MEMORANDUM OF CITY OF LOVELAND CITY COUNCIL CONSENT TO THE ISSUANCE OF DEBT AND EXTENSION OF DEBT MATURITY PURSUANT VDW METROPOLITAN DISTRICT NOS. 1-3 SERVICE PLAN

Pursuant to Section VII.B of the Consolidated Service Plan for VDW Metropolitan District Nos. 1, 2 and 3 (the "Service Plan"), approved by the City of Loveland City Council (the "City Council") by Resolution #R-9-2002 on March 20, 2002, VDW Metropolitan District Nos. 1-3 (the "Districts") may not issue any bonds after July 1, 2012, except with the prior approval of the City Council as evidenced by a resolution after a public hearing thereon. Further, pursuant to Section VII.E of the Service Plan, the Districts shall not extend the final maturity or increase the total debt service of any District debt through refinancing or any other method without the prior approval of the City Council, following a public hearing thereon.

On December 28, 2015 and January 12, 2016, the Districts caused a notice of a public hearing to be published in the Loveland Reporter-Herald, which notice provided that the City Council would consider a request by the Districts to issue bonds on a date after July 1, 2012 and a request to extend the maturity of a portion of the Districts' current debt.

Following a public hearing on January 19, 2016 at 6:30 p.m. at the City Council Chambers, 500 East Third Street, Loveland, Colorado, the City Council adopted Resolution #R-13-2016 approving the Districts' request to issue bonds on a date after July 1, 2012, subject to certain conditions in the resolution, and approving the request to extend the maturity of a portion of the Districts' current debt. A copy of Resolution #R-13-2016 is attached hereto as Exhibit A and incorporated herein. This memorandum is intended to serve as further notice of this action and to affirm that it is applicable to all property within the boundaries of the Districts. A map of the current boundaries of the Districts is attached hereto as Exhibit B and incorporated herein.

Alan D. Pogue, General Counsel
Icenogle Seaver Pogue, P.C.

STATE OF COLORADO)
) ss.
CITY AND COUNTY OF DENVER)

The foregoing instrument was acknowledged before me this 10th day of March, 2016 by Alan D. Pogue, as general counsel to VDW Metropolitan District Nos. 1-3.

WITNESS my hand and official seal.

My commission expires: 09/26/2017

Stacie L. Pacheco
Notary Public

STACIE L. PACHECO
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 19974016948
MY COMMISSION EXPIRES 09/26/2017

RECEPTION#: 20160014755, 03/10/2016 at 01:15:02 PM, 2 OF 41, Angela Myers,
Clerk & Recorder, Larimer County, CO

Exhibit A
City Council Resolution #R-13-2016

RESOLUTION #R-13-2016

A RESOLUTION OF THE LOVELAND CITY COUNCIL APPROVING THE ISSUANCE OF BONDS AND EXTENSION OF DEBT MATURITY FOR VDW METROPOLITAN DISTRICTS NOS. 1 – 3

WHEREAS, pursuant to Section 32-1-204.5, C.R.S., as amended, the City Council (the "City Council") of the City of Loveland, Colorado (the "City") approved the Consolidated Service Plan (the "Service Plan") for VDW Metropolitan Districts Nos. 1 – 3 (the "Districts") on March 20, 2002; and

WHEREAS, the Districts currently have outstanding debt in the form of Limited Property Tax Supported Revenue Bonds, Series 2007 (the "2007 Bonds") and Limited Property Tax Supported Revenue Bonds, Series 2011 (the "2011 Bonds"); and

WHEREAS, the Service Plan's Financing Plan contemplates the issuance of three series of bonds to be issued by or before 2012; and

WHEREAS, the Service Plan's development projections were prepared prior to the Service Plan's approval in 2002, and after this time a real estate recession affected Colorado development, severely suppressing real estate development throughout the State, which resulted in development within the Districts occurring at a slower pace than anticipated in 2002; and

WHEREAS, real estate and economic conditions have since improved, and development within the Districts is now capable of supporting the issuance of a third series of bonds (the "2016 Bonds"), which series was contemplated in the Service Plan to be issued in 2012; and

WHEREAS, the Districts desire to issue the 2016 Bonds in one or more series, as more fully described in Exhibit A attached hereto and incorporated herein by reference, to provide the Districts with additional funds for the construction of necessary public infrastructure for the benefit of the Districts' residents and public at large and to refund existing District obligations as contemplated in the Service Plan; and

WHEREAS, a portion of the proceeds of the 2016 Bonds will be used to refund the 2007 Bonds at a cost savings to the Districts and their taxpaying residents over time, which refunding requires extending the maturity of the 2007 Bonds; and

WHEREAS, Section VII.B. of the Service Plan provides that the Districts may not issue any bonds after July 1, 2012, except with the prior approval of the City Council as evidenced by a resolution after a public hearing thereon, and any attempted issuance in violation of this provision shall be deemed to be a material departure from the Service Plan; and

WHEREAS, Section VII.E of the Service Plan provides that the Districts shall not extend the final maturity or increase the total debt service of any District debt through refinancing or any other method without the prior approval of the City Council, following a public hearing thereon; and

WHEREAS, the Districts have requested that the City Council consider the question of whether the Districts may issue the 2016 Bonds as the third series of bonds contemplated by the Service Plan (the "Bonds Request"), and to consider the question of whether the Districts may refund the 2007 Bonds, which refunding will extend the maturity of the 2007 Bonds, to take advantage of the current favorable market conditions and provide cost savings to the Districts and their taxpayers (the "Refunding Request"); and

WHEREAS, notice of the public hearing before the City Council for its consideration of the Bonds Request and the Refunding Request was duly published in the *Loveland Reporter-Herald* on December 28, 2015 and January 12, 2016, as evidenced by the "Affidavits of Publication," attached hereto as Exhibit B and incorporated herein by reference; and

WHEREAS, the City Council held a public hearing on the Bonds Request and Refunding Request on January 19, 2016; and

WHEREAS, the City Council has considered the Bonds Request, the Refunding Request, and all other testimony and evidence presented at the hearing.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LOVELAND, COLORADO:

Section 1. That the hearing before the City Council was open to the public; that all interested parties were heard or had the opportunity to be heard; and that all relevant testimony and evidence submitted to the City Council was considered.

Section 2. That at the hearing, evidence was presented that was satisfactory to the City Council for finding that the Districts have, or will have, the financial ability to discharge the proposed indebtedness and the refunded indebtedness on a reasonable basis and that the creation and extension of the debt will be in the best interest of the area served by the Districts.

Section 3. That the City Council hereby determines that the notice of the public hearing by City Council was made in a timely manner.

Section 4. That the City Council hereby approves the Districts' Bonds Request and approves the issuance of the 2016 Bonds subject to the following conditions:

a. The maximum total repayment costs for the 2016 Bonds shall not exceed $30,000,000.
b. The annual debt service for the 2016 Bonds shall not exceed $3,000,000.
c. Council approves, per Service Plan Sections VII.B and VII.E, the District's refunding all or a portion of the 2016 Bonds and the 2011 Bonds in the future, provided that such refunding generates a positive net present value savings, and further provided that prior to such refunding, the District provides the City Manager and City Attorney within an opinion of an

independent financial advisor that the proposed refunding does generate a positive net present value savings.

Section 5. That the City Council hereby approves the Districts' Refunding Request to refund the 2007 Bonds, including the extension, as part of the 2016 Bonds, of the maturity of the 2007 Bonds necessary to accomplish the refunding.

Section 6. That all provisions of the Service Plan remain in full force and effect, and the Districts' actions taken in accordance with this Resolution are not a material departure from the Service Plan.

Section 7. That nothing herein limits the City's powers with respect to the Districts, the properties within the Districts, or the improvements to be constructed by the Districts.

Section 8. That the City's findings are based solely upon the evidence presented by the Districts and such other evidence presented at the public hearing, and the City has not conducted any independent investigation of the evidence. The City makes no guarantee as to the financial viability of the Districts or the achievability of results.

Section 9. That this Resolution shall be effective as of the date of its adoption.

Adopted this 19th day of January, 2016.

CITY OF LOVELAND SEAL COLORADO

CITY OF LOVELAND, COLORADO, a Colorado municpal coporation

By: Cecil A. Gutierrez
Cecil Gutierrez, Mayor

ATTEST:

By: [signature]
City Clerk

APPROVED AS TO FORM:

[signature]
City Attorney

EXHIBIT A

2016 Bonds Financing

D A DAVIDSON

VAN de WATER METROPOLITAN DISTRICT Nos. 1-3

Partial Growth Development Projection at 35.665 and 29.685 (target) District Mills

Series 2016A G.O. Bonds, Adv. Refg. of Ser 2007 plus New Money, Assumes BBB Rated, 30-yrs.; plus Sub. Ser. 2016B Cash Flow Bonds

	< < < < < < < < D2 Residential > > > > > > > >					< D2 Res'l Vacant Land >						
YEAR	Total Res'l Units	Mkt Value Biennial Reassess'mt @ 2.0%	Manual Adj.[1]	Cumulative Market Value	As'ed Value @ 7.96% of Market (2-yr lag)	Cumulative Market Value	As'ed Value @ 29.00% of Market (2-yr lag)	MD#2 Total Assessed Value	District D/S Mill Levy net of Ops levy [35.665 target in '16] [45.980 Cap]	District #2 D/S Mill Levy Collections @ 98%	District S.O. Taxes Collected @ 6%	Total D2 Mill Levy Incl. O&M
2007	***			0		50		3,689,110		0	0	
2008	***			0		0		4,335,720	0.000	0	0	
2009	***			0		0		4,794,000	17.460	82,029	0	
2010	***			0		0		4,084,550	21.300	85,261	0	
2011	***			0		0		3,453,480	25.941	87,795	0	
2012	***		81,926,508	81,926,508		639,172		3,438,650	38.062	128,264	0	
2013	***		2,838,191	84,764,698		1,271,897		6,334,510	27.900	173,198	0	
2014	***		33,035,804	117,800,503	6,521,350	4,539,828	185,360	6,706,710	28.863	189,704	0	
2015	211			178,978,903	6,747,270	4,262,778	368,850	7,116,120	27.695	193,139	0	40.969
2016	171	3,579,578		234,884,481	9,376,920	1,120,719	1,316,550	10,693,470	35.665	373,755	0	45.980
2017	46			249,242,001	14,246,721	657,529	1,236,206	15,482,926	37.830	574,005	0	45.980
2018	25	4,984,840		262,185,901	18,696,805	0	325,008	19,021,813	39.024	727,461	0	45.980
2019	0			262,185,901	19,839,663	0	190,683	20,030,347	39.212	769,721	0	45.980
2020	0	5,243,718		267,429,619	20,869,998	0	0	20,869,998	39.382	805,464	0	45.980
2021	0			267,429,619	20,869,998	0	0	20,869,998	39.316	804,114	0	45.980
2022	0	5,348,592		272,778,211	21,287,398	0	0	21,287,398	39.382	821,573	0	45.980
2023	0			272,778,211	21,287,398	0	0	21,287,398	39.316	820,197	0	45.980
2024	0	5,455,564		278,233,775	21,713,146	0	0	21,713,146	39.381	837,984	0	45.980
2025	0			278,233,775	21,713,146	0	0	21,713,146	39.315	836,579	0	45.980
2026	0	5,564,676		283,798,451	22,147,409	0	0	22,147,409	39.380	854,722	0	45.980
2027	0			283,798,451	22,147,409	0	0	22,147,409	39.314	853,289	0	45.980
2028	0	5,675,969		289,474,420	22,590,357	0	0	22,590,357	39.380	871,816	0	45.980
2029	0			289,474,420	22,590,357	0	0	22,590,357	39.314	870,355	0	45.980
2030	0	5,789,488		295,263,908	23,042,164	0	0	23,042,164	39.379	889,230	0	45.980
2031	0			295,263,908	23,042,164	0	0	23,042,164	39.313	887,739	0	45.980
2032		5,905,278		301,169,186	23,503,007	0	0	23,503,007	21.810	502,355	0	28.412
2033				301,169,186	23,503,007	0	0	23,503,007	17.240	397,080	0	23.908
2034		6,023,384		307,192,570	23,973,067	0	0	23,973,067	16.963	398,512	0	23.585
2035				307,192,570	23,973,067	0	0	23,973,067	17.002	399,448	0	23.670
2036		6,143,851		313,336,421	24,452,529	0	0	24,452,529	16.687	399,889	0	23.290
2037				313,336,421	24,452,529	0	0	24,452,529	16.634	398,604	0	23.303
2038		6,266,728		319,603,150	24,941,579	0	0	24,941,579	16.383	400,440	0	22.986
2039				319,603,150	24,941,579	0	0	24,941,579	16.278	397,869	0	22.947
2040		6,392,063		325,995,213	25,440,411	0	0	25,440,411	15.981	398,420	0	22.585
2041				325,995,213	25,440,411	0	0	25,440,411	15.973	398,236	0	22.643
2042		6,519,804		332,515,117	25,949,219	0	0	25,949,219	15.624	397,318	0	22.229
2043				332,515,117	25,949,219	0	0	25,949,219	15.703	399,338	0	22.374
2044		6,650,302		339,165,419	26,468,203	0	0	26,468,203	15.296	396,767	0	21.901
2045				339,165,419	26,468,203	0	0	26,468,203	15.310	397,135	0	21.981
	453	85,543,937	117,800,503							19,218,806	0	

[1] Adj. to actual/prelim AV

D A DAVIDSON

VAN de WATER METROPOLITAN DISTRICT Nos. 1-3

Partial Growth Development Projection at 35.665 and 29.685 (target) District Mills

