

AGENDA
TOWN OF RICO BOARD OF TRUSTEES
2 Commercial Street– Rico Town Hall
July 18th, 2018
7:00 p.m.

- Electronic copies of the Trustee Packet are available on the Town website at www.ricocolorado.gov. A hard copy of the Packet is also available at Town Hall for interested citizens.
- Action may be taken on any agenda item
- Notice is hereby given that a majority or quorum of the Planning Commission or Geothermal Committee may be present at the above noticed City Council meeting to discuss any or all of the matters on the agenda below for Council consideration

CALL TO ORDER at 7:00 p.m.
ROLL CALL

APPROVAL OF THE AGENDA

APPROVAL OF MINUTES

CONSENT AGENDA

- Payment of bills
- Approval of Treasurer's Report

CITIZENS COMMUNICATION

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CITY COUNCIL AND COMMITTEE REPORTS

- Town Clerk
- Public Works
- Water Consultant
- Parks and Rec
- Geothermal

TOWN MANAGER'S REPORT

- An update on the activities of Ryan Taylor (our intern)

PUBLIC HEARING

- Request for Rezoning of Lot 21 and the East ½ of Lot 22, Block 16, Town of Rico (Engel's House)
- Request for partial alley vacation of the alley east of the Engel's house
- Appointment of Jennifer Fox as an alternate to the Rico Planning Commission

DISCUSSION ITEMS

- Montezuma County Resolution to assert an R.S. 2477 claim on certain roads and trails in the Rico Area

ADJOURNMENT

Town of Rico Memorandum

Date: July 3, 2018

TO: Town of Rice Board of Trustees
FROM: Kari Distefano, Rico Town Manager
SUBJECT: Town Manager's Report

Update on the Activities of Ryan Taylor, the Town of Rico Economic Development Intern

In March of this year, Rico was awarded a Paradox Community Trust grant to finance an intern. At the end of May, Ryan Taylor, who is a student at Western State in Gunnison joined us to help with projects that support the economic development of the Town of Rico. He will be at the meeting to tell everyone what he has been up to and show the Trustee's some examples of his work.

Request for Rezoning of Lot 21 and the East ½ of Lot 22, Block 16, Town of Rico (Engel's House) and Request for Partial Alley Vacation of the Alley East of the Engel's House

The Rico Historic Society would like to do some structural work on the Engel's house located at 208 E. Mantz Avenue. They would also like to use the building as a visitor's center. To accomplish these two goals, they are requesting a rezoning of the lot from residential to public facility and to vacate a portion of the alley located to the east of the building. The foundation of the building encroaches on the alley and prior to spending money on repairs they would like to rectify the encroachment. On June 27th, the Rico Planning Commission approved both requests siting public benefit. There were no comments from the adjacent landowners or any other members of the public. I have reviewed the application according to the following checklist and it is complete.

Rezoning Review Check List -

- **Title Commitment** - The application has included a commitment for title insurance from Alpine Title/Westcor Land Title Insurance Company

- **Statement from County Treasurer** - A statement from the Dolores County Treasurer showing the status of current taxes is included in the application.
- **Certified Boundary Survey of Land Affected by the Proposed Zoning Amendment** - A certified boundary survey is included in the application.
- **Map of Area Demonstrating the Proposed Amendment** - A Map of the area is included in the application.
- **A List of Surrounding Property Owners within 200 feet** - A list of property owners within 200 is included in the application.
- **Statement by the Applicant explaining the Requested Rezoning** - A narrative is included in the Application
- **Application Fee** - The application fee has been waived because the Town believes that this project would be of public benefit.

Road Vacation Check List -

- **Title Commitment** - The application includes a commitment for title insurance from Alpine Title/Westcor Land Title Insurance Company
- **Statement from County Treasurer** - A statement from the Dolores County Treasurer showing the status of current taxes on affected property is included in the application.
- **Narrative Indicating Existing Zoning and Predominate Uses** - A narrative including existing zoning and predominate uses is included in the application.
- **Statement by Applicant Describing How the Vacation Application** - A narrative describing the vacation application and how the application meets applicable standards in Section 482 is included in the application.

The following are the standards, which should apply when the Rico Board of Trustees is evaluating a rezoning application:

The existing Zone District classification or desired Master Plan land use was adopted in error; or,
the proposed Amendment is compatible with the land uses in the surrounding area; and,
the proposed Amendment will serve a community need and thereby promote the public health, safety, or welfare of the Rico community and the public services and infrastructure are adequate to meet the needs of the proposed Amendment; and,
the proposed Amendment is consistent with the purposes of the RLUC and the goals and objectives of the Rico Regional Master Plan.

The following are the standards, which should apply when the Board of Trustees is evaluating a road vacation application:

- 482.1. The topography of the public right-of-way does not allow road building to meet the design standards in 478;
 - 482.2. the public right-of-way does not provide any public benefit, including but not limited to: pedestrian access, recreational access, off-street parking, and open space buffer lot between developable lots; or, the requested vacation is part of an application which would result in the Town acquiring property or rights-of-way which has a greater public benefit than the vacated public right-of-way; and,
 - 482.3. sufficient easements or rights-of-way for utilities are retained or provided.
484. **MINIMUM REQUIREMENTS FOR VACATION OF RIGHT-OF-WAY**
- 484.1. The Trustees shall enact a public right-of-way vacation by ordinance;
 - 484.2. the ordinance shall specifically amend the Present Road Status Map and Designated Road Use Map;
 - 484.3. the vacated right-of-way shall be divided at the midpoint and title shall pass to the adjoining property owners;
 - 484.4. vacated rights-of-way shall be subject to the provisions of this RLUC and shall be included in the same Zone District as the adjoining property, unless otherwise determined by the Trustees; and,

- 484.5.** the Town may not receive any monetary compensation in return for any vacated public right-of-way.

I have included the application to the Rico Planning Commission in the packet.

Appointment of Jennifer Fox as an alternate to the Rico Planning Commission

Jennifer Fox has expressed interest in being a member of the Rico Planning Commission. Although currently we have a complete board, there are often instances that all members cannot attend. It would be helpful to have an alternate.

Montezuma County Resolution to assert an R.S. 2477 claim on certain roads and trails in the Rico Area.

On June 18th, the Montezuma County Commissioners passed the first reading of an ordinance to assert an R.S. 2477 claim on roads and trails in Montezuma County as well as Dolores County and San Miguel County. Included in your packet is a map of the trails and roads outlined in red that are in the Rico area. The Dolores County Commissioners wrote a letter on the third of April after having been approached by Montezuma County Commissioner Casey McClellan requesting their assistance in this claim. Margret Daves from Dolores County emailed a copy of this letter and it is included in your packet.

In the letter, the Dolores County Commissioners stated that they did not want to be involved because they have made progress improving their working relationship with both the Forest Service and the BLM and would like to maintain those relationships. They also pointed out, correctly I believe from my experience with a San Miguel County R.S. 2477 claim, that the process is neither easy nor inexpensive. They understand that if you own the roads and trails, you have to manage and maintain them. The letter also seems to contend that they support the existing system whereby the Federal entities take comments from local entities and develop travel management plans collaboratively.

I don't believe that Montezuma County can actually afford to take this on, but as a board, you may want to consider whether or not you want to make a statement supporting the Dolores County Commissioners and the travel management plan process.

Rico Planning Commission Memorandum

Date: June 22, 2018

TO: Town of Rico Planning Commission and Rico Historic Society (applicant)
FROM: Kari Distefano, Rico Town Manager
SUBJECT: Rico Historic Society application for rezoning and partial alley ROW vacation

The Rico Historic Society would like to do some structural work on the Engel's house located at 208 E. Mantz Avenue. They would also like to use the building at a visitor's center. To accomplish these two goals, they are requesting a rezoning of the lot from residential to public facility and to vacate a portion of the alley located to the east of the building. The foundation of the building encroaches on the alley and prior to spending money on repairs they would like to rectify the encroachment.

I have reviewed the application according to the following checklist.

Rezoning Review Check List -

- **Title Commitment** - The application has included a commitment for title insurance from Alpine Title/Westcor Land Title Insurance Company
- **Statement from County Treasurer** - A statement from the Dolores County Treasurer showing the status of current taxes is included in the application.
- **Certified Boundary Survey of Land Affected by the Proposed Zoning Amendment** - A certified boundary survey is included in the application.
- **Map of Area Demonstrating the Proposed Amendment** - A Map of the area is included in the application.
- **A List of Surrounding Property Owners within 200 feet** - A list of property owners within 200 is included in the application.

- **Statement by the Applicant explaining the Requested Rezoning** - A narrative is included in the Application
- **Application Fee** - The application fee has been waived because the Town believes that this project would be of public benefit.

Road Vacation Check List -

- **Title Commitment** - The application includes a commitment for title insurance from Alpine Title/Westcor Land Title Insurance Company
- **Statement from County Treasurer** - A statement from the Dolores County Treasurer showing the status of current taxes on affected property is included in the application.
- **Narrative Indicating Existing Zoning and Predominate Uses** - A narrative including existing zoning and predominate uses is included in the application.
- **Statement by Applicant Describing How the Vacation Application** - A narrative describing the vacation application and how the application meets applicable standards in Section 482 is included in the application.

The following are the standards, which should apply when the Planning Commission is evaluating a rezoning application:

The existing Zone District classification or desired Master Plan land use was adopted in error; or,

the proposed Amendment is compatible with the land uses in the surrounding area; and,

the proposed Amendment will serve a community need and thereby promote the public health, safety, or welfare of the Rico community and the public services and infrastructure are adequate to meet the needs of the proposed Amendment; and,

the proposed Amendment is consistent with the purposes of the RLUC and the goals and objectives of the Rico Regional Master Plan.

The following are the standards, which should apply when the Planning Commission is evaluating a road vacation application:

- 482.1. The topography of the public right-of-way does not allow road building to meet the design standards in 478;
- 482.2. the public right-of-way does not provide any public benefit, including but not limited to: pedestrian access, recreational access, off-street parking, and open space buffer lot between developable lots; or, the requested vacation is part of an application which would result in the Town acquiring property or rights-of-way which has a greater public benefit than the vacated public right-of-way; and,
- 482.3. sufficient easements or rights-of-way for utilities are retained or provided.

484. **MINIMUM REQUIREMENTS FOR VACATION OF RIGHT-OF-WAY**

- 484.1. The Trustees shall enact a public right-of-way vacation by ordinance;
- 484.2. the ordinance shall specifically amend the Present Road Status Map and Designated Road Use Map;
- 484.3. the vacated right-of-way shall be divided at the midpoint and title shall pass to the adjoining property owners;
- 484.4. vacated rights-of-way shall be subject to the provisions of this RLUC and shall be included in the same Zone District as the adjoining property, unless otherwise determined by the Trustees; and,
- 484.5. the Town may not receive any monetary compensation in return for any vacated public right-of-way.

TOWN OF RICO REZONING APPLICATION

Name of Landowner(s): Rico Historical Society, a Colorado nonprofit corporation.

Address : c/o Barbara Turrin., PO Box 2017

Street or P.O. Box

Rico

City

CO

State

81332

Zip

Telephone (970) 729-0237 Fax ()

Email: bjturrin@gmail.com

Property Identification Number: 504736211010

Legal Description: Lot 21 and the E ½ of Lot 22, Block 16

Address: 208 E. Mantz, Rico, CO 81332

Deed recorded at Reception No. 165650

Current Zoning: Residential

Proposed Zoning: Public Facilities

ATTACHMENTS AND INFORMATION TO BE PROVIDED BY APPLICANT

1. Title commitment or attorney opinion confirming property owners and listing liens, easements and judgments of record affecting title to the property. RLUC 414.3
2. Statement from the county treasurer showing the status of all current taxes due on the property. RLUC 414.4
3. Certified boundary survey of land area affected by the proposed zoning amendment, along with an indication of the existing zoning, predominant existing uses, and existing zoning designations within two hundred (200) feet in all directions of the boundary of the land area affected by the proposed amendment. RLUC 414.5
4. Map of the area demonstrating the proposed amendment.
(Map and survey may be combined.) RLUC 414
5. List of surrounding property owners and their legal mailing addresses within two hundred (200) feet of the exterior boundary of the parcel proposed to be zoned or rezoned. RLUC 414.7
6. Statement by the Applicant explaining the requested rezoning and the rationale for approval, addressing the criteria for approval contained in RLUC Section 418.

Fee included: waived for public benefit

I am the landowner of record or authorized agent and am hereby making application for approval of the above request. I understand I am responsible for providing the required information, and that the Town will not process my application until all required information is provided. I further understand that if there are extenuating circumstances concerning this application, there may be additional fees required to process my application, and that the Town will advise me of additional fees and receive my approval before proceeding with my application.

