



WORK SESSION & REGULAR MEETING – Silverton Board of Trustees

Silverton Town Hall – May 13, 2024

Call to Order & Roll Call –Work Session @ 5:00pm and Regular Meeting @7:00pm

ATTENTION: The Town of Silverton Trustee meetings are being conducted in a hybrid virtual/in-person. Instructions for public participation in Town Trustee meetings are as follows:

- Zoom Webinar Link: <https://us02web.zoom.us/j/88637487127>
- By Telephone: Dial 669-900-6833 and enter Webinar ID 886 3748 7127 when prompted.
- YouTube (live and recorded for later viewing, does not support public comment):
www.youtube.com/channel/UCmJgal9lUXK5TZahHugprpQ

If you would like to make a public comment during a specific Agenda Item, please submit a request to the Town Administrator at gkaasch-buerger@silverton.co.us

MEETING PROTOCOLS: Please turn off cell phones; be respectful and take personal conversations into the lobby. The public is invited to attend all regular meetings and work sessions of the Board of Trustees. Please be advised, public comment will not be taken during the work session meetings. Closing Public Comment must be related to an agenda item.

Work Session @ 5:00pm

- 1) Water and Sewer Rates Overview presented by Chris Brandewie

Regular Meeting @ 7:00pm

- 1) Staff and/or Board Revisions to Agenda
- 2) Public Comment - *Comments must be limited to three (3) minutes in duration.*
- 3) Presentations/Proclamations
- 4) New Business
 - a) Appointment of Library Board Member Vacancy
 - b) FIRST READING: Ordinance 2024-07 An ordinance approving an interim loan from CoBank, ACB in the aggregate principal amount not to exceed \$2,500,000; authorizing the form and execution of the interim loan agreement and promissory note to evidence such loan; authorizing the construction of a project; and prescribing other details in connection therewith
 - c) Resolution 2024-14 A Resolution Authorizing the Town of Silverton to Open a Construction Account with Bank of San Juans in Compliance with the USDA Loan obtained for the rehabilitation of the Sewer Collection System. Approval of Consent Agenda Items
 - d) Element Engineering Wastewater Treatment Plan Design Contract and Expenditure
 - e) Southwest Basin Roundtable Appointment
- 5) Consent Agenda
 - a) Payroll
 - b) Meeting Minutes 4.22.24
 - c) Accounts Payable



- d) Employment Agreement for Brian Buerger
- e) Letter of Support for Medical Transportation
- f) RFP Anesi Bathrooms
- g) 5/25/24 CONTRACTED SPECIAL EVENT NOTICE - Iron Horse
- h) 7/13/24 CONTRACTED SPECIAL EVENT NOTICE- Hardrock 100
- i) 6/7, 7/5, 8/2. 9/6/24 SPECIAL EVENT/Public Right Away-Creative District
- j) 6/14, 7/12, 8/9/, 9/13 CONTRACTED SPECIAL EVENT NOTICE - Summer Sounds
- 6) Staff Reports
- 7) Committee/Board Reports
 - a) 4.23 CHFA Zanoni Conceptual Planning
 - b) 4.26 Facilities, Parks and Recreation Committee
 - c) 5.1 SJDA Business Summit
- 8) Trustee Reports
 - a) 5.6 Trustee Retreat
- 9) Continued Business
 - a) Resolution 2024-15 Seasonal Business EQR Rates Exemptions
 - b) Lodging Fee Forgiveness Requests
- 10) Public Comment

Adjourn

Up-coming Meeting Dates:

- 5.15 @5pm Historic Review Committee
- 5.20 @9am Finance Committee
- 5.20 @5pm Town/County Work Session at Kendall Mountain Community Center
- REQUESTED 5.28 @ 6pm Silverton Housing Authority Meeting
- 5.28 @7pm Regular Board of Trustees Meeting

End of Agenda

May 13, 2024

BOARD OF TRUSTEES

WATER AND SEWER RATE WORK SESSION

ASSETS, RESERVES & RATES

WATER RATES BY BRANDEWIE LLC

QUALIFICATIONS - CHRIS BRANDEWIE P.E.

- Professional Engineer P.E. 0049543 Consulting on Several Projects
- Certified Water Professional C.W.P. 100656 ORC for 3 Small Systems
- 5 years of conducting rate studies mostly for economically disadvantaged communities in rural Colorado
- B.S. Civil & Environmental Engineering - Ohio State University
- M.S. Civil & Geotechnical Engineering - Ohio State University
 - Masters Thesis developed a cost estimating tool for ODOT
- Honorably Discharged Veteran – Ohio Army National Guard
- Vice-President Mount Elbert Water Association Board



TODAYS WORKSHOP AGENDA

- \$ Intro to Asset Management
 - \$ Asset Inventory and Information to gather
 - \$ Capital Replacement/Improvements Program – CIP Reserves
- \$ Intro to Rate Structures
 - \$ Presentation on Different Rate Structures
 - \$ Example of Rate Structure on Different Usage Patterns

INTRODUCTION TO ASSET MANAGEMENT

- Objectives:
 - Understand the concepts, goals, and benefits of asset management
 - Learn what is needed in an asset inventory

INFRASTRUCTURE WEARS OUT



TWO APPROACHES

- **Reactive**

- Wait until it breaks

- **Proactive**

- Plan replacement before catastrophe



NEED FOR ASSET MANAGEMENT

- Aging Infrastructure
- Funding
- Public Understanding

AMERICAN SOCIETY OF CIVIL ENGINEERS REPORT CARD



<https://www.infrastructurereportcard.org/>

WHAT ARE ASSETS?

- Physical System Components
- Require Maintenance
- Deteriorate Over Time



KEY ASSET QUESTIONS

- What do I own?
- How long will it last?
- How to get the most value while serving required needs?



WHAT IS ASSET MANAGEMENT?

“A systematic **process** *for maintaining a desired level of service at the best appropriate cost*”

BENEFITS OF ASSET MANAGEMENT

- Better operating decisions saving time and money
- Better communication and service to your customers
- Increased access to public funding (\$\$)
- Proactive vs. Reactive



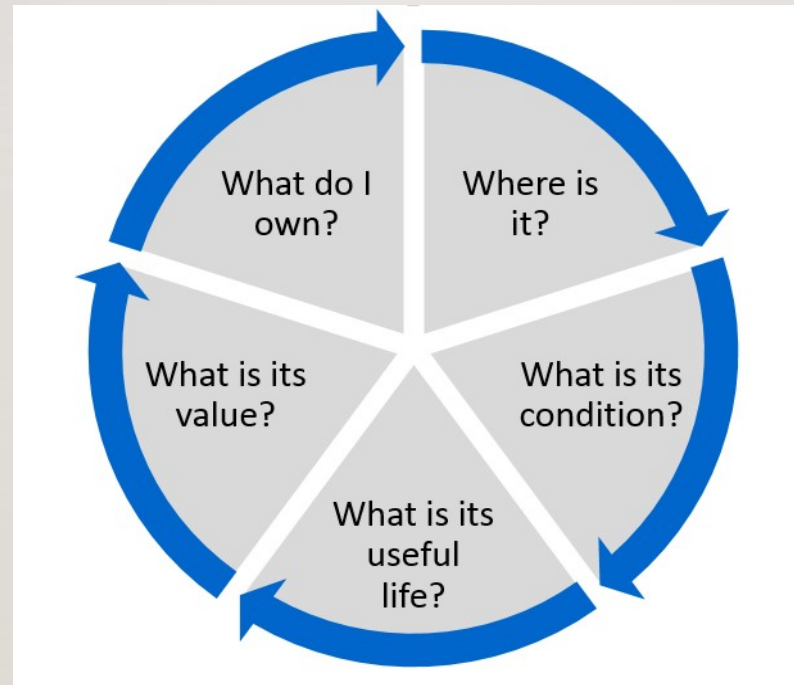
THE FIVE CORE COMPONENTS

- Asset Inventory
- Level of Service
- Criticality
- Life Cycle Costing
- Long-Term Funding



<https://swefcamswitchboard.unm.edu/am/the-five-core-components-of-asset-management/>

I.ASSET INVENTORY



2. LEVEL OF SERVICE

“The quality, quantity, reliability, and environmental standards of the service your system is providing”

- Customer demand and satisfaction
- Regulatory requirements
- System performance and capability



LEVEL OF SERVICE EXAMPLE

“Over the next year, fewer than 5% of our customers will experience a water loss lasting longer than 8 hours”

- Specific
- Measureable
- Achievable
- Realistic
- Timely



3. CRITICALITY

"All assets fail: it is important to know which assets are required to guarantee the system's operation"

- ❖ How likely is the asset to fail (probability)?
- ❖ What are the consequences if the asset fails?



4. LIFE CYCLE COST

“Goal is to determine the best appropriate cost for dealing with assets over time”

- Determine costs & benefits of each option:
O&M, Repair, Rehabilitate, Replace
- Deploy resources for each based on asset criticality
- Move from *reactive* to *predictive* maintenance

5. LONG-TERM FUNDING

"Develop and implement an effective funding plan based on life cycle costs."

- Forecast revenue needs
- Identify system and non-system revenues (likely loans/grants)
- Implement needed adjustments including reserves



THE ASSET MANAGEMENT PLAN

Developing a plan based on system assets provides a proactive approach to managing your utility

Keep in Mind

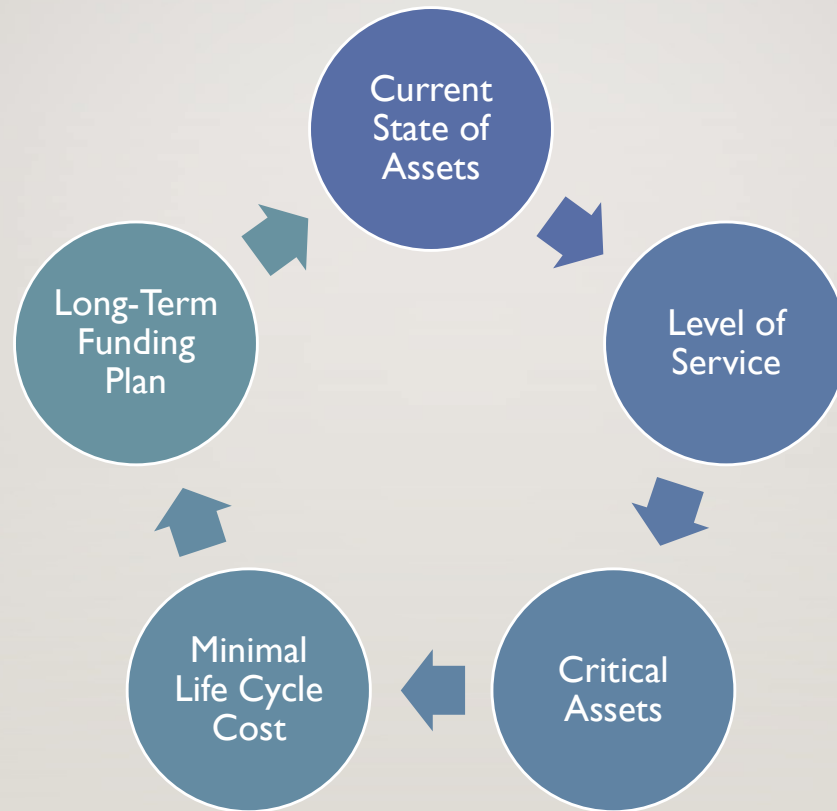
- ✓ Your system's needs can change year to year
- ✓ Current information helps you to meet the system's future needs



Check and Act

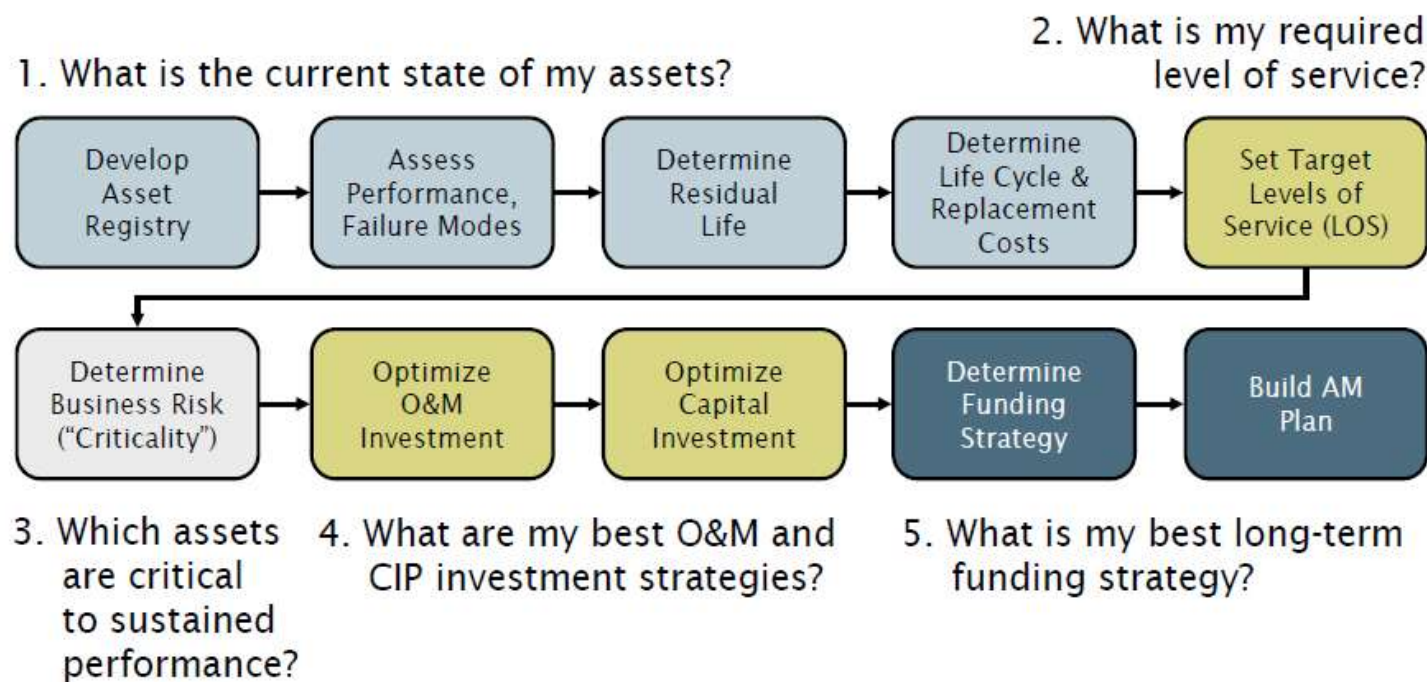
- ✓ Review and update your AMP on an annual basis:
 - Evaluate progress - keep track of your system's major challenges
 - Include new best practices - think about the most cost-effective and efficient way to address those challenges
- ✓ Take action based on reviews

A CLOSER LOOK

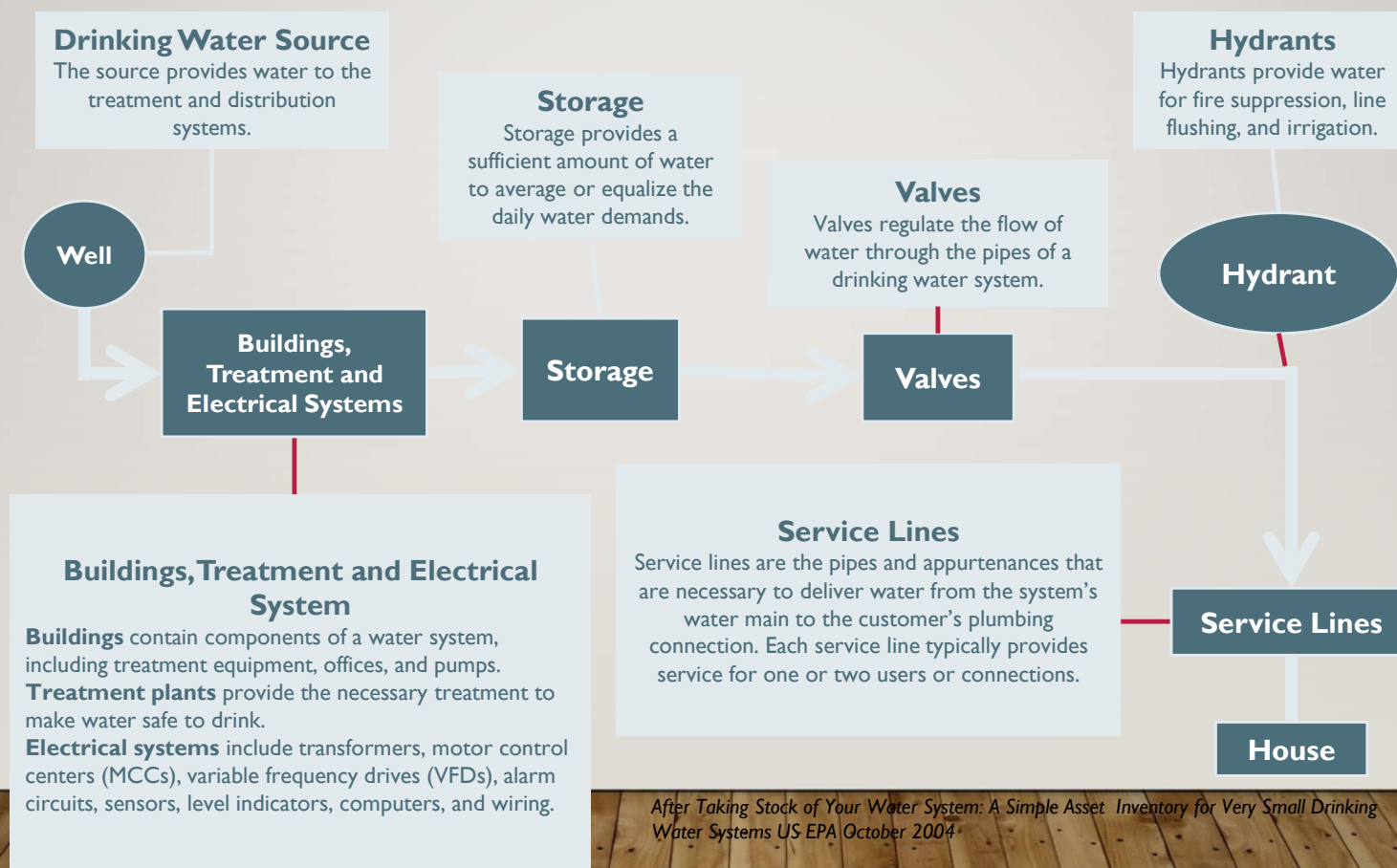


ASSET MANAGEMENT PROCESS

Integration of 5 core questions with 10-step process



WHAT MAKES UP YOUR INVENTORY?



ASSET INVENTORY: CONDITION ASSESSMENT

- It is important to:
 - Determine nature of failure, possible timing, and best preventive/corrective actions
- Assessment Techniques
 - Operational data evaluation
 - Visual inspection
 - Non-destruction/destructive testing



SERVICE LIFE: ASSET LIFE EXPECTANCY

Asset	Expected Useful Life (in years)	Asset	Expected Useful Life (in years)
Intake structures	35-45	Valves	35-40
Wells and Spring	25-35	Blow-off Valves	35-40
Galleries and Tunnels	30-40	Backflow Prevention	35-40
Chlorination Equipment	10-15	Meters	10-15
Other Treatment Equipment	10-15	Service Lines	30-50
Storage Tanks	30-60	Hydrants	40-60
Pumps	10-15	Lab/Monitoring Equipment	5-7
Buildings	30-60	Tools and Shop Equipment	10-15
Electrical Systems	7-10	Landscaping/Grading	40-60
Transmission Mains	35-40	Office Furniture/Supplies	10
Distribution Pipes	35-40	Computers	5
Transportation Equipment	10		

RISK ANALYSIS

Probability of Failure

(How likely is an asset to fail?)

- Asset age
- Asset condition
- Repair and maintenance history
- Environment (VA/RRA/ERP)
- Design capacity
- Obsolescence

Consequence of Failure

(How bad will the failure be?)

- Cost of repair/replacement
- Reduction in level of service
- Public health and environmental costs
- Collateral damage
- Legal costs
- Redundancy
- Social cost and other impacts

CONSEQUENCE OF FAILURE



**Water main break
floods UCLA
campus, streets:
20 million
gallons lost**

CONSEQUENCE OF FAILURE



**UCLA Demands \$13M From DWP for Water
Main Break**

CRITICALITY TABLE

Consequence (Cost) of Failure	5	5	10	15	20	25
	4	4	8	12	16	20
	3	3	6	9	12	15
	2	2	4	6	8	10
	1	1	2	3	4	5
Multiplied		1	2	3	4	5
	Probability of Failure					

1 Very Low	2 Low	3 Moderate	4 High	5 Very High
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ASSET PRIORITIZATION

Risk Matrix

Consequence of Failure	Low Probability x High Consequence = Moderate Risk	High Probability x High Consequence = High Risk
	Low Probability x Low Consequence = Low Risk	High Probability x Low Consequence = Moderate Risk

Probability of Failure

Risk Category	Action Needed
High	Immediate Action
Moderate	Aggressive Monitoring
Low	Routine Monitoring

WHICH ASSET SHOULD WE PRIORITIZE?

1. New Well
2. 20-year-old lines in a residential neighborhood
3. 75-year-old concrete storage tank that maintains pressure for 1/3 of the town
4. 20-year-old water meters

MINIMUM LIFE CYCLE COST

Options:

☐ ☐ Operate and maintain

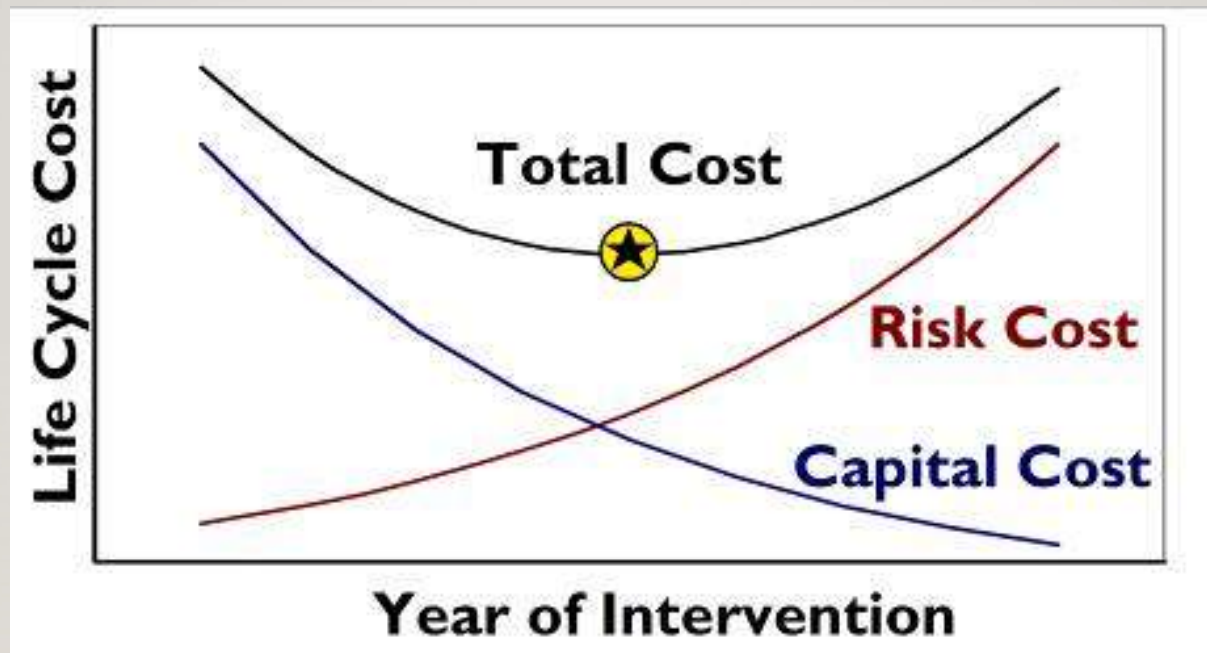
☐ ☐ Repair

☐ ☐ Rehabilitate

☐ ☐ Replace

Goal: Execute the optimal mix of options for each asset or set of assets

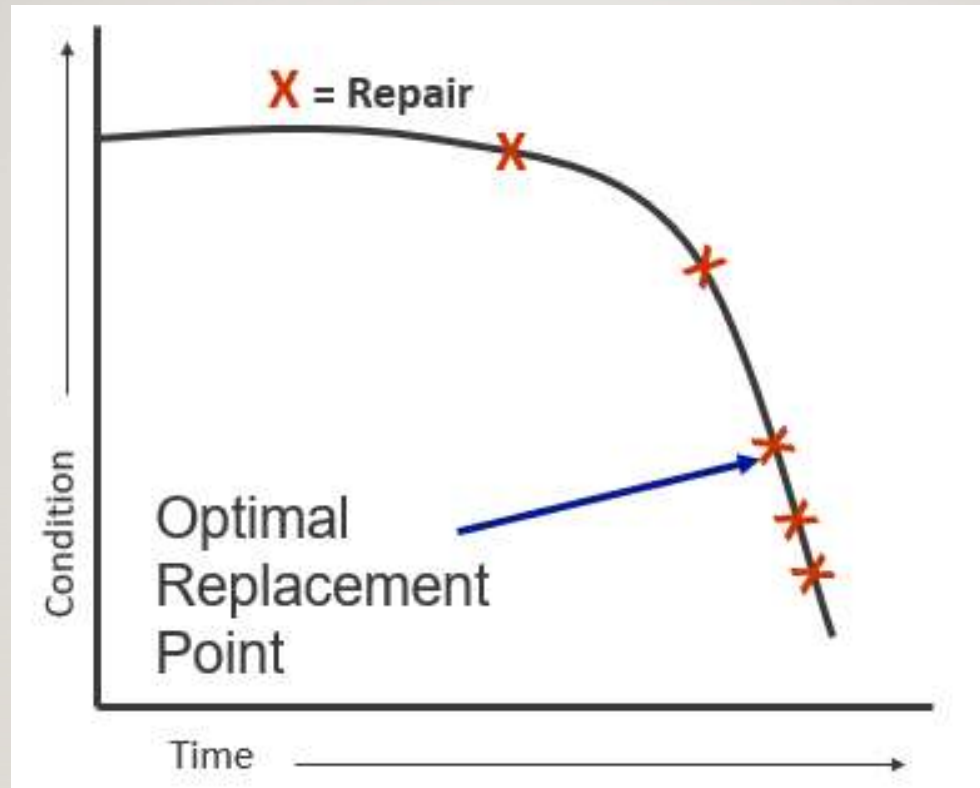
MINIMUM LIFE CYCLE COST ANALYSIS



OPTIMIZE O&M AND CAPITAL INVESTMENT

Asset (List from highest to lowest priority)	Activity	Years until action needed	Cost (\$)	Reserve required current year
Submersible Pump 1	back up pump	5	\$ 20,000.00	\$ 4,000.00
	contractor on call	1	\$ 1,500.00	\$ 1,500.00
Chlorination equipment	repair			
Well 1	repair	10	\$ 10,000.00	\$ 1,000.00
	drill new well	10	\$ 14,000.00	\$ 1,400.00
	truck water	10	\$ 1,200.00	\$ 120.00

WHEN TO REPLACE?



FUNDING: HOW DO I PLAN FOR THE FUTURE?



- Pay as you go
- Save in advance
- Borrow
- Grants!?

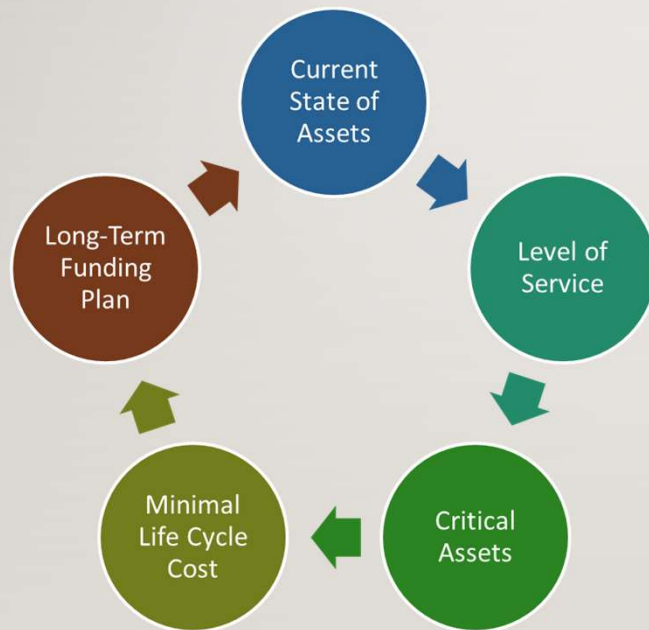
Default Funding of Asset Replacements

Replacement Value From To		Cash	Grant	Loan
\$0	\$100,000	100%	0%	0%
\$100,001	\$500,000	20%	0%	80%
\$500,001	\$1,000,000	10%	30%	60%
\$1,000,001	\$9,999,999	2%	30%	68%
\$10,000,000	\$9,999,999	2%	30%	68%
Capitalization Threshold		\$ 10,000	Any asset purchased below this value is no	

CAPITAL PLANNING

#	Asset	Year Acquired	Estimated Remaining Life	Estimated Future Cost	Fund with Cash	Fund with Grant	Fund with Loan	Annual Reserve Required
Replacement of Existing Capital Assets								
1	Backhoe	2000	10	44,140	25%	0%	75%	985
900	4" PVC Pipe	1960	10	209,012	5%	20%	75%	933
30	Fire Hydrants	1960	10	225,959	5%	20%	75%	1,008
500	3/4" Water Meters	2010	5	235,287	5%	20%	75%	2,238
100	1" Water Meters	2010	5	56,021	25%	0%	75%	2,664
1	Shop	2010	60	489,157	5%	40%	55%	180

IN SUMMARY



- Save Money!
- Save Time!
- Save Headaches!
- Plan Ahead!
- Build an Inventory!

RESOURCES

- **“Asset Management Switchboard”** (Southwest Environmental Finance Center) – Collection of resources, trainings, and templates to build your asset management program.
 - <https://swefcamswitchboard.unm.edu/am/>
- **“Example Asset Inventory”** (SWEFC and RCAC) – Example inventory available in your materials today.
- **Technical Assistance**
 - Rural Community Assistance Corporation
 - Southwest Environmental Finance Center
 - Rural Water Association of Utah

ASSET INVENTORY AND RESERVE FUNDING

- Thoughts?
- Questions?

RATE SETTING PROCEDURES AND CONSIDERATIONS

WHY IS AN ADEQUATE RATE STRUCTURE IMPORTANT?

- Promotes delivery of safe drinking water.
- Promotes delivery of adequate quantities of water.
- Allows for debt payments on expansion/improvement projects.
- Promotes compliance.
- Encourages conservation.
- Encourages economic development.

BASIC RATE SETTING PRINCIPLES

1. Make sure rates cover the **full cost** of service.
2. Design rates that are **fair** and **equitable**.
3. Use water system **revenues** to pay for water system **expenses only**.
4. **Educate** customers on what their rates are.
5. Make rate structure **easy to understand**.
6. Review rates **annually**.
7. Base rate structure on **good budgets** and **customer records**.
8. Make rate structure **easy to administer**.

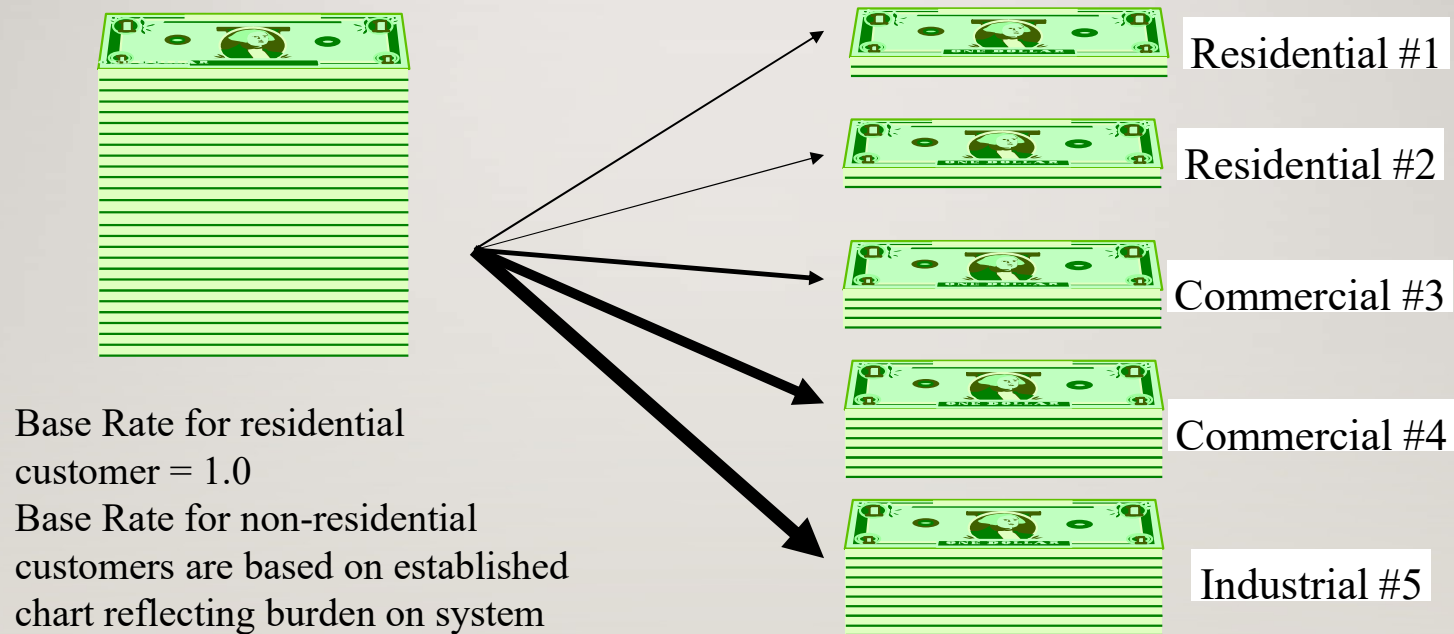
CHOOSE A RATE STRUCTURE.

- EDU – Equivalent Dwelling Units
- Meter Size
- Flat Rate
- Block Rates
 - Single Block Rate
 - Decreasing Block Rate
 - Increasing Block Rate

EACH TYPE OF RATE STRUCTURE HAS ITS OWN ADVANTAGES AND DISADVANTAGES.

<i>Type of Rate Structure</i>	<i>Advantages</i>	<i>Disadvantages</i>
<i>Flat</i>	<ul style="list-style-type: none">• Use in non-metered systems.• Easy to administer.• Equitable when usage profiles are similar.	<ul style="list-style-type: none">• Promotes high consumption.• Not equitable if usage profiles are dissimilar.
<i>Single Block</i>	<ul style="list-style-type: none">• Easy to administer.• Equitable when usage profiles are dissimilar.	<ul style="list-style-type: none">• May discourage high-usage industrial customers from locating in the community.
<i>Decreasing Block</i>	<ul style="list-style-type: none">• Attractive to agricultural or high-usage industrial customers.	<ul style="list-style-type: none">• Discourages water conservation.
<i>Increasing Block</i>	<ul style="list-style-type: none">• Encourages water conservation.• Reduces burden on wastewater systems.	<ul style="list-style-type: none">• May discourage high-usage industrial customers from locating in the community.

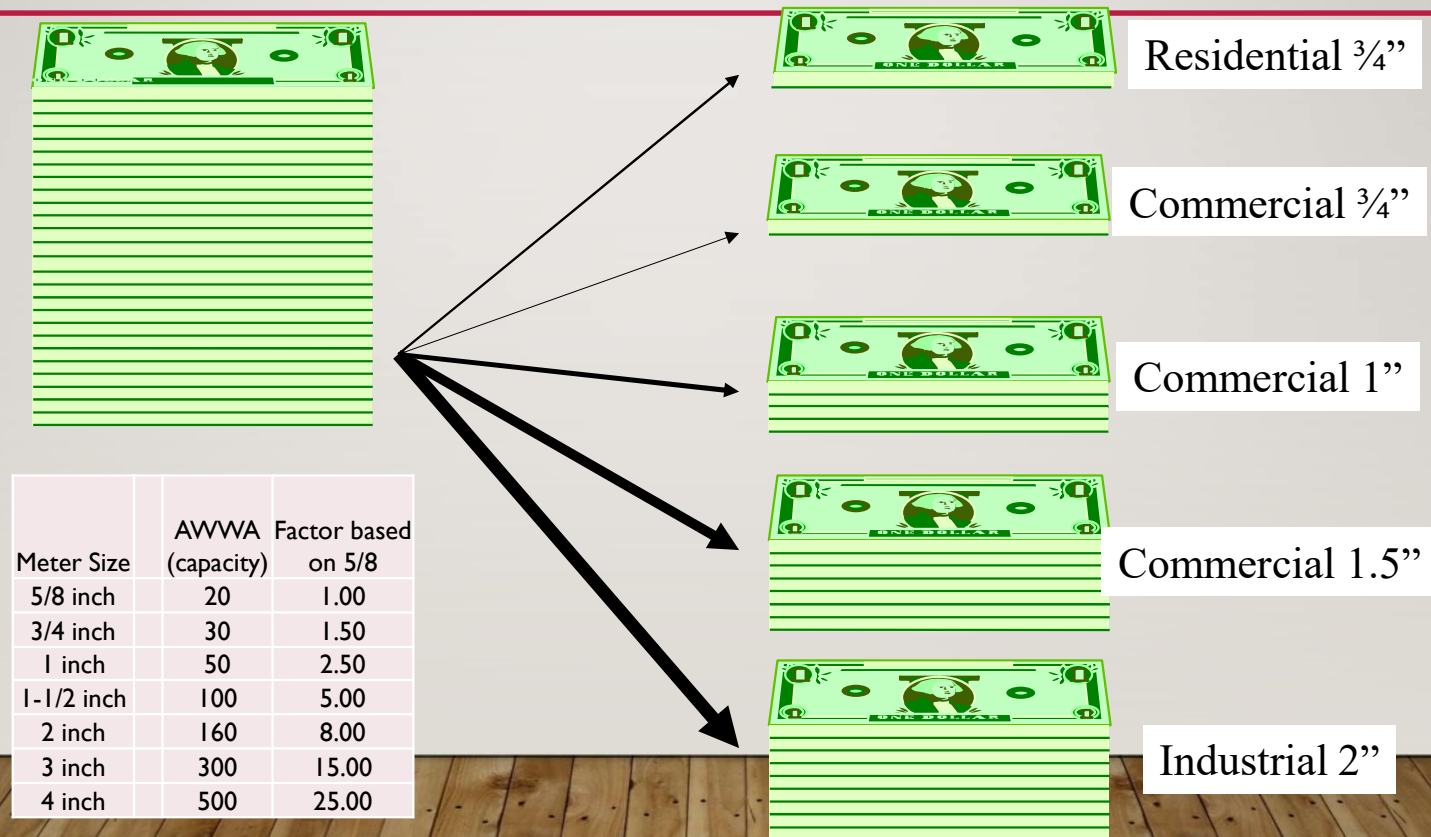
EDU OR EQR : EQUIVALENT DWELLING RESIDENTIAL UNIT EACH CUSTOMER PAYS *PROPORTIONALLY* TO THE POTENTIAL.



EDU OR EQR : EQUIVALENT DWELLING RESIDENTIAL UNIT EACH CUSTOMER PAYS *PROPORTIONALLY* TO THE POTENTIAL

EDU Tables for Sewer Service			
Customer Category	Unit	EDU	Min 1 EDU?
Single Family Dwelling	per dwelling	1.000	No
Apartments/Condo	per apartment	1.000	No
Mobile Home Parks	per home space/lot	1.000	No
Rental Cottages	minimum per cottage	0.250	No
Efficiency Rental	per unit	0.625	Yes
Bowling Alleys (no food serv.)	per lane	0.188	No
Car Wash manual	per manual bay	1.000	No
Church with no kitchen	per seat	0.011	Yes
Church with kitchen	per seat	0.017	Yes
Dormitories/Barracks	per bed	0.063	No
Factory with showers	per employee	0.088	Yes
Food Service tavern	per seat	0.088	Yes
Gas (fuel) Station	per pump	1.250	No
Hospitals	per bed	0.750	No
Laundries (coin operated)	per machine	0.350	No
Motels/Sleeping Cabin	per unit	0.250	Yes
Office Buildings	per employee	0.050	Yes
Retail Store	per employee	0.050	Yes
School	per pupil	0.038	Yes
Shopping Center	per 100 s.f., no food/laundry	0.050	Yes
Vacant Lot	per lot	0.250	No

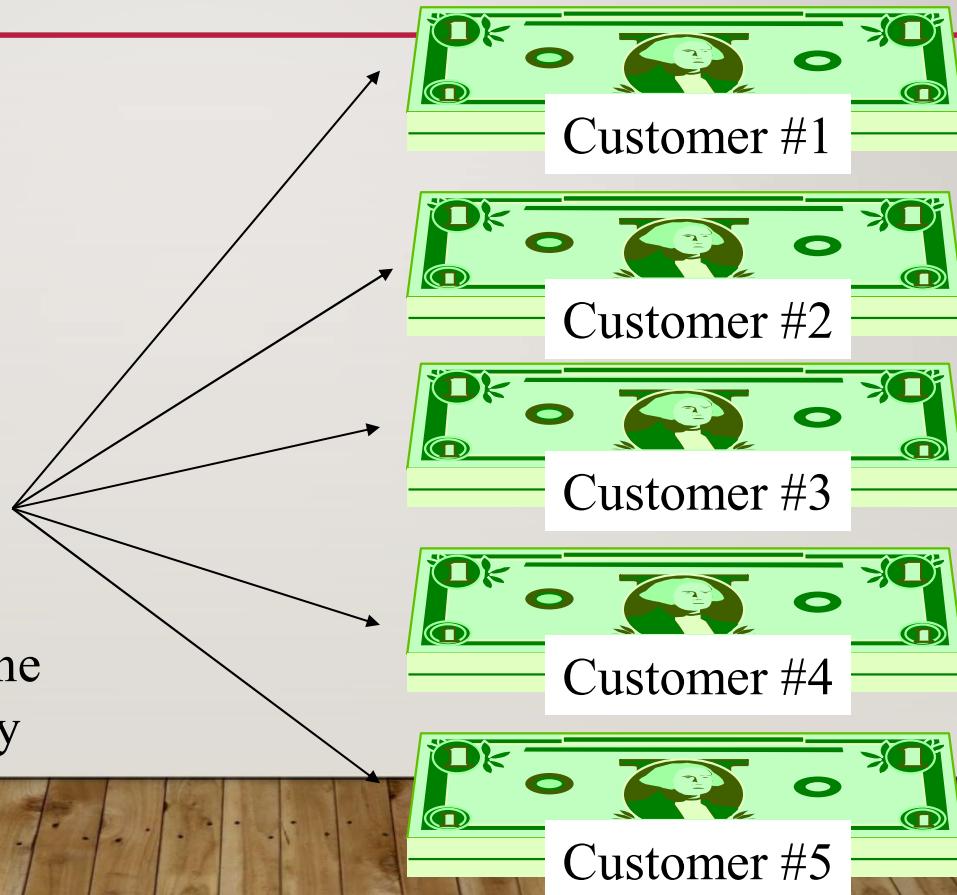
METER SIZE: EQUIVALENT DWELLING RESIDENTIAL UNIT EACH CUSTOMER PAYS *PROPORTIONALLY* TO THE POTENTIAL



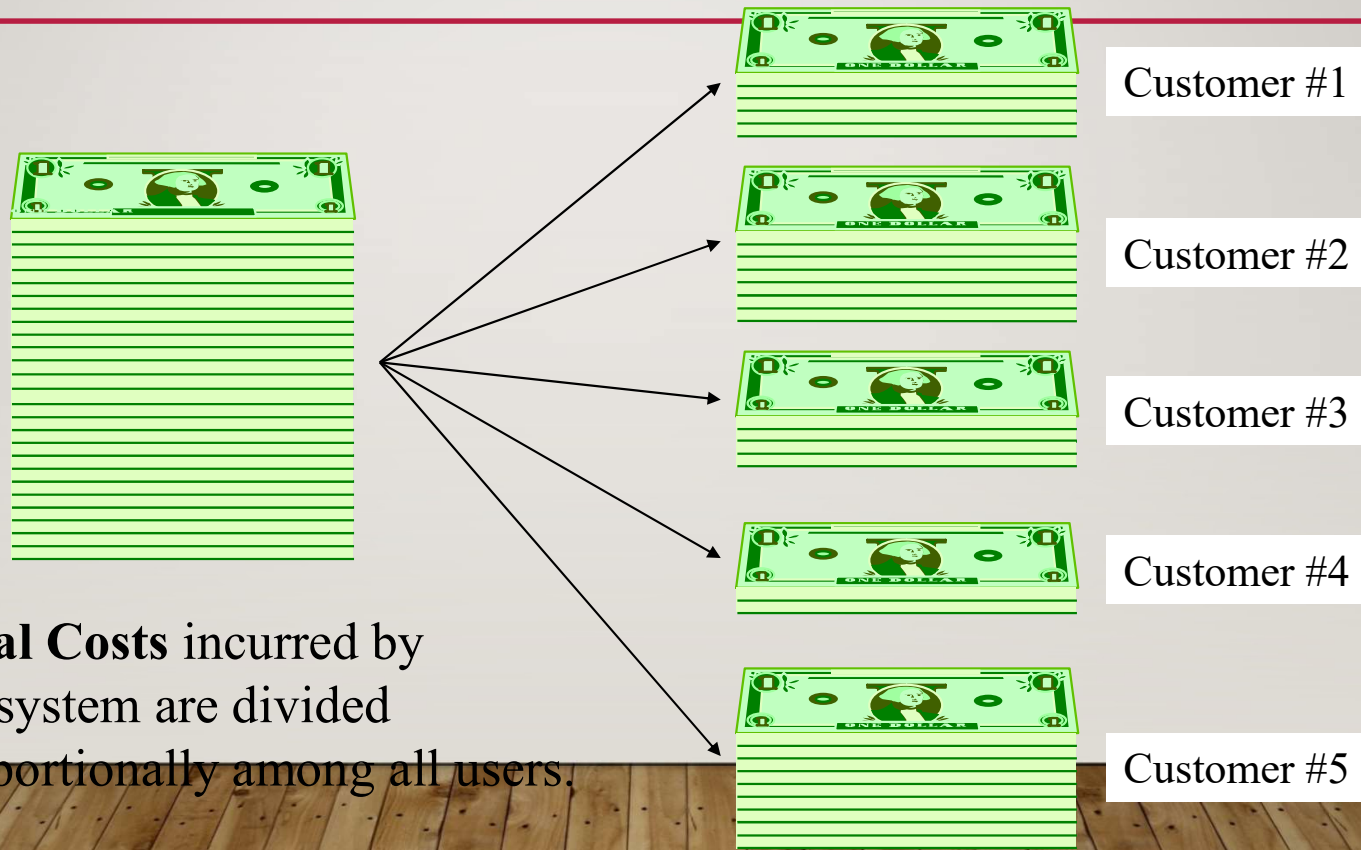
**FLAT RATE: EACH CUSTOMER PAYS THE SAME
REGARDLESS OF HOW MUCH WATER THEY USED.**



Total Costs incurred by the system are divided equally among all users.



BLOCK RATE: EACH CUSTOMER PAYS *PROPORTIONALLY TO THE AMOUNT THEY USED.*



Total Costs incurred by the system are divided proportionally among all users.

EACH TYPE OF RATE STRUCTURE HAS ITS OWN ADVANTAGES AND DISADVANTAGES.

<i>Type of Rate Structure</i>	<i>Advantages</i>	<i>Disadvantages</i>
<i>Flat</i>	<ul style="list-style-type: none">• Use in non-metered systems.• Easy to administer.• Equitable when usage profiles are similar.	<ul style="list-style-type: none">• Promotes high consumption.• Not equitable if usage profiles are dissimilar.
<i>Single Block</i>	<ul style="list-style-type: none">• Easy to administer.• Equitable when usage profiles are dissimilar.	<ul style="list-style-type: none">• May discourage high-usage industrial customers from locating in the community.
<i>Decreasing Block</i>	<ul style="list-style-type: none">• Attractive to agricultural or high-usage industrial customers.	<ul style="list-style-type: none">• Discourages water conservation.
<i>Increasing Block</i>	<ul style="list-style-type: none">• Encourages water conservation.• Reduces burden on wastewater systems.	<ul style="list-style-type: none">• May discourage high-usage industrial customers from locating in the community.

GATHER INFORMATION TO SET RATES.

- System budget for last 3 years.
- User group information
 - Number of users per customer class (residential, commercial, industrial)
 - Amounts of water used by each customer
- Accurate connection survey – scrutinize customer list and categories
- Anticipated cost estimates - Budgets
 - Debt service
 - Reserve funds needed
 - Operational cost projections

SET THE RATES.

For a non-metered system, set a flat rate.


1. Find **full cost** of water delivery by adding up Total Budget Expenses.
2. Divide **Total Budget Expenses** by the **Number of User Connections** to find the Annual Amount Needed per Connection.
3. Divide the **Annual Amount Needed per Connection** by **12** to find the Monthly Amount Needed per Connection to recover the full cost of providing drinking water.

FLAT RATE: \$30 PER CONNECTION

 = 1,000 gallons of water used

February Water Bill

Customer #1

  → **\$30.00**

Customer #2

    → **\$30.00**

Customer #3

 → **\$30.00**

Customer #4

.....→ **\$30.00**

Customer #5

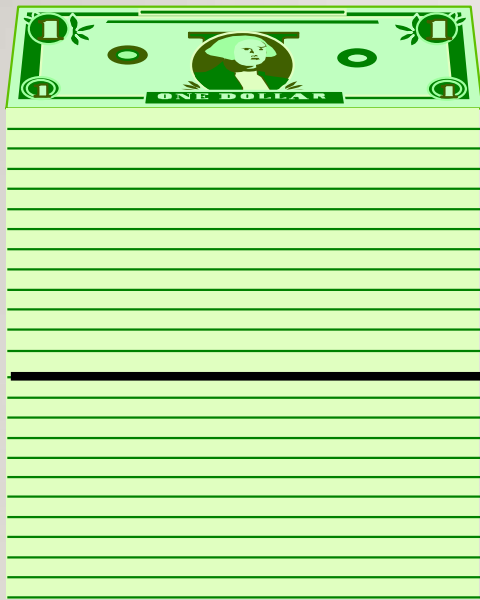
      → **\$30.00**

SET THE RATES.

For a metered system, set a block rate.

1. Divide Total Budget Expenses into **Fixed** and **Variable Costs**.
2. Develop a **Base Rate** to cover Fixed Costs.
3. Develop a **Unit Rate** to cover Variable Costs.

A SYSTEM'S TOTAL COSTS CAN BE DIVIDED INTO FIXED AND VARIABLE COSTS.



