

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

**RESOLUTION
OF THE
BOARD OF DIRECTORS
OF
WATERS' EDGE METROPOLITAN DISTRICT NO. 1
CONCERNING THE IMPOSITION OF AN OPERATIONS FEE**

WHEREAS, Waters' Edge Metropolitan District Nos. 1-5 (collectively the "**Districts**") are each a quasi-municipal corporation and political subdivision of the State of Colorado, duly organized and existing pursuant to §§ 32-1-101, *et seq.*, C.R.S., as amended (the "**Special District Act**"); and

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

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

WHEREAS, pursuant to that certain District Coordinating Services Agreement among the Districts, dated March 22, 2021, Waters' Edge Metropolitan District No. 1 ("**District No. 1**") is responsible for all administrative and operational services and may, from time to time, establish fair and equitable fees to provide a source for funding such administrative and operational services and impose the same on the property owners within the Districts; and

WHEREAS, the Board of Directors of District No. 1 (the "**Board**") has determined it to be in the best interests of the Districts, and the property owners, taxpayers, and residents within the Districts, and the general public, to acquire, construct, operate and maintain certain amenities and facilities benefitting property owners, taxpayers, and residents within the District, and the general public, which amenities and facilities generally include streets, water, sanitation, parks and recreation, transportation, TV relay and translation, mosquito control, safety protection, limited security and limited fire protection improvements, facilities, appurtenances and rights-of-way improvements, facilities, appurtenances and rights-of-way (collectively, the "**Facilities**"); and

WHEREAS, the Board has determined it to be in the best interests of the Districts, and the property owners, taxpayers, and residents within the Districts, to provide certain services within the Districts, including without limitation, landscape maintenance, snow removal, design review and covenant enforcement (collectively, the "**Services**"); and

WHEREAS, District No. 1 incurs certain direct and indirect costs associated with the upkeep, 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, operated and maintained; and

WHEREAS, District No. 1 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 Districts maintained, and that the health, safety and welfare of the Districts and their inhabitants may be safeguarded (collectively, the “**Service Costs**”); and

WHEREAS, the establishment and continuation of a fair and equitable fee (the “**Operations Fee**”) 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 Operations Fees, is necessary to provide for the common good and for the prosperity and general welfare of the property owners, taxpayers, and residents within the Districts, and the general public and for the orderly and uniform administration of the Districts’ affairs; and

WHEREAS, District No. 1 finds that the Operations Fee, as set forth in this Resolution, is 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:

“**Apartment Unit**” means a unit within an apartment building, which unit is held for lease of rent for residential occupancy and for which a final certificate of occupancy has been issued.

“**District Boundaries**” means the legal boundaries of the Districts, as the same are established and amended from time to time pursuant to the Special District Act, 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 Operations Fee is 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 on a Lot 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 an End User.

“**Vacant Lot**” means each parcel of land within the District Boundaries 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 District No. 1.

2. OPERATIONS FEE.

a. The Board has determined, and does hereby determine, that it is in the best interests of the property owners, taxpayers, and residents within the Districts, and the general public to impose, and does hereby impose an Operations Fee to fund the Operations Costs. The Operations Fee is hereby established and imposed in an amount as set forth by District No. 1 from time to time pursuant to the “**Fee Schedule**” and shall constitute the rate in effect until such schedule is amended or repealed. The Fee Schedule is set forth in **Exhibit A**, attached hereto and incorporated herein by this reference. The Operations Fee shall consist of a recurring payment (the “**Recurring Payment**”) and a separate payment imposed on the Transfer of a Residential Unit to an End User (the “**Transfer Payment**”), which together shall comprise the Operations Fee.

b. The Recurring Payment shall be imposed on all Lots commencing upon the conveyance of the subject Lot to a homebuilder entity or upon a Transfer, whichever occurs first.

c. The Transfer Payment shall be imposed on all Transfers of a Residential Unit to an End User. The Transfer Payment shall not apply to any of the following, except to the extent District No. 1 determines that such exception is being undertaken for the purpose of improperly avoiding the Operations Fee:

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.

d. The Board has determined, and does hereby determine, that the Operations Fee is reasonably related to the overall cost of providing the Services, and paying the Operations Costs, and is imposed on those who are reasonably likely to benefit from or use the Facilities and Services.

e. The revenues generated by the Operations Fee will be accounted for separately from other revenues of District No. 1. The Operations Fee revenue will be used solely for the purpose of paying Operations Costs, and may not be used by District No. 1 to pay for general administrative costs of District No. 1.