ALPINE TITLE
271 S. Townsend, Ste. C1
POB 4158
Telluride, CO 81435-4158
Phone: 970-728-9680 Fax: 866-689-9558

December 04, 2015

**Rico Historical Society, a Colorado non-profit corporation
205 Mill Road
PO Box 281
Rico, Colorado 81332**

PROPERTY ADDRESS: 208 E. Mantz Ave., Rico, CO 81332

ORDER NO: 709CEA

DEAR CUSTOMER:

ENCLOSED IS YOUR POLICY OF TITLE INSURANCE. THIS POLICY CONTAINS IMPORTANT INFORMATION ABOUT THE REAL ESTATE TRANSACTION YOU HAVE JUST COMPLETED AND IS YOUR GUARANTEE OF OWNERSHIP. PLEASE READ IT CAREFULLY AND RETAIN IT WITH YOUR OTHER VALUABLE PAPERS.

A COMPLETE AND PERMANENT FILE OF THE RECORDS CONCERNING YOUR TRANSACTION WILL BE MAINTAINED IN OUR OFFICE. THESE RECORDS WILL ASSURE PROMPT PROCESSING OF FUTURE TITLE ORDERS AND SAVE MUCH VALUABLE TIME SHOULD YOU WISH TO SELL OR OBTAIN A LOAN ON YOUR PROPERTY. VISIT OR CALL OUR OFFICE AND SIMPLY GIVE US YOUR PERSONAL POLICY FILE NUMBER SHOWN ABOVE.

WE APPRECIATE THE OPPORTUNITY TO SERVE YOU AND WILL BE HAPPY TO ASSIST YOU IN ANY WAY WITH YOUR FUTURE TITLE SERVICE NEEDS.

SINCERELY,
ALPINE TITLE



WESTCOR
LAND TITLE INSURANCE COMPANY

ALTA OWNER'S POLICY (6-17-06)

ISSUED BY

WESTCOR LAND TITLE INSURANCE COMPANY

OWNER'S POLICY OF TITLE INSURANCE

Any notice of claim and any other notice or statement in writing required to be given to the Company under this Policy must be given to the Company at the address shown in Section 18 of the Conditions.

COVERED RISKS

SUBJECT TO THE EXCLUSIONS FROM COVERAGE, THE EXCEPTIONS FROM COVERAGE CONTAINED IN SCHEDULE B, AND THE CONDITIONS, WESTCOR LAND TITLE INSURANCE COMPANY, a California corporation (the "Company") insures, as of Date of Policy and, to the extent stated in Covered Risks 9 and 10, after Date of Policy, against loss or damage, not exceeding the Amount of Insurance, sustained or incurred by the Insured by reason of:

1. Title being vested other than as stated in Schedule A.
2. Any defect in or lien or encumbrance on the Title. This Covered Risk includes but is not limited to insurance against loss from
 - (a) A defect in the Title caused by
 - (i) forgery, fraud, undue influence, duress, incompetency, incapacity, or impersonation;
 - (ii) failure of any person or Entity to have authorized a transfer or conveyance;
 - (iii) a document affecting Title not properly created, executed, witnessed, sealed, acknowledged, notarized, or delivered;
 - (iv) failure to perform those acts necessary to create a document by electronic means authorized by law;
 - (v) a document executed under a falsified, expired, or otherwise invalid power of attorney;
 - (vi) a document not properly filed, recorded, or indexed in the Public Records including failure to perform those acts by electronic means authorized by law; or
 - (vii) a defective judicial or administrative proceeding.
 - (b) The lien of real estate taxes or assessments imposed on the Title by a governmental authority due or payable, but unpaid.
 - (c) Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land. The term "encroachment" includes encroachments of existing improvements located on the Land onto adjoining land, and encroachments onto the Land of existing improvements located on adjoining land.
3. Unmarketable Title.

COVERED RISKS Continued on next page

IN WITNESS WHEREOF, WESTCOR LAND TITLE INSURANCE COMPANY has caused this policy to be signed and sealed as of the Date of Policy shown in Schedule A,

WESTCOR LAND TITLE INSURANCE COMPANY

Issued By: Alpine Title



By:

Mary O'Donnell
President

Attest:

Patricia H. Power
Secretary

4. No right of access to and from the Land.
 5. The violation or enforcement of any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
 - (a) the occupancy, use, or enjoyment of the Land;
 - (b) the character, dimensions, or location of any improvement erected on the Land;
 - (c) the subdivision of land; or
 - (d) environmental protection
 if a notice, describing any part of the Land, is recorded in the Public Records setting forth the violation or intention to enforce, but only to the extent of the violation or enforcement referred to in that notice.
 6. An enforcement action based on the exercise of a governmental police power not covered by Covered Risk 5 if a notice of the enforcement action, describing any part of the Land, is recorded in the Public Records, but only to the extent of the enforcement referred to in that notice.
 7. The exercise of the rights of eminent domain if a notice of the exercise, describing any part of the Land, is recorded in the Public Records.
 8. Any taking by a governmental body that has occurred and is binding on the rights of a purchaser for value without Knowledge.
 9. Title being vested other than as stated in Schedule A or being defective
 - (a) as a result of the avoidance in whole or in part, or from a court order providing an alternative remedy, of a transfer of all or any part of the title to or any interest in the Land occurring prior to the transaction vesting Title as shown in Schedule A because that prior transfer constituted a fraudulent or preferential transfer under federal bankruptcy, state insolvency, or similar creditors' rights laws; or
 - (b) because the instrument of transfer vesting Title as shown in Schedule A constitutes a preferential transfer under federal bankruptcy, state insolvency, or similar creditors' rights laws by reason of the failure of its recording in the Public Records
 - (i) to be timely, or
 - (ii) to impart notice of its existence to a purchaser for value or to a judgment or lien creditor.
 10. Any defect in or lien or encumbrance on the Title or other matter included in Covered Risks 1 through 9 that has been created or attached or has been filed or recorded in the Public Records subsequent to Date of Policy and prior to the recording of the deed or other instrument of transfer in the Public Records that vests Title as shown in Schedule A.
- The Company will also pay the costs, attorneys' fees, and expenses incurred in defense of any matter insured against by this Policy, but only to the extent provided in the Conditions.

EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy, and the Company will not pay loss or damage, costs, attorneys' fees, or expenses that arise by reason of:

1. (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
 - (i) the occupancy, use, or enjoyment of the Land;
 - (ii) the character, dimensions, or location of any improvement erected on the Land;
 - (iii) the subdivision of land; or
 - (iv) environmental protection; or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5.
- (b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 6.
2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
3. Defects, liens, encumbrances, adverse claims, or other matters
 - (a) created, suffered, assumed, or agreed to by the Insured Claimant;
 - (b) not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
 - (c) resulting in no loss or damage to the Insured Claimant;
 - (d) attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 9 and 10); or
 - (e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Title.
4. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction vesting the Title as shown in Schedule A, is
 - (a) a fraudulent conveyance or fraudulent transfer; or
 - (b) a preferential transfer for any reason not stated in Covered Risk 9 of this policy.
5. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the deed or other instrument of transfer in the Public Records that vests Title as shown in Schedule A.

CONDITIONS

1. DEFINITION OF TERMS

The following terms when used in this policy mean:

- (a) "Amount of Insurance": The amount stated in Schedule A, as may be increased or decreased by endorsement to this policy, increased by Section 8(b), or decreased by Sections 10 and 11 of these Conditions.
- (b) "Date of Policy": The date designated as "Date of Policy" in Schedule A.
- (c) "Entity": A corporation, partnership, trust, limited liability company, or other similar legal entity.
- (d) "Insured": The Insured named in Schedule A.
 - (i) The term "Insured" also includes
 - (A) successors to the Title of the Insured by operation of law as distinguished from purchase, including heirs, devisees, survivors, personal representatives, or next of kin;
 - (B) successors to an Insured by dissolution, merger, consolidation, distribution, or reorganization;
 - (C) successors to an Insured by its conversion to another kind of Entity;
 - (D) a grantee of an Insured under a deed delivered without payment of actual valuable consideration conveying the Title
 - (1) if the stock, shares, memberships, or other equity interests of the grantee are wholly-owned by the named Insured,
 - (2) if the grantee wholly owns the named Insured,
 - (3) if the grantee is wholly-owned by an affiliated Entity of the named Insured, provided the affiliated Entity and the named Insured are both wholly-owned by the same person or Entity, or
 - (4) if the grantee is a trustee or beneficiary of a trust created by a written instrument established by the Insured named in Schedule A for estate planning purposes.
 - (ii) With regard to (A), (B), (C), and (D) reserving, however, all rights and defenses as to any successor that the Company would have had against any predecessor Insured.
- (e) "Insured Claimant": An Insured claiming loss or damage.
- (f) "Knowledge" or "Known": Actual knowledge, not constructive knowledge or notice that may be imputed to an Insured by reason of the Public Records or any other records that impart constructive notice of matters affecting the Title.
- (g) "Land": The land described in Schedule A, and affixed improvements that by law constitute real property. The term "Land" does not include any property beyond the lines of the area described in Schedule A, nor any right, title, interest, estate, or easement in abutting streets, roads, avenues, alleys, lanes, ways, or waterways, but this does not modify or limit the extent that a right of access to and from the Land is insured by this policy.
- (h) "Mortgage": Mortgage, deed of trust, trust deed, or other security instrument, including one evidenced by electronic means authorized by law.
- (i) "Public Records": Records established under state statutes at Date of Policy for the purpose of imparting constructive notice of matters relating to real property to purchasers for value and without Knowledge. With respect to Covered

Risk 5(d), "Public Records" shall also include environmental protection liens filed in the records of the clerk of the United States District Court for the district where the Land is located.

- (j) "Title": The estate or interest described in Schedule A.
- (k) "Unmarketable Title": Title affected by an alleged or apparent matter that would permit a prospective purchaser or lessee of the Title or lender on the Title to be released from the obligation to purchase, lease, or lend if there is a contractual condition requiring the delivery of marketable title.

2. CONTINUATION OF INSURANCE

The coverage of this policy shall continue in force as of Date of Policy in favor of an Insured, but only so long as the Insured retains an estate or interest in the Land, or holds an obligation secured by a purchase money Mortgage given by a purchaser from the Insured, or only so long as the Insured shall have liability by reason of warranties in any transfer or conveyance of the Title. This policy shall not continue in force in favor of any purchaser from the Insured of either (i) an estate or interest in the Land, or (ii) an obligation secured by a purchase money Mortgage given to the Insured.

3. NOTICE OF CLAIM TO BE GIVEN BY INSURED CLAIMANT

The Insured shall notify the Company promptly in writing (i) in case of any litigation as set forth in Section 5(a) of these Conditions, (ii) in case Knowledge shall come to an Insured hereunder of any claim of title or interest that is adverse to the Title, as insured, and that might cause loss or damage for which the Company may be liable by virtue of this policy, or (iii) if the Title, as insured, is rejected as Unmarketable Title. If the Company is prejudiced by the failure of the Insured Claimant to provide prompt notice, the Company's liability to the Insured Claimant under the policy shall be reduced to the extent of the prejudice.

4. PROOF OF LOSS

In the event the Company is unable to determine the amount of loss or damage, the Company may, at its option, require as a condition of payment that the Insured Claimant furnish a signed proof of loss. The proof of loss must describe the defect, lien, encumbrance, or other matter insured against by this policy that constitutes the basis of loss or damage and shall state, to the extent possible, the basis of calculating the amount of the loss or damage.

5. DEFENSE AND PROSECUTION OF ACTIONS

- (a) Upon written request by the Insured, and subject to the options contained in Section 7 of these Conditions, the Company, at its own cost and without unreasonable delay, shall provide for the defense of an Insured in litigation in which any third party asserts a claim covered by this policy adverse to the Insured. This obligation is limited to only those stated causes of action alleging matters insured against by this policy. The Company shall have the right to select counsel of its choice (subject to the right of the Insured to object for reasonable cause) to represent the Insured as to those stated causes of action. It shall not be liable for and will not pay the fees of any other counsel. The

Company will not pay any fees, costs, or expenses incurred by the Insured in the defense of those causes of action that allege matters not insured against by this policy.

- (b) The Company shall have the right, in addition to the options contained in Section 7 of these Conditions, at its own cost, to institute and prosecute any action or proceeding or to do any other act that in its opinion may be necessary or desirable to establish the Title, as insured, or to prevent or reduce loss or damage to the Insured. The Company may take any appropriate action under the terms of this policy, whether or not it shall be liable to the Insured. The exercise of these rights shall not be an admission of liability or waiver of any provision of this policy. If the Company exercises its rights under this subsection, it must do so diligently.
- (c) Whenever the Company brings an action or asserts a defense as required or permitted by this policy, the Company may pursue the litigation to a final determination by a court of competent jurisdiction, and it expressly reserves the right, in its sole discretion, to appeal any adverse judgment or order.

