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SERVICE PLAN

EAGLE COUNTY, CO.
BY _____

CORDILLERA VALLEY CLUB METROPOLITAN DISTRICT

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As approved by the Board of County Commissioners
of Eagle County, Colorado, on August 13, 2002



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I. INTRODUCTION

1. Overview.

This service plan ("Service Plan"), submitted in accordance with Part 2 of the Special District Act (§ 32-1-201, et seq., C.R.S.), sets forth a proposal for the formation of the Cordillera Valley Club Metropolitan District ("Cordillera Valley District" or "District"), comprising 361 contiguous acres immediately adjacent to and to the north of Interstate 70, west of the Edwards interchange, in unincorporated Eagle County, Colorado ("the Community").

Cordillera Valley District will be formed to assist in the funding, integration and coordination of metropolitan district services and facilities. The District will construct, own and operate the majority of the non-utility public services and facilities for the Community.

B. General Development within the District.

The Community is located in the Vail Valley west of Edwards and north of the I-70/Highway 6 & 24 corridor. A boundary map and general layout of the development of the District is provided in Exhibit A. The boundaries of the Community and the proposed Cordillera Valley Club Metropolitan District will be the same.

The Cordillera Valley Club area was subdivided in 1995 and currently the area consists of 128 lots and a championship 18 hole golf course. Approximately 67 homes have been completed on the 128 lots and the remaining lots are expected to be built at a rate of six units per year for ten years. It is estimated that the population (year-round and seasonal residents) of the District will be 384 persons, based on 3 persons per unit.

C. General Need for a Special District.

It is anticipated that the District, governed by intergovernmental agreements with the Western Eagle County Metropolitan Recreation District ("WECMRD") and the Edwards Metropolitan District ("Edwards") will provide services throughout the entire Community. The formation of the Cordillera Valley District is intended to coordinate services to provide financing for the improvements required to construct the Community infrastructure.

The existing infrastructure for the area has been constructed by the Developer of the subdivision and is substantially completed at this time. The District intends to make certain enhancements to the infrastructure, primarily in the areas of road and landscape improvements, improvements at the entries to the subdivision, and the potential construction of a berm along the southern boundary of the subdivision. A Property Owners Association will provide architectural control services, community organization, and other programs which are beyond the authority or interest of a metropolitan district.

The District will maintain the infrastructure improvements which will involve road and drainage maintenance, snow removal, road landscape maintenance, road lighting and signage and weed and pest control. The District will also incur expenses for the administration of the District.

Discussions with Eagle County have indicated that the County does not

consider it feasible or practical for the County itself to provide the area within the Community with the public improvements facilities and services needed to develop the Community and serve the anticipated residents. The District is therefore necessary to provide the desired facilities and services.

Similar discussions have occurred with WECMRD and Edwards Metropolitan District, and it has been determined that because of the diverse needs of the different communities as well as a belief that the Community should pay for its own infrastructure, the assumption by any of the other districts of the burden of financing the added costs would be inappropriate.

Finally, the Cordillera Valley Club Property Owners Association ("CVCPOA") has specifically requested that the services contemplated by this Service Plan be assumed by the proposed District. This assumption has several beneficial effects. First, the District collects its revenues primarily through taxes, which are more efficiently collected through the County and are deductible for income tax purposes. Second, the proposed District has the ability to finance improvements to infrastructure using tax exempt debt, which is less expensive to the entity than conventional financing. Third, the District enjoys governmental immunity, and thus its insurance costs are significantly less. All of these advantages result in savings to the property owners in the Community.

D. Statutory Standards.

This Service Plan has been prepared to show that it will be appropriate and economically feasible for Cordillera Valley District to finance, manage, operate and maintain selected public services and improvements for the benefit of the landowners and residents of the Community. This Service Plan includes satisfactory evidence that the following requirements of Section 32-1-203, C.R.S., as amended, have been met:

- (a) That there is sufficient existing and projected need for organized service in the area to be serviced by the proposed special district;
- (b) That the existing service in the area to be served by the proposed special district is inadequate for present and projected needs;
- (c) That the proposed special district is capable of providing economical and sufficient service to the area within its proposed boundaries;
- (d) That the area to be included in the proposed special district has, or will have, the financial ability to discharge the proposed indebtedness on a reasonable basis;
- (e) That adequate service is not, or will not be available to the area through the County, other existing municipal or quasi-municipal corporations, including existing special districts, within a reasonable time and on a comparable basis;
- (f) That the facility and service standards of the proposed special district are compatible with the facility and service standards of Eagle County within which the proposed special district is to be located and each municipality which is an interested party under Section 32-1-204(1);



(g) The proposal is in substantial compliance with any master plan adopted pursuant to Section 30-28-106, C.R.S.

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

(i) That the organization of the proposed special district will be in the best interests of the area proposed to be served.

II. DESCRIPTION OF PROPOSED METROPOLITAN DISTRICT SERVICES.

A. District Services, Generally.

The property contained within the boundaries of the Cordillera Valley District is nearly fully developed, with a significant existing assessed value. It is anticipated that properties within the Community will continue to see development and construction activity in the near future, and it is intended that the proposed District will assume several functions of the CVCPOA.

The following sections of this Service Plan describe in detail those services to be funded and provided by the District. The primary services are as follows:

- The construction, installation, acceptance, operation, maintenance, improvement, extension, repair and replacement by Cordillera Valley District of certain streets, driveways, parking areas, and related streetscape and street safety improvements within or providing access to the Property.
- The construction, installation, acceptance, operation, maintenance, improvement, extension, repair and replacement by Cordillera Valley District of open space, berm, drainage way and landscaped areas within and/or adjacent and contiguous to the Property.
- The funding of, and to the extent allowed by law, the provision of internal security and traffic control services to the Property.
- The provision of certain park and recreation facilities and services to the Property, including without limitation the construction, installation, acceptance, operation, maintenance, improvement, extension, repair and replacement of active and passive recreation facilities and services intended for the use and benefit of the Property and the owners thereof.
- The provision by Cordillera Valley District of mosquito and weed control services within the Property and on access ways to the Property.
- The design, construction, installation, acceptance, operation, maintenance, improvement, extension, repair and replacement of storm drainage facilities, services and programs including but not limited to drainage and detention facilities to accept runoff from all



surfaces and areas contributing to flows in and from without the District.

- The design, acquisition, installation, construction, operation, and maintenance of public transportation system improvements, including transportation equipment, park and ride facilities and parking lots, structures, roofs, covers, and facilities, together with all necessary, incidental and appurtenant facilities, land and easements, and all necessary extension of and improvements to said facilities or systems.
- The provision of design review compliance if and as permitted by law.
- The provision of other services, programs and facilities as provided by this Service Plan as the same may be amended from time to time.

The District will have statutory and service plan powers which will allow it to function in a more effective and efficient manner than CVCPOA or a private entity. These statutes further allow for local management of the District by the owners of property in the District or their representatives, and further provide for a program of debt financing and a means for equitably distributing the debt service to the property owners and residents of the District. The District can provide for future and ongoing infrastructure and services to provide for the long-term needs of property owners and residents.

B. Statutory Service Authority.

The District will have the power and authority to provide the following services:

1. Streets.

The design, acquisition, installation, construction, operation, and maintenance of street and roadway improvements, including but not limited to curbs, gutters, culverts, and other drainage facilities, appurtenant storm sewers and culverts, sidewalks, bridges, parking facilities, paving, lighting, grading, landscaping, snow removal equipment, and other street improvements together with all necessary, incidental, and appurtenant facilities, land and easements, together with extensions of improvements to said facilities and systems.

2. Safety Controls.

The design, acquisition, installation, construction, operation, and maintenance of safety protection facilities and services through traffic and safety controls and devices on streets and highways, including but not limited to signalization at intersections, traffic signs and area identification, directional assistance, and driver information signs, together with all necessary, incidental and appurtenant facilities, land easements, extensions and improvements of said facilities and systems. The District will share the costs of safety protection facilities and services with the Cordillera Property Owners Association.



3. Mosquito and Pest Control.

The design, acquisition, installation, construction, operation, and maintenance of systems and methods for the elimination and control of mosquitoes, rodents, and other pests.

4. Parks and Recreation.

As a supplement to, but not in duplication of the services and facilities now provided by WECMRD or Edwards Metropolitan District, the design, acquisition, installation, construction, operation, and maintenance of public park and recreation facilities or programs including but not limited to swimming pools and spas, tennis courts, exercise facilities, bike paths, hiking trails, snowshoe trails, pedestrian trails, pedestrian bridges, pedestrian malls, public fountains and sculpture, art, and botanical gardens, equestrian trails and centers, picnic areas, skating areas and facilities, ski-ways, common areas landscaping and weed control, outdoor lighting of all types, community events, and other facilities and services, together with all necessary, incidental and appurtenant facilities, land and easements, and all necessary extension of and improvement to said facilities and systems.

5. Public Sewer and Drainage.

As a supplement to and not in duplication of sanitary sewer and drainage services now provided by Edwards, the design, construction, installation, acceptance, operation, maintenance, improvement, extension, repair and replacement of storm drainage facilities, services and programs including but not limited to drainage and detention facilities to accept runoff from all surfaces and areas contributing to flows in and from without the District.

6. Transportation.

The design, acquisition, installation, construction, operation, and maintenance of public transportation system improvements, including transportation equipment, park and ride facilities and parking lots, structures, roofs, covers, and facilities, together with all necessary, incidental and appurtenant facilities, land and easements, and all necessary extension of and improvements to said facilities or systems.

7. Other.

The powers of the District, as listed above, will be exercised by the Board of Directors of the District to the extent necessary to provide the services contemplated in this Service Plan. In addition to the above powers, the Board of Directors of the District shall also have the following authority:

a. To amend the Service Plan as needed, subject to the appropriate statutory procedures.

b. To forego, reschedule, or restructure the financing and construction of certain improvements and facilities to better accommodate the pace of growth, resource availability, and potential inclusions of property within the District, or if development of the improvements and facilities would best be done by another entity.



c. To provide all such additional services and exercise all such powers as are expressly or impliedly granted by Colorado law, and which the District is required to provide or exercise or, in its discretion, chooses to provide or exercise.

The foregoing improvements and services, along with all other activities, will be undertaken in accordance with, and pursuant to, the procedures and conditions contained in the Special District Act, other applicable statutes, and this Service Plan, as any or all of the same may be amended from time to time.

III. DISTRICT BOUNDARIES AND VALUATION FOR ASSESSMENT.

The legal description of the boundaries of the District is contained in Exhibit B. Generally, the Cordillera Valley District will contain 361 acres within unincorporated Eagle County. The service area of the Cordillera Valley District corresponds to the area within the boundaries of the Community.

The Cordillera Valley Club area comprises 128 lots and a championship 18 hole golf course. Approximately 67 homes have been completed on the 128 lots and the remaining lots are expected to be built at a rate of six units per year for ten years. The zoning permits up to 175 lots. There are no current plans to plat additional lots and the Financial Plan does not contemplate additional platted lots.

The assessed value of the proposed area for the metropolitan district is presently approximately \$17 million, consisting of \$2.6 million for the golf course, club house and related facilities, \$7.7 million for the improved lots and \$6.7 million for the unimproved lots. The expected assessed valuation for 2010 is estimated at \$20,149,910. A schedule of projected assessed valuation within the proposed District, together with explanatory assumptions, is set forth in Exhibit C.

