

RE-RECORDING

DC9246306

SUSPENSION AGREEMENT

DC9239132

248

This Agreement is made and entered into this 8th day of October, 1992 by and between the TOWN OF CASTLE ROCK, a home rule municipal corporation in Douglas County and the State of Colorado organized and existing under and by virtue of the Constitution and laws of the State of Colorado ("the Town,"), and DAWSON RIDGE METROPOLITAN DISTRICT NO. 1, a quasi-municipal corporation and political subdivision of the State of Colorado, duly organized and acting pursuant to the provisions of Article I, Title 32, Colorado Revised Statutes, as amended ("District 1"), and DAWSON RIDGE METROPOLITAN DISTRICT NOS. 2-5, all quasi-municipal corporations and political subdivisions of the State of Colorado, duly organized and acting pursuant to the provisions of Article I, Title 32, Colorado Revised Statutes, as amended ("Districts 2-5").

RECITALS

WHEREAS, on or about August 15, 1985 the Town and District 1, and the Town and each of District 2-5, entered into certain contracts each entitled an "Intergovernmental Agreement"; and

WHEREAS, on or about August 15, 1985 the Town approved the "Service Plan" for District 1 and District 2-5; and

WHEREAS, on or about December 12, 1985, the Town and District 1 entered into that certain "First Amendment to Intergovernmental Agreement", (the Intergovernmental Agreement, Service Plan and First Amendment to Intergovernmental Agreement for District 1 and Districts 2-5 are collectively referred to herein as the "Intergovernmental Agreement(s)"; and

WHEREAS, on or about November 15, 1984 the Town entered into an annexation agreement with Bellamah Community Development recorded December 18, 1984 at book 554, page 543 of the records of Douglas County, Colorado, and annexed property generally known as "Dawson Ridge" into the Town (referred to herein as the "Annexation Agreement"; and

WHEREAS, on or about September 2, 1992, District 1 delivered to the Town a letter advising the Town that District 1 intended, among other things, to attempt to confirm a plan of adjustment of debts under Chapter 9 of the United States Bankruptcy Code (the "Plan") and District 1 and Districts 2-5 provided to the Town a "45-day Notice," attached hereto as Exhibit A and incorporated herein by this reference, pursuant to C.R.S. § 32-1-207 advising the Town of certain activities proposed to be undertaken by such districts; and

WHEREAS, said letter also advised the Town of the intention of District 1 to obtain ownership of all property within the boundaries of District 1 from the trustee for the Bellamah

Community Development bankruptcy estate and from MDC Land Corporation; and

WHEREAS, District 1 proposed in said letter a method for protecting the Town's rights and interests with respect to property within District 1 while preserving to District 1 the ability to move forward to attempt to confirm and implement its Plan, and preserving to District 1 and Districts 2-5 the ability to complete related activities as generally described in the above-referenced 45 Day Notice without delay; and

WHEREAS, the Plan for District 1 contemplates the issuance of refunding bonds pursuant to an indenture of trust (the "Indenture"); and

WHEREAS, Districts 2-5 are participating in the Plan to the extent of refunding certain obligations to District 1 by amendment of a reimbursement contract which is expected to obligate Districts 2-5 to certify an amount equal to the "Limited Mill Levy" described in the Indenture and pay the revenues derived therefrom to District 1; and

WHEREAS, the Town has filed objections to the Plan and has given indications to District 1 that it may attempt to enjoin certain activities of District 1 in connection with said Plan (the "Objections"); and

WHEREAS, the Town has adopted Ordinance No. 92-15 (the "Oversight Ordinance") which became effective on October 1, 1992 which may impact the Plan, and has adopted Resolution 92-~~48~~, which in general terms approves modifications to the Service Plans of each of the districts so as to enable District 1 to attempt to confirm and implement the Plan and permit the actions contemplated by District 1 and Districts 2-5 in connection therewith (the "Resolution"); and

WHEREAS, the parties hereto desire to enter into this Agreement for the purposes stated herein, including but not limited to, permitting District 1 to proceed to obtain confirmation of and implement its Plan and to protect the interests of the Town;

NOW THEREFORE, for and in consideration of the foregoing recitals, the mutual undertakings herein contained and other good and valuable consideration, the parties covenant and agree as follows:

I. GENERAL PROVISIONS

A. EFFECTIVE DATE OF AGREEMENT.

1. General and Miscellaneous Provisions. Sections I, II, IV and V hereof shall be deemed effective as of 12:00 midnight,

MDT, on October 8, 1992 regardless of the date of execution hereof by the Town, District 1 and Districts 2-5 and shall be binding upon the parties hereto as of said date and time.

2. Section III - Annexation Agreement. Section III of this Agreement setting forth the amendment of the rights and duties of the parties to the Annexation Agreement, including successors in interest thereto (including property owners), shall become effective only as between District 1 and the Town and only with respect to property acquired by District 1 upon acquisition, from time to time, by District 1 of any property within or outside District 1 and shall, upon each such acquisition, be immediately binding on the Town and District 1 with respect to each such acquisition; provided, however; that if any of the events described in subsection 3 of this Section I.A. occur, then Section III hereof shall be null and void at the election of District 1 by notice delivered in writing to the Town.

3. Conditions Subsequent. If any of the following events occur or exist on or before December 31, 1992, (unless such date is extended by the Town for good reason) Section III of this Agreement shall be null and void at the election of District 1 by notice delivered in writing to the Town, it being the intention of the parties hereto that if District 1 is not able to implement its Plan to its satisfaction, this Agreement shall not operate to amend such agreement and the rights and duties of the parties shall revert to the status quo with respect to such agreement.

(a) Failure of District 1 to obtain title to property pursuant to that certain "Settlement Agreement" with the trustee for Bellamah Community Development. Said agreement is expected to "close" on or about October 22, 1992.

(b) Failure of District 1 to obtain title to property pursuant to that certain "Agreement for Purchase and Sale of Real Property" with the MDC Land Corporation. Said agreement is expected to "close" on or about October 20, 1992.

(c) The Plan for District 1 is not confirmed, or an order of confirmation is successfully appealed. Confirmation is expected to occur on or about October 9, 1992 with the appeal period expiring ten (10) days thereafter.

B. TERM OF AGREEMENT.

This Agreement shall remain in full force and effect from and after the effective dates set forth above until terminated as provided herein.

