

After Recording, Return to:
WHITE BEAR ANKELE TANAKA & WALDRON
2154 East Commons Avenue, Suite 2000
Centennial, Colorado 80122

Resolution No. 2018 - 08 - 01

**RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
SADDLER RIDGE METROPOLITAN DISTRICT
CONCERNING THE IMPOSITION OF FEES**

WHEREAS, the Saddle Ridge Metropolitan District (the “**District**”) was formed pursuant to §§ 32-1-101, *et seq.*, C.R.S., as amended (the “**Special District Act**”), by order of the District Court for Weld County, Colorado, and after approval of the District’s eligible electors at an election; and

WHEREAS, pursuant to § 32-1-1001(1)(h), C.R.S., the Board of Directors of the District (the “**Board**”) shall have the management, control and supervision of all the business and affairs of the District; and

WHEREAS, the Board has determined it to be in the best interests of the District, and the property owners, taxpayers, and residents of the District, to acquire, construct, operate and maintain certain amenities and facilities benefitting property and inhabitants within the District, which amenities and facilities generally include improvements, facilities, appurtenances and rights-of-way (collectively, the “**Facilities**”);

WHEREAS, the Board has determined it to be in the best interests of the District, and the property owners, taxpayers, and residents of the District, to provide certain services to property and inhabitants within the boundaries of the District, including without limitation, landscape maintenance, snow removal, sewer availability, operations and maintenance, and covenant enforcement (collectively, the “**Services**”); and

WHEREAS, pursuant to § 32-1-1001(1)(j)(I), C.R.S., the District is authorized to fix and impose fees, rates, tolls, penalties and charges for services or facilities furnished by the District which, until paid, shall constitute a perpetual lien on and against the property served; and

WHEREAS, the District incurs certain direct and indirect costs associated with the repair, replacement, improvement, reconstruction operation and maintenance of the Facilities, as necessary, inclusive of the costs of utilities and capital replacement costs (collectively, the “**Facility Costs**”) in order that the Facilities may be properly provided and maintained; and

WHEREAS, the District incurs certain direct and indirect costs associated with the provision of the Services in order that the Services may be properly provided, the property within the District maintained, and that the health, safety and welfare of the District and its inhabitants may be safeguarded (collectively, the “**Service Costs**”); and

WHEREAS, the establishment and continuation of fair and equitable fees for operations; sewer service, availability and taps; plant investments; transfers; architectural design review; and status letters (collectively the “**Fees**”) to provide a source of funding to pay for the Facility Costs and the Service Costs, (collectively, the “**Operations Costs**”), which Operations Costs are generally attributable to the persons and/or properties subject to such Fees is necessary to provide for the common good and for the prosperity and general welfare of the District and its inhabitants and for the orderly and uniform administration of the District’s affairs; and

WHEREAS, the District finds that the Fees, as set forth in this Resolution, are reasonably related to the overall cost of providing the Facilities and Services and paying the Operations Costs, and that imposition thereof is necessary and appropriate.

NOW, THEREFORE, be it resolved by the Board as follows:

1. DEFINITIONS. Except as otherwise expressly provided or where the context indicates otherwise, the following capitalized terms shall have the respective meanings set forth below:

“**Commercial Unit**” means each office space, unit, building or other structure within the District Boundaries that is used and/or zoned for general commercial, industrial, office, retail, or other non-residential uses.

“**District Boundaries**” means the legal boundaries of the District, as the same are established and amended from time to time pursuant to §§32-1-101, *et seq.*, C.R.S., as more particularly set forth in the map and legal description attached hereto as **Exhibit B** and incorporated herein by this reference.

“**Due Date**” means the date by which the Fees are due, which Due Date is reflected on the Schedule of Fees.

“**End User**” means any third-party homeowner or tenant of any homeowner occupying or intending to occupy a Residential Unit.

