

Agenda

1. CALL TO ORDER
2. ROLL CALL
3. Consideration of a Request to Participate Remotely from Councilor Peggy Lindsey per Resolution 7, Series 2018
4. PLEDGE OF ALLEGIANCE
5. PUBLIC HEARINGS
 - 5.a. Ordinance 5, Series 202 - ADU Owner Occupancy
 - 5.b. Ordinance 6, Series 2022 - Adjusting Appointment terms of the Parks and Recreation Committee
 - 5.c. S&S Minor Subdivision Application for Property Legally Described as: Subd: S&S SUB Lot: 3 1/3 INT. COMMON AREA #3 S: 31 44 R:7. Commonly Known as 304, 308, and 306 6th Avenue; Parcel No. 451531207014
6. CEREMONIAL/INFORMATIONAL
 - 6.a. Pre-season Report from Friends of the Ouray Via Ferrata
 - 6.b. Backflow Prevention Update
7. APPROVAL OF MINUTES - April 18 & May 2
8. CITIZENS' COMMUNICATION
9. CITY COUNCIL REPORTS/INFORMATION - Tamara Gulde, Peggy Lindsey, John Wood, Josh Smith, and Ethan Funk
10. DEPARTMENT REPORTS
 - 10.a. City Administrator
 - 10.b. Director of Finance and Administration
 - 10.c. Community Development Coordinator
 - 10.d. Communications and Community Engagement Coordinator
11. CONSENT AGENDA
 - 11.a. Special Events Permit Application - Mountain Air Music, Inc. - June 2, 9, 16, 23, 30
 - 11.b. Special Event Permit Application - Wright Opera House & Ouray International Film Festival - June 24
 - 11.c. Special Event Permit Application - Ouray Volunteer Fire Department, Firemen's Ball, July 3
 - 11.d. Liquor License Renewal Application - The Imogene
 - 11.e. Liquor License Renewal Application - For the Love of Food dba Bon Ton
12. ACTION ITEMS
 - 12.a. Ordinance 5, Series 202 - ADU Owner Occupancy - Second Reading
 - 12.b. Ordinance 6, Series 2022 - Adjusting Appointment terms of the Parks and Recreation Committee - Second Reading

- 12.c. S&S Minor Subdivision Application for Property Legally Described as: Subd:
S&S SUB Lot: 3 1/3 INT. COMMON AREA #3 S: 31 44 R:7. Commonly Known
as 304, 308, and 306 6th Avenue; Parcel No. 451531207014
- 12.d. Allocate American Rescue Plan Act (ARPA) Funding in the Amount of \$259,896
to the WTF Project to Minimize Future Utility Rate Increases
- 13. DISCUSSION ITEMS
 - 13.a. Water Conservation
 - 13.b. Via Ferrata Commercial Guide Concessions
 - 13.c. City Park Use for Construction Crew Housing for WWTP and WTP Projects
 - 13.d. Future Agenda Items
- 14. ADJOURNMENT

CITY OF OURAY
ORDINANCE NO. 5 (Series 2022)

AN ORDINANCE OF THE CITY OF OURAY, COLORADO AMENDING OURAY MUNICIPAL CODE SECTION 7-5-J-6 ACCESSORY DWELLING UNITS TO REMOVE THE OWNER-OCCUPIED REQUIREMENT FOR ACCESSORY DWELLING UNITS (ADU)

WHEREAS, the Ouray City Council directed Planning Commission to recommend municipal code changes to incentivize the construction of accessory dwelling unit regulations for long-term rentals within the City of Ouray, after identifying a need; and

WHEREAS, the City Council held a joint work session with Planning Commission on March 21, 2022, to discuss owner occupancy requirements of Section 7-5-J-6 of the Ouray Municipal Code; and

WHEREAS, the Planning Commission held a special meeting on April 13, 2022, and identified limitations with the current ADU regulations and drafted potential code changes adopted in Planning Commission Resolution 22-02 and referring the same to City Council for possible adoption; and

WHEREAS, the City Council finds that while allowing incentives to encourage the construction of ADUs, it must place restrictions on the units to ensure the purpose of these incentives is fulfilled and monitored over time; and

WHEREAS the City finds these revisions to the municipal code are for the purpose of promoting health, safety, and the general welfare of the City of Ouray.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF OURAY, COLORADO as follows:

SECTION 1: INCORPORATION OF RECITALS

The foregoing recitals are hereby affirmed and incorporated herein by this reference as findings of the City Council.

SECTION 2: AMENDMENT TO THE CODE

Chapter 7, Section 5, Subsection J, Paragraph 6 is repealed and replaced as follows:

Accessory Dwelling Units

Dwelling units which meet the criteria of this Subsection may be allowed as an accessory use to a principal residential unit in the R-1, R-2, C-1 and C-2 districts provided that the dwelling units conform to the applicable requirements of said Districts.

- a. The accessory dwelling unit must be constructed in accordance with applicable requirements of Code adopted by the City pursuant to Chapter 6 of Ouray Municipal Code. It may be attached to or detached from the principal residential unit. Applicable dimensional requirements for a single-family dwelling as set out in Table 7-5-D must be met for the premises.
- b. One off-street parking space shall be provided for the accessory unit in addition to any other required off-street parking.
- c. The accessory dwelling unit may not exceed 1,000 square feet of living area.
 - i. If any of the dwelling units are rented, a minimum of a 30-day rental period shall be required by written lease.
- d. The accessory dwelling unit must be owned together with the principal residential unit in undivided ownership.
- e. The accessory dwelling unit may be served by the water and sewer taps for the principal residence, in which case it shall not be subject to additional investment fees, and the primary residence and accessory dwelling unit shall be charged as a duplex for water and sewer service rates.
- f. The burden shall be upon the owner of any accessory dwelling unit to provide adequate proof to the City that the criteria of this Section are met. In the event that the City determines that the criteria have not been shown to be satisfied the unit may not be occupied as a residence.
- g. A dwelling unit constructed as a principal single-family home, which meets these criteria, may be converted to an accessory dwelling unit following construction of a new principal dwelling unit.

SECTION 3: EFFECTIVE DATE

The provisions of this Ordinance shall become effective thirty days after publication in accordance with City of Ouray Charter 3.5(G).

SECTION 4: SAVINGS CLAUSE

The amendment of various provisions of the Ouray Municipal Code by this ordinance shall not affect any offense or act committed, any penalty incurred, any contract, right or duty established or accruing before the effective date of this ordinance.

SECTION 5: SEVERABILITY

If any clause, sentence, paragraph, or part of this ordinance or the application thereof to any person or circumstances shall for any reason be adjudged by a court of competent jurisdiction invalid, such judgment shall not affect application to other persons or circumstances.

INTRODUCED, APPROVED AS INTRODUCED, AND ORDERED PUBLISHED on first reading by 5 to 0 vote of the Ouray City Council this 2 day of ~~April~~^{May} 2022.

CITY OF OURAY, COLORADO

By 
Ethan Funk, Mayor

ATTEST:


Melissa M. Drake, City Clerk

INTRODUCED, READ, AND ADOPTED on second reading by _____ vote of the Ouray City Council this _____ day of May 2022.

CITY OF OURAY, COLORADO

By _____
Ethan Funk, Mayor

ATTEST:

Melissa M. Drake, City Clerk

CERTIFICATE OF ATTESTATION

I, Melissa M. Drake, Ouray City Clerk, hereby certify that Ordinance No. 5 (Series No. 2022), was introduced, read, and passed by the Ouray City Council on first reading on May 2, 2022. The Ordinance was published, in summary, in the *Ouray County Plaindealer* on May 5, 2022, and thereafter introduced, read, and adopted by the Ouray City Council on _____, 2022, and thereafter published in the *Ouray County Plaindealer*, as required by law.

Melissa M. Drake, City Clerk

ORDINANCE NO. 06 (SERIES 2022)

AN ORDINANCE OF THE CITY OF OURAY, COLORADO, REPEALING AND REPLACING SECTION 2-15-A AND ADDING A NEW SECTION 2-15-C OF THE OURAY MUNICIPAL CODE REVISING THE PARKS AND RECREATION COMMITTEE (PARC) MEMBER APPOINTMENTS AND ADDING A COMMITTEE MEMBER REMOVAL PROVISION.

WHEREAS City Council finds it necessary to revise the committee appointments to be staggered and to add the statutory language concerning member removal.

NOW BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF OURAY, COLORADO, as follows:

SECTION 1: REPEAL AND REPLACEMENT

Chapter 2 of the Ouray Municipal Code, Section 2-15-A, is repealed and replaced, as follows:

A. At its first meeting in January, City Council shall appoint a minimum of five (5) and a maximum of seven (7) members to the Parks and Recreation committee (PARC) for three (3) year staggered terms. The committee shall not have an even number of members. Members represent the community at-large. A quorum for meetings and voting shall be no less than three (3) members.

SECTION 2: AMENDMENT

c. Members may be removed by City Council for malfeasance, any act in violation of C.R.S. § 24-18-101 et seq., or for substantial failure to attend scheduled meetings.

SECTION 3: EFFECTIVE DATE.

The provisions of this Ordinance shall become effective 30 days following publication in accordance with City Charter, 3.5-G.

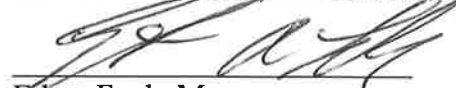
SECTION 4: SEVERABILITY.

If any clause, sentence, paragraph, or part of this ordinance or the application thereof to any person or circumstances shall for any reason be adjudged by a court

of competent jurisdiction invalid, such judgment shall not affect application to other persons or circumstances.

INTRODUCED, READ, APPROVED AS INTRODUCED, AND ORDERED PUBLISHED on first reading by 5 To 0 vote of the Ouray City Council this 2nd day of May, 2022.

CITY OF OURAY, COLORADO



Ethan Funk, Mayor

ATTEST:



Melissa M. Drake, City Clerk

INTRODUCED, READ, AND ADOPTED on second reading by _____ vote of the Ouray City Council this _____ day of _____ 2022.

CITY OF OURAY, COLORADO

Ethan Funk, Mayor

ATTEST:

Melissa M. Drake, City Clerk

CERTIFICATE OF ATTESTATION

I, Melissa M. Drake, Ouray City Clerk, hereby certify that Ordinance No. 8 (Series No. 2022), was introduced, read, and passed by the Ouray City Council on first reading on MAY 2, 2022. The Ordinance was published, in summary, in the *Ouray County Plaindealer* on MAY 5, 2022, and thereafter introduced, read, and adopted by the Ouray City Council on _____, 2022, and thereafter published in the *Ouray County Plaindealer*, as required by law.

Melissa M. Drake, City Clerk

320 6th Avenue
 PO Box 468
 Ouray, Colorado 81427



970.325.7211
 Fax 970.325.7212
 www.cityofouray.com

TO: Ouray City Council
 FROM: Lily Oswald, Community Development Coordinator
 FOR: May 16, 2022
 SUBJECT: S&S Minor Subdivision Application

Property & Zoning Summary

Application Summary	The application is to “condominiumize” Lot 3 of the S&S Subdivision (via a Minor Subdivision process/application) to create two (2) units from Parcel 451531207014.
Address:	304 and 306 6 th Avenue
Parcel Number(s)	451531207014
Legal Description	Subd: S&S SUB Lot: 3 1/3 INT. COMMON AREA #3 S: 31 T: 44 R: 7
Property Owner	OURLOCOL, LLC
Applicant/Authorized Agent	Lane Thomasson (Hockersmith & Whitmore, LLC)
Zoning	C-1: Commercial District
Existing Use	Mixed Use: Commercial & Residential
Proposed Use	Unit #1: Residential uses Unit #2: Residential and Commercial uses
Site Size	1,250 sq. ft.
Adjacent Land Uses/Zoning	
North:	C-1; Commercial (Ouray Liquors)
South:	C-1; Lodging Business (<i>Across 6th Ave.</i> : Hotel Ouray)
East:	C-1; (Vacant; Single-Family Residence at 316 6 th Ave.)
West:	C-1; Commercial (Ouray Brewery)
Located Within National or Local Historic District Boundary	Yes
Located Within Commercial Historic Boundary	Yes

Zone District Dimensional Requirements (C-1)

Requirement	Required	Proposed/Existing
Minimum Setbacks		
Front (East)	0 (commercial district)	0 ft.
Rear (West)	5 ft.	0 ft.
Side (North)	0 (commercial district)	0 ft.
Side (South)	0 (commercial district)	0 ft.
Roof Eaves	1 ft. into setback/property	1 ft. into setback/property
Building-to-Building	0 (commercial district)	0 ft.
Minimum Floor Area	Comply w/ building code	Comply w/ building code
Maximum Floor Area	9,585 SF	3,190 (incl. Unit #1 and Unit #2)
Maximum Height	35 ft.	21 ft.

Figure 1. Google Earth front-view of Property and adjacent properties.



BACKGROUND

The Owner wishes to divide the existing real property and improvements into two (2) ownerships as allowed by law (see Exhibit F). Under §7-10: *Condominiumization* of the Ouray Municipal Code (OMC), such applications are subject to review and approval via a Minor Subdivision procedure pursuant to §7-7-C-7. The Owner purchased the property (formerly the Ouray Hostel) in September 2021 and is currently in process with the City’s Building Inspector to complete a general remodel of the hostel. All current and any future remodel work or alterations must satisfy the City’s adopted Building Permit requirements, processes, and applicable codes.

CRITERIA FOR DECISION

Minor Subdivision applications are for subdivisions resulting in two (2) or fewer lots, which have all required improvements and comply with the design standards of §7-7-E and §7-7-F. Minor subdivisions shall also be exempt from the requirements of a sketch plan and preliminary plat. The applicant is proposing to condominiumize the property through the proposed minor subdivision which must comply with §7-10 of the OMC (see Exhibit B). The property is zoned C-1 and is within the Commercial Historic District and the National and Local Historic District Boundary and must also comply with §7-5-D and §7-5-E-5 of the OMC.

STAFF ANALYSIS

§7-7-E, Design Standards

General Design Considerations

Compliance with the Community Plan 2021:

Among other things, the 2021 Community Plan encourages opportunities to develop affordable housing and mixed-use developments downtown and supports the rehabilitation of existing structures. Other sections of the plan address the need to ensure new development is high quality and pays for itself (through the installation of new infrastructure). Staff finds the infrastructure required and intended to serve this property is presently installed and effective. Public and private utilities have been installed and 6th Avenue is improved (graded, curb and gutter, and public paved sidewalks).

Streets and Circulation:

As mentioned above, all public street infrastructure is in place. Unit access is proposed in adjacent Condo Common Area #3. The number and location of provided off-street parking space(s) must be considered by City Council.

Lots:

Staff finds the shape, width and size of the proposed lots are not applicable for this condominiumization process because the structure exists and is conforming to its zone district.

Water, Fire Protection and Sewer Systems:

Utility infrastructure is available and present.

Drainage, Hazard Mitigation, and Snow Storage:

This site does not present drainage issues, hazards to mitigate, or the need to provide calculated snow storage areas.

Plat Notes and Monuments:

Plat notes (other than surveyor's notes and Easement No. 1 description) are not present on the draft S&S Condominiums Plat. Plat notes shall be reviewed and revised as necessary by City Council and the City Attorney as condition(s) of approval. Monuments are present from the approved 1980 "S and S Subdivision" plat and will remain.

Parks, Trails, Open Space, Recreation Facilities, Common Areas:

Regulations for private common areas are outlined in the condominium documents and in prior subdivision documents. No other parks, trails, open spaces, or recreation facilities are present or proposed for this subject property.

The park dedication requirement per §7-7-E-14-g is less than 2 acres, which does not meet the minimum area for a city park. Therefore, according to the OMC, the applicant is required to pay a fee-in-lieu of \$1,203.00 per new unit (1 new unit resulting from the S&S Condominiumization) prior to recording the minor subdivision. Staff recommends reducing or waiving the public park fee-in-lieu as permitted by section §7-7-E-14.i.ii of the code due to the scope of the application and the fact that the proposed condos are in a pre-existing building without reasonable ability to provide a public park.

This fee may be reduced by City Council.

§7-7-F, Required Improvements

As previously summarized, all required improvements for the proposed condos are present on-site.

§7-10-B, Condominium Documents

The cover letter from the owner's attorney (Authorized Agent) clearly outlines the intent, the response to the provisions of §7-10, and the provision of the necessary graphic information to identify how the division of interests in the real property is to occur (see Exhibit A).

PUBLIC NOTICE

All public noticing requirements per the OMC have been met for this minor subdivision application. Public notice was posted at City Hall on April 29, 2022, published in the Plaindealer on May 5, 2022, and posted on the property on May 10, 2022. No public comments have been received by staff; no public comments were received by staff for the Planning Commission's public hearing on this application.

The City Attorney has reviewed the provided Conditions, Covenants, and Restrictions, and legal documents and does not offer any changes or objections to the same for the City Council's consideration (see Exhibits C, D, and E).

Staff finds the Applicants have met the technical requirements of the minor subdivision process to allow for the building to be divided as proposed into two (2) units with common areas as identified. Staff supports the Applicant's request to condominiumize the existing building as proposed, and encourages the City Council to consider the recommended conditions of approval from the Planning Commission during their special meeting on April 13, 2022:

1. Eliminate the park fee-in-lieu requirement;

- Calculated required park fee: \$1,203 for the condominiumization. City Council may vote to reduce fee, as allowed in code.

2. Reduce the required off-street parking requirement (and reiterate this decision in the S&S Condominiums Declarations and Plat);

- The OMC states: *"No off-street parking is required for buildings that front U.S. Highway 550 between 4th and 9th Avenues, and those lots that front 4th through 9th Avenues within one-half block of U.S. Highway 550, except Lodging Businesses and residences that must provide one space for each lodging or dwelling unit"* (§7-5-E-5-f-i).
- Applicant proposes two (2) off-street parking spaces provided for these condo units in the adjacent Lot 2, 316 6th Avenue (which is graded, graveled, and has direct access from 6th Avenue).
- Planning Commission recommended reducing the parking requirement from (2) spaces to (1) space to allow dumpster access in adjacent Lot 2.

3. Reiterate the original S and S Subdivision Plat (Reception No. 129340) and its Plat Note referencing the S and S Subdivision Restrictions and Provisions (Reception No. 129339, 138013, & 201210) (see Exhibit G and Exhibit H) on the S&S Condo Plat as a Plat Note.

OPTIONS FOR THE CITY COUNCIL

1. Approve the application;
2. Conditionally approve the application with specific conditions;
3. Deny of the application with specific reasons for the denial; or
4. Continue the matter to a specific date.

ATTACHMENTS

Exhibit A:	S&S Condo Application Narrative
Exhibit B:	S&S Condominiums Plat – Draft
Exhibit C:	S&S Condo Declarations - Draft
Exhibit D:	S&S Condo Articles of Incorporation
Exhibit E:	S&S Final Bylaws
Exhibit F:	Minor Subdivision Application & Authorization of Agent Forms
Exhibit G:	S and S Subdivision Plat (Reception No. 129340)
Exhibit H:	Restrictions for S and S Subdivision (Reception No. 129339, 138013, & 201210)

March 28, 2022

Lily Oswald,
Community Development Coordinator HAND DELIVERED
City of Ouray
320 6th Avenue
Ouray, CO 81427

Re: S&S Condominiums

Dear Ms. Oswald:

The undersigned represents OURLOCOL, LLC, a Colorado limited liability company and owner of the building located on Lot 3, S&S Subdivision. Block 18, City of Ouray, County of Ouray, State of Colorado, commonly known as 304 6th Avenue, Ouray, CO 81427. Please consider this letter to be the Project Narrative for my client's application for a Minor Subdivision to convert the existing lot and improvements to a condominium form of ownership, pursuant to Sections 7-7-C-8 and 7-10 of the Ouray City Code. Attached to this letter are the following documents:

1. Completed Master Land Use Application for a Minor Subdivision;
2. Minor Subdivision Application Fee in the amount of \$250.00;
3. Completed and executed City of Ouray Authorization of Agent Form authorizing the undersigned to represent the Owner in front of the City on the Application;
4. Copy of deed evidencing ownership of the subject property;
5. Three (3) copies of the condominium map for the S&S Condominiums (24X36).
6. Draft Declaration of Conditions, Covenants and Restrictions of S&S Condominiums.
7. Articles of Incorporation of S&S Condominium Owners Association, Inc.
8. Draft bylaws of the S&S Condominium Owners Association, Inc.

NARRATIVE

The building sitting on the subject property is located in the heart of Ouray. The owner is applying to the City for a minor subdivision to create two condominium units, Units 1 and 2. Unit 2 will consist of the first-floor area and the basement area as shown on the attached Map, and will allow commercial uses. Unit 1 will consist of the second floor and will allow residential uses.

Because the subdivision of the subject property will result in not more than two (2) units/lots, this application should be considered as a minor subdivision, pursuant to Section 7-7-C-8 of the Code. Upon information and belief, the existing improvements all comply with the design standards of Sections 7-7-E and 7-7-F of the Code.

Attached to this application is a copy of the proposed plat/map of the S&S Condominiums. This map meets the requirements for a final plat pursuant to Section 7-7-D-3, therefore, it is requested

that this application be considered by the Planning Commission and the City Council as a final plat, pursuant to 7-7-C-8 of the Code

As stated herein, the purpose of this application is to convert ownership of Units 1 and 2 into condominiums. In accordance with Section 7-10, the attached Declaration of Conditions, Covenants and Restrictions (the "Declaration") will be executed and acknowledged in substantially the form attached hereto, in compliance with purpose, intent and requirements of the Colorado Common Interest Ownership Act. Further, as required by Section 7-10-B, the Declaration also contains the following:

1. A provision for the ultimate obligation of the condominium association to pay all water and sewer charges for all individual units within the project and any common element charges in accordance with the rules and regulations of the Ouray City Code. See Declaration, Section 3.03(q).
2. A clear definition and description of the rights, duties and liabilities of all unit owners with respect to the general common elements and the limited common elements. See all provisions of the Declaration generally and, specifically, Sections 4.04, 4.05, 4.06, 5.01, 6.01, 6.02, 6.03 and 7.01(a).
3. The project is not considered expandable at this time.
4. A provision that, in event that any unit is owned by more than one (1) person or by a partnership, joint venture, corporation or other such entity, the owners thereof shall designate in writing to the association, the names and addresses of the agent of the owner to whom all legal or official assessments, liens, levies or other such notices may be properly and lawfully mailed, and that, upon the failure to so designate an agent, the association shall be deemed to be the agent for receipt of notices to such owners. See Declaration, Section 3.04.

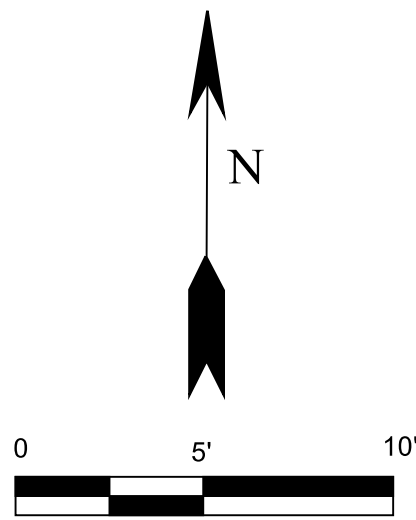
Based upon the foregoing, we believe that this application is complete and should be referred to the Planning Commission at its next regularly scheduled meeting. Of course, to the extent that you require any addition information, please do not hesitate to contact me. Thank you for your consideration of this application.

Sincerely,

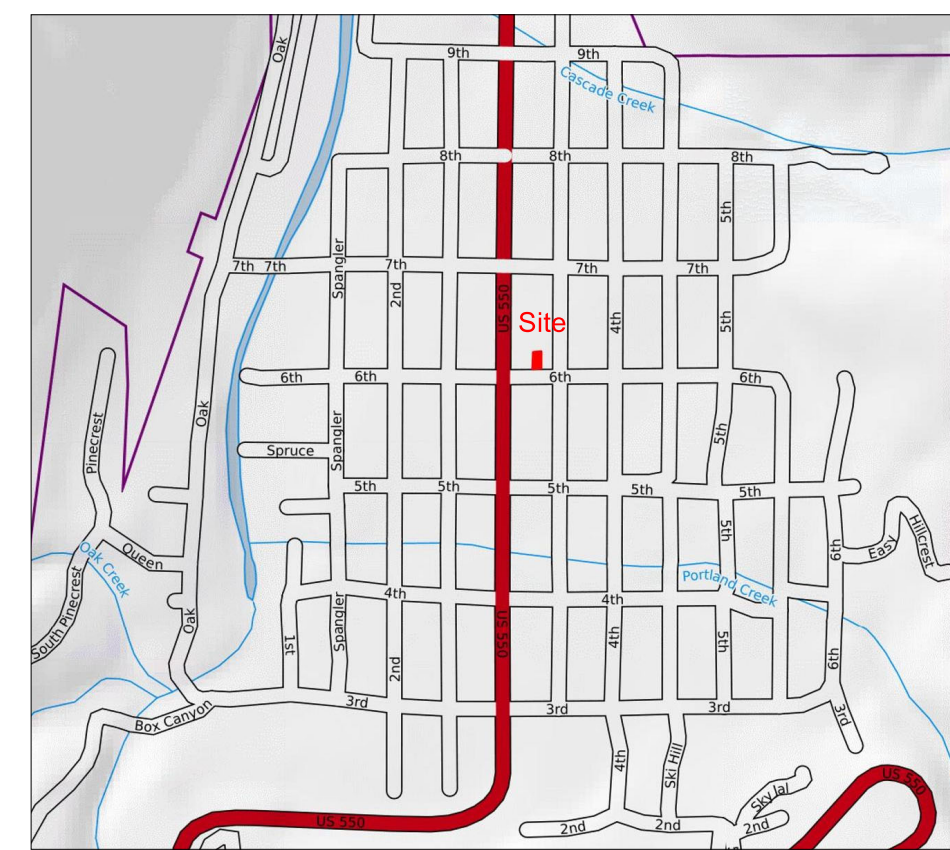
Lane Thomasson
Lane Thomasson
xc: Client

S & S CONDOMINIUMS

UNIT #1 & UNIT #2
 Lot 3 of the S & S Subdivision, Block 18
 City of Ouray, County of Ouray, State of Colorado
 Sec. 31 T44N R8W N.M.P.M.

