

RESOLUTION NO. 2016-2

A RESOLUTION OF THE LA PLATA WEST WATER AUTHORITY AFFIRMING AND RATIFYING PREVIOUS ACTIONS TAKEN BY THE BOARD OF DIRECTORS REGARDING RETURN OF INITIAL COMMITMENT DEPOSITS AND ESTABLISHING A FRAMEWORK FOR SUBSCRIPTIONS ACQUIRED SUBSEQUENT TO THE INITIAL SIGN-UP FOR VARIOUS PHASES OF THE PROJECT.

WHEREAS, the La Plata West Water Authority (Authority) received initial commitment deposits during the year 2010 and thereafter from property owners within the potential overall service area of the Authority. These initial commitment deposits were used by the Authority as indications of interest in the Authority's domestic water system and served as a basis for engineering analysis that resulted in a phased engineering design for constructing the domestic water system in phases, which would provide the Authority with better opportunities for obtaining funding; and,

WHEREAS, the Authority, based on preliminary engineering, offered property owners within an initial proposed phase area the opportunity to subscribe for water service by paying subscription fees, determined by the Board of Directors (Board), to provide capital contribution and to provide the basis for final engineering for the construction of the system in this initial phase/area through December 31, 2016, which phase/area is and will hereinafter be referenced as Phase 1; and,

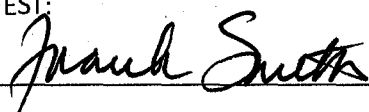
WHEREAS, the Board acted to refund commitment deposits to property owners who did not subscribe for water service within Phase 1, as of December 31, 2015.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE LA PLATA WEST WATER AUTHORITY:

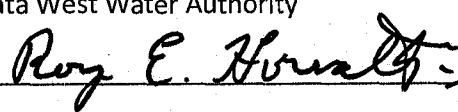
1. For any and all parcels within Phase 1 for which the property owner did not submit a commitment deposit or subscription fees by December 31, 2015, or for which funds received by the Authority were refunded, said property owner may submit subscription(s) for service as described in section 2 below. Once a refund is issued to a property owner, said owner has no right to domestic water service or capacity in the system, as capacity for refunded commitments and subscriptions was not included in the final engineering design.
2. Because subscription rates are determined by overall capacity of the system at the time of final design, property owners submitting subscriptions subsequent to March 31, 2016 will be subject to the following:
 - a. If adequate capacity exists at the point of desired service on a system line included in the final design, the subscription rate will be the current subscription fee.
 - b. If adequate capacity DOES NOT exist at the point of desired service on a system line included in the final design, the subscription rate shall include a line extension, the current subscription fee, and all legal, engineering, permitting, and any other associated expenses, so as to not unduly financially burden previous subscribers or the Authority. In such a situation, property owners are encouraged to work together to submit simultaneous subscriptions, which will result in lower subscription rates for individual property owners, by virtue of sharing costs.

ADOPTED this 13th day of April, 2016.

ATTEST:


Secretary

La Plata West Water Authority


President