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**RESOLUTION OF THE BOARD OF DIRECTORS OF
JOHNSTOWN NORTH METROPOLITAN DISTRICT NO. 1**

A RESOLUTION APPROVING AN INCREASE IN THE NON-POTABLE IRRIGATION WATER RATE CHARGED TO OWNERS OF PROPERTY LOCATED IN THE DISTRICT'S SERVICE AREA AND AMENDED PROCEDURES RELATED TO THE COLLECTION OF THE NON-POTABLE IRRIGATION WATER RATE CHARGE

WHEREAS, Johnstown North Metropolitan District No. 1 (the "District") owns, operates and maintains a non-potable irrigation water distribution system, which provides non-potable irrigation water to property located within a development of an area known as Iron Horse (the "Service Area"); and

WHEREAS, pursuant to Section 32-1-1001(1)(k), C.R.S. and the Consolidated Service Plan for Johnstown North Metropolitan Districts Nos. 1-3, the District is authorized to establish fees, rates, tolls, penalties or charges for services and facilities furnished by the District without the District's boundaries; and

WHEREAS, for purposes of funding the District's costs associated with providing non-potable irrigation water to property owners located within the Service Area, the District imposed a non-potable irrigation water rate on such property receiving non-potable irrigation water from the District, via a Resolution dated March 19, 2013 and recorded in the Larimer County Clerk and Recorder's Office (the "Recorder's Office") on April 15, 2013, at Reception No. 20130028516 ("2013 Resolution"), as such fee was increased via a Resolution dated December 3, 2014 and recorded in the Recorder's Office on December 22, 2014, at Reception No. 20140073796 ("2014 Resolution"), as such fee was further increased via a Resolution dated March 5, 2020 and recorded in the Recorder's Office on June 24, 2020, at Reception No. 20200045250 ("2020 Resolution"), and as such fee was further increased via a Resolution dated October 27, 2022 and recorded in the Recorder's Office on November 15, 2022, at Reception No. 20220067046 ("2022 Resolution," together with the 2013 Resolution, the 2014 Resolution, and the 2020 Resolution, the "Water Rate Resolutions"); and

WHEREAS, due to increase costs associated with providing non-potable irrigation water, the District desires to increase its non-potable irrigation water rate to be charged to owners receiving non-potable irrigation water from the District; and

WHEREAS, pursuant to Section 32-1-1001(2), C.R.S., the District is required to provide at least thirty-day notice to property owners receiving domestic water indicating that the District is considering taking action at a public meeting to increase its non-potable water rates and stating the date, time, and place of the public meeting at which the action will be considered (the "Notice"); and

WHEREAS, pursuant to Section 32-1-1001(2)(III), C.R.S., Notice may be provided by posting the information on the official website of the District; and

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WHEREAS, on September 19, 2023, the District posted the Notice on its official website at: <https://www.johnstownnorthmd.live/> that it will consider increasing rates for non-potable water services provided by the District at a public meeting to be held via MS Teams on Thursday, October 26, 2022, at 11:30 a.m.; and

WHEREAS, the District desires to amend its procedures for collecting the non-potable irrigation water charge from property owners.

NOW THEREFORE, THE BOARD OF DIRECTORS OF JOHNSTOWN NORTH METROPOLITAN DISTRICT NO. 1 HEREBY RESOLVES AS FOLLOWS:

1. Effective January 1, 2024, the District hereby increases its non-potable irrigation water rate to Four Dollars and Twenty-Two Cents (\$4.22) per One Thousand Gallons of actual water usage, which rate shall be charged to each property owner receiving non-potable irrigation water for the benefit of the owner's property located within the Service Area (the "Non-Potable Irrigation Water Charge"). Such rate may be further adjusted from time to time, via Resolution, in the sole discretion of the Board.

