

**COMBINED RESOLUTION OF THE BOARDS OF DIRECTORS OF
BERTHOUD-HERITAGE METROPOLITAN DISTRICT NOS. 1 - 17
REGARDING IMPOSITION OF DISTRICT FEES**

WHEREAS, pursuant to orders of the District Court of Larimer County, Colorado, Berthoud-Heritage Metropolitan District Nos. 1-17 (collectively referred to herein as the "Districts" or individually as a "District") were duly and validly organized as metropolitan districts in accordance with applicable laws and recorded by the Clerk of the District Court of Larimer County on July 1, 2008 for District Nos 1-9 and November 2018 for District Nos. 10-17. A map of the current Districts' boundaries is attached hereto as **Exhibit A** and incorporated herein by reference; and

WHEREAS, pursuant to Section 32-1-1001(1)(j) of the Colorado Revised Statutes ("C.R.S."), the Districts are authorized to fix and impose fees, rates, tolls, charges and penalties for services or facilities provided by the Districts which, until paid, may constitute a perpetual lien on and against the property served; and

WHEREAS, the Consolidated Service Plan for the Districts, as may be amended from time to time, (collectively, the "Service Plan") similarly empowers the boards of directors of the Districts (the "Boards") to impose fees, rates, tolls, charges and penalties for services and facilities generally within the service area of the Districts as reflected in the attached **Exhibit A**, as amended from time to time; and

WHEREAS, the Boards desire to update and amend the prior authorization and establishment of a schedule of fees and charges for costs associated with the services, programs, improvements, facilities, capital costs and/or operational costs provided by the Districts, a copy of which is attached hereto as **Exhibit B** and incorporated herein by reference; and

WHEREAS, the ability to provide facilities and services to the Districts' residents and property owners are predicated upon certain developmental assumptions; and

WHEREAS, there is a reasonable expectation by the Districts that the property within their boundaries will be developed within a reasonable amount of time, subsequent to platting; and

WHEREAS, based upon said expectation, the Districts desire to establish fees for each residential lot and commercial property located within their boundaries to pay for the services and facilities provided by or through the Districts and implement the Districts' rules and regulations; and

WHEREAS, the Districts may choose to reduce or waive District fees should sufficient revenue for operations and maintenance of District facilities and services become available to the Districts in the future or in their discretion; and

WHEREAS, the Boards of Directors for the Districts (the "Boards") desire to adopt a resolution and schedule of fees and charges for costs associate with the services, programs, improvements, facilities, capital costs, development costs and/or operational costs provided by the Districts, a copy of which is attached hereto as **Exhibit B** and incorporated herein by reference.

NOW THEREFORE, the Boards of the Districts hereby RESOLVE as follows:

I. DEFINITIONS. The following terms shall have the meanings afforded below:

- A. "Collections Policy" means procedures associated with billing and collections of the fees and charges imposed by the Districts from time to time, a form of which is attached hereto as **Exhibit C** which has been adopted by the Board, and as may be amended from time to time.
- B. "End User" means any third-party homeowner, property owner, or tenant of any homeowner or property owners occupying or intending to occupy a Residential Unit or Commercial Unit.
- C. "Dwelling Unit" means a single-family attached or detached residence and a multi-family attached or detached residence or apartment.
- D. "Legal Boundaries" means the legal boundaries of each of the Districts, as the same are established and amended from time to time pursuant to Title 32, Colorado Revised Statutes.
- E. "Lot" means each parcel of land established by a recorded final subdivision plat and which is located within the Legal Boundaries.
- F. "Residential Unit" means each residential dwelling unit (including, without limitation, any condominium, townhome, or other attached dwelling unit, and any detached single-family dwelling unit) which is located within the Legal Boundaries.
- G. "Commercial Unit" means each property that is used for non-residential purposes, including but not limited to business activities, industrial, office, retail, manufacturing, or other non-residential purposes for properties which are located within the Legal Boundaries.
- H. "Transfer" shall include a sale, conveyance, or transfer by deed, instrument, writing, lease, or any other documents or otherwise by which real property is sold, granted, let, assigned, transferred, exchanged, or otherwise vested in a tenant, tenants, purchaser, or purchasers for purposes of residential or commercial use.