3. LATE FEES AND INTEREST. Pursuant to § 29-1-1102(3), C.R.S., any Operations 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 Operations Fees, exclusive of assessed late fees, penalties, interest and any other costs of collection, specially including, but not limited, to attorneys' fees, at the rate of 18% per annum, pursuant to § 29-1-1102(7), C.R.S. District No. 1 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 District No. 1 and/or its consultants in connection with the foregoing.

4. PAYMENT. Payment for all Operations Fees, fees, rates, tolls, penalties, charges, interest and attorneys' fees shall be made by check or equivalent form acceptable to District No. 1, made payable to "Waters' Edge Metropolitan District No. 1" and sent to the address indicated on the Fee Schedule. District No. 1 may change the payment address from time to time and such change shall not require an amendment to this Resolution.

5. LIEN. The Operations 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 District No. 1, 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 the County of Larimer, 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 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 Districts after the date of this Resolution.

8. EFFECTIVE DATE. This Resolution shall become effective February 1, 2022.

[Remainder of Page Intentionally Left Blank. Signature Page Follows].

ADOPTED this 2nd day of February, 2022.

WATERS' EDGE METROPOLITAN DISTRICT
NO. 1, a quasi-municipal corporation and political
subdivision of the State of Colorado



Joe Knopinski (Feb 2, 2022 11:45 MST)

Officer of the District

ATTEST:



John Gooch (Feb 2, 2022 12:12 MST)

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 an Operations Fee

EXHIBIT A

WATERS' EDGE METROPOLITAN DISTRICT NO. 1

Schedule of Fees

Effective February 1, 2022

Schedule of Fees		
Fee Type	Classifications	Rate
Operations Fee – Recurring Payment	Residential Unit	\$200/month
	Vacant Lot	\$50/month
The Operations Fee is billed monthly. The Due Date for each Recurring District Fee is the first day of each month.		
Transfer Fee – Payment Due Upon a Transfer	Residential Unit	\$250 per Transfer

PAYMENTS: Payment for each fee shall be made payable to the Waters' Edge Metropolitan District No. 1 and sent to the following address for receipt by the Due Date:

Waters' Edge Metropolitan District No. 1
c/o Teleos Management Group
191 University Blvd. #358
Denver, CO 80206

