

**A RESOLUTION ADOPTING A PRELIMINARY ORDER APPROVING
SPECIFICATIONS
AND OTHER MATTERS FOR THE LOG HILL VILLAGE LOCAL IMPROVEMENT
DISTRICT**

WHEREAS, having initiated creation of the Loghill Village Local Improvement District by Board action at the request of the members of the Citizens Road Committee of the Loghill Village Home and Property Owners Association, on May 17, 2004, the Board of County Commissioners of Ouray County duly adopted Resolution No. 2004-022 creating said district after notice and hearing; and

WHEREAS, notice of the adoption of such resolution and of a hearing pursuant thereto as required by law was duly given by publication and by notices sent to affected property owners and, pursuant to such notice, a hearing was held by the Board on July 26, 2004; and

WHEREAS, given that written protests representing the owners of property which would be assessed more than fifty percent of the cost of the contemplated improvements were not timely received by the Board, the Board may therefore lawfully proceed with the proposed improvements; and

WHEREAS, at the aforesaid hearing, the Board was presented and carefully reviewed preliminary plans and specifications and related materials, and also took public input on such preliminary plans and specifications; and

WHEREAS, the Board finds that each property unit within the Loghill Village Local Improvement District will enjoy approximately equal benefit from the paving of the Village roads in that: (i) paved roads throughout the Village likely will increase the value of all properties within the Village regardless of size, use, present value or location; and (ii) paved roads within the Village will materially improve the health, safety and welfare of all properties within the Village, regardless of size, use, present value or location, by reducing dust and airborne contaminants presently generated by unimproved roads and by improving the safety of both vehicles and pedestrians using the roads within the District; and (iii) paved roads within the Village will materially reduce the inconvenience of travel within the Village for all properties, regardless of size, use, present value or location.

NOW THEREFORE, BE IT RESOLVED by the Board of County Commissioners of Ouray County as follows:

1. The Board of County Commissioners of Ouray County hereby finds that all matters asserted in the foregoing whereas clauses have been duly established and that all notices have been duly given and all hearings duly held as required by law.

2. Pursuant to C.R.S. 30-20-603(5), the Board makes the following preliminary order regarding the Loghill Village Local Improvement District proposed improvements:

a. The preliminary plans and specifications and related documents presented to the Board at its July 26, 2004 hearing (copies of which are attached hereto and made a part hereof) are hereby approved;

b. The cost estimate provided by Del-Mont Consultants in connection with the plans and specifications (\$1,340,000) is hereby approved as having been formulated in good faith on the best information available. Such cost estimate shall be subject to adjustment upon opening and acceptance of bids actually received for the specified work;

c. The materials to be used in completing the improvements shall be in accordance with said preliminary plans and specifications unless the Board orders otherwise by subsequent order;

d. All properties located within the previously defined boundaries of the Loghill Village Local Improvement District including:

- Log Hill Village, Unit I, excluding Block A, Lot 18, but including the Shernoff boundary Adjustment;
- Log Hill Village, Unit II, including the Piper Boundary Adjustment;
- Log Hill Village, Unit IV, excluding Lots 74 and 75, but including Cluster Lot 48 - lots 1 through 10 (also known as 'The Enclave at the Edge'), Cluster Lot 22 - units 1 - 11 (also known as 'The Retreat on Log Hill Mesa'), Cluster Lot 12 and Cluster Lot 54;
- Bennett;
- Calbeck;
- Meadow Estates, all lots and units;
- Flying K;
- Keller Hills, including the Cary Boundary Adjustment;
- Loghill Crest Tracts 1, 4, 7, 32;
- Ponderosa Crest;
- Pinyon Peak;
- Pinyon Peak, phase II;
- Silverhorn;
- Sunridge;
- Kirby Exemption;
- Waterview;
- Waterview Knolls;
- NW1/4NE1/4 29-46-8, parcel 4255-292-00-063;
- SW1/4NE1/4 29-46-8, parcel 4255-292-00-035;
- Part of NE1/4SE1/4 29-46-8, parcel 4255-293-00-060;
- SE1/4SE1/4 29-46-8, parcel 4255-293-00-065;
- Stapleton Limited PUD;
- Tract 6 in 5-45-8, parcel 4305-052-00-011;