C. SCOPE AND INTENTION OF AGREEMENT.

1. Affect on Rights. This Agreement is intended to affect the rights and obligations of the parties to and contained in the various Intergovernmental Agreements. It is also intended to affect the rights and obligations of the Town and District 1 in and to the Annexation Agreement to the extent District 1 obtains such rights and obligations. It is further intended to affect the rights and obligations of each of the parties hereto with respect to the 45 Day Notice, the Objections, the Oversight Ordinance and the Indenture, and all rights and obligations of each of the parties hereto whether in law or in equity arising under the laws of the state of Colorado and the bankruptcy code with respect to the subject matter of the agreements and other documents referenced herein.

2. Continuation of Powers and Duties. The amendment of the Intergovernmental Agreements, as described in Section II hereof, is not intended to restrain or render District 1 unable to implement its Plan, perform its obligations under said Plan, or to otherwise impair the ability of District 1 or Districts 2-5 to comply with the laws of the state of Colorado. The parties hereto agree that District 1 shall retain full power and authority to attempt to obtain confirmation of its Plan and to fully implement said Plan in the event confirmation is obtained. It is also intended that District 1 and Districts 2-5 shall continue with full power and authority to exist, operate, and carry out their statutory responsibilities. The parties intend that this Agreement shall not affect the Town's duties to provide fire and police services for the property within District 1 and Districts 2-5.

II. AGREEMENTS CONCERNING INTERGOVERNMENTAL AGREEMENT

A. AMENDMENT OF RIGHTS AND OBLIGATIONS.

1. Suspension of Powers. The parties hereto acknowledge that prior to the date of execution hereof certain rights, privileges, duties, and obligations of the parties hereto have arisen pursuant to each of the Intergovernmental Agreements. Certain questions with respect to the satisfactory performance of the Intergovernmental Agreements have arisen and have not been fully answered to the satisfaction of the parties. The parties hereto agree that except as set forth in Section I.C.2 above, and unless consented to in writing by the Town, the powers and authority of District 1 and Districts 2-5 under each of the Intergovernmental Agreements shall be suspended until such powers and authority resume pursuant to the terms hereof. Upon the effective date of this Section II., the Town shall be permitted to close public access to the property within District 1 (except as necessary to give effect to Section III.A.(2) below regarding property acquired from MDC Land Corporation) and Districts 2-5, and the Town's obligations and duties under the Intergovernmental Agreements shall

be suspended until such time as they resume pursuant to the terms hereof.

2. Amendments. The Intergovernmental Agreements for each of the districts shall be amended by:

(a) The addition of the following new Section 4.6 in the Intergovernmental Agreements for District 1 and Districts 2-5.

"SECTION 4.6 Town Retention of Fees. To the extent that the District fails, refuses, or is otherwise unable to construct Facilities under this Intergovernmental Agreement or the Service Plan which the District is obligated to construct under other provisions hereof, if any, and if the Town pays for the construction thereof, the Town shall be entitled to retain all development fees (including the Facilities Development Fees as defined herein or the Town's proprietary system development fees) collected by the Town for the District until such time as the Town has recovered all costs it has paid with respect to such Facilities, if any, together with interest thereon at the rate of ten percent (10%) per annum or the actual interest rate paid on any debt incurred by the Town related to the construction of Facilities within the District, whichever is higher. Furthermore, the District agrees that the Town shall have the right to impose and collect any other fees, rates, or charges legally available to it within the District so long as those charges are universally imposed throughout the Town."

(b) The addition of the following new Section 4.7 in the Intergovernmental Agreements for District 1 and Districts 2-5.

"SECTION 4.7 Capital Reserve. The Town shall retain from the Facilities Development Fees an amount equal to ten percent (10%) of the Town's System Development Fees imposed by the Town under its regulations, as the same may be amended and adjusted from time to time, for the purpose of developing, restoring, rehabilitating, improving, or repairing any water or wastewater facilities utilized, in whole or in part, to provide services to the service area of the District (the "Capital Reserve"). Provided further, however, should the Town subsequently adopt through its regulations a component of the System Development Fee for the exclusive purpose of providing for the repair and replacement of water and wastewater facilities (as opposed to the "purchase" of existing capacity or acquisition of or development of additional system capacity), the capture by the Town of the Capital Reserve shall be reduced by the amount of such component. The Capital Reserve shall be established as a separate fund, and all expenditures from such fund shall be made by budgetary appropriation. "System Development Fees" as used in this section shall mean the charges imposed by the Town as a condition of the right to connect to the municipal wastewater system, which are

currently imposed under 13.12.080 of the Castle Rock Municipal Code. In the event that the Town develops Facilities and acquires the right to retain the cost of development pursuant to Section 4.6 hereof, the fee retention provisions of such section shall supersede the fee capture of this Section 4.7. Upon the Town's full recovery of its capital investment as provided in Section 4.6, this Section 4.7 shall again be operative. A charge or fee imposed under Town regulations exclusively for the purpose of the acquisition or development of renewable water resources is not considered a System Development Fee or Facilities Development Fee under this agreement and is therefor not subject to capture or collection by the District. The Town does not currently impose under the Town regulations such charge or fee."

c. The addition of the following new Section 4.8 in the Intergovernmental Agreements for District 1.

"SECTION 4.8 Property Sale/Service. The District shall not sell, except as part of a bulk sale of all real property which it acquires, any portion of the property within its boundaries which requires the completion of the sewage lift station which remains for completion by District as of the date hereof (date of the amendment creating this Section 4.8) until such time as the District or the Town have received sufficient funding to complete the construction thereof."

3. Conflicting Provisions. The provisions of this Section II.A. shall supersede any conflicting provisions of the Intergovernmental Agreements, including Article IV thereof. Nothing contained herein shall constrain the power or authority of District 1 or Districts 2-5 to increase its Facilities Development Fees to a level which is deemed sufficient by such district to allow for retention by the Town of the Capital Reserve and still produce the net fees required by such district.

B. RESUMPTION OF RIGHTS AND OBLIGATIONS.

The rights, privileges, duties, and obligations of the parties under the Intergovernmental Agreements suspended by Section II.A.1. above shall not resume with respect to any district until that district has submitted an amendment to its Service Plan to the Town for review and approval. In connection with the Service Plan amendment, the Town will require the upgrade of public facilities to serviceable conditions by District 1 and Districts 2-5.

III. AGREEMENTS CONCERNING ANNEXATION AGREEMENT

A. SUSPENSION OF RIGHTS AND OBLIGATIONS.

(1.) The Town and District 1 acknowledge that prior to the date of execution hereof, certain rights, privileges, duties, and obligations of the parties to the Annexation Agreement have arisen.

