

**Town of Basalt, Colorado
Resolution No. 13
Series of 2009**

**A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF
BASALT, COLORADO, DECLARING SUPPORT FOR THE APPROVAL
OF REFERENDUM 1A "ENERGY SMART LOAN PROGRAM"
APPEARING ON THE BALLOTS OF EAGLE AND PITKIN COUNTIES
AT THE NOVEMBER 3, 2009 ELECTION.**

RECITALS

Colorado House Bill 08-1350 declares that the development, production, and efficient use of renewable energy will advance the security, economic well-being, and public and environmental health of this state, as well as contributing to the energy independence of our nation; and

HB 08-1350 declares that the inclusion of energy efficiency and renewable energy production projects for residential and commercial use in Local Improvement Districts will serve a valid public purpose; and,

HB 08-1350 allows for the said Districts to issue bonds in order to provide to interested property owners within the District loans attached to the property via a special tax assessment; and,

Residents of the district who do not make use of these arrangements will not be assessed any additional taxes; and,

Eligible improvements include upgrading insulation, replacing inefficient heating systems, upgrading lighting systems and fixtures, sealing air leakages, and installing solar electric, solar hot water and wind energy, among other measures; and

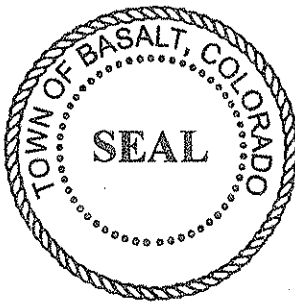
The benefits of the resulting "Energy Smart Loan Program" include financing energy improvements at a low-cost, helping property owners save on their utility bills, repaying the costs through a voluntary special assessment on the property, keeping the financial obligation with the property and not the owner, utilizing long-term, fixed-rate repayment, stimulating the local economy by creating jobs, and ensuring no increased taxes for non-participants.

**NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE
TOWN OF BASALT, COLORADO:**

The Town Council of the Town of Basalt, Colorado, hereby supports Eagle and Pitkin counties Referenda 1A, "Energy Smart Loan Program" as attached hereto as Appendix A and Appendix B.

In the event the said Referendum is approved by the voters of Eagle and/or Pitkin counties, the Council will consider an Ordinance to "opt in" to the Special Improvement District, thereby making those respective Town of Basalt residents eligible for special tax assessment loan financing.

READ, APPROVED AND ADOPTED this 13th day of October, 2009, by a vote 5-0.



TOWN OF BASALT

By: Leroy Duroux
Leroy Duroux, Mayor

ATTEST:

Pamela K. Schilling
Pamela K. Schilling, Town Clerk

APPENDIX A

COUNTY ISSUE ____ (Eagle County Energy Smart Local Improvement District Debt And Multiple Fiscal Year Financial Obligation Authorization):

SHALL EAGLE COUNTY DEBT (FOR EAGLE COUNTY ENERGY SMART LOCAL IMPROVEMENT DISTRICT) BE INCREASED BY UP TO \$10,000,000, WITH A MAXIMUM REPAYMENT COST OF UP TO \$25,000,000, WITH NO INCREASE IN ANY COUNTY TAX OR TAX RATE, FOR THE PURPOSE OF FINANCING THE COSTS OF CONSTRUCTING, ACQUIRING AND INSTALLING RENEWABLE ENERGY AND ENERGY EFFICIENCY IMPROVEMENTS AND EQUIPMENT FOR PROPERTY OWNERS THAT CONSENT TO BE INCLUDED IN THE DISTRICT BY ENTERING INTO A CONTRACT FOR INCLUSION IN THE DISTRICT, INCLUDING WITHOUT LIMITATION:

- SOLAR PHOTOVOLTAIC SYSTEMS,
- SMALL WIND SYSTEMS,
- BIOMASS SYSTEMS,
- GEOTHERMAL SYSTEMS,
- INSULATION UPGRADES,
- INEFFICIENT HEATING AND COOLING SYSTEMS REPLACEMENT,
- INEFFICIENT LIGHTING SYSTEMS AND FIXTURES REPLACEMENT,
- SEALING AIR LEAKAGES, AND
- ANY OTHER MODIFICATION, INSTALLATION, REMODELING OR IMPROVEMENT DESIGNED TO PRODUCE ENERGY FROM AN ALTERNATIVE OR RENEWABLE ENERGY SOURCE OR REDUCE ENERGY CONSUMPTION AS APPROVED BY THE BOARD OF COUNTY COMMISSIONERS OF EAGLE COUNTY