“**Fee Schedule**” or “**Schedule of Fees**” means the schedule of fees set forth in **Exhibit A**, attached hereto and incorporated herein by this reference, until and unless otherwise amended and/or repealed.

“**Lot**” means each parcel of land established by a recorded final subdivision plat and which is located within the District Boundaries.

“**Residential Unit**” means each residential dwelling unit (including, without limitation, condominiums, townhomes, and any other attached dwelling unit and detached single family dwelling units) located within the District Boundaries which has been Transferred to an End User.

“**Transfer**” or “**Transferred**” shall include a sale, conveyance or transfer by deed, instrument, writing, lease or any other documents or otherwise by which real property is

sold, granted, let, assigned, transferred, exchanged or otherwise vested in a tenant, tenants, purchaser or purchasers.

“**Vacant Lot**” means each parcel of land within the District established by a recorded final subdivision plat, but specifically excluding any parcel upon which one or more Residential Unit is situated and specifically excluding any parcel owned by the District.

2. FEES.

a. The Board has determined, and does hereby determine, that it is in the best interests of the District and its respective residents and property owners to impose, and does hereby impose the following Fees:

- i. A monthly, ongoing operations fee (the “**Operations Fees**”).
- ii. A monthly or quarterly, ongoing sewer service fee (the “**Sewer Service Fee**”).
- iii. An annual sewer availability and operations and maintenance fee (the “**Sewer Availability Fee**”).
- iv. A one-time plant investment fee (the “**Plant Investment Fee**”).
- v. A one-time sewer tap fee (the “**Sewer Tap Fee**”).
- vi. An architectural design review fee (the “**Architectural Design Review Fee**”).
- vii. A status letter fee (the “**Status Letter Fee**”).

These Fees are hereby established and imposed in an amount as set forth by the District from time to time pursuant to an annual “Fee Schedule” and shall constitute the rate in effect until such schedule is amended or repealed. The initial Fee Schedule is set forth in **Exhibit A**, attached hereto and incorporated herein by this reference. The Operation Fees, Sewer Service Fees and Sewer Availability Fees shall consist of recurring payments (the “**Recurring Payments**”). Separate payments shall be imposed for the one-time Plant Investment Fee and one-time Sewer Tap Fee. Separate payments shall also be imposed for the transfer payment and status letter fee upon each transfer of a Lot, Residential Unit and Vacant Lot (the “**Transfer Payment**” and “**Status Letter Fee**”) and for each Architectural Design Review request.

b. The Transfer Payment shall be imposed on all Transfers of Lots, Residential Units and Vacant Lots. The Transfer Payment shall not apply to any of the following, except to the extent the District determines that such exception is being undertaken for the purpose of improperly avoiding any Fees:

i. Any Transfer wherein the United States, or any agency or instrumentality thereof, the State of Colorado, any county, city and county, municipality, district or other political subdivisions of this State, is either the grantor or the grantee.

ii. Any Transfer by document, decree or agreement partitioning, terminating or evidencing termination of a joint tenancy, tenancy in common or other co-ownership; however, if additional consideration or value is paid in connection with such partition or termination the Transfer Payment shall apply and be based upon such additional consideration.

iii. Any Transfer of title or change of interest in real property by reason of death, pursuant to a will, the law of descent and distribution, or otherwise.

iv. Any Transfer made and delivered without consideration for the purpose of: confirming, correcting, modifying or supplementing a Transfer previously made; making minor boundary adjustments; removing clouds of title; or granting easements, rights-of-way or licenses.

v. Any decree or order of a court of record quieting, determining or resting title, except for a decree of foreclosure.

vi. Transfers to secure a debt or other obligation, or releases other than by foreclosure, which is security for a debt or other obligation.

vii. Transfers pursuant to a decree or separation of divorce.

c. The Board has determined, and does hereby determine, that the Fees are reasonably related to the overall cost of providing the Facilities and Services, and are imposed on those who are reasonably likely to benefit from the Facilities and Services.

d. The revenues generated by the Fees will be accounted for separately from other revenues of the District. The Fee revenue will be used solely for the purpose of paying Operations Costs, and may not be used by the District to pay for general administrative costs of the District. This restriction on the use of the Fee revenue shall be absolute and without qualification.

e. The Board has determined, and does hereby determine, that the Fees are calculated to defray the cost of funding Operations Costs.