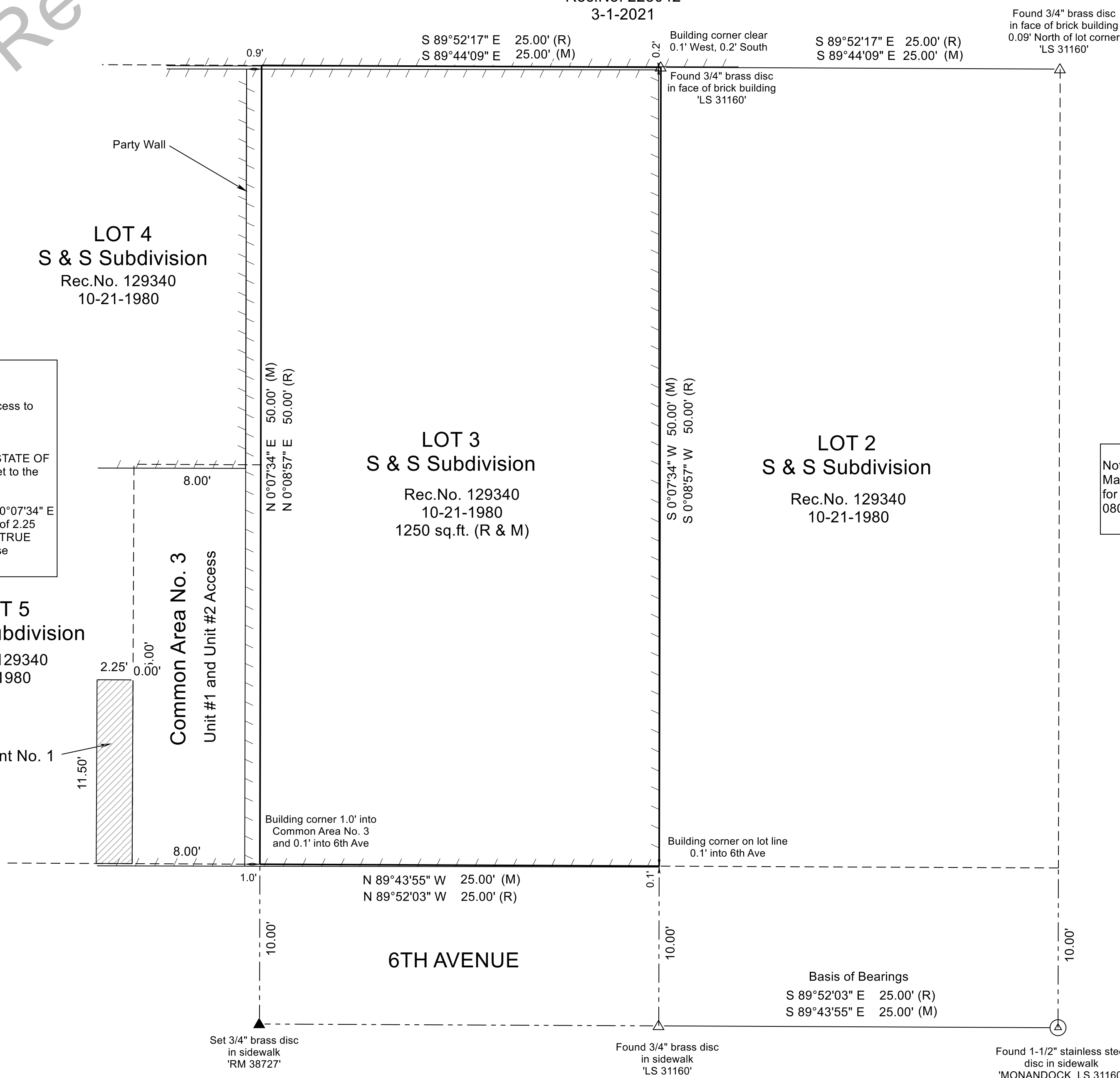


Scale: 1"=5'
 Linear Units: U.S. Survey Feet
 (R) - Record as per S & S Subdivision
 (M) - Measured at time of survey



Vicinity Map - not to scale

LOT 3, BLOCK 18
 Rec.No. 228042
 3-1-2021



CERTIFICATE OF OWNERSHIP:

KNOW ALL MEN BY THESE PRESENTS, that we the undersigned owners of said property, located in the the City of Ouray, State of Colorado, being described as follows:

LOT 3 AND LOT 5, S AND S SUBDIVISION, ACCORDING TO THE PLAT RECORDED OCTOBER 21, 1980 UNDER RECEPTION NO. 129340, TOGETHER WITH AN UNDIVIDED 1/3 INTEREST IN COMMON AREA NO. 3 LOCATION IN THE S AND S SUBDIVISION, LESS AND EXCEPT THAT PART OF LOT 3, S AND S SUBDIVISION WHICH LIES BETWEEN THE EAST LOT LINE OF SAID LOT 3 AND THE CENTER LINE OF THE CURRENTLY EXISTING PARTY WALL ON OR NEAR THE EAST LINE OF SAID LOT 3, ALL COUNTY OF OURAY, STATE OF COLORADO.

HAVE BY THESE PRESENTS, caused to be laid out, platted, and subdivided the above described into lots, as shown on this plat, under the name and style of the S & S CONDOMINIUMS and hereby dedicate Easement No.1.

Erin Eddy, Manager
 OURLOCOL, LLC

Erin Eddy, Manager
 OBRE, LLC

STATE OF _____)
 COUNTY OF _____)

The foregoing signatures were acknowledged before me this _____ day of _____, 20____, by _____.

My commission expires _____

Witness my hand and seal _____
 Notary Public

CERTIFICATE OF LIEN HOLDERS:

The undersigned holders of mortgages, which encumber the land subdivided, hereby agree to the subdivision and dedications.

Mortgage: _____ by _____

STATE OF _____)
 COUNTY OF _____)

The foregoing signatures were acknowledged before me this _____ day of _____, 20____ by _____.

My commission expires _____

Witness my hand and seal _____
 Notary Public

1. Basis of Bearings: The bearing of the south line of Lot 2, S & S Subdivision is N 1°22'40" E. Monuments are fully described and shown hereon. All bearings hereon are relative thereto.
2. According to Colorado Law, you must commence any legal action based upon any defect in this survey within three (3) years after you first discover such defect. In no event, may any action based upon any defect in this survey be commenced more than ten (10) years from date of certification shown hereon.
3. Any person who knowingly removes, alters, or defaces any legal land boundary monument and/or boundary monument accessory, commits a class 2 misdemeanor pursuant to C.R.S. 18-4-508.

Surveyor's Certification Statement

I, Timothy A. Pasek, a Professional Land Surveyor licensed in the State of Colorado, do hereby certify that this plat, consisting of two (2) sheet, accurately represents, to the best of my knowledge, information and belief, a survey made by me or under my responsible charge in accordance with applicable standards of practice. This survey is not a warranty or guarantee, expressed or implied. This survey does not show easements except those specifically shown hereon.

TREASURER'S CERTIFICATE:

I certify that as of today, there are no delinquent taxes due, nor are there any tax liens against the property described herein or any part thereof, and that all current tax and special assessments have been paid in full.

Date: _____, 20____
 _____, Ouray County Treasurer

ATTORNEY'S CERTIFICATE:

I certify that I have examined the title to the platted property and that the record owners and holders of encumbrances affecting the property have executed this plat and joined in the subdivision.

Attorney at Law Registration No. Date

APPROVAL OF PLANNING COMMISSION:

Approved by the City of Ouray Planning Commission this _____ day of _____, 20____

Chair

APPROVAL OF CITY COUNCIL:

Mayor

APPROVAL OF CITY ATTORNEY:

Attorney at Law Registration No. Date

RECORDER'S CERTIFICATE:

This plat was filed for record in the office of the Clerk and Recorder of Ouray County at _____M.
 on the _____ day of _____, 20____,
 in Book _____, Page _____, Reception No. _____.

County Clerk and Recorder

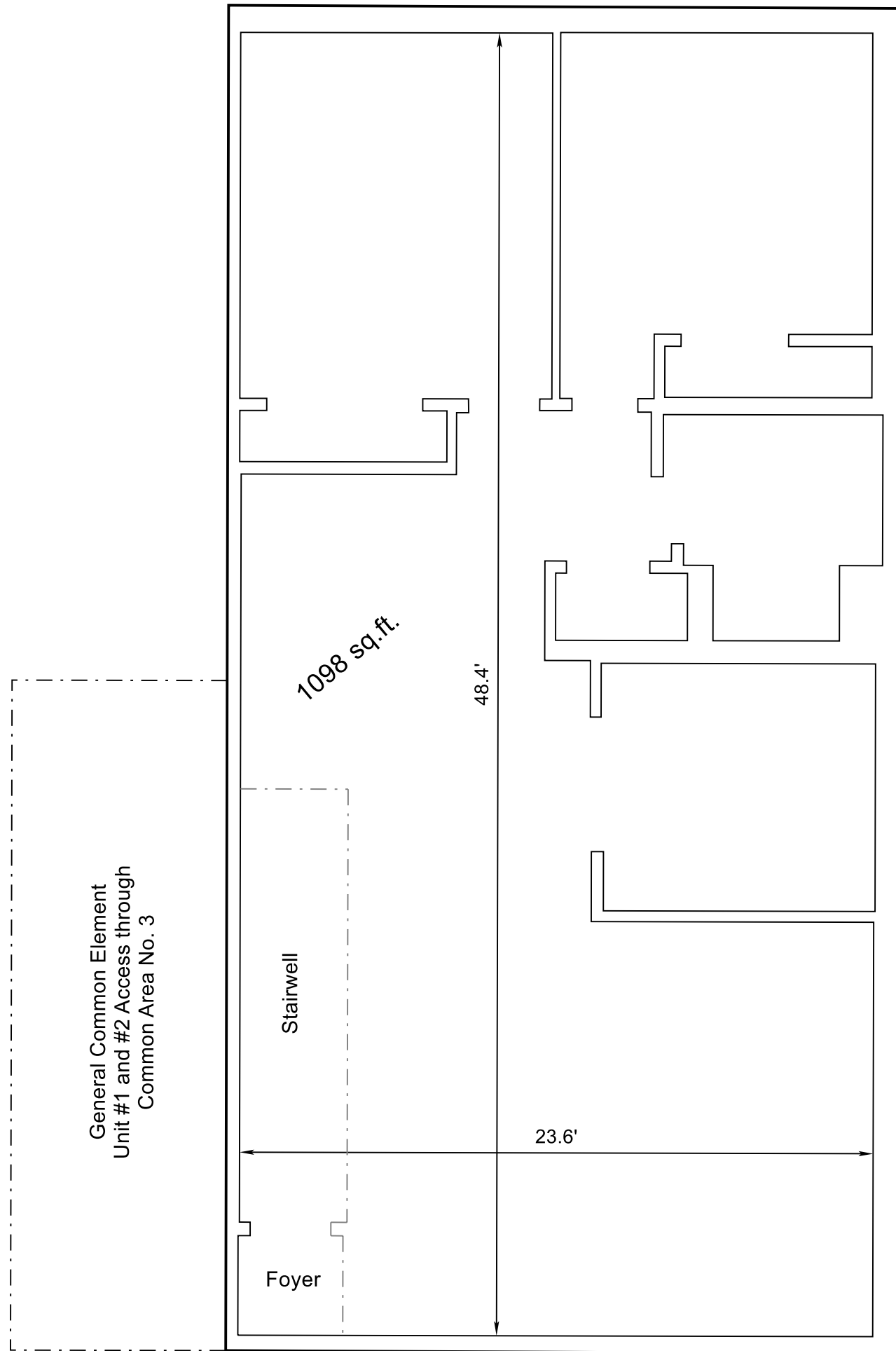
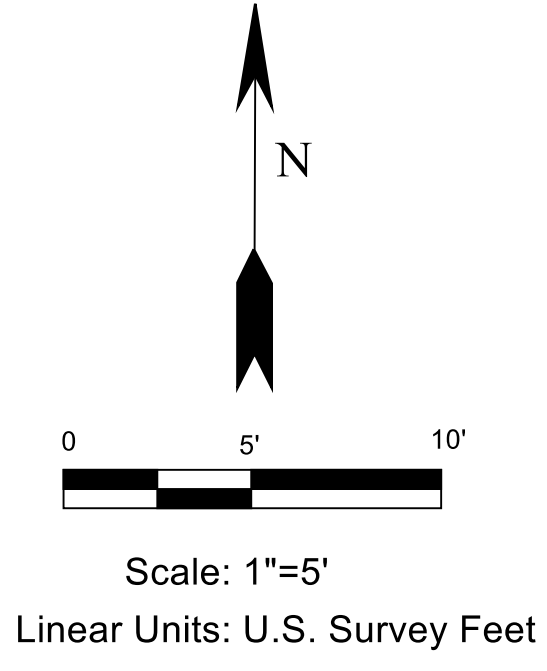
Rev. 5/6/2022
 Rev. 4/5/2022
 Rev. 3/22/2022
 Rev. 2/18/2022

OURLOCOL, LLC
 P.O. Box 811
 Ouray, CO 81427

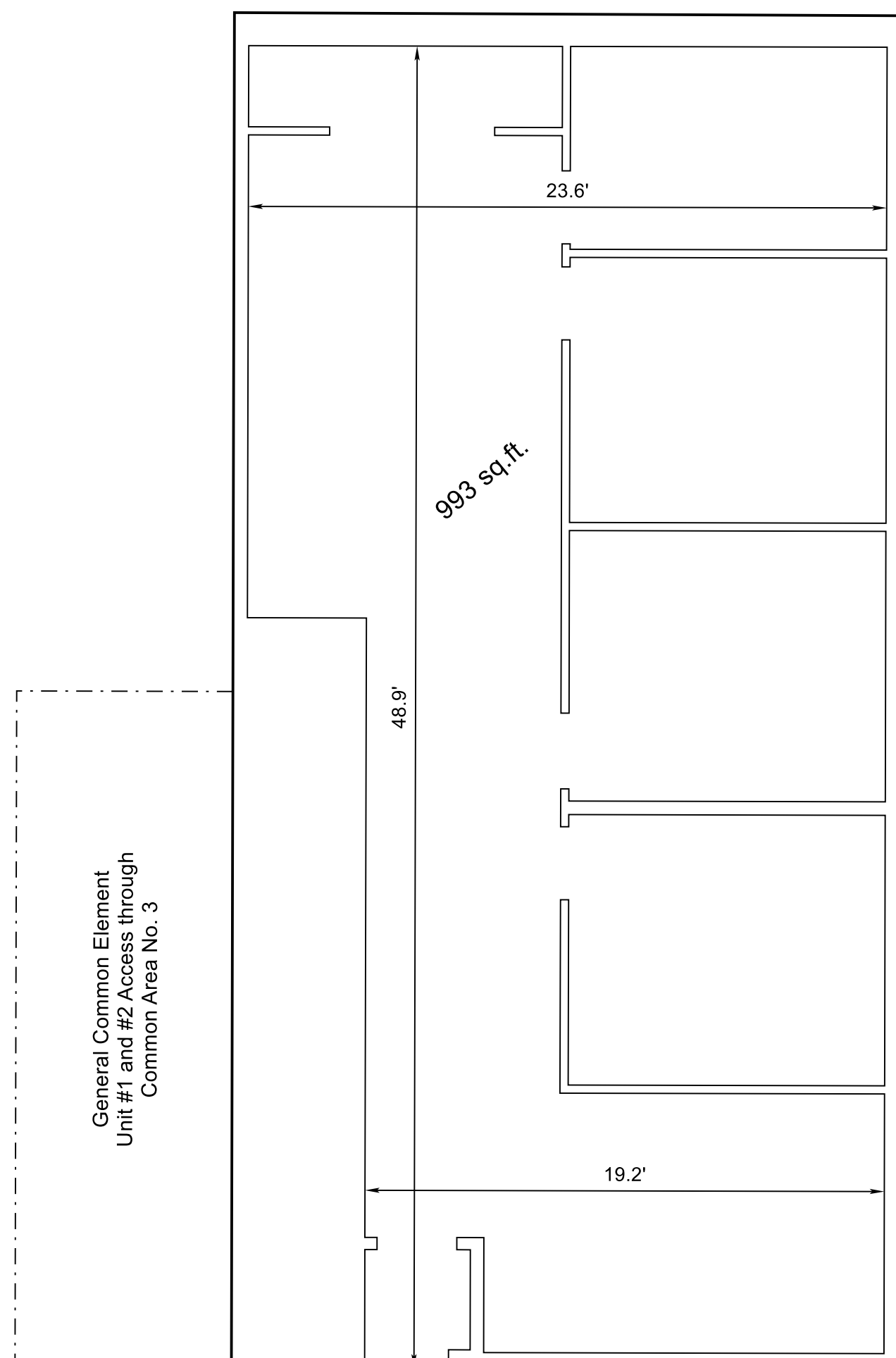
Monadnock Mineral Services LLC P.O. Box 85 Ouray, CO 81427	
Job No. J22-003	Sheet 1 of 2

S & S CONDOMINIUMS

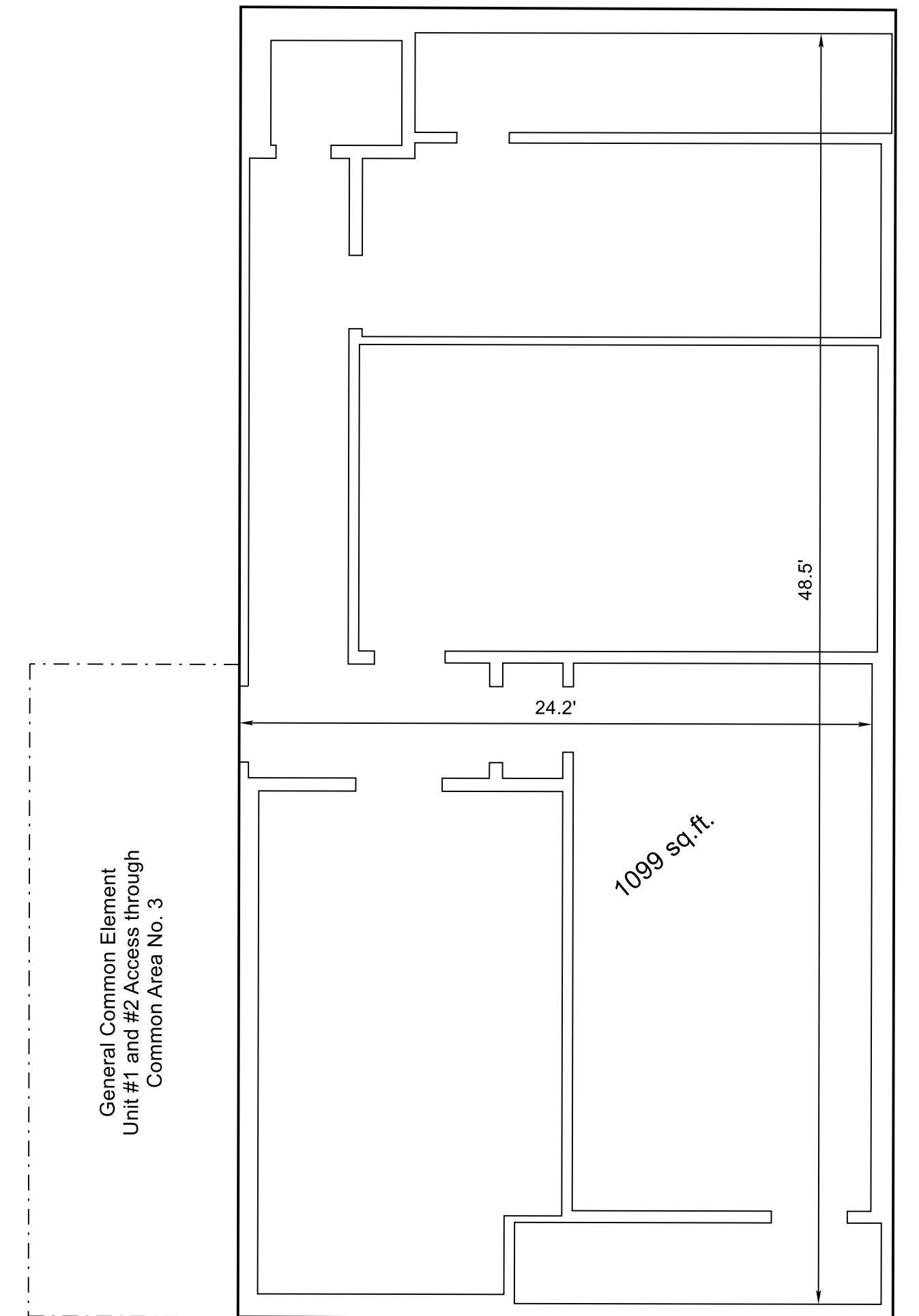
UNIT #1 & UNIT #2
Lot 3 of the S & S Subdivision, Block 18
City of Ouray, County of Ouray, State of Colorado
Sec. 31 T44N R8W N.M.P.M.



Unit #1 - Top Level

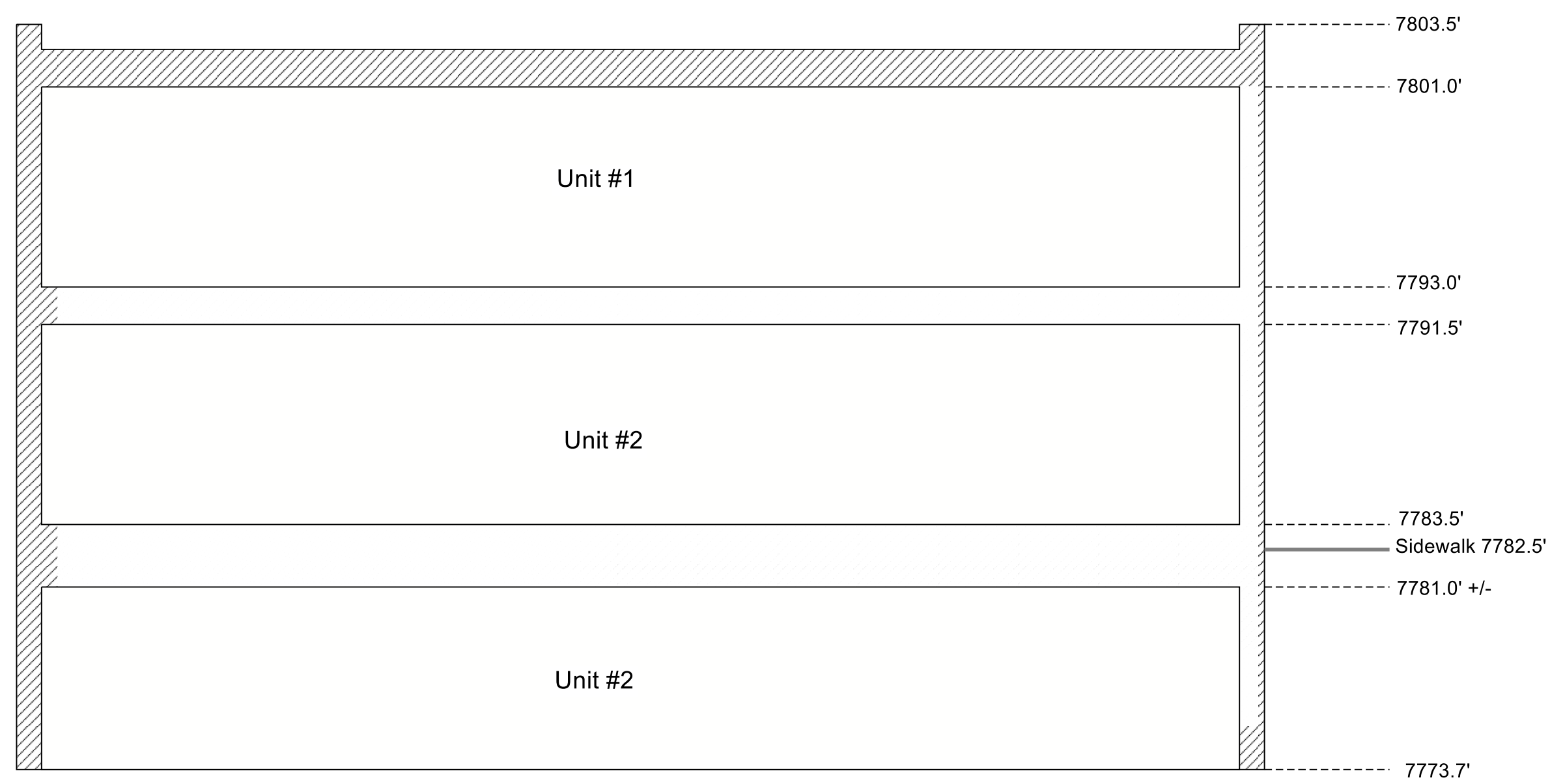


Unit #2 - Ground Level

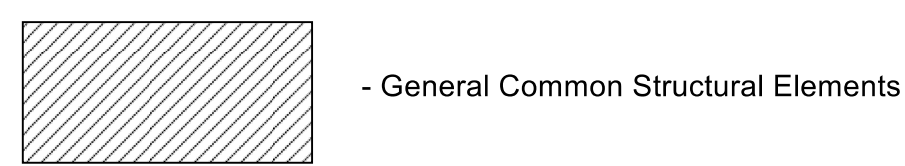


Unit #2 - Basement Level

For City Review



Building Profile



For City Review

**DECLARATION OF CONDITIONS, COVENANTS AND RESTRICTIONS
OF
S&S CONDOMINIUMS
CITY OF OURAY, OURAY COUNTY, COLORADO**

THIS DECLARATION, made on the date hereinafter set forth by OURLOCOL, LLC, a Colorado limited liability company with an address of 917 Main Street, Ouray, CO 81427 (hereinafter referred to as "**Declarant**").