Total Costs

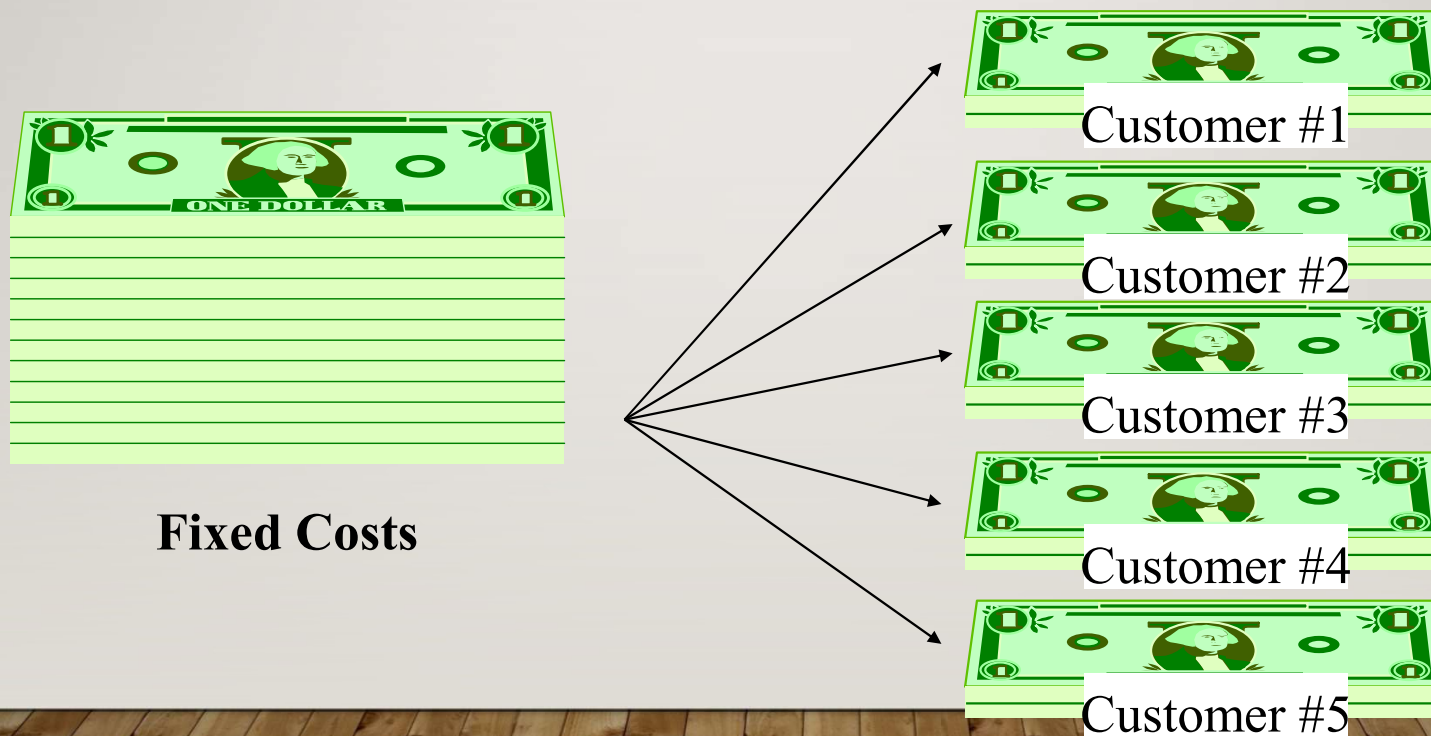
Variable Costs include:

- Chemicals
- Maintenance and repairs
- Power

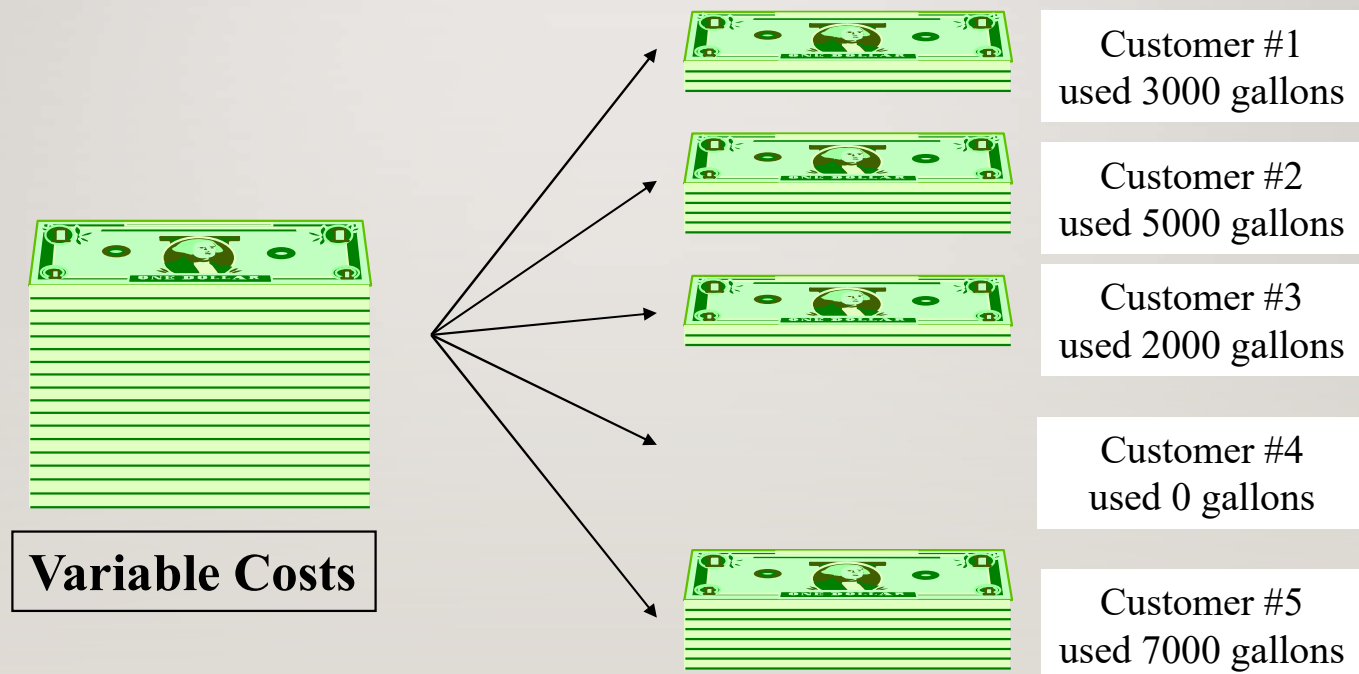
Fixed Costs include:

- Debt payments
- Contributions to reserve accounts
- Water quality monitoring

SINGLE BLOCK RATE #2: EACH CUSTOMER PAYS AN EQUAL PORTION OF THE *FIXED COSTS*...










...PLUS A PORTION OF THE SYSTEM'S VARIABLE COSTS BASED ON HOW MUCH WATER THEY USED.



SINGLE BLOCK RATE: \$5 PER 1,000 GAL'S USED

 = 1,000 gallons of water used

February Water Bill

Customer #1	  →	<i>\$15.00</i>
Customer #2	    →	<i>\$25.00</i>
Customer #3	 →	<i>\$10.00</i>
Customer #4	→	<i>\$0</i>
Customer #5	      →	<i>\$35.00</i>

SINGLE BLOCK RATE #2: \$20 PER CONNECTION + \$1 PER 1,000 GAL'S USED

 = 1,000 gallons of water used

February Water Bill

Customer #1



\$23.00

Customer #2



\$25.00

Customer #3



\$22.00

Customer #4



\$20.00

Customer #5



\$27.00





SINGLE BLOCK RATE #3: \$25 PER CONNECTION + \$1 PER 1,000 GAL'S USED OVER 5,000 GAL'S



= 1,000 gallons of water used

February

*Water
Bill*

	\$25 for first 5000	\$1.00 per 1000	
Customer #1			\$25.00
Customer #2			\$25.00
Customer #3			\$25.00
Customer #4			\$25.00
Customer #5			\$27.00


















DECREASING BLOCK RATE - PRICE PER GALLON DECREASES AS CONSUMPTION INCREASES



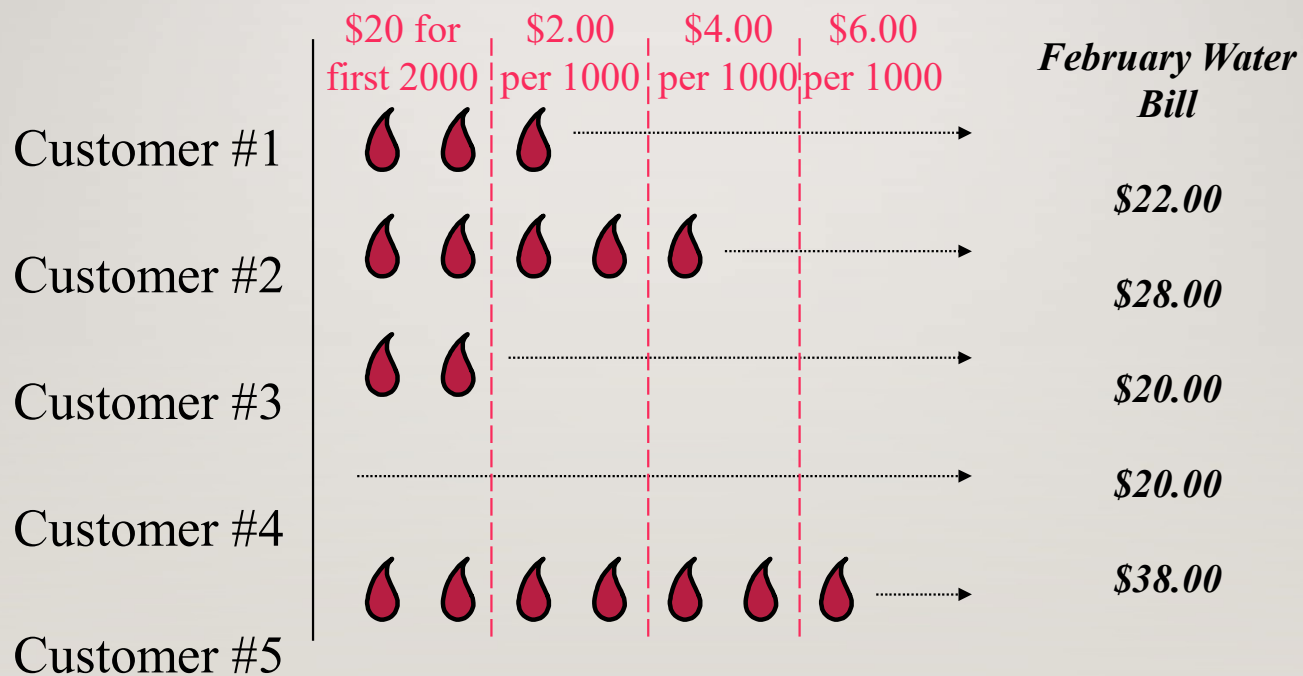
= 1,000 gallons of water used

February

*Water
Bill*

	\$20 for first 2000	\$2.00 per 1000	\$1.00 per 1000	\$0.50 per 1000	
Customer #1	 				\$22.00
Customer #2	 	 			\$25.00
Customer #3	 				\$20.00
Customer #4					\$20.00
Customer #5	 	 	 		\$26.50

INCREASING BLOCK RATE - PRICE PER GALLON INCREASES AS CONSUMPTION INCREASES.



 = 1,000 gallons of water used

What piece of a rate study do you feel would be the most challenging?



DON'T MAKE CUSTOMERS PAY FOR POOR MANAGEMENT PRACTICES!

- Does the system have a detailed budget?
- Does the system follow the budget?
- Are adequate collection policies used?
- Are sound fiscal policies used?
- Does the system have adequate internal controls?

BALANCE THE BUDGET

- Analyze and cut expenses
 - Off-peak operations
 - Circuit rides
 - Buy in bulk
- Improve billing operations
 - Bill customers in a timely manner
 - Collect on delinquent accounts promptly
 - Get tough on cheaters
 - Check operation of meters

BALANCE THE BUDGET

- Manage accounts smartly
 - Deposit account payments immediately
 - Use interest-bearing checking accounts
 - Invest reserves
- Find new customers
- Raise rates

LETS TAKE A LOOK AT THE SCENARIOS

“SELLING” THE RATES

- What is your process for obtaining a rate adjustment?
 - Board
 - City Council
 - Popular Vote
- Are you prepared?
 - Supporting documentation
 - Use of third parties (regulators, funding agencies, consultants)

May 13, 2024

BOARD OF TRUSTEES

REGULAR MEETING PACKET

May 13, 2024

1. Staff and/or Board Revisions to Agenda

This is an opportunity for staff to add, delete or amend items on the agenda as well as an opportunity for the board to revise the agenda as well. Trustees can use this agenda item to pull an item from the consent agenda that they have either need additional information or would like to have a discussion on and put it either in new business or in continued business. Typically, the Town Administrator will make an adjustment to the agenda since managing the agenda is their main responsibility.

May 13, 2024

1. Public Comment—*Comments must be limited to three (3) minutes in duration.*

The opening Public Comment is intended for a citizen to bring up any topic whether it is on the agenda or not. The citizen will be asked to state their name for the record.

The Mayor or Pro Tem will call out the public to comment as well as time the comment and let the public know when they have run out of time.

If a Trustee would like to discuss the comment, they can do so in Trustee Updates. It is not encouraged to engage in a dialogue on a public comment because if a public comment is not related to an agenda item, staff should be directed to either follow up with the citizen outside the meeting or include the topic in the next appropriate agenda (this can be a committee agenda or a board of trustee agenda).

If the comment is related to an agenda item, their comments can be brought up in the discussion of that agenda item.

Comments that are submitted via email about an agenda item will be accepted up until the agenda packet is constructed on noon on Wednesday before the Regular Meeting. Comments that are received after this deadline will be emailed to the trustees and not included in the packet. Comments that are emailed are not considered “official public comment” unless they are presented at the meeting or submitted for a Public Hearing before the Wednesday deadline.

Public Comments specific to a Public Hearing on the agenda should be encouraged to take place during the public hearing and not during the opening Public Comment, so that their comments can be recorded with the hearing.

Opening Public Comment is not addressed in the Silverton Municipal Code.

May 13, 2024

3. Presentations and Proclamations

Presentations can be scheduled with the board on a variety of topics that usually relate to board direction or goals. The Town Administrator schedules these presentations and works with the presenter to keep their presentation in 30 minutes or less including an anticipated questions and answer period with the Trustees.

Proclamations can be used to declare an emergency (SMC 2-7-30) or recognize a community member or organization for their service. Trustees can request a proclamation during the Trustee Updates agenda item.

May 13, 2024

4. New Business

Items that the Board of Trustees have not discussed will appear in this agenda item. If the topic has appeared in a committee prior to the regular meeting, the topic is still considered New Business for the entire board.

Per Silverton Municipal Code [2-2-110\(6\)](#):

New business. The Board of Trustees shall consider any business not heretofore considered, including the introduction or reading of ordinances and resolutions.



AGENDA MEMO

SUBJECT: Appointment of Library Board Members
STAFF CONTACT: Gloria Kaasch-Buerger
MEETING DATE: May 13, 2024

Overview:

According to Silverton Municipal Code Section 2-8-20-Library Board- "The Board of Trustees of the public library shall consist of four members plus the president, who shall be the Mayor, or, in case of a conflict or his or her inability to serve, the Mayor Pro Tem... Each Library Trustee shall serve for a term of two years, with terms staggered. A Library Trustee may serve two consecutive full terms."

The seated board:

Gloria Kaasch-Buerger	appointed 4/8/2024 (appointed by board to serve 2 nd term)
Patty Daley	appointed 5/2/2022 (requested to continue with a 2 nd term)
Kim Medved	appointed 4/11/2022 (requested to continue with a 2 nd term)
Molly Barela	appointed 4/11/2022 (will not continue)
Megan Brosh	appointed 3/27/2023 (term is up in 2025)

Molly Barela has stepped down from her position after serving for two years as a citizen. We thank her for her service.

There is one position up for appointment. The town received 5 letters of interest that are included in this packet for the Trustee's consideration.

The following was published in the Silverton Standard on April 18th, 25th and on the Town Facebook/Instagram on April 12th:

The Silverton Public Library is seeking passionate individuals to serve on its esteemed Board! Are you enthusiastic about fostering a vibrant literary community? Do you have innovative ideas to enhance library services and programs? We want to hear from you!

As a member of the Silverton Public Library Board, you'll have the opportunity to shape the future of our library and contribute to the enrichment of our town. Responsibilities include strategic planning, budget oversight, program development, and advocating for the library's interests within the community.

We encourage individuals from all backgrounds and walks of life to apply. Whether you're a book lover, a technology enthusiast, an advocate for literacy, or simply someone who believes in the power of libraries to transform lives, your voice is valuable to us. To apply, please submit a letter of interest to Gloria Kaasch-Buerger at gkaasch-buerger@silverton.co.us. Be sure to include your qualifications, relevant experience, and why you're passionate about serving on the Silverton Public Library Board.

The deadline to submit letters is May 7, 2024, at 5:00 PM. Don't miss this opportunity to make a meaningful impact on our community's intellectual and cultural landscape. For inquiries or further information, please contact Misti Anderson at manderson@silverton.co.us.

Attachments:

Kelly Habecker Letter of Interest
Reid Kalmus Letter of Interest
Jordan Bierma Letter of Interest
Jim Lindaman Letter of Interest
Christine Fonner Letter of Interest

Motion or Direction:

Motion to reappoint Kim Medved and Patty Daley to serve their second term on the Library Board.

Motion to appoint _____ to the Library Board.

Kelly Habecker
PO Box 937
Silverton, CO 81433

April 28, 2024

Town of Silverton
PO Box 250
Silverton, CO 81433

To Whom it May Concern:

I am writing to express my interest in joining the Library Board. I am a lifelong book lover and a frequent patron at the library. I'm grateful that we have such a high-quality library and would love to help it continue to flourish.

My education and background will help me be a well-informed and thoughtful member of the board. I have a BA in English Education and an MA in creative writing with an emphasis in genre fiction. I've been teaching at Silverton School since 2006, and I've been the school librarian since 2015. I understand the systems, policies, and procedures involved in running a library, including budgeting, collection management, book challenges, and computer systems like AspenCat and Koha. I am familiar with and connected to the larger library organizations in our state like the Colorado Library Consortium and the Colorado Association of Librarians. I also have a strong sense of the reading needs of the kids in our community.

I believe that libraries should be inclusive, dynamic spaces where diverse people can connect over common interests. I love the energy that Misti brings to the library and how she is using the space to host more events and classes. As much as I love books, I think the main purpose of a library is to bring people together, and our library could be a unifying force in our town. As a board member, I would support continued efforts to make our library a vibrant space at the heart of our community.

Thank you for considering my application.

Sincerely,
Kelly Habecker

Library Board

reid kalmus <reidkalmus@yahoo.com>

Fri 4/26/2024 11:57 AM

To: Gloria Kaasch-Buerger <gkaasch-buerger@silverton.co.us>

Hello Gloria,

My name is Reid Kalmus. I am interested in joining the board at The Silverton Public Library. I moved here in Jan of 2023, I have since started a business (Kendall Mountain Motorworks), have a become an active member of Silverton Medical Rescue and am looking for further ways to give back to this community. I love libraries, esp The Silverton Public Library. Its such a quaint little library thats full of character! I'd love to talk more about this opportunity.

Thanks for your time and have a good day.

- Reid

Dear Library Board Members,

I am writing to express my interest in the open library board position. I have served on town council and multiple other committees during my time on the board of trustees. I am also the high school humanities teacher and greenhouse/garden director at Silverton Public Schools. The library is the only institution that I wholeheartedly believe in, and it would be great to contribute the skills and ideas I have towards projects I believe in. The library is the greatest asset the community currently has and Misti, the other librarians, and the current board have done great to further develop our small but mighty library. Thank you for the consideration, and I am happy to answer any further questions if you have any.

Sincerely,

Jordan Bierma

library board

Jim Lindaman <jim@yesdurango.com>

Mon 4/29/2024 2:01 PM

To: Gloria Kaasch-Buerger <gkaasch-buerger@silverton.co.us>

I am applying for position on Silverton Library Board.

I have had a library card since I was in elementary school and enjoyed The Hardy Boys Mysteries. I still enjoy mysteries and have read more than 800 from the Silverton Library.

I have had a Silverton Library Card since 2000, when I moved here from Durango after serving in The Peace Corps in Ukraine from the first of February 1998 until the end of April 2000.

I immediately started volunteering labor and money to the library's International Rhubarb Festival at Memorial Park. We have since cut back to less labor intensive selling whole pies. I am immediate past president of The Friends of The Library.

I have a double degree of Business/Education, and have had a Colorado Real Estate Broker license since 1988.

I feel with my varied experiences and knowledge of the local library, I will make an excellent Silverton Library Board Member.

Thank you for your consideration for this position.

Jim Lindaman

970-387-5883

924 Greene Street

PO Box 477

Silverton CO 81433

jim@yesdurango.com



Virus-free. www.avast.com

Silverton Library Board - Letter of Interest

Christine Fonner <christine@roamlife.com>

Thu 5/2/2024 9:05 AM

To: Gloria Kaasch-Buerger <gkaasch-buerger@silverton.co.us>

Hello Gloria!

I saw the post in the paper for the Silverton Library looking for a new board member. I would love to be considered in joining the board. As a voracious reader and advocate for literacy of all methodologies, I know how important and vital libraries are to communities. I would love to be on the board.

Having spent 3 years in a classroom focusing on language development and literacy and another 5 years in education administration, the library has always been a critical resource, support, and exciting space to depend upon.

I have over 20 years of leadership experience and a Master's degree in change management and transformational leadership. I am currently a PhD candidate in Organizational Leadership focusing on organizational culture, impacts of toxic leadership, and ways to create "radical care" in communities.

Beyond my qualifications, I am passionate about strategic planning, budget process and financials, succession planning, improving communication strategies across teams, and supporting others in reaching their fullest potential in the workplace. I also have a keen eye for systems and processes improvements and really just love to collaborate, ideate, and make things happen with others.

I appreciate the consideration by the team and I look forward to hearing from you. Please let me know if there is any other information you need.

Christine

Christine Fonner

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AGENDA MEMO

SUBJECT: Ordinance 2024-07 An ordinance approving an interim loan from CoBank, ACB in the aggregate principal amount not to exceed \$2,500,000; authorizing the form and execution of the interim loan agreement and promissory note to evidence such loan; authorizing the construction of a project; and prescribing other details in connection therewith

STAFF CONTACT: Gloria Kaasch-Buerger, John Sites

MEETING DATE: May 13, 2024

Overview:

In December 2023 the Town of Silverton received a Grant and Loan from USDA to rehabilitate our sewer collection system (fix the sewer pipes). The December 2023 Letter of Conditions from USDA requires that the town secure interim financing for the \$2,165,000 loan. Interim financing is a way for USDA to protect themselves against liability and is required. The terms of the interim loan include:

- Payments will be made every six months only on the interest that accrued from the disbursements requested
- The interim loan interest will be included in the final loan through USDA (interest will be set at “closing date”)
- Upon completion of the project, USDA will pay off the principal of the interim loan.

After researching banks that work with USDA for the interim financing, COBank was chosen because they were the preferred bank of USDA and has experience with this type of financing. According to Title 31, Article 35, Part 4, C.R.S. (the Sewer and Water Systems Act), the Financing Documents may be approved by the Board without an election.

Since CoBank is not going to finalize their credit approval until the Town goes out to bid in case the costs exceed what is in the Letter of Conditions, that we increased the parameters in the ordinance with a contingency of \$335,000 to give the Town some room in case the bids do come in above what is in the Letter of Conditions. This increase would cover the Town in the event the bids came in higher than expected, but we will still try and stay within the \$2,165,000 as awarded.

In the April 22nd meeting the Trustees approved a Resolution to open the required bank accounts for the Grant and Loan according to the Letter of Conditions. This meeting also includes a Resolution opening a final bank account to meet the Letter of Conditions.

Additional Context for New Trustees:

The Silverton Municipal Code defines the adoption of an ordinance in [Section 1-3-240](#): “an ordinance shall be introduced and read at one regular meeting of the Board of Trustees. If the ordinance receives the required vote on its second reading, it shall be duly adopted and shall take effect as set forth in [Section 1-3-250](#) below.”

The Ordinance Process:

Action	Date of Significance	Requirement
First Reading	5/13/24 Regular Meeting	Section 1-3-240
Publish in Newspaper	5/16/24 Silverton Standard	Section 1-3-250
Second Reading	5/28/24 Regular Meeting	Section 1-3-240
Enacted	6/28/24 “Loan Closing Date”	Section 1-3-250

Budget Impact:

The Town was awarded:

USDA Loan: \$2,165,000.00 with 2.375% interest

USDA Grant: 2,764,000.00

Total Project Cost: \$4,929,000.00

This project is specific to the Sewer Enterprise Fund which currently does not hold its own debt.

Staff Recommendation:

Staff recommends approval of the first reading of this ordinance.

Master Plan Priority:

Investing in Infrastructure STRATEGY A: Invest in Maintenance and Upgrades of Existing and New Utility Infrastructure

Attachments:

- Ordinance 2024-07
- Credit Agreement (part of the ordinance and does not need a separate motion)

Suggested Motion or Direction:

Motion to approve the first reading of Ordinance 2024-07 An ordinance approving an interim loan from CoBank, ACB in the aggregate principal amount not to exceed \$2,500,000; authorizing the form and execution of the interim loan agreement and promissory note to evidence such loan; authorizing the construction of a project; and prescribing other details in connection therewith



TOWN OF SILVERTON, COLORADO

ORDINANCE NO. 2024-07

AN ORDINANCE APPROVING AN INTERIM LOAN FROM COBANK, ACB IN THE AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$2,500,000; AUTHORIZING THE FORM AND EXECUTION OF THE INTERIM LOAN AGREEMENT AND PROMISSORY NOTE TO EVIDENCE SUCH LOAN; AUTHORIZING THE CONSTRUCTION OF A PROJECT; AND PRESCRIBING OTHER DETAILS IN CONNECTION THEREWITH.

WHEREAS, the Town of Silverton, San Juan County, Colorado (the “Town”), is a political subdivision of the State of Colorado (the “State”), duly organized and existing as a statutory municipality under the laws of the State, acting through its elected Board of Trustees (the “Board”); and

WHEREAS, the members of the Board have been duly elected and qualified; and

WHEREAS, the Town has heretofore determined and undertaken to operate, and maintain its sewer facilities (the “System”) as a government-owned business and accounts for the financial operations of the System in the Town’s Sewer Fund; and

WHEREAS, the Town has determined that the System is an enterprise within the meaning of Article X, Section 20 of the Colorado Constitution and Title 37, Article 45.1, C.R.S. (the “Enterprise Act”); and

WHEREAS, the Board has determined that the interest of the Town and the public interest and necessity demand and require the acquisition, construction, and completion of improvements to the System, including the replacement of sewer lines and the construction of other improvements to rehabilitate the Town’s wastewater collection system and any other costs incidental thereto (collectively, the “Project”); and

WHEREAS, the Board has applied for a loan (the “RUS Loan”) from the United States Department of Agriculture, Rural Utility Service (the “RUS”), in order to finance the Project; and

WHEREAS, the RUS requires that the Town obtain interim financing to complete the construction of the Project, with such interim financing to be repaid from the proceeds of the RUS Loan after the completion of construction; and

WHEREAS, the Board has determined that in order to finance all or a portion of the costs of the Project, it is necessary and advisable and in the best interests of the Town (i) to enter into an interim loan agreement (the “Loan Agreement”) with CoBank, ACB, a federally-chartered instrumentality of the United States (“CoBank”), pursuant to which CoBank shall loan the Town an amount not to exceed \$2,500,000 (the “Loan”) for such purposes, and (ii) to issue one or more promissory notes (the “Note”) to CoBank to evidence the Town’s repayment obligations under the Loan Agreement; and

WHEREAS, the Board has determined that in order to obtain the Loan it shall covenant that the Note shall be repaid with the proceeds of the RUS Loan, if obtained, at or prior to the maturity of the Note; and

WHEREAS, TABOR requires an election to incur any multiple fiscal year financial obligation without adequate present cash reserves pledged irrevocably and held for payments in all future fiscal years, unless such obligation is incurred for an enterprise; and

WHEREAS, under TABOR, an enterprise is a government-owned business authorized to issue its own revenue bonds and receiving under 10% of its annual revenue in grants from all Colorado state and local governments combined; and

WHEREAS, the System is a government-owned business and the Town, acting by and through the Enterprise, is authorized to issue its own revenue bonds (the “Enterprise”); and

WHEREAS, in 2023, the Enterprise received grants from all Colorado state and local governments combined which were less than 10% of the annual revenue of the Enterprise; and

WHEREAS, the Board serves as the governing body of the Enterprise; and

WHEREAS, there have been presented to the Board the forms of the Loan Agreement and the Note (collectively, the “Financing Documents”); and

WHEREAS, the Financing Documents shall constitute revenue obligations of the Enterprise, payable solely from the proceeds of the RUS Loan and the Net Revenues of the System (as defined in the Loan Agreement); and

WHEREAS, the Town has not pledged nor hypothecated the Net Revenues derived or to be derived from the operation of the System, or any part thereof, to the payment of any loan, bonds, notes or for any other purpose, with the result that the Net Revenues may now be pledged lawfully and irrevocably to the payment of the Note; and

WHEREAS, pursuant to Title 31, Article 35, Part 4, C.R.S. (the “Sewer and Water Systems Act”), the Enterprise Act, and TABOR, the Financing Documents may be approved by the Board without an election; and

WHEREAS, the forms of the Financing Documents are on file with the Town Clerk; and

WHEREAS, the Board desires to approve the form of the Financing Documents and other documents referenced therein, authorize the execution of the Loan Agreement, and authorize the execution and delivery of the Note.

NOW, THEREFORE, THE BOARD OF TRUSTEES OF THE TOWN OF SILVERTON, COLORADO, ORDAINS:

Section 1) Recitals Incorporated. The foregoing recitals are made a part of this Ordinance.

Section 2. Determinations. The Board hereby finds and determines that the Enterprise constitutes an enterprise under TABOR.

Section 3. Approvals, Authorizations, and Amendments. The forms of the Financing Documents presented at this meeting are incorporated herein by reference and are hereby approved. The Town shall enter into and perform its obligations under the Financing Documents in the forms of such documents presented at this meeting, with such changes as are not inconsistent herewith and as are hereafter approved by the Mayor of the Town (the “Mayor”) or the Town Administrator of the Town (the “Town Administrator”). The Mayor, the Town Administrator and Town Clerk of the Town (the “Town Clerk”) each are hereby individually authorized and directed to execute the Financing Documents and to affix the seal of the Town thereto, and further to execute and authenticate such other documents or certificates as are deemed

necessary or desirable in connection therewith. The Financing Documents shall be executed in substantially the forms approved at this meeting.

The execution of any instrument or certificate or other document in connection with the matters referred to herein by any one or more of the Mayor, the Town Administrator, the Town Clerk or by other appropriate officers of the Town, shall be conclusive evidence of the approval by the Town of such instrument.

Section 4. Election to Apply the Supplemental Act. Section 11-57-204 of the Supplemental Public Securities Act, constituting Title 11, Article 57, Part 2, C.R.S. (the “Supplemental Act”) provides that a public entity, including the Town, may elect in an act of issuance to apply all or any of the provisions of the Supplemental Act. The Town hereby elects to apply all of the provisions of the Supplemental Act to the Financing Documents.

Section 5. Delegation.

(a) Pursuant to Section 11-57-205 of the Supplemental Act, the Town hereby delegates to the Mayor or the Town Administrator the independent authority to make any determination delegable pursuant to Section 11-57-205(1) of the Supplemental Act relating to and contained in the Financing Documents, including the following determinations, subject to the restrictions contained in paragraph (b) of this Section 5:

- i) The interest rate on the Loan;
- ii) The principal amount of the Loan;
- iii) The amount of principal of the Loan maturing in any given year and the final maturity of the Loan;
- iv) The dates on which the principal of and interest on the Loan are paid; and
- v) The existence and amount of reserve funds for the Loan, if any.

(b) The delegation in paragraph (a) of this Section 5 shall be subject to the following parameters and restrictions:

- i. The net effective interest rate on the Loan shall not exceed the maximum interest rate permitted under C.R.S. § 5-12-103;
- ii. The principal amount of the Loan shall not exceed \$2,500,000; and
- iii. The final maturity of the Loan shall not be later December 31, 2029.

Section 6. Conclusive Recital. Pursuant to Section 11-57-210 of the Supplemental Act, the Note and the Loan Agreement shall contain recitals that the Note is issued pursuant to certain provisions of the Supplemental Act. Such recital shall be conclusive evidence of the validity and the regularity of the issuance of the Note after its delivery for value. Pursuant to Section 31-35-413, C.R.S., the Note and the Loan Agreement shall contain recitals that the Note is issued pursuant to Title 31, Article 35, Part 4, C.R.S. Such recital shall conclusively impart full compliance with all the provisions of such statute, and the Note issued containing such recital shall be incontestable for any cause whatsoever after its delivery for value.

Section 7. Ratification and Approval of Prior Actions. All actions heretofore taken by the officers of the Town and members of the Board, not inconsistent with the provisions of this Ordinance, relating to the Project, the Financing Documents, or actions to be taken in respect thereof, are hereby ratified, approved, and confirmed.

Section 8. Pledge of Revenues. The Town hereby irrevocably pledges the Net Revenues derived or to be derived from the operation of the System, or any part thereof, to the payment of the Financing Documents. The creation, perfection, enforcement, and priority of the pledge of revenues to secure or pay the Financing Documents provided herein and therein shall be governed by Section 11-57-208 of the Supplemental Act and this Ordinance. The amounts pledged to the payment of the Financing Documents shall immediately be subject to the lien of such pledge without any physical delivery, filing, or further act. The lien of such pledge shall have the priority described in the Loan Agreement. The lien of such pledge shall be valid, binding, and enforceable as against all persons having claims of any kind in tort, contract, or otherwise against the Town irrespective of whether such persons have notice of such liens.

Section 9. Limitation of Actions. Pursuant to Section 11-57-212 of the Supplemental Act, no legal or equitable action brought with respect to any legislative acts or proceedings in connection with the Financing Documents shall be commenced more than thirty days after the authorization of the issuance of the Note.

No elected or appointed officers or agents of the Town shall be subject to any pecuniary liability in connection with any agreement, covenant, or undertaking by the Town, or by them, contained in any document executed in connection with the authorization, execution, and delivery of the Financing Documents or this Ordinance or with respect to any action taken or omitted to be taken in good faith with reference thereto.

Section 10. Limited Obligation; Special Obligation. The Financing Documents are payable solely from the Net Revenues, and the Financing Documents do not constitute a debt within the meaning of any constitutional or statutory limitation or provision.

Section 11. Disposition and Investment of Loan Proceeds. The proceeds of the Loan shall be drawn from time to time upon the prior approval of RUS as provided in, and subject to the conditions set forth in, the Financing Documents, and shall be applied to pay the costs and expenses of acquiring, constructing and equipping the Project, including costs related thereto and, to the extent permitted under federal tax laws, reimbursement to the Town for capital expenditures heretofore incurred and paid from Town funds in anticipation of the incurrence of long-term financing therefor, and all other costs and expenses incident thereto, including without limitation the costs of obtaining the Loan. Neither CoBank nor any subsequent owner(s) of the Note shall be responsible for the application or disposal by the Town or any of its officers of the funds derived from the Loan. In the event that all of the proceeds of the Loan are not required to pay such costs and expenses, any remaining amount shall be used for the purpose of paying the principal amount of the Loan and the interest thereon, as applicable.

Section 12. Town Representative. The Mayor, the Town Administrator and the Town Clerk are hereby designated as the authorized officers for the purpose of performing any act or executing any document relating to the Loan, the Town, or the Financing Documents. A copy of this Ordinance shall be furnished to CoBank as evidence of such designation.

Section 13. Estimated Life of Improvements. It is hereby determined that the estimated life of the Project to be financed with the proceeds of the Loan is not less than the final maturity of the Loan.

Section 14. Direction to Take Authorizing Action. The appropriate officers of the Town and members of the Board are hereby authorized and directed to take all other actions necessary or appropriate to effectuate the provisions of this Ordinance, including but not limited to executing such certificates and affidavits as may reasonably be required by CoBank.

Section 15. Severability. If any section, paragraph, clause, or provision of this Ordinance shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause, or provision shall not affect any of the remaining provisions of this Ordinance, the intent being that the same are severable.

Section 16. Repealer. All orders, resolutions, bylaws, ordinances or regulations of the Town, or parts thereof, inconsistent with this Ordinance are hereby repealed to the extent only of such inconsistency.

Section 17. Ordinance Irrepealable. After the Note is issued, this Ordinance shall constitute an irrevocable contract between the Town and CoBank, and shall be and remain irrepealable until the Note and the interest thereon, as applicable, shall have been fully paid, satisfied, and discharged. No provisions of any constitution, statute, charter, ordinance, resolution or other measure enacted after the issuance of the Note shall in any manner be construed as impairing the obligations of the Town to keep and perform the covenants contained in this Ordinance.

Section 18. Recordation. A true copy of this Ordinance, as adopted by the Board, shall be numbered and recorded on the official records of the Town and its adoption and publication shall be authenticated by the signatures of the Mayor and the Town Clerk, and by a certification of publication.

Section 19. Publication and Effective Date. This Ordinance after its passage and adoption shall be numbered, recorded, published and posted and the adoption, posting, and publication shall be authenticated by the signature of the Mayor and the Town Clerk. In accordance with Section 31-16-105, Colorado Revised Statutes, as amended, this Ordinance shall take effect 30 days after its passage and publication.

INTRODUCED, PASSED ON FIRST READING, AND ORDERED
PUBLISHED THIS 13TH DAY OF MAY, 2024.

INTRODUCED, PASSED ON SECOND AND FINAL READING, AND
ORDERED PUBLISHED THIS 28TH DAY OF MAY, 2024.

TOWN OF SILVERTON, COLORADO

Mayor

(SEAL)

ATTEST:

Town Clerk

STATE OF COLORADO)
)
COUNTY OF SAN JUAN) SS.
)
TOWN OF SILVERTON)

I, Melina Marks Lanis, the duly appointed, qualified and acting Town Clerk of the Town of Silverton, Colorado (the “Town”) do hereby certify:

1. That the foregoing pages are a true, correct, and complete copy of an ordinance passed on first reading by the Board of Trustees of the Town (the “Board”) at a regular meeting of the Board held on May 13, 2024, and adopted on second and final reading by the Board at a regular meeting of the Board held on May 28, 2024.

2. The ordinance was duly moved and seconded and was passed on first reading at the meeting held on May 13, 2024, by an affirmative vote of the Board as follows:

Name	“Yes”	“No”	Absent	Abstain
Dayna Kranker, Mayor				
Jim Harper, Mayor Pro-Tem				
Tyler George				
Carl Schnitker				
Ron Wakefield				
Amie Gardiner				
Lindsey Halvorson				

3. The ordinance was duly moved and seconded and was passed and adopted on second and final reading at the meeting held on May 28, 2024, by an affirmative vote of the Board as follows:

Name	“Yes”	“No”	Absent	Abstain
Dayna Kranker, Mayor				
Jim Harper, Mayor Pro-Tem				
Tyler George				
Carl Schnitker				

Ron Wakefield				
Amie Gardiner				
Lindsey Halvorson				

4. That notices of the regular meetings on May 13, 2024, and May 28, 2024, in the forms attached hereto as **Exhibit A**, were posted no less than twenty-four hours prior to the meeting as required by law.

5. That the ordinance was published in _____, a newspaper of general circulation in the Town, after its adoption, in accordance with the laws of the State. The affidavit of publication is attached hereto as **Exhibit B**.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of said
Town this 13th day of May, 2024.

(SEAL)

Town Clerk

EXHIBIT A

(Attach Meeting Notice)

EXHIBIT B

(Attach Affidavit of Publication)

CREDIT AGREEMENT

THIS CREDIT AGREEMENT (this “**Agreement**”), dated as of [_____, 2024], is entered into by and between **TOWN OF SILVERTON**, a statutory town duly existing under the Constitution and laws of the State of Colorado owning and operating an enterprise within the meaning of Article X, Section 20 of the Colorado Constitution (“**TABOR**”) and Section 37-45.1-101, et seq., Colorado Revised Statutes (the “**Borrower**”), and **COBANK, ACB**, a federally-chartered instrumentality of the United States (“**Lender**”).

RECITALS

In consideration of the agreements set forth herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Borrower and Lender agree as follows:

ARTICLE 1 Defined Terms; Accounting Principles. Certain capitalized terms used in this Agreement bear the definitions given to them in this Agreement. References to accounting standards are to United States generally accepted accounting principles, or those required of the regulatory agency having jurisdiction over the Borrower, including but not limited to the system of accounts established by the United States Department of Agriculture acting through Rural Development or the Rural Utilities Service or their predecessors (“**RD/RUS**”), if applicable, or such other commission or body as may be agreeable to Lender (the “**Accounting Standards**”).

ARTICLE 2 The Facilities.

2.1 Promissory Note. In the event the Borrower desires to borrow from Lender and Lender is willing to lend to the Borrower, or in the event the parties desire to consolidate any existing loans hereunder, the parties will enter into a promissory note, a bond anticipation note, or other similar debt instrument (each, a “**Promissory Note**”). Each Promissory Note will set forth Lender’s commitment to make a loan or loans to the Borrower, the amount of the loan(s), the purpose of the loan(s), the interest rate or rate options applicable to the loan(s), the repayment and prepayment terms of the loan(s), and any other terms and conditions applicable to the particular loan(s). Each Promissory Note will also contain the Borrower’s promise to make payments of interest on the unpaid principal balance of the loan(s), and fees and premiums, if any, and to repay the principal balance of the loan(s). Each loan will be governed by the terms and conditions contained in this Agreement and in the Promissory Note relating to that loan.

2.2 Availability. Loans will be made available on any day on which Lender and the Federal Reserve Banks are open for business (a “**Business Day**”) upon the telephonic or written request of an authorized employee of the Borrower. Requests for loans must be received by 12:00 p.m. Denver, Colorado time on the date the loan is desired. Loans will be made available by wire transfer of immediately available funds. Wire transfers will be made to such account or accounts as may be authorized by the Borrower.

2.3 Security. The Borrower's obligations under this Agreement and each Promissory Note will be payable solely from the proceeds of the anticipated loan from RD/RUS (the "**RUS Loan**") and from the net revenues (consisting of the System's gross revenues after deducting operation and maintenance expenses) (the "**Net Revenues**") of the System (as defined below). The obligation of the Borrower to make payments under this Agreement and the Promissory Note is a special and limited obligation of the Borrower and is payable solely from the repayment source(s) described herein. The Promissory Note and the obligation of the Borrower to pay the loan repayments is secured by an irrevocable pledge and lien (but not necessarily an exclusive lien) upon (i) the proceeds of the RUS Loan, and (ii) the Net Revenues of the System.

"**System**" shall mean the property and facilities comprising the sewer system of the Borrower, including real and personal property and any easements, and also any and all additions and betterments thereto and improvements and extensions hereafter constructed or acquired by the Borrower and used in connection with the sewer facilities of the Borrower. The System shall include, (i) any facility, plant, works, system, building, structure, improvement, machinery, equipment, fixture or other real or personal property, relating to the collection, treatment, transmission and disposal of wastewater that is owned, operated or controlled by the Borrower, including, without limitation, the Project (ii) any renewal, replacement, addition, modification or improvement to (i) above, and (iii) all real or personal property and rights therein and appurtenances thereto necessary or useful or convenient for the effectiveness of the purposes of the Borrower in the collection, treatment, transmission and disposal of wastewater.

NONE OF THIS AGREEMENT, THE LOAN(S) REPRESENTED HEREBY, OR THE PROMISSORY NOTE CONSTITUTE A DEBT, AN INDEBTEDNESS OR A MULTIPLE FISCAL-YEAR FINANCIAL OBLIGATION OF THE BORROWER WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY LIMITATION OR PROVISION, AND THIS AGREEMENT, THE LOAN AND THE PROMISSORY NOTE SHALL NOT BE CONSIDERED OR HELD TO BE A GENERAL OBLIGATION OF THE BORROWER.

2.4 Payments Generally. The Borrower's obligation to repay each loan will be evidenced by a Promissory Note. Lender will maintain a record of all loans, the interest accrued thereon, and all payments made with respect thereto, and such record will, absent proof of manifest error, be conclusive evidence of the outstanding principal and interest on the loans. Payments under each Promissory Note will be made by wire transfer of immediately available funds, by check, or by automated clearing house (ACH) or other similar cash handling processes as specified by separate agreement between the Borrower and Lender. Notwithstanding the foregoing, payments under each Promissory Note will be made by automated clearing house (ACH), unless otherwise agreed in writing by Lender. Wire transfers will be made to ABA No. 307088754 for advice to and credit of "CoBANK" (or to such other account as Lender may direct by notice). The Borrower will give Lender telephonic notice no later than 12:00 p.m. Denver, Colorado time on the day the Borrower intends to pay by wire of such intent, and funds received after 3:00 p.m. Denver, Colorado time will be credited on the next Business Day. Checks will be mailed to CoBANK, Department 167, Denver, Colorado 80291-0167 (or to such other place as Lender may

direct by notice). Credit for payment by check will not be given until the later of the next Business Day after receipt of the check or the day on which Lender receives immediately available funds. If any installment of principal or interest is due on a date that is not a Business Day, then such installment will be due and payable on the next Business Day.

2.5 Broken Funding Surcharge. Notwithstanding the terms of any Promissory Note giving the Borrower the right to repay any loan prior to the date it would otherwise be due and payable, the Borrower agrees to provide three Business Days' prior written notice for any prepayment of a fixed rate balance and to pay to Lender a broken funding surcharge in the amount set forth below in the event the Borrower: (a) repays any fixed rate balance prior to the last day of its fixed rate period (whether such payment is made voluntarily, as a result of an acceleration, or otherwise); (b) converts any fixed rate balance to another fixed rate or to a variable rate prior to the last day of the fixed rate period applicable to such balance; or (c) fails to borrow any fixed rate balance on the date scheduled therefor. The surcharge will be in an amount equal to the greater of (1) the sum of: (i) the present value of any funding losses imputed by Lender to have been incurred as a result of such payment, conversion or failure; plus (ii) a per annum yield of [_____] % of the amount repaid, converted or not borrowed for the period such amount was scheduled to have been outstanding at such fixed rate, or (2) \$[_____]. Any surcharge will be determined and calculated in accordance with methodology established by Lender, a copy of which will be made available upon request. Notwithstanding the foregoing, in the event of a conflict between the provisions of this section and of the broken funding charge section of a forward fix agreement between Lender and the Borrower, the provisions of the forward fix agreement will control. This Section 2.5 shall not apply to the Promissory Note as originally issued on the date of this Agreement, and shall only apply to the Promissory Note in the event that it is amended or modified to bear interest at a fixed rate.

2.6 Taxes; Change in Law. Any payment by the Borrower to Lender will be made net of any taxes (other than income and similar taxes imposed on or measured by Lender's overall net income). If any change in any law, rule, regulation, code, ordinance, order or the like to which the Borrower is subject, including, without limitation, all laws relating to environmental protection, and taxes (collectively, "**Laws**"), increases the cost of making or maintaining any loan (or any associated commitment to lend), or reduces the amount received or receivable by Lender hereunder then, upon request, the Borrower will pay to Lender, solely from Net Revenues, such additional amount as will compensate Lender for such additional costs incurred or reduction suffered.

2.7 Supplemental Public Securities Act. Pursuant to the ordinance of the Borrower authorizing the issuance of the Promissory Note, the Borrower has elected to apply all of the provisions of the Supplemental Public Securities Act, constituting Title 11, Article 57, Part 2 of the Colorado Revised Statutes, as amended (the "**Supplemental Public Securities Act**") to the Promissory Note. Pursuant to Section 11-57-210 of the Supplemental Public Securities Act, the Promissory Note shall recite that it is issued under the authority of such ordinance and the Supplemental Public Securities Act and that it is the intention of the Borrower that such recital shall be conclusive evidence of the validity and the regularity of the issuance of the Promissory Note after its delivery for value. Pursuant to Section 11-57-208 of the Supplemental Public

Securities Act, the loan proceeds from RD/RUS and the Net Revenues of the System are hereby pledged for the payment of the Promissory Note, as received by or otherwise credited to the Borrower, and shall immediately be subject to the lien of such pledge without any physical delivery, filing or further act. The lien of such pledge shall be valid, binding and enforceable as against all persons having claims of any kind in tort, contract or otherwise against the Borrower irrespective of whether such persons have notice of such lien.

2.8 Limited Recourse. No recourse shall be had for the payment of the principal of or interest on the Promissory Note or for any claim based thereon or upon any obligation, covenant or agreement contained in this Agreement against any past, present or future officer, employee or agent of the Borrower, or of any successor public corporation, as such, either directly or through the Borrower or any successor public corporation, under any rule of law or equity, statute or constitution or by the enforcement of any assessment or penalty or otherwise as long as such past, present or future officer, employee or agent acted in good faith, and all such liability of any such officer, employee or agent as such is hereby expressly waived and released as a condition of and consideration for the Borrower's execution of this Agreement and the issuance of the Promissory Note.

ARTICLE 3 Conditions Precedent.

3.1 Conditions to Initial Promissory Note. Lender's obligation to extend credit under the initial Promissory Note hereunder is subject to the condition precedent that Lender receive, in form and substance satisfactory to Lender, each of the following, except as otherwise provided in the Promissory Note or in a closing instruction letter signed by the parties (an "**Instruction Letter**"):

(a) **This Agreement.** A duly executed copy of this Agreement and the other Loan Documents (as defined below) and all instruments and documents contemplated hereby and thereby.

(b) **Banking Service Agreements.** A duly completed and executed copy of any banking service agreement, including any agreement relating to the provision by Lender of cash management services, required by Lender from time to time. Lender will be entitled to rely on (and will incur no liability to the Borrower in acting on) any request or direction furnished in accordance with the terms thereof.

3.2 Conditions to Each Promissory Note. Lender's obligations to extend credit under each Promissory Note hereunder, including the initial Promissory Note, is subject to the condition precedent that Lender receive, in form and substance satisfactory to Lender, each of the following, except as otherwise provided in the Promissory Note or in an Instruction Letter:

(a) **Promissory Note.** A duly executed copy of the Promissory Note and all instruments and documents contemplated by the Promissory Note.

(b) **Instruction Letter.** Any and all items or requirements detailed in an Instruction Letter.

(c) **Evidence of Pledge and Perfection.** Such evidence as Lender may reasonably require that the Borrower has pledged to the Lender as security for the Promissory Note an irrevocable pledge and lien (but not necessarily an exclusive lien) upon (i) the proceeds of the RD/RUS Loan, and (ii) the Net Revenues of the System, that such proceeds and Net Revenues immediately are subject to the lien of such pledge without any physical delivery, filing or further act, and that the lien of such pledge shall be valid, binding and enforceable as against all persons having claims of any kind in tort, contract or otherwise against the Borrower irrespective of whether such persons have notice of such lien.

(d) **Evidence of Authority.** Such certified board resolutions, ordinances, certificates of incumbency, and other evidence that Lender may require that the Promissory Note, all instruments and documents executed in connection therewith, and, in the case of the initial Promissory Note hereto, this Agreement, the other Loan Documents (as defined below) and all instruments and documents executed in connection herewith and therewith, including any security documents, have been duly authorized and executed.

(e) **Fees and Other Charges.** Any fees or other charges provided for herein, in the Promissory Note or in any invoice provided by Lender (provided that the Bank's origination fee may be paid along with the first interest payment on the Loan as and to the extent provided in the Note and Instruction Letter).

(f) **Insurance.** Such evidence as Lender may require that the Borrower is in compliance with Section 5.4 below.

(g) **Consents and Approvals.** Evidence as Lender may require that all regulatory and other consents and approvals referred to in Section 4.6 below have been obtained and are in full force and effect.

(h) **Opinion(s) of Counsel.** An opinion or opinions (or reliance letters thereon) of counsel to the Borrower (which counsel must be acceptable to Lender).

3.3 Conditions to Each Loan. Lender's obligation under each Promissory Note to make any loan to the Borrower thereunder is subject to the condition that no "**Event of Default**" (as defined in Section 8.1 below) or event that, with the giving of notice and/or the passage of time and/or the occurrence of any other condition, would ripen into an Event of Default (a "**Potential Default**") will have occurred and be continuing or would be caused by the making of such loan.

ARTICLE 4 Representations and Warranties. The execution by the Borrower of this Agreement and each Promissory Note hereunder, any request for an advance of funds or extension

of credit, or any renewal or extension by Lender of any Promissory Note hereunder, will constitute a representation and warranty by the Borrower that:

4.1 Instruction Letter; Loan Documents. Each representation and warranty and all information set forth in any of the Loan Documents (as defined below) and/or any other document submitted in connection with, or to induce Lender to enter into, such Promissory Note is correct in all material respects as of the date of such Promissory Note.

4.2 Compliance; Legal Proceedings. Except as disclosed to the Lender in writing as part of the Loan Documents, the Borrower and all property owned or leased or proposed to be acquired with the proceeds of any Promissory Note hereunder by the Borrower and all of its operations are in compliance with all applicable Laws and the terms of the Loan Documents and no Event of Default or, to the best of Borrower's knowledge, no Potential Default exists or is continuing. In addition, there are no pending legal, arbitration, or governmental actions or proceedings to which the Borrower is a party or to which any of its property is subject which, if adversely determined, might have a material adverse effect on the financial condition, operations, properties, profits, or business of the Borrower, and to the best of the Borrower's knowledge, no such actions or proceedings are threatened or contemplated.

4.3 Organization; Good Standing. The Borrower (a) is a statutory town duly existing under the Constitution and Laws of the State of Colorado owning and operating its System as an enterprise within the meaning of TABOR and Section 37-45.1-101, et seq., Colorado Revised Statutes, (b) has the lawful power to own or lease its properties, to engage in the business it conducts or proposes to conduct, and to execute and deliver each of the Loan Documents and perform its obligations thereunder, and (c) is duly qualified in each jurisdiction where the property owned or leased by it or the nature of the business transacted by it makes such qualification necessary. The Borrower has no subsidiaries.

4.4 Binding Agreement. Assuming due authorization, execution and delivery by the other parties thereto, the Loan Documents constitute legal, valid, and binding obligations of the Borrower that are enforceable in accordance with their terms, except as enforcement may be limited by bankruptcy, reorganization, insolvency, moratorium, or other laws affecting the enforcement of rights of creditors generally and by general principles of equity (regardless of whether such enforcement is considered in a proceeding in equity or at law).

4.5 Conflicting Agreements. Neither this Agreement nor any Promissory Note, Instruction Letter, ordinance, resolution, or other instrument or document securing or otherwise relating hereto or to any Promissory Note (each a "**Loan Document**" and collectively, at any time, the "**Loan Documents**") conflicts with, or constitutes (with or without the giving of notice and/or the passage of time and/or the occurrence of any other condition) a default under, any other agreement to which the Borrower is a party or by which it or any of its property may be bound or affected, and does not conflict with any provision of its bylaws, articles of incorporation or other organizational documents.

4.6 Consents and Approvals. No consent, permission, authorization, order or license of any governmental authority or of any party to any agreement to which the Borrower is a party or by which it or any of its property may be bound or affected, is necessary in connection with the project, acquisition or other activity being financed by such Promissory Note, or the execution, delivery, performance or enforcement of any Loan Document, except as have been obtained and are in full force and effect (other than consents, permission, authorization, orders or licenses relating to the construction and acquisition of the Project which the Borrower expects to receive in the ordinary course of business).

