

**COMBINED RESOLUTION OF THE BOARDS OF DIRECTORS OF
TIMNATH RANCH METROPOLITAN DISTRICT NOS. 1 - 4
REGARDING IMPOSITION OF DISTRICT FEES**

WHEREAS, pursuant to orders of the District Court of Larimer County, Colorado, Timnath Ranch Metropolitan District Nos. 1-4 (collectively referred to herein as the "Districts" or individually as a "District") were duly and validly organized as metropolitan districts in accordance with applicable laws and recorded by the Clerk of the District Court of Larimer County on December 12, 2007. A map of the current Districts' boundaries is attached hereto as **Exhibit A** and incorporated herein by reference; and

WHEREAS, pursuant to Section 32-1-1001(1)(j) of the Colorado Revised Statutes ("C.R.S."), the Districts are authorized to fix and impose fees, rates, tolls, charges and penalties for services or facilities provided by the Districts which, until paid, may constitute a perpetual lien on and against the property served; and

WHEREAS, the Consolidated Service Plan for the Districts, as may be amended from time to time, (collectively, the "Service Plan") similarly empowers the boards of directors of the Districts (the "Boards") to impose fees, rates, tolls, charges and penalties for services and facilities; and

WHEREAS, the Boards desire to authorize the establishment of a schedule of fees and charges for costs associated with the services, programs, improvements, facilities, capital costs and/or operational costs provided by the Districts, a copy of which is attached hereto as **Exhibit B** and incorporated herein by reference; and

WHEREAS, the ability to provide facilities and services to the Districts' residents and property owners are predicated upon certain developmental assumptions; and

WHEREAS, there is a reasonable expectation by the Districts that the property within their boundaries will be developed within a reasonable amount of time, subsequent to platting; and

WHEREAS, based upon said expectation, the Districts desire to establish fees for each residential lot and commercial property located within their boundaries; and

WHEREAS, the Districts may choose to reduce or waive District fees should sufficient revenue for operations and maintenance of District facilities and services become available to the Districts in the future or in their discretion; and

WHEREAS, the Boards of Directors for the Districts (the "Boards") desire to adopt a resolution and schedule of fees and charges for costs associate with the services, programs, improvements, facilities, capital costs, development costs and/or operational costs provided by the Districts, a copy of which is attached hereto as **Exhibit B** and incorporated herein by reference.

NOW THEREFORE, the Boards of the Districts hereby RESOLVE as follows:

I. DEFINITIONS. The following terms shall have the meanings afforded below:

- A. "Collections Policy" means procedures associated with billing and collections of the fees and charges imposed by the Districts from time to time, a form of which is attached hereto as **Exhibit C** which has been adopted by the Board, and as may be amended from time to time.
- B. "End User" means any third-party homeowner, property owner, or tenant of any homeowner or property owners occupying or intending to occupy a Residential Unit or Commercial Unit.
- C. "Dwelling Unit" means a single-family attached or detached residence and a multi-family attached or detached residence or apartment.
- D. "Legal Boundaries" means the legal boundaries of each of the Districts, as the same are established and amended from time to time pursuant to Title 32, Colorado Revised Statutes.
- E. "Lot" means each parcel of land established by a recorded final subdivision plat and which is located within the Legal Boundaries.
- F. "Residential Unit" means each residential dwelling unit (including, without limitation, any condominium, townhome, or other attached dwelling unit, and any detached single-family dwelling unit) which is located within the Legal Boundaries.
- G. "Commercial Unit" means each property that is used for non-residential purposes, including but not limited to business activities, industrial, office, retail, manufacturing, or other non-residential purposes for properties which are located within the Legal Boundaries.
- H. "Transfer" 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 for purposes of residential or commercial use.

II. ADMINISTRATIVE TRANSFER FEE.

- A. The District shall be authorized to charge an Administrative Transfer Fee in connection with all property title transfers and new accounts of the Districts. Such administrative expenses may include costs incurred related to property transfers, updates to District files, transfer letters, and status letters needed for the closing of each property within the District.
- B. The Administrative Transfer Fee shall be imposed at a rate established by the Districts from time to time pursuant to an annual Schedule of Fees and shall

constitute the rate in effect until such Schedule of Fees is amended.

- C. All Administrative Transfer Fees established hereunder shall be due and owing to Timnath Ranch Metropolitan District No. 1 upon all property title transfers.