Series 2016A G.O. Bonds, Adv. Refg. of Ser 2007 plus New Money, Assumes BBB Rated, 30-yrs.; plus Sub. Ser. 2016B Cash Flow Bonds

	<<<<<<<<< D3 Commercial (incl D2 PP) >>>>>>>>>					< Comm'l Vacant Land >							
YEAR	Total Comm'l SF	Mkt Value Biennial Reassess'mt @ 2.0%	Manual Adj.*	Cumulative Market Value	As'ed Value @ 29.00% of Market (2-yr lag)	Cumulative Market Value	As'ed Value @ 29.00% of Market (2-yr lag)	MD#3 Total Assessed Value	District D/S Mill Levy net of Ops levy [29.685 target in '16] [40.000 Cap]	District #2 D/S Mill Levy Collections @ 98%	District S.O. Taxes Collected @ 0%	Total DS Mill Levy incl. O&M	Total D#2 & D#3 Available Revenue
2007	***			0		50		*2,778,650*		0	0		0
2008	***			0		0		*3,445,190*	0.000	0	0		0
2009	***			0		0		*6,372,850*	17.460	109,045	0		191,074
2010	0			0		0		*7,911,250*	21.300	165,139	0		250,400
2011	0			0		0		*7,016,470*	25.941	178,374	0		266,169
2012	0		*21,388,414*	21,388,414		860,483		*5,750,750*	38.062	214,507	0		342,772
2013	0		*(445,310)*	20,943,103		860,483		*6,377,750*	27.900	174,380	0		347,579
2014	0		*1,573,621*	22,516,724	*6,202,640*	839,000	*249,540*	*6,452,180*	28.883	182,505	0		372,209
2015	0			22,516,724	*6,073,500*	1,088,750	*249,540*	*6,323,040*	27.695	171,614	0	40.989	364,754
2016	18,500	450,334		25,514,509	*6,529,850*	0	*243,310*	*6,773,160*	29.685	197,040	0	40.000	570,795
2017	0			25,514,509	6,529,850	0	315,738	6,845,588	31.850	213,671	0	40.000	787,676
2018	0	510,290		26,024,799	7,399,208	0	0	7,399,208	33.044	239,609	0	40.000	967,071
2019	0			26,024,799	7,399,208	0	0	7,399,208	33.232	240,973	0	40.000	1,010,694
2020	0	520,496		26,545,295	7,547,192	0	0	7,547,192	33.402	247,049	0	40.000	1,052,514
2021	0			26,545,295	7,547,192	0	0	7,547,192	33.336	246,561	0	40.000	1,050,676
2022	0	530,906		27,076,201	7,698,135	0	0	7,698,135	33.402	251,990	0	40.000	1,073,564
2023	0			27,076,201	7,698,135	0	0	7,698,135	33.336	251,493	0	40.000	1,071,689
2024	0	541,524		27,617,725	7,852,098	0	0	7,852,098	33.401	257,023	0	40.000	1,095,006
2025	0			27,617,725	7,852,098	0	0	7,852,098	33.335	256,515	0	40.000	1,093,094
2026	0	552,354		28,170,079	8,009,140	0	0	8,009,140	33.400	262,155	0	40.000	1,116,877
2027	0			28,170,079	8,009,140	0	0	8,009,140	33.334	261,637	0	40.000	1,114,926
2028	0	563,402		28,733,481	8,169,323	0	0	8,169,323	33.400	267,398	0	40.000	1,139,214
2029	0			28,733,481	8,169,323	0	0	8,169,323	33.334	266,870	0	40.000	1,137,225
2030	0	574,670		29,308,150	8,332,709	0	0	8,332,709	33.399	272,738	0	40.000	1,161,968
2031	0			29,308,150	8,332,709	0	0	8,332,709	33.333	272,199	0	40.000	1,159,939
2032		586,163		29,894,313	8,499,364	0	0	8,499,364	21.810	181,666	0	28.412	684,021
2033				29,894,313	8,499,364	0	0	8,499,364	17.240	143,595	0	23.908	540,675
2034		597,886		30,492,200	8,669,351	0	0	8,669,351	16.963	144,113	0	23.565	542,625
2035				30,492,200	8,669,351	0	0	8,669,351	17.002	144,452	0	23.670	543,900
2036		609,844		31,102,044	8,842,738	0	0	8,842,738	16.687	144,611	0	23.290	544,500
2037				31,102,044	8,842,738	0	0	8,842,738	16.634	144,146	0	23.303	542,750
2038		622,041		31,724,085	9,019,593	0	0	9,019,593	16.383	144,810	0	22.986	545,250
2039				31,724,085	9,019,593	0	0	9,019,593	16.278	143,881	0	22.947	541,750
2040		634,482		32,358,566	9,199,985	0	0	9,199,985	15.981	144,080	0	22.585	542,500
2041				32,358,566	9,199,985	0	0	9,199,985	15.973	144,014	0	22.643	542,250
2042		647,171		33,005,738	9,383,984	0	0	9,383,984	15.624	143,682	0	22.229	541,000
2043				33,005,738	9,383,984	0	0	9,383,984	15.703	144,412	0	22.374	543,750
2044		660,115		33,665,852	9,571,664	0	0	9,571,664	15.298	143,483	0	21.901	540,250
2045				33,665,852	9,571,664	0	0	9,571,664	15.310	143,815	0	21.981	540,750
	18,500	8,601,678	22,516,724							7,255,048	0		28,473,854

[*] Adj. to actual/prelim AV; Incl. P.P. & S.A.

D.A. DAVIDSON

VAN de WATER METROPOLITAN DISTRICT Nos. 1-3

Partial Growth Development Projection at 35.665 and 29.685 (target) District Mills

Series 2016A G.O. Bonds, Adv. Refg. of Ser 2007 plus New Money, Assumes BBB Rated, 30-yrs.; plus Sub. Ser. 2016B Cash Flow Bonds

$7,040,000
$3,642,139

YEAR	Net Available for Debt Svc	Series 2007 $3,090,000 Par [Net $2.590 MM] Net Debt Service	Ser. 2011 $1,200,000 Par [Net $0.906 MM] Net Debt Service	Ser. 2016A $7,040,000 Par [Escr $2.846 MM] [Net $3.642 MM] Net Debt Service	Total Net Debt Service	Less District Funds Contrib. at Closing	Annual Surplus	Surplus Release @ 50% D/A to $704,000	Cumulative Surplus $704,000 Target	Senior Debt/ Assessed Ratio	Senior Debt/ Act'l Value Ratio	Cov. of Net DS: @ 35.665 D#2 Target @ 29.685 D#3 Target	Cov. of Net DS: @ 45.880 D#2 Mill Cap @ 40.000 D#3 Mill Cap Less Ops $174,919
2007	0	$0			$0		n/a		0				
2008	0	184,708			184,708		n/a		0				
2009	191,074	195 000			195,000		n/a		0				
2010	250,400	260,000			260 000		n/a		0				
2011	266,169	260,775	$24,267		285,042		n/a		0				
2012	342,772	256 225	96 000		352,225		n/a		2,194				
2013	347,579	256.675	96 000		352,675		n/a		3,192	30%	4%	115 4%	102%
2014	372,209	256,800	121,000		377,800		n/a		4,198	28%	3%	111 7%	101%
2015	364,754	256 600	124,000	$0	380,600	0	(15,846)	0	(11,648)	22%	2%	113.7%	103%
2016	570,795	[Ref'd by Ser.'15]	121,600	176,520	298,120		272,675	0	261,026	18%	1%	191.5%	192%
2017	787,676		124,200	176,238	300,438		487,239	44 265	704,000	15%	1%	246 4%	263%
2018	967,071		126,400	175,138	301,538		665,533	665 533	704,000	14%	1%	291 9%	323%
2019	1,010,694		123,200	419,775	542,975		467,719	467 719	704,000	13%	1%	168 6%	187%
2020	1,052,514		120,000	422,675	542,675		509 839	509 839	704,000	12%	1%	174.9%	196%
2021	1,050,676		126,800	415,475	542,275		508 401	508,401	704 000	12%	1%	175 0%	196%
2022	1,073,564		122,800	422,063	544,863		528,701	528,701	704,000	11%	1%	177 7%	199%
2023	1,071,689		123,800	418,325	542,125		529,564	529,564	704,000	11%	1%	178 6%	200%
2024	1,095,006		124,400	419,588	543,988		551,019	551,019	704,000	10%	1%	181 5%	204%
2025	1,093,094		124,600	415,688	540,288		552,806	552,806	704 000	10%	1%	182.7%	206%
2026	1,116,877		129,400	411,788	541,188		575,689	575,689	704,000	9%	1%	186.1%	210%
2027	1,114,926		128,400	411,688	540,088		574 839	574,839	704 000	9%	1%	186 5%	211%
2028	1,139,214		127,000	416,375	543,375		595 839	595,839	704,000	8%	1%	189.0%	214%
2029	1,137,225		130 200	410,638	540,838		596,387	596,387	704,000	7%	1%	189 9%	215%
2030	1,161,968		132,600	409,900	542,500		619,468	619 468	704,000	7%	1%	193.1%	219%
2031	1,159,939		134,200	408,950	543 150		616,789	616 789	704,000	6%	1%	192.9%	219%
2032	684 021		135,000	407,425	542,425		141,596	141,596	704,000	5%	1%	197 0%	224%
2033	540,675		0	540 675	540,675		0	0	704,000	5%	1%	197 7%	225%
2034	542,625		0	542,625	542,625		0	0	704 000	5%	0%	200 9%	230%
2035	543,900		0	543,900	543,900		0	0	704 000	4%	0%	200 4%	229%
2036	544,500		0	544,500	544,500		0	0	704,000	4%	0%	204.2%	234%
2037	542,750		0	542,750	542,750		(0)	0	704,000	3%	0%	204 9%	235%
2038	545,250		0	545,250	545,250		(0)	0	704,000	3%	0%	208 0%	239%
2039	541,750		0	541,750	541,750		0	0	704,000	3%	0%	209.3%	240%
2040	542,500		0	542,500	542,500		(0)	0	704,000	2%	0%	213.2%	246%
2041	542,250		0	542,250	542,250		0	0	704,000	2%	0%	213.3%	246%
2042	541,000		0	541,000	541,000		0	0	704,000	1%	0%	218.1%	252%
2043	543,750		0	543,750	543,750		0	0	704,000	1%	0%	217.0%	251%
2044	540,250		0	540,250	540,250		0	0	704,000	0%	0%	222.8%	258%
2045	540,750		0	540,750	540,750		0	704 000	0	0%	0%	222.6%	258%
	26,473,854	1 926,783	2,615,867	13 390,196	17 932,845	0	8,776,257	8,782,455					

[O:Nov1815 16rz07O]
[O:Nov1815 15brpO]

D.A. DAVIDSON

VAN de WATER METROPOLITAN DISTRICT Nos. 1-3

Partial Growth Development Projection at 35.665 and 29.665 (target) District Mills

Series 2016A G.O. Bonds, Adv. Refg. of Ser 2007 plus New Money, Assumes BBB Rated, 30-yrs.; plus Sub. Ser. 2016B Cash Flow Bonds

Ser. 2016B Subordinate Cash Flow Bonds >>>

YEAR	Surplus Available for Sub Debt Service	Date Bonds Issued	Sub Bond Interest on Balance 7.75%	Less Payments Toward Sub Bond Interest	Accrued Interest + Int. on Bal. @ 7.75%	Less Payments Toward Accrued Interest	Balance of Accrued Interest	Sub Bonds Principal Issued	Less Payments Toward Bond Principal	Balance of Sub Bond Principal	Total Subs Debt Service	Annual Surplus	Estimated Annual Ops of $174,819 Infl. @ 1%	Ops Exp Equivalent Levy	Cov. of Total Net DS: @ 45.980 DS2 Target @ 40.000 DS2 Target Less Ops $174,819
2007									0	0	0				
2008	$0								0	0	0	0			
2009	0								0	0	0	0			
2010	0								0	0	0	0			
2011	0								0	0	0	0			
2012	0								0	0	0	0			
2013	0								0	0	0	0			102%
2014	0								0	0	0	0			101%
2015	0								0	0	0	0	174.819	13.274	103%
2016	0	3/3/16	252,468	0	252,468	0	252,468	4,158,700	0	4,158,700	0	0	176,567	10 315	192%
2017	44,265		322,299	44,265	297,601	0	550 066		0	4,158,700	44,265	0	178,333	8.150	262%
2018	665,533		322,299	322,299	42,630	343,234	249,465		0	4,158,700	665,533	0	180,116	6.956	321%
2019	467,719		322,299	322,299	19,334	145,420	123,379		0	4,158,700	467,719	0	181,917	6 768	188%
2020	509,839		322,299	322,299	9,562	132,940	0		54,599	4,104,101	509,839	0	183,737	6 598	194%
2021	508,401		318,068	318,068	0	0	0		190 333	3,913,768	508,401	0	185,574	6 664	194%
2022	528,701		303,317	303,317	0	0	0		225 384	3,688,384	528,701	0	187,430	6 598	197%
2023	529,564		285,850	285,850	0	0	0		243,714	3,444 669	529,564	0	189 304	6 654	198%
2024	551,019		266,962	266,962	0	0	0		264,057	3,180,612	551,019	0	191,197	6.599	201%
2025	552,806		244,947	244,947	0	0	0		307,859	2,852,753	552,806	0	193,109	6 665	202%
2026	575,689		221,088	221,088	0	0	0		354,601	2,498,152	575,689	0	195,040	6 600	206%
2027	574,839		193,607	193,607	0	0	0		381,232	2,116,920	574,839	0	196,990	6.666	206%
2028	595,839		164,061	164,061	0	0	0		431,778	1,685,142	595,839	0	198,960	6 600	210%
2029	596,387		130,599	130,599	0	0	0		465,789	1,219,354	596,387	0	200,950	6 666	210%
2030	619,468		94,500	94,500	0	0	0		524,968	694,386	619,468	0	202,959	6 601	214%
2031	616,789		53,815	53,815	0	0	0		562,974	131,412	616,789	0	204 989	6 667	214%
2032	141,596		10,184	10,184	0	0	0		131,412	0	141,596	0	207,039	6 602	219%
2033	0		0	0	0	0	0		0	0	0	0	209,109	6 668	219%
2034	0		0	0	0	0	0		0	0	0	0	211,200	6 602	223%
2035	0		0	0	0	0	0		0	0	0	0	213,312	6 668	222%
2036	0		0	0	0	0	0		0	0	0	0	215,446	6 603	227%
2037	0		0	0	0	0	0		0	0	0	0	217,600	6 669	227%
2038	0		0	0	0	0	0		0	0	0	0	219.776	6 603	231%
2039	0		0	0	0	0	0		0	0	0	0	221,974	6.669	232%
2040	0		0	0	0	0	0		0	0	0	0	224,193	6 604	237%
2041	0		0	0	0	0	0		0	0	0	0	226,435	6.670	236%
2042	0		0	0	0	0	0		0	0	0	0	228,700	6.605	242%
2043	0		0	0	0	0	0		0	0	0	0	230,987	6 671	240%
2044	0		0	0	0	0	0		0	0	0	0	233,297	6 605	247%
2045	704,000		0	0	0	0	0		0	0	0	704,000	235 830	6 671	246%
	8,782,455		3,828,863	3,298,161	621,594	621,594		4,158,700	4,158,700		8,078,455	704,000			

