

**AMENDMENT NO. 1 TO THE
AMENDED AND RESTATED JOINT RESOLUTION OF THE BOARD OF
DIRECTORS OF INDEPENDENCE WATER & SANITATION DISTRICT,
ACTING BY AND THROUGH ITS INDEPENDENCE WATER ACTIVITY
ENTERPRISE, AND INDEPENDENCE METROPOLITAN DISTRICT NOS. 1-3,
IMPOSING TAP FEES UPON PROPERTY WITHIN INDEPENDENCE
METROPOLITAN DISTRICT NOS. 1-3**

WHEREAS, Independence Water & Sanitation District (the "Water District"), and Independence Metropolitan District Nos. 1-3 (the "Infrastructure Districts") jointly resolved to impose certain water tap fees on the property within the boundaries of the Infrastructure Districts by way of that certain AMENDED AND RESTATED JOINT RESOLUTION OF THE BOARD OF DIRECTORS OF INDEPENDENCE WATER & SANITATION DISTRICT, ACTING BY AND THROUGH ITS INDEPENDENCE WATER ACTIVITY ENTERPRISE, AND INDEPENDENCE METROPOLITAN DISTRICT NOS. 1-3, IMPOSING TAP FEES UPON PROPERTY WITHIN INDEPENDENCE METROPOLITAN DISTRICT NOS. 1-3 dated December 3, 2018 (the "Resolution"); and

WHEREAS, the Resolution made reference to certain Special Revenue Bonds, Series 2018A in the approximate principal amount of \$22,480,000 (the "2018 Bonds") which the Water District intended to issue prior to the end of 2018; and

WHEREAS, the 2018 Bonds did not issue according to the anticipated schedule; and

WHEREAS, the issuance of the 2018 Bonds has been superseded by the Water District's plan to issue its Special Revenue Bonds, Series 2019, in the Estimated Principal Amount of \$22,290,000 (the "Series 2019 Bonds");

NOW THEREFORE, BE IT RESOLVED AND RATIFIED BY THE BOARD OF DIRECTORS OF INDEPENDENCE WATER & SANITATION DISTRICT, ACTING BY AND THROUGH ITS INDEPENDENCE WATER ACTIVITY ENTERPRISE, AND BY THE BOARDS OF DIRECTORS OF INDEPENDENCE METROPOLITAN DISTRICT NOS. 1-3, AS FOLLOWS:


Section 1. *Definition of "Bonds."* The definition of "Bonds" as used within the Resolution is hereby changed to the Series 2019 Bonds.

Section 2. *No Other Changes.* Except as expressly provided herein, the Resolution, including without limitation the Fee Schedule contained therein, remains unchanged and in full force and effect.

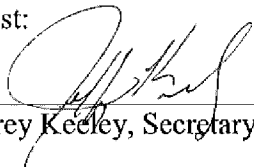
SIGNATURE PAGE FOLLOWS

APPROVED AND ADOPTED this 5th day of March, 2019.

INDEPENDENCE WATER & SANITATION DISTRICT,
ACTING BY AND THROUGH ITS
INDEPENDENCE WATER ACTIVITY ENTERPRISE

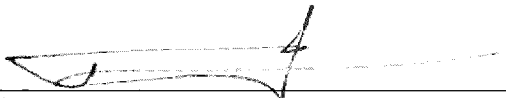


Timothy Craft, President

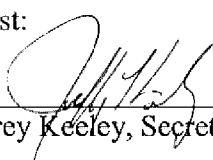
Attest:


Jeffrey Keeley, Secretary/Treasurer

INDEPENDENCE METROPOLITAN DISTRICT NO. 1




Timothy Craft, President

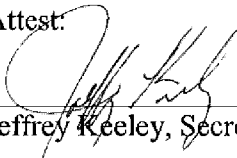
Attest:


Jeffrey Keeley, Secretary/Treasurer

INDEPENDENCE METROPOLITAN DISTRICT NO. 2

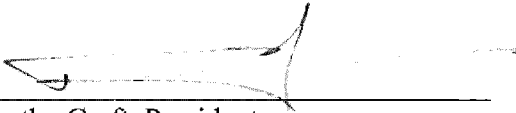


Timothy Craft, President

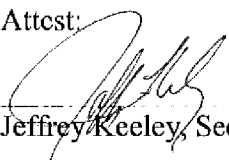
Attest:


Jeffrey Keeley, Secretary/Treasurer

INDEPENDENCE METROPOLITAN DISTRICT NO. 3



Timothy Craft, President

Attest:


Jeffrey Keeley, Secretary/Treasurer

**AMENDED AND RESTATED JOINT RESOLUTION OF
THE BOARD OF DIRECTORS
OF INDEPENDENCE WATER & SANITATION DISTRICT,
ACTING BY AND THROUGH ITS
INDEPENDENCE WATER ACTIVITY ENTERPRISE, AND
INDEPENDENCE METROPOLITAN DISTRICT NOS. 1-3,
IMPOSING TAP FEES UPON PROPERTY WITHIN INDEPENDENCE
METROPOLITAN DISTRICT NOS. 1-3**

WHEREAS, Independence Water & Sanitation District (the “Water District”), and Independence Metropolitan District Nos. 1-3 (the “Infrastructure Districts”) are each quasi-municipal corporations and political subdivisions of the State of Colorado, duly organized and existing as metropolitan districts pursuant to §§ 32-1-101, *et. seq.*, C.R.S.; and

WHEREAS, the Water District provides essential public infrastructure and improvements to residents, property owners, tax payers and service users within and outside of the boundaries of the Infrastructure Districts (the “Service Area”), including without limitation water, sewer and storm drainage facilities, improvements and services to single family residences and non-residential service users (collectively, “Improvements”); and