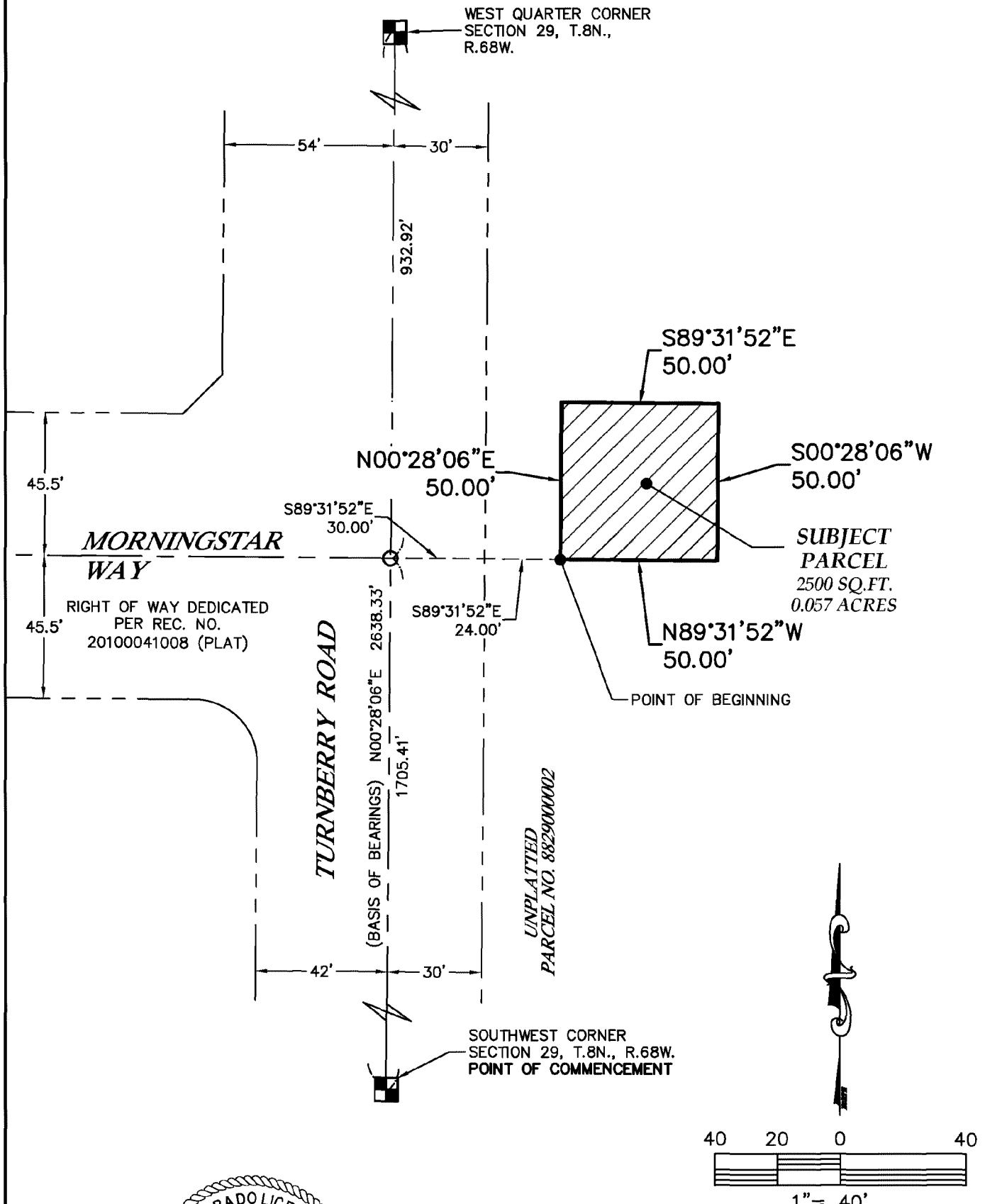
EXHIBIT B

WATERS' EDGE METROPOLITAN DISTRICT NOS. 1-5

District Boundaries

WATERS' EDGE METROPOLITAN
 DISTRICT NO. 1

SW 1/4, SEC. 29, T8N,
 R68W, 6TH P.M.



PRELIMINARY

COLORADO LICENSED
 STEVEN PARKS
 PROFESSIONAL LAND SURVEYOR
 #38348

Steven Parks - On Behalf Of King Surveyors
 Colorado Licensed Professional
 Land Surveyor #38348

NOTICE: According to Colorado law you must commence any legal action based upon any defect in this survey within three years after you first discover such defect. In no event may any action based upon any defect in this survey be commenced more than ten years from the date of the certification shown hereon. (13-80-105 C.R.S. 2012)

NOTE: This exhibit drawing is not intended to be a monumented land survey. It's sole purpose is as a graphic representation to aid in the visualization of the written property description which it accompanies. The written property description supersedes the exhibit drawing.