RECITALS:

a) Declarant is the owner of certain real property and improvements described as Lot 3, S&S Subdivision, according to the plat recorded October 21, 1980, under Reception No. 129340, together with an undivided 1/3 interest in common area No. 3 located in the S&S Subdivision, less and except that part of Lot 3 S&S Subdivision which lies between the east lot line of said Lot 3 and the centerline of the existing party wall on or near the east lot line of said Lot 3, City of Ouray, County of Ouray, State of Colorado, commonly known as 304 and 306 6th Avenue, Ouray, CO 81427 (the "**Property**")

b) Declarant intends to delineate the Property into Units and to create a Condominium pursuant to the Colorado Common Interest Ownership Act of the State of Colorado (C.R.S. Sections §§38-33.3-101 et seq., "the **Act**"). To define and establish the rights, powers, duties, conditions and restrictions of Unit ownership in S&S Condominiums, Declarant hereby publishes and records this Declaration.

c) Declarant has caused the "S&S Condominium Owners Association, Inc." (the "**Association**") to be incorporated under the laws of the State of Colorado, for the purpose of exercising the functions as herein set forth. The plat for Association that accompanies these Declarations was recorded on _____, under Reception No. _____ and is incorporated herein by reference

d) The initial number of Condominium Units shall be two (2).

**ARTICLE I
SUBMISSION/DEFINED TERMS**

Section 1.01 Submission of Real Estate. The Declarant hereby submits the Property above, together with all easements, rights, and appurtenances thereto and the buildings and improvements erected or to be erected thereon (collectively, the "**Real Estate**") to the provisions of the Act as it may be amended from time to time and to the terms and conditions of this Declaration. In the event the Act is repealed, the Act on the effective date of this Declaration shall remain applicable. Further, Declarant hereby declares that all of the Real Estate described above shall be held or sold, and conveyed subject to the following easements, restrictions, covenants, and conditions which are for the purpose of protecting the value and desirability of, and which shall

run with, the Real Estate and be binding on all parties having any right, title or interest in the Real Estate or any part thereof, their heirs, legal representatives, successors, and assigns and shall inure to the benefit of each Unit Owner thereof. For purposes of the Act, the Common Interest Community shall be a Condominium.

Section 1.02 Defined Terms. Unless defined herein, each capitalized term in this Declaration or in the Map shall have the meaning specified or used in the Act.

(a) “Agency” means any agency or corporation such as Housing and Urban Development, Veteran’s Administration (“VA”), Federal National Mortgage Association (“FNMA”) or Federal Home Loan Mortgage Corporation (“FHLMC”) that purchases or insures residential mortgages.

(b) “Allocated Interest” means, with respect to a Unit, a fraction or percentage of undivided interests in the Common Elements and in the Common Expenses of the Association allocated to such Unit and the votes in the Association allocated to such Unit. The Allocated Interests are specifically set forth in Section 5.01 hereof.

(c) “Articles” means the Articles of Incorporation for the S&S Condominium Owners Association, Inc., a Colorado non-profit corporation, currently on file with the Colorado Secretary of State and any amendments that may be made to those Articles from time to time.

(d) “Annual Assessment” means the Assessment levied pursuant to an annual budget.

(e) “Assessments” means the Annual, Special and Default Assessments levied pursuant to Article VI below. Assessments are also referred to as Common Expense Liability as defined under the Act.

(f) “Association” means the S&S Condominium Owners Association, Inc., a Colorado non-profit corporation, and its successors and assigns.

(g) “Association Documents” or “Governing Documents” means this Declaration, the Articles, the Bylaws, the Map, and any procedures, rules, regulations or policies adopted under such documents by the Association. All provisions of the Association Documents or Governing Documents shall be given the same force and effect as if set forth in the Declaration.

(h) “Building” whether one or several structures, means that portion of the Improvements consisting of physical building structures and appurtenant components and described as such on the Map.

(i) “Budget” means a written itemized estimate of the Common Expenses to be incurred by the Association in performing its functions under this Declaration and adopted by the Board pursuant to Section 6.07 of this Declaration.

(j) “Bylaws” means the Bylaws adopted by the Association, as amended from time to time.

(k) “Clerk and Recorder” means the office of the Clerk and Recorder in the County of

Ouray, State of Colorado.

(l) “Commercial Unit” means a Unit which may be used for commercial purposes, as allowed and provided for herein.

(m) “Common Element” means all portions of the Project except the Units. The Common Elements are owned by the Owners in undivided interests according to the Allocated Interests as defined in Section 1.02(b) above and consist of General Common Elements, General Common Structural Elements and Limited Common Elements.

(1) “General Common Elements” and “General Common Structural Elements” mean all tangible physical property of the Project except Limited Common Elements and the Units. The General Common Element includes the staircase located in Common Area 3 that provides access to Lots 3, 4, and 5.

(2) “Limited Common Elements” means those parts of the Common Elements which are either limited to or reserved in this Declaration, on a Map, or by action of the Association, for the exclusive use of an Owner of a Unit or are limited to and reserved for the common use of more than one, but fewer than all Owners. The Limited Common Elements related to Units 1 and 2 include one main power breaker box located in Common Area 3.

(n) “Common Expenses” means (i) all expenses expressly declared to be common expenses by the Declaration or the Bylaws of the Association; (ii) all other expenses of administering, servicing, conserving, managing, maintaining, repairing or replacing the Common Elements; (iii) insurance premiums for the insurance carried under Article IX hereof; and (iv) all expenses lawfully determined to be common expenses by the Executive Board.

(o) “Declaration” means this Declaration and the Map, and any amendments and supplements to the foregoing.

(p) “Eligible Mortgagee” means a First Mortgagee (as hereinafter defined) who (i) is also a bank, savings and loan association, insurance company, real estate mortgage investment trust, pension fund, an agency of the United States Government, mortgage banker, the Federal National Mortgage Associations (“FNMA”), the Federal Home Loan Mortgage Corporation (“FHLMC”) or any other lender generally recognized as an institutional lender, and (ii) has notified the Association, in writing, of its name and address, and that it holds the First Mortgage on one or more Units. The notice must include the Unit number and street address of the Unit on which is has such security interest. This notice shall be deemed to include a request that the Eligible Mortgagee be given the information and afforded the rights described in Articles X and XII below.

(q) “Executive Board” means the means the Association Board of Directors, designated as the body governing the affairs of the Association and elected by the Members, all pursuant to the Corporation Act, this Declaration and the Articles of Incorporation and Bylaws. A member of the Executive Board need not be a Member of the Association.

(r) “First Mortgage” means any Mortgage the priority of which is not subject to any

monetary lien or encumbrance except liens for taxes or other liens that are given priority by statute.

(s) “First Mortgagee” means any person named as a Mortgagee in any First Mortgage.

(t) “Improvements” means all structures and improvements located above, on or below the surface of the Property, including the Building and all sidewalks, stairways and utility installations constructed pursuant to this Declaration.

(u) “Manager” means a person or entity engaged by the Association to perform certain duties, powers or functions of the Association, as the Executive Board may authorize from time to time.

(v) “Map” means the Condominium Map of the Project recorded with the Clerk and Recorder of Ouray County, Colorado, depicting a plan of all or a part of the Property subject to this Declaration and any supplements and amendments thereto.

(w) “Member” means every person or entity that holds membership in the Association.

(x) “Mortgage” means any mortgage, deed of trust or other document pledging any Unit or interest therein as security for payment of a debt or obligation.

(y) “Mortgagee” means any person or entity named as a mortgagee or beneficiary in any Mortgage, or any successor to the interest of any such person under such Mortgage.

(z) “Owner” means the owner of record, whether one or more persons or entities, of fee simple title to any Unit and “Owner” also includes the purchaser under a contract for deed covering a Unit with a current right of possession and interest in the Unit.

(aa) “Owner’s Agent” means members of the Unit Owner’s family, or the Unit Owner’s agent, employee, invitee, licensee or tenant.

(bb) “Project” means the common interest community created by this Declaration and as shown on the Map consisting of the Property, the Units and the Common Elements.

(cc) “Residential Unit” means a Unit which may be used for residential purposes, as allowed and provided for herein.

(dd) “Successor Declarant” means any person or entity to whom Declarant assigns any or all of its rights, obligations or interest as Declarant, as evidenced by an assignment or deed of record executed by both Declarant and the transferee or assignee and recorded with the Clerk and Recorder.

(ee) “Supplemental Declaration” means an instrument which amends this Declaration.

(ff) “Supplemental Map” means a supplemental Map of the Project which depicts any change in the Project through a Supplemental Declaration.

(gg) “Unit” means a Residential Unit and a Commercial Unit, each of which is an airspace unit which is bounded by the unfinished interior surfaces of the exterior walls (or demising walls, where two such Units adjoin each other), floors, ceilings, windows and window frames and doors and door frames of a Building, and which is separately identified on the Map. The boundaries of the Units shall be further defined by the provisions of Section 38-33.3-202 of the Act. Each Unit includes an appurtenant undivided interest in the Common Elements as identified on the Map. The term “Unit” does not include any utility facility running through the Unit that serves more than one Unit, or any other Common Element or part thereof located within the Unit.

Each capitalized term not otherwise defined in this Declaration or in the Map shall have the same meanings specified or used in the Act.

ARTICLE II NAMES/DESCRIPTION OF REAL ESTATE

Section 2.01 Name and Type.

(a) Common Interest Community. The type of Common Interest Community created hereunder is a Condominium pursuant to the Act. The name of the Condominium is S&S Condominiums.

(b) Association. The name of the Association is the S&S Condominium Owners Association, Inc. Declarant has caused the Association to be incorporated as a non-profit corporation under the laws of the State of Colorado.

Section 2.02 Real Estate. The Project is located in the City of Ouray, Ouray County, State of Colorado. The Real Estate within which the Project is located is described as Lot 3, S&S Subdivision, according to the plat recorded October 21, 1980, under Reception No. 129340, together with an undivided 1/3 interest in common area No. 3 located in the S&S Subdivision, less and except that part of Lot 3 S&S Subdivision which lies between the east lot line of said Lot 3 and the centerline of the existing party wall on or near the east lot line of said Lot 3, City of Ouray, County of Ouray, State of Colorado.

Section 2.03 Utility Easements. Easements for utilities shall include a blanket utility and storm water drainage easement over and across all of the Common Elements including both the General Common Elements, General Structural Common Elements and the Limited Common Elements and such other easements as may be established pursuant to the provisions of this Declaration, or granted by authority reserved in any recorded document. Also see Article XI hereof.

Section 2.04 Easements for the Executive Board. Each Unit shall be subject to an easement in favor of the Executive Board (including its agents, employees and contractors) to perform its obligations pursuant to this Declaration. The Association is granted the right to establish from time to time, by declaration or otherwise, utility and other easements, permits or

licenses over the General Common Elements for the best interest of all the Owners and the Association. Also see Article XI hereof.

ARTICLE III THE ASSOCIATION

Section 3.01 General Purposes and Powers. The Association, through its Executive Board, shall perform functions and manage the Project as provided in this Declaration so as to further the interest of the residents, occupants, tenants and guests of the Project and Members of the Association. Any purchaser of a Unit shall be deemed to have assented to, ratified and approved such designation and management. The Association shall have all power necessary or desirable to effectuate such purposes.

Section 3.02 Authority of the Association. The business affairs of the Project shall be managed by the Association. The Association shall be governed by its Articles of Incorporation and Bylaws, as amended from time to time. The Executive Board may, by written resolution, delegate authority to a Manager or managing agent for the Association, provided no such delegation shall relieve the Executive Board of final responsibility.

Section 3.03 Specific Powers.

Except as provided in the Bylaws and the Act, the Executive Board may act in all instances on behalf of the Association, to:

- a) Exercise all the powers, authority and duties as necessary and proper, to manage the business and affairs of the Project.
- b) Exercise all of the powers, authority and duties permitted or set forth in the Act, the Association Documents, and the Colorado Revised Nonprofit Corporation Act.
- c) Assign its right to future income, including the right to assign its right to receive Common Expense Assessments, but only upon the affirmative vote of the Unit Owners of Units to which at least two-thirds of the votes in the Association are allocated at a meeting called for that purpose.
- d) Hire and discharge employees, independent contractors and agents.
- e) Control Owner's use and occupancy of their respective Units in order to assure Unit Owners of eligibility of the Project for any Agency. In this regard, the Association may adopt rules and regulations with respect to rental of Units to non-Owners.
- f) Adopt and amend bylaws, policies and rules and regulations.
- g) Adopt and amend budgets for revenues, expenditures and reserves and collect Assessments.

h) Institute, defend or intervene in litigation or administrative proceedings in its own name on behalf of itself or one or more Unit Owners on matters affecting the Project.

i) Make contracts and incur liabilities, except that any contract providing for the services of Declarant may not exceed three years and must provide for termination by either party without cause and without payment of a termination fee on ninety days or less written notice.

j) Regulate the use, maintenance, repair, replacement and modification of the Common Elements.

k) Cause additional improvements to be made as part of the Common Elements.

l) Acquire, hold, encumber and convey in the name of the Association any right, title or interest to real or personal property, except that Common Elements may be conveyed or subjected to a security interest only if: (i) Owners entitled to cast at least two-thirds (2/3rds) of the votes agree to that action, (ii) the provisions of subsection 10.03 are followed with respect to approval of Eligible Mortgagees, and (iii) if all Owners of Units to which any Limited Common Element is allocated agree in order to convey that Limited Common Element or subject it to a security interest.

m) Grant easements, leases, licenses and concessions through or over the Common Elements.

n) Impose and receive any payments, fees or charges for the use, rental or operation of the General Common Elements.

o) Impose charges for late payment of Assessments, recover reasonable attorney fees and other legal costs for collection of Assessments and other actions to enforce the power of the Association, regardless of whether or not suit was initiated, and after notice and opportunity to be heard, levy reasonable fines for violations of Association Documents.

p) Impose reasonable charges for the preparation and recordation of amendments to the Declaration or statements of unpaid Assessments.

q) Should any Unit Owner fail to pay any water or sewer charge or any common element charges imposed by the City of Ouray for his Unit, the Association shall have the ultimate obligation to pay such charges in accordance with the rules and regulations of the City of Ouray Municipal Code.

r) Provide for indemnification of its officers and Executive Board and maintain directors' and officers' liability insurance.

Section 3.04 Membership. Every person or entity who is a record Unit Owner of a fee interest in any Unit which is subject to this Declaration shall be a Member of the Association, including contract sellers. Membership shall be appurtenant to and may not be separated from ownership of any Unit. An Owner shall not transfer, pledge or alienate his membership in the

Association in any way, except upon the sale or encumbrance of his Unit and then only to the purchaser or Mortgagee of his Unit. If any Unit is owned by more than one person, or by a partnership, joint venture, corporation or other such entity, the owners thereof shall designate, in writing, to the Association, the name and address of the agent of the Owner to whom all legal or official assessments, liens, levies or other such notices may be properly and lawfully mailed. Upon the failure to so designate an agent, the Association shall be deemed to be the agent for receipt of notices to such Owners.

Section 3.05 Directors. The affairs of the Project and the Association shall be governed by an Executive Board of the Association which, until the first Unit is sold, shall consist of one person, and following such date shall consist of three (3) persons. All non-Declarant-appointed members of the Executive Board shall be Unit Owners.

Section 3.06 Books and Records. The Association shall make available for inspection, upon request, during normal business hours or under other reasonable circumstances, to Owners and to Mortgagees, current copies of the Association Documents and the books, records and financial statements of the Association prepared pursuant to the Bylaws. The Association may charge a reasonable fee for copying such materials. The Association shall maintain such books and records as may be required under the Act.

Section 3.07 Declarant Control.

a) The Declarant shall have the reserved powers, pursuant to Section 303(5) of the Act, to appoint and remove officers and members of the Executive Board during the term of Declarant Control. "Declarant Control" begins with the appointment of the initial Executive Board and continues until the earlier of (i) sixty (60) days after conveyance of seventy-five percent (75%) of all Units in the ordinary course of business to Unit Owners other than the Declarant; (ii) two (2) years after the last conveyance of a Unit by the Declarant in the ordinary course of business to a Unit Owner other than Declarant; or (iii) two (2) years after the right to add new Units was last exercised. Under the Act, Declarant Control is further extinguished, to the extent stated, sixty (60) days after the following events: (1) Declarant conveys twenty-five percent (25%) of the Units that may be created to Owners other than Declarant, to the extent of twenty-five percent (25%) of the members of the Executive Board (minimum of one), and (2) Declarant conveys fifty percent (50%) of the Units that may be created to Owners other than Declarant, to the extent of thirty-three and one-third percent (33 1/3%) of the members of the Executive Board.

b) The Declarant may voluntarily surrender the right to appoint and remove officers and members of the Executive Board before termination of the period of Declarant Control, but, in that event, the Declarant may require, for the duration of the period of Declarant Control, that specified actions of the Association or Executive Board, as described in a recorded instrument executed by the Declarant, be approved by the Declarant before they become effective.

Section 3.08 Indemnification. To the full extent permitted by law, each officer and director of the Association shall be and is hereby indemnified by the Unit Owners and the Association against all expenses and liabilities including attorneys' fees, reasonably incurred by or imposed upon him/her in any proceeding to which he/she may be a party, or in which he/she may

become involved, by reason of being or having been an officer or director of the Association, or any settlements thereof, whether or not he/she is an officer or director of the Association at the time such expenses are incurred; except in such cases wherein such officer or director is adjudged guilty of willful misfeasance or malfeasance in the performance of his/her duties; provided that in the event of a settlement the indemnification shall apply only when the Executive Board approves such settlement and reimbursement as being for the best interest of the Association.

**ARTICLE IV
UNITS, COMMON ELEMENTS AND
LIMITED COMMON ELEMENTS**

Section 4.01 Number of Units

- a) The initial number of Units in the Project is two (2).

Section 4.02 Identification of Units/Unit Descriptions. Each Unit, the appurtenant interest in the General Common Elements and the appurtenant use of the Limited Common Elements, shall comprise one Unit, shall be inseparable and may be transferred, leased, devised or encumbered only as one Unit. Any attempted transfer of the appurtenant interest in the General Common Elements or Limited Common Elements shall be void unless the Unit to which that interest is allocated is also transferred. The identification number or letter of each Unit is shown on the Map. Every contract for sale, deed, lease, Security Interest, will or other legal instrument may legally describe a Unit as follows:

" Unit _____ of the S&S Condominiums, City of Ouray, County of Ouray, State of Colorado, together with the appurtenant interest in the Common Elements, as depicted on and in accordance with the Condominium Map thereof recorded on _____, 20__, at Reception No. _____ and the Declaration recorded on _____, 20__, at Reception No. _____, in the records of the County Clerk and Recorder of Ouray County, Colorado as amended from time to time."

The reference to the Declaration and Map in any instrument shall be deemed to include any supplement(s) or amendment(s) to the Declaration or Map, without specific references thereto.

Section 4.03 Boundaries of Units. The boundaries of each Unit are as depicted on the Condominium Map of the Project.

a) Inclusions. Together with the appurtenant interest in the Common Elements, each Unit includes the spaces and improvements lying within the boundaries described above, as depicted on the Map. Each Unit also includes the spaces and improvements within the spaces containing water heating facilities, all electrical switches, wiring, pipes, ducts, conduits, smoke detector or security systems and communications, television, telephone and electrical receptacles and boxes serving that Unit exclusively, the surface of these items being within the boundaries of that Unit, whether or not the spaces are contiguous.

- b) Exclusions. Except when specifically included by other portions or this Declaration or

by the Map, the following are excluded from each Unit: The spaces and improvements lying outside the boundaries described above.

c) Noncontiguous Portions. Certain Units may include special portions or pieces of equipment, such as air conditioning compressors, meter boxes, utility connection structures, air or gas pump and storage facilities and storage portions, which are situated in buildings or structures that are detached from the Unit. Such special equipment or storage portions are a part of the Unit, notwithstanding their non-contiguity with the principal portions.

Section 4.04 Limited Common Elements.

The areas depicted on the Map as Limited Common Elements are Limited Common Elements for the exclusive use of those Units as denoted on the Map subject to the right of the Association to maintain, repair and replace the Limited Common Elements. The Unit Owner which has the exclusive use of a Limited Common Element, subject to these Declarations, the Articles, the Bylaws and the rules of the Association, shall be responsible for maintaining all Limited Common Elements appurtenant to that Unit. Should the Association maintain, repair or replace any Limited Common Element due to a failure by the applicable Unit Owner to do so, the Unit Owner shall reimburse the Association for any and all expenses incurred by the Association in the maintenance, repair or replacement of said Limited Common Element.

In the event damage is caused to the Common Elements and/or the Limited Common Elements by a Unit Owner, such Unit Owners guest or tenant, subject to such rights as may exist with regard to insurance payments, the Unit Owner shall reimburse the Association for any and all expenses incurred by the Association correcting and repairing such damage.

Section 4.05 General Common Elements.

a) All portions of the Real Estate described in Article II, Section 2.02 not designated on the Map as a Limited Common Element, all portions of structures and the Real Estate which are not designated as being within the Unit boundaries in Section 4.03 above, or are not listed as Limited Common Elements in Section 4.04 above, are General Common Elements. Said General Common Elements are designated on the Map as “General Common Element” or “General Common Structural Element.” Specifically, the structure behind the interior drywall, the foundations, the roofs, the exterior of the buildings and all landscaping shall be General Common Elements.

b) The Association shall be responsible for the maintenance, repair, improvement and replacement of any General Common Element as hereinafter set forth.

c) The Declarant reserves, through twenty-five (25) years after the recording of this Declaration, the right to allocate areas as Common Elements. The Declarant may allocate or assign Common Elements (i) by making such an allocation in a recorded instrument, (ii) by recording an appropriate amendment or supplement to this Declaration, (iii) by recording a supplement to the map or plat, or (iv) by recording the allocation or assignment in the minutes or records of the Association. Such allocations by the Declarant may be made as a matter of reserved right by the

Declarant.

Section 4.06 Unit Owners' Easements of Enjoyment. Every Unit Owner shall have a right and easement of enjoyment in and to any General Common Elements and such easement shall be appurtenant to and shall pass with the title to every Unit, subject to the following provisions:

a) The right of the Association to promulgate and publish rules and regulations which each Unit Owner and their guests shall strictly comply with.

b) The right of the Association to suspend the voting rights and rights to use the General Common Elements by a Unit Owner for any period during which any assessment against his Unit remains unpaid; and for a period not to exceed sixty days for any infraction of its published rules and regulations.

c) The right, power and authority of the Association to grant any easement, right-of-way, license, lease, dedication, transfer or conveyance or grant of any similar interest affecting the General Common Elements, to the extent permitted by the Act, if the grant is approved by the affirmative vote of a majority of all Unit Owners having votes appurtenant to all Units, and consented to, in writing, by the holders of first lien Security Interests in the Units whose Unit Owners vote affirmatively; provided, that the granting of easements for public utilities or for other public purposes consistent with the intended use of such Common Elements shall not be deemed a transfer within the meaning of this clause. Any easement, right-of-way, license or similar interest granted by the Association pursuant to this Section shall state that the grant was approved by a majority all Unit Owners, and by the corresponding holders of first lien Security Interests.

d) The right of the Association to close or limit the use of the Common Elements while maintaining, repairing and making replacements in the Common Elements.

e) The Development and Special Declarant Rights of the Declarant reserved in this Declaration.

f) No Owner or occupant shall place any structure or improvement whatsoever upon the Common Elements, nor shall any Owner or occupant engage in any activity which will temporarily or permanently impair free and unobstructed access to or use of all parts of the Common Elements (excepting Limited Common Elements) by all Owners and by the Association.

