

RESOLUTION NO. 2022-10-02
OF
THE BOARD OF DIRECTORS OF THE STERLING RANCH COMMUNITY
AUTHORITY BOARD
AMENDING AND ADOPTING WATER, SANITARY SEWER AND STORMWATER
RATES, FEES AND CHARGES

RECITALS

A. WHEREAS, the Sterling Ranch Community Authority Board (the "CAB") is an authority and separate legal entity created pursuant to Section 29-1-203, C.R.S. and in conformity with Section 29-1-203.5, C.R.S. and that certain First Amend and Restated Sterling Ranch Community Authority Board Establishment Agreement, (the "**CABEA**"), by and between the Sterling Ranch Colorado Metropolitan District Nos. 1-7 (collectively, the "Sterling Ranch Districts"); and

B. WHEREAS, the CAB and Dominion Water and Sanitation District ("**Dominion**") are parties to the Water and Wastewater Service Agreement for Sterling Ranch, dated January 6, 2014 (the "**Service Agreement**"); and

C. WHEREAS, pursuant to the terms of the Service Agreement and the Water, Wastewater and Stormwater Operations Intergovernmental Agreement (for Service to Sterling Ranch), dated November 15, 2016 (the "**Operations IGA**"), the CAB is responsible, inter alia, for the collection of the Dominion Tap Fees from End Users and for the remittance of the Dominion Tap Fees to Dominion; and

D. WHEREAS, pursuant to the Service Agreement and the Operations IGA, Domion provides wholesale water service to CAB and CAB provides retail water services to the residents and property owners within the boundaries of Sterling Ranch Districts; and

E. WHEREAS, pursuant to Sections 32-1-1001(1)(j) and (2)(a), CAB has the authority to fix or increase fees, rates, tolls, penalties, or charges for domestic water or sanitary sewer service and tap fees; and

F. WHEREAS, pursuant to the authority contained in Title 32, Article I, Part 10, C.R.S. and Section 29-1-203, C.R.S., the CAB has adopted the Code of Rules for the Sterling Ranch Community Authority Board (the "**Rules and Regulations**") where the current CAB and Dominion Tap Fees and service charges are recorded; and

G. WHEREAS, pursuant to the authority contained in Title 32, Article I, Part 10, C.R.S. and Section 29-1-203, C.R.S., the CAB has the authority to amend the Rules and Regulations from time to time; and

H. WHEREAS, the CAB has expressly reserved the right to change the Tap Fees and the schedule of service rates and charges and other fees at any time; and

I. WHEREAS, pursuant to the Operations IGA any changes to the Wholesale Tap Fees shall not be effective until such time as Dominion has adopted a Resolution adopting the Tap Fees and service charges;

J. WHEREAS, in 2021 the CAB engaged Carollo Engineers, Inc. ("**Carollo**") to update the rate study that was the basis of the Tap Fees and service charges previously adopted by the CAB (the "**Updated CAB Rate Study**") which study included prospective rates for 2022 - 2025; and

K. WHEREAS, the results of the Updated CAB Rate Study indicated that CAB should increase its rates, fees and charges for 2023 to keep pace with necessary system development and expanding operational capacity as they system continues to grow; and

L. WHEREAS, CAB has reviewed and determined that the CAB Facilities Fee should be modified to account for the rising costs of construction and public infrastructure development which the fee is to help offset; and

M. WHEREAS, CAB has caused to provided notice to all customers in the manner prescribed in Section 32-1-1001(2)(a); and

N. WHEREAS, the CAB has determined, accordingly, that it is necessary and in the best interest of the health and welfare of the residents of Sterling Ranch to amend the Rules and Regulations and to set the service fees and charges, as more particularly described herein.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE STERLING RANCH COMMUNITY AUTHORITY BOARD OF THE COUNTY OF DOUGLAS, COLORADO:

Section 1. Adoption of Water and Sewer Tap Fees: The CAB hereby adopts the water and sewer Tap Fees effective January 1, 2023, as documented on the attached Exhibit A. All prior Tap Fees or service charges adopted or referenced in the Rules and Regulations are deleted in their entirety and replaced with the water and sewer tap fees and service charges attached to this Resolution as Exhibit A.

Section 2. Adoption of Facility Fees: The CAB hereby adopts the Facility Fees effective January 1, 2023, as documented on the attached Exhibit A. All prior Facility Fees or service charges adopted or referenced in the Rules and Regulations are deleted in their entirety and replaced with the Facility Fee attached to this Resolution as Exhibit A.

Section 3. Amendment to the Rules and Regulations: The Board directs the newly adopted tap fees and service charges shall be published in the Rules and Regulations at the next update of the Rules and Regulations. The new tap and facility fees shall take effect January 1, 2023, and the facility fees on February 1, 2022, regardless of whether the updated Rules and Regulations have been published.

Section 4. Defined Terms: Capitalized terms used herein and not otherwise defined herein shall have the meanings given to them in the Rules and Regulations, unless otherwise indicated herein.

Section 5. Copies: Copies of the Updated Rate Studies may be obtained from the CAB General Manager at the following address: Sterling Ranch Community Authority Board, 9350 Roxborough Park Road, Littleton, CO 80125 or requested by writing to 8155 Piney River Avenue, Suite 150, Littleton, CO 80125.

