

RESOLUTION No. 00-_____

RESOLUTION OF THE ALPENSEE WATER DISTRICT REGARDING THE IMPOSITION OF IMPROVEMENT FEES FOR PUBLIC IMPROVEMENTS.

WHEREAS, Alpengsee Water District (the "District") is a quasi-municipal corporation and political subdivision of the State of Colorado; and

WHEREAS, the District is authorized pursuant to Section 32-1-1001(1)(j)(I), C.R.S. to fix fees and penalties for services or facilities provided by the District; and

WHEREAS, the District is authorized to pledge the revenue from fees for the payment of any financial obligations of the District and such fees, until paid, shall constitute a perpetual lien on and against the property served; and

WHEREAS, the District has determined to issue General Obligation Limited Tax Bonds (the "Bonds"); and

WHEREAS, the District has determined to impose improvement fees for the purpose of securing the payment of the Bonds and providing water facilities (the "Improvements"); and

WHEREAS, certain real property described on Exhibit A attached hereto and incorporated herein by this reference (the "Property") will be benefitted by the Improvements; and

WHEREAS, a fee will be imposed upon the Property owned by the owner of such property ("Landowner") in order to raise revenue to pay a portion of the Bonds.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF ALPENSEE WATER DISTRICT, SUMMIT COUNTY, COLORADO, AS FOLLOWS:

1. The Board has determined, and does hereby confirm that it is in the best interests of the District and its inhabitants to exercise its power by imposing Improvement Fees (the "Fees") upon the Property and to pledge the revenues from the Fees for the payment of the District's Bonds.

2. The aggregate amount of the Fees is Eight Hundred Thirty Six Thousand Dollars (\$836,000) and will be assessed as follows:

a) The Landowner shall pay the District for the use of the Improvements of the District an Improvement Fee of Twenty-Two Thousand Dollars (\$22,000) upon the sale of a subdivided residential lot as shown on the present and future recorded plats for the development within the District to a third party purchaser (each a "Lot") and an Improvement Fee of Forty-Four

Thousand Dollars (\$44,000) upon the sale of the property for each of four commercial buildings to be constructed in the Alpensee III Subdivision to a third party purchaser (each, a "Building").

b) At a minimum, and subject to the right of the Landowner to accelerate payment of Improvement Fees and the termination of Landowner's obligation to pay Improvement Fees, the Landowner shall, beginning on October 15, 2000, and on April 15 and October 15 (each a "Payment Date") of each of the years 2000 through and including 2004, pay the District for use of the Improvements of the District, Improvement Fees in accordance with Schedule 1 attached hereto ("Schedule 1"), which provides for the cumulative purchase of 30 Improvement Fees for Lots for a total of Six Hundred Sixty Thousand (\$660,000) and the cumulative purchase of four Improvement Fees for Buildings for a total of One Hundred Seventy Six Thousand Dollars (\$176,000), for a total aggregate amount of Eight Hundred Thirty-Six Thousand Dollars (\$836,000).

3. The Fees shall constitute a statutory and perpetual lien against the Property pursuant to Section 32-1-1001(1)(j)(I), C.R.S., such lien being a charge imposed for the provision of the Improvements to service the Property. The lien shall be perpetual in nature as defined by the laws of the State of Colorado on the Property and shall run with the land. This Resolution shall be recorded in the offices of the Clerk and Recorder of Summit County, Colorado.

4. Failure to make payment of the Fees due hereunder shall constitute a default in the payment of such Fees. Upon a default, interest shall accrue on such total amount of Fees due at the rate of 12% per annum and the District shall be entitled to institute such collection proceedings as may be authorized under Colorado law, including but not limited to foreclosure of its perpetual lien. The defaulting property owner shall pay all costs, including attorneys fees, incurred by the District in connection with the foregoing.

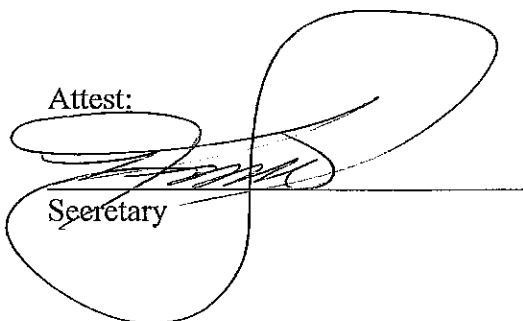
5. Upon the payment of each Fee, the applicable Lot may be designated by the owner of the Property, and, upon such designation, shall promptly be released by the District from the lien.

6. Judicial invalidation of any of the provisions of this Resolution or of any paragraph, sentence, clause, phrase or word herein, or the application thereof in any given circumstances, shall not affect the validity of the remainder of this Resolution, unless such invalidation would act to destroy the intent or essence of this Resolution.

APPROVED AND ADOPTED THIS _____ day of August, 2000



President

Attest:


Secretary

EXHIBIT A

**LEGAL DESCRIPTION
ALPENSEE WATER DISTRICT**

Highland Meadows PUD as recorded on May 9, 2000, reception no. 621968, in the records of the Clerk and Recorder's office for the County of Summit, State of Colorado, and

Alpensee No. 3 Subdivision located in the NE 1/4 of Section 1, T6S, R78W of the 6th P.M., Summit County, State of Colorado.

SCHEDULE 1
TO IMPROVEMENT FEE AGREEMENT

| DATE | IMPROVEMENT FEE PAYMENT |
|------------------|-------------------------|
| October 15, 2000 | \$220,000 |
| April 15, 2001 | \$132,000 |
| October 15, 2001 | \$132,000 |
| April 15, 2002 | \$132,000 |
| October 15, 2002 | \$132,000 |
| April 15, 2003 | \$22,000 |
| October 15, 2003 | \$22,000 |
| April 15, 2004 | \$22,000 |
| October 15, 2004 | <u>\$22,000</u> |
| TOTAL | \$836,000 |