

RESOLUTION NO. 2018-11-04

SPRING VALLEY METROPOLITAN DISTRICT NO. 1
RESOLUTION TO ADOPT SCHEDULE OF FEES AND CHARGES,
EFFECTIVE AS OF JANUARY 1, 2019

A. On January 19, 2006, the Board of Directors (the “**Board**”) of Spring Valley Metropolitan District No. 1 (the “**District**”) adopted Rules and Regulations with Design Standards (as amended from time to time, the “**Rules and Regulations**”) applicable to the construction, administration and operation of the District’s water, storm and sanitary sewage systems, which serve the District’s Service Area as legally described on Exhibit A attached hereto and incorporated herein by this reference (the “**Service Area**”).

B. Property within the boundaries of Spring Valley Metropolitan District No. 2 (“**District No. 2**”), Spring Valley Metropolitan District No. 3 (“**District No. 3**”), and Spring Valley Metropolitan District No. 4 (“**District No. 4**” and collectively with the District, District No. 2 and District No. 3, the “**Districts**”) is located within the District’s Service Area and is, therefore, subject to the Rules and Regulations.

C. The District is authorized pursuant to Section 32-1-1001(1)(j)(I), C.R.S. to fix fees and penalties for services or facilities provided by the District and pursuant to Section 32-1-1006(1)(g), C.R.S., to fix and from time to time to increase or decrease fees.

D. The District has determined that a three percent (3%) increase in certain fees, rates and charges is appropriate and necessary to enable the District to pay expenses incurred in the provision of water and sewer improvements, facilities and services.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF SPRING VALLEY METROPOLITAN DISTRICT NO. 1 AS FOLLOWS:

1. The Board has determined and hereby does determine that it is in the best interests of the District, its inhabitants, and its service recipients to amend the Schedule as more specifically set forth in Exhibit B attached hereto and incorporated herein by this reference (the “**2019 Schedule**”).

2. The Board hereby adopts the 2019 Schedule, which shall be effective as of and shall be deemed to be incorporated into the Rules and Regulations as Appendix A on January 1, 2019 (the “**Effective Date**”).

3. Upon the Effective Date, the 2019 Schedule shall amend, replace and supersede in its entirety the 2018 Schedule and the 2018 Schedule shall be of no force and effect thereafter.

4. Except as expressly amended herein with respect to the replacement of the 2018 Schedule with the 2019 Schedule, all other provisions, terms and conditions of the Rules and Regulations remain in full force and effect; provided, however, that in the event of any conflict between the Rules and Regulations and the 2019 Schedule, the 2019 Schedule shall control.

5. Any unpaid fees as set forth on the 2019 Schedule shall constitute a statutory and perpetual lien against the applicable real property pursuant to Section 32-1-1001(1)(j)(I), C.R.S., such lien being a charge imposed for the provision of the services and facilities to the Property. 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.

SIGNATURE PAGE FOLLOWS

[SIGNATURE PAGE TO RESOLUTION NO. 2018-11-__]

APPROVED AND ADOPTED THIS 28th day of November, 2018.

**SPRING VALLEY METROPOLITAN
DISTRICT NO. 1**



A large, stylized handwritten signature in blue ink, consisting of several overlapping loops and a long horizontal stroke extending to the right.

President

Attest:



A handwritten signature in black ink, appearing to be 'J. K. Brown', written over a horizontal line.

Secretary

EXHIBIT A

THE SERVICE AREA

A PARCEL OF LAND BEING THE NORTHERLY 560.00 FEET OF SECTION 30, TOWNSHIP 6 SOUTH, RANGE 64 WEST OF THE SIXTH PRINCIPAL MERIDIAN, COUNTY OF ELBERT, STATE OF COLORADO; SAID PARCEL OF LAND CONTAINING 61.322 ACRES, MORE OR LESS.

