

BLUE LAKE METROPOLITAN DISTRICT
No.. 2
SERVICE PLAN

TOWN OF LOCHBUIE, COLORADO

SUBMITTED:

FEBRUARY 11, 2004

BLUE LAKE METROPOLITAN DISTRICT NO. 2
SERVICE PLAN

I. INTRODUCTION

The District shall be named the Blue Lake Metropolitan District No. 2 ("District 2" or "the District"). The District shall be formed in conjunction with two other metropolitan districts, Blue Lake Metropolitan District No. 1 ("District 1") and Blue Lake Metropolitan District No. 3 ("District 3"). Together, Blue Lake Metropolitan District Nos. 1, 2, and 3 will be referred to as "the Districts," and the land encompassed within the Districts shall be referred to as the "Blue Lake Development." The purpose of District 2 is to finance, construct and install public improvements, including streets and traffic signals, and water, sewer, storm drainage and park, open space and recreation facilities for the Blue Lake Development. Public improvements and facilities constructed or acquired by the District may be owned and maintained by one or more of the Districts, or may be dedicated for ownership and maintenance to the Town of Lochbuie, Colorado ("Lochbuie" or the "Town"), or to other non-profit or governmental entities, for the use and benefit of the Blue Lake Development residents and taxpayers. The District shall have all of the powers of a metropolitan district described in §§ 32-1-1001 and -1004, C.R.S., except that the District shall not provide fire protection and emergency facilities or services, which fire protection services will be provided by other appropriate entities.

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

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Pursuant to the requirements of the Special District Control Act, § 32-1-201, *et seq.*, C.R.S., this Service Plan consists of a financial analysis and an engineering plan showing how the proposed facilities and services of the District will be provided and financed. The following items are also included in this Service Plan:

1. A description of the proposed services;
2. A financial plan showing how the proposed services are to be financed, including the proposed operating revenue derived from property taxes for the first budget year of the District;

3. Preliminary engineering drawings showing how the proposed services are to be provided;

4. A map of the proposed District boundaries and an estimate of the population and valuation for assessment of the proposed District;

5. A general description of the facilities to be constructed and the standards for construction, including a statement of how the facility and service standards of the proposed District are compatible with facility and service standards of the Town and of any municipalities and special districts which are interested parties pursuant to § 32-1-204(1), C.R.S.;

6. A general description of the estimated cost 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 District; and

7. A description of any arrangement or proposed agreement with any political subdivision for the performance of any services between the proposed District and such other political subdivision, and, if applicable, a form of the agreement.

II. PURPOSE OF THE PROPOSED DISTRICT

District 2, together with Districts I and 3, will finance the construction of public improvements within the Blue Lake Development for the use and benefit of the Blue Lake Development's residents and taxpayers and the owners of real property within the Blue Lake Development through the issuance of indebtedness as set forth in Section V, "Financial Information," and shall provide for maintenance of certain public improvements as further described herein.

The District will dissolve when there are no maintenance obligations, financial obligations, outstanding bonds or other obligations outstanding, and upon a determination by the Town that all of the purposes for which the District was created have been accomplished, and that all financial obligations are defeased or secured by escrowed funds or securities meeting the investment requirements in part 6 of article 75 of title 24, C.R.S. The District's dissolution prior to payment of all debt will be subject to approval of a plan of dissolution in the District Court of Weld County, pursuant to § 32-1-704, C.R.S. The District will work closely and cooperate with the Town to serve and promote the health, safety, prosperity, security and general welfare of the Blue Lake Development's inhabitants.

III. NEED FOR THE PROPOSED DISTRICT

While the area to be served by the Districts is located entirely within the boundaries of the Town, the Town does not consider it feasible or practical to provide the Districts with certain services and/or facilities described in this Service Plan. Therefore, it is necessary that the Districts be organized to provide their inhabitants with the facilities and services described in this Service Plan.

IV. BOUNDARIES, POPULATION & VALUATION

The initial boundaries of the District are located entirely within the Town, as more particularly described in the legal description of the initial boundaries of the District, which is attached hereto and incorporated herein as **Exhibit A**, and also as shown on the boundary map attached hereto and incorporated herein as **Exhibit B**. After organization, it is anticipated that the District may include additional property into its boundaries. The District may include all or a

portion of the parcel of land more particularly described in the legal description attached as **Exhibit C** (the "Inclusion Property"), and as shown on **Exhibit B**, the boundary map. The portion of the Inclusion Property that is not included into the District will be included in District I or District 3. The boundaries of the Districts will not overlap. A vicinity map showing the location of the District is attached as **Exhibit D**. Letters from the owners of the property within the District boundaries consenting to the formation of the District are attached as **Exhibit E**.

The District may be developed for residential and commercial purposes. The estimated daytime population of the three Districts at full build-out is three thousand, five hundred and eighty (3,580) people. The combined estimated assessed value at full build-out is Twenty Million, Nine Hundred and Seventy Four Thousand, Five Hundred Twenty Eight Dollars (\$20,974,528.00). The property is currently being rezoned to Planned Unit Development. For the purpose of this Service Plan and the Financing Plan herein, the current assessed value of the property within the boundaries of the District is deemed to be less than Ten Dollars (\$10.00).

V. DESCRIPTION OF PROPOSED FACILITIES

a. Type of Improvements

The District will provide for the construction, acquisition and installation of public improvements, including streets and traffic signals, and water, sewer, storm drainage and park and recreation facilities (as defined in § 32-1-1004(2), C.R.S.) within the Blue Lake Development. The District may also maintain public improvements within and without the Blue Lake Development. Preliminary engineering estimates based on applicable construction standards have been prepared and are attached hereto and incorporated herein as **Exhibit E**. These estimates list the facilities that the District, subject to development approval of the Town, may provide for the Inclusion Property,

including the costs in current dollars of each, together with an explanation of the methods, basis and/or assumptions used. Subject to the debt limitations set forth in Section V, the District will be authorized to fund any combination of the improvements. The combined total estimated cost of the improvements is Twenty Five Million, Nine Hundred and Eighty Seven Thousand and Three Dollars (\$25,987,003.00). The District will seek voter approval for authorization to issue debt sufficient to finance the cost of the improvements as set forth in Section V, entitled "Financial Information." The Town will not be responsible for assuming any of the costs of the improvements funded by the District.

Maps showing the preliminary location of the public improvements to be financed by the Districts are attached hereto and incorporated herein as **Exhibit F**. The District shall be authorized to construct all or any portion of the public improvements as generally shown on **Exhibit F**, subject to the specific final design and approval thereof by the Town. Phasing of construction shall be determined by the District to meet the needs of residents and taxpayers within the Blue Lake Development. The engineering exhibits provided herein are preliminary in nature, and the District shall have the authority, without amending 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 District. At this time, it is not known what portion of the Inclusion Property will be included in the boundaries of the District, but it is anticipated that all of the Inclusion Property will be included in one of the three Blue Lake districts. Accordingly, the Service plan assumes inclusion of the entire Inclusion Property. In any event, no property within the Blue Lake Development will be included in more than one of the Districts, except for the land contained within the initial boundaries.

b. Construction Standards

The District will ensure that the proposed improvements are designed and constructed in accordance with the standards and specifications of the Town, or as approved by the Town for the development, and in accordance with standards and specifications of other governmental entities having jurisdiction over the District. The District will obtain approval of civil engineering plans and a permit for construction and installation of public improvements from the Town.

c. Dedication of Improvements

It is anticipated that the District may dedicate certain improvements to the Town or its designee upon completion of their construction and installation. Water, sanitary sewer, streets, parks and open space improvements may be dedicated to the Town or other appropriate entity upon completion of their construction and installation, together with rights-of-way and easements for the facilities, to the extent the District has the necessary property interest to permit such dedication. The District may dedicate storm drainage facilities to the South Beebe Draw Metropolitan District or to another appropriate entity, upon the completion of construction and installation of such storm drainage improvements, together with rights-of-way and easements for the facilities, to the extent the District has the necessary property interest to permit such dedication.

d. Maintenance of Public Improvements

The District shall be authorized to own and maintain all public facilities constructed, installed or acquired by the District and not otherwise dedicated for ownership and maintenance to other appropriate governmental entities.

e. **Services to be Provided by other Governmental Entities**

The District will receive fire protection services from Hudson Fire District and emergency services from the Town of Lochbuie. Additionally, water and sewer service will be provided by the Town.

VI. FINANCIAL INFORMATION

This section describes the nature, basis, method of funding, and debt and mill levy limitations associated with the construction, operation and maintenance of the Improvements by the District. A detailed Financing Plan and statement of assumptions is attached hereto and incorporated herein as **Exhibit G**.

a. **Debt Limitation**

The total combined general obligation debt of the three Districts shall not exceed Twenty Four Million Dollars (\$24,000,000.00) ("Debt Limitation"), unless the District receives the prior approval of the Town. Once any District uses a portion of the Debt Limitation such portion will no longer be available for use by any of the other Districts.

b. **Debt Issuance**

The District intends to issue multiple series of bonds totaling approximately Twenty Million and Fifty Thousand Dollars (\$20,050,000.00). The first series of bonds will total approximately Four Million Six Hundred Thousand Dollars (\$4,600,000.00). The proposed maximum voted interest rate is estimated at eighteen percent (18%) and the maximum underwriting discount at four percent (4%). The actual interest rates and discounts will be determined at the time the bonds are sold by the District and will reflect market conditions at the time of sale. Refunding bonds may be issued by the District to defease original issue bonds in compliance with applicable law. In addition

to bonds, the District may also issue notes, certificates, debentures or other evidences of indebtedness. The Debt Limitation exceeds the amount of bonds anticipated to be sold, as shown in the Financial Plan, to allow for unforeseen contingencies, increases in construction costs due to inflation, and all costs of issuance, including capitalized interest, reserve funds, discounts, refunding, legal fees and other costs of issuance.

c. Identification of District Revenue

The District anticipates that the mill levy needed to support the initial debt, operations and maintenance expenses and administrative costs is forty five (45) mills through the year 2041. The District intends to rely on the following sources of revenue: ad valorem property taxes, facility fees, water resource fees, reimbursements from the Town and other third parties, and other statutory tolls, rates, fees and charges.

