

**FIRST AMENDMENT TO
SERVICE PLAN**

FOR

PINEY CREEK VILLAGE METROPOLITAN DISTRICT

CITY OF CENTENNIAL, COLORADO

Prepared

by

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Submitted: December 22, 2014

Approved: February 17, 2015

(City of Centennial City Council

Resolution No. 2015-R-06)

FIRST AMENDMENT TO SERVICE PLAN FOR PINEY CREEK VILLAGE METROPOLITAN DISTRICT

The Board of County Commissioners of Arapahoe County, Colorado (the “**County**”) approved the Service Plan for Piney Creek Village Metropolitan District (the “**District**”) on January 16, 2001 (the “**Original Service Plan**”). The City Council of the City of Centennial (the “**City**”) subsequently approved Ordinance No. 2009-O-20, which annexed all of the real property situated within the boundaries of the District into the boundaries of the City. Pursuant to Resolution No. 2015-R-05 and Section 32-1-204.7(1), C.R.S., the City accepted designation as the approving authority for the District.

This document is being presented pursuant to Section 32-1-207, C.R.S., and Section 4-10-180 of the Centennial Municipal Code, and shall be referred to as the First Amendment to the Original Service Plan (the “**Amendment**”).

1. The District was organized to acquire, construct, complete, install, finance, and/or operate and maintain certain public improvements within and without the District’s boundaries, as described in the Original Service Plan and modified by any subsequent inclusions or exclusions.

2. The Limited Mill Levy for debt service, as defined in the Original Service Plan, may not exceed fifty (50) mills. Based on legislative changes in the method of calculation of residential assessed valuation since approval of the Original Service Plan in 2001 (the “**Gallagher Adjustment**”), the actual Limited Mill Levy is currently 61.180 mills.

3. On June 14, 2005, the District issued Six Million Six Hundred Thousand Dollars (\$6,600,000) of General Obligation Bonds. As of the date of this Amendment, the District’s total certified mill levy is 59.5 mills, with 54 mills imposed for debt service and 5.5 mills imposed for operation and maintenance expenses.

4. The Board of Directors of the District (the “**Board**”) has represented to the City that eliminating the Limited Mill Levy will allow the District to refinance current outstanding debt at a future date at a potentially lower interest rate, which will result in demonstrable net present value savings to the residents and taxpayers of the District. This Amendment will remove all reference to the Limited Mill Levy and allow the District to pledge an unlimited mill levy to the repayment of future bonds.

Capitalized terms not defined herein shall have the same meanings set forth in the Original Service Plan.

AMENDMENTS

The Original Service Plan is hereby amended as set forth herein.

1. The third paragraph of Section VIII.D is hereby amended to read as follows, with deletions shown in strike-through text and additions shown in underlined text:

~~The mill levy cap proposed herein for repayment of the bonds does not apply to the proposed District's ability to increase its mill levy as necessary for provision of operation and maintenance services to its taxpayers and service users. The proposed District may increase its mill levy as necessary for the provision of operation and maintenance services to its taxpayers and service users.~~ However, there are statutory and constitutional limits on the proposed District's ability to increase its mill levy for provision of operation and maintenance services without an election.

2. The first sentence of the third paragraph of Section IX.A is hereby amended to read as follows, with deletions shown in strike-through text:

It is proposed that a total maximum amount of Twelve Million Dollars (\$12,000,000) of bonds that are secured by *ad valorem* property taxes (including general obligation and any bonds issued, ~~the repayment of which is from the pledge of revenue from a capped debt service mill levy~~) for various purposes be submitted to the electors of the proposed District for their approval at an election.

3. The last sentence of the first paragraph of Section IX.B is hereby deleted in its entirety.

4. Section IX.C(3)(b) is hereby deleted in its entirety, and Section IX.C(3)(c) – (j) is renumbered as Section IX.C(3)(b) – (i) accordingly.

5. Section IX.C(4) is hereby deleted in its entirety.

6. The first sentence of the fourth paragraph following the original Section IX.C(4) is hereby deleted.

7. All language in the Original Service Plan not amended by this Amendment shall remain in effect as written.