VAN de WATER METROPOLITAN DISTRICT Nos. 1-3

Future Development Projection -- Buildout Plan (updated 9/18/15)

Residential Development

	SFDs - Parcel D					SFD - Parcel H					SFD - (School Site)					SFD - Stone Creek				
YEAR	# Lots Devel'd	Incr/(Decr) in Finished Lot Value @ 10%	# Units Completed 170 target	Price Inflated @ 2%	Market Value	# Lots Devel'd	Incr/(Decr) in Finished Lot Value @ 10%	# Units Completed 95 target	Price Inflated @ 2%	Market Value	# Lots Devel'd	Incr/(Decr) in Finished Lot Value @ 10%	# Units Completed 150 target	Price Inflated @ 2%	Market Value	# Lots Devel'd	Incr/(Decr) in Finished Lot Value @ 10%	# Units Completed 95 target	Price Inflated @ 2%	Market Value
2007	0	0		$300,000	0	0	0		$300,000	0	0	0		$300,000	0	0	0		$300,000	0
2008	0	0		300,000	0	0	0		300,000	0	0	0		300,000	0	0	0		300,000	0
2009	0	0		300,000	0	0	0		300,000	0	0	0		300,000	0	0	0		300,000	0
2010	0	0		300,000	0	0	0		300,000	0	0	0		300 000	0	0	0		300,000	0
2011	0	0		300,000	0	0	0		300,000	0	0	0		300,000	0	0	0		300 000	0
2012	0	0		300,000	0	0	0		300,000	0	0	0		300,000	0	0	0		300,000	0
2013	0	0		300,000	0	0	0		300,000	0	0	0		300,000	0	0	0		300,000	0
2014	120	3,600,000		300,000	0	20	600,000		300,000	0	0	0		300,000	0	9	270,000		300,000	0
2015	50	(2,100,000)	120	300,000	36,000 000	25	150,000	20	300 000	6,000,000	0	0		300,000	0	65	1,680 000	9	300,000	2,700,000
2016	0	(1,500,000)	50	306,000	15 300 000	25	0	25	306,000	7,650 000	0	0		306,000	0	21	(1,320 000)	65	306,000	19,890,000
2017	0	0	0	312,120	0	25	0	25	312,120	7,803 000	0	0		312,120	0	0	(630,000)	21	312,120	8,554,520
2018	0	0	0	318,362	0	0	(750,000)	25	318,362	7,959,060	0	0		318,362	0	0	0	0	318,362	0
2019	0	0	0	324,730	0	0	0	0	324,730	0	0	0	0	324,730	0	0	0	0	324,730	0
2020	0	0	0	331,224	0	0	0	0	331,224	0	0	0	0	331,224	0	0	0	0	331,224	0
2021	0	0	0	337,849	0	0	0	0	337,849	0	0	0	0	337,849	0	0	0	0	337,849	0
2022	0	0	0	344,606	0	0	0	0	344,606	0	0	0	0	344,606	0	0	0	0	344,606	0
2023	0	0	0	351,498	0	0	0	0	351,498	0	0	0	0	351,498	0	0	0	0	351,498	0
2024	0	0	0	358,528	0	0	0	0	358,528	0	0	0	0	358,528	0	0	0	0	358,528	0
2025	0	0	0	365,698	0	0	0	0	365,698	0	0	0	0	365,698	0	0	0	0	365,698	0
2026	0	0	0	373,012	0	0	0	0	373 012	0	0	0	0	373,012	0	0	0	0	373,012	0
2027	0	0	0	380,473	0	0	0	0	380,473	0	0	0	0	380 473	0	0	0	0	380,473	0
2028	0	0	0	388,082	0	0	0	0	388,082	0	0	0	0	388,082	0	0	0	0	388,082	0
2029	0	0	0	395 844	0	0	0	0	395,844	0	0	0	0	395 844	0	0	0	0	395 844	0
2030	0	0	0	403,761	0	0	0	0	403,761	0	0	0	0	403,761	0	0	0	0	403,761	0
2031		0	0	411,836	0		0	0	411,836	0		0	0	411,836	0		0	0	411 836	0
	170	0	170		51,300,000	95	0	95		29,412,060	0	0	0		0	95	0	95		29,144,520

VAN de WATER METROPOLITAN DISTRICT Nos. 1-3

Future Development Projection -- Buildout Plan (updated 9/18/15)

Residential Summary

YEAR	SFD - Tulip Creek: # Lots Devel'd	SFD: Incr/(Decr) in Finished Lot Value @ 10%	SFD: # Units Completed 75 target	SFD: per Sq Ft. Inflated @ 2%	SFD: Market Value	MF: # Lots Devel'd	MF: Incr/(Decr) in Finished Lot Value @ 10%	MF: # Units* Completed 2 target	MF: per Sq Ft. Inflated @ 2%	MF: Market Value	MF (4plex): # Lots Devel'd	MF (4plex): Incr/(Decr) in Finished Lot Value @ 10%	MF (4plex): # Units Completed 16 target	MF (4plex): per Sq Ft. Inflated @ 2%	MF (4plex): Market Value	Total Residential Market Value	Total Res'l Units	Residential Value +/- of Platted & Developed Lots: Adjustment [1]	Residential Value +/- of Platted & Developed Lots: Adjusted Value
2007	0	0		$300,000	$0	0	0		$400,000	$0	0	0		$154,900	$0	0	0	0	0
2008	0	0		300,000	0	0	0		400,000	0	0	0		154,900	0	0	0	0	0
2009	0	0		300,000	0	0	0		400,000	0	0	0		154,900	0	0	0	0	0
2010	0	0		300,000	0	0	0		400,000	0	0	0		154,900	0	0	0	0	0
2011	0	0		300,000	0	0	0		400,000	0	0	0		154,900	0	0	0	0	0
2012	0	0		300,000	0	0	0		400,000	0	0	0		154,900	0	0	0	*639,172*	639,172
2013	0	0		300,000	0	0	0		400,000	0	0	0		154,900	0	0	0	*632,725*	632,725
2014	44	1,320,000		300,000	0	2	80,000		400,000	0	16	247,840		154,900	0	0	0	*(2,849,909)*	3,267,931
2015	31	(390,000)	44	300,000	13,200,000	0	(80,000)	2	400,000	800,000	0	(247,840)	16	154,900	2,478,400	81,178,400	211	*710,790*	(277,050)
2016	0	(930,000)	31	306,000	9,486,000	0	0	0	408,000	0	0	0	0	157,998	0	52,326,000	171	*607,840*	(3,142,060)
2017	0	0	0	312,120	0	0	0	0	416,160	0	0	0	0	161,158	0	14,357,520	40	*166,810*	(463,190)
2018	0	0	0	318,362	0	0	0	0	424,483	0	0	0	0	164,381	0	7,959,060	25	*92,471*	(657,529)
2019	0	0	0	324,730	0	0	0	0	432,973	0	0	0	0	167,669	0	0	0	0	0
2020	0	0	0	331,224	0	0	0	0	441,632	0	0	0	0	171,022	0	0	0	0	0
2021	0	0	0	337,849	0	0	0	0	450,465	0	0	0	0	174,443	0	0	0	0	0
2022	0	0	0	344,606	0	0	0	0	459,474	0	0	0	0	177,931	0	0	0	0	0
2023	0	0	0	351,498	0	0	0	0	468,664	0	0	0	0	181,490	0	0	0	0	0
2024	0	0	0	358,528	0	0	0	0	478,037	0	0	0	0	185,120	0	0	0	0	0
2025	0	0	0	365,698	0	0	0	0	487,598	0	0	0	0	188,822	0	0	0	0	0
2026	0	0	0	373,012	0	0	0	0	497,350	0	0	0	0	192,599	0	0	0	0	0
2027	0	0	0	380,473	0	0	0	0	507,297	0	0	0	0	196,451	0	0	0	0	0
2028	0	0	0	388,082	0	0	0	0	517,443	0	0	0	0	200,380	0	0	0	0	0
2029	0	0	0	395,844	0	0	0	0	527,792	0	0	0	0	204,387	0	0	0	0	0
2030	0	0	0	403,761	0	0	0	0	538,347	0	0	0	0	208,475	0	0	0	0	0
2031		0	0	411,836	0		0	0	549,114	0		0	0	212,645	0	0	0	0	0
	75	0	75		22,686,000	2	0	2		800,000	16	0	16		2,478,400	135,820,980	453	(0)	0

* 2 Bldgs; assumes 12 units per Bldg

[1] Adj to actual/prelim AV

VAN de WATER METROPOLITAN DISTRICT Nos. 1-3

Future Development Projection – Buildout Plan (updated 9/18/15)

Commercial Development

	In-line Retail					Retail (tbd)					Gas Station				
YEAR	SF Devel'd	Incr/(Decr) in Finished Lot Value @ 10%	Square Ft Completed 18,500	per Sq Ft. Inflated @ 2%	Market Value	SF Devel'd	Incr/(Decr) in Finished Lot Value @ 10%	Square Ft Completed 8,000	per Sq Ft. Inflated @ 2%	Market Value	SF Devel'd	Incr/(Decr) in Finished Lot Value @ 10%	Square Ft Completed 3,000	per Sq Ft. Inflated @ 2%	Market Value
2007	0	0		$135 00	$0	0	0		$95 00	$0	0	0		$250 00	$0
2008	0	0		135 00	0	0	0		95.00	0	0	0		250 00	0
2009	0	0		135 00	0	0	0		95.00	0	0	0		250 00	0
2010	0	0		135 00	0	0	0		95 00	0	0	0		250 00	0
2011	0	0		135.00	0	0	0		95.00	0	0	0		250 00	0
2012	0	0		135 00	0	0	0		95 00	0	0	0		250 00	0
2013	0	0		135 00	0	0	0		95 00	0	0	0		250.00	0
2014	0	0		135 00	0	0	0		95 00	0	0	0		250 00	0
2015	18,500	249,750		135 00	0	0	0		95 00	0	0	0		250 00	0
2016	0	(249,750)	18 500	137 70	2,547,450	0	0		96 90	0	0	0		255 00	0
2017	0	0	0	140 45	0	0	0		98 84	0	0	0		260 10	0
2018	0	0	0	143.26	0	0	0		100 81	0	0	0		265.30	0
2019	0	0	0	146.13	0	0	0		102.83	0	0	0		270.61	0
2020	0	0	0	149 05	0	0	0	0	104 89	0	0	0	0	276.02	0
2021	0	0	0	152.03	0	0	0	0	106.99	0	0	0	0	281 54	0
2022	0	0	0	155.07	0	0	0	0	109 13	0	0	0	0	287.17	0
2023	0	0	0	158.17	0	0	0	0	111.31	0	0	0	0	292.91	0
2024	0	0	0	161 34	0	0	0	0	113 53	0	0	0	0	298 77	0
2025	0	0	0	164.56	0	0	0	0	115 80	0	0	0	0	304 75	0
2026	0	0	0	167 86	0	0	0	0	118 12	0	0	0	0	310 84	0
2027	0	0	0	171.21	0	0	0	0	120.48	0	0	0	0	317 06	0
2028	0	0	0	174 64	0	0	0	0	122.89	0	0	0	0	323 40	0
2029	0	0	0	178 13	0	0	0	0	125 35	0	0	0	0	329.87	0
2030	0	0	0	181 69	0	0	0	0	127 86	0	0	0	0	336 47	0
2031		0	0	185 33	0		0	0	130 41	0		0	0	343.20	0
	18,500	0	18,500		2,547,450	0	0	0		0	0	0	0		0

VAN de WATER METROPOLITAN DISTRICT Nos. 1-3

Future Development Projection -- Buildout Plan (updated 9/18/15)

