

RESOLUTION NO. 2022-11-02

**RESOLUTION OF THE BOARD OF DIRECTORS OF
SPRING VALLEY METROPOLITAN DISTRICT NO. 5**

**RESOLUTION DECLARING
SPRING VALLEY METROPOLITAN DISTRICT NO. 5 INACTIVE**

- A. The Spring Valley Metropolitan District No. 5 (the “**District**”) is a quasi-municipal corporation and political subdivision of the State of Colorado.
- B. The District operates under its Service Plan (“**Service Plan**”), and pursuant to the Colorado Revised Statutes.
- C. Section 32-1-104(3)(a), C.R.S. (the “**Inactive Status Law**”), provides that the board of directors of a special district may determine it is inactive by adopting a resolution to affirm that it has met the requirements of the Inactive Status Law and directing that a Notice of Inactive Status be filed as directed in the Inactive Status Law.
- D. The District is in a pre-development stage.
- E. There are no residents within the District boundaries, other than those living there prior to the formation of the District.
- F. There are no business or commercial ventures existing within the District boundaries.
- G. The District has not issued any general obligation or revenue debt.
- H. The District does not have any financial obligations outstanding or contracts in effect that require performance by the District during the time the District is inactive.
- I. The District has not imposed a mill levy for tax collection in the current fiscal year.
- J. The District does not anticipate the receipt of any revenue.
- K. The District has no planned expenditures, except for statutory compliance, in the current fiscal year.
- L. The District has no operation or maintenance responsibility for any facilities.
- M. The District has met the requirements of the Inactive Status Law and desires to affirm its qualifications and direct that required notice of inactive status, in the form provided by the Division of Local Government (the “**Notice of Inactive Status**”), be filed pursuant to the Inactive Status Law.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE SPRING VALLEY METROPOLITAN DISTRICT NO. 5, ELBERT COUNTY, COLORADO:

1. The Board of Directors (the “**Board**”) of the District does hereby affirm that, as stated in the Recitals of this Resolution, it has met the requirements of the Inactive Status Law.
2. The Board hereby directs that a Notice of Inactive Status be sent by certified mail, return receipt requested (except where electronic filing is required by the receiving entity), to be filed with the following entities:
 - (a) The Board of County Commissioners and/or the City Council of each county and/or city that approved its Service Plan;
 - (b) The Treasurer, Assessor and Clerk and Recorder of the county or counties in which the District is located;
 - (c) The District Court having jurisdiction over the formation of the District;
 - (d) The State Auditor; and
 - (e) The Division of Local Government (the “**Division**”).
3. The Notice of Inactive Status shall be filed on or before December 15th of the year in which this Resolution is adopted and the District’s inactive status shall be effective immediately.
4. The District shall be in compliance with Section 32-1-104(5), C.R.S., at the time of filing of the Notice of Inactive Status.
5. The District acknowledges that during the period of inactive status, it is prohibited from:
 - (a) Issuing any debt;
 - (b) Imposing a mill levy; and
 - (c) Conducting any other official business other than to conduct elections and to undertake procedures necessary to implement the District’s intention to continue in inactive status or return to active status.
6. The District acknowledges that during the period of inactive status, it shall be exempt from statutory requirements, including, but not limited to:
 - (a) Adopting and filing an annual budget;
 - (b) Entering into and reporting intergovernmental agreements;
 - (c) Annually filing a certified audit or application for exemption from audit;

- (d) Annually filing a boundary map of the District;
- (e) Annually filing the transparency notice;
- (f) Holding regular meetings; and
- (g) Annually filing District contact information.

7. The President of the District or, in the event the President is not available, any other member of the Board or their designee (the “**Authorized Officer**”), shall be authorized and is hereby directed by the Board to cause such actions to be taken as may be necessary, including, but not limited to, the adoption of a resolution to conduct regular elections of the District during the period of inactive status and to seek funding for such activities from the developer or owner(s) of property within the District’s boundaries, if necessary.

8. The District acknowledges that during the period of inactive status it may still be required to file reports or provide notices under the provisions of its Service Plan, pursuant to any applicable rules or requirements of the jurisdiction(s) that approved the Service Plan, and/or pursuant to other applicable laws (“**Jurisdictional Requirements**”). The Board hereby authorizes and directs the Authorized Officer to comply with, or direct others to comply with, the Jurisdictional Requirements during the period of inactive status and to seek funding for such activities from the developer or owner(s) of property within the District’s boundaries, if necessary.

