GARY R. WHITE
KRISTEN D. BEAR
WILLIAM P. ANKELE, JR.

K. SEAN ALLEN
DANA K. NOTTINGHAM
JOSEPH J. LICO

WHITE • BEAR • ANKELE

PROFESSIONAL CORPORATION
ATTORNEYS AT LAW

REBECCA V. AMENT
CYNTHIA M. BEYER-ULRICH
MELISSA E. RYAN
HEIDI JUHL*
MARK J. BERUMEN
LEYLA N. ERAYBAR
CLINT C. WALDRON

July 14, 2006

Ms. Nancy Bailey
Office of Development Assistance, City of Aurora
15151 East Alameda Parkway, #5200
Aurora, CO 80012

Re: TransPort Metropolitan District No. 12
2006 Model Service Plan Submittal

Dear Ms. Bailey:

Enclosed for review by the City of Aurora is the new Service Plan for TransPort Metropolitan District No. 12. Contact information for the relevant parties is as follows:

Counsel for District

Gary R. White, Esq.
WHITE, BEAR & ANKELE
Professional Corporation
1805 Shea Center Dr., Suit 100
Highlands Ranch, CO 80129
(303) 858-1800/ Fax: (303) 858-1801
gwhite@wbapc.com

Petitioner

Ann E. Nichols, District Manager
TransPort Industrial Development, Ltd
a Colorado corporation
2 North Cascade Avenue, Suite 1280
Colorado Springs, CO 80903
(719) 633-4500
Anicholsduffy@aol.com

This submittal includes three (3) copies of the final "Service Plan for TransPort Metropolitan District No. 12." This is the final version of the Service Plan with the requested addition of the Inclusion Limitation.

It is the petitioner's understanding that Aurora does not consider it feasible or practicable for it to provide the necessary services and facilities for the project. Further, there are currently no other governmental entities located in the immediate vicinity of the District that have either the ability or desire to undertake the design, financing, and construction of the public improvements needed for this project. Formation of the District is necessary in order that the public improvements be provided in the most economical manner possible.

Per Aurora City Code Sec. 122-26 –122-36, the proposed Service Plan complies with the form and content of the City's current Model Service Plan and the proposed Service Plan is an exact copy of the appropriate Aurora Model Service Plan and any and all changes requested by the City have been made.

The Debt limits reported in Sections V.A.10. (Total Debt Issuance Limitation) and VII.A. (Financial Plan – General) do include any debt associated with regional improvements as described in the last sentence of VI.C.

The Inclusion Area will consist of approximately six thousand fifty and fifty-five hundredths acres (6050.55). Of this acreage, approximately four thousand eight hundred fifty-eight and fifty-five hundredths (4858.55) acres are within the corporate limits of Aurora while one thousand one hundred and ninety-two (1192) acres are not within the City's corporate limits and will need to be annexed prior to inclusion into the District.

Further, approximately four thousand two hundred sixty-one and eighty-one hundredths (4261.81) acres of the proposed inclusion area are within the boundaries of the existing Front Range Metropolitan District. Front Range Metropolitan District issued General Obligation bonds in 1989 in the amount of $152,000. Of this amount, $40,000 is currently outstanding and will be paid off by December 2007.

The FDP is currently in the second staff review cycle. It is expected that staff comments for the second review will be complete by May 24th. A third staff review will then take place and a formal submittal of the FDP is expected to occur in July.

NOTE: The Total Debt Issuance per District is $1.5 Billion and the Total (aggregate) Debt Issuance for the Districts is $1.5 Billion due to the fact that as of the date of the Service Plan it is unknown as to which of the Districts will act as the Control District.

TRANSPORT METROPOLITAN DISTRICT NO. 12
SUMMARY TABLE OF KEY DATA

Name of Metro District	Public Improve -ments	Debt Limit	Debt Limit includes ARI? Yes or No	ARI Debt Limit	Total Debt Capacity	Organizing & Operating Reimburse-ment	1st year Operating & Maintenance
(Location in Service Plan)	V. B.	V. A. 10	From transmittal letter	VI. C.	Calculate	VII. I	VII. I
TransPort Metro. Dist. No. 12	$750 Million	$750 Million	YES	$750 Million	$1.5 Billion	$500,000	$100,000
Totals (Amounts/Dist.)	**$750 Million**	**$750 Million**	**YES**	**$750 Million**	**$1.5 Billion**	**$500,000**	**$100,000**

The District respectfully request that the public hearing on the Service Plan be held at the July 24, 2006, City Council meeting.

Respectfully,

WHITE, BEAR & ANKELE
Professional Corporation

Joseph J. Lico

Enclosures

City of Aurora
November 2006 Cycle Title 32 Metropolitan District

Transmittal Cover Letter

1. Metro District Name: TransPort Metropolitan District No. 12

2. Contact information for:

   a. Metro District Counsel.

   Gary R. White
   WHITE, BEAR & ANKELE
   Professional Corporation
   1805 Shea Center Dr., Ste 100
   Highlands Ranch, CO 80129
   (303) 858-1800/ Fax: (303) 858-1801
   gwhite@wbapc.com

   b. Petitioner

   Ann E. Nichols, District Manager
   Transport Industrial Development, Ltd.
   a Colorado corporation
   2 North Cascade Avenue, Suite 1280
   Colorado Springs, CO 80903
   (719) 633-4500
   Anicholsduffy@aol.com

3. Type of service plan:

   ☑ New
   ☐ Amended/restated (if so, indicate in service plan and IGA text)
   Does current metro district have existing residents?
   ☐ Yes
   ☐ No

4. Form of service plan:

   ☐ Single District Single Service Plan
   ☐ Multiple District Single Service Plan
   ☑ Multiple District Multiple Service Plan

5. Type of development (if known):

   ☐ Residential
   ☑ Commercial
   ☐ Combination of Residential and Commercial

6. Status of Aurora development review process for FDP or similar development review documents, if applicable.

   The FDP is currently in the second staff review cycle. It is expected that staff comments for the second review will be complete by May 24th. A third staff

review will then take place and a formal submittal of the FDP is expected to occur in July.

7. Justification for petitioner's request to City Council to approve this district.

   It is the petitioner's understanding that Aurora does not consider it feasible or practicable for it to provide the necessary services and facilities for the project. Further, there are currently no other governmental entities located in the immediate vicinity of the Districts that have either the ability or desire to undertake the design, financing, and construction of the public improvements needed for this project. Formation of the Districts is necessary in order that the public improvements be provided in the most economical manner possible.

8. Statement certifying compliance with the Aurora Model Service Plan:

   The proposed service plan is an exact copy of the appropriate Aurora Model Service Plan and any and all changes from the model are clearly identified. The Inclusion Limitation has been added to the Model Service Plan as requested. Most of the land, although not all, within the initial District's boundaries and Future Inclusion Area boundaries is owned by or affiliated with the Petitioners. An additional copy of the IGA in redline form is included separately. No other comments or changes were required by the City.

9. Statement on the Debt Limit.

   The debt limits reported in Sections V.A.10 (Total Debt Issuance Limitation) and VII. A. (Financial Plan – General) must be the same. This limit may treat the Debt for Regional Improvements (ARI) described in the last paragraph of VI.C. as either a separate (and therefore additive) limit or as included and not additive, at the discretion of the applicant. Whatever the applicant's decision, the transmittal letter for the service plan must state the intent, through the statement below, modified as appropriate:

   > The debt limits reported in Sections V.A.10. (Total Debt Issuance Limitation) and VII.A. (Financial Plan – General) do include any debt associated with regional improvements as described in the last sentence of VI.C.

10. Any special requests, e.g., request that the City Council resolution to have a condition regarding voter approval of a service plan amendment.

    None

City of Aurora
November 2006 Cycle Title 32 Metropolitan District

Transmittal Cover Letter

11. Include a summary table identifying each district and key financial data for each district, substantially in the form of this example:

Name of Metro District	Public Improve -ments	Debt Limit	Debt Limit includes ARI? Yes or No	ARI Debt Limit	Total Debt Capacity	Organizing & Operating Reimburse-ment	1st year Operating & Maintenance
(Location in Service Plan)	V. B.	V. A. 10	From transmittal letter	VI. C.	Calculate	VII. I	VII. I
TransPort Metro. Dist. No. 1	$750 Million	$100 Million	YES	$100 Million	$100 Million	$500,000	$100,000
TransPort Metro. Dist. No. 2	$750 Million	$100 Million	YES	$100 Million	$100 Million	$500,000	$100,000
TransPort Metro. Dist. No. 3	$750 Million	$100 Million	YES	$100 Million	$100 Million	$500,000	$100,000
TransPort Metro. Dist. No. 4	$750 Million	$100 Million	YES	$100 Million	$100 Million	$500,000	$100,000
TransPort Metro. Dist. No. 5	$750 Million	$100 Million	YES	$100 Million	$100 Million	$500,000	$100,000
TransPort Metro. Dist. No. 6	$750 Million	$100 Million	YES	$100 Million	$100 Million	$500,000	$100,000
TransPort Metro. Dist. No. 7	$750 Million	$100 Million	YES	$100 Million	$100 Million	$500,000	$100,000
TransPort Metro. Dist. No. 8	$750 Million	$100 Million	YES	$100 Million	$100 Million	$500,000	$100,000
TransPort Metro. Dist. No. 9	$750 Million	$100 Million	YES	$100 Million	$100 Million	$500,000	$100,000

City of Aurora
November 2006 Cycle Title 32 Metropolitan District

Transmittal Cover Letter

TransPort Metro. Dist. No. 10	$750 Million	$100 Million	YES	$100 Million	$100 Million	$500,000	$100,000
TransPort Metro. Dist. No. 11	$750 Million	$100 Million	YES	$100 Million	$100 Million	$500,000	$100,000
TransPort Metro. Dist. No. 12	$750 Million	$100 Million	YES	$100 Million	$100 Million	$500,000	$100,000
TransPort Metro. Dist. No. 13	$750 Million	$100 Million	YES	$100 Million	$100 Million	$500,000	$100,000
TransPort Metro. Dist. No. 14	$750 Million	$100 Million	YES	$100 Million	$100 Million	$500,000	$100,000
TransPort Metro. Dist. No. 15	$750 Million	$100 Million	YES	$100 Million	$100 Million	$500,000	$100,000
Totals (Amounts/Dist.)	**$750 Million**	**$100 Million**	**YES**	**$100 Million**	**$100 Million**	**$500,000**	**$100,000**

SERVICE PLAN
FOR

TRANSPORT METROPOLITAN DISTRICT NO. 12

CITY OF AURORA, COLORADO

Prepared

by

WHITE, BEAR & ANKELE
PROFESSIONAL CORPORATION
1805 Shea Center Drive, Suite 100
Highlands Ranch, Colorado 80129

July 14, 2006

TABLE OF CONTENTS

I. INTRODUCTION 1
- A. Purpose and Intent 1
- B. Need for the District 1
- C. Objective of the City Regarding District's Service Plan. 1

II. DEFINITIONS 2

III. BOUNDARIES 5

IV. PROPOSED LAND USE/POPULATION PROJECTIONS/ASSESSED VALUATION. 6

V. DESCRIPTION OF PROPOSED POWERS, IMPROVEMENTS AND SERVICES 6
- A. Powers of the District and Service Plan Amendment. 6
  - 1. Operations and Maintenance Limitation 6
  - 2. Fire Protection Limitation 7
  - 3. Television Relay and Translation Limitation 7
  - 4. Golf Course Construction Limitation 7
  - 5. Construction Standards Limitation 7
  - 6. Privately Placed Debt Limitation 7
  - 7. Inclusion Limitation 7
  - 8. Overlap Limitation 8
  - 9. Initial Debt Limitation 8
  - 10. Total Debt Issuance Limitation 8
  - 11. Fee Limitation 8
  - 12. Monies from Other Governmental Sources 8
  - 13. Consolidation Limitation 8
  - 14. Bankruptcy Limitation 8
  - 15. Service Plan Amendment Requirement 9
- B. Preliminary Engineering Survey. 9
- C. Multiple District Structure. 9

VI. REGIONAL IMPROVEMENTS 10

VII. FINANCIAL PLAN 11
- A. General. 11
- B. Maximum Voted Interest Rate and Maximum Underwriting Discount. 11
- C. Maximum Debt Mill Levy. 12
- D. Maximum Debt Mill Levy Imposition Term. 12
- E. Debt Repayment Sources. 13
- F. Debt Instrument Disclosure Requirement. 13
- G. Security for Debt. 13
- H. TABOR Compliance. 13
- I. District's Operating Costs. 14

VIII. ANNUAL REPORT 14
- A. General. 14

B. Reporting of Significant Events. 14

IX. DISSOLUTION 15

X. DISCLOSURE TO PURCHASERS 15

XI. INTERGOVERNMENTAL AGREEMENT 15

XII. CONCLUSION 15

LIST OF EXHIBITS

EXHIBIT A	Legal Descriptions
EXHIBIT B	Aurora Vicinity Map
EXHIBIT C-1	Initial District Boundary Map
EXHIBIT C-2	Inclusion Area Boundary Map
EXHIBIT D	Intergovernmental Agreement between the District and Aurora

I. INTRODUCTION

A. Purpose and Intent.

The District is an independent unit of local government, separate and distinct from the City, and, except as may otherwise be provided for by State or local law or this Service Plan, its activities are subject to review by the City only insofar as they may deviate in a material matter from the requirements of the Service Plan. It is intended that the District will provide a part or all of the Public Improvements for the use and benefit of all anticipated inhabitants and taxpayers of the District. The primary purpose of the District will be to finance the construction of these Public Improvements.

The District is not being created to provide ongoing operations and maintenance services other than as specifically set forth in this Service Plan.

B. Need for the District.

There are currently no other governmental entities, including the City, located in the immediate vicinity of the District that consider it desirable, feasible or practical to undertake the planning, design, acquisition, construction installation, relocation, redevelopment, and financing of the Public Improvements needed for the Project. Formation of the District is therefore necessary in order for the Public Improvements required for the Project to be provided in the most economic manner possible.