3. LATE FEES AND INTEREST. Pursuant to § 29-1-1102(3), C.R.S., any Fee not paid in full within fifteen (15) days after the scheduled due date will be assessed a late fee in the amount of Fifteen Dollars (\$15.00) or up to five percent (5%) per month, or fraction thereof, not to exceed a total of twenty-five percent (25%) of the amount due. Interest will also accrue on any outstanding Fees, exclusive of assessed late fees, penalties, interest and any other costs of collection, specially including, but not limited, to attorney fees, at the rate of 18% per annum, pursuant to § 29-1-1102(7), C.R.S. The District may institute such remedies and collection

procedures as authorized under Colorado law, including, but not limited to, foreclosure of its perpetual lien. The defaulting property owner shall pay all fees and costs, specifically including, but not limited to, attorneys' fees and costs and costs associated with the collection of delinquent fees, incurred by the District and/or its consultants in connection with the foregoing.

4. PAYMENT. Payment for all fees, rates, tolls, penalties, charges, interest and attorney fees shall be made by check or equivalent form acceptable to the District, made payable to "Saddler Ridge Metropolitan District" and sent to the address indicated on the Fee Schedule. The District may change the payment address from time and time and such change shall not require an amendment to this Resolution.

5. LIEN. The Fees imposed hereunder, together with any and all late fees, interest, penalties and costs of collection, shall, until paid, constitute a statutory, perpetual lien on and against the property served, and any such lien may be foreclosed in the manner provided by the laws of the State of Colorado for the foreclosure of mechanic's liens, pursuant to § 32-1-1001(1)(j)(I), C.R.S. Said lien may be foreclosed at such time as the District, in its sole discretion, may determine. The lien shall be perpetual in nature (as defined by the laws of the State of Colorado) on the property and shall run with the land. This Resolution shall be recorded in the offices of the Clerk and Recorder of Weld County, Colorado.

6. SEVERABILITY. If any portion of this Resolution is declared by any court of competent jurisdiction to be void or unenforceable, such decision shall not affect the validity of any remaining portion of this Resolution, which shall remain in full force and effect. In addition, in lieu of such void or unenforceable provision, there shall automatically be added as part of this Resolution a provision similar in terms to such illegal, invalid or unenforceable provision so that the resulting reformed provision is legal, valid and enforceable.

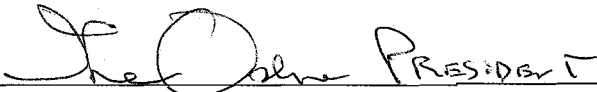
7. THE PROPERTY. This Resolution shall apply to all property within the District's boundaries, including, but not limited to, the property set forth in **Exhibit B**, attached hereto and incorporated herein by this reference, and any additional property included into the District after the date of this Resolution.

8. EFFECTIVE DATE. This Resolution shall become effective on October 1, 2018.

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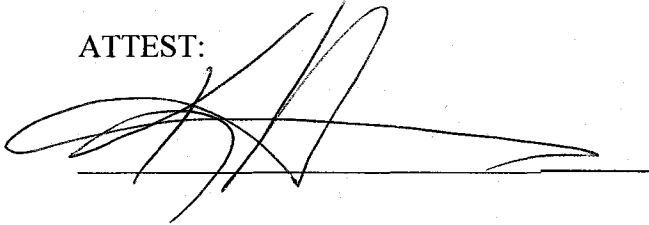
ADOPTED this 15th day of August, 2018.