IV. GENERAL DESCRIPTION OF FACILITIES TO BE CONSTRUCTED AND PRELIMINARY ENGINEERING AND ARCHITECTURAL SURVEYS.

A. Introduction.

The District will exercise its statutory powers to finance, construct, acquire, operate and maintain the types of public facilities and improvements described herein and, as necessary, to provide the public services set forth in Section II of the Service Plan. Where appropriate, the District will also contract with various public and/or private entities to undertake such functions.

The Service Plan descriptions of the specific improvements to be constructed are preliminary estimates and will be subject to modification and revision as engineering plans, financial factors and construction scheduling may require.

B. Description of Facilities and Improvements.

1. Road, Street and Safety Facilities.

The District will be concerned with financing the internal street and road system within the Community. After conveyance of the street right of way or appropriate easements, the District will replace, construct and maintain the needed road, street, parking, curbs, gutters, culverts, drainage, ditches, detention ponds, sidewalks, bridges,

paving, lighting, landscaping and other road, street and drainage facilities improvements which the Community will require, as well as necessary traffic and safety protection devices and controls. All applicable District, County, State and Federal standards will be followed in these activities

a. Roadway Infrastructure.

The roadway infrastructure within the District consists of existing improved roads. Exhibit C includes cost estimates for replacement and/or overlay of existing roads, estimated to total \$4,350,000. A roadway schematic, showing the existing and possible typical layout of future roads is shown as part of Exhibit A.

All the roadways within the District boundaries will be maintained by the District. This will include that roadway infrastructure completed and accepted by the District. Snow removal on roads within and leading to the District will be a substantial District activity.

b. Drainage Facilities.

Attendant with the roadway system, the Cordillera Valley District will provide attendant storm drainage facilities in a manner consistent with the systems currently in existence in the Cordillera community.

c. Preliminary Cost Estimates.

The capital cost requirements for roadway infrastructure are expected to be about \$4,350,000. Estimated maintenance costs of the roadway infrastructure are also summarized in Exhibit C. The basis of the estimated costs are historical maintenance costs incurred by Squaw Creek Metropolitan District.

2. Safety Protection Facilities.

The traffic and safety protection devices included in the costs of construction in Exhibit C may include traffic signs, identification and traffic directional signage, entryway identification signage and landscaping. The District may participate in the provision of traffic lights as needed at the major intersections either within or without the District. These signals would be constructed to all applicable governmental standards.

3. Mosquito Control.

The Cordillera Valley District intends to provide for the acquisition, construction, completion, installation and/or operation and maintenance of facilities and/or services for the elimination and control of mosquitos. The estimated annual costs, in current dollars, for mosquito control are not expected to exceed \$10,000.

All mosquito control facilities and/or services will be provided in accordance with the applicable standards of the Colorado Department of Health, Colorado Department of Natural Resources, Colorado Department of Agriculture, U.S. Environmental Protection Agency, Eagle County, and other applicable local, state or federal rules and regulations.

4. Public Parks and Recreation Facilities.



It is expected that much of Cordillera Valley District will be open space, though some organized recreation facilities may be provided. Estimated capital improvement costs are summarized in Exhibit C.

Park and recreation facilities are currently planned to include passive open space within the Community. The improvements will be designed to meet the demands and desires of the residents of the Community. Availability of park improvements will help ensure that levels of activity in the Community during the spring, summer and fall are high and will help support property values and assessed valuations.

The District shall have the right to increase or alter the extent and type of public park and recreational amenities in the Community as future needs warrant, so long as such amenities do not duplicate those already provided by WECMRD or Edwards Metropolitan District.

5. Transportation.

To the extent allowed by law, the District may provide transportation services by itself or through contract with transportation services providers. The transportation services may include but are not limited to a shuttle bus service to and from the Eagle County Regional Airport, a shuttle bus service to and from Cordillera Valley Club to the Vail and Beaver Creek ski areas, a shuttle bus service to and from various golf courses within the Vail Valley area and a shuttle bus service within the Cordillera communities for the benefit of the Cordillera Valley Club property owners. The configuration of this service will be coordinated with other transportation services providers. It is anticipated that the service will be operated either as a fee-based enterprise or using a portion of the revenues received from the mill levy applied in the Cordillera Valley Club District.

To the extent that an intergovernmental agreement concerning transportation services is required pursuant to Section 32-1-1004(5) and (6), C.R.S., the District shall seek such an agreement prior to provision of service.

6. Other Facilities and Improvements.

It is expected that the District will participate in the financing and/or construction of such other public facilities and improvements as may be required by the Community, subject to the constraints of this Service Plan. Those facilities may include such facilities as will be needed to provide the Community with continued or improved public services. The extent and configuration of such improvements will depend upon local need and Service Plan amendments or notices under §32-1-207, C.R.S.

7. Contract Services.

Construction of needed improvements or acquisition of facilities may be accomplished by the District alone or in conjunction with other special districts, or other governmental or private entities. The District may enter into contracts or intergovernmental agreements for the acquisition, construction, operation, and maintenance of the systems.



8. Preliminary Engineering and Architectural Surveys of the Facilities to be Constructed.

The preliminary engineering and architectural standards applicable with respect to the various facilities and improvements which are to be constructed for the District are described throughout this service plan as the context provides. The actual configuration and extent of the anticipated facilities and improvements will depend upon various factors, including but not limited to the need for public improvements within the District, the pace and place of development, and the District's financial capacity. In any case, the proposed District will follow all applicable District, County, State and Federal laws, rules and regulations.

V. SUMMARY OF ESTIMATED COSTS AND EXPENSES.

A summary of the projected costs of constructing the facilities and improvements to be constructed for the District, together with a projection of the various phases of construction which are anticipated, are set forth in Exhibit C, which immediately follows the text of the Service Plan.

The figures provided are in 2002 and future dollars and represent a preliminary estimate of the actual capital costs associated with the planned improvements and facilities. Actual costs, as well as the timing and sequence of construction, will vary from the stated amounts and phasings to reflect fluctuations in general price levels, the pace and scope of improvements within the District, and other contingencies. Other costs, including operation and maintenance costs and costs of issuing bonds, are also estimated in Exhibit C.

VI. DESIGN AND CONSTRUCTION STANDARDS.

In order to ensure that the proposed District's facility and improvement design standards are compatible with those of Eagle County, the applicable design criteria of the County, as they may be amended from time to time, will be strictly followed. The District will also follow any applicable design or construction standards promulgated by other governmental agencies, including WECMRD, Edwards Metropolitan District, the State of Colorado and the Federal Government.

VII. PROPOSED AND EXISTING AGREEMENTS, INCLUDING INTERGOVERNMENTAL AGREEMENTS.

A. Management Agreement.

The proponents of the Cordillera Valley District have the authority to contract with Squaw Creek Metropolitan District ("Squaw Creek District"). The Management Agreement may provide that the Squaw Creek District will provide management services for the Cordillera Valley District and assist in the coordination of other services for existing and proposed facilities.

B. Parks and Recreation, and Street and Drainage.

The District must under Colorado law contract with WECMRD and Edwards Metropolitan District in order to prevent the duplication of facilities operating functions. A form of agreement approved previously by each of the other Districts is



attached as Exhibit D. In the absence of such an agreement, the District will be unable to exercise any of the park and recreation, street or drainage powers conferred by this Service Plan. The Resolution of the County Commissioners approving this Service Plan will require the execution of these agreements as a condition of the approval of the service plan insofar as it provides for the exercise of duplicative powers.

C. Other Agreements.

To the extent practicable, the District, in the discretion of its Board of Directors, shall enter into additional intergovernmental and private agreements when it is in the best interest of the District to better ensure long-term provision of improvements and services and effective management.

VIII. FINANCIAL PLAN SHOWING HOW THE PROPOSED FACILITIES ARE TO BE FINANCED.

A. General.

The estimated costs of the facilities and improvements to be constructed and installed by the District, including the costs of engineering services, legal services, administrative services, initial proposed indebtedness and estimated proposed maximum interest rates and discounts and other major expenses related to the facilities and improvements to be constructed and installed are set forth in Exhibit C of this Service Plan. The estimated costs of the organization and initial operation of the District, including legal, engineering, administrative and financial services, are referenced in Exhibit C. These costs will be paid by the District out of its initial revenue sources.

It is anticipated that the construction, installation, repair and replacement of facilities and improvements for the District will be financed by the issuance of general obligation bonds in accordance with the Special District Act. An initial bond issue in the amount of \$3 million to finance the first phase of the projected public improvements is anticipated within the first year of District operations, or no later than the year 2004, but the timing and exact size of such issue will depend upon numerous factors.

The terms of such indebtedness will depend upon market conditions at the time of issuance, but the proposed maximum voted interest rate for such issue is 18%, and the proposed maximum underwriting discount will be 5%. It is estimated that the general obligation bonds, when issued, will mature not more than forty (40) years from date of issuance, as permitted by statute, though the term is expected to be much shorter.

The proceeds of the bond issues will be used to capitalize interest, pay necessary and customary legal services and issuing expenses. The balance of the funds plus any interest earned thereon will be used to fund capital construction costs.

An ad valorem property tax mill levy is the primary source of revenue to retire the general obligation bond debt. The operating and total levy for 2004 is expected to be 25 mills. This mill levy rate initially will generate approximately \$430,000 in annual property taxes. The mill levy will be used to pay the operating costs of the District, to pay debt service on any bonds the District may issue and to pay for capital improvements needed by the District. The proceeds from bonds issued will also be used to make the infrastructure enhancements in the District.



The District and the CVCPOA intend to institute a real estate transfer assessment ("Transfer Assessment") in the amount of one percent (1%) of the fair market value of any transfer of property within the District, whereby the CVCPOA will assess and collect the Transfer Assessment and pay the District the proceeds.

At such time as a higher debt or operating levy may be necessary, voter approval may be required by law. Therefore, subject to the above, the total initial mill levy is projected to be 25 mills. As set forth in Exhibit C, it is projected that the mill levy plus other revenues available to the District, transfers from the operating revenues, and capitalized interest will be sufficient to retire the debt. The elected Board of Directors of the District will have the flexibility to schedule future bond sales and refundings to maintain the lowest tax burden possible.

As set forth in Exhibit C hereof, it is anticipated that approximately \$3,000,000 will be required, in future dollars, to finance the capital costs associated with the construction of the public improvements (not including cost recovery). To pay these amounts, and to finance the costs of issuance, cost recovery, and other contingencies, the District will seek the authorization of its electors to issue up to \$4,000,000 in general obligation indebtedness. Such authorization will be sought pursuant to the terms of the Special District Act, and the Colorado Constitution as they may be amended from time to time.

In addition to ad valorem taxes and in order to offset the expenses of the anticipated capital construction and District operations and maintenance, the District may also rely upon various other revenue sources authorized by law and this Service Plan. 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.

In the discretion of the Board of Directors using the procedures and criteria provided by Amendment 1 (Const. Colo. Art. X, Sec. 20) and Colorado law, the District may set up enterprises to manage, fund, and operate such facilities, services, and programs as may qualify for enterprises status. To the extent allowed by law, any enterprise created by the District will remain under the control of the Board of Directors of the District.

B. Combined Organization and Amendment 1 Election.

Following approval of this Service Plan by Eagle County, and after acceptance of the organizational petition and issuance of orders from Eagle County District Court, elections on the questions of organizing the District and approving bonded indebtedness and various agreements described herein will be scheduled. All elections will be conducted as provided in the Court orders, the Uniform Election Code (as amended), and the TABOR Amendment, and are currently planned for November, 2002. The election questions will include whether to organize the District, election of initial directors, TABOR Amendment ballot questions and term limit questions. Thus, the ballot may deal with the following topics (in several questions, but not necessarily using the exact divisions shown here):

1. Whether to organize the District
2. Membership and terms of the initial board members,
3. Approval of new taxes,



4. Approval of operational mill levies,
5. Approval of bond and other indebtedness limits,
6. Approval of an initial property tax revenue limit,
7. Approval of an initial total revenue limit,
8. Approval of an initial fiscal year spending limit, and
9. Elimination of term limits.