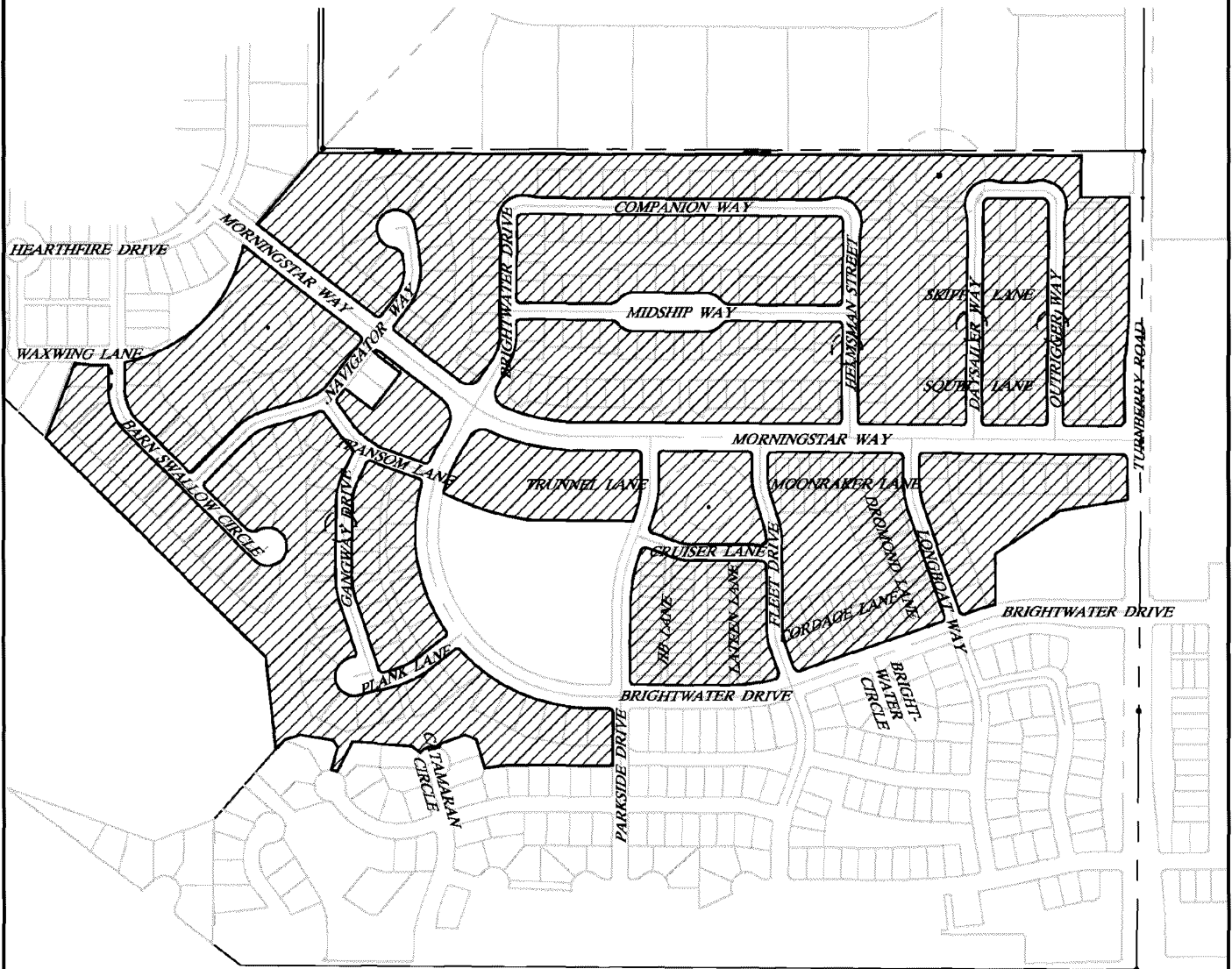
KING SURVEYORS

650 E. Garden Drive | Windsor, Colorado 80550
 phone: (970) 686-5011 | fax: (970) 686-5821
 email: contact@KingSurveyors.com

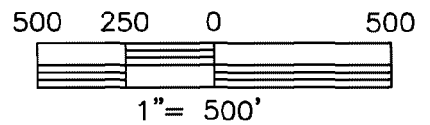
PROJECT NO: 2015374-B
DATE: 7/20/2017
CLIENT: WATERS EDGE EAST, LLC
DWG: 2015374-B-EXH-D1-PARCEL
DRAWN: MM **CHECKED:** SP

WATERS' EDGE METROPOLITAN
DISTRICT NO. 2

WATERS EDGE, S 1/2,
SEC. 30, T8N, R68W, 6TH P.M.



