

CONSOLIDATED SERVICE PLAN

BATTLE NORTH METROPOLITAN DISTRICT NOS. 1-4

TOWN OF MINTURN, COLORADO

Prepared by:



2154 East Commons Avenue, Suite 2000
Centennial, Colorado 80122
(303) 858-1800

Approved: _____

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LIST OF EXHIBITS

EXHIBIT A Legal Descriptions and Boundary Maps
 A-1 Initial District Boundary Map and Legal Descriptions
 A-2 Inclusion Area Boundary Map and Legal Description

EXHIBIT B Restricted Parcels

EXHIBIT BC Capital Cost Description and Estimate/Proforma Operating Budget

EXHIBIT CD Financial Plan

EXHIBIT DE Town Resolution of Approval (Certified Resolution to be inserted)

EXHIBIT EF Town/District Intergovernmental Agreement

I. INTRODUCTION

A. Purpose and Intent.

The Districts are independent units of local government, separate and distinct from the Town of Minturn and, except as may otherwise be provided for by state or local law or this Service Plan, their activities are subject to review by the Town if they deviate in a material way from the requirements of this Service Plan. It is intended that the Districts will provide a part or all of the various Public Improvements necessary and appropriate for the development of the Project within the Town. The Public Improvements will be constructed for the use and benefit of all anticipated inhabitants and taxpayers of the Districts and the general public, subject to such policies, rules and regulations as may be permitted under applicable law. The primary purpose of the Districts will be to finance the construction of these Public Improvements and to provide ongoing operations and maintenance as specifically set forth in this Service Plan.

B. Need for the Districts.

There are currently no other governmental entities, including the Town, located in the immediate vicinity of the Districts that have the means or desire to undertake the planning, design, acquisition, construction, installation, relocation, and financing of the Public Improvements needed for the Project. Formation of the Districts is necessary in order for the Public Improvements required for the Project to be provided in the most economic manner possible.

C. Objective of the Town Regarding Districts' Service Plan.

The Town's objective in approving the Service Plan for the Districts is to authorize the Districts, in accordance with this Service Plan and the Intergovernmental Agreement, to provide for the financing, planning, design, acquisition, construction, installation and relocation of the Public Improvements from the proceeds of Debt to be issued by the Districts, and for maintenance of certain Public Improvements. All Debt is expected to be repaid by taxes imposed and collected at a tax mill levy no higher than the Maximum Debt Mill Levy and from other legally available revenues. Debt, which is issued within these parameters and as further described in the Financial Plan, will insulate property owners from excessive tax burdens to support the servicing of the Debt and will result in a timely and reasonable discharge of the Debt. Under no circumstances is the Town agreeing or undertaking to be financially responsible for the Debt or the construction of Public Improvements.

The Districts shall be authorized to finance the Public Improvements that can be funded from Debt to be repaid from tax revenues collected from a mill levy which shall not exceed the Maximum Debt Mill Levy and the Maximum Debt Mill Levy Term, together with other legally available revenues.

II. DEFINITIONS

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

Affordable Housing Units: means those certain residential units within the Project subject to certain restrictions related to the provision of affordable housing as required by the Town Code.

Approved Development Plan: means a recorded plat, PUD, subdivision improvement agreement, or other development agreement between the Developer and the Town.

Board: means the Board of Directors of each District.

Bond, Bonds or Debt: means bonds, notes or other multiple-fiscal year financial obligations for the payment of which a District has promised to impose an *ad valorem* tax or has pledged Fees or other revenue source(s), not subject to annual appropriation.

C.R.S.: means the Colorado Revised Statutes.

Developer: means a person or entity that is the owner or a contract purchaser of the property in the Service Area that intends to develop the property.

Developer Debt: means any Debt that is issued by a District to a member of the Board of the District or to an entity with respect to which a member of the Board of the District must make disclosure under § 24-18-109, C.R.S. Developer Debt shall be in conformance with the limitations as set forth in § 32-1-1101(7), C.R.S.

District: means any one of the Battle North Metropolitan District Nos. 1-4, governed by this Service Plan.

District Boundaries: means the boundaries of the area legally described and depicted in Exhibit A-1 attached hereto and incorporated by reference, and any additional area included within any of the Districts after organization.

District Boundary Map: means the map of the initial District Boundaries in Exhibit A-1, attached hereto and incorporated herein by reference, as amended by the inclusion or exclusion of any property to or from the District Boundaries.

End User: means any owner, or tenant of any owner, of any property within a District, who may thereby become eligible to serve on the Board of Directors of a District.

External Municipal Advisor: means a Municipal Advisor that: (i) advises Colorado governmental entities on matters relating to the issuance of securities by Colorado governmental entities, including matters such as the pricing, sales and marketing of such securities and the procuring of bond ratings, credit enhancement and insurance in respect of such securities; (ii) is not an officer or employee of the District; (iii) does not have any financial relationship with the Developer beyond providing the External Municipal Advisor Certificate; and (iv) has not been otherwise engaged to provide services in connection with the transaction related to the applicable Debt.

External Municipal Advisor Certificate: means a statement of a registered External Municipal Advisor as to any Developer Debt instrument certifying that the interest rate of such Developer Debt does not exceed the rate as set forth in § 32-1-1101(7), C.R.S., as may be amended from time to time.

Fees: means any fee imposed by a District for services, programs or facilities provided by the Districts. In accordance with law, the amount of any Fee shall be reasonably related to the cost of providing the services for which such Fee is imposed.

Financial Plan: means the Financial Plan found in Section VI and Exhibit ~~C~~D of this Service Plan, which describes the following, based on current estimates which will change based on market conditions and subject to the limitations and requirements of this Service Plan: (i) how the Public Improvements are to be financed; (ii) how the Debt is expected to be incurred; and (iii) repayment of Debt derived from property tax revenues. Any change to the Financial Plan, within the limitations of this Service Plan, shall not constitute a material modification of this Service Plan.

Inclusion Area Boundaries: means the boundaries of the property that is anticipated to be added to the District Boundaries after the Districts' organization, which property is legally described in and depicted on the map attached hereto in Exhibit A-2 and incorporated herein by reference.

Maximum Debt Authorization: means the total Debt the Districts are permitted to issue as set forth in Section V.B.7 below.

Maximum Debt Mill Levy: means the maximum mill levy each District is permitted to impose for payment of Debt as set forth in Section VI.C below.

Maximum Debt Mill Levy Term: means the maximum term of any Bond issuance as set forth in Section VI.C below.

Municipal Advisor: means any person (who is not a municipal entity or an employee of a municipal entity) that provides advice to or on behalf of a municipal entity with respect to municipal financial products or the issuance of municipal securities, or that undertakes a solicitation of a municipal entity. Said person shall be registered under Section 15B of the Securities Exchange Act of 1934, as amended from time to time.

Project: means the development of the property commonly referred to as Battle North and as shown on the initial District Boundary Map and the depiction of the Inclusion Area.

Public Improvements: means those improvements permitted under the Special District Act and which are specifically authorized by this Service Plan, as set forth in Section V of this Service Plan and generally described in Exhibit ~~B~~C, subject to any limitations established in this Service Plan and limitations or requirements set forth in Approved Development

Plans addressing public infrastructure required for the Project .

