

RESOLUTION 2026-03

A RESOLUTION OF THE BOARD OF DIRECTORS OF DURANGO WEST METROPOLITAN DISTRICT NO. 2 ESTABLISHING RESTRICTIONS ON PROVIDING WATER AND SEWER SERVICE, ILLEGAL CONNECTIONS TO DISTRICT FACILITIES AND PENALTIES FOR VIOLATIONS.

WITNESSETH:

WHEREAS, the Durango West Metropolitan District 2 (the "District") is a Colorado Special District organized pursuant to the Colorado Special District Act, C.R.S. § 32-1-101, *et seq.* (the "Act"); and

WHEREAS, the District owns, operates and maintains a water supply and distribution system (the "District Water System") which provides water for domestic use and fire protection; and

WHEREAS, the District owns, operates and maintains a wastewater collection and treatment system (the "District Wastewater System") which provides sewer service for properties in the District; and

WHEREAS, the Act authorizes the Board of Directors (the "Board") of the District to adopt, amend, and enforce rules and regulations for the connection of properties to the District Water System and District Sewer System; and

WHEREAS, since the District was organized in 1979 the need for the development of an adequate, reliable water supply has been a priority for the District; and

WHEREAS, the initial water supply for the District Water System was provided by a series of District owned and operated wells which were not adequate to meet existing and projected demands for developed and approved lots within the District; and

WHEREAS, the District contracted for numerous engineering studies and testing in an effort to identify and develop additional water supplies; and

WHEREAS, in 1986 the District negotiated an agreement to purchase additional water to supplement the limited supply from the District wells from Lake Durango Water Company, a private water company formed to provide water to development in a large service area that included the District; and

WHEREAS, the La Plata County Board of County Commissioners adopted Resolution No. 2003-29 on July 7, 2003, imposing a moratorium on any new development utilizing the Lake Durango Water Company as its water source based on its determination that the Company did not have an adequate water supply to serve its current 1,435 committed taps, including 362 District taps; and

WHEREAS, in 2008 the District and other political subdivisions formed Lake Durango Water Authority (LDWA), a political subdivision of the state of Colorado, to acquire and operate the Lake Durango water system; and

WHEREAS, in October 2010, LDWA obtained a Safe Yield Report which confirmed that LDWA's current water rights were only sufficient, in drought conditions, to supply 792 of the 1,435 current tap commitments and that additional water supplies would need to be developed to serve current commitments and provide water for any new development; and

WHEREAS, LDWA purchased water to be withdrawn from Lake Nighthorse and completed construction of a pipeline in 2018 which will deliver water to the Lake Durango Water system to provide an additional water source for the Lake Durango system; and

WHEREAS, the La Plata County Board of County Commissioners adopted a resolution in 2018 allowing LDWA to add new customers to its system based on a determination that system could serve a maximum of 1,817 taps during a drought scenario, an increase of 365 new taps in addition to the current tap commitments; and

WHEREAS, the District Water System relies on its wells for a substantial portion of its supply due to the lower operating costs; however well production is dependent on rain and snowfall which varies each year; and

WHEREAS, the Board has previously determined that the Southwest is experiencing a long-term climate trend toward drought conditions which will require adoption of measures to insure that the current supply of water available to the District is adequate to safely meet the demands of existing District customers and provide adequate storage for fire protection; and

WHEREAS, the currently platted lots in the District located on the north side of US Highway 160 have been developed with a single residential unit or condominium except for two vacant lots which have a paid water and sewer tap for the development of a single residential unit; and

WHEREAS, the Board has determined that there is not an adequate water supply available to the District for the development of additional residential or commercial lots or dwelling units and that the District should not provide service for such development in order to ensure that the District can maintain a safe, adequate and reliable water supply for its residents; and

WHEREAS, the Board has previously adopted Resolution No. 2020-7 establishing restrictions on providing water service; and

WHEREAS, the Board has now determined that certain amendments to that resolution are necessary to include provisions dealing with the District Wastewater System, unauthorized connections to District facilities and enforcement of the resolution.

NOW THEREFORE BE IT RESOLVED by the Board of Directors of the Durango West Metropolitan District No. 2:

1. Water and Sewer Taps. The District will provide water and sewer service to 362 existing platted lots in the District, including condominiums, which all currently have a water and sewer tap. The District will not sell water and sewer taps or provide water and sewer service for the development of any additional lots or dwelling units.

2. Unlawful Connection. No connection of an additional dwelling unit, recreational vehicle, travel trailer or any other type of structure to an existing water or sewer service line is permitted.

3. Enforcement. Whenever a property owner fails to comply with the terms of this resolution, a written notice of noncompliance shall be sent to the owner at the billing address in the District records. The notice shall describe the noncompliance and advise the owner that unless the noncompliance is cured within 7 days from the date of mailing of the notice, the owner shall be subject to the following schedule of charges

and enforcement actions:

- i. Second notice of noncompliance \$2,500.00
- ii. Third notice of noncompliance \$5,000.00

Any failure to comply after the third notice may result in legal action, including claims for damages, an order for removal of any non-compliant structure, and attorney fees. All unpaid charges shall constitute a perpetual lien against the property until paid as provided by the Act.

4. Severability. Should any one or more sections or provisions of this Resolution be judicially determined invalid or unenforceable, such determination shall not affect, impair or invalidate the remaining provisions hereof, the intention being that the various provisions hereof are severable.

5. Necessity. The Board of Directors of the District hereby finds and declares that the policies established in this resolution are necessary for carrying on the business, objects, and affairs of the District and are consistent with the authority granted to the Board by the Act.

6. Development and Building Permits. The District shall provide a copy of this resolution to the La Plata County Planning and Building Departments to clarify that it does not have adequate capacity for providing water and sewer service for the development of new residential or commercial lots or additional dwelling units.

7. Amendment of Prior Resolution. This resolution amends and replaces Resolution No. 2020-7 and all provisions of prior resolutions that are not consistent herewith.

8. Effective Date. This Resolution shall be effective immediately upon its adoption and approval.

ADOPTED this 17 day of June, 2026.

DURANGO WEST METROPOLITAN DISTRICT NO. 2

By: _____

Vice-President

ATTEST:

Secretary