit of the District as follows:

- (a) The Developer is a CORPORATE DESIGNATION in good standing and qualified to conduct business under the laws of the State of Colorado.
- (b) The Developer has the full power and legal authority to enter into this Agreement. Neither the execution and delivery of this Agreement nor the compliance by the Developer with any of its terms, covenants or conditions is or shall become a default under any other agreement or contract to which Developer is a party or by which the Developer is or may be bound. Developer has taken or performed all requisite acts or actions which may be required by its organizational or operational documents to confirm its authority to execute, deliver and perform each of its obligations under this Agreement.

(c) The Developer represents that it has sufficient available funds to fulfill its obligations under this Agreement.

The foregoing representations and warranties are made as of the date hereof and shall be deemed continually made by the Developer to the District for the entire term of this Agreement.

9. Term/Repose. [CONSULT WITH SHAREHOLDER] Any obligation of the Developer to advance funds will expire upon advance to the District of amounts sufficient to pay expenses incurred in 20\_\_\_\_ through 20\_\_\_\_, not to exceed the Shortfall Amount unless agreed to in writing by the Parties. Any obligation of the District to reimburse the Developer shall expire on December 31, 20\_\_\_\_ 40 YEARS. In the event the District has not reimbursed the Developer for any Developer Advance(s) made pursuant to this Agreement on or before December 31, 20\_\_\_\_, any amount of principal and accrued interest outstanding on such date shall be deemed to be forever discharged and satisfied in full.

10. Termination of Reimbursement Obligations. Notwithstanding any provision herein to the contrary, the District's obligations to reimburse the Developer for any and all funds advanced or otherwise payable to the Developer under and pursuant to this Agreement (whether the Developer has already advanced or otherwise paid such funds or intends to make such advances or payments in the future) shall terminate automatically and be of no further force or effect upon the occurrence of: (a) the Developer's voluntary dissolution, liquidation, winding up, or cessation to carry on business activities as a going concern; (b) administrative dissolution (or other legal process not initiated by the Developer dissolving the Developer as a legal entity) that is not remedied or cured within sixty (60) days of the effective date of such dissolution or other process; or (c) the initiation of bankruptcy, receivership or similar process or actions with regard to the Developer (whether voluntary or involuntary). The termination of the District's reimbursement obligations as set forth in this Section shall be absolute and binding upon the Developer, its successors and assigns. The Developer, by its execution of this Agreement, waives and releases any and all claims and rights, whether existing now or in the future, against the District relating to or arising out of the District's reimbursement obligations under this Agreement in the event that any of the occurrences described in this Section occur.

11. Notices. All notices, demands, requests or other communications to be sent by one Party to the other hereunder or required by law shall be in writing and shall be deemed to have been validly given or served by delivery of same in person to the addressee or by courier delivery via FedEx or other nationally recognized overnight air courier service, by electronically-confirmed email transmission, or by depositing same in the United States mail, postage prepaid, addressed as follows:

To District: Arrowhead Colorado Metropolitan District  
c/o McGeady Becher  
450 E. 17<sup>th</sup> Ave, Suite 400  
Denver, CO 80202  
Phone: 303-592-4380  
Email: legalnotices@specialdistrictlaw.com

With a copy to: **DELETE IF NOT NEEDED** McGeady Becher P.C.  
450 East 17<sup>th</sup> Avenue, Suite 400  
Denver, CO 80203-1254  
Phone: 303-592-4380  
Email: legalnotices@specialdistrictlaw.com

To Developer: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Attention: \_\_\_\_\_  
Phone: \_\_\_\_\_  
Email: \_\_\_\_\_

With a copy to: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Attention: \_\_\_\_\_  
Phone: \_\_\_\_\_  
Email: \_\_\_\_\_

All notices, demands, requests or other communications shall be effective upon such personal delivery, one (1) business day after being deposited with FedEx or other nationally recognized overnight air courier service, on the date of transmission if sent by electronically-confirmed email transmission, or three (3) business days after deposit in the United States mail. By giving the other Party hereto at least ten (10) days' written notice thereof in accordance with the provisions hereof, each of the Parties shall have the right from time to time to change its address or contact information.

12. Assignment. The Developer shall not assign any of its rights or delegate any of its duties hereunder to any person or entity. Any purported assignment or delegation in violation of the provisions hereof shall be void and ineffectual.

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

14. Default/Remedies. In the event of a breach or default of this Agreement by either Party, the non-defaulting Party shall be entitled to exercise all remedies available at law or in equity. In the event of any litigation, arbitration or other proceeding to enforce the terms, covenants or conditions hereof, the prevailing Party in such proceeding shall obtain as part of its judgment or award its reasonable attorneys' fees.

15. Governing Law and Jurisdiction. This Agreement shall be governed and construed under the laws of the State of Colorado. Venue for any legal action relating to this Agreement shall be exclusive to the State District Court in and for the County of \_\_\_\_\_, Colorado.

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

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

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

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

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

21. Amendment. This Agreement may be amended from time to time by agreement between the Parties hereto; provided, however, that no amendment, modification, or alteration of the terms or provisions hereof shall be binding upon the District or the Developer unless the same is in writing and duly executed by the Parties hereto.

## **SIGNATURE PAGE FOLLOWS**

**[SIGNATURE PAGE TO OPERATION FUNDING AND REIMBURSEMENT AGREEMENT]**

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the day and year first set forth above.

**ARROWHEAD COLORADO  
METROPOLITAN DISTRICT**, a quasi-  
municipal corporation and political subdivision  
of the State of Colorado

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

Attest:

\_\_\_\_\_  
Secretary

**DEVELOPER NAME**, a corporate designation

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

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**Exhibit L**  
**Annual Report Requirements**

The District shall be responsible for submitting an annual report to the County no later than October 1 of each year. The annual report shall conform to the following format:

Name of District

Year ANNUAL REPORT

(For Activities Completed in Year, and With Information About Prospective Years)

- I. District Description - General Information
  - a. Board members, officers' titles, and terms
  - b. Changes in board membership in past year
  - c. Name and address for official District contact
  - d. Elections held in the past year and their purpose
- II. Boundary changes for the report year and proposed changes for the coming year
- III. List of intergovernmental agreements (existing or proposed) and a brief description of each detailing the financial and service arrangements
  - a. Contracts for operations, debt, and other contractual obligations with sub-districts or operating and taxing districts
  - b. Reimbursement agreements with developers and/or builders for advances to fund capital costs and administrative/operational and maintenance costs of the District
- IV. Service Plan
  - a. List and description of services authorized in Service Plan
  - b. List and description of facilities authorized in Service Plan
  - c. List and description of any extraterritorial services, facilities, and agreements
- V. Development Progress
  - a. Indicate the estimated year of build-out, as set forth in the Service Plan
  - b. List the services provided with the date service began compared to the date authorized by the Service Plan

- c. List changes made to the Service Plan, including when the change was authorized, when it was implemented or is expected to be implemented
- d. List facilities to be acquired or constructed or leased back as set forth in the Service Plan and compare the date of completion or operation with the date authorized by the Service Plan
- e. List facilities not completed. Indicate the reason for incompleteness and provide a revised schedule, if any
- f. List facilities currently under construction with the percentage complete and an anticipated date of completion
- g. Indicate the population of the District for the previous five (5) years and provide population projections for the next five (5) years
- h. List the planned number of housing units by type and the number of commercial and industrial properties with respective square footage and anticipated dates of completion/operation. Compare the completed units and completed commercial and industrial properties to the amount planned in the Service Plan.
- i. List any enterprises created by and/or operated by or on behalf of the District, and summarize the purpose of each

VI. Financial Plan and Financial Activities

- a. Provide a copy of the audit or exemption from the audit for the reporting year.
- b. Provide a copy of the budget, showing the reporting and previous years.
- c. Show revenues and expenditures of the District for the previous five (5) years and provide projections for the next five (5) years. Include any non-District or non-governmental financial support. Include and list individually all fees, rates, tolls, etc., with a summary of the purpose of each. Show other miscellaneous tax revenue, such as specific ownership taxes. For the same period, show actual and projected mill levies by purpose (showing mill levies for each individual general obligation, revenue-based obligation, or contractual obligation).



- d. List all debt that has been issued, including all individual issuances with a schedule of service until the debt is retired
- e. List individually all authorized but unissued debt, including the purpose, ballot issue letter designation and election date, and amounts authorized and unissued
- f. List the total amount of debt issued and outstanding as of the date of the annual report and compare to the maximum authorized debt level as set forth in the Service Plan
- g. Enterprises of the District
  - i. Include revenues of the enterprise, showing both direct support from the District and all other sources
  - ii. Include expenses of the enterprise, showing both direct payments to the District and all other obligations
- h. Detail contractual obligations
  - i. Describe the type of obligation, current year dollar amount, and any changes in the payment schedule, e.g. balloon payments.
  - ii. Report any inability of the District to pay current obligations that are due within the current budget year
  - iii. Describe any District financial obligations in default
- i. Actual and Assessed Valuation History
  - i. Report the annual actual and assessed valuation for the current year and for each of seven (7) years prior to current year
  - ii. For each year, compare the certified assessed value with the Service Plan estimate for that year. If Service Plan estimates are not available, indicate the same and report the certified value.

- j. Mill Levy History
  - i. Report the annual mill levy for the current year and for each of the seven (7) years prior to current year. Break the mill levies out by purpose (e.g., debt issuance and operations and maintenance)
  - ii. For each year, compare the actual mill levy with the Service Plan estimate for that year. If Service Plan estimates are not available, indicate the same and report the actual mill levies.
- k. Miscellaneous Taxes History
  - i. Report the annual miscellaneous tax revenue for the current year and for each of the seven (7) years prior to the current year. Break the tax revenue out by purpose (e.g., general operations, revenue-based obligations, debt by issue, contractual obligations, other)
  - ii. For each year, compare the actual miscellaneous tax revenue with the Service Plan estimate for that year (if provided in Plan). If the Service Plan estimates are not available, indicate the same and report the actual taxes.
- l. Estimated Assessed Valuation of District at 100% Build-Out
  - i. Provide an updated estimate and compare this with the Service Plan estimate.
- m. Estimated Amount of Additional General Obligation Debt to be Issued by the District between the End of Current Year and 100% Build-Out.
  - i. Provide an updated estimate based on current events. Do not include refunding bonds.

**SERVICE PLAN**

**FOR**

**ARROWHEAD COLORADO METROPOLITAN DISTRICT**

**DOUGLAS COUNTY, COLORADO**

Prepared

by

[NAME OF PERSON OR ENTITY]

[ADDRESS]

[ADDRESS]

[DATE]

[APPROVAL DATE (ON FINAL SERVICE PLAN)]

MCGEADY BECHER, P.C.  
450 E. 17<sup>TH</sup> AVENUE, SUITE 400  
DENVER, CO 80203

APPROVAL DATE (ON FINAL SERVICE PLAN)

APPROVAL SUMMARY

This Service Plan for the ~~(District Name)~~ Arrowhead Colorado Metropolitan District was approved by the Douglas County Board of County Commissioners on ~~(date)~~ \_\_\_\_\_, 2024. Resolution No. \_\_\_\_\_, approving this Service Plan, has been recorded at Reception No. \_\_\_\_\_ on ~~(date)~~ \_\_\_\_\_, 2024. The organizational and TABOR elections took place on ~~(date)~~ \_\_\_\_\_, 2024. The court decree organizing the District was recorded with the Douglas County Clerk and Recorder on ~~(date)~~ \_\_\_\_\_, 2024 at Reception No. \_\_\_\_\_.

TEMPLATE

ORGANIZERS AND CONSULTANTS

This Service Plan has been prepared by the Organizers and the following participating consultants:

|                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                                                                                                                                                                                                                                                                                                             |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><u>Organizer</u></p> <p><u>Company</u><br/> <u>Arrowhead Colorado Propco LLC</u><br/> <u>Attn: _____Chris Puchalla</u><br/> <u>Address</u><br/> <u>City, State Zip</u><br/> <u>9820 100<sup>th</sup> Ave</u><br/> <u>Grande Prairie, Alberta</u><br/> <u>T8V 0T8</u><br/> <u>Canada</u><br/> <u>Phone: 301-613-1336</u><br/> <u>Fax:</u><br/> <u>Email:</u><br/> <u>Email: chrisp@pomeroylodging.com</u></p> | <p><u>District Counsel</u></p> <p><u>Company</u><br/> <u>McGeady Becher, P.C.</u><br/> <u>Attn: _____Megan Becher</u><br/> <u>Address</u><br/> <u>City, State Zip</u><br/> <u>450 17<sup>th</sup> Street, Suite 400</u><br/> <u>Denver, CO 80203</u><br/> <u>Phone: 303-592-4320</u><br/> <u>Fax: 303-592-4385</u><br/> <u>Email:</u><br/> <u>Email: mbecher@specialdistrictlaw.com</u></p> |
| <p><u>Financial Advisor</u></p> <p><u>Company</u><br/> <u>Piper Sandler &amp; Co.</u><br/> <u>Attn: _____Shelby Noble</u><br/> <u>Address</u><br/> <u>City, State Zip</u><br/> <u>1144 15<sup>th</sup> Street, Suite 2050</u><br/> <u>Denver, CO 80202</u><br/> <u>Phone: 303-820-5865</u><br/> <u>Fax:</u><br/> <u>Email: Email: shelby.noble@psc.com</u></p>                                                  | <p><u>Engineer</u></p> <p><u>Company</u><br/> <u>Kimley-Horn and Associates, Inc.</u><br/> <u>Attn: _____Coy Williams, P.E.</u><br/> <u>Address</u><br/> <u>City, State Zip</u><br/> <u>6200 S. Syracuse Way, Suite 300</u><br/> <u>Greenwood Village, CO 80111</u><br/> <u>Phone: 303-228-2300</u><br/> <u>Fax:</u><br/> <u>Email: Email: coy.williams@kimley-horn.com</u></p>             |

~~[ADDITIONAL CONSULTANTS MAY BE ADDED AT THE DISCRETION OF THE ORGANIZERS.]~~

## EXECUTIVE SUMMARY

This ~~service plan~~ Service Plan is for the \_\_\_\_\_Arrowhead Colorado Metropolitan District (the “**District**”), which will serve the public improvement needs of ~~(name of development)~~ the “Homestead” project located on Planning Areas 12 and 14 of the current Roxborough Planned Development (the “Existing PD”). The District is generally located at \_\_\_\_\_in portions of the E1/2 of the SW1/4 and the W1/2 of the SE1/4 of Section 11, and the NW1/4 of the NE1/4 of Section 14, all in Township 7 South, Range 69 West of the 6<sup>th</sup> P.M., and contains approximately \_\_\_\_\_36 acres.

The Existing PD allows for residential and golf course uses and, if an amendment to the Existing PD is not approved, the District is anticipated to include approximately 31 residential units (“**Residential Use**”). Alternatively, a Major Amendment to the Existing PD has been filed with the County and, if approved, the District will include \_\_\_\_\_residential units and \_\_\_\_\_square feet of commercial space Open Space and Club/Resort uses, as authorized in such approved Major Amendment (“Commercial Use”). The final, approved use for the property within the boundaries of the District (as is more particularly described in this Service Plan, the “**Property**”) will be as set forth in the Approved PD. This service plan provides the required information for two separate and alternative development programs: (1) for an Approved PD for Residential Use if the Major Amendment to the Existing PD *is not* approved, and (2) for an Approved PD for Commercial Use if the Major Amendment to the Existing PD *is* approved. The intent of providing this dual option service plan is so that it may be approved irrespective of the outcome of the Major Amendment.

The District will have a single district structure. This structure will allow the District to control both financing and services.

~~The District shall be authorized to provide the following services: (List the proposed services for this District from the following services defined in C.R.S. § 32-1-103(10): fire protection, mosquito control, parks and recreation, safety protection, sanitation, solid waste disposal facilities or collection and transportation of solid waste, street improvement, television relay and translation, transportation, and water and other services as described in C.R.S. §§ 32-1-1001 and 1004, as amended.)~~

The District shall be authorized to provide the following services: parks and recreation, street improvement, water and sanitary sewer systems, storm drainage, and other services as described in C.R.S. §§ 32-1-1001 and 1004, as amended.

The total authorized debt limit for the District shall be \_\_\_\_\_(\$000.00)Eight Million Five Hundred Thousand Dollars (\$8,500,000). The District anticipates the issuance of an initial series of bonds in the amount of \_\_\_\_\_(\$000.00)Eight Million Fifteen Thousand Dollars (\$8,015,000) on ~~(date)~~ December 1, 2025. The initial debt service mill levy will be \_\_\_\_\_50 mills, with a Maximum Debt Service Mill Levy of \_\_\_\_\_50 mills, adjusted as described herein. The initial operations and maintenance mill levy will be

10 mills, with a Maximum Operations and Maintenance Mill Levy of       10 mills., subject to Mill Levy Adjustment as described herein. The combined initial mill levy for the District will be       60 mills, with a maximum combined mill levy of       60 mills.

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, subject to Mill Levy Adjustment as described herein.

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## EXHIBITS

**Exhibit A** Vicinity Map

**Exhibit B** Legal Description

**Exhibit C** District Boundary Map

**Exhibit D** Residential Cost of Improvements

**Exhibit E** Residential Map of Improvements

**Exhibit F** Commercial Cost of Improvements

**Exhibit G** Commercial Map of Improvements

**Exhibit H-1** Commercial Financial Plan

**Exhibit ~~GH-2~~** Residential Financial Plan

**Exhibit I** Resolution of Approval

**Exhibit ~~HJ~~** Compliance with Section 18A, Water Supply ~~-&~~ Overlay District

**~~Exhibit I~~**  
~~\_\_\_\_\_~~ Compliance with ~~DRCOG~~Colorado Clean Water Plan

**Exhibit ~~JK~~** Advance and Reimbursement ~~Agreement~~

**~~Exhibit K~~** ~~Intergovernmental~~ Agreements

**Exhibit K-1** Facilities Funding and Acquisition Agreement

**Exhibit K-2** Operation Funding and Reimbursement Agreement

**Exhibit L** Annual Report Requirements

**~~Exhibit M~~** ~~District Court Decree~~

I.

TEMPLATE

## I. INTRODUCTION

—This ~~service plan (the “Service Plan”)~~ for the ~~Arrowhead Colorado Metropolitan District~~ (the “**District**”) is for a special district organized under Title 32 of the Colorado Revised Statutes to serve the public improvement needs of ~~(name of development) (the “Existing PD and the Project”)~~. The District is generally located ~~E1/2 of the SW1/4 and the W1/2 of the SE1/4 of Section 11, and the NW1/4 of the NE1/4 of Section 14, all in Township 7 South, Range 69 West of the 6<sup>th</sup> P.M.,~~ (see **Exhibit A**, Vicinity Map) and contains approximately ~~36~~ acres (see **Exhibits B & C**, Legal Description and District Boundary Map).

—The Existing PD allows for the Residential Use of residential and golf course uses and, if an amendment to the Existing PD is not approved, the District is anticipated to include approximately 31 residential units. Alternatively, a Major Amendment to the Existing PD has been filed with the County and, if approved, the District will include the Commercial Use of Open Space and Club/Resort uses, as authorized in such approved Major Amendment. The final, approved use for the property within the boundaries of the District will be as set forth in any Approved PD document for the Property, as may be amended and approved by the County for identifying, among other things, the uses allowed by the Property and the Public Improvements necessary for facilitating development for property within the boundaries of the District as approved by the County. This Service Plan provides the required information for two separate and alternative development programs: (1) for an Approved PD for Residential Use if the Major Amendment to the Existing PD is not approved, and (2) for an Approved PD for Commercial Use if the Major Amendment to the Existing PD is approved.

Pursuant to the requirements of the Special District Control Act, C.R.S. §32-1-201, *et seq.*, as amended, and the Special District Service Plan Review Procedures for ~~Douglas~~ County ~~(the “County”)~~,<sup>2</sup> the following items are included in this Service Plan:

1. A description of the powers granted to and services to be provided by the District;
2. A general description of the facilities to be constructed and the standards of such construction, including a statement of how the facility and service standards of the District are compatible with facility and service standards of the County and of any municipalities and special districts which are interested parties;
3. A general written description of the estimated cost of acquiring land, engineering services, legal services, administrative services, initial indebtedness and estimated maximum interest rates and discounts, and other major expenses related to the organization and initial operation of the District;

4. A summary of general conditions regarding oversight of the District by the County;
5. A legal description and map of the District’s boundaries and an estimate of the population and valuation for assessment of the District;
6. A summary of estimated costs for improvements to be financed and constructed by the District;
7. A preliminary engineering and architectural survey showing how the improvements and services are to be provided;
8. A financial plan showing how District improvements and services are to be financed, including the operating revenue for the first budget year of the District;
9. The resolution of approval adopted by the Board of County Commissioners;
10. Information demonstrating compliance with Section 18A, Water Supply – Overlay District, of the Douglas County Zoning Resolution, as amended, and compliance with the Denver Regional Council of Governments’ Clean Water Plan;
11. A description of any advance and reimbursement agreements;
12. A description of any arrangement or agreement with any political subdivision for the performance of any services between the District and such other political subdivision; and
13. The recorded court decree organizing the District.

— **Exhibits A through ML**, attached hereto, are hereby incorporated into the Service Plan.

## **II. H. — PURPOSE OF THE DISTRICT**

— The purpose of the District is to provide public improvements and services for the benefit of all anticipated inhabitants and taxpayers of the District, either within or without its boundaries. The District also serves to finance and oversee the construction of these public improvements and to provide for ongoing operations and maintenance services.

## **III. H. — DISTRICT FRAMEWORK**

The District will be organized under a single district structure and will be responsible for all aspects of financing and services authorized under this Service Plan.

#### IV. ~~IV.~~ NEED FOR 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 practicable to undertake the planning, design, acquisition, construction, installation, relocation, redevelopment, financing, and ongoing operations of the public improvements needed for the Project. Formation of the District is therefore necessary in order for the public improvements and services required for the Project to be provided in the most economical manner possible.

#### V. ~~V.~~ LOCATION AND BOUNDARIES

The District is located ~~\_\_\_\_\_~~. The District is located in the E1/2 of the SW1/4 and the W1/2 of the SE1/4 of Section 11, and the NW1/4 of the NE1/4 of Section 14, all in Township 7 South, Range 69 West of the 6<sup>th</sup> P.M. A vicinity map is attached hereto as **Exhibit A**. The area of the initial District's boundary encompasses approximately ~~\_\_\_\_\_~~ 36 acres. A legal description of the District's boundaries is attached hereto as **Exhibit B**. A map of the initial District's boundaries is attached hereto as **Exhibit C**.

It is anticipated that the District's boundaries may change from time to time as it undergoes inclusions and exclusions pursuant to C.R.S. §§ 32-1-401, et seq., and C.R.S. §§ 32-1-501, et seq., as amended. Future inclusion and exclusion areas are identified in **Exhibit C**. Prior to any inclusions or exclusions that are not identified in **Exhibit C**, the District shall provide forty-five (45) days published notice and written notice to the Board of County Commissioners pursuant to C.R.S. § 32-1-207(3)(b). If, within such forty-five (45) day period, the Board of County Commissioners objects to the inclusion or exclusion, then the inclusion or exclusion shall be prohibited and constitute a material modification of this Service Plan requiring an amendment, pursuant to Section XIII of the Service Plan and C.R.S. § 32-1-207(2).

#### VI. ~~VI.~~ ASSESSED VALUATION/PROJECTIONS/LAND USE/POPULATION

The property within the District is zoned ~~\_\_\_\_\_~~ residential - unplatted as of ~~(date)~~ July 2024. The current assessed value of property within the initial boundaries of



the District is ~~\_\_\_\_\_ (\$000.00)~~ One Hundred Ninety-two Thousand Nine Hundred Ninety dollars (\$192,990) as of ~~(date)~~ The July 2024.

If the Approved PD results in the Commercial Use, the estimated assessed value at full build-out is ~~\_\_\_\_\_ (\$000.00)~~ anticipated to be approximately Thirteen Million Dollars (\$13,000,000) and is expected to be sufficient to reasonably discharge the debt under the Financial Plan. ~~Initially, the~~ If developed for Commercial Use, it is anticipated the District will include \_\_\_\_\_ residential units and \_\_\_\_\_ approximately 30,500 square feet of commercial space. Based upon an estimated \_\_\_\_\_ (0.00) 3.7 persons per 1,000 square feet, the daytime population of the District at build-out will be approximately 115 customers.

If the Approved PD results in the Residential Use, the estimated assessed value at full build-out is anticipated to be approximately Two Million Dollars (\$2,000,000) and is expected to be sufficient to reasonably discharge the debt under the Financial Plan. ~~If developed for Residential Use, it is anticipated the District will include approximately 31 residential units. Based upon an estimated three (3) persons per residence, the population of the District at build-out will be \_\_\_\_\_ (00) ninety-three (93) residents.~~

~~\_\_\_\_\_~~ Approval of this Service Plan by the County does not constitute nor imply approval of the development of a specific area within the District, nor does it constitute or imply approval of the use of the Property, 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 hereto, unless such land use plans have been approved by the Board of County Commissioners as part of a separate development review process.

## **VII. ~~VII.~~ POWERS AND RESPONSIBILITIES**

~~\_\_\_\_\_~~ The District shall have the power and authority to provide the public improvements and related operation and maintenance services within and without the boundaries of the District as such power and authority is permitted by this Service Plan and described in the Special District Act, C.R.S. Title 32, and other applicable statutes, common law, and the Colorado Constitution, subject to the limitations set forth herein.

### **A. General Powers**

The District shall have the authority to construct, operate, and maintain the services and facilities as described in Section VIII.A of this Service Plan.

### **B. Miscellaneous Powers**

~~\_\_\_\_\_~~

In addition to the powers enumerated above, the District's Board shall have the power and authority:

1. ~~1.~~ To amend this Service Plan as provided for in Section ~~XV~~XIII, Modification of Service Plan;
2. ~~2.~~ To forego, reschedule, or restructure the financing and construction of certain improvements and facilities in order to better accommodate the pace of growth, resource availability, and potential inclusions and exclusions of property within the District, with prior notice to the County in accordance with C.R.S. § 32-1-202(2)(b), as amended; and
3. ~~3.~~ To have and exercise all rights and powers necessary or incidental to, or implied from, the specific powers granted to the District in this Service Plan.
4. ~~4.~~ To have and exercise the power of eminent domain, but only as necessary to construct, install, access, relocate or redevelop the public improvements identified in this Service Plan ~~in the locations shown in Exhibit E.~~ Any other use of eminent domain shall require the District to provide forty-five (45) days published notice and written notice to the Board of County Commissioners pursuant to C.R.S. § 32-1-207(3)(b). If, within such forty-five (45) day period, the Board of County Commissioners objects to the use of eminent domain, then it shall be prohibited and constitute a material modification of this Service Plan requiring an amendment, pursuant to Section XIII of the Service Plan and C.R.S. § 32-1-207(2).

## VIII. ~~VIII.~~ DISTRICT SERVICES, FACILITIES, AND IMPROVEMENTS

### A. Services and Facilities

The District shall have the authority pursuant to C.R.S. §§ 32-1-1001 and 32-1-1004, as amended, to provide the following services and public improvements described in this section.