Ballot issues may be consolidated as approved in Court orders. Eagle County should be assured that the organizers of the District intended to follow both the letter and the spirit of the Special District Act, the Uniform Election Code, and the TABOR Amendment during organization of the District. Future elections to comply with the TABOR Amendment are anticipated, and may be held as determined by the elected Board of Directors of the District.

The District, once organized, shall be subject to the following additional requirements:

1. Submission of annual reports as described in § 31-1-207(3), C.R.S., in the form prescribed by Eagle County.
2. At such time as the District ceases to operate public facilities, has no outstanding debt, and is subject to administrative dissolution pursuant to then applicable Colorado law, such District shall be subject to dissolution.
3. Material modifications of this Service Plan, shall be subject to approval by Eagle County in accordance with the provisions of § 32-1-207, C.R.S.
4. The District may appropriate no funds or issue general obligation debt unless and until intergovernmental agreements in substantially the form attached have been executed by the District, Edwards and WECMRD.

C. Elections Concerning Additional Debt and Mill Levy Increases.

Following the scheduled election described above and authorization by the District's electors to issue up to \$4,000,000 in general obligation indebtedness, the initial bond issue of the District shall be in the amount of approximately \$1,000,000. The District will not thereafter issue additional bonds without first seeking approval of the owners the one hundred and twenty single family lots ("Lots") located within the Cordillera Valley Club development. The District shall send a ballot by mail to the known record owners of each Lot containing the question of the additional bond issue including the amount and proposed terms thereof. The ballots shall be returned to a location and within a reasonable period of time designated by the District. The District must have the approval of the owners of a majority of the Lots for which ballots are returned in order to issue additional bonds.

In addition to the procedure for additional bonds as described above if, after organization, the District proposes to increase its mill levy rate in a manner which under



Colorado law requires elector approval, it must in addition to obtaining electoral approval seek approval of the Lot owners in the manner described above prior to acting to increase the levy.

Failure to follow the procedures set forth in this subsection C shall constitute a material modification of this Service Plan.

IX. CONCLUSION.

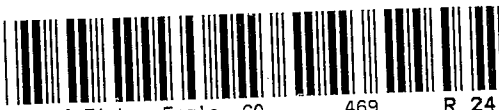
It is submitted that this Service Plan for Cordillera Valley Metropolitan District meets the requirements of Section 32-1-201, et seq., C.R.S., as amended. It is further submitted that, based on the above information and upon the counsel of financial and land use advisers, the following conclusions can be made with regard to the proposed District:

- There is sufficient existing and projected need for organized service in the area to be serviced by the proposed District.
- The existing service in the area to be served by the proposed District is inadequate for present and projected needs.
- The proposed District is capable of providing economical and sufficient service to the area within its proposed boundaries.
- The area in the District will have the financial ability to discharge the proposed indebtedness on a reasonable basis.
- Adequate service is not, or will not be, available to the area through the Eagle County, or through other existing municipal or quasi-municipal corporations, including existing special districts, within a reasonable time and on a comparable basis.
- The facility and service standards of the District are compatible with the facility and service standards of the Eagle County and each municipality which is an interested party under Section 32-1-204(1), C.R.S.
- The proposal is in substantial compliance with any master plan adopted pursuant to section 30-28-106, C.R.S.
- The proposal is in compliance with any duly adopted city, county, regional, or state long-range water quality management plan for the area.
- The District will be in the best interest of the area proposed to be served.

Therefore, it is requested that the Board of County Commissioners of Eagle County, Colorado, which has jurisdiction to approve the Service Plan by virtue of Section 32-1-204, C.R.S., as amended, adopt a resolution which approves this Service Plan for the Cordillera Valley Club Metropolitan District as submitted.

LIST OF EXHIBITS

EXHIBIT A	Boundary Map
EXHIBIT B	Legal Description
EXHIBIT C	Pro Forma
EXHIBIT D	Intergovernmental Agreements



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EXHIBIT A
Boundary Map

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CORDILLERA
VALLEY CLUB
BOUNDARY MAP

NOTE - THE BOUNDARY DESCRIBED HEREON IS BASED ON CORRECTION PLAT, CORDILLERA VALLEY CLUB, FILING NO. 1 AND CORRECTION PLAT, CORDILLERA VALLEY CLUB, FILING NO. 2 AND DOES NOT REPRESENT A SURVEY ON THE GROUND FOR THE PURPOSE OF DESCRIBING THIS PARCEL.

P.O.B., EAST 1/16
CORNER OF SECTION 31,
T4S, R82W OF THE 6TH
PRINCIPAL MERIDIAN

(BASIS OF BEARING)

SECTION 31
T4S R82W

CORDILLERA
VALLEY CLUB
BOUNDARY

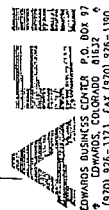
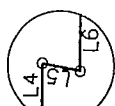
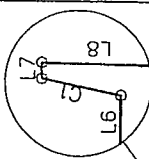
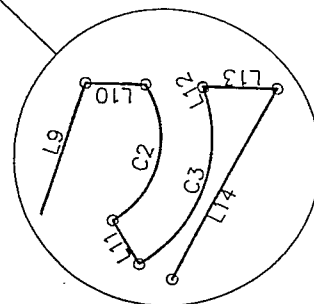
SECTION 32
T4S R82W

NE 1/4
SECTION 6
T5S R82W

NW 1/4
SECTION 6
T5S R82W

EAGLE
RIVER

UPRR

 $1'' = 1000'$ 

LINE TABLE		
LINE	LENGTH	BEARING
L1	1348.54	N89°57'51"E
L2	1352.07	S89°31'09"E
L3	1336.53	S01°08'06"W
L4	442.37	S89°34'03"E
L5	14.37	S10°38'00"W
L6	566.60	S89°35'00"E
L7	2.81	S89°34'04"E
L8	780.70	S01°10'04"W
L9	353.28	S71°29'21"E
L10	81.19	S01°11'21"W
L11	70.01	S59°17'48"W
L12	2.68	N62°15'21"E
L13	97.06	S01°11'00"W
L14	299.09	N62°28'39"W
L15	313.20	N45°46'39"W
L16	170.01	N62°43'02"W
L17	629.59	N72°01'39"W
L18	766.11	N87°33'30"W
L19	846.22	S74°44'31"W
L20	478.41	N80°04'09"W
L21	288.40	N74°06'21"W
L22	383.52	N72°56'04"W
L23	202.25	N65°35'21"W
L24	699.18	N72°53'35"W
L25	223.42	N46°20'24"W
L26	467.50	N72°49'41"W
L27	580.45	N83°35'37"W
L28	520.55	S87°55'57"W
L29	853.62	S77°40'00"W
L30	406.58	S88°19'49"W
L31	1406.01	N00°32'02"E
L32	1507.30	N89°57'40"E
L33	1367.65	N00°47'59"E
L34	1351.70	S88°35'13"E
L35	1350.80	N89°50'55"E
L36	1336.24	S00°57'49"W

CURVE TABLE					
CURVE	LENGTH	RADIUS	DELTA	TANGENT	CHORD BEARING
C1	14.27	1028.91	00°47'41"	14.27	S11°47'48"W
C2	215.59	133.59	92°27'50"	192.95	S76°56'45"E
C3	281.20	203.60	79°08'05"	259.38	S70°16'39"E
C4	487.94	2141.80	13°03'11"	486.89	N83°58'39"E



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AEI
EDWARDS BUSINESS CENTER P.O. BOX 97
9 EDWARDS, COLORADO 81632
(970) 926-3373 FAX (970) 926-3390

EXHIBIT B
Legal Description



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A parcel of land located in Eagle County, Colorado described as follows:

Those portions of Section 31 and the Southwest 1/4 of Section 32, Township 4 South, Range 82 West of the Sixth Principal Meridian lying north of the northerly right-of-way line of Interstate Highway No. 70, together with Lots 1-B, 2, 3, 4, and Parcels 2-A and 3-A South Scottsville, according to the map recorded in Book 306 at Page 421, in the office of the Eagle County, Colorado, Clerk and Recorder, said parcel being more particularly described as follows:

Beginning at the East 1/16 corner of Section 31; thence N89°57'51"E, 1348.54 feet along the north line of the Northeast 1/4 of the Southeast 1/4 of Section 31 to the common 1/4 corner of Section 31 and 32; thence S89°31'09"E, 1352.07 feet along the north line of the Northwest 1/4 of the Southwest 1/4 of Section 32; thence S01°08'06"W, 1336.53 feet, along the east line of the Northwest 1/4 of the Southwest 1/4 of Section 32 to the Southwest 1/16 corner of Section 32, the Southwest 1/16 corner also being the Northwest corner of Lot 4, South Scottsville; thence S89°34'03"E, 442.37 feet, along the northerly line of both the Southeast 1/4 of the Southwest 1/4 of Section 32 and Lots 4 and 3, South Scottsville; thence departing the northerly line of the Southeast 1/4 of the Southwest 1/4 of Section 32 the following three (3) courses and curves along the northerly line of Lots 3 and 2, South Scottsville: (1) S10°38'00"W, 14.37 feet; (2) S89°35'00"E, 566.60 feet; (3) 14.27 feet along the arc of a curve to the right, having a radius of 1028.91 feet, a central angle of 00°47'41", and a chord which bears N11°47'48"E, 14.27 feet, to the north line of the Southeast 1/4 of the Southwest 1/4 of Section 32; thence S89°34'04"E, 2.81 feet along the northerly line of both the Southeast 1/4 of the Southwest 1/4 of Section 32 and Lot 2, South Scottsville, to the Northeast corner of Lot 2, South Scottsville; thence S01°10'04"W, 780.70 feet along the east line of Lot 2 of South Scottsville, to the northwest corner of Lot 1-B of South Scottsville; thence departing the east line of Lot 2 of South Scottsville, S71°29'21"E, 353.28 feet along the northerly line of Lot 1-B of South Scottsville to a point on the east line of both the Southeast 1/4 of the Southwest 1/4 of Section 32 and Lot 1-B of South Scottsville; thence along the said east line S01°11'21"W, 81.19 feet to the I-70 Access Road right-of-way line; thence departing the east line the following four (4) courses and curves along the right-of-way line: (1) 215.59 feet along the arc of a curve to the right having a radius of 133.59 feet, a central angle of 92°27'51" and a chord which bears N76°56'45"W, 192.95 feet; (2) S59°17'48"W, 70.01 feet; (3) 281.20 feet along the arc of a curve to the left having a radius of 203.60 feet, a central angle of 79°08'05" and a chord which bears S70°16'39"E, 259.38 feet; (4) N62°15'21"E, 2.68 feet to the east line of the Southeast 1/4 of the Southwest 1/4 of Section 32 and Lot 1-B of South Scottsville; thence departing the right-of-way line S01°11'00"W, 97.06 feet along the east line to the northerly right-of-way line of I-70; thence the following eighteen (18) courses and curves along the northerly right-of-way line: (1) N62°28'39"W, 299.09 feet; (2) N45°46'39"W, 313.20 feet; (3) N62°43'02"W, 170.01 feet; (4) N72°01'39"W, 629.59 feet; (5) N87°33'30"W, 766.11 feet; (6) S74°44'31"W, 846.22 feet; (7) 487.94 feet along the arc of a curve to the right having a radius of 2141.80 feet, a central angle of 13°03'11", and a chord which bears S83°58'39"W, 486.89 feet; (8) N80°04'09"W, 478.41 feet; (9) N74°06'21"W, 288.40 feet; (10) N72°56'04"W, 383.52 feet; (11) N65°35'21"W, 202.25 feet; (12) N72°53'35"W, 699.18 feet; (13) N46°20'24"W, 223.42 feet; (14) N72°49'41"W, 467.50 feet; (15) N83°35'37"W, 580.45 feet; (16) S87°55'57"W, 520.55 feet; (17) S77°40'00"W, 853.62 feet; (18) S88°19'49"W, 406.58 feet to the west line of Section 31, thence departing the northerly right-of-way line N00°32'02"E, 1406.01 feet along said west line to the West 1/4 corner of Section 31; thence N89°57'40"E, 1507.30 feet, along the north line of Lot 3 of Section 31, to the West 1/16 corner of Section 31; thence N00°47'59"E, 1367.65 feet, along the west line of the Southeast 1/4 of the Northwest 1/4 of Section 31, to the Northwest 1/16 corner of Section 31; thence S88°35'13"E, 1351.70 feet, along the north line of the Southeast 1/4 of the Northwest 1/4 of Section 31, to the North 1/16 corner of Section 31; thence N89°50'55"E, 1350.80 feet, along the north line of the Southwest 1/4 of the Northeast 1/4 of Section 31, to the Northeast 1/16 corner of Section 31; thence S00°57'49"W, 1336.24 feet, along the east line of the Southwest 1/4 of the Northeast 1/4 of Section 31 to the Point of Beginning.