C. Objective of the City Regarding District's Service Plan.

The City's objective in approving the Service Plan for the District is to authorize the District to provide for the planning, design, acquisition, construction, installation, relocation and redevelopment of the Public Improvements from the proceeds of Debt to be issued by the District. All Debt is expected to be repaid by taxes imposed and collected for no longer than the Maximum Debt Mill Levy Imposition Term for residential properties and at a tax mill levy no higher than the Maximum Debt Mill Levy for commercial and residential properties, and/or repaid by Fees, as long as such Fees are not imposed upon or collected from Taxable Property owned or occupied by an End User for the purpose of creating a capital cost payment obligation as further described in Section V.A. 11. Debt which is issued within these parameters and, as further described in the Financial Plan, will insulate property owners from excessive tax and Fee burdens to support the servicing of the Debt and will result in a timely and reasonable discharge of the Debt.

This Service Plan is intended to establish a limited purpose for the District and explicit financial constraints that are not to be violated under any circumstances. The primary purpose is to provide for the Public Improvements associated with development and regional needs. Operational activities are allowed, but only through an intergovernmental agreement with the City.

It is the intent of the District to dissolve upon payment or defeasance of all Debt incurred or upon a court determination that adequate provision has been made for the payment of

all Debt, and if the District has authorized operating functions under an intergovernmental agreement with the City, to retain only the power necessary to impose and collect taxes or Fees to pay for these costs.

The District shall be authorized to finance the Public Improvements that can be funded from Debt to be repaid from Fees or from tax revenues collected from a mill levy which shall not exceed the Maximum Debt Mill Levy on commercial and residential properties and which shall not exceed the Maximum Debt Mill Levy Imposition Term on residential properties. It is the intent of this Service Plan to assure to the extent possible that no commercial or residential property bear an economic burden that is greater than that associated with the Maximum Debt Mill Levy in amount and that no property developed for a residential use bear an economic burden that is greater than that associated with the Maximum Debt Mill Levy Imposition Term in duration even under bankruptcy or other unusual situations. Generally, the cost of Public Improvements that cannot be funded within these parameters are not costs to be paid by the District. With regard to Regional Improvements, this Service Plan also provides for the Districts to pay a portion of the cost of regional infrastructure as part of ensuring that development and those that benefit from development pay for the associated costs.

II. DEFINITIONS

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

Approved Development Plan: means a Framework Development Plan or other process established by the City for identifying, among other things, Public Improvements necessary for facilitating development for property within the Service Area as approved by the City pursuant to the City Code and as amended pursuant to the City Code from time to time.

ARI or Regional Improvements: means Aurora Regional Improvements.

ARI Authority: means one or more Authorities established by an ARI Authority Establishment Agreement.

ARI Establishment Agreement: means an intergovernmental agreement establishing an ARI Authority which has, at minimum, Title 32 special districts from three (3) or more Approved Development Plan areas as parties to the Agreement.

ARI Master Plan: means one or more master plans adopted by an ARI Authority establishing Regional Improvements which will benefit the taxpayers and service users of the Districts which constitute such ARI Authority, which master plan will change from time to time.

ARI Mill Levy: means the following:

A. For districts with property within their boundaries developed with any residential uses means the mill levy imposed for payment of the costs of the planning, design, permitting, construction, acquisition and financing of the improvements described in the

ARI Master Plan, which: (i) shall be one (1) mill for collection beginning for each district in the first year of collection of a debt service mill levy by such district and continuing in each year thereafter through the twentieth (20th) year; and (ii) shall be five (5) mills from the twenty-first (21st) year through the fortieth (40th) year or the date of repayment of the debt incurred for Public Improvements, other than Regional Improvements, which ever first occurs; and (iii) for an additional ten (10) years, the mill levy shall be equal to the average debt service mill levy imposed by such district in the ten (10) years prior to the date of repayment of the debt incurred for Public Improvements other than Regional Improvements; and

B. For districts with property within their boundaries developed solely for commercial uses means the mill levy imposed for payment of the costs of the planning, design, permitting, construction, acquisition and financing of the improvements described in the ARI Master Plan, which: (i) shall be one (1) mill for collection beginning for each district in the first year of collection of a debt service mill levy by such district and continuing in each year thereafter through the twentieth (20th) year; (ii) shall be one and one-half (1.5) mills from the twenty-first (21st) year through the date of repayment of debt incurred for Public Improvements, other than Regional Improvements; and (iii) for five (5) years thereafter, the mill levy shall be the lesser of twenty (20) mills or a mill levy equal to the average debt service mill levy imposed by such district in the ten (10) years prior to the date of repayment of debt issued for Public Improvements, other than Regional Improvements; and

C. Any district may, pursuant to any intergovernmental agreement with the City, extend the term for application of the ARI Mill Levy beyond the years set forth in A and B above. The Maximum Mill Levy Imposition Term shall include the terms set forth in A and B above and any extension of the term as approved in an intergovernmental agreement as described herein.

D. All mills described in this ARI Mill Levy definition shall be subject to adjustment as follows: On or after January 1, 2004, if there are changes in the method of calculating assessed valuation or any constitutionally mandated tax credit, cut or abatement; the one (1) mill levy described above 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 January 1, 2004, are neither diminished nor enhanced as a result of such changes, for purposes of the foregoing, a change in the ratio of actual valuation shall be deemed to be a change in the method of calculating assessed valuation.

Board: means the board of directors of the District.

Bond, Bonds or Debt: means bonds or other obligations for the payment of which the District has promised to impose an *ad valorem* property tax mill levy, and/or collect Fee revenue.

City: means the City of Aurora, Colorado.

City Code: means the City Code of the City of Aurora, Colorado.

City Council: means the City Council of the City of Aurora, Colorado.

District: means TransPort Metropolitan District No. 12.

Districts: means District No. 1 and District Nos. 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, and 15.

End User: means any owner, or tenant of any owner, of any taxable improvement within the Districts who is intended to become burdened by the imposition of ad valorem property taxes subject to the Maximum Debt Mill Levy. By way of illustration, a resident homeowner, renter, commercial property owner, or commercial tenant is an End User. The business entity that constructs homes or commercial structures is not an End User.

External Financial Advisor: means a consultant 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) shall be an underwriter, investment banker, or individual listed as a public finance advisor in the Bond Buyer's Municipal Market Place; and (iii) is not an officer or employee of the District and has not been otherwise engaged to provide services in connection with the transaction related to the applicable Debt.

Fee(s): means any fee imposed by the Districts for services, programs or facilities provided by the Districts, as described in Section V.A.11. below.

Financial Plan: means the combined Financial Plan of the Districts as described in Section VII which describes (i) how the Public Improvements are to be financed; (ii) how the Debt is expected to be incurred; and (iii) the estimated operating revenue derived from property taxes for the first budget year.

Inclusion Area Boundaries: means the boundaries of the area described in the Inclusion Area Boundary Map.

Inclusion Area Boundary Map: means the map attached hereto as **Exhibit C-2**, describing the property proposed for inclusion within one, but not any more than one, of the boundaries of the Districts.

Initial District Boundaries: means the boundaries of the area described in the Initial District Boundary Map.

Initial District Boundary Map: means the map attached hereto as **Exhibit C-1**, describing the District's initial boundaries.

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

Maximum Debt Mill Levy Imposition Term: means the maximum term for imposition of a mill levy on a particular property developed for residential uses as set forth in Section VII.D below.

Project: means the development or property commonly referred to as TransPort.

Public Improvements: means a part or all of the improvements authorized to be planned, designed, acquired, constructed, installed, relocated, redeveloped and financed as generally described in the Special District Act, except as specifically limited in Section V below to serve the future taxpayers and inhabitants of the Service Area as determined by the Board of the District.

Regional Improvements: means Public Improvements and facilities that benefit the Service Area and which are to be financed pursuant to Section VI below.

Service Area: means the property within the Initial District Boundary Map and the Inclusion Area Boundary Map.

Service Plan: means this service plan for the District approved by City Council.

Service Plan Amendment: means an amendment to the Service Plan approved by City Council in accordance with the City's ordinance and the applicable state law.

Special District Act: means Section 32-1-101, et seq., of the Colorado Revised Statutes, as amended from time to time.

State: means the State of Colorado.

Taxable Property: means real or personal property within the Service Area subject to ad valorem taxes imposed by the Districts.

III. BOUNDARIES

The area of the Initial District Boundaries includes approximately one (1) acre and the total area proposed to be included in the Inclusion Area Boundaries is approximately six thousand fifty and fifty-five hundredths acres (6050.55). Of this acreage, approximately four thousand eight hundred fifty-eight and fifty-five hundredths (4858.55) acres are within the corporate limits of the City of Aurora while one thousand one hundred and ninety-two (1192) acres are not within the City's corporate limits and will need to be annexed prior to inclusion into the District.

The provisions of this Service Plan as to the Future Inclusion Area Boundaries will become valid only upon annexation of the Inclusion Area Boundaries into the City of Aurora and the inclusion of the same into the District. If annexation of the Inclusion Area Boundaries is not complete by December 31, 2007, the District agrees to file an Amended and Restated Service Plan with regard to the District's Boundaries and Inclusion Area Boundaries before annexation occurs.

A legal description of the Initial District Boundaries and the Inclusion Area Boundaries is attached hereto as **Exhibit A**. A vicinity map is attached hereto as **Exhibit B**. A map of the Initial District Boundaries is attached hereto as **Exhibit C-1**, and a map of the Inclusion Area Boundaries is attached hereto as **Exhibit C2**. It is anticipated that the District's boundaries may change from time to time as it undergoes inclusions and exclusions pursuant to Section 32-1-401, et seq., C.R.S., and Section 32-1-501, et seq., C.R.S., subject to the limitations set forth in Article V below.

IV. PROPOSED LAND USE/POPULATION PROJECTIONS/ASSESSED VALUATION

The Service Area consists of approximately six thousand fifty-one and fifty-five hundredths (6051.55) acres of commercial and industrial land. The current assessed valuation of the Service Area is $143,950.00 for purposes of this Service Plan and, at build out, is expected to be sufficient to reasonably discharge the Debt under the Financial Plan. The population of the District at build-out is estimated to be approximately zero (0) people.

Approval of this Service Plan by the City does not imply approval of the development of a specific area within the District, nor does it imply approval of the number of residential units or the total site/floor area of commercial or industrial buildings identified in this Service Plan or any of the exhibits attached thereto, unless the same is contained within an Approved Development Plan.

V. DESCRIPTION OF PROPOSED POWERS, IMPROVEMENTS AND SERVICES

A. Powers of the District and Service Plan Amendment.

The District shall have the power and authority to provide the Public Improvements and related operation and maintenance services within and without the boundaries of the District as such power and authority is described in the Special District Act, and other applicable statutes, common law and the Constitution, subject to the limitations set forth herein.

1. Operations and Maintenance Limitation. The purpose of the District is to plan for, design, acquire, construct, install, relocate, redevelop and finance the Public Improvements. The District shall dedicate the Public Improvements to the City or other appropriate jurisdiction or owners association in a manner consistent with the Approved Development Plan and other rules and regulations of the City and applicable provisions of the City Code. The District shall not be authorized to operate and maintain any part or all of the Public Improvements, other than park and recreation improvements, unless the provision of such operation and maintenance is pursuant to an intergovernmental agreement with the City. The District shall be authorized, but not obligated to, operate and maintain park and recreation improvements without an intergovernmental agreement with the City, provided that any Fee imposed by the District for access to such park and recreation improvements shall not result in Non-District Aurora residents paying a user fee that is greater than, or otherwise disproportionate to, similar fees and taxes paid by residents of the District. However, the District shall be entitled to impose an administrative Fee as necessary to cover additional expenses associated with Non-District Aurora residents to ensure that such costs are not the responsibility of District residents.

All such Fees shall be based upon the District's determination that such Fees do not exceed reasonable annual market fee for users of such facilities. Notwithstanding the foregoing, all parks and trails shall be open to the general public and Non-District Aurora residents free of charge.

2. Fire Protection Limitation. The District shall not be authorized to plan for, design, acquire, construct, install, relocate, redevelop, finance, operate or maintain fire protection facilities or services, unless such facilities and services are provided pursuant to an intergovernmental agreement with the City. The authority to plan for, design, acquire, construct, install, relocate, redevelop or finance fire hydrants and related improvements installed as part of the water system shall not be limited by this provision.

3. Television Relay and Translation Limitation. The District shall not be authorized to plan for, design, acquire, construct, install, relocate, redevelop, finance, operate or maintain television relay and translation facilities and services, other than for the installation of conduit as a part of a street construction project, unless such facilities and services are provided pursuant to an intergovernmental agreement with the City.

4. Golf Course Construction Limitation. Acknowledging that the City has financed public golf courses and desires to coordinate the construction of public golf courses in the City's boundaries, the District shall not be authorized to plan, design, acquire, construct, install, relocate, redevelop, finance, operate or maintain a golf course unless such activity is pursuant to an intergovernmental agreement with the City.

5. Construction Standards Limitation. The District will ensure that the Public Improvements are designed and constructed in accordance with the standards and specifications of the City and of other governmental entities having proper jurisdiction. The District will obtain the City's approval of civil engineering plans and will obtain applicable permits for construction and installation of Public Improvements prior to performing such work.

6. Privately Placed Debt Limitation. Prior to the issuance of any privately placed Debt, the District shall obtain the certification of an External Financial Advisor substantially as follows:

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

7. Inclusion Limitation. THE DISTRICT SHALL NOT INCLUDE WITHIN ANY OF ITS BOUNDARIES ANY PROPERTY INSIDE THE INCLUSION AREA

BOUNDARIES WITHOUT THE PRIOR WRITTEN CONSENT OF THE CITY COUNCIL EXCEPT UPON PETITION OF THE FEE OWNER OR OWNERS OF ONE HUNDRED PERCENT OF SUCH PROPERTY AS PROVIDED IN SECTION 32-1-401(1)(A), C.R.S.

8. Overlap Limitation. The boundaries of the Districts shall not overlap unless the aggregate mill levy for payment of Debt of the overlapping Districts will not at any time exceed the Maximum Debt Mill Levy of the Districts. Additionally, the Districts shall not consent to the organization of any other district organized under the Special District Act within the Service Area which will overlap the boundaries of the Districts unless the aggregate mill levy for payment of Debt of such proposed districts will not at any time exceed the Maximum Debt Mill Levy of the Districts.