~~(Please include the following paragraphs for those services and facilities that will be provided by the District.)~~

1. Water

The District shall have the power and authority to finance, design, construct, acquire, install, ~~maintain~~, 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 is authorized or empowered to provide.

~~*As identified in the Service Plan Review Procedures, the Board of County Commissioners is interested in the provision of long-term renewable water supplies in the County. Please be prepared to discuss any plans for long-term, renewable water service (including infrastructure and financial information), if applicable.*~~

Notwithstanding the foregoing, the District shall not have the authority to provide ongoing water service. The District's boundaries overlap with the boundaries of RWSD. RWSD shall provide water supply services to the District. While the District shall have the authority to finance and construct water improvements in accordance with this Service Plans, all such water improvements shall be constructed in accordance with all applicable RWSD Rules and Regulations and all water improvements shall be conveyed to RWSD, as appropriate, in accordance with such RWSD Rules and Regulations, for perpetual ownership, operation and maintenance and for the provision of water service to the District. Correspondence from RWSD evidencing compliance with Section 18A, Water Supply – Overlay District and compliance with the Colorado Clean Water Plan is attached hereto as Exhibit J.

## 2. Storm Sewer

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.

Stormwater improvements subject to Colorado Discharge Permit System Regulations, if applicable, shall be owned and maintained by the District or such other governmental entity that may accept dedication. Dedication to another governmental entity of stormwater improvements subject to such regulations shall be subject to approval by the County. In no event will the District dedicate such detention ponds or

facilities to a private homeowner’s association, or other property owner’s association, for operations or maintenance.

### 3. Sanitation and Wastewater Treatment

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.

Notwithstanding the foregoing, the District shall not have the authority to provide ongoing sanitation and/or wastewater service. The District’s boundaries overlap with the boundaries of RWSD. RWSD shall provide sanitation and wastewater treatment services to the District. While the District shall have the authority to finance and construct sanitation improvements in accordance with this Service Plans, all such sanitation improvements shall be constructed in accordance with RWSD Rules and Regulations and all sanitation improvements shall be conveyed to RWSD, as appropriate, in accordance with such RWSD Rules and Regulations, for perpetual ownership, operation and maintenance and for the provision of water service to the District. Correspondence from RWSD evidencing compliance with Section 18A, Water Supply – Overlay District and compliance with the Colorado Clean Water Plan is attached hereto as **Exhibit J**.

### 4. Street Improvements

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.

### 5. Traffic Safety Protection

The District shall have the power and authority to finance, design, construct, acquire, install, maintain, and provide for safety protection through traffic control devices and safety controls on streets, as well as such other facilities and improvements as are necessary or prudent, including, but not limited to, signalization at intersections, traffic

signs, area identification signs, directional assistance and driver information signs, with all necessary and incidental and appurtenant facilities, and land and easements, together with extensions and improvements thereto. All traffic and safety control devices will be consistent with and in compliance with County rules and regulations.

## 6. 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.

### ~~1. 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.~~

### ~~2. 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 elimination and control of mosquitoes.~~

## 7. Fire Protection

The District shall not have the power and authority to provide fire protection, ambulance, and emergency medical and rescue services, including necessary equipment, personnel, and facilities. Fire Protection Service shall be provided by West Metro Fire Protection District.

## 8. ~~10.~~ 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.

\_\_\_\_\_11. Security

\_\_\_\_\_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. In no way is this power and authority intended to limit or supplant the responsibility and authority of local law enforcement (i.e., the Douglas County Sheriff's Department) within the boundaries of the District.

B. Estimated Costs and Phasing of Improvements

(a) Estimated Costs and Phasing of Improvements: The project will be developed in accordance with the final, Approved PD:

1) Commercial Use: In the event the Approved PD results in the Commercial Use, the estimate of the costs of the public improvements which may be planned for, designed, acquired, constructed, installed, relocated, redeveloped, maintained, or financed was prepared based upon a preliminary engineering survey on the property and is approximately Four Million Sixty Thousand Seven Hundred Eighteen dollars (\$4,060,718) as shown in Exhibit F. Exhibit F includes an engineer's opinion of costs in current dollars of each public improvement, together with an explanation of methods, basis, and/or assumptions used. All descriptions of the public improvements to be constructed, and their related costs, are estimates only and are subject to modification as engineering, development plans, economics, the County's requirements, and construction scheduling may require. The District will continue to develop and refine cost estimates contained herein and prepare for issuance of debt. Any increase in public improvement costs greater than twenty percent (20%), but less than forty percent (40%), of the stated amount in Exhibit F, exclusive of any contingency shown in Exhibit F, shall require an administrative review by County staff. Any increase in public improvement costs in excess of forty percent (40%) of the stated amount in Exhibit F, exclusive of any contingency shown in Exhibit F, will constitute a material modification of the Service Plan and will require review by the County and action by the Board of County Commissioners in accordance with Section XIII. Any costs not covered by bond proceeds will be paid for by the Developer or other sources of revenues. All construction cost estimates assume construction to applicable local, State, or Federal requirements.

Maps showing the preliminary location of the public improvements that the District is authorized to acquire or construct related to a Commercial Use are attached hereto as Exhibit G. Phasing of construction shall be determined by the District to meet the needs of taxpayers within its boundaries. The District shall own, maintain, and replace public improvements constructed, installed, or acquired by the District or shall

dedicate such public improvements to such other entity as shall accept dedication, subject to any limitations specified in this Service Plan.

4)2) Residential Use: In the event the Approved PD results in a Residential Use, the estimate of the costs of the public improvements which may be planned for, designed, acquired, constructed, installed, relocated, redeveloped, maintained, or financed was prepared based upon a preliminary engineering survey on the property and is approximately ~~(\$000.00)~~ Four Million Ninety-one Thousand Two Hundred Fifty dollars (\$4,091,250) as shown in Exhibit D. Exhibit D includes an engineer's opinion of costs in current dollars of each public improvement, together with an explanation of methods, basis, and/or assumptions used. All descriptions of the public improvements to be constructed, and their related costs, are estimates only and are subject to modification as engineering, development plans, economics, the County's requirements, and construction scheduling may require. The District will continue to develop and refine cost estimates contained herein and prepare for issuance of debt. Any increase in public improvement costs greater than twenty percent (20%), but less than forty percent (40%), of the stated amount in Exhibit D, exclusive of any contingency shown in Exhibit D, shall require an administrative review by County staff. Any increase in public improvement costs in excess of forty percent (40%) of the stated amount in Exhibit D, exclusive of any contingency shown in Exhibit D, will constitute a material modification of the Service Plan and will require review by the County and action by the Board of County Commissioners in accordance with Section XIII. Any costs not covered by bond proceeds will be paid for by the Developer or other sources of revenues. All construction cost estimates assume construction to applicable local, State, or Federal requirements.

Maps showing the preliminary location of the public improvements that the District is authorized to acquire or construct related to the Residential Use are attached hereto as **Exhibit E**. Phasing of construction shall be determined by the District to meet the needs of taxpayers within its boundaries. The District shall own, maintain, and replace public improvements constructed, installed, or acquired by the District or shall dedicate such public improvements to such other entity as shall accept dedication, subject to any limitations specified in this Service Plan.

In all instances, whether the Approved PD results in Commercial Use or Residential Use, the District shall ensure that the public improvements are designed and constructed in accordance with the standards and specifications of the County or other such entity that may have authority over such design and construction. The District shall obtain approval of civil engineering and other plans and any applicable permits for the construction and installation of public improvements from the County and/or other appropriate regulatory agencies.

B. ~~C.~~ Services to be Provided by Other Governmental Entities

(List all services to be provided by other governmental entities, including other special districts.)

1. ~~D.~~ Fire Protection: West Metro Fire Rescue

2. Water and Wastewater Treatment: RWSD

C. Compliance with Section 18A, Water Supply – Overlay District, of the Douglas County Zoning Resolution, as amended and Compliance with Colorado Clean Water Plan

~~The (District or name of existing or extraterritorial district)RWSD shall provide water supply and services to the Project. [PICK ONE OF THE FOLLOWING SENTENCES, AS APPROPRIATE] (1) \_\_\_\_\_ has met the requirements of Correspondence from RWSD evidencing compliance with Section 18A, Water Supply – Overlay District, of the Douglas County Zoning Resolution, as amended, as described in its letter in Exhibit H. (2) \_\_\_\_\_ has met the requirements of Section 18A, Water Supply – Overlay District, of the Douglas County Zoning Resolution, as amended, as described in the Water Supply Plan in Exhibit H.~~

~~E. Compliance with DRCOG Clean Water Plan~~

~~\_\_\_\_\_ has asserted its and compliance with the DRCOG Colorado Clean Water Plan is attached hereto as demonstrated in Exhibit IJ.~~

## ~~IX.~~ **IX.—EXISTING AND PROPOSED AGREEMENTS**

~~\_\_\_\_\_ (Explain any existing or proposed agreements with other governmental entities.)~~

~~X. Currently the District has no plans to enter into agreements with other governmental entities. It is anticipated that the District may need to enter into agreements with West Metro Fire Protection District for fire protection service, and/or the RWSD for water and sanitary sewer services.~~

## **X. FINANCIAL INFORMATION**

A. General

This section describes the nature, basis, and method of funding and debt and mill levy limitations associated with the District’s public improvements. A detailed Financial Plan and statement of assumptions is contained in Exhibit FH-1 (Commercial) and H-2 (Residential). The Financial Plan exhibits the assumptions in the alternative for an Approved PD for Commercial Use and an Approved PD for Residential Use.



## B. Assumptions

The maximum debt limitation contained herein is the same, irrespective of the Approved PD and is based on the ~~assumption that each of the \_\_\_\_\_ residential properties in the District will have an average value~~anticipated costs of approximately \_\_\_\_\_ ~~(\$000.00), and commercial space will have an average value of \_\_\_\_\_ (\$000.00) per square foot~~the improvements. The Financial Plan demonstrates that the District has the ability to finance the public improvements identified herein, will be capable of discharging the indebtedness on a reasonable basis, and will operate on a sound fiscal basis.

## C. Identification of District Revenue

The District will impose a mill levy on taxable property within its boundaries as a primary source of revenue for repayment of debt and for operations and maintenance. The District may also rely upon various other revenue sources authorized by law. At the District's discretion, these may include the power to assess fees, rates, tolls, penalties, or charges as provided for in C.R.S. § 32-1-1001(1), as amended.

A Maximum Total Mill Levy of \_\_\_\_\_60 mills, subject to Mill Levy Adjustment (defined below), is authorized to support debt service and operations and maintenance of the District. The District may request an amendment to the Service Plan, in accordance with Section XIII, to eliminate mill levy caps when the debt to assessed value ratio falls below fifty percent (50%).

~~In the event of legislation implementing changes in the ratio of actual valuation to assessed valuation for residential real property, pursuant to Article X, section 3(1)(b) of the Colorado Constitution, the mill levy limitations provided herein will be increased or decreased as to all taxable property in the District to reflect such changes so that, to the extent possible, the actual tax revenues generated by the mill levy, as adjusted, are neither diminished nor enhanced as a result of such changes (“Gallagher Adjustment”). If, on or after the date of approval of the Service Plan,~~ there are changes in the method of calculating assessed valuation or any constitutionally mandated tax credit, cut, or abatement, the mill levy limitation applicable to such debt and operating and maintenance expenses may be increased or decreased to reflect such changes, such increases or decreases to be determined by the Board in good faith so that to the extent possible, the actual tax revenue generated by the mill levy are neither diminished nor enhanced as a result of such changes: (“Mill Levy Adjustment”). For purposes of the foregoing, a change in the ratio of actual valuation and any constitutional or legislative changes in the actual value against which the assessment rate is applied shall be deemed to be a change in the method of calculating assessed valuation.

D. Debt Service Mill Levy

Irrespective of the Approved PD, a maximum mill levy of 50.00 mills is authorized to support the debt service of the District, subject to Mill Levy Adjustment and the limitation of the Maximum Total Mill Levy. An initial debt service mill levy of 50.00 mills will produce revenue sufficient to support debt service costs through the bond repayment period (see Exhibit F, H-1 (Commercial) and H-2 (Residential), Financial Plan Plans).

E. Operations and Maintenance Mill Levy

Irrespective of the Approved PD, a maximum mill levy of 10 mills is authorized to support the operations and maintenance of District services and public improvements, subject to Mill Levy Adjustment and the limitation of the Maximum Total Mill Levy. An initial operations and maintenance mill levy of 10 mills will produce revenue sufficient to support the operations and maintenance of District services and public improvements (see Exhibit F, H-1 (Commercial) and H-2 (Residential), Financial Plan Plans).

F. District Expenditures

~~The estimated cost of public improvements for the District is \_\_\_\_\_~~  
(\$000.00). Commercial Use: If an Approved PD results in Commercial Use, the estimated cost of public improvements for the District is Four Million Sixty Thousand Seven Hundred Eighteen dollars and no cents (\$4,060,718.00). Exhibit F includes, in current dollars, the estimated cost of each public improvement, together with an explanation of the methods, basis, and/or assumptions used to establish such costs.

Residential Use: If an Approved PD results in Residential Use, the estimated cost of public improvements for the District is Four Million Ninety-One Thousand Two Hundred Fifty dollars and no cents (\$4,091,250.00). Exhibit D includes, in current dollars, the estimated cost of each public improvement, together with an explanation of the methods, basis, and/or assumptions used to establish such costs.

The District will require operating funds to plan and cause the public improvements contemplated herein to be constructed, operated, and maintained as permitted herein. Such costs are expected to include reimbursement of organizational costs, legal, engineering, accounting, bond issuance costs, and compliance with State budgeting, audit, and reporting, and other administrative and legal requirements. The organizational costs for the District for legal, engineering, surveying, and accounting

services are estimated to be ~~\_\_\_\_\_ (\$000.00).~~ One Hundred Fifty Thousand Dollars (\$150,000). The first year's operating budget is estimated to be ~~\_\_\_\_\_ (\$000.00).~~ Fifty Thousand (\$50,000).

G. Debt

(a) ~~1-~~ Debt Limitation

~~The~~ Irrespective of whether the Approved PD results in Commercial Use or Residential Use, the total debt limit for the District is ~~\_\_\_\_\_ (\$000.00),~~ shall be Eight Million Five Hundred Thousand Dollars (\$8,500,000), inclusive of costs of issuance, inflation, and other similar costs. For purposes of this Service Plan, debt shall be considered any outstanding bonds, notes, contracts, or other financial obligations of the District payable in whole or in part from *ad valorem* taxes or other revenues of the District for the purposes of financing, acquiring, constructing, or improving any of the public improvements contemplated herein. The debt limit shall not be increased unless approved by the County and as permitted by statute and the Colorado Constitution. Any change in debt limit shall be considered a material modification of the Service Plan, subject to the provisions of Section XIII of this Service Plan. ***The maximum term of any bond issue, including refunding and refinancing, shall be thirty (30) years from the original date of issuance.***

(b) ~~2-~~ Maximum Voted Interest Rate and Maximum Underwriting Discount

The interest rate on any debt is limited to the market rate at the time debt is issued. In the event of a default, the maximum voted interest rate on any debt shall not exceed twelve percent (12%). The maximum underwriting discount shall be five percent (5%). Debt, when issued, shall comply with all relevant requirements of this Service Plan, State law, and Federal law as is then applicable to the issuance of public securities.

## XI. DEVELOPER ADVANCES AND REIMBURSEMENTS

The District anticipates receiving initial funding for both capital and ongoing administrative requirements from developer advances. Such advances may be made to the District subject to the District's obligation to reimburse the same, as may be evidenced by short-term reimbursement agreements or other acceptable agreements or resolutions. The interest rate on developer reimbursements shall not exceed the current Bond Buyer 20-Bond GO Index plus four percent (4%).

~~Such advances, which the Board is obligated to appropriate on an annual basis, shall count against the maximum allowable debt limit under this Service Plan and may be repaid by the District from bond proceeds or other legally available sources of revenue.~~ Developer advances shall be subordinate to the District general obligation bonds and refinancing of the same shall not require County approval. Any amount of outstanding principal and accrued interest on such developer advances that remains unpaid as of the expiration of the Maximum Debt Service Mill Levy term shall be deemed to be forever discharged and satisfied in full. ~~The total developer advances are anticipated to be \_\_\_\_\_ (\$000.00). Developer contributions, which will not be repaid by the District, are anticipated to be \_\_\_\_\_ (\$000.00).~~

## ~~XII.~~ ~~XII.~~ ANNUAL REPORT

\_\_\_\_\_The District shall be responsible for submitting an annual report to the County no later than ~~(date)~~ October 1 of each year in accordance with the procedures set forth in C.R.S. § 32-1-207(3)(c) and (d), as amended. The annual report shall conform to the format attached hereto as **Exhibit L**, or in a format agreed to by the County.

## ~~XIII.~~

## ~~XIV.~~ XIII. MODIFICATION OF SERVICE PLAN

Pursuant to C.R.S. § 32-1-207, as amended, the District shall obtain prior written approval of the County before making any material modification to this Service Plan. Material modifications require a Service Plan amendment and include modifications of a basic or essential nature, including, but not limited to, the following: any addition to the types of services provided by the District; a decrease in the level of services; a decrease in the financial ability of the District to discharge the existing or proposed indebtedness; or a decrease in the existing or projected need for organized service in the area. Inclusion of property that is located in a county or municipality with no other territory within the District may constitute a material modification of the Service Plan.

\_\_\_\_\_In the event the District plans to undertake an action which may not be permitted by this Service Plan, it shall be the District's responsibility to contact County staff to seek an administrative determination as to whether the action in question is permitted by the Service Plan. If County staff determines that the action may constitute a material modification, the District shall submit a proposal for action to the Board of County Commissioners. Thereafter, the Board of County Commissioners will determine whether the proposed action constitutes a material modification. If the Board of County Commissioners determines that the proposed action constitutes a material modification, then the action shall be prohibited and constitute a material modification of this Service

Plan requiring an amendment, pursuant to Section XIII of the Service Plan and C.R.S. § 32-1-207(2).

~~XV.XIV.~~ XIV. ~~DISCLOSURE STATEMENT~~

\_\_\_\_\_The District shall provide notice to all purchasers of property in the District regarding the District’s authority to levy and collect *ad valorem* taxes and to impose and collect rates, fees, tolls, and charges, by recording a disclosure statement against the property within the District with the Office of the Douglas County Clerk and Recorder. Such disclosure statement shall also provide information concerning the structure of the Board and summarize how purchasers may participate in the affairs of the Board. The disclosure statement shall be recorded within thirty (30) days following the recordation of the court decree organizing the District.

~~XVI.XV.~~ XV. ~~DISSOLUTION~~

\_\_\_\_\_It shall be mandatory for the District to initiate dissolution proceedings when the District has neither any financial obligations nor operations and maintenance obligations. The District may file a petition in the district court for dissolution when there are no financial obligations or outstanding bonds, or any such financial obligations or outstanding bonds are adequately secured by escrow funds or securities meeting the investment requirements in C.R.S. §§ 24-75-601, *et seq.*, as amended. The District’s dissolution shall be subject to approval of a plan of dissolution in the district court of the County, pursuant to C.R.S. § 32-1-704, as amended.

~~XVII.XVI.~~ XVI. ~~DEFINITIONS~~

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

Approved PD: any Planned Development document for the Property, as may be amended and approved by the County for identifying, among other things, the uses allowed by the Property and the Public Improvements necessary for facilitating development for property within the boundaries of the District as approved by the County

Board: the board of directors of the District

Board of County Commissioners: the Board of County Commissioners of Douglas County, Colorado

Commercial Use: any commercial use set forth in an Approved PD as a result of a Major Amendment to the Existing PD which, if approved, is anticipated to include Open Space and Club/Resort uses, as authorized in such approved Major Amendment

Control Act: Part 2 of Title 32 (Special Districts) of the Colorado Revised Statutes (C.R.S.), which outlines review procedures for service plans for a special district

County: Douglas County, Colorado

Debt: any bond, note debenture, contract, or other multiple-year financial obligation of a District

Developer: the owner of the property proposing development of the project

District: the Arrowhead Colorado Metropolitan District

District Boundaries: the boundaries of the area described in the legal description attached hereto as **Exhibit B**

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

Existing PD: the "Homestead" project located on Planning Areas 12 and 14 of the current Roxborough Planned Development

Financial Plan: the Financial ~~Plan~~Plans described in Section X and attached as **Exhibit F, H-1 (Commercial) and H-2 (Residential)**, which ~~describes~~describe: (a) how the public improvements are to be financed; (b) how the debt is expected to be incurred; and (c) the estimated operating revenue derived from property taxes for the first budget year.

General Obligation Bond: bonds or other obligations for the payment of which the District has promised to impose an *ad valorem* property tax mill levy

Maximum Debt Service Mill Levy: the maximum mill levy the District is permitted to impose for payment of debt as set forth in Section X.D

Maximum Operations and Maintenance Mill Levy: the maximum mill levy the District is permitted to impose for the payment of operating and maintenance expenses as set forth in Section X.E

Maximum Total Mill Levy: the maximum mill levy the District is permitted to impose for the payment of debt as set forth in Section X.D. and operating and maintenance expenses as set forth in Section X.E

Project: the development or property commonly referred to as the “Homestead”

Public Improvements: the improvements authorized to be planned, designed, acquired, constructed, installed, relocated, redeveloped, and financed as generally described in the Special District Act to serve the future taxpayers and inhabitants of the District as determined by the Board of the District

Residential Use: The Existing PD allows for residential and golf course uses and, if an amendment to the Existing PD is not approved, the District is anticipated to include approximately 31 residential units (“Residential Use”)

Revenue Bond: bonds issued by the District to finance a specific project, the income from which will be used for repaying the bond

RWSD: Roxborough Water and Sanitation District

RWSD Rules and Regulations: the rules, regulations and guidelines of RWSD

Service Plan: the service plan for the District approved by the Board of County Commissioners

Special District Act: C.R.S. § 32-1-101, *et seq.*, as amended

State: the State of Colorado

## ~~XVIII.~~ XVII. ~~XVII.~~ RESOLUTION OF APPROVAL

\_\_\_\_\_The District incorporates the Board of County Commissioner’s resolution approving this Service Plan into this Service Plan to be presented to the district court attached hereto as **Exhibit G**.

**Referral Agency Response Report****Project Name:** Arrowhead Colorado Metro District**Project File #:** SV2024-002**Date Sent:** 07/15/2024**Date Due:** 07/30/2024

| <b>Agency</b>                                 | <b>Date Received</b> | <b>Agency Response</b>                                                                                                                                                                                                                                                                           | <b>Response Resolution</b>                |
|-----------------------------------------------|----------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------|
| AT&T Long Distance - ROW                      | 07/17/2024           | See Letter: No Conflicts                                                                                                                                                                                                                                                                         | No Response Required                      |
| Black Hills Energy                            |                      | No Response Received                                                                                                                                                                                                                                                                             | No Response Required                      |
| CenturyLink                                   | 07/18/2024           | See Letter: No Objection                                                                                                                                                                                                                                                                         | No Response Required                      |
| Colorado Division of Water Resources          |                      | No Response Received                                                                                                                                                                                                                                                                             | No Response Required                      |
| Comcast                                       |                      | No Response Received                                                                                                                                                                                                                                                                             | No Response Required                      |
| CORE Electric Cooperative                     | 07/29/2024           | Received: No Comment (verbatim)                                                                                                                                                                                                                                                                  | No Response Required                      |
| Douglas County Addressing Analyst             | 07/22/2024           | Received: No Comment (verbatim)                                                                                                                                                                                                                                                                  | No Response Required                      |
| Douglas County Assessor                       | 07/30/2024           | Received: No Comment (verbatim)                                                                                                                                                                                                                                                                  | No Response Required                      |
| Douglas County Building Services              | 07/29/2024           | Received: No Comment (verbatim)                                                                                                                                                                                                                                                                  | No Response Required                      |
| Douglas County Conservation District          |                      | No Response Received                                                                                                                                                                                                                                                                             | No Response Required                      |
| Douglas County Engineering Services           | 07/17/2024           | See Letter: Douglas County Engineering Services provided comments that the engineering review fee was outstanding and that the public infrastructure exhibit for the commercial concept shows an underground detention facility. Underground detention facilities are not allowed in the County. | The applicant has addressed this comment. |
| Douglas County Health Department              | 07/31/2024           | See Letter: DCHD provided comments in favor of water and sewer services provided by Roxborough Water and Sanitation District.                                                                                                                                                                    | No Response Required                      |
| Douglas County Libraries                      |                      | No Response Received                                                                                                                                                                                                                                                                             | No Response Required                      |
| Douglas County Office of Emergency Management | 07/17/2024           | Received: OEM has no concerns with this service plan (verbatim)                                                                                                                                                                                                                                  | No Response Required                      |



**Referral Agency Response Report****Project Name:** Arrowhead Colorado Metro District**Project File #:** SV2024-002**Date Sent:** 07/15/2024**Date Due:** 07/30/2024

| <b>Agency</b>                           | <b>Date Received</b> | <b>Agency Response</b>                                                                                                                                                                                                                                                                                                                                | <b>Response Resolution</b>                                                                                                                                                                                      |
|-----------------------------------------|----------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Douglas County School District RE 1     |                      | No Response Received                                                                                                                                                                                                                                                                                                                                  | No Response Required                                                                                                                                                                                            |
| Douglas County Sheriff's Office         |                      | No Response Received                                                                                                                                                                                                                                                                                                                                  | No Response Required                                                                                                                                                                                            |
| Mile High Flood District                | 07/29/2024           | Received: No Comment (verbatim)                                                                                                                                                                                                                                                                                                                       | No Response Required                                                                                                                                                                                            |
| Plum Creek Water Reclamation Authority  | 07/17/2024           | Received:<br>It appears the Wastewater Services for this Service Plan will be provided by RWSD. If this changes at any point in time, please contact Pretreatment@pcwracolorado.org.<br><br>Thanks, (verbatim)                                                                                                                                        | No Response Required                                                                                                                                                                                            |
| Ravenna Metro District                  |                      | No Response Received                                                                                                                                                                                                                                                                                                                                  | No Response Required                                                                                                                                                                                            |
| Roxborough Village Metro District       |                      | No Response Received                                                                                                                                                                                                                                                                                                                                  | No Response Required                                                                                                                                                                                            |
| Roxborough Water & Sanitation District  | 07/25/2024           | See Letter: Roxborough Water and Sanitation District (RWSD) provided comments regarding infrastructure requirements in order for water and sanitation services to be provided. The comments also note that the service plan indicates 31 residential units, but RWSD has only committed service to 18 equivalent residential units for this property. | The applicant addressed the first comments provided by RWSD. RWSD provided additional comments requesting consent to overlapping services. RWSD will consider this request at their next board meeting on 9/18. |
| Rural Water Authority of Douglas County |                      | No Response Received                                                                                                                                                                                                                                                                                                                                  | No Response Required                                                                                                                                                                                            |

**Referral Agency Response Report**

**Project Name:** Arrowhead Colorado Metro District

**Project File #:** SV2024-002

**Date Sent:** 07/15/2024

**Date Due:** 07/30/2024

| <b>Agency</b>                            | <b>Date Received</b> | <b>Agency Response</b>                                                                                                                                                                                                                                                                                                       | <b>Response Resolution</b>                                              |
|------------------------------------------|----------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------|
| South Metro Fire Rescue                  | 07/17/2024           | See Letter:<br>South Metro Fire Rescue (SMFR) has reviewed the provided documents and has determined the proposed Metropolitan District Service Plan is not within the area served by SMFR. No further comments.                                                                                                             | No Response Required                                                    |
| Sterling Ranch Community Authority Board |                      | No Response Received                                                                                                                                                                                                                                                                                                         | No Response Required                                                    |
| Thunderbird Water & Sanitation District  |                      | No Response Received                                                                                                                                                                                                                                                                                                         | No Response Required                                                    |
| West Douglas County FD                   |                      | No Response Received                                                                                                                                                                                                                                                                                                         | No Response Required                                                    |
| West Metro Fire Protection District      | 07/29/2024           | See Letter: West Metro Fire provided comments that fire service will be provided as long as provisions of the currently adopted edition of the International Fire Code are met in development. West Metro Fire also reserved the right to provide additional comment once a formal plan for development has been determined. | This comment has been addressed by the applicant. No Response Required. |
| Xcel Energy-Right of Way & Permits       | 07/29/2024           | See Letter: No Objection                                                                                                                                                                                                                                                                                                     | No Response Required                                                    |

## DJ Beckwith

---

**From:** annb cwc64.com <annb@cwc64.com>  
**Sent:** Wednesday, July 17, 2024 2:48 PM  
**To:** DJ Beckwith  
**Cc:** Pam Choy (pc2914@att.com); duanew cwc64.com; jt cwc64.com  
**Subject:** Arrowhead Metro District Littleton, Colorado Douglas County eReferral #SV2024-002  
**Attachments:** Arrowheard Metro District, Colorado.jpg

Hi DJ,

This is in response to your eReferral with a utility map showing any buried AT&T Long Line Fiber Optics near Arrowhead Metro District Littleton, Colorado. The Earth map shows the project area in red and based on the address and/or map you provided, there should be NO conflicts with the AT&T Long Lines, as we do not have facilities in that area.