The basis of bearing for the described parcel is the north line of the Northeast 1/4 of the Southeast 1/4 of Section 31, said line connecting the East 1/16 corner of Section 31 and the West 1/4 corner of Section 32 being N89°57'51"E;



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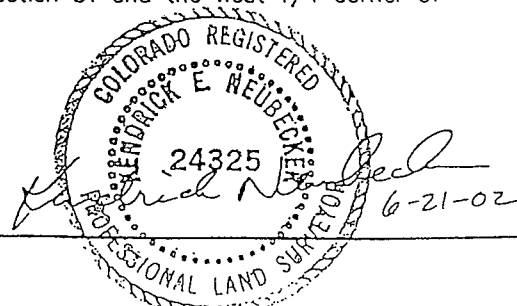


EXHIBIT C

FORECASTED CASH FLOW ANALYSIS FOR THE PROPOSED
CORDILLERA VALLEY CLUB METROPOLITAN DISTRICT



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ROBERTSON & MARCHETTI, P.C.

Certified Public Accountants

June 19, 2002

Board of Directors
Cordillera Valley Club Property Owners Association
On Behalf of the Proposed Cordillera Valley Club Metropolitan District

I have compiled the accompanying forecasted revenues and expenditures for the proposed Cordillera Valley Club Metropolitan District for the years 2004 through 2032, in accordance with standards established by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of a forecast information that is the representation of management and does not include evaluation of the support for the assumptions underlying the forecast. We have not examined the forecast and accordingly, do not express an opinion or any other form of assurance on the accompanying statements or assumptions. Furthermore, there will usually be differences between the forecasted and actual results because events and circumstances frequently do not occur as expected, and those differences may be material. I have no responsibility to update this report for events and circumstances occurring after the date of this report.

Management has elected to omit the summary of significant accounting policies required by the guidelines for presentation of a forecast established by the American Institute of Certified Public Accountants. If the omitted disclosures were included in the forecast, they might influence the user's conclusions about the proposed district's revenues, expenditures for the forecast period. Accordingly, this forecast is not designed for those who are not informed about such matters.

Robertson & Marchetti, P.C.

/s/ Kenneth J. Marchetti

Kenneth J. Marchetti, CPA
President



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	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
Revenues											
Beginning Assessed Value	17,225,000	17,350,000	17,475,000	18,648,500	18,773,500	20,024,910	20,149,910	21,483,905	21,608,905	23,030,439	23,155,439
New Construction	125,000	125,000	125,000	125,000	125,000	125,000	125,000	125,000	125,000	125,000	125,000
Valuation Changes	17,350,000	17,475,000	18,648,500	18,773,500	20,024,910	20,149,910	21,483,905	21,608,905	23,030,439	23,155,439	23,155,439
Ending Assessed Value	17,350,000	17,475,000	18,648,500	18,773,500	20,024,910	20,149,910	21,483,905	21,608,905	23,030,439	23,155,439	23,155,439
Mill Levy Rate	25	25	25	25	25	25	25	25	25	25	25
Property Taxes	433,750	436,875	466,213	469,338	500,623	503,748	537,098	540,223	575,761	578,886	613,619
Specific Ownership Taxes	26,025	26,213	27,973	28,160	30,037	30,225	32,226	32,413	34,546	34,733	36,817
Interest Income - Operating	1,061	1,061	1,061	1,061	1,061	1,061	1,061	1,061	1,061	1,061	1,061
Other Revenue	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Total Revenues	460,775	465,149	497,828	500,328	538,453	544,377	580,894	586,037	625,241	630,795	666,534
Administrative Expenses											
Outside Services - G & A	18,000	18,720	19,469	20,248	21,057	21,900	22,776	23,687	24,634	25,620	25,620
Meeting Expenses	1,800	1,872	1,947	2,025	2,106	2,190	2,278	2,369	2,463	2,562	2,562
Ins Expenses, incl. D&O Liab.	6,000	6,240	6,490	6,749	7,019	7,300	7,592	7,896	8,211	8,540	8,540
Legal Fees	12,000	12,480	12,979	13,498	14,038	14,600	15,184	15,791	16,423	17,080	17,080
Accounting	18,000	18,720	19,469	20,248	21,057	21,900	22,776	23,687	24,634	25,620	25,620
Audit	4,000	4,160	4,326	4,499	4,679	4,867	5,064	5,269	5,484	5,700	5,926
Office Supplies & Expense	6,000	6,240	6,490	6,749	7,019	7,300	7,592	7,896	8,211	8,540	8,540
Recreation	1,600	1,664	1,731	1,800	1,872	1,947	2,025	2,105	2,190	2,277	2,277
District Formation Costs	25,000										
Total Administrative Exp.	92,400	70,956	72,900	75,816	78,848	82,002	85,088	88,297	91,634	95,105	95,105
Fire, Life & Public Safety	90,000	93,600	97,344	101,238	105,287	109,499	113,879	118,434	123,171	128,098	128,098
Community Operations:											
Landscaping	50,000	52,000	54,080	56,243	58,493	60,833	63,266	65,797	68,428	71,166	74,012
Lights & Signage	10,000	10,400	10,816	11,249	11,699	12,167	12,653	13,159	13,686	14,233	14,802
Holiday Lights	5,000	5,200	5,408	5,624	5,849	6,083	6,327	6,580	6,843	7,117	7,401
Roads	24,000	24,960	25,938	26,997	28,077	29,200	30,368	31,582	32,846	34,159	35,526
Snow Removal	10,000	10,400	10,816	11,249	11,699	12,167	12,653	13,159	13,686	14,233	14,802
Weed & Pest Control	10,000	10,400	10,816	11,249	11,699	12,167	12,653	13,159	13,686	14,233	14,802
Comm Ops O/H Allocation	24,000	24,960	25,938	26,997	28,077	29,200	30,368	31,582	32,846	34,159	35,526
Comm Ops Shop Allocation	10,000	10,400	10,816	11,249	11,699	12,167	12,653	13,159	13,686	14,233	14,802
Total Community Ops Exp	143,000	148,720	154,669	160,856	167,290	173,981	180,941	188,178	195,705	203,534	211,675
Total Expenses	325,400	312,416	324,913	337,909	351,426	365,483	379,907	394,909	410,510	426,736	434,878
Excess of Operating Revenues over Exp. before Capital	135,375	152,733	172,916	165,419	187,028	178,894	200,987	191,128	214,731	204,059	231,957
Other Financing Sources & Uses											
Transfer To Debt Service Fund	(20,000)	(20,000)	(20,000)	(20,000)	(20,000)	(20,000)	(20,000)	(20,000)	(20,000)	(20,000)	(160,000)
Transfer To Cap Projects Fund	(30,000)	(30,000)	(30,000)	(30,000)	(30,000)	(30,000)	(30,000)	(30,000)	(30,000)	(30,000)	(30,000)
Beginning Operating Fund Balance	-	35,375	88,108	161,024	226,443	313,471	352,365	413,352	464,480	539,211	513,270
Ending Operating Fund Balance	35,375	88,108	161,024	226,443	313,471	352,365	413,352	464,480	539,211	513,270	505,277

See accompanying accountant's report.

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Cordillera Valley Club Property Owners Association
Forecast Statement of Revenues and Expenditures
Capital Projects and Debt Service Funds

	2004 Forecast	2005 Forecast	2006 Forecast	2007 Forecast	2008 Forecast	2009 Forecast	2010 Forecast	2011 Forecast	2012 Forecast	2013 Forecast	2014 Forecast
Capital Projects/Replacement Fund:											
Revenues											
Interest Income - Cap Proj Fund	-	10,650	8,870	7,036	5,147	22,701	21,282	19,821	18,315	33,265	32,163
Balance Before Expenses	-	10,650	8,870	7,036	5,147	22,701	21,282	19,821	18,315	33,265	32,163
Expenditures											
West Gate Projects									100,000		
East Gate Projects									100,000		
Berm Study & Construction	300,000				150,000						
Road Projects	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000
Landscape Projects	200,000				150,000				100,000		
District Formation Costs	25,000										
Total Expenses	675,000	150,000	150,000	150,000	450,000	150,000	150,000	150,000	550,000	150,000	150,000
Excess of Revenues over Exp.	(675,000)	(139,350)	(141,131)	(142,964)	(444,853)	(127,299)	(128,718)	(130,179)	(531,685)	(116,735)	(117,837)
Other Financing Sources & Uses											
Bond Proceeds - 2004 Issue	1,000,000										
Bond Proceeds - Future Issue					1,000,000						
Bond Proceeds - Future Issue #2					(50,000)				1,000,000		
Bond Issue Costs	(50,000)	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000
Transfer From General Fund	80,000										
Total Other Sources & Uses	1,030,000	80,000	80,000	80,000	1,030,000	80,000	80,000	80,000	1,030,000	80,000	80,000
Beginning Capital Fund Balance	-	355,000	295,650	234,520	171,555	756,702	709,403	660,685	610,505	1,108,821	1,072,085
Ending Capital Fund Balance	355,000	295,650	234,520	171,555	756,702	709,403	660,685	610,505	1,108,821	1,072,085	1,034,248
Debt Service Fund											
Revenues											
Contrib to POA-RE Transfer Assessments	75,000	78,000	81,120	84,365	87,739	91,249	94,899	98,695	102,643	106,748	111,018
Interest Income	-	1,500	1,785	2,172	2,668	3,280	3,866	3,229	2,687	2,247	3,267
Total Revenues	75,000	79,500	82,905	86,537	90,408	94,529	98,765	101,924	105,330	108,995	114,285
Expenditures											
Debt Service - 2004 Issue	45,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000
Debt Service - Future Issue						45,000	90,000	90,000	90,000	90,000	90,000
Debt Service - Future Issue #2										45,000	90,000
Total Expenses	45,000	90,000	90,000	90,000	90,000	135,000	180,000	180,000	180,000	225,000	270,000
Excess of Revenues over Exp.	30,000	(10,500)	(7,095)	(3,463)	408	(40,471)	(81,235)	(78,076)	(74,670)	(116,005)	(155,715)
Other Financing Sources & Uses											
Transfer From General Fund	20,000	20,000	20,000	20,000	20,000	60,000	60,000	60,000	60,000	150,000	160,000
Beginning Debt Service Fund Balance	-	50,000	59,500	74,405	88,942	109,350	128,879	107,644	89,569	74,898	103,894
Ending Debt Service Fund Balance	50,000	59,500	72,405	88,942	109,350	128,879	107,644	89,569	74,898	103,894	111,179

See accompanying accountant's report.

