

SERVICE PLAN
FOR
PASTORA RANCH METROPOLITAN
DISTRICT NOS. 1-3
CITY OF PUEBLO, COLORADO

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I. INTRODUCTION

A. General Overview. This service plan (“Service Plan”) for Pastora Ranch Metropolitan District Nos. 1-3 (collectively, the “Districts” and each a “District”) is submitted for special districts proposed to be organized to serve the needs of the Pastora Ranch development (the “Development”) within the boundaries of the City of Pueblo, Colorado (“Pueblo” or the “City”). A legal description and boundary map of each District is contained in **Exhibit A** and **Exhibit C** to this Service Plan (the “Districts’ Boundaries”). A vicinity map showing the location of the Districts is contained in **Exhibit D** to this Service Plan.

This Service Plan has been prepared to address the current plans for the Development, which will be served by three metropolitan districts as follows: Pastora Ranch Metropolitan District No. 1 (the “Coordinating District”), Pastora Ranch Metropolitan District No. 2 (“District No. 2”) and Pastora Ranch Metropolitan District No. 3 (“District No. 3”).

In general, it is intended that the Districts will provide for the finance, construction, operation, and maintenance of the facilities and improvements described herein. The Districts may enter into a District Coordinating Services Agreement (“IGA”), which is anticipated to be substantially similar to the form attached hereto as **Exhibit H** to coordinate the financing and provision of certain operation, maintenance and administrative services for the Project.

Pursuant to the requirements of the Special District Control Act, Section 32-1-201 *et seq.*, Colorado Revised Statutes (“C.R.S.”), this Service Plan consists of a financial analysis and an engineering plan showing how the proposed facilities and services of the Districts will be provided and financed. The information provided herein is preliminary in nature and is subject to change as development within the Districts evolve. Approval of this Service Plan by the City

Council of the City of Pueblo (“City Council”) does not imply any approval of any development or improvement plan that is utilized as a part of an exhibit in this Service Plan. The following items are included in this Service Plan:

- A. A description of the proposed services;
- B. A financial plan showing how the proposed services are to be financed;
- C. A preliminary engineering or architectural survey showing how the proposed services are to be provided;
- D. A map of the Districts’ Boundaries, as hereafter defined, and an estimate of the population and valuation for assessment of the Districts;
- E. 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 Districts are compliant with facility and service standards of the City and of municipalities and special districts which are interested parties;
- F. A general description of the estimated cost, if any, of acquiring land, engineering services, legal services, administrative services, initial proposed indebtedness and estimated proposed maximum interest rates and discounts, and other major expenses related to the organization and initial operation of the Districts; and
- G. A description of any arrangement or proposed agreement with any political subdivision for the performance of any services between the Districts and such other political subdivision.

II. PURPOSE OF THE DISTRICT

Approximately one hundred ten (110) acres of the Development is currently within the boundaries of the City and approximately one hundred thirty (130) acres is expected to be annexed

to the City and is shown within the Future Inclusion Area depicted in **Exhibit B** and **Exhibit C**. The property within the Service Area (defined herein) is located generally East of State Highway 78, South of Bridle Trail, Northwest of Little Burnt Mill Road in the City and County of Pueblo. The Development is now vacant and is not presently served with the facilities and services to be provided by the Districts. The Development is being developed by Premier Homes, Inc., or its affiliates, successors or assigns (the "Developer"). Neither the City nor any other special district has plans to provide such services and facilities within a reasonable time and on a comparable basis. Therefore, it is necessary that the Districts be able to provide the inhabitants of the Development with water, sewer, street, safety protection, parks and recreation, transportation, mosquito control, security services, covenant enforcement, and fire protection services and to dedicate, when appropriate, some of the public improvements to the City, the Pueblo Fire Department (the "Fire Department"), or to such other entity as appropriate.

III. PROPOSED STRUCTURE

Services will be provided to the Development by the Coordinating District together with District No. 2 and District No. 3. The Districts will be organized to finance, construct, own, manage and operate the public improvements throughout the Development. District No. 2 and District No. 3 (collectively, the "Financing Districts") will be organized to coordinate their efforts in order to provide public services to the Development in the most efficient manner possible. The Coordinating District may provide administrative services for and on behalf of the Financing Districts. The Coordinating District may own, operate and maintain the public facilities and improvements within the Development that are not otherwise dedicated or conveyed to the City, the County, or other public entity or owners' association. Each Financing District may be responsible for any and all costs, fees, charges and expenses incurred by the Coordinating District

in providing administrative services and operations and maintenance services. The Districts may enter into the IGA which will set forth the arrangements for the financing, construction, and operations of the improvements contemplated herein for the Development. It is anticipated that the property within the Districts' Boundaries will be developed for residential uses.

The multiple district structure, comprised of the Coordinating District together with the Financing Districts, is proposed because it provides several benefits to the inhabitants of the Development and the City. Multiple districts will assure that: 1) the necessary services and improvements can be financed in the most favorable and efficient manner; 2) all the services and improvements needed for the Development will be available when needed through managed development; and 3) a reasonable mill levy and reasonable tax burden on all residential, commercial, and industrial property within the Districts will be maintained through managed financing, coordinated completion of infrastructure improvements and coordinated operations and maintenance services. In order to maintain flexibility and best serve the Development, the Districts may coordinate their efforts through alternative structures not specifically contemplated herein.

IV. DISTRICT BOUNDARIES/MAPS

The area proposed to be included within the Districts' Boundaries initially consists of approximately one hundred thirty (130) acres. Legal descriptions and maps of the Districts' Boundaries are attached hereto as **Exhibit A** and **Exhibit C**. A vicinity map of the Development is attached as **Exhibit D**. The Districts' Boundaries as they may be changed from time to time, as well as the Future Inclusion Area (defined below), shall be collectively referred to herein as the "Service Area."

The property described on **Exhibit B**, and depicted in **Exhibit C**, attached hereto and incorporated herein, is owned by the Developer and is anticipated to be included into the Development following annexation to the City (the “Future Inclusion Area”).

Only boundary adjustments which add to, or subtract from, the total acreage of the Districts shall be considered a material modification of this Service Plan and shall require the prior written approval for the City Council. No additional approval from the City Council shall be required for boundary adjustments which do not increase or decrease the total acreage of the Districts; so long as the total acreage of the Districts does not change, the Districts’ individual boundaries may be adjusted as the Districts deem necessary to account for development pace, infrastructure phasing requirements, and other market conditions. Such adjustments shall be effected pursuant to Sections 32-1-401 *et seq.*, and 32-1-501 *et seq.*, C.R.S.

The boundaries of the Districts shall not overlap unless the aggregate mill levy for payment of debt of the overlapping Districts will not at any time exceed the Debt Mill Levy Limit.

V. PROPOSED LAND USE/POPULATION PROJECTIONS

The property within the District Boundaries is now undeveloped and is not presently served with the facilities and/or services proposed to be provided by the Coordinating District, nor does Pueblo or any other special district have any plans to provide such services within a reasonable time and on a comparable basis.

The Development, which is approximately two-hundred forty (240) acres, is partially within the boundaries of the City. It is anticipated that the property within the Districts’ Boundaries

will be developed with approximately six hundred thirty-two (632) residential units, with a projected population of 1580 persons based on a ratio of 2.5 residents per household.

VI. DESCRIPTION OF TYPES OF IMPROVEMENTS AND PROPOSED SERVICES

The following paragraphs provide a description of the types of improvements and proposed services to be provided by the Districts. The City shall not be obligated to own, operate, or maintain any of the improvements provided by the Districts. Those improvements not dedicated to the City for ownership, operation, and maintenance may be owned, operated and maintained by the Districts or other appropriate entities.

A. Types of Improvements. The Districts plan to provide for the design, acquisition, construction, installation and financing of certain water, sanitation, street, safety protection, park and recreation, transportation, mosquito control, security, covenant enforcement, and fire protection improvements and services within and without the District Boundaries. This Service Plan describes those improvements anticipated for construction and the services the Districts anticipate providing. The improvements and services will benefit all of the property owners and residents within the Development. A general description of each type of improvement and service to be provided by the Districts follows this paragraph, and **Exhibit E** lists the improvements planned to be provided for the property within the Service Area and estimated costs of such facilities (the "Improvements"). The improvements generally depicted and described in **Exhibits F-1 through F-5** have been presented for illustration only. The exact design, sub-phasing of construction and location of the improvements will be determined at the time of the submittal of the site development plan and, if approved by the City, such decisions shall not be considered to be a material modification of this Service Plan.

The Districts shall have the authority to finance improvements for such properties subject to the debt issuance limitations set forth in Section XI, Paragraph A hereof.

1. Sanitation. The Districts shall have the power to provide for the design, acquisition, construction, financing, completion, and installation of a local sanitary sewage collection and transmission system which may include, but shall not be limited to, collection mains and laterals, lift stations, transmission lines, and/or storm sewer, flood and surface drainage facilities and systems, including detention/retention ponds and associated irrigation facilities, and all necessary, incidental, and appurtenant facilities, land and easements, together with extensions of and improvements to said system within and without the Districts' Boundaries. The Districts may provide for sanitary sewage collection and transmission through the purchase of capacity in existing collection mains and transmission lines.

Except as otherwise provided herein, it is anticipated that, following acceptance by the City, the City will own, operate, and maintain any sanitation improvements constructed by the Districts. It is anticipated that storm water improvements will be dedicated to and accepted by the City for ongoing ownership and maintenance obligations. The Districts shall have the authority to install and maintain landscaping improvements in the vicinity of said storm water improvements.

2. Water. The Districts shall have the power to provide for the design, acquisition, construction, financing, completion, and installation of a complete potable and non-potable local water, transmission, and distribution system, which may include, but shall not be limited to, transmission lines, distribution mains and laterals, pressure reducing stations, irrigation facilities, storage facilities, water supply, water rights, land and easements, and all necessary,

incidental, and appurtenant facilities, together with extensions of and improvements to said system within and without the Districts' Boundaries.

It is anticipated that the Board of Water Works of Pueblo, Colorado will own, operate and maintain any water system and any water system improvements for the Development and any future included areas.

3. Streets. The Districts shall have the power to provide for the design, acquisition, construction, financing, completion, and installation of street improvements, including curbs, gutters, culverts, and other drainage facilities, acceleration and deceleration lanes, sidewalks, bike paths and pedestrian ways, median islands, paving, lighting, parking lots, grading, landscaping and irrigation, together with all necessary, incidental, and appurtenant facilities, land and easements, together with extensions of and improvements to said facilities within and without the Districts' Boundaries.

It is anticipated that, following acceptance by the City, the City will own and maintain any streets and street improvements within the Development.

4. Safety Protection. The Districts shall have the power to provide for the design, acquisition, construction, financing, completion, and installation of facilities and/or services for a system of traffic and safety controls and devices on streets and highways and at railroad crossings, including, but not limited to, signalization, signing and striping, together with all necessary, incidental, and appurtenant facilities, land and easements, together with extensions of and improvements to said facilities within and without the Districts' Boundaries.

Following acceptance by the appropriate entities, it is anticipated that any safety protection improvements will be transferred to the City for ownership, operation and maintenance.

5. Park and Recreation. The Districts shall have the power to provide for the design, acquisition, construction, financing, completion, and installation of parks and recreational facilities and programs including, but not limited to, parks, bike paths and pedestrian ways, open space, landscaping, cultural activities, water bodies, irrigation facilities, and other active and passive recreational facilities, programs, and events, and all necessary, incidental and appurtenant facilities, land and easements, together with extensions of and improvements to said facilities within and without the Districts' Boundaries.

Following acceptance by the appropriate entities, it is anticipated that some of the park and recreation improvements that may be constructed by the Districts will be owned, operated, and maintained by the City and, subject to the City's consent, some of the improvements may be operated and maintained by the Coordinating District, applicable Financing District, or other appropriate owners associations.

6. Transportation. The Districts shall have the power to provide for the design, acquisition, construction, financing, completion, and installation of a system to transport the public by bus, rail, or any other means of conveyance, or combination thereof, or pursuant to contract, including park and ride facilities and parking lots, structures and facilities; together with all necessary, incidental and appurtenant facilities, land and easements, and all necessary extensions of and improvements to said facilities or systems within and without the Districts' Boundaries.

Following acceptance by the appropriate entities, it is anticipated that any transportation improvements will be transferred to the City or other appropriate entity for ownership, operation, and maintenance.

7. Mosquito Control. The Districts shall have the power to provide for the eradication and control of mosquitoes, including, but not limited to, elimination or treatment of breeding grounds and purchase, lease, contracting or other use of equipment or supplies for mosquito control within and without the Districts' Boundaries. It is anticipated that any mosquito control improvements will be maintained by an owner's association, the Coordinating District, applicable Financing District, or the City.

8. Fire Protection. The Fire Department currently provides fire protection service to property within the Service Area. The Coordinating District shall have the power to provide for the financing of and design, acquisition, construction, completion, installation, operation and maintenance of facilities and equipment for fire protection, including fire stations, ambulance and emergency medical response and rescue services, hazardous material services, diving and grappling stations and all necessary, incidental and appurtenant facilities, land and easements, together with extensions of and improvements to said systems within and without the Districts' Boundaries. Following acceptance, the fire protection improvements and facilities will be transferred to the Fire Department for ownership, operation and maintenance. The Districts' authority to provide fire protection services and facilities shall be subject to an agreement between each District and the Fire Department pursuant to Section 32-1-107(3)(b)(IV), C.R.S. It is the express intent of this Service Plan that each Districts' authority to provide fire protection service and facilities shall be exercised cooperatively with the existing

Fire Department, rather than authorize the creation of an independent fire department as a part of each District.

9. Security. The Districts shall have the power to furnish security services for any area within the Service Area. Prior to furnishing any security services, the Districts shall provide written notification to, consult with, and obtain the prior written consent of the Pueblo Chief of Police and any applicable master association or similar body having authority in its charter or declaration to furnish security services within the Service Area.

10. Covenant Enforcement. The District shall have the power to provide covenant enforcement and design review services within the Service Area if the Districts and the governing body of a master association or similar body contract for such services, or if the declaration, rules and regulations, or any similar document containing the covenants to be enforced for the area within the Service Area name the Districts as the enforcement or design review entity. The Districts shall have the power to provide covenant enforcement and design review services only if revenues used to provide such services are derived from the area in which the service is furnished.

11. Other Powers. In addition to the enumerated powers, the Districts shall also have the following authority:

(a) Plan Modifications. To modify this Service Plan in accordance with the statutory procedures set forth in Section 32-1-207, C.R.S.

(b) Phasing, Deferral. Without modifying this Service Plan, to defer, forego, reschedule, or restructure the financing and construction of certain improvements and

facilities, to better accommodate the pace of growth, resource availability, and potential inclusions of property within the Districts in accordance with Section IV hereinabove.

(c) Additional Services. Except as specifically provided herein, to provide such additional services and exercise such powers as are expressly or impliedly granted to special districts by Colorado law, including but not limited to those powers delineated in Section 32-1-1004, C.R.S., as the same may be amended from time to time.

(d) Subdistricts. With the prior consent of City Council, the Districts shall have the authority pursuant to Section 32-1-1101(1)(f)(I), C.R.S. and Section 32-1-1101(1.5)(a) through (1.5)(e), C.R.S., to divide the Districts into one or more areas consistent with the services, programs and facilities to be furnished therein.

(e) Special Improvement Districts. With the prior consent of City Council, the Districts shall be authorized to establish special improvement districts within the Service Area as provided in Section 32-1-1101(1)(g), C.R.S., and shall have the authority to exercise all powers necessary and related to such special improvement districts as permitted by Section 32-1-1101(1)(g), C.R.S.

(f) Enterprises. The Districts' Boards may set up enterprises to manage, fund, and operate such facilities, services, and programs as may qualify for enterprise status using the procedures and criteria provided in Article X, Section 20, Colorado State Constitution. To the extent provided by law, any enterprise established by the Districts' Boards will remain under the control of each Districts' Board.

B. Standards of Construction/Statement of Compliance. Any facilities, which the Districts may construct pursuant to this Service Plan, if constructed, shall be constructed in accordance with the following provisions:

1. The sanitary sewer treatment and/or collection facilities will be designed, constructed and maintained in accordance with the standards of the Colorado Department of Health, the City, and other applicable local, state or federal rules and regulations.

2. The Districts' water system will be constructed and maintained in accordance with the standards of the Board of Water Works of Pueblo, Colorado, the Colorado Department of Public Health and Environment ("CDPHE") or other jurisdictions, as appropriate.

3. All streets and safety protection facilities to be dedicated to the City will be constructed in accordance with the standards and specifications of the City.

4. All storm sewers and facilities will be constructed in accordance with the standards and specifications of the City and other local jurisdictions, as appropriate.

5. All parks and recreational facilities and/or services will be constructed in accordance with engineering and design requirements appropriate for the surrounding terrain, and shall be in compliance with standards of the City or other local public entities, as appropriate.

6. All transportation facilities and/or services will be provided in accordance with the standards and specifications of the City, if any, or other local public entities, as appropriate.

7. All mosquito control activities and/or programs will be provided in accordance with the standards and specifications of the CDPHE, the City, and other applicable local, state and federal regulations.

8. All fire protection facilities and services will be designed, constructed and maintained in accordance with the standards of the City, the Fire Department and any other applicable local, state or federal rules and regulations.

The Districts will require its engineers to implement a plan to assure that the standards by which the facilities are to be constructed are in accordance with the specifications of

the City and any other party which will have jurisdiction over the design and/or construction of such facilities.

C. Limitations of the District's Powers

1. Any facilities which the Districts may construct pursuant to this Service Plan, shall be constructed and operated in a manner consistent with the following agreements:

(a) Annexation Agreement, dated July 12, 2004.

2. The Districts will insure that any facilities which the Districts may construct pursuant to this Service Plan are designed and constructed in accordance with the standards and specifications of the City and of other governmental entities having proper jurisdiction. The Districts will obtain the City's approval of civil engineering plans and will obtain applicable permits for construction and installation of all such facilities prior to performing all such work.

3. The Districts shall not exercise their power of eminent domain without the prior written consent of the City Council. This restriction on the Districts' exercise of the eminent domain power is being voluntarily acquiesced to by the Districts and shall not be interpreted in any way as a limitation on the Districts' sovereign powers and shall not negatively affect the Districts' status as a political subdivision of the State as conferred by the Special District Act.

D. Disclaimer.

1. The financial information and other representations contained in this Service Plan have not been independently reviewed or verified by the City and the City disclaims any opinion as to the accuracy or reliability of same.

2. The City has no legal obligation to accept, for ownership and maintenance purposes, any facilities which the Districts may construct pursuant to this Service Plan.

3. The City is not and never shall be obligated to pay any of the debt obligations of the Districts. The faith and credit of the City will not be pledged for the repayment of any debt or other financial obligation of any Districts. This will be clearly stated on all offering circulars, prospectuses, or disclosure statements associated with any securities issued by any District. The Districts shall not utilize the "City of Pueblo" name in the name of any District. In the text of each Bond and any other instrument representing and constituting the debt or other multi-fiscal year obligation of any of the Districts, there shall be set forth a statement insubstantially the following form:

By acceptance of this instrument, the owner of this Bond [or other debt obligations] agrees and consents to all of the limitations in respect of the payment of the principal of and interest on this Bond [or other debt obligations] contained herein, in the resolution of the District authorizing the issuance of this Bond [or other debt obligations] and in the Service Plan for the District.

Similar language describing the limitations in respect of the payment of the principal of and interest on debt set forth in this Service Plan shall be included in any document used for the offering of the debt for sale to persons including, but not limited to, a developer of property within the Districts' Boundaries.

VII. DISSOLUTION/CONSOLIDATION

At the request of Pueblo or if the Districts' Boards deem it to be in the best interests of the Districts that the Districts be dissolved, the Districts shall initiate and diligently pursue dissolution in accordance with Section 32-1-701 *et seq.*, C.R.S., at such time as: (1) Pueblo agrees to provide or cause to be provided substantially the same level of operations and maintenance (if any) of the Districts' facilities as the Districts have provided, (2) all of the proposed improvements and facilities have been constructed and conveyed to the City or other appropriate entity, and (3) all debt

incurred for such facilities has been repaid or arrangement for repayment has been made in accordance with State law. The City Council may consent to the dissolution by resolution.

Except with respect to a consolidation among the Districts, a request shall not be filed with any court to consolidate with another Title 32 district without the prior written consent of the City Council.

VIII. PROPOSED AGREEMENTS

A. Coordinated Services of Districts. As discussed in this Service Plan, the relationship between the Coordinating District and the Financing Districts may be established through the proposed IGA. The IGA is anticipated to provide the procedures for coordinated financing, budgeting, and administrative oversight and management.