4.7 Budgets; Full Disclosure. All budgets, projections, feasibility studies, and other documentation submitted by the Borrower to Lender in connection with, or to induce Lender to enter into, such Promissory Note are based upon assumptions that are reasonable and realistic, and as of the date of such Promissory Note, no fact has come to light, and no event has occurred, that would cause any assumption made therein to not be reasonable or realistic. The Loan Documents and other certificates, statements, agreements, and documents furnished to Lender in connection with this Agreement or any other Loan Document were true and accurate as of the date of such documents or statements. The Borrower is not aware of any potential Material Adverse Change that has not been disclosed in writing to the Lender. A “**Material Adverse Change**” means any material adverse change, as reasonably determined by Lender, in the condition, financial or otherwise, operations, business, liabilities (actual or contingent) or properties of the Borrower or in its ability to perform its obligations hereunder, under any security instrument or document, or under any other Loan Document.

4.8 Accurate Financial Information. Each submission of financial information or documents relating to the Borrower will constitute a representation and warranty by the Borrower that such information and documents were true and accurate in all material respects as of their dates.

4.9 ERISA. INTENTIONALLY OMITTED.

4.10 Margin Stock. Borrower is not engaged and does not intend to engage principally, or as one of its important activities, in the business of extending credit for the purpose, immediately, incidentally or ultimately, of purchasing or carrying margin stock (within the meaning of Regulation U, T or X as promulgated by the Board of Governors of the Federal Reserve System of the United States of America (the “**Board of Governors**”)). No part of the proceeds of any loan made by Lender to the Borrower has been or will be used, immediately, incidentally or ultimately, to purchase or carry any margin stock or to extend credit to others for the purpose of purchasing or carrying any margin stock or in any way that is inconsistent with the provisions of the regulations of the Board of Governors. The Borrower does not hold or intend to hold margin stock in such amounts that more than 25% of the reasonable value of the assets of the Borrower that are or will be represented by margin stock.

4.11 System Condition. The Borrower’s System reasonably meets present demand in all material respects, is constructed in a good and professional manner, is in good working order and condition, and complies in all material respects with all applicable law.

4.12 Rate Matters. The Borrower's rates for the provision of sewer services have been approved, if applicable, by any and all necessary governmental regulatory authorities, including, without limitation, each public service commission or public utilities commission that may have jurisdiction over the operations and rates of the Borrower. Further, there is no pending, and to the Borrower's knowledge, no threatened proceeding before any governmental authority, the objective or result of which is or could be to materially reduce or otherwise materially adversely change any of the Borrower's rates for the provision of sewer services, or otherwise have a material adverse effect on the condition, financial or otherwise, operations, properties, or business of the Borrower's System.

ARTICLE 5 Affirmative Covenants. Unless otherwise agreed to in writing by Lender, while this Agreement is in effect, the Borrower agrees to:

5.1 Reports and Notices. Furnish to Lender:

(a) **Annual Financial Statements.** As soon as available, but in no event more than 180 days after the end of each fiscal year of the Borrower occurring during the term hereof, annual financial statements of the Borrower prepared in a manner acceptable to Lender. Such financial statements will be prepared in reasonable detail acceptable to Lender.

(b) **Interim Financial Statements.** Such interim financial statements as Lender may request from time to time prepared in reasonable detail acceptable to Lender.

(c) **Notice of Default.** Promptly after becoming aware thereof, notice of the occurrence of an Event of Default or a Potential Default, including, without limitation, any error in the Borrower's financial information previously provided to Lender and the occurrence of any breach, default, event of default or event that, with the giving of notice and/or the passage of time and/or the occurrence of any other condition, would become a breach, default or event of default under any loan agreement, indenture, mortgage, or other credit or security agreement or instrument to which the Borrower is a party or by which it or any of its property may be bound or affected.

(d) **Notice of Litigation, Environmental Matters, Etc.** Promptly after becoming aware thereof, notice of: (1) the commencement of any action, suit or proceeding before any court, arbitrator or governmental department, commission, board, bureau, agency, or instrumentality having jurisdiction over the Borrower, that, if adversely decided, could result in a Material Adverse Change; (2) the receipt of any notice, indictment, pleading or other communication alleging a condition that may require the Borrower to undertake or to contribute to a clean-up or other response under any environmental Law, or that seeks penalties, damages, injunctive relief, criminal sanctions or other relief as a result of an alleged violation of any such Law, or that claims personal injury or property damage as a result of environmental factors or conditions; and (3) any matter that could cause a Material Adverse Change, including any decision of any regulatory authority or commission.

(e) **Notice of Certain Events.** (1) Notice at least 30 days prior thereto, of any change in the Borrower's name or status as a statutory town under the Laws of the State; (2) notice at least

30 days prior thereto, of the adoption of any home rule charter; and (3) all other notices required to be provided under the other Loan Documents.

5.2 Instruction Letter. Comply with any and all requirements detailed in an Instruction Letter.

5.3 Existence, Etc. Preserve and keep in full force and effect its existence as a statutory town in the State of Colorado, and obtain and maintain all licenses, certificates, permits, authorizations, approvals, and the like that are material to the conduct of its business or required by any Law, including, without limitation, the operation of the System.

5.4 Insurance. Maintain insurance with reputable and financially sound insurance companies or associations, including self-insurance to the extent customary, acceptable to Lender in such amounts and covering such risks as are usually carried by companies engaged in the same or similar business and similarly situated, and make such increases in the type or amount of coverage as Lender may reasonably request. All such policies insuring any collateral for the Borrower's obligations to Lender will have additional insured, mortgagee and lender's loss payee clauses or endorsements, as applicable, in form and substance satisfactory to Lender. At Lender's request, the Borrower agrees to deliver to Lender such proof of compliance with this section as Lender may require. Nothing herein shall be deemed to preclude the Borrower from asserting against any party, other than the Lender, a defense that may be available to the Borrower, including, without limitation, a defense of governmental immunity.

5.5 Property Maintenance. Maintain in good repair, working order and condition (ordinary wear and tear excepted) in accordance with the general practice of other entities of similar character and size, all of those properties useful or necessary to the System, and make all alterations, replacements, and improvements thereto as may from time to time be necessary in order to ensure that its properties remain in good working order and condition. The Borrower agrees that at Lender's request, which request may not be made more than once a year, the Borrower will furnish to Lender a report on the condition of the Borrower's property prepared by a professional engineer satisfactory to Lender.

5.6 Inspection. Permit Lender or its agents, upon reasonable written notice and during normal business hours or at such other times as the parties may agree, to inspect and visit any of its properties, examine and make excerpts from its books and records, and to discuss its business affairs, finances and accounts with its officers, directors, employees, and independent certified public accountants and to conduct reviews of any collateral.

5.7 Books and Records. Maintain and keep proper books and records of account in which full, true and correct entries of all its dealings, business and financial affairs will be made in accordance with the Accounting Standards.

5.8 Compliance With Laws. Comply in all material respects with all Laws applicable to the Borrower. In addition, the Borrower agrees to cause all persons occupying or present on any of its properties to comply in all material respects with all Laws relating to such properties.

5.9 Further Assurances and Other Information. From time to time and at its expense (payable solely from Net Revenues), execute and deliver such documents and do such other acts and things as Lender in its reasonable discretion may deem necessary or advisable from time to time in order to more fully carry out the provisions and purpose of the Loan Documents, including delivery of such other information regarding the condition or operations, financial or otherwise, of the Borrower as Lender may from time to time reasonably request, including, but not limited to, copies of all pleadings, notices and communications referred to in Section 5.1(d) above.

5.10 Capital. INTENTIONALLY OMITTED.

5.11 Delivery of Original Loan Documents. If copies of any executed Loan Documents are delivered to Lender to facilitate the closing as provided in Article 3 above, immediately deliver to Lender the original executed versions of such Loan Documents promptly following closing.

5.12 Indemnity for Taxes. At all times, to the extent allowed by law and solely from Net Revenues, indemnify and hold and save Lender harmless from and against any and all actions or causes of action, claims, demands, liabilities, loss, damage or expense of whatsoever kind and nature incurred by Lender as a result of the non-payment of any documentary stamp tax, intangible tax, interest or penalties associated therewith or any other local, state or federal assessment required to be paid, but not paid in conjunction with the indebtedness evidenced by the Loan Documents. The Borrower agrees to pay, solely from Net Revenues, to Lender, its successors and assigns, all sums of money requested by Lender hereunder within ten days of such request, which Lender will or may advance, pay or cause to be paid, or become liable to pay, on account of or in connection with failure to pay as required by the regulations of the governmental authority so imposing said payment. Lender will be entitled to charge for any and all disbursements made by it in good faith, under the reasonable belief that it or the Borrower is or was liable for the amount so assessed. Any default by the Borrower in making any payments required under this covenant will constitute a payment Event of Default under the Loan Documents and Lender may, at its option, declare the entire amount of principal plus accrued interest thereon due and payable without notice or demand. Nothing herein shall require the Borrower to expend funds other than the loan proceeds from RD/RUS and the Net Revenues of the System.

5.13 ERISA. INTENTIONALLY OMITTED.

5.14 Water Rights and/or Supplies. Maintain or procure water rights and/or supplies with such amounts, priorities and qualities as are necessary to service adequately the Borrower's customers and members. The Borrower will continue to control, own or have access to all such water rights and/or supplies free and clear of the interest of any third party, will not suffer or permit any transfer or encumbrance of such water rights and/or supplies, will not abandon such water rights and/or supplies, or any of them, and will not do any act or thing that would impair or cause the loss of any such water rights and/or supplies as are necessary to service adequately the Borrower's customers and members.

ARTICLE 6 Negative Covenants. Unless otherwise agreed to in writing by Lender, while this Agreement is in effect, the Borrower will not:

6.1 Other System Indebtedness. With respect to the System, create, incur, assume or allow to exist, directly or indirectly, any indebtedness or liability for borrowed money (including trade or bankers' acceptances), letters of credit, or for the deferred purchase price of property or services (including leases that should be capitalized on the books of the lessee in accordance with the Accounting Standards), except for:

- (a) debt to Lender.
- (b) accounts payable to trade creditors incurred in the ordinary course of business.
- (c) current operating liabilities (other than for borrowed money) incurred in the ordinary course of business.
- (d) debt of the Borrower to the Colorado Water Resources and Power Development Authority (hereinafter "**CWRPDA**").
- (e) debt of the Borrower to RD/RUS.
- (f) purchase money security indebtedness, provided that such indebtedness does not exceed the purchase price of the asset(s) being acquired.

6.2 Contingent Liabilities of the System. With respect to the System, assume, guarantee, become liable as a surety, endorse, contingently agree to purchase, or otherwise be or become liable, directly or indirectly (including, but not limited to, by means of a maintenance agreement, an asset or stock purchase agreement, or any other agreement designed to ensure any creditor against loss), for or on account of the obligation of any person or entity, except by the endorsement of negotiable instruments for deposit or collection or similar transactions in the ordinary course of operation of the Borrower's System.

6.3 System Liens. With respect to the System, create, incur, assume, or allow to exist any mortgage, deed of trust, pledge, lien (including the lien of an attachment, judgment, or execution), security interest, or other encumbrance of any kind upon any of its property, real or personal (collectively, "**Liens**"). The foregoing restrictions will not apply to:

- (a) Liens in favor of Lender.
- (b) Liens in favor of RD/RUS to secure indebtedness permitted hereunder.
- (c) Liens in favor of CWRPDA to secure indebtedness permitted hereunder.
- (d) Liens for taxes, assessments, or governmental charges that are not past due.

(e) Pledges and deposits under workers' compensation, unemployment insurance, and social security Laws.

(f) Pledges and deposits to secure the performance of bids, tenders, contracts (other than contracts for payment of money), and like obligations arising in the ordinary course of business as conducted on the date hereof.

(g) Liens imposed by Law in favor of mechanics, material suppliers, warehouses, and like persons that secure obligations that are not past due.

(h) Easements, rights-of-way, restrictions, and other similar encumbrances that, in the aggregate, do not materially interfere with the occupation, use, and enjoyment of the property or assets encumbered thereby in the normal course of business or materially impair the value of the property subject thereto.

(i) Purchase money Liens to secure indebtedness permitted hereunder.

6.4 Transactions with Affiliates. INTENTIONALLY OMITTED.

6.5 Loans and Investments. Make any loan or advance to, or make any investment in, or make any capital contribution to, or purchase or make any commitment to purchase any stock, bonds, notes or other securities of any person or entity, except for:

(a) securities or deposits issued, guaranteed or fully insured as to payment by the United States of America or any agency thereof.

(b) other investments permitted by applicable Laws and the investment policy (if any) of the Borrower.

6.6 Dividends and Distributions. INTENTIONALLY OMITTED.

6.7 Mergers, Acquisitions, Etc. INTENTIONALLY OMITTED.

6.8 Transfer of System Assets. Sell, transfer, lease, or otherwise dispose of any of its System assets, except: (a) in the ordinary course of business; or (b) the sale, transfer or disposal of any obsolete or worn-out assets that are no longer necessary or required in the conduct of operation of the System.

6.9 Change in Business. INTENTIONALLY OMITTED.

6.10 Use of Proceeds. Use the proceeds of any loan made by Lender to the Borrower, whether directly or indirectly, and whether immediately, incidentally or ultimately, to purchase or carry margin stock (within the meaning of Regulation U of the Board of Governors) or to extend credit to others for the purpose of purchasing or carrying margin stock or to refund indebtedness originally incurred for such purpose.

ARTICLE 7 Financial Covenants. INTENTIONALLY OMITTED.

ARTICLE 8 Default.

8.1 Each of the following will constitute an “**Event of Default**” hereunder:

(a) **Payment Default.** The Borrower should fail to make any payment to Lender when due.

(b) **Representations and Warranties.** Any representation, warranty, certification or statement of fact made at any time by the Borrower, herein or in any other Loan Document, or in any certificate, other instrument or statement furnished to Lender by or on behalf of the Borrower, will have been false or inaccurate in any material respect as of the time it was made or furnished.

(c) **Covenants.** The Borrower will default in the observance or performance of any covenant set forth in Article 5 (other than Sections 5.1(c), 5.1(d), 5.1(e)(1), and 5.1(e)(2) above), and such default continues for 30 days after written notice thereof will have been delivered to the Borrower by Lender.

(d) **Other Covenants and Agreements.** The Borrower will default in the observance or performance of Sections 5.1(c), 5.1(d), 5.1(e)(1), and 5.1(e)(2) or any other covenant or agreement contained herein or in any other Loan Document or if Borrower uses the proceeds of any loan for any unauthorized purpose.

(e) **Cross Default.** The Borrower should, after any applicable grace period, breach or be in default under the terms of any other Loan Document (including, without limitation, any security instrument or document) or any other agreement between the Borrower and Lender, or between the Borrower and any affiliate of Lender, including without limitation Farm Credit Leasing Services Corporation.

(f) **Other System Indebtedness.** With respect to the System, the Borrower should fail to pay when due any indebtedness to any other person or entity for borrowed money or any long-term obligation for the deferred purchase price of property (including any capitalized lease), or any other event occurs that, under any agreement or instrument relating to such indebtedness or obligation, has the effect of accelerating or permitting the acceleration of such indebtedness or obligation, whether or not such indebtedness or obligation is actually accelerated or the right to accelerate is conditioned on the giving of notice, the passage of time, or otherwise.

(g) **System Judgments.** A judgment, decree, or order for the payment of money will have been rendered against or relating to the Borrower’s System and either: (1) enforcement proceedings will have been commenced; (2) a Lien prohibited by this Agreement, any security instrument, or any other Loan Document, will have been obtained; or (3) such judgment, decree, or order will continue unsatisfied and in effect for a period of 30 consecutive days without being vacated, discharged, satisfied, bonded, or stayed pending appeal.

(h) **Loan Document Unenforceable.** Any of the Loan Documents ceases to be a legal, valid, and binding agreement enforceable against the Borrower or is in any way terminated (except in accordance with its terms) or becomes or is declared ineffective or inoperative.

(i) **Revocation of Guaranty.** INTENTIONALLY OMITTED.

(j) **Insolvency, Etc.** The Borrower will: (1) become insolvent or will generally not, or will be unable to, or will admit in writing its inability to, pay its debts as they become due; or (2) suspend its business operations or a material part thereof or make an assignment for the benefit of creditors; or (3) apply for, consent to, or acquiesce in the appointment of a trustee, receiver, or other custodian for it or any of its property; or (4) have commenced against it any action or proceeding for the appointment of a trustee, receiver, or other custodian and such action or proceeding is not dismissed within 30 days of the date thereof, or a trustee, receiver, or other custodian is appointed for all or any part of its property; or (5) receive notice from any regulatory or governmental authority to the effect that such authority intends to replace the management of the Borrower or assume control over the Borrower; or (6) commence or have commenced against it any proceeding under any bankruptcy, reorganization, arrangement, readjustment of debt, dissolution, or liquidation law of any jurisdiction.

(k) **Material Adverse Change.** Any Material Adverse Change occurs, as reasonably determined by Lender.

(l) **Termination or Material Modification of RD/RUS Letter of Conditions.** The RD/RUS Letter of Conditions is terminated, or a breach or default thereof on the part of the Borrower is declared by RD/RUS, or the RD/RUS Letter of Conditions is modified without the written consent of Lender in a manner which is materially adverse to the Lender.

8.2 Remedies. Upon the occurrence and during the continuance of an Event of Default or Potential Default, Lender will have no obligation to extend or continue to extend credit to the Borrower and may discontinue doing so at any time without prior notice or other limitation. In addition, upon the occurrence and during the continuance of any Event of Default, Lender may, upon notice to the Borrower:

(a) **Termination and Acceleration.** Terminate any commitment and declare the unpaid principal balance of the loans, all accrued interest thereon, and all other amounts payable under this Agreement, each Promissory Note, and all other Loan Documents to be immediately due and payable. Upon such a declaration, the unpaid principal balance of the loans and all such other amounts will become immediately due and payable, without protest, presentment, demand, or further notice of any kind, all of which are hereby expressly waived by the Borrower.

(b) **Enforcement.** Proceed to protect, exercise, and enforce such rights and remedies as may be provided by this Agreement, any security instrument or document, any other Loan Document, or under Law. Each and every one of such rights and remedies will be cumulative and may be exercised from time to time, and no failure on the part of Lender to exercise, and no delay in exercising, any right or remedy will operate as a waiver thereof, and no single or partial exercise

of any right or remedy will preclude any future or other exercise thereof, or the exercise of any other right. Without limiting the foregoing, Lender may hold and/or set off and apply against the Borrower's obligations to Lender the proceeds of any equity in Lender (if applicable), any cash collateral held by Lender, or any balances held by Lender for the Borrower's account (whether or not such balances are then due).

(c) **Application of Funds.** Lender may apply all payments received by it to the Borrower's obligations to Lender in such order and manner as Lender may elect in its sole discretion.

(d) **CONSENT TO SUIT.** TO THE EXTENT ALLOWED BY LAW, THE BORROWER CONSENTS TO THE REMEDIES PROVIDED HEREIN, INCLUDING WITHOUT LIMITATION, SUIT FOR ENFORCEMENT OF THE TERMS OF THIS AGREEMENT, EACH PROMISSORY NOTE, AND ALL OTHER LOAN DOCUMENTS, AND ALL APPROPRIATE REMEDIES AT LAW OR IN EQUITY, NOTWITHSTANDING PRINCIPLES OF SOVEREIGN IMMUNITY WHICH OTHERWISE MAY BE APPLICABLE.

(e) **Interest upon default.** In addition to the rights and remedies set forth above and notwithstanding any Promissory Note: (1) upon the occurrence and during the continuance of an Event of Default, at Lender's option in each instance, the entire indebtedness outstanding hereunder and under each Promissory Note will bear interest from the date of such Event of Default until such Event of Default will have been waived or cured in a manner satisfactory to Lender at 4.00% per annum in excess of the rate(s) of interest that would otherwise be in effect on that loan under the terms of the applicable Promissory Note; and (2) after the maturity of any loan (whether as a result of acceleration or otherwise), the unpaid principal balance of such loan (including without limitation, principal, interest, fees and expenses) will automatically bear interest at 4.00% per annum in excess of the rate(s) of interest that would otherwise be in effect on that loan under the terms of the Promissory Note. All interest provided for herein will be payable on demand and will be calculated on the basis of a year consisting of 360 days and the actual days elapsed.

ARTICLE 9 Expenses; Indemnification; Damage Waiver.

9.1 Costs and Expenses. To the extent allowed by Law, the Borrower agrees to pay all reasonable out-of-pocket costs and expenses (including the fees and expenses of counsel retained or employed by Lender) incurred by Lender and any participants of Lender in connection with the origination, administration, collection and enforcement of this Agreement and the other Loan Documents, including, without limitation, all costs and expenses incurred in obtaining, perfecting, maintaining, determining the priority of, and releasing any security for the Borrower's obligations to Lender, and any stamp, intangible, transfer or like tax incurred in connection with this Agreement or any other Loan Document or the recording hereof or thereof; provided, however, that nothing herein shall require the Borrower to expend funds other than the loan proceeds from RD/RUS and the Net Revenues of the System.

9.2 Indemnification. To the extent allowed by Law, the Borrower indemnifies Lender, its affiliates and its and their respective officers, directors, employees, agents and advisors (each

an “**Indemnatee**”) against, and holds each Indemnatee harmless from, any and all losses, claims, damages, liabilities and related expenses (including fees and expenses of employed or retained counsel) incurred by any Indemnatee or asserted against any Indemnatee by any third party or by the Borrower arising out of or as a result of (a) the execution or delivery of any Loan Document, the performance or nonperformance by the Borrower of its obligations under any Loan Document or the consummation of the transactions contemplated thereby, including the use of the proceeds therefrom, (b) breach of representations, warranties or covenants of the Borrower under any Loan Document, or (c) any actual or prospective claim, litigation, investigation or proceeding relating to any of the foregoing, including any such items or losses relating to or arising under environmental Laws or pertaining to environmental matters, regardless whether any Indemnatee is a party thereto; provided that such indemnity will not, as to an Indemnatee, be available to the extent that such losses, claims, damages, liabilities or related expenses are determined by a court of competent jurisdiction by a final and nonappealable judgment to have resulted from the gross negligence or willful misconduct of such Indemnatee; provided, however, that nothing herein shall require the Borrower to expend funds other than the loan proceeds from RD/RUS and the Net Revenues of the System.

9.3 Waiver of Consequential Damages. To the fullest extent permitted by applicable Law, the Borrower will not assert, and hereby waives, any claim against any Indemnatee, on any theory of liability, for special, indirect, consequential or punitive damages arising out of, in connection with, or as a result of, any Loan Document, the transactions contemplated thereby or the use of the proceeds thereof.

ARTICLE 10 Miscellaneous.

10.1 Amendments; Waivers; Etc. No amendment, modification, or waiver of any provision of this Agreement or the other Loan Documents, and no consent to any departure by the Borrower herefrom or therefrom, will be effective unless approved by Lender and contained in a writing signed by or on behalf of Lender, and then such waiver or consent will be effective only in the specific instance and for the specific purpose for which given. In the event this Agreement is amended or restated, each such amendment or restatement will be applicable to all Promissory Notes hereto.

10.2 Notices. All notices hereunder will be in writing and will be deemed to have been duly given when addressed to the party intended to receive the same at the address of such party set forth below (or such other address either party may specify by like notice), (a) upon delivery if personally delivered to a party at such address, (b) three days after the same is deposited in the United States mail as first class, certified mail, return receipt requested, postage paid, (c) one business day after the same has been deposited with Federal Express or another nationally recognized overnight courier service if designated for next-day delivery, and (d) upon delivery if sent by facsimile or electronic mail with confirmation of delivery of the same:

If to Lender, as follows:

For general correspondence purposes:
P.O. Box 5110
Denver, Colorado 80217-5110

For direct delivery purposes, when desired:
6340 South Fiddlers Green Circle
Greenwood Village, Colorado 80111-1914

Attention: Credit Information Services
Fax No.: (303) 224-6101

If to the Borrower, as follows:

Town of Silverton
P.O. Box 250
Silverton, Colorado 81433

Town of Silverton
1360 Greene Street
Silverton, Colorado 81433

Attention: Town Administrator
Town Administrator Email:
gkaasch-buerger@silverton.co.us

10.3 Survival. Notwithstanding anything to the contrary in this or any other Loan Document, Sections 5.12, 8.2, all of Article 9, and Section 10.7 will survive the termination of this Agreement, repayment of every Promissory Note, and the foreclosure, or any other enforcement action, of any and all security pledged pursuant to Section 2.3 above. The representations, warranties, acknowledgments, and agreements set forth herein will survive the date of this Agreement, but not its termination unless otherwise agreed.

10.4 Effectiveness and Severability. This Agreement will continue in effect until: (a) all indebtedness and obligations of the Borrower under this Agreement and the other Loan Documents have been paid or satisfied; (b) Lender has no commitment to extend credit to or for the account of the Borrower under any Promissory Note; and (c) either party sends written notice to the other party terminating this Agreement. Any provision of this Agreement or any other Loan Document that is prohibited or unenforceable in any jurisdiction will be ineffective to the extent of such prohibition or unenforceable without invalidating the remaining provisions hereof or thereof.

10.5 Successors and Assigns.

(a) **Successors and Assigns Generally.** This Agreement and the other Loan Documents will be binding upon and inure to the benefit of the Borrower and Lender and their respective successors and assigns, except that the Borrower may not assign or transfer its rights or obligations under this Agreement or the other Loan Documents without the prior written consent of Lender.

(b) **Participations, Etc.** From time to time, Lender may sell to one or more banks, financial institutions, or other lenders a participation in one or more of the loans or other extensions of credit made pursuant to this Agreement. However, no such participation will relieve Lender of any commitment made to the Borrower hereunder. In connection with the foregoing, Lender may disclose information concerning the Borrower to any participant or prospective participant, provided that such participant or prospective participant agrees to keep such information

confidential. A sale of a participation interest may include certain voting rights of the participants regarding the loans hereunder (including without limitation the administration, servicing, and enforcement thereof). Lender agrees to give written notification to the Borrower of any sale of a participation interest.

10.6 Integration; Other Types of Credit; Counterparts; Electronic Signatures.

(a) **Integration.** The Loan Documents are intended by the parties to be a complete and final expression of their agreement. Each Promissory Note will be deemed to incorporate all of the terms and conditions of this Agreement as if fully set forth therein. Without limiting the foregoing, any capitalized term utilized in any Promissory Note (or in any amendment to this Agreement or Promissory Note) and not otherwise defined in the Promissory Note (or amendment) will have the meaning set forth herein or, if applicable, in the Accounting Standards. In the event the Accounting Standards are changed after the date hereof, then all such changes will be applicable hereto, unless Lender otherwise specifies in writing.

(b) **Other Types of Credit.** From time to time, Lender may issue letters of credit or extend other types of credit to or for the account of the Borrower. In the event the parties desire to do so under the terms of this Agreement, then the agreement of the parties with respect thereto may be set forth in a Promissory Note and this Agreement will be applicable thereto.

(c) **Counterparts; Electronic Signatures.** This Agreement, each Promissory Note and any other Loan Document may be executed in counterparts, each of which will constitute an original, but all of which when taken together will constitute a single contract. Delivery of an executed counterpart of a signature page of this Agreement, any Promissory Note or any other Loan Document by facsimile or other electronic means will be as effective as delivery of a manually executed counterpart of each such Agreement, Promissory Note or Loan Document. The parties agree that the electronic signature of a party to this Agreement, any Promissory Note or any other Loan Document shall be as valid as an original signature of such party and shall be effective to bind such party to this Agreement or such Loan Document. The parties agree that any electronically signed Loan Document (including this Agreement) shall be deemed (i) to be “written” or “in writing,” (ii) to have been signed and (iii) to constitute a record established and maintained in the ordinary course of business and an original written record when printed from electronic files. The parties presently intend to authenticate any Loan Documents to which they are a party by either signing such Loan Document or attaching thereto or logically associating therewith an electronic sound, symbol or process as their respective electronic signature. The words “execution,” “signed,” “signature,” and words of like import in any Loan Document shall be deemed to include electronic signatures or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable Law, including the Federal Electronic Signatures in Global and National Commerce Act, or any similar state Laws based on the Uniform Electronic Transactions Act.

10.7 Applicable Law; Submission to Jurisdiction; Service of Process; Waiver of Venue; Waiver of Jury Trial.

(a) **Applicable Law.** Without giving effect to the principles of conflict of laws and except to the extent governed by federal law, the Laws of the State of Colorado, without reference to choice of law doctrine, will govern this Agreement, each Promissory Note and any other Loan Document for which Colorado is specified as the applicable law, and all disputes and matters between the parties to this Agreement, including all disputes and matters whatsoever arising under, in connection with or incident to the lending and/or leasing or other business relationship between the parties, and the rights and obligations of the parties to this Agreement or any other Loan Document by and between the parties for which Colorado is specified as the applicable law.

(b) **Submission to Jurisdiction; Service of Process.** The Borrower hereby irrevocably consents to the nonexclusive jurisdiction of the state courts of the 6th judicial district located in Durango, Colorado, and consents that Lender may effect any service of process in the manner and at the Borrower's address set forth herein for providing notice or demand; provided that nothing contained in this Agreement will prevent Lender from bringing any action, enforcing any award or judgment or exercising any rights against the Borrower individually, against any collateral or against any property of the Borrower within any other county, state or other foreign or domestic jurisdiction.

(c) **Waiver of Venue.** The Borrower acknowledges and agrees that the venue provided above is the most convenient forum for the Borrower and Lender. The Borrower waives any objection to venue and any objection based on a more convenient forum in any action instituted under this Agreement.

(d) **Waiver of Jury Trial.** To the extent allowed by Law, the Borrower and Lender each hereby irrevocably waives any right it may have to a trial by jury in connection with any action directly or indirectly arising out of or relating to this Agreement or any other Loan Document. Each party hereto (1) certifies that no representative, administrative agent or attorney of any other person has represented, expressly or otherwise, that such other person would not, in the event of litigation, seek to enforce the foregoing waiver and (2) acknowledges that it and the other parties hereto have been induced to enter into this Agreement and other Loan Documents by, among other things, the mutual waivers and certifications in this section.

10.8 USA Patriot Act Notice. Lender hereby notifies the Borrower that pursuant to the requirements of the USA Patriot Act, it is required to obtain, verify, and record information that identifies the Borrower in accordance with the USA Patriot Act. The Borrower covenants and agrees it will not, at any time, directly or indirectly be (a) a person with whom Lender is restricted from doing business under any Anti-Terrorism Law, (b) engaged in any business involved in making or receiving any contribution of funds, goods or services to or for the benefit of such a person or in any transaction that evades or avoids, or has the purpose of evading or avoiding, the prohibitions set forth in any Anti-Terrorism Law, or (c) otherwise in violation of any Anti-Terrorism Law (the Borrower will provide to Lender any certifications or information that Lender requests to confirm compliance by the Borrower with any Anti-Terrorism Law). “**Anti-Terrorism Law**” means any Law relating to terrorism or money laundering, including Executive Order No. 13224, the USA Patriot Act, the Laws comprising or implementing the Bank Secrecy Act, and the

TOWN OF SILVERTON
Agreement No. [_____]

Laws administered by the United States Treasury Department's Office of Foreign Asset Control, as any of the foregoing Laws may from time to time be amended, renewed, extended, or replaced.

SIGNATURE PAGE FOLLOWS

TOWN OF SILVERTON
Agreement No. [_____]

SIGNATURE PAGE TO CREDIT AGREEMENT

IN WITNESS WHEREOF, the parties hereto, by their duly authorized officers, have executed this Agreement.

TOWN OF SILVERTON, COLORADO

By _____
Mayor

[SEAL]

Attest:

By _____
Town Clerk

SIGNATURE PAGE TO CREDIT AGREEMENT

IN WITNESS WHEREOF, the parties hereto, by their duly authorized signatory(ies), have executed this Agreement.

COBANK, ACB

By: _____

Name: _____

Title: _____



AGENDA MEMO

SUBJECT: Resolution 2024-14 A Resolution Authorizing the Town of Silverton to Open a Construction Account with Bank of San Juans in Compliance with the USDA Loan obtained for the rehabilitation of the Sewer Collection System.

STAFF CONTACT: Gloria Kaasch-Buerger

MEETING DATE: May

Overview:

In December 2024 the Town of Silverton received a Grant and Loan from USDA to rehabilitate our sewer collection system (fix the sewer pipes). USDA has an extensive list of requirements in order facilitate the funding listed in their Letter of Conditions included in this packet. The Timeline for the letter of conditions has been extended 1 month, so the final closing date for the loan will be in July.

Staff is working on two projects in the Sewer Fund simultaneously:

1. Upgrading the Collections System (USDA loan/grant)
2. Designing the new Wastewater Treatment Plant (CDPHE planning grant) This is the Element Engineering Memo in this packet.

Budget Impact:

The Town was awarded:

USDA Loan: \$2,165,000.00 with 2.375% interest

USDA Grant: 2,764,000.00

Total Project Cost: \$4,929,000.00

In the Letter of Conditions, the town must have the following separate accounts:

This resolution opens the required **construction account** (19, page 10 of Letter of Conditions) as well, staff has confirmed with the Bank of San Juans that they meet the FDIC insurance requirements.

7a. Debt Service Reserve- Town is required to contribute \$699.30 per month until a balance of \$8,391.00 has accumulated. -Opened on 4/22 through Resolution 2024-13

7b. Short-Lived Asset Reserve- Town is required to hold \$20,266 into this account annually for the life of the loan. After these accounts are created, the administrator will transfer the above funds into the accounts.—Opened on 4/22 through Resolution 2024-13

Staff Recommendation:

Staff recommends the adoption of this resolution to open the required bank account.

Master Plan Priority:

Investing in Infrastructure STRATEGY A: Invest in Maintenance and Upgrades of Existing and New Utility Infrastructure

Attachments:

- Resolution 2024-14
- 12.14.23 USDA Letter of conditions

Suggested Motion or Direction:

Motion to adopt Resolution 2024-14 A Resolution Authorizing the Town of Silverton to Open a Construction Account with Bank of San Juans in Compliance with the USDA Loan obtained for the rehabilitation of the Sewer Collection System.



RESOLUTION 2024-14

A RESOLUTION AUTHORIZING THE TOWN OF SILVERTON TO OPEN A SEWER FUND CONSTRUCTION ACCOUNT WITH BANK OF SAN JUANS TO BE IN COMPLIANCE WITH THE USDA LOAN OBTAINED FOR THE REHABILITATION OF THE SEWER COLLECTION SYSTEM.

WHEREAS, pursuant to Part 7, Article 24 (C.R.S.), it is lawful for any local government to pool any moneys in its treasury that are not immediately required to be disbursed with the same such moneys in the treasury of any other local government in order to take advantage of short-term investments and maximize net interest earnings; and

WHEREAS, the Bank of the San Juans hold to the necessary FDIC insurance required by the USDA Rural Development Loan letter of conditions; and

WHEREAS, The Town of Silverton currently banks with Bank of San Juans for its General Fund; and

WHEREAS, the Town of Silverton received a USDA Rural Development Loan in the amount of \$2,165,000.00 to facilitate the sewer line replacement and collection requiring a construction account separated into it's own account: and

NOW, THEREFORE, BE IT HEREBY RESOLVED BY THE BOARD OF TRUSTEES OF THE TOWN OF SILVERTON, COLORADO THAT:

1. The Town of Silverton Board of Trustees approve the opening of a Sewer Fund Construction Account as defined in the attached December 14, 2023 Letter of Conditions;

THIS RESOLUTION was approved and adopted the 13nd day of May 2024 by the Board of Trustees of the Town of Silverton, Colorado.

TOWN OF SILVERTON, COLORADO

Dayna Kranker, Mayor

ATTEST:

Melina Marks Lanis, Town Clerk



Rural Development

Alamosa Office

101 S. Craft Drive
Alamosa, CO 80111

Voice: 719-589-5661
ext. 4

FAX: 844-206-7030

December 14, 2023

Town of Silverton
Shane Fuhman
PO Box 250
Silverton, CO 81433

SUBJECT: Letter of Conditions
Town of Silverton
Project Name: Sewer line replacement and collection
CFDA NUMBER -10.770

Agency Loan: \$2,165,000
Agency Grant: \$2,764,000

Dear Mr. Fuhman:

This letter establishes conditions which must be understood and agreed to by you before further consideration may be given to your application. The loan and grant will be administered on behalf of the Rural Utilities Service (RUS) by the State and Area staff of USDA Rural Development (RD), both of which are referred to throughout this letter as the Agency. Any changes in project cost, source of funds, scope of project, or any other significant changes in the project or applicant must be reported to and concurred with by the Agency by written amendment to this letter. This includes any significant changes in the Applicant's financial condition, operation, organizational structure or executive leadership. Any changes made without Agency concurrence shall be cause for discontinuing processing of the application.

This letter does not constitute loan and grant approval, nor does it ensure that funds are or will be available for the project. The funding is being processed on the basis of a loan not to exceed \$2,165,000 and a grant not to exceed \$2,764,000. The loan and grant will be considered approved on the date Form RD 1940-1, "Request for Obligation of Funds" is signed by the Agency approval official.

The applicant will ensure projects are completed in a timely, efficient, and economical manner. You must meet all conditions set forth under Section III – Requirements Prior to Advertising for Bids within 1 year of this letter.

If you do not meet the conditions of this letter, the Agency reserves the right to withdraw Agency funding.

If you agree to meet the conditions set forth in this letter and desire further

Town of Silverton- Sewer line replacement and collection

consideration be given to your application, please complete and return the following forms within 10 days:

Form RD 1942-46, "Letter of Intent to Meet Conditions"
Form RD 1940-1, "Request for Obligation of Funds"

All parties may access information and regulations referenced in this letter at our website located at: [Water and Environmental Programs | Rural Development \(usda.gov\)](https://www.usda.gov/programs/water-and-environmental-programs/rural-development)

The conditions are as follows:

SECTION I - PROJECT SCOPE

1. Project Description – Funds will be used to rehabilitate the towns wastewater collections system and minor replacement improvements.

Facilities will be designed and constructed in accordance with sound engineering practices and must meet the requirements of Federal, State, and local agencies. The proposed facility design must be based on the Preliminary Engineering Report (PER), prepared by SGM dated December 2022 and amended April 2023, as concurred with by the Agency.

2. Project Funding – The Agency is offering the following funding for your project:

Agency Loan -	\$ 2,165,000
Agency Grant -	\$ 2,764,000
TOTAL PROJECT COST -	\$ 4,929,000

Any changes in funding sources following obligation of Agency funds must be reported to the processing official. Prior to loan closing, any increase in non-Agency funding will be applied first as a reduction to Agency grant funds, up to the total amount of the grant, and then as a reduction to Agency loan funds.

The applicant must certify that they have exhausted all other funding avenues and have no pending funding considerations from any other sources. Further, the applicant must certify that they do not intend to apply anywhere else for funding for this project. If, after obligation of Agency funds, other funding becomes available, the Agency reserves the right to deobligate any and all funding for this project and to re-underwrite. This may result in the offering of a different funding package to for this project.

Prior to advertisement for construction bids, you must provide evidence of applicant contributions and other funding sources. This evidence should include a copy of the commitment letter. Agency funds will not be used to pre-finance funds committed to the project from other sources.

3. Project Budget – Funding from all sources has been budgeted for the estimated expenditures as follows:

<u>Project Costs:</u>	<u>Total Budgeted:</u>
Construction	3,613,064.
Engineering Services	718,600.
<i>Basic Services</i>	<i>301,800.</i>
<i>Resident Project Representation</i>	<i>302,500.</i>
<i>Construction Administration</i>	<i>114,300.</i>
Interim Interest	174,700.
Legal & Bond Counsel fees	72,600.
Contingency	350,036.
TOTAL	\$4,929,000

Project feasibility and funding will be reassessed if there is a significant change in project costs after bids are received. Obligated loan and/or grant funds not needed to complete the proposed project will be deobligated. Any reduction will be applied to Agency grant funds first. If actual project costs exceed the project cost estimates, an additional contribution by the Owner may be necessary. An “Amended Letter of Conditions” will be issued for any changes to the total project budget.

4. Project Timeline – To ensure that the project proceeds in a timely manner, key processing milestones have been established in accordance with the PER or other Agency approved documentation. **Projects should be completed and Agency funds fully disbursed within three years of obligation.** By agreeing to the terms herein, you agree to comply with the milestones identified below. If, for any reason, one or more of the milestones cannot be met, you must notify the Agency in writing at least 30 days prior to the referenced date. Should your final completion date become more than three years after obligation the written request will follow the procedures outlined in Section VI of this letter, including the submission of not less than 90 days prior to the benchmark. The correspondence must contain a valid explanation as to why the milestone cannot be met and include a proposed revised project completion schedule. If the Agency agrees to the modification, a written confirmation will be issued. The Agency reserves the right to de-obligate loan and/or grant funds, or take other appropriate action, if the established or amended deadlines are not met.

<u>Milestone</u>	<u>Date</u>
Plans & Specifications, and Design Complete	05/01/2024
Initial Advertisement for Bids	06/01/2024
Award Contract(s)/Initiate Construction	08/07/2024
Substantial Completion	10/31/2025
Final Completion	12/27/2025

SECTION II – RATES & TERMS

5. Interest Rates and Loan Terms – The interest rate will be the lower of the rate in effect at the time of loan approval or the time of loan closing, unless you request otherwise. Should the interest rate be reduced, the payment will be recalculated to the lower amount. The payment due date will be established as the day that the loan closes.

Your loan will be scheduled for repayment over a period of 40 years. Payments will be equal monthly amortized installments, beginning one month after closing. For planning purposes, use a 2.375% interest which provides for a monthly payment of \$6,993. The precise payment amount will be based on the interest rate at which the loan is closed and may be different than the one above.

Security – The loan will be secured by a Revenue bond with first lien position in the amount of \$2,165,000. The bond will be fully registered as to both principal and interest in the name of the “United States of America, Acting through the United States Department of Agriculture.” Bond Counsel will be utilized in preparation of these documents.

The bond and any ordinance or resolution relating thereto must not contain any provision in conflict with the Agency Loan Resolution, applicable regulations, or associated laws. There must be no defeasance or refinancing clause in conflict with the graduation requirements of 7 U.S.C. 1983.

Additional security requirements are contained in RUS Bulletin 1780-27, “Loan Resolution and RUS Bulletin 1780-12, “Water and Waste System Grant Agreement”. A draft of all security instruments, including draft bond resolution, must be reviewed and concurred in by the Agency prior to advertising for bids. Bond/loan resolutions must be duly adopted and executed prior to loan closing.

The Grant Agreement will be executed prior to the first disbursement of grant funds. The grantee understands that any property acquired or improved with Federal grant funds may have use and disposition conditions which apply to the property as provided by 2 CFR part 200 in effect at this time and as may be subsequently modified. The grantee understands that any sale or transfer of property is subject to the interest of the United States Government in the market value in proportion to its participation the project.

7. Reserves – Reserves must be properly budgeted and set aside to maintain the financial viability and sustainability of any operation. Reserves are important to fund unanticipated emergency repairs, to assist with debt service should the need arise, and for the replacement of assets which have a useful life less than the repayment period of the loan. The following reserves are required to be established as a condition of this loan:

- a. **Debt Service Reserve** – As a part of this Agency loan proposal, you must establish a debt service reserve fund equal to at least one annual loan installment that accumulates at the rate of 10% of one annual payment per year for ten years or until the balance is equal to one annual loan payment. For planning purposes, 10% of the proposed loan installment would equal \$699.30 per month; this amount should be deposited monthly until a total of \$8,391.60 has accumulated. Prior written concurrence from the Agency

must be obtained before funds may be withdrawn from this account during the life of the loan. When funds are withdrawn during the life of the loan, deposits will continue as designated above until the fully funded amount is reached.

- b. **Short-Lived Asset Reserve** – In addition to the debt service reserve fund, You must establish a short-lived asset reserve fund. Based on the PER, you must deposit at least \$20,266 into the short-lived asset reserve fund annually for the life of the loan to pay for repairs and/or replacement of major system assets. It is your responsibility to assess your facility's short-lived asset needs on a regular basis and adjust the amount deposited to meet those needs.

SECTION III –REQUIREMENTS PRIOR TO ADVERTISING FOR BIDS

8Organization – The Bond Counsel transcripts of proceedings must show that your organization is a duly incorporated public body and has continued legal existence. Your organization must have the authority to own, construct, operate, and maintain the proposed facility, as well as for borrowing money, pledging security and raising revenues.

9. Suspension and Debarment Screening – You will be asked to provide information on the principals of your organization. Agency staff must conduct screening for suspension and debarment of the entity, as well as its principals through the Do Not Pay Portal.

Principal –

- i. An officer, director, owner, partner, principal investigator, or other person within a participant with management or supervisory responsibilities related to a covered transaction; or
- ii. A consultant or other person, whether or not employed by the participant or paid with federal funds, who –
 1. Is in a position to handle federal funds;
 2. Is in a position to influence or control the use of those funds; or,
 3. Occupies a technical or professional position capable of substantially influencing the development or outcome of an activity required to perform the covered transaction. (2 CFR §180.995)

10. Environmental Requirements The project, as proposed, has been evaluated to be consistent with the National Environmental Policy Act. Other Federal, State, tribal, and local laws, regulations and/or permits may apply or be required. If the project or any project element deviates from or is modified from the originally approved project, additional environmental review may be required.

11. Engineering Services – You have been required to complete an Agreement for Engineering Services, which should consist of the Engineers Joint Contract Documents Committee (EJCDC) documents as indicated in RUS Bulletin 1780-26, “Guidance for the Use of EJCDC Documents on Water and Waste Projects with RUS Financial Assistance,” or other approved form of agreement. The Agency will provide concurrence prior to advertising for bids and must approve any modifications to this agreement.

12. Contract Documents, Final Plans, and Specifications- All development will be completed by contract in accordance with applicable provisions of RUS Instruction 1780, Subpart C – Planning, Designing, Bidding, Contracting, Constructing and Inspections, (copy available upon request), and in compliance with all statutory requirements. You are responsible to share this with your engineer before pre-design.

- a. The plans and specifications and all proposals required by law must be approved by Colorado Department of Public Health and Environmental
- b. In preparing final design and providing service to the planned project area, you and your engineer will comply with all zoning and planning requirements of the appropriate governing bodies where service is to be provided.
- c. The Agency will need to concur in the plans and specifications prior to advertising for bids. The Agency may require an updated cost estimate if a significant amount of time has elapsed between the original project cost estimate and advertising for bids.
- d. The use of any procurement method other than competitive sealed bids must be requested in writing and approved by the Agency.
- e. The contract documents must consist of the EJCDC construction contract documents as indicated in RUS Bulletin 1780-26 or other Agency-approved forms of agreement.

13. Build America, Buy America (BABAA) Requirements- Recipients of an award of Federal financial assistance from a program for infrastructure are hereby notified that none of the funds provided under this award may be used for a project for infrastructure unless:

- a. all iron and steel permanently installed in the project are produced in the United States-- this means all manufacturing processes, from the initial melting stage through the application of coatings, occurred in the United States;
- b. all manufactured products permanently installed in the project are produced in the United States—this means the manufactured product was manufactured in the United States; and the cost of the components of the manufactured product that are mined, produced, or manufactured in the United States is greater than 55 percent of the total cost of all components of the manufactured product, unless another standard for determining the minimum amount of domestic content of the manufactured product has been established under applicable law or regulation; and
- c. all construction materials permanently installed are manufactured in the United States— this means that all manufacturing processes for the construction material occurred in the United States.

The BABAA requirement applies to the entirety of an infrastructure project even if only a portion of the project is funded by Federal funds.

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The Buy America preference only applies to articles, materials, and supplies that are consumed in, incorporated into, or affixed to an infrastructure project. As such, it does not apply to tools, equipment, and supplies, such as temporary scaffolding, brought to the construction site and removed at or before the completion of the infrastructure project. Nor does a Buy America preference apply to equipment and furnishings, such as movable chairs, desks, and portable computer equipment, that are used at or within the finished infrastructure project but are not an integral part of the structure or permanently affixed to the infrastructure project.

Waivers

When necessary, recipients may apply for, and the agency may grant, a waiver from these requirements. The agency should notify the recipient for information on the process for requesting a waiver from these requirements.

When the Federal agency has made a determination that one of the following exceptions applies, the awarding official may waive the application of the domestic content procurement preference in any case in which the agency determines that:

- a. applying the domestic content procurement preference would be inconsistent with the public interest;
- b. the types of iron, steel, manufactured products, or construction materials are not produced in the United States in sufficient and reasonably available quantities or of a satisfactory quality; or
- c. the inclusion of iron, steel, manufactured products, or construction materials produced in the United States will increase the cost of the overall project by more than 25 percent.

A request to waive the application of the domestic content procurement preference must be in writing. The agency will provide instructions on the format, contents, and supporting materials required for any waiver request. Waiver requests are subject to public comment periods of no less than 15 days and must be reviewed by the Made in America Office.

Definitions

“Construction materials” includes an article, material, or supply—other than an item of primarily iron or steel; a manufactured product; cement and cementitious materials; aggregates such as stone, sand, or gravel; or aggregate binding agents or additives—that is or consists primarily of:

- non-ferrous metals;
- plastic and polymer-based products (including polyvinylchloride, composite building materials, and polymers used in fiber optic cables);
- glass (including optic glass);
- lumber; or
- drywall.

“Domestic content procurement preference” means all iron and steel used in the project are produced in the United States; the manufactured products used in the project are produced in the United States; or the construction materials used in the project are produced in the United States.

“Infrastructure” includes, at a minimum, the structures, facilities, and equipment for, in the United States, roads, highways, and bridges; public transportation; dams, ports, harbors, and other maritime facilities; intercity passenger and freight railroads; freight and intermodal facilities; airports; water systems, including drinking water and wastewater systems; electrical transmission facilities and systems; utilities; broadband infrastructure; and buildings and real property. Infrastructure includes facilities that generate, transport, and distribute energy.

“Project” means the construction, alteration, maintenance, or repair of infrastructure in the United States.

Owners are ultimately responsible for compliance with the evidence standards as outlined in the Build America Buy America (BABAA) appendix to this Letter. Owners are required to maintain records as specified in their loan or grant agreement, but in all cases, they should maintain records for a minimum of three years after the final expenditure report. Minimum records include certifications from manufacturers, the architect/engineer, and the prime contractor. Supporting documentation includes purchasing records and notes and photos taken by the Resident Project Representative (RPR). Further guidance regarding certifications will be provided by the Agency.

14. Legal Services –A legal services agreement is required with your attorney and bond counsel, if applicable, for any legal work needed in connection with this project. The agreement should stipulate an hourly rate for the work, with a “not to exceed” amount for the services, including reimbursable expenses. RUS Bulletin 1780-7, “Legal Services Agreement,” or similar format may be used. The Agency will provide concurrence prior to advertising for bids. Any changes to the fees or services spelled out in the original agreement must be reflected in an amendment to the agreement and have prior Agency concurrence.

15. Property Rights - Prior to advertising for bids, you and your legal counsel must furnish satisfactory evidence that you have adequate continuous and valid control over the lands and rights-of-way needed for the project. Acquisitions of necessary land and rights must be accomplished in accordance with the Uniform Relocation Assistance and Real Property Acquisition Policies Act. Such control over the lands and rights will be evidenced by the following:

- a. **Right-of-Way Map** – Your engineer will provide a map clearly showing the location of all lands and rights-of-way needed for the project. The map must designate public and private lands and rights and the appropriate legal ownership thereof.
- b. **Form RD 442-20, “Right-of-Way Easement”** – This form, or similar format, may be used to obtain any necessary easements for the proposed project.
- c. **Form RD 442-21, “Right-of-Way Certificate”** – You will provide a certification on this form that all right-of-way requirements have been obtained for the proposed project.
- d. **Form RD 442-22, “Opinion of Counsel Relative to Rights-of-Way”** – Your attorney will provide a certification and legal opinion on this form addressing rights-of-way, easements, and title.

The approving official may waive title defects or restrictions, such as utility easements, that do not adversely affect the suitability, successful operation, security value, or transferability of the facility. Any such waivers must be provided by the approving official in writing prior to closing or the start of construction, whichever occurs first.

You are responsible for the acquisition of all property rights necessary for the project and for determining that prices paid are reasonable and fair. The Agency may require an appraisal by an independent appraiser or Agency employee in order to validate the price to be paid.

16. System Policies, Procedures, Contracts, and Agreements – The facility must be operated on a sound business plan which involves adopting policies, procedures, and/or ordinances outlining the conditions of service and use of the proposed system. Mandatory connection policies should be used where enforceable. The policies, procedures, and/or ordinances must contain an effective collection policy for accounts not paid in full within a specified number of days after the date of billing. They should include appropriate late fees, specified timeframes for disconnection of service, and reconnection fees. A draft of these policies, procedures, and/or ordinances must be submitted for Agency review and concurrence, along with the documents below, before closing instructions may be issued unless otherwise stated.

- a. Conflict of Interest Policy** – Prior to obligation of funds, you must certify in writing that your organization has in place up-to-date written standards of conduct covering conflict of interest. The standards of conduct must include disciplinary actions in the event of a violation by officers, employees, or agents of the borrower. The standards identified herein apply to any parent, affiliate or subsidiary organization of the borrower that is not a state or local government, or Indian Tribe. Policies and accompanying documents shall be furnished to Rural Development upon request.

You must also submit a disclosure of planned or potential transactions related to the use of Federal funds that may constitute or present the appearance of personal or organizational conflict of interest. Disclosure must be in the form of a written letter signed and dated by the applicant's official. A negative disclosure in the same format is required if no conflicts are anticipated.

