

**RESOLUTION OF RIVERLAND LOT OWNER ASSOCIATION REGARDING RULES  
AND REGULATIONS FOR WATER USAGE FEES**

**SUBJECT:** Water Usage Fees to reflect the Association’s operational costs for Association water system

**PURPOSE:** The purpose of this Resolution is to adopt a policy implementing water usage fees to reflect the Association’s operational costs for owning, maintaining, and servicing the Association’s water system.

**LEGAL AUTHORITY:** C.R.S. §§ 38-33.3-302(1) and 38-33.3-303

**EFFECTIVE DATE:** January 1<sup>st</sup>, 2021

**RESOLUTION:** RIVERLAND LOT OWNER ASSOCIATION, a Colorado nonprofit corporation (the "Association"), hereby adopts the following policy:

**BACKGROUND:**

WHEREAS, the Riverland Industrial Park is not connected to or serviced by any public water utilities; and

WHEREAS, water for the Riverland Industrial Park is provided by a private well (the “Well”) owned and operated by the Riverland Lot Owners Association (the “Association”); and

WHEREAS, the Association owns the well permit for the Well; and

WHEREAS, the Association owns, operates, and maintains the system of pipes, pumps, meters, and other infrastructure that delivers water from the Well to each lot within the Association (the “Water System”); and

WHEREAS, the Water System is a General Common Element of the Association; and

WHEREAS, the Association has adopted no previous policy specifying how Association Members (the “Lot Owners”) shall contribute to the Association’s costs in maintaining and servicing the Water System; and

WHEREAS, the Association is facing increasing demands on the Water System; and

WHEREAS, the Association budget has not historically included sufficient increases in revenues to offset the increasing costs of maintaining and servicing the Water System; and

WHEREAS, it is appropriate and timely for the Association to adopt a policy for assessing and collecting fees specifically for the purpose of maintaining and servicing the Water System; and

WHEREAS, the Colorado Common Interest Ownership Act, Colorado Revised Statutes Section 38-33.3-302(1) provides that the Association, without specific authorization in the Declarations, may:

- (a) Adopt and amend bylaws and rules and regulations;
- (b) Adopt and amend budgets for revenues, expenditures, and reserves and collect assessments for common expenses from unit owners;
- [...]
- (f) Regulate the use, maintenance, repair, replacement, and modification of common elements; [and]
- (j) Impose and receive any payments, fees, or charges for the use, rental, or operation of [the Association's] common elements....;

WHEREAS, the Association is responsible for owning, maintaining and servicing the Water System pursuant to Section 9.C of the Declaration of Protective Covenants for Riverland Industrial Park (the "Declarations"); and

WHEREAS, pursuant to Article 9 of the Declarations and Article IV of the Bylaws of Riverland Lot Owners Association, the Association's Board of Directors has authority to adopt a fee structure sufficient to enable the Association to conduct its regular operations, including operation of the Water System, and to collect any such fees from the Lot Owners in order to pay for the Association's common expenses, including expenses related to the Association's common elements;

**NOW THEREFORE**, the Riverland Lot Owners Association Board of Directors hereby adopts the following rules and regulations regarding the assessment and collection of fees related to the Water System.

## **POLICY REGARDING ASSESSMENT AND COLLECTION OF WATER USAGE FEES**

### **Article I. Definitions.**

As used herein:

- 1.1 "Base Usage Limit" means the first 15,000 gallons of water drawn from the Water System per Lot per month.
- 1.2 "Lot" means each of the separately-numbered parcels of ground shown on the Association's plat.
- 1.3 "Water System" means the system of pipes, pumps, meters, and other infrastructure that delivers water from the Well to each lot within the Association, ending at the Association's water meter servicing each Lot.

## **Article II. Water Usage Fees.**

- 3.1 Each Lot shall be assessed a Water Usage Fee based on the volume of water used by that Lot, per calendar month.
- 3.2 The Water Usage Fee shall be assessed on a monthly basis.
- 3.3 The Water Usage Fee shall be calculated as follows:
  - 3.3.1 Per Lot, per month, there shall be no fee assessed for the first 15,000 gallons of water used, i.e., for the Base Usage Limit.
  - 3.3.2 Per Lot, per month, for any water used above the Base Usage Limit, the Water Usage Fee shall be \$7.50 per additional 1,000 gallons used.
  - 3.3.3 The Water Usage Fee shall be imposed regardless of whether the complete excess 1,000 gallons is used. For instance, a Lot Owner who uses 16,500 gallons of water in a particular month shall be charged no fee for the Base Usage Limit, \$7.50 for the next 1,000 gallons (from 15,000 to 16,000 gallons), and \$7.50 for the next increment of gallons up to 17,000 total gallons. In this example, the total Water Usage Fee is calculated as \$15.00.
- 3.4 Assessment of Water Usage Fee
  - 3.4.1 For non-condominiumized lots, the Lot Owner shall be responsible for timely payment of the Water Usage Fee.
  - 3.4.2 For condominiumized or otherwise subdivided lots, the sub-association of that Lot which governs the condominium or sub-units shall be responsible for timely payment of the Water Usage Fee. Each sub-association shall be solely responsible for enacting such rules and regulations as it deems appropriate for allocating the cost of the Water Usage Fee among the sub-association's individual members.
  - 3.4.3 For condominiumized or otherwise subdivided lots, if no formal sub-association exists, the individual units which comprise the sub-association membership shall be jointly and severally liable for the Water Usage Fee.

## **Article III. Assessments and Noncompliance.**

- 4.1. The Water Usage Fee shall be invoiced to Lot Owners on a quarterly basis and shall be subject to the Association's Collection Policy.
- 4.2. In the event a Lot Owner or the sub-association of a condominiumized or otherwise subdivided lot fails to comply with these rules and regulations, late fees and interest shall be charged pursuant to the Association's Collection Policy.

IN WITNESS WHEREOF, the undersigned ascribe their names with an effective date as first written, evidencing approval and adoption of these Rule and Regulations by the Riverland Lot Owners Association by the affirmative vote of a majority of the Board of Directors, and approval by 5 of 5 Members present, on December 28<sup>th</sup>, 2021.

RIVERLAND LOT OWNER ASSOCIATION,  
a Colorado nonprofit corporation

By:   
Kevin Freeman (Feb 2, 2022 15:48 CST)

Kevin Freeman, President

### CERTIFICATION

The undersigned, as Secretary of RIVERLAND LOT OWNER ASSOCIATION, a Colorado nonprofit corporation, certifies that the foregoing Resolution was properly adopted by the Board of Directors of the Association, and in witness thereof, the undersigned has subscribed his or her name.

RIVERLAND LOT OWNER ASSOCIATION,  
a Colorado nonprofit corporation

By:  Steve Curtiss (Feb 2, 2022 15:15 MST)

Steve Curtiss \_\_\_\_\_, Secretary









# Resolution, Water Fees, V6

Final Audit Report

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