Reservoir Agreement: means that certain Agreement Pertaining to Acquisition for Bolts Lake Reservoir by and among ERWSD and Battle North, dated as of February 9, 2021.

Restricted Parcels: means those parcels depicted as such in Exhibit B attached hereto and incorporated by reference that are or will be subject to restrictive covenants, including but not limited to covenants relative to environmental conditions present on the same, imposed for the benefit of the Town.

Service Area: means the property located within the District Boundaries and the property in the Inclusion Area, when added in whole or in part, to a District as shown on the District Boundary Map.

Service Plan: means this service plan for the Districts as approved by the Town Council.

Service Plan Amendment: means a material modification to the Service Plan approved by the Town Council in accordance with Section 32-1-207(2), C.R.S.

Special District Act or Act: means Sections 32-1-101, *et seq.*, of the Colorado Revised Statutes, as amended.

State: means the State of Colorado.

TABOR: means Article X, Section 20 of the Colorado Constitution.

Taxable Property: means the real and personal property within the District Boundaries that will be subject to the ad valorem property taxes imposed by ~~the a~~ District.

Town: means the Town of Minturn, Colorado.

Town Code: means the Town's Home Rule Charter, Municipal Code, and ordinances, as amended.

Town Council: means the Town Council the Town of Minturn, Colorado.

III. BOUNDARIES

The legal descriptions and diagrams of the property located within the initial District Boundaries are attached hereto as Exhibit A-1 and the legal description and diagram of the property located within the Inclusion Area Boundaries is attached hereto as Exhibit A-2.

IV. PROPOSED LAND USE/POPULATION PROJECTIONS/ASSESSED VALUATION

The Project area consists of approximately three hundred and four (304) acres of land. As shall be more particularly described in an Approved Development Plan, the Project is anticipated to be developed with a mix of residential and commercial uses. In total, approximately two hundred and twenty-five (225) to two hundred and fifty (250) residential units and fifty thousand (50,000) square feet of commercial would be allowed, as well as a destination spa facility. The current assessed valuation of the initial District Boundaries is Zero Dollars (\$0). The estimated full-time population within the District Boundaries at build out is expected to be approximately three hundred and ten (310) to three hundred and forty-five (345) persons, based on an estimated 2.3 persons per residence and with sixty percent (60%) of the residential units assumed to be primary residences.

V. DESCRIPTION OF PROPOSED POWERS, IMPROVEMENTS, SERVICES AND LIMITATIONS

A. Powers of the Districts.

—The Districts shall have the power and authority to finance, plan, design, acquire, construct, install, and/or relocate the following types of Public Improvements as more fully described in Exhibit BC, hereto, the Capital Cost Description and Estimate. Approval of this Service Plan by the Town does not imply approval of any development plan for real property located within the District Boundaries.

1. Streets. The design, acquisition, installation, construction, operation, maintenance of street and roadway improvements, including but not limited to curbs, gutters, culverts, and other drainage facilities, underground conduits, sidewalks, trails, public parking lots, structures and facilities, paving, lighting, grading, landscaping, bike paths and pedestrian ways, pedestrian overpasses, retaining walls, fencing, entry monumentation, streetscaping, bridges, interchanges, median islands, irrigation, and a safety protection system through traffic and safety controls and devices on streets and highways, signalization, signing and striping, area identification, driver information and directional assistance signs, together with all necessary, incidental, and appurtenant facilities, equipment, land and easements and extensions of and improvements to such facilities.

2. Irrigation Water and Water Distribution System. The design, acquisition, installation, construction, operation, and maintenance of a raw water irrigation system and a potable water distribution system, including but not limited to a water pumps, water lines, water features, pump stations, sediment traps, transmission lines, distribution mains and laterals, fire hydrants, meters, water taps, irrigation facilities, headgates, drop structures, storage tanks and facilities, together with all necessary, incidental and appurtenant facilities, equipment, land, easements, and extensions of and improvements to such facilities.

3. Potable Water System. In accordance with the Reservoir Agreement, Eagle River Water and Sanitation District shall undertake the operation and maintenance of a potable water treatment plant and surface water intake, together with such water pumps, water lines, sediment traps, pump stations, headgates, drop structures, storage tanks and facilities, together with all necessary, incidental and appurtenant facilities, equipment, land, easements, and extensions of and improvements to such facilities. In accordance with the Reservoir Agreement, the Districts may finance the potable water system as described in this paragraph.

4. Storm and Sanitary Sewer. The design, acquisition, installation, construction, operation and maintenance of a sanitation system which may consist of storm or sanitary sewers, or both, flood and surface drainage, treatment and disposal works and facilities, and waste services, and all necessary or proper equipment and appurtenances incident thereto, including but not limited to, collection mains and laterals, lift stations, transmission lines, reuse and disposal facilities, and/or storm sewer, flood and surface drainage facilities and systems, including detention/retention ponds, box culverts and associated irrigation facilities, equipment, land, easements and sewer taps, and extensions of and improvements to such facilities.

5. Parks, Recreation, and Open Space. The design, acquisition, installation, construction, operation and maintenance of public park and recreation facilities or programs including but not limited to community parks, bike paths and pedestrian ways, fencing, trails, regional trails, fields, tot lots, open space, cultural activities, common areas, community recreation centers, tennis courts, outdoor lighting, event facilities, irrigation facilities, lakes, water bodies, swimming pools, public fountains and sculptures, art, gardens, landscaping, weed control, and other active and passive recreational facilities, improvements and programs, together with all necessary, incidental, and appurtenant facilities, equipment, land, easements and extensions of and improvements to such facilities. The foregoing includes providing for the maintenance, operation, reporting, and other activities necessary to comply with any requirements imposed by the Environmental Protection Agency and/or the Colorado Department of Public Health and Environment relative to ~~certain open space parcels that are or will be subject to restrictive covenants relative to environmental conditions present on the same~~any Restricted Parcels that are owned by any one of the Districts. All public park and recreation facilities owned by any District shall be open to the general public, subject to the rules and regulations of the applicable District, as adopted from time to time.

B. Limitations on Service Plan Powers.

The powers of the Districts enumerated in this Service Plan shall be subject to the following limitations

1. Operations and Maintenance Limitation. The primary purpose of the Districts is to finance the planning, design, acquisition, construction and installation of the Public Improvements. The Districts shall be authorized to operate and maintain those

Public Improvements not dedicated to the Town or other governmental entity. The Districts shall not have the authority to operate and maintain the potable water treatment plant and surface water intake. The Districts shall not have the authority to enforce private covenants (e.g. declaration of covenants for a homeowners association and architectural control covenants) or Town zoning code provisions. Notwithstanding the above, nothing herein shall be deemed to prevent or prohibit any District from enforcing or complying with any covenants, restrictions, or requirements on any Restricted Parcel in such District's capacity as the owner of the same in relation to any Restricted Parcel which is owned by such District, including any requirements imposed by the Environmental Protection Agency and/or the Colorado Department of Public Health and Environment relative to the Restricted Parcel. The Districts shall not provide services that duplicate services provided by the Town without the approval of Town Council.

2. Construction Standards Limitation. The Public Improvements shall be designed and constructed in accordance with the standards and specifications of the Town or of another governmental entity having proper jurisdiction, as applicable. The Public Improvements to be dedicated to the Town will be subject to the applicable warranty and security requirements imposed by the Town on all construction projects. In accordance with an Approved Development Plan, the Districts shall obtain the Town's approval of civil engineering plans for any Public Improvements being constructed by the Districts, and shall obtain applicable permits for construction and installation of all such Public Improvements prior to performing such work.