It is anticipated that District 1 will become a party, by virtue of acquiring property, to such Annexation Agreement. District 1 and the Town agree that this Section III.A. shall become effective with respect to each real property acquisition made by District 1 for property which is the subject of the Annexation Agreement, and agree that from and after the effective date of this Section III as set forth in Section I.A.2. hereof, and until the rights, privileges, duties, and obligations of the parties under the Annexation Agreement resume as set forth in the following Section, or until this Agreement is rendered null and void pursuant to Section I.A.4. hereof, the parties shall not attempt to enforce any provision of the Annexation Agreement by court action or otherwise. Upon the effective date of this Section III, the Town shall be permitted to close public access to the property within District 1, but shall continue to provide general fire and police services to such property.

(2.) Notwithstanding the foregoing paragraph, the Annexation Agreement shall not be affected, suspended or amended hereby with respect to the property described in Exhibit B, attached hereto and incorporated herein by this reference, in the event MDC Land Corporation or its assignee should reacquire the property described in Exhibit B by foreclosure or deed-in-lieu thereof certain deeds of trust securing certain promissory notes to be issued by District 1 to MDC Land Corporation for acquisition by District 1 of such property from MDC Land Corporation.

B. RESUMPTION OF RIGHTS AND OBLIGATIONS.

The rights, privileges, duties, and obligations of District 1 (if it obtains title to real property subject to the Annexation Agreement) and the Town under the Annexation Agreement shall not resume until such time as District 1, as the owner of property within District 1, and/or a successor owner, has submitted a development plan to the Town for review and approval or until this Agreement is rendered null and void pursuant to Section I.A.3. hereof.

IV. AGREEMENTS CONCERNING OTHER MATTERS

A. NO INJUNCTION OR OTHER ACTION.

The Town hereby agrees that it shall not seek to enjoin, nor affect by any other action, any activities of District 1 or Districts 2-5 generally described in the 45 Day Notice or other activities which are necessary for District 1 to attempt to obtain confirmation of its Plan and to implement said Plan if confirmation is obtained.

B. WITHDRAWAL OF OBJECTIONS.

The Town agrees that not later than 12:00 Noon, MDT, on Friday the 9th day of October, the Town shall withdraw its Objections to the Plan by written stipulation in the form attached hereto as Exhibit C hereto, shall so advise the court at the confirmation hearing, and shall take no action which impairs or delays the ability of District 1 to confirm and/or implement its Plan subject to the conditions of the Resolution. The Town shall reasonably cooperate with District 1 to provide such assurances and other documents as are necessary to assist District 1 in obtaining confirmation of its Plan and implementing the Plan in a manner consistent with the objectives of the parties contemplated herein.

C. AMENDMENT OF PLAN AND INDENTURE.

1. Plan. The Plan for District 1 shall also be amended to contain an express assumption by District 1 of the Intergovernmental Agreement. The Plan shall be further amended to contain the following statement:

"Nothing contained in this Plan shall be construed to amend or modify the Intergovernmental Agreement and Service Plan of the Debtor with respect to the obligations of District 1 and the Town of Castle Rock concerning the construction of capital facilities."

2. Indenture. Prior to confirmation of its Plan, District 1 shall amend the Indenture as follows:

The term "Priority Expenses" set forth in Section 1.01 thereof shall be amended by:

1. The addition of the following phrase at the end of clause (ii): ". . . including payment of the costs of capital facilities to be constructed by District 1 under the Intergovernmental Agreement and Service Plan of District 1, if any."

2. And by the addition of the following clause (vi): "such amounts as are or become due to the Town of Castle Rock under the Intergovernmental Agreement, as amended from time to time."

D. WITHDRAWAL OF NOTICE; COMPLIANCE WITH ORDINANCE.

As additional consideration for this Agreement, the Town has found that the activities generally described in the 45 Day Notice, and all activities which are necessary for District 1 and Districts 2-5 to confirm and implement the Plan, and to perform the Plan are in compliance with the Oversight Ordinance. The Town's Resolution containing such findings is attached hereto and incorporated herein by this reference as Exhibit D. In return therefor, District 1 and Districts 2-5 hereby withdraw their 45 Day Notice as respects the

Town and agree that such notice shall not be operative against the Town in any respect.

IV. MISCELLANEOUS PROVISIONS

A. PARTIES INTERESTED HEREIN.

Nothing contained in this Agreement is intended or shall be construed to confer upon, or to give to, any person other than the named parties hereto, any right, remedy, or claim under or by reason of this Agreement or any covenants, terms, conditions, or provisions hereof, and all the covenants, terms, conditions, and provisions in this Agreement by and on behalf of the specific parties hereto shall be for the sole and exclusive benefit of the specific parties hereto except as otherwise specifically stated herein. The covenants, terms, conditions, and provisions contained herein, and all amendments of the Agreement, shall inure to and be binding upon the successors and assigns of the parties hereto.

B. NOTICES.

All notices given, or required to be given, under this Agreement shall be in writing and shall be hand delivered or sent by certified mail, return receipt requested, to the following addresses:

District 1:

Dawson Ridge Metropolitan District No. 1
8055 E. Tufts Ave. Parkway, Suite 1150
Denver, Colorado 80237
Attn: C. Roger Addlesperger

with a copy to:

Ankele, Icenogle, Norton & White, P.C.
8055 East Tufts Avenue Parkway, Suite 1150
Denver, Colorado 80237
Attn: Gary R. White

Districts 2-5:

Dawson Ridge Metropolitan District Nos. 2-5
8055 E. Tufts Ave. Parkway, Suite 1150
Denver, Colorado 80237
Attn: C. Roger Addlesperger

with a copy to:

Ankele, Icenogle, Norton & White, P.C.
8055 East Tufts Avenue Parkway, Suite 1150
Denver, Colorado 80237
Attn: Gary R. White

Town:

Town of Castle Rock
680 N. WILCOX
CASTLE ROCK, CO 80104

Attn: Robert J. Slentz

All notices will be deemed effective one (1) day after hand delivery or three (3) days after mailing. Any party by written notice so provided may change the address to which future notices shall be sent.

C. SEVERABILITY.

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

D. AMENDMENT.

This Agreement may be amended from time to time by agreement between the parties hereto; provided, however, that no amendment, modification, or alteration of the terms or provisions hereof shall be binding unless the same is in writing and duly executed by the parties hereto.

E. ENTIRETY.

This Agreement constitutes the entire contract between the parties hereto concerning the subject matter herein, and all prior negotiations, representations, contacts, understandings, or agreements pertaining to such matters are merged into and superseded by this Agreement.

F. RECOVERY OF COSTS AND FEES.

In the event of any litigation or arbitration proceedings between the parties hereto concerning the subject matter hereof, the prevailing party in such litigation or arbitration proceedings shall be entitled to receive from the defaulting party, in addition to the amount of any judgment or other award entered therein, all costs and charges permitted herein and all reasonable costs and expenses, including reasonable attorneys fees, incurred by the prevailing party in such litigation or arbitration proceedings.