III. RAW WATER, NON-POTABLE WATER SYSTEM AND PLANT INVESMENT FEES.

- A. Raw Water and Non-Potable Irrigation Water System and Plant Investment Fees. The District shall be authorized to charge Raw Water and Non-Potable Irrigation Water System Tap Fee for each residential unit and non-residential property (on a per square footage basis) which shall be imposed at a rate established by the Districts from time to time pursuant to an annual Schedule of Fees and shall constitute the rate in effect until such Schedule of Fees is amended. The Raw Water and Non-Potable Irrigation Water System and Plant Investment Fees may be used as a source of revenue to finance, defray, reimburse, plan, acquire, construct, install, implement and administer the Irrigation Water, Non-Potable Irrigation Water System facilities, improvements and monitoring systems, and to defray the costs of related operations, administration and maintenance of the facilities and improvements needed to connect property owners to the Districts' Irrigation Water System.

IV. DISTRICT DEVELOPMENT FEE.

- A. A one-time Development Fee is hereby established and imposed upon each Residential Unit and Commercial Unit for services provided in connection with the construction, operations and maintenance of public facilities and District amenities.
- B. The Development Fee shall be imposed at a rate established by the Districts from time to time pursuant to an annual Schedule of Fees and shall constitute the rate in effect until such Schedule of Fees is amended. The Development Fee may increase by up to the Denver-Boulder-Greeley CPI each year thereafter (as an inflation adjustment) commencing January 1, 2008 until no residential or commercial units remain to be constructed within the Districts.
- C. All Development Fees established hereunder shall be due and owing to Timnath Ranch Metropolitan District No. 1 during the permitting process and shall be paid to the District no later than ten (10) days after which a building permit is obtained by the owner of a Lot.

V. GENERAL OPERATIONS FEE.

- A. A General Operations Fee is hereby established and imposed upon each Single Family Residential Unit, each Multi-Family Residential Unit and each Commercial Unit for services provided in connection with the construction, operation, and

maintenance of public facilities within the Legal Boundaries, including but not limited to operations and maintenance of recreational facilities, landscaping, and common areas.

- B. The General Operations Fee shall be imposed at a rate established by the Districts from time to time pursuant to an annual Schedule of Fees and shall constitute the rate in effect until such Schedule of Fees is amended.
- C. The General Operations Fee shall be first due and owing as of the date of Transfer from the developer to an owner of a permit ready lot or when the unit is occupied for residential use; whichever occurs first.
- D. The General Operations Fee shall be paid in accordance with the fee schedule in Exhibit B . The General Operations Fee may increase periodically based upon determination of the Board of Directors of the operational and maintenance needs of the District.

VI. ARCHITECTURAL REVIEW FEES.

- A. Architectural Review Fees shall be authorized for total plan review (architectural plans) and for exterior landscape plan review (landscape plans). The Architectural Review Fee will be charged to the homeowner for each submittal and paid to Timnath Ranch Metropolitan District No. 1. This fee will cover all work related the processing of such submittal and shall be according to the Schedule set forth in the Timnath Ranch Architectural Guidelines (as amended from time to time).

VII. GENERAL PROVISIONS.

- A. Payment. Payment for each fee shall be made payable to "Timnath Ranch Metropolitan District No. 1" and due at the end of the month for which the fee was assessed
- B. Delinquent Charges and Collections. Delinquent account procedures and collections activities associated with Fees are governed by the terms of the Districts' then-existing Fee Resolution and Collection Policy attached hereto as **Exhibit C**.

Late Fees and Interest. The Districts may also impose interest upon the underlying fee amount due. Unpaid District Fees not paid in full within thirty (30) days after the scheduled due date may be assessed a late fee of fifteen dollars (\$15.00), per §29-1-1102(3), C.R.S. Pursuant to §29-1-1102(7), C.R.S., interest may also accrue on any outstanding Fee, exclusive of assessed late fees, at the rate of up to eighteen percent (18%) per annum.

Commercial Late Fees and Interest. Any attached family apartment fees assessed by the District which are not paid in full within thirty (30) days after the scheduled due date may be assessed a late fee of five percent (5%) up to twenty five percent (25%), per §29-1-1102(3), C.R.S. Pursuant to §29-1-1102(7), C.R.S., interest may also accrue on any outstanding Fee, exclusive of assessed late fees, at the rate of up to eighteen percent (18%) per annum.