3. Funding Limitation. The funding of any Public Improvements other than those related to the types of Public Improvements authorized herein, shall be deemed a material modification of this Service Plan under Section 32-1- 207(2), C.R.S.

4. Issuance of Developer Debt. Prior to the issuance of any Developer Debt, the District issuing such Developer Debt shall obtain an External Municipal Advisor Certificate.

5. Inclusion/Exclusion Limitation. No property shall be included into any District until such time as the property to be included has been subjected to an approved final plat, unless consented to by the Town Council. Except for the property within the Inclusion Area Boundaries, no District shall include additional property within its boundaries without the prior written consent of the Town Council⁴.

6. Affordable Housing. The Town Code sets forth a purpose and intent to increase affordable housing choices for year-round residents and to preserve a balance between second homeowners and locals. Per the Town Code, a certain number of residential units within the Project must meet the Town's requirements for affordable housing. In order to align with the purpose and intent set forth in the Town Code relative to affordable housing, Affordable Housing Units may only be included into District No. 4, and may not be included into any of District Nos. 1 through 3.

7. Maximum Debt Authorization. The Districts, in the aggregate, shall not issue Debt in excess of Sixty-Two Million Dollars (\$62,000,000), including costs of issuance thereof, initial capitalized interest, and initial funding of any required reserve or surplus funds related to any such Debt; provided, however, any Debt that is issued (i) to pay, defease, or refund previously issued Debt, or (ii) is an intergovernmental agreement(s) among the Districts providing for a multiple fiscal year pledge of revenues to or among the Districts to provide revenues to support Debt issued by any District shall not count against this limit. The Districts may issue Debt on a schedule and in such year or years as the Districts determine and phased to serve development as it occurs.

8. 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 non-profit entities that the Town is eligible to apply for and has applied for, except pursuant to approval of the Town. This Section shall not apply to specific ownership taxes which shall be distributed to and a revenue source for the Districts without limitation.

9. Bankruptcy Limitation. All of the limitations contained in this Service Plan, including, but not limited to, those pertaining to the Maximum Debt Mill Levy have been established under the authority of the Town to approve this Service Plan with conditions pursuant to Section 32-1-204.5, C.R.S. It is expressly intended that such limitations:

a. Shall not be subject to set-aside for any reason or by any court of competent jurisdiction, absent a Service Plan Amendment; and

b. Are, together with all other requirements of Colorado law, included in the “political or governmental powers” reserved to the State under the U.S. Bankruptcy Code (11 U.S.C.) Section 903, and are also included in the “regulatory or electoral approval necessary under applicable non-bankruptcy law” as required for confirmation of a Chapter 9 Bankruptcy Plan under Bankruptcy Code Section 943(b)(6).

Any Debt issued by a District with a pledge or which results in a pledge that exceeds the Maximum Debt Mill Levy shall be deemed a material modification of this Service Plan pursuant to Section 32-1-207, C.R.S. and shall not be an authorized issuance of Debt unless and until such material modification has been approved by the Town as part of a Service Plan Amendment.

10. Eminent Domain Restriction. No District shall exercise its statutory power of eminent domain without first obtaining approval from the Town Council. This restriction on the Districts’ exercise of their 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 political subdivisions of the State as conferred by the Special District Act.

11. District Governance. Each District’s Board shall be comprised of persons

who are each a qualified “eligible elector” of the District as provided in the Special District Act. It is anticipated that over time, End Users who are eligible electors will assume direct electoral control of each District’s Board as development of the Service Area progresses. The Districts shall not enter into any agreement by which the End Users’ electoral control of the Board is removed or diminished.

12. Service Plan Amendment Requirement. This Service Plan has been designed with sufficient flexibility to enable the Districts to provide required services and facilities under evolving circumstances without the need for numerous amendments. Actions of a District which violate material terms this Service Plan shall be deemed to be material modifications to this Service Plan and the Town shall be entitled to all remedies available under State and local law to enjoin such actions of the District, and to seek other remedies provided in law or in equity. The Financial Plan and anticipated Public Improvements presented herein are subject to change due to market conditions at the time of debt issuance and Approved Development Plans. Any such change, within the limitations of this Service Plan, shall not constitute a material modification of the Service Plan. The addition of other types of improvements other than as described in this Service Plan and Exhibit B-C, shall constitute a material modification requiring approval of Town Council.

C. Preliminary Engineering Survey.

The Districts shall have authority to provide for the financing, planning, design, acquisition, construction, installation, relocation and maintenance of the Public Improvements, with the exception of the water treatment plant and raw water intake, within and without the District Boundaries, as more specifically defined by Approved Development Plans. Such street, water, wastewater, storm water and recreation facilities will benefit Districts’ taxpayers and residents through the provision of financing of the Public Improvements. A description of the Public Improvements necessary for the Project and eligible for District financing was prepared based upon a preliminary capital description and cost estimate of approximately Fifty-One Million Three Hundred and Eighty-Five Thousand Dollars (\$51,385,000), as shown in Exhibit B-C attached hereto. The Public Improvements and associated costs shown in Exhibit B-C are subject to change based on future development approvals and market costs at the time of construction and any such variations from Exhibit B-C shall not constitute a material modification of this Service Plan.

All Public Improvements shall meet the standards and specifications adopted and/or required by the Town and/or other governmental entities having jurisdiction over such Public Improvements.

VI. FINANCIAL PLAN

A. General.

The Districts shall be authorized to finance the planning, design, acquisition, construction, installation and/or relocation of the Public Improvements from any lawful revenue source, including but not limited to the proceeds of Debt to be issued by the Districts. A Financial Plan,

attached as Exhibit [ED](#), includes the estimated indebtedness, timing, and interest rates of Debt anticipated to be issued by the Districts. The Financial Plan is one projection of Debt to be issued by the Districts, and it is expected that the terms of Debt when issued by the Districts will vary from the Financial Plan based on market conditions and other factors at the time of issuance. Such variations shall not constitute a material modification of this Service Plan. The Districts intend to issue such Debt as the Districts can reasonably pay from revenues derived from the Maximum Debt Mill Levy and other legally available revenues. The Maximum Debt Authorization, which is the total Debt that the Districts shall be permitted to issue shall not exceed Sixty-Two Million Dollars (\$62,000,000), as limited by Section V.A.6 herein, which Debt shall be permitted to be issued on a schedule and in such year or years as the Districts determine shall meet the needs of the Districts and shall be phased to serve development as it occurs. Any part of a Debt issuance that is repaid or defeased by refunding Debt shall not apply against the Maximum Debt Authorization. All Debt issued by the Districts may be payable from any and all legally available revenues of the Districts, including but not limited to general *ad valorem* taxes to be imposed upon all Taxable Property within the Districts. The Districts may also rely upon various other revenue sources authorized by law and not prohibited by the Service Plan. These may include Fees. It is anticipated that the Developer of the Project and/or other parties may incur costs for Public Improvements, either in the form of direct payments for such costs, or by means of advances to the Districts. These direct payments and/or advances may be reimbursable by the Districts from Debt, contractual reimbursement agreements and/or any legally available revenue source.

