

THREE SPRINGS METROPOLITAN DISTRICT NO. 1

RESOLUTION IMPOSING AN OPERATIONS FEE UPON PROPERTY WITHIN THE DISTRICT

WHEREAS, the Three Springs Metropolitan District No. 1 (the “**District**”) is a quasi-municipal corporation and political subdivision of the State of Colorado, duly organized pursuant to Sections 32-1-101, *et seq.*, C.R.S., as amended;

WHEREAS, pursuant to Section 32-1-1001(1)(h), C.R.S., the Board of Directors of the District (the “**Board**”) has the management, control and supervision of all the business and affairs of the District;

WHEREAS, pursuant to Section 32-1-1001(1)(j), C.R.S., and as authorized by the District’s Service Plan, the District may fix, and from time to time to increase or decrease, fees, rates, tolls, penalties, or charges for services, programs, or facilities furnished by the District;

WHEREAS, pursuant to Section 32-1-1001(1)(j)(I), C.R.S., any such fees, rates, tolls, penalties, or charges shall constitute a perpetual lien on and against the property served, which lien may be foreclosed in the same manner as provided by the laws of Colorado for the foreclosure of mechanics’ liens;

WHEREAS, the Board has determined it to be in the best interest of the District, its property owners, residents, and taxpayers to provide ongoing operations services, including, but not limited to, snow removal, irrigation, and landscape maintenance (the “**Operations Services**”);

WHEREAS, the provision of the Operations Services benefits the District, its property owners, residents, and taxpayers; and

WHEREAS, the establishment of an annual operations fee upon the property within the District in order to provide a source of funding to pay for the costs associated with Operations Services of the District (the “**Operations Fee**”), which costs are generally attributable to the property subject to such Operations Fee, is necessary and appropriate to fund the costs associated with providing such Operations Services, and that such fee is reasonably and rationally related to the costs incurred by the District.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE THREE SPRINGS METROPOLITAN DISTRICT NO. 1, AS FOLLOWS:

1. **Imposition and Payment of Operations Fee.** The District hereby imposes an annual Operations Fee in the amounts set forth in the fee schedule attached hereto as **Exhibit A** (the “**Operations Fee Schedule**”).

The Operations Fee shall be effective January 7, 2026, with the first payment due on April 1, 2026. Thereafter, payments shall be due semiannually on January 1 and July 1 of each year. Payment shall be made by check or equivalent form acceptable to the District, made payable to “Three Springs Metropolitan District No. 1” and sent to 65 Mercado St., Suite 250,

Durango, Colorado 81301. The District may change the payment address from time and time without requiring an amendment to this Resolution.

All revenues collected from the Operations Fee shall be separately accounted for and used solely to pay costs related to Operations Services.

2. **Delinquent Payments and Penalties.** Any Operations Fee not paid within 30 days of the due date shall incur a late fee of \$15 per month in accordance with Section 29-1-1102(3), C.R.S. Interest shall also accrue on unpaid balances, exclusive of late fees and interest, at a rate of 12% per annum, pursuant to Section 29-1-1102(7), C.R.S.

The District may impose additional penalties or collection actions as permitted by law. Nothing herein precludes prepayment of the Operations Fee with the consent of the District or pursuant to separate agreement

3. **Collection.** Until paid in full, all unpaid Operations Fees, together with interest, penalties, and costs of collection, shall constitute a perpetual lien against the affected property pursuant to Section 32-1-1001(1)(j), C.R.S. The District may enforce or foreclose such lien in the same manner as a mechanics' lien, and may recover all associated collection costs, including reasonable attorney fees and expenses.

4. **Authority to Reduce or Waive Fees.** The District's President is authorized, in his or her sole discretion, to reduce, waive or extend time for payment of the Operations Fee in specific cases where circumstances so warrant, such as for hardship.

5. **Modification.** The Operations Fee is based upon projected budgetary requirements of the District using various assumptions regarding the cost of the Operation Services. Actual costs may differ from the projections and the District may, in its sole discretion, determine to modify, increase or decrease the Operations Fee imposed hereunder based upon actual circumstances.

6. **Annual Adjustment.** Beginning in budget year 2027, the Operations Fee may be adjusted annually based on the percentage change in the Consumer Price Index for West Region (or its successor) (the "CPI"). If being adjusted for changes in the CPI, the Operations Fee may only be adjusted upwards.

7. **Property Subject to Fee.** The Operations Fee shall be imposed upon the property described in **Exhibit B**, attached hereto and incorporated herein by this reference.

8. **Release of Lien.** Upon payment of the Operations Fee, and upon request of the party making the payment, the District shall record a Release of Lien in the official records of La Plata County, Colorado, releasing the affected property from the lien.