9. Initial Debt Limitation. On or before the effective date of approval by the City of an Approved Development Plan, the District shall not: (a) issue any Debt; nor (b) impose a mill levy for the payment of Debt by direct imposition or by transfer of funds from the operating fund to the Debt service funds; nor (c) impose and collect any Fees used for the purpose of repayment of Debt.

10. Total Debt Issuance Limitation. The District shall not issue Debt in excess of One Billion Five Hundred Million Dollars ($1,500,000,000).

11. Fee Limitation. Each of the Districts may impose and collect Fees as a source of revenue for repayment of debt, capital costs, and/or for operations and maintenance. No Fee related to the funding of costs of a capital nature shall be authorized to be imposed upon or collected from Taxable Property owned or occupied by an End User which has the effect, intentional or otherwise, of creating a capital cost payment obligation in any year on any Taxable Property owned or occupied by an End User. Notwithstanding any of the foregoing, the restrictions in this definition shall not apply to any Fee imposed upon or collected from Taxable Property for the purpose of funding operation and maintenance costs of the Districts.

12. Monies from Other Governmental Sources. The District 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 City is eligible to apply for, except pursuant to an intergovernmental agreement with the City. This Section shall not apply to specific ownership taxes which shall be distributed to and a revenue source for the District without any limitation.

13. Consolidation Limitation. The District shall not file a request with any Court to consolidate with another Title 32 district without the prior written consent of the City, unless such consolidation is with District Nos. 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 13, 14, or 15.

14. Bankruptcy Limitation. All of the limitations contained in this Service Plan, including, but not limited to, those pertaining to the Maximum Debt Mill Levy, Maximum Debt Mill Levy Imposition Term and the Fees have been established under the authority of the City to approve a 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 nonbankruptcy law" as required for confirmation of a Chapter 9 Bankruptcy Plan under Bankruptcy Code Section 943(b)(6).

Any Debt, issued with a pledge or which results in a pledge, that exceeds the Maximum Debt Mill Levy and the Maximum Debt Mill Levy Imposition Term, 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 City as part of a Service Plan Amendment.

15. Service Plan Amendment Requirement. This Service Plan has been designed with sufficient flexibility to enable the District to provide required services and facilities under evolving circumstances without the need for numerous amendments. Actions of the District which violate the limitations set forth in V.A.1-14 above or in VII.B-G. shall be deemed to be material modifications to this Service Plan and the City shall be entitled to all remedies available under State and local law to enjoin such actions of the District.

B. Preliminary Engineering Survey.

The District shall have authority to provide for the planning, design, acquisition, construction, installation, relocation, redevelopment, maintenance, and financing of the Public Improvements within and without the boundaries of the District, to be more specifically defined in an Approved Development Plan. An estimate of the costs of the Public Improvements which may be planned for, designed, acquired, constructed, installed, relocated, redeveloped, maintained or financed was prepared based upon a preliminary engineering survey and estimates derived from the zoning on the property in the Service Area and is approximately Seven Hundred Fifty Million Dollars ($750,000,000).

All of the Public Improvements will be designed in such a way as to assure that the Public Improvements standards will be compatible with those of the City and shall be in accordance with the requirements of the Approved Development Plan. All construction cost estimates are based on the assumption that construction conforms to applicable local, State or Federal requirements.

C. Multiple District Structure.

It is anticipated that the Districts, collectively, will undertake the financing and construction of the improvements contemplated herein. Specifically, the Districts shall enter into an Intergovernmental Cost Sharing and Recovery Agreement which shall govern the relationships between and among the Districts with respect to the financing, construction and operation of the improvements contemplated herein. The District will establish a mechanism

whereby any one or more of the Districts may separately or cooperatively fund, construct, install and operate the improvements.

VI. REGIONAL IMPROVEMENTS

The District shall be authorized to provide for the planning, design, acquisition, construction, installation, relocation and/or redevelopment and a contribution to the funding of the Regional Improvements and fund the administration and overhead costs related to the provisions of the Regional Improvements incurred as a result of participation in the alternatives set forth in Section VI.A, B or C below.

The District shall impose the ARI Mill Levy and shall convey it as follows:

A. If the District has executed an ARI Authority Establishment Agreement and the City has been offered the opportunity to execute an ARI Authority Establishment Agreement, the terms of which provide for the City to appoint no less than thirty percent (30%) and no more than forty-nine percent (49%) of the board members who will serve as the board of directors of the ARI Authority to be established by such ARI Authority Establishment Agreement, regardless as to whether the City approves the execution of such ARI Authority Establishment Agreement, the revenue from the ARI Mill Levy shall be conveyed to the ARI Authority for the planning, designing, constructing, installing, acquiring, relocating, redeveloping or financing of the Regional Improvements in the ARI Master Plan and for the operations of such ARI Authority; or

B. If the City and the District have executed an intergovernmental agreement then the revenue from the ARI Mill Levy shall be conveyed to the City for use in planning, designing, constructing, installing, acquiring, relocating, redeveloping or financing of the Regional Improvements which benefit the service users and taxpayers of the District in accordance with such agreement; or

C. If neither Section VI.A nor VI.B above is applicable then the revenue shall be conveyed to the City and (i) the City shall place in a special account all revenues received from the ARI Mill Levy imposed in the Service Area under this Section VI and shall not expend such revenue until an intergovernmental agreement is executed between the District establishing the terms and conditions for the provision of the Regional Improvements; and (ii) if the intergovernmental agreement is not executed within two (2) years from the date of the approval of the Service Plan by the City and neither Section VI.A nor VI.B above have occurred within two (2) years from the date of the approval of the Service Plan by the City, then the revenue from the ARI Mill Levy shall be conveyed to the City for use by the City in the planning, designing, constructing, installing, acquiring, relocating, redeveloping or financing of the Regional Improvements which benefit the service users or taxpayers of the District as prioritized and determined by the City.

As set forth in the definition of the ARI Mill Levy, the District may, pursuant to any intergovernmental agreement with the City, extend the terms for application of the ARI Mill Levy beyond the years set forth in Sections VI.A and VI. B above. The Maximum Mill Levy Imposition Term shall include the terms and any extension of such terms, as set forth in Sections A, B and C of the definition of the ARI Mill Levy.

The Regional Improvements shall be limited to the provision of the planning, design, acquisition, construction, installation, relocation and/or redevelopment of street and transportation related improvements as defined in the Special District Act and the administration and overhead costs incurred as a result of participation in the alternative set forth in Section VI.A, B or C set forth above, unless the City has agreed otherwise in writing.; provided, however in no event shall the Regional Improvements include water or sanitary sewer improvements unless such improvements are necessary as a part of completing street and transportation related improvements. The District shall cease to be obligated to impose, collect and convey to the City the revenue from the ARI Mill Levy described in this Section VI at such time as the area within the District's boundaries is included within a different district organized under the Special District Act, or a General Improvement District organized under Section 31-25-601, et seq., C.R.S., or Business Improvement District organized under Section 31-25-1201, et seq., C.R.S., which other district has been organized to fund a part or all of the Regional Improvements.

The District shall have the authority to issue Debt for the Regional Improvements, in an amount not to exceed Seven Hundred Fifty Million Dollars ($750,000,000) pursuant to agreements as described in VI.A, B or C above.

VII. FINANCIAL PLAN

A. General.

The District shall be authorized to provide for the planning, design, acquisition, construction, installation, relocation and/or redevelopment of the Public Improvements from its revenues and by and through the proceeds of Debt to be issued by the District. The Financial Plan for the District shall be to issue such Debt as the District can reasonably pay within the Maximum Debt Mill Levy Imposition Term from revenues derived from the Maximum Debt Mill Levy and other legally available revenues. The total Debt that the District shall be permitted to issue shall not exceed One Billion Five Hundred Million Dollars ($1,500,000,000) and shall be permitted to be issued on a schedule and in such year or years as the District determine shall meet the needs of the Financial Plan referenced above and phased to serve development as it occurs. All bonds and other Debt issued by the District may be payable from any and all legally available revenues of the District, including general ad valorem taxes and Fees to be imposed upon all Taxable Property within the District. The District will also rely upon various other revenue sources authorized by law. These will include the power to assess Fees, rates, tolls, penalties, or charges as provided in Section 32-1-1001(1), C.R.S., as amended from time to time.

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. In the event of a default, the proposed maximum interest rate on any Debt is not expected to exceed eighteen percent (18%). The proposed maximum underwriting discount will be five percent (5%). Debt, when issued, will comply with all relevant requirements of this Service Plan, State law and Federal law as then applicable to the issuance of public securities.

C. Maximum Debt Mill Levy.

The "Maximum Debt Mill Levy" shall be the maximum mill levy the District is permitted to impose upon the taxable property within the District for payment of Debt, and shall be determined as follows:

1. For the portion of any aggregate District's Debt which exceeds fifty percent (50%) of the District's assessed valuation, the Maximum Debt Mill Levy for such portion of Debt shall be fifty (50) mills less the number of mills necessary to pay unlimited mill levy Debt described in Section VII.C.2 below; provided that if, on or after January 1, 2004, there are changes in the method of calculating assessed valuation or any constitutionally mandated tax credit, cut or abatement; the mill levy limitation applicable to such Debt may be increased or decreased to reflect such changes, such increases or decreases to be determined by the 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 January 1, 2004, are neither diminished nor enhanced as a result of such changes. For purposes of the foregoing, a change in the ratio of actual valuation shall be deemed to be a change in the method of calculating assessed valuation.

2. For the portion of any aggregate District's Debt which is equal to or less than fifty percent (50%) of the District's assessed valuation, either on the date of issuance or at any time thereafter, the mill levy to be imposed to repay such portion of Debt shall not be subject to the Maximum Debt Mill Levy and, as a result, the mill levy may be such amount as is necessary to pay the Debt service on such Debt, without limitation of rate.

3. For purposes of the foregoing, once Debt has been determined to be within Section VII.C.2 above, so that the District is entitled to pledge to its payment an unlimited ad valorem mill levy, the District may provide that such Debt shall remain secured by such unlimited mill levy, notwithstanding any subsequent change in the District's Debt to assessed ratio. All Debt issued by the District must be issued in compliance with the requirements of Section 32-1-1101, C.R.S. and all other requirements of State law.

To the extent that the District is composed of or subsequently organized into one or more subdistricts as permitted under Section 32-1-1101, C.R.S., the term "District" as used herein shall be deemed to refer to the District and to each such subdistrict separately, so that each of the subdistricts shall be treated as a separate, independent district for purposes of the application of this definition.

D. Maximum Debt Mill Levy Imposition Term.

The District shall have the authority to impose the ARI Mill Levy for the terms as set forth in Section VI. Other than the ARI Mill Levy, the District shall not impose a levy for repayment of any and all Debt (or use the proceeds of any mill levy for repayment of Debt) on any single property developed for residential uses which exceeds forty (40) years after the year of the initial imposition of such mill levy unless a majority of the Board of Directors of the District are residents of the District and have voted in favor of a refunding of a part or all of the

Debt and such refunding will result in a net present value savings as set forth in Section 11-56-101, C.R.S.; et seq.

E. Debt Repayment Sources.

The District may impose a mill levy on taxable property within its boundaries as a primary source of revenue for repayment of debt service and for operations and maintenance. The District may also rely upon various other revenue sources authorized by law. At the District's discretion, these may include the power to assess fees, rates, tolls, penalties, or charges as provided in Section 32-1-1001(l), C.R.S., as amended from time to time. In no event shall the debt service mill levy in the District exceed the Maximum Debt Mill Levy or, for residential property within the District, the Maximum Debt Mill Levy Imposition Term, except pursuant to an intergovernmental agreement between the District and the City for Regional Improvements.

F. Debt Instrument Disclosure Requirement.

In the text of each Bond and any other instrument representing and constituting Debt, the District shall set forth a statement in substantially the following form:

> By acceptance of this instrument, the owner of this Bond agrees and consents to all of the limitations in respect of the payment of the principal of and interest on this Bond contained herein, in the resolution of the District authorizing the issuance of this Bond and in the Service Plan for creation of the District.

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

G. Security for Debt.

The District shall not pledge any revenue or property of the City 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 City 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 City in the event of default by the District in the payment of any such obligation.

H. TABOR Compliance.

The District will comply with the provisions of TABOR. In the discretion of the Board, the District may set up other qualifying entities to manage, fund, construct and operate facilities, services, and programs. To the extent allowed by law, any entity created by the District will remain under the control of the District's Board.

I. District's Operating Costs.

The estimated cost of acquiring land, engineering services, legal services and administrative services, together with the estimated costs of the District's organization and initial operations, are anticipated to be Five Hundred Thousand Dollars ($500,000), which will be eligible for reimbursement from Debt proceeds.

In addition to the capital costs of the Public Improvements, the District will require operating funds for administration and to plan and cause the Public Improvements to be constructed and maintained. The first year's operating budget is estimated to be One Hundred Thousand Dollars ($100,000) which is anticipated to be derived from property taxes and other revenues.

The Maximum Debt Mill Levy for the repayment of Debt shall not apply to the District's ability to increase its mill levy as necessary for provision of operation and maintenance services to its taxpayers and service users.

VIII. ANNUAL REPORT

A. General.

The District shall be responsible for submitting an annual report to the Manager of the Office of Development Assistance of the City Manager's Office no later than August 1st of each year following the year in which the Order and Decree creating the District has been issued.

B. Reporting of Significant Events.

The annual report shall include information as to any of the following:

1. Boundary changes made or proposed to the District's boundary as of December 31 of the prior year.

2. Intergovernmental Agreements with other governmental entities, either entered into or proposed as of December 31 of the prior year.

3. Copies of the District's rules and regulations, if any as of December 31 of the prior year.

4. A summary of any litigation which involves the District Public Improvements as of December 31 of the prior year.

5. Status of the District's construction of the Public Improvements as of December 31 of the prior year.

6. A list of all facilities and improvements constructed by the District that have been dedicated to and accepted by the City as of December 31 of the prior year.

7. The assessed valuation of the District for the current year.

8. Current year budget including a description of the Public Improvements to be constructed in such year.

9. Audit of the District's financial statements, for the year ending December 31 of the previous year, prepared in accordance with generally accepted accounting principles or audit exemption, if applicable.

10. Notice of any uncured events of default by the District, which continue beyond a ninety (90) day period, under any Debt instrument.