6. DUTY OF INSURED CLAIMANT TO COOPERATE

- (a) In all cases where this policy permits or requires the Company to prosecute or provide for the defense of any action or proceeding and any appeals, the Insured shall secure to the Company the right to so prosecute or provide defense in the action or proceeding, including the right to use, at its option, the name of the Insured for this purpose. Whenever requested by the Company, the Insured, at the Company's expense, shall give the Company all reasonable aid (i) in securing evidence, obtaining witnesses, prosecuting or defending the action or proceeding, or effecting settlement, and (ii) in any other lawful act that in the opinion of the Company may be necessary or desirable to establish the Title or any other matter as insured. If the Company is prejudiced by the failure of the Insured to furnish the required cooperation, the Company's obligations to the Insured under the policy shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation, with regard to the matter or matters requiring such cooperation.
- (b) The Company may reasonably require the Insured Claimant to submit to examination under oath by any authorized representative of the Company and to produce for examination, inspection, and copying, at such reasonable times and places as may be designated by the authorized representative of the Company, all records, in whatever medium maintained, including books, ledgers, checks, memoranda, correspondence, reports, e-mails, disks, tapes, and videos whether bearing a date before or after Date of Policy, that reasonably pertain to the loss or damage. Further, if requested by any authorized representative of the Company, the Insured Claimant shall grant its permission, in writing, for any authorized representative of the Company to examine, inspect, and copy all of these records in the custody or control of a third party that reasonably pertain to the loss or damage. All information designated as confidential by the Insured Claimant provided to the Company pursuant to this Section shall not be disclosed to others unless, in the reasonable judgment of the Company, it is necessary in the administration of the claim. Failure of the Insured Claimant

to submit for examination under oath, produce any reasonably requested information, or grant permission to secure reasonably necessary information from third parties as required in this subsection, unless prohibited by law or governmental regulation, shall terminate any liability of the Company under this policy as to that claim.

7. OPTIONS TO PAY OR OTHERWISE SETTLE CLAIMS; TERMINATION OF LIABILITY

In case of a claim under this policy, the Company shall have the following additional options:

- (a) To Pay or Tender Payment of the Amount of Insurance.

To pay or tender payment of the Amount of Insurance under this policy together with any costs, attorneys' fees, and expenses incurred by the Insured Claimant that were authorized by the Company up to the time of payment or tender of payment and that the Company is obligated to pay.

Upon the exercise by the Company of this option, all liability and obligations of the Company to the Insured under this policy, other than to make the payment required in this subsection, shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation.

- (b) To Pay or Otherwise Settle With Parties Other Than the Insured or With the Insured Claimant.

- (i) To pay or otherwise settle with other parties for or in the name of an Insured Claimant any claim insured against under this policy. In addition, the Company will pay any costs, attorneys' fees, and expenses incurred by the Insured Claimant that were authorized by the Company up to the time of payment and that the Company is obligated to pay; or

- (ii) To pay or otherwise settle with the Insured Claimant the loss or damage provided for under this policy, together with any costs, attorneys' fees, and expenses incurred by the Insured Claimant that were authorized by the Company up to the time of payment and that the Company is obligated to pay.

Upon the exercise by the Company of either of the options provided for in subsections (b)(i) or (ii), the Company's obligations to the Insured under this policy for the claimed loss or damage, other than the payments required to be made, shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation.

8. DETERMINATION AND EXTENT OF LIABILITY

This policy is a contract of indemnity against actual monetary loss or damage sustained or incurred by the Insured Claimant who has suffered loss or damage by reason of matters insured against by this policy.

- (a) The extent of liability of the Company for loss or damage under this policy shall not exceed the lesser of

- (i) the Amount of Insurance; or
 - (ii) the difference between the value of the Title as insured and the value of the Title subject to the risk insured against by this policy.

- (b) If the Company pursues its rights under Section 5 of these Conditions and is unsuccessful in establishing the Title, as insured,

- (i) the Amount of Insurance shall be increased by 10%, and
 - (ii) the Insured Claimant shall have the right to have the

loss or damage determined either as of the date the claim was made by the Insured Claimant or as of the date it is settled and paid.

- (c) In addition to the extent of liability under (a) and (b), the Company will also pay those costs, attorneys' fees, and expenses incurred in accordance with Sections 5 and 7 of these Conditions.

9. LIMITATION OF LIABILITY

- (a) If the Company establishes the Title, or removes the alleged defect, lien, or encumbrance, or cures the lack of a right of access to or from the Land, or cures the claim of Unmarketable Title, all as insured, in a reasonably diligent manner by any method, including litigation and the completion of any appeals, it shall have fully performed its obligations with respect to that matter and shall not be liable for any loss or damage caused to the Insured.
- (b) In the event of any litigation, including litigation by the Company or with the Company's consent, the Company shall have no liability for loss or damage until there has been a final determination by a court of competent jurisdiction, and disposition of all appeals, adverse to the Title, as insured.
- (c) The Company shall not be liable for loss or damage to the Insured for liability voluntarily assumed by the Insured in settling any claim or suit without the prior written consent of the Company.

10. REDUCTION OF INSURANCE; REDUCTION OR TERMINATION OF LIABILITY

All payments under this policy, except payments made for costs, attorneys' fees, and expenses, shall reduce the Amount of Insurance by the amount of the payment.

11. LIABILITY NONCUMULATIVE

The Amount of Insurance shall be reduced by any amount the Company pays under any policy insuring a Mortgage to which exception is taken in Schedule B or to which the Insured has agreed, assumed, or taken subject, or which is executed by an Insured after Date of Policy and which is a charge or lien on the Title, and the amount so paid shall be deemed a payment to the Insured under this policy.

12. PAYMENT OF LOSS

When liability and the extent of loss or damage have been definitely fixed in accordance with these Conditions, the payment shall be made within 30 days.

13. RIGHTS OF RECOVERY UPON PAYMENT OR SETTLEMENT

- (a) Whenever the Company shall have settled and paid a claim under this policy, it shall be subrogated and entitled to the rights of the Insured Claimant in the Title and all other rights and remedies in respect to the claim that the Insured Claimant has against any person or property, to the extent of the amount of any loss, costs, attorneys' fees, and expenses paid by the Company. If requested by the Company, the Insured Claimant shall execute documents to evidence the transfer to the Company of these rights and remedies. The Insured Claimant shall permit the Company to sue, compromise, or settle in the name of the Insured Claimant and to use the name of the Insured Claimant in any transaction or litigation involving these rights and remedies.

If a payment on account of a claim does not fully cover the loss of the Insured Claimant, the Company shall defer the exercise of its right to recover until after the Insured Claimant shall have recovered its loss.

- (b) The Company's right of subrogation includes the rights of the Insured to indemnities, guaranties, other policies of insurance, or bonds, notwithstanding any terms or conditions contained in those instruments that address subrogation rights.

14. ARBITRATION

Either the Company or the Insured may demand that the claim or controversy shall be submitted to arbitration pursuant to the Title Insurance Arbitration Rules of the American Land Title Association ("Rules"). Except as provided in the Rules, there shall be no joinder or consolidation with claims or controversies of other persons. Arbitrable matters may include, but are not limited to, any controversy or claim between the Company and the Insured arising out of or relating to this policy, any service in connection with its issuance or the breach of a policy provision, or to any other controversy or claim arising out of the transaction giving rise to this policy. All arbitrable matters when the Amount of Insurance is \$2,000,000 or less shall be arbitrated at the option of either the Company or the Insured. All arbitrable matters when the Amount of Insurance is in excess of \$2,000,000 shall be arbitrated only when agreed to by both the Company and the Insured. Arbitration pursuant to this policy and under the Rules shall be binding upon the parties. Judgment upon the award rendered by the Arbitrator(s) may be entered in any court of competent jurisdiction.

15. LIABILITY LIMITED TO THIS POLICY; POLICY ENTIRE CONTRACT

- (a) This policy together with all endorsements, if any, attached to it by the Company is the entire policy and contract between the Insured and the Company. In interpreting any provision of this policy, this policy shall be construed as a whole.
- (b) Any claim of loss or damage that arises out of the status of the Title or by any action asserting such claim shall be restricted to this policy.
- (c) Any amendment of or endorsement to this policy must be in writing and authenticated by an authorized person, or expressly incorporated by Schedule A of this policy.
- (d) Each endorsement to this policy issued at any time is made a part of this policy and is subject to all of its terms and provisions. Except as the endorsement expressly states, it does not (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsement, (iii) extend the Date of Policy, or (iv) increase the Amount of Insurance.

16. SEVERABILITY

In the event any provision of this policy, in whole or in part, is held invalid or unenforceable under applicable law, the policy shall be deemed not to include that provision or such part held to be invalid, but all other provisions shall remain in full force and effect.

17. CHOICE OF LAW; FORUM

- (a) Choice of Law: The Insured acknowledges the Company has underwritten the risks covered by this policy and determined the premium charged therefor in reliance upon

the law affecting interests in real property and applicable to the interpretation, rights, remedies, or enforcement of policies of title insurance of the jurisdiction where the Land is located.

Therefore, the court or an arbitrator shall apply the law of the jurisdiction where the Land is located to determine the validity of claims against the Title that are adverse to the Insured and to interpret and enforce the terms of this policy. In neither case shall the court or arbitrator apply its conflicts of law principles to determine the applicable law.

- (b) Choice of Forum: Any litigation or other proceeding brought by the Insured against the Company must be filed only in a state or federal court within the United States of America or its territories having appropriate jurisdiction.

18. NOTICES, WHERE SENT

Any notice of claim and any other notice or statement in writing required to be given to the Company under this policy must be given to the Company at: Westcor Land Title Insurance Company, Attn.: Claims, 875 Concourse Parkway South, Suite 200, Maitland, Florida 32751.

OWNER'S POLICY OF TITLE INSURANCE

Issued by

Westcor Land Title Insurance Company

SCHEDULE A

Name and Address of Title Insurance Company:

WESTCOR LAND TITLE INSURANCE COMPANY
2000 S. Colorado Blvd.
#1-3100, Denver, Colorado 80222

File No.: 709CEA

Policy No.: OP-6-3138284

Address Reference: 208 E. Mantz Ave., Rico, CO 81332

Amount of Insurance: \$209,000.00

Date of Policy: November 13, 2015 at the exact time of recording.

1. Name of Insured:

Rico Historical Society, a Colorado non-profit corporation

2. The estate or interest in the Land that is insured by this policy is:

Fee Simple

3. Title is vested in:

Rico Historical Society, a Colorado non-profit corporation

4. The Land referred to in this policy is described as follows:

**Lot 21 and the E 1/2 of Lot 22, Block 16, Town of Rico, according to the official plat thereof,
County of Dolores, State of Colorado.**

Countersigned

Alpine Title

By: *Debra S. Blanchette*

Authorized Officer or Agent

Note: This policy consists of insert pages labeled Schedule A and B. This policy is of no force and effect unless all pages are included along with any added pages incorporated by reference.

ALTA Owner's Policy (6-17-06)
Schedule A

Page 1

OWNER'S POLICY OF TITLE INSURANCE

Issued by

Westcor Land Title Insurance Company

SCHEDULE B

File No.: 709CEA

Policy No.: OP-6-3138284

EXCEPTIONS FROM COVERAGE

This policy does not insure against loss or damage, and the Company will not pay costs, attorneys' fees, or expenses that arise by reason of:

1. Rights or claims of parties in possession not shown by the public records.
2. Easements or claims of easements not shown by the public records.
3. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, and any facts which a correct survey and inspection of the land would disclose, and which are not shown by the public record.
4. Any lien, or right to a lien, for services, labor or material heretofore or hereafter furnished, imposed by law and not shown by the public records.
5. Unpatented mining claims; reservations or exceptions in patents or in Acts authorizing the issuance thereof.
6. Any water rights or claims or title to water, in or under the land, whether or not shown by the public records.
7. Taxes and assessments for the year 2015 and subsequent years, a lien, not yet due and payable.
8. Notes, easements, restrictions, reservations, densities, designated uses, setbacks, rights of way of a public, or private nature, and all other matters as disclosed on plats of said subdivision.
9. Any tax, assessment, fees or charges by reason of the inclusion of the subject property in the local street improvement district, the local water conservancy district or the local sanitation district.
10. All mines, minerals, lodes, deposits and Veins as conveyed to Julius Thompson by the Town of Rico in Deed recorded November 15, 1892 in Book 28 at Page 140, and any and all assignments thereof or interests therein.
11. All mines, minerals, metals, lodes, deposits, veins and all mineral bearing ores, rocks, all mining rights as reserved by Rico Argentine mining Company and all rights, either expressed or implied, other than the surface estate, as reflected in Decree recorded July 16, 1954 in Book 75 at page 169.
12. Any tax, assessment, fees or charges by reason of the inclusion of the subject property in the Dolores Water Conservancy District pursuant to that document recorded October 25, 2004 in Book 333 at page 297.
13. Ordinance #1-05 recorded July 20, 2005 at Reception No. 148987; subject to the terms, conditions, provisions and obligations contained therein.
14. Fences, fencelines and discrepancies between fencelines and property lines and encroachment of shed 1.2 feet onto adjoining lot, as shown by Improvement Location Certificate, dated January 17, 2000, by Franklin P. Thomas, P.E. & P.L.E. 6728, Thomas Engineering, Inc., File RI_SPIE.

Note: This policy consists of insert pages labeled Schedule A and B. This policy is of no force and effect unless all pages are included along with any added pages incorporated by reference.