2. The District shall invoice all property owners two times per year for non-potable irrigation water delivered to all property owners during the irrigation season, as determined by the Board of Directors. Payment of any invoice shall be due within thirty (30) calendar days of the date of invoice. Any Non-Potable Irrigation Water Charge that is not paid in full when due shall be assessed a late fee in the amount of fifteen dollars (\$15.00) or up to five percent (5%) per month, or fraction thereof, not to exceed a total of twenty-five percent (25%) of the amount due, whichever is greater, pursuant to Section 29-1-1102(3), C.R.S. Interest shall also accrue on any outstanding Non-Potable Irrigation Water Charge, exclusive of said assessed late fee, at the rate of 18% per annum, pursuant to Section 29-1-1102(7), C.R.S.

3. Pursuant to §32-1-1001(1)(j)(I), C.R.S., until paid, the Non-Potable Irrigation Water Charge shall constitute a perpetual lien on and against the property served, and any such lien may be foreclosed in the same manner as provided by the laws of Colorado for the foreclosure of mechanics' liens.

4. In accordance with Section 32-1-1101(1)(e), C.R.S., the Board may adopt a resolution (the "Delinquent Fee Certification Resolution"), at a public meeting held after receipt of notice by the affected parties, including the property owner, to have delinquent Non-Potable Irrigation Water Charges, together with any unpaid late fees and interest (collectively, the "Delinquent Fees"), certified to the Larimer County (the "County") Treasurer to be collected and paid over to the District by the County Treasurer in the same manner as taxes are authorized to be collected and paid over to the District. Any such Delinquent Fees shall total at least \$150.00 dollars per account and shall be at least six months delinquent. The Board directs District management to send notices of the Delinquent Fees to the affected parties indicating the District's intent to certify delinquent accounts at a public meeting held by the Board in October of the then-calendar year. Upon adoption of the Delinquent Fee Certification Resolution, the Board directs District management to submit the Delinquent Fee Certification Resolution to the County Treasurer and any additional documents that may be required by the County Treasurer.

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5. Except as otherwise provided herein, all other provisions of the Water Rate Resolutions shall remain in full force and effect.

6. If any clause or provision of this Resolution is adjudged invalid and/or unenforceable by a court of competent jurisdiction or by operation of any law, such clause or provision shall not affect the validity of this Resolution as a whole, but shall be severed herefrom, leaving the remaining terms intact and enforceable.

7. This Resolution shall be recorded in the Recorder's Office against the real property within the Service Area, as more particular described in **Exhibit A** attached hereto and incorporated herein by reference.

(Signature Page Follows.)

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ADOPTED AND APPROVED this 26th day of October, 2023.

**JOHNSTOWN NORTH METROPOLITAN
DISTRICT NO. 1**

DocuSigned by:
Kim L. Perry
By: 0B82BA06EB6D4C3...
Kim L. Perry, President

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EXHIBIT A

Legal Description of Service Area

DESCRIPTION: JOHNSTOWN NORTH METROPOLITAN DISTRICT No. 2

A tract of land being a portion of that tract of land described at Reception No. 2001118317, being located in the North Half of Section 13, Township 5 North, Range 68 West of the 6th Principal Meridian, County of Larimer, State of Colorado, being more particularly described as follows:

Considering the North line of the Northwest Quarter of said Section 13 as bearing South 89°20'36" East (length of said line being 2756.04 feet), and with all bearings contained herein relative thereto:

Commencing at the Northwest Corner of said Section 13; thence along the West line of said Northwest Quarter, South 00°15'14" West, 351.44 feet to a point on the Southerly right-of-way line of the Union Pacific Railroad; thence along said Southerly right-of-way line, South 68°08'05" East 64.54 feet to a point on the proposed East right-of-way line of County Road 3, said point also being the **POINT OF BEGINNING**; thence continuing along said Southerly right-of-way line, South 68°08'05" East, 3,632.26 feet; thence departing said right-of-way line, South 00°27'09" West, 416.45 feet to a point on the Westerly right-of-way line of the Great Western Railroad; thence along the Westerly and Northerly right-of-way lines of the Great Western Railroad beginning with a non-tangent curve concave to the East, with a central angle of 04°25'04", a radius of 1,432.69 feet, an arc length of 110.47 feet, and a chord which bears South 25°55'48" West, 110.44 feet; thence along a non-tangent reverse curve concave to the West, with a central angle of 75°19'27", a radius of 457.26 feet, an arc length of 601.14 feet and a chord which bears South 37°14'41" West, 558.78 feet to a point on the South line of the Northeast Quarter of said Section 13; thence, North 00°27'45" East, 142.76 feet; thence, North 89°35'17" West, 305.12 feet to a point on the East line of the Northwest Quarter of said Section 13; thence along said East line, South 00°27'45" West, 112.76 feet to a point on the North right-of-way line of the Great Western Railroad as described at Book 146, Page 261; thence along said North right-of-way line being parallel to, and 30 feet North of, and measured at right angles to the South line of said Northwest Quarter of Section 13, North 89°29'44" West, 2686.44 feet to a point on the proposed East right-of-way line of County Road 3; thence departing said North right-of-way line and along said proposed East right-of-way line, North 00°15'14" East, 2257.50 feet to the Point of Beginning.

The above described Metro District Parcels contains a 5,302,485 square feet or 121.728 acres more or less and is subject to all easements and rights-of-way now on record or existing.

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DESCRIPTION: JOHNSTOWN NORTH METROPOLITAN DISTRICT No. 3

Tracts of land being a portion of that tract of land described at Reception No. 2001118317, being located in the Northwest Quarter of Section 13, Township 5 North, Range 68 West of the 6th Principal Meridian, County of Larimer, State of Colorado, being more particularly described as follows:

Considering the North line of the Northwest Quarter of said Section 13 as bearing South 89°20'36" East (length of said line being 2756.04 feet), and with all bearings contained herein relative thereto:

Area No. 1 (Northwest)

Commencing at the Northwest Corner of said Section 13, thence along the West line of said Northwest Quarter, South 00°15'14" West, 50.51 feet; thence departing said West line, South 89°44'46" East, 80.60 feet to a point on the Southerly right-of-way line of U.S. Highway No. 34, said point also being the **POINT OF BEGINNING**; thence along said Southerly right-of-way line of U.S. Highway No. 34, South 88°20'32" East, 411.32 feet; thence departing said Southerly right-of-way line and along the Westerly line of that tract of land described at Book 722, Page 367, South 12°35'28" West, 305.53 feet to a point on the Northerly right-of-way line of the Union Pacific Railroad; thence along said Northerly right-of-way line, North 68° 08'05" West, 394.23 feet to a point on the proposed East right-of-way line of County Road No.3; thence departing said Northerly line and along said proposed East right-of-way line, North 00°15'14" East, 143.24 feet to a point on the Southerly right-of-way line of U.S. Highway No. 34 as described at Book 1577, Page 776; thence along said Southerly right-of-way line, North 45°56'32" East, 28.79 feet to the Point of Beginning.
Contains 94,601 square feet or 2.172 acres more or less,

also:

Area No. 2 (Northeast)

Commencing at the North Quarter Corner of said Section 13, thence along the East line of the Northwest Quarter of said Section 13, South 00°27'45" West, 447.65 feet to the **POINT OF BEGINNING**; thence continuing along said East line, South 00°27'45" West, 813.06 feet to a point on the Northerly right-of-way line of the Union Pacific Railroad; thence along said Northerly right-of-way line, North 68°08'05" West, 2,248.30 feet; thence departing said Northerly right-of-way line and along the Easterly line of that tract of land described at Book 722, Page 367, North 12°35'28" East, 394.31 feet to a point on the Southerly right-of-way line of U.S. Highway No. 34; thence along said Southerly right-of-way line, South 88°20'32" East, 1,881.82 feet to a point on the Westerly line of that tract of land described at Book 619, Page 554; thence along said Westerly and Southerly lines of said tract of land, South 08°00'55" West, 342.13 feet; thence, South 84°47'00" East, 174.56 feet to the Point of Beginning.
Contains 1,555,060 square feet or 35.699 acres more or less,

The above described Metro District Parcels contains a 1,649,661 square feet or 37.871 acres more or less and is subject to all easements and rights-of-way now on record or existing.