NOTE: This exhibit drawing is not intended to be a
monumented land survey.

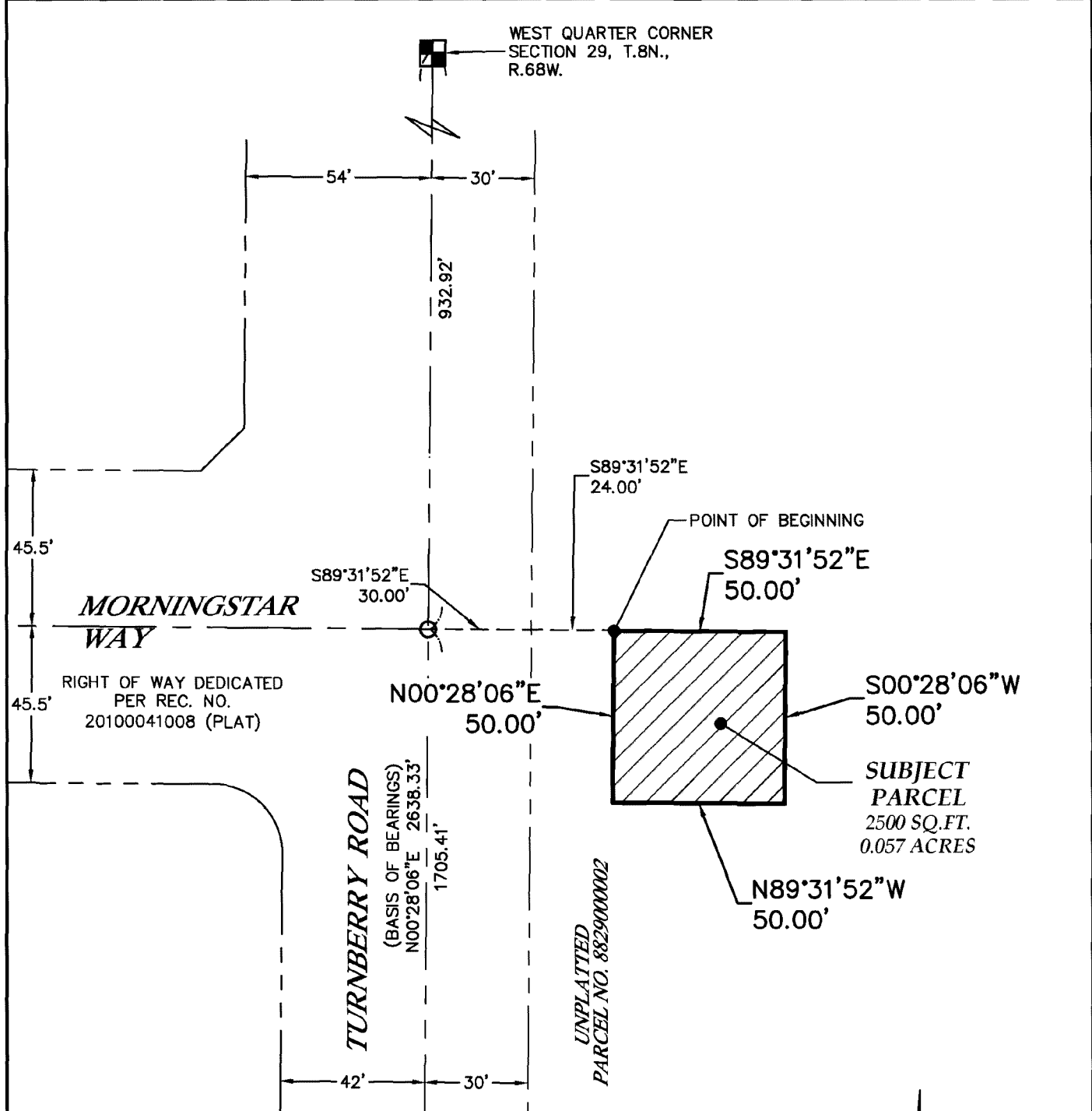


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PROJECT NO: 2015374-B
DATE: 7/20/2017
CLIENT: WATERS EDGE EAST, LLC
DWG: 2015374-B-EXH-D2-OVERALL BD
DRAWN: MM **CHECKED:** SP

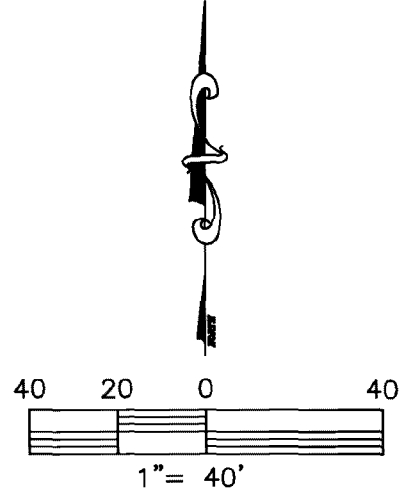
WATERS' EDGE METROPOLITAN DISTRICT NO. 3 SW 1/4, SEC. 29, T8N, R68W, 6TH P.M.



Steven Parks – On Behalf Of King Surveyors
 Colorado Licensed Professional
 Land Surveyor #38348

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NOTICE: According to Colorado law you must commence any legal action based upon any defect in this survey within three years after you first discover such defect. In no event may any action based upon any defect in this survey be commenced more than ten years from the date of the certification shown hereon. (13-80-105 C.R.S. 2012)