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

IX. DISSOLUTION

Upon an independent determination of the City Council that the purposes for which the District was created have been accomplished, the District agrees to file petitions in the appropriate District Court for dissolution, pursuant to the applicable State statutes. In no event shall a dissolution occur until the District has provided for the payment or discharge of all of their outstanding indebtedness and other financial obligations as required pursuant to State statutes.

X. DISCLOSURE TO PURCHASERS

The District will use reasonable efforts to assure that all developers of the property located within the District provide written notice to all purchasers of property in the District regarding the Maximum Debt Mill Levy, as well as a general description of the District's authority to impose and collect rates, Fees, tolls and charges. The form of notice shall be filed with the City prior to the initial issuance of the Debt of the District imposing the mill levy which is the subject of the Maximum Debt Mill Levy.

XI. INTERGOVERNMENTAL AGREEMENT

The form of the intergovernmental agreement required by the City Code, relating to the limitations imposed on the District's activities, is attached hereto as **Exhibit D**. The District shall approve the intergovernmental agreement in the form attached as **Exhibit D** at its first Board meeting after its organizational election. Failure of the District to execute the intergovernmental agreement as required herein shall constitute a material modification and shall require a Service Plan Amendment. The City Council shall approve the intergovernmental agreement in the form attached as **Exhibit D** at the public hearing approving the Service Plan.

XII. CONCLUSION

It is submitted that this Service Plan for the District, as required by Section 32-1-203(2), C.R.S., and Section 122-35 of the City Code, establishes that:

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

2. The existing service in the area to be served by the District is inadequate for present and projected needs;

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

4. The area to be included in the District does have, and will have, the financial ability to discharge the proposed indebtedness on a reasonable basis.

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

6. The facility and service standards of the District are compatible with the facility and service standards of the City within which the special district is to be located and each municipality which is an interested party under Section 32-1-204(1), C.R.S.

7. The proposal is in substantial compliance with a comprehensive plan adopted pursuant to the City Code.

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

9. The creation of the District is in the best interests of the area proposed to be served.

Respectfully submitted this 14th day of July, 2006.

By_____
Attorneys for the Proponents of the District

EXHIBIT A

Legal Descriptions

Matrix Design Group, Inc.
Integrated Design Solutions

7350 E. 29th Avenue, Suite 204
Denver, Colorado 80238
(303) 780-7711
Fax (303) 780-7766

LEGAL DESCRIPTION

A PARCEL OF LAND BEING A PORTION OF THE SOUTHWEST ONE-QUARTER OF SECTION 8, TOWNSHIP 3 SOUTH, RANGE 64 WEST OF THE SIXTH PRINCIPAL MERIDIAN, COUNTY OF ADAMS, STATE OF COLORADO, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS WITH BEARINGS REFERENCED TO THE SOUTH LINE OF THE SAID SOUTHWEST ONE-QUARTER BEING WITNESSED BY 3-1/4" ALUMINUM CAP MONUMENT ON EACH END, BEARING SOUTH 89°30'20" EAST 2647.10 FEET:

COMMENCE AT THE SOUTHWEST CORNER OF SAID SECTION 8; THENCE S SOUTH 89°30'20" EAST, ALONG THE SOUTH LINE OF THE SAID SOUTHWEST ONE-QUARTER, A DISTANCE OF 971.81 FEET; THENCE NORTH 00°29'40" EAST A DISTANCE OF 72.00 FEET TO THE **POINT OF BEGINNING**;

1) THENCE NORTH 01°16'06" WEST, PARALLEL WITH THE WEST LINE OF THE SAID SOUTHWEST ONE-QUARTER, A DISTANCE OF 215.10 FEET;

2) THENCE SOUTH 89°30'20" EAST, PARALLEL WITH THE SOUTH LINE OF THE SAID SOUTHWEST ONE-QUARTER, A DISTANCE OF 202.61 FEET;

3) THENCE SOUTH 00°29'40" EAST, PARALLEL WITH THE SAID WEST LINE OF THE SOUTHWEST ONE-QUARTER, A DISTANCE OF 215.10 FEET;

4) THENCE NORTH 89°30'20" WEST, ALONG A LINE BEING PARALLEL WITH AND 72.00 FEET NORTH OF THE SAID SOUTH LINE OF THE SOUTHWEST ONE-QUARTER, A DISTANCE OF 202.61 FEET TO THE **POINT OF BEGINNING.**

THE ABOVE DESCRIBED PROPERTY ENCOMPASSES 43,560.00 SQ. FT. OR 1.00000 ACRES OF LAND, MORE OR LESS. A GRAPHICAL DEPICTION OF THE ABOVE DESCRIBED PROPERTY IS ATTACHED HERETO AS AN AID IN THE VISUAL INTERPRETATION OF THE WRITTEN DOCUMENT.

ROBERT L. MEADOWS, JR. P.L.S. 34977
FOR AND ON BEHALF OF
MATRIX DESIGN GROUP. INC.

COLORADO REGISTERED
ROBERT LEE MEADOWS
34977
7/14/04
PROFESSIONAL LAND SURVEYOR

FUTURE INCLUSION AREA

Matrix Design Group, Inc.
Integrated Design Solutions

1601 Blake Street, Suite 200
Denver, Colorado 80202
(303) 572-0200 Tel
(303) 572-0202 Fax
www.matrixdesigngroup.com

EXHIBIT A
INCLUSION AREA NARRATIVE LEGAL DECSRIPTION:

THE SOUTHEAST 1/4 OF SECTION 28, TOWNSHIP 3 SOUTH, RANGE 64 WEST OF THE 6TH PRINCIPAL MERIDIAN, EXCEPT ANY PORTION THEREOF LYING WITHIN 28TH AVENUE OR LYING WITHIN RAILROAD RIGHT-OF-WAY, COUNTY OF ADAMS, STATE OF COLORADO.

TOGETHER WITH

A PARCEL OF LAND LOCATED IN SECTION 33, TOWNSHIP 3 SOUTH, RANGE 64 WEST OF THE 6TH PRINCIPAL MERIDIAN, COUNTY OF ADAMS, STATE OF COLORADO, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE EAST QUARTER CORNER OF SAID SECTION 33, SAID POINT ALSO BEING THE POINT OF BEGINNING;
THENCE SOUTH 01 DEGREES 01 MINUTES 14 SECONDS WEST ALONG THE EAST LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 33, A DISTANCE OF 1988.03 FEET TO THE NORTHEAST CORNER OF THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SAID SECTION 33;
THENCE NORTH 87 DEGREES 49 MINUTES 31 SECONDS WEST ALONG THE NORTH LINE OF THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SAID SECTION 33, A DISTANCE OF 657.55 FEET TO THE NORTHWEST CORNER OF THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SAID SECTION 33;
THENCE S 01 DEGREES 00 MINUTES 53 SECONDS WEST ALONG THE WEST LINE OF THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SAID SECTION 33, A DISTANCE OF 392.21 FEET TO A POINT ON THE NORTH RIGHT-OF-WAY OF I-70 AS RECORDED IN BOOK 754 AT PAGE 286 IN THE OFFICE OF THE ADAMS COUNTY CLERK AND RECORDER;
THENCE ALONG THE NORTH RIGHT-OF-WAY OF SAID I-70, THE FOLLOWING 6 COURSES:

1) NORTH 87 DEGREES 16 MINUTES 45 SECONDS WEST, A DISTANCE OF 3011.51 FEET AS MEASURED (3018.2 FEET DEEDED) TO A PONT ON A CURVE;

2) ALONG THE ARC OF A CURVE TO THE LEFT HAVING A CENTRAL ANGLE OF 00 DEGREES 37 MINUTES 00 SECONDS, A RADIUS OF 23,122.00 FEET, AN ARC LENGTH OF 248.75 FEET, AND WHOSE CHORD BEARS NORTH 87 DEGREES 53 MINUTES 19 SECONDS WEST, A DISTANCE OF 248.75 FEET TO A POINT OF TANGENT;

3) NORTH 88 DEGREES 11 MINUTES 49 SECONDS WEST ALONG SAID TANGENT, A DISTANCE OF 1043.00 FEET;

4) NORTH 64 DEGREES 49 MINUTES 35 SECONDS WEST, A DISTANCE OF 274.10 FEET;

5) NORTH 00 DEGREES 57 MINUTES 11 SECONDS EAST, A DISTANCE OF 300.00 FEET;

6) NORTH 10 DEGREES 21 MINUTES 19 SECONDS WEST, A DISTANCE OF 102.00 FEET TO A POINT ON THE EAST LINE OF A PARCEL OF LAND AS RECORDED IN BOOK 195 AT PAGE 314 IN

THE OFFICE OF THE ADAMS COUNTY CLERK AND RECORDER;
THENCE NORTH 00 DEGREES 57 MINUTES 11 SECONDS EAST ALONG SAID EAST LINE OF SAID PARCEL OF LAND, A DISTANCE OF 1850.47 FEET;
THENCE CONTINUING ALONG SAID EAST LINE OF SAID PARCEL OF LAND, NORTH 00 DEGREES 56 MINUTES 57 SECONDS EAST, A DISTANCE OF 1374.28 FEET TO A POINT ON THE SOUTHERLY LINE OF THE 100.00 FOOT RIGHT-OF-WAY OF STATE HIGHWAY 40 (FORMERLY KNOWN AS STATE HIGHWAY NO. 8);
THENCE NORTH 79 DEGREES 31 MINUTES 33 SECONDS EAST ALONG THE SOUTHERLY RIGHT-OF-WAY OF STATE HIGHWAY 40, A DISTANCE OF 5342.72 FEET TO A POINT ON THE EAST LINE OF THE NORTHEAST QUARTER OF SAID SECTION 33;
THENCE SOUTH 01 DEGREES 03 MINUTES 49 SECONDS WEST ALONG THE EAST LINE OF THE NORTHEAST QUARTER OF SAID SECTION 33, A DISTANCE OF 2542.91 FEET TO THE POINT OF BEGINNING, COUNTY OF ADAMS, STATE OF COLORADO.

TOGETHER WITH

A PARCEL OF LAND LOCATED IN SECTION 33, TOWNSHIP 3 SOUTH, RANGE 64 WEST OF THE 6TH PRINCIPAL MERIDIAN, ADAMS COUNTY, STATE OF COLORADO, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF SAID SECTION 33;
THENCE SOUTH 87 DEGREES 51 MINUTES 14 SECONDS EAST ALONG THE NORTH LINE OF SAID SECTION 33, A DISTANCE OF 2634.12 FEET TO THE NORTH QUARTER CORNER OF SAID SECTION 33; THENCE CONTINUING SOUTH 87 DEGREES 51 MINUTES 14 SECONDS EAST ALONG THE NORTH LINE OF SAID SECTION 33, A DISTANCE OF 823.89 FEET TO A POINT ON THE NORTHERLY LINE OF THE UNION PACIFIC RAILROAD RIGHT-OF-WAY;
THENCE SOUTH 79 DEGREES 31 MINUTES 33 SECONDS WEST ALONG THE NORTHERLY LINE OF SAID UNION PACIFIC RAILROAD RIGHT-OF-WAY, A DISTANCE OF 3527.13 FEET TO A POINT ON THE WEST LINE OF THE NORTHWEST QUARTER OF SAID SECTION 33;
THENCE NORTH 00 DEGREES 56 MINUTES 57 SECONDS EAST ALONG THE WEST LINE OF THE NORTHWEST QUARTER OF SAID SECTION 33, A DISTANCE OF 770.80 FEET TO THE POINT OF BEGINNING, COUNTY OF ADAMS, STATE OF COLORADO.

TOGETHER WITH

A PARCEL OF LAND LOCATED IN THE NORTHEAST QUARTER OF SECTION 32, TOWNSHIP 3 SOUTH, RANGE 64 WEST OF THE 6TH PRINCIPAL MERIDIAN, COUNTY OF ADAMS, STATE OF COLORADO, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHEAST CORNER OF THE NORTHEAST QUARTER OF SAID SECTION 32; THENCE NORTH 87 DEGREES 48 MINUTES 35 SECONDS WEST ALONG THE SOUTH LINE OF THE NORTHEAST QUARTER OF SAID SECTION 32, A DISTANCE OF 30.00 FEET TO THE POINT OF BEGINNING;
THENCE NORTH 00 DEGREES 56 MINUTES 57 SECONDS EAST ALONG A LINE THAT IS 30.00 FEET WEST (AS MEASURED AT RIGHT ANGLES) AND PARALLEL WITH THE EAST LINE OF THE NORTHEAST QUARTER OF SAID SECTION 32, AND ALONG THE WEST LINE OF A PARCEL OF LAND RECORDED IN BOOK 195 AT PAGE 315 IN THE OFFICE OF THE ADAMS COUNTY CLERK AND RECORDER, A DISTANCE OF 1360.88 FEET TO A POINT ON THE SOUTHERLY LINE OF THE 100.00 FOOT RIGHT-OF-WAY OF STATE HIGHWAY NO. 40 (FORMERLY KNOWN AS STATE HIGHWAY NO. 8) SAID POINT ALSO BEING ON THE SOUTHERLY LINE OF A PARCEL OF LAND ON

FILE AND RECORDED IN BOOK 194 AT PAGE 468 IN THE OFFICE OF THE ADAMS COUNTY CLERK AND RECORDER;
THENCE SOUTH 79 DEGREES 31 MINUTES 33 SECONDS WEST ALONG THE SOUTHERLY LINE OF SAID STATE HIGHWAY NO. 40 AND ALONG THE SOUTHERLY LINE OF A PARCEL OF LAND RECORDED IN BOOK 194 AT PAGE 468, A DISTANCE OF 724.39 FEET TO A POINT ON THE EASTERLY LINE OF A PARCEL OF LAND ON FILE AND RECORDED IN BOOK 434 AT PAGE 323, IN THE OFFICE OF THE ADAMS COUNTY CLERK AND RECORDER;
THENCE ALONG THE EASTERLY AND SOUTHERLY LINES OF SAID BOOK 434 AT PAGE 323 AND ALSO ALONG THE SOUTHERLY LINE OF BOOK 434 AT PAGE 322, THE FOLLOWING 3 COURSES:

1) SOUTH 10 DEGREES 28 MINUTES 27 SECONDS EAST, A DISTANCE OF 350.00 FEET;

2) SOUTH 79 DEGREES 31 MINUTES 33 SECONDS WEST, A DISTANCE OF 500.00 FEET;

3) SOUTH 79 DEGREES 31 MINUTES 33 SECONDS WEST, A DISTANCE OF 195.00 FEET TO THE SOUTHEAST CORNER OF GALAMB'S MOBILE HOME COURT, A PLAT ON FILE AND RECORDED IN FILE 14 AT PAGE 194 IN THE OFFICE OF THE ADAMS COUNTY CLERK AND RECORDER;
THENCE ALONG THE SOUTHERLY LINE OF SAID GALAMB'S MOBILE HOME COURT, THE FOLLOWING 5 COURSES:

1) SOUTH 79 DEGREES 31 MINUTES 33 SECONDS WEST, A DISTANCE OF 285.00 FEET;

2) NORTH 10 DEGREES 28 MINUTES 27 SECONDS WEST, A DISTANCE OF 100.00 FEET;

3) SOUTH 79 DEGREES 31 MINUTES 33 SECONDS WEST, A DISTANCE OF 300.00 FEET;

4) SOUTH 10 DEGREES 28 MINUTES 27 SECONDS EAST, A DISTANCE OF 239.52 FEET;

5) SOUTH 79 DEGREES 31 MINUTES 33 SECONDS WEST, A DISTANCE OF 426.82 FEET;

THENCE SOUTH 01 DEGREES 16 MINUTES 33 SECONDS WEST, A DISTANCE OF 349.98 FEET TO A POINT ON THE SOUTH LINE OF THE NORTHEAST 1/4 OF SAID SECTION 32;
THENCE SOUTH 87 DEGREES 48 MINUTES 35 SECONDS EAST, ALONG THE SOUTH LINE OF NORTHEAST ALONG OF SAID SECTION 32, A DISTANCE OF 2288.63 FEET TO THE POINT OF BEGINNING.