Please feel free to contact us with any questions or concerns.

Ann Barnowski  
Clearwater Consulting Group Inc  
120 9th Avenue South  
Suite 140  
Nampa, ID 83651  
Annb@cwc64.com

The attached google earth maps are intended to show approximate locations of the buried AT&T long line fiber optic cable. The maps are provided for informational purposes only. In no way should the maps be used for anything other than general guidelines as to where the fiber is or is not and any other use of these maps is strictly prohibited.

-----Original Message-----

From: dbeckwith@douglas.co.us <dbeckwith@douglas.co.us>  
Sent: Monday, July 15, 2024 2:42 PM  
To: annb cwc64.com <annb@cwc64.com>  
Subject: Douglas County eReferral SV2024-002 Is Ready For Review

There is an eReferral for your review. Please use the following link to log on to your account:  
<https://apps.douglas.co.us/planning/projects/Login.aspx>

File# and Name: SV2024-002 / Arrowhead Colorado Metropolitan District

The County is requesting for your review of a Service Plan to create Arrowhead Colorado Metropolitan District. Your input is appreciated.

This referral will close on Tuesday, July 30, 2024.

If you have any questions, please contact me.

Sincerely,

DJ Beckwith  
Principle Planner

Planning Resources  
100 Third Street  
Castle Rock, CO 80104  
303-660-7460 (main)



Map Provided by AT&T

7/18/2024



DJ Beckwith  
Principle Planner  
100 Third Street  
Castle Rock, CO, 80104

P862694  
No Reservations/No Objection

SUBJECT: Request for approval of an Encroachment at Sec. 11, T7S, R69W, Sedalia, CO.

To Whom It May Concern:

CenturyLink of Colorado, Inc. d/b/a CENTURYLINK (“CenturyLink”) has reviewed the request for the subject vacation and has determined that it has no objections with respect to the areas proposed for vacation as shown and/or described on Exhibit “A”, said Exhibit “A” attached hereto and incorporated by this reference.

It is the intent and understanding of CenturyLink that this Vacation shall not reduce our rights to any other existing easement or rights we have on this site or in the area.

This vacation response is submitted WITH THE STIPULATION that if CenturyLink facilities are found and/or damaged within the vacated area as described, the Applicant will bear the cost of relocation and repair of said facilities.

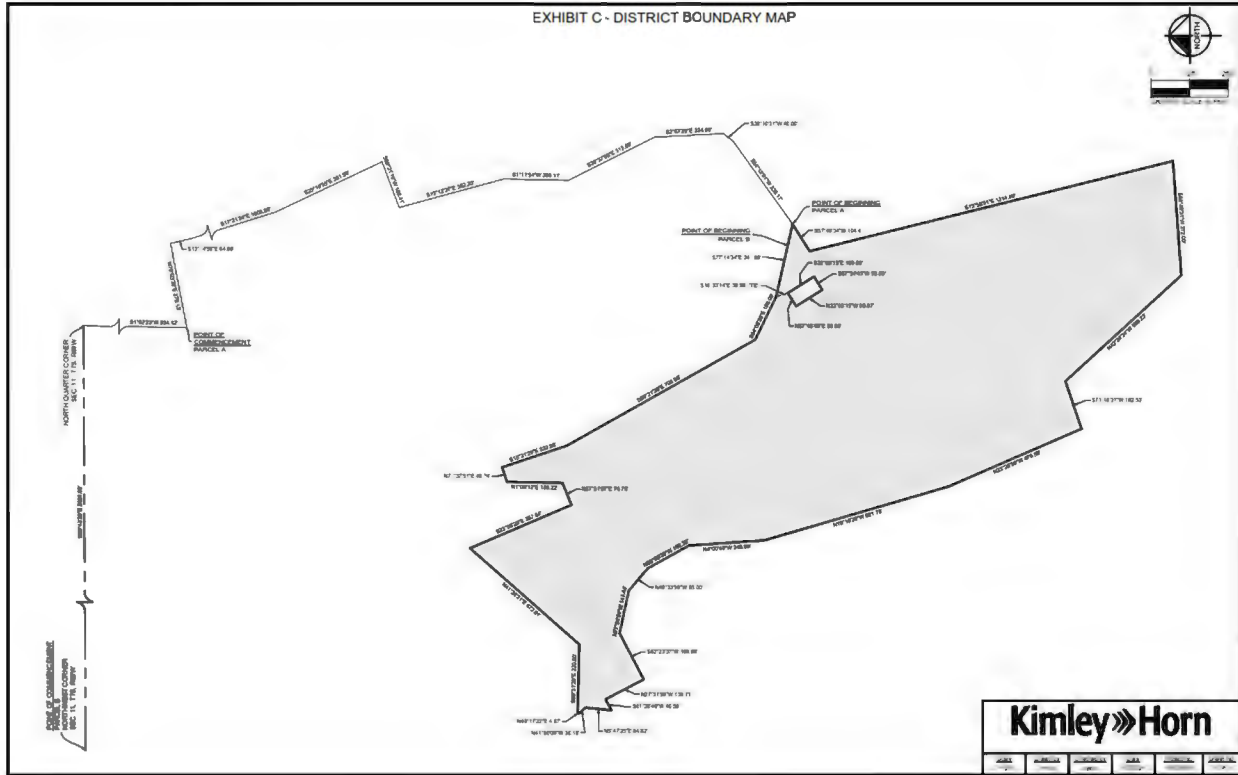
If you have any questions please contact Phil Hackler at (432) 288-8418 or [Phil.Hackler@lumen.com](mailto:Phil.Hackler@lumen.com).

Sincerely yours,

/s/

CenturyLink Right of Way Team

# EXHIBIT A



July 16, 2024

**REFERRAL RESPONSE REQUEST**

**Comments Due By: July 30, 2024**

**File # / Name:** SV2024-002 / Arrowhead Colorado Metropolitan District

**Request:** Metropolitan District – New Service Plan

Information on the identified development proposal located in Douglas County is enclosed. Please review and comment in the space provided.

|                                                                                                                                                                                             |                                           |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------|
| <input type="checkbox"/> No Comment                                                                                                                                                         |                                           |
| <input checked="" type="checkbox"/> Please be advised of the following concerns:                                                                                                            |                                           |
| <p><u>The engineering review fee of \$640.00 needs to be paid. Just a note that the Commercial concept shows an "underground detention facility" which is not allowed in the County</u></p> |                                           |
| <input type="checkbox"/> See letter attached for detail.                                                                                                                                    |                                           |
| <b>Agency:</b> DC Engineering                                                                                                                                                               | <b>Phone #:</b> 303-660-7490              |
| <b>Your Name:</b> Chuck Smith<br><i>(please print)</i>                                                                                                                                      | <b>Your Signature:</b> <i>Chuck Smith</i> |
|                                                                                                                                                                                             | <b>Date:</b> 7/17/2024                    |

You are encouraged to attend the hearing(s) in the Commissioner’s Hearing Room at 100 Third Street, Castle Rock. The hearing date(s) may be obtained by calling 303-660-7460. If you are unable to submit written comments by the due date or need additional materials/information, please contact this office.

Sincerely,



DJ Beckwith  
Principal Planner

*Enclosure*

## DJ Beckwith

---

**From:** Chuck Smith  
**Sent:** Monday, August 12, 2024 7:44 AM  
**To:** Lauren Pulver  
**Cc:** DJ Beckwith  
**Subject:** RE: Arrowhead Colorado Resubmittal

Good Morning Lauren – Engineering doesn't have any additional comments - thanks

**Chuck Smith, CFM** | Engineer III – Douglas County Engineering  
**Douglas County Department of Public Works Engineering  
Engineering Services**  
**Address** | 100 Third St., Castle Rock, CO 80104  
**Main** | 303-660-7490  
**Email** | [CSmith@douglas.co.us](mailto:CSmith@douglas.co.us)

**From:** Lauren Pulver <[lpulver@douglas.co.us](mailto:lpulver@douglas.co.us)>  
**Sent:** Wednesday, August 7, 2024 8:32 AM  
**To:** Chuck Smith <[CSmith@douglas.co.us](mailto:CSmith@douglas.co.us)>  
**Cc:** DJ Beckwith <[dbeckwith@douglas.co.us](mailto:dbeckwith@douglas.co.us)>  
**Subject:** Arrowhead Colorado Resubmittal

Hi Chuck,

We received a revised service plan from the applicant for Arrowhead Colorado MD. They stated in their response letter that they removed the underground detention facility from plans. Please take a look at the resubmittal and let me know if you have any additional concerns or comments.

Thanks,  
Lauren

**Lauren Pulver** | Planning Supervisor  
**Douglas County Department of Community Development  
Planning Resources**  
**Address** | 100 Third St., Castle Rock, CO 80104  
**Direct** | 303-814-4357 **Main** | 303-660-7460  
**Email** | [lpulver@douglas.co.us](mailto:lpulver@douglas.co.us)



July 31, 2024

Lauren Pulver  
100 Third St.  
Castle Rock, CO 80104

RE: SV2024-002

Dear Lauren Pulver,

Thank you for the opportunity to review and comment on the special district service plan for Arrowhead Colorado Metropolitan District. Douglas County Health Department (DCHD) staff have reviewed the application for compliance with pertinent environmental and public health regulations. After reviewing the application, DCHD has the following comments:

**Water and Sewer Service**

A will-serve letter has been provided by Roxborough Water and Sanitation District. Based on this letter, DCHD is providing a favorable recommendation regarding the proposed method of water service and sewage disposal.

Please feel free to contact me at (720)907-4897 or [smccain@douglas.co.us](mailto:smccain@douglas.co.us) if you have any questions about our comments.

Sincerely,



Shania  
Environmental Health Specialist I  
Douglas County Health Department

July 25, 2024

Kimley-Horn and Assoc.  
6200 S Syracuse Way #300  
Greenwood Village, CO 80111

RE: Special District Service Plan – New Service Plan (SV2024-002)

Dear Mr. Williams,

TST Infrastructure, LLC (TST) is the Roxborough Water and Sanitation District Engineer. TST has reviewed the following documents submitted for review relating to the approval of the Service Plan for Arrowhead Colorado Metropolitan District, SV2024-002:

- Service Plan for Arrowhead Colorado Metropolitan District with application date of 7/11/2024

The documents were reviewed for compliance with the Roxborough Water and Sanitation District (RWSD) Rules and Regulations and the following are comments to the documents reviewed:

### **General Comments**

1. RWSD requires a Facilities Conveyance Agreement to be completed prior to construction.
2. RWSD requires a Pre-Construction Conference prior to construction.
3. Prepare and submit for approval design drawings for water and sanitary sewer service in accordance to the RWSD Rules and Regulations.
4. RWSD will require 30' wide utility easement for new water line and sewer lines. If in a combined easement, the width shall be increased to 40'. RWSD standard easement agreement will be required for the new easements.
5. A Water/Sewer Connection Permit/Availability of Service Certificate and Developer Field Work Permit are required for this project.

### **Service Plan Introduction – Page 2**

1. The introduction of the service plan indicates 31 residential units. The District currently has only committed service to 18 equivalent residential units (EQRs) for this property. Confirm intended water use for property and proposed water use and availability with the District.

### **Service Plan Exhibit E2 and E3 - Page 32 and 33**

1. Sizing calculations and modeling for water mains and sewer mains will be required by the District to confirm sizes. Analysis will be required to confirm availability of fire flow capability. Note sewer mains are required to be minimum 8" diameter.
2. Provide sizing of water service lines to verify 18 or fewer EQRs will be required for this project. Roxborough EQR conversion chart is as follows are as follows: ¾" tap = 1 EQR, 1" tap = 2 EQRs, 1 ½" tap = 4 EQRs, 2" tap = 8 EQRs, 3" tap = 18 EQRs

## DJ Beckwith

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**From:** Michael Gerstner <MGerstner@tstinfrastucture.com>  
**Sent:** Friday, August 16, 2024 4:32 PM  
**To:** Lauren Pulver; Mike Marcum; DJ Beckwith  
**Subject:** RE: Douglas County eReferral SV2024-002 Is Ready For Review

**Follow Up Flag:** Follow up  
**Flag Status:** Flagged

Lauren,

The response to the original comments have been addressed. We did have a couple new comments come up from RWSD's legal team:

First, Arrowhead is located within RWSD, Arrowhead will require overlap consent approved by the RWSD Board pursuant to Section 32-1-107, C.R.S. Pomeroy has neither requested nor received such consent from RWSD Board.

Second, in the proposed Service Plan Sections VIII.A.1. and 3., Arrowhead states that all water improvements and sanitation improvements "shall be conveyed to RWSD, as appropriate." The phrase "as appropriate" concerns us as the Service Plan is not clear what "as appropriate" means. We would prefer more clarity regarding this phrase.

Please let us know if you have any questions.

Thank you,



**Michael Gerstner, PE**  
Principal  
**TST Infrastructure**  
5655 S Yosemite St, Suite 101  
Greenwood Village, CO 80111  
Tel: 303.799.5197  
tstinfrastucture.com

---

**From:** Lauren Pulver <lpulver@douglas.co.us>  
**Sent:** Wednesday, August 7, 2024 8:13 AM  
**To:** Michael Gerstner <MGerstner@tstinfrastucture.com>; Mike Marcum <Mike@ROXWATER.ORG>; DJ Beckwith <dbeckwith@douglas.co.us>  
**Subject:** RE: Douglas County eReferral SV2024-002 Is Ready For Review

Hi Michael,

Attached is a revised service plan and responses to the County comment letter. Please review this and let me know if your comments have been addressed.

**Service Plan Exhibit G2 and G3 – Page 43 and 44**

1. Sizing calculations and modeling for water mains and sewer mains will be required by the District to confirm sizes. Analysis will be required to confirm availability of fire flow capability. Note sewer mains are required to be minimum 8” diameter.
2. Provide proposed water service line sizes to show 18 EQRs or less are used. See EQR conversion values in comment above.

Roxborough Water and Sanitation District reserves the right to provide additional comments/requirements if additional/revised plans are submitted.

Should you have any questions, please feel free to contact me at 303-799-5197.

Sincerely,

Michael Gerstner, P.E.  
TST Infrastructure, LLC

CC: Mike Marcum, General Manager for Roxborough Water and Sanitation District  
Mitch Stroehlein, Director of Operations for Roxborough Water and Sanitation District

# SOUTH METRO FIRE RESCUE FIRE MARSHAL'S OFFICE

---



DJ Beckwith, Principal Planner  
Douglas County Department of Community Development, Planning Resources  
100 Third St  
Castle Rock Co 80104  
303.660.7460  
303.660.9550 Fax

Project Name: Arrowhead Colorado Metropolitan District  
Project File #: **SV2024-002**  
S Metro Review # REFOTH24-00124

Review date: July 17, 2024

Plan reviewer: Aaron Miller  
720.989.2246  
[aaron.miller@southmetro.org](mailto:aaron.miller@southmetro.org)

**Project Summary:** Metropolitan District - New Service Plan

Code Reference: Douglas County Fire Code, 2018 International Fire Code, and 2018 International Building Code with amendments as adopted by Douglas County.

South Metro Fire Rescue (SMFR) has reviewed the provided documents and has determined the proposed Metropolitan District Service Plan is not within the area served by SMFR. No further comments.



## West Metro Fire Protection District

433 S. Allison Parkway  
Lakewood, CO 80226  
Bus: (303) 989-4307  
Fax: (303) 989-6725  
[www.westmetrofire.org](http://www.westmetrofire.org)

July 29, 2024

DJ Beckwith  
Douglas County Planning Services  
100 Third Street  
Castle Rock, CO 80104  
[dbeckwith@douglas.co.us](mailto:dbeckwith@douglas.co.us)  
303-660-7460

RE: SV2024-002

DJ Beckwith,

This property is within the West Metro Fire Protection District (WMFPD). Fire service will be provided as long as provisions of the currently adopted edition of the International Fire Code, including Douglas County amendments are met in development.

- WMFPD would like to make comments regarding emergency access/egress at the appropriate time and once a formal plan for development has been determined
- WMFPD would like to make comments regarding firefighting water supply at the appropriated time and once a formal plan for development has been determined
- WMFPD has no additional comments regarding the “New Service Plan for Arrowhead Colorado Metro District” at this time.

WMFPD reserves the right to provide additional comments/requirements if there are any changes to the application or at the time plans are submitted and reviewed per applicable codes and amendments.

If you have any questions contact me at 303-989-4307 extension 558 or e-mail: [jbrennan@westmetrofire.org](mailto:jbrennan@westmetrofire.org).

Respectfully,

**Captain John Brennan**  
*Deputy Fire Marshall*  
*Life Safety Division*  
*West Metro Fire Protection District*

*“Whatever It Takes”... To Serve*



**Right of Way & Permits**

1123 West 3<sup>rd</sup> Avenue  
Denver, Colorado 80223  
Telephone: 303.285.6612  
[violeta.ciocanu@xcelenergy.com](mailto:violeta.ciocanu@xcelenergy.com)

July 29, 2024

Douglas County Planning Services  
100 Third Street  
Castle Rock, CO 80104

Attn: DJ Beckwith

**Re: Arrowhead Colorado Metropolitan District, Case # SV2024-002**

Public Service Company of Colorado's (PSCo) Right of Way & Permits Referral Desk has reviewed the documents for **Arrowhead Colorado Metropolitan District**. Public Service Company has no objection to this proposed Metropolitan District, contingent upon PSCo's ability to maintain all existing rights and this amendment should not hinder our ability for future expansion, including all present and any future accommodations for natural gas transmission and electric transmission related facilities, and that our current use/enjoyment of the area would continue to be an accepted use on the property and that it be "grandfathered" into these changes.

Please note that natural gas distribution facilities require minimum 6-foot-wide utility easements *within each lot* on the side of the lot that is drivable pavement (minimum 8-foot wide, 6-inches thick) with space for service truck access and plowing in snowy conditions with a minimum 5-foot clearance from any structure.

The property owner/developer/contractor must complete the application process for any new natural gas service facilities via [xcelenergy.com/InstallAndConnect](http://xcelenergy.com/InstallAndConnect). It is then the responsibility of the developer to contact the Designer assigned to the project for approval of design details.

Additional easements will need to be acquired by separate document for new facilities.

As a safety precaution, PSCo would like to remind the developer to call the Utility Notification Center by dialing 811 for utility locates prior to construction.

Violeta Ciocanu (Chokanu)  
Right of Way and Permits  
Public Service Company of Colorado dba Xcel Energy  
Office: 303-285-6612 – Email: [violeta.ciocanu@xcelenergy.com](mailto:violeta.ciocanu@xcelenergy.com)



## Memorandum

8055 E. Tufts Avenue, Suite 350  
Denver, CO 80237  
(303) 248-2518 Direct

**Mattie Prodanovic**  
Senior Vice President  
Mattie.Prodanovic@hilltopsecurities.com

**Date:** July 30, 2024

**To:** Douglas County, Colorado

**Subject:** Arrowhead Colorado Metropolitan District Service Plan Review

---

Hilltop Securities Inc. (“Hilltop”) has been engaged by Douglas County, Colorado (the “County”) to review the proposed Service Plan for the Arrowhead Colorado Metropolitan District (the “District”).

Hilltop’s review is based on the assumptions provided by the Applicant and Piper Sandler. Our report should not be viewed as an independent economic forecast or as a confirmation of the assumptions for the cost of public infrastructure, real estate market, residential or commercial development cycles, current or projected property values, or the construction and absorption of homes within the development.

### **District Overview and Summary of the Service Plan**

The District will utilize a single district structure and total Service Area of the proposed District is approximately 36 acres, all of which falls within the existing Roxborough Planned Development (the “Existing PD”). The Service Plan provides two options for development depending upon a potential amendment to the Existing PD. In conjunction with the Service Plan, the District has submitted a new Planned Development for the property to include Open Space and Club/Resort uses which is a major amendment to the Existing PD. If the major amendment is not included, then the development will be all residential; if it is included, then the development will be commercial.

If the development is residential, the Applicant anticipates the construction of approximately 31 residential units with build out completed in 2027 and an estimated assessed value of approximately \$1.9 million at build out. If the development is for commercial property, the Applicant anticipates approximately 30,500 square feet of commercial space with build out completed in 2026 and an estimated assessed value of approximately \$13 million at build out.

Regardless of the approved development plan, the Service Plan establishes a maximum total mill levy of 60 mills and maximum levies for debt service and operations and maintenance of 50 mills and 10 mills, respectively. The Service Plan allows for the maximum mill levy caps to be adjusted for changes in the calculation of assessed value assuming a base year of 2024 for collections in 2025. The Service Plan also allows the District to collect other revenue sources as authorized by law and the Financial Plan for the commercial development assumes a Public Infrastructure Fee (“PIF”) of 3.00%. The Financial Plan for the residential development does not assume any other fees.

The Service Plan limits the total amount of debt that can be issued by the District to \$8.5 million. This debt limit is inclusive of all new money proceeds including funds allocated for project costs and costs of issuance. It is assumed that it is also inclusive of credit enhancements such as debt service reserve funds and capitalized interest funds, although it is not expressly stated in the Service Plan. The Service Plan requires that any individual series of bonds issued by the District have a maximum term of 30 years from the date of issuance including any refunding or refinancing. It does not include any final terms for extinguishment of debt or a restriction for how long new money debt may be issued after organization of the District. There also is not limit on the time that the District may impose a debt service mill levy.

The Service Plan limits the maximum voted interest rate on any debt to a maximum of 12.00% and interest rate on developer reimbursements is limited to the current Bond Buyer 20-Bond GO Index plus 4%. The Service Plan does not specify that interest on any debt or developer advances should be simple, meaning



interest on obligations of the District is allowed to compound. The Service Plan limits the maximum underwriting discount to 5.00%.

**Financial Plan - Operation and Maintenance**

The District’s first year’s operating budget is estimated to be approximately \$50,000. The residential Financial Plan projects that the District will not generate sufficient revenues from the operating mill levy modeled at 10 mills when combined with specific ownership taxes to fully fund the estimated operating costs at any time in the projected 30 years of revenues. The commercial Financial Plan shows revenues will begin to cover operations beginning in 2028, assuming there is no change from this initial estimate. The Applicant will need to fund the up-front costs of operation and maintenance until the District is able to generate sufficient revenue to cover costs from the designated mill levy in the commercial scenario or in perpetuity in the residential scenario, which will result in obligations of the District to repay the Applicant from other legally available revenues. The Service Plan does not specify if developer advances count against the debt limit or if they are subject to annual appropriation. In addition to the coverage of operations, the District anticipates costs related to initial operations in the amount of \$150,000 to be repaid from bond proceeds and other legally available revenues of the District.

**Financial Plan – Debt**

The District currently estimates total costs of the improvements are \$4,091,250 for the residential development as detailed in Exhibit D of the Service Plan and \$4,060,718 for the commercial development as detailed in Exhibit F. Both cost estimates include a 20% contingency for total project costs. The service plan contains language that the District will need to come back to the County for additional levels of approval if there is an increase in the costs of the Public Improvements greater than 20%. The Financial Plan, included as Exhibit H, includes a bond issuance in 2025 for both development options. The residential development option assumes the issuance of a senior and subordinate series of bonds whereas the commercial development just assumes an issuance of senior bonds. The table below summarizes the key results of the projected Financial Plan.

| <b>Projected Financing Results</b> |                                                                  |                                                                   |
|------------------------------------|------------------------------------------------------------------|-------------------------------------------------------------------|
|                                    | <u>Residential Series 2025 Bonds</u>                             | <u>Commercial Series 2025 Bonds</u>                               |
| Par Issued                         |                                                                  |                                                                   |
| Senior                             | \$1,085,000                                                      | \$8,015,000                                                       |
| Subordinate                        | \$174,000                                                        |                                                                   |
| Total                              | \$1,259,000                                                      | \$8,015,000                                                       |
| Project Fund Deposit               | \$741,030                                                        | \$5,728,000                                                       |
| Other Use of Proceeds              | Reserve Fund<br>Capitalized Interest (2 yrs)<br>Cost of Issuance | Reserve Fund<br>Capitalized Interest (3 yrs)<br>Costs of Issuance |

*Financing Details – Residential Development*

The combined projected par amount allocated to new money of approximately \$1.3 million is within the debt limit in the Service Plan of \$8.5 million. The estimated project fund deposit generated by the senior and subordinate series of bonds of approximately \$741,030 is much less than the estimated project costs as detailed in the Service Plan by approximately \$3,350,220. This shortfall along with shortfalls in revenues for O&M will likely result in reimbursement agreements with the developer. The Financial Plan does mention a future refunding and new money issuance in 2030 which is expected to generate approximately \$200,000 of additional project funds but the specifics of that financing are not detailed anywhere in the Financial Plan. Given there is not a constraint for issuing new debt, the District could issue additional obligations in the future to fund portions of the estimated project cost if the projected revenues and market conditions would support additional debt at that time.