ARTICLE V ALLOCATED INTERESTS

Section 5.01 Allocated Interest. The Allocated Interest in the Common Elements, the Common Expense liability and the voting rights in the Association allocated to each Unit are as follows:

(a) For Unit 1 – 51%

(b) For Unit 2 – 49%

ARTICLE VI COVENANT FOR COMMON EXPENSE ASSESSMENTS

Section 6.01 Creation of Association Lien and Personal Obligation to Pay Common Expense Assessments. Declarant, for each Unit, shall be deemed to covenant and agree, and each Owner, by acceptance of a Deed therefor, whether or not it shall be so expressed in any such deed or other conveyance, shall be deemed to covenant and agree to pay to the Association annual Common Expense Assessments, annual or special Limited Common Element Expense Assessments, insurance assessments (assessed in proportion to risk), utility assessments (assessed in proportion to usage) and such other assessments as may be imposed by the Association. Such assessments, including fees, charges, late charges, attorney fees, fines and interest charged by the Association shall also be the personal obligation of the Owner of such Unit at the time when the assessment or other charges became or fell due. The personal obligation to pay any past due sums due the Association shall not pass to a successor in title unless expressly assumed by them. No Owner may become exempt from liability for payment of the Common Expense Assessments by waiver of the use or enjoyment of the Common Elements or by abandonment of the Unit against which the Common Expense Assessments are made. All Assessments shall be payable in the amounts specified in the levy thereof, and no offsets or reduction thereof shall be permitted by any reason including, without limitation, any claim that the Association or the Executive Board is not properly exercising its duties and powers under this Declaration.

The Association's annual or special Common Expense Assessments, annual or special Limited Common Element Expense Assessments, insurance assessments (assessed in proportion to risk), utility assessments (assessed in proportion to usage) and such other assessments as imposed by the Association, including fees, charges, late charges, attorney fees, fines and interest charged by the Association, shall be a charge on each Unit and shall be a continuing lien upon the Unit against which each such assessment or charge is made. If any Assessment is payable in installments, the full amount of the assessment is a lien from the time the first installment becomes due.

Section 6.02 Apportionment of Common Expenses and Limited Common Element Expenses. Except as provided in this Declaration, all Common Expense Assessments shall be assessed against all Units in accordance with formula for liability for the Common Expenses as set forth in this Declaration.

Section 6.03 Purpose of Assessments. The assessments levied by the Association through its Executive Board shall be used exclusively for the purposes of promoting the health, safety, and welfare of the residents and guests of the Project and the Members of the Association. Such purposes shall include, but shall not be limited to the following: the improvement, maintenance, repair, upkeep and reconstruction of the Common Elements and for the painting, landscape care and snow removal and any other maintenance obligations which may be deemed desirable for the common benefit of the Unit Owners or for the maintenance of property values, or for the payment of expenses which may be incurred by virtue of agreement with or requirement of the City of Ouray, Ouray County or other government authorities. The assessments may also be used to provide insurance of various types, and in such amounts deemed appropriate by the Executive

Board. Also, a portion of the assessments may be used to provide a reserve fund for the replacement, repair, and maintenance of Common Elements of the real estate which must be replaced on a periodic basis.

Section 6.04 Annual Assessment/Commencement of Common Expense. The Annual Assessment for Common Expenses may be made on an annual basis against all Units and shall be based upon the Association's advance budget of the cash requirements needed by it to provide for the administration and performance of its duties during such assessment year. Common Expense Assessments shall be due and payable in monthly, quarterly, or annual installments, or in any other manner, as determined by the Executive Board. Failure to make payment within thirty (30) days of the due date thereof shall cause the total amount of such Unit Owner's Common Expense Assessment for the remainder of that fiscal year to become immediately due and payable at the option of the Board. Any assessment not timely paid shall bear interest at the rate of 1.5% per month or portion thereof. Further, subject to the provisions of the Act, the Association may bring an action at law or in equity, or both, against any Unit Owner personally obligated to pay such overdue assessments, charges or fees, or monthly or other installments thereof, and may also proceed to foreclose its lien against such Unit Owner's Unit. An action at law or in equity by the Association against a Unit Owner to recover a money judgment for unpaid assessments, charges or fees, or monthly or other installments thereof, may be commenced and pursued by the Association without foreclosing, or in any way waiving, the Association's lien therefor. Foreclosure or attempted foreclosure by the Association of its lien shall not be deemed to estop or otherwise preclude the Association from thereafter again foreclosing or attempting to foreclose its lien for any subsequent assessment, charges or fees, or monthly or other installments thereof, which are not fully paid when due. The Association shall have the power and right to bid on or purchase the Association votes appurtenant to ownership thereof, convey or otherwise deal with the same. If a foreclosure action is filed to foreclose any Assessment Lien, and a Unit Owner abandons or leaves vacant his or her Unit, the Board may take possession and rent said Unit or apply for the appointment of a receiver for the Unit without prior notice to the Unit Owner. The rights of the Association shall be expressly subordinate to the rights of any holder of a first lien Security Interest as set forth in its deed of trust or mortgage (including any assignment of rents), to the extent permitted under the Act.

Section 6.05 Lien Priority. The lien of the Association under this Section is prior to all other liens and encumbrances on a Unit except: 1) liens and encumbrances recorded before the recordation of the Declaration; 2) a first lien Security Interest on the Unit (except as allowed by the Act with regard to the limited lien priority allowed to the Association); and 3) liens for real estate taxes and other governmental assessments or charges against the Unit. This Section does not affect the priority of mechanics' or materialmen's liens. The lien of the Association under this Article is not subject to the provision of any homestead exemption as allowed under State or Federal law. Sale or transfer of any Unit shall not affect the lien for said assessments or charges except that sale or transfer of any Unit pursuant to foreclosure of any first lien Security Interest, or any proceeding in lieu thereof, including deed in lieu of foreclosure, or cancellation or forfeiture shall only extinguish the lien of assessment charges as provided by applicable State law. No such sale, transfer, foreclosure, or any proceeding in lieu thereof, including deed in lieu of foreclosure, nor cancellation or forfeiture shall relieve any Unit from continuing liability for any assessment charges thereafter becoming due, nor from the lien thereof.

Section 6.06 Budget. The budget shall be submitted to the Owners, pursuant to Section 303(4) of the Act. Common Expense Assessments shall be due and payable annually or in periodic installments, or in any other manner as determined by the Executive Board. Common Expense Assessments may begin on the first day of the month in which conveyance of the first Unit to an Owner other than Declarant occurs. The omission or failure of the Executive Board to levy the Assessment for any period shall not be deemed a waiver, modification or a release of the Owners from their obligation to pay.

Section 6.07 Special Assessments. In addition to the Annual Assessments, the Association may levy in any fiscal year one or more Special Assessments, payable over such a period as the Association may determine, for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of improvements within the Common Elements or for any other expense incurred or to be incurred as provided in this Declaration. This Section 6.07 shall not be construed as an independent source of authority for the Association to incur expense, but shall be construed to prescribe the manner of assessing expenses authorized by other sections of this Declaration. Any amounts assessed pursuant to this Section shall be assessed to Owners according to their Allocated Interests for Common Expenses, subject to the right of the Association to assess only against the Owners of affected Units any extraordinary maintenance, repair or restoration work on fewer than all of the Units shall be borne by the Owners of those affected Units only, and any extraordinary insurance costs incurred as a result of the value of a particular Owner's Unit or the actions of a particular Owner or Owner's Agents shall be borne by that Owner. Notice in writing of the amount of such Special Assessments and the time for payment of the Special Assessments shall be given promptly to the Owners, and no payment shall be due less than ten (10) days after such notice shall have been given.

Section 6.08 Default Assessments. All monetary fines assessed against an Owner pursuant to the Association Documents, or any expense of the Association which is the obligation of an Owner or which is incurred by the Association on behalf of the Owner pursuant to the Association Documents, shall be a Default Assessment and shall become a lien against such Owner's Unit which may be foreclosed or otherwise collected as provided in this Declaration. Notice of the amount and due date of such Default Assessment shall be sent to the Owner subject to such Assessment at least ten (10) days prior to the due date.

Section 6.09 Payment by Mortgagee. Any Mortgagee holding a lien on a Unit may pay any unpaid Assessment payable with respect to such Unit, together with any and all costs and expenses incurred with respect to the lien, and upon such payment that Mortgagee shall have a lien on the Unit for the amounts paid with the same priority as the lien of the Mortgagee.

Section 6.10 Statement of Status of Assessment Payment. Upon payment of a reasonable fee set from time to time by the Executive Board and upon fourteen (14) days' written request to the Association's registered agent by personal delivery or certified mail, first-class postage prepaid, return receipt, any Owner, designee of Owner, Agency, Mortgagee, prospective Mortgagee or prospective purchaser of a Unit shall be furnished with a written statement setting forth the amount of the unpaid Assessments, if any, with respect to such Unit. Unless such statement shall be issued by personal delivery or by certified mail, first class postage prepaid, return receipt requested, to

the inquiring party (in which event the date of posting shall be deemed the date of delivery) within fourteen (14) days after receipt of the request, the Association shall have no right to assert a lien upon the Unit over the inquiring party's interest for unpaid Assessments which were due as of the date of the request.

ARTICLE VII RESTRICTIONS ON USE, ALIENATION AND OCCUPANCY

Subject to the Development Rights and Special Declarant Rights reserved by the Declarant, the following use restrictions apply to all Units and to the Common Elements:

Section 7.01 Use/Occupancy.

(a) Each Owner may use the General and Limited Common Elements in accordance with the purpose for which they are intended, without hindering and encroaching upon the lawful rights of the other Owners, and subject to the use and occupancy restrictions set forth here. There shall be no obstruction of General Common elements without the prior written consent of the Association, except as specifically provided for herein. No restriction, impairment, or interference with any right of ingress or egress provided for in this Declaration shall be permitted at any time without the prior written of the Owner thereof and the Executive Board. Nothing shall be altered on, constructed in, or removed from the General Common Elements except upon the prior written consent of the Association. No Improvements located upon a Unit shall be occupied in any manner at any time prior to being fully completed in accordance with approved plans nor shall any Improvements when completed, be in any manner occupied until there is compliance with all requirements, conditions, covenants, and restrictions herein set forth;

(b) Each Owner of a Residential Unit shall be entitled to exclusive ownership and possession of his Residential Unit. The Residential Unit shall be used and occupied for residential or home occupation purposes in strict accordance with all applicable governmental, zoning, land use and other regulations. Unit 1, as identified on the Map, is delineated as a Residential Unit.

(c) Each Owner of a Commercial Unit shall be entitled to exclusive ownership and possession of his Commercial Unit. The Commercial Unit shall be used and occupied for commercial purposes in strict accordance with all applicable governmental, zoning, land use and other regulations. Unit 2, as identified on the Map, is delineated as a Commercial Unit.

(d) Without limiting any other rights or obligations hereunder, the following uses of Units, including appurtenant Limited Common Elements, are specifically prohibited: bars, nightclubs, dance halls, restaurants, and other similar type businesses which, in the sole opinion of the Executive Board, routinely cause unacceptably loud noises and/or odors to be emitted.

(e) No activity shall be conducted which will increase the rate charged for or cause the cancellation of any insurance maintained by the Declarant or the Association, or which would violate any law;

(f) No animals shall be kept which bother or constitute a nuisance to any other Owner, Declarant or adjoining landowner, with such additional restrictions as may be imposed by Association-promulgated rules and regulations;

(g) No activities shall be conducted within the Project and no improvements may be constructed within the Project which are or might be unsafe or hazardous to any person or property.

Without limiting the generality of the foregoing, no firearms shall be discharged within the Project; and no open fires shall be lighted or permitted within the Project except (i) in a contained barbecue unit while attended and in use for cooking purposes, (ii) within a safe and well-designed interior stove or fireplace, or an exterior patio fireplace or stove;

(h) No activity shall be conducted which generates noises which are excessively loud, odors which are offensive, nor any activity be conducted which is or may become a nuisance or cause significant disturbance or annoyance to others;

(i) There shall be no storage of waste and garbage except in covered sanitary containers shielded from the public view and the view of neighboring Owners. Refuse piles shall not be permitted;

(j) All exterior lighting shall comply with any applicable City of Ouray ordinance. Seasonal decorative lighting such as Christmas lighting shall be permitted, which may be subject to Association promulgated rules and regulations. Under no circumstances are mercury vapor or similar lights permitted;

(k) No junk vehicle, inoperative vehicle, or vehicle under repair shall be parked, stored or maintained in the Project.

(l) No structures or other improvement of any type shall be constructed within any Common Element without the consent of the Association.

(m) All use, maintenance, repair, replacement and modification of the General Common Elements shall be subject to regulation by the Association.

(n) No Unit or any interest therein may be offered or sold under any “timesharing” or “interval ownership” plan, or any similar plan.

(o) Subject to the provisions of Section 3.03(e) hereof, an Owner shall have the right to lease his Unit in its entirety upon such terms and conditions as the Owner may deem advisable. Any lease shall be in writing and shall provide that the lease is subject to the terms of this Declaration, the Articles, Bylaws and any rules and regulations promulgated by the Association. Any failure of a lessee of a Unit to comply with the terms of this Declaration or any other Association Documents shall be a default under the lease enforceable by the Association as a third party beneficiary, whether or not the lease contains such a provision.

(p) No alteration or additions to the Common Elements or the exterior of any Unit of any kind (including, without limitation, change in color, texture, street number signage, doors or windows) shall be made unless first approved in writing by the Executive Board. The Executive Board shall exercise reasonable judgment to the end that all modifications to the Common Elements or Unit exteriors conform to and harmonize with existing surroundings and structures. In any event, the exterior of the Units shall be kept in good condition and is consistent and uniform, so that color schemes, materials, renovations and repairs are uniformly performed and maintained. The Executive Board has the absolute right to deny any requested changes which the Executive Board reasonably determines do not conform to and harmonize with said existing surroundings and structures. All construction activities shall be planned and carried out with a minimum of disruption, unsightliness and noise.

(q) No sign, poster, billboard or advertising device of any kind shall be allowed or displayed anywhere within the Project without the prior written approval of the Executive Board, except that the designated Commercial Unit shall be entitled to erect a sign relating to the business taking place within that Commercial Unit, which sign must comply with the applicable requirements of the City of Ouray. No sign shall be offensive or objectionable in the reasonable discretion of the Board.

To the extent than any of the foregoing use restrictions are also addressed by City of Ouray ordinance or regulation, the more restrictive of the two shall control.

Section 7.02 Maintenance.

a) Maintenance by Owners. Each Owner shall maintain and keep in repair the interior of his or her Unit, including the fixtures thereof to the extent current repair shall be necessary in order to avoid damaging other Unit Owners, and the surfaces (excluding the roofing elements) of Limited Common Elements allocated to the Unit. All fixtures and equipment installed with the Unit commencing at a point where the utilities enter the Unit shall be maintained and kept in repair by the Owner of such Unit. An Owner shall do no act or any work that will impair the structural soundness or integrity of the Common Elements or impair any easement. Each Owner shall be responsible for the maintenance of the interior non-supporting walls of his Unit, and the surface materials thereon such as plaster, drywall, paneling wallpaper, paint, tile and carpeting of the perimeter walls, ceilings and floors within the Unit, including Unit doors, windows and screens.

b) Owner's Failure to Maintain or Repair. In the event that a Unit (including the allocated Limited Common Elements) is not properly maintained and repaired, and if the maintenance responsibility for the unmaintained portion of the Unit lies with the Owner of the Unit, or in the event that the Unit is damaged or destroyed by an event of casualty and the Owner does not take reasonable measures to diligently pursue the repair and reconstruction of those portions of the damaged or destroyed Unit for which the Owner is responsible to substantially the same condition in which they existed prior to the damage or destruction, then the Association, after notice to the Owner and with the approval of the Executive Board (after a determination by the Executive Board that the condition of such Unit negatively impacts other Owners or the value of other Units within the Project) shall have the right to enter upon the Unit to perform such work as is reasonably required to restore the Unit to a condition of good order and repair. All costs incurred by the Association in connection with the restoration shall be reimbursed to the Association by the Owner of the Unit, upon demand. All unreimbursed costs shall be a lien upon the Unit until reimbursement is made. The lien may be enforced in the same manner as a lien for an unpaid Assessment levied in accordance with Article VI of this Declaration.

c) Maintenance by Association. Except as otherwise provided herein, the Association shall be responsible for the maintenance and repair of the Common Elements, including all Limited Common Elements, General Common Elements and General Common Structural Elements, whether located inside or outside of Units (except as set forth in Section 7.02(a) above and unless necessitated by damage caused by the negligence, misuse or tortious act of a Unit Owner or Owner's Agent as set forth in Section 7.02(d) below), which shall be the Common Expense of all Owners. This maintenance shall include, but shall not be limited to, upkeep, repair and replacement, subject to any insurance then in effect, of all landscaping and walls which an Unit Owner is not required to maintain as set forth in Section 7.02(a), gates signage, irrigation systems, sidewalks, driveways and improvements, if any (which shall include without limitation snow removal services unless performed by another private or public organization formed for such purposes), located in the Common Elements, Declarant shall have the right, but not the obligation, to do so at the expense of the Association.

d) Association Maintenance as Common Expense. The cost of maintenance and repair by the Association shall be a Common Expense of all of the Owners, to be shared by each Unit Owner according to the Allocated Interests therefore as set forth in Article V of this Declaration. Damage to the interior or any part of a Unit resulting from the maintenance, repair, emergency repair or replacement of any of the Common Elements or as a result of emergency repairs within another Unit at the instance of the Association shall also be a Common Expense of all of the Owners. However, if such damage is caused by negligent or tortious acts of a Unit Owner or Owner's Agent, then such Unit Owner shall be responsible and liable for all of such damage and the cost thereof, to the extent that Owner or Owner's Agent's negligence caused such damage, which must be timely paid.

e) Easement for Maintenance. Each Owner and the Association shall have the irrevocable right, to be exercised by the Executive Board or officers or employees of the Association, to have access to each Unit from time to time during reasonable hours as may be necessary for the maintenance, repair or replacement of any of the Common Elements therein or accessible therefrom, or at any hour for making emergency repairs, maintenance or inspection therein necessary to prevent damage to the Common Elements or another Unit. In the event insurance proceeds under Article IX are payable to an Owner but the maintenance responsibility of the area to which such proceeds relate is the Association's, the Association shall complete any such repair or replacement at the Owner's cost.

f) Limited Common Element Damage. In the event of damage or destruction of a Limited Common Element from any cause other than the negligence or tortious acts of an Owner or Owner's Agent, the then Owner of the Unit to which the Limited Common Element is attributable shall bear the expense to repair or rebuild the Limited Common Element to its previous condition. To the extent applicable, any Owner shall bear the cost of such damage to the extent of such Owner's or Owner's Agent's negligence.

g) Association Power. The Association shall be the right and power to prohibit storage or other activities deemed unsafe, unsightly, unreasonably noisy or otherwise offensive to the senses and perceptible from another Unit or the Common Elements. No Owner shall make any addition or other alteration to any portion of the Common Elements, no matter how minor, without the express written consent of the Executive Board.

Section 7.03 Nuisances. No Nuisance shall be permitted within the Project, nor any use, activity or practice which is the source of unreasonable annoyance or embarrassment to, or which unreasonably offends or disturbs, any Unit Owner or which may unreasonably interfere with the peaceful enjoyment or possession or the proper use of a Unit or Common Element, or any portion of the Project by Unit Owners. Further, no unlawful use shall be permitted within the Project or any portion thereof. All valid laws, ordinances and regulations of all governmental bodies having jurisdiction over the Project or a portion thereof shall be observed. As used herein, the term nuisance shall not include any activities of Declarant which are reasonably necessary to the Project and construction of improvements within the Project provided, however, that such activities of the Declarant shall not unreasonably interfere with any Unit Owner's use and enjoyment of his Unit, or any Unit Owner's ingress and egress to or from their Unit and a public way.

Section 7.04 No Restrictions on Mortgaging of a Unit. There are no restrictions on the right of the Unit Owners to mortgage or otherwise encumber a Unit. There is no requirement for the use of a specific lending institution or particular type of lender.

Section 7.05 Rules and Regulations. In furtherance of the provisions of this Declaration, and the general plan, rules and regulations concerning and governing the Project any portion thereof may be adopted, amended, or repealed, from time to time, by the Executive Board, or its successors and assigns. The Executive Board may establish and enforce penalties for the infraction thereof.

ARTICLE VIII RESERVED DEVELOPMENT RIGHTS AND SPECIAL DECLARANT RIGHTS

Section 8.01 Reserved Development Rights and Special Declarant Rights. Subject to applicable City of Ouray ordinances and regulations, the Declarant reserves, through twenty-five (25) years after the recording of this Declaration, the following Development Rights and Special Declarant Rights:

- a) the right to relocate boundaries between unsold adjoining Units, enlarge Units, enlarge the Common Elements, reduce or diminish the size of unsold Units, subdivide Units or complete or make improvements, as the same may be indicated on Maps filed of record or filed with the Declaration;
- b) the right to create or construct additional Common Elements and Limited common Elements (the "Additional Improvements") to Convert Units into Common Elements;
- c) the right to withdraw all or any portion of the property; provided, however, that no portion of the Property may be withdrawn after a Unit in that portion of the Property has been conveyed to a purchaser;
- d) the right to exercise any development rights reserved or allowed in the Act;
- e) the right to use, and to permit others to use, easements through the Common Elements as may be reasonably necessary;
- f) the right to make the Project subject to a master association and master declaration;
- g) the right to merge or consolidate the Project with another Common Interest Community or Condominium;
- h) the right to appoint or remove any officer of the Association or any Director during the Declarant Control period;
- i) the right to amend the Declaration in connection with the exercise of any development right.

j) the right to amend the Declaration or Map in connection with the exercise of any development right or to correct typographical or other errors to bring the Declaration or Map into conformance with applicable law.

Section 8.02 Additional Reserved Rights. In addition to the rights set forth above, subject to applicable City of Ouray ordinances and regulations, Declarant also reserves the following additional rights (the "Additional Reserved Rights"):

a) Sales. The right to maintain sales offices, management offices and models in Units or on the Common Elements.

b) Signs. The right to maintain signs and advertising in the Project and to advertise the Project.

c) Dedications. The right to establish, from time to time, by dedication or otherwise, public ways, utility and other easements for purposes including but not limited to public access, access, paths, walkways, skyways, drainage, recreation areas, parking areas, ducts, shafts, flues, conduit installation areas, and to create other reservations, exceptions and exclusions.

d) Use Agreements. The right to enter into, establish, execute, amend, and otherwise deal with contracts and agreements for the use, lease, repair, maintenance or regulations of parking and/or recreational facilities and/or Common Elements, and/or the maintenance of the exterior of Units and appurtenant landscaping, which may or may not be a part of the Project.

e) Construction Easement. Declarant expressly reserves the right to perform warranty work, and repairs and construction work and to store materials in secure areas, in Units and in Common Elements, and the future right to control such work and repairs, and the right of access thereto, until completion. All work may be performed by Declarant without the consent or approval of any Unit Owner or holder of a Mortgage. Declarant has such an easement through the Common Elements as may be reasonably necessary for exercising Declarant's reserved rights in this Declaration. Such easement includes the right to construct underground utility lines, pipes, wires, ducts, conduits, and other facilities across the Property.

f) Other Rights. The right to exercise any additional reserved right created by any other provision of this Declaration or the Act.

Section 8.03 Rights Transferable/Right Transferred.

(a) Any rights created or reserved under this Article or the Act for the benefit of Declarant may be transferred to any person by an instrument describing the rights transferred recorded in the real property records of Ouray County. Such instrument shall be executed by the transferor Declarant and the transferee.

(b) Notwithstanding the foregoing, the Development Rights and Special Declarant Rights of Declarant to relocate the boundaries of Units, to create new Units or Common Elements, and/or

to further subdivide Units and the right of the Declarant to designate the type of use allowed in Units, shall be transferred and assigned to the title Owner of those Units within those levels for the maximum period of time reserved to the Declarant. The foregoing rights are subject to the following additional terms and conditions: (i) the Unit Owners of the Units affected must comply with the requirements of C.R.S. §38-33.3-210 and C.R.S. §38-33.3-209(6); (ii) the authority of the Owners of the specified Units to make these changes is not limited by or subject to the consent of the Association or any other person; and (iii) the express written consent may be required of the Declarant, or, alternatively, the Declarant may veto and reject the proposed changes as it determines in its sole discretion, which powers of the Declarant to require approval by it or to veto the change shall exist as long as the above rights exist.

Section 8.04 No Further Authorizations Needed. The consent of Unit Owners or holders of Mortgages shall not be required for the Declarant to exercise any reserved rights, and subject to applicable City of Ouray ordinances and regulations, Declarant may proceed without limitation at its sole option. Declarant may exercise any reserved rights on all or any portion of the property in whatever order Declarant, in its sole discretion, determines. Declarant shall not be obligated to exercise any reserved rights or to expand the Project beyond the number of Units initially submitted.

Section 8.05 Amendment of the Declaration or Map. If Declarant elects to exercise any reserved rights, Declarant shall comply with the Act.

Section 8.06 Interpretation. Recording of amendments by the Declarant to the Declaration and the map or plat in the office of the Clerk and Recorder of Ouray County, Colorado shall automatically effectuate the terms and provisions of that amendment. Further, such amendment shall automatically:

- i) vest in each existing Unit Owner the reallocated Allocated Interests appurtenant to their Unit; and
- ii) vest in each existing Security Interest a perfected security interest in the reallocated Allocated Interests appurtenant to the encumbered Unit.