Any contractual obligations the District may have to levy general ad valorem property taxes for the payment of any bond or other obligations ("General Obligation Debt") that are payable from the District's property taxes shall be limited to an annual ad valorem mill levy (a mill being equal to 1/10 of 1 cent) in an amount not to exceed fifty (50) mills (the "Limited Debt Mill Levy"), for so long as the total principal amount of all of the District's General Obligation Debt, at the time of issuance, exceeds fifty percent (50%) of the valuation for assessment of the taxable property in the District, as certified by the County Assessor. The Limited Debt Mill Levy may be adjusted to take into account legislative or constitutionally imposed adjustments in the assessed values or the method of their calculation, and 2000 shall be the base year for calculation of any adjustments. The District may provide that at such time as the assessed value of the District is such that all or any portion of Limited Debt Mill Levy General Obligation Debt could be issued as unlimited mill levy General Obligation Debt pursuant to the above formula,

the mill levy to pay all or such portion of the Limited Debt Mill Levy General Obligation Debt may become unlimited at that time. Except as otherwise limited by law, if the District does not require the entire Limited Debt Mill Levy for the purposes of servicing any outstanding indebtedness, it may utilize that portion of the Limited Debt Mill Levy not required for debt service for the purposes of operations and maintenance expenses of the District.

In the event a constitutional or statutory change in the method of calculating assessed valuation is implemented after the date this Service Plan is approved the mill levy may be increased or decreased, as determined by the Board of Directors of the District, to reflect such change. Such determination shall be made in good faith, shall be binding and final in the absence of manifest error, and shall be made so that, to the extent possible, the actual tax revenues generated by the mill levy, as adjusted, are neither diminished nor enhanced as a result of such changes. For the purposes of making an adjustment in the assessed valuation, a change in the ratio of actual valuation to assessed valuation shall be deemed to be a change in the method of calculating assessed valuation, and the year 2000 shall be the base year for the ratio for assessment of valuation.

d. Security for Debt

The District will not pledge any Town funds or assets for security for the indebtedness set forth in the Financing Plan of the District.

e. Financing Plan

The Financing Plan, prepared by the District's Financial Consultant and attached as **Exhibit G**, sets forth the following information:

I. The total projected amount of debt to be issued during the six (6) year period commencing with the formation of the District;

2. All proposed sources of revenue and projected District expenses, as well as the assumptions upon which they are based, for at least a ten (10) year period from the date of organization of the District;

3. The dollar amount of any anticipated financing, including capitalized interest, costs of issuance, and any expenses related to the organization and initial operation of the District;

4. A detailed repayment plan covering the life of any financing, including the frequency and amounts expected to be collected from all sources; and

5. The amount of any reserve fund and the expected level of annual debt service coverage that will be maintained for any financing.

f. Services of District

The District will require sufficient operating funds to organize and to construct and maintain the Improvements. The costs are expected to include organizational, legal, engineering, accounting and debt issuance costs, and the costs of compliance with state reporting and other administrative requirements. Additionally, the District anticipates operations and maintenance expenses for certain of the Improvements. The first year's operating budget is estimated to be Sixty Thousand Dollars (\$60,000.00), which will increase annually. The Financing Plan sets forth the anticipated operating costs, phasing of bond issues, and related matters. Further, the District anticipates entering into an intergovernmental agreement with Districts 1 and 3 to provide support for any maintenance operations undertaken and administered by the District on behalf of Districts I and 3.

VII. LANDOWNER PUBLIC IMPROVEMENTS

The creation of the District shall not relieve the Organizers, their successors or assigns of the obligation to construct public improvements required by any annexation or other subdivision improvement agreement, except those public improvements that are assignable to the District by the Organizers under the Annexation Agreement which has been approved by the Town.

VIII. DISSOLUTION

The District may file a petition in the District Court for dissolution when there are no financial obligations or outstanding bonds, or any such financial obligations or outstanding bonds are adequately secured by escrow funds or securities meeting the investment requirements in part 6 of article 75 of title 24, C.R.S., and upon an independent determination by the Board of Trustees of the Town that the financing purposes for which the District was created have been achieved and that ongoing maintenance obligations of the District will be taken over by an appropriate and authorized entity. Dissolution of the District is subject to approval of a plan of dissolution meeting the requirements of part 7 of article I of title 32, C.R.S., by the Weld County District Court.

IX. RESOLUTION OF APPROVAL

The District incorporates the resolution of the Lochbuie Board of Town Trustees approving this Service Plan, including any conditions of approval, into this Service Plan to be presented to the District Court attached hereto and incorporated herein as **Exhibit H**.

X. INTERGOVERNMENTAL AGREEMENTS

The District anticipates that it will enter into an intergovernmental agreement with District I and District 3 if such an arrangement will result in the more efficient and economical provision of services to the Districts. It is also anticipated that the Districts may enter into intergovernmental agreements with South Beebe Draw Metropolitan District, the Town, or another appropriate governmental entity regarding the regional storm drainage system. None of the intergovernmental agreements discussed above have been negotiated as of the filing of this Service Plan.

XI. CONCLUSION

This Service Plan demonstrates that:

- a. Adequate service is not, and will not, be available to the area to be served by the District through the Town of Lochbuie or other existing special districts within a reasonable time and on a comparable basis;
- b. The facility and service standards of the proposed District are compatible with the facility and service standards of the Town of Lochbuie;
- c. There is sufficient existing and projected need for organized service in the area to be serviced by the proposed District;
- d. The existing service in the area to be served by the proposed District is inadequate for present and projected needs;
- e. The proposed District is capable of providing economical and sufficient service to the area within its proposed boundaries;
- f. The area included within the proposed District has or will have the financial ability to discharge the proposed indebtedness on a reasonable basis;

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

h. The creation of the proposed District will be in the best interest of the area proposed to be served.

EXHIBIT A

Legal Description of Initial District Boundaries

The South 208 feet of the West 208 feet of the following
described parcel:

A parcel of land located in the North Half of Section 25, Township 1 North, Range 66 West of the Sixth Principal Meridian, County of Weld, State of Colorado, more particularly described as follows:

Beginning at the southwest corner of said North Half of Section 25;

Thence North 00°00'31" East along the west line of said North Half, a distance of 2644.58 feet;

Thence North 89°57'35" East along the north line of said North Half, a distance of 1322.85 feet;

Thence along the west and south lines of that certain parcel of land described in deed recorded under Reception No. 1510227 the following two (2) courses:

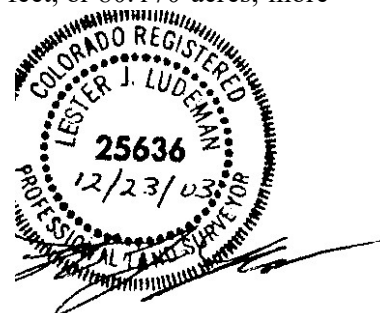
1. South 00°03'59" West, a distance of 880.00 feet;
2. North 89°57'35" East, a distance of 332.53 feet;

Thence along the west line of that certain parcel of land conveyed to The Farmers Reservoir And Irrigation Company by deed recorded in Book 406 at Page 282 the following five (5) courses:

1. Along the arc of a curve to the right having a radius of 314.41 feet and a central angle of 30°34'42", an arc distance of 167.80 feet (chord bears South 10°52'22" West, 165.81 feet);
2. South 26°09'43" West, a distance of 1108.14 feet;
3. Along the arc of a curve to the left having a radius of 454.19 feet and a central angle of 57°24'22", an arc distance of 455.06 feet (chord bears South 02°32'28" East, 436.27 feet);
4. South 31°14'39" East, a distance of 184.42 feet;
5. South 10°04'26" East, a distance of 13.97 feet;

Thence South 89°57'10" West along the south line of said North Half of Section 25, a distance of 1252.34 feet to the Point of Beginning, containing 3,492,214 square feet, or 80.170 acres, more or less.

