



# GRAND LAKE BOARD OF TRUSTEES WORKSHOP AND MEETING AGENDA

Monday, June 12, 2023 at 4:30 PM

Town Hall Board Room – 1026 Park Avenue

*The Town of Grand Lake upholds the Six Pillars of Character:  
Citizenship, Trustworthiness, Respect, Responsibility, Fairness and Caring*

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**Please join my meeting from your computer, tablet or smartphone.**

<https://us06web.zoom.us/j/88662786518>

**You can also dial in using your phone.**

United States: 719 359 4580

Access Code: 886 6278 6518

## **WORK SESSION 4:30 PM**

1. Call to Order
2. Roll Call
3. Conflicts of Interest
4. Items of Discussion
  - A. Public Works Update
  - B. BOCC Report
  - C. Summer Day Camp Report

## **EVENING MEETING 6:00 PM**

1. Call to Order
2. Pledge of Allegiance
3. Announcements
4. Roll Call
5. Conflicts of Interest
6. Manager's Report
7. Public Comments (Limited to 3 Minutes)
8. Consideration to Approve Meeting Minutes
  - [A.](#) May 8, 2023
  - [B.](#) May 22, 2023
9. Consideration to Approve Accounts Payable
  - [A.](#) June 12, 2023
10. Items of Discussion
  - [A.](#) Selection of a Mayor Pro-Tem
  - [B.](#) Consideration of Actions Regarding a Vacancy on the Board of Trustees
  - [C.](#) Consideration of Resolution 16-2023, Fee Waiver for Peaks & Pines Quilt Show
  - [D.](#) Consideration of Ordinance 06-2023, an Ordinance Establishing Article 5 Chapter 6 Regarding Regulated Marijuana Businesses and Repealing Articles 5 and 11 of Chapter 7 of the Grand Lake Municipal Code
  - [E.](#) Consideration of Resolution 17-2023, Concerning the Waiver of Rental Fees for Certain Non-Profit Organizations
  - [F.](#) Consideration of a Contract with Middle Park Health for Space in the Grand Lake Center
  - [G.](#) Consideration of a Contract with Rocky Mountain Stand-Up Paddleboards
11. Future Items for Consideration
12. Mayor's Report
13. Adjourn Meeting



**GRAND LAKE BOARD OF TRUSTEES WORKSHOP AND MEETING MINUTES**

**Monday, May 08, 2023, at 6:00 PM**

**Town Hall Board Room – 1026 Park Avenue**

*The Town of Grand Lake upholds the Six Pillars of Character:  
Citizenship, Trustworthiness, Respect, Responsibility, Fairness and Caring*

**A. Call to Order**

The regular meeting of the Board of Trustees was called to order by Mayor Kudron at 6:30 P.M. in the Town Hall Board Room.

**B. Pledge of Allegiance**

Mayor Kudron led everyone in reciting the Pledge of Allegiance.

**C. Announcements**

Mayor Kudron announced: Please turn off all cell phones during the meeting.

**D. Roll Call**

Mayor Kudron, Mayor Pro-Tem Bjorkman, Trustees Arntson, Baxter, Bergquist and Sobon were present. Town Clerk Carrell and Town Manager Crone.

**E. Conflicts of Interest**

None.

**F. Public Comments (Limited to 3 Minutes)**

Renee Valentine, (owner) and James Newberry (manager) of Trailridge Marina came before the board to get their support to put three buoys around a big rock in order for boaters to have safer recreation on the lake.

Brett Schroetlin, Grand County Sheriff, gave his support and sited his authority to close certain portions of the lake to provide safety to the public.

Gretchen Reynolds, 747 County Road 4480, Owner of the Meandering Moose, was inquiring about who was going to maintain the lot next to the Meandering Moose Mini Golf, after it was reseeded last summer.

**G. Manager's Report**

Wildlife Issues

The osprey are back, and bears are starting to come out. Remember, trash kills bears. Keep your trash secured. The Town will be ticketing those people and businesses that don't properly secure trash.

Upcoming Events

Summer is just around the corner. The Boat Ramp will open this Friday for boat inspections. The Rude Awakening is scheduled for Thursday, May 1, 5:00 pm, at the Daven Haven; and, the Town clean-up and gardener's exchange is scheduled for Saturday, May 20 in Town Park. The Town is also holding a Memorial Day parade and remembrance celebration on May 29. If you want to be in the parade, please contact the Chamber. Please support our local businesses and attend their events.

Spring Runoff

The Town is working on developing a stormwater plan; but we won't have anything for several months (best case scenario). That means that we are going to be facing this spring's runoff with the same infrastructure that we have always had. With are big snow year, this season could result in more flooding. We will be working hard on controlling the runoff but there is still going to be some very wet days. Please be careful, pay attention to emergency reports, and let the Town know if you see anything that appears to be dangerous.

Marina Opening

Staff is starting the preparations to open the Headwaters Marina tomorrow. We expect to be open for business by this weekend.

Board Vacancy

If you are interested in applying for the open Board position, please reach out to our Town Clerk, Alayna Carrell.

Next Meeting

The next scheduled meeting will be held in two weeks. It is scheduled for May 22, 2023.

**H. Consideration to Approve Meeting Minutes**

**3. April 24, 2023**

Mayor Pro-Tem Bjorkman made a motion to approve the meeting minutes for April 24, 2023. Trustee Arntson seconded the motion. Town Clerk Carrell called the vote:

Mayor Kudron	Aye
Mayor Pro-Tem Bjorkman	Aye
Trustee Arntson	Aye
Trustee Bergquist	Abstain
Trustee Sobon	Aye
Trustee Strachan	Abstain

**I. Consideration to Approve Accounts Payable**

**4. May 8, 2023**

Presented by Town Treasurer Wilson.

Trustee Sobon made a motion to approve accounts payable for May 8, 2023. Trustee Strachan seconded the motion. Town Clerk Carrell called the vote:

Mayor Kudron	Aye
Mayor Pro-Tem Bjorkman	Aye
Trustee Arntson	Aye
Trustee Bergquist	Aye
Trustee Sobon	Aye
Trustee Strachan	Aye

**J. Financial Review**

**5. April 2023 Financials**

Presented by Town Treasurer Wilson.

**K. Items of Discussion**

**1. Consideration of Approval of FY 2022 Audit**

Presented by Town Treasurer Wilson.

Mayor Pro-Tem Bjorkman made a motion to approve the FY 2022 audit. Trustee Strachan seconded the motion. Town Clerk Carrell called the vote:

Mayor Kudron	Aye
Mayor Pro-Tem Bjorkman	Aye
Trustee Arntson	Aye
Trustee Bergquist	Aye
Trustee Sobon	Aye
Trustee Strachan	Aye

**2. Quasi-Judicial (Public Hearing): Consideration to Approve a Special Event Liquor Permit From the Grand Arts Council, for Their "Comedy Night", on May 27, 2023**

Mayor Kudron opened the public hearing.

Presented by Town Clerk Carrell.

Alan Walker, Grand Arts Council was present and available for questions.

No public comment.

Mayor Kudron closed the public hearing.

Trustee Strachan made a motion to approve the special event liquor permit from the Grand Arts Council, for their "Comedy Night", on May 27, 2023. Trustee Bergquist seconded the motion. Town Clerk Carrell called the vote:

Mayor Kudron	Aye
Mayor Pro-Tem Bjorkman	Aye
Trustee Arntson	Aye
Trustee Bergquist	Aye
Trustee Sobon	Aye
Trustee Strachan	Aye

**3. Quasi-Judicial (Public Hearing): Consideration to Approve a Special Event Liquor Permit From the Grand Lake Area Historical Society, for Their "Community Picnic" Event, on August 13, 2023**

Mayor Kudron opened the public hearing.

Presented be Town Clerk Carrell.

Jim Cervenka, Grand Arts Council was present and available for questions.

No public comment.

Mayor Kudron closed the public hearing.

Trustee Strachan made a motion to approve the special event liquor permit from the Grand Lake Area Historical Society, for their "Community Picnic", on August 13, 2023. Trustee Bergquist seconded the motion. Town Clerk Carrell called the vote:

Mayor Kudron	Aye
Mayor Pro-Tem Bjorkman	Aye
Trustee Arntson	Aye
Trustee Bergquist	Aye
Trustee Sobon	Aye
Trustee Strachan	Aye

**4. Quasi-Judicial (Public Hearing): Resolution 14-2023; Motion to Approve a Variance from Zoning Regulations of Minimum Dwelling Unit Size for Employee Housing at Lots 5-8, Block 20, Town of Grand Lake; more commonly referred to as 612 Grand Ave.**

Mayor Kudron opened the public hearing.

Presented be Town Community Development Director White.

Gary Bien, owner of 612 Grand Avenue, was present and available for questions.

No public comment.

Mayor Kudron closed the public hearing.

Trustee Strachan made a motion to approve Resolution 14-2023, a motion approving a variance from zoning regulations of minimum dwelling unit size for employe housing at lots 5-8, block 20, Town of Grand Lake, more commonly referred to as 612 Grand Avenue. Mayor Pro-Tem Bjorkman seconded the motion. Town Clerk Carrell called the vote:

Mayor Kudron	Aye
Mayor Pro-Tem Bjorkman	Aye
Trustee Arntson	Aye
Trustee Bergquist	Aye
Trustee Sobon	Aye
Trustee Strachan	Aye

**5. Consideration of an RFP for the Grand Lake Center Gym Floor**

Presented by Town Manager Crone.

Trustee Arntson made a motion to approve an RFP for the Grand Lake Center gym floor. Trustee Strachan seconded the motion. Town Clerk Carrell called the vote:

Mayor Kudron	Aye
Mayor Pro-Tem Bjorkman	Aye
Trustee Arntson	Aye
Trustee Bergquist	Aye
Trustee Sobon	Aye
Trustee Strachan	Aye

**L. Future Items for Consideration**

- Seeding by Meandering Moose Mini Golf
- Affordable Housing

**M. Mayor's Report**

No report for tonight's meeting.

**N. Adjourn Meeting**

Trustee Sobon made a motion to adjourn the meeting. Trustee Arntson seconded the motion. Town Clerk Carrell called the vote:

Mayor Kudron	Aye
Mayor Pro-Tem Bjorkman	Aye
Trustee Arntson	Aye
Trustee Bergquist	Aye
Trustee Sobon	Aye
Trustee Strachan	Aye

This meeting of the Board of Trustees was adjourned at 7:37 PM.

(Attest)

\_\_\_\_\_  
Alayna Carrell, Town Clerk

\_\_\_\_\_  
Stephan Kudron, Mayor



# GRAND LAKE BOARD OF TRUSTEES WORKSHOP AND MEETING MINUTES

Monday, May 22, 2023, at 6:00 PM

Town Hall Board Room – 1026 Park Avenue

*The Town of Grand Lake upholds the Six Pillars of Character:  
Citizenship, Trustworthiness, Respect, Responsibility, Fairness and Caring*

## A. Call to Order

The regular meeting of the Board of Trustees was called to order by Mayor Kudron at 6:00 P.M. in the Town Hall Board Room.

## B. Pledge of Allegiance

Mayor Kudron led everyone in reciting the Pledge of Allegiance.

## C. Announcements

Mayor Kudron announced: Please turn off all cell phones during the meeting.

## D. Roll Call

Mayor Kudron, Mayor Pro-Tem Bjorkman, Trustees Arntson, Baxter, and Bergquist were present. Town Clerk Pro-Tem Hearsum and Town Manager Crone.

Trustee Strachan made a motion to excuse Trustee Sobon from the workshop and evening meeting. Mayor Pro-Tem Bjorkman seconded the motion. Town Clerk Pro-Tem Hearsum, called the vote:

Mayor Kudron	Aye
Mayor Pro-Tem Bjorkman	Aye
Trustee Arntson	Aye
Trustee Bergquist	Aye
Trustee Sobon	Absent
Trustee Strachan	Aye

## E. Conflicts of Interest

Trustee Strachan stated he had a conflict in regard to the Grand Lake Area Chamber of Commerce request for special event liquor licenses, as he sits on their board.

## F. Manager's Report

### Wildlife Issues

It is wildlife season. Please respect our wildlife. Keep pets and yourselves away from deer and moose. Keep your trash secured.

### Upcoming Events

The Town will host its annual Memorial Day Parade and Remembrance Event next Monday beginning at 10:00 am. The Chamber is still looking for additional participants in the parade. Please reach out to the Chamber if you are interested.

The Grand Arts Council is holding a Comedy Night this Saturday at the Community House. There will be two shows: one at 5:30 pm and one at 8:00 pm. You can purchase tickets at Re Max or at grandartscouncil.com. On Sunday, June 4, the Grand Lake Fire Protection District is hosting a summer kick-off at 12:00 noon at the main fire station.

### Spring Runoff

The Town is working on developing a stormwater plan; but we won't have anything for several months (best case scenario). That means that we are going to be facing this spring's runoff with the same infrastructure that we have always had. With are big snow year, this season could result in more flooding. We will be working hard on controlling the runoff but there is still going to be some very wet days. Please be careful,

pay attention to emergency reports, and let the Town know if you see anything that appears to be dangerous.

Town Dock

The Town took delivery of the new Town dock today. We will install it after Memorial Day weekend. It is identical to our current dock. We intend on utilizing the undamaged sections of our old dock to expand the boat ramp and to replace the old docks at the Headwaters Marina.

Rec. District Van

The Grand Lake Metropolitan Recreation District is selling the Town one of its vans for a de minimis amount (the least possible). The Town will use the van to help with our summer recreation programs. We really appreciate the donation from the rec. district!

Tree City

During the Town Cleanup last weekend, the Town planted a tree and participated in Arbor Day ceremonies. This makes us eligible for our 33rd Tree City USA designation. This keeps us ahead of Aspen which just celebrated their 32nd Tree City designation.

Town Clean-up

I want to give a shout out to Caitrin, Mike, and Logan for all of the hard work that they put into making this year's clean-up so successful. The Town looks ready for Summer.

Employee Housing

The units at Portal Crossing are almost complete. If you are interested in one of these units, please contact our Community Development Director, Kim White.

The Town just signed an agreement for a traffic study at Mary Drive. This study is being paid for by the Colorado Housing grant that the Town was awarded. After the study is complete, we can finalize the plans for the Mary Drive parcel.

Space to Create is still moving ahead. We are still waiting to hear about some grant funding, but we expect to break ground later this year or in early 2024. We will have more detailed updates in the next month or two.

Concrete Work

We have found a contractor who can help with some of the concrete work that we need around Town. This includes installing handicap ramps at Grand Ave. and Hancock as well as putting in a ramp to the Volleyball Lot and fixing the curbs by the Beach.

Next Meeting

The next scheduled meeting will be held in three weeks. It is scheduled for June 12, 2023.

**G. Public Comments (Limited to 3 Minutes)**

Marylou, 1302 Spruce Drive. Provided our Town Code Enforcement Officer with a list of things that need to be addressed to cleanup more of our town.

- The "gravel pit" on the corner by the Sombrero Stables.
- Removal of several dead aspen trees throughout town.
- The fence by United Business Bank, needs to be removed.
- McLaren property is an eye sore.
- Sombrero Stables, there is a log that needs to be removed.

Gabriella Salazar, 924 Grand Avenue requested the Town disperse letters to local business owners regarding employee parking. Ms. Salazar believes that Grand Avenue, parking should be used for customers and customers only. Included in the letter should be a reminder of the noise ordinance, as her local business neighbors are putting out speakers and playing music that is distracting to others, to be respectful of others. Ms. Salazar also encouraged the Board to vote for a Trustee who is a true local who is invested in the community and not transient.

**H. Appointment & Swearing in of Trustee to Fill Vacancy**

**4. Appointment of Trustee**

Trustee Arntson moved to adopt Resolution 15-2023, appointing Erick Bishop to fill the Town of Grand Lake Trustee vacancy. Mayor Pro-Tem Bjorkman seconded the motion. Town Clerk Pro-Tem Hearsom called the vote:

Mayor Kudron	Aye
Mayor Pro-Tem Bjorkman	Aye
Trustee Arntson	Aye
Trustee Bergquist	Aye
Trustee Sobon	Absent
Trustee Strachan	Abstain

Mayor Kudron swore in Erick Bishop as the Trustee to fill Daryn Packers vacancy.

**I. Consideration to Approve Accounts Payable**

**5. May 22, 2023**

Presented by Town Manager Crone on behalf of Town Treasurer Wilson.

Trustee Sobon made a motion to approve accounts payable for May 22, 2023. Trustee Strachan seconded the motion. Town Clerk Pro-Tem Hearsom called the vote:

Mayor Kudron	Aye
Mayor Pro-Tem Bjorkman	Aye
Trustee Arntson	Aye
Trustee Bergquist	Aye
Trustee Bishop	Aye
Trustee Sobon	Absent
Trustee Strachan	Aye

**J. Financial Review**

**6. Sales Tax- March**

Presented by Town Manager Crone on behalf of Town Treasurer Wilson.

**K. Items of Discussion**

**1. Quasi-Judicial (Public Hearing):** Consideration to Approve a Special Event Liquor Permit From the Grand Lake Area Chamber of Commerce, for Their Event "Buffalo Days", on August 19, 2023 at Lakefront Park, Located at 1117 Lake Avenue.

Mayor Kudron opened the public hearing.

Presented by Town Manager Crone on behalf of Town Clerk Carrell.

Grand Lake Area Chamber of Commerce Director, Emily Hagen was not able to attend tonight’s meeting, but if the Board had any questions, Trustee Strachan was available for questions on behalf of the Grand Lake Area Chamber of Commerce.

No public comment.