II. ADMINISTRATIVE TRANSFER FEE.

- A. The District shall be authorized to charge an Administrative Transfer Fee in connection with all property title transfers and new accounts of the Districts. Such administrative expenses may include costs incurred related to property transfers, updates to District files, transfer letters, and status letters needed for the closing of each property within the District.
- B. The Administrative Transfer Fee shall be imposed at a rate established by the Districts from time to time pursuant to an annual Schedule of Fees and shall constitute the rate in effect until such Schedule of Fees is amended.
- C. All Administrative Transfer Fees established hereunder shall be due and owing from the current owner and/or seller of property upon all property title transfers and is payable to the Berthoud-Heritage Metropolitan District No. 1.

III. PROPERTY RESALE ENHANCEMENT FEE

- A. A Property Resale Enhancement Fee shall be imposed for all Single-Family units and all Multi-Family units.
- B. The Single and Multi-Family Property Resale Enhancement Fees shall be imposed at a rate established by the Districts from time to time pursuant to an annual Schedule of Fees and shall constitute the rate in effect until such Schedule of Fees is amended.
- C. All Property Resale Enhancement Fees established hereunder shall be due and owing by the property owner selling the property to Berthoud-Heritage Metropolitan District No. 1 upon property title transfers of all single family and multi-family sales subsequent of the original property transfer between the developer and or builder to an owner once home is built on the lot. The amount of each Property Transfer Fee due hereunder shall be at the rate in effect at the time of payment.

IV. RAW WATER, NON-POTABLE WATER SYSTEM AND PLANT INVESTMENT FEES.

- A. Raw Water and Non-Potable Irrigation Water System and Plant Investment Fees. The District shall be authorized to charge Raw Water and Non-Potable Irrigation Water System Tap Fee for each residential unit and non-residential property (on a per square footage basis) which shall be imposed at a rate established by the Districts from time to time pursuant to an annual Schedule of Fees and shall constitute the rate in effect until such Schedule of Fees is amended. The Raw Water and Non-Potable Irrigation Water System and Plant Investment Fees may be used as a source of revenue to finance, defray, reimburse, plan, acquire, construct, install, implement and administer the Irrigation Water, Non-Potable Irrigation Water System facilities, improvements and monitoring systems, and to defray the costs of related operations, administration and maintenance of the facilities and improvements needed to connect property owners to the Districts' Irrigation Water System.

V. DISTRICT DEVELOPMENT FEE.

- A. A one-time Development Fee is hereby established and imposed upon each Residential Unit and Commercial Unit for services provided in connection with the construction, operations and maintenance of public facilities and District amenities.
- B. The Development Fee shall be imposed at a rate established by the Districts from time to time pursuant to an annual Schedule of Fees and shall constitute the rate in effect until such Schedule of Fees is amended. In the District's discretion, the Development Fee may be automatically adjusted to reflect the change in annual adjustments for the changes in the Denver-Boulder-Greeley CPI but not to exceed a cumulative increase of ten percent (10%) per year commencing January 1, 2017 but no later than March 1 of any calendar year.
- C. All Development Fees established hereunder shall be due and owing to Berthoud-Heritage Metropolitan District No. 1 by the property lot owner prior to the issuance of the Town building permit.

VI. GENERAL OPERATIONS FEE.

- A. A General Operations Fee is hereby established and imposed upon each Single-Family Residential Unit, each Multi-Family Residential Unit and each Commercial Unit for services provided in connection with the construction, operation, and maintenance of public facilities within the Legal Boundaries, including but not limited to operations and maintenance of recreational facilities, landscaping, and common areas. Upon payment of the General Operations Fee, an End User shall have access and use of the District amenities except the golf course (for example: pool, clubhouse, sports club) without charge of an additional or separate Access Fee.
- B. The General Operations Fee shall be imposed at a rate established by the Districts from time to time pursuant to an annual Schedule of Fees and shall constitute the rate in effect until such Schedule of Fees is amended.
- C. The General Operations Fee shall be first due and owing as of the date of Transfer or when the unit is occupied for residential use; whichever occurs first.
- D. The General Operations Fee shall be paid on an annual basis in semi-annual installments and will be prorated and collecting for timing of transfer/ownership by closing agents. The General Operations Fee may increase periodically based upon determination of the Board of Directors of the operational and maintenance needs of the District.