- C. Perpetual Lien. All Fees established herein shall, until paid, constitute a perpetual lien on and against the property served, and any such lien may be foreclosed in the manner as provided by the laws of the State of Colorado for the foreclosure of mechanic's liens, pursuant to § 32-1-1001(l)(j), C.R.S. All such liens shall be in a senior position as against all other liens of record affecting the property served or benefited, or to be served or benefited by improvements of the Districts and shall run with the Property and remain in effect as to any portion of such property as to which the appropriate fee has not been paid, except as specifically provided for by state or federal law. All liens contemplated herein may be foreclosed in any manner authorized by law at such time as the Districts may determine that fees hereunder have not been paid as required.
- D. Amendment. The Districts expressly reserve the right to amend, revise, redact, waive and/or repeal this Resolution in whole or in part, from time to time in order to further the purposes of carrying on the business and services of the Districts. The foregoing shall specifically include, but not be limited to the right to adopt new policies as may be deemed necessary in the Districts' sole discretion.
- E. Validity. If any clause or provision of this Resolution is found to be invalid or unenforceable by a court of competent jurisdiction or by operation of any applicable law, such invalid or unenforceable clause or provision shall not affect the validity of the Resolution as a whole, and all other clauses or provisions shall be given full force and effect.
- F. Effective Date. This Resolution shall be immediately effective as of the date executed below.

This Resolution supersedes any and all prior Resolutions approved and adopted by the Districts concerning Fees.

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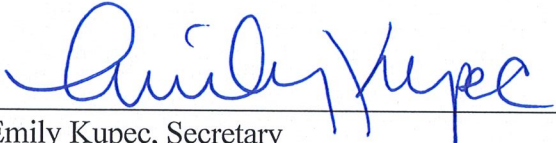
ADOPTED AND APPROVED to be effective as of the 27th day of July 2022.

**TIMNATH RANCH
METROPOLITAN DISTRICT NOS. 1- 4**



Jon A. Turner, President

ATTEST:



Emily Kupec, Secretary

EXHIBIT A **TIMNATH RANCH METROPOLITAN DISTRICT NOS. 1 - 4** **DISTRICT BOUNDARY MAPS**

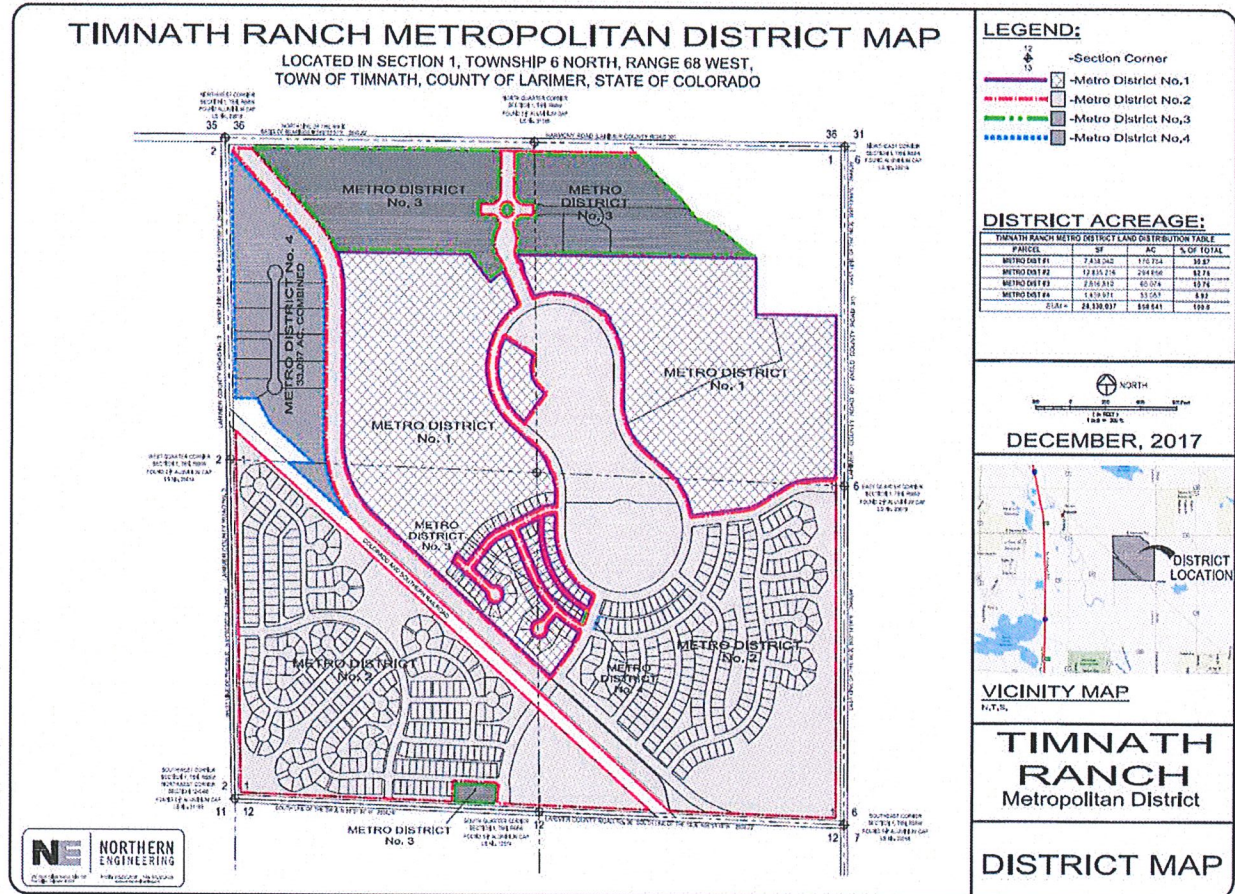


EXHIBIT B

TIMNATH RANCH METROPOLITAN DISTRICT NOS. 1 - 4

SCHEDULE OF DISTRICT FEES

(Effective as of July 27, 2022)

TIMNATH RANCH METROPOLITAN DISTRICTS FEE SCHEDULE - 2025

District No. 1 - Residential/Mixed Use			
Classification	Fee Type	Amount	Time of Collection
All types	Administrative Transfer Fee	\$ 150.00	Collected at property transfer
	ARC Fees:		
	Architectural Plan Review	\$ 250.00	Collected at application submittal
	Initial Landscape Plan Review	\$ 150.00	Collected at application submittal
	Minor Plan Review	\$ 100.00	Collected at application submittal
Attached Family	Development Fee - Townhome	\$ 1,600.00	Per unit due at time of building permit issuance*
	Development Fee - Condo	\$ 1,100.00	Per unit due at time of building permit issuance*
	General Operations Fee	\$ 700.00	Payable in quarterly installments
Apartments	Development Fee (per Unit)	\$ 1,000.00	Due at time of certificate of occupancy issuance
Single Family	Development Fee	\$ 3,700.00	Due at time of building permit issuance*
	6th Filing - irrigation water fee	\$ 1,800.00	Due at time of building permit issuance**
	General Operations Fee	\$ 700.00	Payable in quarterly installments***
District No. 2 - Residential Subdivision (Single Family)			
Classification	Fee Type	Amount	Time of Collection
All Residential Single Family	Administrative Transfer Fee	\$ 150.00	Collected at property transfer
	ARC Fees:		
	Architectural Plan Review	\$ 250.00	Collected at application submittal
	Initial Landscape Plan Review	\$ 150.00	Collected at application submittal
	Minor Plan Review	\$ 100.00	Collected at application submittal
	Re-application Review	\$ 75.00	Collected at application submittal
	Development Fee	\$ 3,700.00	Due at time of building permit issuance*
	General Operations Fee	\$ 700.00	Payable in quarterly installments
District No. 3 - Commercial Development			
Classification	Fee Type	Amount	Time of Collection
All Commercial	Administrative Transfer Fee	\$ 150.00	Collected at property transfer
	ARC Fees:		
	Architectural Plan Review	\$ 250.00	Collected at application submittal
	Minor Plan Review	\$ 100.00	Collected at application submittal
	Development Fee (building size)	35¢ sq ft.	Due at time of building permit issuance*
	General Operations Fee	\$ 700.00	Payable in quarterly installments
District No. 4 - Industrial Development			
Classification	Fee Type	Amount	Time of Collection
All Industrial	Administrative Transfer Fee	\$ 150.00	Collected at property transfer
	ARC Fees:		
	Architectural Plan Review	\$ 250.00	Collected at application submittal
	Initial Landscape Plan Review	\$ 150.00	Collected at application submittal
	Minor Plan Review	\$ 100.00	Collected at application submittal
	Development Fee (building size)	35¢ sq ft.	Due at time of building permit issuance*
	General Operations Fee	\$ 700.00	Payable in quarterly installments
All Districts	Non-sufficient Funds Fee	\$ 25.00	Due at time of fee assessed