Capitalized interest funded with proceeds from the bonds is used to pay debt service on the senior series of bonds in collection years 2026 and 2027. The Financial Plan shows the accumulation of revenues into a

Surplus Fund beginning in 2026 through collection year 2031 until the fund balance reaches a targeted level of \$108,500 when funds are then permitted to be used to pay debt service on the subordinate bonds. Projected revenues are sufficient to cover debt service on the senior bonds beginning with the first payment in 2028. The Financial Plan projects the revenues generated from the debt service mill levy and specific ownership tax revenue are sufficient to pay debt service on the senior bonds through 2055 and the District is able to retire the debt service on those bonds within 30 years of issuance, as required in the Service Plan. However, the Financial Plan assumes the mill levy for debt service is in excess of 50 mills beginning in collection year 2027 through final maturity in 2055. While the District is permitted to make adjustments to the mill levy due to changes in the calculation of assessed value, it likely does not apply in this instance because the assumed residential assessment rate is actually higher beginning in collection year 2027 and thereafter than in the base year of 2024 (collection year 2025). This seems to align with the headers used in the Financial Plan that actually indicate a cap of 48.201, presumably from the adjustment, rather than the 50 mills established in the Service Plan. Adjusting the mill levy and the related revenues collected would impact the sizing of the senior bonds to stay within the debt service coverage assumptions as detailed more below.

Interest on the subordinate bonds, which are structured as cash flow bonds, accrues and compounds at a rate of 8.75% until the District is able to begin making payments towards the interest, which the Financial Plan projects to begin in 2031. The Financial Plan projects that the District should have sufficient revenues to fully pay interest payments on the subordinate bonds and to start paying down the balance of the accrued interest beginning in collection year 2032. The Financial Plan does project that the District will be able to repay the principal on the subordinate bonds within the 30-year period established in the Service Plan, although this may not be the case if the projected revenues for debt service are adjusted as noted above.

#### *Financing Details – Commercial Development*

The combined projected par amount allocated to new money of approximately \$8 million is within the debt limit in the Service Plan of \$8.5 million. The estimated project fund deposit generated by the bonds of approximately \$5.7 million is greater than the estimated project costs as detailed in the Service Plan by approximately \$1,667,282. This additional capacity could be utilized to support cost overruns for the anticipated projects which may require additional county approvals as detailed in the Service Plan. At the time of issuance, the District will be required to show the use of funds are for allowable projects at that time and if they are not able to do so, then the borrowing will be reduced to fund the allowable costs.

Capitalized interest funded with proceeds from the bonds is used to pay debt service on the bonds in collection years 2026 through 2028. The Financial Plan shows the accumulation of revenues into a Surplus Fund in 2026 and 2027 until the fund balance reaches a targeted level of \$801,500. At that time, the revenues are then ‘released’ which total approximately \$26.9 million at the end of the 30-year term of the bonds. Projected revenues are sufficient to cover debt service on the bonds beginning with the first payment in 2029. The Financial Plan assumes the District levies a consistent 50 mills throughout the term of the bonds however it is likely the District would be able to lower the mill levy at some point in the future under current assumptions. The Plan projects the revenues generated from the debt service mill levy, specific ownership tax revenue, and PIF revenue are sufficient to pay debt service on the senior bonds through 2055 and the District is able to retire the debt service on those bonds within 30 years of issuance, as required in the Service Plan.

#### *Financial Plan Assumptions*

The Financial Plan makes certain assumptions regarding the structure and interest rates of each of the proposed issuances and the actual results will be different from the submitted Financial Plan based on what the market conditions are at each time of issuance. The table on the following page summarizes the key assumptions of the Financial Plan.

The assumptions for the residential development are consistent with the current market for similar transactions. The debt service coverage assumption for the commercial development is materially higher than a traditional new financing for a metropolitan district, which we assume is why the assumed interest rate is slightly lower than what would also be traditionally assumed for a non-rated debt issuance for a new

development. The ability to achieve the lower interest rate noted in the table below will be subject to investor interest at the time of issuance. If, at the time of issuance, the interest rate or credit structure of the District's bonds are different than what is currently assumed in the Financial Plan, then the District may generate more or less project funds than the amount currently shown.

| <b>Summary of Financial Plan Assumptions</b> |                  |                 |                  |
|----------------------------------------------|------------------|-----------------|------------------|
|                                              | Residential      |                 | Commercial       |
| Lien Structure                               | Senior           | Subordinate     | Senior           |
| Interest Rate                                | 6.500%           | 8.750%          | 5.000%           |
| Debt Service Coverage                        | 1.30x            | n/a             | 2.65x            |
| Final Maturity / Term                        | 2055 (30 Years)  | 2055 (30 Years) | 2055 (30 Years)  |
| Structure                                    | Current Interest | Cash Flow       | Current Interest |
| Rating / Credit                              | Non-Rated        | Non-Rated       | Non-Rated        |
| Biennial Reassessment                        |                  |                 |                  |
| Residential                                  | 2.00%            | 2.00%           |                  |
| Commercial                                   |                  |                 | 2.00%            |

## **Conclusion**

As is true with sample financial projections included in any Service Plan for new metropolitan districts, these financial projections do not constitute a commitment to construct any specific housing units or commercial development, nor do they obligate the Applicant to begin new construction on any specific timetable. The actual implementation of the debt program may vary significantly from the projections in the Financial Plan. The timing, amounts, and interest rates of the planned debt issuances will be subject to market conditions and to the credit analysis performed at the time of issuance by third-party investors. The ability to issue additional debt in the future will also depend on the level of development achieved within the District, and on the rate of taxes imposed by the District in relationship to the limits created by the Service Plan.

### *Residential Development*

As discussed throughout our memorandum, there are a few challenges that we note in the residential development option that do not reflect the requirements of the Service Plan and would thereby change the results of the Financial Plan. Additionally, the Financial Plan is missing the detailed information for the projected refunding which does not allow us to review whether those projected financings meet the requirements of the Service Plan. Without additional detail or clarifications, we are not able to include a statement attesting to the reasonableness of the District to be able to extinguish all bonds within the parameters established within the body of the Service Plan for the residential development option. However, we do note that if the Service Plan is approved, the actual amount the District will be able to borrow for the initial costs of the public improvements or to reimburse to the developer will be impacted by changes in these assumptions, market conditions, and investor demand between now and the time of issuance.

### *Commercial Development*

Given the assumptions in the Financial Plan, it is reasonable that the District will be capable of extinguishing all bonds within the parameters established within the body of the Service Plan. The actual amount the District will be able to borrow for the initial costs of the public improvements or to reimburse to the developer will be impacted by changes in these assumptions, market conditions, and investor demand between now and the time of issuance.



## Memorandum

8055 E. Tufts Avenue, Suite 350  
Denver, CO 80237  
(303) 248-2518 Direct

**Mattie Prodanovic**  
Senior Vice President  
Mattie.Prodanovic@hilltopsecurities.com

**Date:** August 9, 2024

**To:** Douglas County, Colorado

**Subject:** Arrowhead Colorado Metropolitan District Service Plan Review

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Hilltop Securities Inc. (“Hilltop”) has been engaged by Douglas County, Colorado (the “County”) to review the proposed Service Plan for the Arrowhead Colorado Metropolitan District (the “District”).

Hilltop’s review is based on the assumptions provided by the Applicant and Piper Sandler. Our report should not be viewed as an independent economic forecast or as a confirmation of the assumptions for the cost of public infrastructure, real estate market, residential or commercial development cycles, current or projected property values, or the construction and absorption of homes within the development.

### **District Overview and Summary of the Service Plan**

The District will utilize a single district structure and total Service Area of the proposed District is approximately 36 acres, all of which falls within the existing Roxborough Planned Development (the “Existing PD”). The Service Plan provides two options for development depending upon a potential amendment to the Existing PD. In conjunction with the Service Plan, the District has submitted a new Planned Development for the property to include Open Space and Club/Resort uses which is a major amendment to the Existing PD. If the major amendment is not included, then the development will be all residential; if it is included, then the development will be commercial.

If the development is residential, the Applicant anticipates the construction of approximately 31 residential units with build out completed in 2027 and an estimated assessed value of approximately \$1.9 million at build out. If the development is for commercial property, the Applicant anticipates approximately 30,500 square feet of commercial space with build out completed in 2026 and an estimated assessed value of approximately \$13 million at build out.

Regardless of the approved development plan, the Service Plan establishes a maximum total mill levy of 60 mills and maximum levies for debt service and operations and maintenance of 50 mills and 10 mills, respectively. The Service Plan allows for the maximum mill levy caps to be adjusted for changes in the calculation of assessed value assuming a base year as of the date the Service Plan is approved. However, as noted further below, the Financial Plan does not utilize this same assumption in its financial projections and instead uses different base years for this adjustment. Section 10.C. of the Service Plan requires that the mill levies be adjusted beyond the base year such that any adjustment is revenue neutral. This means that while the District can adjust its mill levies higher to account for changes in assessed value calculations that would otherwise negatively impact District revenues, it is also required to adjust mill levies lower if adjustments are made to the calculation of assessed value that increase revenues solely from the change in calculation. The Service Plan also allows the District to collect other revenue sources as authorized by law and the Financial Plan for the commercial development assumes a Public Infrastructure Fee (“PIF”) of 3.00%. The Financial Plan for the residential development does not assume any other fees.

The Service Plan limits the total amount of debt that can be issued by the District to \$8.5 million. This debt limit is inclusive of all new money proceeds including funds allocated for project costs and costs of issuance. It is assumed that it is also inclusive of credit enhancements such as debt service reserve funds and capitalized interest funds, although it is not expressly stated in the Service Plan. The Service Plan requires that any individual series of bonds issued by the District have a maximum term of 30 years from

the date of issuance including any refunding or refinancing. This language is somewhat unclear as it could be interpreted that all bonds related to an initial new money issuance must have a final term within 30 years of the original issuance or that each individual issuance could have its own 30-year term. In the latter scenario, the District could continue to perpetually refund an original bond issuance and restart the 30-year term at each refunding given there is no limit on time that the District may impose a debt service mill levy. It also does not include any final terms for extinguishment of debt or a restriction for how long new money debt may be issued after organization of the District.

The Service Plan limits the maximum voted interest rate on any debt to a maximum of 12.00% and interest rate on developer reimbursements is limited to the current Bond Buyer 20-Bond GO Index plus 4%. The Service Plan does not specify that interest on any debt or developer advances should be simple, meaning interest on obligations of the District is allowed to compound. The Service Plan limits the maximum underwriting discount to 5.00%.

**Financial Plan - Operation and Maintenance**

The District’s first year’s operating budget is estimated to be approximately \$50,000. The residential Financial Plan does not include projected revenues for operations and maintenance but it is assumed based on the projected assessed value that the District will not generate sufficient revenues from the operating mill levy of 10 mills when combined with specific ownership taxes to fully fund the estimated operating costs until approximately 2058. The commercial Financial Plan shows revenues will begin to cover operations beginning in 2028, assuming there is no change from this initial estimate. The Applicant will need to fund the up-front costs of operation and maintenance until the District is able to generate sufficient revenue to cover costs from the designated mill levy in the commercial scenario or in perpetuity in the residential scenario, which will result in obligations of the District to repay the Applicant from other legally available revenues. The Service Plan does not specify if developer advances count against the debt limit or if they are subject to annual appropriation. In addition to the coverage of operations, the District anticipates costs related to initial operations in the amount of \$150,000 to be repaid from bond proceeds and other legally available revenues of the District.

**Financial Plan – Debt**

The District currently estimates total costs of the improvements are \$4,091,250 for the residential development as detailed in Exhibit D of the Service Plan and \$4,060,718 for the commercial development as detailed in Exhibit F. Both cost estimates include a 20% contingency for total project costs. The service plan contains language that the District will need to come back to the County for additional levels of approval if there is an increase in the costs of the Public Improvements greater than 20%. The Financial Plan, included as Exhibit H, includes a bond issuance in 2025 for both development options. The residential development option also assumes the issuance of refunding bonds in 2035 to refund the 2025 bonds while also producing additional project funds. The table below summarizes the key results of the projected Financial Plan.

| <b>Projected Financing Results</b> |                                                                     |                                  |             |                                                                      |
|------------------------------------|---------------------------------------------------------------------|----------------------------------|-------------|----------------------------------------------------------------------|
|                                    | <u>Residential</u>                                                  |                                  |             | <u>Commercial</u>                                                    |
|                                    | Series 2025 Bonds                                                   | Series 2035 Bonds                | Total       | Series 2025 Bonds                                                    |
| Par Issued                         | \$2,230,000                                                         | \$3,995,000                      | \$6,225,000 | \$8,015,000                                                          |
| Project Fund Deposit               | \$1,357,900                                                         | \$1,669,000                      | \$3,026,900 | \$5,728,000                                                          |
| <b>Principal Allocation</b>        |                                                                     |                                  |             |                                                                      |
| New Money                          | \$2,230,000                                                         | \$1,900,000                      | \$4,130,000 | \$8,015,000                                                          |
| Refunding                          |                                                                     | \$2,095,000                      | \$2,095,000 | n/a                                                                  |
| Other Use of Proceeds              | Reserve Fund<br>Capitalized Interest<br>(3 yrs)<br>Cost of Issuance | Reserve Fund<br>Cost of Issuance |             | Reserve Fund<br>Capitalized Interest<br>(3 yrs)<br>Costs of Issuance |

### *Financing Details – Residential Development*

The combined projected par amount allocated to new money of approximately \$4.13 million is within the debt limit in the Service Plan of \$8.5 million. The estimated total project fund deposit generated by the 2025 and 2035 series of bonds of approximately \$3,026,900 is much less than the estimated project costs as detailed in the Service Plan by approximately \$1,064,350. Given there is not a constraint for issuing new debt, the District could issue additional obligations in the future to fund portions of the estimated project cost if the projected revenues and market conditions would support additional debt at that time.

The following statements describe the Financial Plan’s compliance with an ability to show that projected revenues are sufficient to repay debt service on the issued bonds. These statements are based on the information that is in the Financial Plan, but we do want to note that Piper Sandler has made an adjustment to the base year for tax collections in the residential model that results in the projection of more revenues available for debt service than would actually be available if they used the base year consistent with the Service Plan. The Service Plan establishes the base year as the year of approval which would assume to be in 2024 or 2025. However, the Financial Plan assumes a base year in 2027. Given the projected changes in the Financial Plan for the Residential Assessment Rate (“RAR”) over the next three to four years, Piper Sandler is assuming a base year when the RAR is at its highest rate when the base year, based on the year they are projecting bonds to be issued, will be lower. If that does occur, the District will not be able to levy the 50 mills as shown in the Financial Plan which would result in less revenues available for debt service. This would then impact the amount of bonds the District would be able to issue and how much of the estimated project costs could be covered from bond proceeds.

Capitalized interest funded with proceeds from the bonds is used to pay debt service on the bonds in collection years 2026 through 2028. The Financial Plan shows the accumulation of revenues into a Surplus Fund beginning in 2026 through 2028, with a slight draw to pay debt service in 2029, and continued accumulation through collection year 2035 at which time the bonds are refunded. The Series 2035 Bonds are structured to utilize all available projected revenues and a Surplus Fund is not established for those bonds. Projected revenues along with a small draw on the Surplus Fund are sufficient to cover debt service on the bonds beginning with the first payment in 2029; debt service revenues are projected to be sufficient to cover debt service thereafter. The Financial Plan then assumes the Series 2025 Bonds are refunded by the Series 2035 Bonds and that revenues are sufficient to pay debt service upon issuance in 2036. With the caveat noted in the paragraph above, the Financial Plan projects the revenues generated from the debt service mill levy and specific ownership tax revenue are sufficient to pay debt service on the bonds through a projected final maturity of the Series 2035 Bonds in 2065. The Financial Plan shows the District is able to retire the debt service on the Series 2035 Bonds within 30 years of issuance, which is actually 40 years from original issuance of the related new money bonds. As noted above, this is in compliance with the Service Plan depending upon the interpretation of the language in Section X.G.(a).

### *Financing Details – Commercial Development*

The combined projected par amount allocated to new money of approximately \$8 million is within the debt limit in the Service Plan of \$8.5 million. The estimated project fund deposit generated by the bonds of approximately \$5.7 million is greater than the estimated project costs as detailed in the Service Plan by approximately \$1,667,282. This additional capacity could be utilized to support cost overruns for the anticipated projects which may require additional county approvals as detailed in the Service Plan. At the time of issuance, the District will be required to show the use of funds are for allowable projects at that time and if they are not able to do so, then the borrowing will be reduced to fund the allowable costs.

Capitalized interest funded with proceeds from the bonds is used to pay debt service on the bonds in collection years 2026 through 2028. The Financial Plan shows the accumulation of revenues into a Surplus Fund in 2026 and 2027 until the fund balance reaches a targeted level of \$801,500. At that time, the revenues are then ‘released’ which total approximately \$26.9 million at the end of the 30-year term of the bonds. Projected revenues are sufficient to cover debt service on the bonds beginning with the first payment in 2029. The Financial Plan assumes the District levies a consistent 50 mills throughout the term of the bonds however it is likely the District would be able to lower the mill levy at some point in the future under current

assumptions. The Plan projects the revenues generated from the debt service mill levy, specific ownership tax revenue, and PIF revenue are sufficient to pay debt service on the senior bonds through 2055 and the District is able to retire the debt service on those bonds within 30 years of issuance, as required in the Service Plan.

*Financial Plan Assumptions*

The Financial Plan makes certain assumptions regarding the structure and interest rates of each of the proposed issuances and the actual results will be different from the submitted Financial Plan based on what the market conditions are at each time of issuance. The table on the following page summarizes the key assumptions of the Financial Plan.

The interest rate assumptions for the residential development are lower than what would typically be assumed for comparable credits and the anticipated coverage of 1.00x for both transactions is not consistent with how similar transactions have historically been structured. The debt service coverage assumption for the commercial development is materially higher than a traditional new financing for a metropolitan district, which we assume is why the assumed interest rate is slightly lower than what would also be traditionally assumed for a non-rated debt issuance for a new development. The ability to achieve the lower interest rates noted in the table below, and lower coverage ratios for the residential development, will be subject to investor interest at the time of issuance. If, at the time of issuance, the interest rate or credit structure of the District’s bonds are different than what is currently assumed in the Financial Plan, then the District may generate more or less project funds than the amount currently shown.

| <b>Summary of Financial Plan Assumptions</b> |                   |                   |                   |
|----------------------------------------------|-------------------|-------------------|-------------------|
|                                              | Residential       |                   | Commercial        |
| Lien Structure                               | Series 2025 Bonds | Series 2035 Bonds | Series 2025 Bonds |
| Interest Rate                                | 5.00%             | 3.00%             | 5.00%             |
| Debt Service Coverage                        | 1.00x             | 1.00x             | 2.65x             |
| Final Maturity / Term                        | 2055 (30 Years)   | 2065 (30 Years)   | 2055 (30 Years)   |
| Structure                                    | Current Interest  | Current Interest  | Current Interest  |
| Rating / Credit                              | Non-Rated         | Investment Grade  | Non-Rated         |
| Biennial Reassessment                        |                   |                   |                   |
| Residential                                  | 6.00%             | 6.00%             |                   |
| Commercial                                   |                   |                   | 2.00%             |

**Conclusion**

As is true with sample financial projections included in any Service Plan for new metropolitan districts, these financial projections do not constitute a commitment to construct any specific housing units or commercial development, nor do they obligate the Applicant to begin new construction on any specific timetable. The actual implementation of the debt program may vary significantly from the projections in the Financial Plan. The timing, amounts, and interest rates of the planned debt issuances will be subject to market conditions and to the credit analysis performed at the time of issuance by third-party investors. The ability to issue additional debt in the future will also depend on the level of development achieved within the District, and on the rate of taxes imposed by the District in relationship to the limits created by the Service Plan.

*Residential Development*

As discussed throughout our memorandum, there are a few challenges that we note in the Financial Plan for the residential development option as well as a suggested clarification regarding the final term of debt of the District that could be implemented into the Service Plan. The Financial Plan as presented shows that the District will be capable of extinguishing all bonds within the parameters established within the body of the Service Plan, although the assumptions regarding the base year are not consistent with the corresponding requirements within the Service Plan. The actual amount the District will be able to borrow for the initial costs of the public improvements or to reimburse to the developer will be impacted by changes in these

assumptions, market conditions, and investor demand between now and the time of issuance.

*Commercial Development*

Given the assumptions in the Financial Plan, it is reasonable that the District will be capable of extinguishing all bonds within the parameters established within the body of the Service Plan. The actual amount the District will be able to borrow for the initial costs of the public improvements or to reimburse to the developer will be impacted by changes in these assumptions, market conditions, and investor demand between now and the time of issuance. Although not a requirement, it also should be noted that the commercial development option would also benefit from the term clarification noted for the Service Plan in the residential development option.



July 31, 2024

Megan Becher  
McGeady Becher P.C.  
450 E. 17<sup>th</sup> Avenue, Suite 400  
Denver, CO 80203

**Re: Arrowhead Colorado Metropolitan District  
Project File No. SV2024-002**

Dear Ms. Becher:

Thank you for the submittal of the Arrowhead Colorado Metropolitan District. We have completed the presubmittal review of the service plan and have comments as stated below. Additionally, copies of referral agency comments received to-date are enclosed.

**General Formatting Comments:**

1. On page ii in the Approval Summary, please update the “District Name” to Arrowhead Colorado Metropolitan District.
2. Please verify that the outline nomenclature throughout the service plan is correct. For instance, Section VIII.A.9(a). does not appear to be accurate. It likely should be Section VIII.B.
3. Please update all references in the Table of Contents, Section VIII.C., and Exhibits to the “DRCOG Clean Water Plan” to “Colorado Clean Water Plan”.
4. In the Exhibits list, please provide an explanation for the removal of Exhibit M “District Court Decree”.
5. In Section VIII District Services, Facilities, and Improvements, please address the following:
  - In Section A 1 and 3, please provide additional language explicitly stating that the District will not provide these services and narrow the language to include only the powers necessary for the District to build infrastructure but not provide water and sanitation services directly.
  - Staff recommends removing the fire protection power from the service plan. If the power is retained, please clarify how the District is able to meet statutory approval criteria 1 & 2 while providing duplicate fire protection services.
  - If the District anticipates initially providing security services, a letter from the Douglas County Sheriff’s Office confirming consent to the Security Services Provision will be required with the service plan application.

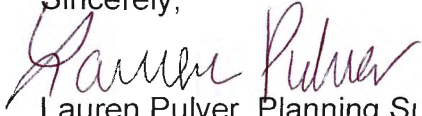
- In Section (a) 2 Residential Use, the following language has been added “Any costs not covered by bond proceeds will be paid for by the Developer or other sources of revenues.” Does this language apply to the Commercial Use as well? If so, please include that language in Section (a) 1.
6. In Section IX, please revise the last sentence to use the RWSD acronym. Please ensure this is used consistently throughout the document.
  7. In the Section X Financial Information, please address the following:
    - Staff suggests revising the third paragraph of Section C to read “If, on or after January 1, 2025, there are changes in the method of calculating assessed valuation or any constitutionally mandated tax credit, cut, or abatement, the mill levy limitation applicable to such debt and operating and maintenance expenses may be increased or decreased to reflect such changes, such increases or decreases to be determined by the Board in good faith so that to the extent possible, the actual tax revenue generated by the mill levy are neither diminished nor enhanced as a result of such changes (“Mill Levy Adjustment”) . For purposes of the foregoing, a change in the ratio of actual valuation and any constitutional or legislative changes in the actual value against which the assessment rate is applied shall be deemed to be a change in the method of calculating assessed valuation.”
    - In Section G (a), please revise the parenthetical number to match the preceding number.
  8. In Section XI Developer Advances and Reimbursements, in the second paragraph, please provide an explanation for deleting the first sentence from the County’s template.
  9. Staff recommends adding capitalized terms, such as “Approved PD”, “Residential Use”, and “Commercial Use” to the Definitions Section for ease of reading. If these terms are defined in the Definitions Section, they should not also be defined in the body of the document for consistency.

**Referral Agency and County Consultant Comments:**

1. Please address the comments provided by Douglas County Engineering Services.
2. Please address the comments provided by Roxborough Water and Sanitation District.
3. Please address the comment provided by Hilltop Securities Inc.

If you have any questions on the above requirements, please call the undersigned at (303)-660-7460.

Sincerely,

A handwritten signature in dark ink, appearing to read "Lauren Pulver". The signature is fluid and cursive, with the first name "Lauren" being more prominent than the last name "Pulver".

Lauren Pulver, Planning Supervisor

cc: Kati Carter, AICP, Assistant Director of Planning Resources  
Chris Pratt, Managing County Attorney

August 12, 2024

Megan Becher  
450 E. 17<sup>th</sup> Avenue, Suite 400  
Denver, CO 80203  
via email

**Re: Arrowhead Colorado Metropolitan District  
Project File No. SV2024-002**

Dear Ms. Becher

The following schedule has been set for the above referenced application:

| ACTION                                                            | DATE             |
|-------------------------------------------------------------------|------------------|
| Application stamped complete, Department of Community Development | 8/12/24          |
| PC meeting                                                        | 8/19/24, 7:00 pm |
| BCC meeting to set hearing date                                   | 9/10/24, 1:30 pm |
| BCC hearing                                                       | 9/24/24, 2:30 pm |
| BCC adopts resolution of approval or provides reason for denial   | 9/24/24, 2:30 pm |

All meetings will be held in the Board of County Commissioners' Hearing Room at 100 Third Street, Castle Rock.

Please note some additional deadlines for this application; the staff report for the Board of County Commissioners hearing is to be mailed on September 12, 2024. The final version of the Service Plan, as it is to be delivered to the Board, should be provided to our office by Monday, September 9, 2024.

To ensure the applications are processed and heard according to the above schedule, it will be important for you to provide and comply with the following requirements.

**A. NOTICING**

State Statutes require public notice for the Board of County Commissioners hearing. The Douglas County *Service Plan Review Procedures* ("Review Procedures") require the

applicant to fulfill the following noticing requirements. Please also refer to Section 32-1-204, C.R.S. for further information:

1. Newspaper Noticing

A notice needs to be published in the *Douglas County News-Press* at least 20 days before the BCC hearing. The notice shall include the date, time, location, purpose of the hearing, and a general description of the land contained within the boundaries of the metropolitan district and information outlining methods and procedures pursuant to Section 32-1-203 (3.5), C.R.S., concerning the filing of the petition for exclusion of territory. See the relevant section of the State Statutes and the Review Procedures for further explanation of this last issue.

Please provide Planning Services with a copy of the draft notice before it is sent to the newspaper for publishing so we can confirm all information is included.

2. Existing Surrounding Municipalities and Special Districts

A written notice must be sent to “the governing body of any existing municipality or special district which has levied an ad valorem tax within the next preceding tax year and which has boundaries within a radius of three miles of the proposed special district boundaries” (Section 32-1-204 (1), C.R.S., as amended).

This notice needs to state the date, time and location of the Board of Commissioners’ public hearing. This notice must be sent out at least 20 days prior to the Board’s hearing. Please provide Planning Services with a copy of the above draft notice and a list of the municipalities or special districts prior to mailing the notice.

