

October 1, 2019

Update for Sunset Ridge Public Improvement District (PID)

We are continuing to work on items related to the two November ballot questions to form the Sunset Ridge PID and pay for paving Sunset Ridge roads. As a result of the recent Public Hearing with the Grand County Board of County Commissioners (BOCC) on Tuesday, August 13, 2019, the Commissioners voted unanimously to allow the PID petition for road improvements in Sunset Ridge subdivision to be included on the November 2019 General Election ballot.

Important Election Dates for Colorado Voters:

October 4 – On or before Oct.4, Grand County will mail an application for a PID ballot to registered Colorado voters, who are not primary residents of Grand County, but who own or rent property within the Sunset Ridge PID boundaries. You must return this application to receive a ballot to vote on the PID questions. You must return your ballot to any official ballot drop-off box in Colorado before 7 P.M. on Nov. 5, election day. Call the Grand County Clerk and Recorder office if you have additional questions.

October 11- Grand County will begin mailing ballots to Grand County registered voters starting Oct.11.

November 5- Grand County must receive all ballots by 7 P.M. Nov.5 at official ballot drop –off boxes.

Our neighbor, Bob Hughes and other Sunset Ridge residents, recently sent out letters presenting comprehensive election voting procedure regulations to some homeowners. We want to point out that the response to the “Renter question” should read: Yes. Anyone who lives in the proposed district and is registered to vote at an address in the proposed district is qualified to vote and will receive a ballot”

Please note that the ballot will contain two (2) questions about Sunset Ridge. The first will ask if you agree to finance the road improvements within the PID area and the second will ask to create the Public Improvement District (PID). **Make sure you vote on both ballot questions!**

Concerns Discussed at the Public Hearing:

SAFETY: We all support a safe design to road improvements with the BOCC and Commissioner Cimino has promised to take a comprehensive look at various methods of reducing speeds if it becomes a problem, providing that the ballot measure passes, including the use of speed dips, signage and increased enforcement from the Sheriff’s office. A federal transportation study indicates that stopping distances are shorter (and therefore safer) on paved roads compared to unpaved roads, and snow melts more quickly on paved roads than on unpaved roads.

COSTS: Earlier cost estimates were revised regularly as the County Road and Bridge Supervisor provided us with current contract prices that were being used on County projects. The County will also manage the proposed PID road improvement project in Sunset Ridge and will assist us to finance it with a municipal bond. The costs that will be included on the ballot description, are the maximum limit that we would be able to legally spend on a contract if the ballot passes. We supplied these figures as the conservative estimate of the proposed project costs and included an 18% contingency fee to cover potential contract variations in the total project cost.

Grand County Commissioners certified the ballot question to allow qualified voters of the proposed Sunset Ridge Public Improvement District to form a PID for the purpose of paving the roads. The cost amounts referred to in the ballot questions are "Not To Exceed" figures and we hope to achieve better prices in 2020. Our legal counsel recommended that we use the more conservative figures to avoid future complications if the contract bids are higher than we expected. We also anticipate that we will be able to find a bond that will have a lower interest rate than the 4.7% maximum rate described in the ballot question, as recent interest rates are near historic lows. A bond interest amount will be added to the total repayment cost and will depend on the term length (estimated to be 14 years) and an interest rate that is most beneficial to the PID membership. This is similar to the way you purchase a house with a mortgage.

To determine your individual tax increase for paving, multiply your "Assessed Value" by .0276. This will be your approximate increase in tax each year for fourteen years to pay off the municipal bond procured by the County for paving our roads.

For example:

A residence with a market value of \$661,200 has a Grand County Assessed Value = \$36,910 .

$\$36,910 \times .0276 = \$1,019$

This would be an individual owner's estimated additional annual tax for paving the roads. Please call one of us if you want some help estimating your annual cost based on your County Assessed Value or go on the internet to the county website and fill in your name, then click "Search". The county website can be accessed at: co.grand.co.us/assessor/taxweb/search/jso

MAINTENANCE: The BOCC agreed to provide snow removal, drainage, maintenance of ditches and culverts and pothole repair of paved road surfaces, but will require Sunset Ridge POA or PID to provide crack sealing, chip sealing and future asphalt overlays in addition to the initial cost of paving. Crack sealing was the only unexpected maintenance requirement insisted on by the County Road and Bridge Department, and differs from the original assumptions made in the report submitted to the County.

Recent preliminary estimates from local contractors estimated costs between \$1.50 and \$2.00 per lineal foot to prepare and seal cracks. Crack sealing may be necessary every 3 to 5 years after the initial paving. Cost will depend on the amount of pavement cracking, since not all our

3.3 miles of roads will wear the same. The subdivision roads may need chip sealing twice during a 20-year period and is estimated to cost \$175,000 for each application. Maintenance will extend the life of the paved surface roads at a high performance level and the County will assist us to determine when and where more maintenance is needed. Highway studies have documented that money spent on maintenance will extend the life of the initial pavement and save taxpayers dollars in the long-term.

The Sunset Ridge Board of Directors is expected to propose a method of funding future maintenance work on the paved roads, if approved, and POA members will have an opportunity to review and vote on their proposal. We recommend that a special annual assessment, not to exceed \$200 per lot in the PID, could result in a sizeable maintenance escrow fund by the time maintenance might be necessary to maintain the 4" thick, 20-year design, asphalt pavement.

We believe that we have put forward comprehensive explanations to questions brought up at the BOCC public hearing and the annual POA meeting. If you have additional questions please contact:

Lorie Wheeler (970)722-7644 Pam Hanson (970) 726-4717 Sparky Lyle (303)906-6109

PLEASE VOTE –So that we can fairly decide this important matter for the future of our neighborhood.

Sincerely,

A handwritten signature in cursive script that reads "Lorie Wheeler".

Lorie Wheeler

PID Chairman