EXCEPT THAT PART PLATTED AS GALAMB'S SUBDIVISION FILING NO. 1, COUNTY OF ADAMS, STATE OF COLORADO.

TOGETHER WITH

A PARCEL OF LAND LOCATED IN THE NORTHEAST QUARTER OF SECTION 32, TOWNSHIP 3 SOUTH, RANGE 64 WEST OF THE 6TH PRINCIPAL MERIDIAN, COUNTY OF ADAMS, STATE OF COLORADO, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF THE NORTHEAST QUARTER OF SAID SECTION 32, SAID POINT ALSO BEING THE POINT OF BEGINNING;
THENCE SOUTH 00 DEGREES 56 MINUTES 57 SECONDS WEST ALONG THE EAST LINE OF THE NORTHEAST QUARTER OF SAID SECTION 32, A DISTANCE OF 770.80 FEET TO A POINT ON THE NORTHERLY LINE OF THE UNION PACIFIC RIGHT-OF-WAY;
THENCE SOUTH 79 DEGREES 31 MINUTES 33 SECONDS WEST ALONG SAID NORTHERLY LINE OF THE UNION PACIFIC RAILROAD RIGHT-OF-WAY, A DISTANCE OF 2703.29 FEET TO A POINT

ON THE WEST LINE OF THE NORTHEAST QUARTER OF SAID SECTION 32;
THENCE NORTH 00 DEGREES 59 MINUTES 27 SECONDS EAST ALONG THE WEST LINE OF THE NORTHEAST QUARTER OF SAID SECTION 32, A DISTANCE OF 1368.78 FEET TO THE NORTHWEST CORNER OF THE NORTHEAST QUARTER OF SAID SECTION 32;
THENCE SOUTH 87 DEGREES 41 MINUTES 51 SECONDS EAST ALONG THE NORTH LINE OF THE NORTHEAST QUARTER OF SAID SECTION 32, A DISTANCE OF 2649.49 FEET TO THE POINT OF BEGINNING, COUNTY OF ADAMS, STATE OF COLORADO.

TOGETHER WITH

A PARCEL OF LAND KNOWN AS THE SOUTHWEST QUARTER OF SECTION 28, TOWNSHIP 3 SOUTH, RANGE 64 WEST OF THE 6TH PRINCIPAL MERIDIAN, COUNTY OF ADAMS, STATE OF COLORADO, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF THE SOUTHWEST QUARTER OF SAID SECTION 28, SAID POINT ALSO BEING THE POINT OF BEGINNING;
THENCE SOUTH 01 DEGREES 00 MINUTES 59 SECONDS WEST ALONG THE EAST LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 28, A DISTANCE OF 2649.34 FEET TO THE SOUTHEAST CORNER OF THE SOUTHWEST QUARTER OF SAID SECTION 28;
THENCE NORTH 87 DEGREES 51 MINUTES 14 SECONDS WEST ALONG THE SOUTH LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 28, A DISTANCE OF 2634.12 FEET TO THE SOUTHWEST CORNER OF THE SOUTHWEST QUARTER OF SAID SECTION 28;
THENCE NORTH 00 DEGREES 50 MINUTES 55 SECONDS EAST ALONG THE WEST LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 28, A DISTANCE OF 2649.39 FEET TO THE NORTHWEST CORNER OF THE SOUTHWEST QUARTER OF SAID SECTION 28;
THENCE SOUTH 87 DEGREES 51 MINUTES 22 SECONDS EAST ALONG THE NORTH LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 28, A DISTANCE OF 2641.89 FEET TO THE POINT OF BEGINNING, COUNTY OF ADAMS, STATE OF COLORADO.

TOGETHER WITH

A PARCEL OF LAND LOCATED IN THE EAST HALF OF THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER OF SECTION 31, TOWNSHIP 3 SOUTH, RANGE 64 WEST OF THE 6TH PRINCIPAL MERIDIAN, COUNTY OF ADAMS, STATE OF COLORADO, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF THE EAST HALF OF THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 31; SAID POINT ALSO BEING THE POINT OF BEGINNING;
THENCE NORTH 88 DEGREES 07 MINUTES 35 SECONDS WEST ALONG THE NORTH LINE OF THE EAST HALF OF THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 31, A DISTANCE OF 664.43 FEET TO THE NORTHWEST CORNER OF THE EAST HALF OF THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 31;
THENCE ALONG THE WEST LINE OF THE EAST HALF OF THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 31, SOUTH 01 DEGREES 22 MINUTES 39 SECONDS WEST, A DISTANCE OF 1309.10 FEET TO A POINT ON THE NORTHERLY LINE OF THE UNION PACIFIC RAILROAD RIGHT-OF-WAY;
THENCE ALONG THE NORTHERLY LINE OF THE UNION PACIFIC RAILROAD RIGHT-OF-WAY, THE FOLLOWING 3 COURSES:

1) NORTH 86 DEGREES 32 MINUTES 00 SECONDS EAST, A DISTANCE OF 54.65 FEET TO A POINT

OF CURVE;

2) ALONG THE ARC OF A CURVE TO THE LEFT HAVING A CENTRAL ANGLE OF 01 DEGRE3ES 47 MINUTES 29 SECONDS, A RADIUS OF 7794.93 FEET, AND AN ARC LENGTH OF 243.71 FEET TO A POINT OF COMPOUND CURVE;

3) ALONG THE ARC OF A CURVE TO THE LEFT HAVING A CENTRAL ANGLE OF 04 DEGREES 20 MINUTES 34 SECONDS, A RADIUS OF 4941.15 FEET, AND AN ARC LENGTH OF 374.52 FEET TO A POINT ON THE EAST LINE OF THE EAST HALF OF THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 31;
THENCE ALONG THE EAST LINE OF THE EAST HALF OF THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 31, NORTH 01 DEGREES 15 MINUTES 26 SECONDS EAST, A DISTANCE OF 1217.03 FEET TO THE POINT OF BEGINNING, COUNTY OF ADAMS, STATE OF COLORADO.

TOGETHER WITH

THE SOUTHEAST 1/4 OF SECTION 17, TOWNSHIP 3 SOUTH, RANGE 64 WEST OF THE 6TH PRINCIPAL MERIDIAN, COUNTY OF ADAMS, STATE OF COLORADO.

TOGETHER WITH

THE WEST 1/2 OF SECTION 8, TOWNSHIP 3 SOUTH, RANGE 64 WEST OF THE 6TH PRINCIPAL MERIDIAN,

EXCEPT THAT PART OF THE WEST 1/2 OF SECTION 8, TOWNSHIP 3 SOUTH, RANGE 64 WEST CONVEYED TO PUBLIC SERVICE COMPANY OF COLORADO IN DEED RECORDED AUGUST 2, 1985 IN BOOK 3031 AT PAGE 312, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF THE NORTHWEST 1/4 OF SECTION 8, TOWNSHIP 3 SOUTH, RANGE 64 WEST OF THE 6TH PRINCIPAL MERIDIAN;
THENCE NORTH 00 DEGREES 48 MINUTES WEST, ALONG THE WEST LINE OF SAID NORTHWEST 1/4 OF SECTION 8, A DISTANCE OF 60.20 FEET;
THENCE NORTH 72 DEGREES 36 MINUTES EAST, A DISTANCE OF 31.30 FEET TO THE *POINT* OF BEGINNING ON THE EAST LINE OF COUNTY ROAD 25 NORTH;
THENCE CONTINUING NORTH 72 DEGREES 36 MINUTES EAST A DISTANCE OF 78.26 FEET;
THENCE SOUTH 00 DEGREES 48 MINUTES EAST, A DISTANCE OF 131.30 FEET;
THENCE SOUTH 89 DEGREES 12 MINUTES WEST, A DISTANCE OF 75.00 FEET TO THE EAST LINE OF COUNTY ROAD 25 NORTH;
THENCE NORTH 00 DEGREES 48 MINUTES WEST, A DISTANCE OF 108.94 FEET TO THE POINT OF BEGINNING;

EXCEPT THAT PART OF SECTION 8, TOWNSHIP 3 SOUTH, RANGE 64 WEST, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF SECTION 8;
THENCE EAST ALONG THE SECTION LINE A DISTANCE OF 900 FEET;
THENCE NORTH AND PARALLEL WITH THE WEST SECTION LINE A DISTANCE OF 400 FEET;
THENCE WEST AND PARALLEL WITH THE SOUTH SECTION LINE A DISTANCE OF 900 FEET;
THENCE SOUTH ALONG THE WEST SECTION LINE A DISTANCE OF 400 FEET TO THE POINT OF

BEGINNING;

EXCEPT THE NORTH 15.00 FEET OF THE SOUTH 45 FEET OF THE SOUTHWEST 1/4 OF SECTION 8, TOWNSHIP 3 SOUTH, RANGE 64 WEST OF THE 6TH PRINCIPAL MERIDIAN, AND THAT PART OF THE SOUTHWEST 1/4 OF SECTION 8, TOWNSHIP 3 SOUTH, RANGE 64 WEST OF THE SIXTH PRINCIPAL MERIDIAN, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF SAID SOUTHWEST 1/4;
THENCE SOUTH 89 DEGREES 27 MINUTES 01 SECONDS EAST ON AN ASSUMED BEARING ALONG THE SOUTH LINE OF SAID SOUTHWEST 1/4, A DISTANCE OF 1492.0 FEET;
THENCE NORTH 00 DEGREES 32 MINUTES 59 SECONDS EAST A DISTANCE OF 45.00 FEET TO THE TRUE POINT OF BEGINNING;
THENCE SOUTH 89 DEGREES 27 MINUTES 01 SECONDS EAST PARALLEL WITH AND 45.00 FEET NORTH OF THE SOUTH LINE OF SAID SOUTHWEST 1/4, A DISTANCE OF 50.00 FEET;
THENCE NORTH 00 DEGREES 32 MINUTES 59 SECONDS EAST A DISTANCE OF 50.00 FEET;
THENCE NORTH 89 DEGREES 27 MINUTES 01 SECONDS WEST PARALLEL WITH AND 95.00 FEET NORTH OF THE SOUTH LINE OF SAID SOUTHWEST 1/4 A DISTANCE OF 50.00 FEET;
THENCE SOUTH 00 DEGREES 32 MINUTES 59 SECONDS WEST A DISTANCE OF 50.00 FEET TO THE TRUE POINT OF BEGINNING,

EXCEPT THAT PART OF THE WEST 1/2 OF SECTION 8, TOWNSHIP 3 SOUTH, RANGE 64 WEST MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF SAID SECTION 8;
THENCE NORTH ALONG THE WEST SECTION LINE A DISTANCE OF 30 FEET TO THE TRUE POINT OF BEGINNING;
THENCE EAST AND PARALLEL WITH THE SOUTH SECTION LINE A DISTANCE OF 900 FEET;
THENCE NORTH AND PARALLEL WITH THE WEST SECTION LINE A DISTANCE OF 415 FEET;
THENCE WEST AND PARALLEL WITH THE SOUTH SECTION LINE A DISTANCE OF 900 FEET;
THENCE SOUTH ALONG THE WEST SECTION LINE A DISTANCE OF 415 FEET TO THE TRUE POINT OF BEGINNING;

EXCEPT THAT PORTION THEREOF LYING WITHIN EXISTING COUNTY ROADS, COUNTY OF ADAMS, STATE OF COLORADO.