IN WITNESS WHEREOF, District 1, Districts 2-5, and the Town
have executed this Agreement on the day and year first above
written.

APPROVED AS TO FORM:

[Signature]
TOWN ATTORNEY

TOWN:

By: [Signature] Mayor

ATTEST:

[Signature]
Sally Misare, Town Clerk

DISTRICT 1:

DAWSON RIDGE METROPOLITAN DISTRICT
NO. 1, a Colorado quasi-
municipal corporation

By: [Signature]
President

DISTRICTS 2-5:

DAWSON RIDGE METROPOLITAN DISTRICT
NOS. 2-5, a Colorado quasi-
municipal corporation

By: [Signature]
President

STATE OF COLORADO

COUNTY OF DOUGLAS

)
) ss.
)

The foregoing instrument was acknowledged before me this
9th day of October, 1992, by Steven A. Boand as
Mayor * of The Town of Castle Rock, Colorado.

Witness my hand and official seal.

My commission expires:

2-11-94

[Signature]
Notary Public

*and Sally Misare as Town Clerk

STATE OF COLORADO)
) ss.
COUNTY OF DOUGLAS)

The foregoing instrument was acknowledged before me this
9 day of October, 1992, by C. Roger Adlesperger as President of
Dawson Ridge Metropolitan District No. 1, a Colorado quasi-
municipal corporation.

Witness my hand and official seal.

My commission expires: 3-25-93

Kathleen Geler
Notary Public

STATE OF COLORADO)
) ss.
COUNTY OF DOUGLAS)

The foregoing instrument was acknowledged before me this
9 day of Oct, 1992, by C. Roger Adlesperger as President of
Dawson Ridge Metropolitan District Nos. 2-5, Colorado quasi-
municipal corporations.

Witness my hand and official seal.

My commission expires: 3-25-93

Kathleen Geler
Notary Public

9239132 - 10/21/92 15:06 - RETA A CRAIN DOUGLAS CO. COLO. CLERK & RECORDER
B1092 - P1731 - \$120.00 - 13/ 24

EXHIBIT A
(45 Day Notice)

9246306 - 12/07/92 10:58 - RETA A CRAIN DOUGLAS CO. COLO. CLERK & RECORDER
B1100 - P0129 - **RE-RECORDING** \$120.00 - 13/ 24

EXHIBIT B

A PARCEL OF LAND LYING IN SECTION 28, TOWNSHIP 8 SOUTH, RANGE 67, TOWN OF CASTLE ROCK, COUNTY OF DOUGLAS, STATE OF COLORADO, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWEST CORNER OF SAID SECTION 28 AND CONSIDERING THE NORTH LINE OF SAID SECTION 28 TO BEAR S 82 DEGREES 19 MINUTES 57 SECONDS E, AND ALL BEARINGS CONTAINED HEREIN RELATIVE THERETO;
 THENCE S 58 DEGREES 45 MINUTES 54 SECONDS E, 2604.44 FEET TO THE POINT OF BEGINNING, SAID POINT OF BEGINNING ALSO BEING A POINT ON A CURVE;
 THENCE ALONG SAID CURVE TO THE LEFT HAVING A RADIUS OF 1440.00 FEET, A CENTRAL ANGLE OF 22 DEGREES 27 MINUTES 09 SECONDS (AND WHOSE CHORD BEARS S 03 DEGREES 45 MINUTES 55 SECONDS W), 564.30 FEET TO A POINT OF TANGENT;
 THENCE S 08 DEGREES 27 MINUTES 29 SECONDS E ALONG SAID TANGENT, 113.57 FEET TO A POINT OF CURVE;
 THENCE ALONG SAID CURVE TO THE LEFT HAVING A RADIUS OF 1442.50 FEET, A CENTRAL ANGLE OF 06 DEGREES 23 MINUTES 54 SECONDS, 161.09 FEET TO A POINT OF REVERSE CURVE;
 THENCE ALONG SAID CURVE TO THE RIGHT HAVING A RADIUS OF 41.00 FEET, A CENTRAL ANGLE OF 29 DEGREES 54 MINUTES 11 SECONDS, 64.33 FEET TO A POINT OF TANGENT;
 THENCE S 71 DEGREES 31 MINUTES 44 SECONDS W ALONG SAID TANGENT, 146.20 FEET;
 THENCE S 70 DEGREES 13 MINUTES 51 SECONDS W, 110.35 FEET;
 THENCE S 71 DEGREES 31 MINUTES 44 SECONDS W, 871.03 FEET TO A POINT OF CURVE;
 THENCE ALONG SAID CURVE TO THE LEFT HAVING A RADIUS OF 980.00 FEET, A CENTRAL ANGLE OF 08 DEGREES 50 MINUTES 07 SECONDS, 151.12 FEET;
 THENCE N 30 DEGREES 29 MINUTES 32 SECONDS W DEPARTING SAID CURVE, 1258.32 FEET;
 THENCE N 71 DEGREES 07 MINUTES 41 SECONDS E, 289.90 FEET;
 THENCE N 21 DEGREES 37 MINUTES 16 SECONDS E, 100.78 FEET;
 THENCE N 67 DEGREES 42 MINUTES 46 SECONDS E, 191.07 FEET;
 THENCE S 87 DEGREES 15 MINUTES 18 SECONDS E, 442.82 FEET;
 THENCE S 58 DEGREES 24 MINUTES 13 SECONDS E, 228.53 FEET;
 THENCE N 83 DEGREES 33 MINUTES 27 SECONDS E, 316.32 FEET;
 THENCE N 83 DEGREES 27 MINUTES 10 SECONDS E, 215.54 FEET;
 THENCE N 72 DEGREES 26 MINUTES 11 SECONDS E, 155.62 FEET;
 THENCE S 75 DEGREES 00 MINUTES 30 SECONDS E, 49.77 FEET TO THE POINT OF BEGINNING.

