

**2016 RESOLUTION OF THE
BOARD OF DIRECTORS OF THE
ROCKINGHORSE METROPOLITAN DISTRICT NO. 2**

CONCERNING THE IMPOSITION OF AN OUTSIDE USER FEE

WHEREAS, the RockingHorse Metropolitan District No. 2 (the “**District**”) was formed pursuant to §§ 32-1-101, *et seq.*, C.R.S., as amended (the “**Special District Act**”), by order of the District Court for Douglas County, Colorado, and after approval of the District’s eligible electors at an election; and

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

WHEREAS, the Board has determined it to be in the best interests of the District, and the property owners, taxpayers, and residents of the District, to acquire, construct, operate and maintain certain amenities and facilities benefitting property and inhabitants within the District, which amenities and facilities generally include park and recreation, open space and landscaping improvements, facilities, appurtenances and rights-of-way (collectively, the “**Facilities**”); and

WHEREAS, the Board has determined it to be in the best interests of the District, and the property owners, taxpayers, and residents of the District, to provide certain services to property and inhabitants within the boundaries of the District, including without limitation, operation and maintenance of recreation amenities, landscape maintenance and covenant enforcement (collectively, the “**Services**”); and

WHEREAS, pursuant to § 32-1-1001(1)(j)(I), C.R.S., the District is authorized to fix and impose fees, rates, tolls, penalties and charges for services or facilities furnished by the District which, until such fees, rates, tolls, penalties and charges are paid, shall constitute a perpetual lien on and against the property served; and

WHEREAS, the District incurs certain direct and indirect costs associated with the repair, replacement, improvement, reconstruction operation and maintenance of the Facilities, as necessary, inclusive of the costs of utilities and capital replacement costs (collectively, the “**Facility Costs**”) in order that the Facilities may be properly provided and maintained; and

WHEREAS, the District incurs certain direct and indirect costs associated with the provision of the Services in order that the Services may be properly provided, the property within the District maintained, and that the health, safety and welfare of the District and its inhabitants may be safeguarded (collectively, the “**Service Costs**”); and

WHEREAS, the establishment and continuation of a fair and equitable fee (the “**Outside User Fee**”) to charge individuals who do not live within the boundaries of the District and do not

pay District fees or taxes to pay for a share of the Facility Costs and the Service Costs, (collectively, the “**Operations Costs**”), which Operations Costs are generally attributable to the persons and/or properties subject to such Outside User Fees, is necessary to provide for the common good and for the prosperity and general welfare of the District and its inhabitants and for the orderly and uniform administration of the District’s affairs; and

WHEREAS, the District finds that the Outside User Fee, as set forth in this Resolution, is reasonably related to the overall cost of providing the Facilities and Services and paying the Operations Costs, and that imposition thereof is necessary and appropriate; and

WHEREAS, on July 16, 2010, the Board adopted its Joint Resolution Concerning District Fees For the Use of District Recreational Facilities by Non-Residents and Non-Property Owners (the “**Prior Fee Resolution**”), and the Board desires to adopt this Resolution to amend and restate the Prior Fee Resolution in its entirety. Any fees, rates, tolls, penalties or charges due under the Prior Fee Resolution, to the extent outstanding and unpaid, shall remain in effect until fully paid and shall not be eliminated hereby.

NOW, THEREFORE, be it resolved by the Board as follows:

1. OUTSIDE USER FEE.

a. The Board has determined, and does hereby determine, that it is in the best interests of the District and its respective residents and property owners to impose, and does hereby impose an Outside User Fee to help fund the Operations Costs. The Outside User Fee is hereby established and imposed in an amount as set forth by the District from time to time pursuant to an annual “**Fee Schedule**” and shall constitute the rate in effect until such schedule is amended or repealed. The initial Fee Schedule is set forth in **Exhibit A**, attached hereto and incorporated herein by this reference.

b. The Board has determined, and does hereby determine, that the Outside User Fee is reasonably related to the overall cost of providing the Facilities and Services, and is imposed on those who are reasonably likely to benefit from or use the Facilities and Services.

c. The revenues generated by the Outside User Fee will be accounted for separately from other revenues of the District. The Outside User Fee revenue will be used solely for the purpose of paying Operations Costs, and may not be used by the District to pay for general administrative costs of the District. This restriction on the use of the Outside User Fee revenue shall be absolute and without qualification.

d. The Board has determined, and does hereby determine, that the Outside User Fee is calculated to defray the cost of funding Operations Costs and reasonably distributes the burden of defraying the Operations Costs in a manner based on the benefits received by persons paying the fees and using the Facilities and Services.

2. PAYMENT. Payment for all fees, rates, tolls, penalties, charges, interest and attorney fees shall be made by check or equivalent form acceptable to the District, made payable to "RockingHorse Metropolitan District No. 2" and sent to the address indicated on the Fee Schedule. The District may change the payment address from time and time and such change shall not require an amendment to this Resolution.

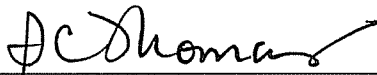
3. SEVERABILITY. If any portion of this Resolution is declared by any court of competent jurisdiction to be void or unenforceable, such decision shall not affect the validity of any remaining portion of this Resolution, which shall remain in full force and effect. In addition, in lieu of such void or unenforceable provision, there shall automatically be added as part of this Resolution a provision similar in terms to such illegal, invalid or unenforceable provision so that the resulting reformed provision is legal, valid and enforceable.

4. EFFECTIVE DATE. This Resolution shall become effective July 26, 2016.

[Remainder of Page Intentionally Left Blank. Signature Page to Follow].

ADOPTED this 26th day of July 2016.

ROCKINGHORSE METROPOLITAN DISTRICT
NO. 2, a quasi-municipal corporation and political
subdivision of the State of Colorado



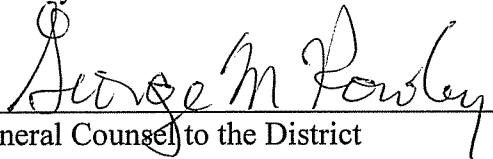
Officer of the District

ATTEST:



APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON
Attorneys At Law



General Counsel to the District

Signature page to Resolution Concerning the Imposition of an Outside User Fee

EXHIBIT A

ROCKINGHORSE METROPOLITAN DISTRICT NO. 2

Schedule of Fees

Effective October, 2015

Schedule of Fees	
Outside User Fee	\$ 1,400
The Outside User Fee shall be paid prior to the use of any district amenities.	

PAYMENTS: Payment for each fee shall be made payable to the RockingHorse Metropolitan No. 2 District and sent to the following address for receipt by the Due Date:

CCMC
Megan Kankelfritz
8360 E. Via de Ventura Blvd. Suite L-100
Scottsdale, AZ 85258
mkankelfritz@ccmcnet.com
480-921-7500