YEAR	Fast Food/Rest. SF Devel'd	Fast Food/Rest. Incr/(Decr) in Finished Lot Value @ 10%	Fast Food/Rest. Square Ft Completed 21,870	Fast Food/Rest. per Sq Ft, Inflated @ 2%	Fast Food/Rest. Market Value	Industrial - Parcel C SF Devel'd	Industrial - Parcel C Incr/(Decr) in Finished Lot Value @ 10%	Industrial - Parcel C Square Ft Completed 137,500	Industrial - Parcel C per Sq Ft, Inflated @ 2%	Industrial - Parcel C Market Value	Commercial Summary: Total Commercial Market Value	Commercial Summary: Total Commercial Sq Ft	Value +/- of Platted & Developed Lots: Adjustment [1]	Value +/- of Platted & Developed Lots: Adjusted Value
2007	0	0		$125.00	$0	0	0		$75.00	$0	0	0	0	0
2008	0	0		125.00	0	0	0		75.00	0	0	0	0	0
2009	0	0		125.00	0	0	0		75.00	0	0	0	0	0
2010	0	0		125.00	0	0	0		75.00	0	0	0	0	0
2011	0	0		125.00	0	0	0		75.00	0	0	0	0	0
2012	0	0		125.00	0	0	0		75.00	0	0	0	860,483	860,483
2013	0	0		125.00	0	0	0		75.00	0	0	0	0	0
2014	0	0		125.00	0	0	0		75.00	0	0	0	(21,483)	(21,483)
2015	0	0		125.00	0	0	0		75.00	0	0	0	0	249,750
2016	0	0		127.50	0	0	0		76.50	0	2,547,450	18,500	(839,000)	(1,088,750)
2017	0	0		130.05	0	0	0		78.03	0	0	0	0	0
2018	0	0		132.65	0	0	0		79.59	0	0	0	0	0
2019	0	0		135.30	0	0	0		81.18	0	0	0	0	0
2020	0	0	0	138.01	0	0	0	0	82.81	0	0	0	0	0
2021	0	0	0	140.77	0	0	0	0	84.46	0	0	0	0	0
2022	0	0	0	143.59	0	0	0	0	86.15	0	0	0	0	0
2023	0	0	0	146.46	0	0	0	0	87.87	0	0	0	0	0
2024	0	0	0	149.39	0	0	0	0	89.63	0	0	0	0	0
2025	0	0	0	152.37	0	0	0	0	91.42	0	0	0	0	0
2026	0	0	0	155.42	0	0	0	0	93.25	0	0	0	0	0
2027	0	0	0	158.53	0	0	0	0	95.12	0	0	0	0	0
2028	0	0	0	161.70	0	0	0	0	97.02	0	0	0	0	0
2029	0	0	0	164.93	0	0	0	0	98.96	0	0	0	0	0
2030	0	0	0	168.23	0	0	0	0	100.94	0	0	0	0	0
2031		0	0	171.60	0		0	0	102.96	0	0	0	0	0
	0	0	0		0	0	0	0		0	2,547,450	18,500	0	0

[1] Adj to actual/prelim AV

D A DAVIDSON

SOURCES AND USES OF FUNDS

VAN de WATER METROPOLITAN DISTRICT
GENERAL OBLIGATION REFUNDING AND IMPROVEMENT BONDS, SERIES 2016A
Full Advance Refunding of Series 2007
New Money Senior Parity Bonds
Max size: 105x on 45.98 (D2 target) & 40.00 (D3 target) Mills less Operations Expense
Assumes BBB Rated, BQ, 30-yr. Maturity
(No Growth / No Reassessment Assumptions, wraps Series 2011)
SUBORDINATE SERIES 2016B
[Preliminary -- for discussion only]

Dated Date	03/03/2016
Delivery Date	03/03/2016

Sources:	Ser. 2016A Senior Refunding & New Money	Ser. 2016B Sub Bonds	Total
Bond Proceeds:			
Par Amount	7,040,000.00	4,158,700.00	11,198,700.00
Net Premium	202,885.65		202,885.65
	7,242,885.65	4,158,700.00	11,401,585.65

Uses:	Ser. 2016A Senior Refunding & New Money	Ser. 2016B Sub Bonds	Total
Project Fund Deposits:			
Senior Ser. 2015 Project Fund	3,642,130.17		3,642,130.17
Sub 2015C Project Fund		3,379,471.33	3,379,471.33
Sub 2015D Project Fund		594,348.17	594,348.17
	3,642,130.17	3,973,819.50	7,615,949.67
Refunding Escrow Deposits:			
Cash Deposit	0.62		0.62
SLGS Purchases	2,846,231.00		2,846,231.00
	2,846,231.62		2,846,231.62
Other Fund Deposits:			
Capitalized Interest Fund	536,326.42		536,326.42
Delivery Date Expenses:	216,200.00	184,880.50	401,080.50
Other Uses of Funds:			
Bond Rounding	1,997.44		1,997.44
	7,242,885.65	4,158,700.00	11,401,585.65

BOND MATURITY TABLE

VAN de WATER METROPOLITAN DISTRICT
GENERAL OBLIGATION REFUNDING AND IMPROVEMENT BONDS, SERIES 2016A
Full Advance Refunding of Series 2007
New Money Senior Parity Bonds
Max size: 105x on 45.98 (D2 target) & 40.00 (D3 target) Mills less Operations Expense
Assumes BBB Rated, BQ, 30-yr. Maturity
(No Growth / No Reassessment Assumptions, wraps Series 2011)
SUBORDINATE SERIES 2016B
[Preliminary -- for discussion only]

Maturity Date	Ser. 2016A Senior Refunding & New Money	Ser. 2016B Sub Bonds	Total
12/01/2016	85,000		85,000
12/01/2017	55,000		55,000
12/01/2018	55,000		55,000
12/01/2019	105,000		105,000
12/01/2020	110,000		110,000
12/01/2021	105,000		105,000
12/01/2022	115,000		115,000
12/01/2023	115,000		115,000
12/01/2024	120,000		120,000
12/01/2025	120,000		120,000
12/01/2026	120,000		120,000
12/01/2027	125,000		125,000
12/01/2028	135,000		135,000
12/01/2029	135,000		135,000
12/01/2030	140,000		140,000
12/01/2031	145,000		145,000
12/01/2032	150,000		150,000
12/01/2033	290,000		290,000
12/01/2034	305,000		305,000
12/01/2035	320,000		320,000
12/01/2036	335,000		335,000
12/01/2037	350,000		350,000
12/01/2038	370,000		370,000
12/01/2039	385,000		385,000
12/01/2040	405,000		405,000
12/01/2041	425,000		425,000
12/01/2042	445,000		445,000
12/01/2043	470,000		470,000
12/01/2044	490,000		490,000
12/01/2045	515,000		515,000
12/15/2045		4,158,700	4,158,700
	7,040,000	4,158,700	11,198,700

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BOND PRICING

VAN de WATER METROPOLITAN DISTRICT
GENERAL OBLIGATION REFUNDING AND IMPROVEMENT BONDS, SERIES 2016A
Full Advance Refunding of Series 2007
New Money Senior Parity Bonds
Max size: 105x on 45.98 (D2 target) & 40.00 (D3 target) Mills less Operations Expense
Assumes BBB Rated, BQ, 30-yr. Maturity
(No Growth / No Reassessment Assumptions, wraps Series 2011)
[Preliminary -- for discussion only]

Bond Component	Maturity Date	Amount	Rate	Yield	Price	Yield to Maturity	Call Date	Call Price	Premium (-Discount)
Ser 2016A Term Bond due 2020:									
	12/01/2016	85,000	2.000%	2.000%	100.000				
	12/01/2017	55,000	2.000%	2.000%	100.000				
	12/01/2018	55,000	2.000%	2.000%	100.000				
	12/01/2019	105,000	2.000%	2.000%	100.000				
	12/01/2020	110,000	2.000%	2.000%	100.000				
		410,000							
Ser 2016A Term Bond due 2025:									
	12/01/2021	105,000	3.250%	3.390%	98.843				-1,214.85
	12/01/2022	115,000	3.250%	3.390%	98.843				-1,330.55
	12/01/2023	115,000	3.250%	3.390%	98.843				-1,330.55
	12/01/2024	120,000	3.250%	3.390%	98.843				-1,388.40
	12/01/2025	120,000	3.250%	3.390%	98.843				-1,388.40
		575,000							-6,652.75
Ser 2016A Term Bond due 2030:									
	12/01/2026	120,000	4.250%	3.920%	102.646 C	4.010%	12/01/2025	100.000	3,175.20
	12/01/2027	125,000	4.250%	3.920%	102.646 C	4.010%	12/01/2025	100.000	3,307.50
	12/01/2028	135,000	4.250%	3.920%	102.646 C	4.010%	12/01/2025	100.000	3,572.10
	12/01/2029	135,000	4.250%	3.920%	102.646 C	4.010%	12/01/2025	100.000	3,572.10
	12/01/2030	140,000	4.250%	3.920%	102.646 C	4.010%	12/01/2025	100.000	3,704.40
		655,000							17,331.30
Ser 2016A Term Bond due 2035:									
	12/01/2031	145,000	4.500%	4.200%	102.373 C	4.320%	12/01/2025	100.000	3,440.85
	12/01/2032	150,000	4.500%	4.200%	102.373 C	4.320%	12/01/2025	100.000	3,559.50
	12/01/2033	290,000	4.500%	4.200%	102.373 C	4.320%	12/01/2025	100.000	6,881.70
	12/01/2034	305,000	4.500%	4.200%	102.373 C	4.320%	12/01/2025	100.000	7,237.65
	12/01/2035	320,000	4.500%	4.200%	102.373 C	4.320%	12/01/2025	100.000	7,593.60
		1,210,000							28,713.30
Ser 2016A Term Bond due 2045:									
	12/01/2036	335,000	5.000%	4.500%	103.902 C	4.753%	12/01/2025	100.000	13,071.70
	12/01/2037	350,000	5.000%	4.500%	103.902 C	4.753%	12/01/2025	100.000	13,657.00
	12/01/2038	370,000	5.000%	4.500%	103.902 C	4.753%	12/01/2025	100.000	14,437.40
	12/01/2039	385,000	5.000%	4.500%	103.902 C	4.753%	12/01/2025	100.000	15,022.70
	12/01/2040	405,000	5.000%	4.500%	103.902 C	4.753%	12/01/2025	100.000	15,803.10
	12/01/2041	425,000	5.000%	4.500%	103.902 C	4.753%	12/01/2025	100.000	16,583.50
	12/01/2042	445,000	5.000%	4.500%	103.902 C	4.753%	12/01/2025	100.000	17,363.90
	12/01/2043	470,000	5.000%	4.500%	103.902 C	4.753%	12/01/2025	100.000	18,339.40
	12/01/2044	490,000	5.000%	4.500%	103.902 C	4.753%	12/01/2025	100.000	19,119.80
	12/01/2045	515,000	5.000%	4.500%	103.902 C	4.753%	12/01/2025	100.000	20,095.30
		4,190,000							163,493.80
		7,040,000							202,885.65

Dated Date	03/03/2016	
Delivery Date	03/03/2016	
First Coupon	06/01/2016	
Par Amount	7,040,000.00	
Premium	202,885.65	
Production	7,242,885.65	102.881898%
Underwriter's Discount	-35,200.00	-0.500000%
Purchase Price	7,207,685.65	102.381898%
Accrued Interest		
Net Proceeds	7,207,685.65	

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BOND SUMMARY STATISTICS

VAN de WATER METROPOLITAN DISTRICT
GENERAL OBLIGATION REFUNDING AND IMPROVEMENT BONDS, SERIES 2016A
Full Advance Refunding of Series 2007
New Money Senior Parity Bonds
Max size: 105x on 45.98 (D2 target) & 40.00 (D3 target) Mills less Operations Expense
Assumes BBB Rated, BQ, 30-yr. Maturity
(No Growth / No Reassessment Assumptions, wraps Series 2011)
[Preliminary -- for discussion only]

Dated Date	03/03/2016
Delivery Date	03/03/2016
First Coupon	06/01/2016
Last Maturity	12/01/2045
Arbitrage Yield	5.826163%
True Interest Cost (TIC)	4.563320%
Net Interest Cost (NIC)	4.657835%
All-In TIC	4.765884%
Average Coupon	4.799208%
Average Life (years)	20.385
Weighted Average Maturity (years)	20.488
Duration of Issue (years)	12.920
Par Amount	7,040,000.00
Bond Proceeds	7,242,885.65
Total Interest	6,887,385.83
Net Interest	6,719,700.18
Bond Years from Dated Date	143,510,888.89
Bond Years from Delivery Date	143,510,888.89
Total Debt Service	13,927,385.83
Maximum Annual Debt Service	545,250.00
Average Annual Debt Service	468,234.86
Underwriter's Fees (per $1000)	
Average Takedown	
Other Fee	5.000000
Total Underwriter's Discount	5.000000
Bid Price	102.381898

Bond Component	Par Value	Price	Average Coupon	Average Life	PV of 1 bp change
Ser 2016A Term Bond due 2020	410,000.00	100.000	2.000%	2.988	184.50
Ser 2016A Term Bond due 2025	575,000.00	98.843	3.250%	7.805	471.50
Ser 2016A Term Bond due 2030	655,000.00	102.646	4.250%	12.821	537.10
Ser 2016A Term Bond due 2035	1,210,000.00	102.373	4.500%	18.162	980.10
Ser 2016A Term Bond due 2045	4,190,000.00	103.902	5.000%	25.638	3,352.00
	7,040,000.00			20.385	5,525.20