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Cordillera Valley Club Metro District
Multi-Year Financial Plan
General Fund

	2015 Forecast	2016 Forecast	2017 Forecast	2018 Forecast	2019 Forecast	2020 Forecast	2021 Forecast	2022 Forecast	2023 Forecast	2024 Forecast	2025 Forecast
Revenues											
Beginning Assessed Value	24,544,765	24,544,765	26,017,451	26,017,451	27,578,498	27,578,498	29,233,208	29,233,208	30,987,201	30,987,201	32,846,433
New Construction											
Valuation Changes		1,472,686									
Ending Assessed Value	24,544,765	26,017,451	26,017,451	27,578,498	27,578,498	29,233,208	29,233,208	30,987,201	30,987,201	32,846,433	32,846,433
Mill Levy Rate	25	25	25	25	25	25	25	25	25	25	20
Property Taxes	613,619	650,436	650,436	689,462	689,462	730,830	730,830	774,680	774,680	818,530	862,380
Specific Ownership Taxes	36,817	39,026	39,026	41,368	41,368	43,850	43,850	46,481	46,481	49,250	52,166
Interest Income - Operating	15,157	14,654	15,343	15,778	17,181	18,330	20,519	22,452	25,504	28,299	30,946
Other Revenue	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Total Revenues	666,593	705,117	705,806	747,608	749,012	794,010	796,199	844,613	847,665	897,644	949,417
Administrative Expenses											
Outside Services - G & A	25,620	25,620	25,620	25,620	25,620	25,620	25,620	25,620	25,620	25,620	25,620
Meeting Expenses	2,562	2,562	2,562	2,562	2,562	2,562	2,562	2,562	2,562	2,562	2,562
Ins Expense, incl. D&O Liab.	8,540	8,540	8,540	8,540	8,540	8,540	8,540	8,540	8,540	8,540	8,540
Legal Fees	17,080	17,080	17,080	17,080	17,080	17,080	17,080	17,080	17,080	17,080	17,080
Accounting	25,620	25,620	25,620	25,620	25,620	25,620	25,620	25,620	25,620	25,620	25,620
Audit	4,867	4,867	4,867	4,867	4,867	4,867	4,867	4,867	4,867	4,867	4,867
Office Supplies & Expense	8,540	8,540	8,540	8,540	8,540	8,540	8,540	8,540	8,540	8,540	8,540
Recreation	2,277	2,277	2,277	2,277	2,277	2,277	2,277	2,277	2,277	2,277	2,277
District Formation Costs											
Total Administrative Exp.	95,105	95,105	95,105	95,105	95,105	95,105	95,105	95,105	95,105	95,105	95,105
Fire, Life & Public Safety											
Community Operations:											
Landscaping	76,973	80,052	83,254	86,584	90,047	93,649	97,395	101,291	105,342	109,556	113,938
Lights & Signage	15,395	16,010	16,651	17,317	18,009	18,730	19,479	20,258	21,068	21,911	22,788
Holiday Lights	7,697	8,005	8,325	8,658	9,005	9,365	9,740	10,129	10,534	10,956	11,394
Roads	36,947	38,425	39,962	41,560	43,223	44,952	46,750	48,620	50,564	52,587	54,690
Snow Removal	15,395	16,010	16,651	17,317	18,009	18,730	19,479	20,258	21,068	21,911	22,788
Weed & Pest Control	15,395	16,010	16,651	17,317	18,009	18,730	19,479	20,258	21,068	21,911	22,788
Comm Ops O/H Allocation	36,947	38,425	39,962	41,560	43,223	44,952	46,750	48,620	50,564	52,587	54,690
Comm Ops Shop Allocation	15,395	16,010	16,651	17,317	18,009	18,730	19,479	20,258	21,068	21,911	22,788
Total Community Ops Exp	220,142	228,948	238,106	247,630	257,535	267,836	278,550	289,692	301,279	313,331	325,864
Total Expenses	443,345	452,150	461,308	470,832	480,738	491,039	501,752	512,894	524,482	536,533	549,066
Excess of Operating Revenues over Exp. before Capital	223,249	252,966	244,498	276,776	268,274	302,971	294,446	331,719	323,182	361,110	399,350
Other Financing Sources & Uses											
Transfer To Debt Service Fund	(160,000)	(150,000)	(150,000)	(150,000)	(150,000)	(150,000)	(150,000)	(150,000)	(150,000)	(150,000)	(150,000)
Transfer To Cap Projects Fund	(80,000)	(80,000)	(80,000)	(80,000)	(80,000)	(80,000)	(80,000)	(80,000)	(80,000)	(80,000)	(80,000)
Beginning Operating Fund Balance	505,227	488,475	511,442	525,939	574,715	610,989	683,960	748,406	850,125	943,307	902,418
Ending Operating Fund Balance	488,475	511,442	525,939	574,715	610,989	683,960	748,406	850,125	943,307	902,418	947,768

See accompanying accountant's report.

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Sara J Fisher Eagle, CO

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Cordillera Valley Club Property Owners Association
Forecast Statement of Revenues and Expenditures
Capital Projects and Debt Service Funds

Capital Projects/Replacement Fund:

	2015 Forecast	2016 Forecast	2017 Forecast	2018 Forecast	2019 Forecast	2020 Forecast	2021 Forecast	2022 Forecast	2023 Forecast	2024 Forecast	2025 Forecast
Revenues											
Interest Income - Cap Proj Fund	31,027	29,858	28,654	27,414	26,136	24,820	23,465	22,069	20,631	19,150	17,624
Balance Before Expenses	31,027	29,858	28,654	27,414	26,136	24,820	23,465	22,069	20,631	19,150	17,624

Expenditures

West Gate Projects											
East Gate Projects											
Berm Study & Construction											
Road Projects	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000
Landscape Projects											
District Formation Costs											
Total Expenses	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000
Excess of Revenues over Exp.	(118,973)	(120,142)	(121,346)	(122,586)	(123,864)	(125,180)	(126,535)	(127,931)	(129,369)	(130,850)	(132,376)

Other Financing Sources & Uses

Bond Proceeds - 2004 Issue											
Bond Proceeds - Future Issue											
Bond Proceeds - Future Issue #2											
Bond Issue Costs											
Transfer From General Fund	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000
Total Other Sources & Uses	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000
Beginning Capital Fund Balance	1,034,248	995,275	955,133	913,787	871,201	827,337	782,157	735,622	687,691	638,321	587,471
Ending Capital Fund Balance	995,275	955,133	913,787	871,201	827,337	782,157	735,622	687,691	638,321	587,471	535,095

Debt Service Fund

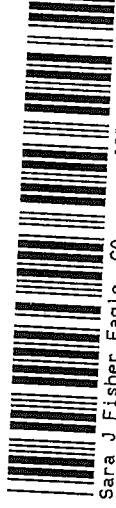
Revenues											
Contrib Fr POA-RE Transfer Assessments											
Interest Income	115,459	120,077	124,881	129,876	135,071	140,474	145,093	151,936	158,014	164,334	170,908
	3,395	3,661	3,773	4,033	4,430	5,036	5,801	6,758	7,919	9,297	13,605
Total Revenues	118,854	123,738	128,654	133,908	139,501	145,509	151,893	158,694	165,932	173,631	184,513
Expenditures											
Debt Service - 2004 Issue	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000
Debt Service - Future Issue	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000
Debt Service - Future Issue #2	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000
Total Expenses	270,000	270,000	270,000	270,000	270,000	270,000	270,000	270,000	270,000	270,000	270,000
Excess of Revenues over Exp.	(151,146)	(146,262)	(141,346)	(136,092)	(130,479)	(124,491)	(118,107)	(111,306)	(104,068)	(96,369)	(88,487)

Other Financing Sources & Uses

Transfer From General Fund	160,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	50,000
Beginning Debt Service Fund Balance	113,179	122,033	125,772	134,425	148,334	167,855	193,364	225,257	263,951	309,883	453,514
Ending Debt Service Fund Balance	122,033	125,772	134,425	148,334	167,855	193,364	225,257	263,951	309,883	453,514	508,027

See accompanying accountant's report.

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Sara J Fisher Eagle, CO 469

Cordillera Valley Club Metro District
Multi-Year Financial Plan
General Fund

Revenues	2026	2027	2028	2029	2030	2031	2032
Beginning Assessed Value	32,846,433	34,817,219	34,817,219	36,906,252	36,906,252	39,120,627	39,120,627
New Construction	1,970,786		2,089,033		2,214,375		2,347,238
Valuation Changes	34,817,219	34,817,219	36,906,252	36,906,252	39,120,627	39,120,627	41,467,864
Ending Assessed Value							

Mill Levy Rate	20	20	20	15	15	15	15
Property Taxes	696,344	696,344	738,125	553,594	586,809	586,809	622,018
Specific Ownership Taxes	41,781	41,781	44,288	33,216	35,209	35,209	37,321
Interest Income - Operating	28,433	30,697	32,622	35,510	33,677	32,388	30,384
Other Revenue	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Total Revenues	767,558	769,822	816,034	623,319	656,695	655,406	690,924

Administrative Expenses	2026	2027	2028	2029	2030	2031	2032
Outside Services - G & A	25,620	25,620	25,620	25,620	25,620	25,620	25,620
Meeting Expenses	2,562	2,562	2,562	2,562	2,562	2,562	2,562
Ins Expense, incl. D&O Liab.	8,540	8,540	8,540	8,540	8,540	8,540	8,540
Legal Fees	17,080	17,080	17,080	17,080	17,080	17,080	17,080
Accounting	25,620	25,620	25,620	25,620	25,620	25,620	25,620
Audit	4,867	4,867	4,867	4,867	4,867	4,867	4,867
Office Supplies & Expense	8,540	8,540	8,540	8,540	8,540	8,540	8,540
Recreation	2,277	2,277	2,277	2,277	2,277	2,277	2,277
District Formation Costs							
Total Administrative Exp.	95,105	95,105	95,105	95,105	95,105	95,105	95,105

Fire, Life & Public Safety	2026	2027	2028	2029	2030	2031	2032
Community Operations:							
Landscaping	118,496	123,236	128,165	133,292	138,623	144,168	149,935
Lights & Signage	23,699	24,647	25,633	26,658	27,725	28,834	29,987
Holiday Lights	11,850	12,324	12,817	13,329	13,862	14,417	14,994
Roads	56,878	59,153	61,519	63,980	66,539	69,201	71,969
Snow Removal	23,699	24,647	25,633	26,658	27,725	28,834	29,987
Weed & Pest Control	23,699	24,647	25,633	26,658	27,725	28,834	29,987
Comm Ops O/H Allocation	56,878	59,153	61,519	63,980	66,539	69,201	71,969
Comm Ops Shop Allocation	23,699	24,647	25,633	26,658	27,725	28,834	29,987
Total Community Ops Exp	338,898	352,454	366,552	381,215	396,463	412,322	428,815

Total Expenses	2026	2027	2028	2029	2030	2031	2032
	562,101	575,657	589,755	604,417	619,666	635,524	652,017
Excess of Operating Revenues over Exp. before Capital	205,457	194,165	226,279	18,902	37,029	19,882	38,906

Other Financing Sources & Uses	2026	2027	2028	2029	2030	2031	2032
Transfer To Debt Service Fund	(50,000)	(50,000)	(50,000)	(80,000)	(80,000)	(80,000)	(80,000)
Transfer To Cap Projects Fund	(80,000)	(80,000)	(80,000)	(80,000)	(80,000)	(80,000)	(80,000)
Beginning Operating Fund Balance	947,768	1,023,225	1,087,390	1,183,669	1,122,571	1,079,601	1,019,482
Ending Operating Fund Balance	1,023,225	1,087,390	1,183,669	1,122,571	1,079,601	1,019,482	978,389

See accompanying accountant's report.