B. Additional Intergovernmental Agreements and Agreements with Private Entities. To the extent practicable, the Districts may enter into additional intergovernmental and private agreements to better ensure long-term provision and effective management of the public improvements and services. Agreements may also be executed with property owners associations and other service providers. Any additional intergovernmental agreements are authorized pursuant to Colorado Constitution, Article XIV, § 18 (2)(a) and Section 29-1-201 *et seq.*, C.R.S.s

C. Voter Authorization. To the extent necessary to comply with statutory and/or Constitutional requirements for approval of debt or long-term financial obligations, the terms of the aforementioned intergovernmental agreements and any other intergovernmental agreement deemed necessary to effectuate the long-term plans of the Districts will be submitted to the

electors of the Districts for approval. The Districts shall have the authority to obtain the required voter authorization in order to exercise its rights and obligations under such agreements and to enter into the agreements without further approval of Pueblo.

IX. ASSESSED VALUATION

The Financial Plan for the Districts is attached hereto as **Exhibit G**. For purposes of the Financial Plan, the property within the Service Area is assumed to have a current assessed valuation of \$0.00. The projected build-out and assessed valuation for the property within the Service Area is set forth in the Financial Plan.

X. ESTIMATED OPERATION COSTS

Subject to the applicable warranty, the Districts intend to dedicate certain facilities constructed or acquired, to the appropriate jurisdiction for operations and maintenance. Certain facilities completed within the boundaries of the Financing Districts may be owned, operated and/or maintained by the Coordinating District.

There are statutory and constitutional limits on the Districts' ability to increase its mill levy for provision of operation and maintenance services without an election. The Districts intend to obtain the necessary electoral approval to comply with the foregoing limitations. The Debt Mill Levy Cap, defined below, proposed for repayment of bonds does not apply to the Districts' abilities to increase its mill levy as necessary for the provision of operation services to its taxpayers and service users.

In addition to the operations mill levy, the Districts may also rely upon various other revenue sources authorized by law and this Service Plan to offset the expenses of each Districts'

management, operations, and maintenance. These may include revenues from other governmental entities, developers, and other public or private entities, as well as the power to assess fees, rates, penalties, or charges as provided in Title 32, Article 1, C.R.S., as amended. The Districts shall have the authority to repay the Developer for amounts advanced for operations expenses together with accrued interest thereon and to seek electorate approval for such obligation to be deemed a multiple-fiscal year obligation, provided such obligation shall be subordinate to the Districts' bonds issued for capital improvements.

XI. FINANCIAL PLAN/PROPOSED INDEBTEDNESS

A. General. The Financial Plan attached hereto as **Exhibit G** shows how the proposed improvements and/or services may be financed, including the estimated costs, if any, of acquiring land, engineering services, legal services, administrative services, proposed indebtedness and estimated proposed maximum interest rates and discounts, and other major expenses related to the organization and operation of the Districts. The Financial Plan demonstrates that, at various projected levels of development, the Districts have the ability to finance the proposed improvements identified herein and will be capable of discharging the proposed indebtedness on a reasonable basis. The Financing Plan demonstrates one method that might be used by the Districts to finance the cost of public improvements.

Pursuant to the IGA, the Financing Districts will be responsible for financing the cost of certain of the improvements described on **Exhibit E**, and the Coordinating District will be responsible for owning, operating and maintaining such improvements. The provision of facilities by the Districts will be primarily financed by the Districts' issuance of general obligation bonds, revenue bonds, or other multiple fiscal year obligations, secured by, among other sources of

revenue, the *ad valorem* taxing authority of the Financing Districts, with limitations as discussed below.

In order to finance the improvements, the Financial Plan demonstrates the issuance of approximately Fifty-Eight Million One Hundred Twenty Thousand Dollars (\$58,120,000) in general obligation bonds. Prior to the issuance of any debt, the construction costs for necessary improvements may be paid by the Developer, subject to subsequent acquisition by the Districts of the completed improvements and payment to the Developer of such construction costs, or dedication of said improvements to the City or other appropriate entity and reimbursement by the Coordinating District to the Developer for such construction costs. The Financial Plan demonstrates the issuance of bonds and the anticipated repayment based on the projected development in the Financing Districts. The Financial Plan assumes the first bond issue will occur in 2022. The Districts shall have the authority to issue debt in the total aggregate principal amount of Seventy-Five Million Dollars (\$75,000,000) (the "Debt Authority"). The incurrence of multiple fiscal year debt obligations in excess of the Debt Authority shall be considered a material modification of the Service Plan, which shall be subject to the statutory procedures set forth in Section 32-1-207, C.R.S. The City shall never be liable for any of the District's debt obligations and any offering document accompanying the issuance of any debt and the face of any debt instrument issued shall disclose that limitation.

If the Developer or other landowner constructs the public infrastructure and conveys it to the City or the Districts in return for a reimbursement obligation, prior to making such reimbursement for such amounts, the Districts must receive the report of an independent engineer or accountant confirming that the amount of the reimbursement is reasonable.

Prior to the issuance of any privately placed Debt for capital related costs, the District shall obtain the certification of an External Financial Advisor substantially as follows:

We are [I am] an External Financial Advisor within the meaning of the District's Service Plan.

We [I] certify that (1) the net effective interest rate (calculated as defined in Section 32-1-103(12), C.R.S.) to be borne by [insert the designation of the Debt] does not exceed a reasonable current [tax-exempt] [taxable] interest rate, using criteria deemed appropriate by us [me] and based upon our [my] analysis of comparable high yield securities; and (2) the structure of [insert designation of the Debt], including maturities and early redemption provisions, is reasonable considering the financial circumstances of the District.

For purposes of the foregoing requirement, an "External Financial Advisor" is a consultant that: (1) advises Colorado governmental entities on matters relating to the issuance of securities by Colorado governmental entities, including matters such as the pricing, sales and marketing of such securities and the procuring of bond ratings, credit enhancement and insurance in respect of such securities; (2) shall be an underwriter, investment banker, or individual listed as a public finance advisor in the Bond Buyer's Municipal Market Place; and (3) is not an officer of the District.

B. Mill Levy. The Districts may assess a mill levy on all taxable property in the Districts' Boundaries as a source of revenue for repayment of debt service and, as discussed above, for operations.

Each of the Financing Districts shall only be required to fund on an annual basis, the amount that the applicable Financing District would be capable of funding through tax revenues resulting from the imposition of the Debt Mill Levy Cap (defined herein). The maximum mill levy the Districts may impose for the payment of principal of and interest on Debt shall be sixty (60) mills (the "Debt Mill Levy Cap"); provided that if, on or after January 1, 2019, there are

changes in the method of calculating assessed valuation or any constitutionally mandated tax credit, cut or abatement; the mill levy limitation applicable to such debt may be increased or decreased to reflect such changes, such increases or decreases to be determined by the Districts' Boards in good faith so that to the extent possible, the actual tax revenues generated by the mill levy, as adjusted for changes occurring after January 1, 2019, are neither diminished nor enhanced as a result of such changes. For purposes of the foregoing, a change in the ratio of actual valuation shall be deemed to be a change in the method of calculating assessed valuation. Except as otherwise provided in this Section XI.B., the Debt Mill Levy Cap shall not be increased unless first approved by the City Council and as permitted by statute. Any such increase shall be considered a material modification of the Service Plan.

The Districts may impose a mill levy to defray operations, maintenance, and administrative expenses of each District, as deemed necessary to pay for such expenditures. The Districts shall not impose or attempt to impose a mill levy or fees in lieu of a mill levy on any of the property conveyed or dedicated to the City as provided in this Service Plan.

The proposed maximum voted interest rate is estimated at eighteen percent (18%) and the maximum discount at five percent (5%). The exact interest rates, term and discounts will be determined at the time the bonds are sold by the Districts, and will reflect market conditions at the time of sale. The Districts may also issue notes, certificates, debentures, or other evidences of indebtedness, including, but not limited to, contracts that extend beyond one year, on parity with or subordinate to debt issued pursuant to the Debt Authority, subject to the limitations set forth herein. If authorized in the ballot questions, refunding bonds may be issued as determined by the Districts' Boards and, if so authorized, are not subject to the Debt Authority. Further, if authorized in the ballot questions, the refunding of any debt issued to the Developer, or its affiliates, or any

other entity shall not be subject to the Debt Authority, so as to avoid the double counting of debt pursuant to the Debt Authority. The Districts may capitalize interest to permit payment of interest during the time lapse between development of taxable properties and the collection of significant tax revenues therefrom. Interest income through the reinvestment of construction funds, capitalized interest, and annual tax receipts will provide additional funds. These revenue sources should be sufficient to retire the proposed indebtedness if growth occurs as projected; otherwise, increases in the mill levy and/or the imposition of rates, tolls, fees and charges may be necessary, but in no event shall the debt service mill levy exceed the Debt Mill Levy Cap.

A District shall not impose a debt service mill levy which exceeds forty (40) years after the year of its initial imposition of such debt service mill levy unless (1) a majority of the Board of Directors of the District imposing the mill levy are residents of such District, and (2) such Board has voted in favor of issuing debt with a term which requires or contemplates the imposition of a debt service mill levy for a longer period of time than the limitation contained herein.

The Districts may impose and collect fees, rates, tolls, and charges (“Fees”) as a source of revenue for repayment of debt, capital costs, and/or for operations and maintenance. No Fees related to the funding of costs of a capital nature shall be authorized to be imposed upon or collected from taxable property owned or occupied by an End User (defined as a resident homeowner, renter, commercial property owner, or commercial tenant, but excluding the business entity that constructs homes or commercial structures) which has the effect, intentional or otherwise, of creating a capital cost payment obligation in any year on any taxable property owned or occupied by an End User. Notwithstanding any of the foregoing, the restrictions in this definition shall not apply to any Fees imposed upon or collected from taxable property for the purpose of funding operation and maintenance costs of the Districts.

All debt issued by the Districts must be issued in compliance with the requirements of Section 32-1-1101, C.R.S. and all other requirements of Colorado law.

C. Cost Summary and Bond Development. The Financial Plan reflects the amount of bonds to be sold to finance the completion, construction, acquisition and/or installation of the Improvements, including all costs and expenses related to the anticipated bond issuances. The amount of bonds sold will be based upon the final engineering estimates and/or actual construction contracts. Organizational costs, including legal fees, accounting fees, and capitalized engineering costs, for the Districts are expected to be paid from the proceeds of the first bond issue.

The Financial Plan projects the anticipated flow of funds and is based upon estimates of construction and project needs for bond proceeds to finance the improvements. The Financial Plan sets forth a reasonable estimate of growth within the Districts and allows the Boards of Directors a measure of flexibility such that the Districts need not incur debt in excess of what it needs to meet a growing population's demands for facilities and services.

XII. OTHER REQUIREMENTS

The Districts shall be subject to the following additional requirements:

A. **Annual Report.** Unless otherwise directed by the City Manager or the Mayor, as applicable, each District, that is not otherwise deemed "inactive" in accordance with the Special District Act, shall be responsible for submitting an annual report to the City Manager's Office or the Mayor's Office, as applicable, no later than August 1st of each year following the year in which the Order and Decree creating such District has been recorded. The Annual Report shall include

the following information and such other information as might be requested by the City Manager or the Mayor, as applicable:

1. Boundary changes made or proposed to the Districts' Boundaries as of December 31st of the prior year.
2. Intergovernmental Agreement with other governmental entities, either entered into or proposed as of December 31st of the prior year.
3. Copies of each Districts' rules and regulations, if any as of December 31st of the prior year.
4. A summary of any litigation which involves the Districts' improvements as of December 31st of the prior year.
5. Status of each Districts' construction of the improvements as of December 31st of the prior year.
6. A list of all facilities and improvements constructed by each District that have been dedicated to and accepted by the City as of December 31st of the prior year.
7. The assessed valuation of each District for the current year.
8. Current year budget including a description of the improvements to be constructed in such year.
9. Audit of each Districts' financial statements, for the year ending December 31st of the previous year, prepared in accordance with generally accepted accounting principles or audit exemption, if applicable.
10. Notice of any uncured events of default by each District, which continue beyond a ninety (90) day period, under any debt instrument.

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

B. Monies from Other Governmental Sources. The Districts shall not apply for or accept Conservation Trust Funds, Great Outdoors Colorado Funds, or other funds available from or through governmental or nonprofit entities that the City is eligible to apply for, except pursuant to an intergovernmental agreement with the City. This Paragraph shall not apply to specific ownership taxes which shall be distributed to and a revenue source for the Districts without any limitation.

C. Disclosure to Purchasers. The Districts will use all necessary and appropriate efforts to assure that all developers of the property located within the Districts provide written notice to all purchasers of property in the Districts regarding the Debt Mill Levy Cap, as well as a general description of the District authority to impose and collect taxes, rates, fees, tolls and charges. The form of notice shall be substantially in the form of **Exhibit I** hereto; provided that such form may be modified by the Districts so long as a new form is submitted to the City prior to modification. Within 90 days of approval of this Service Plan, the Districts shall record a disclosure form with the Pueblo County Clerk and Recorder against all property included in the initial Districts' Boundaries and provide a recorded copy to the City Clerk's Office.

D. Material modifications of this Service Plan, except as contemplated herein, shall be subject to approval by the City in accordance with the provisions of Section 32-1-207, C.R.S.

XIII. CONCLUSION

It is submitted that this Service Plan for Pastora Ranch Metropolitan District Nos. 1-3, as required by Section 32-1-203 C.R.S., as amended, establishes that:

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

B. The existing service in the area to be served by the proposed Districts is inadequate for present and projected needs;

C. The proposed Districts are capable of providing economical and sufficient service to the area within its proposed boundaries and to the area within the Service Area; and

D. The area to be included in the proposed Districts has, and will have, the financial ability to discharge the proposed indebtedness on a reasonable basis.

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

F. The facility and service standards of the Districts are compatible with the facility and service standards of the City within which the Districts are to be located;

G. The proposal is in substantial compliance with a master plan adopted by the City pursuant to Section 31-23-206, C.R.S.;

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

I. The creation of the Districts is in the best interests of the area proposed to be served.

EXHIBIT A

Legal Descriptions of the Districts' Boundaries

**EXHIBIT A
LAND DESCRIPTION**

**DISTRICT NO. 1
PASTORA RANCH METROPOLITAN DISTRICT**

A parcel of land located in a portion of the S ½ of the NW ¼ and the N ½ of the SW ¼ of Section 21, Township 21 South, Range 65 West of the 6th P.M. in the County of Pueblo and State of Colorado and being more particularly described as follows:

Considering the South line of the NW ¼ of Section 21, Township 21 South, Range 65 West of the 6th P.M. to bear S. 88°46'26" E., and all bearings contained herein being relative thereto.

Commencing at the Southwest corner of Lot 1, Block 53 in El Camino Subdivision, 17th Filing according to the recorded plat thereof as filed for record at Reception No. 1520720 in the Pueblo County records; thence S. 53°18'41" E., a distance of 1873.12 feet to the Point of Beginning; thence N. 24°08'44" W., a distance of 169.37 feet; thence N. 65°51'16" E., a distance of 54.76 feet; thence N. 24°08'44" W., a distance of 180.00 feet; thence N. 65°51'16" E., a distance of 59.73 feet; thence N. 24°08'44" W., a distance of 108.00 feet; thence N. 65°51'16" E., a distance of 82.00 feet; thence N. 09°21'22" W., a distance of 93.45 feet; thence N. 01°00'07" E., a distance of 183.00 feet; thence N. 88°59'53" W., a distance of 20.62 feet; thence N. 01°00'07" E., a distance of 130.00 feet; thence S. 88°59'53" E., a distance of 5.49 feet; thence N. 01°00'07" E., a distance of 190.00 feet; thence S. 88°59'53" E., a distance of 39.62 feet; thence S. 00°32'23" W., a distance of 1092.45 feet to the Point of Beginning.

Containing 1.07 acres, more or less.

Prepared by: NORTHSTAR ENGINEERING AND SURVEYING, INC.
111 E. 5th Street
Pueblo, Colorado 81003
June 17, 2021
JN 01 062 06

**EXHIBIT A
LAND DESCRIPTION**

**DISTRICT NO. 2
PASTORA RANCH METROPOLITAN DISTRICT**

Parcels of land located in a portion of the S ½ of the NW ¼ and the N ½ of the SW ¼ of Section 21, Township 21 South, Range 65 West of the 6th P.M. in the County of Pueblo and State of Colorado and being more particularly described as follows:

Considering the South line of the NW ¼ of Section 21, Township 21 South, Range 65 West of the 6th P.M. to bear S. 88°46'26" E., and all bearings contained herein being relative thereto.

PARCEL A

Commencing at the Southwest corner of Lot 1, Block 53 in El Camino Subdivision, 17th Filing according to the recorded plat thereof as filed for record at Reception No. 1520720 in the Pueblo County records; thence S. 48°45'46" E., a distance of 1810.85 feet to the Point of Beginning; thence N. 65°51'16" E., a distance of 153.63 feet; thence S. 00°32'23" W., a distance of 227.83 feet; thence N. 43°33'30" W., a distance of 140.90 feet; thence N. 33°04'47" W., a distance of 75.03 feet to the Point of Beginning.

Containing 0.39 acres, more or less.

PARCEL B

Commencing at the Southwest corner of Lot 1, Block 53 in El Camino Subdivision, 17th Filing according to the recorded plat thereof as filed for record at Reception No. 1520720 in the Pueblo County records; thence S. 44°47'54" E., a distance of 2375.99 feet to the Point of Beginning; thence N. 19°59'36" W., a distance of 136.50 feet; thence N. 28°47'49" W., a distance of 210.83 feet; thence S. 88°47'22" E., a distance of 156.35 feet; thence S. 01°13'43" W., a distance of 313.56 feet to the Point of Beginning.

Containing 0.51 acres, more or less.

PARCEL C

Commencing at the Southwest corner of Lot 1, Block 53 in El Camino Subdivision, 17th Filing according to the recorded plat thereof as filed for record at Reception No. 1520720 in the Pueblo County records; thence S. 42°19'58" E., a distance of 2481.27 feet to the Point of Beginning; thence N. 19°59'36" W., a distance of 136.50 feet; thence S. 01°13'43" W., a distance of 179.62 feet; thence N. 85°39'27" W., a distance of 45.16 feet; thence N. 15°30'30" E., a distance of 182.81 feet to the Point of Beginning.

Containing 0.09 acres, more or less.

PARCEL D

Commencing at the Southwest corner of Lot 1, Block 53 in El Camino Subdivision, 17th Filing according to the recorded plat thereof as filed for record at Reception No. 1520720 in the Pueblo County records; thence S. 42°08'16" E., a distance of 2947.19 feet to the Point of Beginning; thence S. 88°46'17" E., a distance of 687.68 feet; thence S. 00°39'19" W., a distance of 208.83 feet; thence N. 87°20'38" W., a distance of 391.35 feet; thence along the arc of a curve to the left whose radius is 640.00 feet, a distance of 266.05 feet; thence N. 12°01'01" W., a distance of 130.49 feet; thence N. 03°00'45" W., a distance of 120.44 feet to the Point of Beginning.

Containing 3.24 acres, more or less.

Prepared by: NORTHSTAR ENGINEERING AND SURVEYING, INC.
111 E. 5th Street
Pueblo, Colorado 81003
June 17, 2021
JN 01 062 06

**EXHIBIT A
LAND DESCRIPTION**

**DISTRICT NO. 3
PASTORA RANCH METROPOLITAN DISTRICT**

A parcel of land located in a portion of the S ½ of the NW ¼ and the N ½ of the SW ¼ of Section 21, Township 21 South, Range 65 West of the 6th P.M. in the County of Pueblo and State of Colorado and being more particularly described as follows:

Considering the South line of the NW ¼ of Section 21, Township 21 South, Range 65 West of the 6th P.M. to bear S. 88°46'26" E., and all bearings contained herein being relative thereto.