Mayor Kudron closed the public hearing.

Trustee Strachan made a motion to approve the special event liquor permit from the Grand Lake Area Chamber of Commerce, for their “Buffalo Days”, on August 19, 2023, at Lakefront Park, located at 1117 Lake Avenue. Mayor Pro-Tem Bjorkman seconded the motion. Town Clerk Pro-Tem Hearsom called the vote:

Mayor Kudron	Aye
Mayor Pro-Tem Bjorkman	Aye
Trustee Arntson	Aye
Trustee Bergquist	Aye
Trustee Bishop	Aye
Trustee Sobon	Absent
Trustee Strachan	Abstain



**2. Quasi-Judicial (Public Hearing):** Consideration to Approve a Special Event Liquor Permit From the Grand Lake Area Chamber of Commerce, for Their Event "Buffalo Days", on August 18, 2023 & August 19, 2023 at Grand Lake Town Park, Located at 1025 Grand Avenue

Mayor Kudron opened the public hearing.

Presented by Town Manager Crone on behalf of Town Clerk Carrell.

Grand Lake Area Chamber of Commerce Director, Emily Hagen was not able to attend tonight’s meeting, but if the Board had any questions, Trustee Strachan was available for questions on behalf of the Grand Lake Area Chamber of Commerce.

No public comment.

Mayor Kudron closed the public hearing.

Mayor Pro-Tem Bjorkman made a motion to approve the special event liquor permit from the Grand Lake Area Chamber of Commerce, for their “Buffalo Days”, on August 18, 2023, and August 19, 2023 at Grand Lake Town Park, located at 1025 Grand Avenue. Trustee Bergquist seconded the motion. Town Clerk Pro-Tem Hearsom called the vote:

<b>Mayor Kudron</b>	<b>Aye</b>
<b>Mayor Pro-Tem Bjorkman</b>	<b>Aye</b>
<b>Trustee Arntson</b>	<b>Aye</b>
<b>Trustee Bergquist</b>	<b>Aye</b>
<b>Trustee Bishop</b>	<b>Aye</b>
<b>Trustee Sobon</b>	<b>Absent</b>
<b>Trustee Strachan</b>	<b>Abstain</b>

**3. Quasi-Judicial (Public Hearing):** Consideration to Approve a Special Event Liquor Permit From Fire on the Mountain Inc, for Their Event "Troublesome Fest", on September 8, 2023 & September 9, 2023 at Lakefront Park, Located at 1117 Lake Avenue

Mayor Kudron opened the public hearing.

Presented by Town Manager Crone on behalf of Town Clerk Carrell.

Morgan Colin, 622 Kinnlknick and Krystal Steward, 205 Bella Vista Court, both representatives for Fire on the Mountain Inc., stated they will only be using September 8<sup>th</sup> for setup, the event itself will be on September 9<sup>th</sup>. They did expand their liquor boundaries this year, as they are adding a marketplace for food trucks and local vendors.

Town Manager Crone stated the Town will need to add handicap parking spots, so our guests don’t lose access to those.

No public comment was made.

Mayor Kudron closed the public hearing.

Trustee Strachan made a motion to approve the special event liquor permit from Fire on the Mountain Inc., for their “Troublesome Fest”, on September 8, 2023, and September 9, 2023, at Lakefront Park, located at 1117 Lake Avenue. Trustee Arntson seconded the motion. Town Clerk Pro-Tem Hearsom called the vote:

<b>Mayor Kudron</b>	<b>Aye</b>
<b>Mayor Pro-Tem Bjorkman</b>	<b>Aye</b>
<b>Trustee Arntson</b>	<b>Aye</b>
<b>Trustee Bergquist</b>	<b>Aye</b>
<b>Trustee Bishop</b>	<b>Aye</b>
<b>Trustee Sobon</b>	<b>Absent</b>
<b>Trustee Strachan</b>	<b>Aye</b>

**4. Quasi-Judicial (Public Hearing):** Consideration to Approve a Special Event Liquor Permit From Bicycle Colorado, for Their Event "Ride the Rockies", on June 13, 2023 at Lakefront Parking Lot, Located on Lake Avenue.

Mayor Kudron opened the public hearing.

Presented by Town Manager Crone on behalf of Town Clerk Carrell. The diagram that was included in the packet does show that the liquor boundaries include the town docks, and there has been edits made to no longer include that.

Scott Merchant, 105 County Road 663 made a quick presentation of the layout and schedule for the event.

David Raffaelli, 813 1/2 Lake Avenue, owner of Rocky Hi Speedway, expressed his concerns from the previous years event.

Mayor Kudron closed the public hearing.

Trustee Strachan made a motion to approve the special event liquor permit from Bicycle Colorado, for their event "Ride the Rockies", on June 13, 2023. Trustee Arntson seconded the motion. Town Clerk Pro-Tem Hearsom called the vote:

Mayor Kudron	Aye
Mayor Pro-Tem Bjorkman	Aye
Trustee Arntson	Aye
Trustee Bergquist	Aye
Trustee Bishop	Aye
Trustee Sobon	Absent
Trustee Strachan	Aye

**5. Bid Award Notification for Stormwater Analysis & Design Services**

Presented by Mike Cassio.

Trustee Strachan made a motion to approve the selection of Watervation as the contractor for the Grand Lake Stormwater Management Plan Project. Trustee Bergquist seconded the motion. Town Clerk Pro-Tem Hearsom called the vote:

Mayor Kudron	Aye
Mayor Pro-Tem Bjorkman	Aye
Trustee Arntson	Aye
Trustee Bergquist	Aye
Trustee Bishop	Aye
Trustee Sobon	Absent
Trustee Strachan	Aye

**L. Future Items for Consideration**

- Marijuana Ordinance
- Lease Renewals
- Update From the Tourism Board

**M. Mayor's Report**

Today we experienced in our government in action, we got to hear from people on both sides who are working towards a better Grand Lake. There are so many people who bring such value and someone who has brought a lot of value to our Town is Grand Lake is our Mayor Pro-Tem Bjorkman.

Mayor Pro-Tem Bjorkman announced his official resignation. Stated he was truly thankful for the

**N. Adjourn Meeting**

Trustee Strachan made a motion to adjourn the meeting. Trustee Arntson seconded the motion. Town Clerk Pro-Tem Hearsom called the vote:

Mayor Kudron	Aye
Mayor Pro-Tem Bjorkman	Aye
Trustee Arntson	Aye
Trustee Bergquist	Aye
Trustee Bishop	Aye
Trustee Sobon	Absent
Trustee Strachan	Aye

This meeting of the Board of Trustees was adjourned at 7:28 PM.

(Attest)

\_\_\_\_\_  
Alayna Carrell, Town Clerk

\_\_\_\_\_  
Stephan Kudron, Mayor



Town of Grand Lake will post Accounts Payable online after Board of Trustees Approves it.

Feel free to reach out to Heike Wilson, Treasurer at [hwilson@toglco.com](mailto:hwilson@toglco.com) or call 970-776-0779 if would like to view Accounts Payable before the Board of Trustees Approves it. List will be available the Thursday before the 2<sup>nd</sup> and 4<sup>th</sup> Monday of each month by request



1026 Park Ave · PO Box 99  
Grand Lake, CO 80447  
970-627-3435  
[www.townofgrandlake.com](http://www.townofgrandlake.com)

To: Mayor Kudron and the Grand Lake Board of Trustees  
From: John Crone, Town Manager  
Re: Selection of Mayor Pro Tem  
Date: June 12, 2023

**Background**

As of May 23, 2023, Mayor Pro Tem Ernie Bjorkman resigned his position on the Board because he no longer met the residency requirement for Trustees. The Board will determine how to go forward with filing this vacancy.

Pursuant to Town Code 2-1-4, at its first meeting following each election, the Board of Trustees shall choose one of the Trustees as Mayor Pro-Tem, who, in the absence of the Mayor from any meeting of the Board or during Mayor’s absence from the Town or his inability to act, shall perform the duties of Mayor. This is similar to the requirements laid out in C.R.S. 31-4-303. As a result, the Board must choose a replacement for the position of Mayor Pro Tem at this meeting.

There are no particular requirements for how the selection process must proceed; however, open votes are required unless the Board votes by a 3/4ths majority to suspend the rules. If the Board votes to suspend the rule, the election can take place via private ballots.

The position will be held until the next general election of Trustees.



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To: Grand Lake Board of Trustees  
From: John Crone, Town Manager  
Re: Resignation of Trustee Ernie Bjorkman  
Date: June 12, 2023

**Trustee Bjorkman**

Effective Tuesday, May 23, 2023, Ernie Bjorkman has resigned his position as a Trustee for the Town of Grand Lake. Trustee Bjorkman’s resignation was necessitated by a change in his residence.

Trustee Bjorkman has been a valuable member of the Board and a valuable contributor to our community. His efforts on behalf of the Town will be sorely missed.

**Filling the Vacancy**

When a vacancy occurs on the Board of Trustees, the next steps are dictated by both Colorado Revised Statute § 31-4-205 and Municipal Code § 2-3-5. The language of the state statute dictates a timeline for filling a vacancy:

- (2) Within sixty days after a vacancy occurs in the city council, the council shall:
  - (a) Appoint a person possessed of all statutory qualifications to fill the vacancy until the term of office of a successor elected at the next regular election has commenced as provided in section 31-4-105; or
  - (b) Order an election, subject to the municipal election code, to be held as soon as practicable to fill the vacancy until the term of office of a successor elected at the next regular election has commenced as provided in section 31-4-105.
- C.R.S. § 31-4-205(2)

The language governing the process is largely mirrored in the Grands Lake Municipal Code:

**Filling Vacancies in Elective Offices**

The Board of Trustees shall have power, by appointment, to fill all vacancies in the Board or in any other elected office, and the person so appointed shall hold office until the next regular election and until his successor is elected and qualified. If the term of the person creating the vacancy was to extend beyond the next regular election, the person elected to fill the vacancy shall be elected for the unexpired term. Where a vacancy or vacancies exist in the office of trustee and a successor or successors to be elected at the next election to fill the unexpired term or terms, the three candidates for trustee receiving the highest number of votes shall be elected to four-year terms and the candidate or candidates receiving the next highest number of votes, in descending order, shall be elected to fill the unexpired term or terms. (C.R.S. 31-4-301(5), 1973, 1979 Supp.)

- Grand Lake Municipal Code § 2-3-5.



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These requirements establish Saturday, July 22, 2023, as the final date in which the Board of Trustees must appoint someone to fill the vacancy or schedule a special election. There is no requirement that the Town advertises the vacancy or solicits applications; although, traditionally, the Town has taken those actions.

Whoever is selected to fill the vacancy will only fill the vacancy until a successor is elected in the April 8, 2024, election.

The Town's Municipal Code requires that all Trustees meet certain qualifications: Trustees shall be qualified electors who have resided within the limits of the Town for a period of at least twelve (12) consecutive months immediately preceding the date of the election; provided that in case of annexation, any person who has resided within the annexed territory for the time prescribed shall be deemed to have met the residence requirements for the Town to which the territory was annexed. (C.R.S. 31-4-301(1), 1973)

- Grand Lake Municipal Code § 2-4-1.

### Next Steps

Due to the burdens associated with a special election, staff recommends that the Board of Trustees take steps to appoint someone to fill the vacancy caused by Trustee Bjorkman's resignation. To accomplish this the Board of Trustees should select a due date for applications to fill the vacancy and instruct staff to post notice of the vacancy in the local newspaper and at the Post Office and Town Hall. The Board of Trustees should also set the requirements for applications (i.e. letter of interest, proof of eligibility).

The Board will also need to decide when it wants to make the appointment. The Board has regular meetings scheduled on June 26 and July 10. In order to give applicants time to respond, staff recommends that the Board set a deadline of either Wednesday, June 21, 2023, at 4:30 pm or Wednesday, July 5, 2023, at 4:30 pm for the return of applications. Staff also recommends that the Board interviews any selected candidates and makes the appointment at the regularly scheduled Board of Trustees' Meeting on either June 26, 2023, or July 10, 2023.

### Motion

Staff recommends the adoption of the following motion with any changes as directed by the Board.

*I move to have the Mayor instruct the Town Manager to post the attached Notice of Vacancy and Request for Applicants in the local newspaper, at Town Hall, the Grand Lake Post Office, and anywhere else that staff determines is appropriate; and, that the Board of Trustees adopt the timelines therein for the appointment of a Trustee to fill the current vacancy on the Grand Lake Board of Trustees.*



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Notice of Vacancy and Request for Applicants

The Town of Grand Lake currently has one vacancy on the Board of Trustees to be filled by appointment at the \_\_\_\_\_, 2023, Board of Trustees Meeting. The term expires in April 2024.

Interested parties must be a registered elector of the Town of Grand Lake, at least 18 years of age, and have resided in the Town of Grand Lake for a period of at least 12 consecutive months immediately preceding the date of appointment.

Qualified individuals must submit a letter of interest and proof of qualification by \_\_\_\_\_, 2023, no later than 4:30 P.M. to the Town Clerk at Town Hall located at 1026 Park Avenue, P.O. Box 99, Grand Lake, CO 80447. The letter of interest may be emailed to [clerk@toglco.com](mailto:clerk@toglco.com).

Questions may be directed to the Town Manager at [manager@toglco.com](mailto:manager@toglco.com) or at 970-531-8900.





1026 Park Ave · PO Box 99  
Grand Lake, CO 80447  
970-627-3435  
www.townofgrandlake.com

**To: Mayor Kudron and the Board of Trustees**  
**From: John Crone, Town Manager**  
**Re: Setting of Certain Fees for the Peaks and Pines Quilt Show**  
**Date: June 12, 2023**

**Background**

The Peaks and Pines Quilt Show has submitted an application to use the Grand Lake Center on August 4, 5, and 6, 2023. This event is put on as a service to the Town.

The standard fee structure as adopted by the Board of Trustees set rates of \$400.00 for a full day rental and \$200.00 a day for non-profits. Peaks and Pines Council is a non-profit. Under the current rate structure, the fee for this use would be \$600.00. Peaks and Pines is asking for waiver of fees for the three-day rental.

Colorado state statute allows the Town to “aid and foster, by all lawful measures, associated charity organizations by appropriations and to grant the use of suitable rooms in the municipal buildings. No portion of any money so appropriated shall be given or loaned to any society, corporation, association, or institution that may be wholly or in part under sectarian or denominational control.” C.R.S. § 31-15-901(1)(c).

**Motion**

If the Board of Trustees desires to waive the fees the Peaks and Pines Quilt Show for use of the Grand Lake Center, it may do so by adopting the attached resolution with the following motion.

*I move to adopt Resolution 16-2023, A RESOLUTION SETTING CERTAIN FEES FOR THE PEAKS AND PINES QUILT SHOW'S USE OF THE GRAND LAKE CENTER ON August 4, 5, and 6, 2023.*

If the Board does not wish to grant the reduced fee, no action is necessary, and the Peaks and Pines Quilt Show will be required to pay the standard rate as listed in the previously adopted fee structure.

**TOWN OF GRAND LAKE  
BOARD OF TRUSTEES  
RESOLUTION NO. 16-2023**

**A RESOLUTION SETTING CERTAIN FEES FOR THE PEAKS AND PINES QUILT  
SHOW'S USE OF THE GRAND LAKE CENTER ON August 4, 5, and 6, 2023**

WHEREAS, Peaks and Pines Quilt Show has scheduled a multi-day show at the Grand Lake Center on August 4, 5, and 6, 2023; and,

WHEREAS, the rental fee for the use of the Grand Lake Center for these days is set at \$600.00 for non-profit organizations; and,

WHEREAS, the Board of Trustees has the authority pursuant to Colorado State Statute § 31-15-901(1)(c) and Section 2-3-2 of the Municipal Code to adopt a resolution waiving Town fees; and,

WHEREAS, upon consideration of staff comments and discussion amongst the Board members themselves, the Board concluded that waiving rental fees is in the best interests of the Town and its citizens;

NOW THEREFORE BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE TOWN OF GRAND LAKE, COLORADO:

THAT, the Board hereby waives rental fees at the Grand Lake Center for the Peaks and Pines Quilt Show on August 4, 5, and 6, 2023.

**DULY MOVED, SECONDED, AND ADOPTED BY THE BOARD OF TRUSTEES OF THE TOWN OF GRAND LAKE THIS 12th DAY OF JUNE 2023.**

(SEAL)

Votes Approving:  
Votes Opposing:  
Votes Abstaining:  
Absent:

**ATTEST:**

\_\_\_\_\_  
Alayna Carrell, Town Clerk

\_\_\_\_\_  
Stephan Kudron, Town Mayor

## ARTICLE 5 Regulated Marijuana Businesses

On November 8, 2022 the voters of Grand Lake approved Town of Grand Lake Question 2C, “allow[ing] the operation of marijuana businesses in the town and amending the municipal code by the addition of new sections permitting, subject to regulations to be adopted by ordinances of the town, certain activities relating to marijuana, and by so doing repeal the Article 5 of Chapter 7 and Article 11 of Chapter 7, or other section of the Grand Lake Municipal Code, to the extent they are inconsistent with such authorization[.]” The Town of Grand Lake Board of Trustees hereby finds, determines, and declares that it has the power to adopt this Article 5 of Chapter 6 of the Grand Lake Municipal Code pursuant to Chapter XVIII, section 16 of the Colorado Constitution; Colorado Revised Statutes section 44-10-104(3); Chapter XX of the Colorado Constitution; the Town of Grand Lake Charter; and the Local Government Land Use Control Enabling Act, Chapter 20 of title 29, Colorado Revised Statutes. (Ord. 559, Series of 2021).

### Sec. 6-5-1. Definitions.

Unless defined in this Section, or if the context clearly requires otherwise, capitalized terms within this Article shall have the meaning attributed to them in the Code of Colorado Regulations – Colorado Marijuana Rules – 1 CCR 212-3(1-115), adopted by the Colorado Marijuana Enforcement Division, Department of Revenue, as of the effective date hereof.

- (a) *Applicant* means any Person applying to the Town for a License, including without limitation any Entity and/or any Person who qualifies as a Controlling Beneficial Owner.
- (b) *Article* means Article 5 of Chapter 6 of the Grand Lake Municipal Code.
- (c) *Board* means the Town of Grand Lake Board of Trustees.
- (d) *License* means a license issued by the Town to operate a Medical Marijuana Store and a Retail Marijuana Store at one location within the Town.
  - 1. A Licensee shall be required to operate as a Retail Marijuana Store, and shall have the option to also operate as a Medical Marijuana Store.
- (e) *Licensee* means an Applicant who has been issued a License by the Town.
- (f) *Lottery* means the lottery selection process under Section 6-5-7(i) of this Article.
- (g) *MED* means the Colorado Department of Revenue, Marijuana Enforcement Division.
- (h) *Regulated Marijuana Business* means Medical Marijuana Businesses and Retail Marijuana Businesses.
- (i) *Colorado Marijuana Code* means Colorado Revised Statutes Title 44, Article 10, Section 101 *et seq.*, and the Colorado Marijuana Rules promulgated pursuant thereto at 1 CCR §212-3.
- (j) *Regulated Marijuana Store* means a Medical Marijuana Store or Retail Marijuana Store.
- (k) *State* means the State of Colorado.
- (l) *Town* means the Town of Grand Lake, Colorado.

(m) *Town Code* means the Grand Lake Municipal Code.

**Sec. 6-5-2. License Types Permitted.**

Regulated Marijuana Stores shall be the only Regulated Marijuana Business license type permitted in the Town. All other Regulated Marijuana Business license types shall remain prohibited. It shall furthermore be unlawful for any Person to own or operate a Regulated Marijuana Store without first obtaining all necessary permits, licenses, and approvals to operate such a business from the Town pursuant to this Article and from the State pursuant to the Colorado Marijuana Code.

**Sec. 6-5-3. Local Licensing Authority.**

- (a) The Board is hereby designated the Local Licensing Authority with all powers granted thereto by the provisions of the Colorado Marijuana Code. Any decision made by the Board to (i) grant or deny a License, (ii) revoke or suspend a License, (iii) renew or not renew a License, (iv) fine a Licensee, or (v) place a License on probationary conditions, shall be a final decision and may be appealed to district court pursuant to Rule 106(a)(4) of the Colorado Rules of Civil Procedure.
- (b) In case of an application resubmitted directly to the Town pursuant to Section 16(5)(h) of Article XVIII of the Colorado Constitution, due to the failure of the state licensing authority to act upon an application within ninety (90) days, the Board shall act as the licensing authority thereunder and all requirements of this Article shall apply to such application. In addition to compliance with this Article, the Applicant shall demonstrate compliance with all applicable requirements of the Colorado Marijuana Code and shall pay to the Town the full amount of the application fee if not forwarded by the State. The Board shall approve or deny such application within ninety (90) days after receipt of the resubmitted application.
- (c) The Town Clerk, or their designee, shall assist the Board by receiving all applications, coordinating with other Town officers and departments when relevant, scheduling required public hearings and providing notice in accordance with this Article, the Town Code, and the Colorado Marijuana Code. The Town Clerk, or their designee, shall also act as the local point-of-contact with the MED on all marijuana regulatory matters.

**Sec. 6-5-4. Limitation on Number of Licenses.**

- (a) The Board shall have the authority to initially grant and issue one (1) License pursuant to this Article and the Colorado Marijuana Code. This one (1) License shall be awarded pursuant to the application and Lottery selection process as set forth in this Article.
  - 1. One (1) year from the date the first Licensee opens for sales to the public, or upon motion by the Board, the Board shall review (i) the results and impacts of marijuana legalization in the Town, and (ii) the operation and implementation of the provisions and procedures in this Article. If upon such review the Board determines it is in the best interest of the Town, the Board shall have the discretionary authority to issue one (1) additional License. This second License shall be awarded pursuant to a new application and Lottery selection process as set forth in this Article, or pursuant to an alternative process as the Board shall provide by resolution.

- (b) In the event that a previously granted and issued License is revoked, not renewed, surrendered, or terminated, resulting in the permanent loss of that License by a Licensee, and as a result fewer than two (2) Licenses are issued and active within the Town, the Board may, at the Board's discretion, approve and issue additional License(s) pursuant to a new application and Lottery selection process as set forth in this Article, or pursuant to an alternative process as the Board shall provide by resolution.
- (c) At no time shall there be more than two (2) Licenses issued and active within the Town.

**Sec. 6-5-5. Limitations and Requirements Applicable to Regulated Marijuana Stores.**

- (a) *State requirements.* Regulated Marijuana Stores must at all times comply with the regulations and requirements contained in the Colorado Marijuana Code. The Local Licensing Authority may revoke or otherwise penalize a Licensee pursuant to Section 6-5-15 of this Article.
- (b) *Location.* Regulated Marijuana Stores shall only be located on property within the Commercial Zoning District or a planned development district; but shall not be permitted on any parcel east of Broadway Street. Regulated Marijuana Stores shall not be permitted to operate as "home occupations."
- (c) *Separation requirements.*
  - 1. No License shall be approved if, at the time of the initial application for such License, the proposed location is within three hundred (300) feet of:
    - i. Any established and conspicuously identified elementary or secondary school;
    - ii. Existing licensed child care facility; or
    - iii. Any existing Regulated Marijuana Store.
  - 2. The distances set forth in this Subsection shall be computed by direct measurement in a straight line from the nearest property line of the land used for the purposes stated above, respectively, to the nearest portion of the building in which the Regulated Marijuana Store is located. The locational criteria contained in this Section shall apply to all proposed changes in the location of an existing License.
  - 3. The Board may waive the distance requirements set forth in this Subsection for a specified location if an Applicant demonstrates that granting such a waiver will not negatively impact the health, safety, or welfare of the Town.
- (d) *Co-location & Retail Marijuana Store.* Any License issued by the Town shall allow for both a Medical Marijuana Store and a Retail Marijuana Store to operate on the same Licensed Premises under one License.
  - 1. Each Licensee shall be required to operate as a Retail Marijuana Store, and shall have the option to also operate as a Medical Marijuana Store.
- (e) *Signage & Advertisements.* Advertisements, signs, displays or promotional material depicting marijuana, marijuana plants, or any other pictures or symbols commonly understood to refer to marijuana, shall not be shown or exhibited on the exterior of a Licensed Premises or in any other location within the Town where visible from a public

right-of-way. No signage associated with a Regulated Marijuana Store shall use the word "marijuana," "cannabis," or any other word or phrase commonly understood to refer to marijuana. All exterior signage associated with a Regulated Marijuana Store must comply with the Town Sign Code at Article 2 of Chapter 6 of the Town Code and must receive a sign permit pursuant thereto. Existing exemptions in the Town Sign Code shall not apply to exterior signage associated with the Regulated Marijuana Store.

1. Notwithstanding the foregoing, and so long as in compliance with all other applicable signage and advertisement requirements, a Licensee's exterior signage shall be permitted to use:
  - i. The words "Recreational" and "Dispensary" one (1) time each;
  - ii. One (1) green cross symbol;
  - iii. If the Licensee also operates as a Medical Marijuana Store, the word "Medical" one (1) time.
- (f) *Indoor Operation.* All Regulated Marijuana Store operations (except transportation) shall be conducted indoors, and shall not be visible from the exterior of the building.
- (g) *Inspection of Licensed Premises.* During all business hours and other times of apparent activity, the Licensed Premises and the property associated with a License shall be subject to inspection by Town personnel, or commissioned police officers of the Town, for the purpose of investigating and determining compliance with the provisions of this Article, the Colorado Marijuana Code, and any other applicable state or local law or regulation. Such inspection may include, without limitation, the inspection of books, records and inventory. Where any part of the Licensed Premises or property consists of a locked area, such area shall be made available for inspection, without unreasonable delay, upon request.
- (h) *Additional Requirements.* Regulated Marijuana Stores shall be subject to the following additional requirements:
  1. A Regulated Marijuana Store may only be open to the public during the hours of 8:00 a.m. to 10:00 p.m. unless the Board authorizes extended hours of operation as a provision of the License, but in no event shall such authorization extend past 12:00 a.m. The Board may only authorize such extension after making a determination that such hours of operation are appropriate for the neighborhood.
  2. No on-site consumption of marijuana is allowed.
  3. A Town business license and sales tax license shall be required.
  4. No mobile structure may be used to operate a Regulated Marijuana Store.
  5. No alcohol sales or consumption shall be permitted on the Licensed Premises.
  6. A Licensee shall not permit persons who do not possess a valid identification or other appropriate proof of age to enter or loiter on or about the Licensed Premises.
  7. All Regulated Marijuana Stores, and their owners, officers, employees, and agents must comply at all times with all other applicable provisions of the Town Code.
  8. Whenever the provisions of the Colorado Marijuana Code require a Licensee to submit licensing, operational, investigative, or incident documentation to the MED

or other governmental entities, the Licensee shall provide copies of all such submissions to the Town Clerk.

- 9. All Regulated Marijuana Stores shall post conspicuous signage at each Point of Sale, and post a sign no smaller than 8” by 11” at each customer point of egress from the Licensed Premises, all of which shall be printed in red, stating the following:

**WARNING: FEDERAL LANDS  
MARIJUANA USE AND POSSESSION IS  
ILLEGAL ON ALL FEDERAL LANDS  
INCLUDING IN ROCKY MOUNTAIN  
NATIONAL PARK**

- (i) *Proper Ventilation.* All Regulated Marijuana Stores shall be equipped with a proper ventilation system that filters out the odor of marijuana so that the odor is not capable of being detected by a person with a normal sense of smell at the exterior of the Licensed Premises or any adjoining business, parcel, or tract of real property. All Applicants for a new License shall submit a ventilation and odor mitigation plan with their Application, which shall be subject to review and approval by the Board prior to issuance of a new License. The lack of an approved ventilation and odor mitigation plan shall be grounds for denial of a new License or renewal of an existing License. Failure to install or maintain the ventilation system required by an approved ventilation and odor mitigation plan shall constitute a violation of this Article and shall be grounds for suspension or revocation of a License pursuant to Section 6-5-15 of this Article.

**Sec. 6-5-6. Retail Marijuana Sales Tax**

- (a) A retail marijuana sales tax is imposed upon all retail sales of retail marijuana and retail marijuana products sold within the Town by Retail Marijuana Stores at the rate of five percent (5%) of the gross price paid by the purchaser, rounded off to the nearest penny. The tax imposed by this Section is in addition to, and not in lieu of, the general sales tax owed to the Town and all taxes owed to the State in connection with the sale of retail marijuana and retail marijuana products. The Board may, by resolution, raise the retail marijuana sales tax under this Section to no higher than fifteen percent (15%). Where possible, retail marijuana sales tax revenues shall be collected pursuant to Section 4-3-8 of the Town Code. The Town Manager may adopt administrative rules and regulations specifying additional or alternative procedures for the collection and enforcement of the retail marijuana sales tax imposed by this Section.
- (b) Medical Marijuana sales shall not be subject to any Town marijuana sales tax, but shall be subject to the general sales tax owed to the Town.

**Sec. 6-5-7. Lottery Phase Application Requirements**

- (a) The Town hereby establishes a two-phase License application process. The Lottery Phase shall consist of application submissions for the purpose of entry into the Lottery to be conducted by the Town pursuant to this Section (“Lottery Phase Application”). The

Licensing Phase shall consist of a separate application submitted by the Applicant selected in the Lottery for the purpose of licensing approval and issuance by the Board pursuant to Sections 6-5-8, 6-5-9, and 6-5-10 of this Article (“License Phase Application”).

- (b) Within forty-five (45) days of the effective date of this Article, the Town shall post notice on its website indicating that Lottery Phase Applications shall be accepted for a sixty (60) day period.
- (c) *Lottery Phase Applications.* An Applicant shall submit a Lottery Phase Application to the Town on forms provided by the Town Clerk and posted on the Town website. As part of the Lottery Phase Application, all Applicants shall submit to the Town Clerk, without limitation:
  - 1. For all Controlling Beneficial Owners, a copy of a form of identification issued by the government of the United States, the government of any state within the United States, or the government of a United States Territory.
    - i. Such identification shall not be expired and shall include name, address, and date of birth.
  - 2. For all Controlling Beneficial Owners, evidence of lawful presence or residence in the United States.
  - 3. For all Controlling Beneficial Owners, completion of criminal and moral character disclosure form.
  - 4. Proof of submission to the MED, for all Controlling Beneficial Owners, of an application for Findings of Suitability.
    - i. The Applicant must also submit to the Town copies of such MED application(s) and all application materials.
  - 5. Curriculum vitae for the Applicant, each Controlling Beneficial Owner, and any managers associated with the Applicant.
  - 6. If the Applicant is a business entity, information regarding the entity, including without limitation:
    - i. The name and address of the entity;
    - ii. Identification of all Controlling Beneficial Owners of the entity;
    - iii. Certificate of good standing from the Colorado Secretary of State;
    - iv. An organizational chart;
    - v. If a corporation: Articles of Incorporation, Shareholders Agreement, and Bylaws;
    - vi. If a limited liability company: Articles of Organization, and Operating Agreement; and
    - vii. Other business entity documentation as may be requested by the Town Clerk.



7. Proof of access to adequate funding to cover start-up expenses of not less than \$150,000.
  - i. If the Applicant cannot document proof of access to adequate funding at the time of submission of a Lottery Phase Application, the Applicant must submit a written Funding Plan for the purpose of obtaining adequate funding to cover start-up expenses of not less than \$150,000.
8. A copy of any deed, lease, letter of intent, or other contract reflecting the right, or the right conditioned on License approval, of the Applicant to possess and operate a Regulated Marijuana Store at a location permitted by this Article.
  - i. If the property of the proposed Regulated Marijuana Store is located within an owners association, or a Planned Development under Town Code 12-2-25, the Applicant shall provide proof that the proposed Regulated Marijuana Store use complies with all applicable covenants and required approvals thereunder.
  - ii. If the Applicant cannot provide documentation satisfying this Subsection at the time of submission of a Lottery Phase Application, the Applicant must submit a written plan for securing a right to possess and operate a Regulated Marijuana Store at a location permitted by this Article.
9. Executive Summaries of Applicant's:
  - i. Business Plan;
  - ii. Operations Plan;
  - iii. Compliance Plan;
  - iv. Security Plan, including without limitation:
    - A. Complying with MED security regulations;
    - B. Theft and diversion prevention; and
    - C. Other locational and community-specific security concerns;
  - v. Staffing Plan;
  - vi. Community Engagement Plan, including without limitation, Applicant's history of community service;
  - vii. Odor Mitigation and Ventilation Plan;
  - viii. Personnel Experience, including without limitation:
    - A. Operating a licensed marijuana business in Colorado or another state; or
    - B. Operating a business in a highly regulated industry.

(d) *Bonus Weight Criteria.*

1. An Applicant shall be awarded fifteen percent (15%) bonus weight in the Lottery selection process if the Applicant submits proof that no less than fifty-one percent (51%) of all Controlling Beneficial Owners associated with the Applicant have continuously resided full-time in the Town, or in Grand County, Colorado, for no less than one (1) full year immediately preceding the date of submission of Applicant's Lottery Phase Application.
  2. An Applicant shall be awarded ten percent (10%) bonus weight in the Lottery selection process if the Applicant submits proof that the Applicant is a Social Equity Licensee under the Colorado Marijuana Code.
  3. Bonus weight under this subsection shall not be cumulative. The maximum bonus weight an Applicant can receive, even if the Applicant qualifies under both bonus criteria, is fifteen percent (15%).
- (e) *Lottery Phase Application Fees.* Along with the Lottery Phase Application, all Applicants must submit a Lottery Phase Application fee to the Town to cover costs associated with processing, investigating and administering the Lottery Phase Application process. The Lottery Phase Application fee shall be established by the Town by resolution.
- (f) *Common Control Prohibition.* No Person or Entity may apply on behalf of another Person or Entity. Multiple Lottery Phase Application submissions by the same Person or Entity, or Lottery Phase Applications by multiple entities with substantially the same ownership or who are Affiliated Entities (as defined below), are prohibited and will be rejected. No Applicant shall provide, rely on, or include in their Funding Plan under Section 6-5-7(C)(7), any funding which is shared, or in any way associated with, another Applicant's source or plan for funding. All Controlling Beneficial Owners associated with an Applicant shall be required to attest, subject to criminal penalties for perjury, that they are not affiliated with any other Applicant, and that they do not share common control or funding with any other Applicant as set forth in this Subsection. Submission of a Lottery Phase Application in violation of this Subsection shall result in the rejection of all Lottery Phase Applications associated with such violation.
1. For purposes of this Subsection, "substantially the same ownership" and "Affiliated Entities" are defined as follows:
    - i. "Substantially the same ownership" means that entities share any Controlling Beneficial Owners in common.
    - ii. "Affiliated Entities" means:
      - A. A Person having ownership or any level of control in common with an entity, in whole or in part, including, without limitation, an entity's parent corporation, franchisor, licensor, and any subsidiaries or affiliates of such parent corporations; or
      - B. A Person who has a direct business or an immediate familial relationship with another person or a person or entity using the same trade name as another person or entity.

2. Applicants may not transfer a Lottery Phase Application or a License Phase Application to a third party at any time during any stage of the Lottery Phase or Licensing Phase of the application process.
  3. To ensure compliance with the prohibitions of this Subsubsection, during the first two years following the License issuance date, the Licensee shall not transfer its License, alter its ownership or ownership structure as it pertains to Controlling Beneficial Owners, or change its name or trade name.
    - i. The Board may waive this requirement if good cause is shown, and if such waiver will neither undermine the purpose of this Section nor negatively impact the health, safety, or welfare of the Town.
  4. The Board may promulgate rules and regulations as needed to carry out the intent of this Subsection to ensure and confirm that each Applicant is a wholly separate business owned, operated, funded, and controlled by a wholly separate Person or Entity, with no affiliation to any other Applicant.
- (g) *Completeness Review.* The Town Clerk, or their designee, shall review Lottery Phase Applications for completeness as they are received. If a Lottery Phase Application is found to be incomplete, the Town Clerk, or their designee, shall notify the Applicant in writing, via email and U.S. mail, of the Lottery Phase Application’s deficiencies, and the Applicant shall have fifteen (15) days from the date of the deficiency notice to remedy the deficiency(ies). If the Applicant fails to remedy the deficiency(ies) within the specified period, the Town Clerk, or their designee, shall deny the Lottery Phase Application and notify the Applicant of the denial.
1. Denial of a Lottery Phase Application at the completeness review stage under this Subsection is appealable to the Town Manager by filing an appeal with the Town within ten (10) days of the date the notification of the denial was mailed. The Town Manager shall schedule a hearing within twenty (20) days of the filing of the appeal. The Town shall provide at least seven (7) days’ notice to the appellant of the hearing. The Town Manager shall make a determination of the appeal within ten (10) days of the hearing and shall notify the appellant of the decision in writing.
- (h) *Board Review.* At the end of the completeness review period under this Section, including the appeals process thereunder, if any, the Town Clerk, or their designee, shall submit to the Board all Lottery Phase Applications determined to be complete. At its next regular public meeting, the Board shall review each complete Lottery Phase Application to determine qualification, pursuant to this Subsection, for entry into the Lottery. The Board shall make such determinations and notify each Applicant, in writing, no later than thirty (30) days from such public hearing. Applicants shall qualify for entry into the Lottery by demonstrating, through the Lottery Phase Application materials submitted to the Town, that the Applicant possesses sufficient:

1. Knowledge of applicable state and local laws and regulations,
  2. Knowledge of the legal marijuana industry and/or competence in operating a business in another highly regulated industry, and
  3. Professionalism in business plans, operational plans, and other submitted materials.
- (i) *Lottery Selection.* Upon final determination by the Board of all Lottery Phase Applications that qualify for entry into the Lottery (“Lottery Applicant(s)”), the Town shall conduct a random Lottery at its next regular public meeting, subject to Subsection (d) of this Section, to select which Lottery Applicant shall proceed with the License Phase Application process under Section 6-5-8. Following such selection, and at the same public meeting, the Town shall also conduct a random Lottery to select alternate Lottery Applicants (“Alternate Applicant(s)”), for the purpose set forth in Section 6-5-8(d)(2), by assigning all Alternate Applicants an alternate preference number corresponding to the order in which they were selected.
1. The Town may adopt administrative rules and regulations specifying the policies and procedures for conducting the Lottery.

**Sec. 6-5-8. License Phase Application Requirements**

- (a) *License Phase Application.* No later than sixty (60) days from the date of the Lottery, or from the date an Alternate Applicant is notified by the Town pursuant to Section 6-5-8(d)(2), the Applicant selected in the Lottery shall submit a License Phase Application to the Town on forms provided by the Town Clerk.
- (b) As part of the License Phase Application, the Applicant shall submit, without limitation:
1. A copy of any deed, lease, or contract reflecting the right, or the right conditioned on License approval, of the Applicant to possess and operate a Regulated Marijuana Store at the location specified in the License Phase Application.
  2. Updated and comprehensive business plans, tailored to the location specified in the License Phase Application, covering all subject areas set forth in Section 6-5-7(c)(9).
  3. Proof of Findings of Suitability issued by the MED for all Controlling Beneficial Owners of the Applicant.
  4. Proof of submission to MED of a Regulated Marijuana Business License Application.
    - i. The Applicant must also submit to the Town copies of such MED application(s).
  5. Town Sales Tax License.
  6. Town Business License.

7. Proof of submission to the Town of a Conditional Use Permit Application pursuant to Town Code 12-2-31(B).
  8. If any information about the Applicant has changed since the submission of the Lottery Phase Application, the Applicant shall disclose and submit all such updated information with the License Phase Application.
  9. Any additional information or documentation that the Board or Town staff determines to be reasonably related to investigating the Applicant's plans, qualifications, and fitness for operating a Regulated Marijuana Store at the location specified in the License Phase Application.
- (c) *License Phase Application Fees.* Along with the License Phase application, the Applicant must submit a License Phase application fee to the Town to cover costs associated with processing, investigating and administering the License Phase application process. The License Phase application fee shall be established by the Town by resolution.
- (d) *Completeness Review.* Within fifteen (15) days of receiving a timely submitted License Phase Application, the Town Clerk, or their designee, shall review such License Phase Application for completeness. If a License Phase Application is deemed incomplete, the Town Clerk, or their designee, shall notify the Applicant in writing, via email and U.S. mail, of the application's deficiencies, and the Applicant shall have forty-five (45) days from the date of the deficiency notice to remedy the deficiency(ies). If the Applicant fails to remedy the deficiency(ies) within the specified period, the Town Clerk shall deny the License Phase Application and notify the Applicant of the denial.
1. Denial of a License Phase Application at the completeness review stage under this Subsection is appealable to the Town Manager by filing an appeal with the Town within ten (10) days of the date the notification of the denial was mailed. The Town Manager shall schedule a hearing within twenty (20) days of the filing of the appeal. The Town shall provide at least seven (7) days' notice to the appellant of the hearing. The Town Manager shall make a determination of the appeal within ten (10) days of the hearing and shall notify the appellant of the decision in writing.
  2. If a License Phase Application is denied under this Section, the Town shall, within forty-five (45) days of such denial, notify the next Alternate Applicant as selected under Section 6-5-7(i) to proceed with the License Phase Application process under this Section 6-5-8.
- (e) *Staff Review.* Upon receipt of a completed License Phase Application, the Town Clerk, or their designee, shall transmit copies of the License Phase Application to all Town agencies and staff who the Board or Town staff determines should participate in the review and investigation of the License Phase Application.
1. Town staff, or other governmental agencies authorized by the Town, may visit and inspect the property and Licensed Premises of the proposed Regulated Marijuana Store.

2. In investigating the fitness of the Applicant, the Town may obtain criminal history record information furnished by a criminal justice agency subject to any restrictions imposed by such agency. In the event the Town takes into consideration information concerning the Applicant's criminal history record, the Town shall also consider any information provided by the Applicant regarding such criminal history record, including without limitation, evidence of rehabilitation, community service, character references and educational achievements, especially those items pertaining to the period of time between the Applicant's last criminal conviction and the consideration of the License Phase Application.
3. Not more than thirty (30) days from the date the Town Clerk has deemed a License Phase Application to be complete, and not less than fourteen (14) days prior to a public hearing held pursuant to Section 6-5-9, the Town Clerk shall report to the Board and the Applicant any findings or recommendations made on the License Phase Application as a result of the investigation and review conducted pursuant to this Section.

**Sec. 6-5-9. Public Hearing**

- (a) The Town Clerk shall schedule a public hearing before the Board on the License Phase Application.
  1. The public hearing shall be held not less than fourteen (14) days from the date the Town Clerk reported the findings under Section 6-5-8(e)(3).
  2. The public hearing shall only be held after the Town Planning Commission has reported its recommendations to the Board, pursuant to Town Code 12-2-31(B)(3)(a)(3), on the Applicant's Conditional Use Permit application.
- (b) The Town shall post and publish public notice of the hearing not less than fourteen (14) days prior to the hearing. The Town shall give public notice by the posting of a sign in a conspicuous place at the property of the proposed Regulated Marijuana Store, and by publication in a newspaper of general circulation in the Town.

**Sec. 6-5-10. Issuance or Denial of License.**

- (a) For the purpose of voting to approve or deny a License, the Board may consider the facts and evidence adduced as a result of:
  1. The review and investigation under Section 6-5-8(e).
  2. Review and investigation of the License Phase Application by the Board.
  3. The recommendations of the Planning Commission.
  4. The testimony and evidence presented by the Applicant, the public, or Town staff at the public hearing under Section 6-5-9, including any written or oral public comments submitted in conjunction therewith.
  5. Any other facts pertinent to the qualifications of the Applicant.

(b) The Board has the authority to refuse to approve a License for good cause, including without limitation, if the Board has made the following findings:

1. The Applicant has violated, does not meet, or has failed to comply with any of the terms, requirements, conditions, or provisions of the License, the Town Code, the Colorado Marijuana Code, or any applicable state or local law, rule, or regulation.
2. The Board has determined that the Applicant's character, record, or reputation is not satisfactory after consideration of factors, which include without limitation:
  - i. The Applicant has knowingly submitted false information, made willful misrepresentations, knowingly committed fraudulent acts, or omitted material facts;
  - ii. The Applicant has a criminal history of crimes of moral turpitude, which may include without limitation murder, burglary, robbery, arson, kidnapping, or sexual assaults;
  - iii. The Applicant has had a professional license, including without limitation a government-issued marijuana license, denied or revoked as a result of violations of law, rule, or regulation, or a finding of bad moral character by a government entity; or
  - iv. The Applicant has been found to be currently delinquent in the payment of any state or local taxes, and has shown a pattern of failing to correct such delinquency;
3. Specific evidence pertaining to the Applicant that approving the License at the location specified in the License Phase Application will adversely affect the public health, safety, or welfare.

(c) No later than thirty (30) days from the date of the public hearing under Section 6-5-9, the Board shall issue its decision approving or denying the License. The decision shall be in writing and shall state the reasons for the decision. The Board shall send a copy of the decision, by email and U.S. mail, to the Applicant at the address shown in the License Phase Application, and shall make its decision available to the public.

(d) The Board may impose reasonable conditions upon a License.

(e) After approval of a License, the Board shall not issue the License until:

1. The Applicant has obtained all other required licenses and permits related to the operation of the Regulated Marijuana Store, and has satisfied all pre-issuance License conditions, if any.
2. The Regulated Marijuana Store building and site is approved for occupancy with such furniture, fixtures and equipment in place as are necessary to comply with the applicable provisions of all state and local laws and regulations, and any License conditions imposed by the Board.
3. The Board has voted to approve the Applicant's Conditional Use Permit.
4. The Applicant has complied with Section 6-5-17 of this Article.

- (f) After approval of a License, the Board, or its designee, shall notify the MED of such approval.

**Sec. 6-5-11. License Renewal**

- (a) A License issued pursuant to this Article shall be valid for a period of one (1) year from the date of issuance and shall be renewed each year thereafter pursuant to this Section. An application for renewal shall be made to the Town Clerk not less than thirty (30) days prior to the date of expiration. The renewal application shall be accompanied by the annual operating fees for the renewal term, and a renewal application fee in such amount as is established from time to time by resolution of the Board.
- (b) A public hearing shall be conducted by the Board on each renewal application of the License.
1. The Board has the authority to refuse to renew a License for good cause, including without limitation, making findings as set forth in Section 6-5-10(b), or as follows:
    - i. A continuing pattern of disorderly conduct or drug-related criminal conduct upon or in the immediate vicinity of the Licensed Premises;
    - ii. A continuing pattern of criminal conduct directly related to or arising from the operation of the Regulated Marijuana Store;
    - iii. An ongoing nuisance condition emanating from or caused by the Regulated Marijuana Store; or
    - iv. The Licensee has failed to comply with any applicable law, regulation, or term or condition of the License.
  2. The Board may impose new reasonable conditions upon any License renewal.

**Sec. 6-5-12. Contents and Display of License.**

The Licensee shall post the License in a conspicuous location at the Regulated Marijuana Store. A License shall contain at minimum the following information:

- (a) The name and any tradename of the Licensee;
- (b) The date of issuance of the License;
- (c) The street address of the Regulated Marijuana Store;
- (b) Any conditions of approval imposed upon the License by the Board;
- (c) The date of expiration of the License; and
- (d) The signatures of the Licensee and Town Clerk.

**Sec. 6-5-13. Change in Ownership Structure.**

- (a) In determining whether to permit a change in ownership structure, the Board shall require any proposed new Controlling Beneficial Owner(s) to submit to the Town:



1. A copy of a form of identification issued by the government of the United States, the government of any state within the United States, or the government of a United States Territory.
  - i. Such identification shall not be expired and shall include name, address, and date of birth.
2. Evidence of lawful presence or residence in the United States.
3. Completion of criminal and moral character disclosure form.
4. Proof of Findings of Suitability issued by the MED.
  - i. The Applicant must also submit to the Town copies of such MED application(s) and all application materials.
5. Proof of approval by the MED of a Marijuana Business License – Change of Controlling Beneficial Owner Application.
  - i. The Applicant must also submit to the Town copies of such MED application(s) and all application materials.
6. Curriculum vitae.
7. Any additional information or documentation that the Board or Town staff determines to be reasonably related to investigating the proposed new Controlling Beneficial Owner’s plans, qualifications, and fitness for operating, or holding controlling beneficial ownership in, a Regulated Marijuana Store.

**Sec. 6-5-14. Transfer of Ownership**

- (a) For a Licensee to transfer fifty-one percent (51%) or more of its ownership interest to a third party transferee (including all Controlling Beneficial Owners associated therewith, the “Transferee”), the Transferee shall submit a Transfer of Ownership application to the Town Clerk, including without limitation:
1. A copy of a form of identification issued by the government of the United States, the government of any state within the United States, or the government of a United States Territory.
    - i. Such identification shall not be expired and shall include name, address, and date of birth.
  2. Evidence of lawful presence or residence in the United States.
  3. Completion of criminal and moral character disclosure form.
  4. Proof of Findings of Suitability issued by the MED for all Controlling Beneficial Owners of the Transferee.
    - i. The Transferee must also submit to the Town copies of such MED application(s) and all application materials.
  5. Curriculum vitae for the Transferee, each Controlling Beneficial Owner, and any managers associated with the Transferee.

6. If the Transferee is a business entity, information regarding the entity, including without limitation:
    - i. The name and address of the entity;
    - ii. Identification of all Controlling Beneficial Owners of the entity;
    - iii. Certificate of good standing from the Colorado Secretary of State;
    - iv. An organizational chart;
    - v. If a corporation: Articles of Incorporation, Shareholders Agreement, and Bylaws;
    - vi. If a limited liability company: Articles of Organization, and Operating Agreement; and
    - vii. Other business entity documentation as may be requested by the Town Clerk.
  7. A copy of any deed, lease, letter of intent, or other contract reflecting the right, or the right conditioned on License approval, of the Transferee to possess and operate a Regulated Marijuana Store at a location permitted by this Article.
    - i. If the property of the proposed Regulated Marijuana Store is located within an owners association, or a Planned Development under 12-2-25 of the Town Code, the Transferee shall provide proof that the proposed Regulated Marijuana Store use complies with all applicable covenants and required approvals thereunder.
  8. Comprehensive business plans, tailored to the location of the Regulated Marijuana Store, covering all subject areas set forth in Section 6-5-7(c)(9).
  9. Proof of submission to MED of a Marijuana Business License – Change of Controlling Beneficial Owner Application.
    - i. The Transferee must also submit to the Town copies of such MED application(s) and all application materials.
  10. Town Sales Tax License.
  11. Town Business License.
  12. Any additional information or documentation that the Board or Town staff determines to be reasonably related to investigating the proposed new Transferee’s plans, qualifications, and fitness for operating, or holding controlling beneficial ownership in, the Regulated Marijuana Store.
- (b) *Staff Review.* Upon receipt of a completed Transfer of Ownership Application, the Town Clerk, or their designee, shall transmit copies of the application to all Town agencies and staff who the Board determines should participate in the review and investigation of the application.
1. Town staff, or other governmental agencies authorized by the Town, may visit and inspect the property and Licensed Premises of the Regulated Marijuana Store.

2. In investigating the fitness of the Transferee, the Town may obtain criminal history record information furnished by a criminal justice agency subject to any restrictions imposed by such agency. In the event the Town takes into consideration information concerning the Transferee's criminal history record, the Town shall also consider any information provided by the Transferee regarding such criminal history record, including without limitation, evidence of rehabilitation, community service, character references and educational achievements, especially those items pertaining to the period of time between the last criminal conviction and the consideration of the Transfer of Ownership Application.
  3. Not more than thirty (30) days from the date the Town Clerk has deemed a Transfer of Ownership Application to be complete, and not less than fourteen (14) days prior to a public hearing held pursuant to Section 6-5-14(c), the Town Clerk shall report to the Board and the Transferee any findings or recommendations made on the Transfer of Ownership Application as a result of the investigation and review conducted pursuant to this Section.
- (c) The Town Clerk shall schedule a public hearing before the Board on the Transfer of Ownership Application.
1. The public hearing shall be held not less than fourteen (14) days from the date the Town Clerk reported the findings under Section 6-5-14(c)(3).
  2. The Town shall post and publish public notice of the hearing not less than fourteen (14) days prior to the hearing. The Town shall give public notice by the posting of a sign in a conspicuous place at the property of the Regulated Marijuana Store, and by publication in a newspaper of general circulation in the Town.
  3. An application fee shall accompany each Transfer of Ownership Application, in such amount as is established from time to time by resolution of the Board.
- (f) For the purpose of voting to approve or deny a Transfer of Ownership, the Board may consider the facts and evidence adduced as a result of:
1. The review and investigation under Section 6-5-14(b).
  2. Review and investigation of the Transfer of Ownership Application by the Board.
  3. The testimony and evidence presented by the Transferee, the public, and Town staff at the public hearing, including any written or oral public comments submitted in conjunction therewith.
  4. Any other facts pertinent to the qualifications of the Transferee.
- (g) The Board has the authority to refuse to approve a Transfer of Ownership for good cause, including without limitation, if the Board has made the following findings:
1. The Transferee has violated, does not meet, or has failed to comply with any of the terms, requirements, conditions, or provisions of this Article, the Town Code, the Colorado Marijuana Code, or any applicable state or local law, rule, or regulation.
  2. The Board has determined that the Transferee's character, record, or reputation is not satisfactory after consideration of factors, which include without limitation:

- i. The Transferee has knowingly submitted false information, made willful misrepresentations, knowingly committed fraudulent acts, or omitted material facts;
    - ii. The Transferee has a criminal history of crimes of moral turpitude, which may include without limitation murder, burglary, robbery, arson, kidnapping, or sexual assaults;
    - iii. The Transferee has had a professional license, including without limitation a government-issued marijuana license, denied or revoked as a result of violations of law, rule, or regulation, or a finding of bad moral character by a government entity;
    - iv. The Transferee has been found to be currently delinquent in the payment of any state or local taxes, and has shown a pattern of failing to correct such delinquency;
  - 3. Specific evidence pertaining to the Transferee that approving the Transfer of Ownership for the location specified in the Transfer of Ownership Application will adversely affect the public health, safety, or welfare.
- (h) No later than thirty (30) days from the date of the public hearing under this Section, the Board shall issue its decision approving or denying the Transfer of Ownership. The decision shall be in writing and shall state the reasons for the decision. The Board shall send a copy of the decision, by email and U.S. mail, to the transferring Licensee and the Transferee at the addresses on record.
- (i) The Board may impose new reasonable conditions upon a transferred License.
- (j) After approval of a Transfer of Ownership, the Board shall not issue the transferred License until:
  - 1. The Transferee has obtained all other required state and local licenses and permits related to the transfer and the operation of the Regulated Marijuana Store, and has satisfied all pre-issuance license conditions, if any.
- (k) After approval of a transferred License, the Board, or its designee, shall notify the MED of such approval.

**Sec. 6-5-15. Suspension or revocation.**

- (a) At any time after the date of License approval, the Board may revoke or elect not to renew any License if it determines that the Licensed Premises has been inactive, or fails to open for marijuana sales to the public, without good cause, for at least one (1) year.
- (b) The Board has the authority to impose reasonable sanctions on a License and/or Licensee for violation by the Licensee, or any of its owners, agents, operators, employees, or contractor's, of the provisions of this Article, the Town Code, the Colorado Marijuana Code, or of any of the terms, conditions or provisions of the License.
  - 1. Sanctions may include, without limitation:
    - a. Suspension

- i. Unless otherwise ordered by the Board, during any period of suspension the Licensee shall continue to safeguard any Regulated Marijuana in its possession or control; maintain the Licensed Premises in reasonable condition according to health, safety, and sanitary standards; and fully comply with all applicable laws, rules, and License conditions, including but not limited to surveillance, inventory tracking, and lock and alarm requirement as set forth in the Colorado Marijuana Code and the Town Code.
    - b. Fine
    - c. Revocation, and/or
    - d. Probation.
  - 2. Prior to imposing any sanction under this Subsection, the Board shall conduct an investigation into the alleged violation and hold a public hearing at which the Licensee shall be afforded an opportunity to be heard.
  - 3. The Board has the power to administer oaths and issue subpoenas to require the presence of persons and the production of papers, books and records necessary to impose a sanction or conduct a public hearing pursuant to this Subsection.
  - 4. Any License may be summarily suspended by the Board without notice pending a prosecution, investigation or public hearing pursuant to the Summary Suspension provisions of the Colorado Marijuana Code, 1 CCR §212-3(8-210(A)).
- (c) Whenever a decision of the Board suspending a license for thirty (30) days or less becomes final, the Licensee may, before the operative date of the suspension, petition for permission to pay a fine in lieu of suspension for all or part of the suspension period. Upon the receipt of the petition, the Board may, in its sole discretion, stay the proposed suspension and cause any investigation to be made which it deems desirable and may, in its sole discretion, grant the petition if the Board is satisfied that such a grant will not negatively impact the health, safety, or welfare of the Town, and that the payment of the fine will achieve the desired disciplinary purpose(s).
- (d) The decision of the Board to impose a sanction under this Section shall be final, subject only to the right of the Licensee to appeal the decision to the Grand County District Court pursuant to Colorado Rules of Civil Procedure, Rule 106.

**Sec. 6-5-16. Incorporation of state law.**

The provisions of the Colorado Marijuana Code, and any rules and regulations promulgated thereunder, are incorporated herein by reference, except to the extent that more restrictive or additional regulations are set forth in this Article, in which case the more restrictive regulations shall control.

**Sec. 6-5-17. Licensee Acknowledgements.**

Before issuing a License, the Board shall obtain written confirmation from an Applicant that the Applicant acknowledges, understands, and agrees to the following:

- (a) As of the date of the adoption of this Article, the cultivation, sale, possession, distribution and use of marijuana remain violations of federal law, and this Article does not provide Licensee, or Licensee's owners, agents, operators, employees, customers or clients, with any protection from criminal prosecution or civil liability under such federal law. Licensees and their owners, operators, employees, customers and clients assume any and all risk and liability under federal law arising or resulting from the operation of the Regulated Marijuana Store.
- (b) The Town, or any public officers, elected or appointed officials, employees, attorneys or agents of the Town, have no liability to a Licensee or any other Person for injuries, damages or liabilities of any kind, under any legal theory, arising out of the enforcement or application of any federal laws.
- (c) To the greatest extent permitted by law, any action taken under the provisions of this Article by any public officers, elected or appointed officials, employees, attorneys and agents of the Town, is not a personal liability of such person or of the Town.
- (d) Any documents and records submitted to the Town in regards to an application or License under this Article may be subject to disclosure pursuant to the Colorado Open Records Act.
- (e) By applying for a License under this Article, and (if approved and issued), by accepting a License from the Town, the Applicant/Licensee, and each of them, jointly and severally if more than one, agrees to indemnify, defend and hold harmless the Town, and any public officers, elected or appointed officials, employees, attorneys or agents of the Town, and each of them, against all liability, claims and demands, of any nature whatsoever arising out of or in any manner related to the operation of the Regulated Marijuana Store that is the subject of the License.

**TOWN OF GRAND LAKE  
BOARD OF TRUSTEES  
ORDINANCE NO. 06-2023**

**AN ORDINANCE ESTABLISHING ARTICLE 5 CHAPTER 6 REGARDING  
REGULATED MARIJUANA BUSINESSES AND REPEALING ARTICLES 5  
AND 11 OF CHAPTER 7 OF THE GRAND LAKE MUNICIPAL CODE**

**WHEREAS**, the Board of Trustees of the Town of Grand Lake, Colorado (the “Board of Trustees”), pursuant to Colorado Statute and the Grand Lake Municipal Code (the “Code”) is vested with the authority of administering the affairs of the Town of Grand Lake, Colorado (the “Town”); and

**WHEREAS**, on November 8, 2022, the voters of Grand Lake approved Town of Grand Lake Ballot Question 2C, “allow[ing] the operation of marijuana businesses in the town and amending the municipal code by the addition of new sections permitting, subject to regulations to be adopted by ordinances of the town, certain activities relating to marijuana, and by so doing repeal[ing] Article 5 of Chapter 7 and Article 11 of Chapter 7, or other sections of the Grand Lake Municipal Code, to the extent they are inconsistent with such authorization”; and

**WHEREAS**, the Town hired an attorney with experience draft and implementing rules and regulations regarding marijuana licensing to propose a licensing, enforcement, and regulating scheme (the “Regulated Marijuana Businesses Provisions”) attached hereto as Exhibit A; and

**WHEREAS**, the Board of Trustees finds adopting the Regulated Marijuana Businesses Provisions attached hereto as Exhibit A is in the best interest of the health, safety and welfare of the residents of the Town of Grand Lake and implements the Ballot Question approved by the electors.

**NOW THEREFORE BE IT ORDAINED BY THE BOARD OF TRUSTEES  
OF THE TOWN OF GRAND LAKE AS FOLLOWS:**

1. Article 5 of Chapter 7 of the Grand Lake Municipal Code is hereby repealed in its entirety.
2. Article 11 of Chapter 7 of the Grand Lake Municipal Code is hereby repealed in its entirety.

3. Article 5 of Chapter 6 of the Grand Lake Municipal Code is hereby adopted to read in its entirety as set forth in **Exhibit A**, attached hereto and incorporated herein.

4. Validity. If any part of this ordinance is held to be unconstitutional or invalid for any reason such decision shall not affect the validity or constitutionality of the remaining portions of this ordinance. The Board of Trustees hereby declares that it would have approved this ordinance and each part or parts thereof irrespective of the fact that any one or more parts be declared unconstitutional or invalid.

5. Repeal. Existing Town code provisions, ordinances or parts of ordinances covering the same matters as embraced in this ordinance are hereby repealed and all Town code provisions, ordinances or parts of ordinances inconsistent with the provisions of this ordinance are hereby repealed, except that this repeal shall not affect or prevent pursuit or prosecution for violation of any ordinance hereby repealed prior to the taking effect of this ordinance.

**INTRODUCED, PASSED AND ADOPTED AT A REGULAR MEETING OF THE BOARD OF TRUSTEES OF THE TOWN OF GRAND LAKE AND SIGNED THIS 12<sup>th</sup> DAY OF JUNE, 2023.**

Votes Approving: \_\_\_\_\_  
Votes Opposed: \_\_\_\_\_  
Absent: \_\_\_\_\_  
Abstained: \_\_\_\_\_

**ATTEST:**

**BOARD OF TRUSTEES OF THE TOWN OF GRAND LAKE, COLORADO**

\_\_\_\_\_  
Alayna Carrell  
Town Clerk

By: \_\_\_\_\_  
Stephan Kudron  
Mayor





1026 Park Ave · PO Box 99  
Grand Lake, CO 80447  
970-627-3435  
www.townofgrandlake.com

To: Mayor Kudron and the Grand Lake Board of Trustees  
From: John Crone, Town Manager  
Re: Resolution 17-2023 Providing for the Waiver of Rental Fees for Certain Nonprofit Activities  
Date: June 12, 2023

**Background**

In the past, the Board of Trustees has had several discussions about waiving rental fees for certain nonprofit activities. The Board instructed staff to develop a framework that will allow for administrative waivers of rental fees for certain nonprofit events.

One difficulty that staff encountered when working on the framework was finding a way to differentiate between various nonprofit organizations. Grand Lake and Grand County have several hundred nonprofits. Many of these organizations are considered service organizations that focus on providing needed community services or filling special needs for at risk or underprivileged individuals. Many more are limited in their scope and exist solely to provide services for a select group of private citizens who may not need additional help from the community (e.g. homeowners’ associations). This disparity in the roles of the various nonprofits made it clear that the Town should not adopt a blanket policy waiving rental fees for all nonprofits.

During discussions with board members from the Grand Lake Creative District, a possible solution for identifying those events that should have rental fees waived was suggested. The Grand Lake Creative District is one of thirty such districts created under state law. The mission of the Creative District is to enhance the economic and civic capital of the community, as well as to celebrate and strengthen the community’s unique identity, become a space to showcase cultural and artistic organizations and events, and contribute to the development of a healthy community. This mission supports the Town’s mission to protect its natural environment, preserve its history, and enhance its economic vitality to ensure quality of life for its residents, businesses, and visitors.

The Town has made the determination that supporting the Creative District is important to the Town’s goals and desires. This is evidenced by the annual financial contributions made to the Creative District. When budgeting the money, the Town Board made it clear that they expect the Creative District to take on the role of determining levels of financial support for many local nonprofits that used to be funded directly by the Town. This experience made the Creative District a logical choice to help determine waivers of rental fees.

The Creative District will benefit from an arrangement with the Town by allowing the District to be a focal point for all of the creative nonprofits (i.e. Grand Arts Council) or nonprofits interested in putting on community driven events (i.e. Grand Lake Area Historical Society). By funneling events through one central organization, there will be a greater coordination of events and scheduling. The Creative District will also gain visibility and enhance its reputation.



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Grand Lake, CO 80447  
970-627-3435  
www.townofgrandlake.com

**Details**

The proposed resolution will allow for the administrative waiver of rental fees for events sanctioned by the Creative District. The sanctioned events must be sponsored by a nonprofit organization, must be open to the public (entry fees may be charged), and must promote the Town’s mission. The Creative District may impose additional restrictions.

The resolution also gives the Town manager the authority to withhold a waiver of fees if the Manager determines that a sanctioned event does not serve meet the required criteria. Any such decision may be appealed to the Board. Additionally, organizations who do not receive a Creative District sanction may still apply directly to the Board for a rental fee waiver (although the preferred method is to go through the Creative District).

The Town Manager will keep the Board informed about waivers granted under this program. If the Board wants to add additional criteria or reassess the entire waiver program, all it needs to do is pass an additional resolution making the desired corrections.

**Proposed Motion**

If the Board wishes to allow the waiver of rental fees for events sanctioned by the Grand Lake Creative District, it may do so by passing the following motion:

*I move adopt Resolution 17-2023, Providing for the Waiver of Rental Fees for Certain Nonprofit Events.*

**TOWN OF GRAND LAKE  
BOARD OF TRUSTEES  
RESOLUTION NO. 17-2023**

**PROVIDING FOR THE WAIVER OF RENTAL FEES FOR CERTAIN NONPROFIT  
ACTIVITIES**

WHEREAS, it is the mission of the Town to protect its natural environment, preserve its history, and enhance its economic vitality to ensure quality of life for its residents, businesses, and visitors; and,

WHEREAS, it is the mission of the Grand Lake Creative District to enhance the economic and civic capital of the community, as well as to celebrate and strengthen the community's unique identity, become a space to showcase cultural and artistic organizations and events, and contribute to the development of a healthy community; and,

WHEREAS, the Board of Trustees has the authority pursuant to Section 11-6-2 of the Municipal Code to adopt use policies for the Short-Term Rental of Municipal Facilities and Structures; and

WHEREAS, the Board of Trustees has the duty pursuant to CRS 31-25-301 to maintain its facilities for the public good; and

WHEREAS, the Board of Trustees has determined that promoting the mission of the Grand Lake Creative District serves to help achieve the Town's mission; and

WHEREAS, the Board of Trustees has determined that the Grand Lake Creative District has the knowledge and ability to make informed decisions that will be in the Town's interests about the use of public facilities; and

WHEREAS, the Board of Trustees has the authority pursuant to Section 2-3-2 of the Municipal Code to adopt a resolution waiving Town fees; and,

WHEREAS, upon consideration of staff comments and discussion amongst the Board members themselves, the Board concluded that waiving rental fees for events sanctioned by the Grand Lake Creative District is in the best interests of the Town and its citizens.

**NOW THEREFORE BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE TOWN OF GRAND LAKE, COLORADO:**

**THAT,**

- 1) The Board hereby grants the Town Manager, or his designee, the right to waive rental fees for those nonprofit activities that are officially sanctioned by the Grand Lake Creative District.
- 2) Such waivers shall only apply to events run by registered nonprofit organizations.
- 3) Such waivers shall only apply to events that are opened to the public and promote one of the Town's missions as stated in this resolution.

- 4) The Grand Lake Creative District may utilize additional criteria in making its determination whether to sanction an event.
- 5) The Town Manager, or his designee, shall have the authority to determine if a proposed event promotes the Town's mission.
- 6) A determination that the event does not meet the Town mission may be appealed to the Board of Trustees.

**DULY MOVED, SECONDED, AND ADOPTED BY THE BOARD OF TRUSTEES OF THE TOWN OF GRAND LAKE THIS 12th DAY OF JUNE 2023.**

(SEAL)

Votes Approving:  
Votes Opposing:  
Votes Abstaining:  
Absent:

**ATTEST:**

\_\_\_\_\_  
Alayna Carrell, Town Clerk

\_\_\_\_\_  
Stephan Kudron, Town Mayor



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970-627-3435  
www.townofgrandlake.com

To: Mayor Kudron and the Grand Lake Board of Trustees  
From: John Crone, Town Manager  
Re: Middle Park Health Contract  
Date: June 12, 2023

**Background**

The Town has received numerous benefits from its ownership of the Grand Lake Center. One of the most valuable benefits has been the ability to ensure that the Town continues to have access to the healthcare services offered by Middle Park Health at their clinic.

The Town has entered into contracts leasing space to Middle Park Health. Traditionally, the contracts covered three-year terms. Middle Park Health pays a de minimus fee (\$1/year), and the Town provides the space, electricity, and heat. The contract requires Middle Park Health to operate the clinic certain hours and days dependent upon the time of year.

This agreement has provided the coverage that the Town desired. Middle Park Health is interested in renewing the agreement for three years. If the Board wishes to change the terms, staff can begin negotiations. If the Board is content with the current agreement, staff recommends entering into another three-year lease.

**Proposed Motion**

If the Board wishes to enter into the attached lease it should approve the following motion:

*I move to approve the attached lease for a three-year term with Kremmling Memorial Hospital District (Middle Park Health).*

**LEASE AGREEMENT**

**THIS LEASE AGREEMENT**, hereinafter called the "Agreement" is made and entered into as of the 12<sup>th</sup> day of June 2023, by and, between the **TOWN OF GRAND LAKE, COLORADO**, hereinafter the "Town", a Colorado statutory municipality and **KREMMLING MEMORIAL HOSPITAL DISTRICT**, a quasi-municipal corporation and Colorado Special District, doing business as Middle Park Health, hereinafter "Tenant."

**WITNESS ETH:**

**WHEREAS**, the Town is the owner of certain real property and improvement thereon located at 301 Marina Dr., Grand Lake, CO, commonly known as the "Grand Lake Center"; and

**WHEREAS**, the Tenant desires to lease from the Town and the Town desires to lease to the Tenant a portion of the Grand Lake Center to permit Tenant to operate a medical/health clinic business.

**NOW THEREFORE**, in consideration of the mutual benefits and obligations and other consideration set forth herein, the receipt and sufficiency of which is acknowledged, the parties agree as follows:

**ARTICLE 1  
BUSINESS SPACE**

1.1 Identification Of "Business Space". For the purposes of this Agreement, the term "Business Space" shall mean the area within the real property and/or improvements depicted on Exhibit A attached hereto and incorporated herein by reference:

Designated as "Sheriffs Office, Front Office, Storage, Business Center, and Health Room" in the southwesterly comer of the Grand Lake Center and consisting of approximately 1372 square feet. Tenant shall have exclusive right to use and right of possession of the Business Space.

Tenant shall also have the non-exclusive right to use the parking lots, exterior doorways and entrances, walkways and sidewalks, and interior common hallways, restrooms and other areas that are open to the general public as herein provided for.

1.2 Definition Of "Business Operations". For purposes of this Agreement, the term "Business Operations" shall mean the operation of a medical/health clinic and the offering of medical and health services to the public.

**ARTICLE 2  
TENANT'S DUTIES WITH RESPECT TO THE BUSINESS SPACE**

- 2.1 In General. Subject to other limitations expressed in this Agreement, the Town grants to Tenant the right, duty, and obligation to exclusive lease and use of the Business Space in conjunction with Business Operations, and for no other purpose in such spaces.
- 2.2 Restriction On Items Offered For Sale. Tenant shall not offer Liquor, Tobacco products, or Cannabis products for sale.
- 2.3 Compliance With Applicable Laws And Directives. The Tenant agrees to comply fully with all applicable state and federal laws and regulations, local laws and regulations, and Town of Grand Lake municipal ordinances.

**ARTICLE 3  
RIGHTS OF INGRESS AND EGRESS**

- 3.1 In General. The Tenant shall have the right of ingress and egress to and from the Business Space for Tenant's employees, contractors, agents, and invitees to the extent reasonably necessary in connection with the conduct of the Business Operations under this Agreement. Areas designated on Exhibit A as restricted areas by the Town will be excluded from this Lease. Access via keys or keycards will be provided to employees designated in writing by the Tenant, and Tenant assumes all responsibility and liability associated with actions of those individuals named as well as the actions of any individuals the Tenant provided keys or keycards to.
- 3.2 Closures. The Town may, at any time, temporarily or permanently, close or consent to or request the closing of any roadway or any other way at, in, or near the real property, presently or hereafter used as such, so long as reasonable and safe means of ingress and egress remains available to Tenant. Town agrees to give Tenant prior written notice of such closures at least thirty (30) days in advance, except in the event of an emergency, in which case no notice shall be required.

**ARTICLE 4  
UNDERTAKINGS OF TENANT**

- 4.1 Service. Tenant agrees:
  - 4.1.1 The Tenant shall furnish and pay for all equipment, except as otherwise provided by the Town pursuant to Article 8, all goods, labor, transportation, supervision, and services necessary to conduct Business Operations in accordance with this Agreement.

4.2 Days and Hours Of Operation.

The days and hours of Operation for Business Operations are anticipated to be the following:

June 1 through October 31	8 a.m. to 5 p.m.*	four weekdays per week
November 1 through May 31	8 a.m. to 5. p.m.*	three weekdays per week

\*Hours of Operation are subject to change in Tenant's discretion.

4.3 Tenant Personnel. Tenant shall control the conduct and demeanor of its agents, independent contractors, employees, guests, and invitees. Upon objection from the Town concerning the conduct or demeanor of any such person, the Tenant shall immediately take all lawful steps to remove the cause of the objection.

4.4 Physical Interference. Tenant shall not do, nor permit to be done, anything which may interfere with the use or effectiveness or accessibility of the electrical system, lighting system, water system, drainage system, sewage system, fire protection system, sprinkler system, alarm system, and fire hydrants and hoses, if any, installed or located in the Business Space or elsewhere on Grand Lake Center. The Town shall be responsible for the maintenance and upkeep of all such systems.

4.5 Taxes. To the extent real property taxes are assessed on parts or all of the Grand Lake Center, Tenant agrees to pay its pro rata share of such real property taxes, if any, based on the square footage of the Business Space. Tenant agrees to pay all local, state and federal social security, unemployment insurance, workers' compensation insurance, sales, use, personal property and other taxes, assessments and payments-in-lieu which, during the term of this Agreement or any extension hereof, may become a lien or which may be levied or charged by the federal government, State, County, the Town or other tax-levying body upon or with respect to the Business Space, upon any taxable interest acquired by the Tenant in this Agreement, or any taxable possessory right which Tenant may have in or to the Business Space or facilities or the improvements thereon, by reason of Tenant's occupancy or use thereof, or otherwise, as well as all taxes on taxable property, real or personal, owned by Tenant or taxes on the Business Operations in or about the Business Space or elsewhere on Grand Lake Center. However, except as otherwise permitted by this Agreement, no charges, fees or taxes of any nature shall be imposed by the Town solely upon Tenant for exercising any right or privilege granted by the Town to Tenant in this Agreement with respect to the use of the Business Space. Nothing herein shall prevent Tenant from protesting, through due process, any taxes levied.

4.6 Licenses. Tenant agrees to obtain and pay for all licenses necessary in connection with the Business Operations, including but not limited to, a Town business /sales tax license.



**ARTICLES**  
**TERM**

- 5.1 Term. The parties agree that the initial term of this Agreement shall be for a period of three years and shall commence on June 1, 2023, and shall expire on May 31, 2026. No less than six months prior to the expiration of the initial three-year term, the parties shall enter into good faith negotiations to determine whether the term of the lease should be extended and on what terms and conditions. If the parties are unable to agree on terms and conditions to extend the lease beyond the initial three period, then the lease will terminate on the expiration of the initial three-year period and the Tenant must vacate the premises and remove its property from the Business Space as provided herein.
  
- 5.2 Termination. Upon termination of this Agreement, Tenant's accrued liability to the Town arising under this Agreement prior to such termination shall survive the termination, and the Town may re-enter, take possession of the Business Space and remove any persons or property by legal action or by self-help with the use of reasonable force and without liability for damages.
  
- 5.3 Holding Over. In the event that the Town consents in writing to allow Tenant, or its successor in interest, if any, to remain beyond the term set forth herein, although no right to remain is given by this Article, it is the intention of the parties and it is hereby agreed that a right of use from month-to-month after expiration shall then arise subject to all provisions and conditions of this Agreement in connection with such right, except that the Town shall have the sole right to determine reasonable fees, not to exceed an increase of 10% of the Rental Fee provided for in Section 6.1 below for any holdover period. The lease may be terminated by either party during the hold over period upon 30 days written notice.

**ARTICLE 6**  
**RENT**

- 6.1 Business Space Rental Fee. For the privilege of conducting the Business Operations hereunder, and the exclusive use of the Business Space, the Tenant shall pay to the Town a fee in an amount equal to \$1.00 per year. Payment of Rental Fee is due and owed on the first day of each month. The reduced rental fee being charged by the Town to the Tenant reflects the promises of the Tenant to provide certain medical services for certain periods to the Grand Lake community, as set forth herein in Section 4.2.

**ARTICLE 7**  
**UTILITIES, MAINTENANCE AND JANITORIAL DUTIES**

- 7.1 Utilities. The Town shall pay all charges for water, storm water, sewer, gas, trash collection, and electric services to the Business Space, except as provided in Article 17 below. Tenant shall be responsible for its own telephone and IT systems.
  
- 7.2 Maintenance And Repair. The Tenant shall maintain and repair the Business Space, except for any structural elements within the Business Space such as but not limited to, any load bearing partitions and HVAC systems; and any common boiler, furnace, hot water heaters, water and sewer service lines, and the like which are used in common with the occupants of other portions of Grand Lake Center or the Town, all of which shall be the responsibility of the Town. The Town shall not in any way be liable to the Tenant for failure to make repairs as herein specifically required of it unless the Tenant has previously notified the Town in writing of a need for such repairs, and the Town has failed to commence and complete said repairs within a reasonable period of time following receipt of the Tenant's written notification.
  - 7.2.1 The Tenant shall neither hold nor attempt to hold the Town liable for any injury or damage, either approximate or remote, occasioned through or caused by defective electrical wiring or the breaking or stoppage of plumbing or sewage within the Business Space, whether said breakage or stoppage results from freezing or otherwise.
  
- 7.3 Cleaning and Janitorial. The Tenant shall keep the Business Space, its fixtures, and all areas used in good sanitary condition as required by the ordinances, resolutions, statutes and health, sanitary and police regulations of the Town of Grand Lake and State of Colorado and policies of the Town. Tenant shall have additional cleaning and janitorial obligations as set forth in Article 17, below.
  - 7.3.1. The Tenant is responsible for the ongoing cleanliness of the Business Space in order to provide a clean and orderly appearance for the public.
  
- 7.4 Maintenance, Cleaning, and Repair of Common Areas. The Town shall be responsible for the maintenance, upkeep, and cleaning of the common areas within the Grand Lake Center, including the hallways, sidewalks, parking lots, restrooms, exterior windows, doors, and walls, and other areas that are open to the general public, including snow plowing the sidewalks and parking lots.
  
- 7.5 Signage. Tenant shall be entitled to interior and exterior signage which is consistent with the Grand Lake sign code and is approved by the Town in advance, which approval shall not be unreasonably withheld.

**ARTICLE 8  
ACCEPTANCE OF PREMISES AND TRADE FIXTURES**

- 8.1 Acceptance. On the date of commencement of the Tenant's occupancy of the Business Space, Tenant shall acknowledge that it accepts the Business Space as well as any Town equipment and fixtures "AS IS", without any express or implied warranty of any kind, including but not limited to warranty of habitability or warranty of fitness for a particular purpose.
  
- 8.3 Installation of Equipment and Trade Fixtures. No equipment, trade fixtures, signs or other personal property used by Tenant in its business, whether or not attached to the Town Property or any improvements thereon, shall be installed without the prior written approval of the Town. The Town consents to the installation of an X-ray machine, together with the lead-lined ceiling and walls required for the proper and safe operation thereof, all at Tenant's expense.
  
- 8.4 Removal Of Equipment And Trade Fixtures. Tenant shall have the right at any time during the term of this Agreement or upon termination and within thirty (30) days thereafter, to remove all personal property such as trade fixtures, equipment and other personal property, but subject to any valid lien the Town may have thereon for unpaid portions of the Business Space Rental Fee pursuant to Article 6 or any other amounts due from Tenant to the Town pursuant to the provisions of this Agreement, Town ordinances, or otherwise. Any damage to the property of the Town caused by the removal of any fixtures or equipment of Tenant shall be repaired by Tenant at its own cost. Except as otherwise provided for herein, any property not so removed by Tenant upon termination as provided in this Section may, at the election of the Town, become a part of the realty on which it is located and title thereto shall vest in the Town, if the Town so chooses. If the Town elects not to take title or possession of any personal property such as trade fixtures, equipment or other personal property left in the Business Space after termination, Tenant shall remove such personal property, trade fixtures, and equipment within thirty (30) days of receiving written notification from the Town. Tenant shall be fully liable for any damages to the Business Space or other parts of the Grand Lake Center that occurs during such removal process, if caused by the Tenant or its agents.
  
- 8.5 Title To Improvements. No improvements shall be made to the Business Space without the prior written approval of the Town. Upon installation or erection of Improvements, such Improvements shall, at the election of the Town, become a part of the realty upon which they are erected and title thereto shall vest in the Town, unless the parties agree otherwise in writing and in advance of such installation. Upon vesting, the Improvements become part of the Business Space and are subject to the terms applicable to the Business Space within this Agreement. If the Town elects not to take title or possession of any improvements made to the Business Space, Tenant shall remove such improvements within ten days of receiving written notification from the Town. Tenant shall be fully liable for any damages to the Business Space or other parts of the Grand Lake Center that occurs during such removal process, if caused by Tenant or its agents. The Town consents to the

installation of the furniture, fixtures, and other equipment listed on Exhibit B, which, even if installed on or attached to the realty, shall remain the personal property of the Tenant.

- 8.6 Conformance with Applicable Laws. All improvements and all trade fixtures, equipment or other personal property installed by Tenant shall be subject to and conform in all respects to the applicable statutes, ordinances, building codes, rules and regulations of all governmental agencies which have jurisdiction over such matters.

**ARTICLE 9  
DAMAGE BY TENANT**

The Tenant shall be liable for and shall repair, replace or cause to be repaired or replaced within thirty (30) days after occurrence, any damage to Town Property, including the Business Space, or to the Town's property, equipment and fixtures caused by Tenant, Tenant's agents, employees, independent contractors working at Tenant's direction, or anyone else acting under Tenant's direction and control, ordinary wear and tear excepted. All repairs or replacements shall be made promptly and when necessary and shall be in a quality and of a class at least equal to the original. If the damage for which Tenant is liable is to the Business Space, Tenant shall continue to be liable for the Business Rental Fee and all other charges provided for in this Agreement, even if the Business Space has been rendered untenable or unusable.

Tenant shall deposit with the Town a security deposit in the amount of \$\_-0-\_. At the end of the lease, the security deposit will be returned to the Tenant after deductions for unpaid Rent, Utilities, and damage to the Business Space, other than ordinary wear and tear, or damage to the Grand Lake Center. The Tenant shall not use the deposit at any time for payment of Rent, but instead, should Tenant fail to pay amounts due upon termination or breach of the Agreement, the Town may at its option use the security deposit to satisfy any portion of the amounts owed. However, the use of the security deposit shall not limit the ability of the Town to recover any damages in excess of the security deposit amount.

**ARTICLE 10  
TOTAL OR PARTIAL DESTRUCTION**

- 10.1 Business Space Or Other Major Component Rendered Untenable. In case, during the term of this Agreement, the Business Space, or other related part of the Grand Lake Center, shall be destroyed or shall be so damaged by fire, flood, or other casualty so as to be rendered untenable or unusable as determined by either party:

- 10.1.1 Then, in such event, at the option of either party, the term hereby created shall cease, and this Agreement shall become null and void from the date of such determination, and Tenant shall immediately surrender the Business Space and his/her/its interest therein to the Town; provided, however, that the Town or Tenant shall exercise such option to so terminate this Agreement by notice, in writing, delivered to the other party within thirty (30) days after the determination of untenability or non-usability.

10.1.2 In the event neither party elects to exercise its option in 10.1.1 and terminate this Agreement, this Agreement shall continue in full force and effect; and the Town shall repair the Business Space, excluding improvements or equipment, signs, trade fixtures, or other personal property installed by Tenant, with all reasonable speed, placing the same in as good condition as it was at the time of the damage or destruction.

10.2 Business Space Only Untenantable. In the event of destruction rendering only the Business Space untenable or non-usable through no fault of the Town or the Town's agents or employees, the Town shall endeavor, but not be obligated, to make substitute premises available for Tenant's use, at no additional cost.

10.3 Components Tenantable. If the Business Space shall be only injured by fire, flood, or the elements to such extent so as not to render the same untenable and unfit for use and occupancy, the Town shall repair the same with all reasonable speed at its own expense.

10.4 Removal Of Personal Property. In any event, upon the occurrence of damage or destruction, Tenant shall remove all rubbish or debris, merchandise, furniture, furnishings, equipment and other items of its personal property from within the Business Space within thirty (30) days after receipt of written request by the Town. The Town shall be responsible for the removal of rubbish and debris as the result of the damage or destruction of any portion of the Grand Lake Center other than the Business Space.

10.5 Exception For Damage Caused By Tenant. In the event of damage caused by Tenant, as more specifically addressed in Article 9 of this Agreement, the provisions of Article 9 shall govern in any conflict between Article 9 and Article 10.

10.6 No Claim By Tenant. No compensation or claim shall be made by or allowed to Tenant by reason of any inconvenience or annoyance arising from the necessity of repairing portion of the Business Space or the Grand Lake Center, however the necessity may occur.

**ARTICLE 11  
INDEMNIFICATION AND INSURANCE**

11.1 The Town's Liability. The Town shall not in any way be liable for any cost, liability, damage or injury, including cost of suit and reasonable expenses of legal services, claimed or recovered by any person whomsoever or whatsoever as a result of any operations, works, acts, sales, or omissions performed within the Business Space by Tenant, its agents, employees, guests, invitees, or contractors.

11.2 Indemnification. Tenant covenants that it will indemnify and hold the Town harmless from all claims, demands, judgments, costs and expenses, claimed or recovered (whether justly, unjustly, falsely, fraudulently or frivolously) by any person by reason of injury to or death of any individual person or persons, or by reason of damage to, destruction or loss of use

of any property, directly or indirectly arising out of, resulting from, or occurring in connection with any operations, works, acts, or omissions or negligence of Tenant.

The Town covenants that it will indemnify and hold the Tenant harmless from all claims, demands, judgments, costs and expenses, claimed or recovered (whether justly, unjustly, falsely, fraudulently or frivolously) by any person by reason of injury to or death of any individual person or persons, or by reason of damage to, destruction or loss of use of any property, directly or indirectly arising out of, resulting from, or occurring in connection with any operations, works, acts, or omissions or negligence of Town.

As used in this Section 11.2, the terms "the Tenant" and "Town" include their respective directors, officers, agents, employees, guests, invitees, and contractors of the Town.

- 11.3 Tenant Insurance. Without limiting any of the Tenant's obligations hereunder, the Tenant shall provide and maintain comprehensive liability insurance coverage of the Business Operations in an amount no less than \$1,000,000. The Town shall maintain insurance on the real property hereby leased.
- 11.4 Precaution Against Injury. The Tenant shall take all necessary precautions in performing the Business Operations hereunder to prevent injury to persons and property.
- 11.5 No Waiver Of Immunity. Nothing herein shall be construed as a waiver by the Town or the Tenant of any of the immunities, privileges and defenses available to them under the Colorado Governmental Immunity Act, as may be amended from time to time, or arising under common law.

**ARTICLE 12  
NO INTEREST IN REAL PROPERTY**

Tenant agrees that this Agreement constitutes merely a lease of the Business Space for a limited purpose and does not create or convey to Tenant any other interest in real property.

**ARTICLE 13  
NO ASSIGNMENT/SUBLET**

The Tenant shall not assign this Agreement, and shall not sublet or otherwise allow any person to take possession of all or any portion of the Business Space. Any transfer by operation of law of Tenant's interest created hereby, other than by merger or consolidation, must be approved in advance, in writing, by the Town.

**ARTICLE 14  
RIGHT OF THE TOWN TO ENTER, INSPECT, AND MAKE REPAIRS**

- 14.1 In General. Subject to the provisions of Article 17, the Town and its authorized officers, employees, agents, contractors and other representatives shall have, upon reasonable notice under the circumstances, the right (at such times as may be reasonable under the

circumstances, subject to HIPAA, and with as little interruption to Tenant's operation as is reasonably practicable) to enter upon any part of the Business Space for the following purposes:

14.1.1 To inspect such premises at reasonable intervals during regular business hours (or at any time in case of emergency) to determine whether Tenant has complied with and is complying with the terms and conditions of this Agreement with respect to such premises;

14.1.2 To perform or cause to be performed maintenance and make repairs and replacements; and

14.1.3 To make structural additions and alterations.

14.2 Obstruction By The Town. All entries made for the purposes enumerated above shall, except as otherwise provided in Article 10, Total or Partial Destruction, be without abatement of the Business Space Rental Fee or damage for any inconvenience. However, in the event any entry by the Town in the Business Space for the purpose of making repairs or alterations as provided for in Section 14.1.2 above (other than repairs necessitated as a result of damage by Tenant under Article 9) constitutes a substantial obstruction to and impairment of Tenant's right of use of such Business Space, then Tenant shall be entitled to a fair and just abatement of the Business Space Rental Fee for the Business Space during the period required by the Town to make such repairs. The Town shall use its best efforts to make substitute space within the Grand Lake Center available for Tenant's use, at no additional cost, during any obstruction to and impairment of Tenant's right of use of the Business Space.

14.3 Obstruction By Tenant. In the event that any personal property of Tenant shall obstruct the access of the Town, its officers, employees, agents or contractors, or a utility company furnishing utility service to any of the existing utility, mechanical, electrical and other systems, and thus shall interfere with the inspection, maintenance or repair of any such system, Tenant shall move such property, as directed by the Town or said utility company, in order that access may be had to the system or part thereof for inspection, maintenance or repair. If Tenant shall fail to so move such property within thirty (30) days after direction from the Town or said utility company to do so, the Town or the utility company may move it without liability for damage sustained in moving.

14.4 No Eviction Or Abatement. Exercise of any or all of the foregoing rights in this Article, by the Town, or others under right of the Town, shall not be, nor be construed to be, an eviction of Tenant, nor be made the grounds for any abatement of the Business Rent nor any claim or demand for damages against the Town, consequential or otherwise, except as otherwise herein provided.

**ARTICLE 15  
DEFAULT, RIGHTS OF TERMINATION**

15.1 Default By Tenant. Time of payment and performance is of the essence in this Agreement. Tenant shall be in default under this Agreement upon the occurrence of any one or more of the following events:

15.1.1 Tenant's failure to pay rent by the due date. Tenant's failure to pay any other fee or other charge when due to the Town and within five (5) working days after notice from the Town of such non-payment.

15.1.2 Tenant's assignment of any right hereunder, or attempt to sublet the Business space, in violation of Article 13.

15.1.3 Tenant's failure to perform, keep or observe any of the terms, covenants or conditions of this Agreement and to cure or remedy such failure within five (5) working days after notice from the Town of such failure.

15.1.4 The filing by Tenant of a voluntary petition in bankruptcy, the filing of an involuntary petition in bankruptcy against Tenant, the taking of possession of all or substantially all of Tenant's assets pursuant to proceedings brought under the provisions of any federal reorganization act or the appointment of a receiver of all or substantially all of Tenant's assets and the failure of Tenant to secure the return of such assets and/or the dismissal of such proceeding within (90) days after the filing.

15.1.6 The abandonment for a period of ten (10) days by Tenant of the conduct of the Business Operations during the term of this Agreement without notice to the Town.

15.1.7 The assignment by Tenant of its assets for the benefit of creditors.

15.1.8 The death or disability of the Tenant or a principal of the Tenant, to the extent such death or disability interferes with the ongoing conduct of the Business Operations.

15.1.9 Any other breach of this Agreement.

15.2 The Town's Remedies On Default.

15.2.1 In the event of a default by Tenant which is uncured after ten (10) days written notice thereof from the Town (except as provided for in Section 15.1.1. above), the Town may terminate this Agreement by notice in writing to Tenant. In the alternative, the Town may elect to keep the Agreement in force and work with Tenant to cure the default. If this Agreement is terminated, Tenant's liability to the Town for damages and fees, including



but not limited to the Monthly Rental Fee, shall survive the termination, and the Town may re-enter, take possession of the Business Space, and remove any persons or property by legal action with the use of reasonable force and without liability for damages.

15.2.2 Following re-entry or abandonment, the Town may make arrangements for use of the Business Space by others, and in that connection may make any suitable alterations or refurbish the Business Space, but the Town shall not be required to make such arrangement for any use or purpose.

15.3 Default By Town. Time and performance are of the essence in this Agreement. Town shall be in default under this Agreement upon the Town's failure to perform, keep or observe any of the terms, covenants or conditions of this Agreement and to cure or remedy such failure within ten (10) days after notice from the Tenant of such failure.

15.4 The Tenant's Remedies On Default.

15.4.1 In the event of an uncured default by Town, the Tenant may terminate this Agreement by notice in writing to Town. In the alternative, the Tenant may elect to keep the Agreement in force and work with Town to cure the default. If this Agreement is terminated, Town's liability to the Tenant for damages shall survive the termination.

**ARTICLE 16  
MISCELLANEOUS PROVISIONS**

16.1 Cumulative Rights. All remedies provided in this Agreement shall be deemed cumulative and additional and not in lieu of, or exclusive of, each other or of any other remedy available to the Town, or Tenant, at law or in equity, and the exercise of any remedy, or the existence herein of other remedies or indemnities shall not prevent the exercise of any other remedy.

16.2 Non-Waiver. The failure by either party to exercise any right or rights accruing to it by virtue of the breach of any covenant, condition, or agreement herein by the other party shall not operate as a waiver of the exercise of such right or rights in the event of any subsequent breach by such other party, nor shall such other party be relieved thereby from its obligations under the terms hereof.

16.3 Non-liability Of Individuals. No director, officer, agent, or employee of either party hereto shall be charged personally or held contractually liable by or to the other party under any term or provision of this Agreement or of any supplement, modification or amendment to this Agreement because of any breach thereof, or because of its or their execution or attempted execution of the same.

- 16.4 Limitation On Use. Tenant shall not use, or permit the use of the Business Space, or any part thereof, for any purpose or use other than those authorized by this Agreement. Neither shall Tenant permit nor suffer any disorderly noise or nuisance whatsoever about the Business Space or the Grand Lake Center.
  
- 16.5 Governing Law. This Agreement shall be performable and enforceable in the Town of Grand Lake, Colorado, and shall be construed in accordance with the laws of the State of Colorado.
  
- 16.6 Benefits. This Agreement is made for the sole and exclusive benefit of the Town and the Tenant and is not made for the benefit of any third party.
  
- 16.7 Construction. In the event of any ambiguity in any of the terms of this Agreement, it shall not be construed for or against any party hereto on the basis that such party did or did not author the same.
  
- 16.8 Successors and Assigns. All covenants, stipulations and agreements in this Agreement shall extend to and bind each party hereto, its legal representatives, successors and assigns. This provision does not render the Agreement assignable, as assignment is governed by Article 13.
  
- 16.9 Headings. The titles of the several articles of this Agreement are inserted herein for convenience only, and are not intended and shall not be construed to affect in any manner the terms and provisions hereof, or the interpretation or construction thereof.
  
- 16.10 Entire Agreement. This Agreement, which is the entire agreement between the parties hereto, supersedes all prior agreements, understandings, warranties or promises between the parties hereto, whether written, spoken or implied from the conduct of the parties hereto.
  
- 16.11 Severability. In the event any covenant, condition or provision of this Agreement is held to be invalid by final judgment of any court of competent jurisdiction, the invalidity of such covenant, condition or provision shall not in any way affect any of the other covenants, conditions or provisions of this Agreement, provided that the invalidity of any such covenant, condition or provision does not materially prejudice either the Town or Tenant in his or its respective rights and obligations under the valid covenants, conditions or provisions of this Agreement.
  
- 16.12 Surrender Of Possession. Upon the expiration of this Agreement or its earlier termination as herein provided, Tenant shall remove all of its property from the Business Space and all other Town property and surrender entire possession of its rights to the Town and its improvements in accordance with Article 9 above, unless this Agreement is renewed or replaced.
  
- 16.14 The Town Representative. The Town designates Town Manager or his/her designee, as its representative who shall make, within the scope of his authority, all necessary and proper

decisions with reference to this Agreement. All requests for contract interpretations, amendments, and other clarifications or instructions shall be directed to the Town Representative. The representative may be changed by written notification to the Tenant.

16.15 Notices. Notices permitted or required to be given under this Agreement shall be in writing and shall be deemed given upon personal delivery or upon deposit in the United States Mail, certified, return receipt requested, postage fully prepaid, addressed as follows or to such other address as the parties may designate from time to time by notice given in accordance with this Section:

To Tenant: Kremmling Memorial Hospital District  
Attn: CEO  
P.O. Box 399  
Kremmling, CO 80459

Copy to: Georgia Noriyuki  
Noriyuki & Parker, P.C.  
P.O. Box 949  
Granby, CO 80446

To the Town: Town of Grand Lake  
Attention: Town Manager  
PO Box 99  
Grand Lake, CO 80447

Copy To: Scott Krob, Town Attorney  
Krob Law Office, LLC  
8400 E. Prentice Ave., Penthouse  
Greenwood Village, CO 80111

16.16 Paragraph Headings. Paragraph headings contained herein are for convenience and reference, and are not intended to define or limit the scope of any provisions of this Agreement.

16.17 Force Majeure. Neither the Town nor the Tenant shall be deemed in violation of this Agreement if prevented from performing any of its obligations hereunder by reason of strikes, boycotts, labor disputes, embargoes, shortage of energy or materials, acts of God or nature, act of public enemy, acts of superior governmental authority, weather conditions, rights, rebellion, sabotage or any other circumstances that are not within its control.

16.18 No Limitation On General Powers. Nothing in this Agreement shall be construed as in any way limiting the general powers of the parties to fully exercise their governmental functions or their obligations under any bond, covenants, or federal, state or local laws rules or regulations.

- 16.19 No Relationship. Nothing contained herein shall be deemed or construed by the parties hereto nor by any third party as creating the relationship of employer and employee, principal and agent or a partnership or a joint venture between the parties hereto. The Town shall not be responsible for any debts or obligations whatsoever of Tenant.
- 16.21 Survival. To the extent necessary to carry out all of the terms and provisions hereof, the aid terms, obligations, and rights set forth herein required shall survive and shall not be affected by the expiration or termination of this agreement.

**ARTICLE 17**  
**ADDITIONAL PROVISIONS**

17.1 Effect of this Article. The parties agree that the following additional provisions apply to their relationship and this Agreement. To the extent there is any conflict between the provisions of this Article 17 and other provisions of the Agreement, the provisions of Article 17 shall control.

17.2 Improvement to interior of Business Space. The parties recognize and agree that use of the Business Space for a medical/health clinic will necessitate substantial alterations to the interior of the Business Space and the installation of certain fixtures and equipment. All costs of altering the interior of the Business Space, as well as all costs of obtaining and installing fixtures and equipment shall be borne solely by Tenant. Any alteration or improvement of any of the electrical, mechanical, or other systems of the Grand Lake Center requested by the Tenant shall be done at the sole expense of Tenant. No modifications of the Business Space or the Grand Lake Center shall be made without the advance written consent of the Town.

17.3 Disposal of medical waste and trash from Business Space. Tenant shall be solely responsible for all costs associated with removal of trash, refuse, used materials and other items of any type used in or generated by the Business Space in a manner that fully complies with all applicable laws, rules and regulations.

17.4 Protection and confidentiality of medical records. It shall be the sole responsibility of Tenant to take all steps necessary to ensure the confidentiality and security of patient and other medical records and to comply with all applicable laws, rules and regulations relating to such records, including but not limited to the Health Insurance Portability and Accountability Act of 1996 (HIPAA). To the extent protection of such records necessitates implementation of security measures associated with the Business Space, the Tenant shall bear all expenses associated with such measures.

Notwithstanding anything contained herein, all medical and other records or documents prepared by or for Tenant in connection with the care and services it renders to its patients shall be and remain the property of Tenant under all circumstances and shall be treated as confidential pursuant to applicable federal and state law. The Town acknowledges that it does not require access to Protected Health Information to perform its responsibilities and duties hereunder or for any and all other purpose. In the event such access to Protected Health Information by the Town

were to become necessary, the Town agrees to first execute a Business Associate Agreement as defined in HIPAA and any other documents required to maintain Tenant's HIPAA compliance. The parties acknowledge and agree that the Town and the Tenant are subject to the provisions of the Colorado Open Records Act ("CORA"), Title 24, Article 72, Part 2, C.R.S.

17.5 Use of other areas of the Grand Lake Center. Tenant shall be entitled to use the following other areas within the Grand Lake Center on the terms and conditions indicated:

17.5.1 Common Area . Tenant, its employees, contractors, patients, and invitees shall be entitled to use the common areas within the Grand Lake Center, including the hallways, sidewalks, parking lots, restrooms, and other areas that are open to the general public without charge.

17.5.2 Use of other area within Grand Lake Center. Except as specifically provided in Section 17.5.1, Tenant, its employees and patients shall not be entitled to use or occupy any other portions of the Grand Lake Center solely based on their relationship or affiliation with the Tenant.

17.6 Fee for increased electrical service. The parties recognize that some of the Tenant's uses of the Business Space will require a level of electrical service substantially in excess of that used by other tenants of the Grand Lake Center. Accordingly, Tenant agrees to (1) arrange and pay to have the Business Space's electrical use separately metered, in which case the Tenant will pay the electrical bills associated with the Business Space, or (2) if the Business Space cannot reasonably be separately metered for electrical service, in the Tenant's sole discretion, then the parties will engage in good faith negotiations to determine the additional amounts the Tenant will pay for the electricity used in or related to the Business Space. If no agreement can be reached, this Lease shall terminate.

17.7 Increased water or sewer demand. To the extent that as a result of (1) the Tenant's use of the Business Space as a medical/health clinic or (2) any alterations to the Business Space or the Grand Lake Center made to accommodate Tenant's use or occupancy of the Business Space, the provider of water or sewer service to the Grand Lake Center concludes that additional water or sewer tap fees must be paid or that alterations to the water or sewer system infrastructure to or within the Grand Lake Center must be made, the Tenant shall be solely responsible for all costs and expenses assessed by the water or sewer service provider. In the event that the Tenant pays for additional water or sewer taps for the Business Space, upon vacating the Business Space, Tenant shall be entitled to any reimbursement, repayment, or other return of the cost of the additional water or sewer taps, if any.

17.8 Annual report from Tenant. In consideration for the Town providing the Business Space to the Tenant for a nominal rental fee and to enable the parties to review this Agreement at the end of the initial three-year term, the Tenant agrees to provide the Town with an annual report on or before June 1 of each calendar year showing the use of the Business Space by the Tenant. Such report shall include but is not limited to operational and statistical information such as the number of patients seen, days and hours of operation, zip codes and other location information of patients, and similar information which is provided by Tenant to other landlords. Such annual

report shall not include any Protected Health Information as defined by HIPAA, or any other identifying information about patients.

17.9 Town's inspection of the Business Space. The right of the Town to enter and inspect the Business Space as provided in Article 14 shall be exercised in a manner that does not interfere with the ability of the Tenant to maintain confidentiality of patient/client materials, does not violate HIPAA, and that does not adversely affect the equipment and improvements placed within the Business Space by the Tenant.