TOGETHER WITH

A PARCEL OF LAND BEING SECTION 32 AND 33 OF TOWNSHIP 6 SOUTH AND THE W1/2 OF SECTION 4, TOWNSHIP 7 SOUTH, RANGE 64 WEST OF THE SIXTH PRINCIPAL MERIDIAN, COUNTY OF ELBERT, STATE OF COLORADO; SAID PARCEL BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHEAST CORNER OF SAID SECTION 33, A 3-1/4" ALUMINUM CAP L.S.#10377 IN PLACE, THE POINT OF BEGINNING; THENCE N 89°52'37" W ALONG THE SOUTHERLY LINE OF SAID SECTION 33 A DISTANCE OF 2619.44 FEET TO THE SOUTH QUARTER CORNER OF SAID SECTION 33, ALSO BEING THE NORTH QUARTER CORNER OF SECTION 4, A 2" ALUMINUM CAP L.S. #23032 IN PLACE; THENCE LEAVING SAID SOUTHERLY LINE S 00°34'31" W ALONG THE NORTH-SOUTH CENTERLINE OF SAID SECTION 4 A DISTANCE OF 5212.97 FEET TO THE SOUTH QUARTER CORNER OF SAID SECTION 4, A 3-1/4" ALUMINUM CAP L.S. #10377 IN PLACE; THENCE N 89°59'14" W ALONG THE SOUTHERLY LINE OF SAID SECTION 4 A DISTANCE OF 2598.61 FEET TO THE SOUTHWEST CORNER OF SAID SECTION 4, A 2-1/2" ALUMINUM CAP L.S. #10377 IN PLACE; THENCE N 00°25'06" E ALONG THE WESTERLY LINE OF SAID SECTION 4 A DISTANCE OF 2635.25 FEET TO THE WEST QUARTER CORNER OF SAID SECTION 4, A 3-1/4" ALUMINUM CAP L.S. #10377 IN PLACE; THENCE CONTINUING ALONG SAID WESTERLY LINE N 00°16'16" E A DISTANCE OF 2582.64 FEET TO THE NORTHWEST CORNER OF SAID SECTION 4, SAID POINT ALSO BEING THE SOUTHEAST CORNER OF SECTION 32, A 3-1/4" ALUMINUM CAP L.S. #10377 IN PLACE; THENCE N 89°37'37" W ALONG THE SOUTHERLY LINE OF SAID SECTION 32 A DISTANCE OF 2653.62 FEET TO THE SOUTH QUARTER CORNER OF SAID SECTION 32, A 2-1/2" ALUMINUM CAP L.S. #6935 IN PLACE; THENCE CONTINUING ALONG SAID SOUTHERLY LINE N 89°38'02" W A DISTANCE OF 2653.71 FEET TO THE SOUTHWEST CORNER OF SAID SECTION 32, A 2-1/2" ALUMINUM CAP L.S. #6935 IN PLACE; THENCE N 00°36'02" E ALONG THE WESTERLY LINE OF SAID SECTION 32 A DISTANCE OF 2640.65 FEET TO THE WEST QUARTER CORNER OF SAID SECTION 32, A 2-1/2" ALUMINUM CAP L.S. #7361 IN PLACE; THENCE CONTINUING ALONG THE WESTERLY LINE OF SAID SECTION 32 N 00°34'12" E A DISTANCE OF 2651.85 FEET TO THE NORTHWEST CORNER OF SAID SECTION 32, A 3-1/4" ALUMINUM CAP L.S. #6935 IN PLACE; THENCE S 89°35'41" E ALONG THE NORTHERLY LINE OF SAID SECTION 32 A DISTANCE OF 2648.37 FEET TO THE NORTH QUARTER CORNER OF SAID SECTION 32, A 3-1/4" ALUMINUM CAP L.S. #6935 IN PLACE; THENCE CONTINUING ALONG SAID NORTHERLY LINE S 89°36'48" E A DISTANCE OF 2650.24 FEET TO THE NORTHEAST CORNER OF SAID SECTION 32, A 2-1/2" ALUMINUM CAP L.S. #7361 IN PLACE; THENCE S 89°36'42" E ALONG THE NORTHERLY LINE OF SECTION 33 A

