

RESOLUTION OF THE BOARD OF DIRECTORS OF THE CONSOLIDATED
METROPOLITAN DISTRICT CONCERNING SYSTEM DEVELOPMENT FEES

WHEREAS, the Consolidated Metropolitan District, County of Garfield, is a quasi-municipal corporation and political subdivision of the State of Colorado (the "District"); and

WHEREAS, the District was organized to provide, and is providing public services, facilities and programs within its boundaries pursuant to its Service Plan; and

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

WHEREAS, the District has previously adopted separate water and sewer tap fees and recreation center impact fees to be collected from owners of property desiring to construct residential and commercial improvements within the District ("Builders"); and

WHEREAS, the Board of Directors of the District has determined and hereby declares that it is in the best interests of the District to plan for the accumulation and recoupment of the costs to develop and to repair and replace all categories of District facilities, including without limitation streets, water, sewer, storm and surface drainage, and park and recreation improvements ("System Improvements"); and

WHEREAS, the Board of Directors of the District now wish to acknowledge, ratify and set a "System Development Fee" described herein ("SDF") to be collected from Builders;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the District, that:

1. Effective January 1, 2008, the Builders shall be subject to the SDF. Commencing on and after January 1, 2008, and until amended, the SDF shall be assessed and paid as follows:
 - A. For each EQR of development, calculated as described on Exhibit A, attached hereto and incorporated herein by this reference -- \$9000
 - B. Development within the Town of Parachute shall be assessed a SDF calculated pursuant to intergovernmental agreement.
 - C. The SDF payable by Battlement Mesa Partners ("BMP") or its successors in interest to that certain Water and Sewer Tap Purchase Agreement dated as June 1, 2006, and by and between the District, the Battlement Mesa Metropolitan District, and BMP, shall be adjusted to reflect the previous credit granted to BMP for water and sewer taps.
2. Notice of this Resolution shall be provided to the County as soon as is practicable after the adoption hereof. The SDF shall be assessed, due and payable at the time that a connection permit is issued, or should have been issued by the District, pursuant to its rules, regulations, policies and procedures. The issuance of a connection permit by the District shall be a condition precedent to the issuance by the County of a building permit.
3. Until paid, pursuant to Section 32-1-1001(1)(j), C.R.S., as amended, all rates, tolls, fees and charges of the District, including the SDF, shall constitute a first and perpetual lien on or against the property served and any such lien may be foreclosed in the manner provided by law. If the District determines that a foreclosure is necessary to obtain payment of such rates, tolls, fees and charges, including the SDF, a foreclosure fee equal to the costs of collection, including legal fees and costs, shall

be assessed against the property to offset the costs of prosecuting such foreclosure and such foreclosure fee shall constitute a perpetual lien on the property as well.

The SDF, and the obligation for its payment, follows the property in question and the purchaser from any Builder, and the owner and the occupant of any property are hereby deemed equally liable for the SDF and for charges of the District. The District assumes no responsibility hereby for any agreement made between Builders, owners and occupants regardless of how made or the District having been notified of such agreement.

The District shall have the right to assess any Builder, or subsequent owner or occupant who is tardy in payment of his or her account all legal, court and other costs necessary to or incidental to the collection of said account.

4. The SDF is in addition to any and all other service or other charges, rates, fees, tolls, and penalties as may be imposed for service by the District or the County.

5. The SDF may be amended by action of the Board of Directors of the District, without notice, at any time.

6. Unless and until reinstated by action of the Board of Directors of the District, the water tap fee, the sewer tap fee and the recreation center impact fee previously assessed by the District are hereby repealed.

RESOLVED this 27th day of Sept, 2007.

(SEAL)

ATTEST:


Secretary

CONSOLIDATED METROPOLITAN DISTRICT



President