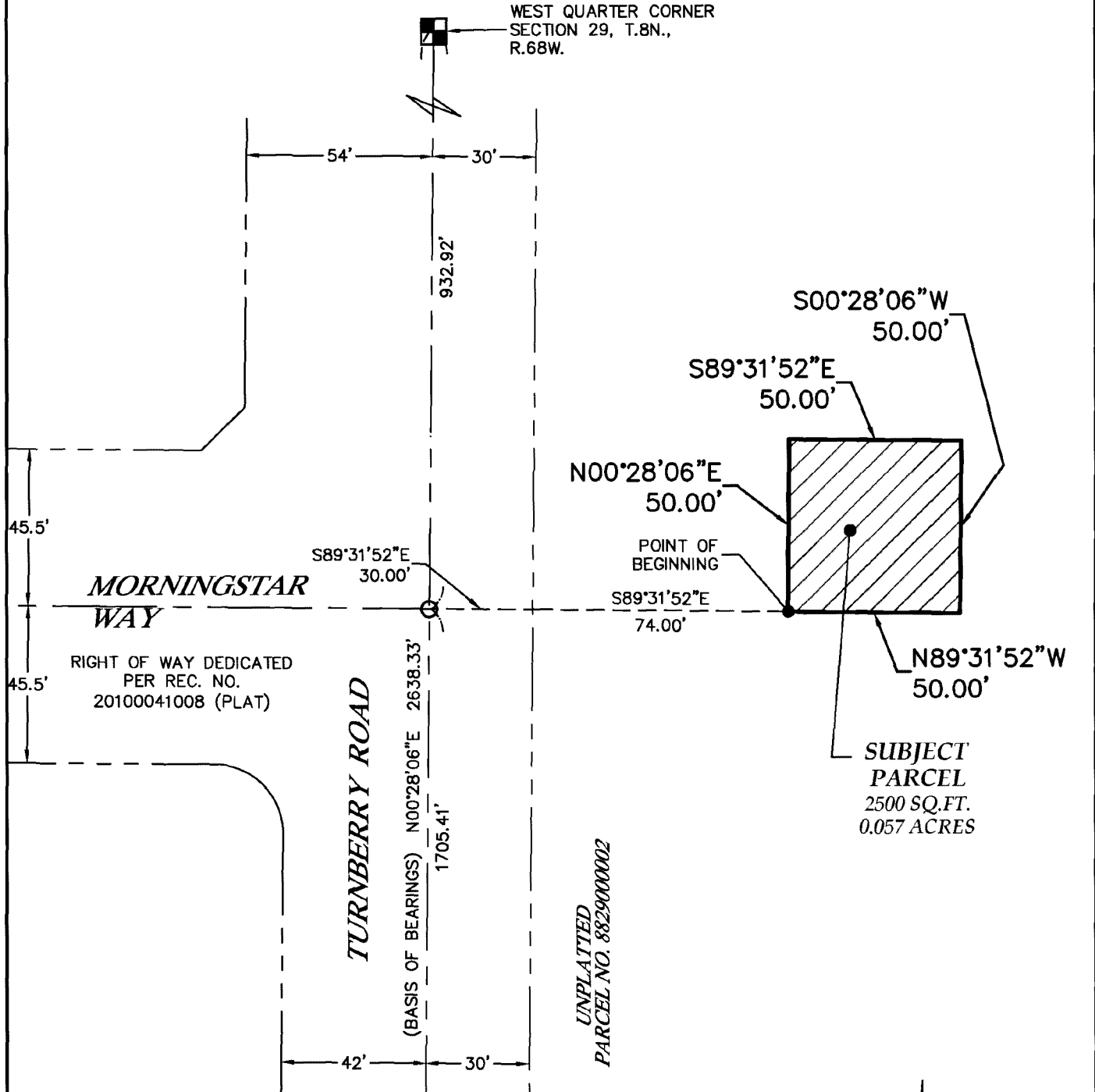


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PROJECT NO: 2015374-B
DATE: 7/20/2017
CLIENT: WATERS EDGE EAST, LLC
DWG: 2015374-B-EXH-D3-PARCEL
DRAWN: MM **CHECKED:** SP

WATERS' EDGE METROPOLITAN
DISTRICT NO. 4

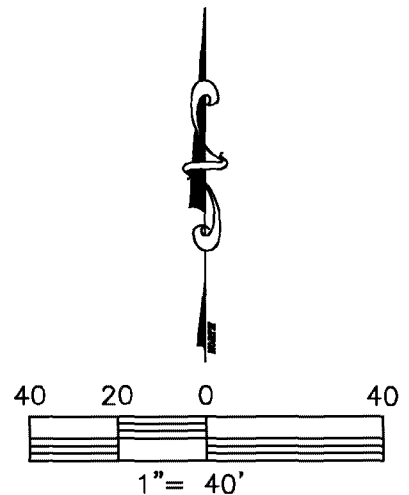
SW 1/4, SEC. 29, T8N,
R68W, 6TH P.M.



Steven Parks – On Behalf Of King Surveyors
Colorado Licensed Professional
Land Surveyor #38348

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UNPLATTED
PARCEL NO. 8829000002



NOTICE: According to Colorado law you must commence any legal action based upon any defect in this survey within three years after you first discover such defect. In no event may any action based upon any defect in this survey be commenced more than ten years from the date of the certification shown hereon. (13-80-105 C.R.S. 2012)