	TIC	All-In TIC	Arbitrage Yield
Par Value	7,040,000.00	7,040,000.00	11,198,700.00
+ Accrued Interest			
+ Premium (Discount)	202,885.65	202,885.65	202,885.65
- Underwriter's Discount	-35,200.00	-35,200.00	
- Cost of Issuance Expense		-181,000.00	
- Other Amounts			
Target Value	7,207,685.65	7,026,685.65	11,401,585.65
Target Date	03/03/2016	03/03/2016	03/03/2016
Yield	4.563320%	4.765884%	5.826163%

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BOND DEBT SERVICE

VAN de WATER METROPOLITAN DISTRICT
GENERAL OBLIGATION REFUNDING AND IMPROVEMENT BONDS, SERIES 2016A
Full Advance Refunding of Series 2007
New Money Senior Parity Bonds
Max size: 105x on 45.98 (D2 target) & 40.00 (D3 target) Mills less Operations Expense
Assumes BBB Rated, BQ, 30-yr. Maturity
(No Growth / No Reassessment Assumptions, wraps Series 2011)
[Preliminary -- for discussion only]

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
06/01/2016			77,898.33	77,898.33	
12/01/2016	85,000	2.000%	159,337.50	244,337.50	322,235.83
06/01/2017			158,487.50	158,487.50	
12/01/2017	55,000	2.000%	158,487.50	213,487.50	371,975.00
06/01/2018			157,937.50	157,937.50	
12/01/2018	55,000	2.000%	157,937.50	212,937.50	370,875.00
06/01/2019			157,387.50	157,387.50	
12/01/2019	105,000	2.000%	157,387.50	262,387.50	419,775.00
06/01/2020			156,337.50	156,337.50	
12/01/2020	110,000	2.000%	156,337.50	266,337.50	422,675.00
06/01/2021			155,237.50	155,237.50	
12/01/2021	105,000	3.250%	155,237.50	260,237.50	415,475.00
06/01/2022			153,531.25	153,531.25	
12/01/2022	115,000	3.250%	153,531.25	268,531.25	422,062.50
06/01/2023			151,662.50	151,662.50	
12/01/2023	115,000	3.250%	151,662.50	266,662.50	418,325.00
06/01/2024			149,793.75	149,793.75	
12/01/2024	120,000	3.250%	149,793.75	269,793.75	419,587.50
06/01/2025			147,843.75	147,843.75	
12/01/2025	120,000	3.250%	147,843.75	267,843.75	415,687.50
06/01/2026			145,893.75	145,893.75	
12/01/2026	120,000	4.250%	145,893.75	265,893.75	411,787.50
06/01/2027			143,343.75	143,343.75	
12/01/2027	125,000	4.250%	143,343.75	268,343.75	411,687.50
06/01/2028			140,687.50	140,687.50	
12/01/2028	135,000	4.250%	140,687.50	275,687.50	416,375.00
06/01/2029			137,818.75	137,818.75	
12/01/2029	135,000	4.250%	137,818.75	272,818.75	410,637.50
06/01/2030			134,950.00	134,950.00	
12/01/2030	140,000	4.250%	134,950.00	274,950.00	409,900.00
06/01/2031			131,975.00	131,975.00	
12/01/2031	145,000	4.500%	131,975.00	276,975.00	408,950.00
06/01/2032			128,712.50	128,712.50	
12/01/2032	150,000	4.500%	128,712.50	278,712.50	407,425.00
06/01/2033			125,337.50	125,337.50	
12/01/2033	290,000	4.500%	125,337.50	415,337.50	540,675.00
06/01/2034			118,812.50	118,812.50	
12/01/2034	305,000	4.500%	118,812.50	423,812.50	542,625.00
06/01/2035			111,950.00	111,950.00	
12/01/2035	320,000	4.500%	111,950.00	431,950.00	543,900.00
06/01/2036			104,750.00	104,750.00	
12/01/2036	335,000	5.000%	104,750.00	439,750.00	544,500.00
06/01/2037			96,375.00	96,375.00	
12/01/2037	350,000	5.000%	96,375.00	446,375.00	542,750.00
06/01/2038			87,625.00	87,625.00	
12/01/2038	370,000	5.000%	87,625.00	457,625.00	545,250.00
06/01/2039			78,375.00	78,375.00	
12/01/2039	385,000	5.000%	78,375.00	463,375.00	541,750.00
06/01/2040			68,750.00	68,750.00	
12/01/2040	405,000	5.000%	68,750.00	473,750.00	542,500.00
06/01/2041			58,625.00	58,625.00	
12/01/2041	425,000	5.000%	58,625.00	483,625.00	542,250.00
06/01/2042			48,000.00	48,000.00	
12/01/2042	445,000	5.000%	48,000.00	493,000.00	541,000.00
06/01/2043			36,875.00	36,875.00	
12/01/2043	470,000	5.000%	36,875.00	506,875.00	543,750.00
06/01/2044			25,125.00	25,125.00	
12/01/2044	490,000	5.000%	25,125.00	515,125.00	540,250.00
06/01/2045			12,875.00	12,875.00	
12/01/2045	515,000	5.000%	12,875.00	527,875.00	540,750.00
	7,040,000		6,887,385.83	13,927,385.83	13,927,385.83

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NET DEBT SERVICE BREAKDOWN

VAN de WATER METROPOLITAN DISTRICT
GENERAL OBLIGATION REFUNDING AND IMPROVEMENT BONDS, SERIES 2016A
Full Advance Refunding of Series 2007
New Money Senior Parity Bonds
Max size: 105x on 45.98 (D2 target) & 40.00 (D3 target) Mills less Operations Expense
Assumes BBB Rated, BQ, 30-yr. Maturity
(No Growth / No Reassessment Assumptions, wraps Series 2011)
[Preliminary -- for discussion only]

Date	Ser. 2016A Senior Refunding	Ser. 2016A Senior New Money	Total	Annual Total
06/01/2016	30,051.39		30,051.39	
12/01/2016	146,468.75		146,468.75	176,520.14
06/01/2017	60,618.75		60,618.75	
12/01/2017	115,618.75		115,618.75	176,237.50
06/01/2018	60,068.75		60,068.75	
12/01/2018	115,068.75		115,068.75	175,137.50
06/01/2019	59,518.75	97,868.75	157,387.50	
12/01/2019	119,518.75	142,868.75	262,387.50	419,775.00
06/01/2020	58,918.75	97,418.75	156,337.50	
12/01/2020	118,918.75	147,418.75	266,337.50	422,675.00
06/01/2021	58,318.75	96,918.75	155,237.50	
12/01/2021	118,318.75	141,918.75	260,237.50	415,475.00
06/01/2022	57,343.75	96,187.50	153,531.25	
12/01/2022	117,343.75	151,187.50	268,531.25	422,062.50
06/01/2023	56,368.75	95,293.75	151,662.50	
12/01/2023	121,368.75	145,293.75	266,662.50	418,325.00
06/01/2024	55,312.50	94,481.25	149,793.75	
12/01/2024	120,312.50	149,481.25	269,793.75	419,587.50
06/01/2025	54,256.25	93,587.50	147,843.75	
12/01/2025	124,256.25	143,587.50	267,843.75	415,687.50
06/01/2026	53,118.75	92,775.00	145,893.75	
12/01/2026	123,118.75	142,775.00	265,893.75	411,787.50
06/01/2027	51,631.25	91,712.50	143,343.75	
12/01/2027	126,631.25	141,712.50	268,343.75	411,687.50
06/01/2028	50,037.50	90,650.00	140,687.50	
12/01/2028	125,037.50	150,650.00	275,687.50	416,375.00
06/01/2029	48,443.75	89,375.00	137,818.75	
12/01/2029	128,443.75	144,375.00	272,818.75	410,637.50
06/01/2030	46,743.75	88,206.25	134,950.00	
12/01/2030	131,743.75	143,206.25	274,950.00	409,900.00
06/01/2031	44,937.50	87,037.50	131,975.00	
12/01/2031	129,937.50	147,037.50	276,975.00	408,950.00
06/01/2032	43,025.00	85,687.50	128,712.50	
12/01/2032	133,025.00	145,687.50	278,712.50	407,425.00
06/01/2033	41,000.00	84,337.50	125,337.50	
12/01/2033	136,000.00	279,337.50	415,337.50	540,675.00
06/01/2034	38,862.50	79,950.00	118,812.50	
12/01/2034	138,862.50	284,950.00	423,812.50	542,625.00
06/01/2035	36,612.50	75,337.50	111,950.00	
12/01/2035	141,812.50	290,337.50	431,950.00	543,900.00
06/01/2036	34,250.00	70,500.00	104,750.00	
12/01/2036	144,250.00	295,500.00	439,750.00	544,500.00
06/01/2037	31,500.00	64,875.00	96,375.00	
12/01/2037	146,500.00	299,875.00	446,375.00	542,750.00
06/01/2038	28,625.00	59,000.00	87,625.00	
12/01/2038	148,625.00	309,000.00	457,625.00	545,250.00
06/01/2039	25,625.00	52,750.00	78,375.00	
12/01/2039	150,625.00	312,750.00	463,375.00	541,750.00
06/01/2040	22,500.00	46,250.00	68,750.00	
12/01/2040	152,500.00	321,250.00	473,750.00	542,500.00
06/01/2041	19,250.00	39,375.00	58,625.00	
12/01/2041	159,250.00	324,375.00	483,625.00	542,250.00
06/01/2042	15,750.00	32,250.00	48,000.00	
12/01/2042	160,750.00	332,250.00	493,000.00	541,000.00
06/01/2043	12,125.00	24,750.00	36,875.00	
12/01/2043	167,125.00	339,750.00	506,875.00	543,750.00
06/01/2044	8,250.00	16,875.00	25,125.00	
12/01/2044	168,250.00	346,875.00	515,125.00	540,250.00
06/01/2045	4,250.00	8,625.00	12,875.00	
12/01/2045	174,250.00	353,625.00	527,875.00	540,750.00
	5,311,045.14	8,079,150.00	13,390,195.14	13,390,195.14

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AGGREGATE DEBT SERVICE

VAN de WATER METROPOLITAN DISTRICT
GENERAL OBLIGATION REFUNDING AND IMPROVEMENT BONDS, SERIES 2016A

Full Advance Refunding of Series 2007
New Money Senior Parity Bonds
Max size: 105x on 45.98 (D2 target) & 40.00 (D3 target) Mills less Operations Expense
Assumes BBB Rated, BQ, 30-yr. Maturity
(No Growth / No Reassessment Assumptions, wraps Series 2011)
[Preliminary -- for discussion only]

Date	Ser. 2016A Senior Refunding Principal	Ser. 2016A Senior Refunding Interest	Ser. 2016A Senior Refunding Debt Service	Ser. 2016A Senior New Money Principal	Ser. 2016A Senior New Money Interest	Ser. 2016A Senior New Money Debt Service	Aggregate Debt Service	Less Capitalized Interest, plus Ser. 2011 DS and FOH	Annual Total
12/01/2016	85,000	91,520.14	176,520.14		145,715.69	145,715.69	322,235.83	-24,115.69	298,120.14
12/01/2017	55,000	121,237.50	176,237.50		195,737.50	195,737.50	371,975.00	-71,537.50	300,437.50
12/01/2018	55,000	120,137.50	175,137.50		195,737.50	195,737.50	370,875.00	-69,337.50	301,537.50
12/01/2019	60,000	119,037.50	179,037.50	45,000	195,737.50	240,737.50	419,775.00	123,200.00	542,975.00
12/01/2020	60,000	117,837.50	177,837.50	50,000	194,837.50	244,837.50	422,675.00	120,000.00	542,675.00
12/01/2021	60,000	116,637.50	176,637.50	45,000	193,837.50	238,837.50	415,475.00	126,800.00	542,275.00
12/01/2022	60,000	114,687.50	174,687.50	55,000	192,375.00	247,375.00	422,062.50	122,800.00	544,862.50
12/01/2023	65,000	112,737.50	177,737.50	50,000	190,587.50	240,587.50	418,325.00	123,800.00	542,125.00
12/01/2024	65,000	110,625.00	175,625.00	55,000	188,962.50	243,962.50	419,587.50	124,400.00	543,987.50
12/01/2025	70,000	108,512.50	178,512.50	50,000	187,175.00	237,175.00	415,687.50	124,600.00	540,287.50
12/01/2026	70,000	106,237.50	176,237.50	50,000	185,550.00	235,550.00	411,787.50	129,400.00	541,187.50
12/01/2027	75,000	103,262.50	178,262.50	50,000	183,425.00	233,425.00	411,687.50	128,400.00	540,087.50
12/01/2028	75,000	100,075.00	175,075.00	60,000	181,300.00	241,300.00	416,375.00	127,000.00	543,375.00
12/01/2029	80,000	96,887.50	176,887.50	55,000	178,750.00	233,750.00	410,637.50	130,200.00	540,837.50
12/01/2030	85,000	93,487.50	178,487.50	55,000	176,412.50	231,412.50	409,900.00	132,600.00	542,500.00
12/01/2031	85,000	89,875.00	174,875.00	60,000	174,075.00	234,075.00	408,950.00	134,200.00	543,150.00
12/01/2032	90,000	86,050.00	176,050.00	60,000	171,375.00	231,375.00	407,425.00	135,000.00	542,425.00
12/01/2033	95,000	82,000.00	177,000.00	195,000	168,675.00	363,675.00	540,675.00		540,675.00
12/01/2034	100,000	77,725.00	177,725.00	205,000	159,900.00	364,900.00	542,625.00		542,625.00
12/01/2035	105,000	73,225.00	178,225.00	215,000	150,675.00	365,675.00	543,900.00		543,900.00
12/01/2036	110,000	68,500.00	178,500.00	225,000	141,000.00	366,000.00	544,500.00		544,500.00
12/01/2037	115,000	63,000.00	178,000.00	235,000	129,750.00	364,750.00	542,750.00		542,750.00
12/01/2038	120,000	57,250.00	177,250.00	250,000	118,000.00	368,000.00	545,250.00		545,250.00
12/01/2039	125,000	51,250.00	176,250.00	260,000	105,500.00	365,500.00	541,750.00		541,750.00
12/01/2040	130,000	45,000.00	175,000.00	275,000	92,500.00	367,500.00	542,500.00		542,500.00
12/01/2041	140,000	38,500.00	178,500.00	285,000	78,750.00	363,750.00	542,250.00		542,250.00
12/01/2042	145,000	31,500.00	176,500.00	300,000	64,500.00	364,500.00	541,000.00		541,000.00
12/01/2043	155,000	24,250.00	179,250.00	315,000	49,500.00	364,500.00	543,750.00		543,750.00
12/01/2044	160,000	16,500.00	176,500.00	330,000	33,750.00	363,750.00	540,250.00		540,250.00
12/01/2045	170,000	8,500.00	178,500.00	345,000	17,250.00	362,250.00	540,750.00		540,750.00
	2,865,000	2,446,045.14	5,311,045.14	4,175,000	4,441,340.69	8,616,340.69	13,927,385.83	1,617,409.31	15,544,795.14