3. Property Owners

Pursuant to Section 32-1-204(1.5), C.R.S., not more than 30 days or less than 20 days prior to the Board of County Commissioners hearing, a notice stating the date, time, location, and purpose of the Board of Commissioners public hearing, a reference to the type of special district, maximum mill levy, if any, or stating that there is no maximum that may be imposed by the proposed special district, and procedures for the filing of a petition for exclusion pursuant to Section 32-1-203(3.5), C.R.S., as amended, shall be sent to the owners of property within the proposed special district as listed on the records of the County Assessor.

Please note that Planning Services maintains its interpretation that public notice requirements as described within State statutes are applicable to this request. Based upon the identified Board of County Commissioners’ hearing date of Tuesday, September 24, 2024, public notice to all property owners within the boundaries of the districts is required to be mailed between August 26 and September 3, 2024.

B. AFFIDAVIT OF NOTICE

Once the above noticing has been completed, an affidavit of publication will be required from the *Douglas County News-Press* to verify that the notice was published. In addition,

the Department of Community Development will need an affidavit of notice stating that the other two noticing requirements have been completed. These affidavits must be delivered to the Department of Community Development not less than five (5) business days prior to the Board of County Commissioners' hearing.

C. RESOLUTION

The applicant needs to provide the Department of Community Development a copy (electronic only is acceptable) of the resolution(s) by September 9, 2024, in time for the September 24, 2024, Board of County Commissioners' hearing.

Any revisions to the Service Plan pursuant to the conditions of approval that may be in the staff report for the September 24, 2024, hearing will need to be provided prior to the Board hearing of the same date.

If you have any questions on the above requirements, please call the undersigned at (303) 660-7460.

Sincerely,



DJ Beckwith  
Principle Planner

cc: Lauren Pulver, Planning Supervisor  
Katherine Carter, AICP, Assistant Director of Planning Services  
Christopher Pratt, Managing County Attorney

**From:** [Megan Becher](#)  
**To:** [DJ Beckwith](#)  
**Cc:** [Lauren Pulver](#)  
**Subject:** RE: Proposed Arrowhead Colorado Metropolitan District - Draft Service Plan  
**Date:** Friday, July 19, 2024 2:01:55 PM

---

Thanks to you both. I'll talk to my client and we'll see what we can pull together for that support.

Have a great weekend.

**Megan M. Becher**  
Shareholder  
McGeady Becher P.C.  
450 E. 17th Avenue, Suite 400  
Denver, CO 80203-1254  
Phone: 303.592.4380  
Fax: 303.592.4385  
Email: [mbecher@specialdistrictlaw.com](mailto:mbecher@specialdistrictlaw.com)  
[www.specialdistrictlaw.com](http://www.specialdistrictlaw.com)



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---

**From:** DJ Beckwith <[dbeckwith@douglas.co.us](mailto:dbeckwith@douglas.co.us)>  
**Sent:** Friday, July 19, 2024 2:00 PM  
**To:** Megan Becher <[mbecher@specialdistrictlaw.com](mailto:mbecher@specialdistrictlaw.com)>  
**Cc:** Lauren Pulver <[lpulver@douglas.co.us](mailto:lpulver@douglas.co.us)>  
**Subject:** RE: Proposed Arrowhead Colorado Metropolitan District - Draft Service Plan

Hello Megan,

A market study is not required for submittal, but it is typically provided to our Board for review along with analysis of the market study from our consultant. It would be helpful for our Board to include some type of market analysis even if a formal study is not feasible.

Also, I will be out these next few weeks, but Lauren is back and will be able to assist moving forward.

All the best,  
**DJ Beckwith** | Principal Planner  
**Douglas County Department of Community Development**

## Planning Resources

**Address** | 100 Third St., Castle Rock, CO 80104

**Direct** | 303-814-4330 **Main** | 303-660-7460

**Email** | [dbeckwith@douglas.co.us](mailto:dbeckwith@douglas.co.us)

---

**From:** Megan Becher <[mbecher@specialdistrictlaw.com](mailto:mbecher@specialdistrictlaw.com)>

**Sent:** Friday, July 19, 2024 1:26 PM

**To:** DJ Beckwith <[dbeckwith@douglas.co.us](mailto:dbeckwith@douglas.co.us)>

**Subject:** RE: Proposed Arrowhead Colorado Metropolitan District - Draft Service Plan

Hi DJ, given the limited scope of the project and the fast build-out period, we had not planned on getting a formal market study. We can certainly provide alternative supportive information. Would that be acceptable? Or, is the market study necessary? Happy to hop on a call if it's easier.

Thanks,

**Megan M. Becher**

Shareholder

McGeady Becher P.C.

450 E. 17th Avenue, Suite 400

Denver, CO 80203-1254

Phone: 303.592.4380

Fax: 303.592.4385

Email: [mbecher@specialdistrictlaw.com](mailto:mbecher@specialdistrictlaw.com)

[www.specialdistrictlaw.com](http://www.specialdistrictlaw.com)



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**From:** DJ Beckwith <[dbeckwith@douglas.co.us](mailto:dbeckwith@douglas.co.us)>

**Sent:** Tuesday, July 16, 2024 1:44 PM

**To:** Megan Becher <[mbecher@specialdistrictlaw.com](mailto:mbecher@specialdistrictlaw.com)>; Kati Carter <[KCarter@douglas.co.us](mailto:KCarter@douglas.co.us)>; Christopher Pratt <[cpratt@douglas.co.us](mailto:cpratt@douglas.co.us)>; Andrew Steers <[asteers@douglas.co.us](mailto:asteers@douglas.co.us)>; Lauren Pulver <[lpulver@douglas.co.us](mailto:lpulver@douglas.co.us)>

**Cc:** Eric Trout <[etrout@specialdistrictlaw.com](mailto:etrout@specialdistrictlaw.com)>; Chris Puchalla ([chrisp@pomeroylodging.com](mailto:chrisp@pomeroylodging.com)) <[chrisp@pomeroylodging.com](mailto:chrisp@pomeroylodging.com)>; Nick Cheveldave <[NickC@pomeroylodging.com](mailto:NickC@pomeroylodging.com)>; Marcus Pachner





August 6, 2024

**VIA EMAIL**

Lauren Pulver  
Planning Supervisor  
Department of Community Development  
Douglas County

Re: Proposed Arrowhead Colorado Metropolitan District  
Project File No. SV2024-002

Dear Ms. Pulver:

Thank you for your letter dated July 31, 2024 relative to the captioned matter. Attached is a revised version of the proposed Service Plan for the captioned District which addresses the matters identified in your letter. We've attached both clean and redlined versions for your reference. Additionally, below are specific responses to your comments:

**Responses to your General Formatting Comments:**

1. We have updated the District name, per your request.
2. We have reviewed and updated the outline references throughout the document. To the extent you think we've missed anything, please let me know.
3. We have made the requested update to "Colorado Clean Water Plan" throughout.
4. We removed Exhibit M, the "District Court Decree" because it is not a document we will have until after the District Court holds a hearing, which won't occur until after Service Plan approval and the election. We'd be happy to provide you with a copy upon completion, but it didn't seem appropriate to include / refer to a document that won't be available until well later. Please let me know if we're missing something about this requested Exhibit.
5. We have made the following revisions:
  - a. Sections A.1. and 3 have been revised as requested.
  - b. We have revised the fire protection language to indicate the District will not be providing this category of infrastructure or service and that such service will be provided by West Metro Fire Protection District.

450 E. 17th Avenue, Suite 400, Denver, CO 80203-1254 | 303.592.4380 | [www.specialdistrictlaw.com](http://www.specialdistrictlaw.com)

August 6, 2024  
Lauren Pulver  
Department of Community Development, Douglas County

- c. We have removed Security Service as an authorized power of the District.
  - d. We have added similar language relative to Developer funding to the Commercial Use paragraph.
6. We have made the requested revision to Section IX.
  7. We have made the requested revisions, with one exception. Instead of utilizing January 1, 2025, as the initial date, we propose using the date of approval of the Service Plan. It is possible there would be changes between the date of approval and January 1, 2025, so it seems reasonable to include changes from the date of approval. Happy to discuss.
  8. The revisions to Section XI relative to Developer debt were suggested to reflect certain statutory modifications over the last year. The District may enter into reimbursement agreements with the Developer (or affiliated entities) that would not be deemed “Debt” statutorily unless certain new, statutory, requirements relative to Developer Debt are met. So, it seems appropriate that such advances would not be deemed Debt under the Service Plan definition, to count against the Debt Limit unless and until they are actually issued as Debt under the new statutes. I’m happy to further walk through our thoughts here.
  9. We have reviewed and revised the Service Plan to bring as many defined terms as possible into the Definitions section. We did not move the defined terms out of the Executive Summary, as we believe they may not be considered an integrated document and it would be confusing. Please review and advise of any further revisions you would like to see.

**Responses to Referral Agency and County Consultant Comments:**

1. Relative to Douglas County Engineering Services’ comments, the Engineering Review Fee referenced as outstanding has since been paid. Additionally, the Underground Detention on the Commercial Use has been removed from the cost estimate and replaced with “North Detention and Water Quality Facility” and the conceptual limits have been adjusted. Due to grading constraints, it is anticipated that the cost to construct will be similar to that of an underground system, therefore the cost has not been modified. You’ll find these revisions in Exhibits F and G relative to the Commercial Use.
2. Relative to RWSD’s comments, we have discussed directly with RWSD, and RWSD has confirmed the 18 EQRs may be converted to different tap sizes following a conversion table provided by RWSD. At preliminary design, it is anticipated that the commercial use will utilize one (1) three (3) inch tap, equating to 18 EQR. At conceptual design of the residential layout, the townhome blocks and single-family units are anticipated to be designed such that, via conversion, up to 18 EQRs will be utilized on the property.

August 6, 2024  
Lauren Pulver  
Department of Community Development, Douglas County

3. In response to Hilltop Securities Inc.'s comments on the Residential Finance Plan, we have included an updated version of the Residential Finance Plan as Exhibit H-2 that more fully evidences compliance with the Service Plan.

Upon your review, we look forward to answering any more questions or comments you may have on these responses and the revised Service Plan document. Please let us know of anything further you may need in advance of the Planning Commission hearing, which we understand is scheduled for August 19.

Very truly yours,

MCGEADY BECHER P.C.

*Megan Becher*

Megan Becher

Enclosure

- c: Chris Puchalla, Pomeroy Lodging  
Carolynne White and Brielle Rumsey, Brownstein Hyatt Farber and Schreck  
Marcus Pachner, The Pachner Company

**From:** [Megan Becher](#)  
**To:** [Lauren Pulver](#)  
**Cc:** [Kati Carter](#); [Christopher Pratt](#); [DJ Beckwith](#); [Chris Puchalla \(chrisp@pomeroylodging.com\)](#); [Marcus Pachner \(marcus@thepachnercompany.com\)](#); [Rumsey, Brielle L.](#); [Carolynne White \(cwhite@bhfs.com\)](#); [Williams, Coy](#); [Eric Trout](#); [Jennifer \(Jenny\) Pino](#)  
**Subject:** RE: Arrowhead Colorado MD Comment Letter  
**Date:** Wednesday, August 7, 2024 4:24:42 PM  
**Attachments:** [image002.png](#)  
[Service Plan Draft - Pomeroy - Comparison of Template to v10.4866-9756-0790.1.docx](#)  
[Feasibility Presentation Arrowhead Spec Dist\\_08.07.24.pdf](#)

---

Hi Lauren –

Thanks for reaching out.

First, relative to the new statutory provisions regarding developer debt, a new Section 32-1-1101(7), C.R.S. was approved last session. It states:

(7)

(a) Prior to issuing debt to a director of a metropolitan district or to an entity with respect to which a director of a metropolitan district must make disclosure under section 24-18-109, the board of the metropolitan district must receive a statement of a registered municipal advisor certifying that the interest rate of such debt does not exceed the lesser of:

(I) The interest rate allowed under subsection (7)(b) of this section; or

(II) The current market interest rate for the debt based on criteria determined by the registered municipal advisor, including the structure of the debt, the maturities, redemption provisions, the revenue pledged for repayment, and other terms of the debt, considering the financial circumstances of the metropolitan district.

(b) The interest rate on debt issued by a metropolitan district to a director of a metropolitan district or to an entity with respect to which a director of a metropolitan district must make disclosure under section 24-18-109 must not exceed the municipal market data “AAA” general obligation, thirty-year constant maturity, or successor index if replaced, plus four hundred basis points, as of the seventh business day prior to the date of issuance of that debt and must have a maximum final maturity of not more than forty years from the date of issuance.

(c) As used in this subsection (7), “registered municipal advisor” means a municipal advisor, as defined in section 15B of the federal “Securities Exchange Act of 1934”, that is registered with the securities and exchange commission under section 15B of the federal “Securities Exchange Act of 1934”.

(d) This subsection (7) applies to debt, as applicable, that is issued by a metropolitan district on or after January 1, 2024.

So, as I mentioned in our response, if Developer Debt is issued, it would be in accordance with this paragraph and should count against the Debt Limit of the Service Plan. Any other advances of the Developer would be annual appropriation obligations and not “Debt”, so we respectfully suggest should not count against the Debt Limit. Again, happy to discuss.

Second, I’ve attached a redline of the current version of the Service Plan to the Model you provided.

And, finally, since a formal Market Study hasn’t been prepared, I’ve attached some feasibility information we’ve pulled together supporting our Service Plan and Financial Model assumptions. Hopefully this information, along with the updated Residential Finance Plan attached to the revised Service Plan will be sufficient. If not, please let us know of additional information we may provide.

Thanks so much and look forward to hearing from you.

**Megan M. Becher**  
Shareholder  
McGeady Becher P.C.  
450 E. 17th Avenue, Suite 400  
Denver, CO 80203-1254  
Phone: 303.592.4380  
Fax: 303.592.4385  
Email: [mbecher@specialdistrictlaw.com](mailto:mbecher@specialdistrictlaw.com)  
[www.specialdistrictlaw.com](http://www.specialdistrictlaw.com)



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**From:** Lauren Pulver <lpulver@douglas.co.us>  
**Sent:** Wednesday, August 7, 2024 2:41 PM  
**To:** Megan Becher <mbecher@specialdistrictlaw.com>  
**Cc:** Kati Carter <KCarter@douglas.co.us>; Christopher Pratt <cpratt@douglas.co.us>; DJ Beckwith <dbeckwith@douglas.co.us>; Chris Puchalla (chrisp@pomeroylodging.com) <chrisp@pomeroylodging.com>; Marcus Pachner (marcus@thepachnercompany.com) <marcus@thepachnercompany.com>; Rumsey, Brielle L. <brumsey@bhfs.com>; Carolynne White (cwhite@bhfs.com) <cwhite@bhfs.com>; Williams, Coy <Coy.Williams@kimley-horn.com>; Eric Trout <etrout@specialdistrictlaw.com>; Jennifer (Jenny) Pino <jpino@specialdistrictlaw.com>  
**Subject:** RE: Arrowhead Colorado MD Comment Letter

Hi Megan,

We have a few additional outstanding questions/items. Regarding your response in #8 of the Response to County Comments, can you please provide additional information regarding this statutory modification?

Additionally, I've provided our template service plan. Please provide a redline copy of the service plan as it compares to the template. I apologize if you did not have this from the start.

Do you have an update on the materials to be provided as a market study? As mentioned, this will be reviewed by our County consultant.

I will follow up with you when I hear from Roxborough Water and Sanitation District and Hilltop Securities regarding their review of the revised service plan.

Thanks,  
Lauren

**From:** Lauren Pulver  
**Sent:** Wednesday, August 7, 2024 7:53 AM  
**To:** Megan Becher <mbecher@specialdistrictlaw.com>  
**Cc:** Kati Carter <KCarter@douglas.co.us>; Christopher Pratt <cpratt@douglas.co.us>; DJ Beckwith <dbeckwith@douglas.co.us>; Chris Puchalla (chrisp@pomeroylodging.com) <chrisp@pomeroylodging.com>; Marcus Pachner (marcus@thepachnercompany.com) <marcus@thepachnercompany.com>; Rumsey, Brielle L. <brumsey@bhfs.com>; Carolynne White (cwhite@bhfs.com) <cwhite@bhfs.com>; Williams, Coy <Coy.Williams@kimley-horn.com>; Eric Trout <etrout@specialdistrictlaw.com>; Jennifer (Jenny) Pino <jpino@specialdistrictlaw.com>  
**Subject:** RE: Arrowhead Colorado MD Comment Letter

Thank you Megan. We will review this and let you know if we have any additional comments or questions. I will also provide this to Hilltop Securities and Roxborough Water and Sanitation District for review given their comments on the last draft.

Thanks,  
Lauren

**From:** Megan Becher <mbecher@specialdistrictlaw.com>  
**Sent:** Tuesday, August 6, 2024 4:22 PM  
**To:** Lauren Pulver <lpulver@douglas.co.us>  
**Cc:** Kati Carter <KCarter@douglas.co.us>; Christopher Pratt <cpratt@douglas.co.us>; DJ Beckwith <dbeckwith@douglas.co.us>; Chris Puchalla (chrisp@pomeroylodging.com) <chrisp@pomeroylodging.com>; Marcus Pachner (marcus@thepachnercompany.com) <marcus@thepachnercompany.com>; Rumsey, Brielle L. <brumsey@bhfs.com>; Carolynne White (cwhite@bhfs.com) <cwhite@bhfs.com>; Williams, Coy <Coy.Williams@kimley-horn.com>; Eric Trout <etrout@specialdistrictlaw.com>; Jennifer (Jenny) Pino <jpino@specialdistrictlaw.com>  
**Subject:** RE: Arrowhead Colorado MD Comment Letter

Hi Lauren –

Attached are the following:

- Response to County Comments.
- PDF version of complete, revised, Service Plan, with all exhibits
- Clean Word version of revised Service Plan
- Redlined version of revised Service Plan

Please let us know of any comments / further revisions or questions. We look forward to working with you on any remaining issues in advance of the August 19 Planning Commission Hearing.

Thanks,

**DJ Beckwith**

**From:** Lauren Pulver  
**Sent:** Friday, September 6, 2024 8:17 AM  
**To:** DJ Beckwith  
**Subject:** RE: Application Formal Submittal Arrowhead Colorado MD

Please pdf this email and add it to posse labeled "Applicant correspondence". We'll want to include this in the staff report as well. Thanks!

**From:** Megan Becher <mbecher@specialdistrictlaw.com>  
**Sent:** Thursday, September 5, 2024 3:59 PM  
**To:** DJ Beckwith <dbeckwith@douglas.co.us>  
**Cc:** Lauren Pulver <lpulver@douglas.co.us>; Jennifer (Jenny) Pino <jpino@specialdistrictlaw.com>; Eric Trout <etrout@specialdistrictlaw.com>  
**Subject:** RE: Application Formal Submittal Arrowhead Colorado MD

Hi DJ –

I think the requested information relates to the values and absorption schedule of the development? That information is included in the respective finance plans. For the commercial product – it will be built in one phase anticipated in 2026. And, upon completion is anticipated to have a statutory actual value of \$45M. For the residential, the plan assumes development over three years with the following units built between 2025-2027:

**Arrowhead Nordic Spa Metropolitan District  
Development Summary**

|                                      | Type 1           | Type 2             | -        |
|--------------------------------------|------------------|--------------------|----------|
| <b>Statutory Actual Value (2024)</b> | <b>\$650,000</b> | <b>\$1,500,000</b> | <b>-</b> |
| 2024                                 | -                | -                  | -        |
| 2025                                 | 8                | 2                  | -        |
| 2026                                 | 16               | 2                  | -        |
| 2027                                 | 7                | 2                  | -        |
| 2028                                 | -                | -                  | -        |
| 2029                                 | -                | -                  | -        |
| 2030                                 | -                | -                  | -        |
| 2031                                 | -                | -                  | -        |

As noted above, the current anticipated value of the residential units will be around \$650K for the multi-family units and \$1.5M for the single family. Is there additional / alternative information I missed a question about?

Regarding the consent for Roxborough Water and San, the matter is scheduled to be considered at their Board meeting on August 18.

Regarding Hilltop’s comment on the base years, they are correct that the finance plan, as prepared, assumes a residential assessment ratio adjustment at a 2027 rate, while the Service Plan allows adjustment from the date of approval of the Service Plan (presumably 2024), which is in line with the Model Service Plan. Given the continuous activity over the last few years relative to, in particular, adjustment of the RAR at the legislative level, the finance plan has to include some projections about the RAR and what it might be in the future. We understand that

adjustments will need to be made based upon any final determination of the legislature and/or ballot issues relative to the RAR in each year. Happy to discuss further.

Finally – is there a need for us to attend the Business meeting on the 10<sup>th</sup>? I’m assuming that’s just to set the schedule for the 24<sup>th</sup>?

Thanks, DJ.

**Megan M. Becher**

Shareholder

McGeady Becher Cortese Williams P.C.

450 E. 17th Avenue, Suite 400

Denver, CO 80203-1254

Phone: 303.592.4380

Fax: 303.592.4385

Email: [mbecher@specialdistrictlaw.com](mailto:mbecher@specialdistrictlaw.com)

[www.specialdistrictlaw.com](http://www.specialdistrictlaw.com)



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**From:** DJ Beckwith <[dbeckwith@douglas.co.us](mailto:dbeckwith@douglas.co.us)>  
**Sent:** Tuesday, September 3, 2024 10:46 AM  
**To:** Megan Becher <[mbecher@specialdistrictlaw.com](mailto:mbecher@specialdistrictlaw.com)>  
**Cc:** Lauren Pulver <[lpulver@douglas.co.us](mailto:lpulver@douglas.co.us)>  
**Subject:** RE: Application Formal Submittal Arrowhead Colorado MD

Greetings Megan,

I wanted to follow up on few outstanding items.

Do you have the information requested by the county’s consultant in the email below?

Have you worked out consent with Roxburgh Water?

And have you addressed the questions from Hilltop Securities about the financing in the serve plan not matching the base year in the financial plan exhibit?

Thank you so much.

All the best,

**DJ Beckwith** | Principal Planner  
**Douglas County Department of Community Development  
Planning Resources**

**Address** | 100 Third St., Castle Rock, CO 80104

**Direct** | 303-814-4330 **Main** | 303-660-7460

**Email** | [dbeckwith@douglas.co.us](mailto:dbeckwith@douglas.co.us)

# Arrowhead Colorado Metropolitan District

FEASIBILITY MEMORANDUM

RESIDENTIAL AND COMMERCIAL PLANS





# Property Overview & Status

- The Property was acquired by Arrowhead Colorado Prop. Co LLC on January 31, 2024 WCO
- The Property consists of a 35.455 acre parcel of land surrounded by Arrowhead Golf Course and Roxborough Foundation
- Entitlement Status
  - Current Zoning: Planned Development – Planned Residential – Unplatted
  - Pursued PD Amendment: Planned Development – Open Space & Club/Resort
- Major Amendment to the PD for the development of a Nordic Spa was submitted:
  - November 11, 2022
  - November 22, 2022
  - March 24, 2023

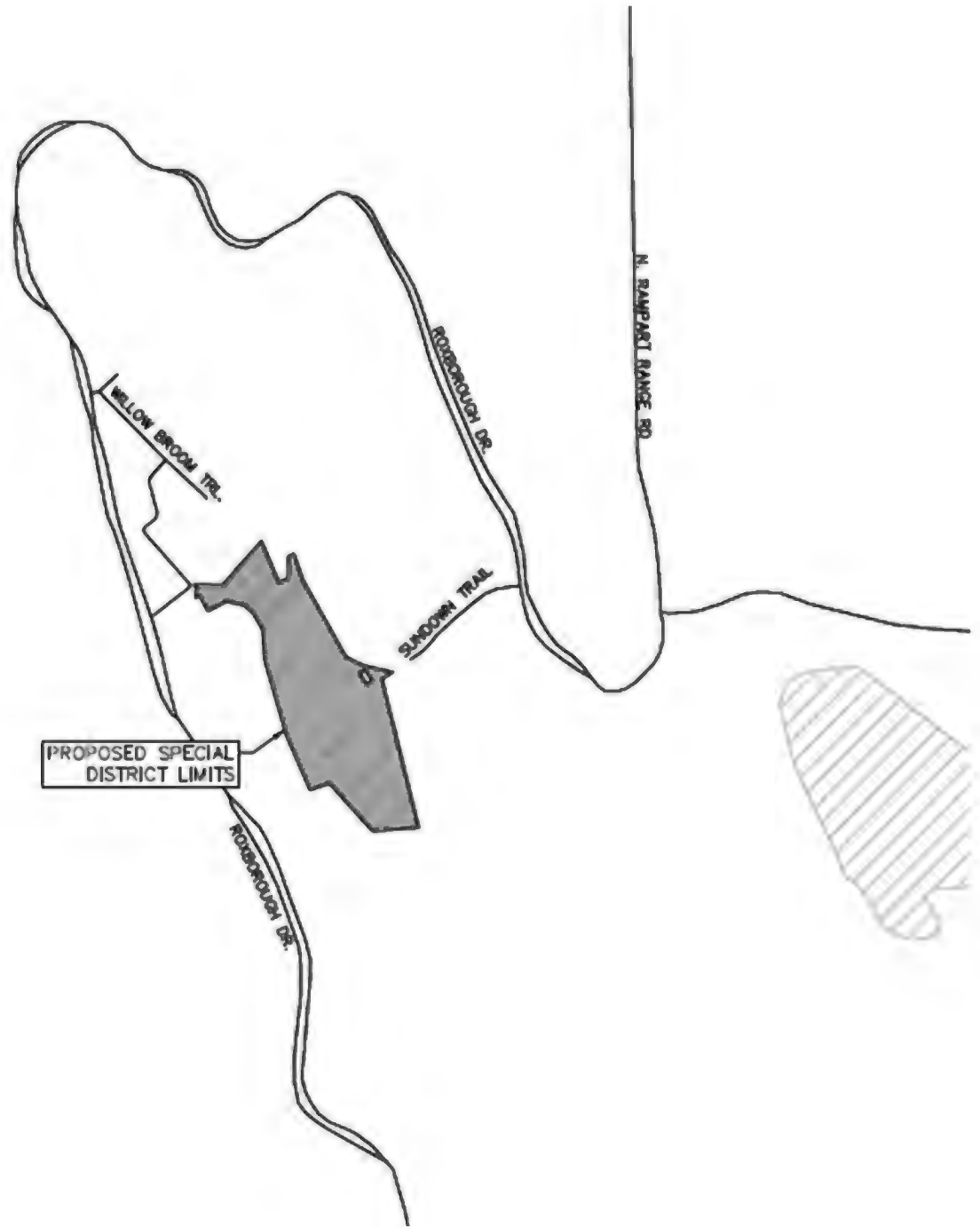


# Property

The “Homestead”