TOGETHER WITH

THE SOUTHWEST 1/4 OF SECTION 17, TOWNSHIP 3 SOUTH, RANGE 64 WEST OF THE 6TH PRINCIPAL MERIDIAN, EXCEPT THAT PORTION THEREOF LYING WITHIN EXISTING COUNTY ROADS. EXCEPT THAT PORTION CONVEYED BY DEED RECORDED FEBRUARY 22, 1994 IN BOOK 4262 AT PAGE 847, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

A PARCEL OF LAND LOCATED IN THE SOUTHWEST 1/4 SECTION 17, TOWNSHIP 3 SOUTH, RANGE 64 WEST OF THE 6TH PRINCIPAL MERIDIAN, CITY OF AURORA, ADAMS COUNTY, COLORADO, MORE PARTICULARLY DESCRIBED AS FOLLOWS:
COMMENCING AT THE SOUTHWEST CORNER OF SAID SECTION 17;
THENCE NORTH 00 DEGREES 33 MINUTES 00 SECONDS EAST, ALONG THE WEST SECTION LINE OF SAID SOUTHWEST 1/4 SECTION 17, A DISTANCE OF 1317.50 FEET TO A POINT;
THENCE SOUTH 87 DEGREES 56 MINUTES 12 SECONDS EAST, PARALLEL TO THE SOUTH LINE OF SAID SOUTHWEST 1/4 SECTION 17, A DISTANCE OF 30.01 FEET TO A POINT ON THE EAST RIGHT-OF-WAY LINE OF IMBODEN MILE ROAD, ALSO BEING THE TRUE POINT OF BEGINNING;

THENCE, CONTINUING SOUTH 87 DEGREES 56 MINUTES 12 SECONDS EAST, PARALLEL TO THE SOUTH LINE OF SAID SOUTHWEST 1/4 SECTION 17, A DISTANCE OF 470.14 FEET TO A POINT;
THENCE, NORTH 00 DEGREES 33 MINUTES 00 SECONDS EAST, PARALLEL TO THE WEST LINE OF SAID SOUTHWEST 1/4 SECTION 17, A DISTANCE OF 400.14 FEET TO A POINT;
THENCE NORTH 87 DEGREES 56 MINUTES 12 SECONDS WEST, PARALLEL TO THE SOUTH LINE OF SAID SOUTHWEST 1/4 SECTION 17, A DISTANCE OF 470.14 FEET TO A POINT ON THE EAST RIGHT-OF-WAY LINE OF SAID IMBODEN MILE ROAD;
THENCE SOUTH 00 DEGREES 33 MINUTES 00 SECONDS WEST, ALONG SAID EAST RIGHT-OF-WAY LINE OF IMBODEN MILE ROAD AND PARALLEL TO THE WEST LINE OF SAID SOUTHWEST 1/4 SECTION 17, A DISTANCE OF 400.14 FEET TO THE POINT OF BEGINNING, COUNTY OF ADAMS, STATE OF COLORADO.

TOGETHER WITH

THE WEST 1/2 OF SECTION 20, TOWNSHIP 3 SOUTH, RANGE 64 WEST OF THE 6TH PRINCIPAL MERIDIAN, EXCEPT THAT PORTION THEREOF LYING WITHIN EXISTING COUNTY ROADS, COUNTY OF ADAMS, STATE OF COLORADO.

TOGETHER WITH

THE WEST 1/2 OF SECTION 21, TOWNSHIP 3 SOUTH, RANGE 64 WEST OF THE 6TH PRINCIPAL MERIDIAN, EXCEPT THAT PORTION THEREOF LYING WITHIN EXISTING COUNTY ROADS, COUNTY OF ADAMS, STATE OF COLORADO.

TOGETHER WITH

THE NORTHEAST 1/4 OF SECTION 22, TOWNSHIP 3 SOUTH, RANGE 64 WEST OF THE 6TH PRINCIPAL MERIDIAN, EXCEPT THAT PORTION THEREOF LYING WITHIN EXISTING COUNTY ROADS
AND
THE SOUTHEAST 1/4 OF SECTION 22, TOWNSHIP 3 SOUTH, RANGE 64 WEST OF THE 6TH PRINCIPAL MERIDIAN, EXCEPT THE NORTH 208.71 FEET OF THE EAST 417.72 EXCEPT THAT PORTION THEREOF LYING WITHIN EXISTING COUNTY ROADS, COUNTY OF ADAMS, STATE OF COLORADO.

TOGETHER WITH

ALL THAT PART LYING NORTH OF THE UNION PACIFIC RAILROAD RIGHT-OF-WAY OF SECTION 27, TOWNSHIP 3 SOUTH, RANGE 64 WEST OF THE 6TH PRINCIPAL MERIDIAN, EXCEPT THAT PORTION THEREOF LYING WITHIN EXISTING COUNTY ROADS, COUNTY OF ADAMS, STATE OF COLORADO.

TOGETHER WITH

THE NORTH 1/2 OF SECTION 28, TOWNSHIP 3 SOUTH, RANGE 64 WEST OF THE 6TH PRINCIPAL MERIDIAN, EXCEPT THAT PORTION THEREOF LYING WITHIN EXISTING COUNTY ROADS, COUNTY OF ADAMS, STATE OF COLORADO.

TOGETHER WITH

THE NORTHWEST 1/4; THE NORTH 1/2 OF SOUTHWEST 1/4; THE SOUTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SECTION 29, TOWNSHIP 3 SOUTH, RANGE 64 WEST OF THE 6TH PRINCIPAL MERIDIAN, EXCEPT THAT PORTION THEREOF LYING WITHIN EXISTING COUNTY ROADS, COUNTY OF ADAMS, STATE OF COLORADO.

TOGETHER WITH

THE SOUTHWEST 1/4 OF THE NORTHEAST 1/4 AND THE NORTH 1/2 OF THE SOUTHEAST 1/4 OF SECTION 30, TOWNSHIP 3 SOUTH, RANGE 64 WEST OF THE 6TH PRINCIPAL MERIDIAN, EXCEPT THAT PORTION THEREOF LYING WITHIN EXISTING COUNTY ROADS, COUNTY OF ADAMS, STATE OF COLORADO.

TOGETHER WITH

THE SOUTHEAST 1/4; THE SOUTH 1/2 OF THE SOUTH 1/2 OF THE NORTHEAST 1/4; AND THE SOUTH 1/2 OF THE NORTH 1/2 OF THE SOUTH 1/2 OF THE NORTHEAST 1/4 OF SECTION 35, TOWNSHIP 3 SOUTH, RANGE 64 WEST OF THE 6TH PRINCIPAL MERIDIAN, EXCEPT THAT PART CONVEYED TO THE DEPARTMENT OF HIGHWAYS BY DEED RECORDED IN BOOK 742 AT PAGE 441, AND MORE PARTICULARLY DESCRIBED AS FOLLOWS;

A TRACT OR PARCEL OF LAND, IN THE SOUTH 1/2 OF THE SOUTHEAST 1/4 OF SECTION 35, TOWNSHIP 3 SOUTH, RANGE 64 WEST OF THE 6TH PRINCIPAL MERIDIAN, SAID TRACT OR PARCEL BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:
BEGINNING AT A POINT ON THE EAST LINE OF SECTION 35, TOWNSHIP 3 SOUTH, RANGE 64 WEST FROM WHICH THE SOUTHEAST CORNER OF SECTION 35, BEARS SOUTH 00 DEGREES 27 MINUTES 20 SECONDS WEST, A DISTANCE OF 194.3 FEET;
1. THENCE ALONG THE ARC OF A CURVE TO THE RIGHT HAVING A RADIUS OF 22,770.0 FEET, A DISTANCE OF 295.4 FEET (THE CHORD OF THIS ARC BEARS NORTH 88 DEGREES 54 MINUTES WEST A DISTANCE OF 295.4 FEET)
2. THENCE NORTH 88 DEGREES 32 MINUTES WEST A DISTANCE OF 2352.1 FEET TO THE WEST LINE OF THE SOUTHEAST 1/4 OF SECTION 35
3. THENCE SOUTH 00 DEGREES 34 MINUTES WEST ALONG THE WEST LINE OF THE SOUTHEAST 1/4 OF SECTION 35, A DISTANCE OF 213.7 FEET
4. THENCE SOUTH 89 DEGREES 00 MINUTES EAST ALONG THE SOUTH LINE OF SECTION 35, A DISTANCE OF 2647.6 FEET TO THE SOUTHEAST CORNER OF SECTION 35
5. THENCE NORTH 00 DEGREES 27 MINUTES 30 SECONDS EAST ALONG THE EAST LINE OF SECTION 35, A DISTANCE OF 194.3 FEET, MORE OR LESS, TO THE POINT OF BEGINNING, EXCEPT THAT PORTION THEREOF LYING WITHIN EXISTING COUNTY ROADS, COUNTY OF ADAMS, STATE OF COLORADO.

TOGETHER WITH

ALL OF SECTION 24, TOWNSHIP 3 SOUTH, RANGE 64 WEST OF THE 6TH PRINCIPAL MERIDIAN, EXCEPT THAT PORTION THEREOF LYING WITHIN EXISTING COUNTY ROADS, COUNTY OF ADAMS, STATE OF COLORADO.

TOGETHER WITH

ALL THAT PORTION LYING NORTH OF THE UNION PACIFIC RIGHT-OF-WAY OF SECTION 25, TOWNSHIP 3 SOUTH, RANGE 64 WEST OF THE 6TH PRINCIPAL MERIDIAN, EXCEPT THAT PORTION THEREOF LYING WITHIN EXISTING COUNTY ROADS, COUNTY OF ADAMS, STATE OF COLORADO.

TOGETHER WITH

THE SOUTHEAST 1/4 OF THE NORTHWEST 1/4 OF SECTION 30, TOWNSHIP 3 SOUTH, RANGE 64 WEST OF THE 6TH PRINCIPAL MERIDIAN, EXCEPT THAT PORTION THEREOF LYING WITHIN EXISTING COUNTY ROADS, COUNTY OF ADAMS, STATE OF COLORADO.

TOGETHER WITH

THE NORTHEAST 1/4 AND THE EAST 1/2 OF THE NORTHWEST 1/4 OF SECTION 12, TOWNSHIP 3 SOUTH, RANGE 65 WEST OF THE 6TH PRINCIPAL MERIDIAN, EXCEPT THAT PORTION *THEREOF* LYING WITHIN EXISTING COUNTY ROADS, COUNTY OF ADAMS, STATE OF COLORADO.

TOGETHER WITH

THE SOUTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 16, TOWNSHIP 3 SOUTH, RANGE 64 WEST OF THE 6TH PRINCIPAL MERIDIAN, EXCEPT THE SOUTH 50.01 FEET OF THE SOUTH 1/2 OF THE SOUTHEAST 1/4 OF SECTION 16, TOWNSHIP 3 SOUTH, RANGE 64 WEST OF THE 6TH PRINCIPAL MERIDIAN; EXCEPT A TRACT OF LAND LOCATED IN THE SOUTHEAST 1/4 SECTION 16, TOWNSHIP 3 SOUTH, RANGE 64 WEST, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:
COMMENCING AT THE SOUTHWEST CORNER OF THE SOUTH 1/2 SOUTHEAST 1/4;
THENCE NORTH 00 DEGREES 32 MINUTES 12 SECONDS WEST ALONG THE WEST LINE OF SAID SOUTH 1/2 SOUTHEAST 1/4 A DISTANCE OF 50.01 FEET;
THENCE SOUTH 89 DEGREES 14 MINUTES 27 SECONDS EAST AND PARALLEL WITH THE SOUTH LINE OF SAID SOUTH 1/2 SOUTHEAST 1/4 A DISTANCE OF 1247.12 FEET TO THE POINT OF BEGINNING OF THE TRACT HEREIN DESCRIBED;
THENCE NORTH 00 DEGREES 33 MINUTES 40 SECONDS EAST A DISTANCE OF 1273.19 FEET TO A POINT ON THE NORTH LINE OF SAID SOUTH 1/2 SOUTHEAST 1/4;
THENCE SOUTH 89 DEGREES 15 MINUTES 13 SECONDS EAST ALONG SAID NORTH LINE A DISTANCE OF 150.0 FEET;
THENCE SOUTH 00 DEGREES 33 MINUTES 40 SECONDS WEST A DISTANCE OF 1273.32 FEET;
THENCE SOUTH 89 DEGREES 14 MINUTES 27 SECONDS WEST AND PARALLEL WITH THE SOUTH LINE OF SAID SOUTH 1/2 SOUTHEAST 1/4 A DISTANCE OF 150.0 FEET TO THE POINT OF BEGINNING.

EXCEPT THAT PORTION THEREOF LYING WITHIN EXISTING COUNTY ROADS, COUNTY OF ADAMS, STATE OF COLORADO.

NOTE: PARCELS 4C AND 4P WERE OMITTED INTENTIONALLY.

TOGETHER WITH

THE EAST 1/2 OF SECTION 20 AND THE EAST 1/2 OF SECTION 29, IN TOWNSHIP 3 SOUTH, RANGE 64 WEST OF THE SIXTH PRINCIPAL MERIDIAN, COUNTY OF ADAMS, STATE OF COLORADO.

A GRAPHICAL DEPICTION OF THE ABOVE DESCRIBED PROPERTY IS ATTACHED HERETO AS AN AID IN THE VISUAL INTERPRETATION OF THE WRITTEN DOCUMENT.