VII. DISTRICT AMENITY FEES.

- A. The District shall be authorized to charge District Amenity Fees for District amenities for the costs associated with the operation and maintenance of recreation facilities within the boundaries of the Districts and for other costs of the Districts, which include but are not limited to, operations and maintenance of the public pool, fitness center, reservoirs, restaurants and related facilities and appurtenances associated with maintaining this amenity of the Districts. This District access fees will be at a reduced rate or at a discount rate taking into consideration the other fees and taxes paid by residents of each of the Districts for the operation and maintenance of public facilities and improvements within the Districts. These Fee(s) shall be due prior to granting access for any District families desiring to use the Reservoir amenities and restaurants and related facilities within the District.
- B. The Amenity Access Fees shall be imposed at rates established by the Districts from time to time pursuant to an Amenity Fee Schedule and shall constitute the rates in effect until such Amenity Fee Schedule is amended.
- C. All District Amenity Access Fees may increase periodically based upon determination of the Board of Directors for the capital, operational and maintenance needs of the District Amenities.
- D. Use of District Amenities requires: (1) Payment of applicable District Fees noted in the schedule attached hereto, in compliance with this District Fee Resolution, as amended from time to time (2) users of District Amenities must be in good standing with the District (3) Use of District Amenities,

including but not limited to pool, clubhouse and other Districts Amenities requires acknowledgement and consent to be subject to the applicable District rules and regulations regarding use and access to each District Amenity.

VIII. NON-DISTRICT AMENITY ACCESS FEES.

- A. The District shall be authorized to charge Non-District Amenity Access Fees for each family residing outside of the Districts for the costs associated with the operation and maintenance of recreation facilities within the boundaries of the Districts and for other costs of the Districts, which include but are not limited to, operations and maintenance of the public pool, fitness center and related facilities and appurtenances associated with maintaining this amenity of the Districts. This non-District user fee is designed to include an administrative fee to account for other fees and taxes paid by residents of the Districts to subsidize the operation and maintenance of public facilities and improvements within the Districts. This Fee shall be due on an annual basis, prior to granting access for any non-District families desiring access to the District pool, fitness center, clubhouse, and related facilities.
- B. The Non-District Amenity Access Fees shall be imposed at rates established by the Districts from time to time pursuant to an annual Non-District Amenity Access Fee Schedule and shall constitute the rates in effect until such Non-District Amenity Fee Schedule is amended.
- C. All Non-District Amenity Access Fees may increase periodically based upon determination of the Board of Directors for the capital, operational and maintenance needs of the District Amenities.

IX. ARCHITECTURAL REVIEW AND CONSTRUCTION DEPOSIT FEES.

- A. Architectural Review Fees shall be authorized for total plan review (architectural plans) and for exterior landscape plan review (landscape plans). The Architectural Review Fee will be charged to the homeowner for each submittal and paid to Berthoud-Heritage Metropolitan District No. 1. This fee will cover all work related the processing of such submittal and shall be according to the Schedule set forth in the Heron Lakes Community Residential Improvement Guidelines & Site Restrictions (as amended from time to time).
- B. All Owners and Builders must establish a construction maintenance deposit. All sites must be maintained per the standards established in the Covenants and Design Guidelines. Violations will be enforced diligently and may result in fines or District maintenance to correct any violations. Any fines or cost associated with violations will be assessed against the Construction Deposit on account by the Berthoud-Heritage Metropolitan District No. 1. Once the construction activities are complete and final approvals are given, District may apply any balance to the then Operations Fee due in any given calendar year.

I. GENERAL PROVISIONS.

- A. Payment. Payment for each fee shall be made payable to "Berthoud-Heritage Metropolitan District

No. 1" within 30 days of the invoiced date and sent to the office of the District Manager at the address indicated on the annual Schedule of Fees, for receipt by the due date.