Planning Areas 12, 14  
and Golf Course of  
Current Roxborough PD

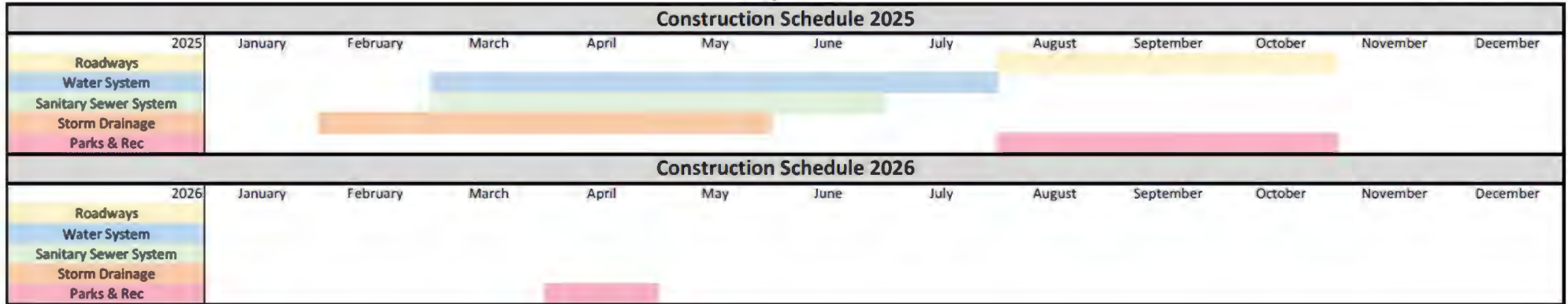
Proposed Planning Areas  
12 and 14 of Proposed  
15<sup>th</sup> Amendment to the  
PD



# Construction Schedule

- Coy to

## Arrowhead Colorado Propco Metro District - Residential May 2024



## Arrowhead Colorado Propco Metro District - Commercial May 2024



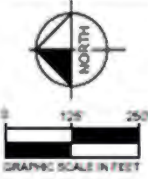
# Proposed Arrowhead Metropolitan District

- The proposed Arrowhead Metropolitan District is necessary to finance, construct, operate and maintain public infrastructure for the Development – whether residential or commercial – including:
  - Water (treatment provided by RWSD)
  - Sewer (treatment provided by RWSD)
  - Street and Safety Protection
  - Park and Recreation
- Pomeroy has already made significant investments into the Property – through its site acquisition and thoughtful entitlement and planning application – and wishes to move forward in its development process expediently



DISTRICT BOUNDARY MAP

# Proposed Arrowhead Metropolitan District Boundaries



**Kimley»Horn**

|           |          |            |          |             |           |
|-----------|----------|------------|----------|-------------|-----------|
| Scale     | Drawn by | Checked by | Date     | Project No. | Sheet No. |
| 1" = 250' | PTB      | DFW        | 5/2/2024 | 19030000    | 1 OF 1    |

GRANAGHAN, PATRICK 5/2/2024 3:14 PM \\CIMLEY-HORN\CORP\DOTDEN\_CIVIL\19030000\_ARROWHEAD\_NORDIC\_SPA\CAD\DWG\19030000\_ARROWHEAD

# Proposed Arrowhead Metropolitan District Infrastructure Summary

## Arrowhead Colorado Metro District - Residential May 2024



### Master Summary

| ITEM                  | TOTAL COST         |
|-----------------------|--------------------|
| Roadways              | \$1,081,947        |
| Water System          | \$1,288,350        |
| Sanitary Sewer System | \$869,399          |
| Storm Drainage        | \$663,554          |
| Parks & Rec           | \$188,000          |
| <b>TOTAL COSTS:</b>   | <b>\$4,091,250</b> |

## Arrowhead Colorado Metro District - Commercial May 2024



### Master Summary

| ITEM                  | TOTAL COST         |
|-----------------------|--------------------|
| Roadways              | \$804,312          |
| Water System          | \$2,114,526        |
| Sanitary Sewer System | \$225,398          |
| Storm Drainage        | \$618,383          |
| Parks & Rec           | \$298,100          |
| <b>TOTAL COSTS:</b>   | <b>\$4,060,718</b> |

- Roadways
- Water System
- Sanitary Sewer System
- Storm Drainage
- Parks and Recreation

*All costs shown are preliminary and subject to final approved engineering, plans and pricing.*

# Homestead @ Arrowhead Residential Development

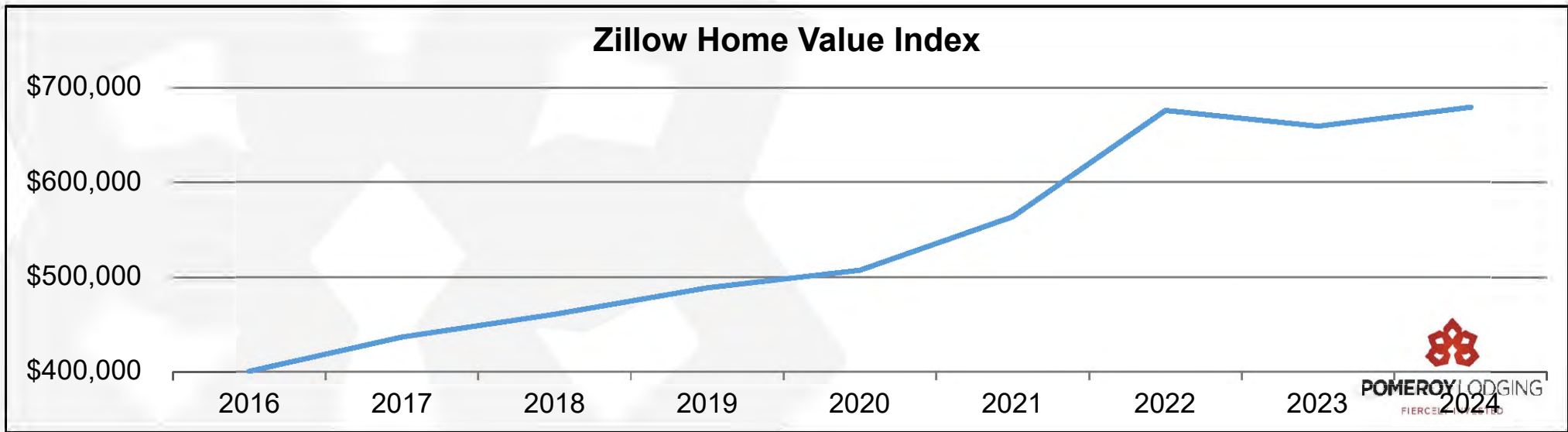
- The proposed residential development plan is an approved use utilizes the 34-acre site to provide significant open space amongst the red rocks creating a one-of-a-kind luxury residential setting.
- Current Zoning: Planned Development – Planned Residential allows for the use and density proposed.
- All water, sewer and roadways are designed to relevant authorities' guidelines and have been reviewed.
  - Water (treatment provided by RWSD)
  - Sewer (treatment provided by RWSD)
  - Street and Safety Protection
  - Park and Recreation
- Residential Site plan includes:
  - 31 townhome lots
  - 6 single family lots
- Development Plans
  - Options include: custom home SF lot sales, develop and hold 31 rental townhome units or a combination of development and sales across all lot inventories.



# Homestead @ Arrowhead Residential Development

## Residential Market Analysis

- The residential real estate market in Littleton, CO, presents a dynamic and competitive landscape characterized by robust demand and steadily-rising prices.
- Average home prices are \$649,935, with an annual year-over-year change of 3.5%, indicating strong market fundamentals.
  - Outside of COVID-19 years, home values in Littleton have consistently trended upwards year-over-year.
  - Annualized growth rate of home values over the past 5 years is ~7.8%, even when accounting for COVID-19 related market dips.
- A median sale to list price ratio is of 1.00 suggests that homes are generally selling at their list prices. This indicates a balanced market where properties are priced accurately according to current demand.

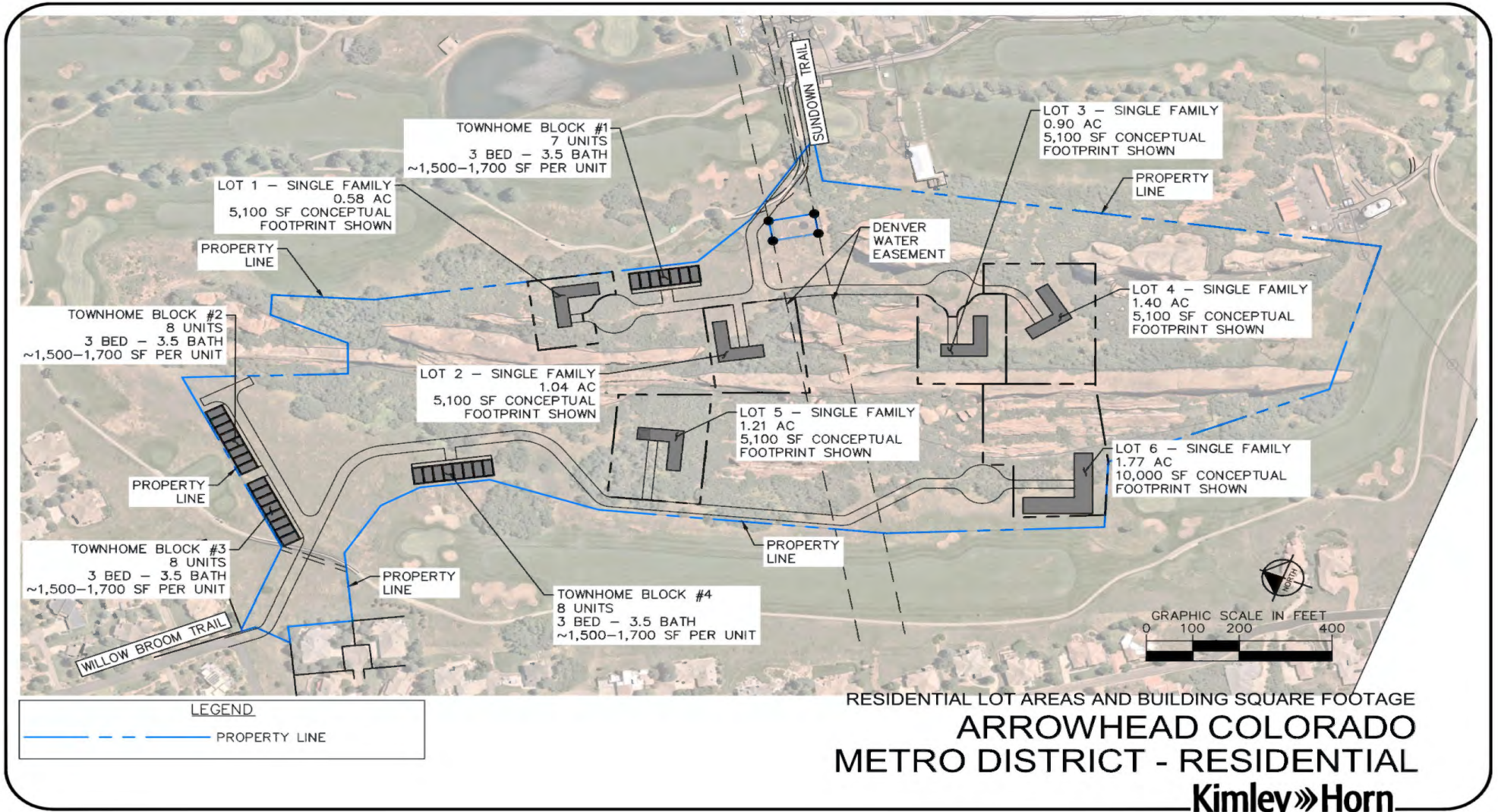




# Homestead @ Arrowhead Residential Site Plan



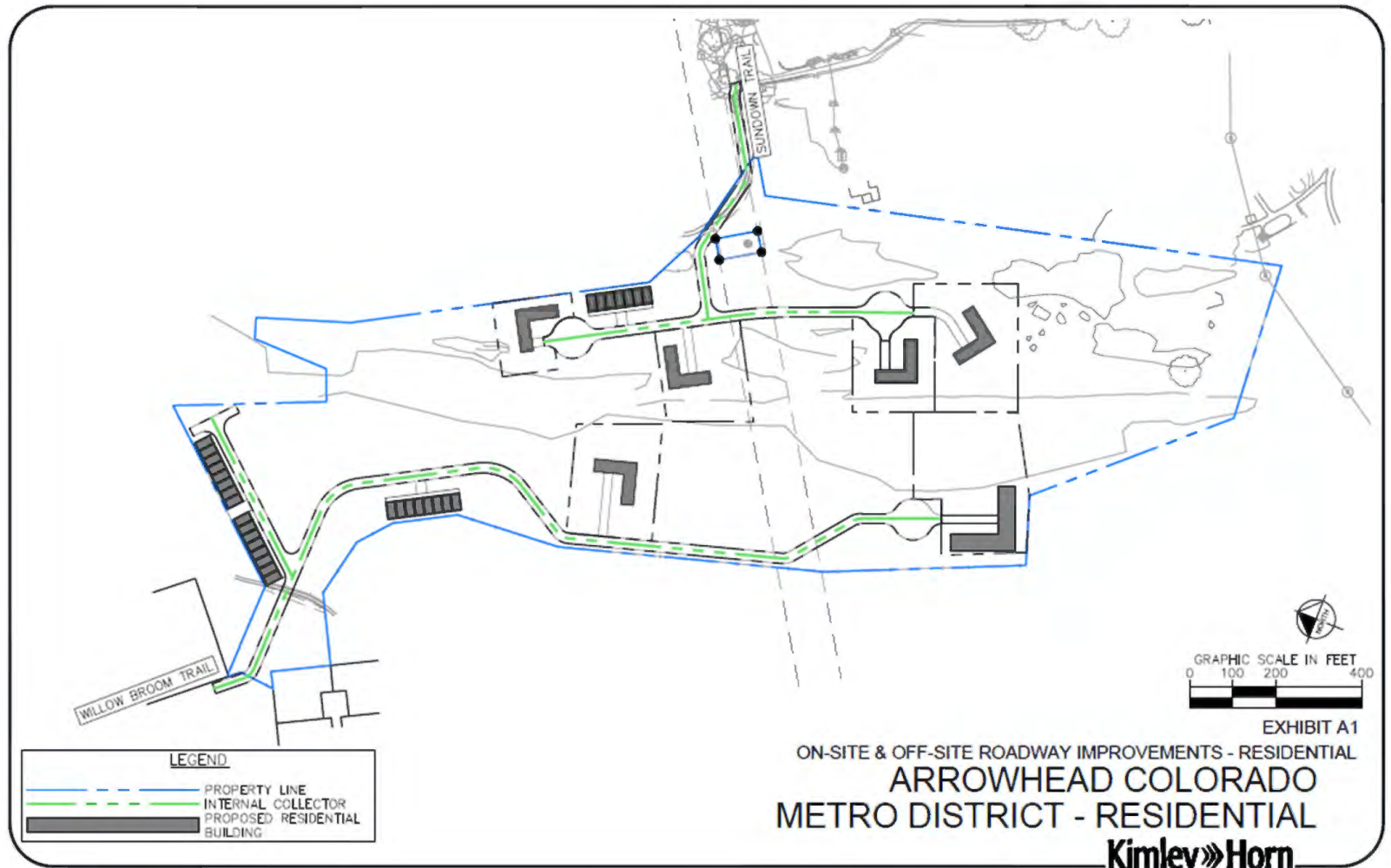
# Homestead @ Arrowhead Residential Site Plan



# Residential Infrastructure - Roadways

Internal Collector  
Roadways per  
Roxborough Park  
Foundation  
Roadway Design  
Guidelines

Fire Access  
Turnarounds  
Provided

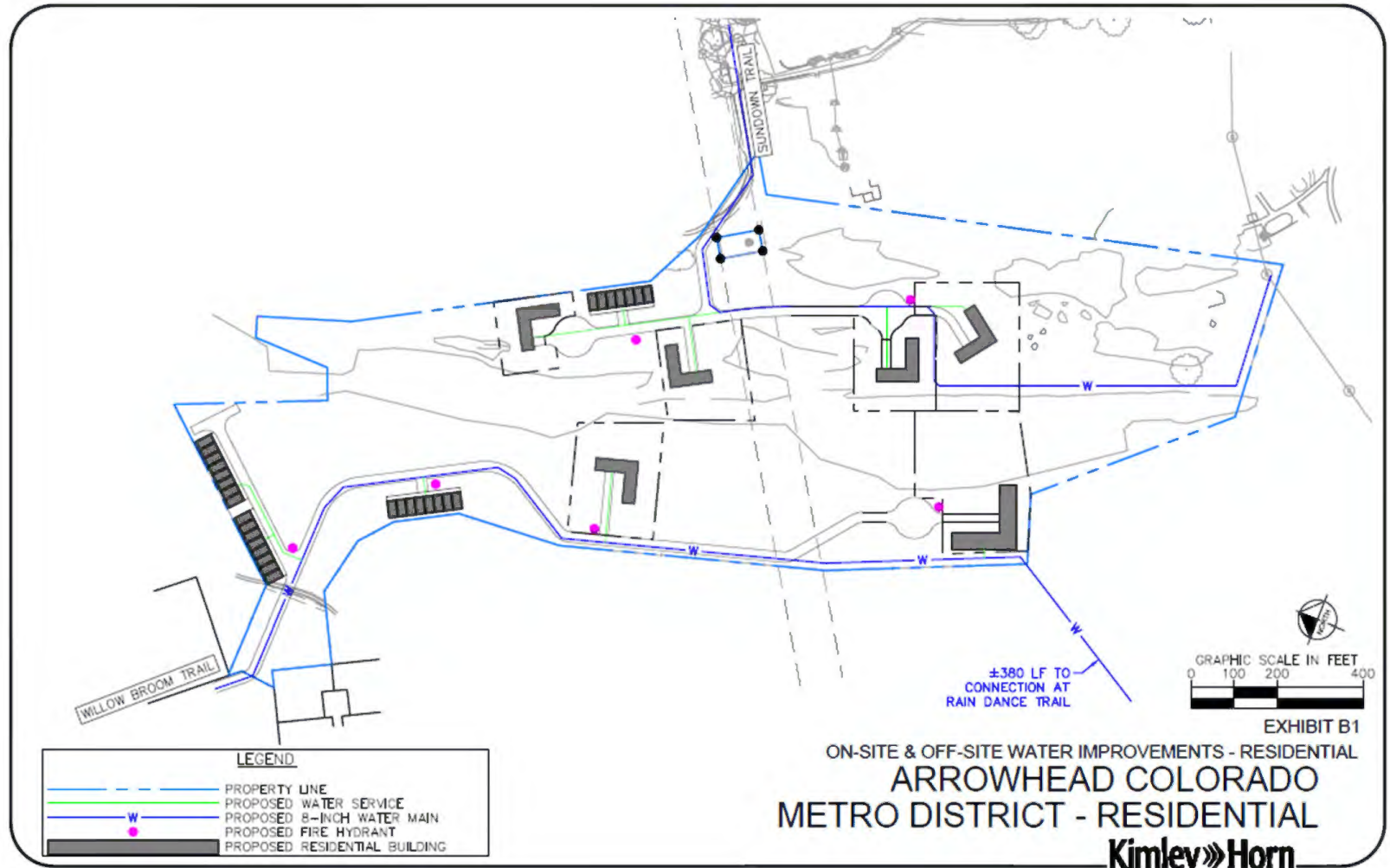


# Residential Infrastructure - Water

Looped water service for development

Fire Hydrants provided

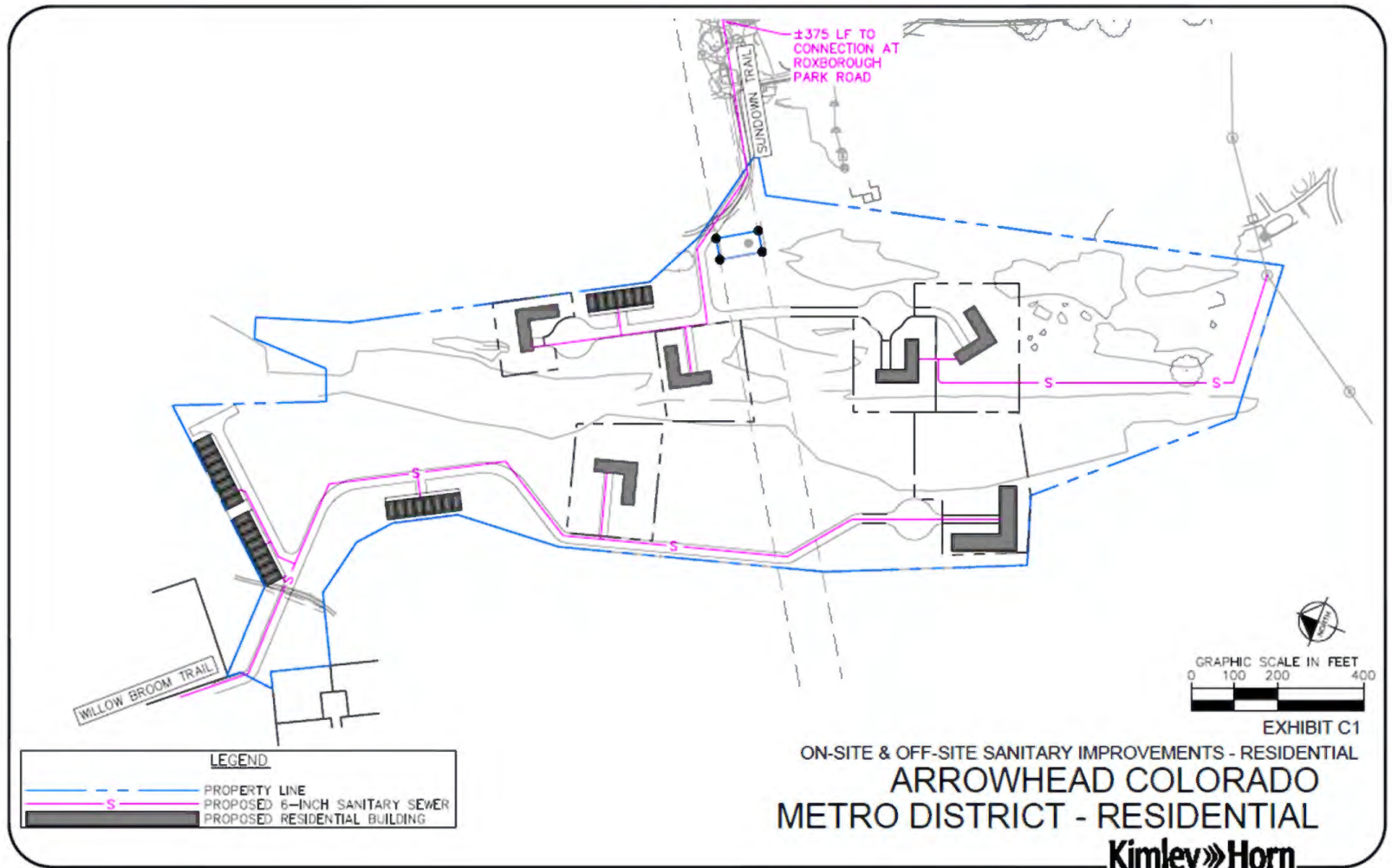
Coordinated with Roxborough Water and Sanitation – conceptually approved



# Residential Infrastructure - Sanitary

Appropriate sanitary service for development

Coordinated with Roxborough Water and Sanitation – conceptually approved



# Commercial: Arrowhead Nordic Spa Development

- The proposed commercial development plan is an approved use utilizes approximately 10 acres of the site enabling significant open space amongst the red rocks to remain undeveloped and open space.
- Entitlements: Pursued PD Amendment 2023: Planned Development – Open Space & Club/Resort (application currently under extension)

## Facility description

- Arrowhead Nordic Spa is intended to be a 386-locker facility that encompasses a total buildable area of 35,551 square feet, inclusive of indoor facilities and outdoor pools. The main building and bistro spans 23,842 square feet.
- Across three circuits that are designed to be immersed within the existing red rock formations, there are 10 contemplated saunas, steam rooms, indoor relaxation and exfoliation facilities totaling 3,863 square feet.
- There are an additional 12 outdoor pools (hot, cold, and warm), spanning 3,002 square feet.
- The barrel sauna village consisting of four-occupancy barrel saunas is nestled among trees and vegetation.
- The facility offers 265 parking spaces.