WHEREAS, by resolution adopted and approved by the Board of Directors of the Water District on November 15, 2018, the Water District created its Independence Water Activity Enterprise (the “Enterprise”), for the purpose of pursuing or continuing water activities, which includes without limitation the construction and operation of water lines and facilities within and outside of the Service Area, and the diversion, storage, carriage, delivery, distribution, collection, treatment, use, reuse, augmentation, exchange and discharge of water to or for the benefit of the properties and users within the Service Area; and

WHEREAS, the Water District, acting by and through the Enterprise is authorized, pursuant to sections 32-1-1001(1)(j) and (k), C.R.S., to impose and, from time to time to increase or decrease fees, rates, tolls, penalties or charges for services, programs or facilities furnished by such districts; and

WHEREAS, the Water District, acting by and through the Enterprise, intends to issue its Special Revenue Bonds, Series 2018A in the approximate principal amount of \$22,480,000 (the

“Bonds”), the repayment of which requires the allocation of certain revenues received by the Water District, including without limitation the revenues received from tap fees imposed by the Infrastructure Districts; and

WHEREAS, the Enterprise has determined to impose a tap fee (“Tap Fee”) on each developable lot and for each non-residential use of the services within the Service Area in order to assist in the repayment of its debt obligations in connection with the Bonds;

WHEREAS, if neither the Enterprise nor the Water District collects the Tap Fee, each of the Infrastructure Districts determine to collect the Tap Fee from the property owners, users and taxpayers within each of their respective boundaries;

WHEREAS, on November 15, 2018 the Boards of Directors of Independence Water & Sanitation District, acting by and through its Independence Water Activity Enterprise, and Independence Metropolitan District Nos. 1-3 (the “Boards”) duly authorized and approved a joint resolution to impose the Tap Fees set forth in the Fee Schedule attached hereto for residential properties within the Service Area, but which inadvertently failed to impose such Tap Fees for non-residential users; and

WHEREAS, the Bond documents require that the Tap Fees be imposed for non-residential users of services provided by the Enterprise;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF INDEPENDENCE WATER & SANITATION DISTRICT, ACTING BY AND THROUGH ITS INDEPENDENCE WATER ACTIVITY ENTERPRISE, AND BY THE BOARDS OF DIRECTORS OF INDEPENDENCE METROPOLITAN DISTRICT NOS. 1-3, AS FOLLOWS:

Section 1. ***Schedule of Fees.*** The fee schedule, attached hereto and incorporated herein as **Exhibit A**, is effective as of January 1, 2019 and the Water District, Enterprise and Infrastructure Districts hereby impose the Tap Fee pursuant to Exhibit A. For so long as the Bonds are outstanding, neither the Water District nor the Enterprise, nor the Infrastructure Districts, shall take any action or consent to any action that would materially adversely affect any portion of the Tap Fees securing the repayment obligations in connection with the Bonds. Without limiting the foregoing, none of the Water District, the Enterprise or the Infrastructure Districts shall reduce

cancel, terminate or waive the Tap Fees while the Bonds remain outstanding. Commencing in 2020, and for every year thereafter, the Tap Fees shall increase by 4.5% on January 1 (the "Annual Adjustment") to provide for the payment of the debt obligations in connection with the Bonds, including the funding of any reserves needed to ensure the Enterprise's timely payment of its principal and interest obligations with respect to the Bonds.

Section 2. ***Noncompliance.*** The Water District, the Enterprise and the Infrastructure Districts may impose penalties for non-compliance herewith, as may be permitted by law. Without limiting the foregoing, a late charge of Five Dollars (\$5.00) will be assessed for any payment not made when due, and additional interest will accrue on any past-due amounts, including late charges, at the rate of one percent (1%) per month, or a greater amount as permitted by Colorado law, from the due date.

Section 3. ***Modification/Future Events.*** The policy and Tap Fee being adopted herein have been established based on projected budgetary requirements of the Enterprise using various assumptions regarding, among other things, the cost of improvements, and bond issues and interest rates therefor. Actual costs may differ from projections and the Water District, Enterprise and Infrastructure Districts may modify the Tap Fee imposed hereunder based upon actual circumstances, but shall not reduce the Tap Fee below requirements set by the Bonds so long as the Bonds are outstanding.

Section 4. ***Notification/Collection.*** The Tap Fees are applicable to the property within and outside of the boundaries of the Infrastructure Districts that require a building permit and are connected to the services provided by the Enterprise. The appropriate officer, agents and/or employees of the Water District or the Enterprise, are hereby authorized to establish a system for collection of amounts due under this Resolution. Notwithstanding the foregoing, in the event that neither the Enterprise nor the Water District collects the Tap Fees, the Infrastructure Districts shall collect the Tap Fees from the property owners, taxpayers and system users within the boundaries of each of their respective districts. Any and all Tap Fees collected by any Infrastructure District shall be remitted to the Enterprise as soon as practical, but in any event no later than thirty (30) days after such collection by an Infrastructure District.

Section 5. ***Status as Lien/Foreclosure.*** Pursuant to § 32-1-1001(1)(j), C.R.S., the Tap Fees shall, until paid, be deemed a perpetual lien against the property subjected to the Tap Fees hereunder, from and after the date of adoption of this Resolution, which lien may, in the event of non-payment of the Tap Fees as required in this Resolution, be foreclosed in the same manner as provided by the laws of the State of Colorado for the foreclosure of mechanics' liens. Upon payment of the Tap Fees and all other amounts relating thereto due hereunder and a request by the party making the payment, the property or properties subject to such lien as a result of such unpaid Tap Fees shall be released from the lien thereof by the recording of a form of release of lien by the Enterprise or the District, as appropriate.