* Increased annually by Consumer Price Index (Posted in February Annually) to be rounded to the nearest \$50

** See separate 6th and 7th filing water rate schedule

***Board approved \$50 increase per year through 2029 if necessary - No increase in 2025

EXHIBIT C

TIMNATH RANCH METROPOLITAN DISTRICT NOS. 1 - 4 COLLECTION POLICY (Effective as of July 27, 2022)

The District had adopted the following collection policies:

1. *Perpetual Lien.* Pursuant to § 32-1-1001(l)(j)(I), C.R.S., all Delinquent Fees and Charges shall constitute a perpetual lien on and against the Property served by the District (the “**Lien**”). All such Liens shall, to the fullest extent permitted by law, have priority over all other liens of record affecting the Property and shall run with the Property and remain in effect until paid in full. All Liens contemplated herein may be foreclosed as authorized by law at such time as the District, in its sole discretion, may determine.

- a. Notwithstanding the foregoing, the guidelines set forth in this Resolution are intended to create orderly and fair procedures for the processing and collection of Delinquent Fees and Charges and to provide additional notice to interested parties, including, but not limited to, title companies and the Property owner. In the event any or all of the guidelines set forth in this Resolution are not followed, such deviation shall not affect the status of the Lien in any way. Further, the Board may waive any guidelines set forth in this Resolution and may amend them from time to time as it deems necessary.

2. *District’s Manager Procedures.* The District’s Manager, Accountant or Billing Agent (any of which are referred to herein as the “Manager”) is responsible for collecting Fees imposed by the District against the Property. In the event payment of Fees is delinquent, the Manager may perform the procedures listed below. The Fees are considered delinquent when they have not been paid by their corresponding due date (the “Delinquent Account”):

- a. *Thirty (30) Calendar Days Past Due:* A delinquent payment “Reminder Letter” may be sent to the address of the last known owner or occupant of the Property according to the Manager’s records. In the event the above mailing is returned as undeliverable, the Manager may send a second copy of the Reminder Letter to: (1) the Property; and (2) the address of the last known owner of the Property as found in the real property records of the County Assessor’s Office (the “Assessor”) for the County in which the District is located (collectively, the “Property Address”). Said Reminder Letter may: (1) request prompt payment; (2) notify the Property owner that a Reminder Letter Fee and a Late Fee in the amounts set forth in this Resolution have been assessed; and (3) reference the

URL address of the District's webpage where this Resolution is displayed, if available.

- b. *Sixty (60) Calendar Days Past Due:* A "Warning Letter" may be sent to the Property Address: (1) requesting prompt payment; (2) warning of further legal action should the Property owner fail to pay the total amount due and owing; and (3) explaining that the Manager can provide a copy of the Resolution upon request. Along with the Warning Letter, a copy of the most recent account ledger reflecting the total amount due and owing to the District according to the records of the Manager may also be sent.
- c. *Delinquent Accounts Post Warning Letter:* The District Manager shall continue to monitor the Delinquent Account until either (i) the amount of the Fees owing on such Delinquent Account are equal to or greater than the amount that would be collected under the current rate for such Fees over a one year period, or (ii) the account is more than six (6) months past due, regardless of whether the Manager has performed the tasks outlined in this Section 1(b) of this Resolution, the Manager may refer the Delinquent Account to the District's General Counsel (the "General Counsel"). At the time of such referral, the Manager may be requested to provide General Counsel with copies of all notices and letters sent pursuant to Section 1(b), if any, as well as a copy of the most recent ledger for the Delinquent Account.

3. *General Counsel Procedures.* Upon referral of a Delinquent Account from the Manager, General Counsel may perform the following:

- a. *Upon Referral of the Delinquent Account from the Manager:* A "Demand Letter" may be sent to the Property Address, notifying the Property owner that the Property has been referred to General Counsel for further collections enforcement, including the filing of a statement of lien against the Property. Along with the Demand Letter, a copy of the most recent account ledger reflecting the total amount due and owing the District according to the records of the Manager may also be sent.
- b. *No Sooner than Thirty (30) Calendar Days from the Postmark Date of the Demand Letter:* A Notice of Intent to File a Statement of Lien, along with a copy of the statement of lien to be filed, may be sent to the Property Address of the Delinquent Account notifying the Property owner that a statement of lien will be recorded with the clerk and recorder of the county where the Property is located (the "Clerk and Recorder") within no sooner than ten (10) days from the postmark date of the Notice of Intent to File a Statement of Lien.