Further, upon the recording of an Amendment to the Declaration, the definitions used in this Declaration shall automatically be extended to encompass and to refer to the property, as expanded and, the Development Property, or any part thereof, or the Additional Improvements, shall be added to and become a part of the Property for all purposes. All conveyances of Units after such amendment is recorded shall be effective to transfer rights in all Common Elements, whether or not reference is made to any Amendment of the Declaration or plat or map. Reference to the Declaration and plat or map in any instrument shall be deemed to include all Amendments to the Declaration, and the plat and/or map without specific reference thereto.

Section 8.07 Maximum Number of Units. The maximum number of Units currently allowed on the Property is two (2). Additional Units may only be created with the approval of the City after compliance with applicable City processes and standards.

Section 8.08 Construction. The buildings, structures and types of improvements to be placed on the Property or the Development Property or any part thereof shall be of a quality equal to or better than the Improvements previously constructed on the Property, and to the extent reasonably feasible shall be of similar size, style or configuration. Except as otherwise restricted in this Declaration or by the Act, the Improvements may be located anywhere on the property reserved for future development or on the Development Property.

Section 8.09 Reciprocal Easements. If all or part of any property is withdrawn ("Withdrawn Property"):

i) the Unit Owner(s) of the property and/or Withdrawn Property shall have whatever easements are necessary or desirable, if any, for access, utility service, repair, maintenance and emergencies over and across the Project; and

ii) The Unit Owner(s) shall have whatever easements are necessary or desirable, if any, for access, utility service, repair, maintenance and emergencies over and across the Property and Withdrawn Property.

Section 8.10 Termination of Reserved Rights. The rights reserved to Declarant, for itself, its successors and assigns, shall expire as set forth above or in the Act, unless (i) reinstated or extended by the Association, subject to whatever terms, conditions, and limitations the Executive Board may impose on the subsequent exercise of the expansion rights by Declarant, or (ii) extended as allowed by law.

Section 8.11 Reserved Rights Subject to City Ordinance. All Reserved Development Rights, Special Declarant Rights and Additional Reserved Rights as provided in this Declaration shall be subject to applicable City of Ouray ordinances and regulations, and nothing contained herein shall serve to supersede or circumvent said ordinances and regulations.

ARTICLE IX INSURANCE/CONDEMNATION

Section 9.01 Insurance Carried. Out of the assessments levied under this Declaration, the Association shall obtain and maintain in full force and effect to the extent reasonably available, and at all times, the insurance coverage set forth herein and as set forth in the Act, which insurance coverage shall be provided by financially responsible and able companies duly authorized to do business in the State of Colorado. Commencing not later than the time of the first conveyance of a Unit to a person other than a Declarant, the Association shall maintain, to the extent reasonably available, policies with the following terms or provisions:

a) All policies of insurance shall contain waivers of subrogation and waivers of any defense based on invalidity arising from any acts of a Unit Owner and shall provide that such policies may not be canceled or modified without at least twenty (20) days prior written notice to all of the Unit Owners, holders of first lien Security Interests and the Association.

b) If requested, duplicate originals of all policies and renewals thereof, together with proof

of payments of premiums, shall be delivered to all holders of first lien Security Interests at least ten (10) days prior to expiration of the then current policies.

c) All liability insurance shall be carried in blanket form naming the Association, the Board, the manager or managing agent, if any, the officers of the Association, the Declarant, holders of first lien Security Interests, their successors and assigns and Unit Owners as insured.

d) Prior to obtaining any policy of casualty insurance or renewal thereof, pursuant to the provisions hereof, the Board may obtain an appraisal from a duly qualified real estate or insurance appraiser, which appraiser shall reasonably estimate the full replacement value of the Common Elements, without deduction for depreciation, review any increases in the cost of living, and/or consider other factors, for the purpose of determining the amount of the insurance to be effected pursuant to the provisions hereof. In no event shall any casualty insurance policy contain a co-insurance clause for less than one hundred percent (100%) of the full insurable replacement cost.

e) Unit Owners may carry and are advised to carry other insurance for their benefit and at their expense, provided that the liability of the carriers issuing insurance obtained by the Association shall not be affected or diminished by reason of any such additional insurance carried by Unit Owners and provided, further, that the policies of insurance carried by the Association shall be primary, even if a Unit Owner has other insurance that covers the same loss or losses as covered by policies of the Association. In this regard, Declarant discloses that the Association's insurance coverage, as specified hereunder and under the Act, does not obviate the need for Unit Owners to obtain insurance for their own benefit.

f) All policies of insurance shall provide that the insurance thereunder shall be invalidated or suspended only in respect to the interest of any particular Unit Owner guilty of a breach of warranty, act, omission, negligence or non-compliance of any provision of such policy, including payment of the insurance premium applicable to the Unit Owner's interest, or who permits or fails to prevent the happening of any events, whether occurring before or after a loss, which under the provisions of such policy would otherwise invalidate or suspend the entire policy, but the insurance under any such policy, as to the interests of all other insured Unit Owners not guilty of any such act or omission, shall not be invalidated or suspended and shall remain in full force and effect.

Section 9.02 Hazard Insurance on the Common Elements. Insurance of fire, with extended coverage, vandalism, malicious mischief, all-risk, replacement cost, agreed amount (if the policy includes co-insurance), special condominium, building ordinance and inflation guard endorsements attached, in amounts determined by the Executive Board to represent not less than the full then current insurable replacement cost of the Building located on the Property including all of the Units and Common Elements, including all fixtures, interior and perimeter walls and floors, partitions, decorated and finished surfaces of interior and perimeter walls, floors, and ceilings, doors, windows and other elements or materials comprising a part of the Units and including any fixtures, equipment or other property within the Units which are to be financed by a Mortgage to be purchased by an Agency including FNMA and FHLMC, and excluding any betterments and improvements made by Unit Owners and building excavations and foundations. Maximum deductible amounts for such policy shall be determined by the Executive Board, provided, however, that if an Agency requires specific deductibles, the Executive Board shall

follow such Agency's requirements. In the event the Project has central heating or cooling, coverage for loss or damage resulting from the machinery equipment accidents in an amount equal to the lesser of \$2,000,000.00 or the insurable value of the buildings housing the machinery shall also be obtained. The Association shall obtain insurance covering the original specifications of each Unit. Each Unit Owner shall be responsible for obtaining additional or supplemental insurance covering any additions, alterations, or improvements to his Unit which increase the replacement value of his Unit. In the event that satisfactory arrangement is not made for additional insurance by the Unit Owner, the Unit Owner shall be responsible for any deficiency in any resulting insurance loss recovery and the Association shall not be obligated to apply any insurance proceeds to restore the affected Unit to a condition better than the condition existing prior to the making of such additions, alterations or improvements. Any additional premiums attributable to the original specifications of a Unit for which the insurance is increased as herein provided may be the subject of a lien for nonpayment as provided in Article VI hereof in the event the Association pays such premium for a Unit Owner.

All policies shall contain a standard non-contributory mortgage clause in favor of each holder of first lien Security Interests, and their successors and assigns, which shall provide that the loss, if any thereunder, shall be payable to the Association for the use and benefit of such holders of first lien Security Interests, and their successors and assigns, as their interests may appear of record in the records of the office of the Clerk and Recorder of the County of Ouray, Colorado. If obtainable, the Association shall also obtain the following and any additional endorsements deemed advisable by the Executive Board: (a) an Inflation guard endorsement by a Construction Code endorsement, (c) a demolition cost endorsement, (d) a contingent liability from operation of building laws endorsement, and (e) an increased cost of construction endorsement.

Section 9.03 Comprehensive Liability Insurance. Comprehensive general public liability and property damage insurance for the Project in such amounts as the Executive Board deems desirable, provided that such coverage shall be for at least \$1,000,000 for bodily injury, including deaths and property damage arising out of a single occurrence insuring the Association, the Executive Board, the Manager or managing agent, or both, if any, and their respective agents and employees, and the Unit Owners from liability in connection with the operation, maintenance and use of Common Elements and must include a "severability of interest" clause or specific endorsement. Such coverage shall also include legal liability arising out of contracts of the Association and such other risks as are customarily covered with respect to condominiums similar to the Project in the Ouray County, Colorado including automobile liability insurance if appropriate. The Executive Board shall not enter into employment contracts or independent contractor contracts of any kind unless the contracting party provides evidence (such as a Certificate of Insurance) to the Executive Board that such party has current and satisfactory insurance, including workers compensation insurance, commercial general liability insurance and automobile insurance on all of which the Association is named as an additional insured.

The insurance policies may be carried in blanket policy form naming the Association as the insured, for the use and benefit of and as attorney-in-fact for the Unit Owners. Each Unit Owner shall be an insured person under the policy with respect to liability arising out of such Unit Owner's interest in the Common Elements or membership in the Association. Each Mortgagee and its successors or assigns shall be a beneficiary of the policy in the percentages of Common Expenses

for the Unit, which the Mortgage encumbers. The insurance company shall waive its rights of subrogation under the insurance policy against any Unit Owner or member of the Unit Owner's household. No act or omission by any Unit Owner, unless acting within the scope of such Unit Owner's authority on behalf of the Association, shall void the insurance policy or be a condition to recovery under the insurance policy. If, at the time of a loss under an insurance policy described above there is other insurance in the name of the Unit Owner covering the same risk covered by the policy, the Association's policy shall provide primary insurance.

Insurance coverage on the furnishings and other items of personal property belonging to an Owner and any additions and alterations to a Unit which increase the Unit's replacement value above that of the original specifications for the Unit (unless financed by a Mortgage to be purchased by FNMA or FHLMC), casualty and public liability insurance coverage for each Unit and the Limited Common Elements associated therewith and workman's compensation insurance covering work within each Unit or on the Limited Common Elements associated therewith shall be the responsibility of the Owner of the Unit.

Section 9.04 Fidelity Insurance. The Association may obtain adequate fidelity coverage or fidelity bonds to protect against dishonest acts on the parts of its officers, directors, trustees and employees and on the part of all others who handle or are responsible for handling the funds of the Association, including persons who serve the Association with or without compensation. The clause "officers, directors, trustees and employees" shall not include any officer, director, agent or employee of Declarant or any officer, director, agent or employee of any independent, professional manager or managing agent theretofore or hereafter employed by the Association. The fidelity coverage or bonds should be in an amount sufficient to cover the maximum funds that will be in the control of the Association, its officers, directors, trustees and employees.

Section 9.05 Worker's Compensation and Employer's Liability Insurance. If applicable, the Association shall obtain worker's compensation and employer's liability insurance and all other similar insurance with respect to its employees in the amounts and forms as may now or hereafter be required by law.

Section 9.06 Officers' and Directors' Personal Liability Insurance. The Association may obtain officers' and directors' personal liability insurance to protect the officers and directors from personal liability relation to their duties and responsibilities in acting as officers and directors on behalf of the Association.

Section 9.07 Flood Insurance. The Association, if required by holders of the first lien Security Interests, or by a governmental agency, shall purchase and maintain flood insurance.

Section 9.08 Other Insurance. The Association may obtain insurance against such other risks, of similar or dissimilar nature, including flood insurance, as it shall deem appropriate with respect to the Association responsibilities and duties.

Section 9.09 Insurance Premium. Except as assessed in proportion to risk, if permitted under the terms of this Declaration, insurance premiums for the above provided insurance shall be a Common Expense to be included a part of the annual assessments levied by the Association.

Section 9.10 Managing Agent Insurance. The manager or managing agent, if any, shall be insured to the same extent as the Association, as herein provided, and as provided in the Act, for the benefit of the Association, and shall maintain and submit evidence of such coverage to the Association.

Section 9.11 Waiver of Claims Against Association. As to all policies of insurance maintained by or for the benefit of the Association and Unit Owners, the Association and the Unit Owners hereby waive and release all claims against one another, the Board and Declarant, to the extent of the insurance proceeds available, whether or not the insurance damage or injury is caused by the negligence of or breach of any agreement by and of said persons.

Section 9.12 Annual Insurance Review. The Board shall review the insurance carried by and on behalf of the Association at least annually, for the purpose of determining the amount of insurance required.

Section 9.13 Adjustments by the Association. Any loss covered by an insurance policy described above shall be adjusted by the Association, and the insurance proceeds for that loss shall be payable to the Association, and not to any holder of a first lien Security Interest. The Association shall hold any insurance proceeds in trust for the Association, Unit Owners and holders of first lien Security Interests as their interests may appear. The proceeds must be distributed first for the repair or restoration of the damaged property and the Association Unit Owner and holders of first lien Security Interests are not entitled to receive payment of any portion of the proceeds unless there is a surplus of proceeds after the damaged property has been completely repaired or restored.

Section 9.14 Duty to Repair. Any portion of the Project for which insurance proceeds are available under this Article which damaged or destroyed must be repaired or replaced promptly by the Association, except as provided in the Act.

Section 9.15 Condemnation and Hazard Insurance Allocations and Distributions. In the event of a distribution of condemnation proceeds or hazard insurance proceeds to the Unit Owners, the distribution shall be as the parties with interests and rights are determined or allocated by record, and pursuant to the Act.

ARTICLE X SPECIAL RIGHTS OF HOLDERS OF FIRST LIEN SECURITY INTERESTS

Section 10.01 General Provisions. The provisions of this article are for the benefit of holders, insurers, or guarantors of holders of first lien Security Interests recorded within the Common Interest Community. To the extent applicable, necessary or proper, the provisions of this Article apply to both this Declaration and to the Articles and Bylaws of the Association. A holder, insurer or guarantor of a first lien Security Interest who has delivered a written request to the Association containing its name, address, the legal description and the address of the Unit upon which it holds a Security Interest, shall be considered an "Eligible Holder." Eligible insurers and guarantors of a first lien Security Interest shall have the same rights as Eligible Holder.

Section 10.02 Special Rights. Eligible Holders shall be entitled to: (a) timely written notice from the Association of any default by a mortgagor of a Unit in the performance of the mortgagor's obligations under this Declaration, the Articles of Incorporation, the Bylaws or the Rules and Regulations, which default is not cured within sixty (60) days after the Association learns of such default; b) examine the books and records of the Association during normal business hours; c) receive a copy of financial statements of the Association, including any annual audited financial statement; (d) receive written notice of all meetings of the Executive Board or Members of the Association; (e) designate a representative to attend any such meetings; (f) written notice of any lapse, cancellation, or material modification of any insurance policy or fidelity bond maintained by the Association; g) written notice of abandonment or termination of the Association of the plan contemplated under this Declaration; (h) thirty (30) days written notice prior to the effective date of any proposed, material amendment to this Declaration, the Articles of Incorporation, or the Bylaws; (i) thirty (30) days written notice prior to the effective date of termination of any agreement for professional management of the Association or the Common Elements, when professional management had been required previously under the terms of any Lien or Insurance Agreement for the Project or by an Eligible Holder; and (ii) immediate written notice as soon as the Association receives notice or otherwise learns of any damage to the Common Elements or a Unit if the cost of reconstruction exceeds Twenty Thousand Dollars (\$20,000) and as soon as the Association receives notice or otherwise learns of any condemnation or eminent domain proceedings or other proposed acquisition with respect to any portion of the Common Elements or any Units.

Section 10.03 Special Approvals. Unless at least all of the Eligible Holders of first lien Security Interests (based on one vote for each mortgage owned) of Units in the Association and requisite Unit Owners have given their written approval, neither the Association nor any Member shall (a) by act or omission seek to abandon, partition, subdivide, encumber, sell or transfer the Common Elements or any improvements thereon which are owned, directly or indirectly, by the Association (except that the granting of access easements, utility easements, drainage easements and water facilities easements or easements for other public purposes consistent with the intended use of such real estate by the Association shall not be deemed within the meaning of this provision); (b) change the method of determining the obligations, Assessments or other charges which may be levied against Members or the method of allocating distributions of hazard insurance policy proceeds or condemnation awards; (c) by act or omission change, waive or abandon any scheme or regulation, or enforcement thereof, pertaining to architectural approval of improvement of Units, including the architectural design of the exterior appearance of Units, or the upkeep of the Common Elements; (d) fail to maintain the casualty, fire and extended coverage insurance as elsewhere provided in this Declaration; (e) use hazard insurance proceeds for losses other than the repair, replacement or reconstruction of the improvements which were damaged or destroyed; (f) take action to terminate the legal status of the Project after substantial destruction or condemnation occurs; (g) amend any material provision of this Declaration; and (h) establish self management by the Association when professional management has previously been required by the legal documents for the Project or by an Eligible Holder. An amendment shall not be deemed material if it is for the purpose of correcting technical errors, or for clarification only. If an Eligible Holder of a first lien Security Interest receives written request for approval of the proposed act, omission, change or amendment by certified or registered mail, with a return receipt requested, and does not

deliver or post to the requesting party a negative response within 30 days, it shall be deemed to have approved such request.

Section 10.04 Payment of Insurance Premiums. Any holder of a first lien Security Interest shall be entitled to pay any taxes or other charges which are in default and which may or have become a lien against a Unit or any of the Common Elements and may pay any overdue premiums on hazard insurance policies or secure new hazard insurance coverage for the Common Elements or Units, and the holder of a first lien Security Interest making such payments shall be entitled to immediate reimbursement therefor from the Association.

ARTICLE XI EASEMENTS

Section 11.01 Recorded Easements. The Property shall be subject to all easements as shown on any Map or plat, those of record, those provided in the Act (including easements for encroachment set forth in Section 214 of the Act and an easement for maintenance of any such encroachment), and otherwise as set forth in this Declaration.

Section 11.02 Declarant 's Rights Incident to Construction. Declarant, for itself and its successors and assigns, and the Association, hereby reserves an easement for construction, utilities, drainage, ingress and egress over, in, upon, under and across the Common Elements, together with the right to store materials on the Common Elements, to build and maintain temporary walls, and to make such other use of the Common Elements as may be reasonably necessary or incident to any construction of the Units, or improvements on the Property or other real property owned by Declarant, or other properties abutting and contiguous to the Property; provided, however, that no such rights shall be exercised by Declarant in a way which unreasonably interferes with the occupancy, use, enjoyment or access to the Project by the Owners.

Section 11.03 Utility Easements. There is hereby created a blanket easement upon, across, over, in and under the Property for the benefit of the Common Elements and the Units and the structures and improvements situated on the Property for ingress and egress, storm water drainage, installation, replacing, repairing and maintaining all utilities, including, but not limited to, water, sewer, gas, telephone, cable TV and electricity. Said blanket easement includes future utility services not presently available to the Units which may reasonably be required in the future. By virtue of this easement, it shall be expressly permissible for the companies providing utilities to erect and maintain the necessary equipment on any of the Units and to affix and maintain electrical and/or telephone wires, circuits, conduits and pipes on, above, across and under the roofs and exterior walls of the improvements, all in a manner customary for such companies in the area surrounding the Property, subject to approval by the Association as to locations.

Section 11.04 Reservation of Easements, Exceptions and Exclusions. The Association is hereby granted the right to establish from time to time, by declaration or otherwise, utility and other easements, permits or licenses over the Common Elements for the best interest of all the Owners and the Association. Each Owner is hereby granted a perpetual non-exclusive right of ingress to and egress from the Owner's Unit over and across the General Common Elements and Limited Common Elements appurtenant to that Owner's Unit, which right shall be appurtenant to

the Owner's Unit, and which right shall be subject to limited and reasonable restriction on the use of Common Elements set forth in writing by the Association, such as for closure for repairs and maintenance.

Section 11.05 Emergency Access Easement. A general easement is hereby granted to all police, sheriff, fire protection, ambulance and other similar emergency agencies or persons to enter upon the Property in the proper performance of their duties.

Section 11.06 Support Easement. Each Unit is subject to a blanket easement for support and a blanket easement for the maintenance of structures or improvements presently situated or to be built in the future on the Property or any Expansion Property.

ARTICLE XII GENERAL PROVISIONS

Section 12.01 Enforcement; Arbitration. In the event of a violation of any of the terms of this Declaration, the Association or a Unit Owner or Unit Owners of any of the Units may enforce the restrictions, conditions, covenants and reservations imposed by the provisions of this Declaration. The Association may promulgate rules and regulations for notice and other procedures for dealing with any alleged violation of the terms of this Declaration or of any of the Association Documents. Such procedures or remedies as established by the Association shall be cumulative and in addition to the enforcement provisions as contained in this Declaration. Declarant, for each Unit, shall be deemed to covenant and agree, and each Unit Owner, by acceptance of a Deed therefor, whether or not it shall be so expressed in any such deed or other conveyance, shall be deemed to covenant and voluntarily agree, on their own behalf and on behalf of their heirs, successors and assigns, to submit any such enforcement action to arbitration under the provisions of the Uniform Arbitration Act, C.R.S. § 13-22-201 *et. seq.*, either to recover damages for such violation, including reasonable attorneys fees incurred in enforcing these covenants, or to restrain such violation or attempted violation. The process for designating an arbitrator shall be as follows: A party demanding arbitration of a dispute under this provision shall, in writing, submit a name of an arbitrator to the other parties to the dispute. The other parties shall have ten days from the date of the receipt of notice of designation of the arbitrator to object and name an alternate Arbitrator. Failure to object and designate an alternate arbitrator in writing within ten days shall be deemed to be an acceptance of the arbitrator so designated. If an alternate arbitrator is designated within the ten days, the initial party who designated the original arbitrator shall have ten days to object to the alternate arbitrator. If no such objection is received, the alternate arbitrator shall be the arbitrator of the dispute. If there is a timely written objection to the alternate arbitrator, the original and the alternate arbitrator shall jointly select a third arbitrator who shall be the sole arbitrator of the dispute. In the event the original and alternate arbitrators are not able to agree upon a third arbitrator, one shall be appointed by any court of competent jurisdiction. The parties agree that any arbitration held pursuant to this section shall be binding upon the parties and shall not be appealable to the courts except for the reasons listed in the Uniform Arbitration Act as cited above. The arbitrator shall award to the prevailing party, if any, as determined by the arbitrator, all of its costs and expenses including reasonable attorney's fees, arbitrator's fees and reasonable out-of-pocket expenses. "Prevailing party" shall mean the party whose position is most nearly upheld in arbitration. If a dispute involves the Declarant or the

Association, no Person shall file a memorandum of *lis pendens* or similar instrument that would encumber, create a lien upon or otherwise cloud the title to land owned by either the Declarant or the Association. Failure of the Association, the Declarant or of any Unit Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter. The Executive Board may post on a bulletin board at a conspicuous place on the Common Area notices of any covenant violations by members and copies of any recorded statements. Failure to post shall not affect the validity of any lien or action to redress any covenant violation.

Section 12.02 Severability. Each of the provisions of this Declaration shall be deemed independent and severable. If any provision of this Declaration or the application thereof to any person or circumstances is held invalid, the invalidity shall not affect other provisions or applications of this Declaration which can be given effect without the invalid provisions or applications.

Section 12.03 Term of Declaration. The covenants and restrictions of this Declaration shall run with and bind the land in perpetuity.

Section 12.04 Amendment of Declaration by Declarant. Until the first Unit has been conveyed by Declarant by deed recorded in the office of the County Clerk and Recorder of the County of Ouray, Colorado, any of the provisions, covenants, conditions, restrictions and equitable servitudes contained in this Declaration may be amended or terminated by Declarant by the recordation of a written instrument, executed by Declarant, setting forth such amendment or termination. Thereafter if Declarant shall determine that any amendments to this Declaration shall be necessary in order to make non-material changes, such as the correction of a technical, clerical or typographical error or clarification of a statement, then, subject to the following sentence of this Section, Declarant shall have the right and power to make and execute any such amendments without obtaining the approval of any Unit Owners. In furtherance of the foregoing, a power coupled with an interest is hereby reserved and granted to Declarant to make or consent to an amendment under this section on behalf of each Unit Owner and holder of a Security Interest. Each deed, Security Interest, other evidence of obligation or other instrument affecting a Unit and the acceptance thereof shall be deemed to be a grant and acknowledgment of, and a consent to the reservation of, the power of Declarant to make, execute and record an amendment under this Section.

Section 12.05 Amendment of Declaration by Unit Owners. Except as otherwise provided in this Declaration, and subject to provisions elsewhere contained in this Declaration requiring the consent of Declarant or others, any provision, covenant, condition, restriction or equitable servitude contained in this Declaration may be amended or repealed at any time and from time to time upon approval of sixty-seven percent (67%) of all of the votes in the Association and with the written consent of the Association. The amendment or repeal shall be effective upon the recordation in the office of the Clerk and Recorder of Ouray County, State of Colorado, of a certificate, setting forth the, amendment in full and certifying that the amendment has been approved as set forth above, and containing the written consent and approval of the Association.

Section 12.06 Amendment Required by Government Mortgage Agencies. Prior to ten (10)

years after recording of this Declaration, any provision, covenant, condition, restriction or equitable servitude contained in this Declaration which FHA, VA, FHLMC, GNMA, FNMA or any similar entity authorized to insure, guarantee, make or purchase mortgage loans requires to be amended or repealed may be amended or repealed by Declarant or the Association. Any such amendment or repeal shall be effective upon the recordation in the office of the Clerk and Recorder of Ouray County, State of Colorado, of a certificate, setting forth the amendment or repeal in full.

Section 12.07 Required Consent of Declarant to Amendment. Notwithstanding any other provision in this Declaration to the contrary, any proposed amendment or repeal of any provision of this Declaration shall not be effective unless Declarant has given its written consent to such amendment or repeal, which consent may be evidenced by the execution by Declarant of any certificate of amendment or repeal. The foregoing requirement for consent of Declarant to any amendment or repeal shall terminate ten (10) years after the recording of this Declaration, or upon conveyance of 100% of the Units to an Owner other than Declarant, whichever occurs first.