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469

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Cordillera Valley Club Property Owners Association
Forecast Statement of Revenues and Expenditures
Capital Projects and Debt Service Funds

Capital Projects/Replacement Fund:

Revenues
Interest Income - Cap Proj Fund 16,053 14,434 12,767 11,050 9,282 7,460 5,584 3% of Fund Balance

Balance Before Expenses

16,053 14,434 12,767 11,050 9,282 7,460 5,584

Expenditures

West Gate Projects
East Gate Projects
Bent Study & Construction
Road Projects
Landscape Projects
District Formation Costs
Total Expenses 150,000 150,000 150,000 150,000 150,000 150,000 150,000
Total Expended:
100,000.00
100,000.00
550,000.00
4,350,000.00
450,000.00
25,000.00

Excess of Revenues over Exp.

(133,947) (135,566) (137,233) (138,950) (140,718) (142,540) (144,416)

Other Financing Sources & Uses

Bond Proceeds - 2004 Issue
Bond Proceeds - Future Issue
Bond Proceeds - Future Issue #2
Bond Issue Costs
Transfer From General Fund
Total Other Sources & Uses 80,000 80,000 80,000 80,000 80,000 80,000 80,000
Beginning Capital Fund Balance 535,095 481,148 425,582 368,350 309,400 248,682 186,143
Ending Capital Fund Balance 481,148 425,582 368,350 309,400 248,682 186,143 121,727

Debt Service Fund

Revenues
Contrib Fr POA-RE Transfer Assessments
Interest Income 177,744 184,854 192,248 199,938 207,935 216,253 224,903 6 \$1.5mm Units in 04 inflated
15,241 17,130 19,290 21,736 25,686 29,995 34,682 3% of Fund Balance

Total Revenues

192,985 201,984 211,538 221,674 233,621 246,248 259,585

Expenditures

Debt Service - 2004 Issue
Debt Service - Future Issue
Debt Service - Future Issue #2
Total Expenses 90,000 90,000 90,000 90,000 90,000 90,000 90,000
Annual D/S on \$1mm Bonds
Annual D/S on \$1mm Bonds
Annual D/S on \$1mm Bonds
180,000 180,000 180,000 90,000 90,000 90,000 90,000

Excess of Revenues over Exp.

12,985 21,984 31,538 131,674 143,621 156,248 169,585

Other Financing Sources & Uses

Transfer From General Fund 50,000 50,000
Beginning Debt Service Fund Balance 508,027 571,012 642,996 724,534 856,207 999,829 1,156,076
Ending Debt Service Fund Balance 571,012 642,996 724,534 856,207 999,829 1,156,076 1,325,661

See accompanying accountant's report.

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EXHIBIT D
Intergovernmental Agreements



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INTERGOVERNMENTAL AGREEMENT

THIS INTERGOVERNMENTAL AGREEMENT ("Agreement"), is made and entered into this ____ day of _____, 2002, by and between the CORDILLERA VALLEY CLUB METROPOLITAN DISTRICT, of Eagle County, Colorado, a quasi-municipal corporation and political subdivision of the State of Colorado ("Cordillera"), and the EDWARDS METROPOLITAN DISTRICT, of Eagle County, Colorado, a quasi-municipal corporation and political subdivision of the State of Colorado ("Edwards"), together referred to herein as the "Parties."

WITNESSETH:

WHEREAS, Cordillera, pursuant to Section 23-1-1001, C.R.S., et seq. desires to accept, construct, operate and maintain certain street, street safety, streetscape and open space and drainage areas, and park and recreation properties and facilities that are intended to be used exclusively by the residents and property owners of Cordillera (the "Exclusive Services"), both of which encompass land in an unincorporated area within Eagle County, Colorado described in Exhibit "A" attached hereto for reference ("Property"); and

WHEREAS, the Property is also located within Edwards, which has the authority to accept, construct, operate and maintain certain street, street safety, streetscape and open space and drainage areas, and park and recreation properties and facilities within the Property, however Edwards is not currently providing, nor does it intend to provide in the future the Exclusive Services contemplated by this Agreement; and

WHEREAS, Cordillera does not intend to provide any service currently provided by Edwards, or that may be provided by Edwards in the future to the Property except as set forth in this Agreement; and

WHEREAS, Cordillera has determined that it is in the best interests of its constituents for Cordillera to provide the Exclusive Services, and services and programs related thereto; and

WHEREAS, the parties are authorized to enter this Agreement by Colo. Const. Art. XIV, Sec. 81(2)(a) and Section 23-1-204(1) and (2), C.R.S.

COVENANTS:

NOW, THEREFORE, in consideration of the foregoing premises, and the covenants, promises and agreements of each of the Parties hereto, to be kept and performed by each of them, the Parties agree as follows:

I. ACKNOWLEDGEMENTS AND AGREEMENTS ON PRELIMINARY MATTERS

1. The Parties acknowledge and agree that Edwards either cannot or will not fund the Exclusive Services for the Property, which Exclusive Services shall consist of the following:

A. The construction, installation, acceptance, operation, maintenance, improvement, extension, repair and replacement by Cordillera of certain streets, driveways,



parking areas, and related streetscape and street safety improvements within or providing access to the Property.

B. The construction, installation, acceptance, operation, maintenance, improvement, extension, repair and replacement by Cordillera of open space, berm, drainage way and landscaped areas within and/or adjacent and contiguous to the Property.

C. The funding of, and to the extent allowed by law the provision of, design review, covenant control and internal security and traffic control services to the Property.

D. The provision of certain park and recreation facilities and services to the Property, including without limitation the construction, installation, acceptance, operation, maintenance, improvement, extension, repair and replacement by Cordillera of active and passive recreation facilities and services intended for the use and benefit of the Property and the owners thereof.

E. The provision by Cordillera of mosquito and weed control services within the Property and on access ways to the Property.

2. The Parties acknowledge and agree that Edwards is concerned that the taxpayers within the Property pay for the Exclusive Services, which Cordillera will provide for the exclusive benefit of the Property, rather than having the costs for those park and recreation facilities and services distributed among the taxpayers within the entire Edwards service area.

3. The Parties acknowledge and agree that the primary purposes of this Agreement are: (a) to localize the costs of the Exclusive Services, and (b) to set forth the rights, duties and obligations of the parties with respect to the provision of the Exclusive Services.

4. The Parties acknowledge and agree that no services other than funding the costs of constructing, installing, operating, maintaining, repairing, and replacing the Exclusive Services shall be provided by Cordillera to the Property without the duly authorized written permission of Edwards.

5. The Parties acknowledge and agree that the terms and provisions of this Agreement, and the provision of service by Cordillera hereunder shall not affect the services, present or future, provided to the Property by Edwards; nor shall it affect the taxes, rates or charges, present or future, owing to Edwards against the Property.

6. The Parties acknowledge and agree that it is in the best interests of their respective constituents to promote, encourage, and to the extent possible effectuate the location, operation and maintenance of pedestrian and bicycle pathways in locations mutually acceptable to the Parties, and to that end Cordillera shall cooperate with Edwards to obtain grants of reasonable access for such purposes from the western border of Cordillera along the I-70 right of way, through the neighboring Colorado Department of Highways and Club at Cordillera properties, to the eastern boundary of Cordillera. Cordillera shall also participate financially, subject to budget and appropriation and reasonable opportunity to review and approve plans, to the extent of fifteen percent (15%) of the costs of constructing a pedestrian and bicycle pathway in that location. To the extent that Cordillera precedes such participation with its own engineering and design analysis, Edwards shall similarly reimburse Cordillera for eighty-five percent (85%) of those costs.



II. FINANCE AND OPERATION OF EXCLUSIVE SERVICES

1. FINANCING:

A. The monies to defray the cost of the Exclusive Services shall be derived from such sources as may be available to Cordillera for such purpose from time to time. The sources of funding, including funds for the repayment of financial obligations issued for the Exclusive Services (if any), shall be restricted to: (1) Cordillera obligations with a source of repayment limited to revenue derived from the owners of the Property and users of the Exclusive Services, or from grants from sources other than Edwards; (2) revenue derived from the owners of the Property and users of the Exclusive Services; (3) revenue obtained from grants from sources other than Edwards. In any case, unless otherwise specifically agreed, the source of funding shall not be Edwards.

2. RULES AND REGULATIONS, POLICIES AND PROCEDURES: All Cordillera rules and regulations, policies and procedures concerning the Exclusive Services shall be applicable to the Property. All Edwards rules and regulations, policies and procedures shall remain in full force and effect against the Property.

3. EDWARDS TAX LEVIES AND OTHER IMPOSITIONS: The Property shall continue to be liable for all tax levies, rates, fees, tolls, penalties, and charges of Edwards applicable to the area within the Property under Colorado law and as established in the sole discretion of Edwards.

III. MISCELLANEOUS

1. DEFENSE OF AGREEMENT: Cordillera agrees that it will defend this Agreement, and pay its own attorneys fees, costs, and expenses, in the event any legal challenge is raised to its validity or enforceability. Edwards shall have no obligation, financial or otherwise, to defend this Agreement in the event of any challenge. During the pendency of any such legal challenge, the Parties agree that they will abide by and carry out all of the terms of this Agreement.

2. RECORDATION OF AGREEMENT: In order to give due notice of the overlap in the areas within Edwards and Cordillera to all potential purchasers of the Property or portions thereof and to all others, this Agreement shall be recorded by Cordillera with the Clerk and Recorder of Eagle County, Colorado. This Agreement shall run with the land described herein, and shall be binding upon and shall inure to the benefit of the successors and permitted assigns of the Parties.

3. CURE OF LEGAL DEFECTS: In the event that any portion of this Agreement, is declared void or unenforceable by final court action, the Parties shall, at the expense of Cordillera, cooperate to cure any legal defects cited by the court.

4. ENTIRE AGREEMENT: This Agreement embodies the whole agreement of the Parties. There are no promises, terms, conditions, or obligations other than those contained herein, and this Agreement shall supersede all previous communications, representations or agreements, either verbal or written, between the Parties hereto specifically concerning the subject matter hereof.

5. AMENDMENT: This Agreement may be amended by a written agreement between the Parties acting pursuant to proper Board authorization.



6. REMEDIES: To the extent allowed by law, the Parties hereto shall have a cause of action for damages in the event of any breach of this Agreement. This Agreement may be enforced in any court of competent jurisdiction, with the prevailing party entitled to recover its reasonable attorneys' fees and costs incurred in prosecuting or defending any action arising hereunder.

In witness whereof, the parties have executed this Agreement as the first date set forth above.