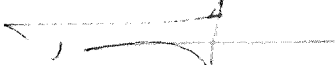
Section 6. ***Certification to County Treasurer.*** In accordance with § 32-1-1101(1)(e), C.R.S., the Enterprise or the District may elect, by resolution, at a public meeting held after receipt of notice by the affected parties, including the property owners, to have certain delinquent fees, rates, tolls, penalties, charges, or assessments made or levied solely for water, sewer, or water and sewer services, certified to the treasurer of the county to be collected and paid over to the Enterprise pursuant to § 39-10-107, C.R.S.

Section 7. ***Supersede and Replacement.*** The Tap Fees set forth in this Amended and Restated Resolution shall supersede and replace any Tap Fees previously adopted by the Boards prior to the date of this Resolution, including without limitation the Tap Fees that were adopted by the Boards on November 15, 2018.

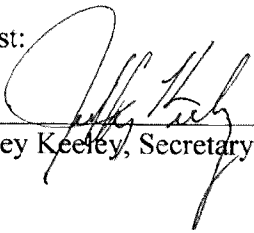
SIGNATURE PAGE FOLLOWS

APPROVED AND ADOPTED this 3rd day of December, 2018.

INDEPENDENCE WATER & SANITATION DISTRICT,
ACTING BY AND THROUGH ITS INDEPENDENCE
WATER ACTIVITY ENTERPRISE



Timothy Craft, President

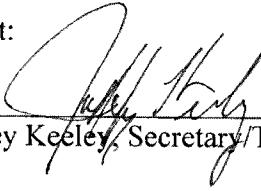
Attest: 

Jeffrey Keeley, Secretary/Treasurer

INDEPENDENCE METROPOLITAN DISTRICT NO. 1



Timothy Craft, President

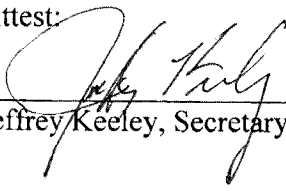
Attest: 

Jeffrey Keeley, Secretary/Treasurer

INDEPENDENCE METROPOLITAN DISTRICT NO. 2




Timothy Craft, President

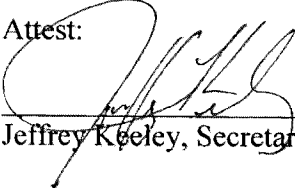
Attest: 

Jeffrey Keeley, Secretary/Treasurer

INDEPENDENCE METROPOLITAN DISTRICT NO. 3



Timothy Craft, President

Attest: 

Jeffrey Keeley, Secretary/Treasurer

**INDEPENDENCE WATER & SANITATION DISTRICT, ACTING BY AND
THROUGH ITS INDEPENDENCE WATER ACTIVITY ENTERPRISE
AND
INDEPENDENCE METROPOLITAN DISTRICT NOS. 1-3

FEE SCHEDULE
EFFECTIVE AS OF JANUARY 1, 2019**

Resolution Adopted December 3, 2018

I. Classification of Properties: All single family residences within and outside of the boundaries of Independence Metropolitan District Nos. 1-3 (the "Service Area") requiring a building permit and being connected to the services provided by the Enterprise shall be classified according to the lot size of the property for the purposes of assessing the fees set forth in this Fee Schedule. In addition, all non-residential uses of the services provided by the Enterprise shall be assessed the fees set forth in this Fee Schedule according to the applicable number of Single Family Equivalent ("SFE") water taps required for such non-residential use.

II. Time of Assessment and Pre-Payment: Unless otherwise provided in this Fee Schedule, all Tap Fees imposed by the Enterprise shall be due and payable to the Enterprise at the time a building permit is issued or at the time the Enterprise contracts with a non-residential user for any number of SFEs. Nothing herein shall prevent any party from prepaying the Tap Fees at any time with the consent of the Enterprise, the District, the applicable Infrastructure District, or pursuant to separate contract.

III. Place of Payment: The Fee shall be due and payable to the Enterprise at the offices of Special District Solutions, Inc., 9250 E. Costilla Avenue, Suite 660, Greenwood Village, CO 80112-3695.

IV. Annual Adjustment. Commencing in 2020, and for every year thereafter, the Tap Fees shall increase by 4.5% on January 1 (the "Annual Adjustment").

V. Tap Fees. Tap Fees shall be based on the lot size of the property. The Enterprise hereby imposes the following fees for taps to water lines constructed and operated within the Service Area, subject to the Annual Adjustment beginning on January 1, 2020:

[Tap Fee Schedule follows on the next page.]

