

**RESOLUTION NO. 2020-~~10~~ - 03**

**RESOLUTION OF THE BOARD OF DIRECTORS OF RESOURCE COLORADO  
WATER & SANITATION METROPOLITAN DISTRICT ADOPTING FEES**

A. Resource Colorado Water & Sanitation Metropolitan District (“**Resource**”) is a quasi-municipal corporation and political subdivision of the State of Colorado and operates pursuant to its Service Plan approved by the Board of County Commissioners of Weld County, Colorado, on August 25, 2004.

B. Per its Service Plan, Resource is authorized to provide water and wastewater services to municipalities, counties, special districts, water companies, ditch companies, and state, local, and private entities (“**Service Providers**”), such as the Pioneer Community Authority Board (the “**CAB**”), who will then distribute the water, collect sewage, and otherwise service and bill the individual residential or commercial users or customers (“**Customers**”).

C. Resource’s service area and/or boundaries include property currently within the boundaries of the Pioneer Districts (defined below) that is coextensive with the CAB’s service area.

D. The CAB is an authority and separate legal entity created pursuant to Section 29-1-203, C.R.S., and in conformity with Section 29-1-203.5, C.R.S., and that certain Pioneer Community Authority Board Establishment Agreement, made and entered into effective August 26, 2020, as amended and restated effective September 30, 2020, and as the same may be amended or modified from time to time (the “**CABEA**”), by and between the Pioneer Metropolitan District Nos. 1-6 and Pioneer Regional Metropolitan District (collectively, the “**Pioneer Districts**”).

E. The Pioneer Districts operate pursuant to the authority granted by each Pioneer District’s respective Service Plan, approved by the Board of County Commissioners of Weld County, Colorado, on February 6, 2006, and as amended from time to time (collectively, the “**Service Plans**”).

F. Under the CABEA and subject to the provisions therein, the CAB is authorized to finance, plan for, design, construct, furnish, own, operate, and maintain certain public improvements and to provide certain services authorized by the Service Plans (the “**Pioneer Improvements**”), and the Pioneer Districts will contribute to the costs of constructing, operating, and maintaining the Pioneer Improvements from their taxes and fees.

G. Resource, the CAB, and Pioneer Metropolitan District No. 3 anticipate entering into a separate intergovernmental agreement (the “**Water and Wastewater Service IGA**”) setting forth each entity’s rights and obligations concerning Resource’s provision of wholesale water and sanitation services to the CAB as a Service Provider and the CAB’s financing, construction, operation, and maintenance of the Pioneer Improvements, including those to be conveyed to Resource when complete (the “**Resource Improvements**”).

H. Per the CABEA and the anticipated terms of the proposed Water and Wastewater Service IGA, it is expected that (1) the Resource Fees and Charges (defined below) will be

limited to service fees charged to the CAB relating to administration and compliance with Resource's Service Plan, applicable law, and agreements, and the CAB will collect and remit the Resource Fees and Charges to Resource; and (2) the CAB will impose and collect the remainder of fees and charges relating to the financing, construction, operation, and maintenance of the Pioneer Improvements (the "**CAB Fees and Charges**").

I. Resource may impose the Resource Fees and Charges to pay for the administrative and operational costs arising from providing, operating, and maintaining the Pioneer Improvements, including the Resource Improvements, pursuant to the authority granted under Resource's Service Plan, Title 32, Article I, Part 10, C.R.S., and Section 29-1-203, C.R.S.

J. Resource has determined that it is necessary and in the best interest of itself, the CAB, and the owners and users of property within the boundaries of Resource and the CAB to impose the Resource Fees and Charges as set forth below in order to provide funding for the installation, administration, operation, and maintenance of the Pioneer Improvements.

K. Per the anticipated Water and Wastewater IGA, the CAB shall cause a rate study to be prepared from time to time in order to determine the appropriate rates, fees, and charges relating to providing water and wastewater service to the Property. Resource and the CAB expect to periodically assess whether adjustments are needed concerning the Resource Fees and Charges (defined below) and the CAB Fees and Charges in connection with the rate studies.

L. Resource intends to incorporate, by a separate, subsequent resolution, this Resolution into the Rules and Regulations adopted by Resource most recently on April 11, 2007, as they may be amended or modified from time to time (the "**Resource Rules and Regulations**").

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF RESOURCE COLORADO WATER & SANITATION METROPOLITAN DISTRICT, COUNTY OF WELD, COLORADO:

1. The Board of Directors of Resource hereby determines that it is in the best interests of Resource, the CAB, and the taxpayers and inhabitants of the Pioneer Districts to impose the following service fee onto the CAB relating to the administration and provision of the Pioneer Improvements, including compliance with Resource's Service Plan, applicable law, and agreements (the "**Resource Fees and Charges**").

2. The Board hereby imposes the Resource Fees and Charges in the amount of Fifty Thousand Dollars (\$50,000.00) to be paid by the CAB to Resource beginning on December 1, 2020, on a prorated basis for the period beginning on the effective date of this resolution set forth below through December 31, 2020, and each year thereafter on each June 1 in the full amount of Fifty Thousand Dollars (\$50,000.00).

3. The Board may, in its sole discretion, increase the amounts and rates of the Resource Fees and Charges by amendment(s) to this Resolution from time to time, which Resolution shall be effective as set forth in such subsequent Resolution and may or may not be recorded. For current information regarding the amounts and rates of the Resource Fees and

Charges and to request a copy of the most recent CAB rate study contact the CAB's General Counsel, McGeady Becher, P.C. 450 East 17th Ave, Suite 400, Denver, Colorado 80203.

4. Judicial invalidation of any of the provisions of this Resolution or of any paragraph, sentence, clause, phrase or word herein, or the application thereof in any given circumstance, shall not affect the validity of the remainder of this Resolution, unless such invalidation would act to destroy the intent or essence of this Resolution.

5. All provisions of the Resource Rules and Regulations not expressly modified by this Resolution shall remain unchanged and in full force and effect. In the event of any express conflict or inconsistency between the terms of the Resource Rules and Regulations and this Resolution, this Resolution shall control and govern.

**[SIGNATURE PAGE FOLLOWS]**

**SIGNATURE PAGE TO RESOLUTION OF THE  
BOARD OF DIRECTORS OF RESOURCE COLORADO WATER & SANITATION  
METROPOLITAN DISTRICT ADOPTING CERTAIN FEES AND SERVICE CHARGES**

ADOPTED AND APPROVED this 23rd day of October, 2020.

**RESOURCE COLORADO WATER &  
SANITATION METROPOLITAN  
DISTRICT**

By: *Jon Deane*

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President

Attest:

*John M. Todd*

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Secretary