# Commercial - Arrowhead Nordic Spa

## Commercial Market Feasibility Analysis

- Pomeroy Lodging has a longstanding history of operating successful Nordic Spas in the United States and Canada, with a combined operating history of 7+ years across its two existing spas

|                           | Kananaskis Nordic Spa | Alyeska Nordic Spa |
|---------------------------|-----------------------|--------------------|
| Years In Operation        | 5                     | 2                  |
| Locker Count              | 260                   | 316                |
| Total Buildable SF        | 20,672                | 23,470             |
| Main Building + Bistro    | 12,862                | 15,000             |
| Indoor Saunas/Steam rooms | 3,072                 | 2,875              |
| Pools                     | 2,076                 | 2,722              |

**Kananaskis Nordic Spa**



**Alyeska Nordic Spa**



# Commercial - Arrowhead Nordic Spa

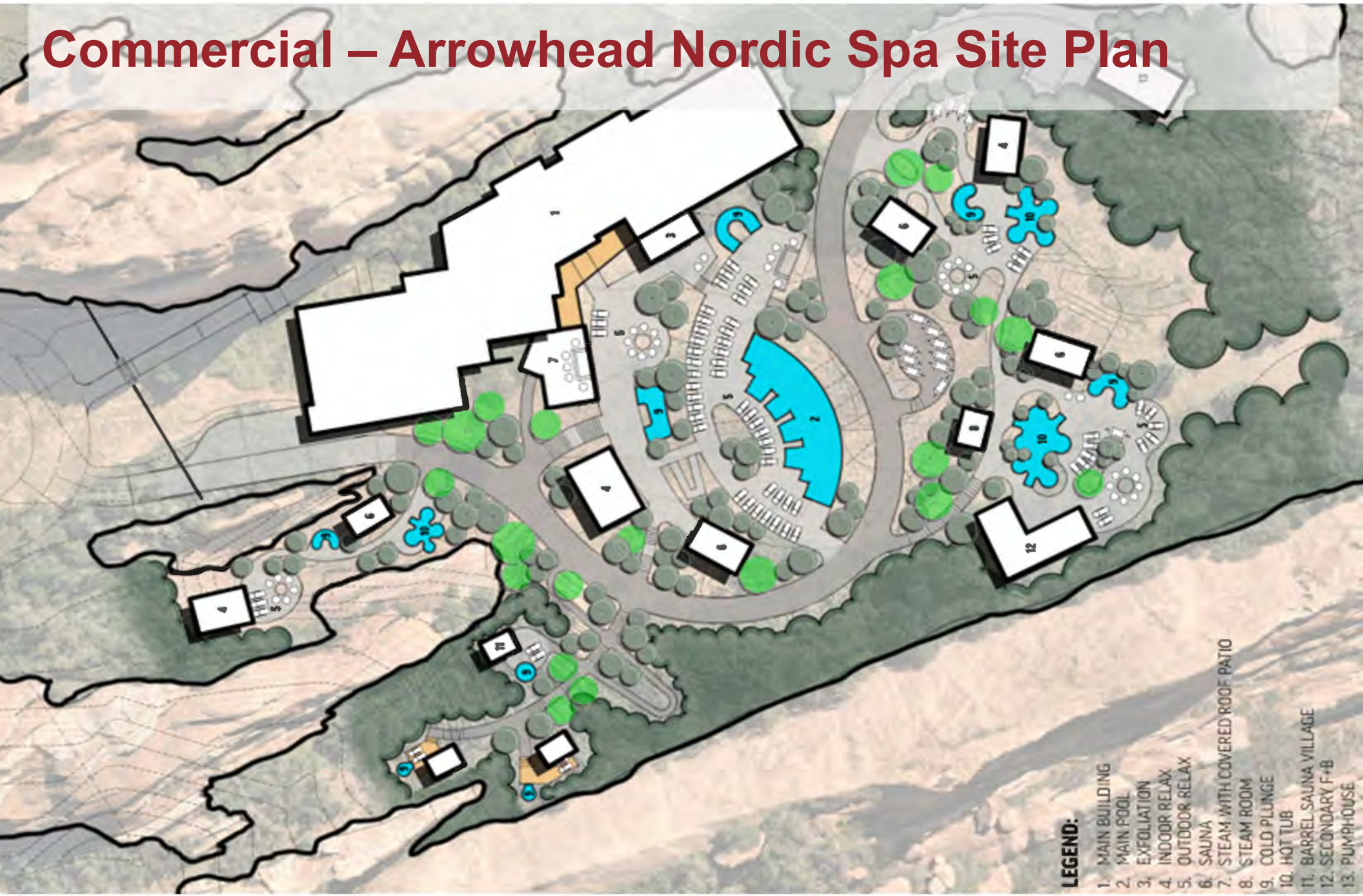
## Commercial Market Feasibility Analysis

- Market analysis suggests that the total addressable market for Arrowhead Nordic Spa to be in the millions, based on population located within 75 miles and visitation for surrounding state parks and Red Rocks Amphitheatre
  - Population within 75mi: ~4,900,000
  - Roxborough State Park annual visitors: ~200,000
  - Chatfield State Park annual visitors: ~1,800,000
  - Staunton State Park annual visitors: ~200,000
  - Red Rocks Amphitheatre annual visitors: ~1,600,000
- Using conservative estimates for capture rates, Pomeroy projects the serviceable available market to be approximately 240,000 (i.e., estimated annual demand)
- Given the proposed facility of 386 lockers, market analysis indicates that estimated demand in the area will far exceed operating capacity based on target / optimal locker turnover ratios
- As such, there is significant buffer to derisk the proposed project at its current scope and scale





# Commercial – Arrowhead Nordic Spa Site Plan



**LEGEND:**

- 1. MAIN BUILDING
- 2. MAIN POOL
- 3. EXFOLIATION
- 4. INDOOR RELAX
- 5. OUTDOOR RELAX
- 6. SAUNA
- 7. STEAM WITH COVERED ROOF PATIO
- 8. STEAM ROOM
- 9. COLD PLUNGE
- 10. HOT TUB
- 11. BARREL SAUNA VILLAGE
- 12. SECONDARY F+B
- 13. PUMPHOUSE

# Commercial – Arrowhead Nordic Spa Rendering



# Commercial (Nordic Spa) Public Infrastructure Summary

Arrowhead Colorado Metro District - Commercial  
May 2024  
Master Summary



| ITEM                  | TOTAL COST         |
|-----------------------|--------------------|
| Roadways              | \$804,312          |
| Water System          | \$2,114,526        |
| Sanitary Sewer System | \$225,398          |
| Storm Drainage        | \$618,383          |
| Parks & Rec           | \$298,100          |
| <b>TOTAL COSTS:</b>   | <b>\$4,060,718</b> |

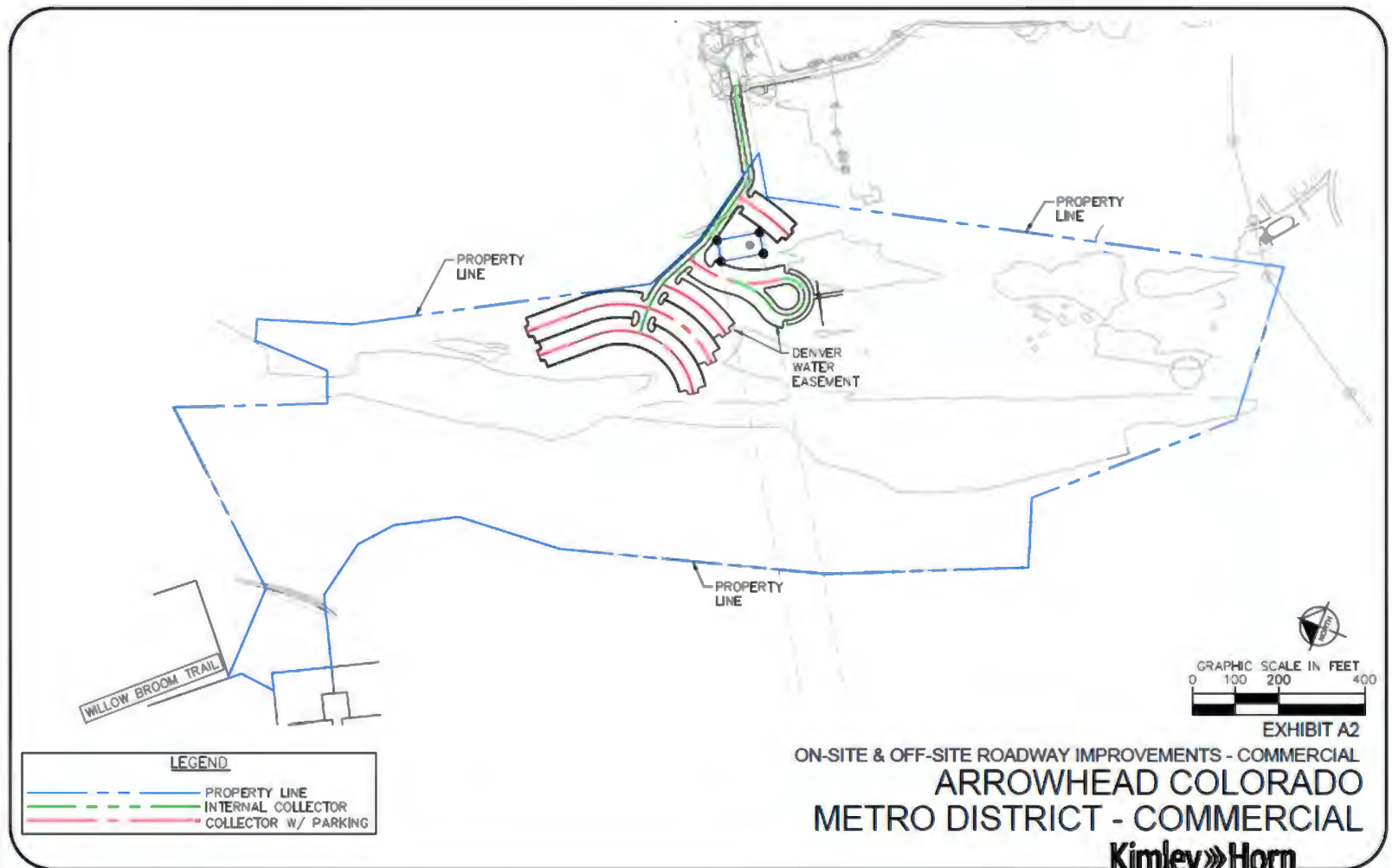
*All costs shown are preliminary and subject to final approved engineering, plans and pricing.*



# Commercial Infrastructure (Nordic Spa) - Roadway

Internal Collector Roadways per Roxborough Park Foundation Roadway Design Guidelines – Capacity compliant with Traffic Study counts

Fire Access Turnarounds Provided

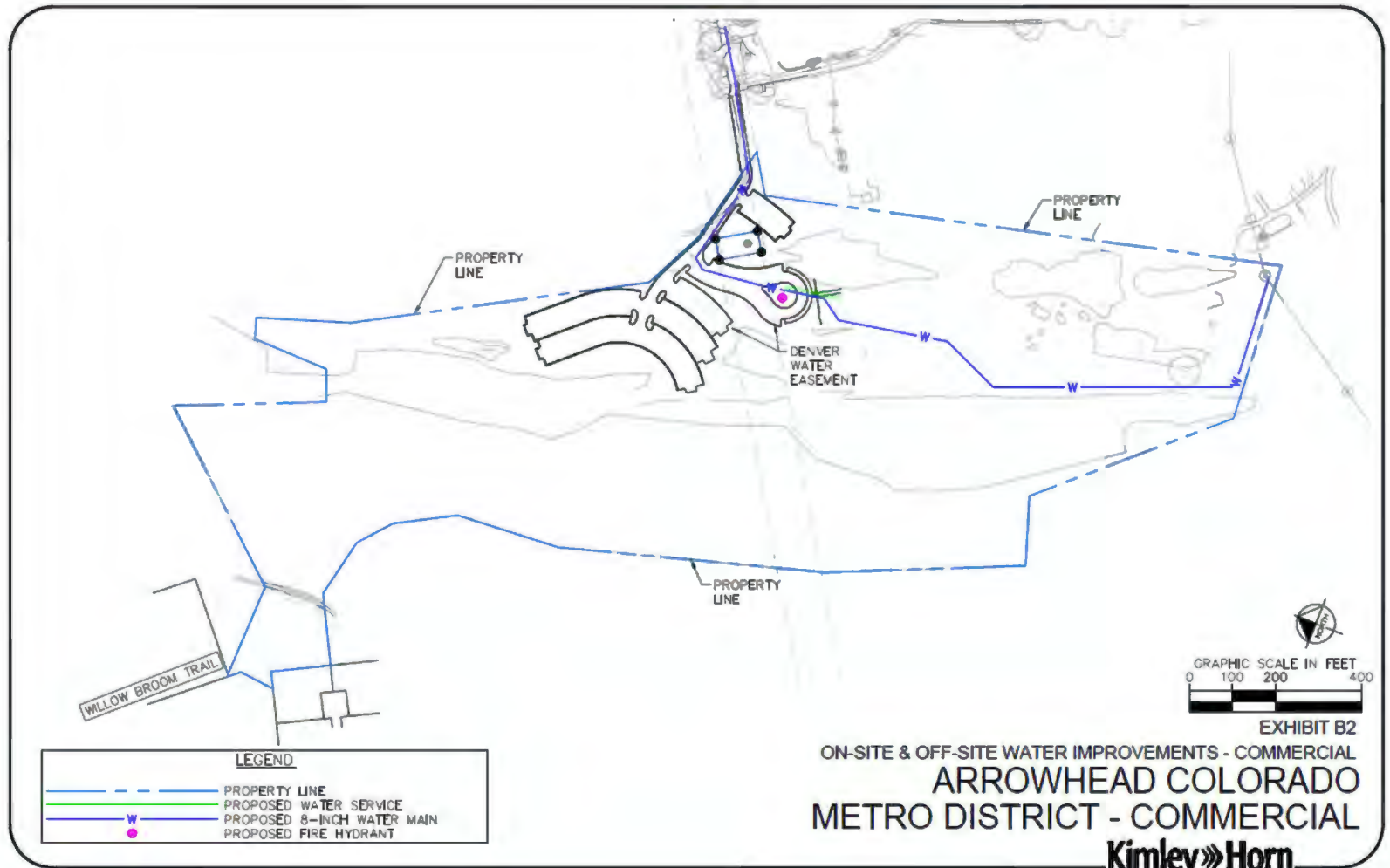


# Commercial Infrastructure (Nordic Spa) - Water

Looped water service for development

Fire Hydrants provided

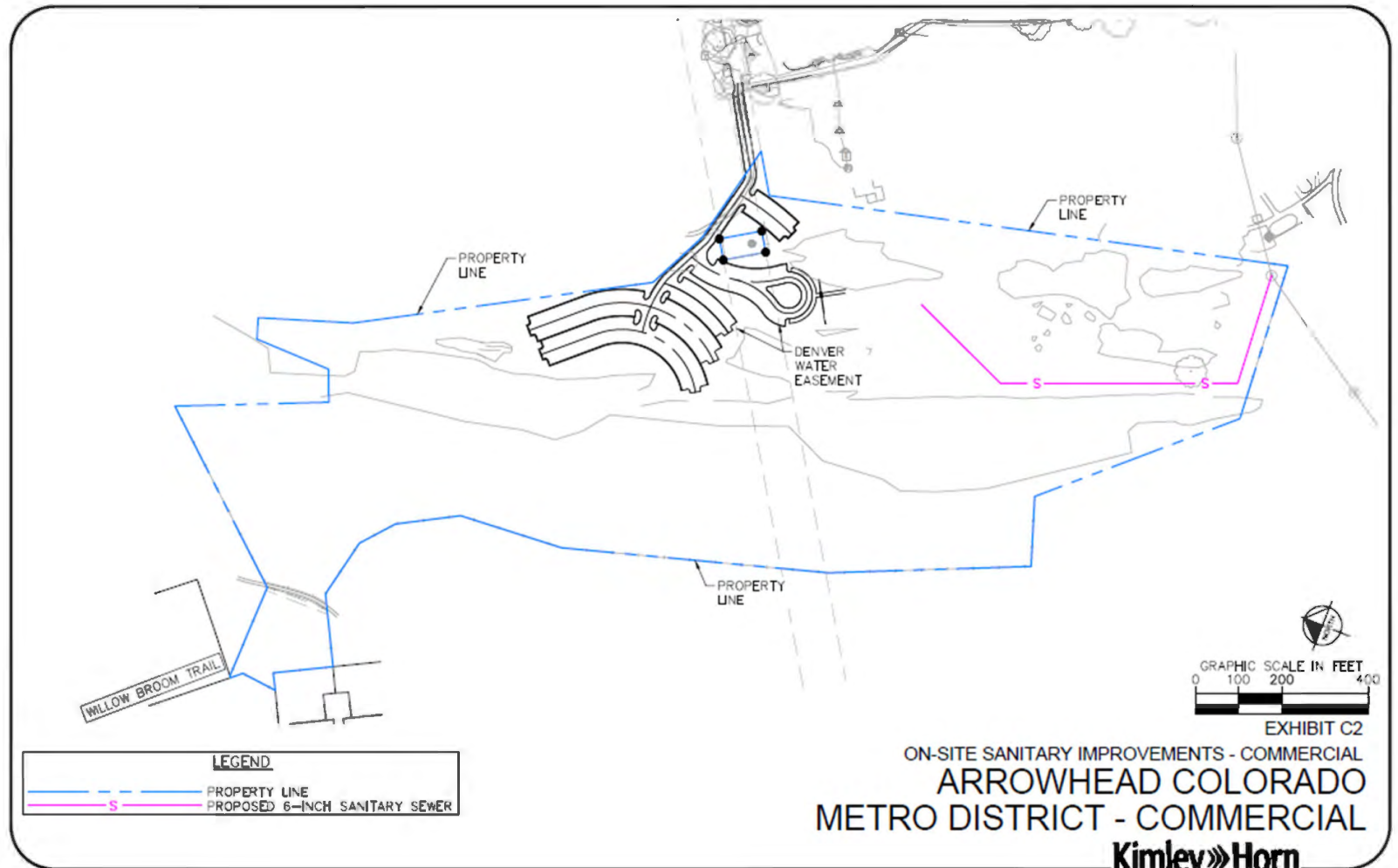
Coordinated with Roxborough Water and Sanitation – conceptually approved



# Commercial Infrastructure (Nordic Spa) - Sanitary

Appropriate sanitary service for development

Coordinated with Roxborough Water and Sanitation – conceptually approved



# Arrowhead Metropolitan District Proposal

- Propose submitting Single District Service Plan draft providing for Arrowhead Metropolitan District to have basic powers to implement the Development based upon final, approved County use:
  - Mill Levy Cap – Debt, Operations and Combined
  - Debt Issuance Requirements
  - Maximum Authorized Debt Amount
  - Eminent Domain Authorized
  - Public Disclosures required
- Similar construction costs and financing structures are anticipated for residential or commercial development – debt service and operations mills, fees and, if commercial use approved, public improvement fees



# Contact Us

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## MEMORANDUM

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**To:** Lauren Pulver, Douglas County Department of Community Development  
**From:** BBC Research & Consulting  
**Re:** Arrowhead Metropolitan District Feasibility Memorandum Review  
**Date:** August 23, 2024

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### Findings

BBC Research & Consulting (BBC) reviewed the assumptions, methodology, and findings of the referenced Feasibility Memorandum prepared by Pomeroy Lodging, Kimley-Horn, and McGeady Becher on behalf of the Douglas County Community Development Department. BBC's review of the Feasibility Memorandum's data and conclusions regarding the competitive market area, estimated home values, and the rate of absorption include the following observations and findings:

- The Arrowhead Metropolitan District is a proposed development that would contain 31 townhomes, 6 detached single-family homes, and a 35,000-square foot commercial spa in unincorporated Douglas County and within a reasonable commuting distance of the Denver Metro Area and Castle Rock.
- The District is positioned within a highly desirable and unique area, adjacent to an existing golf course, bounded by protected wild, open space to the west, and situated among red rock formations.
- The Feasibility Memorandum lacks detailed information that is typically expected. It does not supply information on the anticipated value of the District's townhomes or single family homes, nor a valuation of the commercial spa or its construction costs. The Feasibility Memorandum does not clearly define a competitive market area for the residential development and does not supply any absorption schedule or other metric to indicate how quickly residences are expected to sell.

Based on our analysis and other studies previously reviewed on behalf of Douglas County, BBC cannot definitively conclude whether the proposed Arrowhead Metropolitan District is financially feasible. The low-end estimate for aggregate residential value appears insufficient to generate enough property tax revenue to service the proposed bond. While we believe that absorbing the proposed residential units within 18 to 24 months is reasonable, given the unique characteristics of the development and market conditions, we recommend that the proponent

provide additional data. Specifically, further details regarding anticipated home prices, absorption rates, and commercial development valuations or construction cost estimates would better inform the overall financial viability of the District.

## Background

BBC Research & Consulting (BBC) has been asked to review the assumptions, methodology, and findings of the referenced Feasibility Memorandum—prepared by Pomeroy Lodging, Kimley-Horn, and McGeady Becher—on behalf of the Douglas County Community Development Department. The review is intended to provide a third-party objective evaluation to inform the creation of the proposed Arrowhead Metropolitan District (the District) in Douglas County, Colorado.

**Figure 1.**  
**Overview of Proposed Arrowhead Metropolitan District**

Note:

\*These are BBC’s assumptions and were not included in the Feasibility Memorandum.

Source:

BBC Research & Consulting; Arrowhead Colorado Metropolitan District, Feasibility Memorandum, Residential and Commercial Plans.

|                                   |                                        |
|-----------------------------------|----------------------------------------|
| Developer:                        | Pomeroy Lodging                        |
| Organizer:                        | Arrowhead Colorado Prop. Co LLC        |
| Residential Product Mix:          | 31 townhome lots; 6 single family lots |
| Commercial Product:               | One 35,000-sq. ft. Nordic Spa          |
| Average Home Value Assumptions:   | \$394,000 to \$4,600,000 *             |
| Aggregate Home Value Assumptions: | \$28,531,600 *                         |
| Commercial Value Assumption:      | \$10 to \$30 million *                 |
| Planned Public Improvements:      | \$8,151,968                            |
| Home Construction Start:          | 2025                                   |

The Feasibility Memorandum supplies a description of the development:

*The Property consists of a 35.455 acre parcel of land surrounded by Arrowhead Golf Course and Roxborough Foundation [...] The proposed residential development plan is an approved use utilizes the 34-acre site to provide significant open space amongst the red rocks creating a one-of-a-kind luxury residential setting.<sup>1</sup>*

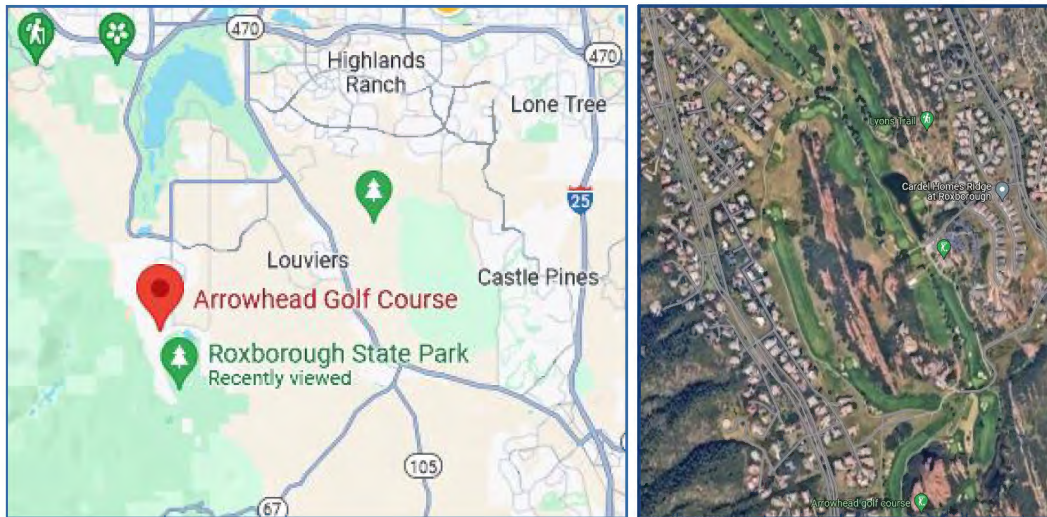
The proposed community in the Arrowhead Metropolitan District would be a 25-mile drive to downtown Denver or 20 miles to Castle Rock. Depending on the day and time, driving residents of the District would have a 30- to 45-minute commute to the DTC or a 40- to 60-minute commute to downtown Denver.

Figure 2 shows the location of the Arrowhead Metropolitan District, located by the Arrowhead Golf Course in northwestern Douglas County. The proposed development due west of Castle Pines and due south of Chatfield State Park & Reservoir.

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<sup>1</sup> Arrowhead Colorado Metropolitan District, Feasibility Memorandum, Residential and Commercial Plans

**Figure 2.**  
**Location of Proposed Arrowhead Metropolitan District**



Source: BBC Research & Consulting; Google Maps.

Figure 2 also shows the specific position of the proposed District within the existing surrounding development, including the Arrowhead Golf Course as well as extensive residential development which comprises predominantly single-family homes.

### Scope of Review

BBC reviewed the data and assumptions presented by the Feasibility Memorandum to substantiate housing values and absorption rates in the District. Additionally, BBC conducted research on housing market trends and other relevant factors influencing demand for single family residences. The remainder of this memorandum summarizes BBC's review and findings.

## Competitive Market Area

The Arrowhead Metropolitan District Feasibility Memorandum does not define a competitive market area for the proposed residential product. BBC analyzed comparable home sales and values and defined the competitive market area as the 3-mile-long region shown in the marked section of Figure 3.

**Figure 3.**  
**BBC's Competitive Market Area for Arrowhead Metropolitan District**

Source:  
BBC Research & Consulting; Google Maps.



Given the unique features of the proposed District—positioned at the urban-wild interface while among considerable existing development and neighborhood amenities—it is appropriate to restrict the market comparison to those homes that share the unique setting.

## Pricing

The Feasibility Memorandum does not provide an anticipated value for the District’s proposed commercial spa or residences and did not conduct a tailored study of comparable home sales within a defined competitive market area. The Feasibility Memorandum only cites that the average home price in Littleton, CO is \$649,935 and that there is robust demand for residential real estate locally.

BBC analyzed home sales and values for 48 properties within the competitive market area defined as a 3-mile region encompassing the proposed District and several existing neighborhoods with similar settings and characteristics. Figure 4 summarizes BBC’s price analysis.

**Figure 4.  
Comparable Home Price Metrics for Residential Development in the Competitive Market Area**

| Residential Product          | Avg. Year of Build Completion | Avg. Sales Price or Value Estimate | Finished Sq. Ft. |         |       | Price Per Sq. Ft. |         |       |
|------------------------------|-------------------------------|------------------------------------|------------------|---------|-------|-------------------|---------|-------|
|                              |                               |                                    | Low              | Average | High  | Low               | Average | High  |
| Single family detached house | 2021                          | \$1,637,309                        | 1,924            | 3,669   | 7,206 | \$240             | \$460   | \$715 |
| Townhouse or condominium     | 2018                          | \$677,055                          | 2,587            | 2,748   | 2,844 | \$219             | \$246   | \$280 |

Note: For single family homes, analysis is based on 38 observations; for townhomes, analysis is based on 10 observations.

Source: BBC Research & Consulting; Zillow.

As shown in Figure 4, single family homes in the competitive market area have a price per square foot ranging between \$240 and \$715, with an average price of \$460 per square foot. Townhomes and other attached dwelling types have a price per square foot ranging from \$219 to \$280 per square foot, with an average price per square foot of \$246.

Page 11 of the proponent’s Feasibility Memorandum depicts the residential site plan along with anticipated square footage per residential unit. Five of the six single family homes are expected to be 5,100 square feet, while one home is expected to be 10,000 square feet. The 31 townhomes are anticipated at 1,500 to 1,700 square feet per unit. BBC combined these measurements with the pricing analysis in Figure 4 to arrive at a range of potential home values and aggregate residential value for the Arrowhead Metropolitan District (Figure 5).

**Figure 5.**  
**Potential Values for Residential Development in the Arrowhead Metropolitan District**

| Residential Product     | Anticipated Sq. Ft. | Estimated Price |             |             | Aggregate Price |              |              |
|-------------------------|---------------------|-----------------|-------------|-------------|-----------------|--------------|--------------|
|                         |                     | Low             | Average     | High        | Low             | Average      | High         |
| (5) Single family homes | 5,100               | \$1,224,000     | \$2,346,000 | \$3,646,500 | \$6,120,000     | \$11,730,000 | \$18,232,500 |
| (1) Single family home  | 10,000              | \$2,400,000     | \$4,600,000 | \$7,150,000 | \$2,400,000     | \$4,600,000  | \$7,150,000  |
| (31) Townhomes          | 1,600               | \$350,400       | \$393,600   | \$448,000   | \$10,862,400    | \$12,201,600 | \$13,888,000 |
| TOTAL                   |                     |                 |             |             | \$19,382,400    | \$28,531,600 | \$39,270,500 |

Source: BBC Research & Consulting; Zillow; Arrowhead Colorado Metropolitan District, Feasibility Memorandum, Residential and Commercial Plans.

As shown in Figure 5, BBC estimates the range of aggregate residential value for the Arrowhead Metropolitan District between \$19.4 million and \$39.3 million, with an average of \$28.5 million. However, it is likely that this estimate would fluctuate with any additional information from the proponent as it relates to property features, finishes, amenities, view, or any other characteristic that can influence home prices.