PARCEL NO. B

A PARCEL OF LAND LYING IN SECTION 29, TOWNSHIP 8 SOUTH, RANGE 67 WEST OF THE SIXTH PRINCIPAL MERIDIAN, TOWN OF CASTLE ROCK, COUNTY OF DOUGLAS, STATE OF COLORADO, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

EXHIBIT B

COMMENCING AT THE NORTHEAST CORNER OF SAID SECTION 29, AND
CONSIDERING THE NORTH LINE OF THE NORTHEAST QUARTER OF SAID
SECTION 29 TO BEAR N 88 DEGREES 37 MINUTES 18 SECONDS W, AND
ALL BEARINGS CONTAINED HEREIN RELATIVE THERETO:
THENCE S 25 DEGREES 12 MINUTES 57 SECONDS W, 1073.07 FEET TO
THE POINT OF BEGINNING, SAID POINT OF BEGINNING ALSO BEING A
POINT ON A CURVE;
THENCE ALONG SAID CURVE TO THE RIGHT HAVING A RADIUS OF 41.00
FEET, A CENTRAL ANGLE OF 90 DEGREES 00 MINUTES 00 SECONDS (AND
WHOSE CHORD BEARS S 05 DEGREES 30 MINUTES 57 SECONDS E), 64.40
FEET TO A POINT OF TANGENT;
THENCE S 39 DEGREES 29 MINUTES 03 SECONDS W ALONG SAID TANGENT,
461.50 FEET TO A POINT OF CURVE;
THENCE ALONG SAID CURVE TO THE LEFT HAVING A RADIUS OF 780.00
FEET, A CENTRAL ANGLE OF 32 DEGREES 20 MINUTES 37 SECONDS W
ALONG SAID TANGENT, 440.31 FEET TO A POINT OF TANGENT;
THENCE S 07 DEGREES 08 MINUTES 26 SECONDS W ALONG SAID TANGENT,
234.43 FEET TO A POINT OF CURVE;
THENCE ALONG SAID CURVE TO THE LEFT HAVING A RADIUS OF 780.00
FEET, A CENTRAL ANGLE OF 00 DEGREES 26 MINUTES 44 SECONDS, 6.07
FEET;
THENCE N 84 DEGREES 01 MINUTES 27 SECONDS W DEPARTING SAID
CURVE, 340.64 FEET;
THENCE S 21 DEGREES 20 MINUTES 21 SECONDS W, 722.47 FEET;
THENCE N 81 DEGREES 20 MINUTES 03 SECONDS W, 313.94 FEET;
THENCE N 07 DEGREES 07 MINUTES 03 SECONDS E, 13.17 FEET TO A
POINT OF CURVE;
THENCE ALONG SAID CURVE TO THE LEFT HAVING A RADIUS OF 580.00
FEET, A CENTRAL ANGLE OF 51 DEGREES 02 MINUTES 28 SECONDS,
516.68 FEET TO A POINT OF TANGENT;
THENCE N 43 DEGREES 55 MINUTES 25 SECONDS W ALONG SAID TANGENT,
103.36 FEET TO A POINT OF CURVE;
THENCE ALONG SAID CURVE TO THE RIGHT HAVING A RADIUS OF 420.00
FEET, A CENTRAL ANGLE OF 73 DEGREES 16 MINUTES 07 SECONDS,
573.09 FEET TO A POINT OF TANGENT;
THENCE N 29 DEGREES 20 MINUTES 42 SECONDS E ALONG SAID TANGENT,
164.50 FEET TO A POINT OF CURVE;
THENCE ALONG SAID CURVE TO THE LEFT HAVING A RADIUS OF 630.00
FEET, A CENTRAL ANGLE OF 35 DEGREES 53 MINUTES 24 SECONDS,
294.63 FEET TO A POINT OF TANGENT;
THENCE N 06 DEGREES 32 MINUTES 42 SECONDS W ALONG SAID TANGENT,
118.81 FEET TO A POINT OF CURVE;
THENCE ALONG SAID CURVE TO THE RIGHT HAVING A RADIUS OF 670.00
FEET, A CENTRAL ANGLE 87 DEGREES 37 MINUTES 14 SECONDS, 1024.61
FEET TO A POINT OF TANGENT;
THENCE N 81 DEGREES 04 MINUTES 32 SECONDS E ALONG SAID TANGENT,
348.48 FEET TO A POINT OF CURVE;
THENCE ALONG SAID CURVE TO THE RIGHT HAVING A RADIUS OF 770.00
FEET, A CENTRAL ANGLE OF 48 DEGREES 24 MINUTES 31 SECONDS,
650.57 FEET TO A POINT OF TANGENT;

EXHIBIT B

THENCE S 50 DEGREES 30 MINUTES 57 SECONDS E, 141.14 FEET TO THE POINT OF BEGINNING.

PARCEL 2

A PARCEL OF LAND LYING IN SECTIONS 21 AND 22, TOWNSHIP 8 SOUTH, RANGE 67 WEST OF THE SIXTH PRINCIPAL MERIDIAN, COUNTY OF DOUGLAS, STATE OF COLORADO, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SAID SECTION 22, AND CONSIDERING THE NORTH LINE OF THE SOUTH HALF OF THE SOUTH HALF OF SECTION 21 TO BEAR N 89 DEGREES 30 MINUTES 19 SECONDS W AND ALL BEARINGS CONTAINED HEREIN RELATIVE THERETO;

THENCE N 89 DEGREES 50 MINUTES 15 SECONDS E ALONG THE SOUTH LINE OF TWIN OAKS SUBDIVISION, 404.16 FEET TO THE WESTERLY RIGHT-OF-WAY OF TWIN OAKS ROAD;

THENCE S 02 DEGREES 40 MINUTES 01 SECONDS E ALONG SAID WESTERLY RIGHT-OF-WAY, 52.20 FEET TO THE SOUTHERLY RIGHT-OF-WAY LINE OF TERRITORIAL ROAD;

THENCE ALONG SAID SOUTHERLY RIGHT-OF-WAY, THE FOLLOWING THREE (3) COURSES:

1. THENCE S 86 DEGREES 42 MINUTES 49 SECONDS E, 109.24 FEET TO A POINT ON A CURVE;
2. THENCE ALONG SAID CURVE TO THE LEFT HAVING A RADIUS OF 245.68 FEET, A CENTRAL ANGLE OF 28 DEGREES 36 MINUTES 44 SECONDS (A CHORD WHICH BEARS N 73 DEGREES 23 MINUTES 40 SECONDS E, 121.43 FEET) 122.69 FEET;
3. THENCE N 59 DEGREES 49 MINUTES 18 SECONDS E, 23.23 FEET;

THENCE S 89 DEGREES 00 MINUTES 53 SECONDS E, 174.23 FEET;

THENCE S 32 DEGREES 50 MINUTES 19 SECONDS W, 743.69 FEET;

THENCE N 57 DEGREES 09 MINUTES 41 SECONDS W, 140.26 FEET TO A POINT OF CURVE;

THENCE ALONG SAID CURVE TO THE LEFT HAVING A RADIUS OF 1140.00 FEET, A CENTRAL ANGLE OF 63 DEGREES 49 MINUTES 05 SECONDS, 1225.22 FEET TO A POINT OF TANGENT;

THENCE S 59 DEGREES 01 MINUTES 14 SECONDS W ALONG SAID TANGENT, 688.75 FEET;

THENCE N 30 DEGREES 58 MINUTES 46 SECONDS W, 386.07 FEET;

THENCE N 00 DEGREES 29 MINUTES 41 SECONDS E, 581.20 FEET TO THE NORTH LINE OF THE SOUTH HALF OF THE SOUTH HALF OF SAID SECTION 21;

THENCE S 89 DEGREES 30 MINUTES 19 SECONDS E, ALONG SAID LINE 1684.09 FEET TO THE POINT OF BEGINNING.