Sample conflict of interest policies may be found at the National Council of Nonprofits website, <https://www.councilofnonprofits.org/tools-resources/conflict-of-interest>, or in Internal Revenue Service Form 1023, Appendix A, "Sample Conflict of Interest Policy," at <http://www.irs.gov/pub/irs-pdf/i1023.pdf>. Though these examples reference non-profit corporations, the requirement applies to all types of Agency borrowers.

Assistance in developing a conflict of interest policy is available through Agency-contracted technical assistance providers if desired.

Fully executed copies of any policies, procedures, ordinances, contracts, or agreements above must be submitted prior to loan closing, with the exception of the conflict of interest policy, which must be in place prior to obligation of funds.

17. Closing Instructions – The Agency will prepare closing instructions as soon as the requirements of the previous paragraphs are complete, as well as a draft of the security instrument(s). Both your bond and legal counsel must comply with these instructions when closing the Agency loan/grant.

18. System Users – This letter of conditions is based upon your indication at application that there will be at least 512 residential users, 90 non-residential users on the existing system when construction is completed.

Before the Agency can agree to the project being advertised for construction bids, you must certify that the number of users indicated at application are currently using the system or signed up to use the system once it is operational.

If the actual number of existing and/or proposed users that have signed up for service is less than the number indicated at the time of application, you must provide the Agency with a written plan on how you will obtain the necessary revenue to adequately cash flow the expected operation, maintenance, debt service, and reserve requirements of the proposed project (e.g., increase user rates, sign up an adequate number of other users, reduce project scope, etc.). Similar action is required if there is cause to modify the anticipated flows or volumes presented following approval.

19. Construction Account – A separate construction account is not required for project funds. However, the recipient must be able to separately identify, report and account for all Federal funds, including the receipt, obligation and expenditure of funds, in accordance with 2 CFR 200.305. These funds must be deposited in a bank with Federal Deposit Insurance Corporation (FDIC) insurance coverage. **If the balances at the financial institution where federal funds will be deposited exceeds the FDIC insurance coverage, the excess amount must be collaterally secured up to 100 percent of the highest amount of funds expected to be deposited in the account at any one time, per the Department of Treasury regulations and requirements.**

20. Interim Financing – The Agency’s policy is to utilize interim financing for all loans exceeding \$500,000. Prepayment penalties on interim financing are not allowed. Borrowers are required to seek interim financing initially from private or cooperative lenders if funds can be borrowed at reasonable interest rates on an interim basis from those sources for the construction period. The fact that a commercial lender’s rates are higher than current Agency interest rates does not necessarily mean that the commercial rate is not reasonable.

21. Proposed Operating Budget – You must establish and/or maintain a rate schedule that provides adequate income to meet the minimum requirements for operation and maintenance (O and M), debt service, and reserves. Prior to advertising for bids, you must submit a proposed annual operating budget to the Agency, as well as your proposed rate schedule. The operating budget should be based on a typical year cash flow after completion of the construction phase and should be signed by the appropriate official of your organization. Form RD 442-7, “Operating Budget,” or similar format may be utilized for this purpose. It is expected that O and

M expenses will change over each successive year and user rates will need to be adjusted on a regular basis.

Technical assistance is available at no cost to help you evaluate and complete a rate analysis on your system. This assistance is available free to your organization. If you are interested, please contact our office for information.

22. Permits –The owner or responsible party will be required to obtain all applicable permits for the project, prior to advertising for bids. The consulting engineer must submit written evidence that all applicable permits required prior to construction have been obtained with submission to the Agency of the final plans, specifications, and bid documents.

23. Risk and Resilience Assessment/Emergency Response Plan (RRA/ERP) –The Agency requires all financed water and wastewater systems to have a RRA/ERP in place. New water or wastewater systems must provide a certification that an ERP is complete prior to the start of operation, and a certification that an RRA is complete must be submitted within one year of the start of operation. Borrowers with existing systems must provide a certification that an RRA/ERP has been completed prior to advertising for bids. Technical assistance is available in preparing these documents at no cost to you.

Before funds are drawn, you should have in place a cybersecurity plan, a supply chain plan, and a plan to comply with cybersecurity requirements of the National Institute of Science and Technology and the Cybersecurity and Infrastructure Security Administration. These items should be addressed in the RRA/ERP.

The RRA/ERP documents themselves are not submitted to the Agency. The RRA/ERP must address potential impacts from natural disasters and other emergency events. It should include plans to address impacts of flash flooding in areas where severe drought or wildfires occur. The documents should be reviewed and updated every five years at a minimum.

24. Bid Authorization - Once all the conditions outlined in Section III of this letter have been met, the Agency will authorize you to advertise the project for construction bids. Such advertisement must be in accordance with applicable State statutes.

SECTION IV - REQUIREMENTS PRIOR TO START OF CONSTRUCTION

25. Disbursement of Agency Funds - Agency funds will be disbursed electronically into the construction account as they are needed. SF 3881, “ACH Vendor/Miscellaneous Payment Enrollment Form,” must be completed and submitted to the Agency prior to commencement of construction.

The order of disbursement is as follows: 1) Applicant contribution, 2) other funding sources, 3) interim financing or Agency loan funds, and 4) Agency grant funds. Interim financing or Agency loan funds will be expended after all other funding sources unless a written agreement is reached with all other funding sources on how funds are to be disbursed prior the first disbursement. Interim financing funds or Agency loan funds must be used prior to the use of

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Agency grant funds. Agency Grant funds must not be disbursed prior to loan funds except as authorized in 7 CFR 1780.45(d).

Grant funds are to be deposited in an interest-bearing account (exception provided below) in accordance with 2 CFR Part 200 and interest in excess of \$500 per year remitted to the Agency. The funds should be disbursed by the recipient immediately upon receipt, and there should be little interest accrual on the Federal funds. Recipients shall maintain advances of Federal funds in interest-bearing accounts, unless:

- The recipient receives less than \$120,000 in Federal awards per year.
- The best reasonably available interest-bearing account would not be expected to earn interest in excess of \$500 per year on Federal cash balances.
- The depository would require an average or minimum balance so high that it would not be feasible within the expected Federal and non-Federal cash resources.
- A foreign government or banking system prohibits or precludes interest-bearing accounts.

26. Bid Tabulation – Immediately after bid opening, you must provide the Agency with the bid tabulation and your engineer's evaluation of bids and recommendations for contract awards. If the Agency agrees that the construction bids received are acceptable, adequate funds are available to cover the total project costs, and all the requirements of Section III of this letter have been satisfied, the Agency will authorize you to issue the Notice of Award.

- a. Cost Overruns** – If bids are higher than expected, or if unexpected construction problems are encountered, you must utilize all options to reduce cost overruns. Negotiations, redesign, use of bidding alternatives, rebidding or other means will be considered prior to commitment of subsequent funding by the Agency. Any requests for subsequent funding to cover cost overruns will be contingent on the availability of funds. Cost overruns exceeding 20 percent of the development cost at time of loan or grant approval or where the scope of the original purpose has changed will compete for funds with all other applications on hand as of that date.
- b. Excess Funds** - If bids are lower than anticipated at time of obligation, excess funds must be deobligated prior to start of construction except in the cases addressed in this paragraph. In cases where the original PER for the project included items that were not bid, or were bid as an alternate, the State Office official may modify the project to fully utilize obligated funds for those items. Amendments to the PER, ER, and Letter of Conditions may be needed for any work not included in the original project scope. In all cases, prior to start of construction, excess funds will be deobligated, with grant funds being deobligated first. Excess funds do not include contingency funds as described in this letter.

27. Suspension and Debarment Screening – In accordance with 2 CFR Part 180, Subpart C, as a condition of the transaction and the responsibilities to persons at the next lower tier with whom you enter into transactions, you must conduct screening for suspension and debarment of lower tier recipients (e.g., vendors, contractors, etc.).

28. Contract Review – Your attorney will certify that the executed contract documents, including performance and payment bonds, if required, are adequate and that the persons executing these documents have been properly authorized to do so in accordance with 7 CFR 1780.61(b).

Once your attorney has certified that they are acceptable, the contract documents will be submitted to the Agency for concurrence. Construction cannot commence until the Agency has concurred in the construction contracts.

29. Final Rights of Way – Your attorney or title company must furnish a separate final title opinion or Title Insurance Policy on all real property related to the facility, now owned and to be acquired for this project, as of the day of loan closing or start of construction, whichever occurs first. Form RD 1927-10, “Final Title Opinion” may be used.

If any of the right-of-way forms listed previously in this letter contain exceptions that do not adversely affect the suitability, successful operation, security value, or transferability of the facility, the approving official must provide a written waiver prior to the issuance of the Notice to Proceed.

30. Insurance and Bonding Requirements - Prior to the start of construction or loan closing, whichever occurs first, you must acquire and submit to the Agency proof of the types of insurance and bond coverage for the borrower shown below. The use of deductibles may be allowed, providing you have the financial resources to cover potential claims requiring payment of the deductible. The Agency strongly recommends that you have your engineer, attorney, and insurance provider(s) review proposed types and amounts of coverage, including any exclusions and deductible provisions. It is your responsibility and not that of the Agency to assure that adequate insurance and fidelity bond coverage is maintained.

- a. **General Liability Insurance** – Include vehicular coverage.
- b. **Workers’ Compensation** – In accordance with appropriate State laws.
- c. **Guaranty or Fidelity Insurance**—Coverage for all persons who have access to funds, including persons working under a contract or management agreement. Coverage may be provided either for all individual positions or persons, or through “blanket” coverage providing protection for all appropriate employees. Each position is to be insured in an amount equal to the maximum amount of funds expected to be under the control of that position at any one time. The minimum coverage allowed will be an amount equal to the total annual debt service payment on the Agency loans. The coverage may be increased during construction based on the anticipated monthly advances.
- d. **National Flood Insurance** - If the project involves acquisition or construction in a designated special flood area, the community in which the acquisition or construction is situated must be currently participating in the national flood insurance program. Additionally, if the project involves acquisition or construction in designated special flood or mudslide prone areas, a flood insurance policy must be in place at the time of loan closing.
- e. **Real Property Insurance** – Fire and extended coverage will normally be maintained on all structures except reservoirs, pipelines and other structures if such structures are not

normally insured, and subsurface lift stations except for the value of electrical and pumping equipment. The Agency will be listed as mortgagee on the policy when the Agency has a lien on the property. Prior to the acceptance of the facility from the contractor(s), you must obtain real property insurance (fire and extended coverage) on all facilities identified above.

The Agency is to be listed as “Other Insured” so as to receive notifications on all insurance, regardless of security. Insurance types described above are required to be continued throughout the life of the loan. See Section VII.

31. Initial Civil Rights Compliance Review – The Agency will conduct an initial civil rights compliance review of the borrower prior to loan closing or start of construction, whichever occurs first, in accordance with 7 CFR 1901, Subpart E. You are expected to comply with the completion of the review, including the furnishing of any documents, records, or other applicable material.

SECTION V – REQUIREMENTS PRIOR TO CLOSING

32. Interim Financing. Interim financing is being used. Generally, loan closing will occur near the end of construction when interim funds are fully disbursed. Documents detailed above from Sections II and III regarding security, electronic payments (Form 3550-28), and system policies, procedures, contracts, and agreements must be adopted and/or executed and submitted to the Agency prior to loan closing.

33. Electronic Payments – Payments will be made through an electronic preauthorized debit system. You will be required to complete Form RD 3550-28, “Authorization Agreement for Preauthorized Payments,” for all new and existing indebtedness to the Agency prior to loan closing.

34. Other Requirements – All requirements contained in the Agency’s closing instructions, as well as any requirements of your bond counsel and/or attorney, must be met prior to loan closing.

- a. **System for Award Management.** You will be required to maintain a Unique Entity ID (UEI) and maintain an active registration in the System for Award Management (SAM) database. Renewal can be completed online at: <http://sam.gov>. This registration must be renewed and revalidated every 12 months for as long as there is an active loan, grant, or guaranteed loan with the Agency.

To ensure the information is current, accurate and complete, and to prevent the SAM account expiration, the review and updates must be performed within 365 days of the activation date, commonly referred to as the expiration date. The registration process may take up to 10 business days. (See 2 CFR Part 25 and the “Help” section at <http://sam.gov>).

- b. **Litigation.** You are required to notify the Agency within 30 days of receiving notification of being involved in any type of litigation prior to loan closing or start of

construction, whichever occurs first. Additional documentation regarding the situation and litigation may be requested by the Agency.

- c. **Certified Operator.** Evidence must be provided that your system has or will have a certified operator, as defined by applicable State or Federal requirements, available prior to the system becoming operational, or that a suitable supervisory agreement with a certified operator is in effect.

SECTION VI – REQUIREMENTS DURING CONSTRUCTION AND POST CONSTRUCTION

35. Construction Completion Timeframe – Following the benchmarks established in Section I, Item 4, Project Timeline, all projects should be completed and Agency funds fully disbursed within three years of the date of obligation. If funds are not disbursed within three years of obligation and you have not already done so per Section I, Item 4, you must submit a written request for extension of time to the Agency with adequate justification of the circumstances, including any beyond your control. The request must be submitted at least 90 days prior to the end of the three-year timeframe and include a revised estimated date of completion. The Agency will typically only allow one extension. Subsequent requests for waivers beyond the initial extension or requests that exceed five years from the initial date of obligation will be submitted to the RUS, Water and Environmental Programs for consideration. The Agency retains the right to de-obligate any loan and/or grant monies, or take other appropriate action, related to unliquidated funds that exceed the timeframes above and are not under an active extension.

36. Resident Inspector(s) – Full-time inspection is required unless you request an exception. Such requests must be made in writing and the Agency must provide written concurrence. Inspection services are to be provided by the consulting engineer unless other arrangements are requested in writing and concurred with by the Agency. A resume of qualifications of any resident inspector(s) will be submitted to the owner and Agency for review and concurrence prior to the pre-construction conference. The resident inspector(s) must attend the preconstruction conference.

37. Preconstruction Conference – A preconstruction conference will be held prior to the issuance of the Notice to Proceed. The consulting engineer will review the planned development with the Agency, owner, resident inspector, attorney, contractor, other funders, and other interested parties, and will provide minutes of this meeting to the owner and Agency.

38. Inspections - The Agency requires a preconstruction conference, pre-final, final, and warranty inspections. Your engineer will schedule a warranty inspection with the contractor and the Agency before the end of the [one-year] warranty period to address and/or resolve any outstanding warranty issues. The Agency will conduct an inspection with you of your records management system at the same time and will continue to inspect the facility and your records system every three years for the life of the loan. See Section VII of this letter.

39. Change Orders – A Change Order must be submitted for all modifications to the approved scope of work, including existing contracts. This includes non-physical modifications such as any time extension requests. Prior written Agency concurrence is required for all Change Orders.

40. Payments – Prior Agency concurrence is required for all invoices and requests for payment before Agency funds will be released. Requests for payment related to a contract or service agreement will be signed by the owner, project engineer, and contractor or service provider prior to Agency concurrence. Invoices not related to a construction contract or service agreement will include the owner's written concurrence.

41. Use of Remaining Funds – As stated above, applicant contribution and connection or tap fees will be the first funds expended in the project. Funds remaining after all costs incident to the basic project have been paid or provided will be handled as follows:

- a. Funds remaining after the applicant contribution and connection fees may be considered in direct proportion to the amounts of funding obtained from each source. The use of Agency funding will be limited to eligible loan and grant purposes, provided the use will not result in major changes to the original scope of work and the purpose of the loan and grant remains the same.
- b. Any reductions in the Agency funding will be first applied to the grant funds.
- c. Grant funds not expended for authorized purposes will be cancelled (de-obligated) within 60 days of final completion of project. Prior to actual cancellation, you, your attorney and engineer will be notified of the Agency's intent to cancel the remaining funds and given appropriate appeal rights.
- d. Under no circumstances is it appropriate to use remaining funds as contributions to a new project outside the scope of the funded project.
- e. Loan funds that are not needed will be cancelled (de-obligated) prior to loan closing.

42. Technical, Managerial and Financial Capacity - It is required that members of the Board of Directors, City Council members, trustees, commissioners and other governing members possess the necessary technical, managerial, and financial capacity skills to consistently comply with pertinent Federal and State laws and requirements. It is recommended members receive training within one year of appointment or election to the governing board, and a refresher training for all governing members on a routine basis. The content and amount of training should be tailored to the needs of the individual and the utility system. Technical assistance providers are available to provide this training for your organization, often at no cost. Contact the Agency for additional information.

43. Reporting Requirements Related to Expenditure of Funds -- An annual audit under 2 CFR 200 is required if you expend \$750,000 or more in Federal financial assistance per fiscal year. The total Federal funds expended from all sources shall be used to determine Federal financial assistance expended. Expenditures of interim financing are considered Federal expenditures.

All audits are to be performed in accordance with 2 CFR Part 200, as adopted by USDA through 2 CFR Part 400. Further guidance on preparing an acceptable audit can be obtained from the Agency. The audit must be prepared by an independent licensed Certified Public Accountant, or a State or Federal auditor if allowed by State law and must be submitted within 9 months of your fiscal year end. Both the audit and accompanying management report must be submitted for review.

If an audit is required, you must enter into a written agreement with the auditor and submit a copy of that agreement to the Agency prior to the advertisement of construction bids. The audit agreement may include terms and conditions that the borrower and auditor deem appropriate; however, the agreement should include the type of audit to be completed, the time frame in which the audit will be completed, and how irregularities will be reported.

SECTION VII – SERVICING REQUIREMENTS DURING THE TERM OF THE LOAN

44. Prepayment and Extra Payments - Prepayments of scheduled installments, or any portion thereof, may be made at any time at the option of borrower, with no penalty.

Security instruments, including bonding documents, must contain the following language regarding extra payments, unless prohibited by State statute:

Prepayments of scheduled installments, or any portion thereof, may be made at any time at the option of borrower. Refunds, extra payments and loan proceeds obtained from outside sources for the purpose of paying down the Agency debt, shall, after payment of interest, be applied to the installments last to become due under this note and shall not affect the obligation of borrower to pay the remaining installments as scheduled in your security instruments.

45. Annual Financial Reporting/Audit Requirements – You are required to submit an annual financial report at the end of each fiscal year. The annual report will be certified by the appropriate organization official, and will consist of financial information, a current rate schedule, and listing of board members with their terms. Financial statements must be prepared on an accrual basis of accounting in accordance with generally accepted accounting principles (GAAP). The annual report will include separate reporting for each water and waste disposal facility, and itemized cash accounts by type (debt service, short-lived assets, etc.) under each facility. All records, books and supporting material are to be retained for three years after the issuance of the annual report. Technical assistance is available, at no cost, with preparing financial reports.

The type of financial information that must be submitted is specified below:

- a. **Audits** – An audit under the Single Audit Act is required if you expend \$750,000 or more in Federal financial assistance per fiscal year. The total Federal funds expended from all sources shall be used to determine Federal financial assistance expended. Expenditures of interim financing are considered Federal expenditures.

See Section VI for additional information regarding audits.

- b. **Financial Statements** – If you expend less than \$750,000 in Federal financial assistance per fiscal year, you may submit financial statements in lieu of an audit which include, at a minimum, a balance sheet and an income and expense statement. You may use Form RD 442-2, “Statement of Budget, Income and Equity,” and 442-3, “Balance Sheet,” or similar format to provide the financial information. The financial statements must be signed by the appropriate borrower official and submitted within 60 days of your fiscal year end.

46. Annual Budget and Projected Cash Flow - Thirty days prior to the beginning of each fiscal year, you will be required to submit an annual budget and projected cash flow to this office. The budget must be signed by the appropriate borrower official. Form RD 442-2, “Statement of Budget, Income and Equity,” or similar format may be used.

Technical assistance is available at no cost to help you evaluate and complete a rate analysis on your system, as well as completing the annual budget.

47. Graduation - By accepting this loan, you are also agreeing to refinance (graduate) the unpaid loan balance in whole, or in part, upon request of the Government. If at any time the Agency determines you can obtain a loan for such purposes from responsible cooperative or private sources at reasonable rates and terms, you will be requested to refinance. Your ability to refinance will be assessed every other year for those loans that are five years old or older.

48. Security/Operational Inspections – The Agency will inspect the facility and conduct a review of your operations and records management system and conflict of interest policy every three years for the life of the loan. You must participate in these inspections and provide the required information.

49. System for Award Management. You will be required to maintain a Unique Entity ID (UEI) and maintain an active registration in the System for Award Management (SAM) database. Further information can be found at paragraph 33 of this letter.

50. Risk and Resiliency Assessment/Emergency Response Plan (RRA/ERP) – The RRA/ERP is further outlined under Section III of this letter. You will be required to submit a certification to the servicing office every five years that the RRA/ERP is current and covers all sites related to the facility. The RRA/ERP documents themselves are not submitted to the Agency. The RRA/ERP must address potential impacts from natural disasters and other emergency events. It should include plans to address impacts of flash flooding in areas where severe drought or wildfires occur. Technical assistance is available in preparing these documents at no cost to you.

51. Insurance. – Insurance requirements are further outlined in Section IV of this letter. You will be required to maintain insurance on the facility and employees as previously described in this letter for the life of the loan.

52. Statutory and National Policy Requirements – As a recipient of Federal funding, you are required to comply with U.S. statutory and public policy requirements, including but not limited to:

- a. **Section 504 of the Rehabilitation Act of 1973** – Under Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. 794), no handicapped individual in the United States shall, solely by reason of their handicap, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Agency financial assistance.
- b. **Civil Rights Act of 1964** – All borrowers are subject to, and facilities must be operated in accordance with, Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d et seq.) and 7 CFR 1901, Subpart E, particularly as it relates to conducting and reporting of compliance reviews. Instruments of conveyance for loans and/or grants subject to the Act must contain the covenant required by Paragraph 1901.202(e) of this Title.
- c. **The Americans with Disabilities Act (ADA) of 1990** – This Act (42 U.S.C. 12101 et seq.) prohibits discrimination on the basis of disability in employment, State and local government services, public transportation, public accommodations, facilities, and telecommunications.
- d. **Age Discrimination Act of 1975** – This Act (42 U.S.C. 6101 et seq.) provides that no person in the United States shall on the basis of age, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance.
- e. **Limited English Proficiency (LEP) under Executive Order 13166** - LEP statutes and authorities prohibit exclusion from participation in, denial of benefits of, and discrimination under Federally-assisted and/or conducted programs on the ground of race, color, or national origin. Title VI of the Civil Rights Act of 1964 covers program access for LEP persons. LEP persons are individuals who do not speak English as their primary language and who have a limited ability to read, speak, write, or understand English. These individuals may be entitled to language assistance, free of charge. You must take reasonable steps to ensure that LEP persons receive the language assistance necessary to have meaningful access to USDA programs, services, and information your organization provides. These protections are pursuant to Executive Order 13166 entitled, “Improving Access to Services by Persons with Limited English Proficiency” and further affirmed in the USDA Departmental Regulation 4330-005, “Prohibition Against National Origin Discrimination Affecting Persons with Limited English Proficiency in Programs and Activities Conducted by USDA.”
- f. **Controlled Substances Act** - Even though state law may allow some activities, as a recipient of Federal funding, you are subject to the Controlled Substances Act. Specific questions about the Controlled Substances Act should be directed to the Servicing Official who will contact the Office of General Counsel, as appropriate.

53. Compliance Reviews and Data Collection – Agency financial programs must be extended without regard to race, color, religion, sex, national origin, marital status, age, or physical or mental handicap. You must display posters (provided by the Agency) informing users of these requirements, and the Agency will monitor your compliance with these requirements during regular compliance reviews.

The Agency will conduct regular compliance reviews of the borrower and its operation in accordance with 7 CFR Part 1901, Subpart E, and 36 CFR 1191, Americans with Disabilities Act (ADA) Accessibility Guidelines for Buildings and Facilities; Architectural Barriers Act (ABA) Accessibility Guidelines. Compliance reviews will typically be conducted in conjunction with the security inspections described in this letter.

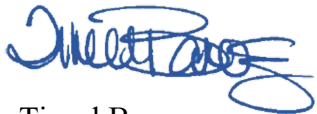
If beneficiaries (users) are required to complete an application or screening for the use of the facility or service that you provide, you must request and collect data by race (American Indian or Alaska Native, Asian, Black or African American, White); ethnicity (Hispanic or Latino, Not Hispanic or Latino); and by sex. The Agency will utilize this data as part of the required compliance review.

SECTION VIII – REMEDIES FOR NON-COMPLIANCE

Non-compliance with the conditions in this letter or requirements of your security documents will be addressed under the provisions of Agency regulations, statutes, and other applicable policies.

We look forward to working with you to complete this project. If you have any questions, please contact Tineel Baroz at 719-992-3653 or by e-mail at tineel.baroz@usda.gov

Sincerely,



Tineel Baroz
Community Program Specialist

Attachments

cc: Community Programs Director
Engineer

FORMS and BULLETINS:

Form AD-3031 “Assurance Regarding Felony Convictions or Tax Delinquent Status for Corporate Applicants” – Item 30
Internal Revenue Service Form 1023, Appendix A, “Sample Conflict of Interest Policy” - Item 15
Form RD 440-22, “Promissory Note” – Item 6
Form RD 442-2, “Statement of Budget, Income and Equity” – Items 45 and 46
Form RD 442-3, “Balance Sheet” – Item 45
Form RD 442-7, “Operating Budget” – Item 20
Form RD 442-20, “Right-of-Way Easement” – Item 14
Form RD 442-21, “Right-of-Way Certificate” – Item 14
Form RD 442-22, “Opinion of Counsel Relative to Rights-of-Way” – Item 14
Form RD 1927-9, “Preliminary Title Opinion” – Item 14
Form RD 1927-10, “Final Title Opinion” – Item 28
Form RD 1940-1, “Request for Obligation of Funds” – Pages 1 and 2
Form RD 1942-8, “Resolution of Members or Stockholders” – Item 6
Form RD 1942-46, “Letter of Intent to Meet Conditions” – Page 2
Form RD 3550-28, “Authorization Agreement for Preauthorized Payments” – Items 32 and 33
Form UCC-1, “Financing Statement” – Item 6
Form UCC-1Ad, “UCC Financing Statement Addendum” – Item 6
SF 3881, “ACH Vendor/Miscellaneous Payment Enrollment Form” – Item 24
RUS Bulletin 1780-7, “Legal Services Agreement” – Item 13
RUS Bulletin 1780-9, “Water Users Agreement” - Items 15 and 17
RUS Bulletin 1780-12, “Water and Waste System Grant Agreement” – Item 6
RUS Bulletin 1780-26, “Guidance for the Use of EJCDC Documents on Water and Waste Projects with RUS Financial Assistance” – Items 11 and 12
RUS Bulletin 1780-27, “Loan Resolution (Public Bodies)” – Item 6
RUS Bulletin 1780-28, “Loan Resolution Security Agreement” – Item 6

Appendix B

Build America, Buy America Evidence Standards

Manufacturers

For each item to which BABAA applies (every item permanently installed on the project, except for aggregate and aggregate binding materials), a manufacturer's certification letter or other document demonstrating compliance is required. It must, at a minimum, identify the item being certified (short written description as well as part number, if applicable) and affirm that the item complies with BABAA. This document must be signed by an authorized company representative.

Architects and Engineers

Compliance with BABAA will be spelled out in agreements for services, construction contracts, and procurement contracts. Generally, the A/E contract should include, as a basic service, obtaining and maintaining all BABAA documentation (particularly manufacturers' certifications) during construction, which shall be transferred to the Owner upon completion of the project. The architect or engineer will need to certify to this action at the project's end.

Resident Project Representative / Resident Inspector

As part of their duties, Resident Project Representative/Resident Inspector should be instructed to verify items delivered to the site and installed are accompanied by documentation of compliance with BABAA. They should photograph items as appropriate. RPR/RI daily logs and photographs will become part of the construction record and can be used as supporting information during audits, providing evidence for items that are buried or otherwise inaccessible.

Contractors

Construction contract(s) must include a requirement to procure and install only items that comply with BABAA or are subject to an approved waiver. Contractors must provide manufacturers' certifications for all BABAA compliant items to the responsible party before a request for reimbursement to the Agency is made. At completion, the contractor will be required to certify that all items used on the contract complied with BABAA and that all manufacturers' certifications were provided.



AGENDA MEMO

SUBJECT: Water Reclamation Facility USDA Preliminary Engineering Report
STAFF CONTACT: Gloria Kaasch-Buerger, John Sites
MEETING DATE: May 13, 2024

Overview:

Since 2021, the Public Works Department has been pursuing funding for a new wastewater treatment facility. The current facility was installed in 1993, was designed with a life of 25 years and has been increasingly more difficult to maintain and achieve adequate treatment. Additionally, sewage treatment regulations are scheduled to become more stringent in the next 5 – 10 years.

The Town has completed the Pre-Qualification and the Project Needs assessment outlined in the WPCRF Loan Program Steps attached. Our next step is Design and Engineering. We released an RFP for the initial scope and scale design of the Wastewater Treatment Facility, Element has been chosen as the engineering firm for the project. This is a crucial step in helping us finalize a number to pursue further funding.

Budget Impact:

The design project cost is estimated at \$22,500.

Town received a CDPHE grant for the design of the water plant on October 23, 2023 (see attached letter) CDPHE will cover \$10,000 of the project leaving the Sewer Fund responsible for the remaining \$12,500.

The 2024 Adopted Budget has \$13,900 allocated for Engineering Services in GL Code 52-43256-330. In 2022 \$2,505.50 was spent on engineering and in 2023 \$10,757.50 was spent on engineering. If there is a cost overrun in the GL Code, staff is confident that with the increase in the lodging fee allocated to sewer, an overage would be covered since the revenue was not budgeted in 2024.

Staff Recommendation:

Staff recommends contracting with Element Engineering.

Master Plan Priority:

Improve our existing infrastructure: Strategy A, Action Item #1 Implement Wastewater System Rehabilitation Project

Attachments:

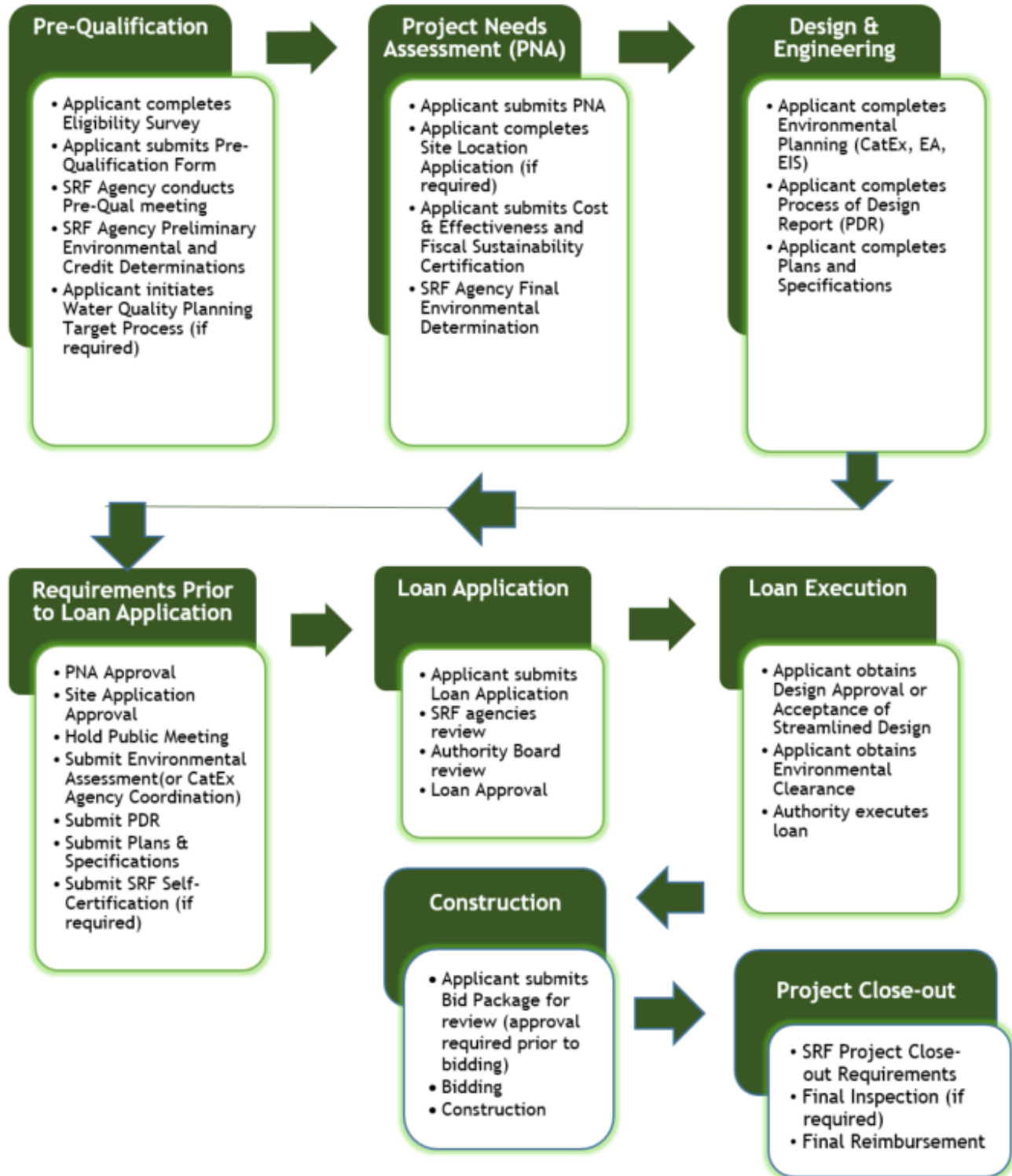
- Water Pollution Control Revolving Fund Loan Program Steps
- Element Engineering Proposal and Contract
- CDPHE Grant Award Email

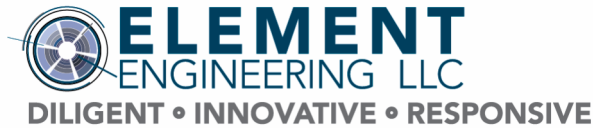
Suggested Motion or Direction:

Motion to execute the contract with Element Engineering for the Water Reclamation Facility USDA Preliminary Engineering Report



Water Pollution Control Revolving Fund (WPCRF) Loan Program Steps





April 25, 2024

Mr. John D. Sites, CWP
Director of Public Works
Town of Silverton
1450 Greene Street
Silverton, CO 81433

RE: Proposal for Professional Engineering Services
Water Reclamation Facility USDA Preliminary Engineering Report

Dear Mr. Sites,

Element Engineering, LLC (Element) is pleased to provide this proposal for a Preliminary Engineering Report (PER) for the proposed Town of Silverton Water Reclamation Facility (WRF) Improvements Project. The purpose of this letter is to define a scope of services to be completed by Element Engineering. This letter details our proposed scope of services, deliverables, schedule, exclusions, and fees.

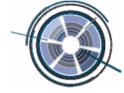
This letter is intended to be used as an exhibit to a standard Owner-Engineer agreement to be generated and agreed upon by Element and the Town of Silverton.

PROJECT UNDERSTANDING

Element Engineering understands that the Town of Silverton would like to apply for United States Department of Agriculture (USDA) Rural Development Services (RUS) funding for a WRF improvements project. The Town's WRF is aging and facing non-compliance with future effluent limits. The PER will analyze alternatives for improvements, including potential rehabilitation of the lagoon system or replacement of the facility with various activated sludge technologies.

To apply for USDA funding, a PER, ER, and USDA loan application are required. The PER includes a detailed analysis of existing conditions, the need for the project, alternatives for the project, and detailed construction and non-construction project costs. The PER also includes a brief rate study, showing the impact to user rates based on various theoretical funding scenarios.

This proposal is for the compilation and coordination necessary to generate a PER suitable for submittal, review, and approval by USDA. PER requirements are attached to this proposal. Draft electronic and hard copies of the PER document will be provided to the town for review and comment. All town feedback will be incorporated into a final document ready for submittal. Element will answer any questions or provide any additional information necessary for approval of the PER by USDA.



SCOPE OF WORK

The following Scope of Work is proposed:

- Compile and submit a PER for town review and approval.
- Meet with town staff to discuss the PER, answer questions, and solicit input.
- Update the PER into a final draft for presentation to the town board.
- Finalize the PER for USDA review and approval.

SCHEDULE

Element Engineering anticipates the submittal of all documents within ninety (90) days of the approval of this proposal.

FEES

Element Engineering proposes a not to exceed fee of \$22,500 to complete the PER. Note that this cost is reimbursable to the town upon receiving USDA funding for the overall project.

EXCLUSIONS

Note that the USDA funding application process requires a PER, Environmental Report (ER), and a funding application through the RDAApply platform. The generation of an ER and funding application is not included in this proposal. A proposal for these items will be submitted to the town after compilation and approval of the PER and selection of a preferred alternative.

Also excluded are a topographical survey, geotechnical analysis, and design and permitting services. These items will be completed at the next step of the design and planning process.

ADDITIONAL WORK TASK AND BILLING

Additional work tasks can be completed on a Time and Materials basis.

Sincerely,

ELEMENT ENGINEERING, LLC

Nicholaus P. Marcotte, P.E.

President

UNITED STATES DEPARTMENT OF AGRICULTURE
Rural Utilities Service

BULLETIN 1780-2

SUBJECT: Preliminary Engineering Reports for the Water and Waste Disposal Program

TO: Rural Development State Directors, RUS Program Directors, and State Engineers

EFFECTIVE DATE: Date of approval.

OFFICE OF PRIMARY INTEREST: Engineering and Environmental Staff, Water and Environmental Programs

INSTRUCTIONS: This bulletin replaces existing RUS Bulletins 1780-2 (September 10, 2003), 1780-3 (October 2, 2003), 1780-4 (October 2, 2003), and 1780-5 (October 2, 2003).

AVAILABILITY: This bulletin and all the exhibits, as well as any Rural Development instruction or Rural Utilities Service instructions, regulations, or forms referenced in this bulletin are available at any Rural Development State Office. The State Office staff is familiar with the use of the documents in their States and can answer specific questions on Agency requirements.

This bulletin is available on the Rural Utilities Service website at
http://www.rurdev.usda.gov/RDU_Bulletins_Water_and_Environmental.html.

PURPOSE: This bulletin assists applicants and their consultants with instructions on how to prepare a Preliminary Engineering Report as part of an application for funding as required by 7 CFR 1780.33(c) and 7 CFR 1780.55.

MODIFICATIONS: Rural Development State Offices may modify this guidance when appropriate to comply with State statutes and regulations in accordance with the procedures outlined at Rural Development Instruction 2006-B (2006.55).



JACQUELINE M. PONTI-LAZARUK
Assistant Administrator
Water and Environmental Programs

4/4/13

Date

TABLE OF CONTENTS

- 1 GENERAL
- 2 PURPOSE
- 3 HOW TO USE THE INTERAGENCY TEMPLATE

Exhibit One Interagency Preliminary Engineering Report Template

INDEX:

Application Document
Preliminary Engineering Report
Project Planning
Water and Waste Disposal Facilities

ABBREVIATIONS

CDBG – Community Development Block Grant
CFR – Code of Federal Regulations
EDU – Equivalent Dwelling Unit
EPA – Environmental Protection Agency
GAO – Government Accountability Office
GPCD – Gallons per Capita per Day
HUD – Department of Housing and Urban Development
O & M – Operations and Maintenance
PER – Preliminary Engineering Report
RD – Rural Development
RUS – Rural Utilities Service
SRF – State Revolving Fund
USDA – United States Department of Agriculture
WEP – Water and Environmental Programs
WWD – Water and Waste Disposal

1 GENERAL

A PER is a planning document required by many state and federal agencies as part of the process of obtaining financial assistance for development of drinking water, wastewater, solid waste, and stormwater projects. An applicant for funding from the WWD program must submit a PER as required by 7 CFR 1780.33(c) and 1780.55. The PER describes the proposed project from an engineering perspective, analyzes alternatives to the proposal, defines project costs, and provides information critical to the underwriting process.

In 2012 the USDA, Rural Development (RD), Rural Utilities Service, Water and Environmental Programs formed a working group to develop an interagency template for PERs for use by both federal agencies and state administering agencies. The USDA-led working group included 36 individuals representing 4 federal agencies, 16 state agencies, the Border Environment Cooperation Commission, and the North Carolina Rural Center. Also, the effort was supported by the Small Community Water Infrastructure Exchange. On January 16, 2013, the principals of the federal participants executed an interagency memorandum supporting use of the interagency template, attached as Exhibit One.

2. PURPOSE

This bulletin provides information and guidance for applicants and professional consultants in developing a PER for submittal with an application for funding. RD State Offices should provide a copy of the Bulletin to applicants and consulting engineers upon request or refer them to the website listed on the Bulletin's cover sheet for an electronic copy.

3 HOW TO USE THE INTERAGENCY TEMPLATE

There has been increasing interest throughout the government at both state and federal levels to improve coordination between funding agencies in the processes involved in applications for infrastructure funding. A recent GAO report, "Rural Water Infrastructure: Additional Coordination Can Help Avoid Potentially Duplicative Application Requirements" (GAO-13-111), released October 16, 2012, called the effort of the working group led by USDA to develop the attached Interagency PER Template "encouraging" and stated that it would "help communities".

Content of a PER: The attached Interagency PER Template describes the content of a PER and should be used without modification, except for items noted below. Often an applicant will initially consider only a single funding source and later determine that an application to additional funding agencies is necessary. To avoid having to revise the PER to meet the additional agencies' needs, the consulting engineer should provide

responses to all sections of the PER outline, unless specific sections do not apply to a proposed project.

Short-Lived Assets: The short-lived asset table in Appendix A is a list of examples of short-lived assets. Depending on local practices and applicants, some of these items may not be considered short-lived assets if they are considered part of O&M or long-term capital financing. Consulting engineers and applicants should coordinate with each other and with the Agency to determine which items should be considered short-lived assets for specific projects.

Engaging State Partners: State Offices should engage funding partners to encourage state-wide adoption of the attached template as a standard for all state leveraging partners. Existing state-level agreements resulting from previous coordinated efforts for adopting a standard PER outline must be modified or replaced with this template. Efforts underway to adopt new state-level PER outlines must use this template. State-level agreements implementing this template between various leveraging partners should keep additional requirements to a minimum, but should not remove any required sections from the template.

Income Projections for Underwriting Purposes:

The State Office uses some of the information from the PER, especially Sections 6 (e) and (f), for underwriting purposes. Note that for income projection purposes, every effort should be made to identify actual data regarding water usage or wastewater generation. For metered systems, actual data should be used.

When financing construction of a new system or improvements to an existing system without any existing usage data, water use and wastewater generation approximations for income projection purposes should, if at all possible, be based on information from surrounding similar communities and systems. The source of data used should be documented in the PER.

The value of 100 GPCD shown in Section 6 is a general value and may not be appropriate for many rural systems financed with WWD funds, so in the absence of reliable data, a value of 5000 gallons per EDU per month (approximately 67 GPCD or 167 GPD per EDU) should be used.

Exhibit One: Interagency Preliminary Engineering Report Template



January 16, 2013

INTERAGENCY MEMORANDUM

Attached is a document explaining recommended best practice for the development of Preliminary Engineering Reports in support of funding applications for development of drinking water, wastewater, stormwater, and solid waste systems.

The best practice document was developed cooperatively by:

- [US Department of Agriculture, Rural Development, Rural Utilities Service, Water and Environmental Programs;](#)
- [US Environmental Protection Agency \(EPA\), Office of Water, Office of Ground Water and Drinking Water and Office of Wastewater Management;](#)
- [US Department of Housing and Urban Development \(HUD\), Office of Community Planning and Development;](#)
- [US Department of Health and Human Services, Indian Health Service \(IHS\);](#)
- [Small Communities Water Infrastructure Exchange;](#)

Extensive input from participating state administering agencies was also very important to the development of this document.

Federal agencies that cooperatively developed this document strongly encourage its use by funding agencies as part of the application process or project development. State administered programs are encouraged to adopt this document but are not required to do so, as it is up to a state administering agency's discretion to adopt it, based on the needs of the state administering agency.

A Preliminary Engineering Report (Report) is a planning document required by many state and federal funding agencies as part of the process of obtaining financial assistance for development of drinking water, wastewater, solid waste, and stormwater facilities. The attached Report outline details the requirements that funding agencies have adopted when a Report is required.

In general the Report should include a description of existing facilities and a description of the issues being addressed by the proposed project. It should identify alternatives, present a life cycle cost analysis of technically feasible alternatives and propose a specific course of action. The Report should also include a detailed current cost estimate of the recommended alternative. The attached outline describes these and other sections to be included in the Report.

Projects utilizing direct federal funding also require an environmental review in accordance with the National Environmental Policy Act (NEPA). The Report should indicate that environmental issues were considered as part of the engineering planning and include environmental information pertinent to engineering planning.

For state administered funding programs, a determination of whether the outline applies to a given program or project is made by the state administering agency. When a program or agency adopts this outline, it may adopt a portion or the entire outline as applicable to the program or project in question at the discretion of the agency. Some state and federal funding agencies will not require the Report for every project or may waive portions of the Report that do not apply to their application process, however a Report thoroughly addressing all of the contents of this outline will meet the requirements of most agencies that have adopted this outline.

The detailed outline provides information on what to include in a Report. The level of detail required may also vary according to the complexity of the specific project. Reports should conform substantially to this detailed outline and otherwise be prepared and presented in a professional manner. Many funding agencies require that the document be developed by a Professional Engineer registered in the state or other jurisdiction where the project is to be constructed unless exempt from this requirement. Please check with applicable funding agencies to determine if the agencies require supplementary information beyond the scope of this outline.


Any preliminary design information must be written in accordance with the regulatory requirements of the state or territory where the project will be built.


Information provided in the Report may be used to process requests for funding. Completeness and accuracy are therefore essential for timely processing of an application. Please contact the appropriate state or federal funding agencies with any questions about development of the Report and applications for funding as early in the process as practicable.

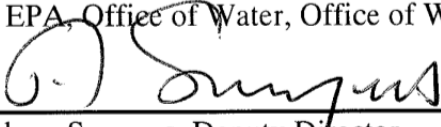
Questions about this document should be referred to the applicable state administering agency, regional office of the applicable federal agency, or to the following federal contacts:

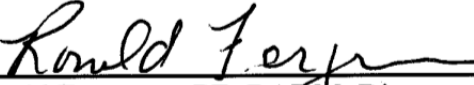
Agency	Contact	Email Address	Phone
USDA/RUS	Benjamin Shuman, PE	ben.shuman@wdc.usda.gov	202-720-1784
EPA/DWSRF	Kirsten Anderer, PE	anderer.kirsten@epa.gov	202-564-3134
EPA/CWSRF	Matt King	king.matt@epa.gov	202-564-2871
HUD	Stephen Rhodeside	stephen.m.rhodeside@hud.gov	202-708-1322
IHS	Dana Baer, PE	dana.baer@ihs.gov	301-443-1345


Sincerely,

 1/16/13
Jacqueline M. Ponti-Lazaruk, Assistant Administrator
USDA, Rural Development, Rural Utilities Service, Water and Environmental Programs

 01/16/13
Sheila Frace, Acting Deputy Director
US EPA, Office of Water, Office of Wastewater Management

 1/16/13
Andrew Sawyers, Deputy Director
US EPA, Director, Office of Water, Office of Ground Water and Drinking Water

 1/16/13
Ronald Ferguson, PE, RADM, Director
Division of Sanitation Facilities Construction, Indian Health Service

 1-16-13
Stanley Gimont, Director
Office of Block Grant Assistance, US Department of Housing and Urban Development

Attachment

WORKING GROUP CONTRIBUTORS

Federal Agency Partners	
USDA, Rural Development, Rural Utilities Service (Chair)	Benjamin Shuman, PE
EPA, Office of Water, Office of Ground Water and Drinking Water	Kirsten Anderer, PE
EPA, Office of Water, Office of Ground Water and Drinking Water	CAPT David Harvey, PE
EPA, Office of Water, Office of Wastewater Management	Matt King
EPA, Office of Water, Office of Wastewater Management	Joyce Hudson
EPA, Region 1	Carolyn Hayek
EPA, Region 9	Abimbola Odusoga
HUD, Office of Community Planning and Development	Stephen M. Rhodeside
HUD, Office of Community Planning and Development	Eva Fontheim
Indian Health Service	CAPT Dana Baer, PE
Indian Health Service	LCDR Charissa Williar, PE
USDA, Rural Development, Florida State Office	Michael Langston
USDA, Rural Development, Florida State Office	Steve Morris, PE

State Agency and Interagency Partners	
Arizona Water Infrastructure Finance Authority	Dean Moulis, PE
Border Environment Cooperation Commission	Joel Mora, PE
Colorado Department of Local Affairs	Barry Cress
Colorado Department of Public Health & Environment	Michael Beck
Colorado Department of Public Health & Environment	Bret Icenogle, PE
Georgia Office of Community Development	Steed Robinson
Idaho, Department of Environmental Quality	Tim Wendland
Indiana Finance Authority	Emma Kottlowski
Indiana Finance Authority	Shelley Love
Indiana Finance Authority	Amanda Rickard, PE
Kentucky Division of Water	Shafiq Amawi
Kentucky Department of Local Government	Jennifer Peters
Louisiana Department of Environmental Quality	Jonathan McFarland, PE
Maine Department of Health and Human Services	Norm Lamie, PE
Minnesota Pollution Control Agency	Amy Douville
Minnesota Pollution Control Agency	Corey Mathisen, PE
Missouri Department of Natural Resources	Cynthia Smith
Montana Department of Commerce	Kate Miller, PE
North Carolina Department of Commerce	Olivia Collier
North Carolina Rural Center	Keith Krzywicki, PE
North Carolina Department of Commerce	Vickie Miller, CPM
Rhode Island Department of Health	Gary Chobanian, PE
Rhode Island Department of Health	Geoffrey Marchant

ABBREVIATIONS

NEPA – National Environmental Policy Act

NPV – Net Present Value

O&M – Operations and Maintenance

OMB – Office of Management and Budget

Report – Preliminary Engineering Report

SPPW – Single Payment Present Worth

USPW – Uniform Series Present Worth

GENERAL OUTLINE OF A PRELIMINARY ENGINEERING REPORT

- 1) PROJECT PLANNING
 - a) Location
 - b) Environmental Resources Present
 - c) Population Trends
 - d) Community Engagement
- 2) EXISTING FACILITIES
 - a) Location Map
 - b) History
 - c) Condition of Existing Facilities
 - d) Financial Status of any Existing Facilities
 - e) Water/Energy/Waste Audits
- 3) NEED FOR PROJECT
 - a) Health, Sanitation, and Security
 - b) Aging Infrastructure
 - c) Reasonable Growth
- 4) ALTERNATIVES CONSIDERED
 - a) Description
 - b) Design Criteria
 - c) Map
 - d) Environmental Impacts
 - e) Land Requirements
 - f) Potential Construction Problems
 - g) Sustainability Considerations
 - i) Water and Energy Efficiency
 - ii) Green Infrastructure
 - iii) Other
 - h) Cost Estimates
- 5) SELECTION OF AN ALTERNATIVE
 - a) Life Cycle Cost Analysis
 - b) Non-Monetary Factors
- 6) PROPOSED PROJECT (RECOMMENDED ALTERNATIVE)
 - a) Preliminary Project Design
 - b) Project Schedule
 - c) Permit Requirements
 - d) Sustainability Considerations
 - i) Water and Energy Efficiency
 - ii) Green Infrastructure

- iii) Other
- e) Total Project Cost Estimate (Engineer's Opinion of Probable Cost)
- f) Annual Operating Budget
 - i) Income
 - ii) Annual O&M Costs
 - iii) Debt Repayments
 - iv) Reserves

7) CONCLUSIONS AND RECOMMENDATIONS

DETAILED OUTLINE OF A PRELIMINARY ENGINEERING REPORT

1) PROJECT PLANNING

Describe the area under consideration. Service may be provided by a combination of central, cluster, and/or centrally managed individual facilities. The description should include information on the following:

- a) Location. Provide scale maps and photographs of the project planning area and any existing service areas. Include legal and natural boundaries and a topographical map of the service area.
- b) Environmental Resources Present. Provide maps, photographs, and/or a narrative description of environmental resources present in the project planning area that affect design of the project. Environmental review information that has already been developed to meet requirements of NEPA or a state equivalent review process can be used here.
- c) Population Trends. Provide U.S. Census or other population data (including references) for the service area for at least the past two decades if available. Population projections for the project planning area and concentrated growth areas should be provided for the project design period. Base projections on historical records with justification from recognized sources.
- d) Community Engagement. Describe the utility's approach used (or proposed for use) to engage the community in the project planning process. The project planning process should help the community develop an understanding of the need for the project, the utility operational service levels required, funding and revenue strategies to meet these requirements, along with other considerations.

2) EXISTING FACILITIES

Describe each part (e.g. processing unit) of the existing facility and include the following information:

- a) Location Map. Provide a map and a schematic process layout of all existing facilities. Identify facilities that are no longer in use or abandoned. Include photographs of existing facilities.
- b) History. Indicate when major system components were constructed, renovated, expanded, or removed from service. Discuss any component failures and the cause for the failure. Provide a history of any applicable violations of regulatory requirements.
- c) Condition of Existing Facilities. Describe present condition; suitability for continued use; adequacy of current facilities; and their conveyance, treatment, storage, and disposal capabilities. Describe the existing capacity of each component. Describe and reference compliance with applicable federal, state, and local laws. Include a brief analysis of overall current energy consumption. Reference an asset management plan if applicable.

