

**RESOLUTION OF THE BOARD OF DIRECTORS
OF INDEPENDENCE WATER & SANITATION DISTRICT,
ACTING BY AND THROUGH ITS
INDEPENDENCE WATER ACTIVITY ENTERPRISE,
IMPOSING POTABLE AND NON-POTABLE WATER FEES AND RATES AND
SEWER FEES AND RATES UPON PROPERTIES WITHIN INDEPENDENCE
METROPOLITAN DISTRICT NOS. 1-6 AND
INDEPENDENCE COMMERCIAL METROPOLITAN DISTRICT**

WHEREAS, Independence Water & Sanitation District (the “Water District”), and Independence Metropolitan District Nos. 1-6 and the Independence Commercial Metropolitan District (the “Infrastructure Districts”) are each quasi-municipal corporations and political subdivisions of the State of Colorado, duly organized and existing as metropolitan districts pursuant to §§ 32-1-101, *et. seq.*, C.R.S.; and

WHEREAS, the Water District provides essential public infrastructure and improvements to residents, property owners, tax payers and service users within and outside of the boundaries of the Infrastructure Districts (the “Service Area”), including without limitation water, sewer and storm drainage facilities, improvements and services to single family residences and non-residential service users (collectively, “Improvements”); and

WHEREAS, by resolution adopted and approved by the Board of Directors of the Water District on November 15, 2018, the Water District created its Independence Water Activity Enterprise (the “Enterprise”), for the purpose of pursuing or continuing water activities, which includes without limitation the construction and operation of water lines and facilities within and outside of the Service Area, and the diversion, storage, carriage, delivery, distribution, collection, treatment, use, reuse, augmentation, exchange and discharge of water to or for the benefit of the properties and users within the Service Area; and

WHEREAS, the Water District, acting by and through the Enterprise is authorized, pursuant to sections 32-1-1001(1)(j) and (k), C.R.S., to impose and, from time to time to increase or decrease fees, rates, tolls, penalties or charges for services, programs or facilities furnished by such districts; and

WHEREAS, the Enterprise has determined to impose certain fees for potable and non-potable water (“Water Fees”) and sanitary sewer fees (“Sewer Fees”) on each developable lot, and for each non-residential use of water (including without limitation, use of water for construction purposes) within the Service Area;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF INDEPENDENCE WATER & SANITATION DISTRICT, ACTING BY AND THROUGH ITS INDEPENDENCE WATER ACTIVITY ENTERPRISE, AS FOLLOWS:

Section 1. ***Schedule of Fees.*** The fee schedule, attached hereto and incorporated herein as **Exhibit A**, is effective as of effective on August 1, 2024, or the date on which the existing 2019 bonds are refunded and the Water District and Enterprise hereby impose the Water and Sewer Fees pursuant to Exhibit A.

Section 2. ***Noncompliance.*** The Water District and the Enterprise may impose penalties for non-compliance herewith, as may be permitted by law. Without limiting the foregoing, a late charge of Five Dollars (\$5.00) will be assessed for any payment not made when due, and additional interest will accrue on any past-due amounts, including late charges, at the rate of one percent (1%) per month, or a greater amount as permitted by Colorado law, from the due date.

Section 3. ***Modification/Future Events.*** The policy and Water and Sewer Fees being adopted herein have been established based on projected budgetary requirements of the Water District and Enterprise using various assumptions regarding, among other things, operations and maintenance expenses, and the cost of public improvements and services provided by the Water District and the Enterprise. Actual costs may differ from projections and the Water District and Enterprise may modify the Water and Sewer Fees imposed hereunder based upon actual circumstances.

Section 4. ***Notification/Collection.*** The Water and Sewer Fees are applicable to the property within and outside of the boundaries of the Infrastructure Districts that require a building permit and are connected to the services provided by the Enterprise. The appropriate officer, agents and/or employees of the Water District or the Enterprise, are hereby authorized to establish a system

for collection of amounts due under this Resolution. Notwithstanding the foregoing, in the event that neither the Enterprise nor the Water District collects the Water or Sewer Fees, the Infrastructure Districts may collect the Water or Sewer Fees from the property owners, taxpayers and system users within the boundaries of each of their respective districts. Any and all Water and Sewer Fees collected by any Infrastructure District shall be remitted to the Enterprise as soon as practical, but in any event no later than thirty (30) days after such collection by an Infrastructure District.

Section 5. ***Status as Lien/Foreclosure.*** Pursuant to § 32-1-1001(1)(j), C.R.S., the Water and Sewer Fees shall, until paid, be deemed a perpetual lien against the property subjected to the Water and Sewer Fees hereunder, from and after the date of adoption of this Resolution, which lien may, in the event of non-payment of the Water and Sewer Fees as required in this Resolution, be foreclosed in the same manner as provided by the laws of the State of Colorado for the foreclosure of mechanics' liens. Upon payment of the Water and Sewer Fees and all other amounts relating thereto due hereunder and a request by the party making the payment, the property or properties subject to such lien as a result of such unpaid Water and Sewer Fees shall be released from the lien thereof by the recording of a form of release of lien by the Enterprise or the District, as appropriate.