D A DAVIDSON

SOURCES AND USES OF FUNDS

VAN de WATER METROPOLITAN DISTRICT
GENERAL OBLIGATION BONDS, SERIES 2016A (REFUNDING)
Max size: 105x on 45.98 (D2 target) & 40.00 (D3 target) Mills less Operations Expense
Advance Refunding of Series 2007
Assumes BBB Rated, BQ, 30-yr. Maturity
(No Growth Assumptions, wraps Series 2011)
[Preliminary -- for discussion only]

Dated Date	03/03/2016
Delivery Date	03/03/2016

Sources:	
Bond Proceeds:	
Par Amount	2,865,000.00
Net Premium	71,213.85
	2,936,213.85
Uses:	
Refunding Escrow Deposits:	
Cash Deposit	0.62
SLGS Purchases	2,846,231.00
	2,846,231.62
Delivery Date Expenses:	87,984.79
Other Uses of Funds:	
Bond Rounding	1,997.44
	2,936,213.85

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BOND DEBT SERVICE

VAN de WATER METROPOLITAN DISTRICT
GENERAL OBLIGATION BONDS, SERIES 2016A (REFUNDING)
Max size: 105x on 45.98 (D2 target) & 40.00 (D3 target) Mills less Operations Expense
Advance Refunding of Series 2007
Assumes BBB Rated, BQ, 30-yr. Maturity
(No Growth Assumptions, wraps Series 2011)
[Preliminary – for discussion only]

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
06/01/2016			30,051.39	30,051.39	
12/01/2016	85,000	2.000%	61,468.75	146,468.75	176,520.14
06/01/2017			60,618.75	60,618.75	
12/01/2017	55,000	2.000%	60,618.75	115,618.75	176,237.50
06/01/2018			60,068.75	60,068.75	
12/01/2018	55,000	2.000%	60,068.75	115,068.75	175,137.50
06/01/2019			59,518.75	59,518.75	
12/01/2019	60,000	2.000%	59,518.75	119,518.75	179,037.50
06/01/2020			58,918.75	58,918.75	
12/01/2020	60,000	2.000%	58,918.75	118,918.75	177,837.50
06/01/2021			58,318.75	58,318.75	
12/01/2021	60,000	3.250%	58,318.75	118,318.75	176,637.50
06/01/2022			57,343.75	57,343.75	
12/01/2022	60,000	3.250%	57,343.75	117,343.75	174,687.50
06/01/2023			56,368.75	56,368.75	
12/01/2023	65,000	3.250%	56,368.75	121,368.75	177,737.50
06/01/2024			55,312.50	55,312.50	
12/01/2024	65,000	3.250%	55,312.50	120,312.50	175,625.00
06/01/2025			54,256.25	54,256.25	
12/01/2025	70,000	3.250%	54,256.25	124,256.25	178,512.50
06/01/2026			53,118.75	53,118.75	
12/01/2026	70,000	4.250%	53,118.75	123,118.75	176,237.50
06/01/2027			51,631.25	51,631.25	
12/01/2027	75,000	4.250%	51,631.25	126,631.25	178,262.50
06/01/2028			50,037.50	50,037.50	
12/01/2028	75,000	4.250%	50,037.50	125,037.50	175,075.00
06/01/2029			48,443.75	48,443.75	
12/01/2029	80,000	4.250%	48,443.75	128,443.75	176,887.50
06/01/2030			46,743.75	46,743.75	
12/01/2030	85,000	4.250%	46,743.75	131,743.75	178,487.50
06/01/2031			44,937.50	44,937.50	
12/01/2031	85,000	4.500%	44,937.50	129,937.50	174,875.00
06/01/2032			43,025.00	43,025.00	
12/01/2032	90,000	4.500%	43,025.00	133,025.00	176,050.00
06/01/2033			41,000.00	41,000.00	
12/01/2033	95,000	4.500%	41,000.00	136,000.00	177,000.00
06/01/2034			38,862.50	38,862.50	
12/01/2034	100,000	4.500%	38,862.50	138,862.50	177,725.00
06/01/2035			36,612.50	36,612.50	
12/01/2035	105,000	4.500%	36,612.50	141,612.50	178,225.00
06/01/2036			34,250.00	34,250.00	
12/01/2036	110,000	5.000%	34,250.00	144,250.00	178,500.00
06/01/2037			31,500.00	31,500.00	
12/01/2037	115,000	5.000%	31,500.00	146,500.00	178,000.00
06/01/2038			28,625.00	28,625.00	
12/01/2038	120,000	5.000%	28,625.00	148,625.00	177,250.00
06/01/2039			25,625.00	25,625.00	
12/01/2039	125,000	5.000%	25,625.00	150,625.00	176,250.00
06/01/2040			22,500.00	22,500.00	
12/01/2040	130,000	5.000%	22,500.00	152,500.00	175,000.00
06/01/2041			19,250.00	19,250.00	
12/01/2041	140,000	5.000%	19,250.00	159,250.00	178,500.00
06/01/2042			15,750.00	15,750.00	
12/01/2042	145,000	5.000%	15,750.00	160,750.00	176,500.00
06/01/2043			12,125.00	12,125.00	
12/01/2043	155,000	5.000%	12,125.00	167,125.00	179,250.00
06/01/2044			8,250.00	8,250.00	
12/01/2044	160,000	5.000%	8,250.00	168,250.00	176,500.00
06/01/2045			4,250.00	4,250.00	
12/01/2045	170,000	5.000%	4,250.00	174,250.00	178,500.00
	2,865,000		2,446,045.14	5,311,045.14	5,311,045.14

D A DAVIDSON

CALL PROVISIONS

VAN de WATER METROPOLITAN DISTRICT
GENERAL OBLIGATION BONDS, SERIES 2016A (REFUNDING)
Max size: 105x on 45.98 (D2 target) & 40.00 (D3 target) Mills less Operations Expense
Advance Refunding of Series 2007
Assumes BBB Rated, BQ, 30-yr. Maturity
(No Growth Assumptions, wraps Series 2011)
[Preliminary -- for discussion only]

Call Table: CALL

Call Date	Call Price
12/01/2025	100.00

SUMMARY OF REFUNDING RESULTS

VAN de WATER METROPOLITAN DISTRICT
GENERAL OBLIGATION BONDS, SERIES 2016A (REFUNDING)
Max size: 105x on 45.98 (D2 target) & 40.00 (D3 target) Mills less Operations Expense
Advance Refunding of Series 2007
Assumes BBB Rated, BQ, 30-yr. Maturity
(No Growth Assumptions, wraps Series 2011)
[Preliminary -- for discussion only]

Dated Date	03/03/2016
Delivery Date	03/03/2016
Arbitrage yield	5.826163%
Escrow yield	0.754161%
Value of Negative Arbitrage	221,475.18
Bond Par Amount	2,865,000.00
True Interest Cost	4.477586%
Net Interest Cost	4.577738%
All-In TIC	4.698627%
Average Coupon	4.715010%
Average Life	18.107
Par amount of refunded bonds	2,555,000.00
Average coupon of refunded bonds	6.500000%
Average life of refunded bonds	10.124
PV of prior debt to 03/03/2016 @ 4.435590%	3,006,417.59
Net PV Savings	72,201.18
Percentage savings of refunded bonds	2.825878%

D.A. DAVIDSON

SAVINGS

VAN de WATER METROPOLITAN DISTRICT
GENERAL OBLIGATION BONDS, SERIES 2016A (REFUNDING)
Max size: 105x on 45.98 (D2 target) & 40.00 (D3 target) Mills less Operations Expense
Advance Refunding of Series 2007
Assumes BBB Rated, BQ, 30-yr. Maturity
(No Growth Assumptions, wraps Series 2011)
[Preliminary -- for discussion only]

Date	Prior Debt Service	Refunding Debt Service	Savings	Annual Savings	Present Value to 03/03/2016 @ 4.4365904%
06/01/2016	83,037.50	30,051.39	52,986.11		52,420.92
12/01/2016	173,037.50	146,468.75	26,568.75	79,554.86	25,715.04
06/01/2017	80,112.50	60,618.75	19,493.75		18,458.01
12/01/2017	175,112.50	115,618.75	59,493.75	78,987.50	55,110.51
06/01/2018	77,025.00	60,068.75	16,956.25		15,366.20
12/01/2018	177,025.00	115,068.75	61,956.25	78,912.50	54,928.18
06/01/2019	73,775.00	59,518.75	14,256.25		12,364.85
12/01/2019	183,775.00	119,518.75	64,256.25	78,512.50	54,522.08
06/01/2020	70,200.00	58,918.75	11,281.25		9,364.57
12/01/2020	185,200.00	118,918.75	66,281.25	77,562.50	53,826.32
06/01/2021	66,462.50	58,318.75	8,143.75		6,469.97
12/01/2021	186,462.50	118,318.75	68,143.75	76,287.50	52,963.54
06/01/2022	62,562.50	57,343.75	5,218.75		3,968.18
12/01/2022	192,562.50	117,343.75	75,218.75	80,437.50	55,953.09
06/01/2023	58,337.50	56,368.75	1,968.75		1,432.72
12/01/2023	193,337.50	121,368.75	71,968.75	73,937.50	51,237.62
06/01/2024	53,950.00	55,312.50	-1,362.50		-948.98
12/01/2024	198,950.00	120,312.50	78,637.50	77,275.00	53,582.34
06/01/2025	49,237.50	54,256.25	-5,018.75		-3,345.50
12/01/2025	204,237.50	124,256.25	79,981.25	74,962.50	52,158.74
06/01/2026	44,200.00	53,118.75	-8,918.75		-5,690.05
12/01/2026	204,200.00	123,118.75	81,081.25	72,162.50	50,606.50
06/01/2027	39,000.00	51,631.25	-12,631.25		-7,712.69
12/01/2027	209,000.00	126,631.25	82,368.75	69,737.50	49,203.43
06/01/2028	33,475.00	50,037.50	-16,562.50		-9,679.04
12/01/2028	218,475.00	125,037.50	93,437.50	76,875.00	53,419.65
06/01/2029	27,462.50	48,443.75	-20,981.25		-11,735.04
12/01/2029	222,462.50	128,443.75	94,018.75	73,037.50	51,444.78
06/01/2030	21,125.00	46,743.75	-25,618.75		-13,713.81
12/01/2030	226,125.00	131,743.75	94,381.25	68,762.50	49,426.47
06/01/2031	14,462.50	44,937.50	-30,475.00		-15,613.17
12/01/2031	229,462.50	129,937.50	99,525.00	69,050.00	49,883.05
06/01/2032	7,475.00	43,025.00	-35,550.00		-17,431.47
12/01/2032	237,475.00	133,025.00	104,450.00	68,900.00	50,104.44
06/01/2033		41,000.00	-41,000.00		-19,240.89
12/01/2033		136,000.00	-136,000.00	-177,000.00	-62,438.68
06/01/2034		38,862.50	-38,862.50		-17,454.97
12/01/2034		138,862.50	-138,862.50	-177,725.00	-61,016.42
06/01/2035		36,612.50	-36,612.50		-15,738.55
12/01/2035		141,612.50	-141,612.50	-178,225.00	-59,553.92
06/01/2036		34,250.00	-34,250.00		-14,091.03
12/01/2036		144,250.00	-144,250.00	-178,500.00	-58,059.27
06/01/2037		31,500.00	-31,500.00		-12,403.37
12/01/2037		146,500.00	-146,500.00	-178,000.00	-56,433.93
06/01/2038		28,625.00	-28,625.00		-10,787.52
12/01/2038		148,625.00	-148,625.00	-177,250.00	-54,795.08
06/01/2039		25,625.00	-25,625.00		-9,242.45
12/01/2039		150,625.00	-150,625.00	-176,250.00	-53,148.83
06/01/2040		22,500.00	-22,500.00		-7,766.99
12/01/2040		152,500.00	-152,500.00	-175,000.00	-51,500.74
06/01/2041		19,250.00	-19,250.00		-6,359.86
12/01/2041		159,250.00	-159,250.00	-178,500.00	-51,471.88
06/01/2042		15,750.00	-15,750.00		-4,980.18
12/01/2042		160,750.00	-160,750.00	-176,500.00	-49,726.58
06/01/2043		12,125.00	-12,125.00		-3,669.38
12/01/2043		167,125.00	-167,125.00	-179,250.00	-49,479.58
06/01/2044		8,250.00	-8,250.00		-2,389.53
12/01/2044		168,250.00	-168,250.00	-176,500.00	-47,674.55
06/01/2045		4,250.00	-4,250.00		-1,178.13
12/01/2045		174,250.00	-174,250.00	-178,500.00	-47,255.39
	4,278,800.00	5,311,045.14	-1,032,245.14	-1,032,245.14	70,203.74

