

**RESOLUTION OF THE
BOARD OF DIRECTORS OF THE
WATERS' EDGE METROPOLITAN DISTRICT NO. 1**

**CONCERNING THE IMPOSITION OF A FEE FOR THE USE OF
DISTRICT RECREATIONAL FACILITIES BY
OUTSIDE USERS**

WHEREAS, Waters' Edge Metropolitan District Nos. 1-5 (collectively the "**Waters' Edge 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 Waters' Edge Districts shall have the management, control, and supervision of all the business and affairs of the Waters' Edge Districts; and

WHEREAS, pursuant to that certain District Coordinating Services Agreement among the Districts, dated March 22, 2021, Waters' Edge Metropolitan District No. 1 (the "**District**") 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

WHEREAS, the Waters' Edge Districts have financed or will finance the recreation facilities contemplated in their Service Plan, including among other planned amenities, a swimming pool and community gathering facility (collectively, the "**Recreation Facilities**"); and

WHEREAS, it is intended that the District will own and operate the Recreation Facilities, and by doing so, said facilities are intended to be open and available as public facilities to residents and owners of property within the Waters' Edge Districts (the "**District Users**"); and

WHEREAS, the District incurs or will incur certain direct and indirect costs (the "**Service Costs**") associated with the operation and maintenance of the Recreation Facilities, in order that the Recreation Facilities may be properly provided and maintained, and that the health, safety, and welfare of the Waters' Edge Districts and their inhabitants may be safeguarded; and

WHEREAS, the Board of Directors of the District (the "**Board**") desires to establish a schedule of proportionate rates, fees, and charges for the provision of facilities and services provided to those users who are neither residents of nor owners of property within the Waters' Edge Districts (each an "**Outside User**") that shall be based upon allowing such use under the same terms and conditions as for District Users.

NOW, THEREFORE, be it resolved by the Board as follows:

1. Access of Recreation Facilities by Outside Users. Outside Users shall be entitled to utilize the Recreation Facilities in accordance with, and to the extent set forth within this Resolution and the rules and regulations of the District.

2. Establishment of Outside User Fee. The District hereby resolves that the fees and charges applicable to Outside Users for the right to use the Recreation Facilities shall be approximately the same as the estimated average annual mill levy payments and operations fees associated with such amenities paid by District Users. In accordance herewith, the Boards hereby adopt an “**Outside User Fee**” for use of the Recreation Facilities by Outside Users of \$4,000.00 per year per household. The Board hereby determines that the Outside User Fee does not exceed reasonable market fees for users of such facilities.

a. Application for Outside Users. Each Household of Outside Users desiring access to the Recreation Amenities shall: (1) pay in full the Outside User Fee to the District; and (2) complete all forms required by the Rules and Regulations of the District. A “**Household**” shall include only those individuals that reside at the applicant’s address as their primary residence. All members of the Outside User Household must be identified on the registration form submitted to the District and only those identified Outside Users may access the Recreation Facilities. Outside Users may be required to present identification to access the Recreation Facilities. Upon receipt by the District of the complete Application and Outside User Fee, the District shall grant the Outside User access to the Recreation Amenities for one calendar year from the date of receipt.

3. Rules and Regulations for Outside Users. Outside Users must comply with all applicable District Rules and Regulations, including instructions from the District’s authorized agents. Failure to comply with the District’s Rules and Regulations may result in revocation of the Outside User’s access to the Recreation Facilities. In the event of such revocation, the Outside User Fee shall not be refunded.

4. Access of Recreational Facilities by Outside Users. The District shall have the right, in its sole discretion, to limit access to the Recreation Facilities by Outside Users based upon the safe and reasonable capacity of the Recreation Facilities. In the event of any such limitations, allowed use of the Recreation Facilities by Outside Users shall be determined on a first-come, first-serve basis, at the time the Annual Outside User Fee is paid.

5. Applicability. This Resolution shall be applicable in every instance where the District furnishes services to Outside Users, except as may be otherwise provided pursuant to written agreement. Nothing herein shall limit the District’s ability to enter into future agreements regarding the use of Recreation Facilities by Outside Users.

6. Severability. If any term 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 term or provision shall not affect the validity of the Resolution as a whole but shall be severed herefrom, leaving the remaining terms or provisions in full force and effect.

[Signature page follows]

ADOPTED NOVEMBER 16, 2022.

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

DocuSigned by:
Joe Knopinski
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Officer of the District

ATTEST:

DocuSigned by:
Angela Elliott
D2F394E77E9B4B1...

APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON
Attorneys At Law

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Eve Velasco
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General Counsel to the District