Anti-Fraud Statement

NOTE: Pursuant to CRS 10-1-128(6)(a), It is unlawful to knowingly provide false, incomplete, or misleading facts or information to an insurance company for the purpose of defrauding or attempting to defraud the company. Penalties may include imprisonment, fines, denial of insurance and civil damages. Any insurance company or agent of an insurance company who knowingly provides false, incomplete, or misleading facts or information to a policyholder or claimant for the purpose of defrauding or attempting to defraud the policyholder or claimant with regard to a settlement or award payable from insurance proceeds shall be reported to the Colorado division of insurance within the department of regulatory agencies.

This anti-fraud statement is affixed to and made a part of this policy.

STATE OF COLORADO
DOLORES COUNTY

CERTIFICATE OF TAXES DUE
Thru Tax Year 2017

Certificate No 121
Printed 05/31/2018

Assessed Owner:

RICO HISTORICAL SOCIETY
P.O. BOX 281
RICO CO 81332

SCHEDULE NUMBER 504736211010 R
TAX DISTRICT 102
ROLL PAGE 1384

Ordered by:

===== N O T I C E =====

I, the undersigned, County Treasurer in and for said County, do hereby certify that there are no unpaid taxes or unredeemed tax lien sale certificates, except as shown below, as appears of record in this office, on the following described property, to-wit:

TAXING ENTITIES	\$/THOUS	TAX
SCHOOL DIST RE-2J	20.962	
DOLORES COUNTY	28.013	
TOWN OF RICO	18.744	
RICO FIRE PROTECTION	7.468	
S W WATER CONS	.407	
DOLORES WATER CONS	2.408	
TOTALS	78.002	

LEGAL DESCRIPTION OF PROPERTY

RICO LT 21, E2 LT 22 BLK 16 36-40-11
B-65 P-4 B-257 P-498(D.C.) B-259 P-212 B-288 P-320
B-298 P-253,254 B-333 P-297 (WTR) B-385 P-44(SA)45(PA)
B-385 P-46(WD) B-398 P-361 (CONS EAS) 165650(SWD)

ZERO TAX ON CURRENT ROLL

Total Now Due

\$.00

IN WITNESS WHEREOF; I have hereunto set my hand and the seal of my office,
31ST day of MAY A.D. 2018



JANIE STIASNY
DOLORES COUNTY TREASURER

BY: _____

This Certificate does not certify as to any taxes which may, or may not, be due on any Mobile Home, Improvement, Personal Property, Oil, Gas, Mineral Rights, or Special Assessments which may, or may not, be located on the Property described above, unless specifically listed and described. Information regarding special taxing districts and the boundaries of such districts may be on file or deposit with the board of county commissioners, the county clerk and recorder, or the county assessor.

SURVEYORS NOTES:

Thomas A. Clark

COLORADO LICENSED
THOMAS A. CLARK
38014
3/7/2016
PROFESSIONAL LAND SURVEYOR

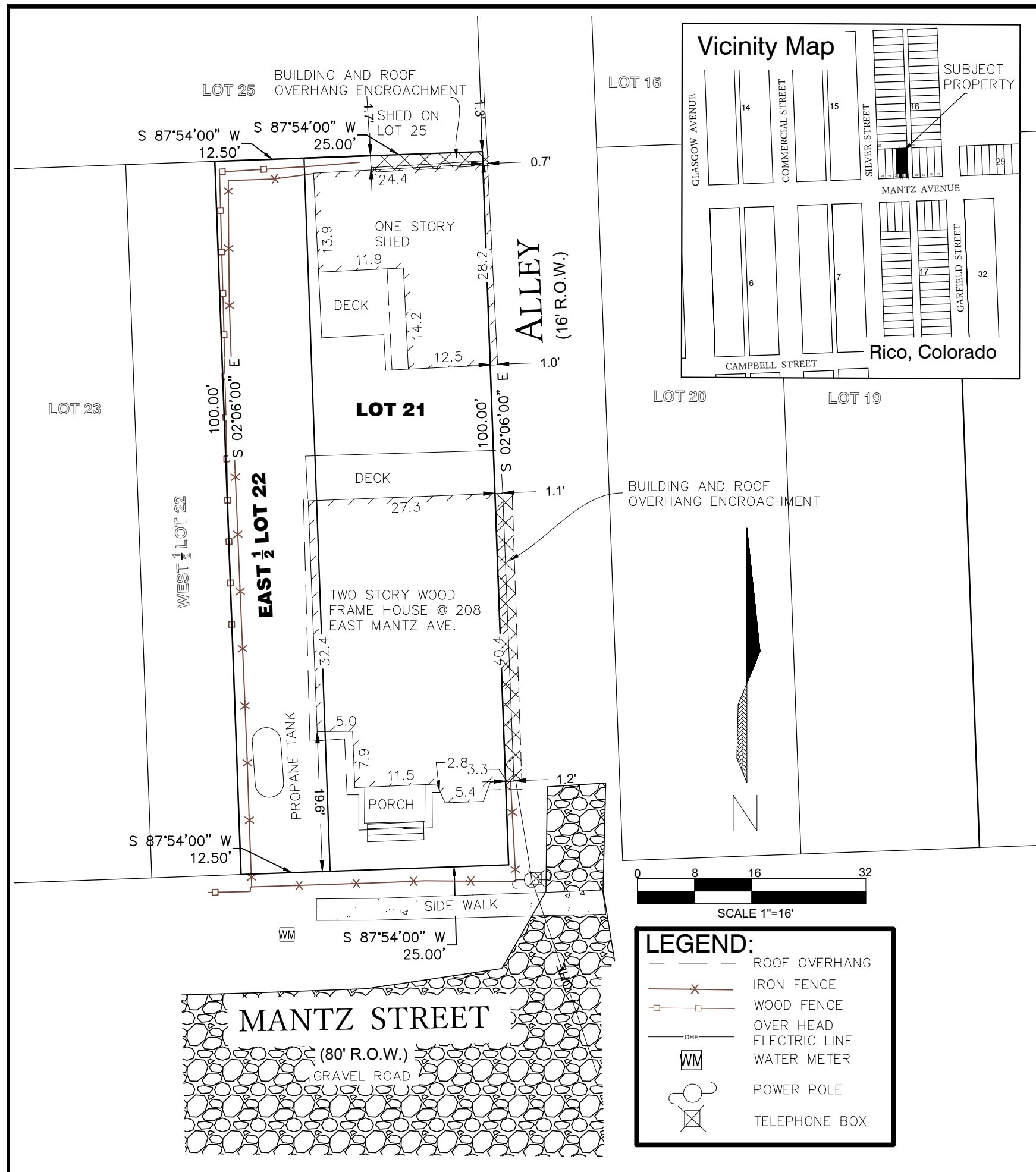
PLS. 38014

1. This map does not constitute a title search by All Points Land Survey L.L.C. to determine the ownership of this property or easements of record. It does not constitute a Land Survey Plat or Improvement Survey Plat as defined by section 38-51-102 C.R.S

3. Title information provided by Alpine Title order No, 709CEA, November 13, 2015

5. Lot lines are projected from town grid.

JOB# 16005



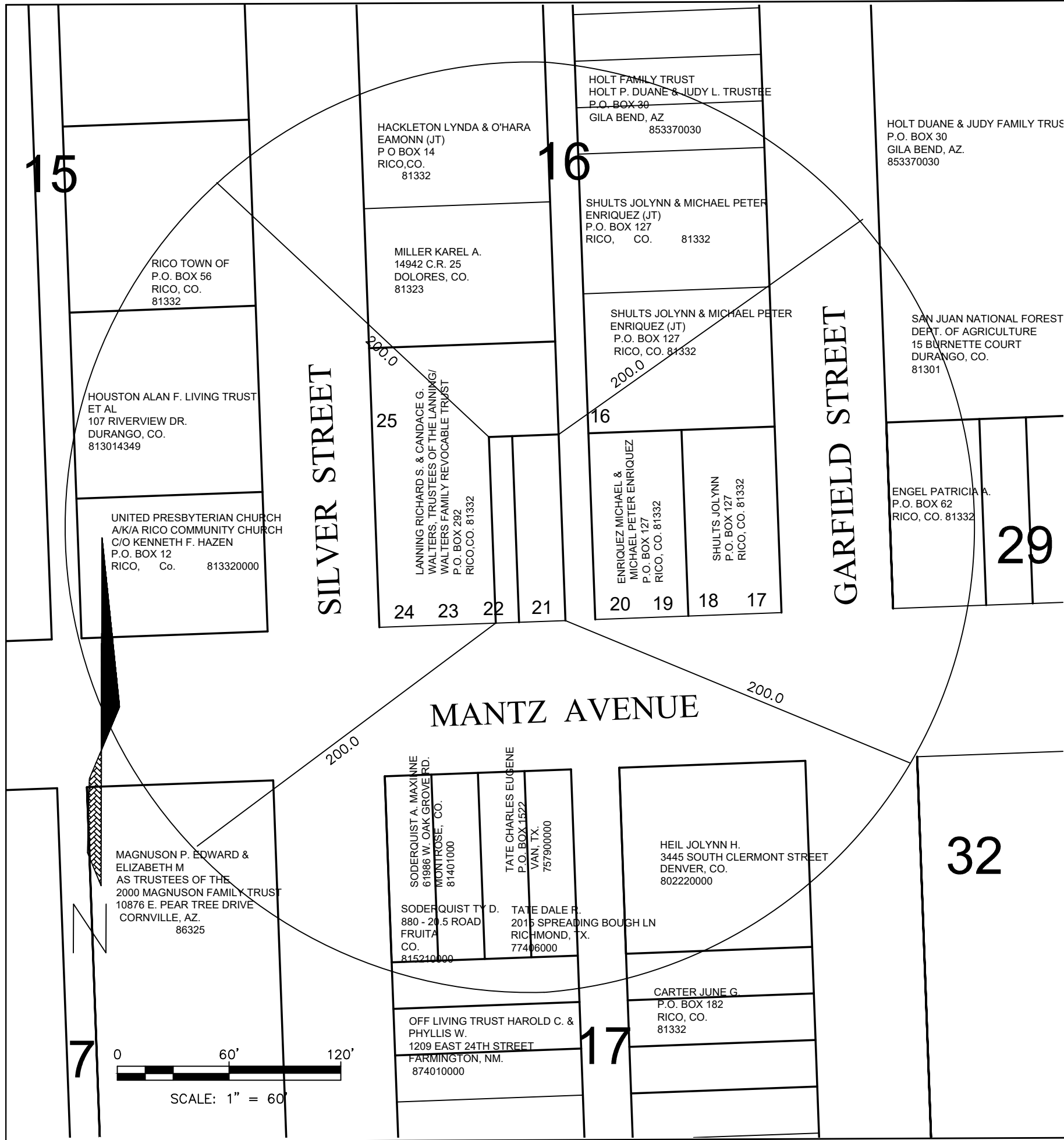



EXHIBIT OF ADDRESS WITHIN 200' OF EAST 1/2 LOT 21 AND LOT 22, BLOCK 16, TOWN OF RICO, COLORADO.

SURVEYORS NOTES:

I, Thomas A. Clark, being Registered Land Surveyor in the State of Colorado, do hereby certify that this Exhibit (i) was made under my direct supervision, responsibility and checking; (ii) is true and accurate to the best of my knowledge and belief; (iii) is clear and legible.


THOMAS A. CLARK
38014
11/29/2016
PROFESSIONAL LAND SURVEYOR

Thomas A. Clark

PLS. 38014

NOTES:

1. This map does not constitute a title search by All Points Land Survey L.L.C. to determine the ownership of this property or easements of record. It does not constitute a Land Survey Plat or Improvement Survey Plat as defined by section 38-51-102 C.R.S
2. NOTICE: According to Colorado law you must commence any legal action based upon defect in this survey within three years after you first discover such defect. In no event may any action based upon any deficit in this survey be commenced more then ten years from the date of the certification shown hereon.
- 3.Address were derived from Dolores County Assessors map on 11/29/2016.

All Points Land Survey LLC.
PO Box 754 Ophir, Co. 81426
(970)708-9694

Town of Rico Memorandum

Date: May 30, 2018

TO: Rico Planning Commission

FROM:

SUBJECT: Request for Rezoning of Lot 21 and the East ½ of Lot 22, Block 16, Town of Rico

The Rico Historic Society is requesting a change of zoning on Lot 21 and the East ½ of Lot 22, Block 16, also known as the Engel House. The Rico Historic Society would like to use this building as a visitor center during the summer months. The building is currently zoned for residential use but has been vacant for the past several years. We would like to change the use to public facilities. This change of zoning would enable us to use the building as a visitor center.

At this time, Rico does not have a visitor center and we feel that it would be an asset to the Town to have a place where tourists can stop and get information about history, recreation, restaurants and other local activities.

The Rico Museum fulfills some of these functions but the Rico Museum does not have a restroom. Having that service near the commercial core, the Town Hall and the Rico Library would not only encourage people to stop, but will hopefully allow us an opportunity to promote activities in the Rico area.