TAP FEE SCHEDULE

Effective Date of Fee	Fee Per Lot Size or Single Family Equivalent ("SFE")			
	50', 60' or 70' Wide; One SFE	80' Wide	1/2 Acre	1 Acre
2019-01-01	\$30,032	\$35,492	\$40,952	\$46,412
2020-01-01	\$31,384	\$37,090	\$42,795	\$48,501
2021-01-01	\$32,797	\$38,760	\$44,721	\$50,684
2022-01-01	\$34,273	\$40,505	\$46,734	\$52,965
2023-01-01	\$35,816	\$42,328	\$48,838	\$55,349
2024-01-01	\$37,428	\$44,233	\$51,036	\$57,840
2025-01-01	\$39,113	\$46,224	\$53,333	\$60,443
2026-01-01	\$40,874	\$48,305	\$55,733	\$63,163
2027-01-01	\$42,714	\$50,479	\$58,241	\$66,006
2028-01-01	\$44,637	\$52,751	\$60,862	\$68,977
2029-01-01	\$46,646	\$55,125	\$63,601	\$72,081
2030-01-01	\$48,746	\$57,606	\$66,464	\$75,325
2031-01-01	\$50,940	\$60,199	\$69,455	\$78,715
2032-01-01	\$53,233	\$62,908	\$72,581	\$82,258
2033-01-01	\$55,629	\$65,739	\$75,848	\$85,960
2034-01-01	\$58,133	\$68,698	\$79,262	\$89,829
2035-01-01	\$60,749	\$71,790	\$82,829	\$93,872
2036-01-01	\$63,483	\$75,021	\$86,557	\$98,097
2037-01-01	\$66,340	\$78,397	\$90,453	\$102,512
2038-01-01	\$69,326	\$81,925	\$94,524	\$107,126
2039-01-01	\$72,446	\$85,612	\$98,778	\$111,947
2040-01-01	\$75,707	\$89,465	\$103,224	\$116,985
2041-01-01	\$79,114	\$93,491	\$107,870	\$122,250
2042-01-01	\$82,675	\$97,699	\$112,725	\$127,752
2043-01-01	\$86,396	\$102,096	\$117,798	\$133,501
2044-01-01	\$90,284	\$106,691	\$123,099	\$139,509
2045-01-01	\$94,347	\$111,493	\$128,639	\$145,787
2046-01-01	\$98,593	\$116,511	\$134,428	\$152,348
2047-01-01	\$103,030	\$121,754	\$140,478	\$159,204
2048-01-01	\$107,667	\$127,233	\$146,800	\$166,369
2049-01-01	\$112,513	\$132,959	\$153,406	\$173,856

Exhibit 1 - Legal Description of the Property to Be Included

EXHIBIT

SOUTHWEST QUARTER, SECTION 14, & SOUTHEAST QUARTER, SECTION 15,
TOWNSHIP 7 SOUTH, RANGE 65 WEST OF THE 6TH P.M.,
COUNTY OF ELBERT, COLORADO

LEGAL DESCRIPTION:

LOTS 1 THROUGH 4, INCLUSIVE, BLOCK 1,
LOTS 1 THROUGH 4, INCLUSIVE, BLOCK 2,
LOTS 1 THROUGH 9, INCLUSIVE, BLOCK 3,
LOTS 1 THROUGH 23, INCLUSIVE, BLOCK 4,
LOTS 1 THROUGH 13, INCLUSIVE, BLOCK 5,
LOTS 1 THROUGH 10, INCLUSIVE, BLOCK 6,
LOTS 1 THROUGH 18, INCLUSIVE, BLOCK 7,
LOTS 1 THROUGH 12, INCLUSIVE, BLOCK 8,
LOTS 1 THROUGH 9, INCLUSIVE, BLOCK 9,
LOTS 1 THROUGH 15, INCLUSIVE, BLOCK 10,
LOTS 1 THROUGH 9, INCLUSIVE, BLOCK 11,
LOTS 1 THROUGH 12, INCLUSIVE, BLOCK 12,
LOTS 1 THROUGH 25, INCLUSIVE, BLOCK 13,
LOTS 1 THROUGH 9, INCLUSIVE, BLOCK 14,
LOTS 1 THROUGH 7, INCLUSIVE, BLOCK 15,
LOTS 1 THROUGH 13, INCLUSIVE, BLOCK 16,
LOTS 1 THROUGH 4, INCLUSIVE, BLOCK 17,
LOTS 1 THROUGH 19, INCLUSIVE, BLOCK 18,
LOTS 1 THROUGH 16, INCLUSIVE, BLOCK 19,
LOTS 1 THROUGH 15, INCLUSIVE, BLOCK 20,
LOTS 1 THROUGH 12, INCLUSIVE, BLOCK 21,
LOTS 1 THROUGH 13, INCLUSIVE, BLOCK 22,
LOTS 1 THROUGH 18, INCLUSIVE, BLOCK 23,
LOTS 1 THROUGH 15, INCLUSIVE, BLOCK 24,
LOTS 1 THROUGH 13, INCLUSIVE, BLOCK 25,
LOTS 1 THROUGH 5, INCLUSIVE, BLOCK 26 &
LOTS 1, THROUGH 8, INCLUSIVE, BLOCK 27,
INDEPENDENCE SUBDIVISION FILING NO. 1,
A SUBDIVISION PLAT RECORDED AT RECEPTION NO. 572446, ELBERT COUNTY RECORDS,
COUNTY OF ELBERT,
STATE OF COLORADO.

CONTAINING AN AREA OF 2,631,030 SQUARE FEET OR 60.400 ACRES, MORE OR LESS.

THOMAS M. GIRARD
COLORADO PLS 38151
FOR AND ON BEHALF OF
CORE CONSULTANTS, INC.