Section 12.08 Interpretation. The provisions of this Declaration shall be liberally construed to effectuate their purposes of creating a uniform plan for the development of the Units and of promoting and effectuating the fundamental concepts as set forth in the recitals of this Declaration. This Declaration shall be construed and governed under the laws of the State of Colorado.

Section 12.09 Singular Includes the Plural. Unless the context otherwise requires, the singular shall include the plural, and the plural shall include the singular, and each gender referral shall be deemed to include the masculine, feminine and neuter.

Section 12.10 Captions. All captions and titles used in this Declaration are intended solely for convenience of reference and shall not enlarge, limit or otherwise affect that which is set forth in any paragraph, section of article hereof.

Dated this _____ day of _____, 2022.

OURLOCOL, LLC, Declarant

By: _____
Erin Eddy, Manager

STATE OF COLORADO)
) ss.
COUNTY OF _____)

The foregoing document was acknowledged before me this _____ day of _____, 2022 by Erin Eddy,
Manager of OURLOCOL, LLC.
Witness my hand and official seal.

My commission expires: _____.

(S E A L)

Notary Public

Document must be filed electronically.
Paper documents are not accepted.
Fees & forms are subject to change.
For more information or to print copies
of filed documents, visit www.sos.state.co.us.

ABOVE SPACE FOR OFFICE USE ONLY

Articles of Incorporation for a Nonprofit Corporation

filed pursuant to § 7-122-101 and § 7-122-102 of the Colorado Revised Statutes (C.R.S.)

1. The domestic entity name for the nonprofit corporation is S&S Condominium Owners Association, Inc.
(Caution: The use of certain terms or abbreviations are restricted by law. Read instructions for more information.)

2. The principal office address of the nonprofit corporation's initial principal office is

Street address 310 Sixth Avenue
(Street number and name)
Ouray CO 81427
(City) (State) (ZIP/Postal Code)
United States
(Province – if applicable) (Country)

Mailing address PO Box 811
(leave blank if same as street address) (Street number and name or Post Office Box information)
Ouray CO 81427
(City) (State) (ZIP/Postal Code)
United States
(Province – if applicable) (Country)

3. The registered agent name and registered agent address of the nonprofit corporation's initial registered agent are

Name
(if an individual) _____
(Last) (First) (Middle) (Suffix)

OR

(if an entity) Hockersmith & Whitmore, LLC
(Caution: Do not provide both an individual and an entity name.)

Street address 917 Main St.
(Street number and name)
Second Floor
Ouray CO 81427
(City) (State) (ZIP Code)

EXHIBIT D: S&S Condo Articles of Incorporation

Mailing address
(leave blank if same as street address) PO Box 646
(Street number and name or Post Office Box information)

Ouray CO 81427
(City) (State) (ZIP Code)

(The following statement is adopted by marking the box.)

The person appointed as registered agent above has consented to being so appointed.

4. The true name and mailing address of the incorporator are

Name
(if an individual) Eddy Erin
(Last) (First) (Middle) (Suffix)

OR

(if an entity) _____
(Caution: Do not provide both an individual and an entity name.)

Mailing address PO Box 811
(Street number and name or Post Office Box information)

Ouray CO 81427
(City) (State) (ZIP/Postal Code)

Colorado United States
(Province – if applicable) (Country)

(If the following statement applies, adopt the statement by marking the box and include an attachment.)

The corporation has one or more additional incorporators and the name and mailing address of each additional incorporator are stated in an attachment.

5. *(If the following statement applies, adopt the statement by marking the box.)*

The nonprofit corporation will have voting members.

6. Provisions regarding the distribution of assets on dissolution:

Upon the dissolution of the corporation, after paying or making provisions for the payment of all of the liabilities of the corporation, all the assets of the corporation shall be turned over to members in substantially equal amounts as determined by the Board of Directors. If the corporation is exempt under section 501(c)(3) of the internal revenue code, or corresponding section of any future federal tax code, the assets of the corporation shall be distributed for one or more exempt purpose under said section, or to the federal government, or to a state or local government, for a public purpose, as the board of directors shall determine. Any such assets not so disposed of shall be disposed of by the District Court for the County of Ouray and State of Colorado, exclusively for such purposes or to such organization or organizations, as such court shall determine, which are organized and operated exclusively for such purposes.

7. (If the following statement applies, adopt the statement by marking the box and include an attachment.)

This document contains additional information as provided by law.

8. (**Caution:** *Leave blank if the document does not have a delayed effective date. Stating a delayed effective date has significant legal consequences. Read instructions before entering a date.*)

(If the following statement applies, adopt the statement by entering a date and, if applicable, time using the required format.)

The delayed effective date and, if applicable, time of this document is/are _____.
(mm/dd/yyyy hour:minute am/pm)

Notice:

Causing this document to be delivered to the Secretary of State for filing shall constitute the affirmation or acknowledgment of each individual causing such delivery, under penalties of perjury, that the document is the individual's act and deed, or that the individual in good faith believes the document is the act and deed of the person on whose behalf the individual is causing the document to be delivered for filing, taken in conformity with the requirements of part 3 of article 90 of title 7, C.R.S., the constituent documents, and the organic statutes, and that the individual in good faith believes the facts stated in the document are true and the document complies with the requirements of that Part, the constituent documents, and the organic statutes. This perjury notice applies to each individual who causes this document to be delivered to the Secretary of State, whether or not such individual is named in the document as one who has caused it to be delivered.

9. The true name and mailing address of the individual causing the document to be delivered for filing are

Thomasson	Lane	Parkin	_____
<small>(Last)</small>	<small>(First)</small>	<small>(Middle)</small>	<small>(Suffix)</small>
917 Main St.			
<small>(Street number and name or Post Office Box information)</small>			
Ouray	CO	81427	_____
<small>(City)</small>	<small>(State)</small>	<small>(ZIP/Postal Code)</small>	
_____	United States.		
<small>(Province – if applicable)</small>	<small>(Country)</small>		

(If the following statement applies, adopt the statement by marking the box and include an attachment.)

This document contains the true name and mailing address of one or more additional individuals causing the document to be delivered for filing.

Disclaimer:

This form/cover sheet, and any related instructions, are not intended to provide legal, business or tax advice, and are furnished without representation or warranty. While this form/cover sheet is believed to satisfy minimum legal requirements as of its revision date, compliance with applicable law, as the same may be amended from time to time, remains the responsibility of the user of this form/cover sheet. Questions should be addressed to the user's legal, business or tax advisor(s).

BYLAWS
of
S&S CONDOMINIUMS OWNER’S ASSOCIATION, INC.,
a Colorado Non-Profit Corporation

These are the Bylaws of S&S Condominiums Owner’s Association, Inc. (the “Association”), which shall operate under the Colorado Revised Nonprofit Corporation Act, as amended (the “CRNCA”) and the Colorado Common Interest Ownership Act, as amended (the “Act”). Terms used herein shall have the meaning set forth in the Declaration and in the Act.

ARTICLE I
OFFICES

The principal office of the Association shall be 917 Main St., Second Floor, Ouray, Colorado 81427 (Mailing address: PO Box 646, Ouray, CO 81427).

The Executive Board of Directors, in its discretion, may keep and maintain other offices within or without the State of Colorado wherever the business of the Association may require.

ARTICLE II
MEMBERSHIPS

A. Memberships. There shall be one membership in the Association for each of the "Owners" of a "Unit", as those terms are defined in the Declaration of Conditions, Covenants and Restrictions of S&S Condominiums, City of Ouray, Ouray County, Colorado recorded on _____, 2022, at Reception No. _____, *et seq.*, in the office of the Clerk and Recorder of Ouray County, Colorado (the “Declaration”) existing in the Common Interest Community described in said Declaration. While there may be multiple owners of a Unit, each being a member in the Association, in no event shall more than one vote per Unit be cast on any matter in which members of the Association are entitled to vote, the vote for any Unit owned by multiple owners being exercised as determined among such Owners. No person or entity other than an Owner of a Unit may be a member of the Association.

B. Transfer of Membership. A membership in the Association and the share of a membership in the assets of the Association shall not be assigned, encumbered, or transferred in any manner except as an appurtenance to transfer title to the Unit to which the membership pertains; provided, however, that the rights of membership may be assigned to the holder of a mortgage, deed of trust, or other security instrument on a Unit as further security for a loan secured by a lien on such Unit. A transfer of membership shall occur automatically upon the transfer of title to the Unit to which the membership pertains, but the Association shall be entitled to treat the person or persons in whose name or names the membership is recorded on the books and records of the Association as the member for all purposes until such time as evidence of a transfer of title, satisfactory to the Association, has been submitted to the secretary.

A transfer of membership shall not release the transferor from liability for obligations accrued incident to such membership prior to such transfer. In the event of dispute as to ownership appurtenant thereto, title to the Unit, as shown in the records of the County Clerk and

Recorder of Ouray County, Colorado, shall be determinative.

C. Voting Rights. Where the vote of the Member is required or permitted by the statutes of the State of Colorado, the Declaration, or by the Articles of Incorporation or these Bylaws, Members shall be entitled to only one vote per Unit in the Association.

Where there are co-owners of a Unit (whether by joint tenancy, tenancy in common, or otherwise) any one of such co-owners present or represented by proxy, shall be accepted automatically by the Association as the agent and attorney in fact for other co-owners not present or represented by proxy, for the purpose of casting the vote of that membership. If more than one of the Owners is present, the vote allocated to the Unit may be cast only in accordance with the agreement of a majority of the Owners of that Unit. Majority agreement exists if any one of the Owners casts the vote allocated to the Unit without protest being made promptly to the person presiding over the meeting by another Owner of the Unit. If a majority of Owners of a Unit cannot agree as to the casting of a vote, then the Association may disregard any attempted vote by a minority Owner.

Voting by proxy shall be permitted. Proxies must be executed in writing by the Owner or co-owner or his duly authorized attorney-in-fact, and must be filed with the secretary before the appointed time of each meeting. No proxy shall be valid after eleven months from the date of its execution unless a shorter term is specified in the proxy. The Association may suspend the voting rights of a member for failure to comply with the rules or regulations of the Association or for failure to comply with any other obligations of a Unit Owner under the Declaration.

D. Annual Meeting. An annual meeting of the members for the purpose of voting on such matters as properly may come before the meeting shall be held on the third Wednesday in March of each year at a convenient location in Ouray County, Colorado, to be selected by the Executive Board of Directors.

E. Special Meetings. Special meetings of the members may be called at any time by the president or by the Board of Directors or by written request of one or more of the votes of the outstanding memberships, and shall be held at a convenient location in Ouray County, Colorado, to be selected by the person calling the meeting.

F. Meeting to Approve Annual Budget. At the annual meeting of the Owner/Members or at a special meeting of the Owner/Members called for such purpose, the Owner/Members shall be afforded the opportunity to veto the budget of projected revenues, expenditures and reserves for the Association's next fiscal year as proposed by the Executive Board. A summary of the proposed budget approved by the Executive Board shall be mailed to the Owner/Members within thirty (30) days of its adoption along with a notice of meeting of the Association Members to be held not less than ten (10) nor more than fifty (50) days after mailing of the summary to the Members (or in the alternative, together with a ballot and information sufficient to satisfy the provisions of Section 109 of the CRNCA and subparagraph J below). Unless sixty-seven percent (67%) of all Units entitled to vote veto the proposed budget, the budget is ratified. There are no quorum requirements for this meeting. In the event the proposed budget is vetoed, the budget last ratified by the Members continues until such time as the Members ratify a subsequent budget

proposed by the Executive Board as provided below.

G. Notices and Waivers. Notices of annual and special meetings of the members must be given in writing and must state the place, day and hour of the meeting, and, in case of a special meeting, the purpose or purposes for which the meeting is called. Such notice shall be delivered not less than ten or more than fifty days before the date of the meeting, either personally or by mail, by or at the direction of the president, or the secretary, or the officers or persons calling the meeting, and shall be given to each such Owner or co-owner of a membership entitled to vote at such meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail addressed to such Owner or co-owner at his address as it appears on the records of the Association, with postage prepaid thereon.

Written waiver of notice signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be equivalent to the giving of such notice.

H. Quorum: Vote Required; Adjournment. The votes represented by person or by proxy for two (2) Units shall constitute a quorum at any meeting of members. If a quorum exists, the action by a majority of the votes present or represented by proxy shall be the act of the members. If a quorum does not exist, a majority of the votes present in person or by proxy may adjourn the meeting for a period of time not exceeding thirty days. If at the adjourned meeting less than a quorum is present those present shall constitute a quorum, and a majority of the votes cast shall be sufficient to pass all resolutions, or acts.

I. Action of Members without a Meeting. Any action required to be taken or any action which may be taken at a meeting of the members, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by a majority (unless a greater percentage is required by these Bylaws, the Articles of Incorporation, the Act or the CRNCA) of all of the Owners of memberships entitled to vote with respect to the subject matter thereof. Each Unit shall be entitled to one vote, and one Owner or co-owner of said Unit shall execute the consent set forth herein above.

J. Voting by Mail. Except as limited by subparagraph H. of Article III, the Executive Board may decide that voting of the Members on any matter required or permitted by the statutes of Colorado, the Declaration, the Articles of Incorporation, or these Bylaws shall be by written ballot. Pursuant to the CRNCA, any action that may be taken at any annual, regular or special meeting of Members may be taken without a meeting if the Secretary delivers a written ballot to every Member entitled to vote on the matter. "Delivery" to the Member of the ballot, and the Member's return of the completed ballot shall be made by the same methods available for providing notice to a member set forth in subparagraph G of this Article II above.

1. A written ballot shall: (i) set forth each proposed action; and (ii) provide an opportunity to vote for or against each proposed action.

2. Approval by written ballot shall be valid only when the number of votes cast by ballot equals or exceeds the quorum required to be present at a meeting authorizing the action, and the number approvals equals or exceeds the number of votes that would be required to approve the

matter at a meeting at which the total number of votes cast was the same as the number of votes cast by ballot.

3. All solicitations for votes by written ballot shall: (i) indicate the number of responses needed to meet the quorum requirements; (ii) state the percentage of approvals necessary to approve each matter other than the election of a member of the Executive Board; (iii) specify the time by which a ballot must be received by the Association in order to be counted; and (iv) be accompanied by written information sufficient to permit each person casting such ballot to reach an informed decision on the matter.

4. A written ballot, once received by the Association, may not be revoked unless the Owner casting the written ballot appears in person at a meeting convened to consider any one or more of the matters on the ballot.

ARTICLE III EXECUTIVE BOARD OF DIRECTORS

A. Number; Qualification. The Declaration shall govern the appointment of members of the Executive Board during the period of Declarant Control. The initial Executive Board of Directors shall consist of one (1) member, whose name and address is Erin Eddy, PO Box 646, 917 Main Street, Ouray, CO 81427. After the first Unit is sold to a person other than the Declarant, the Executive Board shall consist of three (3) members. Only Owners, eligible to vote and otherwise in good standing, or officers of any corporate Owner of a Unit, or a partner in any partnership owning a Unit, or trustee of any trust owning a Unit, may be elected or appointed to fill a vacancy on the Executive Board; provided, however, Declarant shall have the right to appoint members to the Executive Board and to have members remain on the Executive Board as provided in the Declaration and the Act. In the case where, through removal or resignation, the total number of Executive Board members is less than three, the Executive board will be considered properly constituted until such vacancies are filled.

B. Qualification; Term. Directors must be members of this corporation, or officers of any corporate Owner of a Condominium, or a partner in any partnership owning a Condominium, or trustee of any trust owning a Condominium. Directors shall be elected by the members at annual meetings and shall serve until the next annual meeting of members or until their successors are duly elected and qualified.

C. Succession Upon Transfer of Unit or Resignation of Director. Upon the transfer of any Unit by an owner serving on the Executive Board, or the resignation of any owner serving on the Executive Board, the seat occupied by such director shall be deemed vacant, and such vacancy shall be filled forthwith by the remaining members of the Executive Board. Each person so elected or appointed to fill a vacancy shall serve on the Executive Board for the remainder of the term of the director so replaced.

D. Meetings. There shall be a regular meeting of the Executive Board immediately following the annual meeting of the members of the Association, and the Board may establish regular meetings to be held at such other places and at such other times as it may determine from

time to time. After the establishment of the time and place for such regular meetings, no further notice thereof need be given. Special meetings of the Board may be called by the president, or, upon written request delivered to the secretary of the Association by any one Director.

E. Notices and Waiver. The secretary shall give three days notice of special meetings to each Director. Such notice may be given orally, in person or by telephone, or in writing, served on or mailed to each Director. Neither the business to be transacted at, nor the purpose of any regular or special meeting of the Executive Board of Directors need be specified in the notice of waiver of such meeting.

Written waiver of notice signed by a Director, whether before or after the time stated therein, shall be the equivalent to the giving of such notice. Attendance of a Director at any meeting shall constitute a waiver of notice of such meeting except when a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

F. Quorum; Vote Required; Adjournment. At any meeting of the Executive Board after sale of a Unit by Declarant, two (2) of the number of Directors acting and qualified shall constitute a quorum for the transaction of business. The act of the majority of the Directors present at a meeting at which a quorum is present shall be the act of the Executive Board, except as otherwise specifically required by law, the Articles of Incorporation, these Bylaws or the Declaration. If a quorum does not exist, a majority of the Directors present may adjourn the meeting for a time not exceeding thirty days. If a quorum is not present at such adjourned meeting, those present shall constitute a quorum, and a vote of a majority shall be sufficient to pass all resolutions or other acts.

G. Action of Directors without a Meeting. Any action required to be taken, or any action which may be taken, at a meeting of the Directors, may be taken without a meeting if a consent in writing, setting forth the action so taken shall be signed by a majority of the Directors entitled to vote with respect to the subject matter thereof.

H. Types of Communication in Lieu of Attendance. Any member of the Executive Board may attend a meeting of the Executive Board by: (i) using an electronic or telephonic communication method whereby the member may be heard by the other members and may hear the deliberations of the other members on any matter properly brought before the Executive Board; or (ii) by participating in “real time” e-mail communication when all Board members are participating in this form of communication. The vote of such member shall be counted and the presence noted as if that member was present in person on that particular matter.

ARTICLE IV OFFICERS

A. General. The officers of the Association may consist of a president, one or more vice presidents, a secretary and a treasurer or a combined secretary-treasurer. The officers of the Association shall serve at the pleasure of the Executive Board, and the Executive Board may appoint such other officers, agents, factors and employees as it may deem necessary or desirable.

Officers may be, but need not be, members of the Association. Any person may hold two or more offices simultaneously.

B. President. The president shall be the principal executive officer of the Association and, subject to the control of the Executive Board, shall direct, supervise, coordinate and have general control over the affairs of the Association and shall have the powers generally attributable to the chief executive officer of the Association. The president shall preside at all meetings of the members of the Association.

C. Vice President. Vice presidents may act in place of the president in case of this death, absence, inability or failure to act and shall perform such other duties and have such authority as is from time to time delegated by the Executive Board or by the president.

D. Secretary. The secretary shall be the custodian of the records and of the seal of the Association and shall affix the seal to all documents requiring the same; shall see that all notices are duly given in accordance with the provisions of these Bylaws and as required by law and that the books, reports, and other documents and records of the Association are properly kept and filed; shall keep minutes of the proceedings of the members and of the Executive Board; shall keep a record of the names and addresses of the Owners and co-owners entitled to vote and, in general, shall perform all duties incident to the office of the secretary and such other duties as may, from time to time, be assigned to him by the Executive Board or by the president.

E. Treasurer. The treasurer shall have charge and custody of and be responsible for all funds and securities of the Association, shall deposit all such funds in the name of the Association in such depositories as shall be designated by the Board of Directors, shall keep correct and complete books and records of account and records of financial transactions and conditions of the Association and shall submit such reports thereof as the Executive Board may, from time to time, require and, in general, shall perform all the duties incident to the office of the treasurer, and such other duties as may from time to time be assigned to him by the Executive Board of Directors or by the president.

F. Compensation. Subject to the restrictions in these By-laws, officers, agents, factors and employees shall receive such reasonable compensation for their services as may be authorized or ratified by the Executive Board. It is, to be specifically understood, however, that appointment of an officer, agent, factor or employee shall not of itself create contractual rights to compensation for services performed as such officer, agent, factor or employee.

ARTICLE V CONTRACTS, CONVEYANCE, CHECKS AND MISCELLANEOUS

A. Contracts. The Executive Board may authorize any officer or agent of the Association to enter into any contract or execute and deliver any instrument in the name of the Association, except as otherwise specifically required by the Articles of Incorporation or these Bylaws.

B. Conveyances and Encumbrances. Association property may be conveyed or

encumbered by authority of the Executive Board or such other person or persons to whom such authority may be delegated by resolution of the Board. Conveyances or encumbrances shall be by instrument executed by the president or a vice president and the secretary, or executed by such other person or persons to whom such authority may be delegated by the Board.

C. Checks. All checks, drafts, notes and others for the payment of money shall be signed by the president or a vice president or the treasurer, or shall be signed by such other officer or officers of the Association as shall be duly authorized by resolution of the Executive Board. Any check, draft, or note in excess of \$1,000.00 shall require the express approval of the Executive Board and the signature of at least two (2) officers of the Association.

D. Fiscal Year. The fiscal year of the Association shall be the calendar year.

E. Seal. There shall be no corporate seal.

ARTICLE VI RIGHTS AND OBLIGATIONS OF THE ASSOCIATION AND THE MEMBERS

A. Annual Assessments. The Executive Board of Directors may fix, levy, and collect assessments in the manner and for the purposes specified in the Declaration, and the members shall pay assessments as therein provided.

B. Other Rights and Obligations. The Executive Board may act in all instances on behalf of the Association in the performance of all obligations and duties and the exercise all rights and powers of the Association as set forth in the Declaration and the Act. All the relative rights and duties of the Association and the members as therein prescribed shall be binding on said parties to the same extent as if set forth in full in these Bylaws. Without limiting the generality of the foregoing the Executive Board shall have the following duties and powers:

1. Adopt and amend Bylaws and Rules and Regulations.
2. Adopt and amend budgets for revenues, expenditures and reserves. As part of the adoption of the regular budget the Executive Board shall include an amount which, in its reasonable business judgment, will establish and maintain an adequate reserve fund for the expansion, modification or replacement of improvements to the Common Elements based upon the age, remaining life and the quantity and replacement cost of improvements to the Common Elements.
3. Suspend the voting interests allocated to a Unit, and the right of an Owner to cast such votes, or by proxy the votes of another, during any period in which such Owner is in default in the payment of any Assessment, or, after notice and hearing, during any time in which an Owner is in violation of any other provision of the Governing Documents.
4. Hire and discharge managing agents.
5. Hire and discharge employees, independent contractors and agents.
6. Institute, defend or intervene in litigation or administrative proceedings or seek injunctive relief for violations of the Governing Documents in the Association's name, on behalf of the Association or on behalf of two or more Owners in matters affecting the Common Interest

Community.

7. Make contracts and incur liabilities.
8. Regulate the use, maintenance, repair, replacement and modification of all property within the Project.
9. Cause additional improvements to be made as a part of the Common Elements.
10. Acquire, hold, encumber and convey, in the Association's name, any right, title or interest to real estate or personal property, but Common Elements may be conveyed or subjected to a security interest only pursuant to Section 312 of the Act.
11. Grant easements for any period of time, including permanent easements, and grant leases, licenses and concessions, through, over or under the Common Elements.
12. Impose and receive, on behalf of the Association, a payment, fee or charge for services provided to Owners and for the use, rental and operation of the Common Elements.
13. Establish from time to time, and thereafter impose, charges for late payment of Assessments or any other sums due and, after notice and hearing, levy a reasonable fine for a violation of the Governing Documents.
14. Impose a reasonable charge for the preparation and recording of amendments to the Declaration or statements of unpaid Assessments.
15. Provide for the indemnification of the Association's officers and the Executive Board to the extent provided by law, provide for the indemnification of committee members to the extent the Executive Board deems just and reasonable, and maintain directors' and officers' liability insurance.
16. Declare the office of a member of the Executive Board to be vacant in the event such member shall fail to participate in three (3) regular meetings of the Executive Board during any one year period.
17. Appoint any committee as required or permitted by the Declaration or these Bylaws or as may be deemed appropriate by the Executive Board to carry out its purposes and duties, and by resolution, establish committees, permanent and standing, to perform any of the above functions under specifically delegated administrative standards as designated in the resolution establishing the committee.
18. By resolution, set forth policies and procedures which shall be considered incorporated herein by reference as though set forth in full, and which provide for corporate actions and powers which are different than those set forth in the CRNCA but which are permitted by the CRNCA to be "otherwise set forth in the Bylaws." Such resolutions shall be given the same force and effect as if specifically enumerated in these Bylaws.
19. Exercise any other powers conferred by the Declaration, the Articles of Incorporation, these Bylaws, the Act or the CRNCA.
20. Exercise any other power necessary and proper for the governance and operation of the Association.
21. Exercise any other power that may be exercised in the state by a legal entity of the same type as the Association.

