

August 1, 2018

Subject: Proposed Local Improvement District  
Your Property located at

Dear :

The Board of County Commissioners has received a proposal from Clear Creek Broadband, Inc., a Colorado public benefit, for-profit corporation ("CCB"), requesting the formation of a local improvement district ("LID") to help finance the construction of broadband infrastructure in the eastern part of the county. CCB proposes to build (through subcontractors) a primarily-fiber optic network to serve over 1000 properties which will provide a minimum approximately 100 Mbps download speeds and 10 Mbps upload speeds internet service. (For areas in which properties are not close enough to be served by fiber, a wireless service will be constructed.) The infrastructure will link individual properties to distribution nodes which are linked to fiber optic internet service. CCB will operate the network, perhaps by contracting with a third party.

The network will be constructed in five regions: Old Squaw Pass, Echo Hills, Upper Witter Gulch, Lower Witter Gulch, and Circle K-Golden Willow-Yankee Creek, as shown on the enclosed map. The district excludes properties that already can receive broadband service. The Clear Creek County Assessor has identified a total of 1017 properties within the district boundary, with yours (identified above) being one.

CCB estimates the total cost to construct and make operable the network is \$4 million. CCB proposes to apply to the state Broadband Fund for a grant for \$3 million of those costs. The LID would provide the balance of the costs, plus the costs of forming the LID and obtaining the financing. That cost is estimated to be at least \$1.2 million, which must be borrowed by the County. The owners of properties within the boundaries of the LID will be assessed the costs incurred by the LID, payable upon the assessment or, if you choose, paid at the same time you pay real property taxes over a period of about 5-10 years (depending on the financing terms, to be determined at the time of financing). CCB proposes that every property in the district is assessed the same amount, approximately \$1200.00 total assuming the budget forecast is correct.

The assessment does not include the cost of receiving services. CCB estimates network service costs will be \$65/month for residential service and \$150/month for commercial service.

The County does not have the ability to evaluate the viability of CCB's proposal, its budget, its ability to construct or operate the network, or the estimate of the cost to customers for service. The County is relying on the Broadband Fund to evaluate the viability of the proposal when it evaluates the grant application. The Broadband Fund evaluated last year's grant applications in about December 2017. It



has not yet announced its grant schedule for 2018.

A precise estimate of the amount and cost of financing required by the LID cannot be made until the amount of the LID's contribution to the project and the financing timing have been determined. This can be accomplished only after CCB learns whether it is awarded a grant from the state. There is no assurance that the budget estimates will prove to be sufficient.

CCB received preliminary support for its proposal, in the form of signed "petitions," from many property owners in the district. It was enough support for the County to circulate this "Questionnaire" to formally poll the property owners in the proposed district with a view to the Board of Commissioners considering establishing the boundaries of and forming the LID, and putting on the November ballot a question whether to authorize issuance of debt to finance the LID's portion of the project costs. **Even if you signed the earlier petition, you must complete this Questionnaire and return it to the County.**

If the County receives a 51% favorable response from this questionnaire a public meeting will be scheduled with the Board of County Commissioners to determine if the LID should be formally established. You will receive notice of that meeting.

Before the Board will be able to consider the LID formation, the deadline for adopting language for a ballot issue authorizing the issuance of debt for the LID will occur. Therefore, the Board will proceed to consider adoption of such a ballot issue for the November General Election, contingent on the Board subsequently approving formation of the LID.

Materials provided to the County by CCB, including a list of properties in the proposed district, are available for review in the office of the Clerk & Recorder. They also are available on the County's website, at <http://www.co.clear-creek.co.us/DocumentCenter/Index/881> .

To review what the Broadband Fund will consider, see the Broadband Fund website, <https://www.colorado.gov/pacific/dora-broadband-fund>. If you have questions about the project, those are best answered by CCB. Its website is <http://clearcreekbroadband.net/> .

**It is essential that if you are favorable to this proposed LID that you return the questionnaire portion of this letter by August 22, 2018.**

Thank You,

Clear Creek County