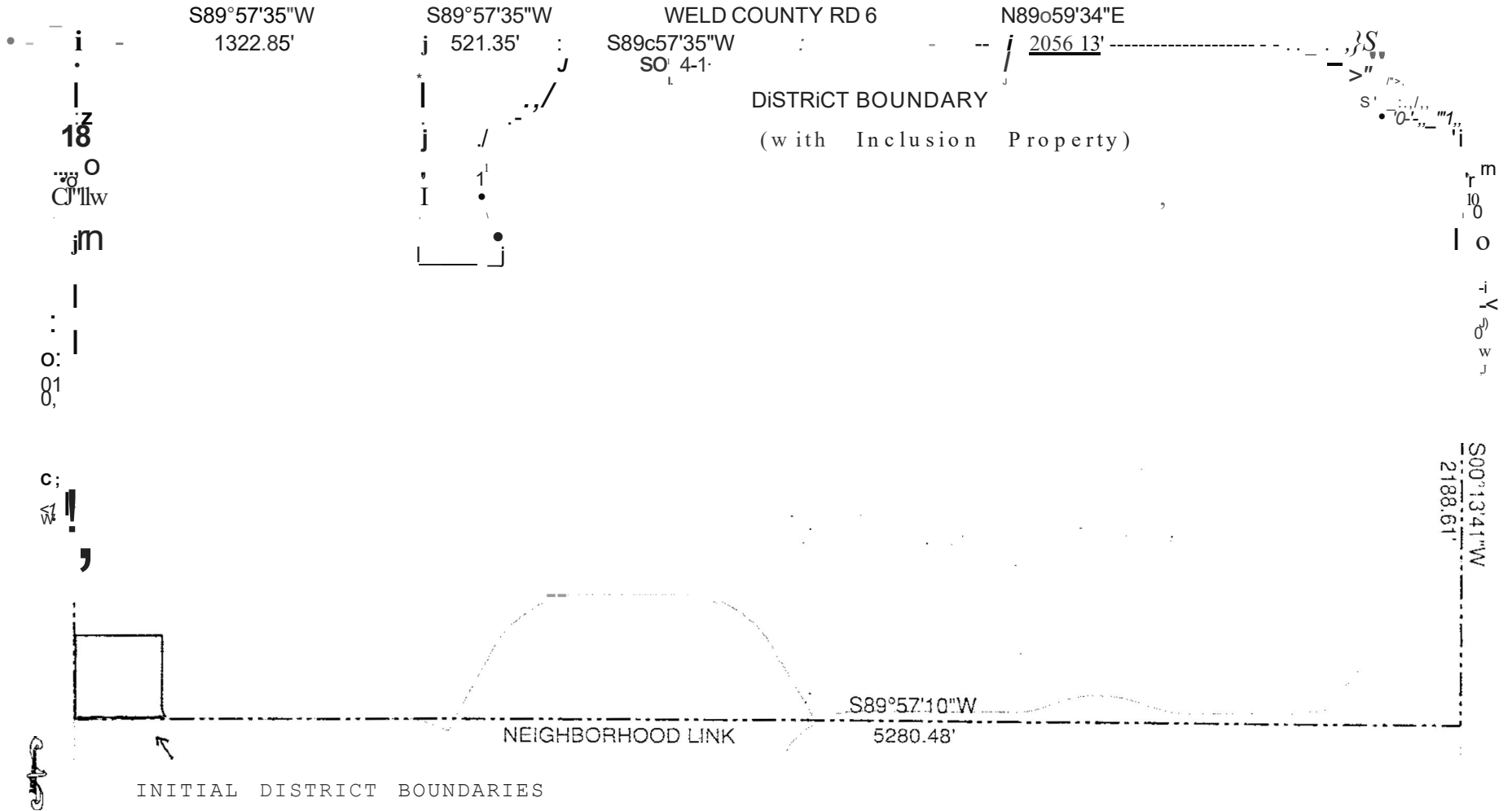
Prepared December 23, 2003 by L.J. Ludeman
12424 E. Weaver Place, Englewood, CO 80111



EXHIBITB

Map of District Boundaries

BLUE LAKE METROPOLITAN DISTRICT



PARAGON
ENGINEERING
CONSULTANTS,
INC.

BLUE LAKE DEVELOPMENT
DISTRICT BOUNDARY

DATE: 12/17/03 JOB -t:

03-002 SCALE:

1"=600' FIGURE:

EXHIBIT C

Legal Description of Inclusion Property

A parcel of land located in the North Half of Section 25, Township 1 North, Range 66 West of the Sixth Principal Meridian, County of Weld, State of Colorado, more particularly described as follows:

Beginning at the southwest corner of said North Half of Section 25;

Thence North $00^{\circ}00'31''$ East along the west line of said North Half, a distance of 2644.58 feet;

Thence North $89^{\circ}57'35''$ East along the north line of said North Half, a distance of 1322.85 feet;

Thence along the west and south lines of that certain parcel of land described in deed recorded under Reception No. 1510227 the following two (2) courses:

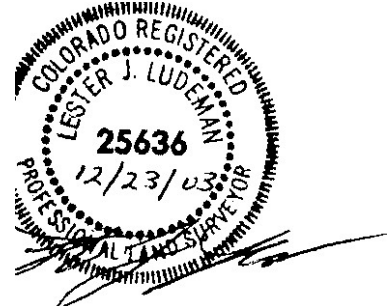
- I. South $00^{\circ}03'59''$ West, a distance of 880.00 feet;
2. North $89^{\circ}57'35''$ East, a distance of 332.53 feet;

Thence along the west line of that certain parcel of land conveyed to The Farmers Reservoir And Irrigation Company by deed recorded in Book 406 at Page 282 the following five (5) courses:

- I. Along the arc of a curve to the right having a radius of 314.41 feet and a central angle of $30^{\circ}34'42''$, an arc distance of 167.80 feet (chord bears South $10^{\circ}52'22''$ West, 165.81 feet);
2. South $26^{\circ}09'43''$ West, a distance of 108.14 feet;
3. Along the arc of a curve to the left having a radius of 454.19 feet and a central angle of $57^{\circ}24'22''$, an arc distance of 455.06 feet (chord bears South $02^{\circ}32'28''$ East, 436.27 feet);
4. South $31^{\circ}14'39''$ East, a distance of 184.42 feet;
5. South $10^{\circ}04'26''$ East, a distance of 13.97 feet;

Thence South $89^{\circ}57'10''$ West along the south line of said North Half of Section 25, a distance of 1252.34 feet to the Point of Beginning, containing 3,492,214 square feet, or 80.170 acres, more or less.

Prepared December 23, 2003 by L.J. Ludeman
12424 E. Weaver Place, Englewood, CO 80111



A parcel of land located in the North Half of Section 25, Township 1 North, Range 66 West of the Sixth Principal Meridian, County of Weld, State of Colorado, more particularly described as follows:

Beginning at the southeast corner of said North Half of Section 25;

Thence South $89^{\circ}57'10''$ West along the south line of said North Half, a distance of 3936-.74 feet;

Thence along the east line of that certain parcel of land conveyed to The Farmers Reservoir And Irrigation Company by deed recorded in Book 406 at Page 282 the following twelve (12) courses:

1. North $10^{\circ}04'26''$ West, a distance of 46.70 feet;
2. North $31^{\circ}14'39''$ West, a distance of 201.24 feet;
3. Along the arc of a curve to the right having a radius of 364.19 feet and a central angle of $57^{\circ}24'22''$, an arc distance of 364.89 feet (chord bears North $02^{\circ}32'28''$ West, 349.82 feet);
4. North $26^{\circ}09'43''$ East, a distance of 1108.14 feet;
5. Along the arc of a curve to the left having a radius of 404.41 feet and a central angle of $53^{\circ}12'16''$, an arc distance of 375.53 feet (chord bears North $00^{\circ}26'25''$ West, 362.18 feet);
6. North $27^{\circ}02'33''$ West, a distance of 141.40 feet;
7. Along the arc of a curve to the right having a radius of 130.00 feet and a central angle of $91^{\circ}22'25''$, an arc distance of 20732 feet (chord bears North $18^{\circ}38'40''$ East, 186.04 feet);
8. North $64^{\circ}19'52''$ East, a distance of 117.31 feet;
9. Along the arc of a curve to the left having a radius of 250.00 feet and a central angle of $46^{\circ}37'20''$, an arc distance of 203.43 feet (chord bears North $41^{\circ}01'12''$ East, 197.86 feet);
10. North $17^{\circ}42'32''$ East, a distance of 28.00 feet;

(continued on next page)



11. Along the arc of a curve to the left having a radius of 230.00 feet and a central angle of $26^{\circ}28'27''$, an arc distance of 106.27 feet (chord bears North $04^{\circ}28'19''$ East, 105.33 feet);

12. North $08^{\circ}45'55''$ West, a distance of 87.56 feet;

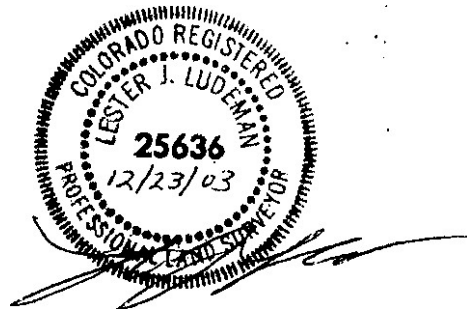
Thence North $89^{\circ}57'35''$ East along the north line of said North Half of Section 25, a distance of 710.44 feet to the north quarter comer of Section 25;

Thence North $89^{\circ}59'34''$ East along the north line of said North Half of Section 25, a distance of 2056.12 feet;

Thence South $52^{\circ}17'41''$ East, a distance of 741.90 feet;