C. Tax exempt requirements. If the Association is a tax exempt organization within the meaning of Federal law, the Association shall meet these requirements:

1. the Association is organized and operated to provide for acquisition, construction, management, maintenance and care of the Association's property;
2. a minimum of 60% of the organization's income must come from Member's

assessments, special assessments or dues;

3. a minimum of 90% of the annual expenditures of the association shall be spent to acquire, construct, manage maintain and care or improve its property;

4. no part of the association's net earnings shall inure to the benefit of any private shareholder or individual; and

5. substantially all of the dwelling units in the Common Interest Community shall be used by individuals for residences.

ARTICLE VII INDEMNIFICATION

A. Actions Other Than by or in the Right of the Association. The Association shall indemnify any person who was or is a party, or is threatened to be made a party to any threatened, pending, or completed action, suit, proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the Association) by reason of the fact that he or she is or was a member of the Executive Board or officer of the Association, who is or was serving at the request of the Association in such capacity, against expenses (including expert witness fees, attorneys' fees and costs) judgments, fines, amounts paid in settlement actually and reasonably incurred by him or her in connection with such action, suit or proceeding, if he or she acted in good faith and in a manner which such individual reasonably believed to be in the best interests of the Association, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful. Determination of any action, suit or proceeding by judgment, order settlement or conviction, or upon a pleas of *nolo contendere* or its equivalent, shall not of itself create a presumption that the person did not act in good faith and in a manner he or she reasonably believed to be in the best interests of the Association and, with respect to any criminal action or proceeding, had reasonable cause to believe his or her conduct was unlawful. Such liability shall be satisfied within thirty (30) days after request therefore if there exists adequate operating funds but, if not, the funds shall be raised by a special assessment of the Owners as quickly as possible, with the need of Owners' approval.

B. Actions By or in the Right of the Association. The Association shall indemnify any person who was or is a party or who is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the Association to procure judgment in its favor by reason of the fact that such person is or was a member of the Executive Board or officer of the Association or is or was serving at the request of the Association in such capacity, against expenses (including expert witness fees, attorneys' fees and costs) actually and reasonably incurred by him or her in connection with the defense or settlement of such action or suit if such person acted in good faith and in a manner which he or she reasonably believed to be in the best interests of the Association; but no indemnification shall be made in respect of any claim, issue or matter as to which such person has been adjudged to be liable for negligence, recklessness or willful misconduct in the performance of his or her duty in the Association unless, and to the extent that the court in which such action or suit was brought determines upon application that, despite the adjudication of liability, but in view of all circumstances of the case, such person is fairly and reasonably entitled to indemnification for such expenses if such court deems it proper.

C. Successful on the Merits. To the extent that a member of the Executive Board or any manager, officer, project manager, employee, fiduciary or agent of the Association has been wholly successful on the merits in defense of any action, suit or proceeding referred to in subparagraphs A or B of this Article VII, or in defense of any claim, issue or matter therein, such person shall be indemnified against expenses (including expert witness fees, attorneys' fees and costs) actually and reasonably incurred by him or her in connection therewith.

D. Determination Required. Any indemnification under of subparagraphs A and B of this Article VII (unless ordered by a court) and as distinguished from subparagraph C of this Article VII, shall be made by the Association only as authorized by the specific case upon a determination that indemnification of the member or the Executive Board or officer is proper in the circumstances because such individual has met the applicable standard of conduct set forth in subparagraphs A and B above. Such determination shall be made by the Executive Board by majority vote of a quorum consisting of those members of the Board who were not parties to such action, suit or proceeding or, if a majority of disinterested members of the Executive Board so directs, by independent legal counsel or by member entitled to vote thereon. Such determination shall be reasonable, based on substantial evidence of record, and supported by written opinion. The Executive Board shall provide a copy of its written opinion to the officer or Executive Board member seeking indemnification upon request.

E. Payment in Advance of Final Disposition. The Association shall pay for or reimburse the reasonable expenses incurred by a former or current member of the Executive Board or officer who is a party to a proceeding in advance of final disposition of the proceeding if (i) the member of the Executive Board or officer furnishes to the Association a written affirmation of the Executive Board member's good faith belief that he or she has met the standard of conduct described in subparagraphs A or B of this Article VII; (ii) the Executive Board member or officer furnishes to the Association a written understanding, executed personally or on the Executive Board member's or officer's behalf to repay the advance if it is ultimately determined that the Executive Board member or officer did not meet the standard of conduct; and (iii) a determination is made that the facts then known to those making the determination would not preclude indemnification under this Article. The undertaking required in this subparagraph E shall be an unlimited general obligation of the Executive Board but need not be accepted by the Executive Board member or officer or may be accepted without reference to financial ability to make repayment.

F. No Limitation of Rights. The indemnification provided by this Article VII shall not be deemed exclusive or nor a limitation upon any other rights to which those indemnified may be entitled under any bylaw, agreement, vote of the Members or disinterested members of the Executive Board, or otherwise, nor by any rights which are granted pursuant to the Act or CRNCA. Upon a vote of the Executive Board, the Association may also indemnify a Member appointed by the Executive Board to serve on a committee (when such committee member is not also a member of the Executive Board) upon such terms and conditions as the Executive Board shall deem just and reasonable.

G. Directors and Officers Insurance. The Association may purchase and maintain insurance on behalf of any person who is or was a member of the Executive Board or an officer

of the Association against any liability asserted against him or her and incurred by such individual in any such capacity or arising out of his or her status as such, whether or not the Association would have the power to indemnify such individual against such liability un the provisions of this Article VII.

ARTICLE VIII RECORDS

A. Records and Audits. The Association shall maintain financial records. The cost of any audit or review shall be a Common Expense unless otherwise provided in the Declaration. An audit or review shall be done no less often than every three years, unless otherwise provided for in the Declaration, the Act or as determined by the Executive Board.

B. Examination. All records maintained by the Association or the Manager shall be available for examination and copying by any Owner or by any of their duly authorized representatives, at the expense of the person examining the records, during normal business hours and after reasonable notice in accordance with the CRNCA and the Act.

C. Records. The Association shall keep the following records:

1. An account for each Unit, which shall designate the name and address of each Owner, the name and address of each mortgagee who has given notice to the Association that it holds a mortgage on the Unit, the amount of each Common Expense Assessment, the dates on which each Assessment comes due, the amounts paid on the account and the balance due;
2. The current operating budget;
3. A record of insurance coverage provided for the benefit of Owners and the Association for the immediately preceding three years;
4. Tax returns for state and federal income taxation for the preceding seven years;
5. Minutes of proceedings of incorporators, Owners, Members, Executive Board and its committees (including written consents), and waivers of notice;
6. A copy of the most current versions of the Articles of Incorporation, Declaration, these Bylaws, Rules and Regulations, and resolutions of the Executive Board, along with their exhibits and schedules;
7. All written communications to Owners (which communications shall only be made available to the Owner with whom the Association has communicated);
8. A list of the names and business or home addresses of the current members of the Executive Board and officers;
9. A copy of the Association's most recent corporate report filed with the Colorado Secretary of State in accordance with the CRNCA; and
10. Such other records as the Executive Board shall determine from time to time are necessary and desirable.

ARTICLE IX AMENDMENTS

A. Articles of Incorporation. Amendments may be made to the Articles of Incorporation

in the manner provided by the laws of the State of Colorado by vote of the membership of the Association at any annual or special meeting of the membership, provided that the notice of such meeting states that such amendment is to be considered.

B. Bylaws. These Bylaws may at any time and from time to time be amended, altered or repealed by the Executive Board of Directors, or by vote of the membership of the Association, at any annual or special meetings provided that the notice of such meeting states that such amendment, alteration or repeal is to be considered.

C. Limitation on Amendments/Conflicts of Documents. No amendment to the Articles of Incorporation or these Bylaws shall be contrary to or inconsistent with any provision of the Declaration. In case if any conflict between the Articles of Incorporation and these Bylaws, the Articles shall control; in the case of any conflict between the Declaration and these Bylaws, the Declaration shall control; in the case of any conflict between the Articles of Incorporation and the Declaration, the Declaration shall control.

ADOPTED AND APPROVED effective the ____ day of _____, 2022.

Erin Eddy, Board President

Community Development Department

EXHIBIT F: Minor Subd Application & Authorization of Agent



320 6th Avenue | P.O. Box 468 Ouray, CO 81427
 buildinginspector@cityofouray.com | 970-325-7063

MASTER LAND USE APPLICATION FORM

Please submit the completed Master Land Use Application, any required submittals, and required fee to the Community Development Department for review.

APPLICATION SELECTION		
<i>Please select (✓) which type of application you are applying for and reference the corresponding application fee.</i>		
LAND USE APPLICATION TYPE	OURAY MUNICIPAL CODE REFERENCE	REQUIRED FEE
() Site Development Permit (SDP)	§7-4	\$200
() Conditional Use Permit	§7-5-F	\$200
() Variance Request	§7-5-G	\$500
() Rezone	§7-5-I	\$200
() Planned Unit Development (PUD) <i>via subdivision</i>	§7-8	\$500
() Subdivision – Sketch Plan	§7-7-C-2	\$200
() Subdivision – Preliminary Plat	§7-7-C-3	\$400
() Subdivision – Final Plat	§7-7-C-4	\$300
() Lot Split	§7-7-C-5	\$300
() Replat	§7-7-C-6	\$300
() Plat Amendment	§7-7-C-7	\$300
(X) Minor Subdivision	§7-7-C-8	\$250
() Mobile Home/RV Park	§7-5-J-3	\$300
() Condominiumization <i>via subdivision</i>	§7-10	
() Other:		

CONTACT INFORMATION	
Applicant Name: <u>Erin Eddy</u>	
Address: <u>917 Main St., Second Floor</u> City/State/ZIP: <u>Ouray, CO 81427</u>	
Phone: _____	Email: _____
Property Owner(s): <u>OURLOCOL, LLC</u>	
Address: <u>PO Box 811</u> City/State/ZIP: <u>Ouray, CO 81427</u>	
Phone: _____	Email: _____
Contact (<i>if different than Applicant</i>): <u>Lane Thomasson</u>	
Address: <u>917 Main St., Second Floor</u> City/State/ZIP: <u>Ouray, CO 81427</u>	
Phone: <u>970-325-4414</u>	Email: <u>lane@ouraylaw.com</u>

PROJECT INFORMATION	
Project Title: <u>S&S Subdivision</u>	
Site Address: <u>304 6th Avenue, Ouray, CO 81427</u>	
Parcel Number(s): <u>451531207014</u>	
Zoning District: <input checked="" type="checkbox"/> One <input type="checkbox"/> R-1 <input type="checkbox"/> R-2 <input type="checkbox"/> C-1 <input type="checkbox"/> C-2	
Proposed Use: <u>Residential and Commercial</u>	Existing Use: <u>Commercial</u>
Proposed Site Area (combined sq. ft.): <u>1250 sq ft</u>	

(Continued on back)

EXHIBIT F: Minor Subd Application & Authorization of Agent

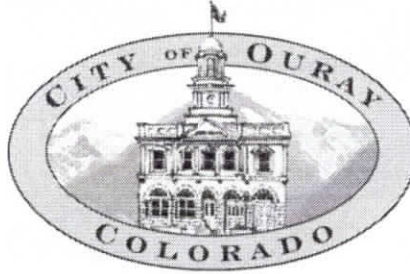
Existing Building sq. ft.: 3175 sq ft	Proposed Building sq.ft.: 3175 sq ft
# of Existing Lots: 1	# of Proposed Lots: 2
Project Description (brief): <u>The purpose of this application is to convert ownership of Units 1 and 2 into condominiums.</u> <u>Please see Project Narrative that is attached to this application for further information.</u>	
Is the property subject to natural/geologic hazards? (e.g. flooding, landslides, rockfall, debris flow) () Yes (x) No (✓) One	
If yes, briefly describe:	

SUBMITTAL REQUIREMENTS*	
<i>Required for ALL Land Use Application types.</i>	
	Completed Land Use Application (herein)
	Appropriate fees (outlined above; checks paid to the City of Ouray)
	Detailed Site Plan(s): 1) Electronic copy/PDF(s) submitted via email/flash drive to Community Development Department 2) 24"x 36" hard copies submitted to Community Development Department (<i>only if requested/required</i>)
	Project Narrative including purpose, goals, end-result, current conditions, etc. of proposed land use application (via electronic or hard copy submitted to Community Development Department)
	Any required information , material(s), and/or report(s). <i>See referenced Ouray Municipal Code section(s), above, for additional/supplemental required information and processes.</i> (via electronic or hard copy submitted to Community Development Department)
	Evidence of ownership or written notarized consent of legal owner(s). <i>Corporations or similar entities must provide written documentation on who is authorized to represent and act on behalf of the organization.</i> (via electronic or hard copy submitted to Community Development Department)
* INCOMPLETE APPLICATIONS WILL NOT BE ACCEPTED	

Per Ouray Municipal Code Section 7-3-B: Fees. *The applicant is responsible for all costs incurred by the City which may include legal fees, postage, notice and publication costs, other professional services or charges by outside agencies for the review and processing of the applicant's request. The Applicant will be invoiced of such charges for payment within 30 days of mailing. Invoices not paid prior to the final decision meeting or action as requested, may cause the matter to be delayed to a subsequent date/time or the application could be denied. Please review the full statement in the Code regarding payment of fees.*

CERTIFICATION	
By affixing my signature hereto, I certify under penalty of perjury that the information furnished herein is true and correct to the best of my knowledge and that I am the owner of the premises where the work is to be performed or am acting as the owner's authorized agent. I further agree to hold harmless the City of Ouray as to any claim (including costs, expenses and attorney's fees incurred in the investigation of such claim) which may be made by any person, including the undersigned, and filed against the City of Ouray, but only where such claim arises out of the reliance of the City, including its officers and employees, upon the accuracy of the information provided to the City as a part of this application.	
Applicant's Signature: (Required)	Date: 3/25/22
Property Owner's Signature: (Required)	Date: 3/25/22
Agent's Signature: (If you are acting as an owner's agent, you must provide Authorization of Agent form)	Date: 3/28/2022

320 6th Avenue
PO Box 468
Ouray, Colorado 81427



970.325.7211
Fax 970.325.7212
www.cityofouray.com

City of Ouray Authorization of Agent Form

This form is required if someone other than the owner of a property will be acting as the Authorized Agent for a building project.

Property Information:

Project Address: 304 and 306 Sixth Avenue, Ouray, CO 81427

Parcel Number(s): 451531207014

Contact Information:

Owner's Name(s): OURLOCOL, LLC

Mailing Address: PO Box 811, Ouray, CO 81427

Phone: _____ Email Address: _____

Authorized Agent's Name: Lane Thomasson

Mailing Address: 917 Main St., Ouray, CO 81427

Phone: 970-325-4414 Email Address: lane@ouraylaw.com

I/we the undersigned owner/s of the above described real property located in the City of Ouray, Colorado hereby authorize:

Lane Thomasson, Attorney at Hockersmith & Whitmore, LLC

(Print name of authorized agent)

To act in my/our behalf in applying for permits from the City of Ouray as required by existing City of Ouray regulations pertaining to zoning, building, encroachments, excavation, and utilities.

Signature: 
(Property owner of record) Erin Eddy

Date: 3/22/22

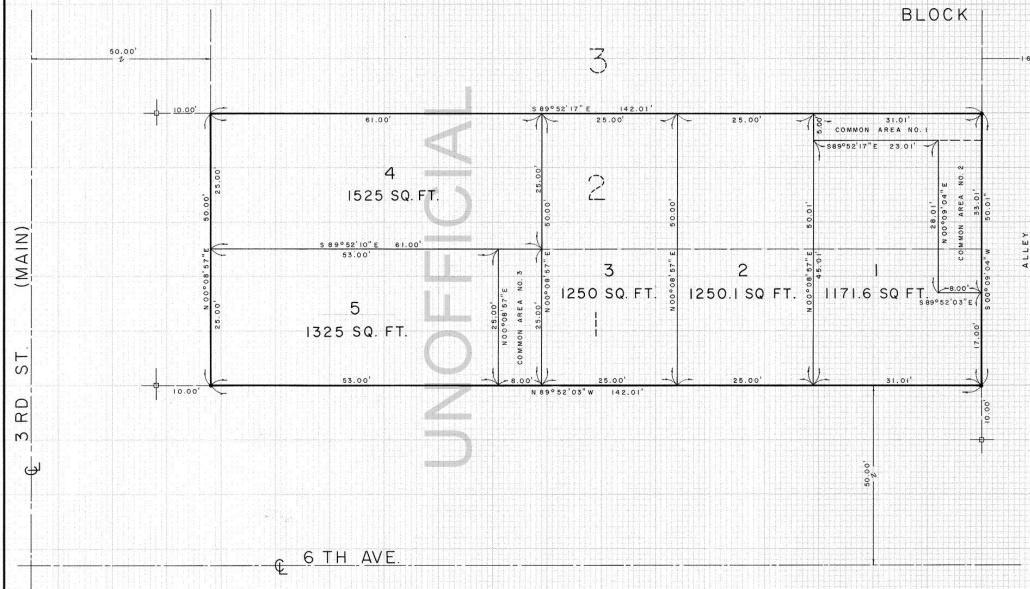
Signature: _____
(Property owner of record)

Date: _____

Signature: _____
(Property owner of record)

Date: _____

S AND S SUBDIVISION
 A RESUBDIVISION OF LOT 1 AND 2 BLOCK 18
 CITY OF OURAY, COLORADO



UNOFFICIAL

DOCUMENT

CERTIFICATE OF OWNERSHIP

Know all men by these presents that the undersigned being the owners of certain lands in the City of Ouray, State of Colorado, being Lot 1 and Lot 2 Block 18 as hereon shown, have caused some to be laid out, plotted and subdivided under the name and style of S AND S Subdivision as shown.

Glen J. Bertrand
 Glen J. Bertrand

Colleen W. Bertrand
 Colleen W. Bertrand

STATE OF COLORADO
 COUNTY OF OURAY

The foregoing signatures were acknowledged before me this 16th day of October, A. D., 1980 by Glen J. Bertrand and Colleen W. Bertrand.

My commission expires 1/1/81

Witness my hand and seal *[Signature]*
 Notary Public



ATTORNEYS CERTIFICATE

I certify that I have examined the title to the platted property and that the record owners and all holders of encumbrances affecting the property have executed this plat and joined in the dedication of all roads, easements and public areas.

P. David Smith
 Attorney at Law
 Registration No. 7188
 Date 10/20/80

APPROVAL OF PLANNING COMMISSION

Approved by the City of Ouray Planning Commission this 13 day of October, A. D., 1980.

[Signature]
 Chairman

APPROVAL OF CITY COUNCIL

Approved by the City Council this subseq day of October, A. D., 1980.

ATTEST
[Signature]
 City Clerk

[Signature]
 Mayor

SURVEYORS CERTIFICATE

I, M. H. Smith, hereby certify that this survey and plat consisting of one sheet, was prepared under my direct supervision and that said survey and plat conforms to all requirements of Chapters 38-51-102, Colorado Revised Statutes 1973, as amended and all applicable Ouray City regulations.

[Signature]
 M. H. Smith L. S. 10738

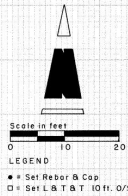


RECORDERS CERTIFICATE

This plat was filed for record in the office of the Clerk and Recorder of Ouray County on 3/15/81, on the 16th day of October, A. D., 1980, in Book 154, Page Three Only, Reception No. 129340.

[Signature]
 County Clerk & Recorder

NOTE: Restrictions and Provisions pertaining to this subdivision are recorded in the office of the Ouray County Clerk and Recorder in Book 154, at page 294 as Reception No. 129339



LEGEND
 • • Set Rebar & Cap
 □ □ Set L & T 10 ft. 0/5

OCTOBER 1980

DEL-MONT CONSULTANTS, INC.
 ENGINEERS - SURVEYORS
 DELTA - MONTROSE, COLORADO

80121

RESTRICTIONS FOR S and S SUBDIVISION
OURAY COLORADO

ROOF/DRAINAGE - All buildings shall have flat roofs constructed to minimum 100 lb./sq. ft. snow load with drainage through at least one 4" pipe. Lots 1, 2 and 3 shall drain to City storm sewer through South lot lines. Lot 4 shall drain to City storm sewer through West lot line. Lot 5 shall drain to City storm sewer through West or South lot line.

SEWER/WATER - Lots 1, 2 and 3 shall connect directly to sewer and water existing in 6th Avenue. Lot 4 shall connect to sewer and water existing in Main Street. Lot 5 shall connect to sewer and water in either 6th Avenue or Main Street.

ELECTRICAL/TELEPHONE - Common Area 2 may be used for location of meters for all lots, with overhead easements reserved over all lots for service to all lots of subdivision. Underground utility service to all lots is also available through Common Areas.

GARBAGE - Common Area 2 is also provided for use of all lot owners for dumpsters and other garbage containers. No garbage shall be stored at any other location in the subdivision.

ACCESS/FIRE PROTECTION - Rear entry access to first and second stories of all lots is provided by Common Areas 1 and 3. Common landing and staircase shall be built from second floor to ground level and Common Area 1 shall be roofed and enclosed by owners of Lot 1 at the time any building is built on said lot. Common landing and staircase shall be built from second floor to ground level and Common Area 3 shall be roofed and enclosed by owners of Lot 5 at the time any building is built on said lot.

ARCHITECTURAL - All exposed facades of buildings shall be 16 to 24 feet in height and of brick or brick veneer of a style typical from 1880 to 1920 in Ouray. All fire district rules and regulations shall be met. No building shall be over two stories in height. All common walls shall be party walls and adjoining land owners shall have the right to connect to or extend said walls as long as they pay the constructing party one-half of the cost of such part of the wall as shall be used. Any repairs to party walls shall be borne in proportion to the extent it is being used by lot owners.

Filed for record on October 11, 1985 at 1:25 o'clock P.M.
Duly recorded in Book 204 Page 247
No. 138013
Addie A. Sim, Ouray County Clerk & Recorder

AMENDED RESTRICTIONS FOR
S and S SUBDIVISION
OURAY, COLORADO

ROOF/DRAINAGE- All buildings shall have flat roofs constructed to minimum 100 lb./sq.ft. snow load with drainage through at least one 4" pipe. Lots 1, 2 and 3 shall drain to City storm sewer through South lot lines. Lot 4 shall drain to City storm sewer through West lot line. Lot 5 shall drain to City storm sewer through West or South lot line.

SEWER/WATER- Lots 1,2 and 3 shall connect directly to sewer and water existing in 6th Avenue. Lot 4 shall connect to sewer and water existing in Main Street. Lot 5 shall connect to sewer and water in either 6th Avenue or Main Street.

ELECTRICAL/TELEPHONE- Common Area 2 may be used for location of meters for all lots, with overhead easements reserved over all lots for service to all lots of subdivision. Underground utility service to all lots is also available through Common Areas.

GARBAGE- Common Area 2 is also provided for use of all lot owners for dumpsters and other garbage containers. No garbage shall be stored at any other location in the subdivision.

ACCESS/FIRE PROTECTION- Rear entry access to first and second stories of all lots is provided by Common Areas 1 and 3. Common landing and staircase shall be built from second floor to ground level and Common Area 1 shall be roofed and enclosed by owners of Lot 1 at the time any building is built on said lot. Common landing and staircase shall be built from second floor to ground level and Common Area 3 shall be roofed and enclosed by owners of Lot 5 at the time any building is built on said lot.

ARCHITECTURAL- All exposed facades of buildings shall be 16 to 24 feet in height and of brick or brick veneer or a style typical of that from 1880 to 1920 in Ouray. All fire district rules and regulations shall be met. No building shall be over two stories in height. All common walls shall be party walls and adjoining land owners shall have the right to connect to or extend said walls so long as they pay the constructing party one-half of the cost of such part of the wall as shall be used. Any repairs to party walls shall be borne in proportion to the extent it is being used by lot owners.


P. David Smith


Janelyn M. Smith

State of Colorado
County of Ouray ss.

The foregoing Amended Restrictions for S and S Subdivision were acknowledged before me this 8th day of October, 1985, by P. David Smith and Janelyn M. Smith.

Witness my hand and official seal.
My Commission expires: 8-11-88


Diane Hill
Notary Public

AMENDED RESTRICTIONS FOR S and S SUBDIVISION
Page 2

Richard C. Schoenebaum
Richard C. Schoenebaum

Marilyn M. Schoenebaum
Marilyn M. Schoenebaum



State of ~~Colorado~~ ^{Ohio}
County of ~~Ouray~~ ^{HAMILTON} ss.

The foregoing Amended Restrictions for S and S Subdivision were acknowledged before me this 4 day of Oct, 1985, by Richard C. Schoenebaum and Marilyn M. Schoenebaum.
Witness my hand and official seal.

My Commission expires:
KAREN H. MORAN
Notary Public, State of Ohio
My Commission Expires Sept. 16, 1988

Karen H. Moran
Karen H. Moran

Christian Schirmbeck
Christian Schirmbeck

Adelheid Schirmbeck
Adelheid Schirmbeck

State of Colorado
County of Ouray ss



The foregoing Amended Restrictions for S and S Subdivision were acknowledged before me this 8th day of October, 1985, by Christian Schirmbeck and Adelheid Schirmbeck.
Witness my hand and official seal.

My Commission expires: 8-11-88

Diane Hill
Notary Public

David S. Westfall
David S. Westfall

Kristi R. Westfall
Kristi R. Westfall

STATE OF COLORADO)
) ss.
COUNTY OF OURAY)

The foregoing Amended Restrictions for S and S Subdivision were acknowledged before me this 8th day of October, 1985, by David S. Westfall and Kristi R. Westfall.