Cordillera Valley Club Metropolitan District,
Eagle County, Colorado

By: _____

President

ATTEST:

Secretary

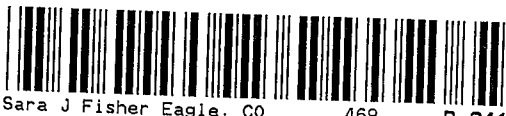
Edwards Metropolitan District,
Eagle County

By: _____

President

ATTEST:

Secretary



File

GRIMSHAW & HARRING

A PROFESSIONAL CORPORATION
ATTORNEYS AT LAW
SUITE 3800
WELLS FARGO CENTER
1700 LINCOLN STREET
DENVER, COLORADO 80203-4538



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WWW.GRIMSHAWHARRING.COM

Matthew R. Dalton
303-839-3706

matthewrdalton@grimshawharring.com
www.grimshawharring.com

July 12, 2002

James P. Collins
390 Union Blvd.
Suite 400
Denver, CO 80228

HAND DELIVERY

Re: Cordillera Valley Club

Dear Jim:

As you know this office represents the Cordillera Valley Club Property Owners Association (the "POA"). In that capacity I have been asked to write to you, conveying the enclosed documents, and to request your assistance in the organization of a proposed Metropolitan District. The POA intends to seek approval from the County of the organization of a District with the stated goal of localizing and enhancing the provision of street, street safety, park and recreation, open space and drainage area, and mosquito control operation, maintenance and construction services. As part of the approval process the POA must seek the consent to the organization from the Edwards Metropolitan District as, if approved, the organization would result in two special districts having some of the same statutory powers with boundaries that encompass some of the same property.

Enclosed are (1) a draft of a letter that would provide to the County your client's consent to the overlap, (2) a draft of an intergovernmental agreement that would be entered into by Edwards Metropolitan District and the proposed District once the latter is organized, and (3) the filed version of the Service Plan for the new District.

I understand that this request has been met with approval informally, but we are now in the process and the County will not approve the Service Plan without formal consent. Representatives of the POA are asking that the subject be made a part of your next meeting, on the 18th. In the



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meantime, should you have any questions or need further information please do not hesitate to call or write.

Best regards,

GRIMSHAW & HARRING,
A Professional Corporation



Matthew R. Dalton

3 Enclosures



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Sara J Fisher Eagle, CO

469

R 241.00

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INTERGOVERNMENTAL AGREEMENT

THIS INTERGOVERNMENTAL AGREEMENT ("Agreement"), is made and entered into this ____ day of _____, 2002, by and between the CORDILLERA VALLEY CLUB METROPOLITAN DISTRICT, of Eagle County, Colorado, a quasi-municipal corporation and political subdivision of the State of Colorado ("Cordillera"), and the EDWARDS METROPOLITAN DISTRICT, of Eagle County, Colorado, a quasi-municipal corporation and political subdivision of the State of Colorado ("Edwards"), together referred to herein as the "Parties."

WITNESSETH:

WHEREAS, Cordillera, pursuant to Section 23-1-1001, C.R.S., et seq. desires to accept, construct, operate and maintain certain street, street safety, streetscape and open space and drainage areas, and park and recreation properties and facilities that are intended to be used exclusively by the residents and property owners of Cordillera (the "Exclusive Services"), both of which encompass land in an unincorporated area within Eagle County, Colorado described in Exhibit "A" attached hereto for reference ("Property"); and

WHEREAS, the Property is also located within Edwards, which has the authority to accept, construct, operate and maintain certain street, street safety, streetscape and open space and drainage areas, and park and recreation properties and facilities within the Property, however Edwards is not currently providing, nor does it intend to provide in the future the Exclusive Services contemplated by this Agreement; and

WHEREAS, Cordillera does not intend to provide any service currently provided by Edwards, or that may be provided by Edwards in the future to the Property except as set forth in this Agreement; and

WHEREAS, Cordillera has determined that it is in the best interests of its constituents for Cordillera to provide the Exclusive Services, and services and programs related thereto; and

WHEREAS, the parties are authorized to enter this Agreement by Colo. Const. Art. XIV, Sec. 81(2)(a) and Section 23-1-204(1) and (2), C.R.S.

COVENANTS:

NOW, THEREFORE, in consideration of the foregoing premises, and the covenants, promises and agreements of each of the Parties hereto, to be kept and performed by each of them, the Parties agree as follows:

I. ACKNOWLEDGEMENTS AND AGREEMENTS ON PRELIMINARY MATTERS

1. The Parties acknowledge and agree that Edwards either cannot or will not fund the Exclusive Services for the Property, which Exclusive Services shall consist of the following:

A. The construction, installation, acceptance, operation, maintenance, improvement, extension, repair and replacement by Cordillera of certain streets, driveways,



parking areas, and related streetscape and street safety improvements within or providing access to the Property.

B. The construction, installation, acceptance, operation, maintenance, improvement, extension, repair and replacement by Cordillera of open space, berm, drainage way and landscaped areas within and/or adjacent and contiguous to the Property.

C. The funding of, and to the extent allowed by law the provision of, design review, covenant control and internal security and traffic control services to the Property.

D. The provision of certain park and recreation facilities and services to the Property, including without limitation the construction, installation, acceptance, operation, maintenance, improvement, extension, repair and replacement by Cordillera of active and passive recreation facilities and services intended for the use and benefit of the Property and the owners thereof.

E. The provision by Cordillera of mosquito and weed control services within the Property and on access ways to the Property.

2. The Parties acknowledge and agree that Edwards is concerned that the taxpayers within the Property pay for the Exclusive Services, which Cordillera will provide for the exclusive benefit of the Property, rather than having the costs for those park and recreation facilities and services distributed among the taxpayers within the entire Edwards service area.

3. The Parties acknowledge and agree that the primary purposes of this Agreement are: (a) to localize the costs of the Exclusive Services, and (b) to set forth the rights, duties and obligations of the parties with respect to the provision of the Exclusive Services.

4. The Parties acknowledge and agree that no services other than funding the costs of constructing, installing, operating, maintaining, repairing, and replacing the Exclusive Services shall be provided by Cordillera to the Property without the duly authorized written permission of Edwards.

5. The Parties acknowledge and agree that the terms and provisions of this Agreement, and the provision of service by Cordillera hereunder shall not affect the services, present or future, provided to the Property by Edwards; nor shall it affect the taxes, rates or charges, present or future, owing to Edwards against the Property.

6. The Parties acknowledge and agree that it is in the best interests of their respective constituents to promote, encourage, and to the extent possible effectuate the location, operation and maintenance of pedestrian and bicycle pathways in locations mutually acceptable to the Parties, and to that end Cordillera shall cooperate with Edwards to obtain grants of reasonable access for such purposes from the western border of Cordillera along the I-70 right of way, through the neighboring Colorado Department of Highways and Club at Cordillera properties, to the eastern boundary of Cordillera. Cordillera shall also participate financially, subject to budget and appropriation and reasonable opportunity to review and approve plans, to the extent of fifteen percent (15%) of the costs of constructing a pedestrian and bicycle pathway in that location. To the extent that Cordillera precedes such participation with its own engineering and design analysis, Edwards shall similarly reimburse Cordillera for eighty-five percent (85%) of those costs.

II. FINANCE AND OPERATION OF EXCLUSIVE SERVICES

1. FINANCING:

A. The monies to defray the cost of the Exclusive Services shall be derived from such sources as may be available to Cordillera for such purpose from time to time. The sources of funding, including funds for the repayment of financial obligations issued for the Exclusive Services (if any), shall be restricted to: (1) Cordillera obligations with a source of repayment limited to revenue derived from the owners of the Property and users of the Exclusive Services, or from grants from sources other than Edwards; (2) revenue derived from the owners of the Property and users of the Exclusive Services; (3) revenue obtained from grants from sources other than Edwards. In any case, unless otherwise specifically agreed, the source of funding shall not be Edwards.

2. RULES AND REGULATIONS, POLICIES AND PROCEDURES: All Cordillera rules and regulations, policies and procedures concerning the Exclusive Services shall be applicable to the Property. All Edwards rules and regulations, policies and procedures shall remain in full force and effect against the Property.

3. EDWARDS TAX LEVIES AND OTHER IMPOSITIONS: The Property shall continue to be liable for all tax levies, rates, fees, tolls, penalties, and charges of Edwards applicable to the area within the Property under Colorado law and as established in the sole discretion of Edwards.

III. MISCELLANEOUS

1. DEFENSE OF AGREEMENT: Cordillera agrees that it will defend this Agreement, and pay its own attorneys fees, costs, and expenses, in the event any legal challenge is raised to its validity or enforceability. Edwards shall have no obligation, financial or otherwise, to defend this Agreement in the event of any challenge. During the pendency of any such legal challenge, the Parties agree that they will abide by and carry out all of the terms of this Agreement.

2. RECORDATION OF AGREEMENT: In order to give due notice of the overlap in the areas within Edwards and Cordillera to all potential purchasers of the Property or portions thereof and to all others, this Agreement shall be recorded by Cordillera with the Clerk and Recorder of Eagle County, Colorado. This Agreement shall run with the land described herein, and shall be binding upon and shall inure to the benefit of the successors and permitted assigns of the Parties.

3. CURE OF LEGAL DEFECTS: In the event that any portion of this Agreement, is declared void or unenforceable by final court action, the Parties shall, at the expense of Cordillera, cooperate to cure any legal defects cited by the court.

4. ENTIRE AGREEMENT: This Agreement embodies the whole agreement of the Parties. There are no promises, terms, conditions, or obligations other than those contained herein, and this Agreement shall supersede all previous communications, representations or agreements, either verbal or written, between the Parties hereto specifically concerning the subject matter hereof.

5. AMENDMENT: This Agreement may be amended by a written agreement between the Parties acting pursuant to proper Board authorization.

6. REMEDIES: To the extent allowed by law, the Parties hereto shall have a cause of action for damages in the event of any breach of this Agreement. This Agreement may be enforced in any court of competent jurisdiction, with the prevailing party entitled to recover its reasonable attorneys' fees and costs incurred in prosecuting or defending any action arising hereunder.

In witness whereof, the parties have executed this Agreement as the first date set forth above.

Cordillera Valley Club Metropolitan District,
Eagle County, Colorado

By: _____
President

ATTEST:

Secretary

Edwards Metropolitan District,
Eagle County

By: _____
President

ATTEST:

Secretary



Edwards Metropolitan District

July 17, 2002

Board of County Commissioners
County of Eagle
P. O. Box 850
Eagle, CO 81631

**817952**

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12/20/2002 02:51F
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Sara J Fisher Eagle, CO

469

R 241.00

D 0.00

Re: Overlapping Consent for Cordillera Valley Club Metropolitan District

Dear Commissioners:

The Board of Directors of the Edwards Metropolitan District ("EMD") hereby acknowledges that the Cordillera Valley Club Metropolitan District is proposed to be organized under a Service Plan, submitted for the approval of the Commissioners. Under the Service Plan, the District is authorized to accept, construct, operate and maintain certain street, street safety, streetscape and open space and drainage areas, and park and recreation properties and facilities that are intended to be used exclusively by the residents and property owners of the property within its boundary. These improvements are to be provided largely within the boundaries of the new District though it is also contemplated that it may contribute to regional facilities and services.