B. Maximum Voted Interest Rate and Maximum Underwriting Discount.

The interest rate on any Debt is expected to be the market rate at the time the Debt is issued. The proposed maximum interest rate on any Debt may not exceed fifteen percent (15%). The maximum underwriting discount will not exceed three percent (3%). Debt, when issued, will comply with all relevant requirements of this Service Plan and State and Federal law.

C. Maximum Debt Mill Levy and Other Debt Limitations.

The Maximum Debt Mill Levy for District Nos. 1 through 3 shall be fifty (50) mills, and the Maximum Debt Mill Levy for District No. 4 shall be thirty-five (35), which is the maximum mill levy a District is permitted to impose upon the Taxable Property within the District for payment of Debt; provided, however, if there are changes in the method of calculating assessed valuation or any constitutionally mandated or statutorily authorized 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 Board in good faith (such determination to be binding and final) so that to the extent possible, the actual tax revenues generated by the mill levy, as adjusted for changes occurring after the Service Plan approval date, are neither diminished nor enhanced as a result of such changes.

Prior to the issuance of Debt, the [issuing](#) District shall obtain an opinion of a nationally recognized bond counsel as to compliance with the Service Plan limitations in relation to the Debt to be issued. All issuances of general obligation Bonds shall be deemed to be in compliance with the Financial Plan so long as the Minimum Criteria, as hereinafter defined, have been met. “Minimum Criteria” shall mean that the general obligation Bonds are: (1) subject to the Maximum

Debt Mill Levy; (2) together with other outstanding general obligation Bonds of the District, not in excess of the Maximum Debt Authorization set forth in this Service Plan; (3) together with other outstanding general obligation Bonds of the District, not in excess of the general obligation debt authority provided by the District's electorate; and (4) issued in compliance with the applicable requirements of Section 32-1-1101(6), C.R.S. Any issuance of general obligation Bonds that does not satisfy the ~~minimum~~ Minimum Criteria shall constitute a material modification of this Service Plan.

The costs of constructing the Public Improvements may be paid from available District mill levy revenues, Fees, Debt, and/or advances from the Developer of the Project. The Districts shall be authorized to reimburse Developer advances, if any, with interest at an interest rate not in excess of the rate allowable for Developer Debt, from District mill levy revenues, Fees, and/or proceeds from Debt (whether or not privately placed with the Developer), and other legally available revenues of the Districts. Any Developer Debt shall be subject to the Developer Debt limitation set forth in Section V.B.4. and the Minimum Criteria.

The Maximum Debt Mill Levy Term of any Debt issuance shall be thirty (30) years from the date of first imposition of a debt service mill levy for each such issue.

In the event that a District determines that it is in the best interests of the District and its taxpayers to issue general obligation Bonds to parties other than the Developer to: (i) reimburse the Developer for Developer advances; (ii) refund or restructure Debt previously placed with the Developer; or (iii) finance Public Improvements, the District shall prepare a plan of finance for the purpose of determining whether the proposed issuance satisfies the Minimum Criteria. The plan of finance will include the amount of Bonds to be issued, uses of proceeds therefrom (including, if any, capitalized interest and costs of issuance), sources of revenues securing repayment of the Bonds and the repayment schedule for the Bonds.

D. Security for Debt.

The Districts shall not pledge any revenue or property of the Town as security for the indebtedness set forth in this Service Plan. Approval of this Service Plan shall not be construed as a guarantee by the Town of payment of any of the District's obligations; nor shall anything in the Service Plan be construed so as to create any responsibility or liability on the part of the Town in the event of default by ~~the a~~ District in the payment of any such obligation.

E. TABOR Compliance.

The Districts will comply with the provisions of TABOR.

F. District Operating Costs.

The estimated cost of acquiring land, engineering services, legal services and administrative services, together with the estimated costs of the District's² organization and initial operations, are anticipated to be One Hundred Thousand Dollars (\$100,000), which will be eligible for reimbursement from Debt proceeds.

The proposed operating revenue to be derived from property taxes for the first budget year for the Districts is estimated to be Zero Dollars (\$0).

The maximum mill levy for operations shall be twenty (20) mills; provided, however, if there are changes in the method of calculating assessed valuation or any constitutionally mandated or statutorily authorized tax credit, cut or abatement, the mill levy limitation applicable to operations may be increased or decreased to reflect such changes, such increases or decreases to be determined by the Board in good faith (such determination to be binding and final) so that to the extent possible, the actual tax revenues generated by the mill levy, as adjusted for changes occurring after the Service Plan approval date, are neither diminished nor enhanced as a result of such changes.

VII. ANNUAL REPORT

Each District shall be responsible for submitting an annual report to the Town Manager no later than October 1st of each year following the year in which the Order and Decree creating the District has been issued, as set forth in and required by § 32-1-207(3)(c), C.R.S. In addition to the matters to be included in the annual report pursuant to § 32-1-207(3)(c), C.R.S., the annual report shall also include the minutes from the most recent annual meeting held in accordance with § 32-1-903(6), C.R.S., which shall include a summary of any public comments received during such meeting, as set forth in § 32-1-903(6)(a)(III), C.R.S.

VIII. DISSOLUTION

Upon an independent determination of the Town Council that the purposes for which any District was created have been accomplished, that District agrees to file a petition in the appropriate District Court for dissolution, pursuant to §§ 32-1-701, *et seq.*, C.R.S. In no event shall a dissolution occur until the District has provided for the payment or discharge of all of its outstanding indebtedness and other financial obligations as required by the Special District Act and that any ownership, operations, maintenance, repair and replacement obligations for District owned and/or operated Public Improvements have been conveyed to another public entity.

IX. DISCLOSURE TO PURCHASERS

The Districts shall provide annual notice to all eligible electors of the Districts in accordance with Section 32-1-809, C.R.S, as amended. In addition, each of the Districts shall record a District public disclosure document and a map of the then-current legal boundaries of the District with the Clerk and Recorder of Eagle County, Colorado in accordance with Section 32-1-104.8, C.R.S., as amended.

X. INTERGOVERNMENTAL AGREEMENTS

Upon the Districts' formation, the Districts and the Town shall execute an intergovernmental agreement in substantially the form attached hereto as Exhibit ~~E-F~~ (the "Town IGA"). The Districts shall not incur any Debt or impose any taxes or Fees until their Boards have approved and executed the Town IGA. The Town has approved the Town IGA as of the date of approval of the Service Plan and such approval satisfies the condition relating to the Town's action on the Town IGA concerning the issuance of Debt and imposition of taxes or Fees by the Districts.

XI. RESOLUTION OF APPROVAL

A certified copy of the Town Council's resolution approving this Service Plan shall be attached as Exhibit ~~D-E~~ prior to filing the Service Plan with the District Court in and for Eagle County, Colorado.

XII. CONCLUSION

It is submitted that this Service Plan for the Districts meets the requirements of the Special District Control Act, §§ 32-1-201, *et seq.*, C.R.S., the applicable requirements of the Colorado Constitution, and those of the Town. It is further submitted that this Service Plan meets the criteria set forth in § 32-1-203(2) and (2.5), C.R.S., establishing that:

A. There is sufficient existing and projected need for organized service in the area to be serviced by the Districts. There are no other entities, governmental or otherwise, which have the capacity or the desire to provide service to the area to be served by the Districts.