Section 6. Severability: Judicial invalidation of any of the provisions of this Resolution or of any paragraph, sentence, clause, phrase or word herein, or the application thereof in any given circumstance, shall not affect the validity of the remainder of this Resolution, unless such invalidation would act to destroy the intent or essence of this Resolution.

Section 7. Ratification: All provisions of the Rules and Regulations not expressly modified by this Resolution shall remain unchanged and in full force and effect. In the event of any express conflict or inconsistency between the terms of the Rules and Regulations and this Resolution, this Resolution shall control and govern.

[SIGNATURE PAGE TO FOLLOW]

**[SIGNATURE PAGE TO RESOLUTION OF THE BOARD OF DIRECTORS OF THE
STERLING RANCH COMMUNITY AUTHORITY BOARD AMENDING THE RULES
AND REGULATIONS PERTAINING TO WATER AND SANITARY SEWER TAP FEES
AND FACILITY FEES AND CHARGES]**

ADOPTED AND APPROVED this 19th day of October, 2022.

STERLING RANCH COMMUNITY AUTHORITY BOARD

DocuSigned by:
By: Harold Smethills
President, 8D12948EDCE9415...
Sterling Ranch Community Authority Board

Attest:

DocuSigned by:
[Signature]
689B84C6A9FD447...
Secretary/Assistant Secretary

Exhibit A**2022 Tap Fees and Service Charges**

The following portions of the Code of Rules for Sterling Ranch Community Authority Board shall be updated to read as follows effective January 1, 2023:

Table 13-124. Tap Fees
(effective January 1, 2023)

<i>Description</i>		<i>Dominion Water Resource Fee (collected as part of the Tap Fees)</i>
Residential		
	Multifamily (Indoor Only)	\$5,515
	Single Family Attached	\$8,345
	Single Family Detached—Lot Size < 5,000 SF	\$8,850
	Single Family Detached—Lot Size > 5,000 SF	\$11,625
Nonresidential		
	Nonresidential (per SFE)*	\$15,655
	Irrigation Nonresidential 1"	**
	Irrigation Nonresidential 1½"	**
	Irrigation Nonresidential 2"	**
	Irrigation Nonresidential 3"	**
Pool		\$5,810

*Nonresidential water resources fee based upon typical usage. Actual fee to be determined on a case-by-case basis dependent on projected indoor/outdoor water use requirements.

**Fee to be based upon square footage of landscape type to be installed.

Water Tap

<i>Description</i>	<i>CAB Water Infrastructure Fees (for Retail Service)</i>	<i>Dominion Water Infrastructure Fees (for Wholesale Service)</i>	<i>Total Water Infrastructure Fees</i>
Residential			
Single Family Detached (Per Unit) -	\$2,000	\$22,605	\$24,605
Single Family Attached and Multifamily (Per Unit)	\$1,370	\$15,160	\$16,530
Pool Tap	\$1,000	\$11,305	\$12,305
Nonresidential			

	Indoor Water Tap (per EQR)	\$2,000	\$22,605	\$24,605
Nonresidential and Irrigation				
	5/8"	\$1,370	\$15,160	\$16,530
	3/4"	\$2,000	\$22,605	\$24,605
	1"	\$3,360	\$37,770	\$41,130
	1 1/2"	\$6,729	\$75,305	\$82,034
	2"	\$13,335	\$150,770	\$164,105
	3"	\$33,285	\$376,780	\$410,065

Sewer Tap

<i>Description</i>		<i>CAB Fees</i>	<i>Dominion Fees</i>	<i>Total Fees</i>
Residential				
	Single Family Detached (Per Unit)	\$1,050	\$10,145.00	\$11,195
	Single Family Attached and Multifamily (Per Unit)	\$700	\$6,805.00	\$7,505
Nonresidential				
	5/8"	\$700	\$6,805	\$7,505
	3/4"	\$1,050	\$10,145	\$11,195
	1"	\$1,760	\$16,950	\$18,710
	1 1/2"	\$3,400	\$33,780	\$37,188
	2"	\$7,000	\$67,665	\$74,665
	3"	\$17,500	\$169,095	\$186,595

Stormwater Tap

<i>Description</i>		<i>CAB Fees</i>	<i>Dominion Fees</i>	<i>Total Fees</i>
Residential				
	Per Unit	\$5,460	N/A	\$5,460
Nonresidential				
	Nonresidential	**	N/A	**

**Calculated on a case-by-case basis dependent on impervious area.

Table 13-174. Water Service Base Rates
(effective January 1, 2023)

<i>Description/Tap Size</i>		<i>Monthly Fee</i>
Residential		
	Single (indoor) Meter (Single Family, Attached and Multifamily) (Per Unit)— $\frac{5}{8}$ " Tap	\$46.45
	Dual (indoor and outdoor) Meter (Single Family, Attached and Multifamily) (Per Unit)— $\frac{3}{4}$ " Tap	\$69.30
Nonresidential and Irrigation		
	$\frac{3}{4}$ "	\$69.30
	1"	\$115.70
	1 $\frac{1}{2}$ "	\$230.65
	2"	\$462.00
	3"	\$1,154.60