Beginning at the Southwest corner of Lot 1, Block 53 in El Camino Subdivision, 17th Filing according to the recorded plat thereof as filed for record at Reception No. 1520720 in the Pueblo County records; thence S. 88°59'14" E., a distance of 1344.49 feet; thence S. 88°59'53" E., a distance of 128.46 feet; thence S. 01°00'07" W., a distance of 190.00 feet; thence N. 88°59'53" W., a distance of 5.49 feet; thence S. 88°59'53" W., a distance of 20.62 feet; thence S. 01°00'07" W., a distance of 183.00 feet; thence S. 09°21'22" E., a distance of 93.45 feet; thence S. 65°51'16" W., a distance of 82.00 feet; thence S. 24°08'44" E., a distance of 108.00 feet; thence S. 65°51'16" W., a distance of 59.73 feet; thence S. 24°08'44" E., a distance of 180.00 feet; thence S. 65°51'16" W., a distance of 54.76 feet; thence S. 24°08'44" E., a distance of 169.37 feet; thence S. 00°32'23" W., a distance of 11.70 feet; thence S. 65°51'16" W., a distance of 153.63 feet; thence S. 33°04'47" E., a distance of 75.03 feet; thence S. 43°33'30" E., a distance of 140.90 feet; thence S. 00°32'23" W., a distance of 10.01 feet; thence S. 88°46'26" E., a distance of 24.87 feet; thence S. 28°47'49" E., a distance of 210.83 feet; thence S. 19°59'36" E., a distance of 140.50 feet; thence S. 01°13'43" W., a distance of 148.33 feet; thence S. 15°30'30" W., a distance of 182.81 feet; thence along the arc of a curve to the left whose center bears N. 06°01'22" E. and whose radius is 770.00 feet, a distance of 45.17 feet; thence S. 01°13'43" W., a distance of 164.90 feet; thence S. 88°46'17" E., a distance of 313.80 feet; thence S. 03°00'45" E., a distance of 120.44 feet; thence S. 12°01'01" E., a distance of 130.49 feet; thence along the arc of a curve to the left whose center bears S. 21°09'43" E. and whose radius is 640.00 feet, a distance of 266.05 feet; thence S.

87°20'38" E., a distance of 391.35 feet; thence S. 00°39'19" W., a distance of 328.79 feet; thence N. 88°46'17" W., a distance of 2677.84 feet; thence N. 00°21'07" E., a distance of 1344.04 feet; thence N. 00°26'27" W., a distance of 1336.38 feet to the Point of Beginning.

Containing 105.43 acres, more or less

Prepared by: NORTHSTAR ENGINEERING AND SURVEYING, INC.
111 E. 5th Street
Pueblo, Colorado 81003
June 17, 2021
JN 01 062 06

EXHIBIT B

Legal Description of Future Inclusion Area

**EXHIBIT B
LAND DESCRIPTION**

**FUTURE INCLUSION
PASTORA RANCH METROPOLITAN DISTRICT**

Parcels of land located in a portion of the S ½ of the NW ¼ and the N ½ of the SW ¼ of Section 21, Township 21 South, Range 65 West of the 6th P.M. in the County of Pueblo and State of Colorado and being more particularly described as follows:

Considering the South line of the NW ¼ of Section 21, Township 21 South, Range 65 West of the 6th P.M. to bear S. 88°46'26" E., and all bearings contained herein being relative thereto.

PARCEL A

Commencing at the Southwest corner of Lot 1, Block 53 in El Camino Subdivision, 17th Filing according to the recorded plat thereof as filed for record at Reception No. 1520720 in the Pueblo County records; thence S. 47°37'00" E., a distance of 2030.31 feet to the Point of Beginning; thence N. 00°32'23" E., a distance of 1341.95 feet; thence S. 88°59'53" E., a distance of 1176.59 feet; thence S. 00°37'29" W., a distance of 1137.84 feet; thence S. 00°37'31" W., a distance of 417.52 feet; thence S. 00°39'57" W., a distance of 597.68 feet; thence N. 88°46'17" W., a distance of 1001.48 feet; thence N. 01°13'43" E., a distance of 806.40 feet; thence N. 88°46'17" W., a distance of 181.23 feet to the Point of Beginning.

Containing 54.74 acres, more or less

PARCEL B

Commencing at the Southwest corner of Lot 1, Block 53 in El Camino Subdivision, 17th Filing according to the recorded plat thereof as filed for record at Reception No. 1520720 in the Pueblo County records; thence S. 00°23'46" W., a distance of 2680.42 feet to the Point of Beginning; thence S. 88°46'17" E., a distance of 1001.48 feet; thence S. 00°39'19" W., a distance of 1347.90 feet; thence N. 88°17'22" W., a distance of 2671.14 feet; thence N. 00°21'07" E., a distance of 1325.52 feet to the Point of Beginning.

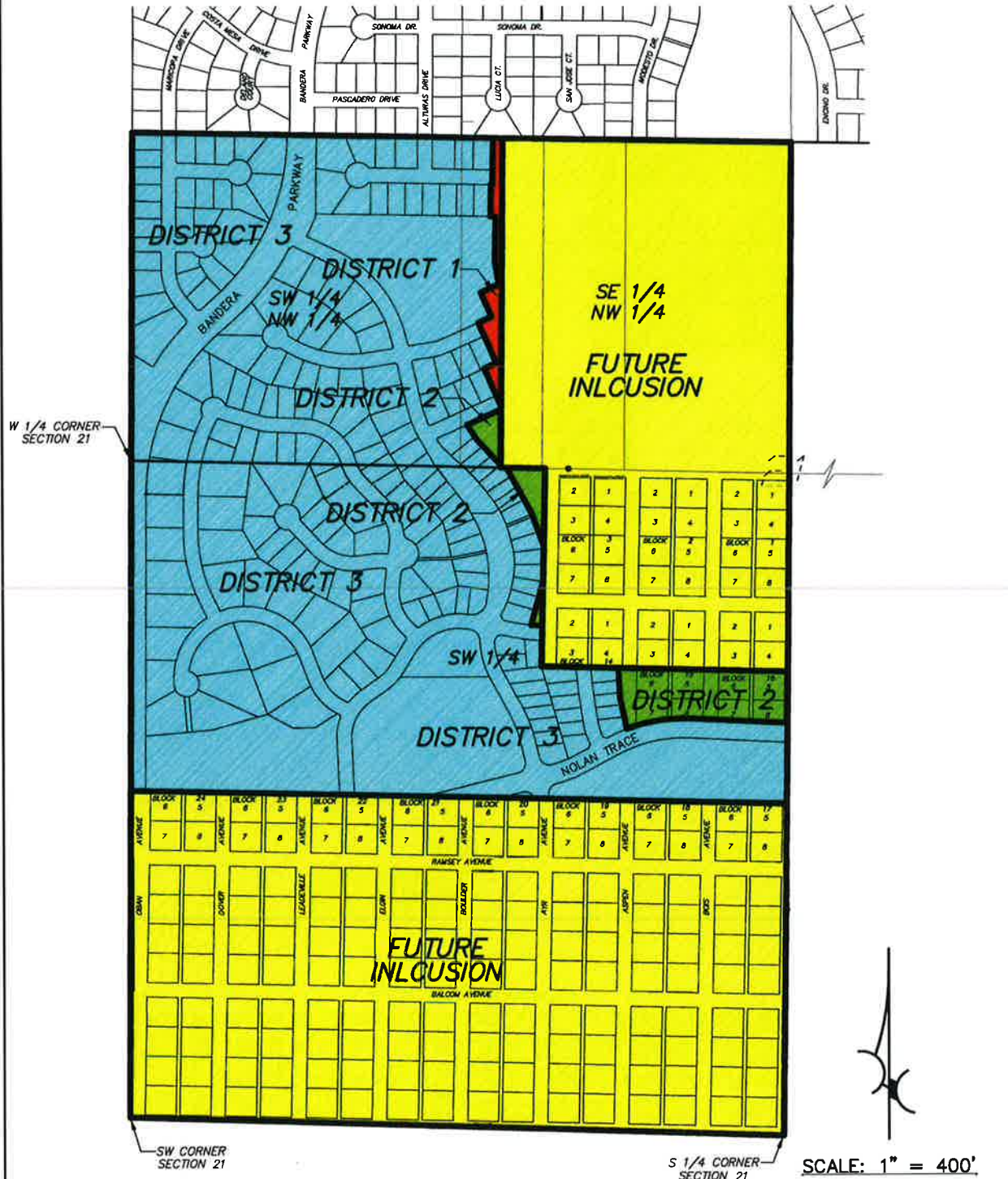
Containing 82.06 acres, more or less.

Prepared by: NORTHSTAR ENGINEERING AND SURVEYING, INC.
111 E. 5th Street
Pueblo, Colorado 81003
June 17, 2021
JN 01 062 06

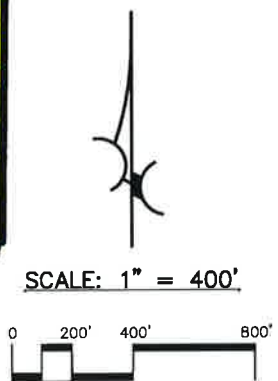
EXHIBIT C

Boundary Maps of the Districts and the Future Inclusion Area

PASTORA RANCH METROPOLITAN DISTRICTS



- LEGEND**
- = DISTRICT 1 (1.07 ACRES)
 - = DISTRICT 2 (5.30 ACRES)
 - = DISTRICT 3 (105.43 ACRES)
 - = FUTURE INCLUSION AREA (136.80 ACRES)



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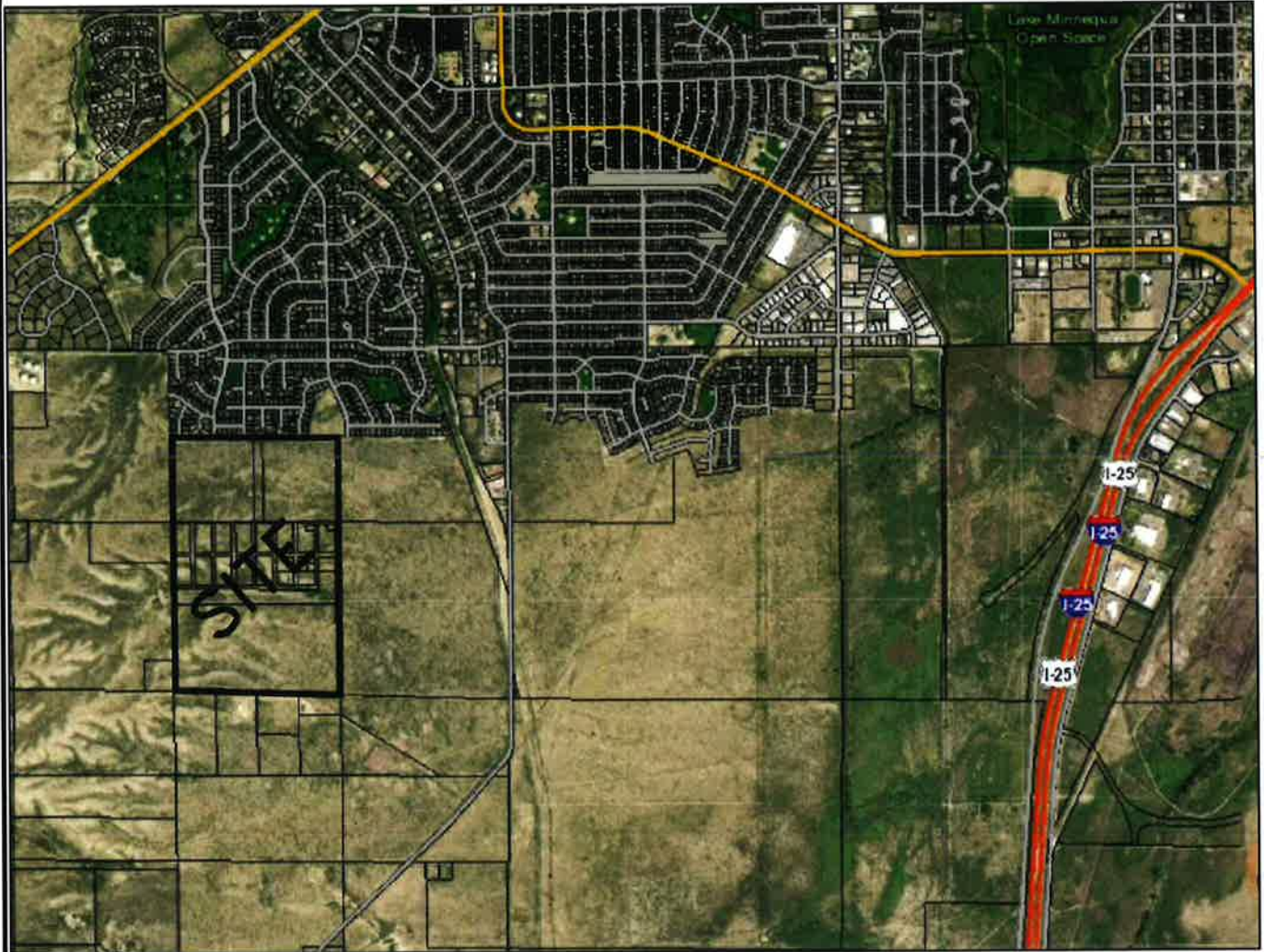
PASTORA RANCH METROPOLITAN DISTRICT DISTRICTS MAP

TITLE:		FILEDPR-MD_district map.DWG
SCALE: 1"=400'	DRAWN BY: DJA	JOB NO. 0106206
DATE: 06-22-2021	CHECKED BY: MLC	SHEET 1 OF 1

EXHIBIT D

Vicinity Map

PASTORA RANCH METROPOLITAN DISTRICTS



VICINITY MAP
NOT TO SCALE



NORTHSTAR ENGINEERING AND SURVEYING, INC.		
111 E. 5TH STREET PUEBLO, COLORADO 81003		(719)544-6823 (719)544-6825 FAX
TITLE: PASTORA RANCH METROPOLITAN DISTRICT VICINITY MAP		
SCALE: N.T.S.	DRAWN BY: DJA	JOB NO.
DATE: 06-22-21	CHECKED BY: MLC	0106206

EXHIBIT E

Description of Facilities and Costs

Pastora Ranch

240 Acre Master Plan

As of May 17, 2021

	Lots	Cost/Lot	
Land Costs:			
Offsite Sewer to Southgate	632	\$ 1,936	\$ 1,223,312
Nolan Trace Offsite Pioneer Road	632	\$ 1,948	\$ 1,231,055
Detention Pond	632	\$ 316	\$ 200,000
Total Land Costs:	632	\$ 4,200	\$ 2,654,367
Development Costs:			
Engineering	632	\$ 920	\$ 581,440
Sanitary Sewer	632	\$ 2,000	\$ 1,264,000
Water	632	\$ 4,400	\$ 2,780,800
Storm Sewer	632	\$ 4,000	\$ 2,528,000
Concrete	632	\$ 2,500	\$ 1,580,000
Paving	632	\$ 7,000	\$ 4,424,000
Miscellaneous	632	\$ 1,000	\$ 632,000
Contingency	632	\$ 4,500	\$ 2,844,000
Total Development Costs:	632	\$ 26,320	\$16,634,240
Recreational Amenity Costs:			
Park and Amenities	632	\$ 554	\$ 350,000
Neighborhood Park	632	\$ 250	\$ 158,000
Islands	632	\$ 250	\$ 158,000
Total Recreational Amenity Costs:	632	\$ 1,054	\$ 666,000
Total Metro District Allowable Costs	632	\$ 31,574	\$19,954,607

Premier Homes, Inc. Off Site Costs Pastora Ranch

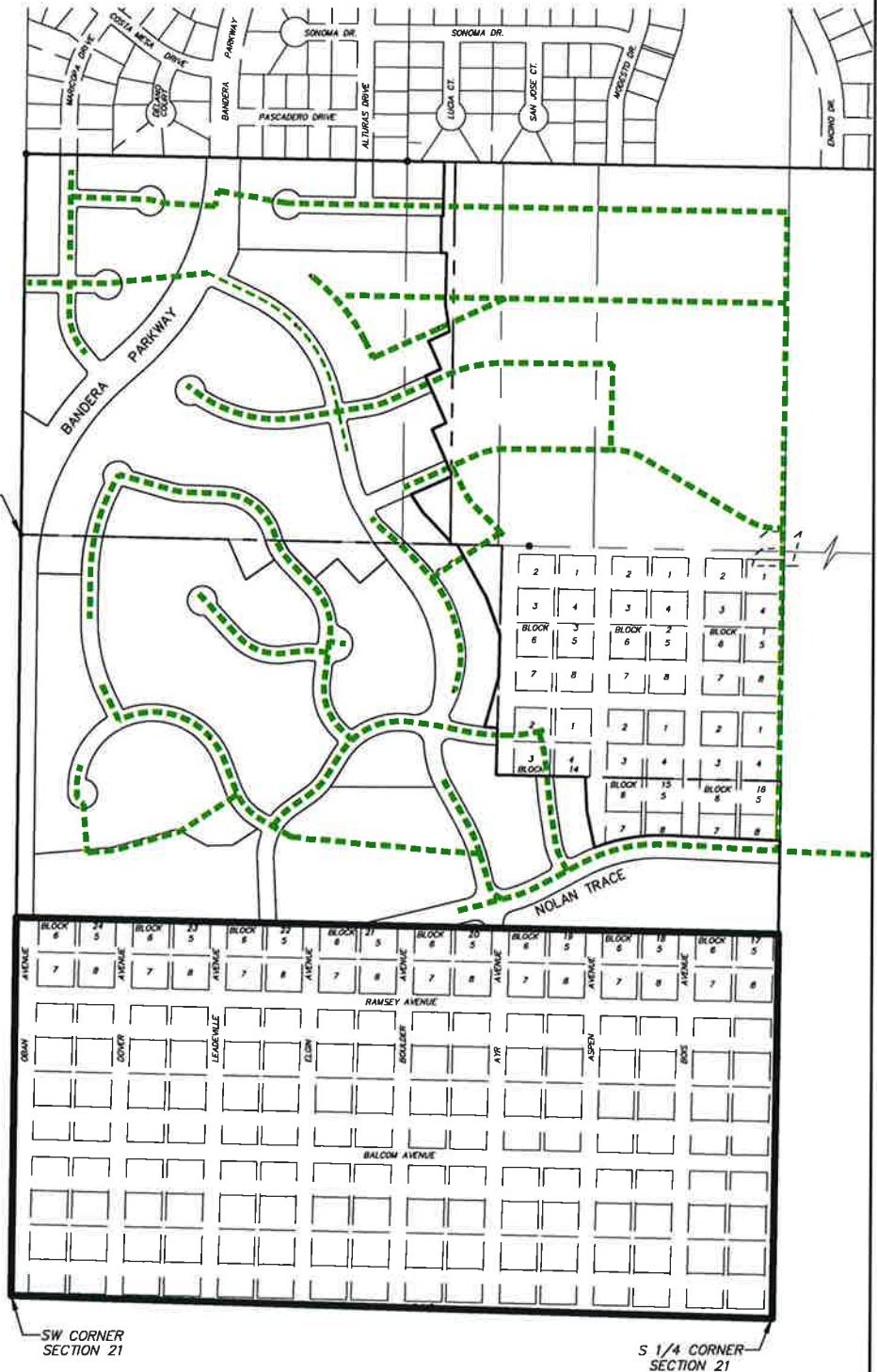
Sanitary Sewer:

New Main to Serve Area:	Feet of Pipe	Future Size	Cost per Foot	Minimum Size
Lake Ave to Southgate	-	24	\$ 50	12
Lake Ave to Prairie	2,664	18	\$ 84	12
Prairie to Southpoint Border	395	15	\$ 65	12
Southpoint to Site	10,365	12	\$ 52	10
Manholes 60"	8	ea	\$ 5,000	0
Manholes 48"	30	ea	\$ 4,250	36
Engineering	1		\$ 50,000	1
Miscellaneous	1		\$ 31,160	1
Grading Prairie to Lake	5,000	cuyd	\$ 2.80	
9" Road Base over Sewer 20'	11,111	sy	\$ 15.50	
Total Cost New Main:			\$1,223,312	
Nolan Trace: Pioneer Road	8400 feet			
Prairie to Site	1		\$ 1,500	
28' paving 5" on 9" Base	26,134	sy	\$ 15.50	
Mobilization	26,134	sy	\$ 26.25	
9" Base	28	ea	\$ 945	
5" inch asphalt	40,000	cuyd	\$ 2.80	
Raise Sewer MH			\$ 1,500	
Grading Overlot			\$ 405,077	
			\$ 686,018	
			\$ 26,460	
			\$ 112,000	
Total Nolan Trace Pioneer Rd			\$1,231,055	

EXHIBIT F-1

Depiction of Sanitation Improvements

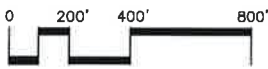
PASTORA RANCH METROPOLITAN DISTRICT



W 1/4 CORNER SECTION 21



SCALE: 1" = 400'



SW CORNER SECTION 21

S 1/4 CORNER SECTION 21

LEGEND

- - - - - = SANITARY SEWER

NORTHSTAR
ENGINEERING AND SURVEYING, INC.