NOTE: THIS DOES NOT REPRESENT A MONUMENTED SURVEY.
IT IS INTENDED ONLY TO DEPICT THE ATTACHED DESCRIPTION

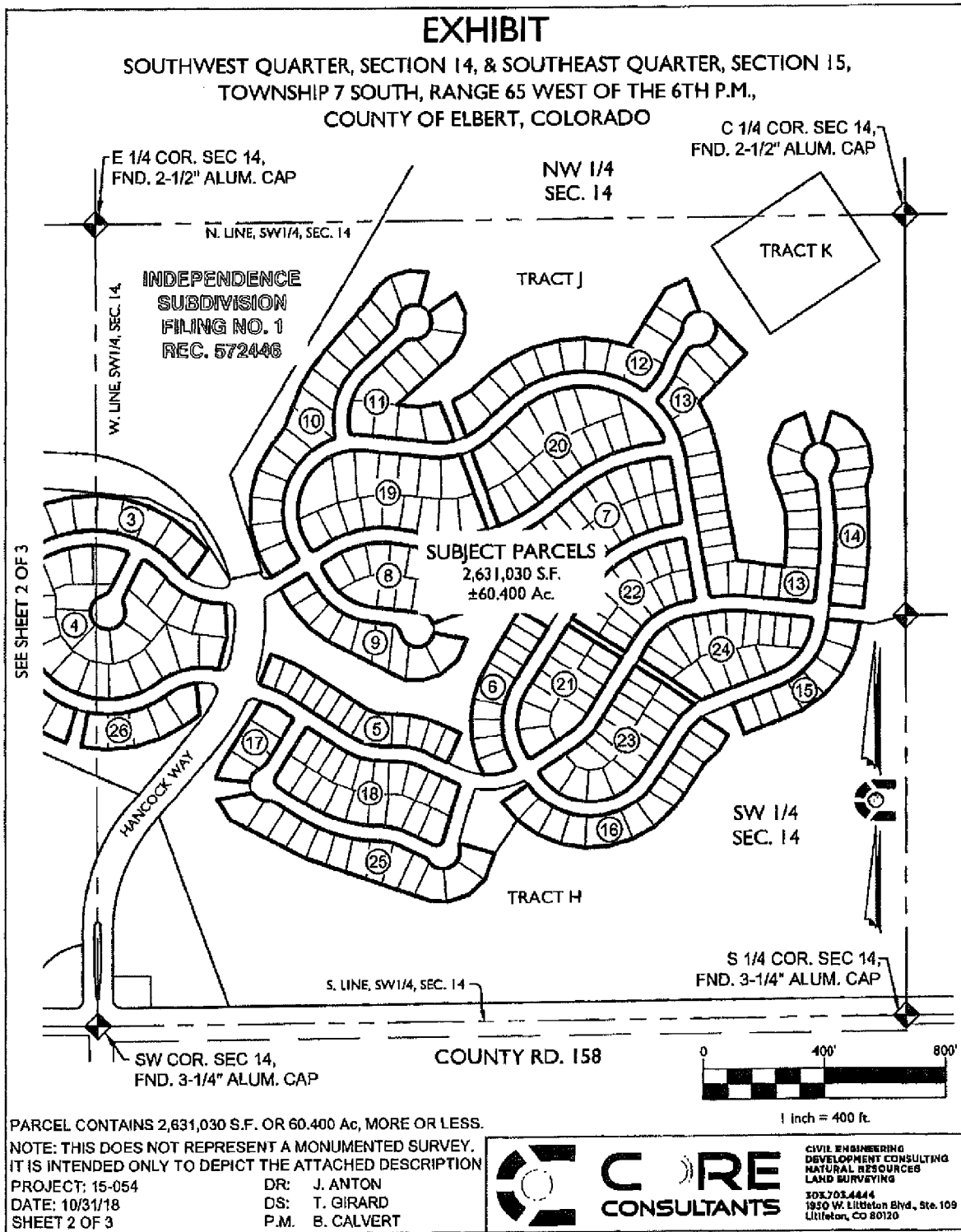
PROJECT: 15-064
DATE: 10/31/18
SHEET 1 OF 3

DR: J. ANTON
DS: T. GIRARD
P.M. B. CALVERT



CORE
CONSULTANTS

CIVIL ENGINEERING
DEVELOPMENT CONSULTING
NATURAL RESOURCES
LAND SURVEYING
303.702.4444
1950 W. Littleton Blvd, Ste. 109
Littleton, CO 80120



PARCEL CONTAINS 2,631,030 S.F. OR 60,400 Ac, MORE OR LESS.

NOTE: THIS DOES NOT REPRESENT A MONUMENTED SURVEY.
 IT IS INTENDED ONLY TO DEPICT THE ATTACHED DESCRIPTION

PROJECT: 15-054
 DATE: 10/31/18
 SHEET 2 OF 3

DR: J. ANTON
 DS: T. GIRARD
 P.M. B. CALVERT



CIRE
 CONSULTANTS

CIVIL ENGINEERING
 DEVELOPMENT CONSULTING
 NATURAL RESOURCES
 LAND SURVEYING
 303.703.4444
 1950 W. Littleton Blvd., Ste. 109
 Littleton, Co 80120