Section 6. ***Certification to County Treasurer.*** In accordance with § 32-1-1101(1)(e), C.R.S., the Enterprise or the District may elect, by resolution, at a public meeting held after receipt of notice by the affected parties, including the property owners, to have certain delinquent fees, rates, tolls, penalties, charges, or assessments made or levied solely for water, sewer, or water and sewer services, certified to the treasurer of the county to be collected and paid over to the Enterprise pursuant to § 39-10-107, C.R.S.

SIGNATURE PAGE FOLLOWS

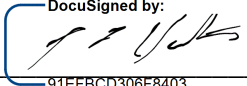
APPROVED AND ADOPTED THIS 29th DAY OF JULY, 2024.

**INDEPENDENCE WATER & SANITATION
DISTRICT, ACTING BY AND THROUGH ITS
INDEPENDENCE WATER ACTIVITY ENTERPRISE**

DocuSigned by:

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Timothy Craft, President

Attest:
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Jim Yates, Secretary/Treasurer

EXHIBIT A

INDEPENDENCE WATER & SANITATION DISTRICT, ACTING BY AND THROUGH ITS INDEPENDENCE WATER ACTIVITY ENTERPRISE

WATER & SEWER FEE SCHEDULE

EFFECTIVE AS OF AUGUST 1, 2024

I. Non-Potable Water Fees:

A. Non-Potable Water Fees for Construction Purposes are as follows:

Meter Deposit (Refundable):	\$1,500.00
Monthly Base Fee:	\$ 150.00
Meter Installation Fee:	\$ 50.00
Meter Disconnect or Re-locate Fee:	\$ 25.00
Water Usage Fee:	\$ 9.00/1,000 gallons

B. Non-Potable Water Fees for Out-of-District Construction Purposes are as follows:

Damage Deposit (Refundable):	\$5,000.00
Meter Deposit (Refundable):	\$1,500.00
Monthly Service Charge:	\$ 150.00
Meter Installation Fee:	\$ 50.00
Meter Disconnect or Re-locate Fee:	\$ 25.00
Water Usage Fee:	\$ 12.00/1,000 gallons

NOTE: Contractor may provide their own meter and certified backflow preventer

C. Residential Irrigation Water Rates. Water meters are required on all irrigation water taps, and must be installed by the user, at user’s expense, as designated by the Water District or Enterprise. Water Fees for non-potable residential irrigation water are as follows:

	Rate Structure	
Base Rates	\$36.75	includes up to 6,000 Gallons
1st Tier Rate	\$ 3.00	6,001 to 12,000 Gallons
2nd Tier Rate	\$ 8.00	12,001 to 18,000 Gallons
3rd Tier Rate	\$12.00	18,001 to 24,000 Gallons
4th Tier Rate	\$18.00	24,001 to 30,000 Gallons
5th Tier Rate	\$22.00	30,001 to 60,000 Gallons

(Tiered rates are per 1,000 gallons used)

D. Open Space & Park Irrigation Water Rates. Water meters are required on all irrigation water taps, and must be installed by the user, at user’s expense, as designated by the Water District or Enterprise. Water Fees for non-potable irrigation water are as follows:

	Rate Structure			
Base Rate	\$30.00			
1st Tier Rate	\$4.00	up to	8,000,000	Gallons

(Tiered rates are per 1,000 gallons used)

II. Residential Potable Water Fees: Water meters are required on all water taps, and must be installed by the user, at user’s expense, as designated by the Water District or Enterprise.

- A. One-time fee for construction water use prior to meter set = \$100.00
- B. Potable Water Rates for Household Consumption, post meter set are as follows:

	Rate Structure		
Base Rate	\$68.25	includes 3,000 Gallons	
1st Tier Rate	\$ 2.63	3,001 to 6,000 Gallons	
2nd Tier Rate	\$ 3.94	6,001 to 12,000 Gallons	
3rd Tier Rate	\$ 6.30	12,001 to 18,000 Gallons	
4th Tier Rate	\$ 8.40	18,001 to 24,000 Gallons	
5th Tier Rate	\$12.60	24,001 Gallons and up	

(Tiered rates are per 1,000 gallons used)

III. Commercial Potable Water Fees: Water meters are required on all water taps, and must be installed by the user, at user’s expense, as designated by the Water District or Enterprise.

- A. One-time fee for construction water use prior to meter set = \$100.00
- B. Potable Water Rates for Commercial Consumption, post meter set are as follows:

	Rate Structure		
Base Rate	\$75.00	includes 3,000 Gallons	
1st Tier Rate	\$ 5.26	3,001 to 6,000 Gallons	
2nd Tier Rate	\$ 7.88	6,001 to 12,000 Gallons	
3rd Tier Rate	\$ 12.60	12,001 to 18,000 Gallons	
4th Tier Rate	\$ 16.80	18,001 to 24,000 Gallons	
5th Tier Rate	\$ 25.20	24,001 Gallons and up	

(Tiered rates are per 1,000 gallons used)

X. Place of Payment: All Fees shall be due and payable to the Enterprise at the offices of American Conservation and Billing Solutions, Inc., P.O. Box 51356, Colorado Springs, CO 80949.

XI. Discontinuation of Service. Should any user refuse or neglect to pay any bill for Water Fees on or before twenty (20) days following the date of such billing, the user shall be considered delinquent and service to the user may be discontinued.