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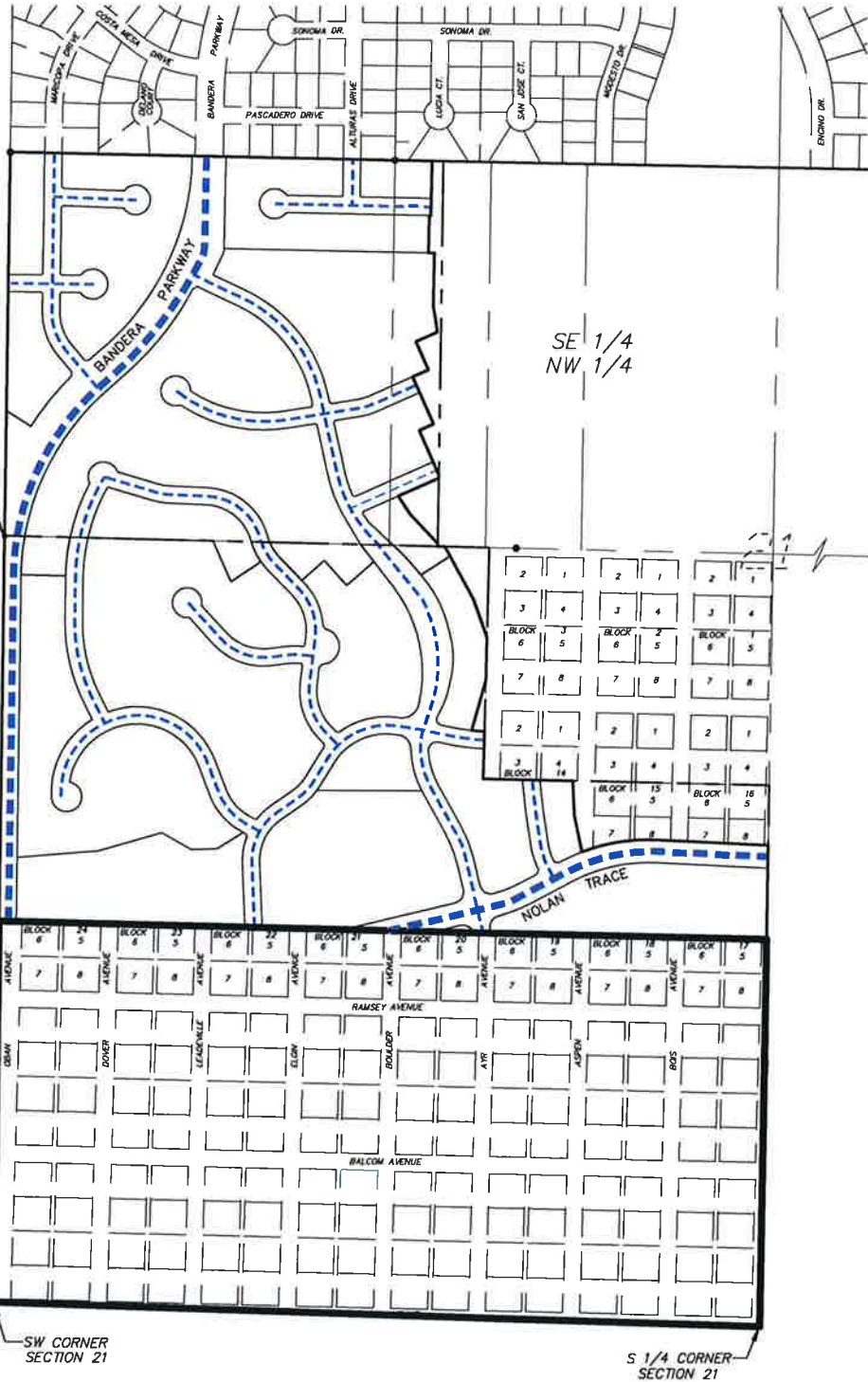
**PASTORA RANCH METROPOLITAN DISTRICT
SANITARY SEWER PLAN**

TITLE:	DRAWN BY: DJA		FILE: PR-MD_SAN SEWER PLAN.DWG
SCALE: 1"=400'	DATE: 06-22-2021	CHECKED BY: MLC	JOB NO. 0106206 SHEET 1 OF 1

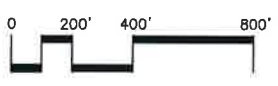
EXHIBIT F-2

Depiction of Water Improvements

PASTORA RANCH METROPOLITAN DISTRICT



SCALE: 1" = 400'



LEGEND

- - - - - = DOMESTIC WATER

NORTHSTAR
ENGINEERING AND SURVEYING, INC.

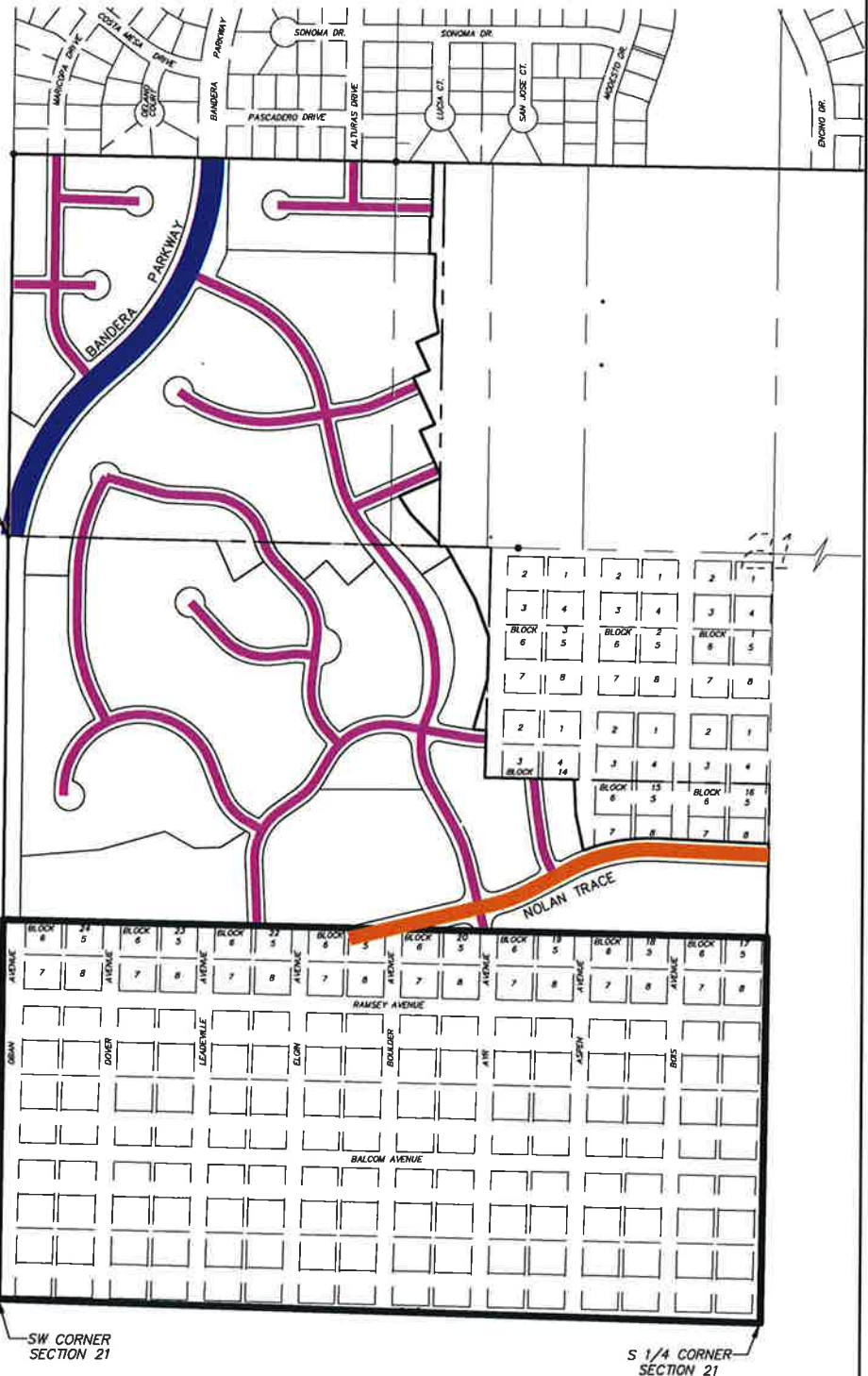
111 E. 5TH ST. PUEBLO, CO 81003 (719)544-8823 (719)544-8825 FAX

PASTORA RANCH METROPOLITAN DISTRICT DOMESTIC WATER PLAN		
TITLE:	SCALE: 1"=400'	DRAWN BY: DJM
DATE: 06-22-2021	CHECKED BY: MLC	FILE: PR-MD_DOM WTR PLAN.DWG
		JOB NO. 0106206 SHEET 1 OF 1

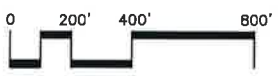
EXHIBIT F-3

Depiction of Streets and Safety Protection Improvements

PASTORA RANCH METROPOLITAN DISTRICT



SCALE: 1" = 400'



LEGEND

- = MAJOR ARTERIAL ROADWAY (120' R.O.W.)
- = COLLECTOR STREET (80' R.O.W.)
- = RESIDENTIAL LOCAL STREET (60' R.O.W.)

NORTHSTAR
ENGINEERING AND SURVEYING, INC.

111 E. 5TH ST. PUEBLO, CO 81003 (719)544-8823 (719)544-8825 FAX

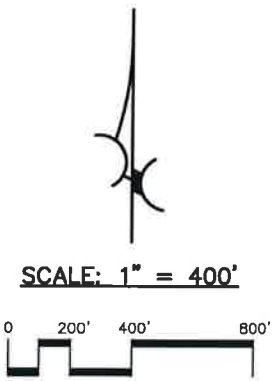
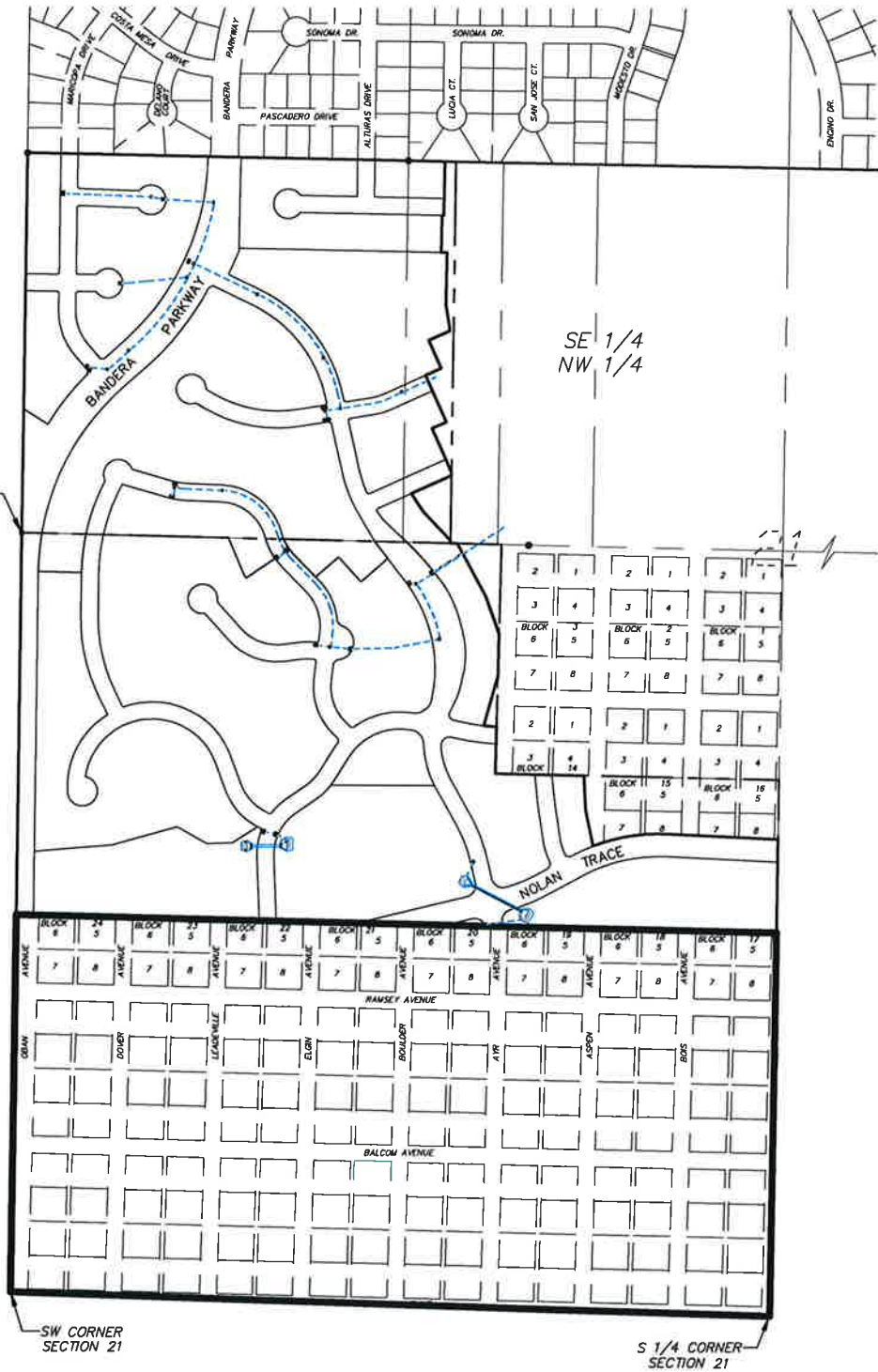
**PASTORA RANCH METROPOLITAN DISTRICT
STREET PLAN**

TITLE:	DRAWN BY: DJA	FILE/PR-MO-SAY SENIOR PLANNING	
SCALE: 1" = 400'	CHECKED BY: MLC	JOB NO. 0106206	SHEET 1 OF 1
DATE: 06-22-2021			

EXHIBIT F-4

Depiction of Drainage Improvements

PASTORA RANCH METROPOLITAN DISTRICT



LEGEND

--- = DRAINAGE IMPROVEMENTS

NORTHSTAR
ENGINEERING AND SURVEYING

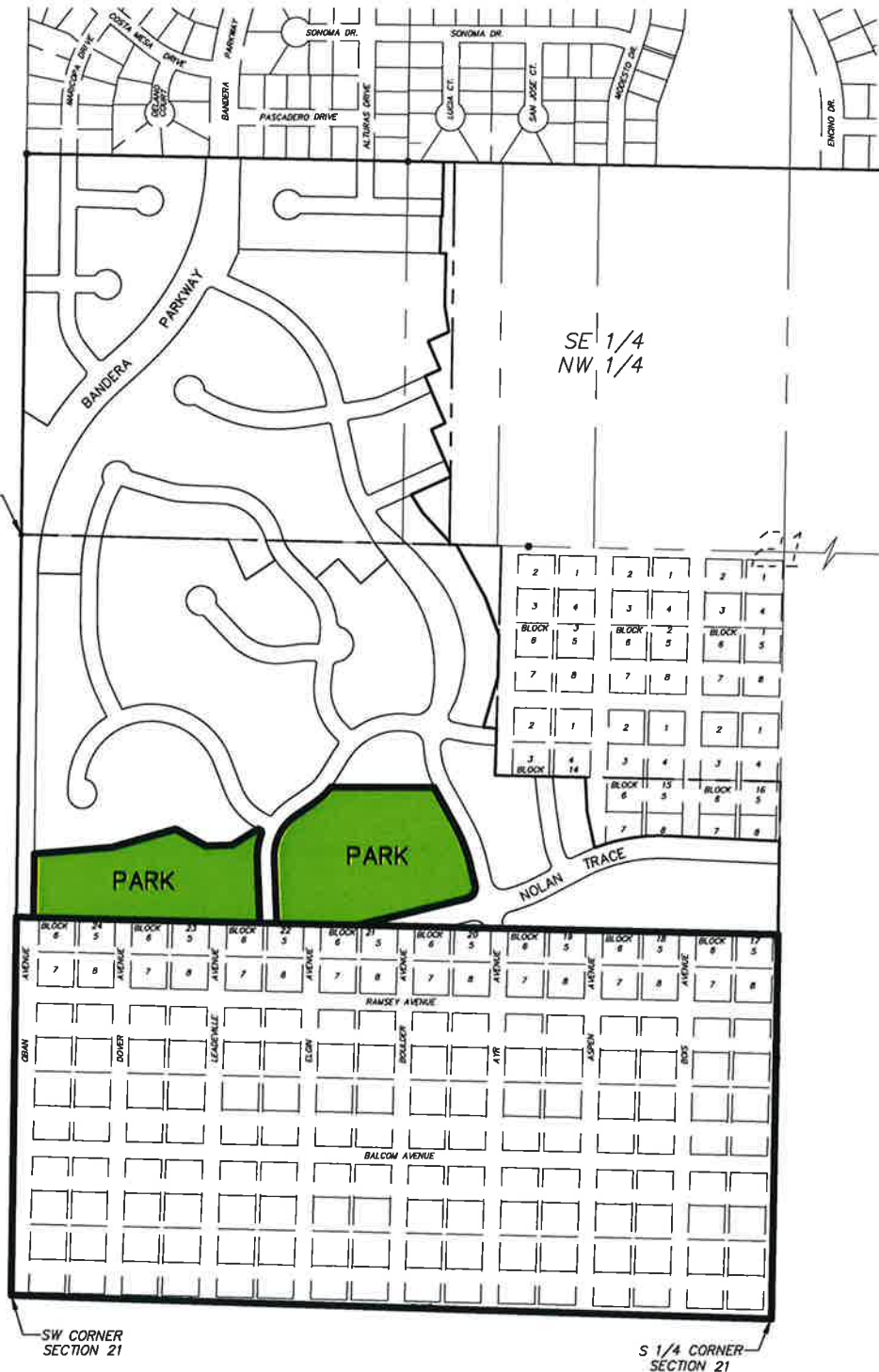
111 E. 8TH ST. (719)544-8823
PUEBLO, CO 81003 INC. (719)544-8825 FAX

PASTORA RANCH METROPOLITAN DISTRICT DRAINAGE IMPROVEMENTS PLAN		
TITLE:	DRAWN BY: DJA	FILE: PR-MD_DRAINAGE_PLAN.DWG
SCALE: 1"=400'	CHECKED BY: MLC	JOB NO. 0106206
DATE: 06-22-2021		SHEET 1 OF 1

EXHIBIT F-5

Depiction of Park and Recreation Improvements

PASTORA RANCH METROPOLITAN DISTRICT



LEGEND

= PARK AREA (11.39 ACRES)

NORTHSTAR ENGINEERING AND SURVEYING, INC.		
111 E. 5TH ST. PUEBLO, CO 81003		(719)544-8823 (719)544-6826 FAX
PASTORA RANCH METROPOLITAN DISTRICT PARK AND RECREATION PLAN		
TITLE:	FILE: PR-MD-PARK-REC PLANNING	
SCALE: 1"=400'	DRAWN BY: DJA	JOB NO. 0106206
DATE: 06-22-2021	CHECKED BY: MLC	SHEET 1 OF 1

EXHIBIT G

Financial Plan

PASTORA RANCH METROPOLITAN DISTRICT
Pueblo County, Colorado

GENERAL OBLIGATION BONDS, SERIES 2022
GENERAL OBLIGATION REFUNDING & IMPROVEMENT BONDS, SERIES 2032

Service Plan

Bond Assumptions	Series 2022	Series 2032	Total
Closing Date	12/1/2022	12/1/2032	
First Call Date	12/1/2027	12/1/2037	
Final Maturity	12/1/2052	12/1/2062	
Discharge Date	12/1/2062	12/1/2062	
Sources of Funds			
Par Amount	23,345,000	34,775,000	58,120,000
Funds on Hand	0	1,190,000	1,190,000
Total	23,345,000	35,965,000	59,310,000
Uses of Funds			
Project Fund	\$16,984,350	\$12,590,208	\$29,574,558
Refunding Escrow	0	22,885,000	22,885,000
Capitalized Interest	3,501,750	115,917	3,617,667
Surplus Deposit	2,142,000	0	2,142,000
Costs of Issuance	716,900	373,875	1,090,775
Total	23,345,000	35,965,000	59,310,000
Bond Features			
Projected Coverage	100x	130x	
Tax Status	Tax-Exempt	Tax-Exempt	
Rating	Non-Rated	IG Rated	
Average Coupon	5.000%	4.000%	
Annual Trustee Fee	\$4,000	\$4,000	
Biennial Reassessment			
Residential	6.00%	6.00%	
Taxing Authority Assumptions			
Metropolitan District Revenue			
Residential Assessment Ratio			
<i>Service Plan Gallagherization Base</i>	7.20%		
<i>Current Assumption</i>	7.15%		
Debt Service Mills			
<i>Service Plan Mill Levy Cap</i>	60.000		
<i>Maximum Adjusted Cap</i>	60.419		
<i>Target Mill Levy</i>	60.419		
Specific Ownership Taxes	6.00%		
County Treasurer Fee	1.50%		