DISTANCE OF 2634.04 FEET TO THE NORTH QUARTER CORNER OF SAID SECTION 33, A 2-1/2" ALUMINUM CAP L.S. #7361 IN PLACE; THENCE CONTINUING ALONG THE NORTHERLY LINE OF SAID SECTION 33 S 89°37'14" E A DISTANCE OF 2635.58 FEET TO THE NORTHEAST CORNER OF SAID SECTION 33, A 2-1/2" ALUMINUM CAP L.S. #7361 IN PLACE; THENCE S 00°49'33" W ALONG THE EASTERLY LINE OF SAID SECTION 33 A DISTANCE OF 2633.18 FEET TO THE EAST QUARTER CORNER OF SAID SECTION 33, A 2-1/2" ALUMINUM CAP L.S. #7361 IN PLACE; THENCE CONTINUING ALONG THE EASTERLY LINE OF SAID SECTION 33 S 00°49'31" W A DISTANCE OF 2633.20 FEET TO THE POINT OF BEGINNING; SAID PARCEL CONTAINING A GROSS ACREAGE OF 1592.880 ACRES, MORE OR LESS.

EXCEPTING FROM THE ABOVE DESCRIBED PARCEL THE SPRING VALLEY GOLF COURSE, AS SHOWN IN RECEPTION NO. 353734 OF THE ELBERT COUNTY CLERK AND RECORDER'S OFFICE; RESULTING IN A NET ACREAGE OF 527.705 ACRES LYING WESTERLY OF SAID GOLF COURSE AND 838.395 ACRES LYING EASTERLY OF SAID GOLF COURSE.

TOGETHER WITH

A PARCEL OF LAND BEING SECTION 30, TOWNSHIP 6 SOUTH, RANGE 64 WEST OF THE SIXTH PRINCIPAL MERIDIAN, COUNTY OF ELBERT, STATE OF COLORADO; SAID PARCEL BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHEAST CORNER OF SECTION 30, A 3-1/4" ALUMINUM CAP L.S. NO. 6935 IN PLACE, THE POINT OF BEGINNING; THENCE S 89°57'46" W ALONG THE SOUTHERLY LINE OF SAID SECTION 30 A DISTANCE OF 2543.67 FEET TO THE SOUTH QUARTER CORNER OF SAID SECTION 30, A 2-1/2" ALUMINUM CAP L.S. #6935 IN PLACE; THENCE CONTINUING ALONG THE SOUTHERLY LINE OF SAID SECTION 30 S 89°57'54" W A DISTANCE OF 2222.09 FEET TO THE SOUTHWEST CORNER OF SAID SECTION 30, A 2-1/2" ALUMINUM CAP L.S. #6935 IN PLACE; THENCE N 00°38'15" E ALONG THE WESTERLY LINE OF SAID SECTION 30 A DISTANCE OF 2655.30 FEET TO THE WEST QUARTER CORNER OF SAID SECTION 30, A 2-1/2" ALUMINUM CAP L.S. #29052 IN PLACE; THENCE CONTINUING ALONG THE WESTERLY LINE OF SAID SECTION 30 N 00°38'23" E A DISTANCE OF 2655.19 FEET TO THE NORTHWEST CORNER OF SAID SECTION 30, A 2-1/2" ALUMINUM CAP L.S. #29052 IN PLACE; THENCE S 89°58'52" E ALONG THE NORTHERLY LINE OF SAID SECTION 30 A DISTANCE OF 2225.83 FEET TO THE NORTH QUARTER CORNER OF SAID SECTION 30, A 2-1/2" ALUMINUM CAP L.S. #29052 IN PLACE; THENCE CONTINUING ALONG THE NORTHERLY LINE OF SAID SECTION 30 S 89°58'43" E A DISTANCE OF 2544.02 FEET TO THE NORTHEAST CORNER OF SAID SECTION 30, A 1-1/2" ALUMINUM CAP FOUND IN PLACE AND REPLACED WITH A 3-1/4" ALUMINUM CAP L.S. #19598; THENCE S 00°36'20" W ALONG THE EASTERLY LINE OF SAID SECTION 30 A DISTANCE OF 2652.90 FEET TO THE EAST QUARTER CORNER OF SAID SECTION 30, A 3-1/4" ALUMINUM CAP L.S. #6935 IN PLACE; THENCE CONTINUING ALONG THE EASTERLY LINE OF SAID SECTION 30 S 00°45'41" W A DISTANCE OF 2652.96 FEET TO THE POINT OF BEGINNING; SAID PARCEL CONTAINING 581.187 ACRES, MORE OR LESS.