- c. *No Sooner than Ten (10) Calendar Days from the Postmark Date of the Notice of Intent to File a Statement of Lien:* A Statement of Lien for the total amount due and owing as of the date of the Statement of Lien may be recorded against the Property with the Clerk and Recorder no sooner than ten (10) days from the postmark date of the Notice of Intent to File a Statement of Lien is sent to the Property. Notwithstanding the amount due and owing reflected on the Statement of Lien, all Delinquent Fees and Charges will continue to accrue on the Delinquent Account and will run with the Property until the total amount due and owing the District is paid in full.

4. *Foreclosure or Bankruptcy.* In circumstances where the Property is being foreclosed upon or where the owner of the Property has declared or is declaring bankruptcy and notice of such bankruptcy action has been provided to the District, the Manager may be permitted, in his or her discretion, to refer the Delinquent Account directly to General Counsel in order to avoid unnecessary, costly and time consuming procedures. Upon referral of the Delinquent Account to General Counsel, General Counsel may, in his or her discretion, immediately file a Statement of Lien on the Property.

5. **Penalties:** "Penalties" may be charged on Delinquent Accounts at a rate determined by the Board and may include, but are not limited to, pro-rated costs associated with collection efforts on behalf of the District for all Delinquent Accounts combined.

6. Waiver of Late Fees, Interest and Costs of Collections:

a. The Manager and General Counsel each have authority and discretion to waive or reduce portions of the Delinquent Account attributable to Late Fees and Interest. Such action is permitted if either the Manager or General Counsel, in its discretion, determines that such waiver or reduction will facilitate the payment of Delinquent Fees and Charges. Notwithstanding the foregoing, neither the Manager nor General Counsel shall have the authority to waive Late Fees and Interest which, in the aggregate, exceeds One Thousand Dollars (\$1,000.00). In such case, the person or entity owing in excess of One Thousand Dollars (\$1,000.00) in Late Fees and Interest combined and requesting such a waiver shall first submit a request, in writing, to the Board, and the Board may make the determination in its sole discretion.

b. Neither the Manager nor General Counsel is authorized to waive any portion of the Fees or Costs of Collections. Should the Property owner desire a waiver of such Fees and/or Costs of Collections, s/he may submit a written request to the Board and the Board may make the determination in its sole discretion.

c. Any waiver or reduction of Late Fees or Interest granted pursuant to Sections 6(a) or (b) hereof shall not be construed as a waiver or reduction of future Late Fees and Interest, or as the promise to waive or reduce future Late Fees or Interest. Nor shall any such waiver or reduction be deemed to bind, limit, or direct the future decision making power of the Board, Manager, or General Counsel, whether related to the Property in question or other properties within the District.

7. Payment Plans:

The Manager and General Counsel each have the authority to enter into or establish payment plans for the repayment of a Delinquent Account. Should the Manager or General Counsel elect not to enter into a payment plan with the Property owner, the Property owner may submit a written request to the Board and the Board may make the determination in its sole discretion.

8. Ratification of Past Actions:

All acts, omissions, waivers and/or payment plans heretofor undertaken by the Manager or General Counsel that would otherwise have been authorized by or not required by this Resolution are hereby affirmed, ratified and made effective as of the date said acts, omissions, waivers and/or payment plans occurred.

9. Additional Actions:

The Board directs its officers, staff and consultants to take such additional actions and execute such additional documents as are necessary to give full effect to the intention of this Resolution.

10. Supersedes Prior Resolutions:

This Resolution shall supersede and replace in their entirety all prior resolutions addressing the processing and/or collection of Delinquent Fees and Charges. To the extent that any term or provision in this Resolution conflicts with any term or provision in a previously enacted and valid resolution of the District, the term or provision in this Resolution shall prevail.

11. Severability:

If any term, condition or provision of this Resolution shall, for any reason, be held to be invalid or unenforceable, the invalidity or unenforceability of such term, condition or provision shall not affect any other provision contained in this Resolution, the intention being that such provisions are severable. 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.

12. Savings Provision:

The failure to comply with the procedures set forth herein shall not affect the status of the Delinquent Fees and Charges as a perpetual Lien subject to foreclosure in accordance with law. Failure by the Manager, General Counsel or other authorized representative to take any action in accordance with the guidelines provided herein shall not invalidate subsequent efforts to collect the Delinquent Fees and Charges.