PASTORA RANCH METROPOLITAN DISTRICT
Development Summary

Statutory Actual Value (2021)	Residential							Product 8	Product 7	Product 6	Product 5	Total Residential
	SFD - 12,000 plus	SFD - 9,600-12,000	SFD - 9,600 minus	SF - Attached Townhome	Product 5	Product 6	Product 7					
2019	\$500,000	\$425,000	\$350,000	\$350,000	\$	\$	\$	\$	\$	\$		-
2020	-	-	-	-	-	-	-	-	-	-	-	-
2021	-	-	-	-	-	-	-	-	-	-	-	-
2022	6	8	25	-	-	-	-	-	-	-	-	39
2023	12	16	50	18	-	-	-	-	-	-	-	96
2024	12	16	50	24	-	-	-	-	-	-	-	102
2025	12	16	50	24	-	-	-	-	-	-	-	102
2026	12	16	50	24	-	-	-	-	-	-	-	102
2027	12	16	50	24	-	-	-	-	-	-	-	102
2028	14	7	52	16	-	-	-	-	-	-	-	89
2029	-	-	-	-	-	-	-	-	-	-	-	-
2030	-	-	-	-	-	-	-	-	-	-	-	-
2031	-	-	-	-	-	-	-	-	-	-	-	-
2032	-	-	-	-	-	-	-	-	-	-	-	-
2033	-	-	-	-	-	-	-	-	-	-	-	-
2034	-	-	-	-	-	-	-	-	-	-	-	-
2035	-	-	-	-	-	-	-	-	-	-	-	-
2036	-	-	-	-	-	-	-	-	-	-	-	-
2037	-	-	-	-	-	-	-	-	-	-	-	-
2038	-	-	-	-	-	-	-	-	-	-	-	-
2039	-	-	-	-	-	-	-	-	-	-	-	-
2040	-	-	-	-	-	-	-	-	-	-	-	-
2041	-	-	-	-	-	-	-	-	-	-	-	-
2042	-	-	-	-	-	-	-	-	-	-	-	-
2043	-	-	-	-	-	-	-	-	-	-	-	-
2044	-	-	-	-	-	-	-	-	-	-	-	-
2045	-	-	-	-	-	-	-	-	-	-	-	-
2046	-	-	-	-	-	-	-	-	-	-	-	-
2047	-	-	-	-	-	-	-	-	-	-	-	-
2048	-	-	-	-	-	-	-	-	-	-	-	-
2049	-	-	-	-	-	-	-	-	-	-	-	-
2050	-	-	-	-	-	-	-	-	-	-	-	-
2051	-	-	-	-	-	-	-	-	-	-	-	-
2052	-	-	-	-	-	-	-	-	-	-	-	-
Total Units	80	95	327	130								632
Total Statutory Actual Value	\$40,000,000	\$40,376,000	\$114,460,000	\$46,500,000	\$	\$	\$	\$	\$	\$	\$	\$240,325,000

PASTORA RANCH METROPOLITAN DISTRICT
Assessed Value Calculation

	Vacant Land		Residential				Total
	Cumulative Statutory Actual Value ¹	Assessed Value In Collection Year (2-year lag) 29.00%	Total Residential Units	Biennial Reassessment 6.00%	Cumulative Statutory Actual Value	Assessed Value In Collection Year (2-year lag) 7.15%	
2019	0	0	0	0	0	0	0
2020	0	0	0	0	0	0	0
2021	1,515,000	0	0	0	15,453,000	0	0
2022	3,660,000	0	39	0	53,531,640	0	439,350
2023	3,670,000	439,350	96	3,211,898	97,812,288	1,104,890	2,166,290
2024	3,670,000	1,061,400	102	8,362,145	139,702,413	3,827,512	4,949,812
2025	3,670,000	1,122,300	102	8,362,145	190,812,484	6,993,579	8,115,879
2026	3,670,000	1,122,300	102	8,362,145	234,394,970	9,988,723	11,111,023
2027	3,377,500	1,122,300	89	14,063,698	287,255,527	13,643,093	14,765,393
2028	0	979,475	0	17,235,332	304,490,858	16,759,240	17,738,715
2029	0	0	0	18,269,451	322,760,310	20,538,770	20,538,770
2030	0	0	0	19,365,619	342,125,928	21,771,096	21,771,096
2031	0	0	0	20,527,556	362,653,484	23,077,362	23,077,362
2032	0	0	0	21,759,209	384,412,693	24,462,004	24,462,004
2033	0	0	0	23,064,762	407,477,455	25,929,724	25,929,724
2034	0	0	0	24,448,647	431,926,102	27,485,508	27,485,508
2035	0	0	0	25,915,566	457,841,668	29,134,638	29,134,638
2036	0	0	0	27,470,500	485,312,168	30,882,716	30,882,716
2037	0	0	0	29,118,730	514,430,898	32,735,679	32,735,679
2038	0	0	0	30,865,854	545,296,752	34,699,820	34,699,820
2039	0	0	0	32,717,805	578,014,557	36,781,809	36,781,809
2040	0	0	0	34,680,873	612,695,431	38,988,718	38,988,718
2041	0	0	0	36,761,726	649,457,157	41,328,041	41,328,041
2042	0	0	0	38,967,429	688,424,586	43,807,723	43,807,723
2043	0	0	0	41,305,475	729,730,061	46,436,187	46,436,187
2044	0	0	0	43,783,804	773,513,865	49,222,358	49,222,358
2045	0	0	0			52,175,699	52,175,699
2046	0	0	0				
2047	0	0	0				
2048	0	0	0				
2049	0	0	0				
2050	0	0	0				
2051	0	0	0				
2052	0	0	0				
2053	0	0	0				
2054	0	0	0				
2055	0	0	0				
2056	0	0	0				
2057	0	0	0				
2058	0	0	0				
2059	0	0	0				
2060	0	0	0				
2061	0	0	0				
2062	0	0	0				
Total			632	511,916,079			

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

PASTORA RANCH METROPOLITAN DISTRICT
Revenue Calculation

	District Mill Levy Revenue				Expenses		Total
	Assessed Value in Collection Year (2-year lag)	Debt Mill Levy 60.418 Cap 60.419 Target	Debt Mill Levy Collections	Specific Ownership Taxes 6.00%	County Treasurer Fee 1.50%	Annual Trustee Fee \$4,000	
2019	0	60.419	0	0	0	0	0
2020	0	60.419	0	0	0	0	0
2021	0	60.419	26,545	1,593	(422)	(4,000)	23,716
2022	439,350	60.419	130,885	7,853	(2,081)	(4,000)	132,657
2023	2,166,290	60.419	295,063	17,944	(4,755)	(4,000)	308,251
2024	4,949,812	60.419	480,353	29,421	(7,797)	(4,000)	507,978
2025	8,115,879	60.419	671,317	40,279	(10,874)	(4,000)	686,922
2026	11,111,023	60.419	892,110	53,527	(14,185)	(4,000)	927,452
2027	14,765,393	60.419	1,071,755	64,305	(17,041)	(4,000)	1,115,020
2028	17,738,715	60.419	1,240,932	74,456	(19,731)	(4,000)	1,291,657
2029	20,538,770	60.419	1,315,388	78,923	(19,731)	(4,000)	1,291,657
2030	20,538,770	60.419	1,315,388	78,923	(19,731)	(4,000)	1,291,657
2031	20,538,770	60.419	1,315,388	78,923	(19,731)	(4,000)	1,291,657
2032	21,771,096	60.419	1,315,388	78,923	(19,731)	(4,000)	1,291,657
2033	21,771,096	60.419	1,315,388	78,923	(19,731)	(4,000)	1,291,657
2034	23,077,362	60.419	1,394,311	83,659	(20,915)	(4,000)	1,369,396
2035	23,077,362	60.419	1,394,311	83,659	(20,915)	(4,000)	1,369,396
2036	24,462,004	60.419	1,477,970	88,678	(22,170)	(4,000)	1,451,800
2037	24,462,004	60.419	1,477,970	88,678	(22,170)	(4,000)	1,451,800
2038	25,929,724	60.419	1,566,648	93,999	(23,500)	(4,000)	1,539,148
2039	25,929,724	60.419	1,566,648	93,999	(23,500)	(4,000)	1,539,148
2040	27,485,508	60.419	1,660,647	99,639	(24,910)	(4,000)	1,631,737
2041	27,485,508	60.419	1,660,647	99,639	(24,910)	(4,000)	1,631,737
2042	29,134,638	60.419	1,760,286	105,617	(26,404)	(4,000)	1,729,881
2043	29,134,638	60.419	1,760,286	105,617	(26,404)	(4,000)	1,729,881
2044	30,882,716	60.419	1,865,903	111,954	(27,989)	(4,000)	1,833,914
2045	30,882,716	60.419	1,865,903	111,954	(27,989)	(4,000)	1,833,914
2046	32,735,679	60.419	1,977,857	118,671	(29,668)	(4,000)	1,944,189
2047	32,735,679	60.419	1,977,857	118,671	(29,668)	(4,000)	1,944,189
2048	34,699,820	60.419	2,096,528	125,792	(31,448)	(4,000)	2,061,080
2049	34,699,820	60.419	2,096,528	125,792	(31,448)	(4,000)	2,061,080
2050	36,781,809	60.419	2,222,320	133,339	(33,335)	(4,000)	2,184,985
2051	36,781,809	60.419	2,222,320	133,339	(33,335)	(4,000)	2,184,985
2052	38,988,718	60.419	2,355,659	141,340	(35,335)	(4,000)	2,316,324
2053	38,988,718	60.419	2,355,659	141,340	(35,335)	(4,000)	2,316,324
2054	41,328,041	60.419	2,496,999	149,820	(37,455)	(4,000)	2,455,544
2055	41,328,041	60.419	2,496,999	149,820	(37,455)	(4,000)	2,455,544
2056	43,807,723	60.419	2,646,819	158,809	(39,702)	(4,000)	2,603,117
2057	43,807,723	60.419	2,646,819	158,809	(39,702)	(4,000)	2,603,117
2058	46,436,187	60.419	2,805,628	168,338	(42,084)	(4,000)	2,759,544
2059	46,436,187	60.419	2,805,628	168,338	(42,084)	(4,000)	2,759,544
2060	49,222,358	60.419	2,973,966	178,438	(44,609)	(4,000)	2,925,356
2061	49,222,358	60.419	2,973,966	178,438	(44,609)	(4,000)	2,925,356
2062	52,175,699	60.419	3,152,404	189,144	(47,286)	(4,000)	3,101,118
Total			70,450,153	4,227,009	(1,120,157)	(160,000)	73,397,005

SOURCES AND USES OF FUNDS
PASTORA RANCH METROPOLITAN DISTRICT
PUEBLO COUNTY, COLORADO
GENERAL OBLIGATION BONDS, SERIES 2022
Non-Rated, 100x, 30-yr. Maturity
(SERVICE PLAN)

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

**Sources:**

|                       |                      |
|-----------------------|----------------------|
| <b>Bond Proceeds:</b> |                      |
| Par Amount            | 23,345,000.00        |
|                       | <b>23,345,000.00</b> |

**Uses:**

|                                |                      |
|--------------------------------|----------------------|
| <b>Project Fund Deposits:</b>  |                      |
| Project Fund                   | 16,984,350.00        |
| <b>Other Fund Deposits:</b>    |                      |
| Capitalized Interest Fund      | 3,501,750.00         |
| <b>Cost of Issuance:</b>       |                      |
| Cost of Issuance               | 250,000.00           |
| <b>Underwriter's Discount:</b> |                      |
| Underwriter's Discount         | 466,900.00           |
| <b>Other Uses of Funds:</b>    |                      |
| Deposit to Surplus Fund (New)  | 2,142,000.00         |
|                                | <b>23,345,000.00</b> |



**BOND SUMMARY STATISTICS**  
**PASTORA RANCH METROPOLITAN DISTRICT**  
**PUEBLO COUNTY, COLORADO**  
**GENERAL OBLIGATION BONDS, SERIES 2022**  
**Non-Rated, 100x, 30-yr. Maturity**  
**(SERVICE PLAN)**

|                                   |                |
|-----------------------------------|----------------|
| Dated Date                        | 12/01/2022     |
| Delivery Date                     | 12/01/2022     |
| First Coupon                      | 06/01/2023     |
| Last Maturity                     | 12/01/2052     |
| Arbitrage Yield                   | 5.000000%      |
| True Interest Cost (TIC)          | 5.148640%      |
| Net Interest Cost (NIC)           | 5.000000%      |
| All-In TIC                        | 5.230047%      |
| Average Coupon                    | 5.000000%      |
| Average Life (years)              | 24.043         |
| Weighted Average Maturity (years) | 24.043         |
| Duration of Issue (years)         | 13.879         |
| Par Amount                        | 23,345,000.00  |
| Bond Proceeds                     | 23,345,000.00  |
| Total Interest                    | 28,064,750.00  |
| Net Interest                      | 28,531,650.00  |
| Bond Years from Dated Date        | 561,295,000.00 |
| Bond Years from Delivery Date     | 561,295,000.00 |
| Total Debt Service                | 51,409,750.00  |
| Maximum Annual Debt Service       | 4,593,750.00   |
| Average Annual Debt Service       | 1,713,658.33   |
| Underwriter's Fees (per \$1000)   |                |
| Average Takedown                  |                |
| Other Fee                         | 20.000000      |
| Total Underwriter's Discount      | 20.000000      |
| Bid Price                         | 98.000000      |

| Bond Component     | Par Value     | Price   | Average Coupon | Average Life | Average Maturity Date | PV of 1 bp change |
|--------------------|---------------|---------|----------------|--------------|-----------------------|-------------------|
| Term Bond due 2052 | 23,345,000.00 | 100.000 | 5.000%         | 24.043       | 12/16/2046            | 36,184.75         |
|                    | 23,345,000.00 |         |                | 24.043       |                       | 36,184.75         |

|                            | TIC           | All-In TIC    | Arbitrage Yield |
|----------------------------|---------------|---------------|-----------------|
| Par Value                  | 23,345,000.00 | 23,345,000.00 | 23,345,000.00   |
| + Accrued Interest         |               |               |                 |
| + Premium (Discount)       |               |               |                 |
| - Underwriter's Discount   | -466,900.00   | -466,900.00   |                 |
| - Cost of Issuance Expense |               | -250,000.00   |                 |
| - Other Amounts            |               |               |                 |
| Target Value               | 22,878,100.00 | 22,628,100.00 | 23,345,000.00   |
| Target Date                | 12/01/2022    | 12/01/2022    | 12/01/2022      |
| Yield                      | 5.148640%     | 5.230047%     | 5.000000%       |

**NET DEBT SERVICE**

**PASTORA RANCH METROPOLITAN DISTRICT  
PUEBLO COUNTY, COLORADO  
GENERAL OBLIGATION BONDS, SERIES 2022  
Non-Rated, 100x, 30-yr. Maturity  
(SERVICE PLAN)**

| <b>Period<br/>Ending</b> | <b>Principal</b>  | <b>Interest</b>   | <b>Total<br/>Debt Service</b> | <b>Capitalized<br/>Interest<br/>Fund</b> | <b>Net<br/>Debt Service</b> |
|--------------------------|-------------------|-------------------|-------------------------------|------------------------------------------|-----------------------------|
| 12/01/2023               |                   | 1,167,250         | 1,167,250                     | 1,167,250                                |                             |
| 12/01/2024               |                   | 1,167,250         | 1,167,250                     | 1,167,250                                |                             |
| 12/01/2025               |                   | 1,167,250         | 1,167,250                     | 1,167,250                                |                             |
| 12/01/2026               |                   | 1,167,250         | 1,167,250                     |                                          | 1,167,250                   |
| 12/01/2027               |                   | 1,167,250         | 1,167,250                     |                                          | 1,167,250                   |
| 12/01/2028               |                   | 1,167,250         | 1,167,250                     |                                          | 1,167,250                   |
| 12/01/2029               |                   | 1,167,250         | 1,167,250                     |                                          | 1,167,250                   |
| 12/01/2030               | 120,000           | 1,167,250         | 1,287,250                     |                                          | 1,287,250                   |
| 12/01/2031               | 130,000           | 1,161,250         | 1,291,250                     |                                          | 1,291,250                   |
| 12/01/2032               | 210,000           | 1,154,750         | 1,364,750                     |                                          | 1,364,750                   |
| 12/01/2033               | 225,000           | 1,144,250         | 1,369,250                     |                                          | 1,369,250                   |
| 12/01/2034               | 315,000           | 1,133,000         | 1,448,000                     |                                          | 1,448,000                   |
| 12/01/2035               | 330,000           | 1,117,250         | 1,447,250                     |                                          | 1,447,250                   |
| 12/01/2036               | 435,000           | 1,100,750         | 1,535,750                     |                                          | 1,535,750                   |
| 12/01/2037               | 455,000           | 1,079,000         | 1,534,000                     |                                          | 1,534,000                   |
| 12/01/2038               | 575,000           | 1,056,250         | 1,631,250                     |                                          | 1,631,250                   |
| 12/01/2039               | 600,000           | 1,027,500         | 1,627,500                     |                                          | 1,627,500                   |
| 12/01/2040               | 730,000           | 997,500           | 1,727,500                     |                                          | 1,727,500                   |
| 12/01/2041               | 765,000           | 961,000           | 1,726,000                     |                                          | 1,726,000                   |
| 12/01/2042               | 910,000           | 922,750           | 1,832,750                     |                                          | 1,832,750                   |
| 12/01/2043               | 955,000           | 877,250           | 1,832,250                     |                                          | 1,832,250                   |
| 12/01/2044               | 1,110,000         | 829,500           | 1,939,500                     |                                          | 1,939,500                   |
| 12/01/2045               | 1,165,000         | 774,000           | 1,939,000                     |                                          | 1,939,000                   |
| 12/01/2046               | 1,345,000         | 715,750           | 2,060,750                     |                                          | 2,060,750                   |
| 12/01/2047               | 1,410,000         | 648,500           | 2,058,500                     |                                          | 2,058,500                   |
| 12/01/2048               | 1,605,000         | 578,000           | 2,183,000                     |                                          | 2,183,000                   |
| 12/01/2049               | 1,685,000         | 497,750           | 2,182,750                     |                                          | 2,182,750                   |
| 12/01/2050               | 1,900,000         | 413,500           | 2,313,500                     |                                          | 2,313,500                   |
| 12/01/2051               | 1,995,000         | 318,500           | 2,313,500                     |                                          | 2,313,500                   |
| 12/01/2052               | 4,375,000         | 218,750           | 4,593,750                     |                                          | 4,593,750                   |
|                          | <b>23,345,000</b> | <b>28,064,750</b> | <b>51,409,750</b>             | <b>3,501,750</b>                         | <b>47,908,000</b>           |