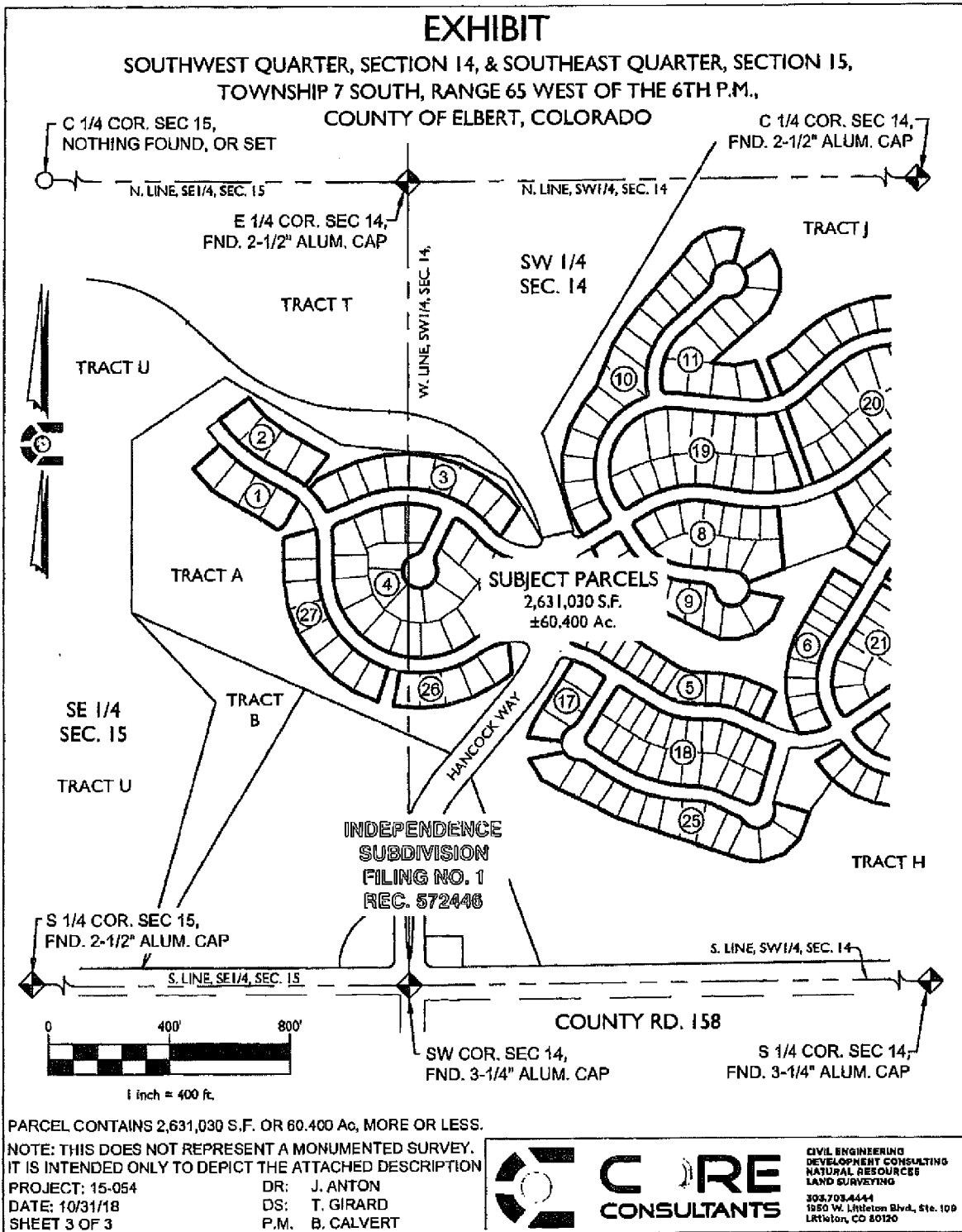


EXHIBIT A
Legal Description of the Property

Tract D, Independence Subdivision Filing No. 1, recorded September 28, 2017 by the
Clerk and Recorder, County of Elbert, State of Colorado, at reception number 572446.

Exhibit A (cont.)