- d) Financial Status of any Existing Facilities. (Note: Some agencies require the owner to submit the most recent audit or financial statement as part of the application package.) Provide information regarding current rate schedules, annual O&M cost (with a breakout of current energy costs), other capital improvement programs, and tabulation of users by monthly usage categories for the most recent typical fiscal year. Give status of existing debts and required reserve accounts.
- e) Water/Energy/Waste Audits. If applicable to the project, discuss any water, energy, and/or waste audits which have been conducted and the main outcomes.

3) NEED FOR PROJECT

Describe the needs in the following order of priority:

- a) Health, Sanitation, and Security. Describe concerns and include relevant regulations and correspondence from/to federal and state regulatory agencies. Include copies of such correspondence as an attachment to the Report.
- b) Aging Infrastructure. Describe the concerns and indicate those with the greatest impact. Describe water loss, inflow and infiltration, treatment or storage needs, management adequacy, inefficient designs, and other problems. Describe any safety concerns.
- c) Reasonable Growth. Describe the reasonable growth capacity that is necessary to meet needs during the planning period. Facilities proposed to be constructed to meet future growth needs should generally be supported by additional revenues. Consideration should be given to designing for phased capacity increases. Provide number of new customers committed to this project.

4) ALTERNATIVES CONSIDERED

This section should contain a description of the alternatives that were considered in planning a solution to meet the identified needs. Documentation of alternatives considered is often a Report weakness. Alternative approaches to ownership and management, system design (including resource efficient or green alternatives), and sharing of services, including various forms of partnerships, should be considered. In addition, the following alternatives should be considered, if practicable: building new centralized facilities, optimizing the current facilities (no construction), developing centrally managed decentralized systems, including small cluster or individual systems, and developing an optimum combination of centralized and decentralized systems. Alternatives should be consistent with those considered in the NEPA, or state equivalent, environmental review. Technically infeasible alternatives that were considered should be mentioned briefly along with an explanation of why they are infeasible, but do not require full analysis. For each technically feasible alternative, the description should include the following information:

- a) Description. Describe the facilities associated with every technically feasible alternative. Describe source, conveyance, treatment, storage and distribution

facilities for each alternative. A feasible system may include a combination of centralized and decentralized (on-site or cluster) facilities.

- b) Design Criteria. State the design parameters used for evaluation purposes. These parameters should comply with federal, state, and agency design policies and regulatory requirements.
- c) Map. Provide a schematic layout map to scale and a process diagram if applicable. If applicable, include future expansion of the facility.
- d) Environmental Impacts. Provide information about how the specific alternative may impact the environment. Describe only those unique direct and indirect impacts on floodplains, wetlands, other important land resources, endangered species, historical and archaeological properties, etc., as they relate to each specific alternative evaluated. Include generation and management of residuals and wastes.
- e) Land Requirements. Identify sites and easements required. Further specify whether these properties are currently owned, to be acquired, leased, or have access agreements.
- f) Potential Construction Problems. Discuss concerns such as subsurface rock, high water table, limited access, existing resource or site impairment, or other conditions which may affect cost of construction or operation of facility.
- g) Sustainability Considerations. Sustainable utility management practices include environmental, social, and economic benefits that aid in creating a resilient utility.
 - i) Water and Energy Efficiency. Discuss water reuse, water efficiency, water conservation, energy efficient design (i.e. reduction in electrical demand), and/or renewable generation of energy, and/or minimization of carbon footprint, if applicable to the alternative. Alternatively, discuss the water and energy usage for this option as compared to other alternatives.
 - ii) Green Infrastructure. Discuss aspects of project that preserve or mimic natural processes to manage stormwater, if applicable to the alternative. Address management of runoff volume and peak flows through infiltration, evapotranspiration, and/or harvest and use, if applicable.
 - iii) Other. Discuss any other aspects of sustainability (such as resiliency or operational simplicity) that are incorporated into the alternative, if applicable.
- h) Cost Estimates. Provide cost estimates for each alternative, including a breakdown of the following costs associated with the project: construction, non-construction, and annual O&M costs. A construction contingency should be included as a non-construction cost. Cost estimates should be included with the descriptions of each technically feasible alternative. O&M costs should include a rough breakdown by O&M category (see example below) and not just a value for each alternative. Information from other sources, such as the recipient's accountant or other known technical service providers, can be incorporated to assist in the development of this section. The cost derived will be used in the life cycle cost analysis described in Section 5 a.

Example O&M Cost Estimate	
Personnel (i.e. Salary, Benefits, Payroll Tax, Insurance, Training)	
Administrative Costs (e.g. office supplies, printing, etc.)	
Water Purchase or Waste Treatment Costs	
Insurance	
Energy Cost (Fuel and/or Electrical)	
Process Chemical	
Monitoring & Testing	
Short Lived Asset Maintenance/Replacement*	
Professional Services	
Residuals Disposal	
Miscellaneous	
Total	

* See Appendix A for example list

5) SELECTION OF AN ALTERNATIVE

Selection of an alternative is the process by which data from the previous section, “Alternatives Considered” is analyzed in a systematic manner to identify a recommended alternative. The analysis should include consideration of both life cycle costs and non-monetary factors (i.e. triple bottom line analysis: financial, social, and environmental). If water reuse or conservation, energy efficient design, and/or renewable generation of energy components are included in the proposal provide an explanation of their cost effectiveness in this section.

- a) Life Cycle Cost Analysis. A life cycle present worth cost analysis (an engineering economics technique to evaluate present and future costs for comparison of alternatives) should be completed to compare the technically feasible alternatives. Do not leave out alternatives because of anticipated costs; let the life cycle cost analysis show whether an alternative may have an acceptable cost. This analysis should meet the following requirements and should be repeated for each technically feasible alternative. Several analyses may be required if the project has different aspects, such as one analysis for different types of collection systems and another for different types of treatment.
 1. The analysis should convert all costs to present day dollars;
 2. The planning period to be used is recommended to be 20 years, but may be any period determined reasonable by the engineer and concurred on by the state or federal agency;
 3. The discount rate to be used should be the “real” discount rate taken from Appendix C of OMB circular A-94 and found at (www.whitehouse.gov/omb/circulars/a094/a94_appx-c.html);
 4. The total capital cost (construction plus non-construction costs) should be included;

5. Annual O&M costs should be converted to present day dollars using a uniform series present worth (USPW) calculation;
6. The salvage value of the constructed project should be estimated using the anticipated life expectancy of the constructed items using straight line depreciation calculated at the end of the planning period and converted to present day dollars;
7. The present worth of the salvage value should be subtracted from the present worth costs;
8. The net present value (NPV) is then calculated for each technically feasible alternative as the sum of the capital cost (C) plus the present worth of the uniform series of annual O&M (USPW (O&M)) costs minus the single payment present worth of the salvage value (SPPW(S)):

$$NPV = C + USPW (O\&M) - SPPW (S)$$

9. A table showing the capital cost, annual O&M cost, salvage value, present worth of each of these values, and the NPV should be developed for state or federal agency review. All factors (major and minor components), discount rates, and planning periods used should be shown within the table;
10. Short lived asset costs (See Appendix A for examples) should also be included in the life cycle cost analysis if determined appropriate by the consulting engineer or agency. Life cycles of short lived assets should be tailored to the facilities being constructed and be based on generally accepted design life. Different features in the system may have varied life cycles.

- b) Non-Monetary Factors. Non-monetary factors, including social and environmental aspects (e.g. sustainability considerations, operator training requirements, permit issues, community objections, reduction of greenhouse gas emissions, wetland relocation) should also be considered in determining which alternative is recommended and may be factored into the calculations.

6) PROPOSED PROJECT (RECOMMENDED ALTERNATIVE)

The engineer should include a recommendation for which alternative(s) should be implemented. This section should contain a fully developed description of the proposed project based on the preliminary description under the evaluation of alternatives. Include a schematic for any treatment processes, a layout of the system, and a location map of the proposed facilities. At least the following information should be included as applicable to the specific project:

- a) Preliminary Project Design.

- i) Drinking Water:

Water Supply. Include requirements for quality and quantity. Describe recommended source, including site and allocation allowed.

Treatment. Describe process in detail (including whether adding, replacing, or rehabilitating a process) and identify location of plant and site of any process discharges. Identify capacity of treatment plant (i.e. Maximum Daily Demand).

Storage. Identify size, type and location.

Pumping Stations. Identify size, type, location and any special power requirements. For rehabilitation projects, include description of components upgraded.

Distribution Layout. Identify general location of new pipe, replacement, or rehabilitation: lengths, sizes and key components.

ii) Wastewater/Reuse:

Collection System/Reclaimed Water System Layout. Identify general location of new pipe, replacement or rehabilitation: lengths, sizes, and key components.

Pumping Stations. Identify size, type, site location, and any special power requirements. For rehabilitation projects, include description of components upgraded.

Storage. Identify size, type, location and frequency of operation.

Treatment. Describe process in detail (including whether adding, replacing, or rehabilitating a process) and identify location of any treatment units and site of any discharges (end use for reclaimed water). Identify capacity of treatment plant (i.e. Average Daily Flow).

iii) Solid Waste:

Collection. Describe process in detail and identify quantities of material (in both volume and weight), length of transport, location and type of transfer facilities, and any special handling requirements.

Storage. If any, describe capacity, type, and site location.

Processing. If any, describe capacity, type, and site location.

Disposal. Describe process in detail and identify permit requirements, quantities of material, recycling processes, location of plant, and site of any process discharges.

iv) Stormwater:

Collection System Layout. Identify general location of new pipe, replacement or rehabilitation: lengths, sizes, and key components.

Pumping Stations. Identify size, type, location, and any special power requirements.

Treatment. Describe treatment process in detail. Identify location of treatment facilities and process discharges. Capacity of treatment process should also be addressed.

Storage. Identify size, type, location and frequency of operation.

Disposal. Describe type of disposal facilities and location.

Green Infrastructure. Provide the following information for green infrastructure alternatives:

- **Control Measures Selected**. Identify types of control measures selected (e.g., vegetated areas, planter boxes, permeable pavement, rainwater cisterns).
- **Layout**: Identify placement of green infrastructure control measures, flow paths, and drainage area for each control measure.
- **Sizing**: Identify surface area and water storage volume for each green infrastructure control measure. Where applicable, soil infiltration rate, evapotranspiration rate, and use rate (for rainwater harvesting) should also be addressed.
- **Overflow**: Describe overflow structures and locations for conveyance of larger precipitation events.

- b) Project Schedule. Identify proposed dates for submittal and anticipated approval of all required documents, land and easement acquisition, permit applications, advertisement for bids, loan closing, contract award, initiation of construction, substantial completion, final completion, and initiation of operation.
- c) Permit Requirements. Identify any construction, discharge and capacity permits that will/may be required as a result of the project.
- d) Sustainability Considerations (if applicable).
- i) Water and Energy Efficiency. Describe aspects of the proposed project addressing water reuse, water efficiency, and water conservation, energy efficient design, and/or renewable generation of energy, if incorporated into the selected alternative.
- ii) Green Infrastructure. Describe aspects of project that preserve or mimic natural processes to manage stormwater, if applicable to the selected alternative. Address management of runoff volume and peak flows through infiltration, evapotranspiration, and/or harvest and use, if applicable.
- iii) Other. Describe other aspects of sustainability (such as resiliency or operational simplicity) that are incorporated into the selected alternative, if incorporated into the selected alternative.
- e) Total Project Cost Estimate (Engineer's Opinion of Probable Cost). Provide an itemized estimate of the project cost based on the stated period of construction. Include construction, land and right-of-ways, legal, engineering, construction program management, funds administration, interest, equipment, construction contingency, refinancing, and other costs associated with the proposed project. The construction subtotal should be separated out from the non-construction costs. The non-construction subtotal should be included and added to the

construction subtotal to establish the total project cost. An appropriate construction contingency should be added as part of the non-construction subtotal. For projects containing both water and waste disposal systems, provide a separate cost estimate for each system as well as a grand total. If applicable, the cost estimate should be itemized to reflect cost sharing including apportionment between funding sources. The engineer may rely on the owner for estimates of cost for items other than construction, equipment, and engineering.

- f) Annual Operating Budget. Provide itemized annual operating budget information. The owner has primary responsibility for the annual operating budget, however, there are other parties that may provide technical assistance. This information will be used to evaluate the financial capacity of the system. The engineer will incorporate information from the owner's accountant and other known technical service providers.
- i) Income. Provide information about all sources of income for the system including a proposed rate schedule. Project income realistically for existing and proposed new users separately, based on existing user billings, water treatment contracts, and other sources of income. In the absence of historic data or other reliable information, for budget purposes, base water use on 100 gallons per capita per day. Water use per residential connection may then be calculated based on the most recent U.S. Census, American Community Survey, or other data for the state or county of the average household size. When large agricultural or commercial users are projected, the Report should identify those users and include facts to substantiate such projections and evaluate the impact of such users on the economic viability of the project.
- ii) Annual O&M Costs. Provide an itemized list by expense category and project costs realistically. Provide projected costs for operating the system as improved. In the absence of other reliable data, base on actual costs of other existing facilities of similar size and complexity. Include facts in the Report to substantiate O&M cost estimates. Include personnel costs, administrative costs, water purchase or treatment costs, accounting and auditing fees, legal fees, interest, utilities, energy costs, insurance, annual repairs and maintenance, monitoring and testing, supplies, chemicals, residuals disposal, office supplies, printing, professional services, and miscellaneous as applicable. Any income from renewable energy generation which is sold back to the electric utility should also be included, if applicable. If applicable, note the operator grade needed.
- iii) Debt Repayments. Describe existing and proposed financing with the estimated amount of annual debt repayments from all sources. All estimates of funding should be based on loans, not grants.
- iv) Reserves. Describe the existing and proposed loan obligation reserve requirements for the following:

Debt Service Reserve – For specific debt service reserve requirements consult with individual funding sources. If General Obligation bonds are proposed to be used as loan security, this section may be omitted, but this should be clearly stated if it is the case.

Short-Lived Asset Reserve – A table of short lived assets should be included for the system (See Appendix A for examples). The table should include the asset, the expected year of replacement, and the anticipated cost of each. Prepare a recommended annual reserve deposit to fund replacement of short-lived assets, such as pumps, paint, and small equipment. Short-lived assets include those items not covered under O&M, however, this does not include facilities such as a water tank or treatment facility replacement that are usually funded with long-term capital financing.

7. CONCLUSIONS AND RECOMMENDATIONS

Provide any additional findings and recommendations that should be considered in development of the project. This may include recommendations for special studies, highlighting of the need for special coordination, a recommended plan of action to expedite project development, and any other necessary considerations.

Appendix A: Example List of Short-Lived Asset Infrastructure

Estimated Repair, Rehab, Replacement Expenses by Item within up to 20 Years from Installation)	
Drinking Water Utilities	Wastewater Utilities
Source Related Pumps Pump Controls Pump Motors Telemetry Intake/ Well screens Water Level Sensors Pressure Transducers	Treatment Related Pump Pump Controls Pump Motors Chemical feed pumps Membrane Filters Fibers Field & Process Instrumentation Equipment UV lamps Centrifuges Aeration blowers Aeration diffusers and nozzles Trickling filters, RBCs, etc. Belt presses & driers Sludge Collecting and Dewatering Equipment Level Sensors Pressure Transducers Pump Controls Back-up power generator Chemical Leak Detection Equipment Flow meters SCADA Systems
Treatment Related Chemical feed pumps Altitude Valves Valve Actuators Field & Process Instrumentation Equipment Granular filter media Air compressors & control units Pumps Pump Motors Pump Controls Water Level Sensors Pressure Transducers Sludge Collection & Dewatering UV Lamps Membranes Back-up power generators Chemical Leak Detection Equipment Flow meters SCADA Systems	Collection System Related Pump Pump Controls Pump Motors Trash racks/bar screens Sewer line rodding equipment Air compressors Vaults, lids, and access hatches Security devices and fencing Alarms & Telemetry Chemical Leak Detection Equipment
Distribution System Related Residential and Small Commercial Meters Meter boxes Hydrants & Blow offs Pressure reducing valves Cross connection control devices Altitude valves Alarms & Telemetry Vaults, lids, and access hatches Security devices and fencing Storage reservoir painting/patching	

SHORT FORM OF AGREEMENT BETWEEN OWNER AND ENGINEER FOR PROFESSIONAL SERVICES

THIS IS AN AGREEMENT effective as of **April 22, 2024** ("Effective Date") between the **Town of Silverton** ("Owner") and **Element Engineering, LLC** ("Engineer").

Owner's Project, of which Engineer's services under this Agreement are a part, is generally identified as follows: **Water Reclamation Facility USDA Preliminary Engineering Report** ("Project").

Engineer's services under this Agreement are generally identified as follows: **Compilation of a Preliminary Engineering Report and supporting services to study required improvements to the Town of Silverton's existing wastewater treatment facility. See attachment 2 for a Scope of Services.** ("Services").

Owner and Engineer further agree as follows:

1.01 *Basic Agreement and Period of Service*

- A. Engineer shall provide or furnish the Services set forth in this Agreement. If authorized by Owner, or if required because of changes in the Project, Engineer shall furnish services in addition to those set forth above ("Additional Services").
- B. Engineer shall complete its Services within the following specific time period: ***[Here insert any specific completion date, or the time for completion in days, weeks, or months from the Effective Date]***. If no specific time period is indicated, Engineer shall complete its Services within a reasonable period of time.
- C. If, through no fault of Engineer, such periods of time or dates are changed, or the orderly and continuous progress of Engineer's Services is impaired, or Engineer's Services are delayed or suspended, then the time for completion of Engineer's Services, and the rates and amounts of Engineer's compensation, shall be adjusted equitably.

2.01 *Payment Procedures*

- A. ***Invoices:*** Engineer shall prepare invoices in accordance with its standard invoicing practices and submit the invoices to Owner on a monthly basis. Invoices are due and payable within 30 days of receipt. If Owner fails to make any payment due Engineer for Services, Additional Services, and expenses within 60 days after receipt of Engineer's invoice, then (1) the amounts due Engineer will be increased at the rate of 1.0% per month (or the maximum rate of interest permitted by law, if less) from said thirtieth day, and (2) in addition Engineer may, after giving seven days written notice to Owner, suspend Services under this Agreement until Engineer has been paid in full all amounts due for Services, Additional Services, expenses, and other related charges. Owner waives any and all claims against Engineer for any such suspension.
- B. ***Payment:*** As compensation for Engineer providing or furnishing Services and Additional Services, Owner shall pay Engineer as set forth in Paragraphs 2.01, 2.02 (Services), and 2.03 (Additional Services). If Owner disputes an invoice, either as to amount or entitlement, then Owner shall promptly advise Engineer in

writing of the specific basis for doing so, may withhold only that portion so disputed, and must pay the undisputed portion.

2.02 *Basis of Payment—Hourly Rates Plus Reimbursable Expenses*

A. Owner shall pay Engineer for Services as follows:

1. An amount equal to the cumulative hours charged to the Project by each class of Engineer's employees times standard hourly rates for each applicable billing class, plus reimbursement of expenses incurred in connection with providing the Services and Engineer's consultants' charges, if any.
2. Engineer's Standard Hourly Rates are attached as Appendix 1.
3. The total compensation for Services and reimbursable expenses is estimated to be **\$18,500**.

2.03 *Additional Services:* For Additional Services, Owner shall pay Engineer an amount equal to the cumulative hours charged in providing the Additional Services by each class of Engineer's employees, times standard hourly rates for each applicable billing class; plus reimbursement of expenses incurred in connection with providing the Additional Services and Engineer's consultants' charges, if any. Engineer's standard hourly rates are attached as Appendix 1.

3.01 *Termination*

A. The obligation to continue performance under this Agreement may be terminated:

1. For cause,
 - a. By either party upon 30 days written notice in the event of substantial failure by the other party to perform in accordance with the Agreement's terms through no fault of the terminating party. Failure to pay Engineer for its services is a substantial failure to perform and a basis for termination.
 - b. By Engineer:
 - 1) upon seven days written notice if Owner demands that Engineer furnish or perform services contrary to Engineer's responsibilities as a licensed professional; or
 - 2) upon seven days written notice if the Engineer's Services are delayed for more than 90 days for reasons beyond Engineer's control, or as the result of the presence at the Site of undisclosed Constituents of Concern, as set forth in Paragraph 5.01.I.
 - c. Engineer shall have no liability to Owner on account of a termination for cause by Engineer.
 - d. Notwithstanding the foregoing, this Agreement will not terminate as a result of a substantial failure under Paragraph 3.01.A.1.a if the party receiving such notice begins, within seven days of receipt of such notice, to correct its substantial failure to perform and proceeds diligently to cure such failure within no more than 30 days of receipt of notice; provided, however, that if and to the extent such substantial failure cannot be reasonably cured within such 30 day period, and if such

party has diligently attempted to cure the same and thereafter continues diligently to cure the same, then the cure period provided for herein shall extend up to, but in no case more than, 60 days after the date of receipt of the notice.

2. For convenience, by Owner effective upon Engineer's receipt of written notice from Owner.

- B. In the event of any termination under Paragraph 3.01, Engineer will be entitled to invoice Owner and to receive full payment for all Services and Additional Services performed or furnished in accordance with this Agreement, plus reimbursement of expenses incurred through the effective date of termination in connection with providing the Services and Additional Services, and Engineer's consultants' charges, if any.

4.01 *Successors, Assigns, and Beneficiaries*

- A. Owner and Engineer are hereby bound and the successors, executors, administrators, and legal representatives of Owner and Engineer (and to the extent permitted by Paragraph 4.01.B the assigns of Owner and Engineer) are hereby bound to the other party to this Agreement and to the successors, executors, administrators, and legal representatives (and said assigns) of such other party, in respect of all covenants, agreements, and obligations of this Agreement.
- B. Neither Owner nor Engineer may assign, sublet, or transfer any rights under or interest (including, but without limitation, money that is due or may become due) in this Agreement without the written consent of the other party, except to the extent that any assignment, subletting, or transfer is mandated by law. Unless specifically stated to the contrary in any written consent to an assignment, no assignment will release or discharge the assignor from any duty or responsibility under this Agreement.
- C. Unless expressly provided otherwise, nothing in this Agreement shall be construed to create, impose, or give rise to any duty owed by Owner or Engineer to any Constructor, other third-party individual or entity, or to any surety for or employee of any of them. All duties and responsibilities undertaken pursuant to this Agreement will be for the sole and exclusive benefit of Owner and Engineer and not for the benefit of any other party.

5.01 *General Considerations*

- A. The standard of care for all professional engineering and related services performed or furnished by Engineer under this Agreement will be the care and skill ordinarily used by members of the subject profession practicing under similar circumstances at the same time and in the same locality. Engineer makes no warranties, express or implied, under this Agreement or otherwise, in connection with any services performed or furnished by Engineer. Subject to the foregoing standard of care, Engineer and its consultants may use or rely upon design elements and information ordinarily or customarily furnished by others, including, but not limited to, specialty contractors, manufacturers, suppliers, and the publishers of technical standards.
- B. Engineer shall not at any time supervise, direct, control, or have authority over any Constructor's work, nor shall Engineer have authority over or be responsible for the means, methods, techniques, sequences, or procedures of construction selected or used by any Constructor, or the safety precautions and programs incident thereto, for security or safety at the Project site, nor for any failure of a Constructor to comply with laws and regulations applicable to such Constructor's furnishing and performing of its work. Engineer shall not be responsible for the acts or omissions of any Constructor.

- C. Engineer neither guarantees the performance of any Constructor nor assumes responsibility for any Constructor's failure to furnish and perform its work.
- D. Engineer's opinions (if any) of probable construction cost are to be made on the basis of Engineer's experience, qualifications, and general familiarity with the construction industry. However, because Engineer has no control over the cost of labor, materials, equipment, or services furnished by others, or over contractors' methods of determining prices, or over competitive bidding or market conditions, Engineer cannot and does not guarantee that proposals, bids, or actual construction cost will not vary from opinions of probable construction cost prepared by Engineer. If Owner requires greater assurance as to probable construction cost, then Owner agrees to obtain an independent cost estimate.
- E. Engineer shall not be responsible for any decision made regarding the construction contract requirements, or any application, interpretation, clarification, or modification of the construction contract documents other than those made by Engineer or its consultants.
- F. All documents prepared or furnished by Engineer are instruments of service, and Engineer retains an ownership and property interest (including the copyright and the right of reuse) in such documents, whether or not the Project is completed. Owner shall have a limited license to use the documents on the Project, extensions of the Project, and for related uses of the Owner, subject to receipt by Engineer of full payment due and owing for all Services and Additional Services relating to preparation of the documents and subject to the following limitations:
 - 1. Owner acknowledges that such documents are not intended or represented to be suitable for use on the Project unless completed by Engineer, or for use or reuse by Owner or others on extensions of the Project, on any other project, or for any other use or purpose, without written verification or adaptation by Engineer;
 - 2. any such use or reuse, or any modification of the documents, without written verification, completion, or adaptation by Engineer, as appropriate for the specific purpose intended, will be at Owner's sole risk and without liability or legal exposure to Engineer or to its officers, directors, members, partners, agents, employees, and consultants;
 - 3. Owner shall indemnify and hold harmless Engineer and its officers, directors, members, partners, agents, employees, and consultants from all claims, damages, losses, and expenses, including attorneys' fees, arising out of or resulting from any use, reuse, or modification of the documents without written verification, completion, or adaptation by Engineer; and
 - 4. such limited license to Owner shall not create any rights in third parties.
- G. Owner and Engineer may transmit, and shall accept, Project-related correspondence, documents, text, data, drawings, information, and graphics, in electronic media or digital format, either directly, or through access to a secure Project website, in accordance with a mutually agreeable protocol.
- H. To the fullest extent permitted by law, Owner and Engineer (1) waive against each other, and the other's employees, officers, directors, members, agents, insurers, partners, and consultants, any and all claims for or entitlement to special, incidental, indirect, or consequential damages arising out of, resulting from, or in any way related to this Agreement or the Project, and (2) agree that Engineer's total liability to Owner

under this Agreement shall be limited to \$100,000 or the total amount of compensation received by Engineer, whichever is greater.

- I. The parties acknowledge that Engineer's Services do not include any services related to unknown or undisclosed Constituents of Concern. If Engineer or any other party encounters, uncovers, or reveals an unknown or undisclosed Constituent of Concern, then Engineer may, at its option and without liability for consequential or any other damages, suspend performance of Services on the portion of the Project affected thereby until such portion of the Project is no longer affected, or terminate this Agreement for cause if it is not practical to continue providing Services.
- J. Owner and Engineer agree to negotiate each dispute between them in good faith during the 30 days after notice of dispute. If negotiations are unsuccessful in resolving the dispute, then the dispute shall be mediated. If mediation is unsuccessful, then the parties may exercise their rights at law.
- K. This Agreement is to be governed by the law of the state in which the Project is located.
- L. Engineer's Services and Additional Services do not include: (1) serving as a "municipal advisor" for purposes of the registration requirements of Section 975 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (2010) or the municipal advisor registration rules issued by the Securities and Exchange Commission; (2) advising Owner, or any municipal entity or other person or entity, regarding municipal financial products or the issuance of municipal securities, including advice with respect to the structure, timing, terms, or other similar matters concerning such products or issuances; (3) providing surety bonding or insurance-related advice, recommendations, counseling, or research, or enforcement of construction insurance or surety bonding requirements; or (4) providing legal advice or representation.

6.01 *Total Agreement*

- A. This Agreement (including any expressly incorporated attachments), constitutes the entire agreement between Owner and Engineer and supersedes all prior written or oral understandings. This Agreement may only be amended, supplemented, modified, or canceled by a duly executed written instrument.

7.01 *Definitions*

- A. *Constructor*—Any person or entity (not including the Engineer, its employees, agents, representatives, and consultants), performing or supporting construction activities relating to the Project, including but not limited to contractors, subcontractors, suppliers, Owner's work forces, utility companies, construction managers, testing firms, shippers, and truckers, and the employees, agents, and representatives of any or all of them.
- B. *Constituent of Concern*—Asbestos, petroleum, radioactive material, polychlorinated biphenyls (PCBs), hazardous waste, and any substance, product, waste, or other material of any nature whatsoever that is or becomes listed, regulated, or addressed pursuant to (a) the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. §§9601 et seq. ("CERCLA"); (b) the Hazardous Materials Transportation Act, 49 U.S.C. §§5101 et seq.; (c) the Resource Conservation and Recovery Act, 42 U.S.C. §§6901 et seq. ("RCRA"); (d) the Toxic Substances Control Act, 15 U.S.C. §§2601 et seq.; (e) the Clean Water Act, 33 U.S.C. §§1251 et seq.; (f) the Clean Air Act, 42 U.S.C. §§7401 et seq.; or (g) any other federal, State, or local statute, law, rule, regulation, ordinance, resolution, code, order, or decree regulating,

relating to, or imposing liability or standards of conduct concerning, any hazardous, toxic, or dangerous waste, substance, or material.

8.01 *Attachments:*

- A. Appendix 1, Engineer's Standard Hourly Rates
- B. Scope of Services Letter

IN WITNESS WHEREOF, the parties hereto have executed this Agreement, the Effective Date of which is indicated on page 1.

Owner: **Town of Silverton**

Engineer: **Element Engineering, LLC**

By: _____
Print name: _____
Title: _____
Date Signed: _____

By: _____
Print name: **Nicholaus P. Marcotte, P.E.**
Title: **President**
Date Signed: **April 22, 2024**

Engineer License or Firm's Certificate No. (if required):

CO PE 47164

State of: **Colorado**

Address for Owner's receipt of notices:

**Town of Silverton
PO Box 250
1450 Greene Street
Silverton, CO 81433**

Address for Engineer's receipt of notices:

**Element Engineering, LLC
12687 West Cedar Drive, Suite 300
Lakewood, CO 80228**

This is **Appendix 1, Engineer's Standard Hourly Rates**, referred to in and part of the Short Form of Agreement between Owner and Engineer for Professional Services dated **April 22, 2024**.

Engineer's Standard Hourly Rates

A. Standard Hourly Rates:

1. Standard Hourly Rates are set forth in this Appendix 1 and include salaries and wages paid to personnel in each billing class plus the cost of customary and statutory benefits, general and administrative overhead, non-project operating costs, and operating margin or profit.
2. The Standard Hourly Rates apply only as specified in Paragraphs 2.01, 2.02, and 2.03, and are subject to annual review and adjustment.

B. Schedule of Hourly Rates:

Billing Class	Rate
Principal	\$160.00
Project Manager	\$160.00
Project Engineer	\$140.00
Design Engineer (CADD)	\$130.00
Construction Manager	\$160.00
Construction Observer	\$120.00
Office Assistant	\$65.00
Prints/Copies	At Cost
Mileage	Prevailing Fed Rate
Travel Time	At Cost
Sub-Consultants	At Cost

SRF Planning Grant

Reilley - CDPHE, Erin <erin.reilley@state.co.us>

Mon 10/23/2023 2:31 PM

To: Gloria Kaasch-Buerger <gkaasch-buerger@silverton.co.us>; John Sites <jsites@silverton.co.us>

Hello Gloria and John,

As discussed in your Pre-Qualification Meeting, the Town of Silverton is eligible for a \$10,000 planning grant to defray costs associated with your Project Needs Assessment or Environmental Determination for your SRF project.

If you would like to move forward with this grant, please reply with your Federal Employer Identification Number (FEIN).

If you do not wish to move forward with the grant, please reply as such to this email.

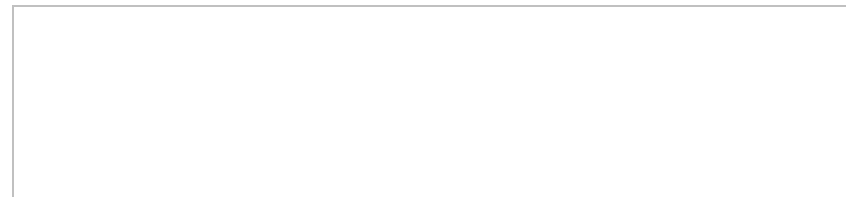
Grant Parameters

- Expenses are reimbursed at 80% of costs incurred up to, and including receipt of the PNA and subsequent requests for information.
- Requires 20% match from the applicant.
- Requires \$12,500 in eligible expenses to maximize the use of the full \$10,000 grant.
- The grant will only reimburse for costs incurred after the contract execution date.

Best,

Erin Reilley
Project Manager

she/her/hers



Ph: (303) 692-2847

erin.reilley@state.co.us | www.colorado.gov/cdphe/wqcd



AGENDA MEMO

SUBJECT: Southwest Basin Roundtable Appointment
STAFF CONTACT: Gloria Kaasch-Buerger
MEETING DATE: May 13, 2024

Overview:

The Town Administrator was contacted by the [Southwest Basin Roundtable](#) Chair informing her that the town should pick a new representative to attend the quarterly meetings.

Nine basin roundtables were established to represent each of Colorado's eight major river basins and the Denver metropolitan area. Together, the basin roundtables bring more than 300 citizens representing diverse interests including recreation, environmental, agricultural, industrial and domestic water needs.

At their quarterly meetings in either Durango or Cortez, 40 members of our local roundtable come from all over southwestern Colorado to provide input into the water plan, arrive at consensus on difficult issues, and approve state funding for area projects.

The Southwest Basin is located in the southwest corner of Colorado and covers an area of approximately 10,169 square miles. The largest cities within the basin are Durango (pop. 15,213) and Cortez (pop. 8,328). The region also includes five ski areas: Telluride, Wolf Creek, Durango Mountain Resort, Kendall Mountain, and Hesperus. The Southwest Basin is projected to increase in municipal and industrial (M&I) water demand between 17,000 acre feet (AF) and 27,000 AF by 2050 with passive conservation included.

Anthony Edwards no longer has the capacity to serve in this role. The Trustees are being asked to assign a new representative. The Town Administrator recommends appointing Steve Mead, Public Works Administrative Coordinator, as the representative since he is dealing directly with water rights for Silverton as part of his job duties.

Budget Impact:

None

Attachments:

- Email from Southwest Basin Roundtable Chair

Master Plan Priority:

Environment and Natural Assets: Strategy B: Create the capacity & Foundation for Collaborative Conservation and Long-Term Management: no specific action item.

Suggested Motion or Direction:

Motion to appoint Steve Mead, Public Works Administrative Coordinator, to serve as the Town of Silverton's Representative on the Southwest Basin Roundtable.

Southwest Basins Roundtable Representative

Edward Tolen <etolen@laplawd.org>

Fri 5/3/2024 8:52 AM

To: Gloria Kaasch-Buerger <gkaasch-buerger@silverton.co.us>

Ms. Kaasch-Buerger,

My name is Edward Tolen and I am the Chairman of the Southwest Basins Roundtable. The roundtables were established by House Bill 05-177, also known as the Colorado Water for the 21st Century Act. The roundtables were created to facilitate discussions on water management issues and encourage locally driven collaborative solutions. They were established to represent each of the state's eight major river basins and the Denver metropolitan area. The diversity of roundtable membership broadens the range of stakeholders who are actively participating in Colorado's water decisions.

In addition to creating the roundtables, the legislation also dictated some of the criteria for appointing members. In respect to municipal entities the legislation stated the following:

One municipal member for each County located in whole or in part within the Basin Roundtable, who shall be appointed jointly by the governing bodies of all municipalities within that portion of the County that is located within the Roundtable.

The current listed municipal member from San Juan County is Anthony Edwards. To my knowledge, Mr. Edwards has not been participating on the roundtable. Any emails that we have sent have been returned as undeliverable. If Mr. Edwards is still the designated representative, please have him contact me so that we can get updated contact information. If he is no longer the representative, please let me know if the San Juan County municipalities, which I believe is only the Town of Silverton, would like to appoint someone as their representative.

The Southwest Basins Roundtable holds quarterly meetings in January, April, July, and October in-person and via Zoom.

Please feel free to contact me if you have any questions.

Thanks,

Edward Tolen
Southwest Basins Roundtable Chair
970-442-1303
etolen@laplawd.org

May 13, 2024

5. Consent Agenda

The Consent Agenda's purpose is to group routine meeting discussion points into a single action item. If Trustees would like to pull an item from this agenda for discussion to amend or deny this can take place at the beginning of the meeting during agenda item #1 Staff and/or Board Revisions to the Agenda.

Typical items found in the consent agenda:

1. Payroll report (for transparency)
2. Meeting Minutes
3. Accounts payable (for transparency)
4. Sales Tax (for transparency)
5. YTD Actuals (for transparency)
6. Renewal Licenses
7. Special Event Applications for established events
8. Contracts

Suggested Motion:

Motion to approve the consent agenda items.

Statistical Summary

Company: Z9X - Town of Silverton Service Center: 0075 Northern California Status: Cycle Complete
 Week#: 18 Pay Date: 05/03/2024 P/E Date: 04/27/2024
 Qtr/Year: 2/2024 Run Time/Date: 17:09:42 PM EDT 04/30/2024

Taxes Debited	Federal Income Tax	3,829.02
	Earned Income Credit Advances	0.00
	Social Security - EE	2,857.47
	Social Security - ER	2,857.45
	Social Security Adj - EE	0.00
	Medicare - EE	668.29
	Medicare - ER	668.27
	Medicare Adj - EE	0.00
	Medicare Surtax - EE	0.00
	Medicare Surtax Adj - EE	0.00
	Federal Unemployment Tax	0.00
	FMLA-PSL Payments Credit	0.00
	FMLA-PSL ER FICA Credit	0.00
	FMLA-PSL Health Care Premium Credit	0.00
	Employee Retention Qualified Payments Credit	0.00
	Employee Retention Qualified Health Care Credit	0.00
	COBRA Premium Assistance Payments	0.00
	State Income Tax	1,713.32
	Non Resident State Income Tax	0.00
	State Unemployment Insurance - EE	0.00
	State Unemployment Insurance Adj - EE	0.00
	State Disability Insurance - EE	0.00
	State Disability Insurance Adj - EE	0.00
	State Unemployment/Disability Ins - ER	70.55
	State Family Leave Insurance - EE	0.00
	State Family Leave Insurance - ER	0.00
	State Family Leave Insurance Adj - EE	0.00
	State Medical Leave Insurance - EE	0.00
	State Medical Leave Insurance - ER	0.00
	State Medical Leave Insurance Adj - EE	0.00
	State Cares Fund - EE	0.00
	Transit Tax - EE	0.00
	Workers' Benefit Fund Assessment - EE	0.00
	Workers' Benefit Fund Assessment - ER	0.00
	Local Income Tax	0.00
	School District Tax	0.00
	Total Taxes Debited	12,664.37
Other Transfers	ADP Check Acct. No. XXXXXXXXX8915Tran/ABAXXXXXXXX	127.87
	Full Service Direct Deposit Acct.	35,798.01

Total Liability

Statistical Summary

Total Amount Debited From Your Account		48,590.25	48,590.25
Bank Debits & Other Liability	Adjustments/Prepay/Voids	0.00	48,590.25
Taxes- Your Responsibility	None this payroll		48,590.25

Statistical Summary - Statistics

Company:Z9X - Town of Silverton
 Week#:18
 Qtr/Year:2/2024

Service Center:0075 Northern California
 Pay Date:05/03/2024
 Run Time/Date:17:09:42 PM EDT 04/30/2024

Status:Cycle Complete
 P/E Date:04/27/2024

Statistics	Amount	Number of Pays
Gross Pay	46,147.04	
Vouchers		
eVouchers		32
Checks (A)	127.87	1
Direct Deposits (B)	35,798.01	30
Adjustments/Prepay/Voids (C)	0.00	
Net Payroll (A + C)	127.87	
Net Cash (A + B)	35,925.88	
Net Pay Liability (A + B + C)	35,925.88	
Other Transfers (D)	35,925.88	
Taxes - debited from your account (E)	12,664.37	
Total Amount Debited from your Account (D + E)	48,590.25	
Taxes - your responsibility (F)	0.00	
Company Liability (C + D + E + F)	48,590.25	
Net Cash pays 1,000.00 or more		18
Flagged Pays		10

Statistical Summary - Federal Taxes

Company:Z9X - Town of Silverton
 Week#:18
 Qtr/Year:2/2024

Service Center:0075 Northern California
 Pay Date:05/03/2024
 Run Time/Date:17:09:42 PM EDT 04/30/2024

Status:Cycle Complete
 P/E Date:04/27/2024

Federal Tax Type	EE Withheld	ER Contribution	EE Taxable Amount	ER Taxable Amount
Federal Income Tax	3,829.02		44,993.98	
Social Security	2,857.47	2,857.45	46,087.88	46,087.88
Medicare	668.29	668.27	46,087.88	46,087.88
FMLA-PSL Payments Credit		0.00		
FMLA-PSL ER FICA Credit		0.00		
FMLA-PSL Health Care Premium Credit		0.00		
Employee Retention Qualified Payments Credit		0.00		
Employee Retention Qualified Health Care Credit		0.00		
COBRA Premium Assistance Amount		0.00		

Statistical Summary - State Taxes

Company:Z9X - Town of Silverton
Week#:18
Qtr/Year:2/2024

Service Center:0075 Northern California
Pay Date:05/03/2024
Run Time/Date:17:09:42 PM EDT 04/30/2024

Status:Cycle Complete
P/E Date:04/27/2024

State Code	State Tax Type	EE Withheld	ER Contribution	EE Taxable Amount	ER Taxable Amount	Experience Rate	State Tax Rebate Amount
CO	State Income Tax	1,713.32		44,993.98			
CO	Unemployment Tax		70.55		35,274.75	0.20	

Statistical Summary - Hours & Earnings

Company:Z9X - Town of Silverton
Week#:18
Qtr/Year:2/2024

Service Center:0075 Northern California
Pay Date:05/03/2024
Run Time/Date:17:09:42 PM EDT 04/30/2024

Status:Cycle Complete
P/E Date:04/27/2024

Field Number	Hours/Earnings Code	Description	Hours	Earnings
1	Regular		1,557.84	45,179.42
2	Overtime		22.76	733.42
3	PTO	P.T.O.	13.00	234.20
3	CTM	Comp Time T	31.35	

Statistical Summary - Deductions

Company:Z9X - Town of Silverton
 Week#:18
 Qtr/Year:2/2024

Service Center:0075 Northern California
 Pay Date:05/03/2024
 Run Time/Date:17:09:42 PM EDT 04/30/2024

Status:Cycle Complete
 P/E Date:04/27/2024

Deduction Code	Description	Deduction	Category
401	CCOERA EE 4	1,093.90	Other
AFL	AFLAC PRETAX	36.48	Other
CK1	CHECKING	33,847.98	Deposit
CK2	CHECKING	1,546.04	Deposit
DEN	Den Pre Tax	20.00	Other
SV1	SAVINGS	403.99	Deposit
VIS	Vis Pre Tax	2.68	Other



SILVERTON HOUSING AUTHORITY & REGULAR MEETING – Silverton Board of Trustees
Silverton Town Hall – April 22, 2024
Call to Order & Roll Call –SHA @ 5:00pm, Regular Meeting @7:00pm

ATTENTION: The Town of Silverton Trustee meetings are being conducted in a hybrid virtual/in-person. Instructions for public participation in Town Trustee meetings are as follows:

- Zoom Webinar Link: <https://us02web.zoom.us/j/88637487127>
- By Telephone: Dial 669-900-6833 and enter Webinar ID 886 3748 7127 when prompted.
- YouTube (live and recorded for later viewing, does not support public comment):
www.youtube.com/channel/UCmJgal9lUXK5TZahHugprpQ

If you would like to make a public comment during a specific Agenda Item, please submit a request to the Town Administrator at gkaasch-buerger@silverton.co.us

MEETING PROTOCOLS: Please turn off cell phones; be respectful and take personal conversations into the lobby. The public is invited to attend all regular meetings and work sessions of the Board of Trustees. Please be advised, public comment will not be taken during the work session meetings. Closing Public Comment must be related to an agenda item.

Present: Trustee Halvorson, Trustee Gardiner, Trustee Wakefield, Trustee Schnitker, Mayor Pro Tem Harper, Mayor Kranker

Absent: Trustee George

Staff: Administrator Kaasch-Buerger, Clerk Melina Marks, CDD Lucy Mulvihill, Code Officer Bevan Harris, Anne Chase

Silverton Housing Authority Meeting @ 5:00pm

- 1) SHA Director's Report
 - Anne Chase reviewed her Director's Report.
- 2) SHA Development Project Overview
 - a. Briefing Sheets
 - b. Housing Project Updates
 - c. Funding Opportunities
 - Anne Chase presented her slides to the board regarding housing project updates and funding opportunities.
 - Anne provided briefing sheets for the new members of the board to use as fact sheets for the current projects being focused on.
- 3) Adoption of Building Better Places Action Plan
 - Anne Chase provided background information regarding the Building Better Places Action Plan.

Mayor Pro Tem Harper moved, and Trustee Gardiner seconded to approve the adoption of Building Better Places Action Plan. Passed unanimously with roll call.



Adjourn @ 6:28pm

Present: Trustee Halvorson, Trustee Gardiner, Trustee Wakefield, Trustee Schnitker, Mayor Pro Tem Harper, Mayor Kranker

Absent: Trustee George

Staff: Administrator Kaasch-Buerger, Clerk Melina Marks, CDD Lucy Mulvihill, Code Officer Bevan Harris, PW Director John Sites, FPR Director Sarah Friden

Regular Meeting @ 7:05pm

- 1) Staff and/or Board Revisions to Agenda
 - No revisions.
- 2) Public Comment - *Comments must be limited to three (3) minutes in duration.*
 - No public comments.
- 3) Presentations/Proclamations
 - a) San Juan County Public Health Presentation- Becky Joyce and Dayna Kranker
 - Becky Joyce and Dayna Kranker presented their slides to the board on behalf of San Juan County Public Health.
- 4) New Business
 - a) Resolution 2024-13 A Resolution Authorizing the Town of Silverton to Open a Sewer Fund Debt Service Reserve and a Sewer Fund Short Lived Asset Reserve Fund through COLOBank in Compliance with the USDA Loan obtained for the rehabilitation of the Sewer Collection System.
 - Administrator Kaasch-Buerger provided background information regarding this Resolution.
 - Administrator Kaasch-Buerger noted an administrative correction regarding the date: 2024 to 2023.
 - Trustee Wakefield asked about FDIC requirements.
 - Administrator Kaasch-Buerger provided context.
 - PW Director John Sites commented on the hoops that will need to be jumped through by staff in order to accomplish this; however, the funds are not available elsewhere.
 - Administrator Kaasch-Buerger framed the Ordinance that will come from this at the next meeting.
 - Trustee Wakefield asked about Master Plan Priority – New Infrastructure vs. rehabilitation of infrastructure and who pays for that.
 - John Sites explained that existing infrastructure needs to be maintained/ replaced and the sewer plant needs to be updated, rather than focusing on owners being responsible for replacements.

Trustee Halvorson moved, and Trustee Gardiner seconded to approve Resolution 2024-13 A Resolution Authorizing the Town of Silverton to Open a Sewer Fund Debt Service Reserve and a Sewer Fund Short Lived Asset Reserve Fund through COLOBank in Compliance with the USDA Loan obtained for the rehabilitation of the Sewer Collection System. Passed unanimously with roll call.

- 5) Approval of Consent Agenda Items
 - a) Payroll
 - b) Meeting Minutes 4.8.24



- c) Accounts Payable
- d) April 2024 Sales Tax
- e) February YTD Actuals
- f) 9318 Contract for Kendall Deck

**Trustee Gardiner moved, and Trustee Wakefield seconded to approve the Consent Agenda Items.
Passed unanimously with roll call.**

- 6) Staff Reports
 - a) Staff Heat Map
 - Administrator Kaasch-Buerger presented the staff heat maps to the board, reporting what every department is currently working on (does not include projects that have not begun yet).
 - The board discussed ways they can support staff and avoid burnout.
- 7) Committee/Board Reports
 - a) 4.15 Finance Committee
 - Mayor Kranker provided an overview of the 4.15 Finance Committee Meeting.
 - b) 4.16 San Juan Regional Planning Commission
 - Trustee Halvorson provided an overview of the 4.16 San Juan Regional Planning Commission Meeting.
 - Mayor Pro Tem Harper thanked Trustee Halvorson for attending in his absence.
 - c) 4.17 BPMD
 - Trustee Halvorson provided an overview of the 4.17 BPMD Meeting.
- 8) Trustee Reports
 - Mayor Kranker promoted the health fair on Thursday, the 25th.
 - Trustee Halvorson noted that today is Earth Day.
- 9) Continued Business
- 10) Public Comment
 - Melody Skinner promoted picking up trash as today is Earth Day.
 - Mayor Kranker stated that she and Trustee George are planning a town clean-up day soon.