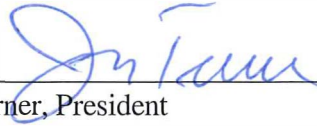
- B. Delinquent Charges and Collections. Delinquent account procedures and collections activities associated with Fees are governed by the terms of the Districts' then-existing Fee Resolution and Collection Policy attached hereto as **Exhibit C**.
- C. Interest. The Districts may also impose interest upon the underlying fee amount due. Unpaid District Fees not paid in full within five (5) days after the scheduled due date may be assessed a late fee of fifteen dollars (\$15.00), per §29-1-1102(3), C.R.S. Pursuant to §29-1-1102(7), C.R.S., interest may also accrue on any outstanding Fee, exclusive of assessed late fees, at the rate of up to eighteen percent (18%) per annum.
- D. Perpetual Lien. All Fees established herein shall, until paid, constitute a perpetual lien on and against the property served, and any such lien may be foreclosed in the manner as provided by the laws of the State of Colorado for the foreclosure of mechanic's liens, pursuant to § 32-1-1001(1)(j), C.R.S. All such liens shall be in a senior position as against all other liens of record affecting the property served or benefited, or to be served or benefited by improvements of the Districts and shall run with the Property and remain in effect as to any portion of such property as to which the appropriate fee has not been paid, except as specifically provided for by state or federal law. All liens contemplated herein may be foreclosed in any manner authorized by law at such time as the Districts may determine that fees hereunder have not been paid as required.
- E. Amendment. The Districts expressly reserve the right to amend, revise, redact, waive and/or repeal this Resolution in whole or in part, from time to time in order to further the purposes of carrying on the business and services of the Districts. The foregoing shall specifically include, but not be limited to the right to adopt new policies as may be deemed necessary in the Districts' sole discretion.
- F. Deviations. The Board may deviate from the procedures set forth in this Policy if in its sole discretion such deviation is reasonable under the circumstances.
- G. Validity. If any clause or provision of this Resolution is found to be invalid or unenforceable by a court of competent jurisdiction or by operation of any applicable law, such invalid or unenforceable clause or provision shall not affect the validity of the Resolution as a whole, and all other clauses or provisions shall be given full force and effect.
- H. Effective Date. This Resolution supersedes all prior Resolutions approved and adopted by the Districts concerning District Fees. All such prior Resolutions are hereby superseded by this Resolution. This Resolution shall be immediately effective as of the date executed below.

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This Resolution supersedes any and all prior Resolutions approved and adopted by the Districts concerning Fees.

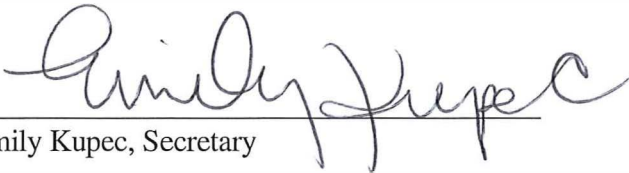
ADOPTED AND APPROVED to be effective as of the 4th day of February, 2022.

**BERTHOUD-HERITAGE
METROPOLITAN DISTRICT NOS. 1- 17**



Jon A. Turner, President

ATTEST:



Emily Kupec, Secretary

**BERTHOUD-HERITAGE METROPOLITAN DISTRICT NOS. 1 - 17
DISTRICT BOUNDARY MAPS**

[MAP WILL BE UPDATED UPON RECORDING OF INCLUSION & EXCLUSION OF PROPERTIES]

BERTHOUD-HERITAGE METROPOLITAN DISTRICT NOS. 1-17

Residential Subdivisions -Effective 8-22-2023

District No. 2 - Heron Lakes (except 12th Filing)