9. **Recording.** This Resolution, or any amendments thereto, shall be recorded in the official records of the Clerk and Recorder in and for La Plata County, State of Colorado; however, any failure to record this Resolution, or any amendments thereto, shall in no way affect the validity of this Resolution or the District's ability to enforce the terms and provisions contained herein.

10. **Severability.** If any part, section, subsection, sentence, clause or phrase of this Resolution is for any reason held to be invalid, such invalidity shall not affect the validity of the remaining provisions.

11. **Effective Date.** This Resolution shall take effect and be enforced as of January 7, 2026.

Adopted January 7, 2026.

THREE SPRINGS METROPOLITAN DISTRICT
NO. 1

By:  _____
Chairman

ATTEST:

 _____
Secretary

EXHIBIT A

Operations Fee Schedule

1. **Definitions.**

“RUE” means residential unit equivalent.

“Undeveloped Lot” means a platted lot upon which no certificate of occupancy has been issued; each undeveloped lot shall be assessed as 1 RUE until such certificate is issued.

2. **Fee Schedule.**

<u>Property Type</u>	<u>Fee Application</u>	<u>Operations Fee</u>
Townhome	1 RUE	\$331.00/RUE
Single Family	1 RUE	\$331.00/RUE
Apartment Building with 4 or less units	1 RUE / Unit.	\$331.00/RUE
Commercial / Apartment Building with 5 or more units	1 RUE / 1,560 sq. ft.	\$331.00/RUE
Undeveloped Lots	1 RUE / undeveloped lot until certificate of occupancy issued	\$331.00/RUE

3. **Proration.** For any Undeveloped Lot that is issued a certificate of occupancy after January 1 of a given calendar year, the Operations Fee will be prorated to reflect the number of months remaining in that year.

EXHIBIT B

Three Springs Metro District 1 Description:

A tract of land located within the SE ¼ of Section 35, Township 34 ½ North, Range 9 West and within Sections 2 and 11, Township 34 North, Range 9 West of the New Mexico Principal Meridian all within the City of Durango, County of La Plata, State of Colorado more particularly described as follows:

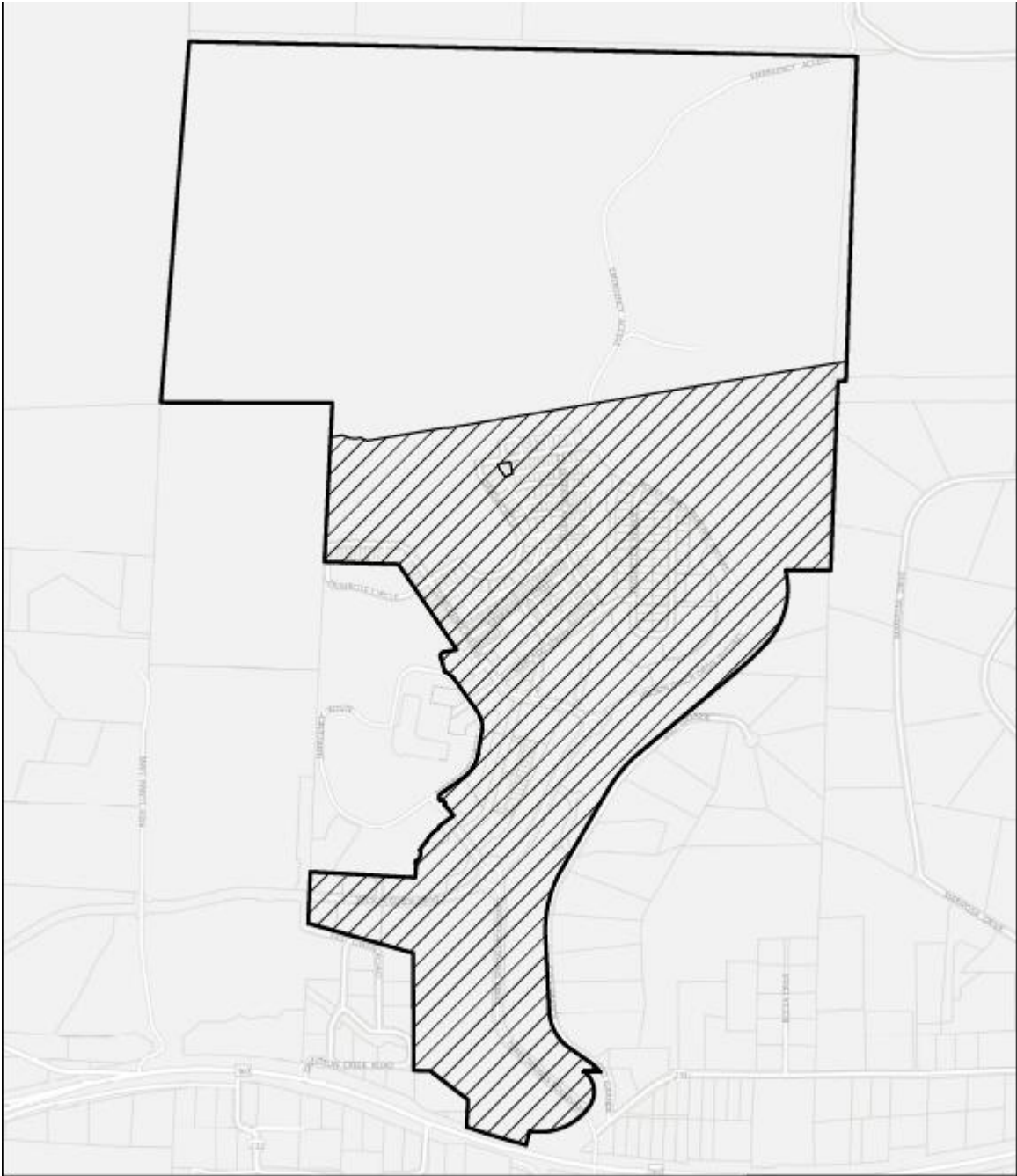
Beginning at a point (P.O.B.) on the eastern boundary of said Section 35 from which the northeast corner of said Section 35 bears N 01°53'58" W for a distance of 2564.51 feet;