The Colorado Historic Foundation holds a protective easement on the Engel House, which mandates strict preservation responsibilities to the structure's owner. The Rico Historical Society will be using generous Rico Center grant funding to execute some critical maintenance items on the house this year. Allowing the Engel House to serve as a Visitor Center will demonstrate public benefit and immediate need, key components of further state historical funding for future building improvements.

The Engel house is in a residential zone district as are the buildings within three hundred feet on all sides. While that area is zoned residential, both the Rico Town Hall and the Rico Community Church are located within three hundred feet of the house so that a public facilities zoning would not be out of context with existing uses.

ROAD VACATION APPLICATION

NOTE: See Rico Land Use Code Section 480 *et. seq.* for submittal requirements, review procedures and review standards. Ten (10) copies of the application must be submitted; however, a draft submittal may first be submitted to the Town Planner along with the application fee, then any revisions may be incorporated into the ten (10) copies for Town review.

Applicant Name: Rico Historical Society, a Colorado nonprofit corporation Phone: (970) 729-0237

Address: P.O. Box 2017 Fax: _____

E-Mail Address: bjturrin@gmail.com

Agent Name: Barbara Turrin Phone: (970) 729-0237

Address: same as above Fax: _____

E-Mail Address: same as above

Description of Road Vacation Request (indicate affected road right-of-way and area to be vacated – a map can be attached depicting the proposed road vacation. Base map information may be obtained from Foley Associates in Telluride – (970) 728-6153):

The Rico Historical Society is requesting that the Town of Rico vacate the western two feet of the alley that runs perpendicular to Mantz Street between Silver and Garfield Streets. Please see attached map

The Rico Historical Society is making this request because the historic Engel house encroaches on the alley and the Historic Society would like to make some improvements on the foundation to ensure the stability of the building.

Include the following with this attachment (Note: Applicant's may request waiver of certain submittal requirements by providing a written request with reasons for waiver):

1. Title Certificate from title company or attorney opinion letter listing name of property owner(s), liens, easements, judgments, etc., affecting title to the property.
2. Statement from County Treasurer showing status of current taxes due on affected property.
3. Narrative indicating existing zoning and predominant existing uses within 300' of property.
4. Statement by the Applicant describing how the vacation application meets applicable standards in Section 482.
5. An Application Fee in the amount of \$150.00.

For Town Staff Only – DO NOT mark this section

Date Application
Received by Town: _____

Application
Reviewed by: _____

Date Application reviewed
for Completeness: _____

Date of Planning Commission
Hearing and Review: _____

Planning Commission
Recommendation: _____

Date of Town
Board of Trustee
Review: _____

Town Board
Decision: _____

ALPINE TITLE
271 S. Townsend, Ste. C1
POB 4158
Telluride, CO 81435-4158
Phone: 970-728-9680 Fax: 866-689-9558

December 04, 2015

**Rico Historical Society, a Colorado non-profit corporation
205 Mill Road
PO Box 281
Rico, Colorado 81332**

PROPERTY ADDRESS: 208 E. Mantz Ave., Rico, CO 81332

ORDER NO: 709CEA

DEAR CUSTOMER:

ENCLOSED IS YOUR POLICY OF TITLE INSURANCE. THIS POLICY CONTAINS IMPORTANT INFORMATION ABOUT THE REAL ESTATE TRANSACTION YOU HAVE JUST COMPLETED AND IS YOUR GUARANTEE OF OWNERSHIP. PLEASE READ IT CAREFULLY AND RETAIN IT WITH YOUR OTHER VALUABLE PAPERS.

A COMPLETE AND PERMANENT FILE OF THE RECORDS CONCERNING YOUR TRANSACTION WILL BE MAINTAINED IN OUR OFFICE. THESE RECORDS WILL ASSURE PROMPT PROCESSING OF FUTURE TITLE ORDERS AND SAVE MUCH VALUABLE TIME SHOULD YOU WISH TO SELL OR OBTAIN A LOAN ON YOUR PROPERTY. VISIT OR CALL OUR OFFICE AND SIMPLY GIVE US YOUR PERSONAL POLICY FILE NUMBER SHOWN ABOVE.

WE APPRECIATE THE OPPORTUNITY TO SERVE YOU AND WILL BE HAPPY TO ASSIST YOU IN ANY WAY WITH YOUR FUTURE TITLE SERVICE NEEDS.

SINCERELY,
ALPINE TITLE



WESTCOR
LAND TITLE INSURANCE COMPANY

ALTA OWNER'S POLICY (6-17-06)

ISSUED BY

WESTCOR LAND TITLE INSURANCE COMPANY

OWNER'S POLICY OF TITLE INSURANCE

Any notice of claim and any other notice or statement in writing required to be given to the Company under this Policy must be given to the Company at the address shown in Section 18 of the Conditions.

COVERED RISKS

SUBJECT TO THE EXCLUSIONS FROM COVERAGE, THE EXCEPTIONS FROM COVERAGE CONTAINED IN SCHEDULE B, AND THE CONDITIONS, WESTCOR LAND TITLE INSURANCE COMPANY, a California corporation (the "Company") insures, as of Date of Policy and, to the extent stated in Covered Risks 9 and 10, after Date of Policy, against loss or damage, not exceeding the Amount of Insurance, sustained or incurred by the Insured by reason of:

1. Title being vested other than as stated in Schedule A.
2. Any defect in or lien or encumbrance on the Title. This Covered Risk includes but is not limited to insurance against loss from
 - (a) A defect in the Title caused by
 - (i) forgery, fraud, undue influence, duress, incompetency, incapacity, or impersonation;
 - (ii) failure of any person or Entity to have authorized a transfer or conveyance;
 - (iii) a document affecting Title not properly created, executed, witnessed, sealed, acknowledged, notarized, or delivered;
 - (iv) failure to perform those acts necessary to create a document by electronic means authorized by law;
 - (v) a document executed under a falsified, expired, or otherwise invalid power of attorney;
 - (vi) a document not properly filed, recorded, or indexed in the Public Records including failure to perform those acts by electronic means authorized by law; or
 - (vii) a defective judicial or administrative proceeding.
 - (b) The lien of real estate taxes or assessments imposed on the Title by a governmental authority due or payable, but unpaid.
 - (c) Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land. The term "encroachment" includes encroachments of existing improvements located on the Land onto adjoining land, and encroachments onto the Land of existing improvements located on adjoining land.
3. Unmarketable Title.

COVERED RISKS Continued on next page

IN WITNESS WHEREOF, WESTCOR LAND TITLE INSURANCE COMPANY has caused this policy to be signed and sealed as of the Date of Policy shown in Schedule A,

WESTCOR LAND TITLE INSURANCE COMPANY

Issued By: Alpine Title



By:

Mary O'Donnell
President

Attest:

Patricia H. Power
Secretary

4. No right of access to and from the Land.
 5. The violation or enforcement of any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
 - (a) the occupancy, use, or enjoyment of the Land;
 - (b) the character, dimensions, or location of any improvement erected on the Land;
 - (c) the subdivision of land; or
 - (d) environmental protection
 if a notice, describing any part of the Land, is recorded in the Public Records setting forth the violation or intention to enforce, but only to the extent of the violation or enforcement referred to in that notice.
 6. An enforcement action based on the exercise of a governmental police power not covered by Covered Risk 5 if a notice of the enforcement action, describing any part of the Land, is recorded in the Public Records, but only to the extent of the enforcement referred to in that notice.
 7. The exercise of the rights of eminent domain if a notice of the exercise, describing any part of the Land, is recorded in the Public Records.
 8. Any taking by a governmental body that has occurred and is binding on the rights of a purchaser for value without Knowledge.
 9. Title being vested other than as stated in Schedule A or being defective
 - (a) as a result of the avoidance in whole or in part, or from a court order providing an alternative remedy, of a transfer of all or any part of the title to or any interest in the Land occurring prior to the transaction vesting Title as shown in Schedule A because that prior transfer constituted a fraudulent or preferential transfer under federal bankruptcy, state insolvency, or similar creditors' rights laws; or
 - (b) because the instrument of transfer vesting Title as shown in Schedule A constitutes a preferential transfer under federal bankruptcy, state insolvency, or similar creditors' rights laws by reason of the failure of its recording in the Public Records
 - (i) to be timely, or
 - (ii) to impart notice of its existence to a purchaser for value or to a judgment or lien creditor.
 10. Any defect in or lien or encumbrance on the Title or other matter included in Covered Risks 1 through 9 that has been created or attached or has been filed or recorded in the Public Records subsequent to Date of Policy and prior to the recording of the deed or other instrument of transfer in the Public Records that vests Title as shown in Schedule A.
- The Company will also pay the costs, attorneys' fees, and expenses incurred in defense of any matter insured against by this Policy, but only to the extent provided in the Conditions.

EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy, and the Company will not pay loss or damage, costs, attorneys' fees, or expenses that arise by reason of:

1. (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
 - (i) the occupancy, use, or enjoyment of the Land;
 - (ii) the character, dimensions, or location of any improvement erected on the Land;
 - (iii) the subdivision of land; or
 - (iv) environmental protection; or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5.
- (b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 6.
2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
3. Defects, liens, encumbrances, adverse claims, or other matters
 - (a) created, suffered, assumed, or agreed to by the Insured Claimant;
 - (b) not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
 - (c) resulting in no loss or damage to the Insured Claimant;
 - (d) attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 9 and 10); or
 - (e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Title.
4. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction vesting the Title as shown in Schedule A, is
 - (a) a fraudulent conveyance or fraudulent transfer; or
 - (b) a preferential transfer for any reason not stated in Covered Risk 9 of this policy.
5. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the deed or other instrument of transfer in the Public Records that vests Title as shown in Schedule A.

CONDITIONS

1. DEFINITION OF TERMS

The following terms when used in this policy mean:

- (a) "Amount of Insurance": The amount stated in Schedule A, as may be increased or decreased by endorsement to this policy, increased by Section 8(b), or decreased by Sections 10 and 11 of these Conditions.
- (b) "Date of Policy": The date designated as "Date of Policy" in Schedule A.
- (c) "Entity": A corporation, partnership, trust, limited liability company, or other similar legal entity.
- (d) "Insured": The Insured named in Schedule A.
 - (i) The term "Insured" also includes
 - (A) successors to the Title of the Insured by operation of law as distinguished from purchase, including heirs, devisees, survivors, personal representatives, or next of kin;
 - (B) successors to an Insured by dissolution, merger, consolidation, distribution, or reorganization;
 - (C) successors to an Insured by its conversion to another kind of Entity;
 - (D) a grantee of an Insured under a deed delivered without payment of actual valuable consideration conveying the Title
 - (1) if the stock, shares, memberships, or other equity interests of the grantee are wholly-owned by the named Insured,
 - (2) if the grantee wholly owns the named Insured,
 - (3) if the grantee is wholly-owned by an affiliated Entity of the named Insured, provided the affiliated Entity and the named Insured are both wholly-owned by the same person or Entity, or
 - (4) if the grantee is a trustee or beneficiary of a trust created by a written instrument established by the Insured named in Schedule A for estate planning purposes.
 - (ii) With regard to (A), (B), (C), and (D) reserving, however, all rights and defenses as to any successor that the Company would have had against any predecessor Insured.
- (e) "Insured Claimant": An Insured claiming loss or damage.
- (f) "Knowledge" or "Known": Actual knowledge, not constructive knowledge or notice that may be imputed to an Insured by reason of the Public Records or any other records that impart constructive notice of matters affecting the Title.
- (g) "Land": The land described in Schedule A, and affixed improvements that by law constitute real property. The term "Land" does not include any property beyond the lines of the area described in Schedule A, nor any right, title, interest, estate, or easement in abutting streets, roads, avenues, alleys, lanes, ways, or waterways, but this does not modify or limit the extent that a right of access to and from the Land is insured by this policy.
- (h) "Mortgage": Mortgage, deed of trust, trust deed, or other security instrument, including one evidenced by electronic means authorized by law.
- (i) "Public Records": Records established under state statutes at Date of Policy for the purpose of imparting constructive notice of matters relating to real property to purchasers for value and without Knowledge. With respect to Covered

Risk 5(d), "Public Records" shall also include environmental protection liens filed in the records of the clerk of the United States District Court for the district where the Land is located.

- (j) "Title": The estate or interest described in Schedule A.
- (k) "Unmarketable Title": Title affected by an alleged or apparent matter that would permit a prospective purchaser or lessee of the Title or lender on the Title to be released from the obligation to purchase, lease, or lend if there is a contractual condition requiring the delivery of marketable title.

2. CONTINUATION OF INSURANCE

The coverage of this policy shall continue in force as of Date of Policy in favor of an Insured, but only so long as the Insured retains an estate or interest in the Land, or holds an obligation secured by a purchase money Mortgage given by a purchaser from the Insured, or only so long as the Insured shall have liability by reason of warranties in any transfer or conveyance of the Title. This policy shall not continue in force in favor of any purchaser from the Insured of either (i) an estate or interest in the Land, or (ii) an obligation secured by a purchase money Mortgage given to the Insured.

3. NOTICE OF CLAIM TO BE GIVEN BY INSURED CLAIMANT

The Insured shall notify the Company promptly in writing (i) in case of any litigation as set forth in Section 5(a) of these Conditions, (ii) in case Knowledge shall come to an Insured hereunder of any claim of title or interest that is adverse to the Title, as insured, and that might cause loss or damage for which the Company may be liable by virtue of this policy, or (iii) if the Title, as insured, is rejected as Unmarketable Title. If the Company is prejudiced by the failure of the Insured Claimant to provide prompt notice, the Company's liability to the Insured Claimant under the policy shall be reduced to the extent of the prejudice.

4. PROOF OF LOSS

In the event the Company is unable to determine the amount of loss or damage, the Company may, at its option, require as a condition of payment that the Insured Claimant furnish a signed proof of loss. The proof of loss must describe the defect, lien, encumbrance, or other matter insured against by this policy that constitutes the basis of loss or damage and shall state, to the extent possible, the basis of calculating the amount of the loss or damage.

5. DEFENSE AND PROSECUTION OF ACTIONS

- (a) Upon written request by the Insured, and subject to the options contained in Section 7 of these Conditions, the Company, at its own cost and without unreasonable delay, shall provide for the defense of an Insured in litigation in which any third party asserts a claim covered by this policy adverse to the Insured. This obligation is limited to only those stated causes of action alleging matters insured against by this policy. The Company shall have the right to select counsel of its choice (subject to the right of the Insured to object for reasonable cause) to represent the Insured as to those stated causes of action. It shall not be liable for and will not pay the fees of any other counsel. The

Company will not pay any fees, costs, or expenses incurred by the Insured in the defense of those causes of action that allege matters not insured against by this policy.

- (b) The Company shall have the right, in addition to the options contained in Section 7 of these Conditions, at its own cost, to institute and prosecute any action or proceeding or to do any other act that in its opinion may be necessary or desirable to establish the Title, as insured, or to prevent or reduce loss or damage to the Insured. The Company may take any appropriate action under the terms of this policy, whether or not it shall be liable to the Insured. The exercise of these rights shall not be an admission of liability or waiver of any provision of this policy. If the Company exercises its rights under this subsection, it must do so diligently.
- (c) Whenever the Company brings an action or asserts a defense as required or permitted by this policy, the Company may pursue the litigation to a final determination by a court of competent jurisdiction, and it expressly reserves the right, in its sole discretion, to appeal any adverse judgment or order.

6. DUTY OF INSURED CLAIMANT TO COOPERATE

- (a) In all cases where this policy permits or requires the Company to prosecute or provide for the defense of any action or proceeding and any appeals, the Insured shall secure to the Company the right to so prosecute or provide defense in the action or proceeding, including the right to use, at its option, the name of the Insured for this purpose. Whenever requested by the Company, the Insured, at the Company's expense, shall give the Company all reasonable aid (i) in securing evidence, obtaining witnesses, prosecuting or defending the action or proceeding, or effecting settlement, and (ii) in any other lawful act that in the opinion of the Company may be necessary or desirable to establish the Title or any other matter as insured. If the Company is prejudiced by the failure of the Insured to furnish the required cooperation, the Company's obligations to the Insured under the policy shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation, with regard to the matter or matters requiring such cooperation.
- (b) The Company may reasonably require the Insured Claimant to submit to examination under oath by any authorized representative of the Company and to produce for examination, inspection, and copying, at such reasonable times and places as may be designated by the authorized representative of the Company, all records, in whatever medium maintained, including books, ledgers, checks, memoranda, correspondence, reports, e-mails, disks, tapes, and videos whether bearing a date before or after Date of Policy, that reasonably pertain to the loss or damage. Further, if requested by any authorized representative of the Company, the Insured Claimant shall grant its permission, in writing, for any authorized representative of the Company to examine, inspect, and copy all of these records in the custody or control of a third party that reasonably pertain to the loss or damage. All information designated as confidential by the Insured Claimant provided to the Company pursuant to this Section shall not be disclosed to others unless, in the reasonable judgment of the Company, it is necessary in the administration of the claim. Failure of the Insured Claimant

to submit for examination under oath, produce any reasonably requested information, or grant permission to secure reasonably necessary information from third parties as required in this subsection, unless prohibited by law or governmental regulation, shall terminate any liability of the Company under this policy as to that claim.

7. OPTIONS TO PAY OR OTHERWISE SETTLE CLAIMS; TERMINATION OF LIABILITY

In case of a claim under this policy, the Company shall have the following additional options:

- (a) To Pay or Tender Payment of the Amount of Insurance.

To pay or tender payment of the Amount of Insurance under this policy together with any costs, attorneys' fees, and expenses incurred by the Insured Claimant that were authorized by the Company up to the time of payment or tender of payment and that the Company is obligated to pay.

Upon the exercise by the Company of this option, all liability and obligations of the Company to the Insured under this policy, other than to make the payment required in this subsection, shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation.

- (b) To Pay or Otherwise Settle With Parties Other Than the Insured or With the Insured Claimant.

- (i) To pay or otherwise settle with other parties for or in the name of an Insured Claimant any claim insured against under this policy. In addition, the Company will pay any costs, attorneys' fees, and expenses incurred by the Insured Claimant that were authorized by the Company up to the time of payment and that the Company is obligated to pay; or

- (ii) To pay or otherwise settle with the Insured Claimant the loss or damage provided for under this policy, together with any costs, attorneys' fees, and expenses incurred by the Insured Claimant that were authorized by the Company up to the time of payment and that the Company is obligated to pay.

Upon the exercise by the Company of either of the options provided for in subsections (b)(i) or (ii), the Company's obligations to the Insured under this policy for the claimed loss or damage, other than the payments required to be made, shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation.

8. DETERMINATION AND EXTENT OF LIABILITY

This policy is a contract of indemnity against actual monetary loss or damage sustained or incurred by the Insured Claimant who has suffered loss or damage by reason of matters insured against by this policy.

- (a) The extent of liability of the Company for loss or damage under this policy shall not exceed the lesser of

- (i) the Amount of Insurance; or
 - (ii) the difference between the value of the Title as insured and the value of the Title subject to the risk insured against by this policy.

- (b) If the Company pursues its rights under Section 5 of these Conditions and is unsuccessful in establishing the Title, as insured,

- (i) the Amount of Insurance shall be increased by 10%, and
 - (ii) the Insured Claimant shall have the right to have the

loss or damage determined either as of the date the claim was made by the Insured Claimant or as of the date it is settled and paid.

- (c) In addition to the extent of liability under (a) and (b), the Company will also pay those costs, attorneys' fees, and expenses incurred in accordance with Sections 5 and 7 of these Conditions.

9. LIMITATION OF LIABILITY

- (a) If the Company establishes the Title, or removes the alleged defect, lien, or encumbrance, or cures the lack of a right of access to or from the Land, or cures the claim of Unmarketable Title, all as insured, in a reasonably diligent manner by any method, including litigation and the completion of any appeals, it shall have fully performed its obligations with respect to that matter and shall not be liable for any loss or damage caused to the Insured.
- (b) In the event of any litigation, including litigation by the Company or with the Company's consent, the Company shall have no liability for loss or damage until there has been a final determination by a court of competent jurisdiction, and disposition of all appeals, adverse to the Title, as insured.
- (c) The Company shall not be liable for loss or damage to the Insured for liability voluntarily assumed by the Insured in settling any claim or suit without the prior written consent of the Company.

10. REDUCTION OF INSURANCE; REDUCTION OR TERMINATION OF LIABILITY

All payments under this policy, except payments made for costs, attorneys' fees, and expenses, shall reduce the Amount of Insurance by the amount of the payment.

11. LIABILITY NONCUMULATIVE

The Amount of Insurance shall be reduced by any amount the Company pays under any policy insuring a Mortgage to which exception is taken in Schedule B or to which the Insured has agreed, assumed, or taken subject, or which is executed by an Insured after Date of Policy and which is a charge or lien on the Title, and the amount so paid shall be deemed a payment to the Insured under this policy.

12. PAYMENT OF LOSS

When liability and the extent of loss or damage have been definitely fixed in accordance with these Conditions, the payment shall be made within 30 days.

13. RIGHTS OF RECOVERY UPON PAYMENT OR SETTLEMENT

- (a) Whenever the Company shall have settled and paid a claim under this policy, it shall be subrogated and entitled to the rights of the Insured Claimant in the Title and all other rights and remedies in respect to the claim that the Insured Claimant has against any person or property, to the extent of the amount of any loss, costs, attorneys' fees, and expenses paid by the Company. If requested by the Company, the Insured Claimant shall execute documents to evidence the transfer to the Company of these rights and remedies. The Insured Claimant shall permit the Company to sue, compromise, or settle in the name of the Insured Claimant and to use the name of the Insured Claimant in any transaction or litigation involving these rights and remedies.

If a payment on account of a claim does not fully cover the loss of the Insured Claimant, the Company shall defer the exercise of its right to recover until after the Insured Claimant shall have recovered its loss.

- (b) The Company's right of subrogation includes the rights of the Insured to indemnities, guaranties, other policies of insurance, or bonds, notwithstanding any terms or conditions contained in those instruments that address subrogation rights.

14. ARBITRATION

Either the Company or the Insured may demand that the claim or controversy shall be submitted to arbitration pursuant to the Title Insurance Arbitration Rules of the American Land Title Association ("Rules"). Except as provided in the Rules, there shall be no joinder or consolidation with claims or controversies of other persons. Arbitrable matters may include, but are not limited to, any controversy or claim between the Company and the Insured arising out of or relating to this policy, any service in connection with its issuance or the breach of a policy provision, or to any other controversy or claim arising out of the transaction giving rise to this policy. All arbitrable matters when the Amount of Insurance is \$2,000,000 or less shall be arbitrated at the option of either the Company or the Insured. All arbitrable matters when the Amount of Insurance is in excess of \$2,000,000 shall be arbitrated only when agreed to by both the Company and the Insured. Arbitration pursuant to this policy and under the Rules shall be binding upon the parties. Judgment upon the award rendered by the Arbitrator(s) may be entered in any court of competent jurisdiction.

15. LIABILITY LIMITED TO THIS POLICY; POLICY ENTIRE CONTRACT

- (a) This policy together with all endorsements, if any, attached to it by the Company is the entire policy and contract between the Insured and the Company. In interpreting any provision of this policy, this policy shall be construed as a whole.
- (b) Any claim of loss or damage that arises out of the status of the Title or by any action asserting such claim shall be restricted to this policy.
- (c) Any amendment of or endorsement to this policy must be in writing and authenticated by an authorized person, or expressly incorporated by Schedule A of this policy.
- (d) Each endorsement to this policy issued at any time is made a part of this policy and is subject to all of its terms and provisions. Except as the endorsement expressly states, it does not (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsement, (iii) extend the Date of Policy, or (iv) increase the Amount of Insurance.

16. SEVERABILITY

In the event any provision of this policy, in whole or in part, is held invalid or unenforceable under applicable law, the policy shall be deemed not to include that provision or such part held to be invalid, but all other provisions shall remain in full force and effect.

17. CHOICE OF LAW; FORUM

- (a) Choice of Law: The Insured acknowledges the Company has underwritten the risks covered by this policy and determined the premium charged therefor in reliance upon

the law affecting interests in real property and applicable to the interpretation, rights, remedies, or enforcement of policies of title insurance of the jurisdiction where the Land is located.

Therefore, the court or an arbitrator shall apply the law of the jurisdiction where the Land is located to determine the validity of claims against the Title that are adverse to the Insured and to interpret and enforce the terms of this policy. In neither case shall the court or arbitrator apply its conflicts of law principles to determine the applicable law.

- (b) Choice of Forum: Any litigation or other proceeding brought by the Insured against the Company must be filed only in a state or federal court within the United States of America or its territories having appropriate jurisdiction.

18. NOTICES, WHERE SENT

Any notice of claim and any other notice or statement in writing required to be given to the Company under this policy must be given to the Company at: Westcor Land Title Insurance Company, Attn.: Claims, 875 Concourse Parkway South, Suite 200, Maitland, Florida 32751.

OWNER'S POLICY OF TITLE INSURANCE

Issued by

Westcor Land Title Insurance Company

SCHEDULE A

Name and Address of Title Insurance Company:

WESTCOR LAND TITLE INSURANCE COMPANY
2000 S. Colorado Blvd.
#1-3100, Denver, Colorado 80222

File No.: 709CEA

Policy No.: OP-6-3138284

Address Reference: 208 E. Mantz Ave., Rico, CO 81332

Amount of Insurance: \$209,000.00

Date of Policy: November 13, 2015 at the exact time of recording.

1. Name of Insured:

Rico Historical Society, a Colorado non-profit corporation

2. The estate or interest in the Land that is insured by this policy is:

Fee Simple

3. Title is vested in:

Rico Historical Society, a Colorado non-profit corporation

4. The Land referred to in this policy is described as follows:

**Lot 21 and the E 1/2 of Lot 22, Block 16, Town of Rico, according to the official plat thereof,
County of Dolores, State of Colorado.**

Countersigned

Alpine Title

By: *Debra S. Blanchette*

Authorized Officer or Agent

Note: This policy consists of insert pages labeled Schedule A and B. This policy is of no force and effect unless all pages are included along with any added pages incorporated by reference.

ALTA Owner's Policy (6-17-06)
Schedule A

OWNER'S POLICY OF TITLE INSURANCE

Issued by

Westcor Land Title Insurance Company

SCHEDULE B

File No.: 709CEA

Policy No.: OP-6-3138284

EXCEPTIONS FROM COVERAGE

This policy does not insure against loss or damage, and the Company will not pay costs, attorneys' fees, or expenses that arise by reason of:

1. Rights or claims of parties in possession not shown by the public records.
2. Easements or claims of easements not shown by the public records.
3. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, and any facts which a correct survey and inspection of the land would disclose, and which are not shown by the public record.
4. Any lien, or right to a lien, for services, labor or material heretofore or hereafter furnished, imposed by law and not shown by the public records.
5. Unpatented mining claims; reservations or exceptions in patents or in Acts authorizing the issuance thereof.
6. Any water rights or claims or title to water, in or under the land, whether or not shown by the public records.
7. Taxes and assessments for the year 2015 and subsequent years, a lien, not yet due and payable.
8. Notes, easements, restrictions, reservations, densities, designated uses, setbacks, rights of way of a public, or private nature, and all other matters as disclosed on plats of said subdivision.
9. Any tax, assessment, fees or charges by reason of the inclusion of the subject property in the local street improvement district, the local water conservancy district or the local sanitation district.
10. All mines, minerals, lodes, deposits and Veins as conveyed to Julius Thompson by the Town of Rico in Deed recorded November 15, 1892 in Book 28 at Page 140, and any and all assignments thereof or interests therein.
11. All mines, minerals, metals, lodes, deposits, veins and all mineral bearing ores, rocks, all mining rights as reserved by Rico Argentine mining Company and all rights, either expressed or implied, other than the surface estate, as reflected in Decree recorded July 16, 1954 in Book 75 at page 169.
12. Any tax, assessment, fees or charges by reason of the inclusion of the subject property in the Dolores Water Conservancy District pursuant to that document recorded October 25, 2004 in Book 333 at page 297.
13. Ordinance #1-05 recorded July 20, 2005 at Reception No. 148987; subject to the terms, conditions, provisions and obligations contained therein.
14. Fences, fencelines and discrepancies between fencelines and property lines and encroachment of shed 1.2 feet onto adjoining lot, as shown by Improvement Location Certificate, dated January 17, 2000, by Franklin P. Thomas, P.E. & P.L.E. 6728, Thomas Engineering, Inc., File RI_SPIE.

Note: This policy consists of insert pages labeled Schedule A and B. This policy is of no force and effect unless all pages are included along with any added pages incorporated by reference.

Anti-Fraud Statement

NOTE: Pursuant to CRS 10-1-128(6)(a), It is unlawful to knowingly provide false, incomplete, or misleading facts or information to an insurance company for the purpose of defrauding or attempting to defraud the company. Penalties may include imprisonment, fines, denial of insurance and civil damages. Any insurance company or agent of an insurance company who knowingly provides false, incomplete, or misleading facts or information to a policyholder or claimant for the purpose of defrauding or attempting to defraud the policyholder or claimant with regard to a settlement or award payable from insurance proceeds shall be reported to the Colorado division of insurance within the department of regulatory agencies.

This anti-fraud statement is affixed to and made a part of this policy.

STATE OF COLORADO
DOLORES COUNTY

CERTIFICATE OF TAXES DUE
Thru Tax Year 2017

Certificate No 121
Printed 05/31/2018

Assessed Owner:

RICO HISTORICAL SOCIETY
P.O. BOX 281
RICO CO 81332

SCHEDULE NUMBER

504736211010 R

TAX DISTRICT

102

ROLL PAGE

1384

Ordered by:

===== N O T I C E =====

I, the undersigned, County Treasurer in and for said County, do hereby certify that there are no unpaid taxes or unredeemed tax lien sale certificates, except as shown below, as appears of record in this office, on the following described property, to-wit:

TAXING ENTITIES	\$/THOUS	TAX
SCHOOL DIST RE-2J	20.962	
DOLORES COUNTY	28.013	
TOWN OF RICO	18.744	
RICO FIRE PROTECTION	7.468	
S W WATER CONS	.407	
DOLORES WATER CONS	2.408	
TOTALS	78.002	

LEGAL DESCRIPTION OF PROPERTY

RICO LT 21, E2 LT 22 BLK 16 36-40-11
B-65 P-4 B-257 P-498(D.C.) B-259 P-212 B-288 P-320
B-298 P-253,254 B-333 P-297 (WTR) B-385 P-44(SA)45(PA)
B-385 P-46(WD) B-398 P-361 (CONS EAS) 165650(SWD)

ZERO TAX ON CURRENT ROLL

Total Now Due

\$.00

IN WITNESS WHEREOF; I have hereunto set my hand and the seal of my office,
31ST day of MAY A.D. 2018



JANIE STIASNY
DOLORES COUNTY TREASURER

BY: _____

This Certificate does not certify as to any taxes which may, or may not, be due on any Mobile Home, Improvement, Personal Property, Oil, Gas, Mineral Rights, or Special Assessments which may, or may not, be located on the Property described above, unless specifically listed and described. Information regarding special taxing districts and the boundaries of such districts may be on file or deposit with the board of county commissioners, the county clerk and recorder, or the county assessor.

Town of Rico Memorandum

Date: June 1st, 2018

TO: Rico Planning Commission and Rico Board of Trustees
FROM: Rico Historic Society
SUBJECT: Request for partial alley vacation

The Rico Historic Society is requesting that the Town of Rico vacate the western two feet of the alley that runs perpendicular to Mantz Street between Silver and Garfield Streets. The Rico Historic Society is making this request because the historic Engel house encroaches on the alley and the Historic Society would like to make some improvements to the foundation, which would ensure the stability of the building.

The Engel house is in a residential zone district as are the buildings within three hundred feet on all sides. In conjunction with the right-of-way vacation request, the Rico Historic Society is requesting that the zoning of the property be changed from residential to public facilities so that the house can be used as a visitor center. While that area is zoned residential, both the Rico Town Hall and the Rico Community Church are located within three hundred feet of the house.

The following includes the Rico Land Use Code standards of review for right-of-way vacations and a brief discussion of the alley in question:

The topography of the public right-of-way does not allow road building to meet the design standards in **478**;

The topography of the alley between Silver and Garfield Streets allows the alley to meet Town design standards, but it does not appear that it has ever been used for vehicular access. The ground cover is vegetation rather than gravel and a building blocks the alley just before it ends at Silver Creek.

The public right-of-way does not provide any public benefit, including but not limited to: pedestrian access, recreational access, off-street parking, and open space buffer lot between developable lots; or, the requested vacation is part of an application

which would result in the Town acquiring property or rights-of-way which has a greater public benefit than the vacated public right-of-way; and,

The alley does provide off-street parking but it does not provide an open space buffer, pedestrian access or recreational access. We do not believe that vacating the western two feet of the alley would not interfere with off-street parking uses. We also believe that improving the foundation of the historic building provides a public benefit sufficient to offset the vacated two feet.

Sufficient easements or rights-of-way for utilities are retained or provided.

Since the portion of the building that encroaches of the alley predates modern utilities, if there are utilities in the alley, they are adequately separated from the building. Any work done on the foundation will require utility locates.

**NOTICE OF PENDING ROAD VACATION APPLICATION AND AMENDMENT
TO THE RICO LAND USE CODE APPLICATION**

Date: June 1st, 2018

RE: Public Hearing on Road Vacation of Amendment to the Rico Land Use Code
Application

Dear Property Owner,

You are receiving this public notice as required by the Town of Rico Land Use Code because you own property within 200 feet of a proposed road vacation and a proposed amendment to the Rico Land Use Code.

Name of Applicant: Rico Historic Society

Type of Development Application(s): A partial road vacation and an amendment to the to the Rico Land Use Code to change the zone district on Lots 21 and the east ½ of Lot 22, Block 16 from residential zone district to public facilities zone district.

Legal Description:

Address: 208 E. Mantz Rico, Colorado

Lot or Site Size:

Review Authority: Rico Planning Commission

Rico Planning Commission Hearing Date and Time: June 27th, 2018 at 7:00 PM.

Rico Board of Trustee's Meeting Date and Time: July 18th, 2018

Location of Public Hearing: Rico Town Hall, 2 Commercial Street, Rico Colorado, 81332

Send emailed comments addressed to the townmanager@ricocolorado.gov

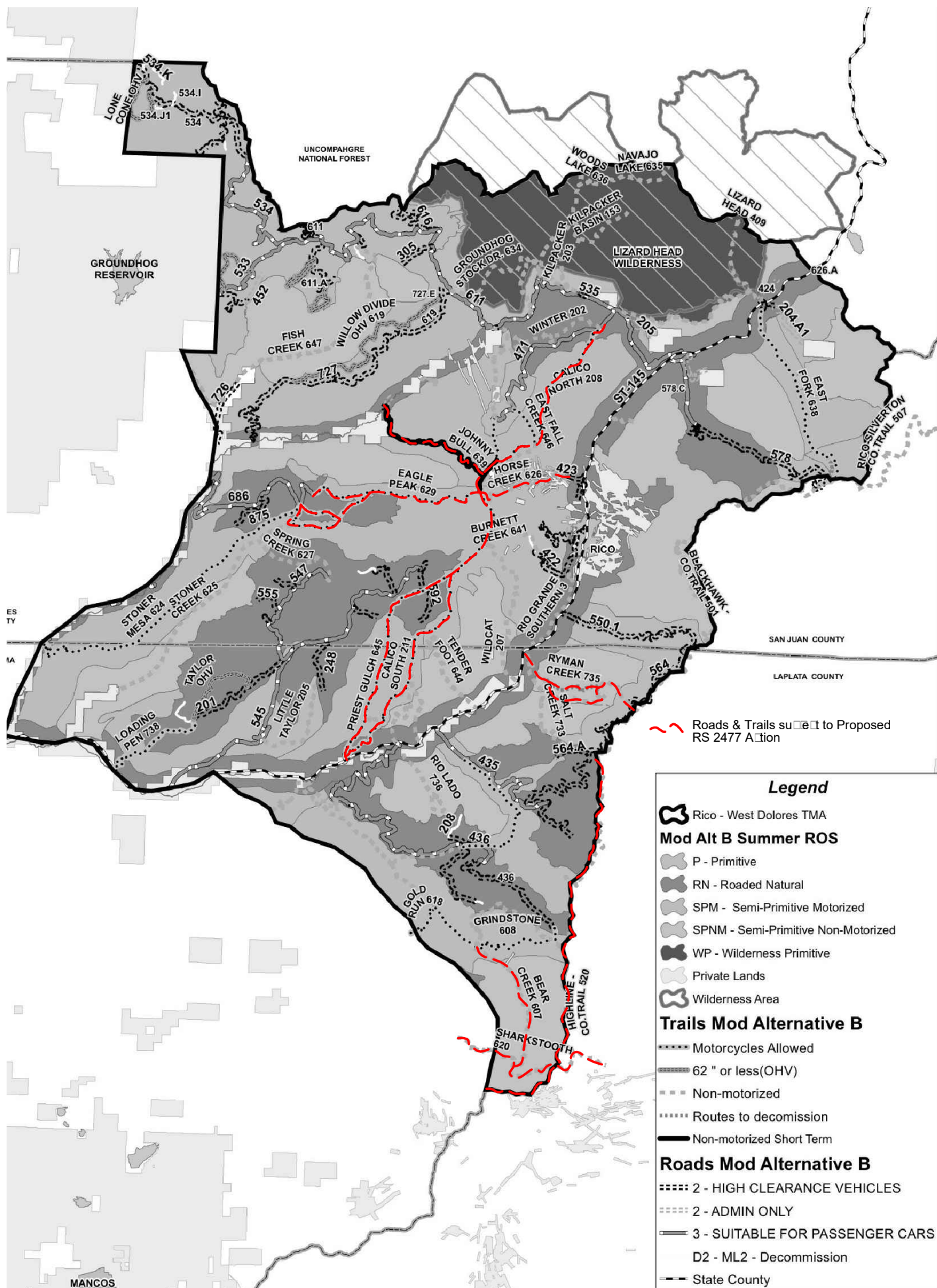
Or by surface mail to:

Kari Distefano

Town of Rico

PO Box 9

Rico Colorado, 81332



RESOLUTION - 2018

COUNTY RIGHTS-OF-WAYS ESTABLISHED OVER PUBLIC LANDS UNDER R.S. 2477 AS PUBLIC RIGHTS-OF-WAYS AND PUBLIC HIGHWAYS.