- NE1/4NW1/4 29-46-8, merged with Tract A, Kirby Exemption, parcel 4255-292-00-036 all as shown on the map previously adopted by Resolution creating the District (together with any subsequent subdivisions of any property contained within the District or other lot splits and/or boundary adjustments therein) will be assessed for the cost of the improvements. Lots designated exclusively as green belt or open space on which all development is prohibited are excluded from the District and shall not be assessed for the cost of the improvements. For purposes of the assessment of any fees, costs or expenses by the District, including but not limited to the cost of improvements and of retiring the bond to pay for the improvements, each lot and each separate housing unit in the case of multiple dwelling units on a lot shall each count as a separate unit and as such shall be separately assessed.

e. Subject to voter approval, the improvements shall be paid in full by the District upon satisfactory completion of the improvements. Proceeds for payment shall be obtained by issuance of a bond for the full amount of the cost of such improvements together with all costs of issuance and administrative expenses associated with the creation and operation of the District, all as spelled out in the Resolution creating the District.

f. The bond shall be fully repaid by equal assessment of each property unit within the District, the Board having determined that each property unit within the District will enjoy approximately the same benefit, regardless of size, present value or location.

g. The amount of the assessment payable by each property unit within the District shall be determined by dividing the total cost of all improvements made by the District by the total number of units within the District. Subject to adjustment upon receipt and acceptance of bids, or upon further action of the Board of County Commissioners, the amount of the assessment of each property unit within the District is presently estimated to be \$3,081 if paid in a lump sum. Property units within the District shall be given the opportunity to pay their assessment in up to twenty equal annual installments.

3. The question of whether to issue bonds or to increase property taxes or assessments to pay for such bonds with which to pay for road improvements by the District shall be submitted only to the registered electors within the District. The Board hereby directs that such issue be placed on the ballot in the 2004 General Election and that the specific phrasing of the ballot issue and of all materials which must be prepared in connection with the placement of the issue on the ballot be resolved by County staff working with the Loghill Village Home and Property Owners Association.

4. It is contemplated that all administrative costs associated with the management of the District and/or the collection of revenues and payment of expenses, including repayment of bonds, will be borne by the properties within the District. The tax or assessment rate which will be imposed within the District shall be sufficient to fully reimburse the County for all such administrative costs. Determination of the amount of administrative costs shall be by the County, in consultation with the Citizens= Road Committee of the Loghill Village Home and Property

Owners Association. In the alternative, the County and the District may contract with the Association to perform administrative work for the County.

5. In the event that all actions necessary to approve and authorize the improvements proposed to be done by the District are not completed by January 1, 2007, this resolution shall automatically be rescinded without further action by the Board of County Commissioners.
6. If any provision of this resolution, or if the application of this resolution to any person, entity or circumstance, is held invalid, such invalidity shall not affect any other provision or application of this resolution which can be given effect without the invalid provision or application, and to this end, the provisions of this resolution are to be severable.
7. This Resolution and the plans, specifications and other matters approved or specified herein, may be amended by the Board of County Commissioners of Ouray County at any time.
8. The Board of County Commissioners of Ouray County hereby declares that this resolution is necessary for the preservation of the public peace, health, safety and welfare and that it therefore shall become effective immediately.
9. In passing this Resolution, the Board of County Commissioners has made every effort to comply with the requirements of the statutory provisions authorizing the formation of a local improvement district. In the event, despite such effort, this Resolution fails to comply in any non-substantive or technical way with any requirements of the law, such noncompliance may be corrected by supplemental Resolution adopted by the Board of County Commissioners. In the event such a supplemental Resolution is adopted, this Resolution shall be read as though such changes had been incorporated in its original text.

READ, PASSED AND ADOPTED this 23rd day of August, 2004 by the Board of County Commissioners of Ouray County, Colorado.

Tom Hollenbeck, Chairman

Don Batchelder, Vice-Chairman

William Ferguson, Commissioner Member

Attest:

Michelle Nauer, County Clerk & Recorder
By: Linda Munson Haley Deputy Clerk