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF COLORADO

In re:)
)
DAWSON RIDGE METROPOLITAN) Case No. 90-15400 DEC
DISTRICT NO. 1, a quasi-) Chapter 9
municipal corporation, in)
Castle Rock, Douglas County,)
Colorado,)
)
Debtor.)

STIPULATION REGARDING DEBT ADJUSTMENT PLAN

Dawson Ridge Metropolitan District No. 1 (the "District"), through its attorneys, Ankele, Icenogle, Norton & White, and Harding & Ogborn, and The Town of Castle Rock (the "Town"), through its attorneys, Robert J. Slentz and Holden & Jessop, P.C., hereby stipulate as follows regarding the District's Second Modified Third Amended Plan for Adjustment of Debts (the "Plan"):

1. The Town and the District are parties to an Intergovernmental Agreement dated August 15, 1985, as amended by instrument dated December 12, 1985 (the "Town Agreement").

2. The Town and the District have further amended the Town Agreement pursuant to an October 9, 1992 Suspension Agreement by and between the Town, the District, and Dawson Ridge Metropolitan District Nos. 2 through 5, a copy of which is attached hereto as Exhibit A and incorporated herein.

3. The District hereby amends the Plan as follows:

a. Article II, Section 2.29 is added to provide the following definition: "Town Agreement: An Intergovernmental Agreement between the Debtor and the Town of Castle Rock, dated August 15, 1985, as amended by instrument dated December 12, 1985, and as further amended by an October 9, 1992 Suspension Agreement by and between the Town, the District, and Dawson Ridge Metropolitan District Nos. 2 through 5."

b. Article VIII, Section 8.6 is added, as follows: "Pursuant to Sections 365 and 1123(b)(2) of the Bankruptcy Code, the Debtor assumes the Town Agreement."

c. Article IX, Section 9.8 is added, as follows: "Nothing in the Plan is intended to alter, amend, limit, or modify the Service Plan filed by the District

Exhibit C

pursuant to C.R.S. §32-1-201 et seq., except insofar as the Plan adjusts the Debtor's bonded indebtedness described in Section VI of the Service Plan, entitled "Financing Plan."

As so amended, the Plan is captioned "Fourth Amended Plan for Adjustments of Debts."

4. The Town hereby acknowledges that the Town Agreement requires no cure at this time, and waives any right under Section 365 of the Bankruptcy Code to require a showing of adequate assurance of future performance by the District.

5. Subject to the Plan amendments and other provisions set forth herein, the Town hereby withdraws its Objection to Confirmation of Debt Adjustment Plan filed with the Court on October 2, 1992.

6. The Town hereby changes its rejection of the Plan, served on the District's counsel on October 2, 1992, to an acceptance of the Plan as amended herein.

7. C.R.S. §32-1-202 provides for the filing of service plans by Colorado special districts, and the District has filed such a service plan. C.R.S. §32-1-202(2)(b) requires that a district shall notify the governing body of a municipality within which a special district is located, regarding "any alteration or revision of the proposed schedule of debt issuance set forth in the financial plan." C.R.S. §32-1-207(2) requires approval of such municipality with respect to material modifications of the service plan, including "a decrease in the financial ability of the district to discharge the existing or proposed indebtedness . . ." C.R.S. §32-1-207(3)(a) provides that such municipality may move the state district court to enjoin any material departure from the service plan. C.R.S. §32-1-207(3)(b) provides that such municipality may move the state district court to enjoin the issuance of bonds by a special district. To the extent that the Town's approval is required for a material modification of the District's service plan, under either the state statutes cited above or local ordinance, such approval has been given pursuant to the Town's Resolution No. 92-⁴⁸, a copy of which is attached hereto as Exhibit B and incorporated herein. The Town shall not seek to enjoin the issuance of bonds contemplated by the District's Chapter 9 plan.

DATED this 9th day of October, 1992.

ANKELE, ICENOGLE, NORTON & WHITE

By: *Gary R. White*
Dale R. Brockmeier
Gary R. White
8055 East Tufts Ave. Pkwy., #1150
Denver, Colorado 80237
(303) 773-1666

HARDING & OGBORN

By: *Dale R. Brockmeier*
Dale R. Brockmeier
1200 17th Street, #1000
Denver, Colorado 80202
(303) 629-0300

Attorneys for Dawson Ridge Metropolitan
District No. 1

ROBERT J. SLENTZ

Robert J. Slentz by James B. Holden
Town Attorney
680 N. Wilcox St., Drawer 8000
Castle Rock, Colorado 80104
(303) 660-1015

HOLDEN & JESSOP, P.C.

By: *James B. Holden*
James B. Holden
303 East 17th Avenue, #930
Denver, Colorado 80203
Telephone: (303) 860-7700

Attorneys for The Town of Castle Rock

RESOLUTION NO. 92-48

**A RESOLUTION APPROVING A LIMITED
AMENDMENT TO THE SERVICE PLANS FOR
THE DAWSON RIDGE METROPOLITAN
DISTRICT NOS. 1 - 5 AND APPROVING A SUSPENSION
AGREEMENT WITH SUCH DISTRICTS**

WHEREAS, the Dawson Ridge Metropolitan Districts No. 1 - 5 are organized to provide capital facilities to the development within the municipal boundaries of the Town known as "Dawson Ridge", consisting of approximately 1,883 acres zoned as a mixed use planned development;

WHEREAS, concurrently with annexation of Dawson Ridge to the Town, Town and the annexor, Bellamah Community Development, entered into an Annexation and Development Contract, recorded in the Douglas County, Colorado public records on December 18, 1984 in Book 554 at page 543 (the "Annexation Contract");

WHEREAS, by resolutions dated June 27, 1985 (85-41 through 85-45)) the governing body of the Town approved the organization of the Districts under the Special District Act, the separate service plans for each of the Districts dated August 15, 1985 (the "Service Plan(s)") and an Intergovernmental Agreement dated August 15, 1985 between the Town and each of the Districts, subsequently amended as to District 1 by a First Amendment dated December 12, 1985 (the "IGA(s)");