Table 13-175. Indoor Water Consumption Fee
(effective January 1, 2023)

<i>Tier</i>		<i>Fee per 1,000 gallons</i>
Tier 1	< 100% of AWC	\$8.95
Tier 2	100% to 120% AWC	\$10.80
Tier 3	> 120% of AWC	\$17.15

Table 13-176. Outdoor Water Consumption Fee
(effective January 1, 2023)

<i>Tier</i>		<i>Fee per 1,000 gallons</i>
Tier 1	Annual Water Allotment < 100%	\$10.75
Tier 2	Annual Water Allotment 100%—120%	\$16.85
Tier 3	Annual Water Allotment 120%—140%	\$22.95
Tier 4	Annual Water Allotment > 140%	\$28.25
Tier 5	Construction Water	\$15.35

Table 13-177. Sanitary Sewer Fees
(effective January 1, 2023)

<i>Customer Class</i>	<i>Monthly Base Fee</i>
Residential	
Single-Family	\$38.55
Multi Family	\$38.55
Nonresidential	
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1"	\$64.55
1½"	\$128.70
2"	\$257.55
3"	\$643.70
<i>Customer Class</i>	<i>Fee per 1,000 gallons of Indoor Water Use</i>
Residential	
Single-Family	\$8.80
Multifamily	\$8.80
Nonresidential	\$9.45

Table 13-178. Stormwater Fees
(effective January 1, 2023)

<i>Customer Class</i>	<i>Monthly Charge</i>
Residential	
Single Family	\$17.38
Multifamily	\$16.17
Nonresidential	
Nonresidential	\$42.00

Section 13-3. – Facilities Fees.

- (a) *Residential Facilities Fee.* Residential Facilities Fees are to be paid on all residential property within the Sterling Ranch Districts at or prior to the date of issuance of a building permit. Residential Facilities Fees paid through December 31, 2022 are (i) \$10,600.00 per single-family attached and detached residential unit, and (ii) \$9,300.00 per multifamily residential unit, and thereafter as may be further adjusted by the Board. Effective January 1, 2023, Residential Facilities Fees are due in the amount of (i) \$11,130.00 per single-family attached and detached residential unit, and (ii) \$9,765.00 per multifamily residential unit.
- (b) *Commercial Facilities Fee.* Commercial Facilities Fees are to be paid on all commercial property within the Sterling Ranch Districts at or prior to the date of issuance of a building permit. Commercial property is any property that is zoned or planned for any use other than residential property. Commercial Facilities Fees shall be assessed proportionately at the rate of four times the rate of the applicable single-family detached Residential Facilities Fee per acre at the time of building permit issuance.
- (c) *Payment.* All Facilities Fees shall be paid to the CAB. The CAB may impose penalties for noncompliance as permitted by law. Upon collection of a Facilities Fee by the CAB and provision of an adequate legal description of the subject property, the CAB shall cause a release of its lien, applicable to the subject property. Without limiting the foregoing, a late charge on any past-due amounts shall accrue from the date due at a rate of \$150.00 per month, or up to five percent per month, not to exceed 25 percent of the amount due, whichever is greater. Nothing herein shall prevent any party from prepaying a Facilities Fee at any time with the consent of the CAB.
- (d) *Modification.* The Facilities Fee policy adopted herein and the rate thereof have been established based on projected budgetary requirements of the CAB using various assumptions regarding the cost of public improvements, bond issues and interest rates therefor, together with operations expenses and maintenance expenses. Actual costs may differ from projections, and the CAB may determine to modify the Facilities Fee imposed hereunder from time to time.
- (e) *Status as Lien/Foreclosure.* Pursuant to C.R.S. § 32-1-1001(1)(j), the Facilities Fee shall, until paid, constitute a perpetual lien on and against the property subjected to the Facilities Fee hereunder from and after the date of adoption by the Board of Directors of the CAB, which lien may, if not paid when due, be foreclosed upon in the same manner as provided by the Laws of the State of Colorado for the foreclosure of mechanics' liens. Upon payment of the appropriate Facilities Fee and a request by the party making the payment, the properties subject to such Facilities Fee shall be released from the lien thereof by the recording of a form of Release of Lien by the CAB.
- (f) *Priority of Lien.* Except for the lien against the property within the Sterling Ranch Districts created by the imposition of property taxes by the Sterling Ranch Districts and other taxing jurisdictions pursuant to C.R.S. § 32-1-1202, all liens for unpaid Facilities

Fees shall, to the fullest extent permitted by law, have priority over all other liens of record affecting the property subject to such Facilities Fees and shall run with such property and remain in effect until paid in full. In the event a partial payment of the total amount due for the Tap Fees and Facilities Fees for either residential or commercial property is received by the CAB, the partial payment shall first be applied to payment of the Dominion Tap Fees, then to the CAB Facilities Fee, then to the CAB Stormwater Tap Fee, then to the CAB Water Tap Fee, then to the CAB Sanitary Sewer Tap Fee due for such residential unit.