9. The District shall remain in inactive status during the period commencing with the filing of the Notice of Inactive Status until such time as it has filed a Notice of Return to Active Status, as provided in the Inactive Status Law.

10. So long as the District is in inactive status, the Board hereby authorizes and directs the Authorized Officer to poll the members of the Board on or before December 1 of each year regarding the Board’s direction regarding inactive status for the upcoming fiscal year.

(a) If the Board informs the Authorized Officer that they desire to remain in inactive status, the Authorized Officer shall have the authority and is directed to cause the notice of continuing inactive status to be filed, in the form provided by the Division (the “**Notice of Continuing Inactive Status**”), for the next fiscal year. The Notice of Continuing Inactive Status shall be filed on or before December 15 of such year with the State Auditor and the Division.

(b) If the Board informs the Authorized Officer that they desire to return to active status, the Authorized Officer shall have the authority to adopt a District resolution (substantially in the form attached hereto as **Exhibit A**) that declares the District’s return to active status and authorizes and directs the Authorized Officer to cause to be filed a notice of return to active status, in the form provided by the Division (the “**Notice of Return to Active Status**”), evidencing the District’s determination to return to active status. The Notice of Return to Active Status shall be filed with the State Auditor and the Division. The Board acknowledges that within ninety (90) days of delivery of the Notice of Return to Active Status, the District is required to be in compliance for the remainder of the fiscal year in which the District returns to

active status with all legal requirements from which the District was exempt while on inactive status.

RESOLUTION APPROVED AND ADOPTED on November 17, 2022.

**SPRING VALLEY METROPOLITAN
DISTRICT NO. 5**

James E Marshall

President

Attest:



Secretary

EXHIBIT A

RESOLUTION NO. 20 ____ - ____ - ____

**RESOLUTION OF THE BOARD OF DIRECTORS OF
SPRING VALLEY METROPOLITAN DISTRICT NO. 5**

RESOLUTION OF INTENT TO RETURN TO ACTIVE STATUS

- A. The Spring Valley Metropolitan District No. 5 (the “**District**”) is a quasi-municipal corporation and political subdivision of the State of Colorado.
- B. Pursuant to Section 32-1-104(3)(a), C.R.S. (the “**Inactive Status Law**”), the District has been in inactive status and has filed the requisite notices (the “**Notices**”).
- C. The District has been in inactive status since the filing of the Notices.
- D. In accordance with the Resolution adopted by the Board of Directors of the District (the “**Board**”) declaring the District inactive, the Authorized Officer has polled the Board and the majority of the Board has determined the District should return to active status.
- E. The Board desires to declare the District’s return to active status in the manner required by the Inactive Status Law.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE SPRING VALLEY METROPOLITAN DISTRICT NO. 5, ELBERT COUNTY, COLORADO:

- 1. The Board hereby declares the District’s return to active status and hereby authorizes and directs the Authorized Officer to file the notice of return to active status, in the form provided by the Division of Local Government (the “**Notice of Return to Active Status**”) evidencing the District’s determination to return to active status.
- 2. The Notice of Return to Active Status is hereby issued and shall be sent by certified mail, return receipt requested (except where electronic filing is required by the receiving entity), to be filed with the following entities:
 - (a) The Board of County Commissioners and/or the City Council of each county and/or city that approved its Service Plan; and
 - (b) The Treasurer, Assessor and Clerk and Recorder of the county or counties in which the District is located; and
 - (c) The District Court having jurisdiction over the formation of the District;and
 - (d) The State Auditor; and

(e) The Division of Local Government (the “**Division**”).

3. The Board acknowledges that within ninety (90) days of delivery of the Notice of Return to Active Status, the District is required to be in compliance for the remainder of the fiscal year in which the District returns to active status with all legal requirements for which the District was exempt while on inactive status.

RESOLUTION APPROVED AND ADOPTED on _____, 20____.

**SPRING VALLEY METROPOLITAN
DISTRICT NO. 5**

Authorized Officer

Attest:

Secretary