**BOND SOLUTION**  
**PASTORA RANCH METROPOLITAN DISTRICT**  
**PUEBLO COUNTY, COLORADO**  
**GENERAL OBLIGATION BONDS, SERIES 2022**  
**Non-Rated, 100x, 30-yr. Maturity**  
**(SERVICE PLAN)**

| Period Ending | Proposed Principal | Proposed Debt Service | Debt Service Adjustments | Total Adj Debt Service | Revenue Constraints | Unused Revenues   | Debt Serv Coverage |
|---------------|--------------------|-----------------------|--------------------------|------------------------|---------------------|-------------------|--------------------|
| 12/01/2023    |                    | 1,167,250             | -1,167,250               |                        | 23,716              | 23,716            |                    |
| 12/01/2024    |                    | 1,167,250             | -1,167,250               |                        | 132,657             | 132,657           |                    |
| 12/01/2025    |                    | 1,167,250             | -1,167,250               |                        | 308,251             | 308,251           |                    |
| 12/01/2026    |                    | 1,167,250             |                          | 1,167,250              | 507,978             | -659,272          | 43.51920%          |
| 12/01/2027    |                    | 1,167,250             |                          | 1,167,250              | 696,922             | -470,328          | 59.70631%          |
| 12/01/2028    |                    | 1,167,250             |                          | 1,167,250              | 927,452             | -239,798          | 79.45619%          |
| 12/01/2029    |                    | 1,167,250             |                          | 1,167,250              | 1,115,020           | -52,230           | 95.52537%          |
| 12/01/2030    | 120,000            | 1,287,250             |                          | 1,287,250              | 1,291,657           | 4,407             | 100.34236%         |
| 12/01/2031    | 130,000            | 1,291,250             |                          | 1,291,250              | 1,291,657           | 407               | 100.03152%         |
| 12/01/2032    | 210,000            | 1,364,750             |                          | 1,364,750              | 1,369,396           | 4,646             | 100.34046%         |
| 12/01/2033    | 225,000            | 1,369,250             |                          | 1,369,250              | 1,369,396           | 146               | 100.01070%         |
| 12/01/2034    | 315,000            | 1,448,000             |                          | 1,448,000              | 1,451,800           | 3,800             | 100.26245%         |
| 12/01/2035    | 330,000            | 1,447,250             |                          | 1,447,250              | 1,451,800           | 4,550             | 100.31441%         |
| 12/01/2036    | 435,000            | 1,535,750             |                          | 1,535,750              | 1,539,148           | 3,398             | 100.22128%         |
| 12/01/2037    | 455,000            | 1,534,000             |                          | 1,534,000              | 1,539,148           | 5,148             | 100.33561%         |
| 12/01/2038    | 575,000            | 1,631,250             |                          | 1,631,250              | 1,631,737           | 487               | 100.02987%         |
| 12/01/2039    | 600,000            | 1,627,500             |                          | 1,627,500              | 1,631,737           | 4,237             | 100.26035%         |
| 12/01/2040    | 730,000            | 1,727,500             |                          | 1,727,500              | 1,729,881           | 2,381             | 100.13785%         |
| 12/01/2041    | 765,000            | 1,726,000             |                          | 1,726,000              | 1,729,881           | 3,881             | 100.22488%         |
| 12/01/2042    | 910,000            | 1,832,750             |                          | 1,832,750              | 1,833,914           | 1,164             | 100.06353%         |
| 12/01/2043    | 955,000            | 1,832,250             |                          | 1,832,250              | 1,833,914           | 1,664             | 100.09083%         |
| 12/01/2044    | 1,110,000          | 1,939,500             |                          | 1,939,500              | 1,944,189           | 4,689             | 100.24177%         |
| 12/01/2045    | 1,165,000          | 1,939,000             |                          | 1,939,000              | 1,944,189           | 5,189             | 100.26762%         |
| 12/01/2046    | 1,345,000          | 2,060,750             |                          | 2,060,750              | 2,061,081           | 331               | 100.01604%         |
| 12/01/2047    | 1,410,000          | 2,058,500             |                          | 2,058,500              | 2,061,081           | 2,581             | 100.12536%         |
| 12/01/2048    | 1,605,000          | 2,183,000             |                          | 2,183,000              | 2,184,985           | 1,985             | 100.09095%         |
| 12/01/2049    | 1,685,000          | 2,182,750             |                          | 2,182,750              | 2,184,985           | 2,235             | 100.10241%         |
| 12/01/2050    | 1,900,000          | 2,313,500             |                          | 2,313,500              | 2,316,324           | 2,824             | 100.12209%         |
| 12/01/2051    | 1,995,000          | 2,313,500             |                          | 2,313,500              | 2,316,324           | 2,824             | 100.12209%         |
| 12/01/2052    | 4,375,000          | 4,593,750             |                          | 4,593,750              | 2,455,544           | -2,138,206        | 53.45402%          |
|               | <b>23,345,000</b>  | <b>51,409,750</b>     | <b>-3,501,750</b>        | <b>47,908,000</b>      | <b>44,875,769</b>   | <b>-3,032,231</b> |                    |

**SOURCES AND USES OF FUNDS**

**PASTORA RANCH METROPOLITAN DISTRICT  
PUEBLO COUNTY, COLORADO  
GENERAL OBLIGATION REFUNDING & IMPROVEMENT BONDS, SERIES 2032  
Pay & Cancel Refunding of (proposed) Series 2022 + New Money  
Assumes Investment Grade, 100x, 30-yr. Maturity  
(SERVICE PLAN)**

Dated Date 12/01/2032  
Delivery Date 12/01/2032

**Sources:**

|                         |                      |
|-------------------------|----------------------|
| Bond Proceeds:          |                      |
| Par Amount              | 34,775,000.00        |
| Other Sources of Funds: |                      |
| Funds on Hand*          | 1,190,000.00         |
|                         | <u>35,965,000.00</u> |

**Uses:**

|                            |                      |
|----------------------------|----------------------|
| Project Fund Deposits:     |                      |
| Project Fund               | 12,590,208.33        |
| Refunding Escrow Deposits: |                      |
| Cash Deposit               | 22,885,000.00        |
| Other Fund Deposits:       |                      |
| Capitalized Interest Fund  | 115,916.67           |
| Cost of Issuance:          |                      |
| Cost of Issuance           | 200,000.00           |
| Underwriter's Discount:    |                      |
| Underwriter's Discount     | 173,875.00           |
|                            | <u>35,965,000.00</u> |

[\*] Estimated balances (tbd).

**BOND SUMMARY STATISTICS**

**PASTORA RANCH METROPOLITAN DISTRICT  
PUEBLO COUNTY, COLORADO  
GENERAL OBLIGATION REFUNDING & IMPROVEMENT BONDS, SERIES 2032  
Pay & Cancel Refunding of (proposed) Series 2022 + New Money  
Assumes Investment Grade, 100x, 30-yr. Maturity  
(SERVICE PLAN)**

|                                   |                |
|-----------------------------------|----------------|
| Dated Date                        | 12/01/2032     |
| Delivery Date                     | 12/01/2032     |
| First Coupon                      | 06/01/2033     |
| Last Maturity                     | 12/01/2062     |
| Arbitrage Yield                   | 4.000000%      |
| True Interest Cost (TIC)          | 4.035165%      |
| Net Interest Cost (NIC)           | 4.000000%      |
| All-In TIC                        | 4.075919%      |
| Average Coupon                    | 4.000000%      |
| Average Life (years)              | 22.222         |
| Weighted Average Maturity (years) | 22.222         |
| Duration of Issue (years)         | 14.528         |
| Par Amount                        | 34,775,000.00  |
| Bond Proceeds                     | 34,775,000.00  |
| Total Interest                    | 30,911,200.00  |
| Net Interest                      | 31,085,075.00  |
| Bond Years from Dated Date        | 772,780,000.00 |
| Bond Years from Delivery Date     | 772,780,000.00 |
| Total Debt Service                | 65,686,200.00  |
| Maximum Annual Debt Service       | 3,286,400.00   |
| Average Annual Debt Service       | 2,189,540.00   |
| Underwriter's Fees (per \$1000)   |                |
| Average Takedown                  |                |
| Other Fee                         | 5.000000       |
| Total Underwriter's Discount      | 5.000000       |
| Bid Price                         | 99.500000      |

| Bond Component     | Par Value     | Price   | Average Coupon | Average Life | Average Maturity Date | PV of 1 bp change |
|--------------------|---------------|---------|----------------|--------------|-----------------------|-------------------|
| Term Bond due 2062 | 34,775,000.00 | 100.000 | 4.000%         | 22.222       | 02/20/2055            | 60,508.50         |
|                    | 34,775,000.00 |         |                | 22.222       |                       | 60,508.50         |

|                            | TIC           | All-In TIC    | Arbitrage Yield |
|----------------------------|---------------|---------------|-----------------|
| Par Value                  | 34,775,000.00 | 34,775,000.00 | 34,775,000.00   |
| + Accrued Interest         |               |               |                 |
| + Premium (Discount)       |               |               |                 |
| - Underwriter's Discount   | -173,875.00   | -173,875.00   |                 |
| - Cost of Issuance Expense |               | -200,000.00   |                 |
| - Other Amounts            |               |               |                 |
| Target Value               | 34,601,125.00 | 34,401,125.00 | 34,775,000.00   |
| Target Date                | 12/01/2032    | 12/01/2032    | 12/01/2032      |
| Yield                      | 4.035165%     | 4.075919%     | 4.000000%       |

**NET DEBT SERVICE**

**PASTORA RANCH METROPOLITAN DISTRICT  
PUEBLO COUNTY, COLORADO  
GENERAL OBLIGATION REFUNDING & IMPROVEMENT BONDS, SERIES 2032  
Pay & Cancel Refunding of (proposed) Series 2022 + New Money  
Assumes Investment Grade, 100x, 30-yr. Maturity  
(SERVICE PLAN)**

| <b>Period<br/>Ending</b> | <b>Principal</b>  | <b>Interest</b>   | <b>Total<br/>Debt Service</b> | <b>Capitalized<br/>Interest Fund</b> | <b>Net<br/>Debt Service</b> |
|--------------------------|-------------------|-------------------|-------------------------------|--------------------------------------|-----------------------------|
| 12/01/2033               |                   | 1,391,000         | 1,391,000                     | 115,916.67                           | 1,275,083.33                |
| 12/01/2034               | 60,000            | 1,391,000         | 1,451,000                     |                                      | 1,451,000.00                |
| 12/01/2035               | 60,000            | 1,388,600         | 1,448,600                     |                                      | 1,448,600.00                |
| 12/01/2036               | 150,000           | 1,386,200         | 1,536,200                     |                                      | 1,536,200.00                |
| 12/01/2037               | 155,000           | 1,380,200         | 1,535,200                     |                                      | 1,535,200.00                |
| 12/01/2038               | 255,000           | 1,374,000         | 1,629,000                     |                                      | 1,629,000.00                |
| 12/01/2039               | 265,000           | 1,363,800         | 1,628,800                     |                                      | 1,628,800.00                |
| 12/01/2040               | 375,000           | 1,353,200         | 1,728,200                     |                                      | 1,728,200.00                |
| 12/01/2041               | 390,000           | 1,338,200         | 1,728,200                     |                                      | 1,728,200.00                |
| 12/01/2042               | 510,000           | 1,322,600         | 1,832,600                     |                                      | 1,832,600.00                |
| 12/01/2043               | 530,000           | 1,302,200         | 1,832,200                     |                                      | 1,832,200.00                |
| 12/01/2044               | 660,000           | 1,281,000         | 1,941,000                     |                                      | 1,941,000.00                |
| 12/01/2045               | 685,000           | 1,254,600         | 1,939,600                     |                                      | 1,939,600.00                |
| 12/01/2046               | 830,000           | 1,227,200         | 2,057,200                     |                                      | 2,057,200.00                |
| 12/01/2047               | 866,000           | 1,194,000         | 2,059,000                     |                                      | 2,059,000.00                |
| 12/01/2048               | 1,025,000         | 1,159,400         | 2,184,400                     |                                      | 2,184,400.00                |
| 12/01/2049               | 1,065,000         | 1,118,400         | 2,183,400                     |                                      | 2,183,400.00                |
| 12/01/2050               | 1,240,000         | 1,075,800         | 2,315,800                     |                                      | 2,315,800.00                |
| 12/01/2051               | 1,285,000         | 1,026,200         | 2,311,200                     |                                      | 2,311,200.00                |
| 12/01/2052               | 1,480,000         | 974,800           | 2,454,800                     |                                      | 2,454,800.00                |
| 12/01/2053               | 1,535,000         | 915,600           | 2,450,600                     |                                      | 2,450,600.00                |
| 12/01/2054               | 1,745,000         | 854,200           | 2,599,200                     |                                      | 2,599,200.00                |
| 12/01/2055               | 1,815,000         | 784,400           | 2,599,400                     |                                      | 2,599,400.00                |
| 12/01/2056               | 2,045,000         | 711,800           | 2,756,800                     |                                      | 2,756,800.00                |
| 12/01/2057               | 2,125,000         | 630,000           | 2,755,000                     |                                      | 2,755,000.00                |
| 12/01/2058               | 2,380,000         | 545,000           | 2,925,000                     |                                      | 2,925,000.00                |
| 12/01/2059               | 2,475,000         | 449,800           | 2,924,800                     |                                      | 2,924,800.00                |
| 12/01/2060               | 2,750,000         | 350,800           | 3,100,800                     |                                      | 3,100,800.00                |
| 12/01/2061               | 2,860,000         | 240,800           | 3,100,800                     |                                      | 3,100,800.00                |
| 12/01/2062               | 3,160,000         | 126,400           | 3,286,400                     |                                      | 3,286,400.00                |
|                          | <b>34,775,000</b> | <b>30,911,200</b> | <b>65,686,200</b>             | <b>115,916.67</b>                    | <b>65,570,283.33</b>        |

**SUMMARY OF BONDS REFUNDED**

**PASTORA RANCH METROPOLITAN DISTRICT  
PUEBLO COUNTY, COLORADO  
GENERAL OBLIGATION REFUNDING & IMPROVEMENT BONDS, SERIES 2032  
Pay & Cancel Refunding of (proposed) Series 2022 + New Money  
Assumes Investment Grade, 100x, 30-yr. Maturity  
(SERVICE PLAN)**

| Bond                                                              | Maturity Date | Interest Rate | Par Amount    | Call Date  | Call Price |
|-------------------------------------------------------------------|---------------|---------------|---------------|------------|------------|
| 3/9/21: Ser 22 NR SP, 5.00%, 100x, 60.419mls, FG+6% BiRE, TERM52: |               |               |               |            |            |
|                                                                   | 12/01/2033    | 5.000%        | 225,000.00    | 12/01/2032 | 100.000    |
|                                                                   | 12/01/2034    | 5.000%        | 315,000.00    | 12/01/2032 | 100.000    |
|                                                                   | 12/01/2035    | 5.000%        | 330,000.00    | 12/01/2032 | 100.000    |
|                                                                   | 12/01/2036    | 5.000%        | 435,000.00    | 12/01/2032 | 100.000    |
|                                                                   | 12/01/2037    | 5.000%        | 455,000.00    | 12/01/2032 | 100.000    |
|                                                                   | 12/01/2038    | 5.000%        | 575,000.00    | 12/01/2032 | 100.000    |
|                                                                   | 12/01/2039    | 5.000%        | 600,000.00    | 12/01/2032 | 100.000    |
|                                                                   | 12/01/2040    | 5.000%        | 730,000.00    | 12/01/2032 | 100.000    |
|                                                                   | 12/01/2041    | 5.000%        | 765,000.00    | 12/01/2032 | 100.000    |
|                                                                   | 12/01/2042    | 5.000%        | 910,000.00    | 12/01/2032 | 100.000    |
|                                                                   | 12/01/2043    | 5.000%        | 955,000.00    | 12/01/2032 | 100.000    |
|                                                                   | 12/01/2044    | 5.000%        | 1,110,000.00  | 12/01/2032 | 100.000    |
|                                                                   | 12/01/2045    | 5.000%        | 1,165,000.00  | 12/01/2032 | 100.000    |
|                                                                   | 12/01/2046    | 5.000%        | 1,345,000.00  | 12/01/2032 | 100.000    |
|                                                                   | 12/01/2047    | 5.000%        | 1,410,000.00  | 12/01/2032 | 100.000    |
|                                                                   | 12/01/2048    | 5.000%        | 1,605,000.00  | 12/01/2032 | 100.000    |
|                                                                   | 12/01/2049    | 5.000%        | 1,685,000.00  | 12/01/2032 | 100.000    |
|                                                                   | 12/01/2050    | 5.000%        | 1,900,000.00  | 12/01/2032 | 100.000    |
|                                                                   | 12/01/2051    | 5.000%        | 1,995,000.00  | 12/01/2032 | 100.000    |
|                                                                   | 12/01/2052    | 5.000%        | 4,375,000.00  | 12/01/2032 | 100.000    |
|                                                                   |               |               | 22,885,000.00 |            |            |

**ESCROW REQUIREMENTS**

**PASTORA RANCH METROPOLITAN DISTRICT  
PUEBLO COUNTY, COLORADO  
GENERAL OBLIGATION REFUNDING & IMPROVEMENT BONDS, SERIES 2032  
Pay & Cancel Refunding of (proposed) Series 2022 + New Money  
Assumes Investment Grade, 100x, 30-yr. Maturity  
(SERVICE PLAN)**

| <b>Period<br/>Ending</b> | <b>Principal<br/>Redeemed</b> | <b>Total</b>  |
|--------------------------|-------------------------------|---------------|
| 12/01/2032               | 22,885,000.00                 | 22,885,000.00 |
|                          | 22,885,000.00                 | 22,885,000.00 |



**PRIOR BOND DEBT SERVICE**

**PASTORA RANCH METROPOLITAN DISTRICT**  
**PUEBLO COUNTY, COLORADO**  
**GENERAL OBLIGATION REFUNDING & IMPROVEMENT BONDS, SERIES 2032**  
**Pay & Cancel Refunding of (proposed) Series 2022 + New Money**  
**Assumes Investment Grade, 100x, 30-yr. Maturity**  
**(SERVICE PLAN)**

| Period<br>Ending | Principal         | Coupon | Interest          | Debt<br>Service   |
|------------------|-------------------|--------|-------------------|-------------------|
| 12/01/2033       | 225,000           | 5.000% | 1,144,250         | 1,369,250         |
| 12/01/2034       | 315,000           | 5.000% | 1,133,000         | 1,448,000         |
| 12/01/2035       | 330,000           | 5.000% | 1,117,250         | 1,447,250         |
| 12/01/2036       | 435,000           | 5.000% | 1,100,750         | 1,535,750         |
| 12/01/2037       | 455,000           | 5.000% | 1,079,000         | 1,534,000         |
| 12/01/2038       | 575,000           | 5.000% | 1,056,250         | 1,631,250         |
| 12/01/2039       | 600,000           | 5.000% | 1,027,500         | 1,627,500         |
| 12/01/2040       | 730,000           | 5.000% | 997,500           | 1,727,500         |
| 12/01/2041       | 765,000           | 5.000% | 961,000           | 1,726,000         |
| 12/01/2042       | 910,000           | 5.000% | 922,750           | 1,832,750         |
| 12/01/2043       | 955,000           | 5.000% | 877,250           | 1,832,250         |
| 12/01/2044       | 1,110,000         | 5.000% | 829,500           | 1,939,500         |
| 12/01/2045       | 1,165,000         | 5.000% | 774,000           | 1,939,000         |
| 12/01/2046       | 1,345,000         | 5.000% | 715,750           | 2,060,750         |
| 12/01/2047       | 1,410,000         | 5.000% | 648,500           | 2,058,500         |
| 12/01/2048       | 1,605,000         | 5.000% | 578,000           | 2,183,000         |
| 12/01/2049       | 1,685,000         | 5.000% | 497,750           | 2,182,750         |
| 12/01/2050       | 1,900,000         | 5.000% | 413,500           | 2,313,500         |
| 12/01/2051       | 1,995,000         | 5.000% | 318,500           | 2,313,500         |
| 12/01/2052       | 4,375,000         | 5.000% | 218,750           | 4,593,750         |
|                  | <b>22,885,000</b> |        | <b>16,410,750</b> | <b>39,295,750</b> |

**BOND SOLUTION**

**PASTORA RANCH METROPOLITAN DISTRICT  
PUEBLO COUNTY, COLORADO  
GENERAL OBLIGATION REFUNDING & IMPROVEMENT BONDS, SERIES 2032  
Pay & Cancel Refunding of (proposed) Series 2022 + New Money  
Assumes Investment Grade, 100x, 30-yr. Maturity  
(SERVICE PLAN)**

| Period Ending | Proposed Principal | Proposed Debt Service | Debt Service Adjustments | Total Adj Debt Service | Revenue Constraints | Unused Revenues | Debt Serv Coverage |
|---------------|--------------------|-----------------------|--------------------------|------------------------|---------------------|-----------------|--------------------|
| 12/01/2033    |                    | 1,391,000             | -115,917                 | 1,275,083              | 1,369,396           | 94,313          | 107.39663%         |
| 12/01/2034    | 60,000             | 1,451,000             |                          | 1,451,000              | 1,451,800           | 800             | 100.05515%         |
| 12/01/2035    | 60,000             | 1,448,600             |                          | 1,448,600              | 1,451,800           | 3,200           | 100.22092%         |
| 12/01/2036    | 150,000            | 1,536,200             |                          | 1,536,200              | 1,539,148           | 2,948           | 100.19192%         |
| 12/01/2037    | 155,000            | 1,535,200             |                          | 1,535,200              | 1,539,148           | 3,948           | 100.25718%         |
| 12/01/2038    | 255,000            | 1,629,000             |                          | 1,629,000              | 1,631,737           | 2,737           | 100.16803%         |
| 12/01/2039    | 265,000            | 1,628,800             |                          | 1,628,800              | 1,631,737           | 2,937           | 100.18033%         |
| 12/01/2040    | 375,000            | 1,728,200             |                          | 1,728,200              | 1,729,881           | 1,681           | 100.09729%         |
| 12/01/2041    | 390,000            | 1,728,200             |                          | 1,728,200              | 1,729,881           | 1,681           | 100.09729%         |
| 12/01/2042    | 510,000            | 1,832,600             |                          | 1,832,600              | 1,833,914           | 1,314           | 100.07172%         |
| 12/01/2043    | 530,000            | 1,832,200             |                          | 1,832,200              | 1,833,914           | 1,714           | 100.09356%         |
| 12/01/2044    | 660,000            | 1,941,000             |                          | 1,941,000              | 1,944,189           | 3,189           | 100.16430%         |
| 12/01/2045    | 685,000            | 1,939,600             |                          | 1,939,600              | 1,944,189           | 4,589           | 100.23660%         |
| 12/01/2046    | 830,000            | 2,057,200             |                          | 2,057,200              | 2,061,081           | 3,881           | 100.18863%         |
| 12/01/2047    | 865,000            | 2,059,000             |                          | 2,059,000              | 2,061,081           | 2,081           | 100.10104%         |
| 12/01/2048    | 1,025,000          | 2,184,400             |                          | 2,184,400              | 2,184,985           | 585             | 100.02680%         |
| 12/01/2049    | 1,065,000          | 2,183,400             |                          | 2,183,400              | 2,184,985           | 1,585           | 100.07261%         |
| 12/01/2050    | 1,240,000          | 2,315,800             |                          | 2,315,800              | 2,316,324           | 524             | 100.02265%         |
| 12/01/2051    | 1,285,000          | 2,311,200             |                          | 2,311,200              | 2,316,324           | 5,124           | 100.22172%         |
| 12/01/2052    | 1,480,000          | 2,454,800             |                          | 2,454,800              | 2,455,544           | 744             | 100.03030%         |
| 12/01/2053    | 1,535,000          | 2,450,600             |                          | 2,450,600              | 2,455,544           | 4,944           | 100.20174%         |
| 12/01/2054    | 1,745,000          | 2,599,200             |                          | 2,599,200              | 2,603,117           | 3,917           | 100.15068%         |
| 12/01/2055    | 1,815,000          | 2,599,400             |                          | 2,599,400              | 2,603,117           | 3,717           | 100.14298%         |
| 12/01/2056    | 2,045,000          | 2,756,800             |                          | 2,756,800              | 2,759,544           | 2,744           | 100.09952%         |
| 12/01/2057    | 2,125,000          | 2,755,000             |                          | 2,755,000              | 2,759,544           | 4,544           | 100.16492%         |
| 12/01/2058    | 2,380,000          | 2,925,000             |                          | 2,925,000              | 2,925,356           | 356             | 100.01218%         |
| 12/01/2059    | 2,475,000          | 2,924,800             |                          | 2,924,800              | 2,925,356           | 556             | 100.01902%         |
| 12/01/2060    | 2,750,000          | 3,100,800             |                          | 3,100,800              | 3,101,118           | 318             | 100.01024%         |
| 12/01/2061    | 2,860,000          | 3,100,800             |                          | 3,100,800              | 3,101,118           | 318             | 100.01024%         |
| 12/01/2062    | 3,160,000          | 3,286,400             |                          | 3,286,400              | 3,287,425           | 1,025           | 100.03118%         |
|               | <b>34,775,000</b>  | <b>65,686,200</b>     | <b>-115,917</b>          | <b>65,570,283</b>      | <b>65,732,298</b>   | <b>162,015</b>  |                    |