Unit Classification	Fee Type	Amount	Time of Collection
All Residential Units	Administrative Transfer Fee	\$ 150.00	Paid by seller and collected at property transfer
	Property Resale Enhancement Fee	.35% of sale price	Collected at home resale once home on lot & paid by seller
	Raw Water System Fee	\$ 12,500.00	One time fee due prior to building permit issuance
	Non-Potable Water System Fee	\$ 12,500.00	One time fee due prior to building permit issuance
	Non-pot Irrigation PIF	\$ 2,750.00	One time fee due prior to building permit issuance
	Flat Annual Rate	\$ 420.00	Set annually and collected semi-annually
Attached Family	Development Fee	\$ 1,750.00	One time fee due prior to building permit issuance
Single Family	Development Fee	\$ 2,750.00	One time fee due prior to building permit issuance
Attached Family	General Operations Fee	\$ 1,000.00	Set annually and collected semi-annually
Single Family	General Operations Fee	\$ 1,500.00	Set annually and collected semi-annually
	Amenity Fees	See below	Discounted rates available for in-District members
	ACC Fees/Deposit	See below	

District No. 2 - Heron Lakes 12th Filing TOLL

Unit Classification	Fee Type	Amount	Time of Collection
All Residential Units	Administrative Transfer Fee	\$ 150.00	Paid by seller and collected at property transfer
	Property Resale Enhancement Fee	.35% of sale price	Collected at home resale once home on lot & paid by seller
Attached Family	Development Fee	\$ 1,750.00	One time fee due prior to building permit issuance
Single Family	Development Fee	\$ 2,750.00	One time fee due prior to building permit issuance
Attached Family	General Operations Fee	\$ 1,000.00	Set annually and collected semi-annually
Single Family	General Operations Fee	\$ 1,500.00	Set annually and collected semi-annually
	Amenity Fees	See below	Discounted rates available for in-District members
	ACC Fees/Deposit	See below	

District No. 4 - Vantage -(Westhaven)

Unit Classification	Fee Type	Amount	Time of Collection
All Residential Units	Administrative Transfer Fee	\$ 150.00	Paid by seller and collected at property transfer
	Property Resale Enhancement Fee	\$ 1,400.00	Collected at home resale once home on lot & paid by seller
Attached Family	Development Fee	\$ 1,750.00	One time fee due prior to building permit issuance
Single Family	Development Fee	\$ 2,000.00	One time fee due prior to building permit issuance
Family	General Operations Fee	\$ 1,000.00	Set annually and collected semi-annually
	Amenity Fees	See below	Discounted rates available for in-District members
	ACC Fees - Landscaping	\$ 250.00	Submit with Vantage ACC application. After 2nd review or modification applications \$150 per review

District No. 10 - Vantage -(Easthaven)

Unit Classification	Fee Type	Amount	Time of Collection
All Residential Units	Administrative Transfer Fee	\$ 150.00	Paid by seller and collected at property transfer
	Property Resale Enhancement Fee	\$ 1,400.00	Collected at home resale once home on lot & paid by seller
Attached Family	Development Fee	\$ 1,750.00	One time fee due prior to building permit issuance
Single Family	Development Fee	\$ 2,000.00	One time fee due prior to building permit issuance
Attached & Single Family	General Operations Fee	\$ 1,000.00	Set annually and collected semi-annually
	Amenity Fees	See below	Discounted rates available for in-District members
	ACC Fees - Landscaping	\$ 250.00	modification applications \$150 per review

District No. 6 - Heron Lakes 4th & 5th Filing + Filing 7 Townhomes

Unit Classification	Fee Type	Amount	Time of Collection
Single Family Residential Units	Administrative Transfer Fee	\$ 150.00	Paid by seller and collected at property transfer
	Property Resale Enhancement Fee	.35% of sale price	Collected at home resale once home on lot & paid by seller
	Raw Water System Fee	\$ 12,500.00	One time fee due prior to building permit issuance
	Non-Potable Water System Fee	\$ 12,500.00	One time fee due prior to building permit issuance
	Non-pot Irrigation PIF	\$ 2,750.00	One time fee due prior to building permit issuance
	Usage Rates	\$ 150.00	Set and collected annually based on usage
Attached Family (Filing 7)	Administrative Transfer Fee	\$ 150.00	Paid by seller and collected at property transfer
	Property Resale Enhancement Fee	.35% of sale price	Collected at home resale once home on lot & paid by seller
	Raw Water System Fee	\$ -	Paid to Town at permit
	Non-Potable Water System Fee/unit	\$ 5,368.62	One time fee due prior to building permit issuance
	Non-pot Irrigation PIF/unit	\$ 1,700.88	One time fee due prior to building permit issuance
	Usage Rates	\$ 150.00	Set and collected annually based on usage
Attached Family (Filing 7)	Development Fee	\$ 1,750.00	One time fee due prior to building permit issuance
Single Family	Development Fee	\$ 2,750.00	One time fee due prior to building permit issuance
Attached Family	General Operations Fee	\$ 1,000.00	Set annually and collected semi-annually
Single Family	General Operations Fee	\$ 1,500.00	Set annually and collected semi-annually
	Amenity Fees	See below	Discounted rates available for in-District members
	ACC Fees/Deposit	See below	