Adjourn @ 8:10pm

Up-coming Meeting Dates:

- 4.26@ 4PM Facilities, Parks and Recreation Committee Meeting-Anesi
- 4.29@ 5PM Ethics Training for BOT-Town Hall
- 4.29@ 6PM Land Use and Development Application Training- Town Hall
- 5.6@ 5PM Trustee Retreat
- 5.13 @7PM Regular Meeting

End of Agenda

* out of cycle checks

TOWN OF SILVERTON

Select Invoices for Payment Report

Page: 1

Check issue date: 05/02/2024

May 02, 2024 2:29PM

Report Criteria:

Report printed and checks created

Due Date	Vendor Number	Name	Invoice Number	Net Due Amount	Pay	Payment Amount	Discount Amount	Remittance
10/09/2023	1489	Prineth	28050000	1,225.56	N	.00	.00	Vendor Address
10/23/2023	1062	LAWSON PRODUCTS INC	98109058	278.33	N	.00	.00	Vendor Address
10/23/2023	1080	Lincoln National Life Insurance	46098521	558.27	N	.00	.00	Vendor Address
05/03/2024	964	John Crue	4.22.24	330.00	Y	330.00	.00	Vendor Address
05/03/2024	964	John Crue	5.1.24	735.00	Y	735.00	.00	Vendor Address
05/03/2024	2110	RAMEY, JOHN	4.22.24	135.00	Y	135.00	.00	Vendor Address
05/03/2024	1484	RICHARDSON, JOHN	4.22.24	325.00	Y	325.00	.00	2
05/03/2024	1484	RICHARDSON, JOHN	5.1.24	1,500.00	Y	1,500.00	.00	2
Totals:				964.84		3,025.00	.00	

Number of invoices to be fully paid:	5
Number of invoices to be partially paid:	0
Number of invoices with no payment:	3
Total number of invoices listed:	8
Total checks from invoices selected:	3
Total adjustment checks:	0
Total adjusted invoices:	0
Total negative checks not created:	0

Cash Requirements Summary

Date	Net Due Amount	Payment Amount	Discount Taken
10/09/2023	1,225.56-	.00	.00
10/23/2023	834.60-	.00	.00
05/03/2024	3,025.00	3,025.00	.00
	964.84	3,025.00	.00

Report Criteria:

Report printed and checks created

Due Date	Vendor Number	Name	Invoice Number	Net Due Amount	Pay	Payment Amount	Discount Amount	Remittance
10/09/2023	1403	Prinotti	29080008	1,225.56	N	.00	.00	Vendor Address
10/23/2023	1062	LAWSON PRODUCTS INC	93109003	278.36	N	.00	.00	Vendor Address
10/23/2023	1080	Lincoln National Life Insurance	46098521	556.27	N	.00	.00	Vendor Address
05/03/2024	1321	Outdoor Environments	1024	28,050.00	Y	28,050.00	.00	Vendor Address
Totals:				25,989.84		28,050.00	.00	

Number of invoices to be fully paid:	1
Number of invoices to be partially paid:	0
Number of invoices with no payment:	3
Total number of invoices listed:	4
Total checks from invoices selected:	1
Total adjustment checks:	0
Total adjusted invoices:	0
Total negative checks not created:	0

class 6
gravel
PW Expense

Cash Requirements Summary

Date	Net Due Amount	Payment Amount	Discount Taken
10/09/2023	1,225.56-	.00	.00
10/23/2023	834.60-	.00	.00
05/03/2024	28,050.00	28,050.00	.00
	25,989.84	28,050.00	.00

Report Criteria:

Report printed and checks created

Due Date	Vendor Number	Name	Invoice Number	Net Due Amount	Pay	Payment Amount	Discount Amount	Remittance
10/09/2023	1403	Prinoth	23050068	1,225.56-	N	.00	.00	Vendor Address
10/23/2023	1062	LAWSON PRODUCTS INC	93109653	278.33-	N	.00	.00	Vendor Address
10/23/2023	1080	Lincoln National Life Insurance	46098521	556.27-	N	.00	.00	Vendor Address
05/13/2024	6	9318 Contracting	KENDALL	42,000.00	Y	42,000.00	.00	Vendor Address
05/13/2024	2083	ABConsulting LLC	05/06/24	70.89	Y	70.89	.00	Vendor Address
05/13/2024	2083	ABConsulting LLC	1040	1,200.00	Y	1,200.00	.00	Vendor Address
05/13/2024	53	ALSCO	APRIL 202	1,044.51	Y	1,044.51	.00	Vendor Address
05/13/2024	104	ATCO INTERNATIONAL	I0628174	510.80	Y	510.80	.00	Vendor Address
05/13/2024	220	Bruin Waste Management	1816559	18,213.69	Y	18,213.69	.00	Vendor Address
05/13/2024	220	Bruin Waste Management	1816921	152.53	Y	152.53	.00	Vendor Address
05/13/2024	220	Bruin Waste Management	1816922	122.03	Y	122.03	.00	Vendor Address
05/13/2024	220	Bruin Waste Management	1816923	152.53	Y	152.53	.00	Vendor Address
05/13/2024	220	Bruin Waste Management	1816926	61.01	Y	61.01	.00	Vendor Address
05/13/2024	220	Bruin Waste Management	1816927	152.53	Y	152.53	.00	Vendor Address
05/13/2024	220	Bruin Waste Management	1816928	152.53	Y	152.53	.00	Vendor Address
05/13/2024	220	Bruin Waste Management	1816929	152.53	Y	152.53	.00	Vendor Address
05/13/2024	220	Bruin Waste Management	1818922	32.55	Y	32.55	.00	Vendor Address
05/13/2024	259	CASELLE INC	132491	530.00	Y	530.00	.00	Vendor Address
05/13/2024	272	CEBT	INV 00663	15,787.06	Y	15,787.06	.00	Vendor Address
05/13/2024	322	CJB Auto Supply	04.2024	608.40	Y	608.40	.00	Vendor Address
05/13/2024	2129	Clarion	9713	10,227.89	Y	10,227.89	.00	Vendor Address
05/13/2024	326	Clayton M. Buchner, Attorney a	0781	2,318.00	Y	2,318.00	.00	Vendor Address
05/13/2024	326	Clayton M. Buchner, Attorney a	0789	3,792.00	Y	3,792.00	.00	Vendor Address
05/13/2024	354	Colorado Business Products	3810	172.00	Y	172.00	.00	Vendor Address
05/13/2024	354	Colorado Business Products	3825	42.00	Y	42.00	.00	Vendor Address
05/13/2024	354	Colorado Business Products	3835	42.00	Y	42.00	.00	Vendor Address
05/13/2024	407	Community Planning Strategies	2024-0087	14,029.75	Y	14,029.75	.00	Vendor Address
05/13/2024	422	CORE & MAIN	U723564	857.52	Y	857.52	.00	Vendor Address
05/13/2024	480	DAVIS, LINDA	05/07/202	2,500.00	Y	2,500.00	.00	Vendor Address
05/13/2024	485	DE LAGE LANDEN PUBLIC FI	81599186	1,708.88	Y	1,708.88	.00	Vendor Address
05/13/2024	654	FILTER TECH SYSTEMS	9624	1,225.18	Y	1,225.18	.00	Vendor Address
05/13/2024	2170	Fluid Manufacturing	48842	5,755.00	Y	5,755.00	.00	Vendor Address
05/13/2024	686	FOUR CORNERS WELDING	GR001870	22.00	Y	22.00	.00	Vendor Address
05/13/2024	688	Four States Tire & Service	182664	486.27	Y	486.27	.00	Vendor Address
05/13/2024	2127	FP Mailing Solutions	RI106212	92.85	Y	92.85	.00	Vendor Address
05/13/2024	726	Garmin	DL361891	34.43	Y	34.43	.00	Vendor Address
05/13/2024	786	GREEN ANALYTICAL LABORA	2404073	419.00	Y	419.00	.00	Vendor Address
05/13/2024	786	GREEN ANALYTICAL LABORA	2404074	348.00	Y	348.00	.00	Vendor Address
05/13/2024	895	Image Net Consulting, LLC	82466873	279.42	Y	279.42	.00	Vendor Address
05/13/2024	2156	La Plata County Public Health	4091	320.10	Y	320.10	.00	Vendor Address
05/13/2024	1062	LAWSON PRODUCTS INC	93114627	378.55	Y	378.55	.00	Vendor Address
05/13/2024	1062	LAWSON PRODUCTS INC	93114954	344.73	Y	344.73	.00	Vendor Address
05/13/2024	1114	MAISEL EXCAVATION LLC	933301	340.00	Y	340.00	.00	Vendor Address
05/13/2024	2157	McCandless Truck Center	P1051025	271.38	Y	271.38	.00	Vendor Address
05/13/2024	2169	Mr. Lock	24-8274	554.21	Y	554.21	.00	Vendor Address
05/13/2024	2171	Park & Play USA, LLC	600617	830.00	Y	830.00	.00	Vendor Address
05/13/2024	2121	Peak Companies	1385943	45.00	Y	45.00	.00	Vendor Address
05/13/2024	2130	Professional Management Solu	84923	3,500.00	Y	3,500.00	.00	Vendor Address
05/13/2024	1425	QUILL CORPORATION	38207901	22.99	Y	22.99	.00	Vendor Address
05/13/2024	1425	QUILL CORPORATION	38277320	13.59	Y	13.59	.00	Vendor Address
05/13/2024	1425	QUILL CORPORATION	38280419	41.99	Y	41.99	.00	Vendor Address
05/13/2024	1425	QUILL CORPORATION	38298767	31.99	Y	31.99	.00	Vendor Address
05/13/2024	1425	QUILL CORPORATION	38318150	16.59	Y	16.59	.00	Vendor Address

Kendall
Deck

Refuse

Health
Insurance

Contract

Due Date	Vendor Number	Name	Invoice Number	Net Due Amount	Pay	Payment Amount	Discount Amount	Remittance
05/13/2024	1425	QUILL CORPORATION	38321045	46.99	Y	46.99	.00	Vendor Address
05/13/2024	1425	QUILL CORPORATION	38362626	6.59	Y	6.59	.00	Vendor Address
05/13/2024	1521	ROCKY MOUNTAIN SUPPLY	16626	584.88	Y	584.88	.00	Vendor Address
05/13/2024	1598	SAN MIGUEL POWER ASSOC	04/2024	5,955.08	Y	5,955.08	.00	Vendor Address
05/13/2024	2119	Sarah Moore	24-11	2,199.00	Y	2,199.00	.00	Vendor Address
05/13/2024	1626	Seccuro	24626	1,327.86	Y	1,327.86	.00	Vendor Address
05/13/2024	1647	SILVER STATION, INC	11933	365.92	Y	365.92	.00	Vendor Address
05/13/2024	1664	SILVERTON GROCERY	05.2024	301.92	Y	301.92	.00	Vendor Address
05/13/2024	1666	SILVERTON HARDWARE	2405-3221	1,268.29	Y	1,268.29	.00	Vendor Address
05/13/2024	1670	SILVERTON LP GAS	08811	275.27	Y	275.27	.00	Vendor Address
05/13/2024	1670	SILVERTON LP GAS	08842	1,169.03	Y	1,169.03	.00	Vendor Address
05/13/2024	1670	SILVERTON LP GAS	08844	756.54	Y	756.54	.00	Vendor Address
05/13/2024	1670	SILVERTON LP GAS	08864	1,100.83	Y	1,100.83	.00	Vendor Address
05/13/2024	1670	SILVERTON LP GAS	08889	1,307.36	Y	1,307.36	.00	Vendor Address
05/13/2024	1670	SILVERTON LP GAS	08916	413.06	Y	413.06	.00	Vendor Address
05/13/2024	1670	SILVERTON LP GAS	08987	413.61	Y	413.61	.00	Vendor Address
05/13/2024	1670	SILVERTON LP GAS	5317-5	114.57	Y	114.57	.00	Vendor Address
05/13/2024	1686	SILVERTON STANDARD & TH	202447	189.00	Y	189.00	.00	Vendor Address
05/13/2024	1768	Stephen Mead	4/24/24	93.92	Y	93.92	.00	Vendor Address
05/13/2024	1814	TARGET RENTAL	37011	371.92	Y	371.92	.00	Vendor Address
05/13/2024	1814	TARGET RENTAL	44758	362.88	Y	362.88	.00	Vendor Address
05/13/2024	1837	THE CLEAN TEAM	736914	1,240.00	Y	1,240.00	.00	3
05/13/2024	1852	The WhistleStop	1574	5,752.63	Y	5,752.63	.00	Vendor Address
05/13/2024	1852	The WhistleStop	1592	2,986.19	Y	2,986.19	.00	Vendor Address
05/13/2024	1942	USA BLUE BOOK	INV00335	729.22	Y	729.22	.00	Vendor Address
05/13/2024	1959	Vero Fiber Networks, LLC	6348	160.65	Y	160.65	.00	Vendor Address
Totals:				159,439.95		161,500.11	.00	

Number of invoices to be fully paid:	76
Number of invoices to be partially paid:	0
Number of invoices with no payment:	3
Total number of invoices listed:	79
Total checks from invoices selected:	47
Total adjustment checks:	0
Total adjusted invoices:	0
Total negative checks not created:	0

Cash Requirements Summary

Date	Net Due Amount	Payment Amount	Discount Taken
10/09/2023	1,225.56-	.00	.00
10/23/2023	834.60-	.00	.00
05/13/2024	161,500.11	161,500.11	.00
	159,439.95	161,500.11	.00



AGENDA MEMO

SUBJECT: Employment Agreement for Brian Buerger
STAFF CONTACT: Gloria Kaasch-Buerger, Sarah Friden, Clayton Buchner
MEETING DATE: May 13, 2024

Overview:

The Facilities, Parks and Recreation Department had advertised an opening for a Maintenance Lead Position through April. The Town Administrator's husband, Brian Buerger, was the only applicant. Sarah has hired him for the position. Brian will be working seasonally full-time.

Recognizing that the Town's adopted Employee Handbook states (page 8, Section 105: Hiring of Relatives):

A member of an employee's immediate family (spouse, children, stepchildren, parents, siblings, grandparents, or grandchildren and the immediate family of the spouse) will be considered for employment by the Town, if the applicant possesses all of the qualifications for employment. An immediate family member may not be hired; however if:

- 1. One spouse or immediate family member would supervise the other or be in a position to exercise authority to appoint, dismiss, or discipline the other spouse or family member.*

The Town attorney drafted this employment agreement to ensure that Gloria Kaasch-Buerger will not supervise or be in the position to exercise authority to appoint, dismiss, or discipline Brian Buerger as all employment related issues for Brian Buerger will be deferred to the Town Attorney.

Motion or Direction:

This agreement is in the consent agenda but can be pulled for discussion by the Trustees.



EMPLOYMENT AGREEMENT

This Employment Agreement (“Agreement”) is made and entered into the most recent day and year set forth below by and between Town of Silverton, a municipal corporation and political subdivision of the State of Colorado, PO Box 250, Silverton, CO 81433 (the “Town”), and Brian Buerger, an employee of the Town of Silverton Parks (“Employee”). The Town and the Employee may be referred to herein individually as a “Party” and collectively as the “Parties.”

WHEREAS, the Parks and Recreation Department have hired Brian Buerger as a seasonal Town employee; and

WHEREAS, the Town Administrator, Gloria Kaasch-Buerger, is the Employee’s spouse; and

WHEREAS, the Town Employee Handbook, Section 105 - Hiring of Relatives, disallows a spouse to be hired if “one spouse would supervise the other or be in a position to exercise authority to appoint, dismiss, or discipline the other spouse or family member”; and

WHEREAS, it is in the best interest of the Town and the Town wishes to allow Brian Buerger as a seasonal employee;

THEREFORE, in consideration of the mutual covenants and obligations herein expressed, it is agreed by and between the Parties as follows:

1. The Parties agree that all references to “Town Administrator” in the Employee Handbook shall be substituted with “Town Attorney” in reference to the Employee, Brian Buerger.
2. The Parties agree that the Employee shall follow the policies as set forth in the Town Handbook utilizing the Director of Facilities, Sarah Friden, as “Supervisor” where appropriate, and that the Town Attorney shall act as “Town Administrator” for the purposes of administering the Employee’s contract to include supervision, and/or the exercise of authority to appoint, dismiss, or discipline, or to be the final decision-maker regarding any other Employee request and/or issue including but not limited to: Modifying Duty, Overtime, Payroll issues, Work From Home, Custodian of Records, and/or reporting grievances related to any workplace controversy, conflict, or harassment.

This agreement was executed on _____ by the Parties below:

TOWN OF SILVERTON, COLORADO

Dayna Kranker, Mayor

DIRECTOR OF FACILITIES, PARKS AND
RECREATION

Sarah Friden

TOWN ATTORNEY



Clayton M. Buchner

EMPLOYEE

Brian Buerger



May 13, 2024

To Whom It May Concern,

I am writing to convey the unwavering support of the Town of Silverton for the establishment of transportation services for San Juan County residents following emergency room visits in Durango. Supporting safe and reliable transportation for individuals in need of medical care is a crucial aspect of our commitment to the well-being and safety of our community members.

Considering our rural and remote nature, our residents face extreme uncertainty when they have a medical event that requires emergency room care. If they were transported to Durango by ambulance, a number of our residents do not have reliable transportation back to Silverton upon discharge. According to our Ambulance Association, at least 50 percent of patients they transport to CommonSpirit – Mercy Hospital do not have a reliable form of transportation back to Silverton.

Our EMS and San Juan County Public Health Service has noted reliable transportation for medical services as a significant need for continuity of care for our residents. Accessing transportation after an emergency room visit can be challenging, especially for those who may be in a vulnerable state. The aftermath of such visits can often leave individuals in need of ongoing medical care or follow-up appointments, making it imperative to address their transportation needs promptly and effectively.

We appreciate the recent conversations with Southwest Rides and representatives from the Southwest Center for Independence. As a regional transportation provider, they have been exploring possible ways to support the transportation challenges of San Juan County residents. We would strongly support a partnership with CommonSpirit - Mercy Hospital and Southwest Rides to address the return transportation needs of Silverton residents. We are committed to exploring all viable options to ensure that no resident is left without access to transportation when they need it most. We strongly support the efforts of Southwest Rides to coordinate a possible program for transportation after emergency room visit for Silverton residents.



In closing, I wish to express our sincere gratitude to Southwest Rides and CommonSpirit – Mercy Hospital for your dedication to serving the needs of our community. We know you appreciate the unique needs of Silverton residents. Our community has benefited great from partnerships with CommonSpirit – Mercy Hospital to support health care access in our rural and remote community. We look forward to the opportunity to work together to provide the necessary support and resources to ensure the timely and efficient transportation of residents following emergency room visits.

Thank you for your attention to this matter and your consideration of a program. Please do not hesitate to reach out if there are any further ways in which the Town of Silverton can offer assistance or support.

Sincerely,

Dayna Kranker
Mayor
Town of Silverton



**REQUEST FOR PROPOSALS
FOR
CLEANING SERVICES FOR THE ANESI PARK BATHROOM/SHOWERS**

Date of Issue: 5/13/2024

Proposal Closing Date and Time: 06/03/2024

Proposals to be received by 4pm prior to closing date and time above.

RETURN TO:

Town of Silverton

Sarah Friden, Director of Facilities, Parks & Recreation

1360 Greene Street, PO BOX 250

Silverton, CO 81433

sfriden@silverton.co.us

THIS REQUEST FOR PROPOSAL (“RFP”) IS NOT A COMPETITIVE BID BASED ON PRICE ONLY. The request for proposal allows the Town of Silverton, Colorado (the “Town”) to select the service provider that best meets the needs of the Town, taking into consideration proposer qualifications, price, products, and service capabilities and other factors relevant to the Town’s policies, programs, administrative resources, and budget.

This RFP is not an offer to contract. Issuance of this RFP and the receipt of responses by the Town do not commit the Town to award a contract to any bidder.

Town of Silverton

1360 Greene Street, PO Box 250

Silverton, CO 81433

970-387-5522

<https://townofsilverton.colorado.gov/>

REQUEST FOR PROPOSAL

The Town of Silverton, Colorado invites cleaning and janitorial vendors to submit a proposal for cleaning services for the Anesi Park public bathrooms and showers located at 1239 Blair Street, Silverton, CO 81433. The bathrooms include:

Men's - 2 showers, 3 stalls, 3 urinals

Women's - 2 showers, 6 stalls

The selected vendor(s) will be responsible for the janitorial services necessary to maintain the Anesi Park facilities on a seasonal basis with potential for annual contract.

Proposals are to be addressed and delivered to the Director of Facilities, Parks & Recreation for the Town of Silverton, in accordance with the Instructions to Proposers and all other requirements as referenced in this RFP. Proposals will be received until the Proposal Closing Date and Time set forth on the cover page of this RFP, at which time a representative of the Town will publicly announce the names of those firms or individuals submitting proposals. No other public disclosure will be made if and until the award of contract.

INSTRUCTIONS FOR PROPOSERS

1. Proposers responding to this RFP must submit their proposals in the format specified in this solicitation.
2. A copy of the proposal is to be received by Sarah Friden, on or prior to 06/03/2024.
 - Electronic copies will be accepted and may be submitted to: sfriden@silverton.co.us
 - Paper copies may be mailed or delivered to:

Town of Silverton
Attn: Sarah Friden
1360 Greene Street
PO Box 250
Silverton, CO 81433
3. Any proposer may withdraw his / her proposal at any time prior to the RFP closing date and time.
4. The content of all proposals must conform to the following:
 - Proposers must respond to the questions in the order presented in this RFP.
 - Proposers may provide additional supporting documentation pertinent to clarification of the proposal.
5. The following information must be included with your proposal in this order and be indexed/tabbed:
 - Proposer's Certification and Signature Page
 - Required Responses as set forth in the Scope of Work to this RFP
6. All changes in the RFP documents shall be through written addendum and furnished to all proposers.
7. Proposers who have questions contact:

Sarah Friden, Director of Facilities, Parks & Recreation;
sfriden@silverton.co.us
970-903-3941
8. The proposals will be reviewed by the Director of Facilities. The Director may request additional information from proposers or request personal interviews with one or more proposer. The weight to be given to each evaluation criterion will be as determined by the Director of Facilities. Final evaluation and selection may be based on, but not limited to, any or all of the following, and in no particular order of importance:
 - Information presented in the proposal
 - Service reliability and consistency of quality
 - Qualifications and experience of the proposer
 - References
 - Personal interview

- Pricing / total cost
9. All proposals timely submitted shall become the property of the Town and shall be retained in accordance with the Town's records retention schedule.
 10. Public Inspections of Proposals. The Town is a Colorado governmental entity. Therefore, all information included in proposals and other written information submitted by the proposer to the Town is subject to the provisions of the Colorado Open Records Act, Colorado Revised Statutes Sections 24-72-201, et seq. ("CORA"). Proposers should expect that the proposal may be viewed by the general public and competitors once submitted to the Town. Under CORA, trade secrets, privileged information, and/or confidential commercial, financial, geological or geophysical data may not be subject to disclosure under CORA ("Confidential Information").
 11. No Waiver of Governmental Immunity. Nothing in this RFP or any resulting agreement shall be construed to waive, limit, or otherwise modify any governmental immunity that may be available by law to the Town, its officials, employees, contractors, or agents, or any other person acting on behalf of the Town and, in particular, governmental immunity afforded or available pursuant to the Colorado Governmental Immunity Act, Title 24, Article 10 of the Colorado Revised Statutes.

TERMS AND CONDITIONS

1. All participating proposers, by signature, agree to comply with all the terms, conditions, requirements, and instructions of this RFP as stated in this RFP. Should the Town omit anything from this document which is necessary to a clear understanding of the work, or should it appear that various instructions are in conflict, the proposer shall contact the Director of Facilities, Parks & Recreation, and secure written instructions at least 48 hours prior to the time and date of the closing of acceptance of the proposals.
2. The Town reserves the right to:
 - Reject any and all proposals received as a result of this RFP.
 - Waive or decline to waive any irregularities in any proposal or responses received.
 - Adopt all or any part of the proposer's proposal.
 - Negotiate changes in the scope of work or services to be provided.
 - Withhold the appointment/award of contract.
 - Select the proposer it deems to be most qualified to fulfill the needs of the Town. The proposer with the lowest priced proposal will not necessarily be the one most qualified, since several factors other than price are important in the determination of the most acceptable proposal.
3. Any individual submitting a signed proposal shall be deemed to have read and understood all the terms, conditions and requirements of this RFP.
4. The Town shall not be liable for any costs incurred by the proposer in the preparation and production of the proposal, contract negotiations or for any work performed prior to the execution of a contract.
5. All proposals and other materials submitted shall become the property of the Town.
6. The successful proposer shall be required to enter into a written contract with the Town in a form approved by the Board of Trustees. In the event of any conflict between this RFP and the contract, the terms and conditions of the contract shall control.
7. The Town reserves the right to conduct discussions with proposers, to accept revisions of proposals, and to negotiate price changes. During this discussion period, the Town will not disclose any information regarding proposal submittals. Upon the execution of the contract(s), the proposals will become public record and contents may be disclosed upon request.
8. The successful proposer shall have their insurance company send the Deputy Clerk a currently in- force Certificate of Insurance which indicates that insurance coverage has been obtained, including professional liability, which meets the minimum requirements as may be set forth in the written contract with the Town.
9. The successful proposer shall comply with all applicable federal, state, and local laws, regulations, administrative rulings, and codes, and shall secure all necessary licenses and permits in connection with this RFP and any goods or services to be provided hereunder.
10. By submission of the proposal, the proposer certifies that the proposal has been arrived at independently and submitted without collusion with any other proposer, and that the contents of the proposal have not been communicated by the proposer, or to the proposer's best knowledge and belief, by any one of its employees or agents, to any person not an employee or agent of the proposer, and will not be communicated to any person prior to the official opening of the proposals.

11. The Town reserves the right to solicit or recruit any municipalities, attorney(s) or legal firms directly to request qualifications.

SCOPE OF WORK

- Contractor agrees to keep the bathrooms and showers within the Anesi Park Building in clean condition satisfactory to the Director of Facilities.
- Daily cleaning of showers and bathrooms shall occur either before 8am or after 5pm, not exceeding 10 hours per week unless otherwise approved.
- Additional cleanings may be required for excessive damage or uncleanliness.

REQUIRED RESPONSES

Proposals should address the following issues/questions in the order presented:

1. Requested hourly rate with a “Not to Exceed” clause. OR requested flat rate.
2. Up to three (3) references or contacts for similar projects.
3. Description of the service offered.
4. Proof of insurance coverage



AGENDA MEMO

SUBJECT: Upcoming Special Events
STAFF CONTACT: Ana Mendiluce
MEETING DATE: May 13th, 2024

Overview:

Special Events will be presented in the Consent Agenda unless it is a new event. Trustees may request to pull an event and add it to the New Business items at the beginning of the meeting if they have questions or concerns that warrant discussion.

Special Events are regulated through Ordinance 2022-01 and can be viewed in our Silverton Municipal Code:
https://library.municode.com/co/silverton/codes/municipal_code?nodeId=CD_ORD_CH6BULIRE_ART2LILI_DIV2SPEV_SD2RE_S6-2-200PU

There is a Special Events Guide on our website that staff is working on updating:
<https://townofsilverton.colorado.gov/special-events-within-the-town-of-silverton>

Upcoming Special Events:

5/25/24 Iron Horse Bicycle Classic – Contracted Event
7/13/24 Hardrock 100 Endurance Run - Contracted Event
6/7/24, 7/5/24, 8/2/24, 9/6/24 Silverton Creative District- First Fridays Art Walk
6/14/24, 7/12/24, 8/9/24, 9/13/24 SCD Summer Sounds Concert Series – Contracted Event

Suggested Motion or Direction:

Included in the Consent Agenda for approval.

TO BE POSTED IN A CONSPICUOUS PLACE

Town of Silverton, Colorado

BY AUTHORITY OF THE TOWN BOARD OF TRUSTEES

SPECIAL EVENT LIQUOR LICENSE

FOR

IRON HORSE BICYCLE CLASSIC

To sell FERMENTED MALT BEVERAGES

This is to certify that **Iron Horse Bicycle Classic**, having applied for a Special Event License, is hereby licensed to sell and/or consume Fermented Malt Beverages by the drink for consumption on the premises located at **Memorial Park** in the Town of Silverton, Colorado, on **5/25/2024 from 10:00am to 3:00pm** unless this license is revoked sooner as provided by law.

This license is issued subject to the Laws of the State of Colorado and especially under the provisions of Article 3,4,5 of Title 44, Colorado Revised Statutes, as amended, and the ordinances of the Town of Silverton, insofar as the same may be applicable.

IN TESTIMONY WHEREOF, the Town Board of Trustees has hereunto subscribed its name by its officers duly authorized this 8th day of May, 2024.

The Town Liquor Enforcement
The Town of Silverton, Colorado

Attest:

Town Clerk Melina Marks Lanis

Liquor Authority Anthony Edwards

Town of Silverton
1360 Greene ST.
PO Box 250
Silverton, CO 81433
970-387-5522

Application for a Special Events Liquor Permit



Town of
Silverton

In order to qualify for a Special Events Liquor Permit, You Must Be a Qualifying Organization Per 44-5-102 C.R.S. and One of the Following (See back for details.)

- | | | |
|------------------------------------|---|---|
| <input type="checkbox"/> Social | <input checked="" type="checkbox"/> Athletic | <input type="checkbox"/> Philanthropic Institution |
| <input type="checkbox"/> Fraternal | <input type="checkbox"/> Chartered Branch, Lodge or Chapter | <input type="checkbox"/> Political Candidate |
| <input type="checkbox"/> Patriotic | <input type="checkbox"/> National Organization or Society | <input type="checkbox"/> Municipality Owned Arts Facilities |
| <input type="checkbox"/> Political | <input type="checkbox"/> Religious Institution | |

Type of Special Event Applicant is Applying for:

- | | |
|---|-----------------|
| <input type="checkbox"/> Malt, Vinous And Spirituous Liquor | \$25.00 Per Day |
| <input checked="" type="checkbox"/> Fermented Malt Beverage | \$10.00 Per Day |

DO NOT WRITE IN THIS SPACE

Liquor Permit Number

1. Name of Applicant Organization or Political Candidate
Iron Horse Bicycle Classice

State Sales Tax Number (Required)

2. Mailing Address of Organization or Political Candidate
(include street, city/town and ZIP)

P.O.BOX 1389
Durango, CO 81302

3. Address of Place to Have Special Event
(include street, city/town and ZIP)

Silverton Memorial Park

4. Authorized Representative of Qualifying Organization or Political Candidate

Ian Burnett

Date of Birth

12/09/86

Phone Number

9707994703

Authorized Representative's Mailing Address (if different than address provided in Question 2.)

508 Clovis Dr Durango CO 81301

5. Event Manager

Ian Burnett

Date of Birth

12/09/86

Phone Number

9707994703

Event Manager Home Address (Street, City, State, ZIP)

508 Clovis Dr Durango, CO 81301

Email Address of Event Manager

director@ironhorsebicycleclassic.com

6. Has Applicant Organization or Political Candidate been
Issued a Special Event Permit this Calendar Year?

☒ No ☐ Yes How many days? _____

7. Is the premises for which your event is to be held currently licensed under the
Colorado Liquor or Beer codes?

☒ No ☐ Yes License Number _____

8. Does the Applicant Have Possession or Written Permission for the Use of The Premises to be Licensed? ☐ Yes ☐ No

List Below the Exact Date(s) for Which Application is Being Made for Permit

Date 05/25/24	Date	Date	Date	Date
Hours From 10:00A .m.	Hours From .m.	Hours From .m.	Hours From .m.	Hours From .m.
To 3:00P .m.	To .m.	To .m.	To .m.	To .m.
Date	Date	Date	Date	Date
Hours From .m.	Hours From .m.	Hours From .m.	Hours From .m.	Hours From .m.
To .m.	To .m.	To .m.	To .m.	To .m.
Date	Date	Date	Date	Date
Hours From .m.	Hours From .m.	Hours From .m.	Hours From .m.	Hours From .m.
To .m.	To .m.	To .m.	To .m.	To .m.

Oath of Applicant

I declare under penalty of perjury in the second degree that I have read the foregoing application and all attachments thereto, and that all information therein is true, correct, and complete to the best of my knowledge.

Signature

Ian Burnett

Title

Director

Date

03/16/24

Report and Approval of Local Licensing Authority (Town or County)

The foregoing application has been examined and the premises, business conducted and character of the applicant is satisfactory, and we do report that such permit, if granted, will comply with the provisions of Title 44, Article 5, C.R.S., as amended.

THEREFORE, THIS APPLICATION IS APPROVED.

Local Licensing Authority (Town or County)

Town of Silverton

☒ Town

☐ County

Telephone Number of Town/County Clerk

Signature

Heather A. Officer

Title

Heather A. Officer

Date

5/8/24

DO NOT WRITE IN THIS SPACE - FOR TOWN OF SILVERTON USE ONLY

Liability Information

License Number	Liability Date	State	Total
			\$ 10.00

(Instructions on Reverse Side)

Application Information and Checklist

The following supporting documents must be attached to this application for a permit to be issued:

- ☐ Appropriate fee.
- ☐ Diagram of the area to be licensed (not larger than 8 1/2" X 11" reflecting bars, walls, partitions, ingress, egress and dimensions. **Note:** If the event is to be held outside, please submit evidence of intended control, i.e., fencing, ropes, barriers, etc.
- ☐ Copy of deed, lease, or written permission of owner for use of the premises.
- ☐ Certificate of good corporate standing (NONPROFIT) issued by Secretary of State within last two years; **or**
- ☐ If not incorporated, a NONPROFIT charter; **or**
- ☐ If a political Candidate, attach copies of reports and statements that were filed with the Secretary of State.

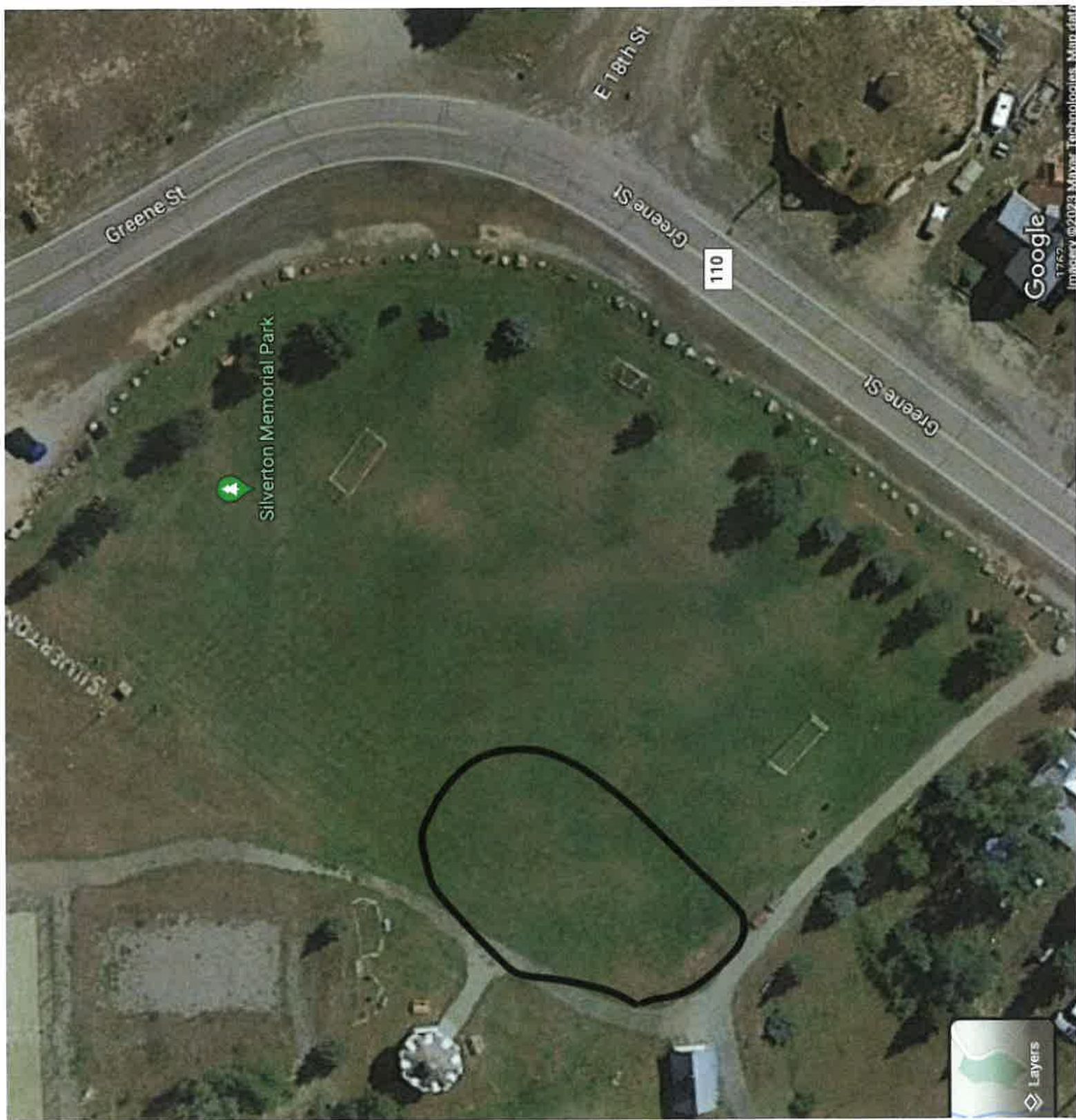
- ☐ Application must first be submitted to the Local Licensing Authority (town or county) at least thirty (30) days prior to the event.
- ☐ Public notice of the proposed event and procedure for protesting issuance of the permit shall be conspicuously posted at the proposed location for at least (10) days before approval of the permit by Local Licensing Authority. (44-5-106 C.R.S.)
- ☐ State Licensing Authority must be notified of approved applications by Local Licensing Authorities within ten (10) days of approval.
- ☐ Check payable to the Town of Silverton

Qualifications for Special Events Permit

(44-5-102 C.R.S.)

A Special Event Permit issued under this article may be issued to an organization, whether or not presently licensed under Articles 4 and 3 of this title, which has been incorporated under the laws of this state for the purpose of a social, fraternal, patriotic, political or athletic nature, and not for pecuniary gain or which is a regularly chartered branch, lodge or chapter of a national organization or society organized for such purposes and being non profit in nature, or which is a regularly established religious or philanthropic institution, and to any political candidate who has filed the necessary reports and statements with the Secretary of State pursuant to Article 45 of Title 1, C.R.S. A Special Event permit may be issued to any municipality owning arts facilities at which productions or performances of an artistic or cultural nature are presented for use at such facilities.

This permit application is issued, subject to the laws of the State of Colorado under the provisions of Title 44, Articles 3, 4, 5, C.R.S. 1973 as amended, and the Town of Silverton, Colorado Ordinance 2015-02 authorizes the Town of Silverton to approve Special Event Liquor Permits without notification to the State Licensing Authority for its approval or disapproval in accordance with C.R.S. 12-48-107(5).



Google

Imagery ©2023 Mapbox Technologies. Map data



USACYCL-24

MRODRIGUEZ

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

3/8/2024

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Fairly Consulting Group, LLC 1800 S. Washington, Suite 400 Amarillo, TX 79102	CONTACT NAME: Fairly Group Certificates PHONE (A/C, No, Ext): FAX (A/C, No): E-MAIL ADDRESS: certs@fairlygroup.com														
INSURED USA Cycling, Inc. 210 USA Cycling Point, Suite 100 Colorado Springs, CO 80919	<table><tr><td>INSURER(S) AFFORDING COVERAGE</td><td>NAIC #</td></tr><tr><td>INSURER A : Accredited Surety and Casualty Company, Inc.</td><td>26379</td></tr><tr><td>INSURER B :</td><td></td></tr><tr><td>INSURER C :</td><td></td></tr><tr><td>INSURER D :</td><td></td></tr><tr><td>INSURER E :</td><td></td></tr><tr><td>INSURER F :</td><td></td></tr></table>	INSURER(S) AFFORDING COVERAGE	NAIC #	INSURER A : Accredited Surety and Casualty Company, Inc.	26379	INSURER B :		INSURER C :		INSURER D :		INSURER E :		INSURER F :	
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INSURER F :															

COVERAGES

CERTIFICATE NUMBER:

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS																					
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input type="checkbox"/> LOC <input checked="" type="checkbox"/> OTHER: Per Event	X		1-TRE-CO-17-01338745-00	12/31/2023	12/31/2024	<table><tr><td>EACH OCCURRENCE</td><td>\$</td><td>2,000,000</td></tr><tr><td>DAMAGE TO RENTED PREMISES (Ea occurrence)</td><td>\$</td><td>2,000,000</td></tr><tr><td>MED EXP (Any one person)</td><td>\$</td><td>0</td></tr><tr><td>PERSONAL & ADV INJURY</td><td>\$</td><td>2,000,000</td></tr><tr><td>GENERAL AGGREGATE</td><td>\$</td><td>4,000,000</td></tr><tr><td>PRODUCTS - COMP/OP AGG</td><td>\$</td><td>2,000,000</td></tr><tr><td>PART. LEGAL LIA</td><td>\$</td><td>Included</td></tr></table>	EACH OCCURRENCE	\$	2,000,000	DAMAGE TO RENTED PREMISES (Ea occurrence)	\$	2,000,000	MED EXP (Any one person)	\$	0	PERSONAL & ADV INJURY	\$	2,000,000	GENERAL AGGREGATE	\$	4,000,000	PRODUCTS - COMP/OP AGG	\$	2,000,000	PART. LEGAL LIA	\$	Included
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	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) <input type="checkbox"/> Y/N If yes, describe under DESCRIPTION OF OPERATIONS below		N/A				<table><tr><td>PER STATUTE</td><td>OTH-ER</td><td></td></tr><tr><td>E L EACH ACCIDENT</td><td>\$</td><td></td></tr><tr><td>E L DISEASE - EA EMPLOYEE</td><td>\$</td><td></td></tr><tr><td>E L DISEASE - POLICY LIMIT</td><td>\$</td><td></td></tr></table>	PER STATUTE	OTH-ER		E L EACH ACCIDENT	\$		E L DISEASE - EA EMPLOYEE	\$		E L DISEASE - POLICY LIMIT	\$										
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E L DISEASE - POLICY LIMIT	\$																											

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
Job 2024-8507

IL 1201 - Endt #1 - Named Insured Extension:

Event Organizers and/or Promoters are Named Insureds. It shall be a condition of coverage that all organizers/promoters for whom coverage is afforded under this policy execute a USAC Event Permit Application and coverage will be afforded only for the specific event and date(s) on the permit.

The General Liability policy includes a blanket automatic additional insured endorsement that provides additional insured status to any person or organization if required by a written contract or agreement provided such contract or agreement was executed prior to the occurrence or offense. Please see SEE ATTACHED ACORD 101

CERTIFICATE HOLDER

CANCELLATION

Town of Silverton and its employees
1360 Greene Street
Silverton, CO 81433

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

AGENCY CUSTOMER ID: USACYCL-24

MRODRIGUEZ

LOC #: _____

ADDITIONAL REMARKS SCHEDULEPage 1 of 1

AGENCY Fairly Consulting Group, LLC		NAMED INSURED USA Cycling, Inc. 210 USA Cycling Point, Suite 100 Colorado Springs, CO 80919
POLICY NUMBER SEE PAGE 1		
CARRIER SEE PAGE 1	NAIC CODE SEE P 1	EFFECTIVE DATE: SEE PAGE 1

ADDITIONAL REMARKS

THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,
FORM NUMBER: ACORD 25 FORM TITLE: Certificate of Liability Insurance

Description of Operations/Locations/Vehicles:
attached endorsement CG 20 26 (12/2019).

Event Number: 2024-8507
Event Name: Iron Horse Bicycle Classic
Event Location: Durango, CO
Event Date(s): 05/25/2024, 05/26/2024, 05/27/2024
Includes Kids Fun Ride

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**ADDITIONAL INSURED – DESIGNATED
PERSON OR ORGANIZATION**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Name Of Additional Insured Person(s) Or Organization(s):

ANY PERSON OR LEGAL ENTITY IN WHICH YOU HAVE A WRITTEN CONTRACT, AGREEMENT OR PERMIT WHICH REQUIRES THAT YOU NAME THE CONTRACTING PARTY AS AN ADDITIONAL INSURED.

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

A. Section II – Who Is An Insured is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf:

1. In the performance of your ongoing operations; or
2. In connection with your premises owned by or rented to you.

However:

1. The insurance afforded to such additional insured only applies to the extent permitted by law; and
2. If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

B. With respect to the insurance afforded to these additional insureds, the following is added to Section III – Limits Of Insurance:

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:

1. Required by the contract or agreement; or
2. Available under the applicable limits of insurance;

whichever is less.

This endorsement shall not increase the applicable limits of insurance.



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[Business Search](#)

- [FAQs, Glossary and Information](#)

Summary

Details			
Name	IRON HORSE BICYCLE CLASSIC OF DURANGO		
Status	Good Standing	Formation date	05/12/1994
ID number	19941055031	Form	Nonprofit Corporation
Periodic report month	January	Jurisdiction	Colorado
Principal office street address	508 Clovis Dr, Durango, CO 81301, US		
Principal office mailing address	PO Box 1389, Durango, CO 81302, US		

Registered Agent	
Name	Ian Bumett
Street address	508 Clovis Dr, Durango, CO 81301, US
Mailing address	PO Box 1389, Durango, CO 81302, US

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AGREEMENT FOR IRON HORSE BICYCLE CLASSIC SPECIAL EVENT

THIS AGREEMENT FOR IRON HORSE BICYCLE CLASSIC SPECIAL EVENT

("Agreement") is entered into this 25th day of April, 2022, by and between the Town of Silverton, Colorado, (the "Town"), and the Iron Horse Bicycle Classic (the "Organization"), a Colorado nonprofit corporation (collectively, the "Parties").

WITNESSETH:

WHEREAS, the Board of Trustees of the Town of Silverton, Colorado has authority pursuant to C.R.S. § 31-15-101 to enter into agreements for the provision of services to town government; and

WHEREAS, Iron Horse Bicycle Classic (the "Organization"), is significant to the Town as a source of revenue and tourism; and

WHEREAS, the Town has determined that the events and activities surrounding the Organization are in continuous need of significant management and resources; and

WHEREAS, the Organization desires to provide for the Town with certain services associated with the Event, as specified herein; and

WHEREAS, the Town desires to contract with the Organization to provide services associated with the Event, as specified herein; and

NOW, THEREFORE, IN CONSIDERATION OF THE MUTUAL COVENANTS, CONDITIONS AND OBLIGATIONS HEREIN CONTAINED, THE PARTIES AGREE AS FOLLOWS:

1. **Marketing and Communications.** The following shall be the Parties' respective obligations and responsibilities for marketing of the Event and communications surrounding the Event:

a. **The Organization.** The Organization shall develop web marketing materials and communications for publication on both the Organization's website and the Town's website. The Town's Communications and Events Manager shall be provided the opportunity to review the marketing materials before they are posted on the Organization's website. Any marketing deemed acceptable to the Town's Communications and Events Manager may be used on the Town's website. All marketing materials deemed acceptable by the Town shall include the Town's logo, as provided by the Town.

b. **The Town.** The Town, under the "Visitors" Tab, shall post on its website all marketing materials and communications provided by the Organization. The Town agrees to post schedules to its website not later than 30 days prior to the Event or within a reasonable time after provided to the Town by the Organization.

The Town may participate in the Organization's fundraising events for the Event. The Town may participate in such events by providing monetary donation, volunteer staff time and/or in-kind use of facilities. In return for participation, the Event shall advertise the Town's sponsorship of such fundraising events in its web publications of such and shall include

the Town's logo in all print and digital materials. Additionally, the Town shall be permitted to display in the manner of its choosing any banners or displays advertising the Town.

2. **Licensed Use.** The Town licenses the use of Memorial Park and Kendall Mountain Community Center (collectively, the "Licensed Facilities") for the Event and as further described in below.

a. **Memorial Park.** Memorial Park may be used for race meetings and partner/vendor display booths. The Organization may use the Town's electrical and water connections.

b. **Kendall Mountain Community Center ("KMCC").** KMCC may be used by the Organization for camping outdoors, race meetings, and restrooms. The Organization may use the Town's electrical and water connections. All other facilities at Kendall are not included in the license and shall not be used by the Organization.

This Agreement shall not be construed to authorize use of any property that is not owned by the Town and the Event warrants that it shall obtain express permission from all private property owners prior to allowing by act or omission the use of such property.

The Licensed Facilities are licensed in their "as is" condition with all faults and without warranties of any kind.

3. **Events and Activities.** The Organization and the Town shall have the following obligations and responsibilities relating to events and activities for the Event:

In the event of any natural disasters, including floods or fires, or an event that causes closures of Hwy 550, the Parties shall jointly decide and mutually agree to alternatives to the above.

a. **The Town.** The Town shall provide the following services for events and activities for the Event:

- Electrical and water connections as well as sanitation supplies at the Licensed Facilities.
- Clean-up assistance, as determined by the parties at the Project Review Briefing.
- An appropriate number of dumpsters or other waste receptacles.
- Barricades and other crowd control mechanisms at locations determined at the Project Review Briefing.

4. **Emergency Services.** The Organization and the Town shall have the following obligations and responsibilities relating to emergency services for the event:

a. **The Organization.** The Organization shall coordinate with the San Juan County Sheriff's Department, Office of Emergency Management, and Emergency Medical Services regarding support for the event. Such coordination shall include meeting with appropriate representatives prior to the Event to discuss plans and contingencies. The Town shall be provided prior written notice of all meetings and provided the opportunity to participate in such meetings, if desired.

The Organization shall provide security for events occurring during the event in the form of notification and any needed involvement of the Sheriff's Department or other separately contracted security agencies. The Organization shall coordinate with the Sheriff's Department by meeting with the Sheriff or his designee prior to the event to discuss plans and contingencies. The Town shall be provided prior written notice of all meetings and provided the opportunity to participate in such meetings, if desired.

5. **Facilities Management and Maintenance.** The Organization and the Town shall have the following obligations and responsibilities relating to management and maintenance of the Licensed Facilities for the Event:

a. **The Organization.** The Organization shall immediately notify the Town Public Works Director of any maintenance or repair at the Licensed Facilities, which is required to accommodate the Events volume of guests. During the Event, the Organization shall immediately notify the Town's Facilities, Parks and Recreation Director of any problems or concerns with the electric/water or the waste dumpsters/receptacles. The Organization shall maintain an appropriate number of portable restroom facilities to accommodate the event's volume of guests

b. **The Town.** The Town shall maintain the Facilities in working order and to a level appropriate to accommodate the Event's volume of guests. The Town shall provide and maintain throughout the Event an appropriate number of portable restroom facilities and dumpsters/receptacles at locations agreed upon by the Town Facility, Parks and Recreation Director and the Organization at the Project Review Briefing, defined herein.

6. **Financing.** The Organization and the Town shall have the following obligations and responsibilities relating to financing for the event:

- a. **The Event.** The Organization agrees to the following:
1. Operational Plan Processing Fees: \$200.00 per year
 2. Facility Rental Fees over 3 days' free (combined use) per calendar year.
 3. Maintain Non-Profit status for the events.
 4. Submit Vendor applications and payments (set forth in the adopted Town of Silverton Fee Schedule) a minimum of one (1) week before the event is scheduled to begin.
 5. Notice the event in the local newspaper (Silverton Standard and the Miner) at cost.

6. Submit a copy of the Certificate of Liability Insurance to the Town (listing the Town of Silverton and San Juan County as additionally insured).

7. Setup and remove wayfinding signage for event.

b. **The Town.** The Town shall agree to the following:

1. Free use of town owned Facilities for Rentals, not to exceed 3 day's (combined use) per calendar year

2. Administer Public Right of Way Closure of Greene St (Start) to Memorial Park (Finish)

3. Hang the organizations Banner one (1) week before the event start. (Town of Silverton owns the Banner)

4. White Chiavari chairs and lectern delivered to Memorial Park for the Veterans Memorial Celebration.

5. Trash to be removed from collected area and taken to the Transfer Station from Memorial Park.

6. Access to Town Hall meeting room or Kendall Recreation Center, if available, for emergency purposes in case of inclement weather.

7. Public Works will move steel barricades to general locations for setup.

7. **Contracting.** The Parties may contract independently with third parties in order to meet their respective obligations and responsibilities under this Agreement.

8. **Schedules and Joint Meetings.** The Parties agree to participate in the following joint briefings and the Town and the Organization endeavor to have a representative from their respective Boards at each meeting:

a. An annual briefing and debriefing shall occur twice each calendar year (the "Briefing"). Content shall include date review for the upcoming Event, proposed changes or additions to this Agreement, relationship, and assessment.

b. An initial Briefing meeting shall occur prior to April 30th each calendar year, unless mutually agreed rescheduling efforts are made. Contents shall include: All planning and execution of Organizations events to date, discussion and scheduling of any remaining activities herein committed to by the Town or the Organization, operational plan completed by the Organization.

c. A debriefing meeting shall occur prior to July 1st each calendar year. Contents shall include after action review of current year's events, and community feedback and other governmental agencies feedback.

e. It will be the responsibility of the Organization to secure time with the Town for these meetings. Meetings may occur in conjunction with a regularly scheduled meeting of the Town Board of Trustees. Either party may bring documented issues and concerns to these meetings to be discussed.

9. **Permitting.** The Town agrees that the Organization shall not be required to complete annual permitting requests for the Licensed Facilities and the events described herein. The Parties agree that this Agreement contains the terms and conditions for use of the Licensed Facilities for the Event and will be issued a Special Events Permit based on this contract. In the event changes occur to the Town's permitting process for the Licensed Facilities, the parties agree to incorporate said changes by way of Amendment to the Agreement. Notwithstanding the forgoing, the Organization shall obtain any liquor licenses or permits that cannot be waived pursuant to State statute.

10. **Insurance.** The Organization shall obtain and keep in full force a policy of commercial general liability insurance under which the Organization is named as the insured and the Town is named as an additional insured. The minimum limits of liability shall be a combined single limit with respect to each occurrence of not less than One Million Dollars (\$1,000,000.00) and Two Million Dollars (\$2,000,000.00) aggregate. The policy shall insure against any liability arising out of or related to use of the Town property described herein and the Organization's services and obligations described herein. Proof of such insurance shall be provided to Town at the Annual Kick-off Meeting.

11. **Collaboration and Issue Resolution.** By way of the terms and conditions herein, the Parties agree to engage in a supportive and collaborative relationship wherein each party, working together, will provide support for the community and its visitors. In the event any issues or conflicts arise in direct relation to this Agreement, the Parties agree that the joint meetings described in Section 8 shall be the first venue wherein issues may formally be addressed. Should issues arise during a day-to-day fulfillment of this Agreement, the agents of the Parties being involved in such issue(s) should be brought to resolve such issue(s) in an amicable and immediate manner. In the event such is not possible, or that further consultation with leadership of either party is necessary, the issue(s) should be brought to either the Town Administrator or the Representative of the Organization Board (collectively, the "Leaders") directly. Should the Leaders be unable to remedy the issue(s) with amicability and immediacy, the matter shall be referred to the next joint meeting for resolution by a quorum of the Boards of both parties.

12. **Indemnification and Release.** The Town is not responsible for any accidents, or injuries to person or property that occurs at the Licensed Facilities during the Event or because of the services being provided by the Organization under this Agreement. The Organization shall at its expense defend, indemnify, and hold the Town, its Board of Trustees, employees, and agents harmless from and against any and all claims, arising out of or in connection with this Agreement and the Organization's services and operations provided for the Event.

13. **Limitation of Liability.** Neither party shall be liable for failure to perform hereunder if such failure is the result of Force Majeure. "Force Majeure" shall mean causes beyond the reasonable control of a party such as, but not limited to, weather conditions, acts of God, Covid-19, fire, flooding, or other casualty, or actions of State or Federal government authorities, including but not limited to the closing of SH 550 by CDOT. If the Organization cannot hold the events because of Force Majeure, the Town shall refund the organization 50% of

the total processing fees. If the Organization does not perform for any reason besides Force Majeure, then the Organization will not receive a processing fee refund and the Facilities Rental Fees will be refunded per the facility refund policy only.

Neither party shall be liable to the other for any special, consequential, incidental, punitive or indirect damages arising from or relating to any breach of this agreement, regardless of any notice of the possibility of such damages. Notwithstanding the foregoing, nothing in this paragraph is intended to limit or restrict the indemnification rights or obligations of any party under this agreement or damages available for breaches of the obligations set forth herein.

14. **Term.** The Term of this Agreement shall be from January 1st, 2022, through December 31, 2024. The Parties may agree to renew this Agreement every 3 years with the option to extend the contract further than 3 years at a time.

15. **Default.** Upon a breach of the terms of this Agreement, the non-breaching party shall provide the other party with written notice of the default and seven (7) days to cure the default. If the default is not cured in the prescribed time, the non-defaulting party may elect at its option to terminate at a meeting of their respective Board.

16. **Compliance with Laws.** The Event shall, at its own cost and expense, promptly and properly observe and comply with all present and future orders, regulations, directions, rules, laws, ordinances, and requirements of all governmental authorities (including, without limitation, state, municipal, county, and federal governments and their departments, bureaus, boards and officials and) arising from this Agreement and the Event's management and operations appurtenant to or in connection with the enjoyment of the Premises.

17. **Assignment.** The Event may not assign its responsibilities and obligations other than as described herein without the express written consent of the Town.

18. **No Waiver of Sovereign Immunity.** Nothing herein shall be construed as a waiver of the Town's sovereign immunity and the Event agrees that the Town through this Agreement has not waived any provision of the Colorado Government Immunity Act.

19. **Attorney Fees.** If either party brings any action or legal proceeding for damages for an alleged breach of any provision of this Agreement or to enforce, protect or establish any term, condition or covenant of this Agreement, the substantially prevailing party shall be entitled to recover as a part of such action or proceedings, or in a separate action brought for that purpose, attorneys' fees and costs actually incurred by the substantially prevailing party.