**SADDLER RIDGE METROPOLITAN
DISTRICT**, a quasi-municipal corporation and
political subdivision of the State of Colorado




Officer of the District

ATTEST:



APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON
Attorneys At Law



General Counsel to the District

Signature page to Resolution Concerning the Imposition of Fees

EXHIBIT A**SADDLER RIDGE METROPOLITAN DISTRICT****Schedule of Fees****Effective October 1, 2018**

Schedule of Fees		
Fee Type	Classifications	Rate
Operations Fee – Recurring Monthly Payment	Residential Unit Owned by an End- User	\$100/month
	Lot	\$0/month
	Vacant Lot	\$0/month
The Due Date for each Operations Fee – Recurring Monthly Payment is the 1 st day of each month		
Sewer Service Fee– Recurring Monthly or Quarterly Payment	Residential Unit Owned by an End- User	\$55/month
	Lot	\$0/month
	Vacant Lot	\$0/month
	Commercial Unit	\$220/quarter \$3.00/1,000 gallons of metered water use
The Due Date for each Sewer Service Fee – Recurring Monthly Payment is the 1 st day of each month; Recurring Quarterly Payment is the 1 st day of each quarter		
Sewer Availability Fee – Recurring Annual Payment	Residential Unit Owned by an End- User	\$0/annually
	Lot	\$379/annually
	Vacant Lot	\$379/annually
The Due Date for each Sewer Fee – Recurring Annual Payment is the 1 st day of each January		
Plant Investment Fee – One-Time Fee	Vacant Lot	\$1,000
The Due Date for the Plant Investment Fee – One-Time Payment is prior to the issuance of a Building Permit		
Sewer Tap Fee – One- Time Fee	Vacant Lot	\$5,000
The Due Date for the Sewer tap Fee – One-Time Payment is prior to the issuance of the Building Permit		

Transfer Fee – Payment Due Upon Each Transfer	Residential Unit	\$150/transfer
	Lot	\$150/transfer
	Vacant Lot	\$150/transfer
The Due Date for each Transfer Fee – Payment Due Upon Transfer is the date upon which the transfer occurs		
Status Letter Fee – Payment Due Upon Each Transfer	Residential Unit	\$200 standard processing/transfer \$250 rush processing/transfer
	Lot	\$200 standard processing/transfer \$250 rush processing/transfer
	Vacant Lot	\$200 standard processing/transfer \$250 rush processing/transfer
The Due Date for the Status Letter Fee – Payment Due Upon Each Transfer is the date upon which the transfer occurs. Rush processing is defined as a status letter request made less than 48 business hours prior to the closing.		
Architectural Design Review Fee – Payment Due Upon Each Request	Residential Unit	\$125/request for residential improvements
	Lot	\$275/request for new home design \$125/request for residential improvements
	Vacant Lot	\$275/request for new home design \$125/request for residential improvements
The Due Date for each Architectural Design Review Fee – Payment Due Upon Each Request is the date upon which an architectural application is submitted to the District		
System Disconnection, Without a Shut-off Valve	Residential and/or Commercial Units	Labor, equipment and materials plus 15% for a total of not less than \$350.00
The Due Date for each System Disconnection Without a Shut-off Valve is the date upon which the services are performed.		
System Disconnection, With a Shut-off Valve	Residential and/or Commercial Units	Labor, equipment and materials plus 15% for a total of not less than \$100.00
The Due Date for each System Disconnection With a Shut-off Valve is the date upon which the services are performed.		

PAYMENTS: Payment for each Fee shall be made payable to the Saddle Ridge Metropolitan District and sent to the following address for receipt by the Due Date:

CliftonLarsonAllen LLP
c/o Sarah Hunsche, CPA, Sr. Manager
8390 E Crescent Parkway, Suite 500
Greenwood Village, Colorado 80111
(303) 779-5710

EXHIBIT B

SADDLER RIDGE METROPOLITAN DISTRICT

District Boundaries