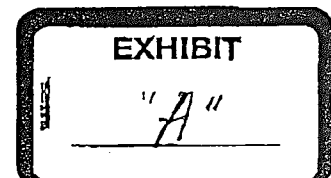
EMD is also empowered to provide the same general categories of services to the area located within and surrounding the proposed boundaries of the new District, and as such it is a precondition of organization of the new District, under § 32-1-107(3), C.R.S., that the consent of EMD be obtained for the resulting jurisdictional "overlap" of powers. Thus, it should be a condition of the Commissioners' approval of the Service Plan that such consent be obtained. In order to ensure that the facilities to be financed, constructed and installed by the new District under the Service Plan do not duplicate or interfere with any improvements or facilities constructed or planned for construction by EMD, and to the extent that any facilities or improvements are to be transferred to and operated by EMD, once the new District is organized, an intergovernmental agreement substantially in the form attached to the Service Plan shall be entered into between the new District and EMD. The new IGA shall set forth the manner in which the parties shall coordinate any new facilities and services in both the area of overlap as well as for any extraterritorial services provided by the new District, if any, and shall prescribe the procedures for conveyance, if any, of the improvements constructed by the new Districts to EMD. There may in this regard be more than one IGA.

Given these conditions, EMD hereby consents to such overlap pursuant to § 32-1-107(3), C.R.S.

Sincerely yours,

EDWARDS METROPOLITAN DISTRICT

David D. Lach
Director



INTERGOVERNMENTAL AGREEMENT

THIS INTERGOVERNMENTAL AGREEMENT ("Agreement"), is made and entered into this ____ day of _____, 2002, by and between the CORDILLERA VALLEY CLUB METROPOLITAN DISTRICT, of Eagle County, Colorado, a quasi-municipal corporation and political subdivision of the State of Colorado ("Cordillera"), and the WESTERN EAGLE COUNTY METROPOLITAN RECREATION DISTRICT, of Eagle County, Colorado, a quasi-municipal corporation and political subdivision of the State of Colorado ("WECMRD"), together referred to herein as the "Parties."

WITNESSETH:

WHEREAS, Cordillera, pursuant to Section 23-1-1001, C.R.S., *et seq.* desires to accept, construct, operate and maintain certain street, street safety, streetscape and open space and drainage areas, and park and recreation properties and facilities that are intended to be used exclusively by the residents and property owners of Cordillera (the "Exclusive Services"), both of which encompass land in an unincorporated area within Eagle County, Colorado described in Exhibit "A" attached hereto for reference ("Property"); and

WHEREAS, the Property is also located within WECMRD, which has the authority to accept, construct, operate and maintain certain street, street safety, streetscape and open space and drainage areas, and park and recreation properties and facilities within the Property, however WECMRD is not currently providing, nor does it intend to provide in the future the Exclusive Services contemplated by this Agreement; and

WHEREAS, Cordillera does not intend to provide any service currently provided by WECMRD, or that may be provided by WECMRD in the future to the Property except as set forth in this Agreement; and

WHEREAS, Cordillera has determined that it is in the best interests of its constituents for Cordillera to provide the Exclusive Services, and services and programs related thereto; and

WHEREAS, the parties are authorized to enter this Agreement by Colo. Const. Art. XIV, Sec. 81(2)(a) and Section 23-1-204(1) and (2), C.R.S.

COVENANTS:

NOW, THEREFORE, in consideration of the foregoing premises, and the covenants, promises and agreements of each of the Parties hereto, to be kept and performed by each of them, the Parties agree as follows:



I. ACKNOWLEDGEMENTS AND AGREEMENTS ON PRELIMINARY MATTERS

1. The Parties acknowledge and agree that WECMRD either cannot or will not fund the Exclusive Services for the Property, which Exclusive Services shall consist of the following:

A. The construction, installation, acceptance, operation, maintenance, improvement, extension, repair and replacement by Cordillera of certain streets, driveways, parking areas, and related streetscape and street safety improvements within or providing access to the Property.

B. The construction, installation, acceptance, operation, maintenance, improvement, extension, repair and replacement by Cordillera of open space, berm, drainageway and landscaped areas within and/or adjacent and contiguous to the Property.

C. The funding of, and to the extent allowed by law the provision of, design review, covenant control and internal security and traffic control services to the Property.

D. The provision of certain park and recreation facilities and services to the Property, including without limitation the construction, installation, acceptance, operation, maintenance, improvement, extension, repair and replacement by Cordillera of active and passive recreation facilities and services intended for the use and benefit of the Property and the owners thereof.

E. The provision by Cordillera of mosquito and weed control services within the Property and on access ways to the Property.

2. The Parties acknowledge and agree that WECMRD is concerned that the taxpayers within the Property pay for the Exclusive Services, which Cordillera will provide for the exclusive benefit of the Property, rather than having the costs for those park and recreation facilities and services distributed among the taxpayers within the entire WECMRD service area.

3. The Parties acknowledge and agree that the primary purposes of this Agreement are: (a) to localize the costs of the Exclusive Services, and (b) to set forth the rights, duties and obligations of the parties with respect to the provision of the Exclusive Services.

4. The Parties acknowledge and agree that no services other than funding the costs of constructing, installing, operating, maintaining, repairing, and replacing the Exclusive Services shall be provided by Cordillera to the Property without the duly authorized written permission of WECMRD.



5. The Parties acknowledge and agree that the terms and provisions of this Agreement, and the provision of service by Cordillera hereunder shall not affect the services, present or future, provided to the Property by WECMRD; nor shall it affect the taxes, rates or charges, present or future, owing to WECMRD against the Property.

6. The Parties acknowledge and agree that it is in the best interests of their respective constituents to promote, encourage, and to the extent possible effectuate the location, operation and maintenance of pedestrian and bicycle pathways in locations mutually acceptable to the Parties, and to that end Cordillera shall cooperate with the Edwards Metropolitan District to obtain grants of reasonable access for such purposes from the western border of Cordillera along the I-70 right of way, through the neighboring Colorado Department of Highways and Club at Cordillera properties, to the eastern boundary of Cordillera.

II. FINANCE AND OPERATION OF EXCLUSIVE SERVICES

1. FINANCING:

A. The monies to defray the cost of the Exclusive Services shall be derived from such sources as may be available to Cordillera for such purpose from time to time. The sources of funding, including funds for the repayment of financial obligations issued for the Exclusive Services (if any), shall be restricted to: (1) Cordillera obligations with a source of repayment limited to revenue derived from the owners of the Property and users of the Exclusive Services, or from grants from sources other than WECMRD; (2) revenue derived from the owners of the Property and users of the Exclusive Services; (3) revenue obtained from grants from sources other than WECMRD. In any case, unless otherwise specifically agreed, the source of funding shall not be WECMRD.

2. RULES AND REGULATIONS, POLICIES AND PROCEDURES: All Cordillera rules and regulations, policies and procedures concerning the Exclusive Services shall be applicable to the Property. All WECMRD rules and regulations, policies and procedures shall remain in full force and effect against the Property.

3. WECMRD TAX LEVIES AND OTHER IMPOSITIONS: The Property shall continue to be liable for all tax levies, rates, fees, tolls, penalties, and charges of WECMRD applicable to the area within the Property under Colorado law and as established in the sole discretion of WECMRD.



III. MISCELLANEOUS

1. DEFENSE OF AGREEMENT: Cordillera agrees that it will defend this Agreement, and pay its own attorneys fees, costs, and expenses, in the event any legal challenge is raised to its validity or enforceability. WECMRD shall have no obligation, financial or otherwise, to defend this Agreement in the event of any challenge. During the pendency of any such legal challenge, the Parties agree that they will abide by and carry out all of the terms of this Agreement.

2. RECORDATION OF AGREEMENT: In order to give due notice of the overlap in the areas within WECMRD and Cordillera to all potential purchasers of the Property or portions thereof and to all others, this Agreement shall be recorded by Cordillera with the Clerk and Recorder of Eagle County, Colorado. This Agreement shall run with the land described herein, and shall be binding upon and shall inure to the benefit of the successors and permitted assigns of the Parties.

3. CURE OF LEGAL DEFECTS: In the event that any portion of this Agreement, is declared void or unenforceable by final court action, the Parties shall, at the expense of Cordillera, cooperate to cure any legal defects cited by the court.

4. ENTIRE AGREEMENT: This Agreement embodies the whole agreement of the Parties. There are no promises, terms, conditions, or obligations other than those contained herein, and this Agreement shall supersede all previous communications, representations or agreements, either verbal or written, between the Parties hereto specifically concerning the subject matter hereof.


5. AMENDMENT: This Agreement may be amended by a written agreement between the Parties acting pursuant to proper Board authorization.

6. REMEDIES: To the extent allowed by law, the Parties hereto shall have a cause of action for damages in the event of any breach of this Agreement. This Agreement may be enforced in any court of competent jurisdiction, with the prevailing party entitled to recover its reasonable attorneys' fees and costs incurred in prosecuting or defending any

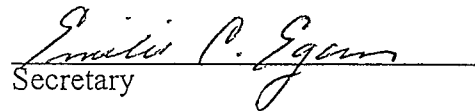
action arising hereunder.

In witness whereof, the parties have executed this Agreement as the first date set forth above.

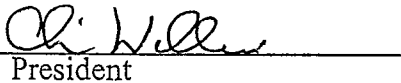
Cordillera Valley Club Metropolitan District,
Eagle County, Colorado

By: 
President

ATTEST:


Secretary

Western Eagle County Metropolitan Recreation
District, Eagle County, Colorado

By: 
President

ATTEST:


Secretary





WESTERN EAGLE COUNTY METROPOLITAN
RECREATION DISTRICT

214 CAPITOL ST. • P.O. BOX 248 • EAGLE, CO 81631

(970) 328-6909 • FAX (970) 328-8965

July 17, 2002

Board of County Commissioners
County of Eagle
P. O. Box 850
Eagle, CO 81631



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12/20/2002 02:51F
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Sara J Fisher Eagle, CO

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R 241.00

D 0.00

Re: Overlapping Consent for Cordillera Valley Club Metropolitan District

Dear Commissioners:

The Board of Directors of the Western Eagle County Metropolitan Recreation District ("WECMRD") hereby acknowledges that the Cordillera Valley Club Metropolitan District is proposed to be organized under a Service Plan, submitted for the approval of the Commissioners. Under the Service Plan, the District is authorized to accept, construct, operate and maintain certain street, street safety, streetscape and open space and drainage areas, and park and recreation properties and facilities that are intended to be used exclusively by the residents and property owners of the property within its boundary. These improvements are to be provided largely within the boundaries of the new District though it is also contemplated that it may contribute to regional facilities and services.

WECMRD is also empowered to provide the same general categories of services to the area located within and surrounding the proposed boundaries of the new District, and as such it is a precondition of organization of the new District, under § 32-1-107(3), C.R.S., that the consent of WECMRD be obtained for the resulting jurisdictional "overlap" of powers. Thus, it should be a condition of the Commissioners' approval of the Service Plan that such consent be obtained.

In order to ensure that the facilities to be financed, constructed and installed by the new District under the Service Plan do not duplicate or interfere with any improvements or facilities constructed or planned for construction by WECMRD, and to the extent that any facilities or improvements are to be transferred to and operated by WECMRD, once the new District is organized, an intergovernmental agreement substantially in the form attached to the Service Plan shall be entered into between the new District and WECMRD. The new IGA shall set forth the manner in which the parties shall coordinate any new facilities and services in both the area of overlap as well as for any extraterritorial services provided by the new District, if any, and shall prescribe the procedures for conveyance, if any, of the improvements constructed by the new Districts to WECMRD. There may in this regard be more than one IGA.

Given these conditions, WECMRD hereby consents to such overlap pursuant to § 32-1-107(3), C.R.S.

Sincerely yours,

WESTERN EAGLE COUNTY METROPOLITAN
RECREATION DISTRICT

Cheri Curtis, Secretary