District No. 8 - The Rookery

Unit Classification	Fee Type	Amount	Time of Collection
All Residential Units	Administrative Transfer Fee	\$ 150.00	Paid by seller and collected at property transfer
	Property Resale Enhancement Fee	.35% of sale price	Collected at home resale once home on lot & paid by seller
	Raw Water System Fee	\$ 12,500.00	One time fee due prior to building permit issuance
	Non-Potable Water System Fee	\$ 12,500.00	One time fee due prior to building permit issuance
	Non-pot Irrigation PIF	\$ 2,750.00	One time fee due prior to building permit issuance
	Flat Annual Rate	\$ 420.00	Set annually and collected semi-annually
Single Family	Development Fee	\$ 3,000.00	One time fee due prior to building permit issuance
Single Family	General Operations Fee	\$ 7,395.00	Set annually and collected semi-annually UPDATE 11-14-23
	Amenity Fees	See below	Discounted rates available for in-District members
	ACC Fees/Deposit	See below	

Berthoud Heritage Metropolitan District Design Control Submittal Fees: Districts 2, 6, & 8 (Heron Lakes Subdivisions)

ACC Review Fees:	additional review. See application.	Due at plan submittal
ACC Review Fees:	(\$250 additional for each revision after 2nd review)	
Modification Review Fees:	\$500 with application	
Construction Deposit*:	\$5,000 per property.	Due at ACC plan submittal

Berthoud Heritage Metropolitan District Design Control Submittal Fees: Districts 4 & 10 (Vantage)

ACC Review Fees:	\$250 Review Fee for initial home plan or initial landscaping includes 2 reviews of the same application.
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ACC and Permit Total Summary:

District No. 2

Raw Water System Fee	\$ 12,500.00
Non-Potable Water System Fee	\$ 12,500.00
Non-pot Irrigation PIF	\$ 2,750.00
Development Fee	\$ 2,750.00
ACC Fee	\$ 800.00
Construction Deposit*	\$ 2,500.00
TOTAL	\$ 33,800.00

ACC and Permit Total Summary:

District No. 2 12th Filing

Water to be purchased directly from the Town through permitting.	
Development Fee	\$ 2,750.00
ACC Fee	\$ 800.00
Construction Deposit on file*	0.00
TOTAL	\$ 3,550.00

ACC and Permit Totals:

District No. 4 and 10

Water to be purchased directly from the Town through permitting.	
Development Fee	\$ 2,000.00
ACC Fee- Bulk review one time.	\$ 250.00
Construction Deposit	\$ -
TOTAL	\$ 2,250.00

*Construction Deposits are under reassessment in 8/22/2023.

