

ASPEN EGRESS SITE VISIT – 5 PM

SPECIAL MEETING

- I. CALL TO ORDER
- II. PLEDGE OF ALLEGIANCE
- III. ROLL CALL
- IV. REVIEW AGENDA
- V. OLD BUSINESS
 - a. Approve/Disapprove SLVCOG Grant Agreement
- VI. ADJOURN

REGULAR WORK SESSION

- Aspen Egress
- Creede Arts Council – Birthday Card
 - YCC Presentation
 - Ethics Code
 - County Lease
- Administrative Assistance
 - Gazebo Update
- Any Other Business

1/13/17

San Luis Valley Council of Governments
PO Box 300
Alamosa, CO 81101

THIS CONTRACT, made by and between the San Luis Valley Council of Governments, 610 State Avenue, Suite 200, Alamosa, CO 81101 hereinafter referred to as the SLVCOG, or the Department, and the **City of Creede** hereinafter referred to as the Contractor.

WHEREAS, authority exists in the law and funds have been budgeted, appropriated and otherwise made available and a sufficient unencumbered balance thereof remains available for encumbering and subsequent payment of this Contract in EAIF #8335 – Region 8 Community Development '17; and

WHEREAS, required approval, clearance and coordination have been accomplished from and with appropriate executive board members; and

WHEREAS, the Contractor, an SLVCOG member, is eligible to receive SLVCOG Mini Grant funding, has applied to SLVCOG for assistance with an economic and community development project, as further described in the attached Exhibit A, herein referred to as the "Project"; and

WHEREAS, the Executive Director wishes to provide assistance in the form of a grant from the SLVCOG Mini Grant Program to the Contractor for the Project upon mutually agreeable terms and conditions as hereinafter set forth;

NOW THEREFORE, in consideration of and subject to the terms, conditions, provisions and limitations contained in this Contract, the SLVCOG and the Contractor agree as follows:

- 1. Scope of Services.** The Contractor shall do, perform, and carry out, in a satisfactory and proper manner, as determined by the SLVCOG, all work elements as indicated in the "Scope of Services" section of Exhibit A, attached hereto and incorporated by reference herein.
- 2. Responsible Administrator.** The performance of the services required hereunder shall be under the direct supervision of **Clyde Dooley**, an employee or agent of the Contractor who is hereby designated as the "Responsible Administrator" of the Project. At any time, the Contractor may propose, in writing, and seek SLVCOG's approval of a replacement Responsible Administrator. The SLVCOG, in its sole discretion, may direct that Project work be suspended in the event the current Responsible Administrator ceases to serve as such prior to the approval by the SLVCOG of a replacement Responsible Administrator.
- 3. Time of Performance.** This Contract shall become effective upon approval by the SLVCOG or designee (the "Effective Date") and extend through the completion date set forth in the "Time of Performance" section of Exhibit A.

Performance of this Contract shall commence as soon as practicable after the Effective Date of this Contract; provided however, that the Contractor shall not be entitled to payment for any performance rendered before the Effective Date and shall not be eligible for reimbursement of any expenses incurred before the Effective Date. The Contractor shall undertake and perform its obligations hereunder as set forth in Exhibit A. The Contractor agrees that time is of the essence in the performance of its obligations under this Contract.

4. Authority to Enter into Contract and Proceed with Project. The Contractor represents and warrants that it possesses the legal authority to enter into this Contract and has taken all actions required to exercise such authority and to lawfully authorize its undersigned signatory to execute this Contract and to bind the Contractor to its terms. The person signing and executing this Contract on behalf of the Contractor does hereby warrant and guarantee that he/she has full authorization to execute this Contract. In addition, the Contractor represents and warrants that it currently has the legal authority to proceed with the Project.

Furthermore, if the nature or structure of the Project is such that a decision by the electorate is required, the Contractor represents and warrants that it has held such an election and secured the voter approval necessary to allow the Project to proceed.

5. Payment of Funds: Grant. In consideration for the work and services to be performed hereunder, SLVCOG agrees to provide to the Contractor a grant from the SLVCOG Mini Grant program (EAIF #8335 – Region 8 Community Development '17) in an amount not to exceed **Ten Thousand Dollars (\$10,000.00)**. The method and time of payment of such grant funds to the Contractor shall be made in accordance with the "Distribution Schedule" set forth in Exhibit A.

The Contractor shall use the funds provided by the SLVCOG under this Contract solely for the purposes set forth in Exhibit A.

6. Financial Management and Budget. At all times from the Effective Date until completion of the Project, the Contractor shall maintain properly segregated accounts of SLVCOG funds, matching funds, and other funds associated with the Project. All receipts and expenditures associated with the Project shall be documented in a detailed and specific manner, in accordance with the "Budget" section of Exhibit A. The Contractor may adjust individual budgeted expenditure amounts without approval of SLVCOG; provided that cumulative budgetary line item changes do not exceed ten percent (10%) of the total budgeted amount. All other budgetary modifications must be approved by the SLVCOG. Matching funds shall be expended by the Contractor on the Project in accordance with the requirements set forth in the "Budget" section of Exhibit A.

7. Contract Termination. This Contract may be terminated as follows:

a) Termination Due to Loss of Funding. The Parties hereto expressly recognize that the Contractor is to be paid or reimbursed with funds provided to the SLVCOG for the purposes set forth herein, and therefore, the Contractor expressly understands and agrees that all its rights, demands and claims to payment or reimbursement arising under this Contract are contingent upon receipt of such funds by the SLVCOG. In the event that such funds or any part thereof are not received by the SLVCOG, the SLVCOG may immediately terminate or amend this Contract.

b) Termination for Cause. If, for any reason, the Contractor shall fail to fulfill in a timely and proper manner its obligations under this Contract, or if the Contractor shall violate any of the covenants, agreements, or stipulations of this Contract, the SLVCOG shall give written notice to the Contractor of such delay or non-performance. If the Contractor fails to promptly correct such delay or non-performance within the time specified in the notice or twenty (20) days from the date of such notice, whichever is greater, the SLVCOG shall have the right, at its sole option, to terminate this entire Contract, or such part of this Contract as to which there has been delay or failure to properly perform, for cause. If the SLVCOG terminates this Contract for cause, the SLVCOG shall reimburse the Contractor for only eligible expenditures made up to the date of termination. Notwithstanding the above, the Contractor shall remain liable to the SLVCOG for any damages sustained by the SLVCOG by virtue of any breach of this Contract by the Contractor, and the SLVCOG may withhold any payments to the Contractor for the purpose of offset until such time as the exact amount of damages due the SLVCOG from the Contractor is determined.

c) Termination for Convenience. When the interests of the SLVCOG so require, the SLVCOG may terminate this Contract in whole or in part for the convenience of the SLVCOG. The SLVCOG shall give

written notice of termination to the Contractor specifying the termination of all or a part of this Contract and the effective date thereof, at least twenty (20) days before the date of termination. Exercise by the SLVCOG of this termination for convenience provision shall not be deemed a breach of contract by the SLVCOG. Upon receipt of written notice, the Contractor shall incur no further obligations in connection with the terminated work and, on the date set in the notice of termination, the Contractor shall stop work to the extent specified. The Contractor also shall terminate outstanding orders and subcontracts as they relate to the terminated work.

THE PARTIES HERETO HAVE EXECUTED THIS CONTRACT

CONTRACTOR¹

By: CLYDE DOOLEY

Effective Date: _____

San Luis Valley Council of Governments

By: KEVIN WILKINS

Effective Date: _____

DRAFT

¹ Persons signing for Contractor hereby swear and affirm that they are authorized to act on Contractor's behalf and acknowledge that the State is relying on their representations to that effect.

EXHIBIT A SCOPE OF SERVICES

1. PROJECT DESCRIPTION, OBJECTIVES AND REQUIREMENTS

Creede's idyllic Main Street, which Downtown Colorado's 2015 Creede Community Assessment identified as a "vibrant, idyllic and well-functioning commercial district," boasts a beautiful park space named for a beloved long-time mayor. Many elements of the park, however, are unsightly and deteriorated, and are therefore detracting from rather than elevating the value of this unique asset. The "Creede Gazebo" is badly damaged and needs replacement. The Basham Park Rehabilitation team would like to replace the facility with an eye toward economic development, design, ADA-accessibility, and usefulness. The paths that weave throughout Basham Park are gravel, which requires constant maintenance and damages adjacent greenspace when displaced. The team would also like to replace the path with long-lasting stone pavers with edging and a custom design. Creede is concurrently pursuing Great Outdoors Colorado Funding for this project in the amount of \$45,000.

The Creede Board of Trustees feels that Basham Park is a central component of our economic and cultural identity. Surrounding businesses continue to invest in our downtown and are always improving their facades and the overall appearance of Main Street. We feel strongly that adjacent public facilities need to reflect this work ethic and pride and we are therefore pursuing improvement of Basham Park.

The Creede Board of Trustees expects a substantial increase in park use as a result of these improvements. While outdoor public facility use is somewhat difficult to measure, we intend to monitor park use throughout the next several years. We anticipate measurable results to be largely anecdotal as we hear from people using the gazebo in new ways as well as a reduction in complaints about accessibility, appearance, and quality of the facilities. We will also attempt to gauge the success of the program with before-and-after sales tax information for the Creede area.

Eligible expenses include:

Copies of any and all contracts entered into by the Contractor in order to accomplish this Project shall be submitted to the San Luis Valley Council of Governments upon execution, and any and all contracts entered into by the Contractor or any of its subcontractors shall comply with all applicable federal and state laws and shall be governed by the laws of the State of Colorado.

The Contractor agrees to acknowledge the San Luis Valley Council of Governments in any and all materials or events designed to promote or educate the public about the Project, including but not limited to: press releases, newspaper articles, op-ed pieces, press conferences, presentations and brochures/pamphlets.

2. TIME OF PERFORMANCE

The Project shall commence upon the Effective Date and shall be completed on or before December 31, 2017.

3. BUDGET

The project budget is estimated at \$60,000

Basham Park Revitalization Project Budget	
Expense Item	
Gazebo Design	\$8,000
Gazebo Construction	\$35,000
Pave Pathways	\$17,000
TOTAL EXPENSES	\$60,000
Revenue Item	
City of Creede Conservation Trust Fund Match	\$5,000
SLVCOG Economic Development Grant Request	\$10,000
Great Outdoors Colorado Funding Request	\$45,000
TOTAL REVENUES	\$60,000

4. SLVCOG ADDRESS: P.O. BOX 300, Alamosa, CO 81101

City of Creede (Contractor): PO Box 457, Creede, CO 81130

5. PAYMENT PROCEDURE

The SLVCOG shall establish billing procedures and pay the Contractor for actual expenditures made in the performance of this Contract based on the submission of SLVCOG documents in the format prescribed by the SLVCOG. The Contractor shall submit requests for reimbursement, setting forth a detailed description of the amounts and types of reimbursable expenses.

Payments pursuant to this Contract shall be made, in whole or in part, from available funds encumbered for the purposes of this Contract. The liability of the SLVCOG, at any time, for such payments shall be limited to the amount remaining of such encumbered funds. In the event this Contract is terminated, final payment to the Contractor may be withheld at the discretion of the SLVCOG until completion of final audit. Incorrect payments to the Contractor due to omission, error, fraud, or defalcation shall be recovered from the Contractor by deduction from subsequent payment under this Contract or other contracts between the SLVCOG and the Contractor, or by the SLVCOG as a debt due to the SLVCOG.

6. CONTRACT MONITORING

The SLVCOG shall monitor this Contract on an as-needed basis, as determined by the SLVCOG in its sole discretion. The SLVCOG or any of its duly authorized representatives shall have the right to enter, inspect and examine the Project upon twenty-four (24) hours advance written notice to the Responsible Administrator.

7. REPORTING SCHEDULE

At the time the Contractor submits quarterly payment requests, the Contractor shall submit, on a quarterly basis, financial and narrative status reports detailing Project progress and properly documenting all to-date expenditures of SLVCOG Mini Grant funds. The form and substance of such status reports shall be in accordance with the procedures developed and prescribed by the SLVCOG. The preparation of reports in a timely manner shall be the responsibility of the Contractor and failure to comply may result in the delay of payment of funds and/or termination of this Contract.

DRAFT

MEMO

City of Creede

DATE: March 17
TO: Mayor and Board of Trustees
FROM: Randi
SUBJECT: Code of Ethics & Conduct

Greetings all:

FAVOR REQUESTED: I've given you some homework but its pretty fun homework. If you don't mind, could you please complete the Ethics Code Values Worksheet and return it to me? This will really guide me in drafting a code that addresses our core values and I think help us brainstorm why we are doing this in preparation for fine-tuning. Thank you in advance!

In digesting many different types of municipal ethics codes and attempting to collect pieces and parts of those which might be most useful and fitting for Creede in addition to reviewing scholarly examinations and best practice reports of ethics in government, I've come to a few preliminary assertions.

There are some items that I thought were important for us/have come up in the past, but felt were more on procedural confusion (like the bid process two weeks ago and dealing with quasi-judicial actions) rather than something that would fit into an ethics code. I think we are in need of two separate policies that are only tangentially related to the Code of Ethics:

-A Procurement Policy: This document would have bid requirement guidelines, formalized employee spending limits, and information on practical ways to follow ethical

-A Simplified Rules of Order/Agenda/Meeting Procedure/Protocol Document: This document would provide us a much simpler parliamentary procedure than attempting to know all the nuances of Robert's Rules, i.e., making a Point of Order. It would also implement some guidelines to prevent well-meaning presenters from monopolizing valuable meeting time and give clear guidelines for adding items to the agenda. It would also include rules for executive sessions, which actions are quasi-judicial, administrative, or legislative, and public hearing procedure.

As long as you think these additional policies will be valuable, I'll put them in the hopper. Both would require some research and quite a bit of drafting and could take 6-8 months before I can commit to completing them. Once they are complete, we might have to adjust the Code of Ethics & Conduct to refer to them.

I had some confusion about who this code ought to be applicable to. My mentor for this project, Judy Egbert (former clerk of Alamosa, professional local government consultant), has been extremely helpful so far. We discussed this issue at length. I've settled on making it easy, applicable to everyone, and referring throughout to Creede public servants:

Creede public servant refers to any elected or appointed official of the City of Creede as well as employees and volunteers, including, but not limited to Board of Trustee members, Planning & Zoning Commissioners, Parks & Recreation Advisory Board Members, Virginia Christensen Advisory Board Members, part time employees, recreation instructors and volunteers, and temporary employees.

One concern I had with this was employee termination best practices – we probably wouldn't want to put ourselves in a position in which a violation of the ethics code would be grounds for termination. That needs to be the purview of the Employee Handbook for simplicity, liability, and procedure. I've addressed this issue by making sure that the code of ethics never contradicts provisions of the employee handbook, and that any violation of the code by an employee gets referred back to the City Manager and the procedures outlined by the handbook.

DIRECTION REQUESTED: Any problems with the code of ethics being applicable to “Creede Public Servants” as defined?

The code itself is still under major construction, so I haven't included it here, but here is the table of contents to give you an idea of the direction it is heading in:

- 1) Overview & Purpose
- 2) Roles & Responsibilities
- 3) Principles of Good Governance
- 4) Conflicts Of Interest
- 5) Gifts
- 6) Confidentiality
- 7) Nepotism
- 8) General Guidelines
- 9) Code of Conduct
 - a) With One Another
 - b) Between Staff & Elected Officials
 - c) Between Boards & Commissions
 - d) With the Public
 - e) With the Media
 - f) In Unofficial Settings
- 10) Enforcement/Sanctions/Penalties
- 11) Definitions

We discussed the various ways a code like this can be adopted, from a simple motion approving the document, to using an ordinance to make it part of our Municipal Code. Simply adopting it as a policy has the benefit of it being more dynamic and easily adjustable; a “living document” which we adapt for our needs as situations require. Formally codifying has the benefit of giving the document some “teeth” when it comes to enforceability, which is not to say other methods of adoption are not enforceable. It also makes it more difficult to change, which can be a good thing if for some reason a future board has some ulterior motive or unethical proclivities. I don't think that's all that likely, and at least until we have this in place for a few years, I think we should keep the document more adaptable, and so I suggest a compromise between the two, which would be adoption by resolution. That way it's a permanent record, enforceable, and official, but it isn't overly burdensome to tweak.

In addition to this formalized version, I am working on a quick reference sheet with our values and ethical questions to ask yourself while making actions. This piece could be disseminated easily, pulled out when there is a question, used in our BOT manual, etc., but more importantly, could act as a way to keep our values at the forefront of our actions as we act in our respective official capacities.

DIRECTION REQUESTED: Any objections or additions to the Table of Contents? Any objections to adoption by resolution? Any objections to supplemental quick reference sheet?

CITY OF CREEDE ETHICS CODE

VALUES WORKSHEET

What principles inform your public service? What standards should Creede hold itself to? What are the most important values for Creede’s ethical guidelines? Please rank these values with 1 being most important, and continuing 1, 2, 3... to at least 10 and return to Randi.

Thank you for your participation!

Accountability	
Efficiency	
Transparency	
Competence	
Responsiveness	
Fairness	
Integrity	
Professionalism	
Organization	
Service	
Fiscal Responsibility	

Collaboration	
Communication	
Progressiveness	
Equality/Inclusiveness	
Impartiality	
Respect	
Participation	
Justice	
Other:	
Other:	
Other:	

MEMO

City of Creede

DATE: March 17
TO: Mayor and Board of Trustees
FROM: Randi & Clyde
SUBJECT: County Lease Change

Last year, we discussed revisiting the County Lease once we had a year of expenses under our belt. We have that, but they were predictably all over the place, and a flat rate doesn't really make sense at this point.

However, the monthly billing is administratively burdensome. We've proposed to the County an arrangement in which a flat rate would be billed for expenses on a monthly basis, then on an annual basis, calculated to the penny with the difference being either credited or invoiced, and the monthly rate adjusted if need be. This would reduce the task from monthly to a slightly larger annual task, and would reduce . Additionally,

Janelle is presenting the change to the BOCC and if they approve, and if you are amenable tonight we can approve the revised version April 4th.

DIRECTION REQUESTED: Please let us know if you have other changes and direct consideration of this revised lease on April 4, 2017.

**LEASE AGREEMENT
LA GARITA GYM – MINERAL COUNTY**

This Lease Agreement is entered into this 1st day of March, 2016, by and between the City of Creede, a Colorado statutory town, by and through the Board of Trustees (“**Landlord**”) and Mineral County, Colorado, by and through the Board of County Commissioners (“**Tenant**”) (collectively referred to as the “**Parties**” and individually referred to as a “**Party**”).

RECITALS

WHEREAS, the Board of County Commissioners of Mineral County desire to use the kitchen and dining area in the Newton Gym facilities, owned by Landlord, to provide a senior citizen lunch program; and,

WHEREAS, the Board of Trustees of the City of Creede finds that the provision of a senior citizen lunch program will provide a valuable community benefit and desires to lease that portion of the Newton Gym facilities to Mineral County to facilitate this program; and,

WHEREAS, the City of Creede and Mineral County desire to determine a lease payment structure that is fair and equitable;

THEREFORE, for good and valuable consideration, and for the mutual promises and covenants contained herein, the parties agree as follows:

1. **Lease:** Landlord hereby leases and lets to Tenant a portion of the Newton Gym located at 408 South La Garita, City of Creede, CO 81130, including the kitchen equipment contained therein, and further described in the attached EXHIBIT A – Premises (“**Premises**”).
2. **Term:** The term of this Lease shall be one calendar year, commencing on March 1, 2016 and expiring at midnight on February 28, 2017. This Lease shall automatically renew for a successive year unless either Party tenders a written notice of termination as set forth in Paragraph 19 below.
3. **Deposit:** No security deposit from Tenant shall be required.
4. **Lease Payment:** The rent payment for the Lease shall be One Dollar (\$1.00) per year. In addition to this rental payment, Tenant will also pay to Landlord 50% of the operating and maintenance costs (“**O&M Costs**”), as defined in paragraph 5, for the Premises while this lease is in effect. No other Lease Payment shall be charged. The Landlord will submit an invoice to the Tenant at the end of each month for **an estimated monthly average of 50% of the O&M Costs based on an annual calculation approved annually by the City Manager and the County Administrator**, which shall be invoiced monthly. **At the annual renewal date, Landlord shall calculate and provide an itemized list of O&M Costs to the Tenant. If payments have exceeded actual expenses, the Landlord shall reimburse the Tenant the difference. If expenses have exceeded payments, the Landlord shall invoice the Tenant the difference** ~~invoice shall provide a detailed accounting of the O&M Costs.~~ Tenant agrees to pay ~~the~~ **invoices** within thirty (30) days of receipt.

5. **Operating and Maintenance Costs.** The Parties agree that O&M Costs shall include the following utility payments: water, sewer, electricity, heat and propane. O&M Costs shall also include the following routine facility maintenance costs: janitorial services (including restocking of bathroom supplies), trash service, basic equipment maintenance, minor repairs (such as glass repair, replacing light bulbs, minor electrical or plumbing work, replacing ceiling tiles, door knobs or locks and other similar repairs) and snow removal. O&M Costs shall not include major repairs, such as repairs to the building itself, the roof, the parking lot or any major repairs to, or replacement of, any equipment (except as defined in paragraphs 9 and 10). O&M Costs shall not include any administrative costs of Landlord or the salary or other costs associated with the Recreation Director that Landlord has hired to manage the Premises. The Parties agree that they will review in good faith the O&M Costs when either Party requests such review. Any changes in the definition of O&M Costs will be mutually agreed in writing by Landlord and Tenant.
6. **Responsibility for Utility, Operation and Maintenance Expenses:** Landlord shall provide and pay for water and sewer service, electric, heating and parking and all basic maintenance expenses during the Term of this Lease. Although Tenant will pay 50% of these expenses more completely defined in paragraph 4 above, it is understood that all utilities will be in Landlord's name and Landlord remains ultimately responsible for payment of these expenses.
7. **Permitted Use:** The Tenant may use the Premises for the Senior Lunch Program and not for any other purpose without the prior permission of the Landlord. Tenant shall comply with all building, zoning and health codes and other applicable laws for its use of the Premises. Tenant shall not conduct or permit to be conducted any activity on the Premises which violate any Federal, State, County or City law or ordinance.
8. **Shared Use.** It is understood by both parties that Landlord may wish to use the leased portion of the Premises for its own purposes or to allow other outside entities or groups to use that portion of the Premises. The Senior Lunch Program run by Tenant shall have priority in the use of the Premises. Landlord shall submit notice in writing of Landlord's desire to schedule the Premises for other use which shall be subject to Tenant's review and approval to determine that such request does not interfere with Senior Lunch Program. Similarly, it is contemplated by this agreement that Tenant may at times wish to use the non-leased portion of the Premises if such use does not conflict with Landlord's use of that portion of the Premises. Permission for either such use shall not be unreasonably withheld. Should Landlord charge a rental fee for an outside group to use the leased portion of the Premises, fifty percent of such rental fee will be given to Tenant as a donation to the Senior Lunch Program.
9. **Equipment Repairs.** Tenant will be responsible for and make such repairs to any kitchen equipment that Tenant intends to use or which Tenant uses for the School Lunch Program during the duration of this lease. Tenant shall determine if such repairs are reasonably necessary in its sole discretion. Prior to the commencement of Tenant's occupancy of the Premises, the Parties shall take an inventory of the equipment in the leased Premises and determine what equipment is necessary for Tenant's purposes and will be Tenant's responsibility to repair. A list of such equipment is attached hereto as Exhibit A. If the necessity for any equipment repairs is caused by the negligence of Landlord or any third party Landlord leases the kitchen to as provided in paragraph 8, then Landlord shall be responsible for the cost of such repairs.

10. **Equipment Replacement.** Should any of the kitchen equipment listed in Exhibit A become unrepairable, break down too often or become obsolete during the duration of this lease, Tenant is responsible to replace such equipment. The Parties will work together to agree on the necessity for such replacement and agree on the type of replacement equipment needed. Used equipment may be used if it is of equal quality and capacity as the replaced equipment. All equipment will be in good working condition, accounting for normal wear and tear, at the termination of this lease. Any such replacement equipment will remain the property of the Landlord. Tenant shall provide a bill of sale to the Landlord for such replacement equipment if requested by Landlord. If the necessity for any equipment replacement is caused by the negligence of Landlord or any third party Landlord leases the kitchen to as provided in paragraph 8, then Landlord shall be responsible for the cost of replacement of such equipment.
11. **Insurance:** Tenant shall, at its expense, provide liability insurance for their planned services and activities in the amount of \$1,000,000 per incident and \$1,000,000 per occurrence. Tenant will provide the City with a copy of the policy listing the City of Creede as "Additional Insured". Landlord is not liable for damage to Tenant owned property, or any property owned by others and included in a service agreement operated by Tenant, while located on the Premises, including acts of vandalism, theft, or comprehensive damage of same vehicles, unless such damage or theft is caused by the negligent operation or management of the Landlord. Landlord shall, at its expense, provide insurance covering the building itself and liability insurance covering its operation and maintenance of the building and any common areas, including the parking lot. Tenant shall provide insurance covering the equipment located in the leased portion of the Premises.
12. **Tenant Property.** Tenant may supplement the existing equipment with any equipment Tenant feels is necessary for the successful operation of the Senior Lunch Program. Any such equipment shall be the property of Tenant and will be removed at the end of the term.
13. **Tenant Responsibilities:** Tenant agrees to maintain the interior of the leased portion of the facility in a manner and to the extent reasonably possible so as to be free from common hazards to occupants and visitors to the Premises. Tenant shall have no responsibility for the maintenance of the common areas, including the parking lot, except for its responsibility to pay for O&M Costs as defined above.
14. **Landlord's Right of Entry:** Landlord and its agents shall have the right to enter the Premises at all times, after reasonable advance notice to Tenant by telephone or otherwise (except that no advance notice will be required in emergency circumstances), to examine them, to show the Premises to prospective purchasers, managers, lenders or lessees, and to make and perform such decorations, cleaning, maintenance, repairs, alterations, improvements or additions as Landlord may be required to perform under this Lease or as Landlord may deem necessary or desirable for the safety, improvement or preservation of the Premises or of other portions of the Building. Landlord shall have the right from time to time to install, maintain, use, repair and replace utility lines, unexposed pipes, ducts, conduits and wires in and through the Premises. Landlord shall also be allowed to bring and keep upon the Premises all necessary materials, supplies and equipment. No such action by Landlord shall constitute an eviction of Tenant in whole or in part or entitle Tenant to any abatement of rent or damages, by reason of inconvenience, annoyance, disturbance, loss or interruption of business or otherwise, and no such action shall affect Tenant's obligations under this Lease in any manner whatsoever, except as specifically provided in this Lease. If Landlord's work

in the Premises makes all or a substantial part of the Premises unusable and are in fact not used for more than three (3) consecutive days, then Tenant shall be entitled to an abatement of Lease Payments commencing with the fourth (4th) day that the Premises are unusable and not used. However, notwithstanding the preceding sentence, if the Landlord's work arose directly or indirectly because of (i) any act or omission by Tenant or any of Tenant's Personnel, or (ii) a request by Tenant for an alteration or addition to the Premises which directly or indirectly necessitated the interruption, or (iii) a failure by Tenant to comply with its obligations under this Lease, then Tenant shall not be entitled to any such abatement of the Lease Payments. If Tenant is not personally present to permit Landlord to enter the Premises as provided under this Lease, Landlord or Landlord's agents may forcibly enter the Premises, without rendering Landlord or its agents liable (with the understanding that during such entry Landlord or its agents shall accord reasonable care to Tenant's property), and without in any manner affecting the obligations and covenants of Tenant under this Lease. Nothing in this Lease, however, shall be deemed or construed to impose upon Landlord any obligation, responsibility or liability whatsoever for the care, supervision or repair of the Premises other than as provided in this Lease.

15. **Alterations by Tenant:** Tenant shall make no alterations, additions or improvements in or to the Premises without Landlord's prior written consent. Tenant understands that Landlord's consent will be conditioned upon compliance with Landlord's requirements as in effect at the time permission is requested, which requirements will include, but not be limited to, Landlord's approval of plans, specifications, contractors, insurance and hours of construction. Upon Landlord's reasonable request, Tenant shall secure, at its cost, a completion and indemnity bond satisfactory to Landlord, for such work. All such work shall be performed in a good and workmanlike manner. Before beginning any work on the Premises, Tenant shall deliver to Landlord on request, certificates issued by applicable insurance companies evidencing that the contractor and all subcontractors engaged by Tenant to perform such work maintain workers' compensation and public liability insurance and property damage insurance, all in amounts, with companies and on forms satisfactory to Landlord. All alterations, additions or improvements upon the Premises, including (without limitation) all installations included in Tenant's work and all paneling, partitions and the like (but excluding Tenant's trade fixtures), shall become the property of Landlord, and shall remain upon and be surrendered with the Premises, as a part thereof, at the end of the Term, unless the parties agree otherwise, or unless Landlord requires Tenant to remove such items at the end of the Term.
16. **Interruption for Repairs:** If the need for repairs or the making of repairs (or both) which Landlord is obligated to effect at Landlord's expense renders a material portion of the Premises unusable and such portion is actually left unused by Tenant for more than three (3) consecutive days, then Tenant shall be entitled to an abatement of Lease Payments. Landlord covenants in any event to use commercially reasonable diligence to avoid disruption and inconvenience to Tenant's operations and patrons in the course of any exercise of Landlord's right of entry under this Lease.
17. **Breach:** In the event that Tenant is in breach of the terms or covenants of this Lease, and does not correct said breach within thirty (30) days of receipt of written notice from Landlord, Landlord may enter and take possession of the Premises without further notice or legal action. Upon breach of this Lease, Tenant shall return possession of the leased Premises in good condition, wear and tear and fire casualty excepted to the Landlord.

18. **Hold Harmless:** The Tenant promises and covenants to hold harmless, defend and indemnify the Landlord, its directors, employees, agents, representatives, successors and assigns, from and against any and all liabilities, claims, penalties or damages of any nature, whether present or future (including without limitation damages for personal injury, disease and death; property damage; administrative or judicial penalties or fines; accountants fees, consultants fees and attorney's fees associated with or necessary for the Landlord's defense of matters arising under this Lease), arising out of, or related directly or indirectly to the use of the Premises by the Tenant, including use of the Premises by independent contractors, employees, invitees and customers of Tenant. Landlord promises and covenants to hold harmless, defend and indemnify the Tenant, its directors, employees, agents, representatives, successors and assigns, from and against any and all liabilities, claims, penalties or damages of any nature, whether present or future (including without limitation damages for personal injury, disease and death; property damage; administrative or judicial penalties or fines; accountants fees, consultants fees and attorney's fees associated with or necessary for the Tenant's defense of matters arising under this Lease), arising out of, or related directly or indirectly to the actions or omissions of the Landlord, including use of the Premises by independent contractors, employees, invitees and agents of Landlord.
19. **Termination:** Either Party may terminate this Lease by providing ninety (90) days written notice to the other Party.
20. **No Waiver of Governmental Immunity:** Nothing in this Lease shall be construed to waive limit, or otherwise modify any governmental immunity that may be available by law to Landlord or Tenant, their respective officials, employees, contractors, or agents, or any other person acting on behalf of Landlord or Tenant, and, in particular, governmental immunity afforded or available pursuant to the Colorado Governmental Immunity Act, Title 24, Article 10, Part 1 of the Colorado Revised Statutes.
21. **Assignment:** Tenant shall not in any manner transfer or assign this Lease without the prior written consent of the Landlord and any attempt to do so without the Landlord's prior written consent shall be null and void and confer no rights on third persons.
22. **Governing Law:** This Lease shall be governed by and construed in accordance with the laws of the State of Colorado. The Parties agree that venue for any dispute regarding this Lease shall be proper in Mineral County, Colorado.
23. **No Third Party Beneficiaries:** Nothing contained in this Lease is intended to or shall create a contractual relationship with, cause of action in favor of, or claim for relief for, any third-party, including any agent, sub-consultant or sub-contractor of Landlord or Tenant. Absolutely no third-party beneficiaries are intended by this Lease. Any third-party receiving a benefit from this Lease is an incidental and unintended beneficiary only.
24. **Binding Effect:** The Parties intend that this Lease shall be binding upon execution of the same and shall be binding and inure to the benefit of the parties, their successors, assigns, receivers or trustees.
25. **Modification/Amendments:** This Lease and its attached exhibits set forth the entire understanding and agreement between the Parties hereto with respect to the Premises. Except as otherwise

provided herein, this Lease may be modified, amended, changed, or terminated, in whole or in part, only by an agreement in writing and duly authorized and executed by the parties hereto.

26. **Notices:** Any notice required or permitted under this lease shall be deemed received by the party to whom it is addressed when, hand-delivered to the party or, three (3) days after the notice is placed in the United States mail, or when sent via E-Mail and when receipt is acknowledged. Notice should be addressed as follows:

City of Creede
Attn: City Manager
PO Box 457
Creede, CO 81130

E-Mail: creedemanager@gmail.com
manager@creedetownhall.com

Mineral County
Attn: County Administrator
PO Box 70
Creede, CO 1130

E-Mail: miny@hotmial.com

27. **Authority:** The Parties signing below represent and stipulate that they have the legal authority to enter into and execute this Lease and to be bound by the terms contained herein.

CITY OF CREEDE

ATTEST:

Mayor, Jeffrey Larson Date

City Clerk, Randi Snead Date

MINERAL COUNTY

County Chairman, Ramona Weber Date

EXHIBIT A

List of equipment in leased space (corridor, kitchen, storage/office on west side, bathrooms)

In kitchen:

Existing Vent Hood age unknown

Mt. Hood Dishwasher* - Model AF-30-S – SN 53702 age 5 yrs

Meat Slicer* - Model 1612 – SN 1 658894 age unknown

6 Burner Electric Range* - Model RA 36D4RA – SN 4-1405-81 age 20+ years

Convection Oven* - Type EF-111 – SN 0381G3075101 age 30+ years

Hobart Double Door Refrigerator* - Model HS1 – SN 35 180 456 age 30+ years

Hobart Single-width (two half doors) Refrigerator* - Model Q2 – SN 32 48 5221
age 30+ years

(Has slight refrigerant leak and needs servicing every 18-24 months)

Cambro Salad Bar Cart* age unknown

Small Microwave* age unknown

Garbage Disposal* age unknown

In corridor:

Milk Cooler – Model TMC-49-S - SN 1-2975830 age 5 yrs

6 Door Freezer – Model HF3 - SN 32 182 630 age 30+ years

(Has significant refrigerant leak and needs repair/service before use)

Arctic Air Freezer* - Model AF49 – SN 425245 age 1 year

*identifies pieces of equipment that the Lessee takes responsibility for to repair or replace if
rendered inoperable and/or unusable