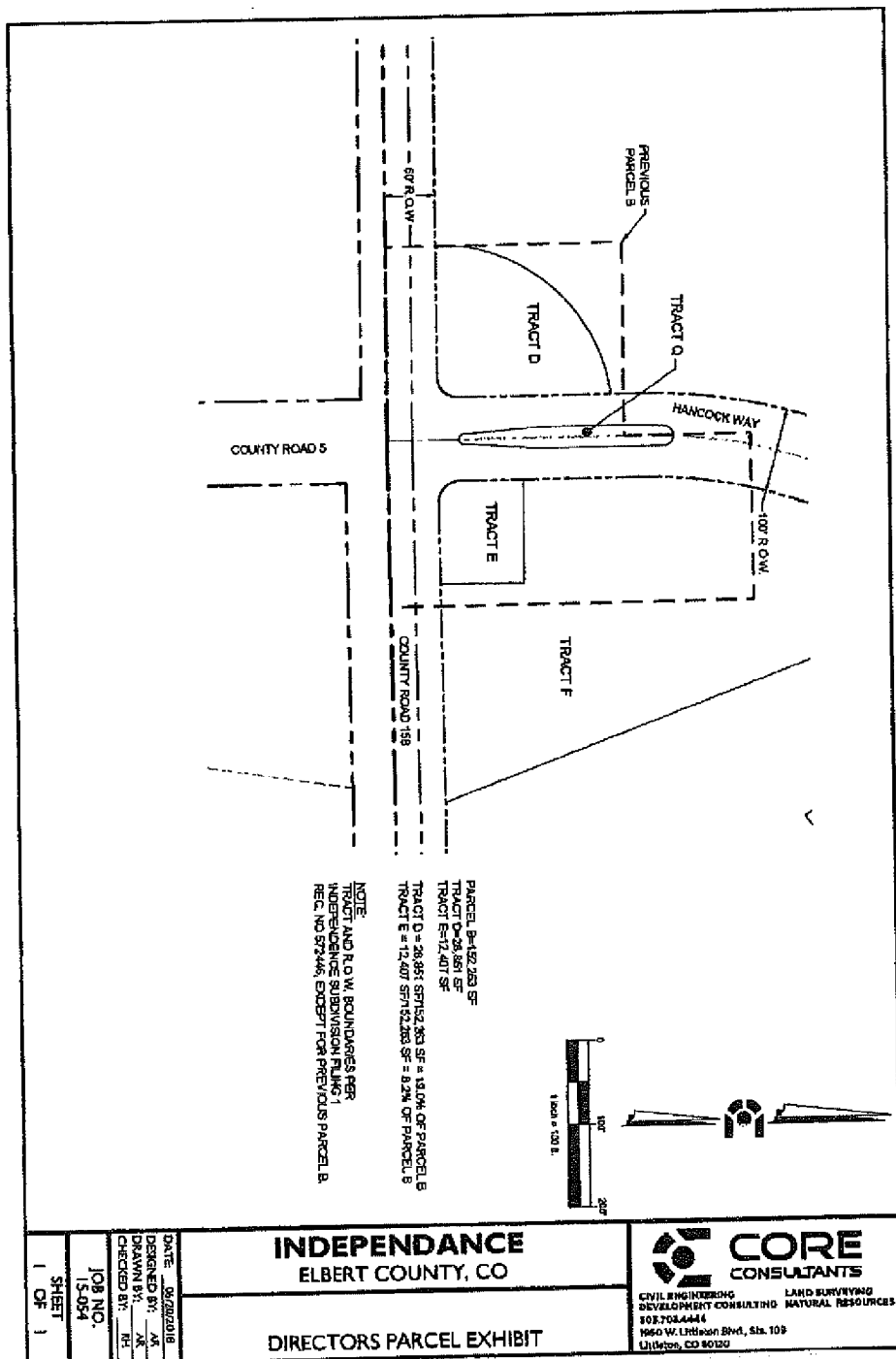


Exhibit A to Certificate

(Legal Description of the Property)

EXHIBIT

SECTION 15 & THE SOUTHWEST QUARTER OF SECTION 14,
TOWNSHIP 7 SOUTH, RANGE 65 WEST OF THE 6TH P.M.,
COUNTY OF ELBERT, COLORADO

LEGAL DESCRIPTION:

TRACT U,
INDEPENDENCE SUBDIVISION FILING NO. 1,
A SUBDIVISION PLAT RECORDED AT RECEPTION NO. 572446, ELBERT COUNTY RECORDS,
COUNTY OF ELBERT,
STATE OF COLORADO.

CONTAINING AN AREA OF 12,555,416 SQUARE FEET OR 288.233 ACRES, MORE OR LESS.

THOMAS M. GIRARD
COLORADO PLS 38151
FOR AND ON BEHALF OF
CORE CONSULTANTS, INC.



NOTE: THIS DOES NOT REPRESENT A MONUMENTED SURVEY.
IT IS INTENDED ONLY TO DEPICT THE ATTACHED DESCRIPTION

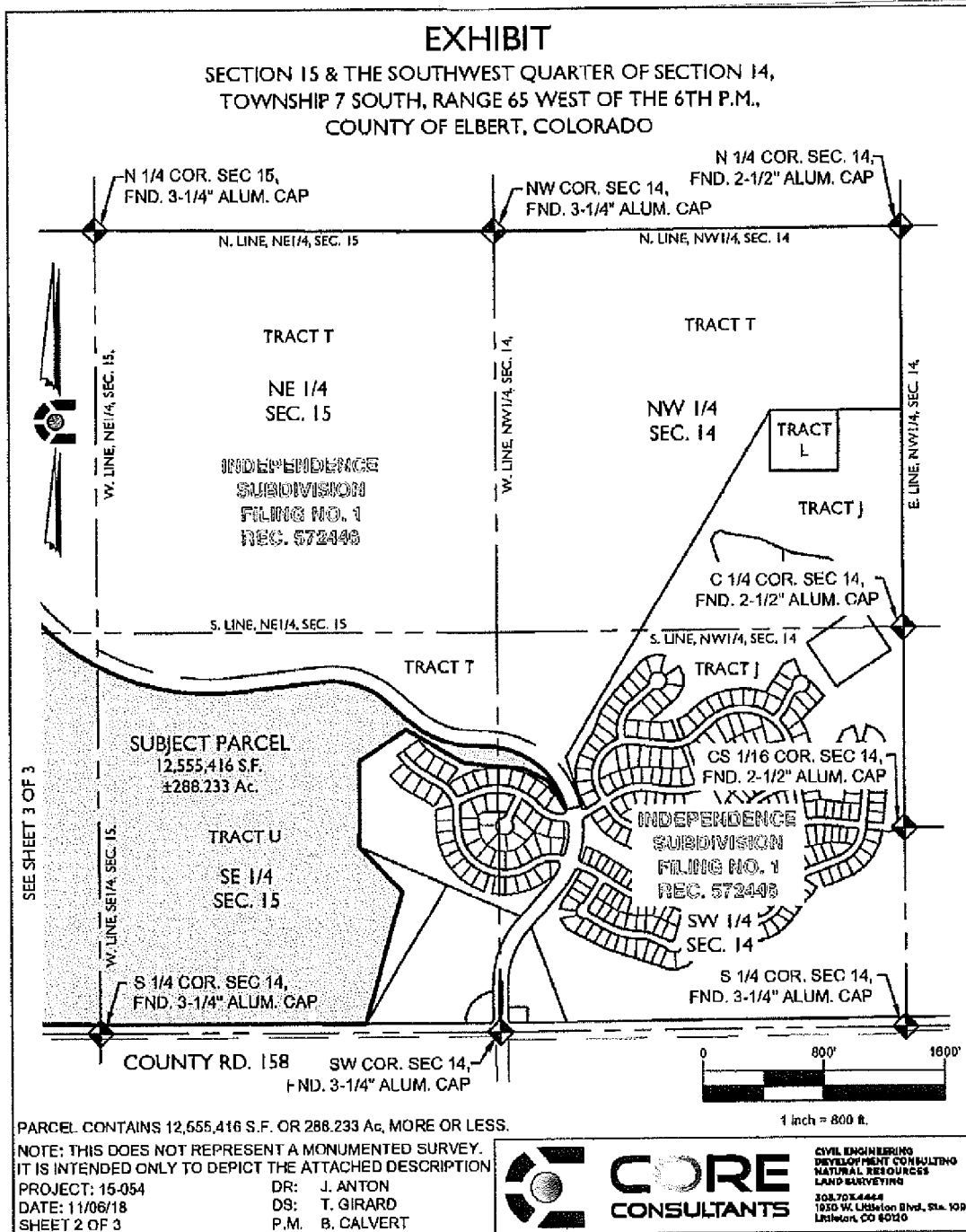
PROJECT: 15-054
DATE: 11/06/18
SHEET 1 OF 3