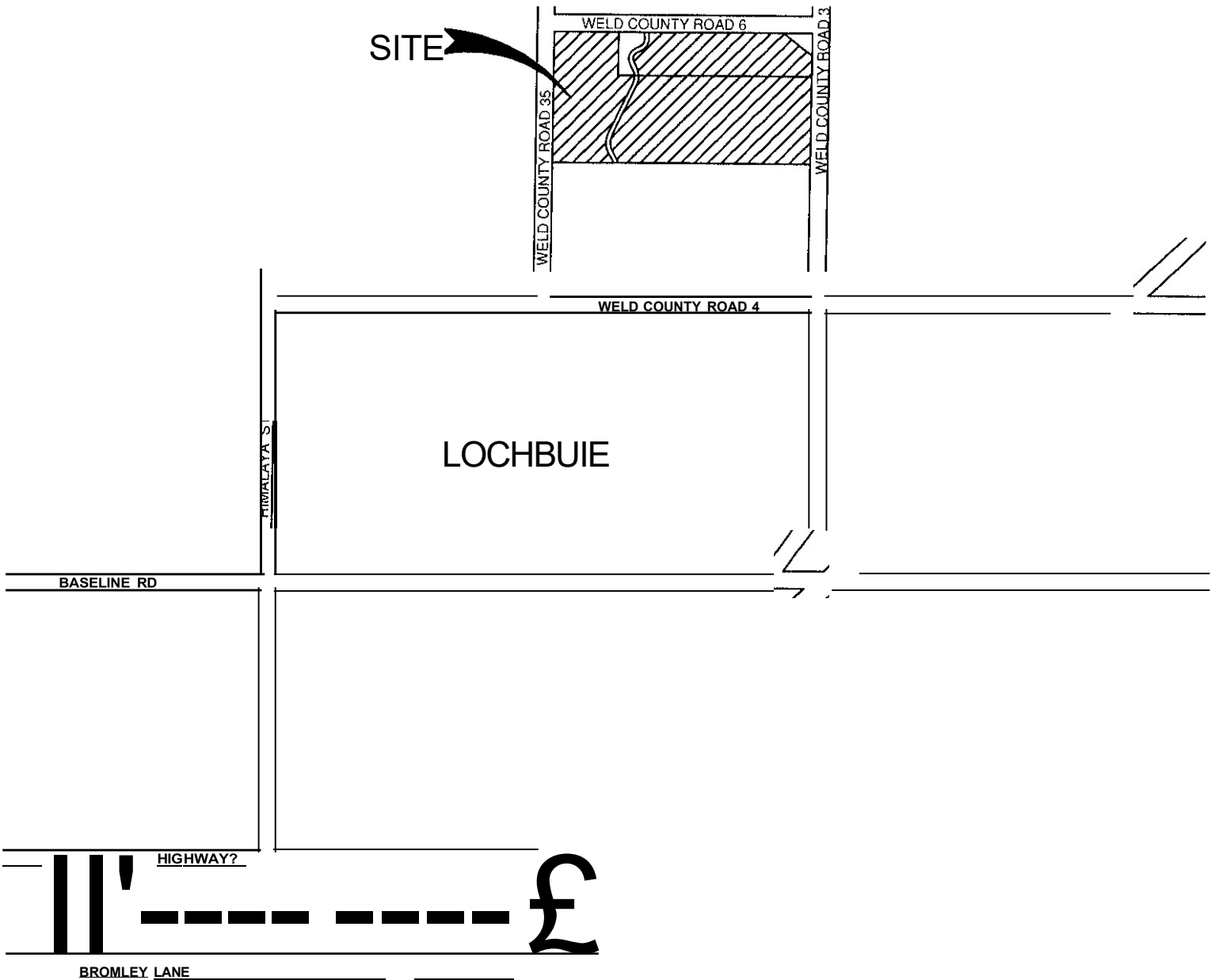
Thence South $00^{\circ}13'41''$ West along the east line of said North Half of Section 25, a distance of 2188.61 feet to the Point of Beginning, containing 9,769,284 square feet, or 224.272 acres, more or less.

Prepared December 23, 2003 by L.J. Ludeman
12424 E. Weaver Place, Englewood, CO 80111



EXHIBITD

Vicinity Map



BLUE LAKE SUBDIVISION
 TOWN OF LOCHBUIE
 vicinity map

1911, & H. 100 C. 1er, WW10
hm design
 corporation
 of the LMU PLe.N-1
 & L.Nos. of Aoc™ F-MIE
 P-ONS 3018
 F*



EXHIBIT E

Consent to Formation of District from Property Owners

(to be provided)

EXHIBIT F

Preliminary Engineering Cost Estimates

Blue Lake Subdivision: Preliminary District Development Costs:

Water:

Water Line System- CR37		\$316,800
Water Line System- Looping Distance CR 35		\$264,000
Water Line System- Internal to Site		<u>\$2,760,000</u>
Water Total:		\$3,076,800
	contingency: 10%	\$307,680
	Project mgmt: 4%	\$123,072
		\$3,507,552

Sewer

Sewer System- CR 37 to Treatment Facility		\$265,000
Sewer System- Internal to Site		<u>\$2,410,000</u>
Sanitary Total:		\$2,675,000
	contingency: 10%	\$267,500
	Project mgmt: 4%	\$107,000
		\$3,049,500

Streets and Storm Sewer:

Streets: (Includes in street storm water)		
WCR37:		\$581,000
WCR6:		\$698,000
WCR35:		\$260,000
Neighborhood Link: South Property Line		\$688,000
Eastbound Left Turn Lane CR 37 and Frontage Rd:		\$15,680
Northbound Left Turn Lane CR 37 & CR 4:		\$14,000
Local Streets:		<u>\$4,940,000</u>
Total Streets:		\$7,196,680
Storm Water		
Box Culvert CR 37		\$290,000
Box Culvert Speer Canal: Neighborhood Link:		\$110,000
ReDireet Burlington Canal:		\$120,000
Storm Conveyance to Beebe Draw:		\$175,000
Drop Structures:		\$160,000
Detention/Retention Facilities:		\$150,000
Non In-Street Storm Water Conveyance Pipe		\$1,342,790
Irrigation Channel Relocation - Transfer:		\$105,000
Box Culvert Speer Channel (2)		\$160,000
Box Culvert Burlington Channel (2)		\$130,000
Erosion Control Measures:		<u>\$50,000</u>
Total Stonn:		\$2,792,790

Total Streets and Storm:

		\$9,989,470
	contingency: 10%	\$998,947
	Project mgmt: 4%	\$399,579
		\$11,387,996

Open Space and Parks

Entrance Park and Facility:	\$330,000
CR 37 Arterial	\$380,000
Neighborhood Link Median:	\$244,347
CR35	\$350,000
CR6	\$233,000
Neighborhood Parks	\$625,000
Irrigated & Non-Irrigated Open Space and Trails:	\$1,653,000
Three Rail Open Space Fence	\$209,000
Monumentation:	<u>\$100,000</u>
	\$4,124,347

contingency:	10%	\$412,435
Project mgmt:	4%	<u>\$164,974</u>
		\$4,701,756

Irrigation System:

Pump and Well Head Equipment:	\$400,000
Transmission Lines:	<u>\$2,340,000</u>
	\$2,740,000

contingency:	10%	\$274,000
Project mgmt:	4%	<u>\$109,600</u>
		\$3,123,600

Total For Blue Lake District: \$25,770,403

EXHIBITG

Map of Preliminary Location of the Public Improvements

BLUE LAKE METROPOLITAN DISTRICT

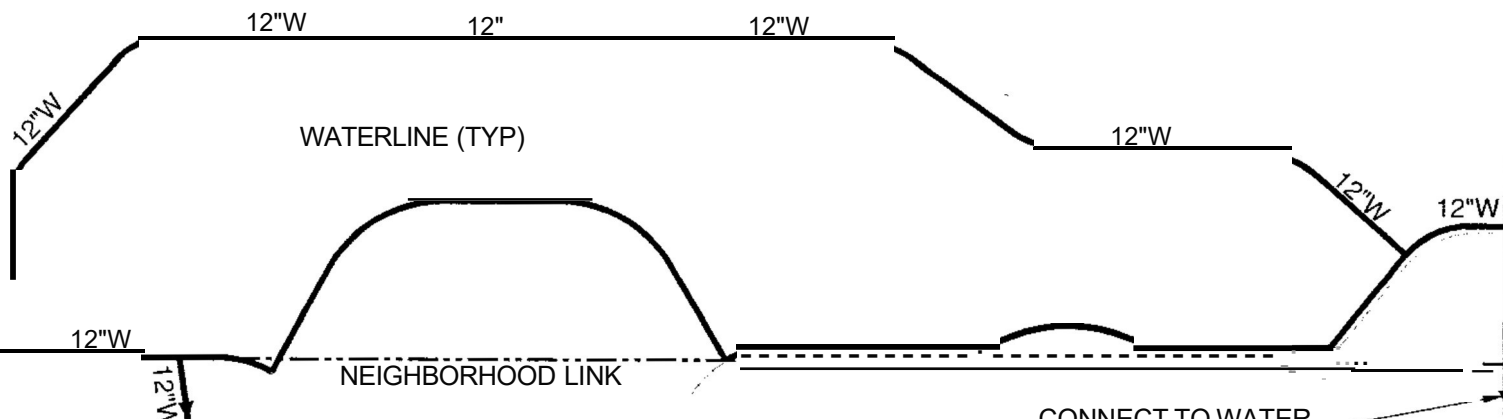
WELD COUNTY RD 6

DISTRICT BOUNDARY

(ADDITIONAL INTERNAL LINES)

WELD COUNTY RD 6

WELD COUNTY RD 6



CONNECT TO WATER TREATMENT PLANT

CONNECT TO WATER TREATMENT PLANT

NOTE: ALL WATER 8" EXCEPT AS NOTED



PARAGON
ENGINEERING
CONSULTANTS
INC.