20. **General.**

a. **Captions.** The captions and headings used in this Agreement are for the purpose of convenience only and shall not be construed to limit or extend the meaning of any part of this Agreement.

b. **Severability.** If any one or more of the provisions contained herein shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision of this Agreement, but this Agreement shall be construed as if such invalid, illegal or unenforceable provision had not been contained herein.

c. **Waiver.** Any waiver of any terms and conditions hereof must be in writing and signed by the parties hereto. No failure to insist upon strict compliance with any of the provisions of this Agreement shall operate or be construed as a waiver of any subsequent breach of the same or any other provision of this Agreement. A waiver of any term or condition hereof shall not be construed as a future waiver of the same or any other term or condition hereof.


d. **Entire Agreement.** This Agreement is the entire agreement between the parties, and supersedes any prior agreements, representations, negotiations, or correspondence between the parties except as expressed herein. The parties shall not be deemed affiliates, partners, or joint venturers of the other and the parties agree to indemnify and hold the other harmless from all claims, actions or causes of action arising out of or having to do with, directly or indirectly, the business operations of the other. Except as otherwise provided herein, no subsequent charge or addition to this Agreement shall be binding unless in writing and signed by the parties hereto.

e. **Authority.** Everyone executing this Agreement on behalf of a party to this Agreement represents and warrants that he/she/they is/are duly authorized to execute and deliver this Agreement on behalf of such party, and that this Agreement is binding upon such party in accordance with its terms.

**** The rest of this page is intentionally left blank ****

IN WITNESS WHEREOF, the undersigned have executed this instrument as of the date and year first above written.

WITNESS:



Nathan Baxter,
Communications and Events Manager

IRON HORSE BICYCLE CLASSIC:

Ian Burnett 4/22/22


Ian Burnett, Director Iron Horse Bicycle Classic

ATTEST:



Matthew Green, Town Clerk/Treasurer

TOWN OF SILVERTON



Shane Fuhman, Mayor

Agreement

This agreement between the Iron Horse Bicycle Classic Inc. and the Town of Silverton, Colorado pertaining to our event known as the Iron Horse Bicycle Classic held annually on Saturday of Memorial Day weekend. The purpose of this agreement is to identify the necessary items for the event to take place in Silverton on an annual basis, weather permitting.

Items Include:

- Usage of Memorial Park at a nonprofit rate for event participants, event staff, support and vendors for day of event. The park will also be available the day before event for event staff to begin setup. This includes electrical access, mowing of grass, removal of soccer structures.
- Main Street to be available for the event finish from the bottom of Hwy 550 to Memorial Park.
- Iron Horse Bicycle Classic banner to be hung in advance of event. Banner is owned by Silverton.
- Chairs provided and set up at a nonprofit rate for Veterans Celebration event in Memorial Park.
- Trash to be removed and taken to dump from collected area of Memorial Park by Town of Silverton.
- Access to Kendall Mountain Building until 1:00 p.m. for emergency purposes in case of inclement weather.

This agreement will continue annually and cost increases for provided items cannot exceed 3% annually.

X _____

Iron Horse Bicycle Classic

x _____

Date

X _____

Town of Silverton

X _____

Date

TO BE POSTED IN A CONSPICUOUS PLACE

Town of Silverton, Colorado

BY AUTHORITY OF THE TOWN BOARD OF TRUSTEES

SPECIAL EVENT LIQUOR LICENSE

FOR

HARDROCK HUNDRED ENDURANCE RUN

To sell FERMENTED MALT BEVERAGES

This is to certify that **Hardrock Hundred Endurance Run**, having applied for a Special Event License, is hereby licensed to sell and/or consume Fermented Malt Beverages by the drink for consumption on the premises located at **12th & Snowden St.** in the Town of Silverton, Colorado, on **7/13/2024 from 11:00am to 8:00pm** unless this license is revoked sooner as provided by law.

This license is issued subject to the Laws of the State of Colorado and especially under the provisions of Article 3,4,5 of Title 44, Colorado Revised Statutes, as amended, and the ordinances of the Town of Silverton, insofar as the same may be applicable.

IN TESTIMONY WHEREOF, the Town Board of Trustees has hereunto subscribed its name by its officers duly authorized this 8th day of April, 2024.

The Town Liquor Enforcement
The Town of Silverton, Colorado

Attest:



Town Clerk Melina Marks Lanis



Liquor Authority Anthony Edwards

Town of Silverton
1360 Greene ST.
PO Box 250
Silverton, CO 81433
970-387-5522

Application for a Special Events Liquor Permit



Town of
Silverton

In order to qualify for a Special Events Liquor Permit, You Must Be a Qualifying Organization Per 44-5-102 C.R.S. and One of the Following (See back for details.)

- | | | |
|------------------------------------|---|---|
| <input type="checkbox"/> Social | <input checked="" type="checkbox"/> Athletic | <input type="checkbox"/> Philanthropic Institution |
| <input type="checkbox"/> Fraternal | <input type="checkbox"/> Chartered Branch, Lodge or Chapter | <input type="checkbox"/> Political Candidate |
| <input type="checkbox"/> Patriotic | <input type="checkbox"/> National Organization or Society | <input type="checkbox"/> Municipality Owned Arts Facilities |
| <input type="checkbox"/> Political | <input type="checkbox"/> Religious Institution | |

Type of Special Event Applicant is Applying for:

- | | |
|---|-----------------|
| <input type="checkbox"/> Malt, Vinous And Spirituous Liquor | \$25.00 Per Day |
| <input checked="" type="checkbox"/> Fermented Malt Beverage | \$10.00 Per Day |

DO NOT WRITE IN THIS SPACE

Liquor Permit Number

1. Name of Applicant Organization or Political Candidate

Hardrock Hundred Endurance Run

State Sales Tax Number (Required)

47-1608016

2. Mailing Address of Organization or Political Candidate
(include street, city/town and ZIP)

PO 55
Silverton, CO
81433

3. Address of Place to Have Special Event
(include street, city/town and ZIP)

12th St. & Snowden Ave.

4. Authorized Representative of Qualifying Organization or Political Candidate

Dale Garland

Date of Birth

07/27/57

Phone Number

970 769 2872

Authorized Representative's Mailing Address (if different than address provided in Question 2.)

Same

5. Event Manager

Dale Garland

Date of Birth

07/27/57

Phone Number

970 769 2872

Event Manager Home Address (Street, City, State, ZIP)

1701 Bright Shore Way

Email Address of Event Manager

dale@hardrock100.com

6. Has Applicant Organization or Political Candidate been
Issued a Special Event Permit this Calendar Year?

☒ No ☐ Yes How many days? _____

7. Is the premises for which your event is to be held currently licensed under the
Colorado Liquor or Beer codes?

☒ No ☐ Yes License Number _____

8. Does the Applicant Have Possession or Written Permission for the Use of The Premises to be Licensed? ☐ Yes ☐ No

List Below the Exact Date(s) for Which Application is Being Made for Permit

Date 7/13/24 Hours From 11 a.m. To 8 p.m.	Date Hours From .m. To .m.	Date Hours From .m. To .m.	Date Hours From .m. To .m.	Date Hours From .m. To .m.
Date Hours From .m. To .m.	Date Hours From .m. To .m.	Date Hours From .m. To .m.	Date Hours From .m. To .m.	Date Hours From .m. To .m.
Date Hours From .m. To .m.	Date Hours From .m. To .m.	Date Hours From .m. To .m.	Date Hours From .m. To .m.	Date Hours From .m. To .m.
Date Hours From .m. To .m.	Date Hours From .m. To .m.	Date Hours From .m. To .m.	Date Hours From .m. To .m.	Date Hours From .m. To .m.

Oath of Applicant

I declare under penalty of perjury in the second degree that I have read the foregoing application and all attachments thereto, and that all information therein is true, correct, and complete to the best of my knowledge.

Signature

Dale Garland

Title

Run Director

Date

3/5/24

Report and Approval of Local Licensing Authority (Town or County)

The foregoing application has been examined and the premises, business conducted and character of the applicant is satisfactory, and we do report that such permit, if granted, will comply with the provisions of Title 44, Article 5, C.R.S., as amended.

THEREFORE, THIS APPLICATION IS APPROVED.

Local Licensing Authority (Town or County)

☒ Town
☐ County

Telephone Number of Town/County Clerk

Signature

Town of Silverton
[Signature]

Title

Heavenly Officer

Date

4/3/24

DO NOT WRITE IN THIS SPACE - FOR TOWN OF SILVERTON USE ONLY

Liability Information

License Number	Liability Date	State	Total
			\$.

(Instructions on Reverse Side)

Application Information and Checklist

Info should be on file

The following supporting documents must be attached to this application for a permit to be issued:

- ☐ Appropriate fee.
- ☐ Diagram of the area to be licensed (not larger than 8 1/2" X 11" reflecting bars, walls, partitions, ingress, egress and dimensions. **Note:** If the event is to be held outside, please submit evidence of intended control, i.e., fencing, ropes, barriers, etc.
- ☐ Copy of deed, lease, or written permission of owner for use of the premises.
- ☐ Certificate of good corporate standing (NONPROFIT) issued by Secretary of State within last two years; **or**
- ☐ If not incorporated, a NONPROFIT charter; **or**
- ☐ If a political Candidate, attach copies of reports and statements that were filed with the Secretary of State.

- ☐ Application must first be submitted to the Local Licensing Authority (town or county) at least thirty (30) days prior to the event.
- ☐ Public notice of the proposed event and procedure for protesting issuance of the permit shall be conspicuously posted at the proposed location for at least (10) days before approval of the permit by Local Licensing Authority. (44-5-106 C.R.S.)
- ☐ State Licensing Authority must be notified of approved applications by Local Licensing Authorities within ten (10) days of approval.
- ☐ Check payable to the Town of Silverton

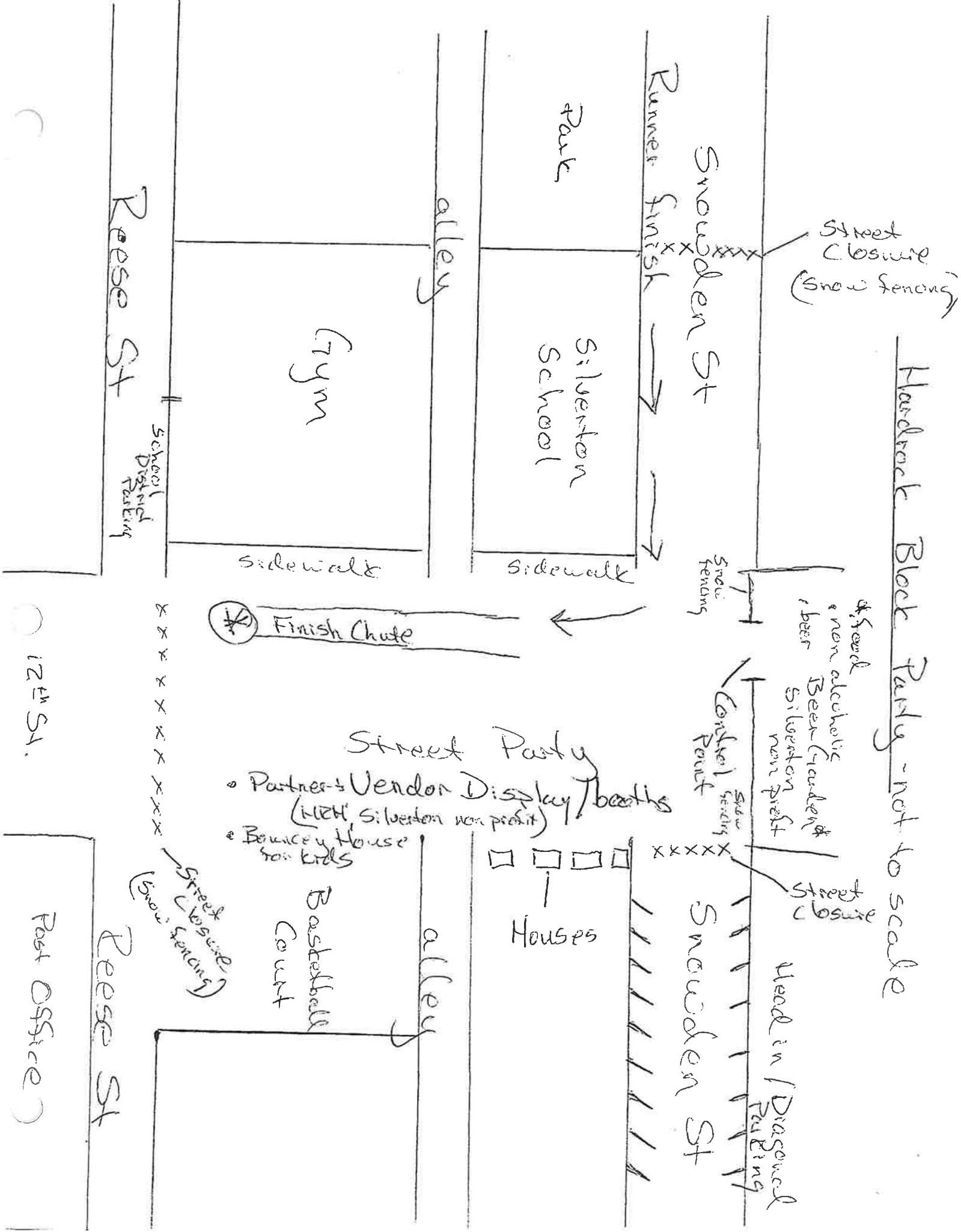
Qualifications for Special Events Permit

(44-5-102 C.R.S.)

A Special Event Permit issued under this article may be issued to an organization, whether or not presently licensed under Articles 4 and 3 of this title, which has been incorporated under the laws of this state for the purpose of a social, fraternal, patriotic, political or athletic nature, and not for pecuniary gain or which is a regularly chartered branch, lodge or chapter of a national organization or society organized for such purposes and being non profit in nature, or which is a regularly established religious or philanthropic institution, and to any political candidate who has filed the necessary reports and statements with the Secretary of State pursuant to Article 45 of Title 1, C.R.S. A Special Event permit may be issued to any municipality owning arts facilities at which productions or performances of an artistic or cultural nature are presented for use at such facilities.

This permit application is issued, subject to the laws of the State of Colorado under the provisions of Title 44, Articles 3, 4, 5, C.R.S. 1973 as amended, and the Town of Silverton, Colorado Ordinance 2015-02 authorizes the Town of Silverton to approve Special Event Liquor Permits without notification to the State Licensing Authority for its approval or disapproval in accordance with C.R.S. 12-48-107(5).

Hardrock Block Party - not to scale



12th St.

Post Office

[> UCC Home](#)[> Instructions](#)[> FAQs](#)[> Login](#)[> Create User Account](#)

Organization Record Confirmation

Review and select "Confirm" if this entity is the correct business organization.

ID Number:	19941140958
Name:	HARDROCK HUNDRED INC.
Principal Street Address:	1701 Bright Shore Way, Severance, CO, 80550, US
Principal Mailing Address:	PO 55, Silverton, CO, 81433, US
Registered Agent:	Dale Douglas Garland
Registered Agent Street Address:	1701 Bright Shore Way, Severance, CO, 80550, US
Registered Agent Mailing Address:	PO 55, Silverton, CO, 81433, US
Status:	Good Standing
Form:	Nonprofit Corporation
Jurisdiction:	CO
Formation Date:	1994-12-19

[Previous Page](#)[Confirm](#)

[Terms & conditions](#) | [Accessibility statement](#) | [Browser compatibility](#)

Receipt No: 3.001627

Apr 8, 2024

Hardrock Hundred Endurance Run

Previous Balance:	.00
LICENSES & PERMITS	
LIQUOR LICENSE	10.00
10-32-110000	
LIQUOR LICENSES	

Total:	10.00
--------	-------

CHECKS	
Check No: 4052	10.00
Payor:	
Hardrock Hundred Endurance Run	
Total Applied:	10.00

Change Tendered:	.00
------------------	-----

Duplicate Copy
04/08/2024 10:01 AM

TOWN OF SILVERTON
1360 GREENE ST
PO BOX 250
SILVERTON CO 81433-0250 (970) 387-5522



Town of
Silverton

Public Banner Permit

For the Installation of Temporary Banners

Advertising and Promoting Community-Wide Special Events and Holidays

All applications must comply with the following standards for the display of Banners on town Property and Town Right-of-Way:

1. Banners may NOT be larger than 4' by 20'
2. Banners shall be constructed at no less than the following specification: 8 oz., 70/30 (30% air flow) vinyl banner mesh. This material is printable and commonly available at most retail sign establishments. Any other material preferences must be approved by the Town prior to installation. Banners must have "D" rings installed in the corners and be no less than 4 feet apart and sewn in to a minimum 1 ½ inch hem. Banners must be attached with climbing grade carabiners at each "D" ring provided by the applicant.
3. Banners must advertise events that promote the general interest of the Town as a whole.
4. Banners with commercial advertising including corporate and business trademarks, logos and other identifiers are permitted only if commercial advertising, trade names, logos, etc. take up 50% or less of banner square footage. The special event advertising must be equal to or larger than the commercial ad size.
5. Dates for hanging banners must be reserved with the Town at least 60 days in advance. Banners may be hung for a maximum of two weeks prior to the event. The time may be less if it conflicts with the advertising banner installed for an earlier event. Banners must be scheduled for removal within 24 hours after the completion of the advertised event if there is another banner scheduled to be installed or up to 5 days after the event if no other banner is scheduled for installation. The time allowed to remove a banner may be extended by the authorization of the Town.
6. It is the obligation of the owner of the banner to arrange for the hanging of the banner and the removal of the banner with the Town. Banner installation and removal shall be done only by the Town or an installer approved of by the Town. The Town assumes no responsibility for the



Town of Silverton

Public Banner Permit

maintenance, damage or storage of any banner. Maintenance of installed banners can be arranged with the Town at a fee of \$100 per hour at the discretion of the Public Works Director. Scheduling the installation and removal may only be done after the banner application has been approved.

7. The Town reserves the right to refuse to allow any banner to be hung that it deems unsafe, damaged, or is constructed in a manner that will become damaged and create a hazard. The Town reserves the right to have any banner removed immediately if the banner becomes damaged, is deemed hazardous, extreme wind conditions exist, or if other safety hazards are a consideration. The removal of the banner shall be at the owner's expense.
8. Banners must be presented to the Town for inspection a minimum of 48 hours prior to installation.
9. These Banner Standards shall be administered by the Code Enforcement Officer, Public Works Director or other Town Staff as delegated by the Town Administrator.
10. The Permit Fee for one week of banner placement at either the entrance to Town or the 14th Street bridge (entrance to Kendall Mountain Recreation Area) is \$100.

APPLICATION DATE: 3/5/24

NAME OF APPLICANT: Hardrock Hundred Endurance Run PHONE: 970-769-2872

MAILING ADDRESS: PO 55 Silverton CO 81433

DATE BANNER TO BE INSTALLED: M, 7/8/24 DATE BANNER TO BE REMOVED: M, 7/15/24

BANNER INSTALLED BY: _____ BANNER REMOVED BY: _____

INSTALLATION LOCATION (SELECT ONE): ☒ ENTRANCE TO TOWN ☐ 14TH STREET (KENDALL)

BANNER SIZE:

LENGTH _____ HEIGHT _____ TOTAL SQ. FT. _____

TEXT: Hardrock Hundred Endurance Run



Town of Silverton

Public Banner Permit

COMMENTS:

Banner is in Silverton and has been used in
previous years.

I HEREBY AGREE TO COMPLY WITH TOWN OF SILVERTON STANDARDS FOR THE DISPLY OF BANNERS ON
TOWN PROPERTY AND TOWN PUBLIC RIGHT - OF - WAY.

APPLICANT SIGNATURES:

NAME & TITLE Dale Garland, Director SIGN Dale Garland

PERMIT ISSUED BY:

NAME & TITLE Melina Marks-TC SIGN Melina Marks

DATE: 4/8/24

PAYMENT & LICENSE INFORMATION:

PAYMENT METHOD check

AMOUNT PAID

\$100.00

RECEIVED/ISSUED BY MM

PERMIT #

2024-01

Receipt No: 3.001628

Apr 8, 2024

Hardrock Hundred Endurance Run

Previous Balance: .00

LICENSES & PERMITS

SIGN PERMIT 100.00

10-32-270000

MISCELLANEOUS PERMITS

Total: 100.00

CHECKS

Check No: 4076 100.00

Payor:

Hardrock Hundred Endurance Run

Total Applied: 100.00

Change Tendered: .00

04/08/2024 10:02 AM

TOWN OF SILVERTON

1360 GREENE ST

PO BOX 250

SILVERTON CO 81433-0250 (970) 387-5522

AGREEMENT FOR HARDROCK HUNDRED ENDURANCE RUN SPECIAL EVENT

THIS AGREEMENT FOR HARDROCK HUNDRED ENDURANCE RUN SPECIAL EVENT ("Agreement") is entered into this 28th day of March, 2022, by and between the Town of Silverton, Colorado, (the "Town"), and the Hardrock Hundred Endurance Run (the "Organization"), a Colorado nonprofit corporation (collectively, the "Parties").

WITNESSETH:

WHEREAS, the Board of Trustees of the Town of Silverton, Colorado has authority pursuant to C.R.S. § 31-15-101 to enter into agreements for the provision of services to town government; and

WHEREAS, Hardrock Hundred Endurance Run (the "Organization"), is significant to the Town as a source of revenue and tourism; and

WHEREAS, the Town has determined that the events and activities surrounding the Organization are in continuous need of significant management and resources; and

WHEREAS, the Organization desires to provide for the Town with certain services associated with the Event, as specified herein; and

WHEREAS, the Town desires to contract with the Organization to provide services associated with the Event, as specified herein; and

NOW, THEREFORE, IN CONSIDERATION OF THE MUTUAL COVENANTS, CONDITIONS AND OBLIGATIONS HEREIN CONTAINED, THE PARTIES AGREE AS FOLLOWS:

1. **Marketing and Communications.** The following shall be the Parties' respective obligations and responsibilities for marketing of the Event and communications surrounding the Event:

a. **The Organization.** The Organization shall develop web marketing materials and communications for publication on both the Organization's website and the Town's website. The Town's Communications and Events Manager shall be provided the opportunity to review the marketing materials before they are posted on the Organization's website. Any marketing deemed acceptable to the Town's Communications and Events Manager may be used on the Town's website. All marketing materials deemed acceptable by the Town shall include the Town's logo, as provided by the Town.

b. **The Town.** The Town, under the "Visitors" Tab, shall post on its website all marketing materials and communications provided by the Organization. The Town agrees to post schedules to its website not later than 30 days prior to the Event or within a reasonable time after provided to the Town by the Organization.

The Town may participate in the Organization's fundraising events for the Event. The Town may participate in such events by providing monetary donation, volunteer staff time and/or in-kind use of facilities. In return for participation, the Event shall advertise the Town's sponsorship of such fundraising events in its web publications of such and shall include

the Town's logo in all print and digital materials. Additionally, the Town shall be permitted to display in the manner of its' choosing any banners or displays advertising the Town.

2. **Licensed Use.** The Town licenses the use of Memorial Park and Kendall Mountain Community Center (collectively, the "Licensed Facilities") for the Event and as further described in below.

a. **Memorial Park.** Memorial Park may be used for race meetings and partner/vendor display booths. The Organization may use the Town's electrical and water connections.

b. **Kendall Mountain Community Center ("KMCC").** KMCC may be used by the Organization for camping outdoors, race meetings, and restrooms. The Organization may use the Town's electrical and water connections. All other facilities at Kendall are not included in the license and shall not be used by the Organization.

This Agreement shall not be construed to authorize use of any property that is not owned by the Town and the Event warrants that it shall obtain express permission from all private property owners prior to allowing by act or omission the use of such property. Furthermore, nothing herein shall be construed to authorize modification of the OHV route.

The Licensed Facilities are licensed in their "as is" condition with all faults and without warranties of any kind.

3. **Events and Activities.** The Organization and the Town shall have the following obligations and responsibilities relating to events and activities for the Event:

In the event of any natural disasters, including floods or fires, or an event that causes closures of Hwy 550, the Parties shall jointly decide and mutually agree to alternatives to the above.

a. **The Town.** The Town shall provide the following services for events and activities for the Event:

- Electrical and water connections as well as sanitation supplies at the Licensed Facilities.
- Clean-up assistance, as determined by the parties at the Project Review Briefing.
- An appropriate number of dumpsters or other waste receptacles.
- Barricades and other crowd control mechanisms at locations determined at the Project Review Briefing.

4. **Emergency Services.** The Organization and the Town shall have the following obligations and responsibilities relating to emergency services for the event:

a. **The Organization.** The Organization shall coordinate with the San Juan County Sheriff's Department, Office of Emergency Management, and Emergency Medical Services regarding support for the event. Such coordination shall include meeting with appropriate representatives prior to the Event to discuss plans and contingencies. The Town shall be provided prior written notice of all meetings and provided the opportunity to participate in such meetings, if desired.

The Organization shall provide security for events occurring during the event in the form of notification and any needed involvement of the Sheriff's Department or other separately contracted security agencies. The Organization shall coordinate with the Sheriff's Department by meeting with the Sheriff or his designee prior to the event to discuss plans and contingencies. The Town shall be provided prior written notice of all meetings and provided the opportunity to participate in such meetings, if desired.

5. **Facilities Management and Maintenance.** The Organization and the Town shall have the following obligations and responsibilities relating to management and maintenance of the Licensed Facilities for the Event:

a. **The Organization.** The Organization shall immediately notify the Town Public Works Director of any maintenance or repair at the Licensed Facilities, which is required to accommodate the Events volume of guests. During the Event, the Organization shall immediately notify the Town's Facilities, Parks and Recreation Director of any problems or concerns with the electric/water or the waste dumpsters/receptacles. The Organization shall maintain an appropriate number of portable restroom facilities to accommodate the event's volume of guests

b. **The Town.** The Town shall maintain the Facilities in working order and to a level appropriate to accommodate the Event's volume of guests. The Town shall provide and maintain throughout the Event an appropriate number of portable restroom facilities and dumpsters/receptacles at locations agreed upon by the Town Facility, Parks and Recreation Director and the Organization at the Project Review Briefing, defined herein.

6. **Financing.** The Organization and the Town shall have the following obligations and responsibilities relating to financing for the event:

- a. **The Event.** The Organization agrees to the following:
1. Operational Plan Processing Fees: \$200.00 per year
 2. Facility Rental Fees over 3 days' free (combined use) per calendar year.
 3. Maintain Non-Profit status for the events.

4. Submit Vendor applications and payments (set forth in the adopted Town of Silverton Fee Schedule) a minimum of one (1) week before the event is scheduled to begin.

5. Notice the event in the local newspaper (Silverton Standard and the Miner) at cost.

6. Submit a copy of the Certificate of Liability Insurance to the Town (listing the Town of Silverton and San Juan County as additionally insured).

b. **The Town.** The Town shall agree to the following:

1. Free use of town owned Facilities for Rentals, not to exceed 3 day's (combined use) per calendar year

4. Use of Public Works and Personnel to assist in moving the "Hardrock Rock" to a designated location, place barricades for street closures, banners, and trash receptacles.

7. **Contracting.** The Parties may contract independently with third parties in order to meet their respective obligations and responsibilities under this Agreement.

8. **Schedules and Joint Meetings.** The Parties agree to participate in the following joint briefings and the Town and the Organization endeavor to have a representative from their respective Boards at each meeting:

a. An annual briefing and debriefing shall occur twice each calendar year (the "Briefing"). Content shall include date review for the upcoming Event, proposed changes or additions to this Agreement, relationship, and assessment.

b. An initial Briefing meeting shall occur prior to February 28th each calendar year, unless mutually agreed rescheduling efforts are made. Contents shall include: All planning and execution of Organizations events to date, discussion and scheduling of any remaining activities herein committed to by the Town or the Organization, operational plan completed by the Organization.

c. A debriefing meeting shall occur prior to October 1st each calendar year. Contents shall include after action review of current year's events, and community feedback and other governmental agencies feedback.

e. It will be the responsibility of the Organization to secure time with the Town for these meetings. Meetings may occur in conjunction with a regularly scheduled meeting of the Town Board of Trustees. Either party may bring documented issues and concerns to these meetings to be discussed.

9. **Permitting.** The Town agrees that the Organization shall not be required to complete annual permitting requests for the Licensed Facilities and the events described herein. The Parties agree that this Agreement contains the terms and conditions for use of the Licensed Facilities for the Event and will be issued a Special Events Permit based on this contract. In the

event changes occur to the Town's permitting process for the Licensed Facilities, the parties agree to incorporate said changes by way of Amendment to the Agreement. Notwithstanding the forgoing, the Organization shall obtain any liquor licenses or permits that cannot be waived pursuant to State statute.

10. **Insurance.** The Organization shall obtain and keep in full force a policy of commercial general liability insurance under which the Organization is named as the insured and the Town is named as an additional insured. The minimum limits of liability shall be a combined single limit with respect to each occurrence of not less than One Million Dollars (\$1,000,000.00) and Two Million Dollars (\$2,000,000.00) aggregate. The policy shall insure against any liability arising out of or related to use of the Town property described herein and the Organization's services and obligations described herein. Proof of such insurance shall be provided to Town at the Annual Kick-off Meeting.

11. **Collaboration and Issue Resolution.** By way of the terms and conditions herein, the Parties agree to engage in a supportive and collaborative relationship wherein each party, working together, will provide support for the community and its visitors. In the event any issues or conflicts arise in direct relation to this Agreement, the Parties agree that the joint meetings described in Section 8 shall be the first venue wherein issues may formally be addressed. Should issues arise during a day-to-day fulfillment of this Agreement, the agents of the Parties being involved in such issue(s) should be brought to resolve such issue(s) in an amicable and immediate manner. In the event such is not possible, or that further consultation with leadership of either party is necessary, the issue(s) should be brought to either the Town Administrator or the Representative of the Organization Board (collectively, the "Leaders") directly. Should the Leaders be unable to remedy the issue(s) with amicability and immediacy, the matter shall be referred to the next joint meeting for resolution by a quorum of the Boards of both parties.

12. **Indemnification and Release.** The Town is not responsible for any accidents, or injuries to person or property that occurs at the Licensed Facilities during the Event or because of the services being provided by the Organization under this Agreement. The Organization shall at its expense defend, indemnify, and hold the Town, its Board of Trustees, employees, and agents harmless from and against any and all claims, arising out of or in connection with this Agreement and the Organization's services and operations provided for the Event.

13. **Limitation of Liability.** Neither party shall be liable for failure to perform hereunder if such failure is the result of Force Majeure. "Force Majeure" shall mean causes beyond the reasonable control of a party such as, but not limited to, weather conditions, acts of God, Covid-19, fire, flooding, or other casualty, or actions of State or Federal government authorities, including but not limited to the closing of SH 550 by CDOT. If the Organization cannot hold the events because of Force Majeure, the Town shall refund the organization 50% of the total processing fees. If the Organization does not perform for any reason besides Force Majeure, then the Organization will not receive a processing fee refund and the Facilities Rental Fees will be refunded per the facility refund policy only.

Neither party shall be liable to the other for any special, consequential, incidental, punitive or indirect damages arising from or relating to any breach of this agreement, regardless of any notice of the possibility of such damages. Notwithstanding the foregoing, nothing in this paragraph is intended to limit or restrict the indemnification rights or obligations of any party under this agreement or damages available for breaches of the obligations set forth herein.

14. **Term.** The Term of this Agreement shall be from January 1st, 2022, through December 31, 2024. The Parties may agree to renew this Agreement every 3 years with the option to extend the contract further than 3 years at a time.

15. **Default.** Upon a breach of the terms of this Agreement, the non-breaching party shall provide the other party with written notice of the default and seven (7) days to cure the default. If the default is not cured in the prescribed time, the non-defaulting party may elect at its option to terminate at a meeting of their respective Board.

16. **Compliance with Laws.** The Event shall, at its own cost and expense, promptly and properly observe and comply with all present and future orders, regulations, directions, rules, laws, ordinances, and requirements of all governmental authorities (including, without limitation, state, municipal, county, and federal governments and their departments, bureaus, boards and officials and) arising from this Agreement and the Event's management and operations appurtenant to or in connection with the enjoyment of the Premises.

17. **Assignment.** The Event may not assign its responsibilities and obligations other than as described herein without the express written consent of the Town.

18. **No Waiver of Sovereign Immunity.** Nothing herein shall be construed as a waiver of the Town's sovereign immunity and the Event agrees that the Town through this Agreement has not waived any provision of the Colorado Government Immunity Act.

19. **Attorney Fees.** If either party brings any action or legal proceeding for damages for an alleged breach of any provision of this Agreement or to enforce, protect or establish any term, condition or covenant of this Agreement, the substantially prevailing party shall be entitled to recover as a part of such action or proceedings, or in a separate action brought for that purpose, attorneys' fees and costs actually incurred by the substantially prevailing party.

20. **General.**

a. **Captions.** The captions and headings used in this Agreement are for the purpose of convenience only and shall not be construed to limit or extend the meaning of any part of this Agreement.

b. **Severability.** If any one or more of the provisions contained herein shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision of this Agreement, but this Agreement shall be construed as if such invalid, illegal or unenforceable provision had not been contained herein.

c. **Waiver.** Any waiver of any terms and conditions hereof must be in writing and signed by the parties hereto. No failure to insist upon strict compliance with any of the provisions of this Agreement shall operate or be construed as a waiver of any subsequent breach of the same or any other provision of this Agreement. A waiver of any term or condition hereof shall not be construed as a future waiver of the same or any other term or condition hereof.

d. **Entire Agreement.** This Agreement is the entire agreement between the parties, and supersedes any prior agreements, representations, negotiations, or correspondence between the parties except as expressed herein. The parties shall not be deemed affiliates, partners, or joint venturers of the other and the parties agree to indemnify and hold the other harmless from all claims, actions or causes of action arising out of or having to do with, directly or indirectly, the business operations of the other. Except as otherwise provided herein, no subsequent charge or addition to this Agreement shall be binding unless in writing and signed by the parties hereto.

e. **Authority.** Everyone executing this Agreement on behalf of a party to this Agreement represents and warrants that he/she/they is/are duly authorized to execute and deliver this Agreement on behalf of such party, and that this Agreement is binding upon such party in accordance with its terms.

**** The rest of this page is intentionally left blank ****

IN WITNESS WHEREOF, the undersigned have executed this instrument as of the date and year first above written.

WITNESS:

**HARDROCK HUNDRED
ENDURANCE RUN**



By:
Its:

ATTEST:

TOWN OF SILVERTON



Matthew Green, Town Clerk/Treasurer

Shane Furhman, Mayor



29 April 2024

Dear Silverton Town Administrator and Silverton Town Trustees:

The Silverton Creative District was formed in 2019 to support the growth and sustainability of arts and culture and to provide economic prosperity for our artists and community. As part of these efforts, The Silverton Creative District has hosted a series of "First Friday" artwalks over the summer the past three years to highlight and support our artists, galleries and local businesses.

"First Fridays" is a national movement focusing on Artists, Galleries, and Maker Spaces. We plan to celebrate this event again in 2024. Our goals are to gain support and PR for local Artists and Makers, encourage folks to Shop Small, and to highlight the talented and diverse arts community here.

First Friday was an excellent marketing opportunity for our local Arts Community in 2023. We request that you approve the attached Special Events Permit to once again allow for participating shops to set up a table on the sidewalk during the hours of the First Friday artwalks as an extension of regular business activities to support the Local Artists and Makers work which they carry.

This request is for the first Friday of June through September, including June 7th, July 5th, August 2nd and September 6th. The event will run from 4:30-7:30pm. Therefore, we are requesting a four-hour window (4-8pm, including time for set up and teardown). We believe this will have minimal impact on the Town of Silverton and pedestrian traffic while providing maximum exposure for the participants. The September 6th artwalk will also be the kickoff for our week-long Silverton Creates event this year. For this date only, we would like to host a sidewalk chalk art contest inviting locals, both kids and adults, as well as selected professional artists to create temporary chalk artwork on selected sidewalks in the downtown area during the artwalk.

Thank you!

Wesley Berg
Treasurer, Silverton Creative District

> The Silverton Creative District is a 501(c)(3) nonprofit tax-exempt organization (EIN:84-3229930). Your contribution will be tax deductible to the fullest extent allowed by law.





Town of
Silverton

**TOWN OF SILVERTON
PUBLIC RIGHT OF WAY
CLOSURE NOTIFICATION APPLICATION**

April 29, 2024

Date

Wesley Berg / Silverton Creative District

(970) 207-0724

Name of Applicant

Phone number

325 West 13th St., PO Box 372

wberg001@icloud.com

Street

Email

Silverton, CO

81433

City and State

Zip code

First Friday Art Walks

Name of Event

Sidewalk sales (June through September Art Walks)and Sidewalk chalk art (Sep 6th only)

Reason for Closure

N/A

10-15 businesses

Estimated number of vehicles

Estimated number of persons

Closure Date: 6/7, 7/5, 8/2 and 9/6

Closure Times: Start time 4 pm End time 8 pm

Closure Description & Location (4 block maximum, please attach a map):

Partial usage of sidewalk for sidewalk sale in front of participating artist studios and

galleries (weather permitting). We also request the use of selected sidewalks for


a sidewalk chalk art drawing event during the September 6th Art Walk.



Town of Silverton

Closures of the public right of way must be approved by the Silverton Board of Trustees at a public hearing. If permit is granted, permittee is responsible for providing necessary barricades, signage, and staffing to manage the closure. Closures must be posted 48 hours in advance at the location of the closure, and at least 1 week prior in the Silverton Standard newspaper.

Official Use Only Bellow This Line

Department	Approval	Disapproval	Date	N/A
San Juan County Sheriff / Fire Marshal				Approved by Email 5/16/24
Silverton Public Works			5/6/24	
Silverton Board of Trustees				

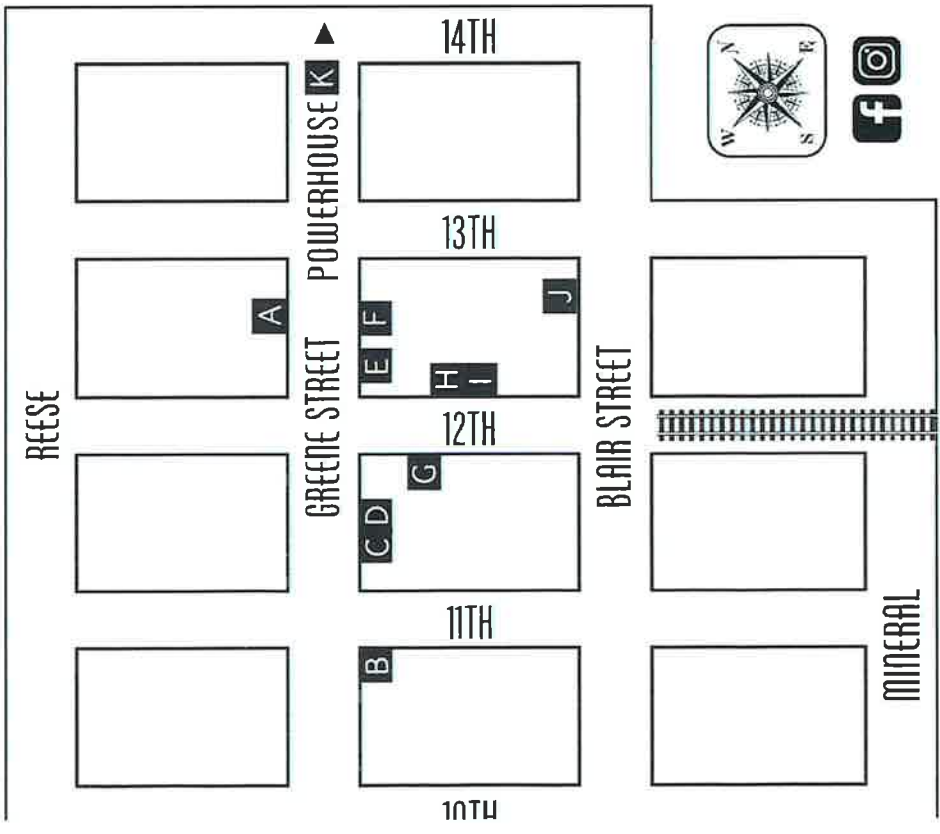
Public Noticed On: _____ Action of the Board of Trustees: _____

Attest: _____ Date: _____

Silverton CREATIVE DISTRICT ART WALK

Power House
AFTER PARTY
STARTS
@ 8:00PM

FRIDAY ► SEPTEMBER "MEET THE ARTISTS"



- W. GREENE STREET**
Rocky Mountain Gifts • 1237 Greene Street
- E. GREENE STREET**
Sand & Snow Studio • 1070 Greene Street
Artist Present: Eileen Fjerstad - Plein Air Landscape Artist
- Quiet Bear Art • 1130 Greene Street**
Artists Present: Ken Webb - Fine Metal Art & George Witzke - Blacksmith
- Carol Wilkins Designs • 1130 Greene Street**
Silverton Soapbox • 1206 Greene Street
- The 9318 Collective • 1212 Greene Street**
Artists Present: Beth Anderson - Acrylic Painting • Brook Reynolds - Metal Art • Kim Eisner - Painting and Jewelry
Wesley Berg - Wildlife Photography • Robin Mueller - Landscape Photography • Betsy Baier - Weaving and Fiber Arts
Doug and Becky Hill - Landscape Photography • Deborah Runion - Fiber Arts • Cindy Coleman - Pastel Art
Gina Rosato - Historical Wildscapes • Nancy Byers - Fused Glass
- W. 12TH STREET**
Colorado Landscape Photography • 12th Street between Greene and Blair Streets
Artist Present: Dale Malmadal - Landscape Photography
- E. 12TH STREET**
Mountain Memories • 116 East 12th Street
Silverton Camera Company • 116 East 12th Street
- W. BLAIR STREET**
Villa Dallavalle Historic Inn • 1257 Blair Street
- COUNTY ROAD 2**
The Powerhouse • 8 Mears Avenue
Artists Present: Hillary Cable - Resin Painting • Mylee French - Collage Art • Judy Graham - Landscape Painting

TOWN OF SILVERTON
1360 GREENE ST
PO BOX 250
SILVERTON CO 81433-0250 (970) 387-5522

Receipt No: 2.011059 May 9, 2024

Silverton Creative District

Previous Balance:	.00
LICENSES & PERMITS - SPECIAL EVENT PERMIT	100.00
10-36-720000 Special Event Revenue	
<hr/>	
Total:	100.00
<hr/>	
CHECKS Check No: 1184	100.00
Payor: Silverton Creative District	
Total Applied:	100.00
<hr/>	
Change Tendered:	.00
<hr/>	

Duplicate Copy

05/09/2024 3:34 PM

TO BE POSTED IN A CONSPICUOUS PLACE

Town of Silverton, Colorado

BY AUTHORITY OF THE TOWN BOARD OF TRUSTEES

SPECIAL EVENT LIQUOR LICENSE

FOR

SILVERTON CREATIVE DISTRICT- SUMMER SOUNDS

To sell MALT, VINOUS AND SPIRITUOUS LIQUOR

This is to certify that **Silverton Creative District- Summer Sounds**, having applied for a Special Event License, is hereby licensed to sell and/or consume Fermented Malt Beverages by the drink for consumption on the premises located at **Memorial Park** in the Town of Silverton, Colorado, on **6/14/2024, 7/12/2024, 8/9/2024, & 9/13/2024 from 11:00am to 11:00pm** unless this license is revoked sooner as provided by law.

This license is issued subject to the Laws of the State of Colorado and especially under the provisions of Article 3,4,5 of Title 44, Colorado Revised Statutes, as amended, and the ordinances of the Town of Silverton, insofar as the same may be applicable.

IN TESTIMONY WHEREOF, the Town Board of Trustees has hereunto subscribed its name by its officers duly authorized this 8th day of May, 2024.

The Town Liquor Enforcement
The Town of Silverton, Colorado

Attest:



Town Clerk Melina Marks Lanis



Liquor Authority Anthony Edwards

Town of Silverton
1360 Greene ST.
PO Box 250
Silverton, CO 81433
970-387-5522

Application for a Special Events Liquor Permit



Town of
Silverton

In order to qualify for a Special Events Liquor Permit, You Must Be a Qualifying Organization Per 44-5-102 C.R.S. and One of the Following (See back for details.)

- | | | |
|--|---|---|
| <input checked="" type="checkbox"/> Social | <input type="checkbox"/> Athletic | <input type="checkbox"/> Philanthropic Institution |
| <input type="checkbox"/> Fraternal | <input type="checkbox"/> Chartered Branch, Lodge or Chapter | <input type="checkbox"/> Political Candidate |
| <input type="checkbox"/> Patriotic | <input type="checkbox"/> National Organization or Society | <input type="checkbox"/> Municipality Owned Arts Facilities |
| <input type="checkbox"/> Political | <input type="checkbox"/> Religious Institution | |

Type of Special Event Applicant is Applying for:

- | | |
|--|-----------------|
| <input checked="" type="checkbox"/> Malt, Vinous And Spirituous Liquor | \$25.00 Per Day |
| <input type="checkbox"/> Fermented Malt Beverage | \$10.00 Per Day |

DO NOT WRITE IN THIS SPACE

Liquor Permit Number

1. Name of Applicant Organization or Political Candidate Silverton Creative District		State Sales Tax Number (Required) 98306111	
2. Mailing Address of Organization or Political Candidate (include street, city/town and ZIP) PO Box 372 Silverton CO 81433		3. Address of Place to Have Special Event (include street, city/town and ZIP) Memorial Park 1800 Greene Street Silverton CO 81433	
4. Authorized Representative of Qualifying Organization or Political Candidate Lisa Branner, Chairperson		Date of Birth 08/24/73	Phone Number 9707493244
Authorized Representative's Mailing Address (if different than address provided in Question 2.) PO Box 372, Silverton CO 81433			
5. Event Manager Lisa Branner		Date of Birth 08/24/73	Phone Number 9707493244
Event Manager Home Address (Street, City, State, ZIP) 1521 Cement Street, Silverton CO 81433		Email Address of Event Manager lisa@silvertoncreativedistrict.org	
6. Has Applicant Organization or Political Candidate been Issued a Special Event Permit this Calendar Year? <input type="checkbox"/> No <input checked="" type="checkbox"/> Yes How many days? <u>1</u>		7. Is the premises for which your event is to be held currently licensed under the Colorado Liquor or Beer codes? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes License Number _____	

8. Does the Applicant Have Possession or Written Permission for the Use of The Premises to be Licensed? ☐ Yes ☐ No

List Below the Exact Date(s) for Which Application is Being Made for Permit

Date	Hours	From	To	Date	Hours	From	To	Date	Hours	From	To	Date	Hours	From	To	Date	Hours	From	To
06/14/24		11 am	11 pm	07/12/24		11 am	11 pm	08/09/24		11 am	11 pm	09/13/24		11 am	11 pm				

Oath of Applicant

I declare under penalty of perjury in the second degree that I have read the foregoing application and all attachments thereto, and that all information therein is true, correct, and complete to the best of my knowledge.

Signature 	Title Chairperson	Date 04/15/24
---------------	-----------------------------	-------------------------

Report and Approval of Local Licensing Authority (Town or County)

The foregoing application has been examined and the premises, business conducted and character of the applicant is satisfactory, and we do report that such permit, if granted, will comply with the provisions of Title 44, Article 5, C.R.S., as amended.

THEREFORE, THIS APPLICATION IS APPROVED.

Local Licensing Authority (Town or County) Town of Silverton		<input checked="" type="checkbox"/> Town <input type="checkbox"/> County	Telephone Number of Town/County Clerk
Signature 	Title Chairman Officer	Date 5/8/24	

DO NOT WRITE IN THIS SPACE - FOR TOWN OF SILVERTON USE ONLY

Liability Information

License Number	Liability Date	State	Total \$ 100.00
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(Instructions on Reverse Side)



**Silverton Summer Sounds Music Series - 2024
Event Summary**

The Silverton Creative District (SCD) and Town of Silverton have entered into a contract agreement for the SCD to produce the Summer Sounds series through summer 2024. Per this contract, consultation with the San Juan County Sheriff and Silverton Ambulance/EMS and successful completion of the special event liquor license process are required as part of the annual event planning process. This document serves as a summary of the event plan for those purposes. These are the same protocols that were used for the 2023 concert series, which was produced without incident.

Event Name: Silverton Summer Sounds
Date(s): 6/14/24, 7/12/24, 8/9/24, 9/13/24
Time: 6 – 10 pm
Location: Memorial Park
Organization: Silverton Creative District (SCD)
Contact/Event Manager: Lisa Branner
Phone: 970-749-3244
Email: lisa@silvertoncreativedistrict.org
Anticipated Attendance: Approximately 300 - 350 people at each show

Event Description: Now in its 7th year, Silverton Summer Sounds Music Series is a free open-air concert series that takes place every second Friday of the month from June through September. This family-friendly event features food, libations and free live music and is open to all ages. The show goes on rain or shine.

Proposed Event Location/Route/Parking Plan/Road Closures: Due to the great success of the series in the new venue of Memorial Park, SCD will continue to host the event in this location. No closures of the public right of way are required. Parking for bands and stage crew will be immediately behind the stage (see map). Parking for the general public will be on Greene Street along the park's boundaries.

Event Scope: Four events are planned in this series, on the 2nd Friday of the month (from June through September (6/14/24, 7/12/24, 8/9/24, 9/13/24). We anticipate attendance of approximately 300 - 350 people per concert, though at any given time the number will be lower than this as attendance fluctuates throughout the evening as people come and go. The highest attendance of any individual show in 2023 was 400 participants.



Operation Plan: The event will be staffed with a combination of SCD Board members, volunteers and Town of Silverton staff, with oversight from the SCD's Event Manager and the Town's Facilities, Parks and Recreation Director. To adhere to liquor licensing regulations, an area of roughly 140x80 feet will be enclosed with metal barricades (see attached diagram). Event setup will occur between the hours of 10 am and 2 pm the day of each show, and involves setup of the stage, sound system, perimeter barricades, hospitality tents, trash receptacles, etc. Event takedown will occur between the hours of 9:30 – 11 pm and will include trash pickup, breakdown and removal/storage of barricades and all other event supplies. An independent contractor is providing the stage and is responsible for its operation and setup/takedown.

Safety Plan: The main entrance gate will be staffed with two volunteers wearing safety vests who will check IDs, provide wristbands to attendees of legal drinking age, and monitor for outside alcohol, weapons, dogs, smoking/vaping and other prohibited items. A secondary entrance gate will also be staffed by two volunteers. The Event Manager will roam within the event boundaries and monitor the overall event and perimeter. A bar Captain and volunteers will operate the bar and monitor alcohol consumption and intoxication levels. Bar Captain and Event Manager will both be TIPS trained. Alcohol will be dispensed into clear plastic cups or branded pint cups to make outside alcohol easier to spot and prevent it from entering the event premises. Soft drinks and food will be available through on-site food truck(s). All volunteers will undergo briefing/orientation so that rules, expectations and emergency procedures are communicated. Entry gate volunteers, bar staff, and Event Manager will use cell phones to communicate in case of emergency. Should a medical emergency or other incident arise, Event Manager will call Sheriff or Ambulance for assistance. In case of an emergency, announcements can be made via the on-stage PA system. The metal barricades will not be locked together to facilitate egress should it be necessary to evacuate the area.

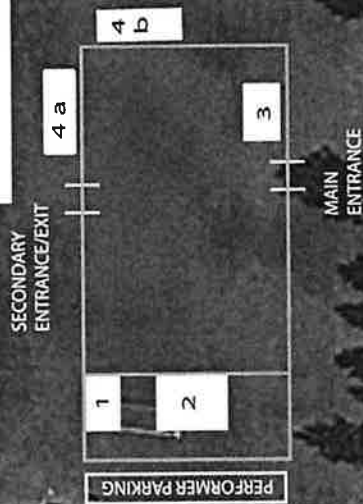


SILVERTON SUMMER SOUNDS 2024 - MEMORIAL PARK - MAP KEY
1800 GREENE STREET, SILVERTON CO 81433

Orange line - Perimeter of liquor license area. This will be demarcated by 8 foot long metal barricades. Exact location of the fenced area may shift based upon location of electric pedestals for power. Approximate dimensions are expected to be 140 x 80 feet.

- 1 - Hospitality Tent for Bands (10x20)
- 2 - Stage (16x20)
- 3 - SCD Concessions Tent (10x20) - Alcohol will be sold from this location
- 5 a & b - Food Truck Area (24x6.5) - does not require electricity

*If shaped markings indicate entrance/exit location, which will be approximately 8 feet wide.
IDs will be checked and wrist bands distributed at the Main Entrance.





CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

04/08/2024

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER	ALINK Insurance Services - Colorado Springs Branch 2407 W. Colorado Avenue Colorado Springs, CO 80904 License #: 385592	CONTACT NAME: Jessica Bell PHONE (A/C, No, Ext): (719)473-6262 E-MAIL ADDRESS: Jessica@ALINK2ins.com FAX (A/C, No): (719)473-3764
INSURED	Silverton Creative District P.O. Box 372 Silverton, CO 81433	INSURER(S) AFFORDING COVERAGE INSURER A: Alliance of Nonprofits for Insurance INSURER B: INSURER C: INSURER D: INSURER E: INSURER F:
		NAIC # 10023

COVERAGES

CERTIFICATE NUMBER: 00030060-247920

REVISION NUMBER: 8

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:	Y		2024-72073	03/01/2024	03/01/2025	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 500,000 MED EXP (Any one person) \$ 20,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> NON-OWNED AUTOS ONLY						COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
	UMBRELLA LIAB EXCESS LIAB DED RETENTION \$						EACH OCCURRENCE \$ AGGREGATE \$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N <input type="checkbox"/>	N/A				PER STATUTE E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Silverton Creates! A Celebration of the Arts. September 8th-10th, 2023. Town of Silverton is listed as additional insured with regard to General Liability. Coverage is automatic as long as required in a written contract.