B. The existing service in the area to be served by the Districts is inadequate for present and projected needs. There are no public improvements in the area to be served by the Districts, and the Districts will provide for projected needs for public infrastructure.

C. The Districts are capable of providing economical and sufficient service to the proposed development within their boundaries. The financing plan incorporated in this Service Plan demonstrates the basis on which the Districts may provide essential public infrastructure to support the future development for the project.

D. The area to be included within the Districts does have and will have the financial ability to discharge the proposed indebtedness on a reasonable basis. The financing plan incorporated in this Service Plan demonstrates the ability of the Districts to fund Public Infrastructure necessary for the project, and demonstrates the ability of the Districts to fund the amount of debt proposed.

EXHIBIT A-1

INITIAL DISTRICT BOUNDARY MAP AND LEGAL DESCRIPTIONS

District No. 1 Legal Description

A parcel of land located in Section 1 of Township 6 South, Range 81 West of the Sixth Principal Meridian and consisting of that portion of Homestead Entry Survey (H.E.S.) 40 and Mineral Survey 20461 Puritan Lode situated easterly of the eastern right-of-way for U.S. Highway 24 as described in the Boundary Agreement recorded July 27, 2018 at reception number 201812787 and westerly of the western right-of-way for Union Pacific Railroad, being more particularly described as follows:

Beginning at Corner No. 2 of said H.E.S. 40, whence the Southwest corner of said Section 36 being a 2-1/2 inch GLO Brass Cap bears N 52°43'19" W a distance of 5,128.97 feet;

thence N 49°31'35" W a distance of 229.19 feet to a point;

thence 160.49 feet along the arc of a non tangent curve to the left having a radius of 994.91 feet, a central angle of 09°14'33", and the chord bears N 20°07'14" E a distance of 160.32 feet to a point on the 1-2 line of said H.E.S. 40;

thence along said 1-2 line of said H.E.S. 40 S 21°45'15" E a distance of 321.76 feet; to the point of beginning, District No. 1 containing 0.39 acres more or less.

District No. 2 Legal Description

A parcel of land located in Section 1 of Township 6 South, Range 81 West of the Sixth Principal Meridian and consisting of that portion of Homestead Entry Survey (H.E.S.) 40 and Mineral Survey 20461 Puritan Lode situated easterly of the eastern right-of-way for U.S. Highway 24 as described in the Boundary Agreement recorded July 27, 2018 at reception number 201812787 and westerly of the western right-of-way for Union Pacific Railroad, being more particularly described as follows:

Beginning at Corner No. 2 of said H.E.S. 40, whence the Southwest corner of said Section 36 being a 2-1/2 inch GLO Brass Cap bears N 52°43'19" W a distance of 5,128.97 feet;

thence along the 2-3 line of said H.E.S. 40 S 20°12'45" W a distance of 96.15 feet to a point;

thence N 80°27'56" W a distance of 234.35 feet to a point;

thence N 24°44'22" E a distance of 211.24 feet;

thence S 49°31'35" E a distance of 229.19 feet to the point of beginning, District No. 2 containing 0.79 acres more or less.

District No. 3 Legal Description

A parcel of land located in Section 1 of Township 6 South, Range 81 West of the Sixth Principal Meridian and consisting of that portion of Homestead Entry Survey (H.E.S.) 40 and Mineral Survey 20461 Puritan Lode situated easterly of the eastern right-of-way for U.S. Highway 24 as described in the Boundary Agreement recorded July 27, 2018 at reception number 201812787 and westerly of the western right-of-way for Union Pacific Railroad, being more particularly described as follows:

Beginning along the 2-3 line of said H.E.S. 40 S 20°12'45" W a distance of 96.15 feet from Corner No. 2 of said H.E.S. 40, whence the Southwest corner of said Section 36 being a 2-1/2 inch GLO Brass Cap bears N 52°43'19" W a distance of 5,128.97 feet;

thence along the 2-3 line of said H.E.S. 40 S 20°12'45" W a distance of 96.15 feet to a point on the 1-2 line of Mineral Survey 20461 Puritan Lode;

thence S 80°04'03" W a distance of 292.89 feet to a point;

thence N 24°44'22" E a distance of 211.24 feet;

thence S 80°27'56" E a distance of 234.35 feet to the point of beginning, District No. 3 containing 0.83 acres more or less.

District No. 4 Legal Description

A parcel of land located in Section 1 of Township 6 South, Range 81 West of the Sixth Principal Meridian and consisting of that portion of Homestead Entry Survey (H.E.S.) 40 and Mineral Survey 20461 Puritan Lode situated easterly of the eastern right-of-way for U.S. Highway 24 as described in the Boundary Agreement recorded July 27, 2018 at reception number 201812787 and westerly of the western right-of-way for Union Pacific Railroad, being more particularly described as follows:

Beginning along the 2-3 line of said H.E.S. 40 S 20°12'45" W a distance of 192.30 feet from Corner No. 2 of said H.E.S. 40, whence the Southwest corner of said Section 36 being a 2-1/2 inch GLO Brass Cap bears N 52°43'19" W a distance of 5,128.97 feet;

thence along said 1-2 line of said Mineral Survey 20461 Puritan Lode N 59°22'30" E a distance of 155.38 feet to a point on the western right-of-way of the Union Pacific Railroad as described in D&RGW Right-of-Way and Track Map dated June 30, 1919; thence along said western right-of-way of the Union Pacific Railroad the following two courses:

1. 26.42 feet along the arc of a non tangent curve to the right having a radius of 2408.63 feet, a central angle of 00°37'43", and the chord bears S14°03'37" W a distance of 26.42 feet;

2. 184.39 feet along the arc of a tangent curve to the right having a radius of 58445.82 feet, a central angle of $00^{\circ}10'51''$, and the chord bears $S14^{\circ}27'54''$ W a distance of 184.39 feet to a point on the 2-3 line of the Mineral Survey 20461 Puritan Lode;

thence along said 2-3 line of the Mineral Survey 20461 Puritan Lode $N 45^{\circ}06'44''$ W a distance of 131.43 feet to the 2-3 line of said H.E.S. 40; thence along said 2-3 line of said H.E.S. 40 $N 20^{\circ}12'45''$ E a distance of 35.54 feet to the point of beginning, District No. 4 containing 0.31 acres more or less.