D.A DAVIDSON

SAVINGS

VAN de WATER METROPOLITAN DISTRICT
GENERAL OBLIGATION BONDS, SERIES 2016A (REFUNDING)
Max size: 105x on 45.98 (D2 target) & 40.00 (D3 target) Mills less Operations Expense
Advance Refunding of Series 2007
Assumes BBB Rated, BQ, 30-yr. Maturity
(No Growth Assumptions, wraps Series 2011)
[Preliminary -- for discussion only]

Savings Summary

PV of savings from cash flow	70,203.74
Plus: Refunding funds on hand	1,997.44
Net PV Savings	72,201.18

D A DAVIDSON

SUMMARY OF BONDS REFUNDED

VAN de WATER METROPOLITAN DISTRICT
GENERAL OBLIGATION BONDS, SERIES 2016A (REFUNDING)
Max size: 105x on 45.98 (D2 target) & 40.00 (D3 target) Mills less Operations Expense
Advance Refunding of Series 2007
Assumes BBB Rated, BQ, 30-yr. Maturity
(No Growth Assumptions, wraps Series 2011)
[Preliminary – for discussion only]

Bond	Maturity Date	Interest Rate	Par Amount	Call Date	Call Price
12/20/07: SER 07 LTGO, $3.000M, 2032 mat (call 12/1/17):					
TERM32	12/01/2016	6.500%	90,000.00		
	12/01/2017	6.500%	95,000.00		
	12/01/2018	6.500%	100,000.00	12/01/2017	100.000
	12/01/2019	6.500%	110,000.00	12/01/2017	100.000
	12/01/2020	6.500%	115,000.00	12/01/2017	100.000
	12/01/2021	6.500%	120,000.00	12/01/2017	100.000
	12/01/2022	6.500%	130,000.00	12/01/2017	100.000
	12/01/2023	6.500%	135,000.00	12/01/2017	100.000
	12/01/2024	6.500%	145,000.00	12/01/2017	100.000
	12/01/2025	6.500%	155,000.00	12/01/2017	100.000
	12/01/2026	6.500%	160,000.00	12/01/2017	100.000
	12/01/2027	6.500%	170,000.00	12/01/2017	100.000
	12/01/2028	6.500%	185,000.00	12/01/2017	100.000
	12/01/2029	6.500%	195,000.00	12/01/2017	100.000
	12/01/2030	6.500%	205,000.00	12/01/2017	100.000
	12/01/2031	6.500%	215,000.00	12/01/2017	100.000
	12/01/2032	6.500%	230,000.00	12/01/2017	100.000
			2,555,000.00		

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ESCROW REQUIREMENTS

VAN de WATER METROPOLITAN DISTRICT
GENERAL OBLIGATION BONDS, SERIES 2016A (REFUNDING)
Max size: 105x on 45.98 (D2 target) & 40.00 (D3 target) Mills less Operations Expense
Advance Refunding of Series 2007
Assumes BBB Rated, BQ, 30-yr. Maturity
(No Growth Assumptions, wraps Series 2011)
[Preliminary -- for discussion only]

Dated Date 03/03/2016
Delivery Date 03/03/2016

Period Ending	Principal	Interest	Principal Redeemed	Total
06/01/2016		83,037.50		83,037.50
12/01/2016	90,000.00	83,037.50		173,037.50
06/01/2017		80,112.50		80,112.50
12/01/2017	95,000.00	80,112.50	2,370,000.00	2,545,112.50
	185,000.00	326,300.00	2,370,000.00	2,881,300.00

D A DAVIDSON

PRIOR BOND DEBT SERVICE

VAN de WATER METROPOLITAN DISTRICT
GENERAL OBLIGATION BONDS, SERIES 2016A (REFUNDING)
Max size: 105x on 45.98 (D2 target) & 40.00 (D3 target) Mills less Operations Expense
Advance Refunding of Series 2007
Assumes BBB Rated, BQ, 30-yr. Maturity
(No Growth Assumptions, wraps Series 2011)
[Preliminary -- for discussion only]

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
06/01/2016			83,037.50	83,037.50	
12/01/2016	90,000	6.500%	83,037.50	173,037.50	256,075
06/01/2017			80,112.50	80,112.50	
12/01/2017	95,000	6.500%	80,112.50	175,112.50	255,225
06/01/2018			77,025.00	77,025.00	
12/01/2018	100,000	6.500%	77,025.00	177,025.00	254,050
06/01/2019			73,775.00	73,775.00	
12/01/2019	110,000	6.500%	73,775.00	183,775.00	257,550
06/01/2020			70,200.00	70,200.00	
12/01/2020	115,000	6.500%	70,200.00	185,200.00	255,400
06/01/2021			66,462.50	66,462.50	
12/01/2021	120,000	6.500%	66,462.50	186,462.50	252,925
06/01/2022			62,562.50	62,562.50	
12/01/2022	130,000	6.500%	62,562.50	192,562.50	255,125
06/01/2023			58,337.50	58,337.50	
12/01/2023	135,000	6.500%	58,337.50	193,337.50	251,675
06/01/2024			53,950.00	53,950.00	
12/01/2024	145,000	6.500%	53,950.00	198,950.00	252,900
06/01/2025			49,237.50	49,237.50	
12/01/2025	155,000	6.500%	49,237.50	204,237.50	253,475
06/01/2026			44,200.00	44,200.00	
12/01/2026	160,000	6.500%	44,200.00	204,200.00	248,400
06/01/2027			39,000.00	39,000.00	
12/01/2027	170,000	6.500%	39,000.00	209,000.00	248,000
06/01/2028			33,475.00	33,475.00	
12/01/2028	185,000	6.500%	33,475.00	218,475.00	251,950
06/01/2029			27,462.50	27,462.50	
12/01/2029	195,000	6.500%	27,462.50	222,462.50	249,925
06/01/2030			21,125.00	21,125.00	
12/01/2030	205,000	6.500%	21,125.00	226,125.00	247,250
06/01/2031			14,462.50	14,462.50	
12/01/2031	215,000	6.500%	14,462.50	229,462.50	243,925
06/01/2032			7,475.00	7,475.00	
12/01/2032	230,000	6.500%	7,475.00	237,475.00	244,950
	2,555,000		1,723,800.00	4,278,800.00	4,278,800

D.A DAVIDSON

ESCROW DESCRIPTIONS

VAN de WATER METROPOLITAN DISTRICT
GENERAL OBLIGATION BONDS, SERIES 2016A (REFUNDING)
Max size: 105x on 45.98 (D2 target) & 40.00 (D3 target) Mills less Operations Expense
Advance Refunding of Series 2007
Assumes BBB Rated, BQ, 30-yr. Maturity
(No Growth Assumptions, wraps Series 2011)
[Preliminary -- for discussion only]

	Type of Security	Type of SLGS	Maturity Date	First Int Pmt Date	Par Amount	Rate	Max Rate	Total Cost
Mar 3, 2016:								
	SLGS	Certificate	06/01/2016	06/01/2016	78,125	0.090%	0.090%	78,125.00
	SLGS	Certificate	12/01/2016	12/01/2016	162,597	0.400%	0.400%	162,597.00
	SLGS	Note	06/01/2017	06/01/2016	70,158	0.550%	0.550%	70,158.00
	SLGS	Note	12/01/2017	06/01/2016	2,535,351	0.770%	0.770%	2,535,351.00
					2,846,231			2,846,231.00

SLGS Summary

SLGS Rates File	24NOV15
Total Certificates of Indebtedness	240,722.00
Total Notes	2,605,509.00
Total original SLGS	2,846,231.00

D A DAVIDSON

ESCROW STATISTICS

VAN de WATER METROPOLITAN DISTRICT
GENERAL OBLIGATION BONDS, SERIES 2016A (REFUNDING)
Max size: 105x on 45.98 (D2 target) & 40.00 (D3 target) Mills less Operations Expense
Advance Refunding of Series 2007
Assumes BBB Rated, BQ, 30-yr. Maturity
(No Growth Assumptions, wraps Series 2011)
[Preliminary -- for discussion only]

Total Escrow Cost	Modified Duration (years)	PV of 1 bp change	Yield to Receipt Date	Yield to Disbursement Date	Perfect Escrow Cost	Value of Negative Arbitrage	Cost of Dead Time
2,846,231.62	1.620	461.11	0.754161%	0.754161%	2,624,756.37	221,475.18	0.07
2,846,231.62		461.11			2,624,756.37	221,475.18	0.07

Delivery date	03/03/2016
Arbitrage yield	5.826163%

D A DAVIDSON

SUMMARY OF UNREFUNDED BONDS

VAN de WATER METROPOLITAN DISTRICT
GENERAL OBLIGATION BONDS, SERIES 2016A (REFUNDING)
Max size: 105x on 45.98 (D2 target) & 40.00 (D3 target) Mills less Operations Expense
Advance Refunding of Series 2007
Assumes BBB Rated, BQ, 30-yr. Maturity
(No Growth Assumptions, wraps Series 2011)
[Preliminary -- for discussion only]

Bond	Maturity Date	Interest Rate	Par Amount
8/30/11: SER 11 LTGO, $1.200M, 2032 mat (call 12/1/21):			
TERM32	12/01/2016	8.000%	30,000.00
	12/01/2017	8.000%	35,000.00
	12/01/2018	8.000%	40,000.00
	12/01/2019	8.000%	40,000.00
	12/01/2020	8.000%	40,000.00
	12/01/2021	8.000%	50,000.00
	12/01/2022	8.000%	50,000.00
	12/01/2023	8.000%	55,000.00
	12/01/2024	8.000%	60,000.00
	12/01/2025	8.000%	65,000.00
	12/01/2026	8.000%	75,000.00
	12/01/2027	8.000%	80,000.00
	12/01/2028	8.000%	85,000.00
	12/01/2029	8.000%	95,000.00
	12/01/2030	8.000%	105,000.00
	12/01/2031	8.000%	115,000.00
	12/01/2032	8.000%	125,000.00
			1,145,000.00

UNREFUNDED BOND DEBT SERVICE

VAN de WATER METROPOLITAN DISTRICT
GENERAL OBLIGATION BONDS, SERIES 2016A (REFUNDING)
Max size: 105x on 45.98 (D2 target) & 40.00 (D3 target) Mills less Operations Expense
Advance Refunding of Series 2007
Assumes BBB Rated, BQ, 30-yr. Maturity
(No Growth Assumptions, wraps Series 2011)
[Preliminary -- for discussion only]

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
06/01/2016			45,800	45,800	
12/01/2016	30,000	8.000%	45,800	75,800	121,600
06/01/2017			44,600	44,600	
12/01/2017	35,000	8.000%	44,600	79,600	124,200
06/01/2018			43,200	43,200	
12/01/2018	40,000	8.000%	43,200	83,200	126,400
06/01/2019			41,600	41,600	
12/01/2019	40,000	8.000%	41,600	81,600	123,200
06/01/2020			40,000	40,000	
12/01/2020	40,000	8.000%	40,000	80,000	120,000
06/01/2021			38,400	38,400	
12/01/2021	50,000	8.000%	38,400	88,400	126,800
06/01/2022			36,400	36,400	
12/01/2022	50,000	8.000%	36,400	86,400	122,800
06/01/2023			34,400	34,400	
12/01/2023	55,000	8.000%	34,400	89,400	123,800
06/01/2024			32,200	32,200	
12/01/2024	60,000	8.000%	32,200	92,200	124,400
06/01/2025			29,800	29,800	
12/01/2025	65,000	8.000%	29,800	94,800	124,600
06/01/2026			27,200	27,200	
12/01/2026	75,000	8.000%	27,200	102,200	129,400
06/01/2027			24,200	24,200	
12/01/2027	80,000	8.000%	24,200	104,200	128,400
06/01/2028			21,000	21,000	
12/01/2028	85,000	8.000%	21,000	106,000	127,000
06/01/2029			17,600	17,600	
12/01/2029	95,000	8.000%	17,600	112,600	130,200
06/01/2030			13,800	13,800	
12/01/2030	105,000	8.000%	13,800	118,800	132,600
06/01/2031			9,600	9,600	
12/01/2031	115,000	8.000%	9,600	124,600	134,200
06/01/2032			5,000	5,000	
12/01/2032	125,000	8.000%	5,000	130,000	135,000
	1,145,000		1,009,600	2,154,600	2,154,600

D A DAVIDSON

SOURCES AND USES OF FUNDS

VAN de WATER METROPOLITAN DISTRICT
GENERAL OBLIGATION BONDS, SERIES 2016A (IMPROVEMENTS)
New Money Senior Parity Bonds
Max size: 105x on 45.98 (D2 target) & 40.00 (D3 target) Mills less Operations Expense
Assumes BBB Rated, BQ, 30-yr. Maturity
(No Growth / No Reassessment Assumptions, wraps Series 2011 & proposed Series 2016)
[Preliminary -- for discussion only]