ACC and Permit Totals:

District No. 6 - Townhomes

Raw Water System Fee	\$ -
Non-Potable Water System Fee	\$ 5,368.62
Non-pot Irrigation PIF	\$ 1,700.88
Development Fee	\$ 1,750.00
Per Unit	\$ 8,819.50
4 Unit Building	\$ 35,278.00
ACC Fee	\$ -
Construction Deposit*	\$ 2,500.00
TOTAL	\$ 55,417.00

ACC and Permit Totals:

District No. 8

Raw Water System Fee	\$ 12,500.00
Non-Potable Water System Fee	\$ 12,500.00
Non-pot Irrigation PIF	\$ 2,750.00
Development Fee	\$ 3,000.00
ACC Fee	\$ 800.00
Construction Deposit*	\$ 2,500.00
TOTAL	\$ 34,050.00

BERTHOUD-HERITAGE METROPOLITAN DISTRICT NOS. 1-17

Modification Review Fees:	\$150 Review Fee, also applies to review #3 or more, per review, for landscape plans. Due at submittal.
Access Fees:	
In-District constituents receive a discount on food (not alcohol) for parties of 8 or less by showing your driver's license. Heron Lakes residents receive a 20% discount (Districts 2,6 & 8), and Vantage residents (Districts 4 & 10) receive a 15% discount.	

Lonetree Lake Club

2023 Seasonal Membership Fee Schedule

ANNUAL BOATING MEMBERSHIP FEES**:

Approximate Season May-October

➤ Heron Lakes Residents: District Nos. 2, 6, or 8	\$1,050
➤ Vantage Residents: District No. 4	\$1,575
➤ TPC Colorado Member	\$2,100
➤ General Public	\$4,000

OTHER SEASONAL PASSES:

Approximate Season May-October

	<u>In District</u>	<u>Out of District</u>
➤ SUP/Canoe/Kayak	\$105	\$500
➤ Lakeshore Fishing	\$105	\$500
➤ Electric Motorboat for Fishing	\$105	\$500

NOTE: If you do not provide proof of being a Resident (address) or TPC member # you will be charged General Public Fee.

**Number of Powerboats will be limited on a daily basis

All members (including guests) and the general public must follow Lonetree Lake Club Rules and Regulations and agree to comply with the regulations. If a Lake user (or guests) is found not adhering to the guidelines and the rules and regulations they will be banned from the reservoir for the duration of the season. Rules & Regulations & Fees are subject to change without notice.

Credit cards accepted or make checks payable to: **Berthoud-Heritage
Metropolitan District No. 1**

EXHIBIT C
BERTHOUD-HERITAGE METROPOLITAN DISTRICT NOS. 1 - 17
COLLECTION POLICY

(Effective as of February 4, 2022)

The District had adopted the following collection policies:

1. *Perpetual Lien.* Pursuant to § 32-1-1001(l)(j)(I), C.R.S., all Delinquent Fees and Charges shall constitute a perpetual lien on and against the Property served by the District (the “**Lien**”). All such Liens shall, to the fullest extent permitted by law, have priority over all other liens of record affecting the Property and shall run with the Property and remain in effect until paid in full. All Liens contemplated herein may be foreclosed as authorized by law at such time as the District, in its sole discretion, may determine.
 - a. Notwithstanding the foregoing, the guidelines set forth in this Resolution are intended to create orderly and fair procedures for the processing and collection of Delinquent Fees and Charges and to provide additional notice to interested parties, including, but not limited to, title companies and the Property owner. In the event any or all of the guidelines set forth in this Resolution are not followed, such deviation shall not affect the status of the Lien in any way. Further, the Board may waive any guidelines set forth in this Resolution and may amend them from time to time as it deems necessary.
2. *District’s Manager Procedures.* The District’s Manager, Accountant or Billing Agent (any of which are referred to herein as the “**Manager**”) is responsible for collecting Fees imposed by the District against the Property. In the event payment of Fees is delinquent, the Manager may perform the procedures listed below. The Fees are considered delinquent when they have not been paid by their corresponding due date (the “**Delinquent Account**”):
 - a. *Thirty (30) Calendar Days Past Due:* A delinquent payment “**Reminder Letter**” may be sent to the address of the last known owner or occupant of the Property according to the Manager’s records. In the event the above mailing is returned as undeliverable, the Manager may send a second copy of the Reminder Letter to: (1) the Property; and (2) the address of the last known owner of the Property as found in the real property records of the County Assessor’s Office (the “**Assessor**”) for the County in which the District is located (collectively, the “**Property Address**”). Said Reminder Letter may: (1) request prompt payment; (2) notify the Property owner that a Reminder Letter Fee and a Late Fee in the amounts set forth in this Resolution have been assessed; and (3) reference the URL

address of the District's webpage where this Resolution is displayed, if available and requested by the Board.