BLUE LAKE DEVELOPMENT
WATERLINE

DATE: 12/17/03 JOB#: 03-002 SCALE: 1"=600' FIGURE:

BLUE LAKE METROPOLITAN DISTRICT

WELD COUNTY RD 6

CONNECT TO OFFSITE
TREATMENT FACILITY

7

12"8

DISTRICT BOUNDARY

(ADDITIONAL INTERNAL LINES)

12"8

10"8

SANITARY SEWER (TYP)

NEIGHBORHOOD LINK

NOTE: ALL SAN 8" EXCEPT AS NOTED



PARAGON
ENGINEERING
CONSULTANTS,
INC.

DATE:

12/17/03 JOB#:

BLUE LAKE DEVELOPMENT
SANITARY SEWER

03-002 SCALE:

1"=600' FIGURE:

BLUE LAKE METROPOLITAN DISTRICT

1/2 WELD COUNTY RD 6

DISTRICT BOUNDARY

(ADDITIONAL INTERIOR STREETS)

NEIGHBORHOOD LINK



PARAGON
ENGINEERING
CONSULTANTS,
INC.

DATE:

12/17/03 JOB#:

BLUE LAKE DEVELOPMENT
STREETS AND ROADS

03-002 SCALE:

1

500

FIGURE

BLUE LAKE METROPOLITAN DISTRICT

WELD COUNTY RD 6

DISTRICT BOUNDARY

WELD COUNTY RD 37

(ADDITIONAL INTERIOR STORM SEWER)

54" RCP

84" RCP

66" RCP

WELD COUNTY RD 35

STORM SEWER (TYP)

OUTFALL

POND

NEIGHBORHOOD LINK



PARAGON
ENGINEERING
CONSULTANTS,
INC.

DATE:

12/17/03 JOB#:

BLUE LAKE DEVELOPMENT
STORM SEWER

03-002 SCALE:

1"=600' FIGURE:

BLUE LAKE METROPOLITAN DISTRICT

WELD COUNTY RD 6

DISTRICT BOUNDARY

(ADDITIONAL INTERIOR PARK
AND STREETScape AREAS)

TRAIL AND OPEN SPACE

TRAIL AND OPEN SPACE

TRAIL AND OPEN SPACE

NEIGHBORHOOD LINK

SCHOOUPARK (TYP)

NOTE: PER LANDSCAPE PLAN FROM OHM



PARAGON
ENGINEERING
CONSULTANTS,
INC.

DATE:

12/17/03 JOB#:

BLUE LAKE DEVELOPMENT
PARKS, TRAILS, AND LANDSCAPING

03-002 SCALE:

1"=600' FIGURE:

EXHIBITH

Financing Plan

BLUE LAKE METROPOLITAN DISTRICT#1-3 (Lochbuie)
 Development Projection @ 40 mills for Debt Service
 Ser. 2005 & 2007, 2009 & 2011 Bonds, Non-Rated, 30-yr bond maturities

YEAR	<<<<<<< Residential >>>>>>			<< Platted/Developed Lots >>			<<<<<<<<< Commercial >>>>>>>>>>>>							Facility Fees			
	Tot. Res'l Units	Mkt Value Biennial R1:asps*mt 2.0%	CumulatW- Market Value	As'ed Value @ 7.96% of Market (2-yr lag)	Cumulative Market Value	As'ed Value @ 29.00% of Market (2-yr lag)	Total Commercial Sq Ft	Mkt Value Biennial Re1sses*mt @2.0%	Cumulative Market Value	As'ed Value @29.00% of Market (2-yr lag)	Total Collected Anessed Value	Debt Serviu Mill levy	O&M Mill Levy	M11Levy	Total Collections	S.O. Taxes CollIKted 8%	Collected@ \$1,ISOISFD unit SOSOSF Corm.
2003	0		0		0		0		0		\$0				SD	\$0	\$0
2004	0	D	0	0	3,780,000	D	0	0	0	0	SO				0	0	0
2005	210		38,556,000	0	3,780,000	0	0	0	0	0	0	40,000	5,000	45,000	\$0	0	262,500
2006	210	771,120	78,654,240	0	4,500,000	1,096,200	0	0	0	0	1,096,200	40,000	5,000	45,000	48,342	3,867	262,500
2007	250		126,408,600	3,069,058	4,716,486	1,096,200	0	0	0	0	4,165,258	40,000	5,000	45,000	183,688	14,695	312,500
2008	250	2,528,172	177,646,219	6,260,878	4,500,000	1,305,000	40,000	0	2,164,864	0	7,565,878	40,000	5,000	45,000	333,655	26,692	332,500
2009	250		227,329,855	10,062,125	3,024,486	1,367,781	0	0	2,164,864	0	11,429,906	40,000	5,000	45,000	504,059	40,325	312,500
2010	156	4,546,597	263,499,093	14,140,639	0	1,305,000	40,000	43,297	4,460,486	0	15,445,639	40,792	4,208	45,000	681,153	54,492	215,000
2011	0		263,499,093	18,095,456	0	877,101	0	0	4,460,486	627,811	19,600,368	41,651	3,249	45,000	864,376	69,150	0
2012	0	5,269,982	268,769,075	20,974,528	0	0	0	89,210	4,549,696	627,811	21,602,338	41,931	3,069	45,000	952,663	76,213	0
2013			268,769,075	20,974,528	0	0	0	0	4,549,696	1,293,541	22,268,069	41,993	3,007	45,000	982,022	78,562	
2014		5,375,382	274,144,457	21,394,018	0	0	0	90,994	4,640,690	1,293,541	22,687,559	42,019	2,981	45,000	1,000,521	80,042	
2015			274,144,457	21,394,018	0	0	0	0	4,640,690	1,319,412	22,713,430	41,993	3,007	45,000	1,001,662	80,133	
2016		5,482,689	279,627,346	21,821,899	0	0	0	92,814	4,733,504	1,319,412	23,141,311	42,019	2,981	45,000	1,020,532	81,643	
2017			279,627,346	21,821,899	0	0	0	0	4,733,504	1,345,800	23,167,699	41,992	3,008	45,000	1,021,696	81,736	
2018		5,592,547	285,219,893	22,258,337	0	0	0	94,670	4,828,174	1,345,800	23,604,137	42,018	2,962	45,000	1,040,942	83,275	
2019			285,219,893	22,258,337	0	0	0	0	4,828,174	1,372,716	23,631,053	41,992	3,008	45,000	1,042,129	83,370	
2020		5,704,398	290,924,290	22,703,503	0	0	0	96,563	4,924,737	1,372,716	24,076,220	42,018	2,982	45,000	1,061,761	84,941	
2021			290,924,290	22,703,503	0	0	0	0	4,924,737	1,400,170	24,103,674	41,992	3,008	45,000	1,062,972	85,038	
2022		5,618,486	296,742,776	23,157,574	0	0	0	98,495	5,023,232	1,400,170	24,557,744	42,018	2,982	45,000	1,082,997	86,640	
2023			296,742,776	23,157,574	0	0	0	0	5,023,232	1,428,174	24,585,747	41,992	3,008	45,000	1,084,231	86,739	
2024		5,934,856	302,677,632	23,620,725	0	0	0	100,465	5,123,697	1,428,174	25,048,899	42,018	2,982	45,000	1,104,656	88,373	
2025			302,677,632	23,620,725	0	0	0	0	5,123,697	1,456,737	25,077,462	41,991	3,009	45,000	1,105,916	88,473	
2026		6,053,553	308,731,184	24,093,139	0	0	0	102,474	5,226,171	1,456,737	25,549,877	42,017	2,983	45,000	1,126,750	90,140	
2027			308,731,184	24,093,139	0	0	0	0	5,226,171	1,485,872	25,579,012	41,991	3,009	45,000	1,128,034	90,243	
2028		6,174,624	314,905,808	24,575,002	0	0	0	104,523	5,330,694	1,485,872	26,060,874	42,017	2,983	45,000	1,149,285	91,943	
2029			314,905,808	24,575,002	0	0	0	0	5,330,694	1,515,590	26,090,592	41,991	3,009	45,000	1,150,595	92,048	
2030		6,298,116	321,203,924	25,066,502	0	0	0	106,614	5,437,308	1,515,590	26,582,092	42,017	2,983	45,000	1,172,270	93,782	
2031			321,203,924	25,066,502	0	0	0	0	5,437,308	1,545,901	26,612,404	41,990	3,010	45,000	1,173,607	93,889	
2032		6,424,078	327,628,003	25,567,832	0	0	0	108,746	5,546,054	1,545,901	27,113,734	42,016	2,984	45,000	1,195,716	95,657	
2033			327,628,003	25,567,832	0	0	0	0	5,546,054	1,576,819	27,144,652	41,990	3,010	45,000	1,197,079	95,766	
2034		6,552,560	334,180,563	26,079,189	0	0	0	110,921	5,656,975	1,576,819	27,656,008	42,016	2,984	45,000	1,219,630	97,570	
2035			334,180,563	26,079,189	0	0	0	0	5,656,975	1,608,356	27,687,545	41,990	3,010	45,000	1,221,021	97,682	
2036		6,683,611	340,864,174	26,600,773	0	0	0	113,140	5,770,115	1,608,356	28,209,129	42,016	2,984	45,000	1,244,023	99,522	
2037			340,864,174	26,600,773	0	0	0	0	5,770,115	1,640,523	28,241,296	41,989	3,011	45,000	1,245,441	99,635	
2038		6,817,283	347,681,458	27,132,788	0	0	0	115,402	5,885,517	1,640,523	28,773,311	42,016	2,984	45,000	1,268,903	101,512	
2039			347,681,458	27,132,788	0	0	0	0	5,885,517	1,673,333	28,806,122	41,969	3,011	45,000	1,270,350	101,628	
2040		6,953,629	354,635,087	27,675,444	0	0	0	117,710	6,003,227	1,673,333	29,348,777	42,015	2,985	45,000	1,294,281	103,542	
2041				27,675,444	0	0	0	0	1,706,800	1,706,800	29,382,244	41,989	3,011	45,000	1,295,757	103,661	
2042				28,228,953	0	0	0	0	1,706,800	1,706,800	29,935,753	42,015	2,985	45,000	1,320,167	105,613	
	1,326	98,981,883					8,000	1,586,038						37,852,883	3,028,231	1,697,500	