BBC has maintained a conservative approach in estimating the residential home values for the proposed District. Given the setting and location, it is likely that the residences proposed will have luxury finishes and lifestyle appeal. However, to temper this consideration, BBC also presents the key findings of the National Association of Home Builders/Wells Fargo Housing Market Index for August 2024:

*Builder confidence in the market for new single-family homes fell to 39 in August, down two points from a downwardly revised reading of 41 in July. This is the lowest reading since December 2023. A lack of affordability and buyer hesitation stemming from elevated interest rates and high home prices contributed to the continued decline in builder sentiment.*

*All three HMI components in August remain below the key threshold of 50:*

- *Present sales conditions fell two points to 44.*
- *Expected sales in the next six months increased one point to 49.*
- *Traffic of prospective buyers declined two points to 25.*

*The August survey also revealed that builders are increasingly cutting prices to bolster home sales (33% of builders did so in August compared to 31% in July and 29% in June). However, the average price reduction in August held steady at 6% for the 14th straight month.<sup>2</sup>*

<sup>2</sup> NAHB/Wells Fargo Housing Market Index (HMI) at <https://www.nahb.org/news-and-economics/housing-economics/indices/housing-market-index>

The market environment for home building is not buoyant at the present time, although this may not necessarily negatively impact the proposed development for the Arrowhead Metropolitan District. However, the proponent should supply pricing data for both the residential and commercial developments in order to substantiate the financial viability of the proposal.

Regarding the valuation of the commercial development proposed for the District (i.e., the 386-locker Nordic spa), BBC roughly estimated a range between \$10 and \$30 million, which corresponds to a price per square foot between \$282 and \$845 for a 35,500-sq. ft. built area. There are no suitable comparison property sales for this type of development in this setting. The proponent should supply an estimated valuation or anticipated construction costs in order to allow for financial analysis.

### **Absorption**

The Feasibility Memorandum does not provide an absorption schedule. However, based on BBCs past metropolitan district studies for Douglas County, the proposed single family residential units could most likely be absorbed over a period of approximately 18 to 24 months, with absorption closely following construction of each unit. The 31 for-rent townhomes would not follow an absorption schedule since they would be marketed for rent upon completion. BBC again notes the uniqueness and desirability of the site, which will likely drive interest in the available residential products. BBC expects that residential sales in the proposed Arrowhead Metropolitan District would occur expediently, but the proponent should augment the Feasibility Memorandum to support this conclusion.

## MEMORANDUM

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**To:** Lauren Pulver, Douglas County Department of Community Development  
**From:** BBC Research & Consulting  
**Re:** Arrowhead Metropolitan District Feasibility Memorandum Review Update  
**Date:** September 12, 2024

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### Findings

BBC Research & Consulting (BBC) reviewed the assumptions, methodology, and findings of the referenced Feasibility Memorandum prepared by Pomeroy Lodging, Kimley-Horn, and McGeady Becher on behalf of the Douglas County Community Development Department. Based on BBC's analysis of the Memorandum, along with additional information provided by the proponent regarding home values, absorption rates, and commercial development, the following observations and findings are presented:

- The Arrowhead Metropolitan District (the District) is a proposed development in unincorporated Douglas County and within a reasonable commuting distance of the Denver Metro Area and Castle Rock. The District proposes one of two development plans: residential or commercial. As a residential development, it would contain 31 townhomes and six detached single-family homes. As a commercial development, it would contain a 35,000-square foot Nordic Spa.
- The District is located in a highly desirable and unique area, adjacent to an existing golf course, bordered by protected open space to the west, and situated among red rock formations.
- Additional data provided by the District estimates that the single-family homes would have an average value of \$1.5 million, while the townhomes are anticipated to be valued at \$650,000 each. The commercial spa, with a construction year of 2026, is projected to have a value of \$45 million.
- The applicant has outlined an absorption schedule for the residential units, with development to occur between 2025 and 2027. The absorption schedule includes two single-family homes per year and townhome completions spread over the three-year period. This schedule is consistent with BBC's previous studies and reflects the market's ability to absorb these units within the proposed timeframe.



- While the broader home-building market is currently subdued, the unique features of the District, combined with a scarcity of comparable development sites, are likely to attract significant interest and mitigate any adverse impact from current market conditions.
- Based on the residential and commercial valuations, BBC concludes that both the residential and the commercial development options are likely to generate adequate property tax revenue to support the financial viability of the District, barring any substantial downward revision in either residential or commercial values or in residential absorption rate.
- If recent changes in Colorado property tax legislation due to HB24B-1001—which reduces property tax rates and caps future property tax growth—have substantially changed the revenue environment for the Arrowhead Metropolitan District, the proponent should update revenue projections accordingly and conduct sensitivity analyses for key market variables to assess overall financial resilience under the proposed residential development plan and the proposed commercial development plan.

## Background

BBC Research & Consulting (BBC) has been asked to review the assumptions, methodology, and findings of the referenced Feasibility Memorandum—prepared by Pomeroy Lodging, Kimley-Horn, and McGeady Becher—on behalf of the Douglas County Community Development Department. The review is intended to provide a third-party objective evaluation to inform the creation of the proposed Arrowhead Metropolitan District (the District) in Douglas County, Colorado.

**Figure 1.  
Overview of Proposed  
Arrowhead Metropolitan  
District**

Source:  
BBC Research & Consulting; Arrowhead Colorado Metropolitan District, Feasibility Memorandum, Residential and Commercial Plans; Email correspondence from Douglas County regarding Arrowhead Metropolitan District, September 9, 2024.

|                                  |                                        |
|----------------------------------|----------------------------------------|
| Developer:                       | Pomeroy Lodging                        |
| Organizer:                       | Arrowhead Colorado Prop. Co LLC        |
| Residential Product Option:      | 31 townhome lots; 6 single family lots |
| Average Home Value Assumptions:  | \$650,000 to \$1,500,000               |
| Aggregate Home Value Assumptions | \$29.2 million                         |
| Planned Public Improvements:     | \$4.09 million                         |
| Home Construction Start:         | 2025                                   |
| Commercial Product Option:       | One 35,000-sq. ft. Nordic Spa          |
| Commercial Value Assumption:     | \$45.0 million                         |
| Planned Public Improvements:     | \$4.06 million                         |
| Construction Start:              | 2026                                   |

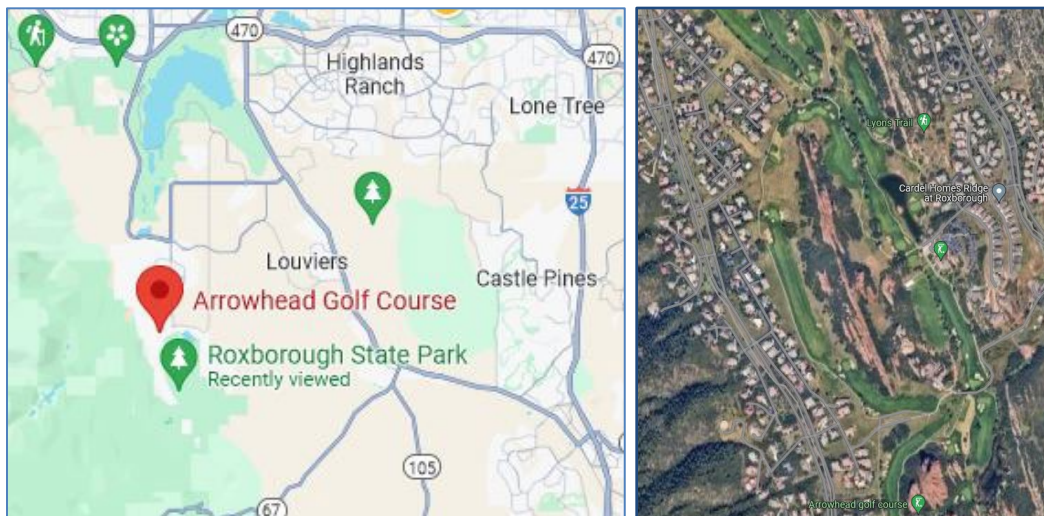
The Feasibility Memorandum supplies a description of the development:

*The Property consists of a 35.455 acre parcel of land surrounded by Arrowhead Golf Course and Roxborough Foundation [...] The proposed residential development plan is an approved use utilizes the 34-acre site to provide significant open space amongst the red rocks creating a one-of-a-kind luxury residential setting.<sup>1</sup>*

The proposed community in the Arrowhead Metropolitan District would be a 25-mile drive to downtown Denver or 20 miles to Castle Rock. Depending on the day and time, driving residents of the District would have a 30- to 45-minute commute to the DTC or a 40- to 60-minute commute to downtown Denver.

Figure 2 shows the location of the District, situated by the Arrowhead Golf Course in northwestern Douglas County. The proposed development is due west of Castle Pines and due south of Chatfield State Park & Reservoir.

**Figure 2.**  
**Location of Proposed Arrowhead Metropolitan District**



Source: BBC Research & Consulting; Google Maps.

Figure 2 also shows the specific position of the proposed District within the existing surrounding development, including the Arrowhead Golf Course as well as extensive residential development which comprises predominantly single-family homes.

## Scope of Review

BBC reviewed the data and assumptions presented by the Feasibility Memorandum to substantiate housing values and absorption rates in the District. Additionally, BBC conducted

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<sup>1</sup> Arrowhead Colorado Metropolitan District, Feasibility Memorandum, Residential and Commercial Plans

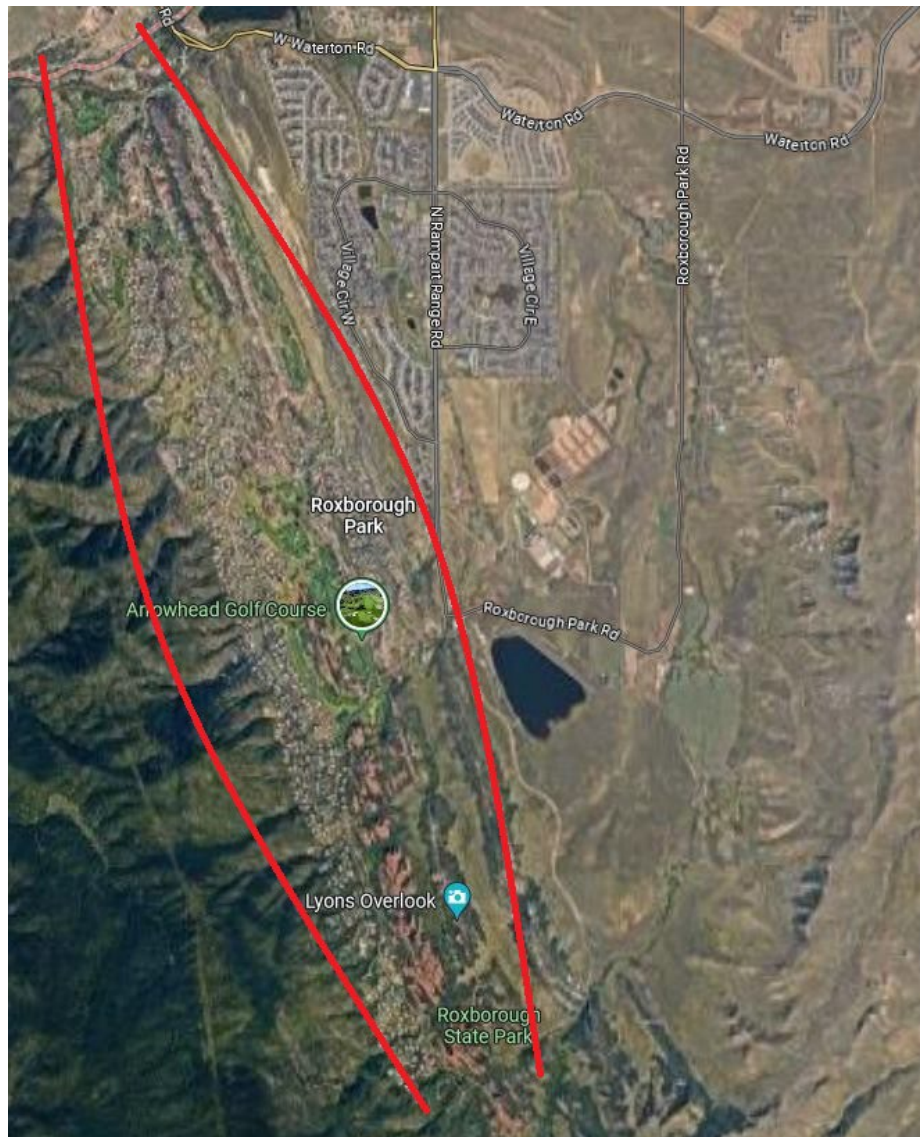
research on housing market trends and other relevant factors influencing demand for single-family residences. The remainder of this memorandum summarizes BBC’s review and findings.

### Competitive Market Area

The Arrowhead Metropolitan District Feasibility Memorandum does not define a competitive market area for the proposed residential development option. BBC analyzed comparable home sales and values and defined the competitive market area as the 3-mile-long region shown in the marked section of Figure 3.

**Figure 3.**  
**BBC’s Competitive Market Area for Arrowhead Metropolitan District**

Source:  
BBC Research & Consulting; Google Maps.



Given the unique features of the proposed District—positioned at the urban-wild interface while among considerable existing development and neighborhood amenities—it is appropriate to restrict the market comparison to those homes that share the unique setting.

## Pricing

**Residential Development Option.** The Feasibility Memorandum document does not include an anticipated value for the District’s proposed residences or a tailored study of comparable home sales within a defined competitive market area. However, the applicant has supplied additional information that the current anticipated value of the residential units is approximately \$650,000 for each of the 31 multi-family units and \$1.5 million for each of the six single-family homes.<sup>2</sup>

BBC conducted a comparative analysis to better assess the applicant’s anticipated value estimates for the proposed residential products. BBC analyzed home sales and values for 48 properties within the competitive market area defined as a 3-mile region encompassing the proposed District and several existing neighborhoods with similar settings and characteristics. Figure 4 summarizes BBC’s price analysis.

**Figure 4.  
Comparable Home Price Metrics for Residential Development in the Competitive Market Area**

| Residential Product          | Avg. Year of Build Completion | Avg. Sales Price or Value Estimate | Avg. Finished Sq. Ft. | Avg. Value per Sq. Ft. |
|------------------------------|-------------------------------|------------------------------------|-----------------------|------------------------|
| Single family detached house | 2021                          | \$1,637,309                        | 3,669                 | \$460                  |
| Townhouse or condominium     | 2018                          | \$677,055                          | 2,748                 | \$246                  |

Note: For single family homes, analysis is based on 38 observations; for townhomes, analysis is based on 10 observations.

Source: BBC Research & Consulting; Zillow.

As shown in Figure 4, BBC found that single-family homes in the competitive market area have an average value of \$1.64 million or \$460 per square foot. The comparative analysis found that townhomes and other attached dwelling types in the competitive market area have an average value of \$677,000 or \$246 per square foot.

The Arrowhead Metropolitan District’s anticipated residential unit value estimates of \$650,000 to \$1,500,000 align with the values observed in BBC’s comparative analysis for comparable properties in the market area.

Page 11 of the proponent’s Feasibility Memorandum depicts the residential site plan along with anticipated square footage per residential unit. Five of the six single-family homes are expected to be 5,100 square feet, while one home is expected to be 10,000 square feet. The 31 townhomes are anticipated at 1,500 to 1,700 square feet per unit. Figure 5 shows the anticipated residential value and unit square footage for the District.

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<sup>2</sup> Email correspondence from Douglas County regarding Arrowhead Metropolitan District, September 9, 2024.

**Figure 5.**  
**Anticipated Values for Residential Development in the Arrowhead Metropolitan District**

| Residential Product     | Anticipated Sq. Ft. | Anticipated Avg. Value per Unit | Anticipated Avg. Value per Sq. Ft. | Aggregate Value |
|-------------------------|---------------------|---------------------------------|------------------------------------|-----------------|
| (6) Single family homes | 5,100 to 10,000     | \$1,500,000                     | \$254                              | \$9,000,000     |
| (31) Townhomes          | 1,500 to 1,700      | \$650,000                       | \$406                              | \$20,150,000    |
| TOTAL                   |                     |                                 |                                    | \$29,150,000    |

Source: BBC Research & Consulting; Arrowhead Colorado Metropolitan District, Feasibility Memorandum, Residential and Commercial Plans; Email correspondence from Douglas County regarding Arrowhead Metropolitan District, September 9, 2024.

The anticipated average value per square foot of residential development differs slightly from the value per square foot from BBC's comparative analysis of home values: the District anticipates lower prices per square foot of single-family development than BBC's analysis results and anticipates higher prices per square foot of townhouse development. However, BBC notes that many of the comparative multi-family units are older builds (average year of construction is 2018), and they may not offer the same finishes or amenities as the proposed District.

As shown in Figure 5, the anticipated aggregate value across all residential units proposed for the Arrowhead Metropolitan District is \$29.2 million. With the plan to sell the six single family dwellings and offer the townhomes for rent, this aggregate value offers an adequate foundation for property tax revenue generation to ensure the District has capacity to service its debt obligations. This conclusion assumes no substantial revisions to the residential development plan, product pricing, or absorption.

Although the current market environment for home building is subdued,<sup>3</sup> the proposed development within the District is uniquely positioned due to its amenities, views, and prime location which offers both outdoor access and proximity to major urban centers along Colorado's Front Range. Additionally, the scarcity of comparable development sites enhances its appeal, as the District is surrounded by established high-end residential communities and offers distinctive features not commonly available in other parcels. BBC believes that the proposed residential development is unlikely to be adversely affected by current market conditions.

**Commercial Development Option.** The Feasibility Memorandum does not contain a valuation of the commercial development proposed for the District (i.e., the 386-locker Nordic spa), but the proponent has since supplied additional information regarding this component.

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<sup>3</sup> "Builder confidence in the market for new single-family homes fell to 39 in August, down two points from a downwardly revised reading of 41 in July. This is the lowest reading since December 2023. A lack of affordability and buyer hesitation stemming from elevated interest rates and high home prices contributed to the continued decline in builder sentiment"; NAHB/Wells Fargo Housing Market Index (HMI) at <https://www.nahb.org/news-and-economics/housing-economics/indices/housing-market-index>.

Spa construction is anticipated to be one phase occurring in 2026, and upon completion the commercial development is anticipated to have a statutory actual value of \$45 million.<sup>4</sup>

A commercial value of \$45 million offers a sizeable foundation for property tax revenue to ensure the District has the capacity to meet its debt obligations. This conclusion assumes no substantial revisions to the commercial development plan or product value.

## **Absorption**

Although the Feasibility Memorandum does not include an absorption schedule, the proponent has provided a timeline for residential unit completion spanning 2025 through 2027.<sup>5</sup> If pursuing the residential development option for the District, the developer plans to complete the six single-family homes at a rate of two per year. For townhomes, the developer plans to complete eight in 2025, 16 in 2026, and the remaining seven townhomes in 2027.

Based on BBC's past metropolitan district studies for Douglas County, the absorption rate is reasonable within the 36-month period, with absorption closely following construction of each unit. The 31 for-rent townhomes would not follow an absorption schedule since they would be marketed for rent upon completion. BBC again notes the uniqueness and desirability of the site, which will likely drive interest in the available residential products, leading to expedient sales.

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<sup>4</sup> Email correspondence from Douglas County regarding Arrowhead Metropolitan District, September 9, 2024.

<sup>5</sup> Ibid.

**From:** [Ephram Glass](#)  
**To:** [Lauren Pulver](#)  
**Subject:** Fwd: Douglas County eReferral SV2024-002 Is Ready For Review  
**Date:** Friday, July 26, 2024 1:34:46 PM

---

Lauren,  
I'm forwarding my message to DJ since DJ has an away message referring things to you. Could you convey my concern below for SV2024-002? This is not a formal comment from our whole board since our board won't have time to meet before the July 30th deadline.

Thanks,

--

**Ephram Glass**  
*Roxborough Village Metropolitan District Director*  
ephramglass@RoxboroughMetroDistrict.org  
720-805-7644

----- Forwarded message -----

From: **Ephram Glass** <[ephramglass@roxboroughmetrodistrict.org](mailto:ephramglass@roxboroughmetrodistrict.org)>  
Date: Fri, Jul 26, 2024 at 1:31 PM  
Subject: Re: Douglas County eReferral SV2024-002 Is Ready For Review  
To: <[dbeckwith@douglas.co.us](mailto:dbeckwith@douglas.co.us)>

DJ,  
Our district won't meet in time to make a formal comment within the comment period. However, it appears that the commercial entity that owns the parcel described in the proposed service plan is attempting to skirt the rules to build a for-profit business. I've been told the commercial entity has filed a lawsuit against the county because they can't get an easement to access the property. Establishing a metro district would enable them to use eminent domain to achieve their goals. Metro districts are not supposed to be used by commercial enterprises to gain access to eminent domain. While this is not a formal comment, you may want to convey my concerns to the commissioners.

Thanks,

--

**Ephram Glass**  
*Roxborough Village Metropolitan District Director*  
ephramglass@RoxboroughMetroDistrict.org  
720-805-7644

On Mon, Jul 15, 2024 at 2:43 PM <[dbeckwith@douglas.co.us](mailto:dbeckwith@douglas.co.us)> wrote:

There is an eReferral for your review. Please use the following link to log on to your account: <https://apps.douglas.co.us/planning/projects/Login.aspx>

File# and Name: SV2024-002 / Arrowhead Colorado Metropolitan District

The County is requesting for your review of a Service Plan to create Arrowhead Colorado Metropolitan District. Your input is appreciated.

This referral will close on Tuesday, July 30, 2024.

**From:** Brian Lence <[blence@roxboroughparkco.com](mailto:blence@roxboroughparkco.com)>  
**Sent:** Monday, July 22, 2024 2:25 PM  
**To:** Lauren Pulver <[lpulver@douglas.co.us](mailto:lpulver@douglas.co.us)>  
**Subject:** FW: Douglas County eReferral SV2024-002 Is Ready For Review

Good afternoon, Lauren,

Would you be good enough to respond to my email below to DJ concerning this eReferral?

Thanks.

Brian Lence, CMCA®, AMS®, PCAM®  
General Manager  
Roxborough Park Foundation  
6237 Roxborough Drive  
Roxborough, CO 80125  
Phone 303-979-7860  
Fax 303-979-0624  
Email [blence@roxboroughparkco.com](mailto:blence@roxboroughparkco.com)  
Website [www.roxboroughparkco.com](http://www.roxboroughparkco.com)



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**From:** Brian Lence  
**Sent:** Monday, July 22, 2024 2:22 PM  
**To:** [dbeckwith@douglas.co.us](mailto:dbeckwith@douglas.co.us)  
**Subject:** RE: Douglas County eReferral SV2024-002 Is Ready For Review

Good afternoon, DJ,

A contact forwarded this eReferral to me for my information. I was curious as to why Roxborough Park Foundation was not on the list of “3-Mile Radius Entities”. Is it that perhaps Service Plans for potential new metro-districts are only notified to other metro-districts and governmental entities? I would have thought that the Foundation might have been notified seeing as this new metro district is proposed for an undeveloped piece of property in the



middle of Arrowhead Golf Course, in the middle of the Roxborough Planned Development.

Notwithstanding this, is the Foundation able to provide comments if it chooses, and would these comments be considered as coming from the Foundation as a referral agency or just public comments?

Thanks for your assistance.

Brian Lence, CMCA®, AMS®, PCAM®  
General Manager  
Roxborough Park Foundation  
6237 Roxborough Drive  
Roxborough, CO 80125  
Phone 303-979-7860  
Fax 303-979-0624  
Email [blence@roxboroughparkco.com](mailto:blence@roxboroughparkco.com)  
Website [www.roxboroughparkco.com](http://www.roxboroughparkco.com)



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From: <[dbeckwith@douglas.co.us](mailto:dbeckwith@douglas.co.us)>

Date: Mon, Jul 15, 2024 at 2:43 PM

Subject: Douglas County eReferral SV2024-002 Is Ready For Review

There is an eReferral for your review. Please use the following link to log on to your account:

<https://apps.douglas.co.us/planning/projects/Login.aspx>

File# and Name: SV2024-002 / Arrowhead Colorado Metropolitan

**From:** [Brian Lence](#)  
**To:** [Lauren Pulver](#); [DJ Beckwith](#)  
**Cc:** [Board](#)  
**Subject:** SV2024-002 - Public Comment  
**Date:** Monday, August 5, 2024 9:54:55 AM

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Dear Lauren and DJ,

Public Comment re: SV2024-002

Roxborough Park Foundation has two comments/questions:

1. Roxborough Park Foundation would like the applicant to state whether it intends to exercise the power of eminent domain as set forth in the Service Plan Section VII Powers and Responsibilities B. Miscellaneous Powers 2, and if so, in what respect?
2. The “On-site and Off-site Parks & Recreation Improvements – Commercial” map/plan, depicts “Enhanced Streetscaping” of Sundown Trail. This is a private road, outside the proposed metro-district, and may not be modified without the express consent of Roxborough Park Foundation. The Foundation requests that the applicant elaborate on its plans for “streetscaping” bearing in mind this restriction and the fact it is outside the proposed metro district.

Thank you.

Brian Lence, CMCA®, AMS®, PCAM®  
General Manager  
Roxborough Park Foundation  
6237 Roxborough Drive  
Roxborough, CO 80125  
Phone 303-979-7860  
Fax 303-979-0624  
Email [blence@roxboroughparkco.com](mailto:blence@roxboroughparkco.com)  
Website [www.roxboroughparkco.com](http://www.roxboroughparkco.com)



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## DJ Beckwith

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**From:** Planning Commission  
**Sent:** Wednesday, August 21, 2024 8:57 AM  
**To:** DJ Beckwith; Lauren Pulver  
**Subject:** FW: Thank you

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**From:** Bridget Epp <bridget@epplife.com>  
**Sent:** Tuesday, August 20, 2024 4:08 PM  
**To:** Planning Commission <PlanningCommission@douglas.co.us>  
**Subject:** Thank you

Commissioners,

On behalf of Save Our Rox, and the Roxborough Park Foundation Community, I would like to thank-you for giving so much thought and consideration to your vote last night in regard to the Arrowhead Metro District request from Pomeroy Lodging in Canada.

I appreciate that these decisions are not always easy. I applaud your hard work and dedication to the community. Thank-you,  
Bridget Epp



**Bridget Epp**  
*Co-Chair Save Our Rox, The Roxborough Conservancy*

*Phone:* 630.935.9463  
*Email:* [bridget@epplife.com](mailto:bridget@epplife.com)  
*Website:* [Saveourrox.com](http://Saveourrox.com)

*Keeping the Red Rocks Wildlife Sanctuary  
Wild & Free Forever*

## DJ Beckwith

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**From:** Planning Commission  
**Sent:** Tuesday, August 20, 2024 10:23 AM  
**To:** DJ Beckwith; Lauren Pulver  
**Subject:** FW: Thank you

**From:** Jackie Meyer <jackie.meyer17@gmail.com>  
**Sent:** Tuesday, August 20, 2024 10:10 AM  
**To:** Planning Commission <PlanningCommission@douglas.co.us>  
**Subject:** Thank you

Thank you for listening to our group last night from the Roxborough Park Foundation HOA regarding the Arrowhead Metro District request from Pomeroy Lodging in Canada.

I appreciate your dedication to the community and the seriousness by which you take your responsibilities.

Jackie Meyer  
Homeowner