AND ANY COSTS NECESSARY OR INCIDENTAL THERETO, INCLUDING WITHOUT LIMITATION THE COST OF ESTABLISHING RESERVES TO SECURE THE PAYMENT OF SUCH DEBT, BY THE ISSUANCE OF SPECIAL ASSESSMENT BONDS OR BY INCURRING OTHER MULTIPLE FISCAL YEAR FINANCIAL OBLIGATION, SUCH DEBT TO BE PAYABLE FROM SPECIAL ASSESSMENTS IMPOSED AGAINST BENEFITED PROPERTIES FOR WHICH THE OWNERS THEREOF HAVE CONSENTED TO BE INCLUDED WITHIN THE DISTRICT BY ENTERING INTO A CONTRACT FOR INCLUSION, AND FROM OTHER FUNDS THAT MAY BE LAWFULLY PLEDGED TO THE PAYMENT OF SUCH DEBT, SUCH DEBT TO BEAR INTEREST AT A MAXIMUM NET EFFECTIVE INTEREST RATE NOT TO EXCEED 10% PER ANNUM, SUCH INTEREST TO BE PAYABLE AT SUCH TIME OR TIMES, AND WHICH MAY COMPOUND ANNUALLY OR SEMIANNUALLY, AND SUCH DEBT TO MATURE, BE SUBJECT TO REDEMPTION, WITH OR WITHOUT PREMIUM, BE ISSUED AND SOLD AT, ABOVE OR BELOW PAR, BE ISSUED AT ONE TIME OR FROM TIME TO TIME, AND IN SUCH MANNER, IN ONE OR MORE SERIES, AND TO CONTAIN SUCH OTHER TERMS, NOT INCONSISTENT HERewith, AS THE BOARD OF COUNTY COMMISSIONERS MAY DETERMINE;

AND SHALL THE COUNTY BE AUTHORIZED TO ENTER INTO A MULTIPLE-FISCAL YEAR OBLIGATION TO ADVANCE AMOUNTS FOR PAYMENT OF A PORTION OF SUCH DEBT AND TO REIMBURSE ITSELF FOR SUCH ADVANCES BY COLLECTING UNPAID ASSESSMENTS AS PROVIDED IN THE APPLICABLE PROVISIONS OF COLORADO REVISED STATUTES, AS AMENDED; AND SHALL THE PROCEEDS OF SUCH DEBT AND THE REVENUE FROM SUCH SPECIAL ASSESSMENTS AND ANY EARNINGS THEREON BE COLLECTED, RETAINED AND SPENT BY THE COUNTY AS A VOTER-APPROVED REVENUE CHANGE, WITHOUT REGARD TO ANY SPENDING, REVENUE-RAISING, OR OTHER LIMITATION CONTAINED WITHIN ARTICLE X, SECTION 20 OF THE COLORADO CONSTITUTION, OR ANY OTHER LAW WHICH PURPORTS TO LIMIT THE COUNTY'S REVENUES OR EXPENDITURES AS IT CURRENTLY EXISTS OR AS IT MAY BE AMENDED IN THE FUTURE, AND WITHOUT LIMITING IN ANY YEAR THE AMOUNT OF OTHER REVENUES THAT MAY BE COLLECTED, RETAINED AND SPENT BY THE COUNTY?

YES ___ NO ___

APPENDIX B

REFERENDUM 1A

COUNTY DEBT FOR ENERGY SMART LOCAL IMPROVEMENT DISTRICT AND MULTIPLE FISCAL YEAR FINANCIAL OBLIGATION AUTHORIZATION

SHALL PITKIN COUNTY DEBT (FOR ITS ENERGY SMART LOCAL IMPROVEMENT DISTRICT) BE INCREASED BY UP TO \$7 MILLION, WITH A MAXIMUM REPAYMENT COST OF UP TO \$15.3 MILLION, WITH NO INCREASE IN ANY COUNTY TAX OR TAX RATE, FOR THE PURPOSE OF FINANCING THE COSTS OF CONSTRUCTING, ACQUIRING AND INSTALLING RENEWABLE ENERGY AND ENERGY EFFICIENCY IMPROVEMENTS AND EQUIPMENT FOR PROPERTY OWNERS THAT QUALIFY AND AGREE TO BE INCLUDED IN THE DISTRICT, INCLUDING BUT NOT LIMITED TO:

ENERGY EFFICIENCY IMPROVEMENTS AND EQUIPMENT:

- UPGRADING INSULATION
- REPLACING INEFFICIENT HEATING AND COOLING SYSTEMS
- REPLACING INEFFICIENT LIGHTING SYSTEMS AND FIXTURES
- SEALING AIR LEAKAGES

RENEWABLE ENERGY IMPROVEMENTS AND EQUIPMENT:

- SOLAR PHOTOVOLTAIC IMPROVEMENTS AND EQUIPMENT
- SOLAR THERMAL IMPROVEMENTS AND EQUIPMENT
- WIND ENERGY IMPROVEMENTS AND EQUIPMENT

AND ANY COSTS NECESSARY OR INCIDENTAL THERETO, INCLUDING WITHOUT LIMITATION THE COST OF ESTABLISHING RESERVES TO SECURE THE PAYMENT OF SUCH DEBT, BY THE ISSUANCE OF SPECIAL ASSESSMENT BONDS PAYABLE FROM SPECIAL ASSESSMENTS IMPOSED AGAINST BENEFITED PROPERTIES INCLUDED IN THE DISTRICT BY AGREEMENT OF THE OWNERS THEREOF, AND FROM OTHER FUNDS THAT MAY BE LAWFULLY PLEDGED TO THE PAYMENT OF SUCH BONDS, WHICH BONDS SHALL BEAR INTEREST AT NOT MORE THAN A MAXIMUM NET EFFECTIVE INTEREST RATE OF 9%, SHALL BE SUBJECT TO REDEMPTION, WITH OR WITHOUT PREMIUM, SHALL BE ISSUED, DATED, AND SOLD AT SUCH TIME OR TIMES, AT SUCH PRICES (AT, ABOVE OR BELOW PAR) AND IN SUCH MANNER, IN ONE OR MORE SERIES, AND SHALL CONTAIN SUCH TERMS, NOT INCONSISTENT HEREWITH, AS THE BOARD OF COUNTY COMMISSIONERS MAY DETERMINE;

AND SHALL THE COUNTY BE AUTHORIZED TO ENTER INTO A MULTIPLE-FISCAL YEAR OBLIGATION TO ADVANCE AMOUNTS FOR PAYMENT OF A PORTION OF SUCH BONDS AND TO REIMBURSE ITSELF FOR SUCH ADVANCES BY COLLECTING UNPAID ASSESSMENTS AS PROVIDED IN SECTION 30-20-619(2), COLORADO REVISED STATUTES, AS AMENDED?

YES ___ NO ___

Excerpts from Pro-Statement submitted to Pitkin County Clerk and Recorder:

1A is not a tax increase. The Energy Smart Local Improvement District will create a voluntary loan program for Pitkin County property owners to finance energy efficiency and renewable energy improvements. Energy improvements like upgrading insulation, inefficient heating systems, lighting systems and fixtures, sealing air leakages, and installing solar electric, solar hot water, and wind energy would all be eligible for financing through the Energy Smart Local Improvement District.

Simply put, residents and businesses will be able to borrow money through the County and pay it back, over time, through a special assessment on their property tax bills. This provides borrowers a long-term, fixed-rate repayment on the improvements, which will allow the borrower to realize annual energy savings similar to their additional property tax assessment.

If the property is sold prior to the end of the repayment period, the new owner takes over repayment as part of their property tax bill or other arrangements may be made by the seller and buyer. Residents and businesses who do not wish to participate in the program will not pay any additional taxes or fees; they will not be impacted financially in any way.

The Energy Smart Local Improvement District offers Pitkin County property owners the opportunity to save energy and money while reducing their impact on the environment. Those who choose to pay for renewable energy systems like solar, or energy efficiency upgrades through this program will pay only for the cost of their project, loan interest, and a small fee to cover the County's administrative costs, if necessary.

**Pitkin County voters should receive a mail-in ballot at their address by October 20.
If you don't receive a ballot, call the Clerk's Office at 920-5180.**

Yes on 1A - The Energy Smart Campaign • Derek Johnson & Ruthie Brown, Co-Treasurers • Box 1432 Aspen, CO 81612