EXHIBIT A-2

INCLUSION AREA BOUNDARY MAP AND LEGAL DESCRIPTION

A parcel of land located in Sections 1, 2, 11 and 12 of Township 6 South, Range 81 West of the Sixth Principal Meridian and Section 36 of Township 5 South, Range 81 West of the Sixth Principal Meridian and consisting of the following parcels: Mineral Survey 20712 - Treasury Vault Mill Site, Mineral Survey 20712 - Gold Star Mill Site, H.E.S. 41, Mineral Survey 20745 - Mars Mill Site; along with those portions of the following parcels situated westerly of the western right-of-way for U.S. Highway 24 as described in the Boundary Agreement recorded July 27, 2018 at reception number 201812787 and westerly of the western right-of-way for the Union Pacific Railroad as described in the D&RGW Right-of-Way and Track Map dated June 30, 1919: Nelson Addition (Book 131 Page 76), H.E.S. 46, Mineral Survey 19500 - Brooklyn Placer, Mineral Survey 20043 - May No. 5 Lode, Mineral Survey 20257 - May No. 14 and May No. 15, Mineral Survey 20461 - Ruby Lode, H.E.S. 40 and Mineral Survey 19856 - River Bend Mill Site; and excepting the parcel described in Book 380 Page 574; being more particularly described as follows:

Beginning at the Southwesterly corner of a parcel of land described in Book 131 page 76 said point also being the Southwest corner of said Section 36 being a 2-1/2 inch GLO Brass Cap found in place whence the South Quarter corner of said Section 36 being a 2-1/2 inch GLO Brass Cap found in place bears N 89°58'35" E a distance of 2,694.09 feet; thence the following five courses along the northwesterly boundary of said parcel described in Book 131 page 76:

1. N 00°20'54" W a distance of 99.96 feet along the west line of said Section 36;
2. N 28°13'18" E a distance of 715.35 feet;
3. N 57°23'50" E a distance of 557.58 feet;
4. N 70°47'50" E a distance of 762.18 feet;
5. N 89°56'50" E a distance of 491.16 feet to a point on said westerly right-of-way of U.S. Highway 24;

thence the following four courses along said westerly right-of-way of U.S. Highway 24:

1. 57.85 feet along the arc of a non tangent curve to the left having a radius of 756.30 feet, a central angle of 04°22'58", and the chord bears S30°36'24" E a distance of 57.84 feet;
2. S 32°47'53" E a distance of 199.00 feet;
3. 228.45 feet along the arc of a non tangent curve to the right having a radius of 2,825.00 feet, a central angle of 04°38'00", and the chord bears S 30°28'53" E a distance of 228.39 feet;
4. S 28°09'53" E a distance of 895.89 feet to a point on the easterly boundary of said parcel described in Book 131 page 76;

thence along said easterly boundary S 00°10'02" W a distance of 77.04 feet to the South Quarter corner of said Section 36 being a 2-1/2 inch GLO Brass Cap found in place said point also being

Angle Point 1 of Homestead Entry Survey (H.E.S.) No. 46, Township 6 South, Range 81 West of the Sixth Principal Meridian; thence along line 1-2 of said H.E.S. No. 46 S 89°38'32" E a distance of 41.61 feet to a point on said westerly right-of-way of U.S. Highway 24; thence the following two courses along said westerly right-of-way of U.S. Highway 24:

1. S 28°09'53" E a distance of 149.51 feet;
2. S 27°31'53" E a distance of 807.36 feet to a point on line 1-2 of Homestead Entry Survey (H.E.S.) No. 40 Township 6 South, Range 81 West of the Sixth Principal Meridian;

thence along said line 1-2 of H.E.S. No. 40 S 21°45'15" E a distance of 1,161.84 feet to a point on line 1-2 of Mineral Survey 20461 "Ruby Lode"; thence along said line 1-2 of Mineral Survey 20461 "Ruby Lode" N 59°21'27" E a distance of 100.96 feet to a point on said westerly right-of-way of U.S. Highway 24; thence the following six courses along said westerly right-of-way:

1. S 24°22'53" E a distance of 31.22 feet;
2. 76.61 feet along the arc of a tangent curve to the left having a radius of 800.00 feet, a central angle of 05°29'13", and the chord bears S 27°07'29" E a distance of 76.58 feet;
3. 75.27 feet along the arc of a tangent curve to the right having a radius of 800.00 feet, a central angle of 05°23'27", and the chord bears S 27°10'22" E a distance of 75.24 feet;
4. S 24°28'38" E a distance of 57.10 feet;
5. S 24°28'38" E a distance of 79.86 feet;
6. 436.38 feet along the arc of a non tangent curve to the right having a radius of 915.00 feet, a central angle of 27°19'32", and the chord bears S 10°48'52" E a distance of 432.26 feet to a point on line 2-3 of said Mineral Survey 20461 "Ruby Lode";

thence along said 2-3 line of Mineral Survey 20461 "Ruby Lode" N 53°55'33" W a distance of 74.99 feet to a point on said line 1-2 of H.E.S. No. 40; thence along said line 1-2 of H.E.S. No. 40 S 21°45'15" E a distance of 140.75 feet to a point on said westerly right-of-way of U.S. Highway 24; thence the following six courses along said westerly right-of-way of U.S. Highway 24:

1. 262.58 feet along the arc of a non tangent curve to the right having a radius of 915.00 feet, a central angle of 16°26'33", and the chord bears S16°31'05" W a distance of 261.68 feet;
2. S 24°44'22" W a distance of 216.35 feet;
3. S 35°45'52" W a distance of 205.41 feet;
4. S 14°36'41" W a distance of 532.15 feet;

5. S 01°15'08" E a distance of 429.27 feet;

6. S 01°25'41" W a distance of 268.53 feet to a point on line 3-4 of said H.E.S. No. 40;

thence along said 3-4 line of H.E.S. No. 40 S 33°56'45" W a distance of 246.93 feet to Angle Point 4 of said H.E.S. No. 40 said point also being Angle Point 8 of Homestead Entry Survey (H.E.S.) No. 41, Township 6 South, Range 81 West of the Sixth Principal Meridian; thence along line 7-8 of said H.E.S. No. 41 S 08°01'50" E a distance of 294.82 feet to the center of the Eagle River; thence the following two courses along said center of the Eagle River:

1. S 58°05'40" W a distance of 123.33 feet;
2. N 88°07'28" W a distance of 361.22 feet;

Thence leaving the center of the Eagle River N 0°00'00" E a distance of 157.44 feet to the right of way centerline of Tigiwon Road; thence the following two courses along said Tigiwon Road right-of-way centerline;

1. N 27°18'00" E a distance of 610.80 feet;
2. 153.15 feet along the arc of a non-tangent curve to the right having a radius of 286.50, a central angle of 30°37'40", and the chord bears S 42°37'30" W a distance of 151.33 feet;

Thence leaving said Tigiwon Road right-of-way centerline S 44°54'07" E a distance of 66.71 feet; thence N 74°17'56" W a distance of 41.21 feet to a point on the southerly boundary of the Dam Parcel as described in the Special Warranty Deed recorded in the Eagle County Clerk and Recorder's office February 10, 2022 at reception number 202202329;

thence along said westerly boundary of the Dam Parcel the following four courses;

1. thence N 34°56'03" E a distance of 213.62 feet
2. thence N 00°00'00" W a distance of 181.43 feet;
3. thence N 22°22'09" E a distance of 746.23 feet;
4. thence N 61°06'46" W a distance of 234.05 feet to a point on the northeasterly corner of the Reservoir Parcel;

thence along said southerly boundary of the Reservoir Parcel the following six courses;

1. thence N 3°57'24" W a distance of 107.38 feet;
2. thence N 70°32'11" W a distance of 192.32 feet;
3. thence S 77°20'34" W a distance of 590.72 feet;
4. thence S 62°05'59" W a distance of 597.19 feet;
5. thence S 29°33'21" W a distance of 904.04 feet;
6. thence S 53°11'01" E a distance of 658.80 feet;

Thence leaving the southerly boundary of the Reservoir Parcel S 66°03'04" W a distance of 37.66 feet; thence S 47°44'40" E a distance of 29.71; thence S 22°14'32" E a distance of 43.86 feet; thence S 46°45'14" E a distance of 22.10 feet; thence S 73°08'12" E a distance of 63.94 feet; thence