WHEREAS, Dawson Ridge Metropolitan District No. 1 ("District 1") has issued certain general obligation bonds to fund the development of infrastructure in accordance with its Service Plan and the IGA;

WHEREAS, Districts 2 - 5, inclusive, have made certain general obligation pledges to support, in part, retirement of the outstanding bonds of District 1;

WHEREAS, District No. 1 is insolvent, unable to make payments on its bonds when due, and has filed for bankruptcy under Chapter 9 of the United States Bankruptcy Code in case no. 90-15400DEC, District of Colorado (the "Bankruptcy Action");

WHEREAS, District No. 1 has made application for confirmation of a plan for adjustment of debts currently denominated as the Second Modified, Third Amended Plan for Adjustment of Debts (the "Bankruptcy Plan") in the Bankruptcy Action and confirmation of the Bankruptcy Plan is pending on October 9, 1992;

WHEREAS, the Bankruptcy Plan provides for the issuance of "Exchange Refunding Bonds" by District 1 and the exchange of such bonds for the existing outstanding bonds of the District, and the acquisition by District 1 of certain properties within Dawson Ridge;

EXHIBIT D

WHEREAS, by ordinance no. 92-15, effective October 1, 1992, the Town adopted Title 11 to the Castle Rock Municipal Code providing for the regulation of special districts within the Town (the "District Ordinance");

WHEREAS, District 1 has requested the authorization and approval of the Town to proceed with confirmation of the Bankruptcy Plan and implementation of the Bankruptcy Plan consistent with the provisions of the District Ordinance and the applicable provisions of the Special District Act;

WHEREAS, the Districts and Town have identified the need to make certain modifications to the respective IGAs with each District in order to address financial issues between the Town and Districts and allow for implementation of the Bankruptcy Plan; and

WHEREAS, the Districts concurrently have withdrawn their previous notice given under the provisions of 32-1-207(3)(b) of the Special District Act in consideration of the Town's authorizations and approvals under the terms of this resolution.

NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF CASTLE ROCK, COLORADO AS FOLLOWS:

SECTION 1. Jurisdiction. The Service Plans of the Dawson Ridge Metropolitan Districts No. 1 - 5 have been materially modified in that certain conditions specified under 11.02.060 of the District Ordinance have occurred since approval of the Service Plans, including the inability of District 1 to retire its indebtedness when due, the filing by District 1 in the Bankruptcy Action, and the failure of the several Districts to realize the revenues and to develop facilities in accordance with the schedules in their Service Plans. Accordingly, the Town Council has jurisdiction under the District Ordinance, to review and authorize amendments to the Service Plans of the several Districts.

SECTION 2. Expedited Service Plan Review. Although the Districts are subject to the provisions of the District Ordinance requiring the submission, processing and review of amendments to their respective Service Plans, the Town Council takes notice of the following exigent circumstances:

- A) Confirmation of the Bankruptcy Plan is scheduled for October 9, 1992. The Board of Directors of District 1 has represented to the Town that any delay in confirmation of the Bankruptcy Plan will likely make the confirmation and implementation of the Bankruptcy Plan infeasible, due to the necessity of District 1 to complete numerous ancillary transactions which are a condition to the implementation of the Bankruptcy Plan, as well as the need to issue the Exchange Refunding Bonds prior to the probable effective date of a proposed constitutional initiative presently before the voters of the State of Colorado, ostensibly restricting the issuance of such debt instruments.

- B) As referred to in section 4 of this resolution, the Districts have agreed to suspend their authority to construct the additional capital facilities and to issue additional debt (other than the Exchange Refunding Bonds) and such debt instruments as referenced in the attached **Exhibit 1**, until and unless a further Service Plan amendment is approved in accordance with the District Ordinance.
- C) 11.02.100 of the District Ordinance allows for a *de facto* amendment to the financial portion of a service plan as necessary to give effect to a court approved debt restructuring. Due to the coincidence of the effective date of the District Ordinance and the confirmation of the Bankruptcy Plan, it is appropriate to treat the Bankruptcy Plan consistent with the treatment of service plan amendments of those special districts with confirmed plans for adjustment of debts as of the effective date of the District Ordinance.

For the above reasons, the Town Council finds it is appropriate to make an expedited and summary review of the application of the Districts for a limited amendment of their Service Plans to comply with the provisions of the District Ordinance.

SECTION 3. Service Plan Amendment. The Town Council authorizes and approves an amendment of the Dawson Ridge Metropolitan Districts No. 1 - 5 Service Plans to the extent necessary to implement the Bankruptcy Plan and to issue the Exchange Refunding Bonds and to take the actions referenced in **Exhibit 1**. This resolution shall constitute approval of the amendment of the "Financial Plan" (as that term is defined in 11.02.150H of the District Ordinance) and approval of the Exchange Refunding Bonds under 11.02.110. By this resolution, no approval or authorization is given to deviation from the Capital Plan (as that term is defined in 11.02.150G) contained within the Service Plans of the several Districts. The Capital Plan may only be amended with compliance of the District Ordinance and the applicable provisions of the Special District Act. The Town Council finds that the limited amendment to the Service Plans of the Districts is justified by the following:

- A) The Exchange Refunding Bonds provide for a limited mill levy pledge, and no fixed debt service for the term of the bonds, which may facilitate start-up development activity within the Districts.
- B) In the absence of the confirmation of the Bankruptcy Plan and the issuance of the Exchange Refunding Bonds, the pursuit of creditors' remedies under the outstanding bonds of District 1, will likely forestall development of Dawson Ridge for several years, depriving the Town of development and operating revenues.

- C) The amendments to the IGAs, as contained in the Suspension Agreement, will allow the Town to develop capital reserves and recoup the Town's investment in capital facilities in Dawson Ridge when development fees are generated in the Districts.

The limited amendment to the Service Plans is authorized solely for the purpose of implementation of the Bankruptcy Plan as presently proposed for confirmation on October 9, 1992 and to authorize performance of the activities set forth in **Exhibit 1**. Any modification of the Bankruptcy Plan which affects the terms or performance of the Suspension Agreement or the terms or conditions of this resolution.

SECTION 4. Further Conditions. The approvals and authorizations under this resolution (other than approval of the Suspension Agreement) shall be subject to the timely satisfaction by the Districts of the following conditions subsequent to the adoption of this resolution:

- A) Satisfaction of the stated conditions in the Suspension Agreement by the Districts not later than December 31, 1992.
- B) Confirmation of the Bankruptcy Plan on October 9, 1992, or as continued by the Court from time to time.

If these conditions are not satisfied, or waived in writing by Town, the approvals and authorizations hereunder shall be null and void, provided that the Suspension Agreement shall be binding and enforceable according to its terms.