BLUE LAKE METROPOLITAN DISTRICT#1-3 (Lochbuie)
 Development Projection @ 40 mills for Debt Service
 Ser. 2005 & 2007, 2009 & 2011 Bonds, Non Rated, 30-yr bond maturities

YEAR	H2O R-sou.-ee Fee@		Building Int. Income		less District Operations@		Plus O.verloper Advances		Les.s Ser. 2005		Less Ser. 2007		less Ser. 2009		Len Ser. 2011		Annual Surplus	Cumulat.r. Surplu.s	Debt/ ASS-i+MId Ratio
	\$1.900/SFD unit	\$1.55/SF Comm	M.at.rial5 Fee @1%of	on Cumul. Surplus@	ToQI Available Revenue	less of 560,000 Inft.@1Y.af" m,x S.O mills	O.verloper Advances [repaymt\$]	Net Avail:ible for Debt Svc-	Net Debt Servit;e	Net Debt Servit!	Net.Debt Service	Net.Debt Service	Net.Debt Service	Net.Debt Service					
2003	SO	SO	SO	0	0			0									0	0	n/a
2004	\$0	\$0	\$0	0	0		\$50,000	\$50,000									0	0	n/a
2005	\$819,000	\$0	\$0	0	1,081,500		60,000	1,021,500	SO								1,021,500	1,021,500	r/a
2006	819,000	0	231,336	30,645	1,395,691		61,206	1,334,485	345,000								989,485	2,010,985	420%
2007	975,000	0	235,963	60,330	1,782,175		61,818	1,720,357	425,000	\$0							1,295,357	3,306,342	229%
2008	975,000	62,400	286,526	99,190	2,115,964		62,436	2,053,528	499,000	510,000							1,044,528	4,350,870	122%
2009	975,000	0	305,246	130,526	2,267,656		63,061	2,204,595	532,000	543,800			SO				1,128,795	5,479,665	77%
2010	608,400	62,400	298,102	164,390	2,083,937		63,691	2,020,245	476,625	489,450			\$497,000				557,170	6,036,835	55%
2011	0	0	203,250	181,105	1,317,881		64,328	1,253,553	649,250	612,900	347,200		\$0				(355,797)	5,681,038	40%
2012	0	0	0	170,431	1,199,307		64,971	1,134,336	623,000	591,900	647,200		\$374,500				(1,102,264)	4,578,774	33%
2013				137,363	1,197,947		65,621	1,132,326	596,750	570,900	626,200		374,500				(1,036,024)	3,542,750	29%
2014				106,282	1,186,846		66,277	1,120,568	260,500	274,900	605,200		774,500				(794,532)	2,748,218	28%
2015				82,447	1,164,242		66,940	1,097,302	262,500	273,150	584,200		746,500				(769,048)	1,979,170	28%
2016				59,375	1,161,549		67,610	1,093,940	269,125	276,400	278,200		718,500				(448,285)	1,530,885	27%
2017				45,927	1,149,358		68,286	1,081,072	270,000	274,300	282,150		690,500				(435,878)	1,095,007	27%
2018				32,850	1,157,068		68,968	1,088,100	275,500	277,200	290,750		662,500				(417,850)	677,156	26%
2019				20,315	1,145,814		69,658	1,076,156	275,250	279,750	288,650		234,500				(1,994)	675,163	25%
2020				20,255	1,166,957		70,355	1,096,602	279,625	286,950	291,550		239,500				(1,023)	674,140	24%
2021				20,224	1,168,234		71,058	1,097,176	278,250	288,450	289,100		239,150				2,226	676,366	24%
2022				20,291	1,189,927		71,769	1,118,158	286,500	289,600	296,650		243,800				1,608	677,974	23%
2023				20,339	1,191,309		72,487	1,116,823	283,625	295,400	293,500		248,100				(1,602)	676,172	22%
2024				20,285	1,213,314		73,211	1,140,103	290,375	300,500	300,350		252,050				(3,172)	672,999	21%
2025				20,190	1,214,579		73,944	1,140,636	291,000	299,900	301,500		250,650				(2,414)	670,585	20%
2026				20,118	1,237,007		74,683	1,162,324	295,875	303,950	307,300		254,250				949	671,534	18%
2027				20,146	1,238,423		75,430	1,162,993	294,625	307,300	307,400		257,500				(3,832)	667,703	17%
2028				20,031	1,261,258		76,184	1,185,074	302,625	309,950	317,150		255,400				(51)	667,652	16%
2029				20,030	1,262,672		76,946	1,185,726	304,125	306,900	315,850		263,300				(4,449)	663,203	15%
2030				19,896	1,285,948		77,715	1,208,233	309,500	313,500	324,200		265,500				(4,467)	658,736	13%
2031				19,762	1,287,258		78,493	1,208,765	308,375	314,050	326,500		262,350				(2,510)	656,226	12%
2032				19,687	1,311,060		79,277	1,231,782	311,125	323,900	328,100		274,200				(5,543)	650,683	10%
2033				19,521	1,312,366		80,070	1,232,296	312,375	327,350	324,000		270,000				(1,429)	649,254	8%
2034				19,478	1,336,678		80,871	1,255,807	317,125	329,750	339,550		275,800				(6,418)	642,836	6%
2035				19,285	1,337,987		81,680	1,256,308	0	651,100	333,350		275,900				(4,042)	638,794	4%
2036				19,164	1,362,708		82,496	1,280,212	0	664,000	341,800		280,650				(6,238)	632,556	2%
2037				18,977	1,364,053		83,321	1,280,732	0	663,400	343,850		279,700				(6,218)	626,337	0%
2038				18,790	1,389,205		84,155	1,305,051	0	0	1,024,850		283,400				(3,199)	623,138	0%
2039				18,694	1,390,672		84,996	1,305,676	0	0	1,027,200		281,400				(2,924)	620,214	0%
2040				18,606	1,416,430		85,846	1,330,584	0	0	0		1,334,050				(3,468)	616,748	0%
2041				18,502	1,417,920		86,705	1,331,215	0	0	0		1,337,500				(6,285)	610,463	0%
2042				18,314	1,444,094		87,572	1,356,522	0	0	0		0				1,356,522	1,966,986	0%
	5,171,400	124,800	1,560,422	1,771,760	51,206,996	2,834,135	50,000	48,422,861	10,224,625	11,550,600	11,153,300	9,547,200	1,966,986						

BLUE LAKE METROPOLITAN DISTRICT #1-3 (Lochbuie)

Development Projection - Buildout Plan (updated 214104)

YEAR	Residential					Residential Summary				Commercial					GRAND TOTAL Commercial Market Value	Total Commercial Sq Ft	Annual Market Value +/- of Platted & Developed Lots
	Single Family: Dwellings					Total Residential Market Value	Total SFO Fee Units	Total Res'l Units	Commercial								
	# Lots Developed	Incr/(Decr) in Finished Lot		Price					SF Developed	Incr/(Decr) in Finished Lot		Square Ft Completed B0,000	per Sq Ft. Inhabited@ 2%	Market Value			
		Value@ 10%	1,326 Units Completed	Inflated@ 2%	Market Value					Value@ 10%	Completed						
2002		\$0			\$0		0	0	0	0		\$0	0	0	0		
2003	0	\$0			\$0		0	0	0	0		0	0	0	0		
2004	210	\$3,780,000	0	\$180,000	\$0		0	0	0	0		\$50.00	0	0	3,780,000		
2005	210	0	210	183,600	38,556,000		210	210	0	0		51.00	0	0	0		
2006	250	720,000	210	187,272	39,327,120		210	210	0	0		52.02	0	0	720,000		
2007	250	0	250	191,017	47,754,360		250	250	40,000	216,486		53.06	0	0	216,486		
2008	250	0	250	194,838	48,709,447		250	250	0	(216,486)	40,000	54.12	2,164,864	40,000	(216,486)		
2009	156	(1,692,000)	250	198,735	49,683,636		250	250	40,000	216,486		55.20	0	0	(1,475,514)		
2010	0	(2,808,000)	156	202,709	31,622,641		156	156	0	(216,486)	40,000	56.31	2,252,325	40,000	(3,024,486)		
2011	0	0		206,763	0		0	0		0		57.43	0	0	0		
2012		0		210,899	0		0	0		0		58.58	0	0	0		
	1,326	(0)	1,326	255,653,204	255,653,204		1,326	1,326	80,000	0	80,000		4,417,189	4,417,189	80,000	(0)	

SOURCES AND USES OF FUNDS

**BLUE LAKE METROPOLITAN DISTRICT #1-3 (LOCHBUIE)
SERIES 2005 G.O. BONDS
Non-Rated Bonds, 30-yr maturity**

Dated Date 12/01/2005
Delivery Date 12/01/2005

Sources:

Bond Proceeds:	
Par Amount	4,600,000.00
	<hr/>
	4,600,000.00

Uses:

Project Fund Deposits:	
Project Funds	4,416,000.00
Delivery Date Expenses:	
Costs of Issuance	184,000.00
	<hr/>
	4,600,000.00

BOND DEBT SERVICE
BLUE LAKE METROPOLITAN DISTRICT #1-3 (LOCHBUIE)
SERIES 2005 G.O. BONDS
Non-Rated Bonds, 30-yr maturity

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
12/01/2005					
06/01/2006			172,500.00	172,500.00	
12/01/2006			172,500.00	172,500.00	345,000
06/01/2007			172,500.00	172,500.00	
12/01/2007	80,000	7.500%	172,500.00	252,500.00	425,000
06/01/2008			169,500.00	169,500.00	
12/01/2008	160,000	7.500%	169,500.00	329,500.00	499,000
06/01/2009			163,500.00	163,500.00	
12/01/2009	205,000	7.500%	163,500.00	368,500.00	532,000
06/01/2010			155,812.50	155,812.50	
12/01/2010	165,000	7.500%	155,812.50	320,812.50	476,625
06/01/2011			149,625.00	149,625.00	
12/01/2011	350,000	7.500%	149,625.00	499,625.00	649,250
06/01/2012			136,500.00	136,500.00	
12/01/2012	350,000	7.500%	136,500.00	486,500.00	623,000
06/01/2013			123,375.00	123,375.00	
12/01/2013	350,000	7.500%	123,375.00	473,375.00	596,750
06/01/2014			110,250.00	110,250.00	
12/01/2014	40,000	7.500%	110,250.00	150,250.00	260,500
06/01/2015			108,750.00	108,750.00	
12/01/2015	45,000	7.500%	108,750.00	153,750.00	262,500
06/01/2016			107,062.50	107,062.50	
12/01/2016	55,000	7.500%	107,062.50	162,062.50	269,125
06/01/2017			105,000.00	105,000.00	
12/01/2017	60,000	7.500%	105,000.00	165,000.00	270,000
06/01/2018			102,750.00	102,750.00	
12/01/2018	70,000	7.500%	102,750.00	172,750.00	275,500
06/01/2019			100,125.00	100,125.00	
12/01/2019	75,000	7.500%	100,125.00	175,125.00	275,250
06/01/2020			97,312.50	97,312.50	
12/01/2020	85,000	7.500%	97,312.50	182,312.50	279,625
06/01/2021			94,125.00	94,125.00	
12/01/2021	90,000	7.500%	94,125.00	184,125.00	278,250
06/01/2022			90,750.00	90,750.00	
12/01/2022	105,000	7.500%	90,750.00	195,750.00	286,500
06/01/2023			86,812.50	86,812.50	
12/01/2023	110,000	7.500%	86,812.50	196,812.50	283,625
06/01/2024			82,687.50	82,687.50	
12/01/2024	125,000	7.500%	82,687.50	207,687.50	290,375
06/01/2025			78,000.00	78,000.00	
12/01/2025	135,000	7.500%	78,000.00	213,000.00	291,000
06/01/2026			72,937.50	72,937.50	
12/01/2026	150,000	7.500%	72,937.50	222,937.50	295,875
06/01/2027			67,312.50	67,312.50	
12/01/2027	160,000	7.500%	67,312.50	227,312.50	294,625
06/01/2028			61,312.50	61,312.50	
12/01/2028	180,000	7.500%	61,312.50	241,312.50	302,625
06/01/2029			54,562.50	54,562.50	
12/01/2029	195,000	7.500%	54,562.50	249,562.50	304,125
06/01/2030			47,250.00	47,250.00	
12/01/2030	215,000	7.500%	47,250.00	262,250.00	309,500
06/01/2031			39,187.50	39,187.50	
12/01/2031	230,000	7.500%	39,187.50	269,187.50	308,375
06/01/2032			30,562.50	30,562.50	
12/01/2032	250,000	7.500%	30,562.50	280,562.50	311,125
06/01/2033			21,187.50	21,187.50	
12/01/2033	270,000	7.500%	21,187.50	291,187.50	312,375
06/01/2034			11,062.50	11,062.50	
12/01/2034	295,000	7.500%	11,062.50	306,062.50	317,125
	4,600,000		5,624,625.00	10,224,625.00	10,224,625

SOURCES AND USES OF FUNDS

**BLUE LAKE METROPOLITAN DISTRICT #1-3 (LOCHBUIE)
SERIES 2007 G.O. BONDS
Non-Rated Bonds, 30-yr maturity**

Dated Date 12/01/2007
Delivery Date 12/01/2007

Sources:

Bond Proceeds:	
Par Amount	5,000,000.00
	<hr/>
	5,000,000.00

Uses:

Project Fund Deposits:	
Project Funds	4,800,000.00
Delivery Date Expenses:	
Costs of Issuance	200,000.00
	<hr/>
	5,000,000.00

BOND DEBT SERVICE
BLUE LAKE METROPOLITAN DISTRICT #1-3 (LOCHBUIE)
SERIES 2007 G.O. BONDS
Non-Rated Bonds, 30-yr maturity

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
12/01/2007					
06/01/2008			175,000	175,000	
12/01/2008	160,000	7.000%	175,000	335,000	510,000
06/01/2009			169,400	169,400	
12/01/2009	205,000	7.000%	169,400	374,400	543,800
06/01/2010			162,225	162,225	
12/01/2010	165,000	7.000%	162,225	327,225	489,450
06/01/2011			156,450	156,450	
12/01/2011	300,000	7.000%	156,450	456,450	612,900
06/01/2012			145,950	145,950	
12/01/2012	3,00,000	7.000%	145,950	445,950	591,900
06/01/2013			135,450	135,450	
12/01/2013	300,000	7.000%	135,450	435,450	570,900
06/01/2014			124,950	124,950	
12/01/2014	25,000	7.000%	124,950	149,950	274,900
06/01/2015			124,075	124,075	
12/01/2015	25,000	7.000%	124,075	149,075	273,150
06/01/2016			123,200	123,200	
12/01/2016	30,000	7.000%	123,200	153,200	276,400
06/01/2017			122,150	122,150	
12/01/2017	30,000	7.000%	122,150	152,150	274,300
06/01/2018			121,100	121,100	
12/01/2018	35,000	7.000%	121,100	156,100	277,200
06/01/2019			119,875	119,875	
12/01/2019	40,000	7.000%	119,875	159,875	279,750
06/01/2020			118,475	118,475	
12/01/2020	50,000	7.000%	118,475	168,475	286,950
06/01/2021			116,725	116,725	
12/01/2021	55,000	7.000%	116,725	171,725	288,450
06/01/2022			114,800	114,800	
12/01/2022	60,000	7.000%	114,800	174,800	289,600
06/01/2023			112,700	112,700	
12/01/2023	70,000	7.000%	112,700	182,700	295,400
06/01/2024			110,250	110,250	
12/01/2024	80,000	7.000%	110,250	190,250	300,500
06/01/2025			107,450	107,450	
12/01/2025	85,000	7.000%	107,450	192,450	299,900
06/01/2026			104,475	104,475	
12/01/2026	95,000	7.000%	104,475	199,475	303,950
06/01/2027			101,150	101,150	
12/01/2027	105,000	7.000%	101,150	206,150	307,300
06/01/2028			97,475	97,475	
12/01/2028	115,000	7.000%	97,475	212,475	309,950
06/01/2029			93,450	93,450	
12/01/2029	120,000	7.000%	93,450	213,450	306,900
06/01/2030			89,250	89,250	
12/01/2030	135,000	7.000%	89,250	224,250	313,500
06/01/2031			84,525	84,525	
12/01/2031	145,000	7.000%	84,525	229,525	314,050
06/01/2032			79,450	79,450	
12/01/2032	165,000	7.000%	79,450	244,450	323,900
06/01/2033			73,675	73,675	
12/01/2033	180,000	7.000%	73,675	-253,675	327,350
06/01/2034			67,375	67,375	
12/01/2034	195,000	7.000%	67,375	262,375	329,750
06/01/2035			60,550	60,550	
12/01/2035	530,000	7.000%	60,550	590,550	651,100
06/01/2036			42,000	42,000	
12/01/2036	580,000	7.000%	42,000	622,000	664,000
06/01/2037			21,700	21,700	
12/01/2037	620,000	7.000%	21,700	641,700	663,400
	5,000,000		6,550,600	11,550,600	11,550,600

SOURCES AND USES OF FUNDS

**BLUE LAKE METROPOLITAN DISTRICT #1-3 (LOCHBUIE)
SERIES 2009 G.O. BONDS
Non-Rated Bonds, 30-yr maturity**

Dated Date 12/01/2009
Delivery Date 12/01/2009

Sources:

Bond Proceeds:	
Par Amount	5,100,000.00
	<hr/>
	5,100,000.00

Uses:

Project Fund Deposits:	
Project Funds	4,896,000.00
Delivery Date Expenses:	
Costs of Issuance	204,000.00
	<hr/>
	5,100,000.00

BOND DEBT SERVICE
BLUE LAKE METROPOLITAN DISTRICT #1-3 (LOCHBUIE)
SERIES 2009 G.O. BONDS
Non-Rated Bonds, 30-yr maturity