S 89°10'25" E a distance of 55.31 feet; thence S 59°40'34" E a distance of 43.18 feet; thence S 01°52'44" E a distance of 35.14 feet; thence S 35°09'05" W a distance of 121.47 feet; thence S 00°21'34" W a distance of 60.72 feet; thence S 19°31'34" E a distance of 142.83 feet; thence S 15°46'39" E a distance of 348.63 feet; thence S 29°14'17" E a distance of 40.16 feet to the center of the Eagle River;

Thence the following eleven courses along said center of the Eagle River:

1. S 33°39'49" W a distance of 288.54 feet;
2. S 38°27'21" W a distance of 172.00 feet;
3. S 19°18'51" W a distance of 106.00 feet;
4. S 07°08'39" E a distance of 140.00 feet;
5. S 24°25'48" E a distance of 132.00 feet;
6. S 11°21'54" E a distance of 374.00 feet;
7. S 16°33'40" E a distance of 326.72 feet;
8. S 15°15'48" E a distance of 154.00 feet;
9. S 02°48'58" E a distance of 158.00 feet;
10. S 39°00'16" E a distance of 132.00 feet;
11. S 53°11'20" E a distance of 209.22 feet to a point on the westerly side of the right-of-way of the Union Pacific Railroad;

Thence the following two courses along said westerly right-of-way of the Union Pacific Railroad as described:

1. 37.95 feet along the arc of a non tangent curve to the left having a radius of 836.49 feet, a central angle of 02°35'59", and the chord bears S 13°13'46" W a distance of 37.95 feet, said curve being parallel to and offset 100.00-feet westerly from the centerline of the eastern corridor of said Union Pacific Railroad;
2. 47.98 feet along the arc of a tangent curve to the left having a radius of 3,919.72 feet, a central angle of 00°42'05", and the chord bears S 11°34'45" W a distance of 47.98 feet, said curve being parallel to and offset 100.00-feet westerly from the centerline of the eastern corridor of said Union Pacific Railroad;

Thence the following five courses along said westerly right-of-way of the Union Pacific Railroad, said right-of-way being parallel to and offset 25.00 feet westerly from the centerline of the western corridor of said Union Pacific Railroad:

1. S 30°39'47" W a distance of 44.76 feet;
2. 141.71 feet along the arc of a tangent curve to the left having a radius of 4,816.15 feet, a central angle of 01°41'09", and the chord bears S 29°49'13" W a distance of 141.71 feet;
3. 577.96 feet along the arc of a tangent curve to the left having a radius of 873.26 feet, a central angle of 37°55'13", and the chord bears S 10°01'01" W a distance of 567.46 feet;

4. 132.72 feet along the arc of a tangent curve to the left having a radius of 2,684.59 feet, a central angle of $02^{\circ}49'57''$, and the chord bears S $10^{\circ}21'34''$ E a distance of 132.70 feet;

5. S $11^{\circ}46'32''$ E a distance of 338.53 to a point on line 5-6 of Mineral Survey 19500 "Brooklyn Placer";

thence along said line 5-6 of Mineral Survey 19500 "Brooklyn Placer" N $16^{\circ}11'23''$ W a distance of 982.56 feet to Angle Point 6 of said Mineral Survey 19500 "Brooklyn Placer"; thence along line 6-7 of said Mineral Survey 19500 "Brooklyn Placer" N $12^{\circ}07'10''$ W a distance of 494.47 feet to Angle Point 3 of Mineral Survey 20745 "Mars Mill Site"; thence along line 2-3 of said Mineral Survey 20745 "Mars Mill Site" N $45^{\circ}47'44''$ W a distance of 1,091.01 feet to Angle Point 2 of said Mineral Survey 20745 "Mars Mill Site" said point also being on line 5-6 of said H.E.S. No. 41;

thence along the 5-6 line of said H.E.S. No. 41 N $79^{\circ}06'56''$ W a distance of 167.22 feet to the southeast corner of the Highlands 2 Parcel; thence along the easterly boundary of said Highlands 2 Parcel the following six courses:

1. N $15^{\circ}13'47''$ W a distance of 247.86 feet;

2. N $17^{\circ}58'47''$ W a distance of 88.45 feet;

3. N $30^{\circ}17'18''$ W a distance of 151.62 feet;

4. N $35^{\circ}17'22''$ W a distance of 95.77 feet;

5. N $15^{\circ}16'35''$ W a distance of 182.95 feet;

6. N $01^{\circ}40'27''$ W 206.83 to the southeast corner of the Cross Creek Parcel, said parcel being described in the Special Warranty Deed recorded in the Eagle County Clerk and Recorder's office February 10, 2022 at reception number 202202329, point also being the southeast corner of the Highlands 1 Parcel;

Thence along the easterly boundary of said Highlands 1 Parcel, N $01^{\circ}40'27''$ W a distance of 281.58 feet to the southeast corner of the Soil Processing Parcel; thence along the southerly boundary of said Soil processing Parcel N $69^{\circ}04'25''$ W a distance of 231.93 feet to angle point NO. 2 of H.E.S. 41;

Thence along line 1-2 N $39^{\circ}24'50''$ E a distance of 1,104.62 feet to Angle Point 1 said point also being Angle Point 5 of H.E.S. No. 40;

thence the following two courses along said H.E.S. No. 40:

1. along line 5-6 N $23^{\circ}21'23''$ E a distance of 1,564.21 feet to Angle Point 6;

2. along line 6-7 N $25^{\circ}10'25''$ W a distance of 707.61 feet to Angle Point 2 of Mineral Survey 20712 "Gold Star Mill Site";

thence along line 2-3 of said Mineral Survey 20712 "Gold Star Mill Site" N 67°56'00" W a distance of 967.24 feet to Angle Point 3 of said Mineral Survey 20712 "Gold Star Mill Site" said point also being Angle Point 3 of Mineral Survey 20712 "Treasury Vault Mill Site"; thence along line 3-4 of said Mineral Survey 20712 "Treasury Vault Mill Site" N 67°56'00" W a distance of 403.10 feet to Angle Point 4 of said Mineral Survey 20712 "Treasury Vault Mill Site" said point also being on line 3-4 of said H.E.S. No. 46; thence along line 3-4 of said H.E.S. No. 46 N 69°12'00" E a distance of 553.58 feet to a point on a parcel described in Book 380 Page 574;

thence the following three courses along the easterly boundary of said parcel described in Book 380 Page 574:

1. N 34°17'20" E a distance of 269.23 feet;

2. N 33°47'30" W a distance of 346.69 feet;

3. N 59°40'30" W a distance of 214.88 feet to a point on the westerly boundary of the 50' wide Eagle County School District RE 50J Access and Utility Easement described in BK 424, PG 977; thence the following three courses along the westerly boundary of said Access and Utility Easement:

1. thence N53°00'19"E a distance of 37.39 feet;

2. thence 75.67 feet along the arc of a tangent curve to the left having a radius of 151.89, a central angle of 28°32'43", and the chord bears S38°43'55" W a distance of 74.89 feet;

3. N24°27'33"E a distance of 41.63 feet;

Thence N59°40'30" W a distance of 636.52 along the northerly boundary of Parcel 11 to a point;

Thence N 00°15'50" E a distance of 285.80 feet to a point on line 1-7 of said H.E.S. No. 46 said point also being on the South line of said Section 36;

thence along said line 1-7 of H.E.S. No. 46 S 89°58'35" W a distance of 420.19 feet to the point of beginning, the Main Metro Dist Parcel containing 293.90 acres more or less.