b. *Sixty (60) Calendar Days Past Due:* A "Warning Letter" may be sent to the Property Address: (1) requesting prompt payment; (2) warning of further legal action should the Property owner fail to pay the total amount due and owing; and (3) explaining that the Manager can provide a copy of the Resolution upon request. Along with the Warning Letter, a copy of the most recent account ledger reflecting the total amount due and owing to the District according to the records of the Manager may also be sent.

c. *Delinquent Accounts Post Warning Letter:* The District Manager shall continue to monitor the Delinquent Account until either (i) the amount of the Fees owing on such Delinquent Account are equal to or greater than the amount that would be collected under the current rate for such Fees over a one year period, or (ii) the account is more than six (6) months past due, regardless of whether the Manager has performed the tasks outlined in this Section 1(b) of this Resolution, the Manager may refer the Delinquent Account to the District's General Counsel (the "General Counsel"). At the time of such referral, the Manager may be requested to provide General Counsel with copies of all notices and letters sent pursuant to Section 1(b), if any, as well as a copy of the most recent ledger for the Delinquent Account.

d. Deviations. The Board may deviate from the procedures set forth in this Policy if in its sole discretion such deviation is reasonable under the circumstances.

3. *General Counsel Procedures.* Upon referral of a Delinquent Account from the Manager, General Counsel may perform the following:

a. *Upon Referral of the Delinquent Account From the Manager:* A "Demand Letter" may be sent to the Property Address, notifying the Property owner that the Property has been referred to General Counsel for further collections enforcement, including the filing of a statement of lien against the Property. Along with the Demand Letter, a copy of the most recent account ledger reflecting the total amount due and owing the District according to the records of the Manager may also be sent.

b. *No Sooner than Thirty (30) Calendar Days from the Postmark Date of the Demand Letter:* A Notice of Intent to File a Statement of Lien, along with a copy of the statement of lien to be filed, may be sent to the Property Address of the Delinquent Account notifying the Property owner that a statement of lien will be recorded with the clerk and recorder of the county where the Property is located

(the “Clerk and Recorder”) within no sooner than ten (10) days from the postmark date of the Notice of Intent to File a Statement of Lien.

c. *No Sooner than Ten (10) Calendar Days from the Postmark Date of the Notice of Intent to File a Statement of Lien:* A Statement of Lien for the total amount due and owing as of the date of the Statement of Lien may be recorded against the Property with the Clerk and Recorder no sooner than ten (10) days from the postmark date of the Notice of Intent to File a Statement of Lien is sent to the Property. Notwithstanding the amount due and owing reflected on the Statement of Lien, all Delinquent Fees and Charges will continue to accrue on the Delinquent Account and will run with the Property until the total amount due and owing the District is paid in full.

d. Deviations. The Board may deviate from the procedures set forth in this Policy if in its sole discretion such deviation is reasonable under the circumstances.

4. *Foreclosure or Bankruptcy.* In circumstances where the Property is being foreclosed upon or where the owner of the Property has declared or is declaring bankruptcy and notice of such bankruptcy action has been provided to the District, the Manager may be permitted, in his or her discretion, to refer the Delinquent Account directly to General Counsel in order to avoid unnecessary, costly, and time-consuming procedures. Upon referral of the Delinquent Account to General Counsel, General Counsel may, in his or her discretion, immediately file a Statement of Lien on the Property.

5. *Fee Schedule:*

- a. Late Fee Charge: A late fee of \$15.00 may be assessed on every account that is not paid in full within the 30 days referenced above. The late fee charge may be amended from time to time by resolution of the Board.
- b. Bad Check Charge: For each check that for any reason is returned to the District unpaid, the unit/lot owner shall owe the District a “bad check” charge of \$35.00. The bad check charge may be amended from time to time by resolution of the Board.
- c. Collection Fees: The unit/lot owner shall be responsible for all collection costs incurred by the District as part of the collection process, including, but not limited to, attorney fees, collection agent fees, and court costs.