WHEREAS, Montezuma County was established in 1889 and developed as a ranching, farming, logging and mining area, with extensive prospecting and exploration for, and production of, valuable minerals, forest products and agricultural products; and

WHEREAS, much of the mountainous area of Montezuma County became laced with wagon roads and horse trails and footpaths to facilitate such activities. Many of these roads, trails and paths were in general use by the public before and at the time of the establishment of Montezuma County, and many have been further developed into mining roads, logging roads and access roads, for the removal of minerals, forest products, and other uses; and

WHEREAS, these roads, trails and paths have continued in use by the general public for hunting, fishing, hiking, horseback riding, four wheeling, recreation, and other uses; and

WHEREAS, the terms "highways," "ways," "roads," or "rights-of-way" in this resolution have the same meaning, and include, but are not limited to, pedestrian trails, hiking trails, foot paths, horse paths, livestock trails, wagon roads, jeep trails, recreational roads, logging roads, homestead roads, mine-to-market roads, alleys, tunnels, bridges, dirt or gravel roads, paved roads, trails, streets, highways and all other ways and their attendant appurtenances and access for maintenance, reconstruction, and construction; and

WHEREAS, the United States Congress, for the purpose of promoting the settlement of the western United States by establishment of highways, granted a right-of-way for the construction of highways over public lands, not reserved for public uses, in Section 8 of the Mining Act of 1866, reenacted and recodified as Revised Statutes 2477 (R.S. 2477), 43 U.S.C. §932 (repealed Oct. 21, 1976); and

WHEREAS, the adoption of the statute constituted dedication of public highways by the United States government and, prior and subsequent to such statute, countless public ways were constructed by public use, and acceptance was accomplished by such public use, including a network of roads, trails and paths now located within and without of the National Forest and Bureau of Land Management lands in Montezuma County, Colorado; and

WHEREAS, the rights-of-way identified in this resolution were established before the repeal of R.S. 2477 by the Federal Land Policy and Management Act (FLPMA), 43 U.S.C. §§1701-1784, on October 21, 1976, and are thus preserved in the same Act; and

WHEREAS, the above-mentioned right to enter upon and construct rights-of-way across federal lands unreserved for public uses, which was accepted by grants whenever and wherever rights-of-way were established and were available for public use, remain available to this day as public highways for public use; and

WHEREAS, there now exists in Montezuma County an extensive network of roads, mining roads, logging roads, recreational roads, trails, horse trails, hiking trails, foot paths, and other public ways, all of which provide public access to, and throughout, the National Forest and Bureau of Land Management lands representing a substantial portion of land within Montezuma County; and

WHEREAS, the Board of County Commissioners of Montezuma County, Colorado, considers the existing system of roads, trails and paths as vital to the public welfare and the flow of commerce within this County, similar in some respect as the federal and state highway systems are vital to the welfare and commerce of the State of Colorado; and

WHEREAS, public access to routes of travel is essential to Montezuma County's transportation and public access systems and to the economic and social well-being, and the custom and culture, of the communities and citizens of Montezuma County; and

WHEREAS, identifying, asserting, and protecting these rights-of-way is necessary to protect Montezuma County's resources and to promote public health and safety, including but not limited to, search and rescue, fire protection, health and law enforcement, and other emergency services; and

WHEREAS, it is the policy of Montezuma County to assert that rights-of-ways established pursuant to the grant under R.S. 2477 be retained in perpetuity for the use and benefit of the public unless abandoned and vacated in accordance with applicable law; and

WHEREAS, this resolution recognizes rights-of-ways established over public lands under R.S. 2477, which were identified when the Board of County Commissioners directed Montezuma County staff to undertake an inventory of certain R.S. 2477 highway rights-of-way; and

WHEREAS, The Board of County Commissioners of Montezuma County has considered and evaluated the comments received and has made changes, when determined to be appropriate; and

WHEREAS, the Montezuma County Board of County Commissioners hereby finds, determines and declares that adoption of this resolution is necessary for the preservation and protection of the public health, safety and welfare of Montezuma County, Colorado.

NOW THEREFORE, BE IT RESOLVED by the Montezuma County Board of Commissioners that:

1. All public roads and public rights-of-way located within Montezuma County, Colorado that have not been lawfully vacated by the Board of County Commissioners, and which are listed in this resolution, are hereby asserted as public highways. "Public roads" and "public highways" as used herein include, but are not limited to: The highways, ways, roads and rights-of-way established under R.S. 2477 that are listed in this resolution.
2. The assertion of these R.S. 2477 rights-of-way and highways are currently the highest priority; however, Montezuma County reserves the right to assert highway rights-of-way in addition to this existing assertion, should the Board of County Commissioners deem it to be appropriate.
3. Montezuma County intends to work cooperatively with private landowners to provide acceptable public access while respecting private property interests.
4. Nothing in this resolution shall limit the authority of the Montezuma County Board of County Commissioners to hereafter modify, vacate, abandon, or expand the R.S. 2477 assertions contained herein.
5. Nothing in this resolution shall be interpreted or argued to imply that this listing is an exhaustive list of all R.S. 2477 rights-of-way and highways in Montezuma County or any portion thereof, nor that the listed rights-of-way and highways are not public rights-of-way or public highways under one or more other statutes or bases.
6. This resolution is in addition to, and is not intended to duplicate, any and all prior resolutions adopted by the Montezuma County Board of County Commissioners on this subject matter.

BE IT FURTHER RESOLVED that the Montezuma County Board of Commissioners hereby asserts, the following rights-of-way and highways to be public highways and public rights-of-way under and pursuant to R.S. 2477 (43 U.S.C. 932) and 43 U.S.C. 1701, further described in attached Exhibits 1 and 2:

1. Morrison Trail/ Bear Creek Hill, FS 610
2. Bear Creek Trail, FS 607
3. Sharks Tooth Trail / Bear Creek, FS 620
4. Indian Trail Ridge/ Highline Loop/ Colorado Trail, 520
5. Pasture Gulch
6. Ryman Creek, FS 735
7. Priest Gulch Trail, FS 645
8. Calico South, FS 211
9. Burnett Creek Trail, FS 641
 - A. Burnett Creek Road, FSR 422
 - B. Burnett Creek Road A, FSR 422.A

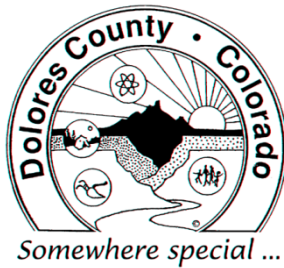
- C. Burnett Creek Road A-1, FSR 422.A1
10. Eagle Peak Trail, FS 629
 11. Horse Creek Trail, FS 626
 12. Horse Gulch Road, FSR 423
 13. Calico Basin Trail, FS 187
 14. Calico North Trail, FS 208
 15. Papoose Creek Trail
 16. Johnny Bull Trail, FS 438
 17. Dolores Norwood Road, Montezuma County Road 31 / USFS Road 526/ Dolores
County Road 31/ San Miguel County Road S31 S/ FDR 610/ San Miguel County Road
44Z S

BE IT RESOLVED that this resolution is hereby adopted effective immediately.

Adopted this 18th day of June, 2018

**BOARD OF COUNTY COMMISSIONERS,
MONTEZUMA COUNTY, COLORADO**

County Clerk and Recorder
Montezuma County, Colorado



Dolores County Commissioners
PO Box 608
Dove Creek, CO 81324
970-677-2383
dcdolocnty@fone.net

3 April 2018

TO: Whom It May Concern

FROM: Dolores County Board of County Commissioners (DCBOCC)

RE: RS-2477

Having been approached by the Montezuma County Board of County Commissioners (MCBOCC) and Casey McClellan, representing a local motorized user group, to make a RS-2477 claim on the trails involved in the Rico-West Dolores Travel Management Plan we are writing this memo to express what we have learned over the years as a Coordinating County. We became a Coordinating County in 2010 to better improve our working relationships with Federal Agencies, such as, Bureau of Land Management (BLM), Forest Service (FS), Fish and Wildlife Service (FWS), and state agencies that have ties to Federal Agencies. In a letter written to the DCBOCC, Casey McClellan, stated, “Asserting RS-2477 is a very simple process and this is the extent of it: *The FS acknowledges a County Road Management agency can exert their RS-2477 rights and with proof (map or other documentation, the FS will “certainly” give the County those routes that pre-existed the creation of the National Forest System (1905). As part of the process, the County has to do a quiet title action against the FS but when the proof is there, and the County asserts their Rs-2477 rights, the FS will not fight it.*” The simplicity of the RS-2477 doesn’t exist. It is a Revised Statute 2477 – originally Section 8 of the Mining Act of 1866 (repealed by the Federal Land Policy and Management Act of 1976 (FLPMA) on October 21, 1976). This law granted “the right-of-way for the construction of highways over public lands, not reserved for public uses...” Between the 1866 and 1976 the public, particularly western settlers, established many roads across public lands. These roads helped form the foundation of our current transportation system. They give access to recreational opportunities on public lands and serves as thoroughfares between cities and towns. Public “right-of-way” is a legal term describing the right of all members of the public to travel on a route regardless of who owns the underlying land. For example, a public route may pass over lands owned and managed by the federal agencies or private individuals. So then why do we have disputes over RS-2477? FLPMA does not contain administrative or judicial mechanisms to confirm acceptance or grant of an RS-2477 right-of-way. This creates uncertainty about who owns the routes crossing public lands. Sometimes, the federal government manages roads on its lands with little consideration for local, county, and state interests. In addition, environmental groups with strong conservation agenda are eager to participate in public land and route management decisions. Quiet often all these interests are at odds. Then, it becomes necessary to determine who owns the rights-of way. The federal Quiet Title Act allows private parties and states “to adjudicate a disputed title to real property, in which the United States claims an interest...” (28 U.S.C. 2409a(a). This is where local governments must determine if this is the best use of scarce public funding to determine if RS-2477 determination is worth pursuing. Your county government will usually have to

administer the right-of-way and the road or in this case trails. The financial means to do this must be in place and have a way to sustain this administration for years to come. Thus RS-2477 is open to a variety of interpretations, interpretations that now appear in conflicts between motorized and non-motorized recreational interests. The DCBOCC feels strongly that **all** user groups have the right to utilize public lands and the designations of these trails brings fairness of use to all. If a “highway” is 1866 meant a route that could accommodate a pack-burro train, does it still mean just a pack trail, or should it be modernized to include trail bikes, off-road vehicles, pickups and jeeps or log trucks, or motor homes? Is the “right-of-way” “10 feet wide or 200 feet wide, and does it cover the spring-time detour around a seasonal bog? Is it a precise course, or just a general route between two locations? And when it is “herby granted” – to whom is it granted? Who acts on behalf of the public to claim, maintain and protect this right-of-way? And when and how was the right-of-way defined in the first place? Besides that, what is “public land?” Land owned by major public entities comes in many forms: National Forests, Bureau of Land Management tracts, national monuments and parks, state parks, wildlife refuges, state school trust properties. And what of the rights of individual land owners who have land within these boundaries? How big will county staffs become to handles these questions, determine grazing issues, mine claims, management of trails, oversee conflicts, handle hunting season usage, logging issues, hire enforcement personnel, handle use permits to pay for all the above mentioned managerial issues? Documentation of proof will have to be more than a map before the existence of the National Forest it must be accurate, and this proof will be time consuming and costly. Who is hired to do this? We do want to see trails, roads, and public access to our public lands left open. We do want our grandkids to see and do what we did. If it was an easy process RS-2477 claims would be rampant. Instead of trying to litigate them all it would be best to choose trails that have good documentation, lack of private ownership, can be surveyed, and fight to maintain the public’s right-of-way on these. The effortlessness of a simple assertion doesn’t exist with RS-2477. In fact, it is a classic conflict: federal vs. local government; motorized vs. non-motorized; recreation and environmental lobbies vs. development interests; and private vs. public property rights. We need to find a more cost-effective direction to keep access to our public lands. As Coordinating Counties, we have the federal agencies in our board rooms let’s work with them on roads and trails that are near and dear to our constituents, be open to all users, and not deceive ourselves that these routes will just be given to us.

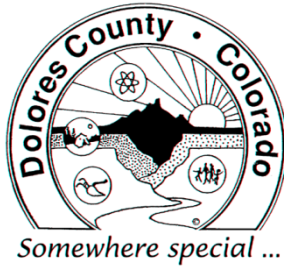
Submitted with Respect,

Dolores County Board of County Commissioners

Steve Garchar, Chair

Floyd Cook

Julie R. Kibel



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June 21, 2018

TO: Montezuma County Commissioners

FROM: Dolores County Board of County Commissioners (DCBOCC)

RE: RS-2477

We recently received a draft resolution concerning RS-2477, the Dolores County Board of County Commissioners are adamantly opposed to being included in this document. We strongly feel that San Miguel County be removed as well. Attached is a letter that explains our position on RS-2477 issues.

Submitted with Respect,

Dolores County Board of County Commissioners

Steve Garchar, Chair

Floyd Cook

Julie R. Kibel