SECTION 5. Suspension Agreement. The Suspension Agreement in the form attached as **Exhibit 2** is approved and the mayor and other proper Town officials are authorized and empowered to execute the instrument by and on behalf of the Town of Castle Rock.

SECTION 6. No Impairment of Contract. The adoption of this resolution, including approval of the Suspension Agreement, shall not impair the contractual rights under the Annexation Contract of any Dawson Ridge property owner or lienholder other than the contractual rights of District 1, as provided in the Suspension Agreement.

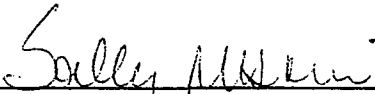
SECTION 7. Service Plan Amendment Withdrawal. Districts No. 1 - 5 previously submitted a proposed consolidated service plan for Dawson Ridge Metropolitan Districts No. 1 - 5. The Town Council acknowledges the withdrawal of that service plan amendment, and no approval and authorization thereunder is made or given by approval of this resolution.

SECTION 8. Authorization to Bankruptcy Stipulation. The Town Attorney and special bankruptcy counsel are authorized to execute and tender in the Bankruptcy Action the "Stipulation Regarding Debt Adjustment" in the form attached as **Exhibit 3**.

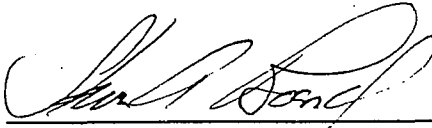
PASSED, APPROVED, AND ADOPTED this 8th day of October, 1992, by the Town Council of the Town of Castle Rock, Colorado on first and final reading, by a vote of 5 for and 1 against.

ATTEST:

TOWN OF CASTLE ROCK

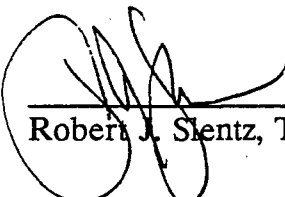


Sally Misare, Town Clerk



Steven A. Boand, Mayor

Approved as to form:



Robert J. Slentz, Town Attorney

ANKELE, ICENOGLE, NORTON & WHITE

WILLIAM P. ANKELE, JR.
T. EDWARD ICENOGLE
CHARLES E. NORTON
GARY R. WHITE

C. MICHAEL SAYRE
OF COUNSEL

A PROFESSIONAL CORPORATION
ATTORNEYS AT LAW
8055 E. TUFTS AVENUE PARKWAY
SUITE 1150
DENVER, COLORADO 80237-2841
(303) 773-1666
FACSIMILE (303) 773-1883

KIM J. SETER
MARY A. HUPP
KATHLEEN S. McDUFF
BARBARA K. TENNEY

October 9, 1992

Robert J. Slentz, Esq.
Town of Castle Rock
680 North Wilcox, Drawer 8000
Castle Rock, Colorado 80104-8000

VIA HAND-DELIVERY

Re: Dawson Ridge Metropolitan District No. 1/Suspension
Agreement

Dear Mr. Slentz:

Enclosed are two originals of the Suspension Agreement. Please obtain the necessary signatures and notarizations from the Town. Additionally, please attach the signed Resolution as Exhibit D and the form of Stipulation as Exhibit C.

It is our understanding that you will deliver the executed documents to Roger Addlesperger at Dale Brockmeier's office by mid-morning. Roger will sign both agreements and then you will deliver one original to Jim Holden, who will attach it to the Stipulation and file the Stipulation with the Court.

Very truly yours,

ANKELE, ICENOGLE, NORTON & WHITE
A Professional Corporation



Sherry Cornelius
Secretary to Gary R. White

:slc

Enclosures

cc: C. Roger Addlesperger
P. Joseph Knopinski
Dale R. Brockmeier, Esq.
Bruce A. James, Esq.
Mary L. Groves, Esq.
James B. Holden, Esq. (w/o enc.)
Gary R. White, Esq.
(HAND-DELIVERED)

RESOLUTION NO. 92-48

**A RESOLUTION APPROVING A LIMITED
AMENDMENT TO THE SERVICE PLANS FOR
THE DAWSON RIDGE METROPOLITAN
DISTRICT NOS. 1 - 5 AND APPROVING A SUSPENSION
AGREEMENT WITH SUCH DISTRICTS**

WHEREAS, the Dawson Ridge Metropolitan Districts No. 1 - 5 are organized to provide capital facilities to the development within the municipal boundaries of the Town known as "Dawson Ridge", consisting of approximately 1,883 acres zoned as a mixed use planned development;

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WHEREAS, by resolutions dated June 27, 1985 (85-41 through 85-45)) the governing body of the Town approved the organization of the Districts under the Special District Act, the separate service plans for each of the Districts dated August 15, 1985 (the "Service Plan(s)") and an Intergovernmental Agreement dated August 15, 1985 between the Town and each of the Districts, subsequently amended as to District 1 by a First Amendment dated December 12, 1985 (the "IGA(s)");

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WHEREAS, the Bankruptcy Plan provides for the issuance of "Exchange Refunding Bonds" by District 1 and the exchange of such bonds for the existing outstanding bonds of the District, and the acquisition by District 1 of certain properties within Dawson Ridge;

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- A) Confirmation of the Bankruptcy Plan is scheduled for October 9, 1992. The Board of Directors of District 1 has represented to the Town that any delay in confirmation of the Bankruptcy Plan will likely make the confirmation and implementation of the Bankruptcy Plan infeasible, due to the necessity of District 1 to complete numerous ancillary transactions which are a condition to the implementation of the Bankruptcy Plan, as well as the need to issue the Exchange Refunding Bonds prior to the probable effective date of a proposed constitutional initiative presently before the voters of the State of Colorado, ostensibly restricting the issuance of such debt instruments.

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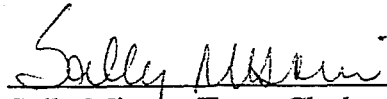
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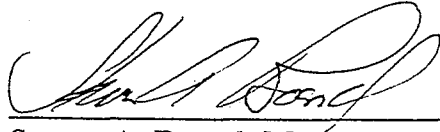
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PASSED, APPROVED, AND ADOPTED this 8th day of October, 1992, by the Town Council of the Town of Castle Rock, Colorado on first and final reading, by a vote of 5 for and 1 against.

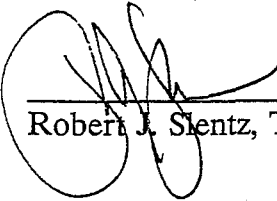
ATTEST:

TOWN OF CASTLE ROCK


Sally Misare, Town Clerk


Steven A. Boand, Mayor

Approved as to form:


Robert J. Slentz, Town Attorney