**EXHIBIT H**

**District Coordinating Services Agreement**

## DISTRICT COORDINATING SERVICES AGREEMENT

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This **DISTRICT COORDINATING SERVICES AGREEMENT** (this “**Agreement**”) is made and entered as of \_\_\_\_\_, 2021 (the “**Effective Date**”), by and among **PASTORA RANCH METROPOLITAN DISTRICT NO. 1** (the “**Coordinating District**”) and **PASTORA RANCH METROPOLITAN DISTRICT NOS. 2 and 3** each a “**Financing District**,” and collectively the “**Financing District(s)**”, individually referred to herein as a “**District**” or “**Party**” or, the Coordinating District and the Financing Districts collectively referred to herein as the “**Districts**” or “**Parties**,” as the context indicates. The Districts are each quasi-municipal corporations and political subdivisions of the State of Colorado.

### RECITALS

WHEREAS, the Districts have been duly and validly organized as quasi-municipal corporations and political subdivisions of the State of Colorado, in accordance with the provisions of §§ 32-1-101, *et seq.*, Colorado Revised Statutes (the “**Special District Act**”), with the power to provide for the financing, construction, installation, operation and maintenance of public infrastructure and improvements, as described in the Special District Act, within and without their respective boundaries, as authorized and in accordance with the Service Plan for the Districts, as the same may be amended from time to time (the “**Service Plan**”); and

WHEREAS, pursuant to the Colorado Constitution Article XIV, Section 18(2)(a), and § 29-1-203, C.R.S., the Districts may cooperate or contract with each other to provide any function, service or facility lawfully authorized to each, and any such contract may provide, *inter alia*, for the sharing of costs, the imposition of taxes, and the incurring of debt; and

WHEREAS, § 29-1-201, C.R.S., permits and encourages governments to make the most efficient and effective use of their powers and responsibilities by cooperating and contracting with other governments; and

WHEREAS, pursuant to § 32-1-1001(1)(d)(I), C.R.S., the Districts are empowered to enter into contracts and agreements affecting the affairs of the Districts; and

WHEREAS, the Districts were organized for the purpose of providing for the financing, construction, installation, operation and maintenance of public infrastructure and improvements serving an approximately two hundred forty (240) acre residential development in the City of Pueblo (the “**City**”), Pueblo County (the “**County**”), Colorado, referred to as “Pastora Ranch Development” (the “**Development**”); and

WHEREAS, at elections of the qualified electors of each of the Districts, duly called and held on \_\_\_\_\_ (the “**Election**”), in accordance with law and pursuant to due notice, a majority of those qualified to vote and voting at the Election voted in favor of, *inter alia*, the imposition of taxes for the purpose of providing certain public improvements and facilities (such public improvements and facilities, to the extent authorized by the Service Plan, are referred to herein as the “**Public Improvements**”), and entering into intergovernmental agreements or other

contracts, without limit as to term, with other governmental entities and political subdivisions of the state; and

WHEREAS, it is anticipated that certain of the Public Improvements will be dedicated or otherwise conveyed to the City, the County, or other public entity, or to an owners' association within the boundaries of the Districts, and that the Coordinating District: (i) will own, operate and maintain all Public Improvements within the boundaries of the Districts that are not dedicated to the City, County, any other public entity, or an owners' association; and (ii) may provide trash service, architectural review, and covenant enforcement services to all or a portion of the property within the boundaries of the Districts; and

WHEREAS, the Districts have evaluated their respective roles, responsibilities and obligations with respect to the provision of administrative services, and ownership, operation and maintenance of certain of the Public Improvements, and desire to enter into this Agreement for the purpose of establishing the respective obligations of the Districts with respect to the coordination, oversight, and funding of certain administrative costs of the Districts and costs related to the continued operation and maintenance of certain of the Public Improvements within such Districts which serve, and are for the benefit of, the Districts and the residents and taxpayers thereof; and

WHEREAS, based on the integrated nature of the Public Improvements and that the Districts are part of an integrated project and coordination is necessary to maintain the integrity of the project, the Districts have independently determined that implementation of this Agreement is essential to the orderly administration of the affairs of the Districts and the coordinated operation and maintenance of Public Improvements benefiting the Districts, their residents and taxpayers; and

WHEREAS, the Districts have determined that coordination is also necessary to allow the Districts to operate in the most cost effective manner and to take advantage of economies of scale by eliminating the duplication of costs that would result without such coordination; and

[OPTION: WHEREAS, the Districts intend on entering into a Pledge Agreement which agreement will govern the roles, responsibilities and obligations of the Districts with respect to the financing of capital costs related to the Public Improvements; and

[OPTION: WHEREAS, the Districts anticipate that, upon completion of the Development, the Districts will cooperate to consolidate or otherwise convey maintenance and operations to only one District; and]

WHEREAS, the Districts acknowledge that this Agreement does not impose any obligations on the Districts with respect to capital costs for the Public Improvements; and

WHEREAS, it is in the best interest of the Districts and for the public health, safety, convenience, and welfare of the residents of the Districts and of the general public that the

Districts enter into this Agreement for the purpose of coordination of the Administrative Services and O&M Services, both as defined herein.

## TERMS AND CONDITIONS

NOW, THEREFORE, in consideration of the mutual covenants set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. Administrative Services. The Coordinating District agrees to perform the administrative services described in **Exhibit A**, attached hereto and incorporated herein by this reference (the “**Administrative Services**”), for and on behalf of the Financing Districts, in compliance with all applicable federal, state, county and local or municipal body or agency statutes, ordinances and regulations, provided that each Financing District observes and performs the covenants and agreements set forth in this Agreement. The Coordinating District may suspend or curtail Administrative Services in its discretion as necessary or appropriate to address funding shortfalls that have occurred or are anticipated. The Coordinating District shall have the authority to enter into service contracts with third-parties to provide any Administrative Services required to be provided by the Coordinating District. In the event of any conflict between terms set forth in the body of this Agreement and terms set forth in Exhibit A, the terms in the body of this Agreement shall govern.

2. Ownership, Operation and Maintenance of Public Improvements. The Coordinating District will own, operate and maintain all Public Improvements within the boundaries of the Districts that are not otherwise dedicated or conveyed to the City, the County or other public entity or owners’ association, in accordance with the Service Plan and any approved development plans for the Project. The Coordinating District agrees to provide those operation and maintenance services described in **Exhibit B**, attached hereto and incorporated herein by this reference (the “**O&M Services**”) for the benefit of the Districts, provided that each Financing District observes and performs the covenants and agreements set forth in this Agreement. The Coordinating District may suspend or curtail O&M Services in its discretion as necessary or appropriate to address funding shortfalls that have occurred or are anticipated. The Coordinating District shall have the authority to enter into service contracts with third-parties to provide any O&M Services required to be provided by the Coordinating District. The Coordinating District may adopt rules, regulations, policies and procedures governing the Coordinating District’s acceptance and, as applicable, reimbursement for any Public Improvements.

3. Payment for Administrative and O&M Services. The Financing Districts shall be responsible for any and all costs, fees, charges and expenses incurred by the Coordinating District (collectively, the “**Costs**”) in providing the Administrative Services and O&M Services (collectively, the “**Services**”). Costs may include but are not limited to, all fees of consultants (including managers, accountants, engineers, attorneys, auditors, and other consultants), utility charges, and service provider fees and charges. It is the desire and intent of the Districts that, to the extent possible, the Costs for the Services be paid by the imposition by each Financing District of an ad valorem mill levy against the taxable property lying within its boundaries.

Nevertheless, nothing herein shall be construed as a limitation on the powers granted to the Financing Districts by Colorado law to use alternative sources of revenue to pay the Coordinating District for the Costs.

#### 4. Budget Process

a. Preliminary Budget. Each year the Coordinating District shall prepare and submit to the Financing Districts a preliminary budget for the following fiscal year showing the Services to be provided and the proposed Costs anticipated to be incurred by the Coordinating District with respect to the Services (the “**Preliminary Budget**”). The Coordinating District shall deliver the Preliminary Budget to the Financing Districts on or before October 15 of each year.

b. Budget Review and Approval. Unless otherwise agreed to by the Districts, on or before November 1 of each year each Financing District shall either: (a) approve the Preliminary Budget (in which case the Preliminary Budget shall become the “Final Budget” for the applicable fiscal year, or (b) propose in writing to the Coordinating District additions to and/or deletions from the Preliminary Budget. If any Financing District does not provide a proposal for additions to and/or deletions from the Preliminary Budget in writing by November 1, such Financing District shall be deemed to have approved the Preliminary Budget as presented. If any Financing District does timely provide additions to and/or deletions from the Preliminary Budget, the Districts shall discuss and attempt in good faith to reach an agreement with respect to the Preliminary Budget on or before November 15 of each year.

c. Failure to Agree and Default Budget. In the event that the Coordinating District and the Financing Districts are unable to agree with regard to any proposed additions and/or deletions to the Preliminary Budget by November 15 of any year, then the Districts shall submit the Preliminary Budget to a mutually selected mediator in an attempt to reach agreement with respect to the Preliminary Budget. In the event the Districts cannot agree on a resolution to the dispute related to the Preliminary Budget by December 1st of any year, the Preliminary Budget with any revisions agreed to by the Districts to date shall be incorporated into and deemed to be the Final Budget; provided, however, that such Final Budget shall not include expenditures totaling the greater of: (1) 120% of the expenditures set forth and appropriated in the adopted budget for the current fiscal year, as the same may have been amended; or (2) 120% of the expenditures set forth in the Preliminary Budget that the Districts have agreed upon to date to be included in the Final Budget for the ensuing year. The budgeting, appropriation, and payments of the amounts called for in the Final Budget shall be made by the Financing Districts.

d. Budget Amendment. If after adoption of the Final Budget it appears to the Coordinating District that Costs for the year will exceed amounts as set forth in the Final Budget such that the Financing Districts will have to appropriate additional funds for the payment of the Costs for the year, the Coordinating District shall notify the Financing Districts as soon as reasonably practicable, and shall prepare and submit a proposed budget amendment to the Final Budget (each a “**Preliminary Budget Amendment**”) to the Financing Districts for review and comment. Within fifteen (15) days of submission of a Preliminary Budget Amendment to the Financing Districts, each Financing District shall either: (a) approve the Preliminary Budget

Amendment (in which case the Preliminary Budget Amendment shall become the "Final Budget Amendment", or (b) propose in writing to the Coordinating District additions to and/or deletions from the Preliminary Budget Amendment. If any Financing District does not provide a proposal for additions to and/or deletions from the Preliminary Budget Amendment in writing within fifteen (15) days as required herein, such Financing District shall be deemed to have approved the Preliminary Budget Amendment as presented. If any Financing District does timely provide additions to and/or deletions from the Preliminary Budget Amendment, the Districts shall discuss and attempt in good faith to reach an agreement with respect to the Preliminary Budget Amendment within thirty (30) days of the submission of the Preliminary Budget Amendment to the Financing Districts from the Coordinating District. In the event that the Coordinating District and the Financing Districts are unable to agree with regard to any proposed additions and/or deletions to the Preliminary Budget Amendment within the time provided herein, then the Parties shall submit the Preliminary Budget Amendment to a mutually selected mediator in an attempt to reach agreement with respect to a Final Budget Amendment. In the event the Districts cannot agree on a Final Budget Amendment within the time set forth above, the Preliminary Budget Amendment, with any revisions agreed to by the Districts to date, shall be incorporated into and deemed to be the Final Budget Amendment; provided, however, that the Final Budget Amendment shall not include expenditures totaling the greater of: (1) one hundred twenty percent (120%) higher than the expenditures set forth and appropriated in Final Budget being amended by the Final Budget Amendment, or (2) one hundred twenty percent (120%) of the expenditures set forth in the Preliminary Budget Amendment that the Districts have agreed upon to date to be included in the Final Budget Amendment. The budgeting, appropriation, and payments of the amounts called for in said Final Budget Amendment shall be made by the Financing Districts.

5. Deposit. Unless otherwise agreed by the Coordinating District, each Financing District, on or before the 15th day of each month, shall deposit with the Coordinating District an amount equal to 1/12th of the annual Costs due from such Financing District as determined by the Final Budget. Notwithstanding the foregoing, the Districts acknowledge that the Financing Districts may fund the Costs via the imposition of an ad valorem mill levy, and in such case, may not have funds available during the first quarter of each fiscal year to make the payments set forth herein. In such event, the Coordinating District agrees to defer collection of such amounts until such time as the Financing Districts have collected the funds for the Costs via the collection of taxes imposed through an ad valorem mill levy. All Costs due to the Coordinating District from the Financing Districts shall be paid in lawful money of the United States of America by check mailed or delivered, or by wire transfer, to the Coordinating District, or such other method as may be mutually agreed to by the Districts. The Coordinating District shall keep a record of and account for all deposits made by the Financing Districts in accordance with generally acceptable accounting principles.

6. Fees and Charges. The Districts acknowledge that the Coordinating District will incur certain direct and indirect costs associated with the provision of the O&M Services in order to properly provide the O&M Services and to ensure that the health, safety and welfare of the Districts and their inhabitants may be safeguarded. The Financing Districts further recognize and acknowledge that the Coordinating District is providing the O&M Services for the direct benefit of the Financing Districts and the property owners within their boundaries, and that pursuant to §



32-1-1001(1)(j)(I), C.R.S., the Coordinating District is authorized to fix and impose fees, rates, tolls, penalties and charges for services or facilities furnished by the Coordinating District which, until paid, shall constitute a perpetual lien on and against the property served. The Districts agree that the Coordinating District may from time to time establish a fair and equitable fee to provide a source of funding to pay for the O&M Services (the "User Fees"), which User Fees are to be reasonably related to the overall cost of providing the O&M Services, and be imposed on those who are reasonably likely to benefit from or use the O&M Services (the "Users"). The Financing Districts acknowledge that the Coordinating District will make a determinations as to the appropriate User Fees, taking into account mill levy revenues to be received from the Financing Districts in each fiscal year. The Financing Districts agree to cooperate with the Coordinating District in the collection of all User Fees due and owing, including but not necessarily limited to foreclosure as against the statutory perpetual lien associated with such User Fees.

7. Subject to Annual Appropriation and Budget. Notwithstanding anything contained herein to the contrary, the Districts agree that the Districts' obligations under this Agreement shall extend only to monies appropriated for the purposes of this Agreement by the Board of each District and shall not constitute a mandatory charge, requirement or liability in any ensuing fiscal year beyond the then-current fiscal year. No provision of this Agreement shall be construed or interpreted as a delegation of governmental powers by the Districts, or as creating a multiple-fiscal year direct or indirect debt or other financial obligation whatsoever of the Districts, including, without limitation, Article X, Section 20, or Article XI, Sections 1, 2 or 6 of the Constitution of the State of Colorado.

8. Rules and Regulations. The Districts acknowledge and agree that the Coordinating District may enact, from time to time, rules and regulations with respect to the Public Improvements and Services. All rules and regulations, and amendments thereto, adopted and placed in force by the Coordinating District from time to time shall be fully enforceable within all Districts and against all Users. The Financing Districts agree to exercise authority and/or power they may have to assist the Coordinating District in enforcing the Coordinating District's rules and regulations.

9. General Representations. In addition to the other representations, warranties and covenants made by the Districts in this Agreement, the Districts make the following representations, warranties and covenants to each other:

a. Each District has the full right, power and authority to enter into, perform and observe this Agreement.

b. This Agreement is a valid, binding and legally enforceable obligation of the Districts and is enforceable in accordance with its terms.

c. The Districts shall keep and perform all of the covenants and agreements contained in this Agreement and shall take no action that could have the effect of rendering this Agreement unenforceable in any manner.

10. Default, Remedies and Enforcement.

a. Events of Default. The violation of any provision of this Agreement by any District, the occurrence of any one or more of the following events, and/or the existence of any one or more of the following conditions shall constitute an “Event of Default” under this Agreement.

i. The failure to pay any payment when the same shall become due and payable as provided herein and to cure such failure within three (3) business days of the giving of notice by a District of such failure;

ii. The failure to perform or observe any other covenants, agreements, or conditions in this Agreement on the part of any District and to cure such failure within ten (10) days of receipt of notice from any of the other Districts of such failure; provided, however, that if the applicable default is of a nature that the same is not reasonably susceptible of being cured within such 10-day period, then the cure period shall extend so long as the defaulting District commences its cure within such 10-day period and thereafter pursues the cure to completion by the exercise of due diligence, as determined by the non-defaulting District(s);

iii. The filing of a voluntary petition under federal or state bankruptcy or insolvency laws by a District or the appointment of a receiver for any of a District’s assets which is not dismissed within thirty (30) days of such filing or appointment;

iv. Assignments by a Financing District for the benefit of a creditor and a failure to secure the release or termination of such assignments within thirty (30) days after the making of such assignments; or

v. The dissolution, insolvency, or liquidation of a District and a failure to cure such dissolution, insolvency or liquidation within ten (10) days of receipt of written notice.

b. Remedies on Occurrence of Events of Default. Upon the occurrence of an Event of Default, the non-defaulting District(s) hereto shall have the following rights and remedies:

i. In the event of breach of any provision of this Agreement, any non-defaulting District may ask a court of competent jurisdiction to enter a writ of mandamus to compel the Board of the defaulting District to perform its duties under this Agreement, and any non-defaulting District may seek from a court of competent jurisdiction temporary and/or permanent injunctions, or orders of specific performance, to compel the defaulting District to perform in accordance with the obligations set forth under this Agreement.

ii. The non-defaulting Districts may protect and enforce their rights under this Agreement by such suit, action, or special proceedings or remedies as they shall deem appropriate, including without limitation any proceedings for specific performance of any covenant or agreement contained herein, for the enforcement of any other appropriate legal or

equitable remedy, or for the recovery of damages caused by breach of this Agreement, including attorneys' fees and all other costs and expenses incurred in enforcing this Agreement or exercising any available remedies. If, at any time, there shall cease to be electors in the Coordinating District, or if no electors of the Coordinating District are willing to act as directors of the Coordinating District, any Financing District may ask a court of competent jurisdiction to designate the proper persons to assume control of the Coordinating District for purposes of causing the performance of the Coordinating District's obligations under this Agreement.

iii. In the event the Event of Default is non-payment by a Financing District, the Coordinating District may:

(a) Suspend the provision of the Services until such time as such Financing District cures such Event of Default; and/or

(b) Impose User Fees directly upon the Users for the provision of the O&M Services in lieu of collecting the Costs related to the O&M Services from such Financing District. In such event, methods of collection of the User Fees shall be determined by the Coordinating District. The Coordinating District shall have the right to delegate or assign such impositions and collection power to a billing or service entity of its choice.

iv. To terminate this Agreement for any Event of Default that causes the non-defaulting District(s) irreparable harm material to their aggregate interests under this Agreement.

v. To take or cause to be taken such other actions as the non-defaulting District(s) reasonably deem necessary.

c. Delay or Omission No Waiver. No delay or omission of any District to exercise any right or power accruing upon any Event of Default shall exhaust or impair any such right or power or shall be construed to be a waiver of any such Event of Default, or acquiescence therein.

d. No Waiver of One Default to Affect Another; All Remedies Cumulative. No waiver of any Event of Default hereunder by any District shall extend to or affect any subsequent or any other then existing Event of Default or shall impair any rights or remedies consequent thereon. All rights and remedies of the non-defaulting District(s) provided herein may be exercised with or without notice, shall be cumulative, may be exercised separately, concurrently or repeatedly, and the exercise of any such right or remedy shall not affect or impair the exercise of any other right or remedy.