Dated Date	03/03/2016
Delivery Date	03/03/2016

Sources:	
Bond Proceeds:	
Par Amount	4,175,000.00
Net Premium	131,671.80
	4,306,671.80
Uses:	
Project Fund Deposits:	
Senior Ser. 2015 Project Fund	3,642,130.17
Other Fund Deposits:	
Capitalized Interest Fund	536,326.42
Delivery Date Expenses:	128,215.21
	4,306,671.80

D A DAVIDSON

BOND DEBT SERVICE

VAN de WATER METROPOLITAN DISTRICT
GENERAL OBLIGATION BONDS, SERIES 2016A (IMPROVEMENTS)
New Money Senior Parity Bonds
Max size: 105x on 45.98 (D2 target) & 40.00 (D3 target) Mills less Operations Expense
Assumes BBB Rated, BQ, 30-yr. Maturity
(No Growth / No Reassessment Assumptions, wraps Series 2011 & proposed Series 2016)
[Preliminary -- for discussion only]

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
06/01/2016			47,846.94	47,846.94	
12/01/2016			97,868.75	97,868.75	145,715.69
06/01/2017			97,868.75	97,868.75	
12/01/2017			97,868.75	97,868.75	195,737.50
06/01/2018			97,868.75	97,868.75	
12/01/2018			97,868.75	97,868.75	195,737.50
06/01/2019			97,868.75	97,868.75	
12/01/2019	45,000	2.000%	97,868.75	142,868.75	240,737.50
06/01/2020			97,418.75	97,418.75	
12/01/2020	50,000	2.000%	97,418.75	147,418.75	244,837.50
06/01/2021			96,918.75	96,918.75	
12/01/2021	45,000	3.250%	96,918.75	141,918.75	238,837.50
06/01/2022			96,187.50	96,187.50	
12/01/2022	55,000	3.250%	96,187.50	151,187.50	247,375.00
06/01/2023			95,293.75	95,293.75	
12/01/2023	50,000	3.250%	95,293.75	145,293.75	240,587.50
06/01/2024			94,481.25	94,481.25	
12/01/2024	55,000	3.250%	94,481.25	149,481.25	243,962.50
06/01/2025			93,587.50	93,587.50	
12/01/2025	50,000	3.250%	93,587.50	143,587.50	237,175.00
06/01/2026			92,775.00	92,775.00	
12/01/2026	50,000	4.250%	92,775.00	142,775.00	235,550.00
06/01/2027			91,712.50	91,712.50	
12/01/2027	50,000	4.250%	91,712.50	141,712.50	233,425.00
06/01/2028			90,650.00	90,650.00	
12/01/2028	60,000	4.250%	90,650.00	150,650.00	241,300.00
06/01/2029			89,375.00	89,375.00	
12/01/2029	55,000	4.250%	89,375.00	144,375.00	233,750.00
06/01/2030			88,206.25	88,206.25	
12/01/2030	55,000	4.250%	88,206.25	143,206.25	231,412.50
06/01/2031			87,037.50	87,037.50	
12/01/2031	60,000	4.500%	87,037.50	147,037.50	234,075.00
06/01/2032			85,687.50	85,687.50	
12/01/2032	60,000	4.500%	85,687.50	145,687.50	231,375.00
06/01/2033			84,337.50	84,337.50	
12/01/2033	195,000	4.500%	84,337.50	279,337.50	363,675.00
06/01/2034			79,950.00	79,950.00	
12/01/2034	205,000	4.500%	79,950.00	284,950.00	364,900.00
06/01/2035			75,337.50	75,337.50	
12/01/2035	215,000	4.500%	75,337.50	290,337.50	365,675.00
06/01/2036			70,500.00	70,500.00	
12/01/2036	225,000	5.000%	70,500.00	295,500.00	366,000.00
06/01/2037			64,875.00	64,875.00	
12/01/2037	235,000	5.000%	64,875.00	299,875.00	364,750.00
06/01/2038			59,000.00	59,000.00	
12/01/2038	250,000	5.000%	59,000.00	309,000.00	368,000.00
06/01/2039			52,750.00	52,750.00	
12/01/2039	260,000	5.000%	52,750.00	312,750.00	365,500.00
06/01/2040			46,250.00	46,250.00	
12/01/2040	275,000	5.000%	46,250.00	321,250.00	367,500.00
06/01/2041			39,375.00	39,375.00	
12/01/2041	285,000	5.000%	39,375.00	324,375.00	363,750.00
06/01/2042			32,250.00	32,250.00	
12/01/2042	300,000	5.000%	32,250.00	332,250.00	364,500.00
06/01/2043			24,750.00	24,750.00	
12/01/2043	315,000	5.000%	24,750.00	339,750.00	364,500.00
06/01/2044			16,875.00	16,875.00	
12/01/2044	330,000	5.000%	16,875.00	346,875.00	363,750.00
06/01/2045			8,625.00	8,625.00	
12/01/2045	345,000	5.000%	8,625.00	353,625.00	362,250.00
	4,175,000		4,441,340.69	8,616,340.69	8,616,340.69

D.A. DAVIDSON

CALL PROVISIONS

VAN de WATER METROPOLITAN DISTRICT
GENERAL OBLIGATION BONDS, SERIES 2016A (IMPROVEMENTS)
New Money Senior Parity Bonds
Max size: 105x on 45.98 (D2 target) & 40.00 (D3 target) Mills less Operations Expense
Assumes BBB Rated, BQ, 30-yr. Maturity
(No Growth / No Reassessment Assumptions, wraps Series 2011 & proposed Series 2016)
[Preliminary -- for discussion only]

Call Table: CALL

Call Date	Call Price
12/01/2025	100.00

EXHIBIT B

Affidavits of Publication

AFFIDAVIT OF PUBLICATION

REPORTER-HERALD

State of Colorado
County of Larimer

I, the undersigned agent, do solemnly swear that the LOVELAND REPORTER-HERALD is a daily newspaper printed, in whole or in part, and published in the City of Loveland, County of Larimer, State of Colorado, and which has general circulation therein and in parts of Larimer and Weld counties; that said newspaper has been continuously and uninterruptedly published for a period of more than six months next prior to the first publication of the annexed legal notice of advertisement, that said newspaper has been admitted to the United States mails as second-class matter under the provisions of the Act of March 3, 1879, or any, amendments thereof, and that said newspaper is a daily newspaper duly qualified for publishing legal notices and advertisements within the meaning of the laws of the State of Colorado; that a copy of each number of said newspaper, in which said notice of advertisement was published, was transmitted by mail or carrier to each of the subscribers of said newspaper, according to the accustomed mode of business in this office.

The annexed legal notice or advertisement was published in the regular and entire edition of said daily newspaper once; and that one publication of said notice was in the issue of said newspaper dated **December 28, 2015**.

Agent

Subscribed and sworn to before me this 28th day of **December, 2015** in the County of Boulder, State of Colorado.

Notary Public

Fee $ 24.02
Account # 222605
Ad # 5662626

RITA MARIE HANNER-WARD
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 20144042753
MY COMMISSION EXPIRES NOVEMBER 4, 2018

STATE OF COLORADO, CITY OF LOVELAND
NOTICE OF PUBLIC HEARING
IN RE VDW METROPOLITAN DISTRICTS NOS. 1 - 3 BOND ISSUANCE AND EXTENSION OF DEBT MATURITY

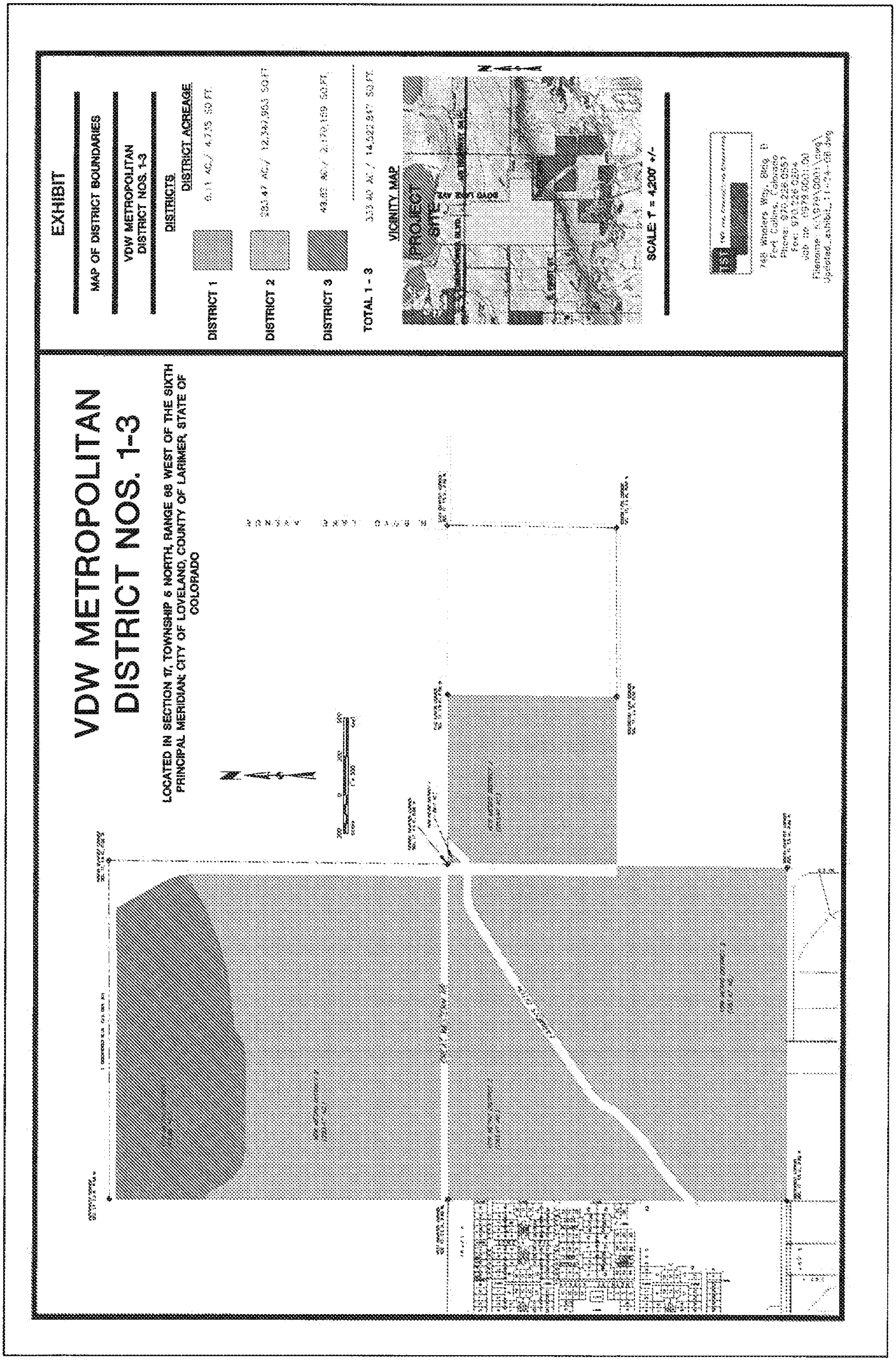
PUBLIC NOTICE IS HEREBY GIVEN that the City of Loveland City Council has received a request by VDW Metropolitan District Nos. 1 -3 (the "Districts") that the City of Loveland City Council will hold a public hearing to consider approving the Districts' request to issue bonds on a date after July 1, 2012 and to extend the maturity of a portion of the Districts' current debt.

NOTICE IS HEREBY FURTHER GIVEN that the City of Loveland City Council, Larimer County, State of Colorado, will hold a public hearing at or about 6:30 p.m. on January 19, 2016 in the City Council Chambers, 500 East Third Street, Loveland, Colorado, for the purpose of considering the question of approving the Districts' issuance of bonds on a date after July 1, 2012 and the question of extending the maturity of a portion of the Districts' current debt by refunding, as both actions require a public hearing and approval of the City of Loveland City Council pursuant to Sections VII.B and VII.E of the Districts' Consolidated Service Plan. All protests and objections must be submitted in writing to the City of Loveland City Council at or prior to the public hearing or any continuance or postponement thereof in order to be considered. All protests and objections to the Districts' proposed actions shall be deemed to be waived unless presented at the time and in the manner specified by the City of Loveland.

BY ORDER OF CITY COUNCIL FOR THE CITY OF LOVELAND, STATE OF COLORADO

Published: Loveland Reporter Herald December 28, 2015 - 5662626

Exhibit B
Map of Boundaries of VDW Metropolitan District Nos. 1-3


VDW METROPOLITAN
DISTRICT NOS. 1-3
LOCATED IN SECTION 17, TOWNSHIP 5 NORTH, RANGE 68 WEST OF THE SIXTH PRINCIPAL MERIDIAN; CITY OF LOVELAND, COUNTY OF LARIMER, STATE OF COLORADO
N
EXHIBIT
MAP OF DISTRICT BOUNDARIES
VDW METROPOLITAN
DISTRICT NOS. 1-3
DISTRICTS
DISTRICT ACREAGE
DISTRICT 1
0.11 AC./ 4,735 SQ.FT.
DISTRICT 2
283.47 AC./ 12,347,953 SQ.FT.
DISTRICT 3
49.82 AC./ 2,170,159 SQ.FT.
TOTAL 1 - 3
333.40 AC./ 14,522,847 SQ.FT.
VICINITY MAP
PROJECT SITE
SCALE: 1" = 4,200' +/-
748 Whalers Way, Bldg. B
Fort Collins, Colorado
Phone: 970.226.0557
Fax: 970.226.0204
Job no. 0979.0001.00