EXCEPTING FROM THE ABOVE DESCRIBED PROPERTY THE NORTHERLY 560.00 FEET THEREOF; SAID EXCEPTED PARCEL CONTAINING 61.322 ACRES, MORE OR LESS, RESULTING IN A NET ACREAGE OF 519.865 ACRES, MORE OR LESS

TOGETHER WITH

A PARCEL OF LAND BEING THE SW1/4SE1/4 AND THE S1/2SE1/4SE1/4 OF SECTION 31, TOWNSHIP 6 SOUTH, RANGE 64 WEST OF THE SIXTH PRINCIPAL MERIDIAN, COUNTY OF ELBERT, STATE OF COLORADO; SAID PARCEL BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHEAST CORNER OF SAID SECTION 31, A 2-1/2" ALUMINUM CAP L.S. # 6935 IN PLACE, THE POINT OF BEGINNING; THENCE N 89°55'54" W ALONG THE SOUTHERLY LINE OF SAID SECTION 31 A DISTANCE OF 2567.23 FEET TO THE SOUTH QUARTER CORNER OF SAID SECTION 31, A 2-1/2" ALUMINUM CAP L.S. # 6935 IN PLACE; THENCE LEAVING SAID SOUTHERLY LINE N 00°50'18" E ALONG THE NORTH-SOUTH CENTERLINE OF SAID SECTION 31 A DISTANCE OF 1320.65 FEET TO THE SOUTH-CENTER SIXTEENTH CORNER OF SAID SECTION 31, A 2-1/2" ALUMINUM CAP L.S. # 6935 IN PLACE; THENCE S 89°55'33" E ALONG THE NORTHERLY LINE OF THE SW1/4SE1/4 OF SAID SECTION 31 A DISTANCE OF 1280.88 FEET TO THE SOUTHEAST SIXTEENTH CORNER OF SAID SECTION 31, A 3-1/4" ALUMINUM CAP L.S. #19598 IN PLACE; THENCE S 00°43'10" W ALONG THE EASTERLY LINE OF SAID SW1/4SE1/4 A DISTANCE OF 660.24 FEET TO THE CENTER-SOUTH-SOUTHEAST SIXTYFORTH CORNER OF SAID SECTION 31, A 3-1/4" ALUMINUM CAP L.S. #19598 IN PLACE; THENCE S 89°55'44" E ALONG THE NORTHERLY LINE OF THE S1/2SE1/4SE1/4 OF SAID SECTION 31 A DISTANCE OF 1282.25 FEET TO THE SOUTH-SOUTH SIXTYFORTH CORNER OF SECTION 31 AND SECTION 32, A 3-1/4" ALUMINUM CAP L.S. #19598 IN PLACE; THENCE S 00°36'02" W ALONG THE EASTERLY LINE OF SAID SECTION 31 A DISTANCE OF 660.16 FEET TO THE POINT OF BEGINNING; SAID PARCEL CONTAINING 58.312 ACRES, MORE OR LESS.