THENCE following the boundary of Three Springs Village 1 Filing 2A per the plat thereof recorded June 30, 2006 at Reception No. 937030 for the next 28 courses:

- (1) S 88°44'23" W, 63.77 feet;
- (2) S 02°26'03" W, 171.28 feet;
- (3) S 02°08'41" W, 1321.74 feet;
- (4) N 89°56'04" W, 356.74 feet;
- (5) 625.76 feet along a non-tangential curve concave to the west having a radius of 636.62 feet, a delta angle of 56°19'08", a chord bearing of S 15°02'08" W and a chord distance of 600.87 feet;
- (6) 350.00 feet along a non-tangential curve concave to the northwest having a radius of 2864.79 feet, a delta angle of 07°00'00", a chord bearing of S 46°41'41" W and a chord distance of 349.78 feet;
- (7) S 50°11'41" W, 960.00 feet;
- (8) 400.00 feet along a curve to the left having a radius of 1145.92 feet, a delta angle of 20°00'00", a chord bearing of S 40°11'41" W and a chord distance of 397.97 feet;
- (9) S 30°11'41" W, 717.00 feet;
- (10) 550.00 feet along a curve to the left having a radius of 954.93 feet, a delta angle of 33°00'00", a chord bearing of S 13°41'41" W and a chord distance of 542.43 feet;
- (11) S 02°48'19" E, 593.00 feet;
- (12) 350.00 feet along a curve to the left having a radius of 381.97 feet, a delta angle of 52°30'01", a chord bearing of S 29°03'18" E and a chord distance of 337.86 feet;
- (13) S 55°18'19" E, 200.00 feet
- (14) 100.38 feet along a curve to the right having a radius of 286.84 feet, a delta angle of 20°04'33", a chord bearing of S 45°16'02" E and a chord distance of 99.86 feet;
- (15) S 89°57'17" W, 122.67 feet;
- (16) 301.46 feet along a non-tangential curve concave to the west having a radius of 198.00 feet, a delta angle of 87°13'59", a chord bearing of S 09°02'58" E and a chord distance of 273.18 feet;
- (17) 542.30 feet along a curve to the right having a radius of 473.76 feet, a delta angle of 65°34'56", a chord bearing of S 67°31'24" W and a chord distance of 513.18 feet;
- (18) S 14°26'42", 114.35 feet;
- (19) 486.73 feet along a non-tangential curve concave to the north having a radius of 5670.00 feet, a delta angle of 04°56'19", a chord bearing of N 73°06'54" W and a chord distance of 488.58 feet;
- (20) N 02°20'48" E, 215.83 feet;
- (21) N 52°34'41" W, 374.06 feet;
- (22) N 88°35'17" W, 131.44 feet;
- (23) N 00°13'44" W, 926.91 feet;
- (24) N 74°13'32" W, 859.86 feet;
- (25) N 02°24'30" E, 407.42 feet;
- (26) N 02°24'30" E, 407.42 feet;
- (27) S 86°49'15" E, 829.65 feet;
- (28) N 03°42'19" E, 114.91 feet;

THENCE N 89°27'34" W for a distance of 8.48 feet;

THENCE N 20°31'24" E for a distance of 16.66 feet;



<p>Three Springs Metro District 1 Located In: City of Durango Section 2 and Section 11 T 34 N & Section 35 T 34 1/2 N R 9 W, N.M.P.M</p>	<p> Metro District 1</p> <p>0 250 500 1,000 Feet 1 inch = 1,000 feet Date: 12/21/2015</p> <p></p>	<p> A Southern Ute Company</p> <p>GRVP, LLC 175 Mercado Street Durango, CO 81301 970-387-4254</p>
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