11. Termination. The Districts acknowledge that they are part of an integrated project and community, that the Public Improvements are not easily partitioned among the Districts and that cooperation in the termination process will be necessary to ensure that the integrity and quality of the community is maintained.

a. Administrative Services. A Financing District may terminate this Agreement as it relates to the provision of Administrative Services by the Coordinating District for that Financing District upon ninety (90) days' written notice to the Coordinating District. If this Agreement is terminated by any Financing District in relation to Administrative Services, the Coordinating District shall be paid for Administrative Services performed for that Financing District prior to such termination. In the event of termination of the Administrative Services, as of the effective date thereof, the Coordinating District shall be fully relieved of any and all obligation to provide such Administrative Services.

b. O&M Services. The Financing Districts' obligation to remit revenues to the Coordinating District, and the Coordinating District's obligation to provide the O&M Services, shall only terminate after a written notice has been provided by one of the Districts to the other Districts and an agreement is approved by each of the Financing Districts setting forth the matters required in this Section 11(b) (the "**Termination Agreement**"). It shall be required that any such Termination Agreement contain provisions to ensure that the Public Improvements are operated effectively and economically and that the public health, safety, prosperity, and general welfare of the residents and property owners within the Districts will be better served by the termination. Such Termination Agreement shall be required to include: (1) a plan for the manner in which ownership of the Public Improvements and ownership and maintenance shall be allocated and transferred as between the Districts; (2) a plan for payment associated with any outstanding obligations of the Coordinating District, as the same are incurred prior to the proposed date of termination; (3) to the extent any of the Public Improvements have been financed directly by the Coordinating District and such obligations remain outstanding, a plan for the payment of all such obligations and/or debts; and (4) the manner in which outstanding agreements of the Coordinating District may be terminated, cancelled, assigned or otherwise handled. The Termination Agreement shall be required to include an indemnification from the Financing Districts to the Coordinating District, which shall be acceptable to the Coordinating District and indemnify it against all injuries, losses and other events of damage associated with any such outstanding agreements.

In the event the Districts are not able to reach an agreement, they shall submit the issues to mediation and shall make a good faith effort to come to an agreement with the intent of reaching a cooperative solution that will best serve the residents and property owners of the Districts, as a whole. At such time as the provisions of the Termination Agreement are finalized in compliance with the requirements above, the Public Improvements shall be transferred in accordance with the provisions of the Termination Agreement and the Coordinating District shall be fully relieved of all further obligations absent any such obligations being specifically agreed to by the Coordinating District pursuant to the terms of the Termination Agreement.

## 12. Miscellaneous.

a. Relationship of Parties. This Agreement does not and shall not be construed as creating a joint venture, partnership, or employer-employee relationship between the Districts. The Districts intend that this Agreement be interpreted as creating only an ordinary contractual relationship between them, without any fiduciary or other special duties. The Districts hereby incorporate the RECITALS into this Agreement. It is also agreed that the

conduct and control of the work and functions required by this Agreement shall lie solely with the Coordinating District which shall be free to exercise reasonable discretion in the performance of its duties under this Agreement. No District shall, with respect to any activity, be considered an agent or employee of any other District.

b. Assignment. Except as set forth herein or as contemplated in the Service Plan, neither this Agreement, nor any of a District's rights, obligations, duties or authority hereunder may be assigned in whole or in part by any District without the prior written consent of all the other Districts. Any such attempt of assignment without the requisite consent shall be deemed void and of no force and effect at the election of any District with consent rights. Consent to one assignment shall not be deemed to be consent to any subsequent assignment, nor the waiver of any right to consent to such subsequent assignment. Notwithstanding, nothing contained herein shall prohibit the Coordinating District from engaging contractors, consultants, employees or other third parties to perform the Services or any portion thereof, on behalf of the Coordinating District.

c. Modification. This Agreement may be modified, amended, changed or terminated, except as otherwise provided herein, in whole or in part, only by an agreement in writing duly authorized and executed by the Districts. No consent of any third party shall be required for the negotiation and execution of any such agreement.

d. Integration. This Agreement contains the entire agreement between and among the Districts regarding the subject matter hereof, and no statement, promise or inducement made by any District or the agent of any District that is not contained in this Agreement or separate written instrument shall be valid or binding.

e. Severability. If any covenant, term, condition or provision of 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 in the Agreement, the intention being that such provisions are severable. In addition, in lieu of such void or unenforceable provision, there shall automatically be added as part of this Agreement a provision similar in terms to such illegal, invalid or unenforceable provision so that the resulting reformed provision is legal, valid and enforceable.

f. District Dissolution. In the event any District seeks to dissolve pursuant to §§ 32-1-701, *et seq.*, C.R.S., as amended, it shall provide written notification of the filing or application for dissolution to the other Districts concurrently with such filing. No District shall seek to dissolve so long as this Agreement is in effect without the prior written consent of the other Districts.

g. Survival of Obligations. Unfulfilled obligations of the Districts arising under this Agreement shall be deemed to survive the expiration of this Agreement or termination of this Agreement by court order. Said obligations shall be binding upon and inure to the benefit of the Districts and their respective successors and assigns.

h. Governing Law. This Agreement shall be governed and construed in accordance with the laws of the State of Colorado. Venue shall be proper in the county in which the Districts are located.

i. Headings for Convenience Only. The headings, captions and titles contained herein are intended for convenience and reference only and are not intended to construe the provisions hereof.

j. Time Is of the Essence. Time is of the essence hereof; provided, however, that if the last day permitted or the date otherwise determined for the performance of any act required or permitted under this Agreement falls on a Saturday, Sunday or legal holiday, the time for performance shall be extended to the next succeeding business day, unless otherwise expressly stated.

k. Persons 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 Districts, any right, remedy, or claim under or by reason of this Agreement or any covenants, terms, conditions, or provisions thereof, and all of the covenants, terms, conditions, and provisions in this Agreement by and on behalf of the Districts shall be for the sole and exclusive benefit of the Districts acting through their respective Boards. This Agreement shall be construed as an intergovernmental agreement among the Districts only. It is expressly agreed by the Districts that no Person other than the Financing Districts shall obtain any enforceable rights to service from the Coordinating District, and, to this end, it is expressly declared by the Districts that no Person shall be construed as a third party beneficiary of any kind of this Agreement except as expressly stated herein.

l. Notices. Except as otherwise provided herein, all notices required under this Agreement shall be in writing and shall be (a) hand-delivered, and in such instance, considered effective upon delivery, (b) sent by registered or certified mail, return receipt requested, postage prepaid, and in such instance, considered effective seventy-two (72) hours after deposit in the United States mail with the proper address as set forth below, (c) sent by reputable overnight courier, and in such instance, considered effective on the next business day, or (d) sent via email, and in such instance considered effective upon receipt of an electronic delivery confirmation with a hard copy to be sent no later than three (3) business days after electronic delivery confirmation via one of the delivery methods specified in (a), (b) or (c) of this sentence, to the addresses of the Parties herein set forth. Any party by notice so given may change the address to which future notices shall be sent.

Coordinating District:           Pastora Ranch District No. 1  
White Bear Ankele Tanaka & Waldron  
Attorneys at Law  
2154 East Commons Avenue, Suite 2000  
Centennial, Colorado 80122  
Attention: Blair M. Dickhoner, Esq.  
(303) 858-1800 (phone)  
(303) 858-1801 (fax)  
bdickhoner@wbapc.com

Financing Districts:

Pastora Ranch District Nos. 2 and 3  
White Bear Ankele Tanaka & Waldron  
Attorneys at Law  
2154 East Commons Avenue, Suite 2000  
Centennial, Colorado 80122  
Attention: Blair M. Dickhoner, Esq.  
(303) 858-1800 (phone)  
(303) 858-1801 (fax)  
bdickhoner@wbapc.com

m. District Records. The Districts shall have the right to access and review each other's records and accounts, at reasonable times during the Districts' regular office hours, for purposes of determining compliance by the Districts with the terms of this Agreement. Such access shall be subject to the provisions of Public Records Act of the State of Colorado contained in §§ 24-72-101, *et seq.*, C.R.S. and any policies adopted by the District. In the event of disputes or litigation between the Parties hereto, all access and requests for such records shall be made in compliance with the Public Records Act and any applicable discovery rules.

n. Recovery of Costs. In the event of any litigation between or among the Districts hereto concerning the subject matter hereof, the prevailing District(s) in such litigation shall receive from the losing District(s), in addition to the amount of any judgment or other award entered therein, all reasonable costs and expenses incurred by the prevailing District(s) in such litigation, including reasonable attorneys' fees.

o. Compliance with Law. The Districts agree to comply with all federal, state and local laws, rules and regulations which are now, or in the future may become applicable to the Districts, to their business or operations, or to services required to be provided by this Agreement.

p. Instruments of Further Assurance. The Districts each covenant that they will do, execute, acknowledge, and deliver or cause to be done, executed, acknowledged, and delivered, such acts, instruments, and transfers as may reasonably be required for the performance of their obligations hereunder.

q. Governmental Immunity. Nothing in this Agreement shall be construed to waive, limit, or otherwise modify, in whole or in part, any governmental immunity that may be available by law to the District, its respective officials, employees, contractors, or agents, or any other person acting on behalf of the District and, in particular, governmental immunity afforded or available to the District pursuant to the Colorado Governmental Immunity Act, §§ 24-10-101, *et seq.*, C.R.S.

r. Counterpart Execution. This Agreement may be executed in several counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same instrument.

s. Negotiated Provisions. This Agreement shall not be construed more strictly against one Party than against another, it being acknowledged that each Party has contributed substantially and materially to the preparation of this Agreement.

***[Remainder of page intentionally left blank]***



IN WITNESS WHEREOF, the Districts hereto have executed this Agreement as of the day and year first above written.

**(Signature Pages Follow)**

**PASTORA RANCH METROPOLITAN  
DISTRICT NO. 1**

By: \_\_\_\_\_  
President [Officer of the District]

**ATTEST:**

\_\_\_\_\_  
Secretary [or blank]

**APPROVED AS TO FORM:  
WHITE BEAR ANKELE TANAKA & WALDRON  
Attorneys at Law**

\_\_\_\_\_  
General Counsel to Pastora Ranch Metropolitan  
District No. 1

**PASTORA RANCH METROPOLITAN  
DISTRICT NO. 2**

By: \_\_\_\_\_  
President [Officer of the District]

**ATTEST:**

\_\_\_\_\_  
Secretary [or blank]

**PASTORA RANCH METROPOLITAN  
DISTRICT NO. 3**

By: \_\_\_\_\_  
President [Officer of the District]

**ATTEST:**

\_\_\_\_\_  
Secretary [or blank]

APPROVED AS TO FORM:

\_\_\_\_\_

\_\_\_\_\_  
Special Counsel to Pastora Ranch Metropolitan  
District Nos. 2 and 3

## EXHIBIT A

### **ADMINISTRATIVE SERVICES TO BE PROVIDED BY THE COORDINATING DISTRICT**

1. Serve as the “official custodian” and repository for the Financing Districts’ records, including, but not limited to, providing file space, incidental office supplies and photocopying, meeting facilities and reception services.
2. Coordination of all Board meetings to include:
  1. Preparation and distribution of agenda and information packets.
  2. Preparation and distribution of meeting minutes.
  3. Preparation, filing and posting of legal notices required in conjunction with the meeting.
  4. Other details incidental to meeting preparation and follow-up.
3. Ongoing maintenance of an accessible, secure, organized and complete filing system for the Financing Districts’ official records.
4. Monthly preparation of checks and coordination of postings with an accounting firm.
5. Periodic coordination with an accounting firm for financial report preparation and review of financial reports.
6. Insurance administration, including evaluating risks, comparing coverage, processing claims, completing applications, monitoring expiration dates, processing routine written and telephone correspondence, etc., and ascertaining that all contractors and subcontractors maintain required coverage for the Financing Districts’ benefit.
7. Election administration, including preparation of election materials, publications, legal notices, pleadings, conducting training sessions for election judges, and generally assisting in conducting the election.
8. Budget preparation, including preparation of proposed budget in coordination with an accounting firm, preparation of required and necessary publications, legal notices, resolutions, certifications, notifications and correspondence associated with the adoption of the annual budget and certification of the tax levy.
9. Response to inquiries, questions and requests for information from the Financing Districts’ property owners, residents and others.

10. Drafting proposals, bidding contract and construction administration, and supervision of contractors.
11. Analysis of financial condition and alternative financial approaches, and coordination and structuring of bond issue or other debt preparation.
12. Administration of the expenditure of any funds or proceeds related to any loans, bonds, or other financial obligations issued by one or more of the Districts.
13. Oversight of investment of the Districts' funds based on investment policies in accordance with state law.
14. Provide liaison and coordination with other governments.
15. Coordinate activities and provide information as requested to an external auditor engaged by the Coordinating District Board.
16. Supervise and ensure contract compliance of all service contractors.
17. Coordinate legal, accounting, management, engineering and other professional services.
18. Assist any auditors in the preparation of its annual audit as required by the laws of the State of Colorado.
19. Advise and assist the Financing Districts by analyzing the Financing Districts' long and short-term financial needs and presenting the Financing Districts with long and short-term financial proposals (including structuring of bond or other forms of debt issuance) to meet those needs.
20. Provide emergency communication services for the Coordinating District's facilities.
21. Perform such other services as may from time to time be reasonably necessary in furtherance of securing the Financing Districts' compliance with all applicable federal and state statutes and regulations and with applicable county and local laws; provided, however, that any and all expenditures in furtherance of these services shall be made and reimbursed in accordance with this Agreement.
22. Contracting for the design, planning, engineering, construction and/or acquisition, management, landscape architecture and engineering, soil testing and inspection, and line and systems testing and inspection attributable to the Public Improvements.
23. Obtaining any and all real property interests necessary for the provision of the Public Improvements.

24. Obtaining any and all governmental and/or administrative approvals necessary to the provision of the Public Improvements, including provision for the payment of fees associated therewith.

25. Performing and/or contracting for construction administration of construction contracts by which the Public Improvements are constructed.

26. Contracting for the acquisition of water rights to the extent necessary for the provision of the Public Improvements.

27. Administering collection of any amounts due to the Districts under any cost recovery or other reimbursement agreement relating to the Public Improvements.

28. Engagement of consultants necessary in connection with provision of the Administrative Services, including attorneys, accountants, engineers, managers, architects, soils consultants, and any other consultant determined by the Coordinating District to be necessary or appropriate to the provision of the Administrative Services.

29. In addition to these services, when other services are necessary in the opinion of the Coordinating District, the Coordinating District may recommend the same to the Financing Districts. The Coordinating District may, with the approval of the Financing Districts, provide any Administrative Services to the Financing Districts in lieu of retaining consultants or contractors to provide those services.

**EXHIBIT B**

**O&M SERVICES  
TO BE PERFORMED BY THE COORDINATING DISTRICT**

1. Operation and maintenance of any Public Improvements not otherwise dedicated or conveyed to any other governmental entity or owners association for the benefit of the Districts.
2. Maintain common areas, parks, entry monuments, landscaping, open space tracts, recreational facilities and other community amenities.
3. Provide trash service, architectural review, and covenant enforcement services (as applicable).

**EXHIBIT I**

Notice of Special District Disclosure Form



WHEN RECORDED RETURN TO:  
 WHITE BEAR ANKELE TANAKA & WALDRON  
 2154 East Commons Avenue, Suite 2000  
 Centennial, CO 80122

**Pastora Ranch Metropolitan District Nos. 1-3**  
 (In the City of Pueblo, Pueblo County, Colorado)

**SPECIAL DISTRICT PUBLIC DISCLOSURE**

Pursuant to § 32-1-104.8 C.R.S.

|                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|----------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Name of Districts:                                             | Pastora Ranch Metropolitan District Nos. 1-3 ("District")                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| Contact Information for Districts:                             | White Bear Ankele Tanaka & Waldron<br>2154 E. Commons Avenue, Ste. 2000<br>Centennial, Colorado 80122<br>303.858.1800                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| Type of Districts                                              | Metropolitan districts organized pursuant to C.R.S. 32-1-101 <i>et seq.</i> The Districts will provide operating and maintenance of certain public improvements within the Pastora Ranch development, which operations and maintenance functions may be provided through intergovernmental agreements.                                                                                                                                                                                                                                                                                         |
| Identify Districts' Improvements Financed by Proposed Bonds:   | Streets and safety protection improvements<br>On and off-site utilities, including water and wastewater improvements<br>Storm Drainage improvements<br>Recreational facilities and park improvements, including, but not limited to, entry parks, neighborhood parks, pocket parks, trails and pools<br>Landscaping within public right-of-way<br>Fire protection improvements including, but limited to, a fire station<br>Any other improvements authorized by Article 1, Title 32, C.R.S. of the Special District Act, subject to the limitations contained in the District's Service Plan. |
| Identify Services/Facilities Operated/Maintained by Districts: | Park and recreation related improvements, maintenance of landscaping within public right-of-way, including but not limited to street trees and streetscape improvements, the provision of covenant control and enforcement services to the extent such covenant control functions are not provided by property owners associations within Pastora Ranch development.                                                                                                                                                                                                                           |

|                                                                                                                                                                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>Mill Levy Cap:<br/> <i>(Note: This District may or may not be certifying a mill levy at the time of your purchase. Please verify by contacting the District.)</i></p> | <p>Maximum Debt Mill Levy = sixty (60) mills for Districts Nos. 1-3<br/> Maximum Operating Mill Levy = No maximum – set by Board of Directors to meet annual costs</p> <p>The Maximum Debt Mill Levy shall be subject to a Mill Levy Adjustment. Mill Levy Adjustment means, on or after January 1, 2019, if there are changes in the method of calculating assessed valuation or any constitutionally mandated tax credit, cut or abatement, the Maximum Debt Mill Levy may be increased or decreased to reflect such changes, such increases and decreases to be determined by the Board of Directors of the District in good faith (such determination to be binding and final) so that to the extent possible, the actual tax revenues generated by the applicable mill levy, as adjusted for changes occurring on or after January 1, 2019, are neither diminished nor enhanced as a result of such changes. For purposes of the foregoing, a change in the ratio of actual valuation shall be deemed to be a change in the method of calculating assessed valuation.</p> |
| <p>Authorized Debt of the Districts per Service Plan:</p>                                                                                                                | <p>\$75,000,000.00.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| <p>Voter Authorized Debt per Election for each District:</p>                                                                                                             | <p>\$ 75,000,000 for Street Improvements<br/> \$ 75,000,000 for Parks and Recreation Improvements<br/> \$ 75,000,000 for Water Improvements<br/> \$ 75,000,000 for Sanitation Improvements<br/> \$ 75,000,000 for Transportation Improvements<br/> \$ 75,000,000 for Mosquito Control<br/> \$ 75,000,000 for Safety Protection Improvements<br/> \$ 75,000,000 for Security Improvements<br/> \$ 75,000,000 for Operations and Maintenance Debt<br/> \$ 150,000,000 for Refunding<br/> \$ 75,000,000 for District Intergovernmental Agreements as Debt<br/> \$ 75,000,000 for Reimbursement Agreements<br/> \$ 75,000,000 for Construction Agreements</p>                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <p>District Boundaries:</p>                                                                                                                                              | <p>A map of the Districts' boundaries is attached hereto as Exhibit A. Please note that the Districts' boundaries may change from time to time. Please contact the Districts for the latest information.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <p>Sample Calculation of Debt Mill Levy Cap for a Residential Property</p>                                                                                               | <p>Assumptions:<br/> Market value is \$250,000<br/> Debt Mill levy cap is 60 mills<br/> Calculation:<br/> \$250,000 x .0715 = \$17,875 (Assessed Valuation)<br/> \$17,875 x .060 mills = \$1,072.5 per year in taxes owed solely to the Special District (does not include operations and maintenance mill levy)</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |