CITY COUNCIL REGULAR MEETING

448 E. 1st Street, Room 190 Salida, Colorado 81201
October 03, 2023 - 6:00 PM

AGENDA

Please register for Regular City Council Meeting
https://attendee.gotowebinar.com/register/6382995264411204366
After registering, you will receive a confirmation email containing information about joining the webinar.
To watch live
meetings: https://c.streamhoster.com/embed/media/W6sdC9/xAIlQfSsmmO/vpfQhcsApYv_5?preview=1

CALL TO ORDER

Pledge of Allegiance

Roll Call

Civility Invocation

1. Civility Invocation

CONSENT AGENDA

2. Approve Agenda
3. Approve September 19, 2023 Minutes
4. Hangar Ground Lease Agreements for Harriet Alexander Field

CITIZEN COMMENT–Three (3) Minute Time Limit

UNFINISHED BUSINESS / ACTION ITEMS

NEW BUSINESS / ACTION ITEMS

5. Proposed 2024 Budget, **PUBLIC HEARING**
6. **Resolution 2023-40** A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SALIDA, COLORADO, AUTHORIZING THE SIGNING OF AN INTERGOVERNMENTAL AGREEMENT BETWEEN THE CITY OF SALIDA, CHAFFEE COUNTY, AND THE TOWNS OF BUENA VISTA AND PONCHA SPRINGS REGARDING THE STATE OF COLORADO OPIOD MOU AND ALLOCATION OF LOCAL GOVERNMENT SHARES
7. **Resolution 2023-41** A RESOLUTION OF THE CITY COUNCIL FOR THE CITY OF SALIDA, COLORADO AMENDING THE 2023 FEE SCHEDULE
8. **Resolution 2023-42** A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SALIDA, COLORADO, CERTIFYING DELINQUENT CHARGES, ASSESSMENTS, OR TAXES TO THE CHAFFEE COUNTY TREASURER TO BE ADDED TO THE 2023 TAX ROLL
9. **Ordinance 2023-13** AN ORDINANCE AUTHORIZING THE FINANCING OF CERTAIN PUBLIC IMPROVEMENTS OF THE CITY, AND IN CONNECTION THEREWITH AUTHORIZING THE LEASING OF CERTAIN CITY PROPERTY AND THE EXECUTION AND DELIVERY BY THE CITY OF A SITE LEASE, A LEASE PURCHASE AGREEMENT, AN OFFICIAL STATEMENT AND OTHER FINANCING DOCUMENTS; SETTING FORTH PARAMETERS AND RESTRICTIONS WITH RESPECT TO THE FINANCING; AUTHORIZING CITY OFFICIALS TO TAKE ALL ACTION NECESSARY TO CARRY OUT THE TRANSACTIONS CONTEMPLATED HEREBY; RATIFYING ACTIONS PREVIOUSLY TAKEN;

Individuals with disabilities needing auxiliary aid(s) may request assistance by contacting the City Clerk at 448 E. 1st Street, Ste. 112, Salida, CO 81201, Ph.719-530-2630 at least 48 hours in advance.

AND PROVIDING OTHER MATTERS RELATED THERETO, **FIRST READING AND SETTING A PUBLIC HEARING**

COUNCILORS, MAYOR AND CITY TREASURER REPORTS

Council Reports

- Critelli, Kasper, Naccarato, Pappenfort, Pollock, Templeton

Mayor Report

Treasurer Report

Attorney Report

Staff Reports

BOCC Report

EXECUTIVE SESSION

10. For the purpose of conferencing with the City Attorney for the purpose of receiving legal advice on specific legal questions under C.R.S Section 24-6-402(4)(b), and for the purpose of determining positions relative to matters that may be subject to negotiation, developing strategy for negotiations, and/or instructing negotiators under C.R.S. Section 24-6-402(4)(e), and the following additional details are provided for identification purposes: **Municipal Court and contracts generally.**

ADJOURN

City Clerk | Deputy City Clerk	Mayor Dan Shore

CIVILITY INVOCATION

We are here working together to create a thriving community. It is the intention of the Salida City Council to promote civil communication by adopting the following guidelines for speaking to the public in the City Council Chambers. It is our hope that by acting in this manner we can help create a safe space for people to share their perspectives and opinions:

- We honor the opportunity to be engaged in the process of governance for the benefit of our community.

- We acknowledge that each of us brings a unique perspective to this conversation and that our perspectives may differ.

- We challenge ourselves to value varying points of view and hold all contributions as equally important.

- We understand and accept that while we may sometimes disagree, we can always be courteous and kind.

- We commit to respectful language, avoiding rumor, harsh criticism or personal accusation, even when feeling emotionally charged.

- We will, to best of our ability, speak thoughtfully and listen with attention, respect, and curiosity.

- We are confident that there may be even better solutions than any of us have thought of, which may be discovered through civil conversations.

- We affirm our support for women’s rights, including equal pay, equal treatment under the law and in the workplace, and the right to determine choices that impact the direction and personal values of one’s life, including all individuals’ reproductive health choices.

- We commit to the City of Salida being a hate-free zone and declare and affirm a policy of non-discrimination on the basis of a person’s race, color, religion, ancestry, national origin, age, sexual orientation, gender, gender identity, marital status, military or veteran status, socio-economic class, medical condition, or physical or mental disability.

CITY COUNCIL REGULAR MEETING

448 E. 1st Street, Room 190 Salida, Colorado 81201
September 19, 2023 - 6:00 PM

MINUTES

CALL TO ORDER

Pledge of Allegiance

Roll Call

PRESENT
Council Member Justin Critelli
Council Member Dominique Naccarato
Council Member Alisa Pappenfort
Council Member Mike Pollock
Treasurer Merrell Bergin

ABSENT
Council Member Harald Kasper
Council Member Jane Templeton
Mayor Dan Shore

Civility Invocation

CONSENT AGENDA

Council Member Pappenfort moved to combine and approve the items on the Consent Agenda, Seconded by Council Member Naccarato.

Voting Yea: Council Member Critelli, Council Member Naccarato, Council Member Pappenfort, Council Member Pollock

THE MOTION PASSED.

Approve Agenda

Approve September 5, 2023 Minutes

Approve Hot RDG Classic - Disc Golf Tournament

Approve Holiday in the Park

Approve Final Settlement for the Asbestos Abatement and Demotition Project

CITIZEN COMMENT–Three (3) Minute Time Limit

Jacob Reimer, Lisa Ledwith, Katy Grether, Shae Merchant, Wendy Gorie and Adam Martinez spoke during Public Comment.

UNFINISHED BUSINESS / ACTION ITEMS

There was no Unfinished Business.

NEW BUSINESS / ACTION ITEMS

Construction Contract for Fire Station

Council Member Pappenfort moved to approve the Construction Contract for a new Fire Station, Seconded by Council Member Naccarato.

Voting Yea: Council Member Critelli, Council Member Naccarato, Council Member Pappenfort
Voting Nay: Council Member Pollock

THE MOTION PASSED.

Resolution 2023-39 A RESOLUTION OF THE CITY COUNCIL FOR THE CITY OF SALIDA, COLORADO APPROVING THE DEVELOPMENT IMPROVEMENT AGREEMENT FOR LOT 5 OF THE ANGELVIEW MINOR SUBDIVISION

Council Member Naccarato moved to approve the Resolution, Seconded by Council Member Pappenfort.

Voting Yea: Council Member Critelli, Council Member Naccarato, Council Member Pappenfort, Council Member Pollock

THE MOTION PASSED.

COUNCILORS, MAYOR AND CITY TREASURER REPORTS

Reports were given.

ADJOURN

Adjourned at 7:30 p.m.

CITY OF SALIDA
SEAL
COLORADO

City Clerk | Deputy City Clerk	Mayor Dan Shore

CITY COUNCIL ACTION FORM

DEPARTMENT	PRESENTED BY	DATE
Administration	Christy Doon - Interim City Administrator	October 3, 2023

ITEM
Hangar Ground Lease Agreements for Harriet Alexander Field

BACKGROUND
Harriet Alexander Field is owned and operated by a partnership between Chaffee County and the City of Salida. The airport is managed by a board made up of representatives of both the City and County, and the board makes operational recommendations to both the Board of County Commissioners and City Council.

The Airport Advisory Board routinely recommends approval of ground leases to allow private parties to construct and occupy airplane hangars on the property of Harriet Alexander Field. Recently, an agreement for one (1) hangar site was extended to Thomas K. Zoellner and one (1) hangar site was terminated for John Diesslin.

The attached ground lease for Thomas K. Zoellner. would allow for the establishment of the lease and hangar with the same term as other hangar owners. The term of the lease is twenty (20) years, with an option to renew at the end of the term.

The attached Notice of Intent to Terminate Lease is dated August 31, 2023. The original Ground Leas was entered into on November 30, 2021.

FISCAL NOTE
The attached ground lease for Thomas K. Zoellner provides for an annual revenue for the airport of $0.2281 per square foot of area rented. The final design of the hangar has not been completed. Once it is, the lease will be updated with the square footage and total annual payment.

STAFF RECOMMENDATION
Staff recommends that the City Council approve the Ground Lease with Thomas K Zoellner as recommended by the Airport Advisory Board.

Staff recommends that the City Council approve the termination of the Ground Lease with John Diesslin as recommended by the Airport Advisory Board.

SUGGESTED MOTION
A City Council Member should make a motion to “combine and approve the items on the consent agenda.”

Notice of Intent to Terminate Lease

This Notice of Intent to Terminate Lease is dated 8/29, 2023 and is by and between John Diesslin, (Lessee) and the City of Salida/Chaffee County Colorado (Lessors).

1. The parties entered into a Ground Lease Agreement dated Nov. 30, 2021, for hangar space at Harriet Alexander Field (Airport) as more particularly described as "Leased Premises" in the Ground Lease, attached and incorporated by reference.

2. The lease was modified by the First Amendment to Ground Lease dated January 4, 2022, which added additional Leased Premises shown as sites G1 and G2 in the attached Ground Lease. This First Amendment to Ground Lease is attached and incorporated by reference.

3. The Lessees desire to terminate the Lease for convenience and not due to any fault of the parties.

4. The Lessors agree to early termination of the Lease.

5. The parties wish to terminate the Lease effective as of August 31, 2023.

6. Lessees remain responsible under the Lease for compliance with applicable laws and regulations during the term of the Lease and up to the date of termination.

7. Lessees remain responsible for all utility and taxes due up to the date of termination.

8. This Notice of Intent to Terminate Lease may be executed by parties electronically and in counterparts, and as executed shall be fully valid and enforceable.

Signatures:

Lessors:

Chaffee County:

Keith Baker

By: Keith Baker, Chair of the Board of County Commissioners

City of Salida:

By:

Lessees:

John Diesslin

Address: 5440 LONGBRANCH RD. SALIDA, CO 81201

Lessee (name): Thomas K. Zoellner	**Lessee's mailing address:** Box 1282 Boulder Co, 80306
Lessee's email: Thomas@netzerostudio.com	**Lessee's phone:** 303-808-7398
Date of Agreement: 9/8/23	Site location G

GROUND LEASE

This lease agreement is entered into by and between the City of Salida, Colorado, a municipal corporation, and Chaffee County Colorado/the Board of Commissioners of Chaffee County (collectively "Lessors"), and Lessee (identified above), as of the above date.

RECITALS

A. Lessors are the owners of that land comprising approximately 210 acres, more or less, known as the Salida/Chaffee County Airport, also known as Harriet Alexander Field (hereinafter "Airport"); and

B. Lessee desires to lease from Lessors a portion of the Airport for the purpose of constructing and/or occupying an aircraft hangar or other aircraft-related facility as more particularly described below; and

C. Lessors are willing to lease to Lessee the below described portion of Airport pursuant to the terms and conditions also set forth below.

AGREEMENT

In consideration of the terms, conditions and promises as set forth herein, the parties agree and covenant as follows:

1. **Leased Premises**. Lessors hereby lease to Lessee that unsubdivided portion of the Airport property described on the attached Exhibit A (the "Leased Premises"). THE LEASED PREMISES CONSIST OF THE FOOTPRINT OF THE BUILDING ALREADY CONSTRUCTED OR TO BE CONSTRUCTED BY THE LESSEE PLUS A MAINTENANCE/ACCESS EASEMENT OF FIVE FEET AROUND SAID FOOTPRINT.

2. **Vacant Land**. Lessee acknowledges that the Leased Premises are comprised solely of vacant land [and certain improvements] and that Lessors have no obligation to provide Lessee any improvements, services, fixtures or utilities to the Leased Premises, except as expressly provided in this Ground Lease.

3. **Use of the Leased Premises**. Lessee shall use the Leased Premises solely for the parking, storage and maintenance of Lessee's personal private aircraft, and for associated accessory activities. "Maintenance" shall not include welding, open flame operations, or the use of Class I or Class II liquids as defined in the most recent edition of the Chaffee County Uniform Building Code. Lessee shall not operate or allow commercial business operations of any kind to be performed on the Leased Premises absent Lessors' express written consent and the execution of a Commercial Operator's Agreement. Lessee shall install and properly maintain not less than one fire extinguisher and shall comply with applicable fire code regulations with respect to any structure on the Leased Premises. Except to the extent contained in the fuel tanks of aircraft and automobiles or expressly permitted by this Ground Lease, Lessee may not store any fuel or gasoline or hazardous or dangerous substances on the Leased Premises. Lessee may store up to five gallons of aviation fuel or gasoline on the Leased Premises in an OSHA or UL approved container. Lessee may install antennae not exceeding six feet in height above the highest point on any hangar or structure constructed or placed on the premises by Lessee, so long as such antennae comply in all respects with Federal Aviation Administration ("FAA") regulations and do not create an obstruction or threat to air navigation. New buildings and structures must conform to all adopted FAA regulations, commercial building, fire, mechanical, electrical and plumbing codes as well as the airport architectural

standards. Violations not corrected within 90 days will constitute a violation resulting in cancellation of the lease.

4. **Maintenance of Leased Premises**. Lessee shall at all times maintain the Leased Premises and all improvements to the Leased Premises in good condition and state of repair and shall not allow fire hazards, ice and snow, weeds, trash, debris or other unsightly objects to accumulate or be stored on or around the Leased Premises or otherwise interfere with the Airport facilities. No outside storage is allowed,

5. **Signs.** Lessee shall not place any signs, logos or emblems on the Leased Premises or on any improvements to the Leased Premises, except for a sign not larger than four square feet in size that identifies Lessee as the occupant of the Leased Premises. All signs shall be installed in compliance with the building and/or sign regulations of Chaffee County and/or other governing jurisdiction.

6. **Term and Option to Renew.**

(a) Subject to earlier termination as provided for in this Ground Lease, the initial term of this lease shall begin on the date of this Ground Lease, as set forth above, and terminate twenty years later, unless earlier terminated as provided for in this Ground Lease.
(b) Provided Lessee is not in violation or breach of any terms or conditions of this Ground Lease and provided the lease complies with the then current airport master plan, Lessee may renew and extend this Ground Lease for up to an additional twenty years (the "Option Term") upon written notice to Lessor submitted at least 120 days prior to the expiration of the initial and term. The Option Term shall be subject to the same terms and conditions as set forth in this Ground Lease, except that the rent for the first year of the Option Term shall be adjusted to the prevailing rates, based upon the most recently executed ground lease, adjusted for the then current CPI-U (defined below). The rent for subsequent years of the Option Term shall be adjusted as provided below. In the event Lessee remains in possession of the Leased Premises for any period after the expiration of the 20-year initial lease term, without a written agreement between the parties for an Option Term, a new month-to-month tenancy shall be created subject to the same terms and conditions of this Lease at a monthly rental rate to be determined as provided below, unless otherwise agreed by the parties in writing. Such month-to-month tenancy shall be terminable on thirty (30) days' notice by either party or on longer notice if required by law.

7. **Rent.**

(a) Lessee shall pay to Lessors total annual rent of $ for a total of sq. ft. As of May 1, 2012, the lease rate was $0.17 per square foot, which is adjusted annually as of May 1. Beginning April 30, 2013 and every year thereafter for the lease term, the rate adjusts in accordance with subparagraph (b), below. The CPI adjusted rate effective May 1, 2021 will be $0.2881 per square foot. Lessee shall pay the rent annually, in advance, without notice or demand, with the first payment due on the first day of the lease term, except that for the first year of this Ground Lease, rent shall be pro-rated, if necessary, from the beginning date of this Ground Lease through the following April 30, 2024 .For subsequent years, rent shall be due on May 1.

(b) Rent shall be adjusted annually in accordance with any increase in the United States Bureau of Labor Statistics Consumer Price Index for all items and urban consumers (the CPI-U) for the Denver-Boulder area, . The adjustment shall reflect any increase in the CPI-U for annual period beginning from the time rent was last set or adjusted. Should the United States Bureau of Labor Statistics cease publication of the CPI-U for the Denver-Boulder area, then future rent adjustments shall be based upon and correspond to the rate of "local growth" for the annual period as defined in Article X, § 20(2)(g) of the Colorado Constitution and determined by the Chaffee County Assessor pursuant to C.R.S. § 39-5-121(2)(b). In no event shall the rental rate be reduced absent the prior written consent of Lessors, regardless as to any decrease in the CPI-U or local growth rate from the time rent was last set or adjusted. Lessors shall use their best efforts to advise Lessee of the adjusted rent amount at least one month prior to the rent payment due date, but failure of Lessors to so notify Lessee shall not relieve Lessee of its obligation to pay the increased rent.

(c) Lessee shall make and/or direct all rent payments to the location and/or to the person or entity designated by the Airport Manager in writing. If no such designation is made, rent shall be paid to: Chaffee County Airport Fund, c/o Chaffee County, Attention Finance Department, P. O. Box 699, Salida Colorado 81201.

(d) Interest shall accrue on any past due rent payment at the rate of 1.5% per month or 18% per annum. Such interest shall in no event constitute a waiver of Lessee's default with respect to such overdue amount, nor prevent Lessors from exercising any of the other rights and remedies under this Ground Lease.

8. **Common Airport Facilities/ CLOSURES.** Lessee is granted in common with other lessees, or persons similarly authorized, the non-exclusive use of all common Airport facilities including, but not limited to, the landing field, runways and taxiways (inclusive of any future enlargement or extensions thereof), roadways, aprons, fueling facilities, flood lights, landing lights, beacons, radio aids, and such other airport facilities as may exist and are available for use by the general aviation public. LESSEE ACKNOWLEDGES THAT REPAIRS OR IMPROVEMENTS TO RUNWAYS OR OTHER AIRPORT FACILITIES OR STATE OR FEDERAL MANDATES MAY REQUIRE THE CLOSURE OF THE AIRPORT OR THE TEMPORARY OR PERMANENT RESTRICTION OF ITS USE. SUCH ACTIVITIES SHALL NOT CAUSE ANY REDUCTION IN THE RENT DUE HEREUNDER. LESSEE FURTHER ACKNOWLEDGES THAT THIS LEASE IS SUBJECT TO THE LESSORS CONTINUING TO OPERATE THE AIRPORT FACILITIES IN THEIR CURRENT LOCATION AND LESSORS MAY TERMINATE THIS LEASE, WITHOUT RECOURSE TO LESSORS, IF LESSORS, FOR WHATEVER REASON NO LONGER OPERATE THE AIRPORT IN ITS CURRENT LOCATION.

9. **Right of Ingress and Egress.** Lessee shall at all times have a right of reasonable ingress to and egress from the Leased Premises over and across the Airport to public ways and roads, which right shall extend to Lessee's employees, agents, customers, guests and other invitees. Such right shall also extend to persons or businesses supplying materials or services to Lessee, and shall include access and egress for vehicles, machinery and equipment reasonably required by Lessee and those persons or entities specified in this paragraph. SUCH RIGHT SHALL NOT BE EXERCISED IN A WAY THAT INTERFERES WITH THE USE OF THE AIRPORT BY OTHERS OR THAT IS IN VIOLATION OF ANY DULY ADOPTED AIRPORT RULES OR POLICIES. LESSEE ACKNOWLEDGES SUCH RIGHT MAY NOT INCLUDE VEHICLE ACCESS TO HANGARS, AS DETERMINED BY THE AIRPORT MANAGER

10. **Hangar Construction and Improvements.**

(a) If there are no improvements on the Leased Premises, Lessee shall be required to install, improvements on the Leased Premises, such improvements to be limited to one aircraft storage hangar and any accessory hard surfaces (ramp/access taxiway), and/or such other structures as specifically authorized in writing in advance by Lessors. The design and materials to be used in the construction repair, other than routine maintenance, or restoration of any hangar, structure or hard surface shall be approved in advance in writing by Lessors. Within thirty days from the beginning of this Ground Lease, Lessee shall submit a detailed description, inclusive of engineered drawings/plans, to Lessors together with a cost estimate for all structures or other improvements Lessee desires to install, repair or rebuild on the Leased Premises. No installation or construction shall occur on the Leased Premises or upon common Airport property until the Airport Manager has specifically approved same in writing and all necessary third-party permits have been issued, including local building permits and such permits or approvals as may be necessary from the Federal Aviation Administration (e.g., FAA Form 7460, Notice of Proposed Construction). All improvements must be completed per the building department permit timeframe and the Airport Manager has approved the construction.

(b) The installation/construction of all structures and hard surfaces shall comply with the then-current Commercial Building Code, Airport Master Plan, the Minimum Standards for Hangar Construction and the Airport Storm Water Management Plan then in effect for the Airport. No structure shall be constructed within five feet of the perimeter boundary of the Leased Premises. Lessee shall maintain the Leased

Premises in a safe and orderly condition during any and all construction/installation activities, and shall not allow construction materials, activities or debris to invade or impinge upon common Airport facilities (e.g., ramps, taxiways or roadways) or other leased premises. The Airport Manager may, upon request by Lessee and/or in order to minimize the disruption of normal Airport operations, allow or direct the temporary use by Lessee of non-leased Airport property for construction staging and/or material storage during any period of construction/installation. Lessee's installation or extension of any utility lines or services (i.e., water, sewer, electricity or gas) as part of any construction or improvement must be approved in advance and in writing by Lessors.

(c) Lessee shall affirmatively notify all persons or entities undertaking any work on the Leased Premises, including persons engaged in planning, design, construction or repair, and/or persons supplying any labor, materials or equipment pursuant to such work, that as publicly-owned property, the Leased Premises are not subject to lien for a failure to pay for such work, labor or materials, and Lessee shall, in accordance with C.R.S. § 38-22-105(2), post and keep posted a written notice to the same effect in some conspicuous place upon the Leased Premises during any and all such work.

(d) Except as otherwise provided for in this Ground Lease, all hangars, buildings, fixtures, structures or other improvements bought, installed, erected, constructed or placed on the Leased Premises by Lessee shall be deemed to be personal property for purposes of this lease and shall remain the property of Lessee; and Lessee shall, unless otherwise authorized in writing in advance by Lessors, remove such property upon the expiration or termination of the lease, subject to Lessee's obligation to repair all damage, if any, resulting to the Leased Premises or Lessors' property by such removal. Lessee shall be allowed up to sixty days after the expiration or termination of the lease to remove any and all such property, during which time Lessee shall be obliged to continue to pay rent on a prorated basis until such removal is completed. In the discretion of the Lessors, any and all property, inclusive of hangars, buildings and fixtures, not removed by Lessee within the time allotted for same may become part of the Leased Premises and title to such property shall automatically vest in Lessors, individually or jointly, to the extent that Lessors individually or jointly own the land underlying such property. If Lessee abandons any improvement or property on the Leased Premises or fails to remove such improvement or property as required, above, Lessors may, in its sole discretion, take title to or remove same, at any time Lessors may determine, at Lessee's cost.

(e) Any aircraft hangar constructed by Lessee may be used for the temporary storage of motor vehicles while Lessee's aircraft is in use. Lessee may also allow other aircraft owners to temporarily occupy Lessee's hangar while performing maintenance or repairs on their personal aircraft. Collection of rental or sublease fees shall constitute a commercial operation and require a commercial operators agreement.

11. **Utilities.** Lessee shall timely and fully pay for all utility services installed and used on the Leased Premises. In no event shall a septic system be installed or used on the Leased Premises absent Lessors' written consent and the issuance of all necessary permits. Lessors may require Lessee, at Lessee's cost, to connect any water-using facility on the Leased Premises to a sanitary sewer system if a sanitary sewer main line becomes available within 400 feet of the Leased Premises and to remove any leach fields

12. **Taxes and Assessments.** Lessee shall timely pay all real and personal property taxes and assessments, including without limitation possessory interest assessments, levied or imposed against the Leased Premises as the result of Lessee's occupancy and/or use of same, and upon any improvements installed and owned by Lessee thereon.

13. **Subletting, Assignment and Sales.**

(a) Lessee may not assign any of the rights, benefits or obligations, in whole or in part, inhering to it under this Ground Lease, nor may Lessee sell or sublet any area, space or structure to any third party, whether by merge, operation of law or otherwise, absent the prior written consent of Lessors, which consent may be granted or withheld solely within the reasonable discretion of Lessors. Any sublease shall constitute a commercial operation and require a commercial operators agreement.

For the purpose of this section any change of control of Lessee shall be deemed to constitute an assignment.

(b) If Lessee assigns or sublets under this Ground Lease, Lessee shall continue to remain primarily responsible for its full and timely performance under this lease unless Lessors otherwise specifically consent in writing. If Lessee sells any area, space or structure, the third party shall execute a separate Ground Lease.

(c) Lessors or either of them may freely and at their convenience assign any or all of its rights, benefits and obligations under this agreement at any time.

14. **Compliance with Governmental Regulations.**
(a) Lessee shall faithfully and timely abide by and conform to all laws and governmental orders, rules and regulations, including future amendments thereto, controlling or in any manner affecting the use, operations or maintenance of the Airport or the Leased Premises, particularly FAA orders and regulations, and inclusive of local ordinances and airport regulations adopted by Lessors and/or Chaffee County, or any airport commission authorized to oversee operations at the Airport. LESSEE HEREBY ACKNOWLEDGES THE AUTHORITY OF THE AIRPORT MANAGER TO ENFORCE SUCH RULES IN ADDITION TO OTHER DULY APPOINTED PERSONNEL.

(b) Lessee for himself, his heirs, personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree that in the event improvements are constructed, maintained, or otherwise operated on the Leased Premises for a purpose for which a Department of Transportation program or activity is extended or for another purpose involving the provision of similar services or benefits, the Lessee shall maintain and operate such improvements and services in compliance with all other requirements imposed pursuant to 49 CFR Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation, and as said Regulations may be amended.

(c) Lessee for himself, his heirs, personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree that: (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of the Leased Premises and/or improvements to the Leased Premises, (2) that in the construction of any improvements on, over, or under the Leased Premises and the furnishing of services thereon, no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination, (3) that the Lessee shall use the Leased Premises and improvements on the Leased Premises in compliance with all other requirements imposed by or pursuant to 49 CFR Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation, and as said Regulations may be amended.

15. **Insurance.**

(a) Lessee shall at its sole cost and expense procure and maintain in force a policy of general liability insurance insuring the Leased Premises and Lessee against loss or injury to any person or property arising from Lessee's use and/or occupancy of the Leased Premises and any improvements thereon. Such insurance policy shall be issued by a company authorized to do business in Colorado and shall be in an amount not less than those limits of liability established from time to time for governmental entities under the provisions of the Colorado Governmental Immunity Act, C.R.S. § 24-10-114. Currently, such limits are $387,000.00 per person and $1,093,000.00 per occurrence. The City of Salida and Chaffee County, at Lessee's sole expense, shall be named co-insureds or additional insureds on all insurance policies required under this lease, and such insurance shall act as primary insurance with respect to all claims, injuries or casualties occurring on or to, or arising from, the Lessee's occupancy and/or use of the Leased Premises. Lessee shall promptly increase its coverage, if necessary, due to changes in the above-described statute or other law and Lessors' failure to inform Lessee of any increased coverage requirements shall not affect Lessee's obligation.

(b) Lessee shall annually furnish the Airport Manager with copies or company-issued certificates of insurance policies obtained by Lessee in compliance with this paragraph 15. The certificates and coverages required by this paragraph 15 shall contain a provision requiring that the companies issuing such policies automatically and directly notify Lessors in writing and at least 30 days in advance of any amendment or cancellation of such policy or policies.

16. **Release and Indemnification.** Lessee forever releases, waives and discharges Lessors and all persons acting on Lessors' behalf from all claims, suits and causes of action relating to any injury or loss Lessee may sustain in any way connected with the Leased Property, including personal injuries, death or property damage, or injury or loss in connection with Lessee's presence on the Leased Premises, common Airport facilities or other Airport facilities or property, Lessee shall indemnify and hold harmless Lessors and all persons acting on Lessors' behalf against all claims and losses (including interest and attorneys' fees and expenses) resulting from Lessee's use or occupancy of the Airport facilities or property or the Leased Premises; Lessee agrees that if the Lessors, without any fault on their part, shall be made a party to any litigation commenced by or against the Lessee arising from Lessee's use or occupancy of the Airport facilities or property or the Leased Premises, then Lessee shall pay and/or advance all costs in connection with such litigation, including reasonable attorney fees and litigation costs paid by either Lessor.

17. **Damage to Improvements.** If any improvements owned by Lessee on the Leased Premises are damaged or destroyed, in whole or in part, Lessee shall, within sixty days of the damage or destruction, perform one of the following:

- repair, restore or rebuild same to their condition and operational status as existed prior to such damage or destruction; OR
- furnish a performance and payment bond, in an amount at least equal to the cost of removing all damaged or destroyed improvements and any other debris and restoring the Leased Premises to the conditions existing at the time Lessee first entered onto the Leased Premises, as security for the faithful performance and payment of Lessee's obligations under this Ground Lease.

Rent shall not be reduced or abated during any period in which improvements, or parts of same, are not available for use by Lessee.

18. **Right to Mortgage.** Lessee may mortgage or otherwise encumber all or any portion of its owned improvements and its leasehold interests under this Ground Lease. Lessors, upon request, may subordinate their interests herein to any lending or financing agency for the term of the lease, provided such subordination cannot and shall not have the effect of permitting a mortgagee or trustee to own or claim an ownership interest in the Leased Premises, and that such mortgagee or trustee is approved in writing in advance by Lessors, which approval shall not be unreasonably withheld. IF, DUE TO FORECLOSURE OR OTHER DEFAULT UNDER THE TERMS OF SUCH MORTGAGE, ANY MORTGAGEE BECOMES THE OWNER OF THE IMPROVEMENTS CONSTRUCTED HEREUNDER, SUCH MORTGAGEE SHALL BE SUBJECT TO THE TERMS AND OBLIGATIONS OF THE LESSEE HEREUNDER.

19. **Lessee's Default.** If Lessee violates any of the terms or conditions of this Ground Lease, and continues in such violation(s) for a period of 30 days after written notice thereof by certified mail from the Airport Manager to Lessee, then Lessors shall have the election to declare this lease forfeited, and Lessee shall immediately surrender possession of the Leased Premises and any improvements owned and not removed by Lessee to Lessors. The Lessors' written notice shall specify the provision of the lease violated, the information available to Lessors upon which they rely in concluding that a violation exists, and the action required of Lessee to cure the violation.

20. **Lessors' Reserved Rights.** Lessors, on behalf of themselves and the Federal Aviation Administration, reserve the right and privilege during the term of this agreement to place on the Airport, inclusive of the Leased Premises, whatever instruments and/or equipment they or the FAA may determine are necessary or convenient to the safe and efficient operation of the Airport, so long as said instruments or equipment do not substantially interfere with Lessee's use of the Leased Premises or

reduce the structural integrity of Lessee's hangar or such other building as Lessee may have constructed on the Leased Premises. Lessors additionally reserve the right to further develop and otherwise change or improve the Airport, inclusive of all landing areas, taxiways, or access ways, as it deems necessary, and to take such other actions with respect to the Airport as Lessors see fit without hindrance or interference from Lessee, provided all of such developments or improvements are required by law, federal regulation, and/or are approved by the FAA. Lessors further reserve the right to from time to time temporarily or permanently close the Airport, or parts thereof, for any reason, including without limitation maintenance, construction or public safety purposes, immediately prior to which Lessors will make reasonable efforts to notify Lessee in advance thereof.

21. **Subordination.** This Ground Lease shall be subordinate to the provisions of any existing or future agreement between Lessors and the United States and/or the State of Colorado for the funding, operation or maintenance of the Airport.

22. **Inspection.** Lessors or their duly authorized representative shall have the right to inspect the Leased Premises and any improvements at all reasonable times upon reasonable prior notification to Lessee. Lessors shall also be entitled to enter the Leased Premises and any improvements, without prior notice, to make emergency repairs or to take emergency action necessary to protect or preserve human life or the property of the Airport.

23. **Notices.** In every case where notice is required or permitted in this lease, notice shall be deemed sufficient if (1) personally delivered or (2) mailed by certified mail, postage prepaid, properly addressed to the address contained herein, or such other address as shall be given in writing by one party to the other according to the provisions hereof.

If to Lessors: Chaffee County Commissioners
P.O. Box 699
Salida, CO 81201

With copy to:

Chaffee County Attorney
P.O. Box 699
Salida, CO 81201

If to Lessee, to the person and address listed at the beginning of this Ground Lease.

Notices shall be deemed to be given on the date of receipt, except that if delivery is refused, such notice shall be deemed given on the fifth day after it is sent.

24. **Liens.** Notwithstanding paragraph 18, above, Lessee shall not allow liens of any kind or duration to be asserted or maintained on the Leased Premises.

25. **Attorney Fees.** If either party brings an action to enforce the terms of this Ground Lease or declare rights under this Ground Lease, the prevailing party in such action shall be entitled to its reasonable attorney fees and costs against the non-prevailing party.

26. **Binding Effect.** This Ground Lease shall bind and benefit the parties hereto and their representatives, successors, and permitted assigns.

27. **Venue and Severability**. This Ground Lease shall be construed under the laws of the State of Colorado. Venue for any legal action between the parties brought to interpret or enforce the provisions of this agreement shall be the Colorado District Court in and for Chaffee County. Any covenant, condition, or provision herein which is held to be invalid by any court of competent jurisdiction shall be considered deleted from the lease, but such deletion shall in no way affect any other covenant, condition, or provision

herein so long as such deletion does not materially prejudice Lessors or Lessee in their respective rights and obligations contained in the valid covenants, conditions, or provisions of the lease,

28. **Waivers.** One or more waivers by Lessors of any term or condition of this agreement, or of Lessee's breach or violation thereof, shall not be construed or have the effect as a forgiveness or waiver of any other term or condition, or of any future or different breach or violation of the agreement by Lessee.

29. **Entire Agreement and Amendments**. This Ground Lease reflects and contains the entire agreement of the parties and supersedes all previous agreements entered into or contemplated by the parties with regard to the Airport. No negotiations, understandings, agreement or promises, verbal or otherwise, exist or are enforceable between the parties except as expressly set forth in this agreement, the provisions of which may only be amended, modified, or superseded by written agreement signed by both parties.

30. **Counterpart Signature Pages.** This Agreement may be signed using counterpart signature pages with the same force and effect as if both parties signed on the same signature page.

31. **Personal Guarantee**. The undersigned Guarantor acknowledges and understands that by affixing their signature below they assume personal responsibility to Lessor for any and all damages suffered by Lessor in the event of default or noncompliance by Lessee or any assignee of Lessee's with respect to the obligations hereunder. Guarantor's liability is joint and several and Lessor may pursue Guarantor for recovery whether or not Lessor has made any claim against Lessee. Guarantor shall be responsible for any and all of Lessee's obligations under this Lease. Lessee, Lessor and Guarantor acknowledge that this Guarantee is made in order to induce Lessor to enter into this Lease and this Guarantee shall remain in full force and effect unless it is expressly modified in a writing signed by Lessor, Lessee and Guarantor.

The parties acknowledge and agree to the foregoing provisions.

LESSEE

By: Thomas K. Zoellner [signature]
Name: Thomas K Zoellner
Title: owner

STATE OF COLORADO)
)ss.
COUNTY OF CHAFFEE)

The foregoing instrument was acknowledged before me by THOMAS K. ZOELLNER this 6TH day of SEPTEMBER, 2025.

Witness my hand and official seal.

My commission expires: 05/02/27

[signature]
Notary Public

DEAVEN HENDRIX
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 20234016610
MY COMMISSION EXPIRES 05/02/2027

LESSORS

CHAFFEE COUNTY COLORADO/BOARD OF COUNTY COMMISSIONERS

Keith Baker

~~Greg Felt~~, Chairman
Keith Baker

STATE OF COLORADO)
)ss.
COUNTY OF CHAFFEE)

The foregoing instrument was acknowledged before me by Keith Baker ~~Greg Felt~~, this 21 day of September, 2023

Witness my hand and official seal.

My commission expires: 8-19-2026

SHILO DELEO
Notary Public
State of Colorado
Notary ID # 20054008536
My Commission Expires 08-19-2026

Notary Public

CITY OF SALIDA, COLORADO

By:______________________________
Mayor

STATE OF COLORADO)
)ss.
COUNTY OF CHAFFEE)

The foregoing instrument was acknowledged before me by ______________________________ this _____ day of ______________, 20__.

Witness my hand and official seal.

My commission expires:

____
Notary Public

CITY COUNCIL ACTION FORM

DEPARTMENT	PRESENTED BY	DATE
Finance	Aimee Tihonovich - Finance Director	October 3, 2023

ITEM
Public Hearing on the proposed 2024 budget

BACKGROUND
City Council reviewed a proposed budget at their September 18 worksession and that proposed budget has been available for public inspection since that date. A public hearing on the proposed budget should be held prior to adoption of the budget by Council. An overview of the proposed budget will be provided at this meeting and public comment can be heard.

FISCAL NOTE
The 2024 proposed budget is $47,486,050 before 2023 roll over amounts are added for projects currently in process in 2023 but not expected to be completed before year end. The spending plan is supported by $43,653,223 in anticipated 2024 revenue which includes certificates of participation for the fire house and a potential use of available fund balance reserves in the amount of $3,832,827 resulting in a balanced budget.

STAFF RECOMMENDATION
After holding a budget hearing and giving due consideration to citizen comments, it is recommended that the public hearing be closed and that Council provide direction to staff. A motion should be made to continue the public hearing to October 17 when Council will have a budget adoption resolution before them.

SUGGESTED MOTION
A City Councilmember should make a motion to “continue the public hearing on the 2024 budget to October 17”.

2024 Budget

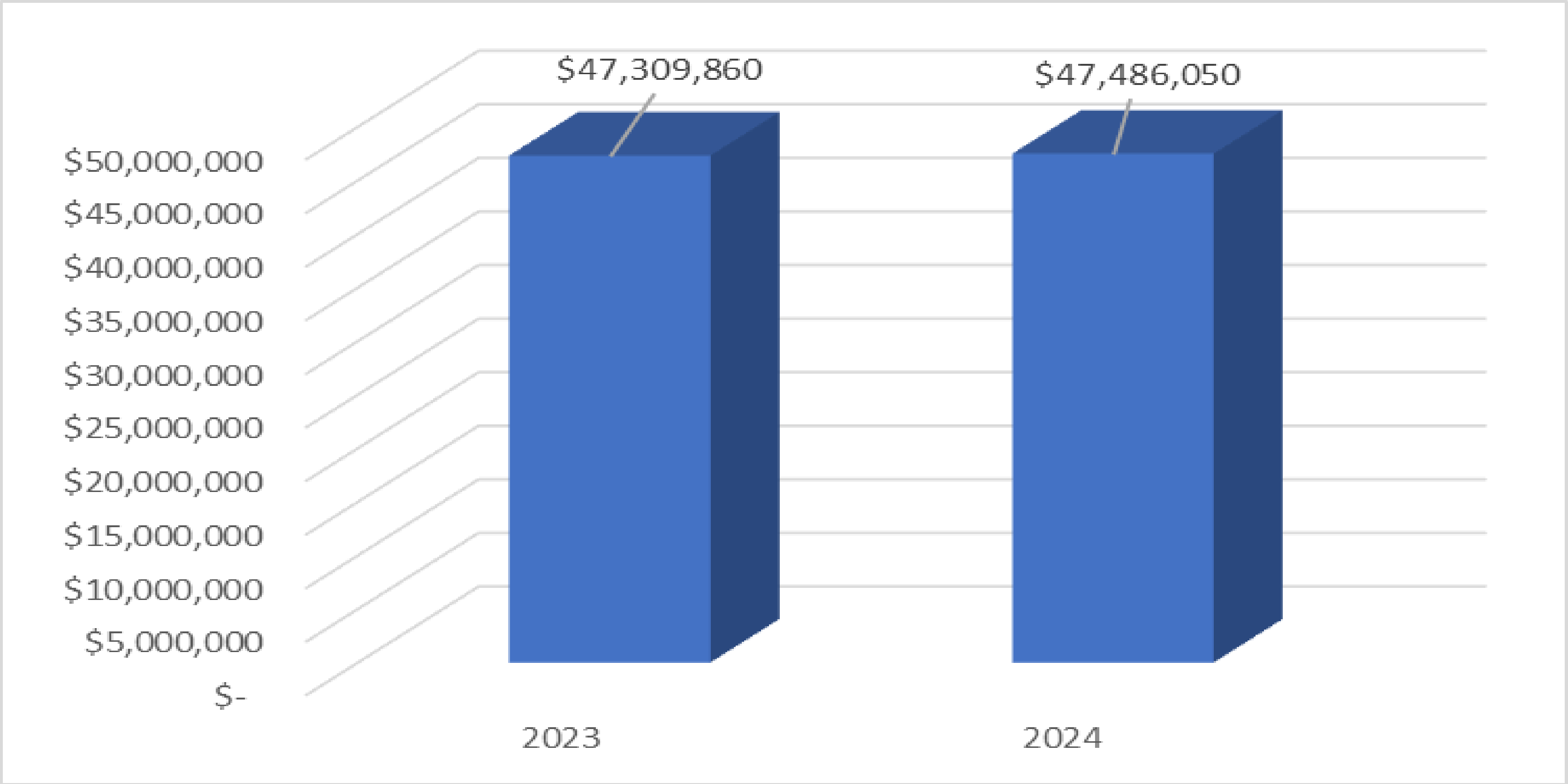
Public Hearing

2023 Budget Development Timeline

- June – Council retreat held to develop priorities
- June-July – City Departments craft a requested budget for the upcoming year.
- August – Treasurer reviews budgets with staff, recommended budget is presented to Finance Committee
- September – Requested budget is presented to City Council and made available for public inspection
- October – Public Hearing and adoption of budget

Total Budget Comparison 2023 to 2024

(Excludes 2023 rollovers into 2024)



Changes from last discussion

- Soaking Pools for $900,000 were added to the budget
  - This is a “young” project still in the planning phase and is added to the budget with anticipation of performing full due diligence.
  - Initial analysis indicates that soaking pools will generate net revenue and will help offset costs of running the aquatic center.
  - No revenue offset is conservatively anticipated in the budget for 2024.
  - Council will be asked to approve the construction agreement and market analysis before any significant costs are actually incurred.
- Added a COPs annual payment $1,400,000 (high estimate)

Significant initiatives discussed previously

Fire Station		
Construction Contract	$	16,600,000
Owner's contingency ($500K offset with investment earnings on COP proceeds)	$	600,000
Other City cost such as Project Management, utility fees, etc.	$	240,000
Park bathroom (this project may be delayed)	$	305,000
New floor and liner for pool	$	270,000
Oak Street and other CDOT local agency reconstruction ($3.4 M in grant revenue offset)	$	4,000,000
3 new employees added (costs with full benefits)	$	300,000
Reserve for pay adustments (COLA and/or market pay) - up to 7.5%	$	550,000
Increase Arts & Culture fee schedules (increases ranges from 10 to 25% over existing)	$	(130,000)
Continue with Water and Wastewater fee increase (2.58% and 8.85% per 2020 rate study	$	(204,000)

2023 Rollovers into 2024

- Hot water line replacements - $337K
- Scout wave modifications - $275K
- Poncha Blvd phase 2 - $300K
- Pasquale Spring (generator) - $163K
- Caboose - $50K
- Wayfinding signs - $125K
- Implementation of Cityworks software $100K

COUNCIL ACTION FORM

DEPARTMENT	PRESENTED BY	DATE
Administration	Christy Doon - Interim City Administrator	October 3, 2023

ITEM

Resolution 2023-40, a Resolution of the City Council of the City of Salida, Colorado, authorizing the signing of an intergovernmental agreement between the City of Salida, Chaffee County, and the Towns of Buena Vista and Poncha Springs regarding the State of Colorado Opioid MOU and Allocation of Local Government shares.

BACKGROUND

Salida City Council approved Resolution 2021-36 approving a Memorandum of Understanding (the MOU) with numerous local and state agencies across Colorado to approve a settlement with certain Defendants and identify revenue streams to help address issues related to the national opioid crisis. The MOU original MOU allowed for two separate tracks of where revenues for local governments go: 1) pooled locally (known as the "opt-in"), or 2) pooled at the regional level (known as "opt-out"). In discussions with the other governments in Chaffee County, it was determined that the preferred alternative would be to receive revenues locally and pool them in Chaffee County to best serve those harmed by the opioid crisis in the County.

Resolution 2022-35, approved by City Council July 19, 2022 established that relationship and allowed the City to collect the funds from the State and pass them on to Chaffee County, specifically to the Public Health Department.

The IGA is again being modified to allow Chaffee County to directly receive the City of Salida funds from the State, thus removing the City of Salida directly from the distribution. Said IGA is attached for the City Council's consideration and was reviewed by the City Attorney prior to being presented to City Council.

FISCAL NOTE

The City's distribution of funds from the MOU equals a total of approximately $37,515.66 over 18 years, (of which the first payment of $4,218.88 was received on December 30, 2022), which generally would not be adequate to do much to abate the opioid crisis. By partnering with other agencies, it is anticipated that as much as $250,00 will be provided locally through the Chaffee County Department of Public Health.

STAFF RECOMMENDATION

Staff recommends that the City Council approve Resolution 2023-40 to approve the reallocation of funding directly to Chaffee County.

SUGGESTED MOTION

A City Councilmember should state, "I move to approve Resolution 2023-40, a Resolution of the City Council of the City of Salida, Colorado, authorizing the signing of an intergovernmental agreement between the City of Salida, Chaffee County, and the Towns of Buena Vista and Poncha Springs regarding the State of Colorado Opioid MOU and Allocation of Local Government shares."

CITY OF SALIDA, COLORADO
RESOLUTION NO. 40
(Series 2023)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SALIDA, COLORADO, AUTHORIZING THE SIGNING OF AN INTERGOVERNMENTAL AGREEMENT BETWEEN THE CITY OF SALIDA, CHAFFEE COUNTY, AND THE TOWNS OF BUENA VISTA AND PONCHA SPRINGS REGARDING THE STATE OF COLORADO OPIOID MOU AND ALLOCATION OF LOCAL GOVERNMENT SHARES.

WHEREAS, in 2021 the State of Colorado entered into a Memorandum of Understanding with certain participating local governments including the City of Salida;

WHEREAS, the purpose of the prior Memorandum of Understanding was to establish distribution of funds that were received as a result of the opioid legal settlement; and

WHEREAS, since the original agreement went into effect, it has become apparent that all local governments within Chaffee County would be better served to allow the County to manage these funds; and

WHEREAS, this amended agreement will allow the parties to amend the prior Memorandum of Understanding to the benefit of all involved.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SALIDA, COLORADO, AS FOLLOWS:

Section 1. The City hereby authorizes the Mayor to sign the Intergovernmental Agreement between the City of Salida and Chaffee County and the Towns of Buena Vista and Poncha Springs.

Section 2. The Intergovernmental Agreement is hereby adopted as shown in Exhibit A attached hereto and made a part of this Resolution.

RESOLVED, APPROVED, AND ADOPTED THIS 3rd DAY OF OCTOBER, 2023.

City of Salida

____
Dan Shore, Mayor

ATTEST:

____
City Clerk/Deputy City Clerk

IntraGovernmental Agreement
Regarding
the State of Colorado Opioid MOU and allocation of Local Government Shares

This Agreement is made on the 15th day of September 2023, and is by and between Chaffee County, the City of Salida, and the Towns of Buena Vista and Poncha Springs.

WHEREAS, the State of Colorado entered into the Colorado Opioids Summary Memorandum of Understanding in 2021 (Colorado MOU) with certain Participating Local Governments, including those listed above, for purposes of distributing funds received from opioid legal settlements to local governments;

WHEREAS, this Agreement assumes and incorporates the definitions and provisions contained in the Colorado MOU, and this Agreement shall be construed in conformity with the Colorado MOU;

WHEREAS, the Colorado MOU established default allocations for, inter alia, certain Local Government (LG) Shares under Exhibit E to the MOU;

WHEREAS the Colorado MOU permits Participating Local Governments within a County Area to reallocate the amounts received under Exhibit E to the MOU;

WHEREAS the parties desire to amend the allocations as set forth in Exhibit E;

NOW THEREFORE, for good and valuable consideration, the receipt of which is hereby acknowledged, the parties agree as follows:

1. The Recitals above are incorporated into this Agreement.

2. Capitalized terms used herein shall have the same meaning as set forth in the Colorado MOU.

3. Exhibit E to the MOU is modified so that 100% of the Intracounty shares allocated to the City of Salida and Towns of Buena Vista and Poncha Springs are now allocated and paid to Chaffee County. Such funds shall be used only for Approved Purposes as set forth in the MOU.

4. This Agreement represents the entire agreement of the parties. All prior agreements, statements or discussions between the parties regarding the subject matter of this Agreement are superseded and replaced by this Agreement.
5. This Agreement may be executed electronically and in any number of counterparts, each of which shall be deemed to be an original and all of which taken together shall constitute a single agreement.

Signatures on following page:

Chaffee County Board of Commissioners:

____
Keith Baker, Chair

City of Salida

____
By: ______________________________

Town of Buena Vista

____
By: _________________________________

Town of Poncha Springs

____
By: ______________________________

CITY COUNCIL ACTION FORM

DEPARTMENT	PRESENTED BY	DATE
Planning	Kathryn Dunleavy - Planner	October 3, 2023

ITEM

Resolution No. 2023-41: A Resolution of the City Council for the City of Salida, Colorado Amending the 2023 Fee Schedule

BACKGROUND

With this Resolution, staff if proposing to update the Inclusionary Housing Fee-in-Lieu on the 2023 Adopted Fee Schedule. The City Council requested periodic update to the Inclusionary Housing fee-in-lieu to account for current median home sales prices, and staff has been doing this on an approximate semi-annual basis.

Per Section 16-13-30 of the Salida Municipal Code, a developer may satisfy the requirement for providing Inclusionary Housing units by paying a fee-in-lieu of built housing *only if* the development proposes five (5) units or less *or* if the calculation for built Inclusionary Housing units results in a fractional portion above a whole unit. City Council approved the most recent Inclusionary Housing fee-in-lieu adjustment in February of 2023 via Resolution No. 2023-06 to a rate of $19.97/SF for for-sale units and $3.00/SF for rental units. Using median sales price data for 2023 year-to-date through August, this amendment to the fee schedule is for a $2.57 reduction to the per square foot for-sale fee-in-lieu, down to $17.40/SF. This reflects the reduction in Chaffee County year-to-date median sales price that is shown on the attached Local Market Update. No change from the current rental unit fee-in-lieu of $3.00/SF is proposed.

> For reference, the for-sale fee-in-lieu is calculated as follows: The proposed fee in-lieu on for-sale units has been determined by the delta between the year-to-date median sales price for all residential units in Chaffee County and the maximum calculated purchase price of a 3-bedroom home for a household making 100% AMI, based on numbers provided by CHFA. This number is then multiplied by 1/6 (the required built IH unit quotient) and then further divided by 1650, the average square footage of a newly built home in Salida over the last few years, to determine the per square-foot fee.

FISCAL NOTE

This reduction will have some fiscal impact on the City's Affordable Housing fund. However the Inclusionary Housing ordinance puts the emphasis on built units over reliance on the fee-in-lieu.
The fee-in-lieu is designed to track with median sales prices which have decreased over the past year.

CITY COUNCIL ACTION FORM

DEPARTMENT	PRESENTED BY	DATE
Planning	Kathryn Dunleavy - Planner	October 3, 2023

STAFF RECOMMENDATION

Staff recommends that the updated City of Salida fee schedule be approved by Council.

SUGGESTED MOTION

A Council person should move to "Approve Resolution No. 2023-41 amending the 2023 Fee Schedule."

Attachments:
Resolution No. 2023-41
2023 Fee Schedule as amended
Calculation sheet for new IH fee-in-lieu
Central Colorado Realtors report on median home sales prices through August 2023

RESOLUTION NO. 41
(Series 2023)

A RESOLUTION OF THE CITY COUNCIL FOR THE CITY OF SALIDA, COLORADO AMENDING THE 2023 FEE SCHEDULE

WHEREAS, the Salida Municipal Code ("Code") establishes rules and regulations for the operations of the City of Salida ("City") and provides for the establishment of fees for various City services throughout the Code; and,

WHEREAS, fees associated with the services provided by the City require adjustment from time to time to account for the increase in the costs to provide such services, as well as for the implementation of new services and regulations, or applicable amendments to the Code; and,

WHEREAS, on February 7, 2023, the City Council adopted an amendment to the 2023 Fee Schedule via City Resolution No. 2023-06 that amended the Inclusionary Housing fee-in-lieu; and,

WHEREAS, since the adoption of the previous Inclusionary Housing fee-in-lieu via City Resolution No. 2023-06 (using YTD sales data through December 2022), the median sales price for all residential units in Chaffee County has decreased (using YTD sales data through August 2023), leading to a $2.57 decrease per square foot in the fee-in-lieu; and,

WHEREAS, no additional data has been collected regarding median rental unit rates in Chaffee County since the last Inclusionary Housing fee-in-lieu update, and therefore no changes to the Inclusionary Housing fee-in-lieu for rental units are currently proposed; and,

WHEREAS, Council has directed staff to periodically update the Inclusionary Housing fees-in-lieu, as included in Exhibit A, attached hereto and incorporated herein and included as part of the City's overall Fee Schedules, as appropriate to track with the market rate sales prices.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SALIDA, COLORADO THAT:

1. The Salida City Council incorporates the foregoing recitals as its conclusions, facts, determinations and findings.

2. This resolution and accompanying amended Fee Schedules are intended to supersede all previous fee schedules adopted by the City Council.

3. Effective upon approval, the City hereby adopts the amended 2023 Fee Schedule (applicable updated portions are attached hereto as Exhibit A).

4. Effective upon approval, the City hereby adopts the updated Inclusionary Housing Fees-in-Lieu in full (attached hereto as Exhibit B).

RESOLVED, APPROVED, AND ADOPTED this 3rd day of October, 2023.

CITY OF SALIDA

By: ________________________________
Dan Shore, Mayor

[SEAL]

ATTEST: ___________________________
City Clerk/Deputy City Clerk

Exhibit A
2023 Inclusionary Housing
Updated In-Lieu Fees

Inclusionary Housing In-Lieu Fees:

Inclusionary housing requirements apply to Annexations, Planned Developments, Minor and Major Subdivisions, Condominium Plats, Duplex Conversion Subdivisions, and Multi-Family rental projects of five (5) or more units. The in-lieu fee option is only available for the fractional portion above the number of inclusionary housing units required to be built and deed-restricted in a development and where the total number of proposed built primary units in a development is five (5) or less.

If an applicant opts to pay an in-lieu fee to satisfy the inclusionary housing requirement as permitted by Sec. 16-13-30 of the Salida Municipal Code, the fees shall be calculated as described here, based upon the date of building permit application submittal, and shall be due no later than issuance of the certificate of occupancy for each unit:

(a) The in-lieu fee for each for-sale unit within the applicable development shall be:

$17.40 per square foot of the principal unit (excluding garages)

(b) The in-lieu fee for each unit within a multi-family rental project of five (5) or more units under single ownership and on the same lot (whether attached or not) shall be:

$3.00 per square foot of the rental unit (excluding garages)*

*Should such a unit be converted to a saleable unit (via subdivision, condominiumization, etc.), the applicant shall be responsible for paying the difference between the rental unit in-lieu fee originally paid and the for-sale unit in-lieu fee applicable at the time of such conversion, unless the requisite number of inclusionary housing units are then deed-restricted.

Updated 10/03/23

Item 7.

Local Market Update for August 2023

A Research Tool Provided by the Colorado Association of REALTORS®

Make Sure Your Agent is a REALTOR®

Not all agents are the same!

Chaffee County

Contact the REALTORS® of Central Colorado for more detailed local statistics or to find a REALTOR® in the area.

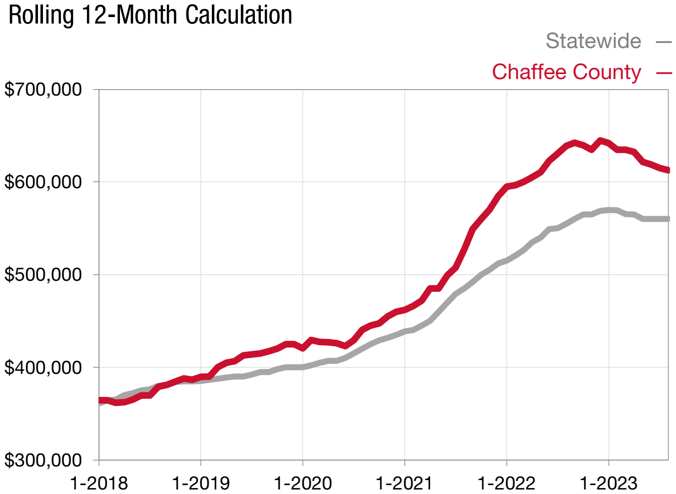
Single Family	August			Year to Date		
Key Metrics	**2022**	**2023**	Percent Change from Previous Year	**Thru 08-2022**	**Thru 08-2023**	Percent Change from Previous Year
New Listings	46	**59**	+ 28.3%	440	**420**	- 4.5%
Sold Listings	49	**45**	- 8.2%	297	**250**	- 15.8%
Median Sales Price*	$639,000	**$650,000**	+ 1.7%	$650,000	**$602,500**	- 7.3%
Average Sales Price*	$763,869	**$736,960**	- 3.5%	$754,800	**$712,770**	- 5.6%
Percent of List Price Received*	97.2%	**96.8%**	- 0.4%	98.6%	**97.1%**	- 1.5%
Days on Market Until Sale	46	**63**	+ 37.0%	35	**62**	+ 77.1%
Inventory of Homes for Sale	176	**180**	+ 2.3%	--	**--**	--
Months Supply of Inventory	4.6	**5.7**	+ 23.9%	--	**--**	--

* Does not account for seller concessions and/or down payment assistance. | Activity for one month can sometimes look extreme due to small sample size.

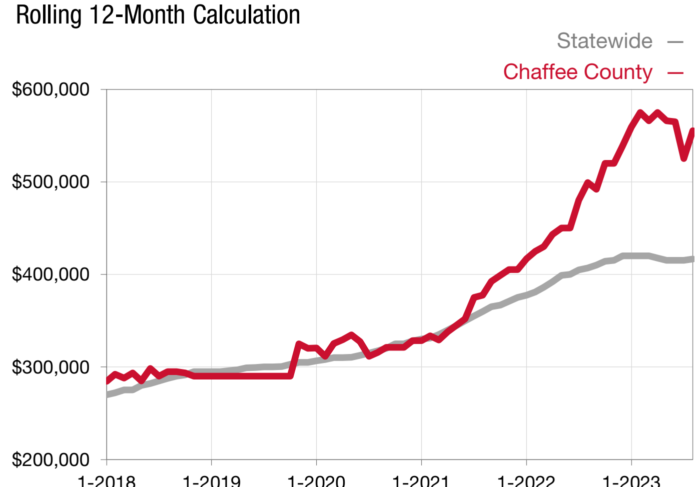
Townhouse/Condo	August			Year to Date		
Key Metrics	**2022**	**2023**	Percent Change from Previous Year	**Thru 08-2022**	**Thru 08-2023**	Percent Change from Previous Year
New Listings	11	**9**	- 18.2%	79	**80**	+ 1.3%
Sold Listings	2	**8**	+ 300.0%	53	**62**	+ 17.0%
Median Sales Price*	$717,500	**$605,500**	- 15.6%	$520,000	**$525,000**	+ 1.0%
Average Sales Price*	$717,500	**$604,219**	- 15.8%	$557,795	**$547,515**	- 1.8%
Percent of List Price Received*	94.5%	**97.7%**	+ 3.4%	99.2%	**98.8%**	- 0.4%
Days on Market Until Sale	28	**79**	+ 182.1%	31	**70**	+ 125.8%
Inventory of Homes for Sale	37	**34**	- 8.1%	--	**--**	--
Months Supply of Inventory	5.6	**4.6**	- 17.9%	--	**--**	--

* Does not account for seller concessions and/or down payment assistance. | Activity for one month can sometimes look extreme due to small sample size.

Median Sales Price – Single Family
Rolling 12-Month Calculation



Median Sales Price – Townhouse-Condo
Rolling 12-Month Calculation



SALIDA INCLUSIONARY HOUSING FEE CALCULATOR

Project	Total No. of Units	No. of IH units required	Units of IH Provided in Project	Median Home Value*	IH Price for 3BD Home @ 100% AMI**	Affordability Gap (D-E)	Per Unit	Per SF of market units	Per Market Unit Charge:		
									If Units are 1650 SF	If Units are 1200 SF	If Units are 2000 SF
For projects <6 units/lots and for partial IH units	6	1	0	$ 587,099	$ 414,852	$ 172,247	$ 28,708	**$ 17.40**	$ 28,708	$ 20,878	$ 34,797

* All home types sold in Chaffee County, per Realtors of Central Colorado (thru August 2023)
** Using 2023 HUD/CHFA data (calculated $250/mo. credit for taxes, insurance, etc. removed from price for consistency)

CITY COUNCIL ACTION FORM

DEPARTMENT	PRESENTED BY	DATE
Finance	Aimee Tihonovich - Finance Director	October 3, 2023

ITEM
Resolution 2023-42 to certify delinquent utility accounts to the Chaffee County Treasurer

BACKGROUND
Each year, the City certifies a list of delinquent water, sewer and special charges to the Chaffee County Treasurer so the delinquent amounts can be added to the 2023 tax rolls of the property owner. A lien is placed on the property and the delinquent amounts are collected in the same manner as other taxes are collected. The attached resolution authorizes this process.

Currently, there are 9 delinquent water and sewer account requiring certification for 2023. The number is 1 more than the 8 accounts certified in 2022.

Attachment A to the resolution provides details of the delinquent accounts. This list will be updated through the end of the month to reflect any payments received prior to us submitting the list to the County Treasurer.

FISCAL NOTE
This process ensures the City will eventually be paid for delinquent charges.

STAFF RECOMMENDATION
Staff recommends approval of the motion.

SUGGESTED MOTION
A council person should make the motion "I move to approve Resolution 2023-42 to certify delinquent charges, assessments, or taxes to the Chaffee County Treasurer"

Attachments:
Resolution 2023-42
List of Delinquent Accounts

CITY OF SALIDA, COLORADO
RESOLUTION 2023-42

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SALIDA, COLORADO, CERTIFYING DELINQUENT CHARGES, ASSESSMENTS, OR TAXES TO THE CHAFFEE COUNTY TREASURER TO BE ADDED TO THE 2023 TAX ROLL.

WHEREAS, in accordance with C.R.S. §31-20-105, the Salida City Council adopted Article III to Chapter 13 and Article VII to Chapter 4 of the Salida Municipal Code regarding municipal liens for unpaid charges, assessments, and taxes; and

WHEREAS, pursuant to Section 4-7-10 of the Salida Municipal Code, the Salida City Council wishes to certify all delinquent charges, assessments, or taxes to the Chaffee County Treasurer for collection; and

WHEREAS, pursuant to Section 13-3-100 of the Salida Municipal Code, the Salida City Council wishes to certify all delinquent water and sewer charges to the Chaffee County Treasurer for collection.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SALIDA, COLORADO THAT:

1. The City Council incorporates the foregoing recitals as findings by the City Council.

2. Pursuant to Chapter 4, Article VII of the Salida Municipal Code, "Municipal Liens", all delinquent charges, assessments, or taxes that have not been otherwise collected, as more particularly described on Exhibit A attached hereto and incorporated herein by this reference, are hereby certified to the Chaffee County Treasurer to be added to the 2023 tax roll and collected and paid by the Chaffee County Treasurer in the same manner as other municipal taxes are authorized by the law to be collected.

3. Pursuant to Chapter 13, Article III of the Salida Municipal Code, "Certification of Water and Sewer Charges", all delinquent water, sewer, and special charges, as more particularly described on Exhibit A attached hereto and incorporated herein by this reference, are hereby certified to the Chaffee County Treasurer to be added to the 2023 tax roll and collected and paid by the Chaffee County Treasurer in the same manner as other municipal taxes are authorized by the law to be collected.

4. The City Finance Department has authority to accept payments until Noon on October 25, 2023. If payments are received prior to this deadline, those accounts will be removed from Exhibit A. An updated Exhibit A will be certified to the Chaffee County Treasurer in November.

RESOLVED, APPROVED AND ADOPTED this 3rd day of October, 2023.

CITY OF SALIDA, COLORADO

____
Dan Shore, Mayor

[SEAL]

ATTEST:

____
City Clerk/Deputy City Clerk

Exhibit A
List of delinquent accounts

Exclude	Account	Contact	Address	Notes on Property	Account Service	Account Status	Account Balance	**2022 Billings**	**2022 Payments**	**2022 Lien Amounts**	Collection Balance	Last Bill Date	Last Payment Date
FALSE	01-000007042-00	CAROL M. WEAVER	614 Vine Street, Salida, CO 81201	Single Family Residential	Residential Water & Sewer	Active	555.76	741.37	185.61	555.76	555.76	08/22/2022	12/17/2021
FALSE	01-000007046-00	CAROL M. WEAVER	618 Vine Street, Salida, CO 81201	Single Family Residential	Residential Water & Sewer	Active	6,108.99	941.10	0.00	6,108.99	6,108.99	08/22/2022	01/28/2020
FALSE	01-000007082-00	KRISTEN EDELMAN	610 Walnut Street, Salida, CO 81201	Single Family Residential	Residential Water & Sewer	Active	718.44	718.44	0.00	718.44	718.44	08/22/2022	06/21/2021
FALSE	09-810001803-02	NATHAN W. CARR & KATRINA M. WILSON FREEK	105 Evans Avenue, Poncha Springs, CO 81242	Single Family Residential	Metered Sewer	Active	444.93	380.22	0.00	444.93	444.93	09/01/2022	06/04/2021
FALSE	01-000006175-00	RANDALL G. SACK	601 DodgeStreet, Salida, CO 81201	Single Family Residential	Residential Water & Sewer	Active	6,985.12	1,223.39	0.00	6,985.12	6,985.12	08/22/2022	07/16/2020
FALSE	09-800474083-00	ROBIN D. & AMY E. GREEN	602 Poncha Avenue, Poncha Springs, CO 81242	Single Family Residential	Metered Sewer	Active	326.05	326.05	284.08	326.05	325.72	09/01/2022	07/14/2022
FALSE	99-000008430-00	WESTERN DEVELOPMENT & INV. INC.	1531 East Highway 50, Salida, CO 81201	Vacant Land - Commercial	Un-metered Sewer	Active	494.74	494.75	401.14	494.74	494.74	08/22/2022	06/14/2022
FALSE	01-000008268-00	WINDMILL RESTAURANT	588 East First Street, Salida, CO 81201	Vacant Lot - Residential	Residential Water & Sewer	Active	656.63	561.96	563.04	656.63	656.63	08/22/2022	09/14/2022
	8									16,290.66	16,290.33		

CITY COUNCIL ACTION FORM

DEPARTMENT	PRESENTED BY	DATE
Finance	Aimee Tihonovich - Finance Director	October 3, 2023

ITEM

First reading of ordinance 2023-13 authorizing the financing of the fire station with Certificates of Participation.

BACKGROUND

At the regular meeting of September 5, 2023; Council approved a construction agreement for the fire station with the expectation of utilizing Certificates of Participation to finance the cost of the project. This ordinance outlines the parameters of this financing mechanism and provides the necessary authorizations to staff to carry out activities necessary to accomplish this transaction.

FISCAL NOTE

Section 3 of the ordinance constitutes maximum thresholds for the purposes of establishing parameters and delegating authority to award the sale. Staff will be authorized to award or reject the sale within these parameter but have no authority to award outside of those parameters. It is anticipated that the annual rent payable by the City will not exceed $1,400,000 for a principal amount under the lease of $17,500,000. The maximum interest component on the base rental charge shall not exceed 5.75% and the total repayment cost shall not exceed $40,800,000.

Certificates will be sold in a competitive sale which will determine the final values for the maximum amounts indicated in the above paragraph. The amounts stated in the above paragraph are “high” estimates to allow for some flexibility in pricing, but these are amounts that cannot be exceeded unless the council approves.

STAFF RECOMMENDATION

Staff recommends that the City council approve Ordinance 2023-13 authorizing the issuance of Certificates of Participation for the fire station on first reading.

SUGGESTED MOTION

A City Councilmember should state “I move to approve Ordinance 2023-13 on first reading”, followed by a second and a roll call vote.

CITY OF SALIDA, COLORADO
Ordinance 2023-13
(Series 2023)

AN ORDINANCE AUTHORIZING THE FINANCING OF CERTAIN PUBLIC IMPROVEMENTS OF THE CITY, AND IN CONNECTION THEREWITH AUTHORIZING THE LEASING OF CERTAIN CITY PROPERTY AND THE EXECUTION AND DELIVERY BY THE CITY OF A SITE LEASE, A LEASE PURCHASE AGREEMENT, AN OFFICIAL STATEMENT AND OTHER FINANCING DOCUMENTS; SETTING FORTH PARAMETERS AND RESTRICTIONS WITH RESPECT TO THE FINANCING; AUTHORIZING CITY OFFICIALS TO TAKE ALL ACTION NECESSARY TO CARRY OUT THE TRANSACTIONS CONTEMPLATED HEREBY; RATIFYING ACTIONS PREVIOUSLY TAKEN; AND PROVIDING OTHER MATTERS RELATED THERETO

WHEREAS, the City of Salida (the “City”), in the County of Chaffee and State of Colorado, is a political subdivision of the State of Colorado (the “State”), duly organized and existing as a statutory city under the laws of the State; and

WHEREAS, the members of the City Council of the City (the “City Council”) have been duly elected and qualified; and

WHEREAS, the City is authorized by Section 31-15-101(1)(d), Colorado Revised Statutes (“C.R.S.”), to acquire, hold, lease, and dispose of property, both real and personal; and

WHEREAS, the City is authorized by Section 31-15-713(1)(c), C.R.S., to lease any real estate, together with any facilities thereon, owned by the City when deemed by the governing body to be in the best interest of the City; and

WHEREAS, the City is authorized by Section 31-15-801, C.R.S., to enter into rental or leasehold agreements in order to provide necessary land, buildings, equipment and other property for governmental or proprietary purposes; and

WHEREAS, for the functions or operations of the City, it is necessary that the City finance the construction of a fire station facility for use in the City’s governmental operations, and other capital improvements authorized by law (the “Project”); and

WHEREAS, the City Council has determined that it is in the best interests of the City and its inhabitants to execute a lease purchase agreement (the “Lease”) to finance the Project; and

WHEREAS, the City owns, in fee title, certain sites and the premises, buildings and improvements located thereon, or any additional property of the City (as more particularly described in the Lease) (the “Leased Property”); and

WHEREAS, the City Council has determined, and now hereby determines, that it is in the best interest of the City and its inhabitants that the City lease the Leased Property to UMB Bank, n.a., as trustee under an Indenture of Trust (the “Trustee”) pursuant to a Site Lease between the City, as lessor, and the Trustee, as lessee (the “Site Lease”), and lease back the Trustee’s interest in the Leased Property pursuant to the terms of a Lease Purchase Agreement (the “Lease”) between the Trustee, as lessor, and the City, as lessee; and

WHEREAS, the Trustee will execute and deliver an Indenture of Trust (the “Indenture”) with the Trustee pursuant to which there is expected to be executed and delivered certain refunding certificates of participation (the “Certificates”) dated as of their date of delivery, that shall evidence proportionate interests in the right to receive certain Revenues (as defined in the Lease), shall be payable solely from the sources therein provided and shall not directly or indirectly obligate the City to make any payments beyond those appropriated for any fiscal year during which the Lease shall be in effect; and

WHEREAS, the council has determined and now hereby determines that a competitive sale of the Certificates is to the best advantage of the City; and

WHEREAS, in order to facilitate the competitive sale, there will be executed and distributed a Notice of Sale (“Notice of Sale”) for the Certificates, a form of which is on file with the City; and

WHEREAS, there will be executed and distributed in connection with the sale of the Certificates an Official Statement (the “Official Statement”) in substantially the form of the Preliminary Official Statement (the “Preliminary Official Statement”) relating to the Certificates as approved by the Finance Director of the City; and

WHEREAS, the City’s obligation under the Lease to pay Base Rentals and Additional Rentals (as each is defined in the Lease) shall be from year to year only; shall constitute a currently budgeted expenditure of the City; shall not constitute a mandatory charge or requirement in any ensuing budget year; and shall not constitute a general obligation or other indebtedness or multiple fiscal year direct or indirect City debt or other financial obligation of the City within the meaning of any constitutional, statutory limitation or requirement concerning the creation of indebtedness or multiple fiscal year financial obligation, nor a mandatory payment obligation of the City in any ensuing fiscal year beyond any fiscal year during which the Lease shall be in effect; and

WHEREAS, the net proceeds of the Certificates are expected to be used to finance the Project; and

WHEREAS, there has also been presented to this meeting of the City Council the form of Continuing Disclosure Certificate (the "Continuing Disclosure Certificate"); and

WHEREAS, Section 11-57-204 of the Supplemental Public Securities Act, constituting Title 11, Article 57, Part 2, Colorado Revised Statutes, as amended (the "Supplemental Act"), provides that a public entity, including the City, may elect in an act of issuance to apply all or any of the provisions of the Supplemental Act; and

WHEREAS, there has been presented to the City Council and are on file at the City offices the following: (i) the proposed form of the Site Lease; (ii) the proposed form of the Lease; (iii) the proposed form of Notice of Sale; and (iv) the proposed form of the Continuing Disclosure Certificate to be provided by the City; and

WHEREAS, capitalized terms used herein and not otherwise defined shall have the meanings set forth in the Lease.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SALIDA, COLORADO, ORDAINS:

Section 1. **Ratification and Approval of Prior Actions.** All action heretofore taken (not inconsistent with the provisions of this ordinance) by the City Council or the officers, agents or employees of the City Council or the City relating to the Site Lease, the Lease, the implementation of the Project, and the execution and delivery of the Certificates is hereby ratified, approved and confirmed.

Section 2. **Finding of Best Interests.** The City Council hereby finds and determines, pursuant to the Constitution, the laws of the State, that the implementation of the Project, including the payment of the costs of issuance in connection therewith, and financing the costs thereof pursuant to the terms set forth in the Site Lease, the Lease and the Indenture are necessary, convenient and in furtherance of the City's purposes and are in the best interests of the inhabitants of the City and the City Council hereby authorizes and approves the same.

Section 3. Supplemental Act Election; Parameters. The City Council hereby elects to apply all of the provisions of the Supplemental Act to the Lease, the Site Lease and the Certificates, and in connection therewith delegates to the Mayor, any other member of the City Council, the City Administrator and the Finance Director the independent authority to make any determination delegable pursuant to Section 11-57-205(1)(a-i), C.R.S., in relation to the Lease and the Site Lease, and to execute a sale certificate (the "Sale Certificate") setting forth such determinations, including without limitation, the term of the Site Lease, the rental amount to be paid by the Trustee pursuant to the Site Lease, the term of the Lease and the rental amount to be paid by the City pursuant to the Lease, subject to the following parameters and restrictions:

(a) the Site Lease Term shall end no later than December 31, 2063;

(b) the Lease Term shall end no later than December 31, 2053;

(c) the maximum annual repayment cost of Base Rentals payable by the City shall not exceed $1,400,000, and the total repayment cost shall not exceed $40,800,000;

(d) the total aggregate principal amount of the Base Rentals payable by the City under the Lease with respect to the Certificates shall not exceed $17,500,000;

(e) the purchase price of the Certificates shall not be less than 98% of the aggregate principal amount; and

(f) the maximum net effective interest rate on the interest component of the Base Rentals relating to the Certificates shall not exceed 5.75%.

Pursuant to Section 11-57-205 of the Supplemental Act, the City Council hereby delegates to each of the Mayor, the City Administrator or the Finance Director the authority to receive bids for the purchase of the Certificates and to determine the best bid therefore in accordance with the provisions of this Ordinance and subject to the parameters set forth herein and in the Notice of Sale, and to execute any agreement or agreements in connection therewith. In addition, each of the Mayor, the City Administrator or the Finance Director is hereby authorized to independently determine if obtaining an insurance policy for all or a portion of the Certificates is in the best interests of the City, and if so, to select an insurer to issue an insurance policy, execute a commitment relating to the same and execute any related documents or agreements required by such commitment. Each of the Mayor, the City Administrator or the Finance Director is also hereby authorized to determine if obtaining a reserve fund insurance policy for the Certificates is in the best interests of the City, and if so, to select a surety provider to issue a reserve fund insurance policy and execute any related documents or agreements required by such commitment.

The City Council hereby acknowledges and agrees that the proceeds of the Certificates will be used to finance the costs of the Project.

Section 4. **Approval of Documents.** The Site Lease, the Lease, the Indenture, the Notice of Sale and the Continuing Disclosure Certificate are in all respects approved, authorized and confirmed, and the Mayor of the City is hereby authorized and directed for and on behalf of the City to execute and deliver such documents in substantially the forms and with substantially the same contents as the proposed forms of such documents on file with the City Clerk, with such changes as may hereafter be approved by the Mayor, the Finance Director or the City Administrator.

Section 5. **Competitive Sale of the Certificates; Notice of Sale**. The Certificates shall be sold by competitive sale as determined by the City Administrator to be in the best interest of the City, in accordance with this Ordinance and the Notice of Sale. The Council hereby approves the Notice of Sale in substantially the form presented to the City and on file with the City Clerk, provided that such Notice of Sale may be completed, corrected, or revised as deemed necessary by the City Administrator or Finance Director in order to carry out the purposes of this Ordinance and to reflect the terms of the Certificates. The Finance Director is hereby authorized and directed to cause the Notice of Sale to be distributed to prospective bidders on the Certificates.

Section 6. **Authorization to Execute Collateral Documents.** The City Clerk is hereby authorized and directed to attest all signatures and acts of any official of the City, if so required by any documents in connection with the matters authorized by this ordinance. The Mayor and other appropriate officials or employees of the City are hereby authorized to execute and deliver for and on behalf of the City any and all additional certificates, documents, instruments and other papers, and to perform all other acts that they deem necessary or appropriate, in order to implement and carry out the transactions and other matters authorized by this ordinance, including but not limited to the execution of such other certificates and affidavits as may be necessary. The appropriate officers of the City are authorized to execute on behalf of the City agreements concerning the deposit and investment of funds in connection with the transactions contemplated by this ordinance. The execution of any instrument by the aforementioned officers or members of the City Council shall be conclusive evidence of the approval by the City of such instrument in accordance with the terms hereof and thereof.

Section 7. No General Obligation Debt. No provision of this ordinance, the Lease, the Indenture, the Continuing Disclosure Certificate, the Certificates or the Official Statement shall be construed as creating or constituting a general obligation or other indebtedness or multiple fiscal year financial obligation of the City within the meaning of any constitutional or statutory provision, nor a mandatory charge or requirement against the City in any ensuing fiscal year beyond the then current fiscal year. The City shall not have any obligation to make any payment with respect to the Certificates except in connection with the payment of the Base Rentals and certain other payments under the Lease, which payments may be terminated by the City in accordance with the provisions of the Lease. Neither the Lease nor the Certificates shall constitute a mandatory charge or requirement of the City in any ensuing fiscal year beyond the then current fiscal year or constitute or give rise to a general obligation or other indebtedness or multiple fiscal year financial obligation of the City within the meaning of any constitutional or statutory debt limitation and shall not constitute a multiple fiscal year direct or indirect City debt or other financial obligation whatsoever. No provision of the Lease or the Certificates shall be construed or interpreted as creating an unlawful delegation of governmental powers nor as a donation by or a lending of the credit of the City within the meaning of Sections 1 or 2 of Article XI of the State Constitution. Neither the Lease nor the Certificates shall directly or indirectly obligate the City to make any payments beyond those budgeted and appropriated for the City's then current fiscal year.

Section 8. Reasonableness of Rentals. The City Council hereby determines and declares that the Base Rentals do not exceed a reasonable amount so as to place the City under an economic compulsion to renew the Lease or to exercise its option to purchase the Leased Property pursuant to the Lease. The City Council hereby determines and declares that the period during which the City has an option to purchase the Leased Property (i.e., the entire maximum term of the Lease) does not exceed the remaining useful life of the Leased Property. The City Council hereby further determines that the amount of rental payments to be received by the City from the Trustee pursuant to the Site Lease is reasonable consideration for the leasing of the Leased Property to the Trustee for the term of the Site Lease as provided therein.

Section 9. **<u>City Representatives</u>.** The City Council hereby authorizes each of the Mayor, the City Administrator and the Finance Director to act as City Representatives under the Lease, or such other person or persons who may be so designated in writing from time to time by the Mayor, as further provided in the Lease.

Section 10. **<u>No Recourse against Officers and Agents</u>.** Pursuant to Section 11-57-209 of the Supplemental Act, if a member of the City Council, or any officer or agent of the City acts in good faith, no civil recourse shall be available against such member, officer, or agent for payment of the principal, interest or prior redemption premiums on the Certificates. Such recourse shall not be available either directly or indirectly through the City Council or the City, or otherwise, whether by virtue of any constitution, statute, rule of law, enforcement of penalty, or otherwise. By the acceptance of the Certificates and as a part of the consideration of their sale or purchase, any person purchasing or selling such certificate specifically waives any such recourse.

Section 11. **<u>Repealer</u>.** All bylaws, orders, resolutions and ordinances of the City, or parts thereof, inconsistent herewith are hereby repealed to the extent only of such inconsistency. This repealer shall not be construed to revive any other such bylaw, order, resolution or ordinance of the City, or part thereof, heretofore repealed.

Section 12. **<u>Severability</u>.** If any clause, sentence, paragraph or part of this Ordinance or the application thereof to any person or circumstances shall for any reason be adjudged by a court of competent jurisdiction invalid, such judgment shall not affect application to other persons or circumstances.

Section 13. **<u>Electronic Signatures</u>.** The Mayor, City Administrator, Finance Director, and any other employee or official of the City that is authorized or directed to execute any agreement, document, certificate, instrument or other paper in accordance with this Ordinance (collectively, the "Authorized Documents") is hereby authorized to execute Authorized Documents electronically via facsimile, electronic or email signature. Any electronic signature so affixed to any Authorized Document shall carry the full legal force and effect of any original, handwritten signature. This provision is made pursuant to Article 71.3 of Title 24, C.R.S., also known as the Uniform Electronic Transactions Act.

Section 14. **<u>Effective Date</u>.** This Ordinance shall be in full force and effect 30 days following publication after adoption on second and final reading.

INTRODUCED FIRST READING, on this 3rd day of October, 2023. ADOPTED AND ORDERED PUBLISHED IN FULL in a newspaper of general circulation by the City Council and set for a second reading and public hearing on this 17th day of October, 2023. PASSED ON FIRST READING, AND APPROVED THIS 17th DAY OF OCTOBER, 2023.

INTRODUCED ON SECOND READING and FINALLY ADOPTED on this 17th day of October, 2023.

CITY OF SALIDA, COLORADO

____
Mayor

ATTEST:

____
City Clerk

PUBLISHED IN FULL in the Mountain Mail after First Reading on the 6th day of October, 2023, and, _______________,after final adoption of the 20th day of October, 2023.

____
City Clerk/Deputy City Clerk

STATE OF COLORADO)
)
COUNTY OF CHAFFEE) SS.
)
CITY OF SALIDA)

I, Erin Kelley, the duly appointed, qualified and acting City Clerk of the City of Salida, Colorado (the "City") do hereby certify:

1. That the foregoing pages are a true, correct, and complete copy of an ordinance adopted by the City Council of the City constituting the governing body of the City (the "City Council"), by vote had and taken at open, regular meetings of the City Council held at the Council Chambers, in Salida, Colorado, on October 3, 2023 and October 17, 2023, each convening at the hour of 6:00 p.m., as recorded in the regular book of official records of the proceedings of said City kept in my office.

2. The adoption of the Ordinance on first reading was duly moved and seconded and the Ordinance was adopted by an affirmative vote of a majority of the members of the City Council at the regular meeting of the City Council on October 3, 2023, as follows:

Name	"Yes"	"No"	Absent	Abstain
Dan Shore, Mayor				
Dominique Naccarato				
Jane Templeton				
Justin Critelli				
Mike Pollock				
Harald Kasper				
Alisa Pappenfort				

3. The adoption of the Ordinance on second and final reading was duly moved and seconded and the Ordinance was adopted by an affirmative vote of a majority of the members of the City Council at the regular meeting of the City Council on October 17, 2023, as follows:

Name	"Yes"	"No"	Absent	Abstain
Dan Shore, Mayor				
Dominique Naccarato				
Jane Templeton				
Justin Critelli				
Mike Pollock				
Harald Kasper				
Alisa Pappenfort				

4. The members of the City Council were present at the meeting and voted on the passage of such Ordinance as set forth above.

5. There are no bylaws, rules, or regulations of the City Council which might prohibit the adoption of said Ordinance.

6. That notices of the regular meetings on October 3, 2023 and October 17, 2023, in the forms attached hereto as **Exhibit A**, were posted in a designated public place within the boundaries of the City no less than twenty-four hours prior to the meeting as required by law.

7. The Ordinance was published in the The Mountain Mail, a newspaper of general circulation in the City, after its first and second readings, in accordance with the laws of the State. The affidavits of publication are attached hereto as **Exhibit B**.

[*Remainder of page left blank intentionally*]

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of said City this _____ day of __________, 2023.

____
City Clerk

(SEAL)

EXHIBIT A

(Attach Meeting Notices)

EXHIBIT B

(Attach Affidavit of Publication)

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