EXHIBIT B
2019 SCHEDULE
(Attached)

APPENDIX A
SCHEDULE OF FEES AND CHARGES
SPRING VALLEY METROPOLITAN DISTRICT NO. 1
(Effective as of January 1, 2019)

INTRODUCTION. By Resolution No. 2018-11-__, the Board of Directors of Spring Valley Metropolitan District No. 1 (the “**District**”) adopted this Schedule of Fees and Charges, which replaces in its entirety **Appendix A** to the District’s Rules and Regulations. If there is any conflict between this Schedule of Fees and Charges and the Rules and Regulations, this Schedule of Fees and Charges shall control. This Schedule of Fees and Charges supersedes any previously adopted schedules or resolutions establishing fees, charges, rates and penalties for use of the District’s water and sewer system.

SYSTEM DEVELOPMENT FEE. The System Development Fee (aka “**Tap Fee**”) is a one-time fee payable with each application for service or change in service. The System Development Fee is used to pay for (i) capital improvements to the District’s water and sewer facilities and (ii) operation and maintenance of the facilities.

Table 1 System Development Fee Schedule – All Customers	
Single Family detached residence or equivalent with ¾” service line*	\$16,200 per Equivalent Residential Unit (“EQR”)
Fees for the following tap sizes will be calculated at the stated ERU values multiplied by the amount stated above.	
¾” Size	1 EQR
1” Size	2 EQRs
1 ½” Size	4 EQRs
2” Size	8 EQRs
3” Size	18 EQRs
4” Size	36 EQRs
Larger than 4” as determined by District	
* <u>Note:</u> In low pressure areas (having a static pressure less than 40 psi) designated by the District Engineer, the Manager may permit the use of a 1” tap at the same fee as for a ¾” line.	

An Equivalent Residential Unit shall mean a use which is an average amount of water necessary to serve, or wastewater generated from, a single family detached residential dwelling unit or equivalent with a ¾” water tap for such length of time as required by the jurisdiction exercising land use control. In the event a Customer applies for a change of use, credit shall be given for the amount of any previously paid System Development Fee.

The System Development Fee comprises the following components:

Capital Component	\$9,200
O&M Component	<u>\$7,000</u>
Total	\$16,200

WATER RESOURCE FEES. Any property owner, whose property is outside present boundaries of the Service Area of the District and desires to receive water service from the District is required to convey to the District adequate water rights to serve such property. If the property owner does not convey adequate water rights for such property, the owner must pay the District a Water Resource Fee in an amount equal to actual costs incurred by the District for acquisition of sufficient water rights to serve the property, including attorneys' fees, engineering fees, court costs and all related expenses. The amount of any such fee shall be determined and payable upon (i) inclusion of the property into the District's Service Area or (ii) by separate agreement.

TAPPING FEE. The Tapping Fee is for the District's inspection of the physical tap and Customer's Service Line, entering the tap location on the District's as-built drawing set and other services related to the connection of a new tap. If repeat inspections are required because of unacceptable installation or improper scheduling, the District may charge additional fees based on hourly rates and expenses incurred.

Table 2	
Tapping Fee Schedule – All Customers	
Water Service Line/Meter Size	Fee
¾ inch	\$70.00
1 inch	\$100.00
1 ½ inch	\$110.00
2 inch	\$125.00
3 inch and larger	\$150.00
Sewer Service Line	
4 inch	\$75.00
6 inch and larger	\$100.00

METER FEE. The Meter Fee shall be the actual cost of the meter, which shall be purchased from the District prior to the commencement of metered water service. For information regarding meter purchases, call the District Manager at (303) 987-0835.

INSPECTION FEES.

Table 3	
Inspection Fees Schedule – All Customers	
	Fee
Service Line	\$150.00
Meter Installation/Inspection	\$150.00
Other Inspection	\$150.00
Re-Inspection	\$150.00
Sand and Grease Interceptor Inspection	\$150.00

MISCELLANEOUS FEES.