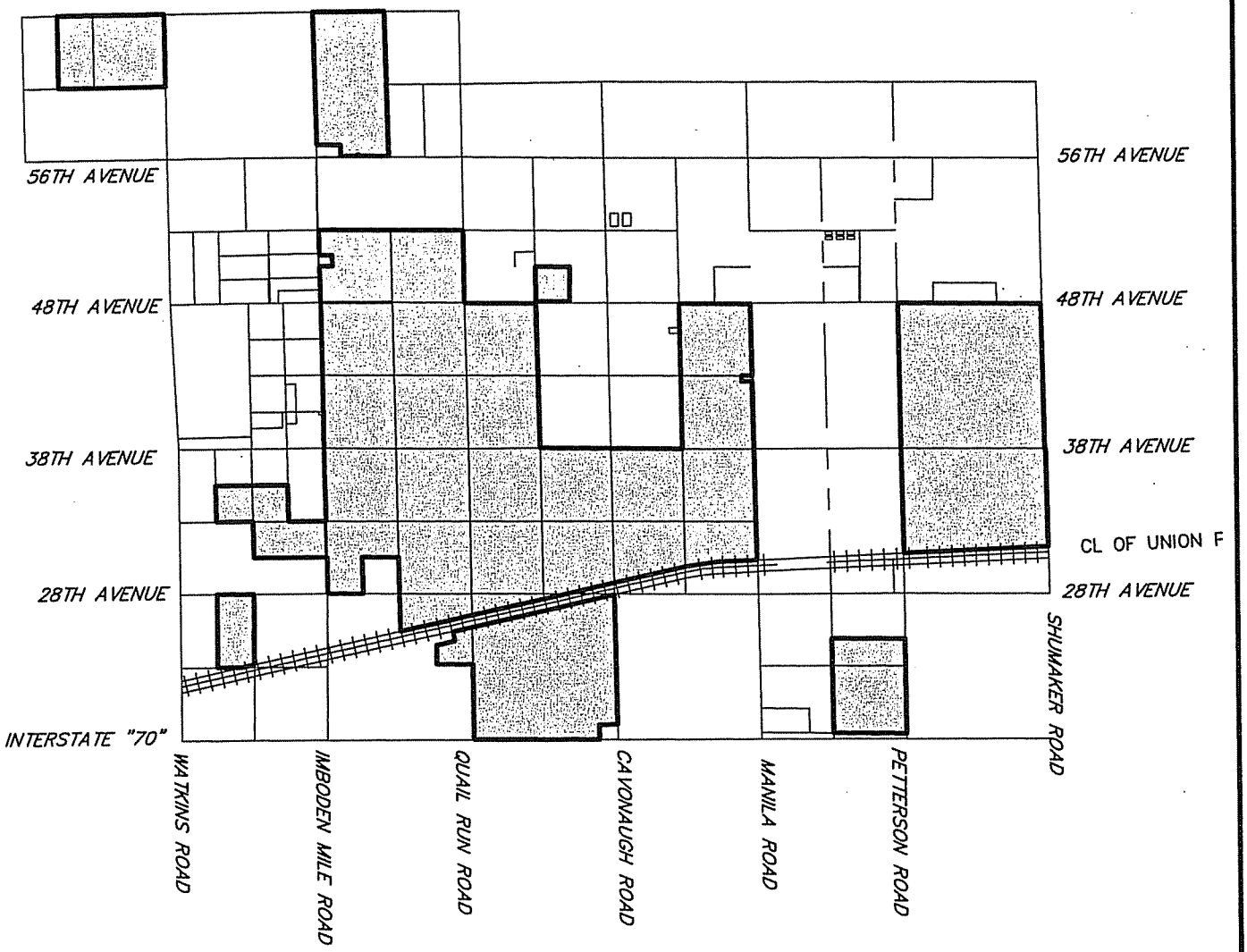
ROBERT L. MEADOWS, JR. P.L.S. 34977
FOR AND ON BEHALF OF
MATRIX DESIGN GROUP. INC.

COLORADO REGISTERED
ROBERT LEE MEADOWS JR.
34977
7/14/06
PROFESSIONAL LAND SURVEYOR

EXHIBIT B

Aurora Vicinity Map

VICINITY MAP



NORTH

6000' 0 6000'

SCALE: 1" = 6000'

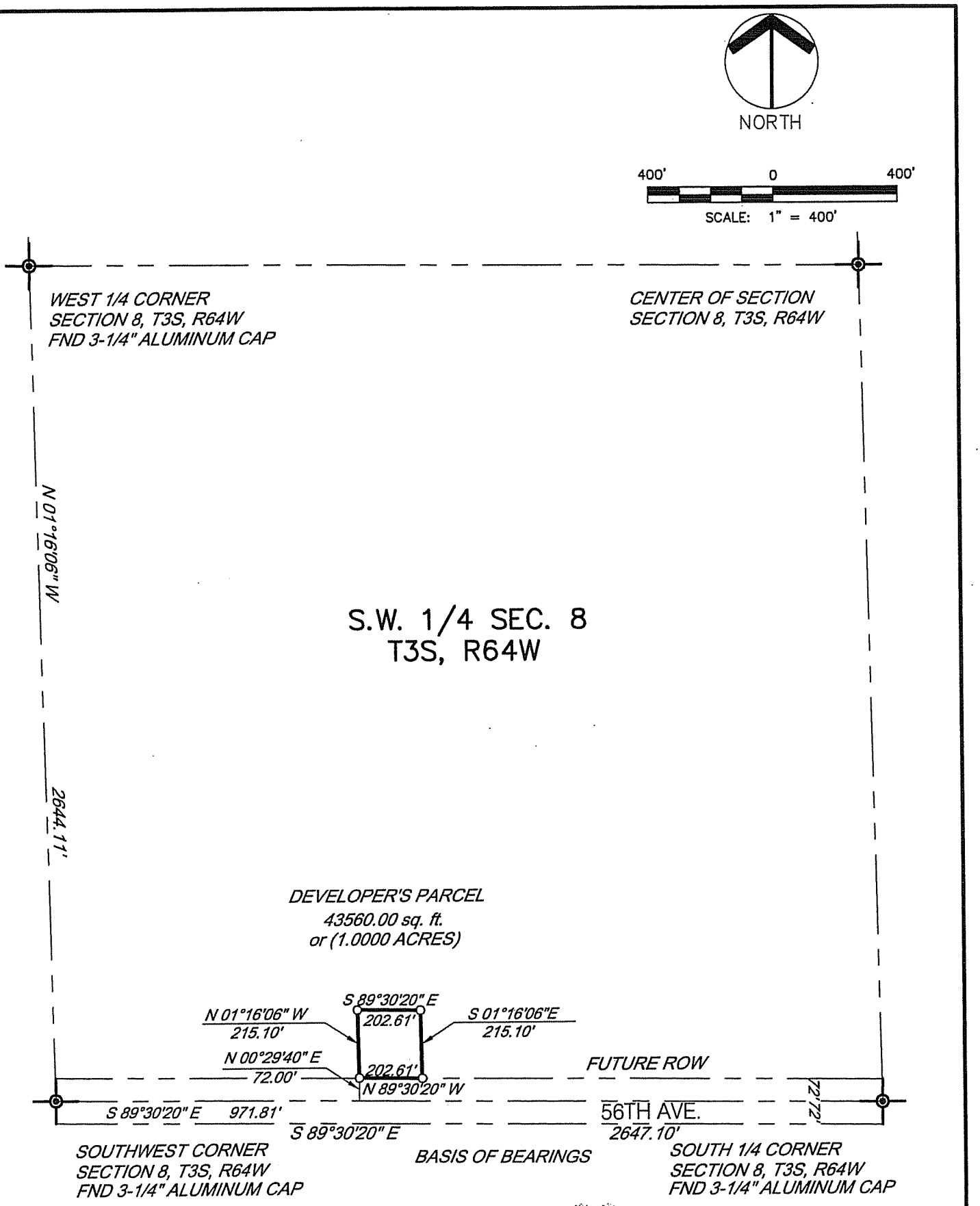
Matrix Design Group, Inc.
Integrated Design Solutions
1601 Blake Street, Suite 200
Denver, CO 80202
Phone 303-572-0200
Fax 303-572-0202

DATE: MAY 26, 2006

U:\05.083.003 (Transport)\dwg\DISTRICT.dwg

EXHIBIT C-1

Initial District Boundary Map



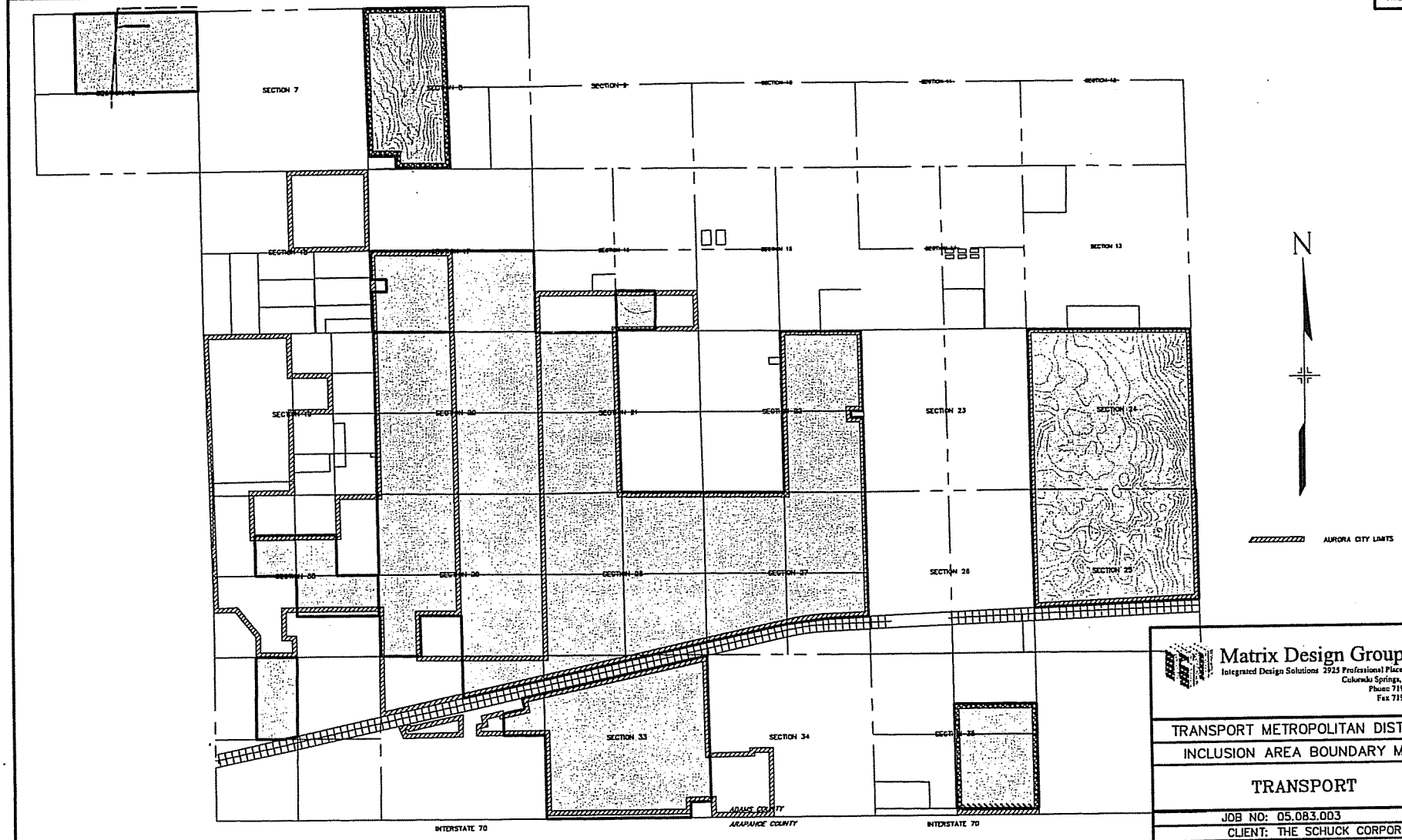
Matrix Design Group, Inc.
Integrated Design Solutions
1601 Blake Street, Suite 200
Denver, CO 80202
Phone 303-572-0200
Fax 303-572-0202

SHEET 2 OF 2
DATE: MAY 17, 2006
U:\05.083.003 (Transport)\dwg\Developer's Parcel.dwg

EXHIBIT C-2

Inclusion Area Boundary Map

METRO



Matrix Design Group, Inc.
Integrated Design Solutions 2925 Professional Place, Suite 202
Colorado Springs, CO 80904
Phone 719-575-0100
Fax 719-575-0208

TRANSPORT METROPOLITAN DISTRICT

INCLUSION AREA BOUNDARY MAP

TRANSPORT

JOB NO: 05.083.003
CLIENT: THE SCHUCK CORPORATION
SCALE: 1"=3000'
DATE: 06/14/06
PREPARED BY: RLM CHECKED BY: RLM
SHEET 2 OF 2

EXHIBIT D

Intergovernmental Agreement between the District and Aurora

INTERGOVERNMENTAL AGREEMENT BETWEEN

THE CITY OF AURORA, COLORADO
AND
TRANSPORT METROPOLITAN DISTRICT NO. 1

THIS AGREEMENT is made and entered into as of this ___ day of _____, _____, by and between the CITY OF AURORA, a home-rule municipal corporation of the State of Colorado ("City"), and TRANSPORT METROPOLITAN DISTRICT NO. 1, a quasi-municipal corporation and political subdivision of the State of Colorado (the "District"). The City and the District are collectively referred to as the Parties.

RECITALS

WHEREAS, the District was organized to provide those services and to exercise powers as are more specifically set forth in the District's Service Plan approved by the City on _____ ("Service Plan"); and

WHEREAS, the Service Plan makes reference to the execution of an intergovernmental agreement between the City and the District, as required by the Aurora City Code; and

WHEREAS, the City and the District have determined it to be in the best interests of their respective taxpayers, residents and property owners to enter into this Intergovernmental Agreement ("Agreement").

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

COVENANTS AND AGREEMENTS

1. Operations and Maintenance. The District shall dedicate the Public Improvements (as defined in the Service Plan) to the City or other appropriate jurisdiction or owners association in a manner consistent with the Approved Development Plan and other rules and regulations of the City and applicable provisions of the City Code. The District shall not be authorized to operate and maintain any part or all of the Public Improvements, other than park and recreation improvements, unless the provision of such operation and maintenance is pursuant to an intergovernmental agreement with the City.

The District shall be authorized, but not obligated to, operate and maintain park and recreation improvements without an intergovernmental agreement with the City, provided that any Fee imposed by the District for access to such park and recreation improvements shall not result in Non-District City residents paying a user fee that is greater than, or otherwise disproportionate to, similar fees and taxes paid by residents of the District. However, the District shall be entitled to impose an administrative fee as necessary to cover additional expenses associated with Non-District City residents to ensure that such costs are not the responsibility of

District residents. All such Fees shall be based upon the District's determination that such Fees do not exceed reasonable annual market fee for users of such facilities. Notwithstanding the foregoing, all parks and trails shall be open to the general public and Non-District City residents free of charge.

2. Fire Protection. The District shall not be authorized to plan for, design, acquire, construct, install, relocate, redevelop, finance, operate or maintain fire protection facilities or services, unless such facilities and services are provided pursuant to an intergovernmental agreement with the City. The authority to plan for, design, acquire, construct, install, relocate, redevelop or finance fire hydrants and related improvements installed as part of the water system shall not be limited by this provision.

3. Television Relay and Translation. The District shall not be authorized to plan for, design, acquire, construct, install, relocate, redevelop, finance, operate or maintain television relay and translation facilities and services, other than for the installation of conduit as a part of a street construction project, unless such facilities and services are provided pursuant to an intergovernmental agreement with the City.

4. Golf Course Construction. The District shall not be authorized to plan, design, acquire, construct, install, relocate, redevelop, finance, operate or maintain a golf course unless such activity is pursuant to an intergovernmental agreement with the City.