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
12/01/2009					
06/01/2010			178,500	178,500	
12/01/2010	140,000	7.000%	178,500	318,500	497,000
06/01/2011			173,600	173,600	
12/01/2011			173,600	173,600	347,200
06/01/2012			173,600	173,600	
12/01/2012	300,000	7.000%	173,600	473,600	647,200
06/01/2013			163,100	163,100	
12/01/2013	300,000	7.000%	163,100	463,100	626,200
06/01/2014			152,600	152,600	
12/01/2014	300,000	7.000%	152,600	452,600	605,200
06/01/2015			142,100	142,100	
12/01/2015	300,000	7.000%	142,100	442,100	584,200
06/01/2016			131,600	131,600	
12/01/2016	15,000	7.000%	131,600	146,600	278,200
06/01/2017			131,075	131,075	
12/01/2017	20,000	7.000%	131,075	151,075	282,150
06/01/2018			130,375	130,375	
12/01/2018	30,000	7.000%	130,375	160,375	290,750
06/01/2019			129,325	129,325	
12/01/2019	30,000	7.000%	129,325	159,325	288,650
06/01/2020			128,275	128,275	
12/01/2020	35,000	7.000%	128,275	163,275	291,550
06/01/2021			127,050	127,050	
12/01/2021	35,000	7.000%	127,050	162,050	289,100
06/01/2022			125,825	125,825	
12/01/2022	45,000	7.000%	125,825	170,825	296,650
06/01/2023			124,250	124,250	
12/01/2023	45,000	7.000%	124,250	169,250	293,500
06/01/2024			122,675	122,675	
12/01/2024	55,000	7.000%	122,675	177,675	300,350
06/01/2025			120,750	120,750	
12/01/2025	60,000	7.000%	120,750	180,750	301,500
06/01/2026			118,650	118,650	
12/01/2026	70,000	7.000%	118,650	188,650	307,300
06/01/2027			116,200	116,200	
12/01/2027	75,000	7.000%	116,200	191,200	307,400
06/01/2028			113,575	113,575	
12/01/2028	90,000	7.000%	113,575	203,575	317,150
06/01/2029			110,425	110,425	
12/01/2029	95,000	7.000%	110,425	205,425	315,850
06/01/2030			107,100	107,100	
12/01/2030	110,000	7.000%	107,100	217,100	324,200
06/01/2031			103,250	103,250	
12/01/2031	120,000	7.000%	103,250	223,250	326,500
06/01/2032			99,050	99,050	
12/01/2032	130,000	7.000%	99,050	229,050	328,100
06/01/2033			94,500	94,500	
12/01/2033	135,000	7.000%	94,500	229,500	324,000
06/01/2034			89,775	89,775	
12/01/2034	160,000	7.000%	89,775	249,775	339,550
06/01/2035			84,175	84,175	
12/01/2035	165,000	7.000%	84,175	249,175	333,350
06/01/2036			78,400	78,400	
12/01/2036	185,000	7.000%	78,400	263,400	341,800
06/01/2037			71,925	71,925	
12/01/2037	200,000	7.000%	71,925	271,925	343,850
06/01/2038			64,925	64,925	
12/01/2038	895,000	7.000%	64,925	959,925	1,024,850
06/01/2039			33,600	33,600	
12/01/2039	960,000	7.000%	33,600	993,600	1,027,200
	5,100,000		7,080,500	12,180,500	12,180,500

SOURCES AND USES OF FUNDS

**BLUE LAKE METROPOLITAN DISTRICT #1-3 (LOCHBUIE)
SERIES 2011 G.O. BONDS
Non-Rated Bonds, 30-yr maturity**

Dated Date 1210112011
Delivery Date 1210112011

Sources:

Bond Proceeds:	
Par Amount	5,350,000.00
	<hr/>
	5,350,000 00

Uses:

Project Fund Deposits:	
Project Funds	5,136,000.00
Delivery Date Expenses:	
Costs of Issuance	214,000.00
	<hr/>
	5,350,000.00

BOND DEBT SERVICE
 BLUE LAKE METROPOLITAN DISTRICT #1-3 (LOCHBUIE)
 SERIES 2011 G.O. BONDS
 Non-Rated Bonds, 30-yr maturity

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
12/01/2011					
06/01/2012			187,250	187,250	
12/01/2012			187,250	187,250	374,500
06/01/2013			187,250	187,250	
12/01/2013			187,250	187,250	374,500
06/01/2014			187,250	187,250	
12/01/2014	400,000	7.000%	187,250	587,250	774,500
06/01/2015			173,250	173,250	
12/01/2015	400,000	7.000%	173,250	573,250	746,500
06/01/2016			159,250	159,250	
12/01/2016	4,000,000	7.000%	159,250	559,250	718,500
06/01/2017			145,250	145,250	
12/01/2017	400,000	7.000%	145,250	545,250	690,500
06/01/2018			131,250	131,250	
12/01/2018	400,000	7.000%	131,250	531,250	662,500
06/01/2019			117,250	117,250	
12/01/2019			117,250	117,250	234,500
06/01/2020			117,250	117,250	
12/01/2020	5,000	7.000%	117,250	122,250	239,500
06/01/2021			117,075	117,075	
12/01/2021	5,000	7.000%	117,075	122,075	239,150
06/01/2022			116,900	116,900	
12/01/2022	10,000	7.000%	116,900	126,900	243,800
06/01/2023			116,550	116,550	
12/01/2023	15,000	7,000%	116,550	131,550	248,100
06/01/2024			116,025	116,025	
12/01/2024	20,000	7.000%	116,025	136,025	252,050
06/01/2025			115,325	115,325	
12/01/2025	20,000	7.000%	115,325	135,325	250,650
06/01/2026			114,625	114,625	
12/01/2026	25,000	7.000%	114,625	139,625	254,250
06/01/2027			113,750	113,750	
12/01/2027	30,000	7.000%	113,750	143,750	257,500
06/01/2028			112,700	112,700	
12/01/2028	30,000	7.000%	112,700	142,700	255,400
06/01/2029			111,650	111,650	
12/01/2029	40,000	7.000%	111,650	151,650	263,300
06/01/2030			110,250	110,250	
12/01/2030	45,000	7.000%	110,250	155,250	265,500
06/01/2031			108,675	108,675	
12/01/2031	45,000	7.000%	108,675	153,675	262,350
06/01/2032			107,100	107,100	
12/01/2032	60,000	7.000%	107,100	167,100	274,200
06/01/2033			105,000	105,000	
12/01/2033	60,000	7.000%	105,000	165,000	270,000
06/01/2034			102,900	102,900	
12/01/2034	70,000	7.000%	102,900	172,900	275,800
06/01/2035			100,450	100,450	
12/01/2035	75,000	7.000%	100,450	175,450	275,900
06/01/2036			97,825	97,825	
12/01/2036	85,000	7.000%	97,825	182,825	280,650
06/01/2037			94,850	94,850	
12/01/2037	90,000	7.000%	94,850	-184,850	279,700
06/01/2038			91,700	91,700	
12/01/2038	100,000	7.000%	91,700	191,700	283,400
06/01/2039			88,200	88,200	
12/01/2039	105,000	7.000%	88,200	193,200	281,400
06/01/2040			84,525	84,525	
12/01/2040	1,165,000	7.000%	84,525	1,249,525	1,334,050
06/01/2041			43,750	43,750	
12/01/2041	1,250,000	7.000%	43,750	1,293,750	1,337,500
	5,350,000		7,150,150	12,500,150	12,500,150

EXHIBIT I

Resolution of Approval

**RESOLUTION OF THE BOARD OF TRUSTEES,
TOWN OF LOCHBUIE, COLORADO,
APPROVING THE ORGANIZATION OF
BLUE LAKE METROPOLITAN DISTRICT NO. 2**

WHEREAS, Section 32-1-204.5(1) of the Colorado Revised Statutes, provides that no special district shall be organized if located wholly within the boundaries of a municipality, except upon adoption of a resolution approving the Service Plan of the proposed special district;

WHEREAS, a Service Plan has been submitted to the Board of Trustees for the proposed Blue Lake Metropolitan District No. 2 (the "District") pursuant to part 2, article I, title 32, C.R.S.;

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

WHEREAS, the Board of Trustees of the Town of Lochbuie has conducted a public hearing on the Service Plan for the proposed District.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE TOWN OF LOCHBUIE, COLORADO:

Section I. Findings.

The Town of Lochbuie, by and through its Board of Trustees, makes the following findings:

- a. Adequate service is not, and will not, be available to the area to be served by the District through the Town of Lochbuie or other existing special districts within a reasonable time and on a comparable basis;
- b. The facility and service standards of the proposed District are compatible with the facility and service standards of the Town of Lochbuie;
- c. There is sufficient existing and projected need for organized service in the area to be serviced by the proposed District;
- d. The existing service in the area to be served by the proposed District is inadequate for present and projected needs;
- e. The proposed District is capable of providing economical and sufficient service to the area within its proposed boundaries;
- f. The area included within the proposed District has or will have the financial ability to discharge the proposed indebtedness on a reasonable basis;
- g. The proposal is in compliance with any duly adopted county, regional or state long-range water quality management plan for the area; and

- h. The creation of the proposed District will be in the best interest of the area proposed to be served.

Section 2. Approval.

The Service Plan for the Blue Lake Metropolitan District No. 2 is hereby approved.

RESOLVED this ____ day of ____ , 2004.

BOARD OF TRUSTEES OF THE TOWN
OF LOCHBUIE, COLORADO

By: _____
Mayor

ATTEST:

By: _____
Clerk