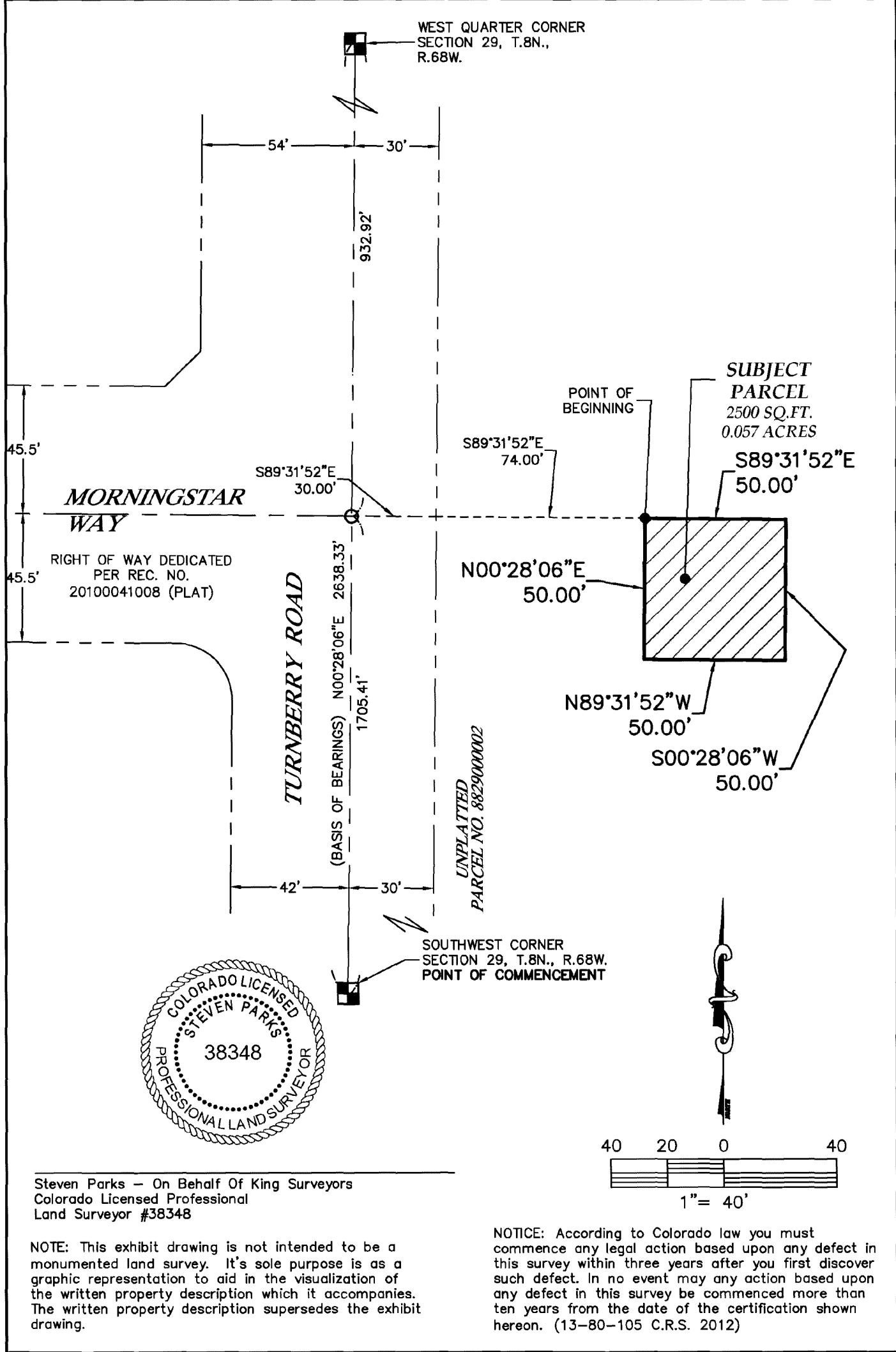


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PROJECT NO: 2015374-B
DATE: 7/20/2017
CLIENT: WATERS EDGE EAST, LLC
DWG: 2015374-B-EXH-D4-PARCEL
DRAWN: MM CHECKED: SP

WATERS' EDGE METROPOLITAN DISTRICT NO. 5 SW 1/4, SEC. 29, T8N, R68W, 6TH P.M.



Steven Parks - On Behalf Of King Surveyors
 Colorado Licensed Professional
 Land Surveyor #38348

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PROJECT NO: 2015374-B
DATE: 7/20/2017
CLIENT: WATERS EDGE EAST, LLC
DWG: 2015374-B-EXH-D5-PARCEL
DRAWN: MM **CHECKED:** SP