5. Construction Standards. The District will ensure that the Public Improvements are designed and constructed in accordance with the standards and specifications of the City and of other governmental entities having proper jurisdiction and of those special districts that qualify as "interested parties" under Section 32-1-204(1), C.R.S., as applicable. The District will obtain the City's approval of civil engineering plans and will obtain applicable permits for construction and installation of Public Improvements prior to performing such work.

6. Issuance of Privately Placed Debt. Prior to the issuance of any privately placed Debt, the District shall obtain the certification of an External Financial Advisor substantially as follows:

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

7. Inclusion. THE DISTRICT SHALL NOT INCLUDE WITHIN ANY OF ITS BOUNDARIES ANY PROPERTY INSIDE THE INCLUSION AREA BOUNDARIES WITHOUT THE PRIOR WRITTEN CONSENT OF THE CITY COUNCIL EXCEPT UPON

PETITION OF THE FEE OWNER OR OWNERS OF ONE HUNDRED PERCENT OF SUCH PROPERTY AS PROVIDED IN SECTION 32-1-401(1)(A), C.R.S. The provisions of this Service Plan as to the Future Inclusion Area Boundaries will become valid only upon annexation of the Inclusion Area Boundaries into the City of Aurora and the inclusion of the same into the District. If annexation of the Inclusion Area Boundaries is not complete by December 31, 2007, the District agrees to file an Amended and Restated Service Plan with regard to the District's Boundaries and Inclusion Area Boundaries before annexation occurs.

8. Overlap Limitation. The boundaries of the Districts shall not overlap unless the aggregate mill levy for payment of Debt of the overlapping Districts will not at any time exceed the Maximum Debt Mill Levy of the Districts. Additionally, the Districts shall not consent to the organization of any other district organized under the Special District Act within the Service Area which will overlap the boundaries of the Districts unless the aggregate mill levy for payment of Debt of such proposed districts will not any time exceed the Maximum Debt Mill Levy of the Districts.

9. Initial Debt.. On or before the effective date of approval by the City of an Approved Development Plan (as defined in the Service Plan), the District shall not: (a) issue any Debt; nor (b) impose a mill levy for the payment of Debt by direct imposition or by transfer of funds from the operating fund to the Debt service funds; nor (c) impose and collect any fees used for the purpose of repayment of Debt.

10. Total Debt Issuance. The District shall not issue Debt in excess of One Billion Five Hundred Million Dollars ($1,500,000,000).

11. Fee Limitation. Each of the Districts may impose and collect Fees as a source of revenue for repayment of debt, capital costs, and/or for operations and maintenance. No Fee related to the funding of costs of a capital nature shall be authorized to be imposed upon or collected from Taxable Property owned or occupied by an End User which has the effect, intentional or otherwise, of creating a capital cost payment obligation in any year on any Taxable Property owned or occupied by an End User. Notwithstanding any of the foregoing, the restrictions in this definition shall not apply to any Fee imposed upon or collected from Taxable Property for the purpose of funding operation and maintenance costs of the Districts.

12. Debt Issuance Limitation. The District shall not be authorized to incur any indebtedness until such time as the District has approved and executed the IGA and approved the imposition of the Aurora Regional Improvement Mill Levy (as defined in the Service Plan) upon all taxable property located within the boundaries of the District.

13. Monies from Other Governmental Sources. The District 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 City is eligible to apply for, except pursuant to an intergovernmental agreement with the City. This Section shall not apply to specific ownership taxes which shall be distributed to and a revenue source for the District without any limitation.

14. Consolidation. The District shall not file a request with any Court to consolidate with another Title 32 district without the prior written consent of the City, unless such consolidation is with District Nos. 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, or 15.

15. Bankruptcy. All of the limitations contained in this Service Plan, including, but not limited to, those pertaining to the Maximum Debt Mill Levy and the Maximum Debt Mill Levy Imposition Term have been established under the authority of the City to approve a 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 nonbankruptcy law" as required for confirmation of a Chapter 9 Bankruptcy Plan under Bankruptcy Code Section 943(b)(6).

Any Debt, issued with a pledge or which results in a pledge, that exceeds the Maximum Debt Mill Levy and the Maximum Debt Mill Levy Imposition Term, 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 City as part of a Service Plan Amendment.

16. Dissolution. Upon an independent determination of the City Council that the purposes for which the District was created have been accomplished, the District agrees to file petitions in the appropriate District Court for dissolution, pursuant to the applicable State statutes. In no event shall a dissolution occur until the District has provided for the payment or discharge of all of their outstanding indebtedness and other financial obligations as required pursuant to State statutes.

17. Disclosure to Purchasers. The District will use reasonable efforts to assure that all developers of the property located within the District provide written notice to all purchasers of property in the District regarding the Maximum Debt Mill Levy, as well as a general description of the District's authority to impose and collect rates, Fees, tolls and charges. The form of notice shall be filed with the City prior to the initial issuance of the Debt of the District imposing the mill levy which is the subject of the Maximum Debt Mill Levy.

18. Service Plan Amendment Requirement. Actions of the District which violate the limitations set forth in V.A.1-14 or VII.B-G of the Service Plan shall be deemed to be material modifications to the Service Plan and the City shall be entitled to all remedies available under State and local law to enjoin such actions of the District.

19. Multiple District Structure. It is anticipated that the Districts, collectively, will undertake the financing and construction of the improvements contemplated herein. Specifically, the Districts shall enter into an Intergovernmental Agreement which shall govern the relationships between and among the Districts with respect to the financing, construction and

operation of the improvements contemplated herein. The District will establish a mechanism whereby any one or more of the Districts may separately or cooperatively fund, construct, install and operate the improvements.

20. Annual Report. The District shall be responsible for submitting an annual report to the Manager of the Office of Development Assistance of the City Manager's Office no later than August 1st of each year following the year in which the Order and Decree creating the District has been issued, pursuant to the City Code and containing the information set forth in Section VIII of the Service Plan.

21. Regional Improvements. The District shall be authorized to provide for the planning, design, acquisition, construction, installation, relocation and/or redevelopment and a contribution to the funding of the Regional Improvements and fund the administration and overhead costs related to the provisions of the Regional Improvements incurred as a result of participation in the alternatives set forth in Section VI.A, B or C of the Service Plan.

The District shall impose the ARI Mill Levy and shall convey it as follows:

(a) If the District has executed an ARI Authority Establishment Agreement and the City has been offered the opportunity to execute an ARI Authority Establishment Agreement, the terms of which provide for the City to appoint no less than thirty percent (30%) and no more than forty-nine percent (49%) of the board members who will serve as the board of directors of the ARI Authority to be established by such ARI Authority Establishment Agreement, regardless as to whether the City approves the execution of such ARI Authority Establishment Agreement, the revenue from the ARI Mill Levy shall be conveyed to the ARI Authority for the planning, designing, constructing, installing, acquiring, relocating, redeveloping or financing of the Regional Improvements in the ARI Master Plan and for the operations of such ARI Authority; or

(b) If the City and the District have executed an intergovernmental agreement then the revenue from the ARI Mill Levy shall be conveyed to the City for use in planning, designing, constructing, installing, acquiring, relocating, redeveloping or financing of the Regional Improvements which benefit the service users and taxpayers of the District in accordance with such agreement; or

(c) If neither Section VI.A nor VI.B of the Service Plan is applicable then the revenue shall be conveyed to the City and (i) the City shall place in a special account all revenues received from the ARI Mill Levy imposed in the Service Area under Section VI of the Service Plan and shall not expend such revenue until an intergovernmental agreement is executed between the District establishing the terms and conditions for the provision of the Regional Improvements; and (ii) if the intergovernmental agreement is not executed within two (2) years from the date of the approval of the Service Plan by the City and neither Section VI.A nor VI.B of the Service Plan have occurred within two (2) years from the date of the approval of the Service Plan by the City, then the revenue from the ARI Mill Levy shall be conveyed to the City for use by the City in the planning, designing, constructing, installing, acquiring, relocating, redeveloping or financing of the Regional Improvements which benefit the service users or taxpayers of the District as prioritized and determined by the City.

As set forth in the definition of the ARI Mill Levy, the District may, pursuant to any intergovernmental agreement with the City, extend the terms for application of the ARI Mill Levy beyond the years set forth in Sections VI.A and VI. B of the Service Plan. The Maximum Mill Levy Imposition Term shall include the terms and any extension of such terms, as set forth in Sections A, B and C of the definition of the ARI Mill Levy.

The Regional Improvements shall be limited to the provision of the planning, design, acquisition, construction, installation, relocation and/or redevelopment of street and transportation related improvements as defined in the Special District Act and the administration and overhead costs incurred as a result of participation in the alternative set forth in Section VI.A, B or C of the Service Plan, unless the City has agreed otherwise in writing; provided, however in no event shall the Regional Improvements include water or sanitary sewer improvements unless such improvements are necessary as a part of completing street and transportation related improvements. The District shall cease to be obligated to impose, collect and convey to the City the revenue from the ARI Mill Levy described in Section VI of the Service Plan at such time as the area within the District's boundaries is included within a different district organized under the Special District Act, or a General Improvement District organized under Section 31-25-601, et seq., C.R.S., or Business Improvement District organized under Section 31-25-1201, et seq., C.R.S., which other district has been organized to fund a part or all of the Regional Improvements.

22. Maximum Debt Mill Levy. The "Maximum Debt Mill Levy" shall be the maximum mill levy the District is permitted to impose upon the taxable property within the District for payment of Debt, and shall be determined as follows:

(a) For the portion of any aggregate District's Debt which exceeds fifty percent (50%) of the District's assessed valuation, the Maximum Debt Mill Levy for such portion of Debt shall be fifty (50) mills less the number of mills necessary to pay unlimited mill levy Debt described in Section VII.C.2 of the Service Plan; provided that if, on or after January 1, 2004, there are changes in the method of calculating assessed valuation or any constitutionally mandated tax credit, cut or abatement; the mill levy limitation applicable to such Debt may be increased or decreased to reflect such changes, such increases or decreases to be determined by the 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 January 1, 2004, are neither diminished nor enhanced as a result of such changes. For purposes of the foregoing, a change in the ratio of actual valuation shall be deemed to be a change in the method of calculating assessed valuation.

(b) For the portion of any aggregate District's Debt which is equal to or less than fifty percent (50%) of the District's assessed valuation, either on the date of issuance or at any time thereafter, the mill levy to be imposed to repay such portion of Debt shall not be subject to the Maximum Debt Mill Levy and, as a result, the mill levy may be such amount as is necessary to pay the Debt service on such Debt, without limitation of rate.

(c) For purposes of the foregoing, once Debt has been determined to be within Section VII.C.2 of the Service Plan, so that the District is entitled to pledge to its payment an unlimited ad valorem mill levy, the District may provide that such Debt shall remain secured by

such unlimited mill levy, notwithstanding any subsequent change in the District's Debt to assessed ratio. All Debt issued by the District must be issued in compliance with the requirements of Section 32-1-1101, C.R.S. and all other requirements of State law.

To the extent that the District is composed of or subsequently organized into one or more subdistricts as permitted under Section 32-1-1101, C.R.S., the term "District" as used herein shall be deemed to refer to the District and to each such subdistrict separately, so that each of the subdistricts shall be treated as a separate, independent district for purposes of the application of this definition.

23. Maximum Debt Mill Levy Imposition Term. The District shall have the authority to impose the ARI Mill Levy for the terms as set forth in Section VI of the Service Plan. Other than the ARI Mill Levy, the District shall not impose a levy for repayment of any and all Debt (or use the proceeds of any mill levy for repayment of Debt) on any single property developed for residential uses which exceeds forty (40) years after the year of the initial imposition of such mill levy unless a majority of the Board of Directors of the District are residents of the District and have voted in favor of a refunding of a part or all of the Debt and such refunding will result in a net present value savings as set forth in Section 11-56-101, C.R.S.; et seq.

24. Notices. All notices, demands, requests or other communications to be sent by one party to the other hereunder or required by law shall be in writing and shall be deemed to have been validly given or served by delivery of same in person to the address or by courier delivery, via United Parcel Service or other nationally recognized overnight air courier service, or by depositing same in the United States mail, postage prepaid, addressed as follows:

To the District:
TransPort Metropolitan District No. 1
c/o White, Bear & Ankele
Professional Corporation
Attn: Gary R. White, Esq.
1805 Shea Center Drive, Suite 100
Highlands Ranch, CO 80129
Phone: (303) 858-1800
Fax: (303) 858-1801

To the City:
City of Aurora
15151 E. Alameda Pkwy., 5th Floor
Aurora, CO 80012
Attn: Mike Hyman, City Attorney
Phone: (303) 739-7030
Fax: (303) 739-7042

All notices, demands, requests or other communications shall be effective upon such personal delivery or one (1) business day after being deposited with United Parcel Service or other nationally recognized overnight air courier service or three (3) business days after deposit in the United States mail. By giving the other party hereto at least ten (10) days written

notice thereof in accordance with the provisions hereof, each of the Parties shall have the right from time to time to change its address.

25. Amendment. This Agreement may be amended, modified, changed, or terminated in whole or in part only by a written agreement duly authorized and executed by the Parties hereto and without amendment to the Service Plan.

26. Assignment. Neither Party hereto shall assign any of its rights nor delegate any of its duties hereunder to any person or entity without having first obtained the prior written consent of the other Party, which consent will not be unreasonably withheld. Any purported assignment or delegation in violation of the provisions hereof shall be void and ineffectual.

27. Default/Remedies. In the event of a breach or default of this Agreement by any Party, the non-defaulting Party shall be entitled to exercise all remedies available at law or in equity, specifically including suits for specific performance and/or monetary damages. In the event of any proceeding to enforce the terms, covenants or conditions hereof, the prevailing Party in such proceeding shall be entitled to obtain as part of its judgment or award its reasonable attorneys' fees.

28. Governing Law and Venue. This Agreement shall be governed and construed under the laws of the State of Colorado.

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

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

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

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

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

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

35. Defined Terms. Capitalized terms used herein and not otherwise defined shall have the meanings ascribed to them in the Service Plan.

TRANSPORT METROPOLITAN DISTRICT NO. 1

By: _____
President

Attest:

_____
Secretary

CITY OF AURORA, COLORADO

By: _____
Edward J. Tauer, Mayor

Attest:

By: _____
Its: _____

APPROVED AS TO FORM: _____