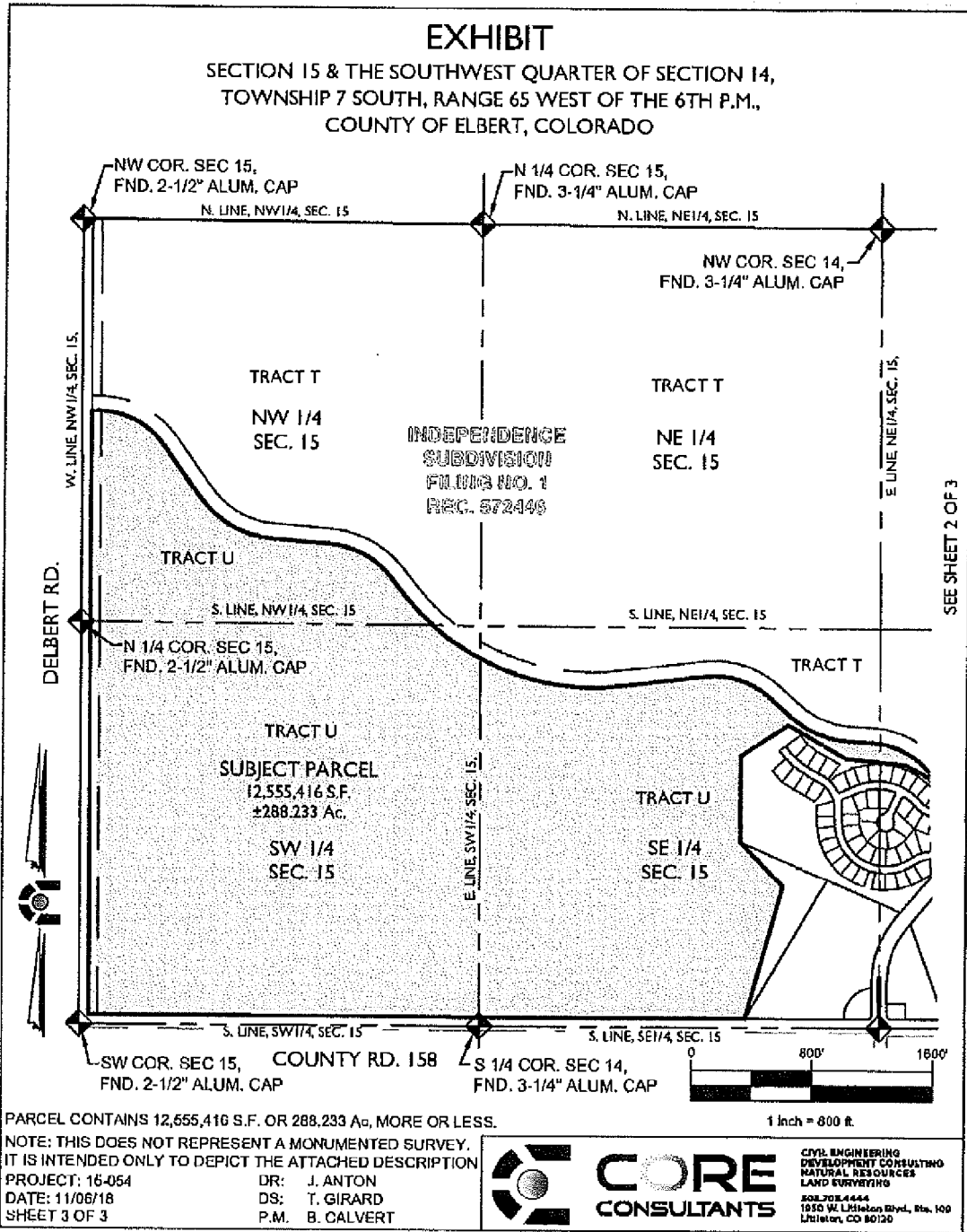
DR: J. ANTON
DS: T. GIRARD
P.M. B. CALVERT



CORE
CONSULTANTS

CIVIL ENGINEERING
DEVELOPMENT CONSULTING
NATURAL RESOURCES
LAND SURVEYING
303.703.4444
1050 W. Lincoln Blvd., Ste. 109
Lincoln, CO 80120





EXHIBIT

SECTION 15 & THE WEST HALF OF SECTION 14,
TOWNSHIP 7 SOUTH, RANGE 65 WEST OF THE 6TH P.M.,
COUNTY OF ELBERT, COLORADO

LEGAL DESCRIPTION:

TRACT T,
INDEPENDENCE SUBDIVISION FILING NO. 1,
A SUBDIVISION PLAT RECORDED AT RECEPTION NO. 572446, ELBERT COUNTY RECORDS,
COUNTY OF ELBERT,
STATE OF COLORADO.

CONTAINING AN AREA OF 19,321,744 SQUARE FEET OR 443.566 ACRES, MORE OR LESS.

THOMAS M. GIRARD
COLORADO PLS 38151
FOR AND ON BEHALF OF
CORE CONSULTANTS, INC.



NOTE: THIS DOES NOT REPRESENT A MONUMENTED SURVEY.
IT IS INTENDED ONLY TO DEPICT THE ATTACHED DESCRIPTION.

PROJECT: 15-054
DATE: 11/06/18
SHEET 1 OF 3

DR: J. ANTON
DS: T. GIRARD
P.M. B. CALVERT



CORE
CONSULTANTS

CIVIL ENGINEERING
DEVELOPMENT CONSULTING
NATURAL RESOURCES
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Littleton, CO 80120