CERTIFICATE HOLDER

CANCELLATION

Town of Silverton
PO Box 250
Silverton, CO 81433

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

(JPB)

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OFFICE OF THE SECRETARY OF STATE
OF THE STATE OF COLORADO

CERTIFICATE OF FACT OF GOOD STANDING

I, Jena Griswold, as the Secretary of State of the State of Colorado, hereby certify that, according to the records of this office,

Silverton Creative District

is a

Nonprofit Corporation

formed or registered on 09/12/2019 under the law of Colorado, has complied with all applicable requirements of this office, and is in good standing with this office. This entity has been assigned entity identification number 20191733560 .

This certificate reflects facts established or disclosed by documents delivered to this office on paper through 04/10/2024 that have been posted, and by documents delivered to this office electronically through 04/13/2024 @ 11:05:56 .

I have affixed hereto the Great Seal of the State of Colorado and duly generated, executed, and issued this official certificate at Denver, Colorado on 04/13/2024 @ 11:05:56 in accordance with applicable law. This certificate is assigned Confirmation Number 15940595 .



Jena Griswold

Secretary of State of the State of Colorado

*****End of Certificate*****

Notice: A certificate issued electronically from the Colorado Secretary of State's website is fully and immediately valid and effective. However, as an option, the issuance and validity of a certificate obtained electronically may be established by visiting the Validate a Certificate page of the Secretary of State's website, <https://www.coloradosos.gov/biz/CertificateSearchCriteria.do> entering the certificate's confirmation number displayed on the certificate, and following the instructions displayed. Confirming the issuance of a certificate is merely optional and is not necessary to the valid and effective issuance of a certificate. For more information, visit our website, <https://www.coloradosos.gov> click "Businesses, trademarks, trade names" and select "Frequently Asked Questions."

AGREEMENT FOR SILVERTON SUMMER SOUNDS CONCERT SERIES

THIS AGREEMENT FOR SILVERTON SUMMER SOUNDS CONCERT SERIES ("Agreement") is entered into this 14th day of February 2022, by and between the Town of Silverton, Colorado, a body politic and corporate (the "Town"), and the Silverton Creative District ("SCD"), a Colorado nonprofit corporation (collectively, the "Parties").

WITNESSETH:

WHEREAS, the Board of Trustees of the Town of Silverton, Colorado has authority pursuant to C.R.S. § 31-15-101 to enter into agreements for the provision of services to town government; and

WHEREAS, Silverton Summer Sounds Concert Series (hereinafter referred to as "Summer Sounds") is an open-air music series that takes place monthly from June through September; and

WHEREAS, the Town has determined that the events and activities surrounding Summer Sounds require professional management and considerable resources; and

WHEREAS, the Town and SCD recognize the Summer Sounds Concert Series requires significant resources and approximately \$10,000 in seed funding to properly initiate event preparation; and

WHEREAS, SCD desires to provide the Town with certain services associated with Summer Sounds, as specified herein; and

WHEREAS, the Town desires to contract with SCD to oversee Summer Sounds, as specified herein; and

NOW, THEREFORE, IN CONSIDERATION OF THE MUTUAL COVENANTS, CONDITIONS AND OBLIGATIONS HEREIN CONTAINED, THE PARTIES AGREE AS FOLLOWS:

1. **Marketing and Communications.** The following shall be the Parties' respective obligations and responsibilities for marketing of Summer Sounds and communications surrounding Summer Sounds:
 - a. **SCD.** SCD is responsible for all marketing and communications relating to Summer Sounds. The Town will receive recognition as the presenting sponsor of the series and logo inclusion in all marketing materials.
 - b. **The Town.** The Town will share marketing and communications via their website, social media, and other channels as appropriate. The Town will transfer the silvertonsummersounds.com domain to the Silverton Creative District.
2. **Licensed Use.** The Town agrees that under the terms of this Agreement and as applicable to the Summer Sounds Concert Series only, SCD shall pay no fees to the Town for the

use of Memorial Park, Columbine Park, Kendall Mountain Recreation Area, and Town streets, sidewalks, and right-of-way (collectively, the "Licensed Facilities"). The Town separately licenses the use of Columbine Park to SCD on the 3rd Fridays of the month each June through September, unless a different facility or set of dates is mutually agreed upon by both parties.

- a. This Agreement shall not be construed to authorize use of any property that is not owned by the Town and SCD warrants that it shall obtain express permission from all private property owners prior to allowing by act or omission the use of such property.
- b. The Licensed Facilities are in "as is" condition with all faults and without warranties of any kind. The Town ensures facilities reserved will be compliant with public health and safety requirements required to hold the event.

3. Events and Activities. SCD and the Town shall have the following obligations and responsibilities relating to events and activities for Summer Sounds:

- a. **SCD.** SCD shall provide the following services for events and activities for Summer Sounds:
 - i. Book and subcontract with bands, vendors, and entertainment for four (4) concerts running from June through September annually.
 - ii. Specify and procure appropriate materials and equipment to support the event.
 - iii. Recruit and manage volunteers or staff to help with the ticketing, vendors, hospitality, setup and take down.
 - iv. Set up and take down of all event equipment.
 - v. Procure any necessary licenses or permissions.
 - vi. Provide a written post event report annually after the conclusion of the series.
 - vii. Provide event insurance that meets Town requirements.
- b. **The Town.** The Town shall provide the following services for events and activities for Summer Sounds:
 - i. Provide staff time for planning meetings, as Town staff's time and resources allow
 - ii. Provide staff time to help set up and break down event venue, as Town staff's time and resources allow
 - iii. Provide man lift and staff time to operate man lift to mount PA system.
 - iv. Provide waste receptacles and waste pickup, portable bathroom facilities, barricade, chairs and other equipment, as necessary.
 - v. Provide access and use of available Town physical resources and storage facilities necessary to set up and break down event venue should Town staff be unable to assist in the event.

In the event of any natural disasters or other detrimental occurrences of a magnitude determined to prohibit any of the above, the Parties shall jointly decide and mutually agree to alternatives to the above.

- 4. Emergency Services.** SCD and the Town shall have the following obligations and responsibilities relating to emergency services for Summer Sounds:

 - a. **SCD.** SCD shall coordinate with local EMS representatives prior to Summer Sounds to discuss plans and contingencies. A written plan shall be created by SCD if requested by EMS. SCD shall provide medical personnel for events if required by EMS.
 - b. SCD shall receive approval from the Sheriff through the Liquor License process. A written plan shall be created by SCD if requested by the Sheriff. SCD shall provide security for events if required by the Sheriff.
- 5. Facilities Management and Maintenance.** SCD and the Town shall have the following obligations and responsibilities relating to facilities management and maintenance for Summer Sounds:

 - a. **SCD.** SCD shall immediately notify the Facilities, Parks and Recreation Director of any maintenance or repair at Memorial Park, Columbine Park, Kendall Mountain Recreation Center and Town streets, sidewalks, and right-of-way (the "Facilities"), which is required to accommodate Summer Sound's anticipated volume of guests. During Summer Sounds, SCD shall immediately notify the Facilities Director of any problems or concerns with restroom facilities or the waste dumpsters/receptacles.
 - b. **The Town.** The Town shall maintain the Facilities in working order and to meet health and safety requirements. Where existing Town facilities will not accommodate the attendance anticipated, the Town shall provide and maintain throughout Summer Sounds an appropriate number of portable restroom facilities at locations agreed upon by the Facilities, Parks and Recreation Director and SCD. The Town shall provide and maintain an appropriate number of dumpsters or other waste receptacles at the Facilities to accommodate Summer Sounds guests at locations to be determined at locations agreed upon by the Facilities, Parks and Recreation Director and SCD. The Town will provide a working sound stage with appropriate electricity and lighting. The Town will provide an appropriate number of metal barricades.
- 6. Financing.** SCD and the Town shall have the following obligations and responsibilities relating to financing for Summer Sounds:

 - a. **SCD.** Upon request, SCD will provide the Town's Board of Trustees its financial statements for the preceding year including: Revenues, Expenditures, a general P&L and its most recent tax filing.
 - b. **The Town.** The Town shall, subject to State law restrictions, including but not limited to TABOR, endeavor to maintain a line item in its budget in an amount sufficient to help facilitate the activities herein defined. The annual payment to SCD shall be made on January 1st. This amount shall be reviewed each year during the

wrap up meeting, defined herein. Waste receptacles, portable bathroom facilities, staff hours, facility rental fees, barricade and equipment usage, and special event licensing fees will be made as a separate in-kind donation from the Town to SCD. In 2022, the Town will provide \$3,000 for marketing Summer Sounds as stipulated in the Town's agreement with San Juan County Tourism Fund Board. Because this Agreement involves the expenditure of public funds, this Agreement is contingent upon continued availability and appropriation of such funds by Town. The obligations described herein shall not constitute a general obligation, indebtedness or multiple year direct or indirect debt, or other financial obligation whatsoever within the meaning of the constitution or the laws of the State of Colorado.

7. **Contracting.** The Parties may contract independently with third parties in order to meet their respective obligations and responsibilities under this Agreement.
8. **Schedules and Joint Meetings.** The Parties agree to participate in the following joint meetings between the SCD Summer Sounds Committee and appropriate Town Staff:
 - a. An Annual Kick-Off Meeting shall occur in November or as mutually scheduled by the parties between the Summer Sounds Committee and appropriate Town Staff. Content shall include: date review for the upcoming Summer Sounds, proposed changes or additions to this Agreement, relationship, and assessment.
 - b. An Action Review Meeting shall occur not more than 10 days following the first concert or as mutually scheduled by the parties between the Summer Sounds Committee and Facilities, Parks and Recreation Director. Contents shall include: review of the season's first event, safety or logistics concerns arising from the same, modifications needed for successful operation of the remaining events in the series, and staff/volunteer feedback.
 - c. A Post-Event Wrap Up Meeting shall occur not more than 30 days after the last concert in the series or as mutually scheduled by the parties between the Summer Sounds Committee and appropriate Town Staff. Contents shall include: after action review of the series, modifications needed for successful operation of next year's series, financial needs for the next year's series, and any community feedback.
 - d. It will be the responsibility of SCD to secure time with designated Town Staff for these meetings. Either party may bring documented issues and concerns to these meetings to be discussed.
 - e. Additional joint planning meetings may occur from time to time, as needed. The Facilities, Parks and Recreation Director, or other designee of the Town shall be provided notice and invited to all Summer Sounds joint planning meetings held by SCD.
9. **Permitting.** This Agreement in conjunction with the liquor licensing process will serve as the process required for issuing permits to the Summer Sounds events. A special event permit will be issued pursuant to the terms of this Agreement in lieu of a special event permit application subject to any exceptions expressly state herein. The Town agrees that by following the terms under this contract, SCD shall not be required to complete annual

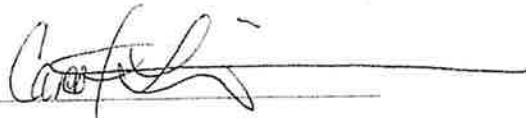
permitting requests for the Licensed Facilities and the events described herein. Except for liquor licenses, the fees for these permits will be absolved by the Town. In the event changes occur to the Town's permitting process for the Facilities, the parties agree to incorporate said changes by way of Amendment to the Agreement.

- 10. Insurance.** SCD shall obtain and keep in full force a policy of commercial general liability insurance under which SCD is named as the insured and the Town is named as an additional insured. The minimum limits of liability shall be a combined single limit with respect to each occurrence of not less than One Million Dollars (\$1,000,000.00) and Two Million Dollars (\$2,000,000.00) aggregate. The policy shall insure against any liability arising out of or related to use of the Town property described herein and SCD's services and obligations described herein. Proof of such insurance shall be provided to Town at the Annual Kick-off Meeting.
- 11. Collaboration and Issue Resolution.** By way of the terms and conditions herein, the Parties agree to engage in a supportive and collaborative relationship wherein each party, working together will provide support for the community and its visitors. In the event any issues or conflicts arise in direct relation to this Agreement, the Parties agree to pay for a mediator to resolve the conflict. Should issues arise in the course of a day-to-day fulfillment of this Agreement, the agents of the Parties being involved in such issue(s) should be brought to resolve such issue(s) in an amicable and immediate manner. In the event such is not possible, or that further consultation with leadership of either party is necessary, the issue(s) should be brought to either the Town Administrator or the Chair of the SCD Board (collectively, the "Leaders") directly. Should the Leaders be unable to remedy the issue(s) with amicability and immediacy, the matter shall be referred to the next joint meeting for resolution by a quorum of the Boards of both parties.
- 12. Indemnification and Release.** SCD agrees to indemnify, defend, and hold harmless the Town from any and all damages and liabilities arising from the SCD's and its contractors' performance of the responsibilities and scope of services described herein. As part of this obligation, SCD shall compensate the Town for the time, if any, spent by its legal counsel in connection with such claims or actions. If an additional Scope of Services contains any provisions purporting to require the Town to defend, indemnify, or hold harmless SCD or purporting to affect a waiver or limitation of the SCD's liability (either by type of liability or amount), the Town does not agree or accept such provisions and such provisions are not part of the Agreement. The Town is relying on and does not waive or intend to waive by any provision of this Agreement, the monetary limitations or any other rights, immunities, defenses and protections provided by the CGIA or otherwise available to the Town or its officers or employees. The Town is not responsible for any accidents, or injuries to person or property that occurs at the Licensed Facilities during Summer Sounds or as a result of the services being provided SCD under this Agreement. SCD shall at its expense defend, indemnify, and hold the Town, its Board of Trustees, employees and agents harmless from and against any and all claims, arising out of or in connection with this Agreement and SCD's services and operations provided for Summer Sounds.

- 13. Term.** The Term of this Agreement shall be from January 1, 2022 through December 31, 2024. The Parties may agree to renew this Agreement on an annual or other basis as determined by the Parties. Services rendered and payments made pursuant to this Agreement are subject to and contingent upon the continuing availability of funds for the purpose thereof, and this agreement may be immediately terminated if funds are unavailable. Otherwise, this Agreement may be terminated with or without cause by either party with thirty (30) days written notice.
- 14. Default.** Upon a breach of the terms of this Agreement, the non-breaching party shall provide the other party with written notice of the default and seven (7) days to cure the default. If the default is not cured in the prescribed time, the non-defaulting party may elect at its option to terminate at a meeting of their respective Board. If SCD fails to put on the four (4) concerts pursuant to Section 3(a) of this Agreement, SCD will pay back the funds provided to it by the Town, less the pro rata amount for any of the concerts that were produced and the non-refundable expenses already incurred.
- 15. Compliance with Laws.** SCD shall, at its own cost and expense, promptly and properly observe and comply with all present and future orders, regulations, directions, rules, laws, ordinances, and requirements of all governmental authorities (including, without limitation, state, municipal, county and federal governments and their departments, bureaus, boards and officials and) arising from this Agreement and SCD's management and operations appurtenant to or in connection with the enjoyment of the Premises.
- 16. Assignment.** SCD may not assign its responsibilities and obligations as described herein without the express written consent of the Town.
- 17. No Waiver of Sovereign Immunity.** Nothing herein shall be construed as a waiver of the Town's sovereign immunity and SCD agrees that the Town through this Agreement has not waived any provision of the Colorado Government Immunity Act.
- 18. Attorney Fees.** If either party brings any action or legal proceeding for damages for an alleged breach of any provision of this Agreement or to enforce, protect or establish any term, condition or covenant of this Agreement, the substantially prevailing party shall be entitled to recover as a part of such action or proceedings, or in a separate action brought for that purpose, attorneys' fees and costs actually incurred by the substantially prevailing party.
- 19. General.**
- a. **Captions.** The captions and headings used in this Agreement are for the purpose of convenience only and shall not be construed to limit or extend the meaning of any part of this Agreement.
 - b. **Severability.** If any one or more of the provisions contained herein shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision of this Agreement, but this Agreement shall be construed as if such invalid, illegal or unenforceable provision had not been contained herein.

- c. **Waiver.** Any waiver of any terms and conditions hereof must be in writing, and signed by the parties hereto. No failure to insist upon strict compliance with any of the provisions of this Agreement shall operate or be construed as a waiver of any subsequent breach of the same or any other provision of this Agreement. A waiver of any term or condition hereof shall not be construed as a future waiver of the same or any other term or condition hereof.
- d. **Entire Agreement.** This Agreement is the entire agreement between the parties, and supersedes any prior agreements, representations, negotiations or correspondence between the parties except as expressed herein. The parties shall not be deemed affiliates, partners, joint venturers, or hold a fiduciary obligation to the other and, to the extent permitted by law, the parties agree to indemnify and hold the other harmless from any and all claims, actions or causes of action arising out of or having to do with, directly or indirectly, the business operations of the other. Except as otherwise provided herein, no subsequent charge or addition to this Agreement shall be binding unless in writing and signed by the parties hereto.
- e. **Authority.** Each individual executing this Agreement on behalf of a party to this Agreement represents and warrants that he/she is duly authorized to execute and deliver this Agreement on behalf of such party, and that this Agreement is binding upon such party in accordance with its terms.
- f. **Governing Law.** The laws of the State of Colorado, without giving effect to its conflicts of law principles, govern all matters arising out of or relating to this Agreement, including, without limitation, its validity, interpretation, construction, performance, and enforcement.
- g. **Compliance.** SCD acknowledges that it has been notified of the immigration compliance requirements of C.R.S. § 8-17.5-101, et. seq. (House Bill 06-1343), and hereby **CERTIFIES** that SCD and all third-party contractors will comply with all local, state and federal laws and regulation.

IN WITNESS WHEREOF, the undersigned have executed this instrument as of the date and year first above written.



Carol Wilkins

Chairperson

Silverton Creative District



Shane Fuhrman

Mayor

Town of Silverton

SPECIAL EVENT VENDOR PERMIT APPLICATION

A Special Event Vendor Permit is required for any and all business(es) or individual(s) performing or providing services OR selling, leasing, renting, delivering or installing tangible personal property for storage, use or consumption within the Town of Silverton. Permit is non-transferable and **must** be displayed during vending activities.

Submit completed application with payment to: Ana Mendiluce
Facilities and Events Coordinator
Town of Silverton
1360 Greene St.
PO Box 250
Silverton, CO 81433

Issued permits must be claimed at Town Hall by applicant or applicant's agent during regular business hours

Reason For Submitting: (check one)

- ☒ Retail Food Sales – Edible items are offered for consumer purchase within the Town of Silverton. Vendors must carry own food license.
- ☒ Retail Goods Sales – Tangible goods are offered for consumer purchase within the Town of Silverton.
- ☐ Service – A service is provided in exchange for monetary compensation within the Town of Silverton.

Vendor Information:

Company Name: Silverton Creative District
D/B/A (Doing Business As): _____
Owner's Name: Lisa Branner, Chairperson
Colorado Sales Tax ID no.: 98306111
Physical Location: PO Box 372 City: Silverton State: CO Zip: 81433
Mailing Address: PO Box 372 City: Silverton State: CO Zip: 81433
Business Phone: N/A Fax: N/A Cell: N/A
Contact Person/Manager: Lisa Branner, Chairperson Contact Telephone: 970-749-3244
E mail Address: lisa@silvertoncreativedistrict.org URL: www.silvertoncreativedistrict.org
Date Business was Purchased or Start Date: 9/12/2019

Type of Ownership: (check one)

- ☐ Sole Proprietorship
- ☐ Partnership
- ☐ Corporation
- ☐ Limited Liability Company
- ☒ Non-Profit – Proof of non-profit status is required.

Additional Vendor Contact Information:

Names and phone numbers of individuals, partners and/or corporate officers (with titles) of business for this application:
(attach additional page(s) if necessary):

	Title	Name	Phone
1.	Chairperson	Lisa Branner, Chairperson	
2.	Chairperson	Lisa Branner, Chairperson	
3.	Chairperson	Lisa Branner, Chairperson	
4.	Chairperson	Lisa Branner, Chairperson	

Special Event Name and Dates: Summer Sounds, Silverton Creates, Silverton Farmer's Market, Mistletoe Market

Fees are \$35 per day or \$50 annually and must be paid by cash, check, credit card or money order.

Make checks payable to "Town of Silverton."

Amount Remitted: \$50 Payment Type: _____ Received by: _____

TOWN OF SILVERTON
1360 GREENE ST
PO BOX 250
SILVERTON CO 81433-0250

(970) 387-5522

Receipt No: 2.011058

May 9, 2024

Silverton Creative District

Previous Balance:	.00
LICENSES & PERMITS - LIQUOR LICENSE	100.00
10-32-110000 LIQUOR LICENSES	
Summer Sounds	
LICENSES & PERMITS - SPECIAL EVENT PERMIT	50.00
10-36-720000 Special Event Revenue	
Total:	150.00
CHECKS	150.00
Check No: 1183	
Payor: Silverton Creative District	
Total Applied:	150.00
Change Tendered:	.00

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May 13, 2024

6. Staff Reports

Staff submits a department report to the Trustees that covers projects updates, meetings, grants, and items for immediate consideration. If a Trustee desires to know more about the report, the Staff is typically available to answer their question, or the Town Administrator will research the question and report back to the Board of Trustees. Staff submits a report once a month and are currently able to pick which meeting depending on their workload.

Town of Silverton Staff Report

Department: Administration
Head of Department: Gloria Kaasch-Buerger
Date of Trustee Meeting: May 13, 2024

For immediate Trustee consideration:

Regular Meetings & Communication:

4.23 CHFA Technical Assistance Zanon Visioning
 4.23 Trustee 1-1
 4.24 Building and Code Software Intro
 4.24 Trustee Retreat Planning
 4.24 LUDC Stakeholder Group
 4.25 Region 9 Board Meeting
 4.26 Sewer and Water Rate Study
 4.26 FPR Committee
 4.29 LUDC Drafting Session
 4.29 Infrastructure Reimbursement Discussion
 4.29 Trustee Ethics Training and LUCD Training
 4.23 Trustee 1-1
 4.30 Bev Rich Visitor Area Town Hall Meeting
 4.30 Powerhouse Collective Visitor Center Interest
 4.30 Team G.O.L.D Phase II Grant Planning
 4.30 USDA Check in
 5.1 SJDA Silverton Business Summit
 5.1 LPC Grant Welcome Webinar
 5.1 LUCD Stakeholders Group
 5.2 Deputy Clerk Interviews
 5.3 Trustee Retreat Prep
 5.3 Lunch with Willy Tookey
 5.3 Deputy Clerk Interview
 5.6 LUCD Coordination Call
 5.6 Trustee Retreat
 5.7 Team G.O.L.D. Phase II Grant Planning
 5.8 Water and Sewer Rate Meeting

Top on the TO DO list:

Assist with WWTP and Water Funding
 Staff Retreat (5/16)
 Town/County Work Session (5/20)
 USDA Grant/Loan Administration
 Code Rewrite Grant Reporting
 Infrastructure Reimbursement Policy
 Tax account organization
 Finance Organization- Starting with SOPs for GL Codes
 Rate Study Assistance
 Energizing Rural Communities Prize Administration
 Affordable Housing Projects
 New Trustee Budget Meetings
 Onboard new Deputy Clerk
 Train new Facilities and Events Coordinator

Grants (applications, updates, awards):

Awarded and currently in progress:

Please see attached spreadsheet

Applied/Awaiting Award:

T-Mobile Grant for Kendall Lift (should know mid May)

Upcoming:

Team GOLD Energize Rural Communities Phase II

Upcoming Issues:

Adoption of Climate Action Plan
 SMPA Totally Green Program
 CDOT Shed relocation
 Power Redundancy/Micro Grid
 Signs/Parking around town
 Entrance Monument
 Snow Route Code Rewrite
 Municipal Court Code Rewrite
 Blair Street Project
 Marijuana Code Rewrite
 Perimeter Trail Planning
 PW and FPR Capital Improvements Plan
 Perimeter Trail

Notable completed tasks: Revised Outdoor Dining Standards (Bumpout Program) Trustee Retreat	Learning/ Professional Development: 5.7 ColoTrust Resilient Economy Training Webinar 5.7 ColoTrust Navigating Arbitrage Compliance Webinar Training 5.7 ColoTrust Cyber Security for Local Government Training Webinar
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Grant	Kendall Planning Grant	DOLA- IHOI Grant	Colorado Water Resources Power Development Authority	REDI-Sustainability & Community Project Coordinator	Brownfields Grant	RREO Recycling Rebate	DOLA EIAF Tier 1 Technical Assistance Grant	CDOT-Transportation Alternatives Grant	Energizing Rural Communities Prize	COSIPA Technology Grant	USDA WW System Rehab	Local Planning Capcity Grant	More Housing Now Planning Grant	T-Mobile Community Grant	Congressional Direct Spending Request
Amount Granted/Requested	\$37,500	\$395,020	\$10,000	\$75,000	\$800,000	\$8,326	\$75,000	\$956,952	\$100,000	\$4,693	\$2,764,000	\$85,000	\$88,090	\$50,000	\$921,600
Match Amount	\$6,250-DOLA expended \$6,250-TOS \$4,860 expended to date 4/14	\$98,755	\$2,000	\$37,500-SIDA	None	None	\$75,000	\$239,240 includes \$40K from Blair Street	None	None	USDA loan \$2,165,000	Benefits	County provided \$8,809 match	No match	\$180,400- State Historic Fund \$50,000- Friends of the Library
Administration Fee	None	\$43,750	None	None	\$40,000	None	None	None	20,000	None			None		None
Total Project	\$ 37,500.00	\$ 493,775.00	\$ 12,000.00	\$ 112,500.00	\$ 800,000.00	\$ 8,326.00	\$ 150,000.00	\$ 1,169,000.00	\$ 100,000.00	\$ 4,693.00	\$ 4,929,000.00	\$ 68,000.00	\$ 79,281.00	\$ 50,000.00	\$ 1,152,000.00
Description	Original proposal-Kendall Mountain Recreation Area Plan Amended proposal- Animas River Trail and Perimeter Trail Planning	HB 1271 For the Purchase of property adjacent to Anvil Mountain and phase 1, 2 and assessment and housing coordinator \$20,000 for Phase 1 and 2	Engineering plans for the WWTP	SIDA will be hiring the Sustainability& Community Projects Coordinator, Grant will be administered through the Town	Multi Purpose Grant - Zanoni Site, Lackawanna Mill, Cement Creek Site	Rebate for waste diversion	Rewrite the Silverton Municipal Code and Development Standards	Blair Street Revitalization Grant	Public, NGO, Utility Partnership for Resiliency Plan, BE plan, and Microgrid Plan	Video Streaming Hardware (new owl, microphone extensions, hardcase for transport)	WWTP and Collections		Boxcar apartment engineering plans	Kendall Lift operations	Library Renovations through the USDA Rural Facilities Program
Grantee	GOCO	DOLA	CWRPDA	DOLA	CDPHE	CDPHE	DOLA	CDOT	US Dept. of Energy	COSIPA	USDA	DOLA	DOLA	T Mobile	Senator Bennett & Hickenlooper
Status	Extended/Awarded In Progress	Awarded, In Progress	Awarded	4.28.24 Update: Total project funds remaining \$42,236.74. SIDA needs to write check to town for about \$10K for match requirement	Awarded	Awarded	Awarded	Awarded	Awarded	Awarded	Awarded	Awarded	Awaiting award		Compiling Application
Apply Date	6/27/2019	3/4/2022	9/6/2023	Dec-22	11/1/2022	4/25/2023	3/28/2023	3/29/2023	5/24/2023	7/12/2023	4/1/2023		12/24/2023	3/31/2024	3/31/2024
Award Date	Extension Approved on 3/13/23 REQUESTING ANOTHER EXTENSION 4/13/24 - Waiting for Approval	5/2/2022	10/23/2023	2/10/2023	5/25/2023	5/12/2023	5/31/2023	6/2/2023	7/14/2023		12/18/2023	3/8/2024			
Completion Date	6/30/2024	12/31/2024	8/1/2024	Approved Extension to 6/30/25					2024		12/31/2024	10/1/2026			
Budgeted?	Yes	Yes	No	SIDA paid match with other grant	No	Yes	Yes in 2023	Resolution to budget for in 2024	No		Yes	No	No		
Administrator	Town of Silverton	Town of Silverton	Town of Silverton	SIDA	Town of Silverton	Town of Silverton	Town of Silverton	Town of Silverton	Town of Silverton	Town of Sivrleton	Town of Silverton	Town of Silverton			Town of Silverton
Reporting Schedule	End of Grant Report	Quarterly Payout and Status Reports		SIDA will administer					SMPA will administer						
State or Federal	State	State	State	State	State	State	State	State	Federal Prize, not grant	State	Federal	STATE	State		Federal
Notes	Extension and Scope approved	\$10,950 Admin Fee spent 8/1-4/10		Contract in place for this grant				Orgininal award \$554,703 adjusted in April 2024				Original award was \$68K			

TOTAL Grant Funding Pending:	TOTAL AWAREDED	
\$ 971,600.00	\$5,399,581	
Total Project Costs:		
\$ 9,166,075.00		

To: Gloria Kaasch-Buerger, Silverton Town Administrator
Lucy Mulvihill, Community Development Director

From: Shelia Booth, AICP, *Contracted Town Planner, CPS*

Date: May 1, 2024

Subject: Planning Department Activity Report - April 2024

This activity report provides an overview of existing and anticipated work tasks assigned to the Planning Department. The Department work plan will be developed by prioritizing these tasks through regular communication between CPS and Town Staff. Priorities will be regularly evaluated and adjusted based on these discussions, direction from the Board, community inquiries received, and development application submittals.

1) ON CALL SERVICES (GENERAL PLANNING)

General Inquiries & Meetings: CPS staff responded to general inquiries and meeting requests for various projects and CPS met weekly with Town Staff. (Lead: Shelia Booth/Chris Masar)

Code Update: CPS attended bi-weekly update meetings, reviewed the second draft and offered input on regulatory discussions. (Lead: Shelia Booth)

Planning 101: CPS attended and presented the land use development and regulation training during the April 29, 2024, Board of Trustees meeting. (Lead: Shelia Booth)

Historic Review Committee Staff Report Update: CPS, in response to a request by the HRC Chair, revised the current HRC staff report. The report was revised to remove code review sections that are not under HRC purview and to applicability of the Code based on the type of application. (Lead: Shelia Booth)

Hydrant Spacing: CPS responded to an inquiry about conflicting language in the Silverton Municipal Code ("SMC") related to hydrant spacing. The SMC has a provision that where there is conflict, the most restrictive regulation applies. (Lead: Shelia Booth)

Planning Commission Welcome Letter: CPS reviewed and offered revisions to the onboarding documents for the Planning Commission. (Lead: Shelia Booth)

Pre-Application Meetings & Inquiries

1768 Mineral St: CPS provided information after reviewing a request and researching the applicable code sections related to an inquiry to allow RV spots in an existing mobile home lot. (Lead: Chris Masar)

Block 9, Lots 3-6 (Taylor's Addition): After completing additional research, CPS prepared a preapplication summary memo for the meeting on March 18, 2024, and distributed it to the applicant. (Lead: Chris Masar)

1330 Cement: CPS assisted staff in a response to a property who inquired about construction of a single-family home and ADU in the Avalanche Overlay District. (Lead: Chris Masar)

1104 Blair Street: CPS worked with staff and the Town Attorney to respond to additional inquiries from the property owner regarding interpretations of the Code related to applicable applications and facades. (Lead: Shelia Booth/Chris Masar)

1816 Mineral Street: CPS continued to work with the applicant and staff to determine the process, if any, for the applicant to construct a multi-use garage, providing another detailed response memo

outlining the Code requirements and options. The current proposal is to provide an apartment with an ADU on the front, a live/workspace, equipment storage, office and pottery studio inside. The property already contains a mobile home being used as a residence. (Lead: Shelia Booth/Chris Masar)

1069 Greene: CPS responded to an inquiry about redevelopment and exterior modifications to a property located in the AROD. CPS is working with Staff and the Town Attorney to make an official interpretation regarding visibility of structures from the Heritage Tourism Corridor. (Lead: Shelia Booth/Chris Masar)

2) ACTIVE DEVELOPMENT APPLICATIONS

24-05 ZON Blk H Rathmell: CPS sent a Board action letter to applicant and closed out files, transferring documents to the Town's cloud storage. (Lead: Chris Masar)

24-01 OVR 661 Greene Street (Canyon View Hotel): CPS sent a Board action letter to applicant and closed out files, transferring documents to the Town's cloud storage. (Lead: Chris Masar)

24-06 OVR Blk 36 Lot 8: CPS sent a Board action letter to applicant and closed out files, transferring documents to the Town's cloud storage. (Lead: Chris Masar)

24-07 OVR 843 Greene Street: CPS sent Board action letter to applicant and closed out files, transferring documents to the Town's cloud storage. (Lead: Chris Masar)

24-10 OVR Block 76, Lots 13-14 (AROD) CPS finalized the completeness review for the application. The application is for a new single-family residence located within the AROD and Avalanche Overlay District's. The application is currently under review and anticipated for the May 14, 2024, Historic Review Committee meeting and the May 27, 2024, Board of Trustees meeting. (Lead: Chris Masar)

24-11 OVR Block 76, Lots 13-14 (Avalanche) CPS finalized the completeness review for the application. The application is tied to AROD application (24-10 OVR Blk 76, Lots 13-14) and is currently under review. This application is planned for the May 21, 2024, Planning Commission meeting and the May 27, 2024, Board of Trustees meeting. (Lead: Chris Masar)

24-12 PUD Block 7-8 Blagues Add (aka Animas Overlook PUD): CPS finalized the completeness review for the application and is currently reviewing the Outline Development Plan proposal for general acceptability and compliance with the objectives and standard of the subdivision regulations to aid the PC and BOT when determining if any modifications to the plan should be made. The Outline Development Plan will be presented to the Planning Commission and Board of Trustees in May. This application is planned for the May 21, 2024, Planning Commission meeting and the May 27, 2024, Board of Trustees meeting. (Lead: Chris Masar)

24-14 PUD Anvil Mountain Subdivision: CPS reviewed and provided guidance on process and assisted in drafting the PUD documents. This application is planned for the May 21, 2024, Planning Commission meeting and the May 27, 2024, Board of Trustees meeting. (Lead: Lucy Mulvihill/Shelia Booth)

3) SPECIAL PROJECTS

Digital Mapping Services: On hold pending further review and updated zoning map in fall 2024. (Lead: Critter Thompson/Shelia Booth)

Build-Out Analysis: CPS provided a response memo to Town Staff summarizing the various analyses done to date and seeking guidance for the final product. (Lead: Critter Thompson/Shelia Booth)

4) "ON THE RADAR"

The following are items recommended to create more efficient and effective interpretation, administration, and guidance for property owners or projects that are anticipated based on discussion with the Town or updates to the Land Development Code. These projects can be kept on this list until they are either elevated to an active project or determined unnecessary.

- Completion of the Certified Local Government Ordinance which is needed once the historic local government committee is created.
- Update applications and checklists post adoption of the Land Development Code in fall 2024.
- Update GIS zoning layer to reflect new zone districts and overlay boundaries.
- Finalize Build Out Analysis

5) MEETINGS ATTENDED

HISTORIC REVIEW COMMITTEE: APRIL 9, 2024 - CANCELED

PLANNING COMMISSION: APRIL 16, 2024 - CANCELED

BOARD OF TRUSTEES: APRIL 29, 2024 - CPS attended and presented the following.

- Planning & Land Development Training (*Lead: Shelia Booth*)

6) UPCOMING PLANNING RELATED MEETINGS AND AGENDA ITEMS:

We anticipate attending the following meetings to either present or support the identified planning department items. The project lead is identified next to each item:

BOARD OF TRUSTEES: MAY 13TH

- No agenda items.

HISTORIC REVIEW COMMITTEE: MAY 14TH

- 24-10 OVR Blk 76 lots 13-14 (AROD) (*Lead: Chris Masar/Shelia Booth*)

PLANNING COMMISSION: MAY 21ST

- 24-11 OVR B76 L13-14 (AV) (*Lead: Chris Masar*)
- 24-12 PUD Blk 7-8 Animas Overlook (*Lead: Chris Masar*)
- 24-14 PUD Anvil Mountain Sub (*Lead: Lucy Mulvihill/Chris Masar*)

BOARD OF TRUSTEES: MAY 27TH

- 24-10 OVR Blk 76 lots 13-14 (*Lead: Chris Masar*)
- 24-11 OVR B76 L13-14 AV (*Lead: Chris Masar*)
- 24-12 PUD Blk 7-8 Animas Overlook (*Lead: Chris Masar*)
- 24-14 PUD Anvil Mountain Sub (*Lead: Lucy Mulvihill/Chris Masar*)

BOARD OF ADJUSTMENT: TBD

- No agenda items.

Town of Silverton Staff Report

Department: Public Works Head of Department: John Sites Date of Trustee meeting: May 13, 2024	
For immediate Trustee consideration: See the MEMO for Wastewater Reclamation Project Engineering Agreement.	
Regular Meetings & Communication: Administration / Board meetings and communication with Staff. Daily crew meetings; Admin Staff meetings; random communication with customers and community members regarding utility concerns.	Top on the TO DO list: Spring streets maintenance; complete Buildout Analysis; Wastewater Collections Project start-up and WRP start up; water plant upgrades (generator, valves); meter overhaul ongoing; Lead and Copper Rule Revision data collection; asset management plan / utility rate study.
Grants (applications, updates, awards): Wastewater Collections System Rehabilitation Project grant and loan funds awarded. Construction expected in 2024, 2025 and possibly 2026. Wastewater Reclamation Project (sewer plant replacement) Preliminary Engineering has started and will be solidified with Engineering Agreement.	Upcoming Issues: Ongoing development considerations / plan review; asset management plan and utility rate study analysis and action; GIS updates to infrastructure mapping.
Notable completed tasks: WTP generator installation, suction pump and valve replacements, spring tank cleaning; business district sewer main cleaning; fleet vehicle rehabilitation; backhoe boom hydraulic cylinder replacement.	Ongoing Project Update: WTP generator has arrived and installation is expected in the next 2 weeks.
Learning/ Professional Development: Staff safety, water, and wastewater training ongoing. Mead water / sewer training and GPS infrastructure and data entry training.	Other:



SILVERTON LAND USE CODE

Moving the Compass Plan into Action

All meetings are open to the public.

WEDNESDAY, MAY 22

Stakeholder Group Meeting

4:00 - 6:00 pm
Silverton Town Hall

THURSDAY, MAY 23

Cookies & Code at the Park!

4:00 - 5:00 pm
Anesi Park

Land Use Code Open House

6:00 - 7:30 pm
Silverton Town Hall

FOR MORE INFORMATION
www.silvertonLUC.org

About the Project

The Town of Silverton launched an effort to overhaul its Land Use Code (LUC) last fall. The LUC is the set of regulations that guide how development should occur in our community. It is also one of the primary tools used to implement the Compass Project Master Plan.

The LUC update is being managed by a project team comprised of Town staff, with support from Community Planning Strategies, Urban-Rural Continuum, and Clarion Associates, a Denver-based land-use planning firm.

We want to hear from you!

Join us to discuss the Town's key priorities for land use and development as the full draft of the Land Use Code comes together. This is a great opportunity to learn more about how the LUC can help preserve and foster the spirit of Silverton as the Town continues to grow and develop.

All meetings are open to the public.

May 13, 2024

7. Committee Reports

Trustees will report on their respective committees if they have met.

May 13, 2024

8. Trustee Reports

This is an opportunity for Trustees to have a moment to speak on behalf of their constituents, highlight happenings in the community, call out for action, or give thanks. This has also been used as a place where Trustees can request agenda items for the next meeting.

May 13, 2024

9. Continued Business

The board has discussed these items in previous meetings or Work Sessions. There is typically a Board Packet Agenda Memo with the item, but not always.

Per Silverton Municipal Code 2-2-110 (5):

Old business. The Board of Trustees shall consider any business that has been previously considered and which is still unfinished.



AGENDA MEMO

SUBJECT: RESOLUTION 2024 -15 A RESOLUTION TO DEFINE SEASONAL BUSINESSES FOR EQR RATE ADJUSTMENTS
STAFF CONTACT: Melina Marks Lanis
MEETING DATE: May 13th, 2024

Overview:

During the Finance Committee Meeting held on Tuesday, January 16th, 2024, the discussion centered around the implementation of EQR rates for commercial businesses in Silverton, Colorado, as outlined in [Resolution 2024-04](#). This Resolution aimed to ensure fair contributions to the refuse fund by commercial entities, considering the varying waste production among different businesses in our town.

It was noted during discussions that certain businesses in Silverton, particularly RV parks/campsites are unable to operate during the winter months due to physical constraints such as snow load, inaccessibility, and safety concerns related to avalanche zones. Consequently, there was a need to formalize the criteria for seasonal businesses eligible for EQR rate adjustments to maintain fairness and consistency in billing practices.

Resolution 2024-15 defines seasonal businesses eligible for EQR rate adjustments as those commercial entities unable to operate during the winter months due to physical constraints or lack of adequate heating systems. These businesses will be exempt from paying the adopted EQR rates during their months of closure and will only be required to pay the adopted EQR rates during their months of operation in the summer (May – October).

Additionally, Resolution 2024-15 directs the Town Clerk to maintain a list of seasonal businesses eligible for EQR rate adjustments based on the criteria outlined in the Resolution and to communicate any changes or updates to relevant town departments and business owners.

History:

The Refuse Fund has been operating at a deficit, and staff have been looking for a way to increase revenues for the Refuse Fund so that it operates at break-even or surplus funds on a yearly basis. In searching for a method to generate these revenues, staff found that other municipalities in Colorado charge an “Equivalent Residential Unit” (EQR) rate for businesses for water, sewer, and municipally contracted refuse management services. These EQR rates are estimated based on how much usage of the utility/service a business would consume compared to an average single-family residence. For example, a restaurant would generate more waste on a weekly basis than a single-family residence, and a restaurant with more seating would presumably generate more waste than a restaurant with less seating.

Currently, businesses in the Town of Silverton are being charged the same rate for transfer-station services as a single-family residence. This may be due to a misunderstanding about the nature of the dumpster fees charged by Bruin Waste Management: the dumpster fees are to rent the actual dumpster and to pay the time and gas to have the garbage truck pick up the refuse. The fees do not, however, cover the actual refuse being collected. As such, a business that generates two 2-yard dumpsters full of waste per week pays the same for waste removal as a single-family residence that generates 4-8 kitchen-sized trash bags of refuse per week. The end result is that the Refuse Fund ends up absorbing much of the refuse management service fees generated by business refuse, thus the deficit.

(Former) Code Enforcement Officer Bill MacDougall conducted a study and established an EQR rate system but retired before it was finalized. Town Clerk/Treasurer Matt Green picked up the project where Bill MacDougall left off, and between the two, developed the EQR rate system being introduced. The system estimates the EQR based off of factors that would indicate more usage of the refuse management service, such as the number of seats available at a restaurant, the number of beds at a hotel, and the square footage of the sales floor at a retail location.

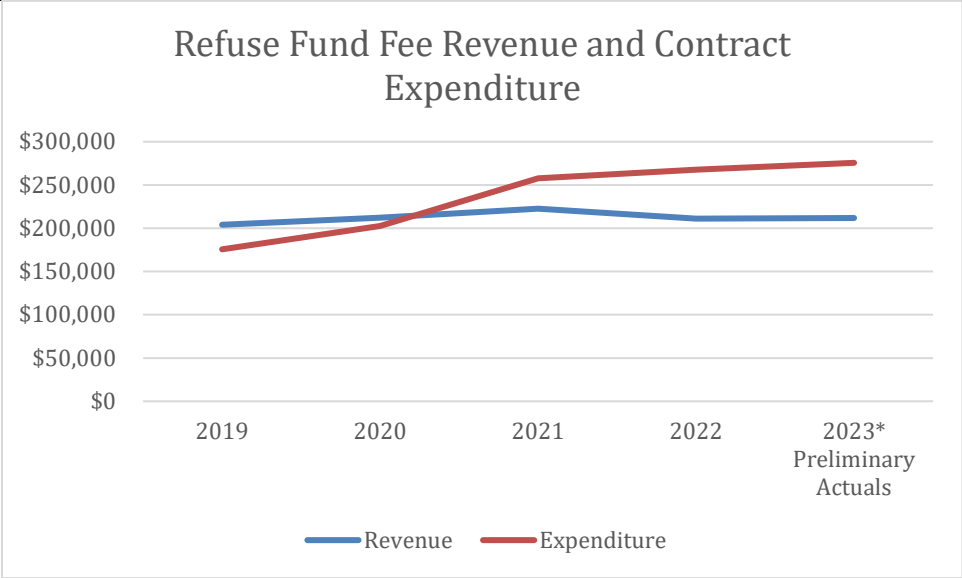
Establishing an EQR rate for businesses at the suggested rates would generate enough revenue (around \$106k per year) that, when coupled with moving Town Facility waste management fees from the Refuse Fund to the applicable facility and tightening up our billing, would bring the refuse fund from a 40% deficit to a potential 6% surplus without the need to raise the base rate for residential customers.

Budget Impact:

We currently collect \$8,125.25 in landfill fees every billing cycle (6 billing cycles a year totals. The adopted EQR rates we will increase revenue by \$9,757.65, bringing our bi-monthly refuse fund revenue to \$17,882.90 during the summer months when all businesses are open and operational.

Refuse Fee Revenue (GL Code 53-34-43000) and Contract Expenditure (GL Code 53-43200-340) in the Refuse Fund Since 2019:

	2019	2020	2021	2022	2023* Preliminary Actuals
Revenue	\$204,039	\$212,188	\$222,640	\$210,980	\$211,933
Expenditure	\$175,660	\$202,466	\$257,611	\$267,690	\$275,643



The above graph does not include the administrative fee and is meant to give a high-level depiction of the fees that are charged compared to the cost of the Waste contract with Bruin.

Staff Recommendation:

Staff recommends approving Resolution 2024-15 to define seasonal businesses for EQR rate adjustments and to instruct the Town Clerk to maintain the list of seasonal businesses as proposed in the Resolution.

Master Plan Priority:

Streamline, define, refine policies & processes for clarity and predictability.

Suggested Motion or Direction:

Motion to approve/ deny Resolution 2024-15 A Resolution to define seasonal businesses for EQR rate adjustments in the Town of Silverton, Colorado.



RESOLUTION 2024 -15

A RESOLUTION TO DEFINE SEASONAL BUSINESSES FOR EQR RATE ADJUSTMENTS IN THE TOWN OF SILVERTON, COLORADO

WHEREAS, the Town of Silverton, in the County of San Juan and State of Colorado (the “Town”) is a municipal corporation duly organized and existing under the laws of the State of Colorado, and;

WHEREAS, the Refuse Fund is, for accounting purposes, an enterprise fund receives the bulk of the revenue from user fees, and;

WHEREAS, the implementation of the proposed EQR rates for commercial businesses in Resolution 2024-04 is intended to ensure fair contributions to the refuse fund, considering the varying waste production among different commercial entities, and;

WHEREAS, it has been observed that certain businesses in Silverton, particularly RV parks/campsites and others lacking adequate heating systems, are unable to operate during the winter months due to physical constraints such as snow load, inaccessibility, and safety concerns related to avalanche zones, thus necessitating exemption from EQR payments during their months of closure, and;

WHEREAS, it is in the best interest of the Town to define and formalize the criteria for seasonal businesses eligible for EQR rate adjustments to maintain fairness and consistency in billing practices;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE TOWN OF SILVERTON, COLORADO THAT:

SECTION 1: Seasonal businesses eligible for EQR rate adjustments are hereby defined as those commercial entities that are unable to operate during the winter months due to physical constraints such as snow load, inaccessibility, and safety concerns related to avalanche zones, or due to the lack of adequate heating systems to keep customers and staff warm.

SECTION 2: Seasonal businesses meeting the criteria outlined in section 1 shall be exempt from paying the adopted EQR rates during their months of closure. They will only be required to pay the adopted EQR rates during their months of operation in the summer (May – October).

SECTION 3: The Town Clerk is directed to maintain a list of seasonal businesses eligible for EQR rate adjustments based on the criteria outlined in this resolution and to communicate any changes or updates to relevant town departments and business owners.

This resolution shall be effective immediately upon adoption.

THIS RESOLUTION was approved and adopted on this ____ day of _____ 2024, by the Board of Trustees of the Town of Silverton, Colorado.

ATTEST:

TOWN OF SILVERTON:

Melina Marks Lanis, Town Clerk

Dayna Kranker, Mayor



AGENDA MEMO

SUBJECT: Lodging Fee Forgiveness Requests
STAFF CONTACT: Melina Marks Lanis
MEETING DATE: May 13th, 2024

Overview:

At the December 11th Regular Meeting, the Board of Trustees approved an increase in lodging fees with the additional revenue to be split between the water fund and sewer fund. Subsequently, Resolution 2023-19, adopted at the January 8th Regular Meeting, allocated all lodging and camping fees collected to specific expenses in the 2024 budget related to municipal services and infrastructure.

New Lodging Fees:

\$6 for vacation homes (\$4 goes towards visitor experience, \$1 goes towards the water fund, \$1 goes towards the sewer fund).

\$4 for hotel rooms (\$2 goes toward visitor experience, \$1 goes towards the water fund, \$1 goes towards the sewer fund).

\$3 per campsite or RV space (\$1 goes toward visitor experience, \$1 goes towards the water fund, \$1 goes towards the sewer fund).

Since the April 15th Finance Committee Meeting staff reached out via email to all business owners with a deadline of May 1st (later extended to May 6th at the Silverton Business Summit). Based on the received feedback, staff has compiled a list of businesses unable to recover the increased lodging fees for the current tourist season due to bookings made months in advance. These businesses have provided proof from their booking systems, demonstrating that the lodging fee increase will come directly out of their own pockets.

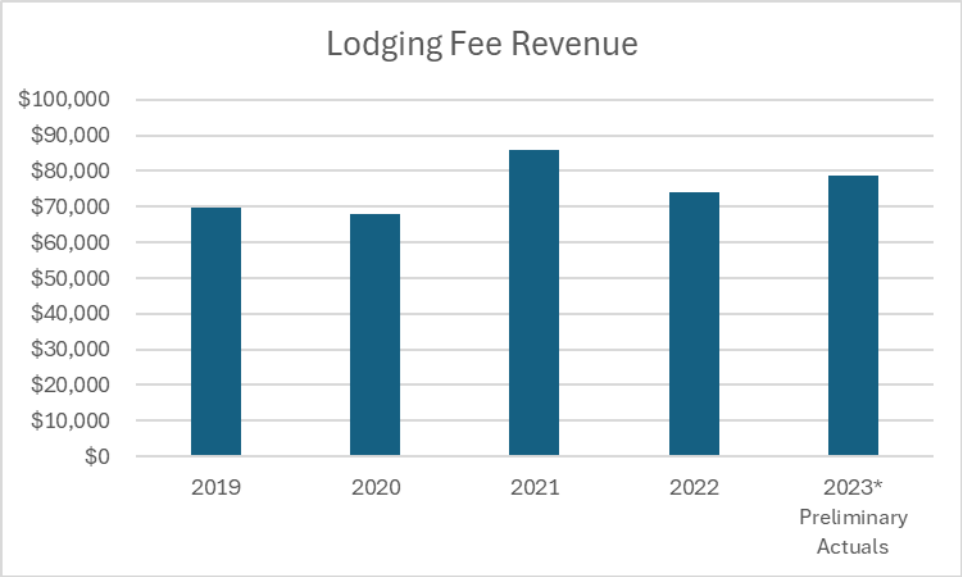
The following businesses have been identified as eligible for exemption from the lodging fee increase until the next tourist season (2025):

- White Wolf Haus
- Silverton Lakes RV Park
- Sterling Silver Properties:
 - Empire House
 - Hummingbird House
 - The White House (unit A and unit B)
 - The NorthStar Saloon
 - The Wildflower House

If approved, these businesses would be allowed to utilize the previous lodging fee rates **for the current year only and implement the new rates beginning in 2025**. This exemption will alleviate the financial burden on these establishments and allow for smoother budget planning. The purpose of the lodging fee increase was to use tourist dollars to support the town's infrastructure needs, not burden local business owners.

Budget Impact:

	2019	2020	2021	2022	2023* Preliminary Actuals
Lodging Fee Revenue	\$69,798	\$67,845	\$85,880	\$73,981.80	\$78,806



Suggested Motion or Direction:

Motion to grant White Wolf Haus, Silverton Lakes RV Park, the Empire House, Hummingbird House, the White House (unit A and unit B), the North Star Saloon, and the Wildflower House exemption from the lodging fee increase until January 1, 2025.

May 13, 2024

10. Public Comment

The closing Public Comment is intended for a to comment only on agenda items that have been presented.

The Mayor or Pro Tem will call out the public to comment as well as time the comment and let the public know when they have run out of time. This has been limited to 3 minutes even though it has not stated this on the agenda.

It is not encouraged for Trustees to engage in a dialogue on a public comment, but Trustees can direct staff to follow up with the citizen.

Comments that are submitted via email about an agenda item will be accepted up until the agenda packet is constructed at noon on Wednesday before the Regular Meeting. Comments that are received after this deadline will be emailed to the trustees and not included in the packet. Comments that are emailed are not considered “official public comment” unless they are presented at the meeting or submitted for a Public Hearing before the Wednesday deadline.

Public Comments specific to a Public Hearing on the agenda should be encouraged to take place during the public hearing and not during the opening Public Comment, so that their comments can be recorded with the hearing.

Closing Public Comment is encouraged to address a topic on the agenda.