	Fee or Charge
Construction Water (for in-house, low-volume use)	\$50.00 per month
Hydrant Water Usage	\$10.00 per 1,000 gallons plus temporary meter deposit of \$1,500.00 per hydrant
Turn On/Turn Off of Water Service	\$150.00 per service
Transfer of Service (payable with any application for transfer of service from one Customer to another)	\$150.00
Penalty for Late Payments (assessed if Customer has not paid any fees or charges within 6 days after such payment is due)	\$15.00
Penalty for Violation of Rules (in addition to all other applicable penalties, charges and damages)	\$1,500.00 per incident
Unauthorized Connection Fee	2 x the then current System Development Fee
Penalty for Unauthorized Tampering with District System or Meters	\$2,000 per incident plus actual cost of damage, expense and loss
Foreclosure Fee (in addition to all engineering and attorneys' fees)	\$2,000.00 per incident
Formal Hearing Fee (in addition to all engineering and attorneys' fees)	\$250.00 per application

SERVICE CHARGES. Invoiced and payable monthly. For water service, Customers must pay a base rate, which is a flat rate based on meter size, plus a water usage charge, which is based on actual amount of water used.

Water Service Base Rate per Month	In District Service Area	Out of District Service Area
¾ inch	\$40.99	\$81.99
1 inch	\$70.34	\$143.48
1 ½ inch	\$163.99	\$327.96
2 inch	\$286.97	\$573.93
3 inch	\$655.91	\$1,311.83
Sewer Service Fee	In District Service Area	Out of District Service Area
¾ inch	\$54.45	\$108.90
1 inch	\$95.30	\$190.56
1 ½ inch	\$217.78	\$435.57
2 inch	\$381.13	\$762.26
3 inch	\$871.14	\$1,742.29
Water Usage Rates	All Users	
0 to 6,000 gallons	\$1.50/1,000 gallons	
6,001 to 12,000 gallons	\$2.25/1,000 gallons	
12,001 to 18,000 gallons	\$3.50/1,000 gallons	
18,001 to 24,000 gallons	\$4.25/1,000 gallons	
24,001 gallons and up	\$7.00/1,000 gallons	

Table 6
Commercial Service Rate Schedule
 (for interim irrigation of large-scale landscaping, including golf courses)

Water Service Base Rate per Month	In District Service Area	Out of District Service Area
¾ inch	\$40.99	\$81.99
1 inch	\$70.34	\$143.48
1 ½ inch	\$163.99	\$327.96
2 inch	\$286.97	\$573.93
3 inch	\$655.91	\$1,311.83
Sewer Service Fee		
	In District Service Area	Out of District Service Area
¾ inch	\$54.45	\$108.90
1 inch	\$95.30	\$190.56
1 ½ inch	\$217.78	\$435.57
2 inch	\$381.13	\$762.26
3 inch	\$871.14	\$1,742.29
Water Usage Rates		
	All Users	
0 to 6,000 gallons	\$1.50/1,000 gallons	
6,001 to 12,000 gallons	\$2.25/1,000 gallons	
12,001 to 18,000 gallons	\$3.50/1,000 gallons	
18,001 to 24,000 gallons	\$4.25/1,000 gallons	
24,001 gallons and up	\$7.00/1,000 gallons	

Bulk Irrigation

Bulk rates shall be available in the sole discretion of the District for interim irrigation of landscaping areas of not less than 30 acres and only to the extent that (i) such use does not adversely affect the District’s ability to provide water service to residential customers and (ii) a written agreement between the District and the bulk user that sets forth the terms and conditions upon which water will be delivered for interim irrigation purposes including, but not limited to, a requirement that the District receive notice prior to commencement of irrigation activities, the maximum number of gallons to be delivered and the method by which such use will be measured. The Base Rate for all bulk irrigation users will be the same as the Base Rate for residential users in the District’s Service Area as shown on Table 5. The Water Usage Rate for bulk irrigation water is \$3.00/1,000 gallons.