Parcel 7 Legal Description

A parcel of land located in Section 1 of Township 6 South, Range 81 West of the Sixth Principal Meridian and consisting of that portion of Homestead Entry Survey (H.E.S.) 40 and Mineral Survey 20461 Puritan Lode situated easterly of the eastern right-of-way for U.S. Highway 24 as described in the Boundary Agreement recorded July 27, 2018 at reception number 201812787 and westerly of the western right-of-way for Union Pacific Railroad, being more particularly described as follows:

Beginning at Corner No. 2 of said H.E.S. 40, whence the Southwest corner of said Section 36 being a 2-1/2 inch GLO Brass Cap bears N 52°43'19" W a distance of 5,128.97 feet; thence along the 2-3 line of said H.E.S. 40 S 20°12'45" W a distance of 192.30 feet to a point on the 1-2 line of Mineral Survey 20461 Puritan Lode; thence along said 1-2 line of said Mineral Survey 20461

Puritan Lode N 59°22'30" E a distance of 155.38 feet to a point on the western right-of-way of the Union Pacific Railroad as described in D&RGW Right-of-Way and Track Map dated June 30, 1919; thence along said western right-of-way of the Union Pacific Railroad the following two courses:

1. 26.42 feet along the arc of a non tangent curve to the right having a radius of 2408.63 feet, a central angle of 00°37'43", and the chord bears S14°03'37" W a distance of 26.42 feet;
2. 184.39 feet along the arc of a tangent curve to the right having a radius of 58445.82 feet, a central angle of 00°10'51", and the chord bears S14°27'54" W a distance of 184.39 feet to a point on the 2-3 line of the Mineral Survey 20461 Puritan Lode;

thence along said 2-3 line of the Mineral Survey 20461 Puritan Lode N 45°06'44" W a distance of 131.43 feet to the 2-3 line of said H.E.S. 40; thence along said 2-3 line of said H.E.S. 40 S 20°12'45" W a distance of 927.03 feet to a point on the eastern right-of-way of U.S. Highway 24; thence the following four courses along said eastern right-of-way of U.S. Highway 24:

1. N 01°30'38" W a distance of 546.66 feet;
2. 309.80 feet along the arc of a tangent curve to the right having a radius of 676.20 feet, a central angle of 26°15'00", and the chord bears N 11°36'52" E a distance of 307.10 feet;
3. N 24°44'22" E a distance of 422.47 feet;
4. 160.49 feet along the arc of a non tangent curve to the left having a radius of 994.91 feet, a central angle of 09°14'33", and the chord bears N 20°07'14" E a distance of 160.32 feet to a point on the 1-2 line of said H.E.S. 40;

thence along said 1-2 line of said H.E.S. 40 S 21°45'15" E a distance of 321.76 feet; to the point of beginning, Parcel 7 containing 5.57 acres more or less.

EXCEPTING OUT THE INITIAL BOUNDARY LEGAL DESCRIPTIONS IN EXHIBIT A-1 OF THIS SERVICE PLAN

AND EXCEPTING THE FOLLOWING PARCEL WHICH HAS BEEN TRANSFERRED TO EAGLE RIVER WATER AND SANITATION DISTRICT AND AUTHORITY

Inlet Parcel Legal Description

A Parcel of land 40 feet in width located in H.E.S. No. 41 as patented March 7, 1912 in Section 2, Township 6 South, Range 81 West, 6thP.M., for the purpose of constructing, operating and maintaining a water supply conveyance structure consisting of open channels and/or pipelines to supply water to Bolts Lake Reservoir from the Eagle River and from Cross Creek, more particularly described as follows:

Beginning at a point on the westerly boundary of the OTP Area as described on an Exhibit prepared by Gamba & Associates, Inc., dated January 18, 2018 on behalf of Battle Mountain, whence Corner No. 2 of said H.E.S. 41, being an original stone monument found in place, bears S64°05'11" W a distance of 376.68 feet;

Thence from the Point of Beginning the following 15 courses along the northerly boundary of said 40-ft wide Easement:

1. thence N24°43'37"W a distance of 57.52 feet;
2. thence N02°34'28"W a distance of 50.51 feet;
3. thence N17°36'42"E a distance of 57.23 feet;
4. thence N23°06'54"E a distance of 15.58 feet;
5. thence N10°13'05"E a distance of 33.85 feet;
6. thence N51°21'28"E a distance of 144.42 feet;
7. thence N80°01'14"E a distance of 245.49 feet;
8. thence N75°30'49"W a distance of 122.70 feet;
9. thence S89°25'59"W a distance of 54.63 feet;
10. thence N22°13'41"W a distance of 55.35 feet;
11. thence N51°17'35"E a distance of 30.98 feet;
12. thence S87°20'19"E a distance of 69.22 feet;
13. thence S43°32'09"E a distance of 86.00 feet;
14. thence N87°52'49"E a distance of 154.45 feet;

15. thence N66°03'04"E a distance of 185.03 feet to a point on the southerly boundary of the Bolts Lake Reservoir Area as described on an Exhibit prepared by Gamba & Associates, Inc., dated February 1, 2019 on behalf of Battle North LLC;

Thence the following two courses along said southerly boundary of the Bolts Lake Reservoir Area;

1. thence S53°11'01"E a distance of 19.42 feet;
2. thence N88°48'40"E a distance of 59.59 feet;

Thence leaving said southerly boundary of the Bolts Lake Reservoir Area the following 16 courses along the southerly boundary of said 40-ft wide Easement:

1. thence S66°03'04"W a distance of 257.18 feet;
2. thence S87°52'49"W a distance of 180.21 feet;
3. thence N43°32'09"W a distance of 87.98 feet;
4. thence N87°20'19"W a distance of 40.88 feet;
5. thence S22°13'41"W a distance of 75.43 feet;
6. thence S89°25'59"W a distance of 86.49 feet;
7. thence N75°30'49"W a distance of 119.31 feet;
8. thence S80°01'14"W a distance of 226.60 feet;
9. thence S51°21'28"W a distance of 119.19 feet;
10. thence S10°13'05"W a distance of 23.36 feet;
11. thence S23°06'54"W a distance of 18.18 feet;
12. thence S17°36'42"W a distance of 48.19 feet;

- 13.thence S02°34'28"E a distance of 35.56 feet;
- 14.thence S24°43' 37"E a distance of 4.16 feet;
- 15.thence S10°13'05"W a distance of 16.93 feet;
- 16.thence S19°01'53"W a distance of 43.82 feet,

to the Point of Beginning, containing 1.23 acres more or less.

EXHIBIT B

RESTRICTED PARCELS

EXHIBIT C

CAPITAL COST DESCRIPTION AND ESTIMATE
PROFORMA OPERATING BUDGET

EXHIBIT CD

FINANCIAL PLAN

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EXHIBIT ED

TOWN RESOLUTION OF APPROVAL

EXHIBIT FE

INTERGOVERNMENTAL AGREEMENT