

**RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
WOODMOOR WATER AND SANITATION DISTRICT NO. 1
ADOPTING AVAILABILITY OF SERVICE CHARGES AND AMENDING THE
DISTRICT RULES AND REGULATIONS CONCERNING THE SAME**

WHEREAS, the Woodmoor Water and Sanitation District No. 1 (the "District") is a quasi-municipal corporation and political subdivision of the State of Colorado, organized pursuant to Sections 32-1-101, *et seq.*, C.R.S.; and

WHEREAS, the District is empowered by Section 32-1-1006(1)(h)(I), C.R.S., to assess availability of service charges solely for the purpose of paying the principle of, and interest on, outstanding indebtedness or bonds of the District; and

WHEREAS, in 2011, the District, through its water and wastewater activity enterprises, issued its Series 2011 Enterprise Water and Wastewater Revenue Bonds in the aggregate principal amount of \$27,915,000 (the "Bonds") to fund the acquisition of land, a reservoir facility, water and/or ditch rights, additional water wells and other related water system and wastewater system improvements to provide service to properties located within the District's service area; and

WHEREAS, in compliance with Section, 32-1-1006(h)(I)(B), C.R.S., the District mailed notice, by first class mail, postage pre-paid, to each of the District's taxpaying electors stating that imposition of an availability of service charge would be considered by the District's Board of Directors at its regular meeting on March 8, 2012; and

WHEREAS, at its March 8, 2012 meeting, the Board of Directors determined to (i) adopt an availability of service charge (not exceeding 50 percent (50%), averaged, of the District's water and wastewater service charges) and (ii) to amend the Woodmoor Water and Sanitation District No. 1 Rules and Regulations adopted March 14, 2006, as amended, (the "Rules and Regulations") to clarify the procedures allowing owners to combine lots through an administrative process and thereby cause the District to postpone collection of ASCs.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE WOODMOOR WATER AND SANITATION DISTRICT NO. 1 THAT:

Section 1. In order to maintain orderly District operations and assist in defraying the costs of bonded indebtedness payments (both interest on and principal of the Bonds), the District's Board of Directors has determined to adopt an availability of service charge.

Section 2. There is hereby adopted an availability of service charge (the "Availability of Service Charge" or "ASC"), in accordance with 32-1-1006(h)(I), C.R.S., in the amount of

\$25.00 per year per lot or residential lot equivalent; and

Section 3. The ASC revenues shall be applied solely to the payment of the District's principal and interest obligations for the Bonds, and shall not be used for any other purpose; and

Section 4. The District has installed water and/or sewer line facilities within 100 feet of certain property and said facilities are ready for connection to the such properties; and

Section 5. The District may, in the future, extend water and/or sewer line facilities, bringing such then ready for connection facilities within 100 feet of certain additional properties; and

Section 6. Section 8-12 of the Rules and Regulations is hereby repealed in its entirety and reenacted to read as follows:

8-12 AVAILABILITY OF SERVICE CHARGE:

8-12-1 General: Pursuant to §32-1-1006(1)(h)(I), C.R.S., the availability of service charge will be assessed against all lots and residential lot equivalents where water, sewer or both water and sewer lines are installed and ready for connection within one hundred feet (100') of the property line of such lot or residential lot equivalent (the "ready-for-connection lot/residential lot equivalent"), but this does not apply to lots or residential lot equivalents on which exists an improvement that is connected to existing water, sewer or both water and sewer lines.

8-12-1-1 Postponing Collection: The District will postpone collection of availability of service charges in cases where parcels are combined only where the procedures of this section are followed.

8-12-1-2 Parcels Combined - Replat/Plat Amendment: The owner of any lot/residential lot equivalent that is connected to existing water, sewer or both water and sewer lines, who combines, by recording a plat or plat amendment, such lot/residential lot equivalent with any ready-for-connection lot/residential lot equivalent will cause the District to postpone the collection of the availability of service charge owing on the ready-for-connection lot/residential lot equivalent. The District will postpone collection of the availability of service charge until such time, if any, that the combined lots/residential lot equivalents are divided by a plat or plat amendment. At such time, the then current owner(s) will be subject to the availability of service charge on each ready-for-connection lot/residential lot equivalent in full going back to the year the lots/residential lot equivalents were combined or January 1, 2013, whichever date is most recent, plus simple interest at a rate of 6 % per annum.

8-12-1-3 Parcels Combined – Administrative Lot Combination Through El Paso County: The owner of any lot/residential lot equivalent that is connected to existing water, sewer or both water and sewer lines, who combines, through the El Paso County Assessor administrative lot combination process, such lot/residential lot equivalent with any ready-

for-connection lot/residential lot equivalent will cause the District to postpone the collection of the availability of service charge owing on the ready-for-connection lot/residential lot equivalent provided:

1) The combined parcels are identified by a single parcel number in the records of the El Paso County Assessor;

2) The owner of the combined parcels files with the District an application in the form shown in Appendix K and pays the administrative fee shown in Appendix B.

3) The applicant is current on and has paid all fees, charges, liens and taxes owing to the District.

If the owner meets requirements 1) - 3) above, the District will postpone collection of the availability of service charge until such time, if any, that the combined lots/residential lot equivalents are identified with separate El Paso County Assessor parcel numbers or the then current owner applies to the District seeking that the District cease postponing and begin annually charging the availability of service charges as if the parcels were no longer combined. At such time, the then current owner(s) will be subject to the availability of service charge on each ready-for-connection lot/residential lot equivalent in full going back to the year the lots/residential lot equivalents were combined or January 1, 2013, whichever date is more recent, plus simple interest at a rate of 6 % per annum.

8-12-2 Nothing herein is intended as a limitation on the District's authority to require as-built drawings or other installation quality assurance/quality control documentation prior to finally accepting newly constructed water and sewer lines or other infrastructure that will become part of the District system. Further, for purposes of this Section, installed water and sewer lines shall be deemed ready for connection whether or not the District has received such as-built and/or quality assurance/quality control information.

Section 7. There is hereby established a charge of \$25.00/per application for each application requesting that the District postpone availability of service charge collections due to an administrative lot combination. Appendix B of the Rules and Regulations is hereby amended to include this charge.

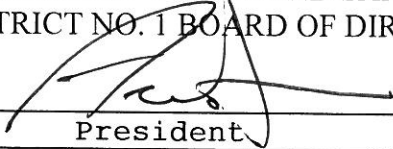
Section 8. ASCs shall not be charged to any properties connected to the District's systems.

Section 9. This Resolution supersedes all prior Resolutions of the Board of Directors of the Woodmoor Water Sanitation District and amends the District Rules and Regulations to the extent inconsistent herewith.

Section 10. The availability of service charge adopted hereby shall be collected starting in 2013 and every year thereafter until the Bonds or any refunding bonds are paid and the debt represented thereby is retired.

ADOPTED AND APPROVED this 12th day of April, 2012.

WOODMOOR WATER AND SANITATION
DISTRICT NO. 1 BOARD OF DIRECTORS

By: 
Its: President

ATTEST:

By: 
Its: Secretary

WWSD/RESO/2012
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