17.10 Securing of medicines, drugs, and medical instruments, medical supplies or materials. Tenant shall undertake all reasonably necessary precautions and security measures, at Tenant's sole expense, to ensure that all medicines, drugs, medical instruments, medical supplies or other materials that relate in any manner to the use of the Business Space for purposes of operating the Medical Clinic are fully and completely contained in a safe and secure manner at all times.

17.11 Annual Appropriation. The Tenant does not intend hereby to create a multiple-fiscal year direct or indirect debt or other financial obligation whatsoever of Tenant within the meaning of Article XI, Section 6, or Article X, Section 20, of the Colorado Constitution. Notwithstanding anything herein to the contrary, the renewal of this Agreement and the performance of obligations of the Tenant hereunder requiring budgeting and appropriation of funds are subject to annual budgeting and appropriation by the Tenant's Board in its discretion.

**TOWN:**

**TOWN OF GRAND LAKE**

By: \_\_\_\_\_  
Date

\_\_\_\_\_  
Name and Title

**TENANT:**

**KREMMLING MEMORIAL HOSPITAL DISTRICT,  
a quasi-municipal corporation and Colorado Special District,  
d/b/a Middle Park Heath**

By: \_\_\_\_\_  
Date

\_\_\_\_\_  
Name and Title

**EXHIBIT B**  
**Tenant's Personal Property, Furniture, Fixtures, and Equipment**

All furniture, fixtures, equipment, including x-ray equipment, and supplies, necessary to operate a medical clinic.



1026 Park Ave · PO Box 99  
Grand Lake, CO 80447  
970-627-3435  
www.townofgrandlake.com

To: Mayor Kudron and the Grand Lake Board of Trustees  
From: John Crone, Town Manager  
Re: Rocky Mountain SUP Contract  
Date: June 12, 2023

**Background**

The Town has been renting space for a small building and the use of a paddleboard rack to Rocky Mountain SUP. The agreement has traditionally been for a three-year term. Throughout the terms of its operation, the Town has not had any problems or received any complaints about Rocky Mountain SUP

Rocky Mountain SUP provides rental standup paddleboards. This service is very popular with our tourists and provides an opportunity for people to explore the lake without the impact of boat motors. The SUP rentals serve to draw people into Town where they often visit our restaurants and businesses. Staff considers the business a valuable economic driver.

Although the business is located in the Headwaters Marina area, the marina enterprise is not in a position where it could provide the level of service that Rocky Mountain SUP provides to our visitors.

The proposed lease has substantially the same terms as the last contract; however, the new lease would reflect an, approximately, eleven percent increase in both the monthly rental and the paddleboard rack rental (\$825 monthly rent raised to \$900; the \$900 rack rental raised to \$1000).

**Proposed Motion**

If the Board wishes to enter into the attached lease it should approve the following motion:  
*I move approve the attached lease for a three-year term with Rocky Mountain SUP.*



**LEASE AND RENTAL AGREEMENT**

THIS AGREEMENT, dated this 28th day of May, 2023, is by and between the Town of Grand Lake (the “Town”), PO BOX 99, Grand Lake, CO and Piribek Enterprises, LLC, d/b/a Rocky Mountain SUP (the “Lessee”), PO BOX 772 Winter Park, CO for a property lease and standup paddle board rack rentals:

**WITNESSETH:**

That in and for consideration of the services to be rendered and the compensation to be received, the Town and Lessee covenant and agree as follows:

1) Lessee will have full use of an area not to exceed one hundred square feet (100 sq. ft.) located on Town property as shown in the attached Exhibit B (the “Space”) for its sole use from the Friday prior to Memorial Day beginning in 2023 through no later than the last Monday of September in three consecutive years: 2023, 2024, and 2025, for the purpose of housing its stand up paddleboard (the “boards”) rental business, although no boards will be stored or kept onsite. The space is being rented for three thousand six hundred dollars (\$3,600) for the four-month summer season, (\$900 per month), for each of the 2023, 2024, and 2025 seasons. The Lessee shall be responsible for paying the rent for the full four (4) months even if it elects to occupy the space later than the Friday prior to Memorial Day each year, or to vacate the property no later than the last Monday of September in 2023, 2024, and 2025.

2) Lessee will have full use of the stand-up paddle board (SUP) rack for the purpose of storing its boards. Lessee agrees to comply with all of the rules and regulations as outlined in the Seasonal Non-Motorized Vessel rental agreement, attached hereto as Exhibit A. The lessee is required to sign the Seasonal Non-Motorized Vessel rental agreement. The rental price for the entire SUP rack is \$1000 total each year in 2023, 2024, and 2025.

3) For lease of the Space and rental of the SUP rack, the Lessee shall pay Headwater’s Marina one thousand dollars (\$1000.00). The rental of the rack shall be paid up front, and the lease of the Space shall be prorated over a four (4) month period in equal payments. Failure to make prompt payment as outlined below shall be cause for the Town to preclude Lessee from using the property in any manner until the payment(s) are received in full.

Payments will be made by the Lessee as follows:

- 1<sup>st</sup> payment due May 31st, each year of this lease by the Town: \$ 1,900 .
- 2<sup>nd</sup> payment due June 15, each year: \$ 900 .
- 3<sup>rd</sup> payment due July 15, each year: \$ 900 .
- 4<sup>th</sup> payment due August 15, each year: \$ 900 .

4) The Lessee will provide a vessel for rescue or for circumstances when board users require assistance; the Lessee is responsible for providing a safety vessel to provide this service. Town will not provide dock space for the safety vessel which may require removal of the vessel nightly by the Lessee.

5) The Lessee acknowledges and agrees to follow all Town, State and Federal laws and regulations, including obtaining a business license, building permit, sign permits as needed, etc.

6) Lessee shall be responsible for the acts, errors, or omissions of itself and its employees, consultants, agents and any other persons employed or retained on behalf of Lessee in connection with this Agreement. Lessee agrees to indemnify, hold harmless and defend the Town and its directors, officers, trustees, employees, agents, and attorneys for the actions, errors and omissions of Lessee and Lessee's employees, consultants, agents and any other persons employed or retained on behalf of Lessee in the performance of this Agreement. The parties recognize that the Town is a governmental entity subject to the provisions of the Colorado Governmental Immunity Act, Section 24-10-101. et seq., C.R.S., and the Town does not waive any of its rights under the Act by entering into this Agreement.

7) At his sole cost, Lessee agrees to purchase and maintain in effect through the terms of this Agreement, insurance that will protect the Town and Lessee from claims which may arise out of, result from or be related to the Lessee's performance of the use of the Town's property as outlined in this Agreement, whether such performance be by Lessee or by someone directly or indirectly retained or employed by Lessee, the Lessee's customers, invitees and guests, or by anyone for whose acts, errors, or omissions any of them may be liable. A copy of all policies or signed certificates of insurance shall be on file with the Town at all times, shall be appropriately endorsed to give the Town a minimum of thirty (30) days notice of cancellation or intention of non-renewal or restriction of coverage, shall name the Town of Grand Lake and Headwaters Marina as "Additional Insured", and shall conform with the laws of the State of Colorado. Such insurances required herein shall be written for limits as follows:

- A. Commercial General Liability
  - 1. Bodily Injury and Property Damage
    - \$1,000,000 each occurrence
    - \$2,000,000 aggregate
  - Personal Injury
    - \$1,000,000 each occurrence
    - \$2,000,000 aggregate
- B. Workers' Compensation and Employers' Liability:
  - 2. Workers' Compensation – at statutory levels
  - 3. Employer's Liability
    - \$100,000 each accident
    - \$100,000 disease – each employee
    - \$500,000 disease – policy limit

Additionally, the lessee will be responsible for any possessory interest fees.

8) It is specifically agreed that neither Lessee nor any person working on his behalf on the project shall discriminate against any person because of age, race, sex, national origin, ancestry, disability or religion.

9) This Agreement shall be in force and effect beginning on the date stated above and shall terminate on the last Monday of September, or September 25, 2023; September 30, 2024; and September 29, 2025.

10) Upon expiration or termination of this Agreement, the Lessee shall remove all equipment and buildings immediately and restore the Space to its previous condition or better.

11) Both parties have consulted with legal counsel to the extent they desire to do so and the contents of the document are the result of their joint drafting efforts.

TOWN OF GRAND LAKE

ROCKY MOUNTAIN SUP, LLC

By: \_\_\_\_\_  
John Crone, Town Manager

By: \_\_\_\_\_  
Evan Spaulding, General Manager

**EXHIBIT A**

SEASONAL NON-MOTORIZED VESSEL SLIP RENTAL AGREEMENT  
HEADWATERS MARINA ENTERPRISE  
PO BOX 99, GRAND LAKE, CO 80447  
(970) 627-5031 \* Fax (970) 627-8243

**1. PARTIES TO AGREEMENT:** The parties to this Slip Rental Agreement are Headwaters Marina (hereinafter “Lessor”) and Piribek Enterprises, LLC, d/b/a Rocky Mountain SUP (hereinafter “Lessee” or “Owner”).

**2. LESSEE IDENTIFICIATION:** Lessee’s full name and mailing address are:

Name: Piribek Enterprises, LLC E-Mail: jt.piribek1@gmail.com

Home Address: PO BOX 772 Winter Park, CO 80482

City: Grand Lake State: CO Zip: 80447

Telephone (Home): Work: Cell: 850-362-9186

**3. AGREEMENT:** In consideration of the payment of one thousand dollars (\$1000.00) from Lessee to Lessor, receipt of which is hereby acknowledged, Lessor and Lessee agree as follows.

**A. PERMISSION TO STORE VESSEL:** By the terms of this Agreement, Lessee shall be allowed to store Lessee’s vessels in a Standup Paddleboard (SUP) rack from the Friday prior to Memorial Day each year beginning in 2023 until the last Monday in September each year, 2023 through September 2025. No other vessels can be stored in this space without prior consent of Headwaters Marina.

**B. PERMITTED ACTIVITIES:** The Lessee is permitted to store Lessee’s vessels as described above. The use and consumption of alcohol is strictly prohibited on Town Property except during Special Events that have obtained a liquor license. By renting this slip, the Town grants no privileges that are not specifically enumerated in this agreement to the Lessee or his agents, which include but are not limited to the Lessee’s family member(s), employee(s), agent(s), guest(s), perimtee(s) or invitee(s), regarding the use of Town property.

**C. RESPONSIBILITY OF CONSTRUCTION:** The Lessor will be responsible for all materials, labor, construction, and installation of the SUP racks to the specifications provided by the Lessee. The Lessor will provide similar materials and comparable type of construction of the existing kayak racks leased at the lake front.

**D. LESSOR NOT LIABLE FOR FIRE, THEFT, ETC:** Lessee is responsible for launching and storing the vessels, and understands and acknowledges that storing Lessee's vessels at the kayak slip is at the Lessee's own risk. Lessor and its Manager assume no responsibility nor liability for the safety of any vessel or its contents stored at the kayak slips, and will not be liable for fire, theft, damage or vandalism to Lessee's vessels, nor any of the equipment, appurtenances, etc., connected or related thereto, however arising; it being the understanding of Lessor and Lessee that the Lessee shall store the vessels at the Lessee's sole risk. Lessor and its Manager DO NOT insure the Lessee, the vessels, nor any of the equipment, appurtenances, etc., connected or related thereto against risks of fire, theft, damage, vandalism or any other loss or casualty to the same.

**E. REMOVAL OF VESSEL UPON EXPIRATION OR TERMINATION:** Upon expiration or termination of this Agreement for any reason, Lessee agrees to remove the vessels from the assigned slips within ten (10) days of expiration of this Agreement or notice of termination provided in writing and mailed to the Lessee's address listed above.

**F. HOLD OVER:** Should Lessee fail to remove the vessels upon expiration or termination of this Agreement, Lessee shall be deemed a hold-over tenant, and shall pay rent at a rate of \$25 per day. If not removed within 10 days of expiration or termination, the Lessor shall have the right, but not the obligation, to remove and store the vessels and to charge Lessee for winter storage, winterization of the vessels, and any other charges that the vessels accrue, in addition to the hold-over amounts discussed above. Any hold-over tenant who has failed to pay any sum due in consideration of such tenancy for a period of nine (9) months after such sum is due and owing, shall be deemed to have abandoned his vessels and such abandoned vessels may be disposed of by the Town of Grand Lake in the manner provided by state statutes or local laws concerning abandoned property.

**G. RENEWAL OF LEASE:** Tenancy shall give Lessee renewal priority over another applicant for storage space up to the published renewal deadline date, as long as Lessee is in good standing with Headwaters Marina.

**H. RULES AND REGULATIONS:** The attached Rules and Regulations of Headwaters Marina Enterprise are made a part of this Lease Agreement. Failure by Lessee to observe these rules shall give the Lessor the right to terminate this Lease Agreement. The rules and regulations are subject to change without notice.

I certify that I have read and agree to the above terms and conditions and that I have read and agree to abide by the attached Rules and Regulations of Headwaters Marina Enterprise.

Lessee: \_\_\_\_\_ Date: \_\_\_\_\_  
Piribek Enterprises, LLC, d/b/a Rocky Mountain SUP, by:  
Evan Spaulding, General Manager

By: \_\_\_\_\_ Date: \_\_\_\_\_  
Lease Accepted, Town of Grand Lake, Lessor  
John Crone, Town Manager

## HEADWATERS MARINA RULES AND REGULATIONS

1. The Lessee agrees to exercise due care in the use of the premises provided under the Agreement and to exercise due care in the operation of any vessel in the Headwaters Marina area.
2. To be admitted to Headwaters Marina and to continue to be slipped or moored at this marina, a Vessel must be registered, identified, marked, equipped and maintained as required by law, shall at all times be capable of moving from its slip/mooring under its own power, and shall at all times present a clean, well-maintained appearance. The Headwaters Marina shall have the right to inspect the Vessel to determine whether these requirements are being observed.
3. Vessels shall be secured in their slips/mooring in a manner acceptable to the Headwaters Marina. If the Vessel is not so secured, the Headwaters Marina, after notice to the Lessee, will properly secure the Vessel for the Lessee, without liability on the part of the Marina, and will charge the Lessee for labor and materials for this work.
4. Lessees will provide the Headwaters Marina with keys or lock combinations for the main hatches and engine hatches of their vessels. Headwaters Marina will store keys in a secure area accessible only to responsible Headwaters Marina personnel. Headwaters Marina will give the keys (or combination) to no person other than the Lessee or Headwaters Marina personnel, and then only upon prior authorization by the Lessee.
5. In the event of a heavy storm, Headwaters Marina personnel will attempt, if practical and possible, to provide preparation and damage prevention services. Lessee agrees to pay for these services as billed. However, Headwaters Marina does not assume responsibility for said protection or for any damages to Lessee's Vessel.
6. Lessees are welcome to perform minor service work on their own Vessels provided, however, that:
  - a. The work is actually performed by the Lessee, members of his/her family, or friends who are not working for pay.
  - b. The Vessel is located in the Lessee's slip.
  - c. Absolutely no paints, thinners, solvents, oils, or similar materials, or any sawdust, sanding residue, paint scrapings or the like be spilled, dumped or discharged into the waters of Headwaters Marina or Grand Lake. Lessees should note that serious damage to other vessels have been caused by accidental spills. In the event of an accidental spill, the offending parties will be held completely responsible for repair of those damages.
  - d. The work is minor in nature, including but not limited to changing of spark plugs, prop replacement, routine engine maintenance, etc.
  - e. The work **is not major** in nature, including but not limited to engine overhaul, fibreglassing, sanding, varnishing, etc.
7. Advertising or soliciting shall not be conducted at Headwaters Marina. This includes the prohibition of for sale signs on the vessel.
8. Headwaters Marina reserves the right to place other vessels in a Lessee's assigned slip, and to charge therefore, when the slip is not being used by the Lessee.

- 9. The laws of the State of Colorado, and the Clean Water Act of the U.S. Government specifically prohibits discharge or deposit of any rubbish, waste material or refuse material of any kind or description into the waters of any river, stream, lake, pond or tidal waters. Headwaters Marina supports these regulations and will provide every assistance to the enforcement agencies to assure compliance within Headwaters Marina. Lessees and their family and guests are expected to cooperate by using the Town’s public restrooms and placing all garbage refuse in the receptacles provided.
- 10. Dumping of portable toilets is prohibited.
- 11. Lessees shall not place supplies, materials, accessories, canoes, kayaks, dinghies, or debris on the docks, walkways, or shoreline, and shall not construct thereon any lockers, chests, cabinets, or similar structures. Water hoses and electric cords shall be removed when not in use, or shall be neatly coiled and stowed. Headwaters Marina reserves the right to confiscate any of the above items if in violation of this rule.
- 12. Lessees are expected to conduct themselves, and to see that children and guests for whom they are responsible also conduct themselves, so as to create no annoyance, hazard or nuisance to Headwaters Marina or to other Lessees. In addition to the good housekeeping practices listed above, this rule specifically includes the following:
  - a. Swimming, diving, or fishing from Headwaters Marina docks is not permitted.
  - b. No charcoal or open fires will be allowed on Headwaters Marina premises.
  - c. Dogs will be kept on a leash or under voice control at all times. Lessees are expected to clean up after their pets promptly and dispose of the waste properly.
  - d. Children shall not be allowed to run on Headwaters Marina docks.
- 13. Vessels over 20’ in length must be pre-approved by the Marina Director for docking.

Lessee: \_\_\_\_\_ Date: \_\_\_\_\_  
 Piribek Enterprises, LLC, d/b/a Rocky Mountain SUP, by:  
 Evan Spaulding, General Manager

By: \_\_\_\_\_ Date: \_\_\_\_\_  
 Town of Grand Lake, Lessor  
 John Crone, Town Manager