Witness my hand and official seal.

My Commission Expires: 8-11-88

Diane Hill
Notary Public

**SECOND AMENDED RESTRICTIONS
FOR S AND S SUBDIVISION
OURAY, COLORADO**

David S. Westfall Trust dated 11-19-03 and Kristi R. Westfall Trust dated 11-19-03, Alice Leeper and Larry Leeper, Sixth Cents Building, LLC and Brad Handler, Personal Representative of the Estate of Norton J. Handler shall be known as "Declarants" and hereby establish, adopt and impose upon the Subdivision the use limitations and restrictions herein set forth. This Second Amendment to Restrictions shall be recorded in the public records of the County of Ouray, State of Colorado and shall amend, in part, the Restrictions recorded on October 21, 1980 at Reception No. 129339 and Amended Restrictions recorded on October 11, 1985 and recorded at Reception No. 138013. This amendment shall also modify, in part, that certain agreement recorded on December 22, 1986 in Book 209 at Page 233 affecting Lots 4 and 5 of said Subdivision.

Declarants hereby state that all of the land within the Subdivision shall be held, sold and conveyed subject to the following easements, restrictions, covenants, reservations and conditions, which are for the purpose of protecting the value and desirability of and which shall run with the real property and be binding on all parties having any right, title or interest in the described property, or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each owner thereof. Each party, by acceptance of title to any lot herein described, shall agree and covenant to abide by and perform the terms, conditions, restrictions and covenants as set forth herein.

The amendments are as follows:

1. There shall be no height or story restrictions on any building located within the Subdivision. However, no structure shall be built in violation of any State or local building code, ordinance or regulation.
2. The present fireplace chimney easement from the ground floor of Lot 4 through the common wall to Lot 5 and straight up to the roof of Lot 5 is not presently being utilized. However, the easement shall remain in its present location and shall remain unchanged. If any present or future owner of Lot 5 shall construct a third floor, said chimney duct will be extended at the cost of the owner of Lot 4 up to the roof through the third story of said building on Lot 5.
3. There is presently a waterline easement from 6th Avenue under the building on Lot 5 to Lot 4. If this waterline shall become inoperable so as to necessitate repair, removal, or relocation, it is agreed that the cost of such repair, removal or relocation shall be borne by the present or future owner of Lot 4. The

parties hereto agree that the Owner of Lot 4 may relocate the waterline through Common Space Number 3 rather than through Lot 5.

Governing Law. This Agreement shall be governed by the laws of the State of Colorado and shall be construed in accordance therewith.

Authority. By executing this Agreement all individuals hereto make the representation to the other parties hereto that they have full right, power and authority to execute this agreement on behalf of the entity or entities they are signing this document and that all other parties have a right to rely upon this representation.

Waiver. No provision of this Agreement may be waived except by an agreement in writing signed by the waiving party. A waiver of any term or provision shall not be construed as a waiver of any other term or provision, or as a continuing waiver of that term or provision.

Amendment. This Agreement may be amended, altered or revoked at any time, in whole or in part, by a written instrument setting forth such changes, signed by all of the parties hereto.

Binding Effect and Entire Agreement. This Agreement shall be binding upon the parties, their heirs, legal representatives, successors and assigns, and embodies the entire agreement and understanding between the parties with regard to the subject matter thereof. The parties agree to do any and all things necessary to effectuate the purposes of this Agreement.

Construction. Throughout this Agreement, the singular shall include the plural, the plural shall include the singular, and the masculine shall include the feminine wherever the context so requires. These covenants shall be binding upon the parties, their successors and assigns and the benefit and burden hereof shall run with the title to all real property in the S & S subdivision.

Text to Control. The headings of articles and sections are included solely for convenience of reference. If any conflict between any heading and the text of this Agreement exists, the text shall control.

Severability. If any provision of this Agreement is declared by any court of competent jurisdiction or any arbitrator to be invalid for any reason, such invalidity shall not affect the remaining provisions, which shall be fully severable, and this Agreement shall be construed and enforced as if such invalid provisions never had been inserted in the Agreement.

Counterparts. This Agreement may be executed in counterparts, each of which so executed shall, irrespective of the date of its execution and delivery, be deemed an original, and said counterparts together shall constitute one and the same Agreement.

RECEPTION#: 201210, 07/27/2009 at 03:59:26 PM, 3 OF 6 PAGES, MICHELLE NAUER, CLERK & RECORDER, OURAY COUNTY, CO.

Attorney Fees. In the event that a dispute arises out of this Agreement, the substantially prevailing party's reasonable attorney fees and costs shall be paid by the non-prevailing party or parties.

Executed this 20th day of JULY, 2009.

David S. Westfall Trust dated 11-19-03
Kristi R. Westfall Trust dated 11-19-03

By [Signature]
David S. Westfall, Trustee
Owner of Lots 1 and 2

Sixth Cents Building, LLC

By [Signature]
David Mullings, Manager
Owner of Lot 3

[Signature]

Alice Leeper
Owner of Lot 4

[Signature]
Larry Leeper
Owner of Lot 4

Brad Handler, Personal
Representative of The Estate of
Norton J. Handler
Owner of Lot 5



STATE OF COLORADO)
)ss.
COUNTY OF OURAY)

The foregoing instrument was acknowledged before me this 20th day of July, 2009, by David S. Westfall as Trustee of the David S. Westfall Trust dated 11-19-03 and the Kristi R. Westfall Trust dated 11-19-03.

Witness my hand and seal.
My commission expires: 11.7.2011

[Signature]
Notary Public

RECEPTION#: 201210, 07/27/2009 at 03:59:26 PM, 4 OF 6 PAGES, MICHELLE NAUER, CLERK & RECORDER, OURAY COUNTY, CO.

STATE OF COLORADO)
)ss.
COUNTY OF OURAY)



The foregoing instrument was acknowledged before me this 20th day of July, 2009, by David Mulling, Manager of Sixth Cents Building, LLC.

Witness my hand and seal.
My commission expires: 11-7-2011

Michael Canavan
Notary Public

STATE OF COLORADO)
)ss.
COUNTY OF OURAY)

The foregoing instrument was acknowledged before me this 20 day of July, 2009, by Alice Leeper and Larry Leeper.

Witness my hand and seal.
My commission expires: 7-15-12

Kerri Turnbull
Notary Public
My Commission Expires 07-15-2012

STATE OF CALIFORNIA)
)ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 2009, by Brad Handler, Personal Representative of The Estate of Norton J. Handler.

Witness my hand and seal.
My commission expires: _____

Notary Public

RECEPTION#: 201210, 07/27/2009 at 03:59:26 PM, 5 OF 6 PAGES, MICHELLE NAUER, CLERK & RECORDER, OURAY COUNTY, CO.

Attorney Fees. In the event that a dispute arises out of this Agreement, the substantially prevailing party's reasonable attorney fees and costs shall be paid by the non-prevailing party or parties.

Executed this ___ day of _____, 2009.


David S. Westfall Trust dated 11-19-03
Kristi R. Westfall Trust dated 11-19-03

By _____
David S. Westfall, Trustee
Owner of Lots 1 and 2
Sixth Cents Building, LLC

By _____
David Mullings, Manager
Owner of Lot 3

Alice Leeper
Owner of Lot 4

Larry Leeper
Owner of Lot 4



Brad Handler, Personal
Representative of The Estate of
Norton J. Handler
Owner of Lot 5

STATE OF COLORADO)
)ss.
COUNTY OF OURAY)

The foregoing instrument was acknowledged before me this ___ day of _____, 2009, by David S. Westfall as Trustee of the David S. Westfall Trust dated 11-19-03 and the Kristi R. Westfall Trust dated 11-19-03.

Witness my hand and seal.
My commission expires: _____

Notary Public

RECEPTION#: 201210, 07/27/2009 at 03:59:26 PM, 6 OF 6 PAGES, MICHELLE NAUER, CLERK & RECORDER, OURAY COUNTY, CO.

STATE OF COLORADO)
)ss.
COUNTY OF OURAY)

The foregoing instrument was acknowledged before me this _____ day of _____, 2009, by David Mulling, Manager of Sixth Cents Building, LLC.

Witness my hand and seal.
My commission expires: _____
Notary Public

STATE OF COLORADO)
)ss.
COUNTY OF OURAY)

The foregoing instrument was acknowledged before me this 21 day of _____, 2009, by Alice Leeper and Larry Leeper.

Witness my hand and seal.
My commission expires: _____
Notary Public

STATE OF CALIFORNIA)
)ss.
COUNTY OF Orange)

The foregoing instrument was acknowledged before me this 21 day of July, 2009, by Brad Handler, Personal Representative of The Estate of Norton J. Handler.

Witness my hand and seal.
My commission expires: 7-7-2013
N. Melillo
Notary Public



M



**Friends Of The Ouray Via Ferrata
2022 Pre-Season Report
May 1, 2022**

Introduction:

The third year of the Ouray Via Ferrata is upon us. All route construction is completed. The Upstream route, the Downstream route, and the Skyclimb bypass route will be available and free of charge to climbers this year. The 2022 OVF Season is scheduled to begin on Friday May 6. Due to a staffing shortage and wintery route conditions the opening day is pushed back from May 1, to May 6. Currently there is not enough ranger staff to meet the needs of the earlier opening date. The OVF will operate May 6 - October 31, 7 days a week, from 8:00am-4:00pm. Weather may cause closures during the season.

The OVF Rangers and FOVF Board Members are anticipating a very busy season. The 2020 OVF inaugural season saw a total of 10,000 climbers. The second year of operation, 2021, the OVF also saw 10,000 climbers. In 2021, an average weekend had about 125 climbers a day, or 250 climbers over the entire weekend. With the addition of a second Via Ferrata route, the rangers are forecasting to see an increase in traffic, with at least 15,000 climbers this season.

The 2022 Preseason report is an outline for the city and the public to gain understanding of the 2022 FOVF operating plan.

The Friends of the Ouray Via Ferrata (FOVF) report includes the following topics:

1. Financials/Annual Budget
2. FOVF Board/Ranger Staff and Trainings
3. Implemented Safety Program with incident reports
4. Improvements Planned
5. Concessionaire Use
6. Partnerships and Events

1. Financials

The FOVF raised and spent more than \$400,000 in the first two years of operation to design, build and operate the Ouray Via Ferrata. In the fall of 2021 the City of Ouray made a donation from the Lodging Occupation Tax (L.O.T.) to be used as a matching grant for the Telluray Foundation. The funds the city gave the FOVF were used to offset upstream route construction debt. For the first time, the FOVF will be starting the season slightly in the black. All money raised in 2022 will go towards operations, route maintenance, trail construction and possible route options or expansion. The projected annual budget for the 2022 OVF Season is \$50,000. 2021 financials prepared by our CPA, SOlga & Jakino, are attached to this report.

In 2021 the six permitted guide services paid \$20,860.00 in client use fees. The FOVF will forecast this income for 2022 using the totals from 2021.

2. FOVF Board/Ranger Staff and trainings

The Ouray Via Ferrata is a city park owned by the city of Ouray. The city of Ouray contracts with the Friends of the Ouray Via Ferrata to operate the facility. The FOVF board is responsible for but not limited to fundraising, budget management, financial planning, route maintenance, safety inspections, route expansions, website management and payroll. The Head Ranger is tasked with the daily operations, scheduling, trail improvements, social media and employee management.

The FOVF Board consists of five Ouray Residents:

- Nate Disser
- Mark Iuppenlatz
- Alan Cook
- Sharon Wild
- Chris Hinkson

No one on the board of FOVF is paid. All of the board members are volunteers and have donated hundreds of hours of time to raise funds for the Ouray Via Ferrata.

The FOVF Board is responsible for the concessionaire permitting. The permits are issued and reviewed by an independent committee with the FOVF. The committee consists of Alan Cook, Sharon Wild and Chris Hinkson.

The FOVF Ranger staff consists of Four Ouray County Residents:

- Dawn Glanc (Head Ranger)
- Chris Hinkson
- Josh Bailey
- Matt Juth

The staff will consist of one full time ranger, and three part time rangers. Three of the ranger staff members are returning this year. The returning staff helps to keep employee costs down by not having to onboard more than one new ranger this season. Two rangers will be on staff on the weekends, one ranger on staff on weekdays. Two Rangers will be scheduled for the holidays such as Memorial Day, Fourth of July and Labor Day. With the second route open, traffic and ranger calls may dictate a third ranger on the weekends

Ranger training will be held on April 23-24 with the new ranger hire. This training will cover administration and assisting climbers. Topics for discussion are:

- Orientation to Upstream Route
- Orientation to Downstream Route

- Short roping
- Hauling
- Exiting the route from non-standard egress points
- Employee manual
- Daily operations
- Ranger expectations
- Ranger Shack orientation

A second ranger training will be held late May with the returning staff. The second training is needed due to schedule conflicts in April.

3. Implemented Safety Program with incident reports

The Ouray Via Ferrata Rangers have an Operations Manual and Employee Handbook to follow. The documents were completed in April of 2021, and updated in 2022 to include the Upstream Route. Within the Operations Manual are the protocols for assisting a climber and protocols for dealing with conduct violations. This manual also includes an emergency action plan, emergency call down list, and online incident reporting forms. Each month the rangers submit a report to the FOVF board. This report includes but is not limited to incidents and other ranger activity. All incident reports and monthly ranger reports are included in the end of season report.

In 2021 the Head Ranger took over communications with the guide services, public and other stakeholders. In 2022 the following communications will continue:

- The Rangers will communicate with guide services and Ouray Mountain Sports using email and text messages. This includes any operational changes, emergencies, closures or change in operating hours.
- Rangers will communicate any operational changes or closures with the public using Instagram and Facebook. Instagram instantly populates the FOVF website as well.
- Request that Rigging For Rescue (RFR) send an email alert to the Head Ranger when RFR courses and exercises will be operating above the OVF. An email was sent during the 2020 and the 2021 season with this request. RFR did not respond. (Please see the 2021 FOVF End of Season Report for full incident reports)

The 2022 safety and communication plan has been reviewed. The following are improvements that the rangers and the FOVF board plan to implement:

Create and install an emergency communication plan for climbers to contact rangers directly. This will help expedite the time it takes the ranger to reach the distressed climber. The plan will include:

- a. Equip ranger shack with Rocky Talkies, use a certain channel as the ranger channel
- b. Equip ranger shack with VHF radio to communicate with Ouray Mountain Rescue
- c. Give the Ouray County Sheriff the Ranger contact info if the rescue call comes across on 911 dispatch. Closing the gap in communication and response time.
- d. Create signage that will be installed at the route entrances, ranger shack, passing zones and early exits with information on what to do in case of emergency.
- e. Get a megaphone to communicate with climbers on the route.

In addition the rangers will use the ranger shack as the basecamp for the rangers. First aid and rescue supplies will be stored in the shack. Rangers will continue to record daily user data which will be collected via a Google Form. Monthly user data will be given to the FOVF board each month. This data will be used to produce the post season report.

Training with the Ouray Mountain Rescue Team has been discussed. Training would focus on the new upstream route. No dates have been set.

4. Improvements Planned

The Following improvements are planned to the Via Ferrata and surrounding trail areas:

- Build bathroom at OVF entrance area - pending County and City approvals. \$15,000 in funding has been secured.
- Add an earlier passing zone on the upstream route, possibly in the first walking section.
- Add rocks to walls that line trail from penstock to shack
- Trail improvements are scheduled for the exits of the upstream route. The goal is to better direct climbers back to the perimeter trail and CR361. Signage and benches may also be installed.
- The "Beach Area" of the upstream route is scheduled for improvements. This is the area where the upstream route meets the river. Climbers are on the river bed and they can safely unclip and take a break at the beach. The rangers plan to construct a bench and complete rock work to improve the hangout.
- Replace wood on both existing benches in the OVF entrance area.

- Improve trail to and from practice course. Add signage to the practice course.
- Get a heater for the shack
- Protect the little tree near the end of Mars wall. The tree has had 20,000 people walk on it and the tree is no longer stable
- Create a QR code to direct people to the website/donations
- Create a user survey to get feedback on operations and user experience. This survey will be posted on social media. Results will be published in the Post Season Report.
- Increase social media posts to 5-7 days a week from April - October.
- Create Social media posts with more educational content such as needed equipment and route information.

5. Concessionaire Use

In 2021 The Ouray Via Ferrata saw a total of 2084 guided climbers from May 1 - October 31. In 2021 guided groups made up only 18.8% of the total OVF usage which is below the recommended FOVF management plan goal of 20%. The guide service application period ended April 14. The independent committee within the FOVF board will determine the approved services for 2022.

The following guide services are permitted to operate on the OVF in 2022:

- Basecamp
- Rock, Ice, Alpine, Ski
- Mountain Trip
- San Juan Mountain Guides
- Telluride Mountain Guides.

All five guide services from 2021 that applied in 2022 have had their permits renewed. The 2022 OVF season will include a minimum education/ certification level for each guide. This educational requirement is an American Mountain Guide Association Single Pitch Instructor Certification, or an active membership on a mountain rescue team. All guide service employees must meet the minimum standard to operate on the OVF. One guide service did not meet the new standard and was given special permission until July 1 to come into compliance.

Each guide service will be charged a fee to operate on the OVF. The fee is \$10 per client. All use fees are due to the OVF by November 15, 2022. As per the commercial operation agreement the minimum amount of money due to FOVF is \$150. Use fees go to funding the OVF operations.

The OVF will be open to the guide services to run pre-season staff training. The guides and clients are invited to come any day after May 6.

6. Ranger Partnerships and OVF Events

Ranger Shack Lanyard Rental Program:

In our first season occasionally participants would show up without the proper lanyard. Participants were told they would have to go back to town and rent the proper gear. While most people were understanding, unfortunately quite a few were not and became belligerent and abusive toward the rangers. This was the single biggest point of conflict for rangers. In 2021 The OVF teamed up with SJMG to quietly provide last minute rental lanyards at the Ranger Shack. This is not encouraged and is not advertised. It is solely in place to reduce conflicts. This program was very successful and is planned to continue in 2022. When the rental program was installed in 2021 there were no incidents of misconduct toward the rangers. Having the rentals available at the shack prevented any issues arising when a climber showed up with inappropriate gear. The agreed lanyard rental price was \$30 - \$25 to SJMG and \$5 to FOVF. Each transaction was called into SJMG and processed by phone on the day of the rental. The system worked great. A total of 68 Lanyards were rented by the OVF Rangers. Eight rental lanyards are requested at the shack for the 2022 season. The charge will be \$30 to rent a lanyard at the shack.

The Ouray Parks and Recreation Committee:

In 2021 the OVF Rangers partnered with The Ouray Parks and Recreation Committee to host an end of the season party. We will plan to partner with the Parks and Recreation committee again this year. A costume contest will be held from 8:00am-2:00pm. Prizes will be awarded to the best individual and the best group costumes. The FOVF will donate OVF hats and OVF Buffs as prizes. The Parks and Recreation Committee will team up with the Head Ranger to serve refreshments (hot dogs, halloween cookies and candy) at the end of the downstream route from 12:00-2:00pm.

FRIENDS OF OURAY VIA FERRATA
Balance Sheet
As of December 31, 2021

	<u>Dec 31, 21</u>
ASSETS	
Current Assets	
Checking/Savings	
Alpine Bank Checking	88,889.75
Total Checking/Savings	<u>88,889.75</u>
Total Current Assets	<u>88,889.75</u>
TOTAL ASSETS	<u>88,889.75</u>
LIABILITIES & EQUITY	
Liabilities	
Long Term Liabilities	
EIDL Loan	81,400.00
Total Long Term Liabilities	<u>81,400.00</u>
Total Liabilities	81,400.00
Equity	
Unrestricted Net Assets	4,811.97
Net Income	2,677.78
Total Equity	<u>7,489.75</u>
TOTAL LIABILITIES & EQUITY	<u>88,889.75</u>

FRIENDS OF OURAY VIA FERRATA

Profit & Loss

January through December 2021

	<u>Jan - Dec 21</u>
Ordinary Income/Expense	
Income	
Direct Public Support	
Individ, Business Contributions	225,034.29
Total Direct Public Support	<u>225,034.29</u>
Total Income	225,034.29
Expense	
Business Expenses	
Business Registration Fees	150.00
Total Business Expenses	150.00
Contract Services	
Accounting Fees	1,513.50
Legal Fees	925.00
Outside Contract Services	153,905.00
Total Contract Services	156,343.50
Credit Card Fees	1,216.54
Facilities and Equipment	
Equip Rental and Maintenance	259.50
Total Facilities and Equipment	259.50
Marketing	1,929.10
Operations	
Books, Subscriptions, Reference	16.36
Supplies	17,625.00
Total Operations	17,641.36
Other Types of Expenses	
Other Costs	445.86
Total Other Types of Expenses	445.86
Payroll Taxes	3,153.15
Salaries & Wages	41,217.50
Total Expense	<u>222,356.51</u>
Net Ordinary Income	<u>2,677.78</u>
Net Income	<u><u>2,677.78</u></u>

Ouray City Council Regular Meeting

Monday, April 18, 2022 6:00 PM

Massard Auditorium, 320 6th Ave, Ouray, CO 81427

Ethan Funk: Present
Tamara Gulde: Present
Peggy Lindsey: Absent
Josh Smith: Present
K. John Wood: Present

1. CALL TO ORDER

Mayor Funk called the meeting to order at 6:00 pm.

2. ROLL CALL

3. Consideration of a Request, Received April 13, 2022, to Participate Remotely by Councilor K. John Wood, per Resolution 7, Series 2018 - Remote Participation Policy for Council Members

Motion to allow Councilor Wood to participate via Zoom. This motion, made by Tamara Gulde and seconded by Josh Smith, Carried.

Ethan Funk: Yea, Tamara Gulde: Yea, Josh Smith: Yea, K. John Wood: Abstain (With Conflict)

4. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was recited.

5. PUBLIC INPUT ON CITY OF OURAY AMERICAN RESCUE PLAN ACT (ARPA) SPENDING

Mr. Clarke reported the City received \$249,896.00 from the American Rescue Plan Act. Half was received last year, and half is expected this year. Staff recommend using this money on the Water Treatment Plant, since it was an unexpected cost that came up last year with the reclassification of the City's water supply. Mayor Funk opened the floor for public comment. Dee Williams asked if there were other alternatives that had been suggested instead of the Water Treatment Plant, just to discuss options. Mr. Clarke said it had been internally discussed to apply it to housing projects, but staff had decided that ultimately the Wastewater and Water Treatment Plants were the top priority for the community, and using these funds would keep the utility bill costs down as much as possible. Mayor Funk closed the floor.

6. CEREMONIAL/INFORMATIONAL - Proclamation Honoring William Fries (C.W. McCall)

Mayor Funk read the proclamation.

7. APPROVAL OF MINUTES - March 7 and 21, 2022

Motion to approve the minutes with one correction, removing "as an architect" from Mayor Pro Tem Smith's recusal on Action Item 10(a) on March 7th minutes. This motion, made by Josh Smith and seconded by Tamara Gulde, Carried.

Ethan Funk: Yea, Tamara Gulde: Yea, Josh Smith: Yea, K. John Wood: Yea

8. CITIZENS' COMMUNICATION

Mayor Funk opened the floor for public comment. Since there were no comments, Mayor Funk closed the floor.

9. CITY COUNCIL REPORTS/INFORMATION - Tamara Gulde, Peggy Lindsey, John Wood, Josh Smith, and Ethan Funk

- *Councilor Gulde - CEDC meeting last Thursday. The roundtable meeting is scheduled for Thursday April 28th. The topics are local recruitment and retention opportunities, competitive wages, and onboarding and personnel training resources. Businesses and the public are welcome. A light lunch will be served. The roundtable survey is still open for responses, looking to share results at the next roundtable meeting. The next CEDC meeting is May 12th at 8:30 am. Attended the ORCA meeting with Administrator Clarke. More info is available on Ouray County Website by searching for "ORCA". Attended IPAT Zoom meeting. 3 new members on board, preparing for the April 27th meeting. The Tri-Agency dinner is still happening on May*

4th as of now. Mayor Funk asked if the ORCA group presented their goals. Mr. Clarke said it is still a work in progress.

- Councilor Wood - email from FOVF board addressing applications for guiding services on Via Ferrata. 6 applications were submitted. The board decided to limit themselves to 5 guide services at the beginning of the process, so 5 companies were selected from the applicants. OIPI Training standards are being implemented for guides allowed to operate in the park.
- Mayor Pro Tem Smith - PARC meeting tomorrow at 6 pm. Attended MAC meeting for Mayor Funk. Various training opportunities are available and details can be obtained from Glenn Boyd. The Code Red contract is coming up for renewal, and an RFP is being issued. The MAC group is moving to in-person meetings.
- Mayor Funk - nothing to report, thanked councilors for covering his meetings while he was out of town.

10. DEPARTMENT REPORTS

a. City Administrator

Mr. Clarke gave an overview of his department report.

b. Director of Finance and Administration

2021 Year-end Financials ready. Funds are in a better position than the end of 2020. Money was not transferred from Utility Capital Improvement Fund to cover some water and sewer expenditures, so revenues are showing as lower than expected due to that, but staff felt the transfer wasn't necessary and started the year in a good place for the Utility Capital Improvement fund. Sales tax up 19%. LOT revenue up 5%, occupancy down 16%. Excise tax is around \$25,000 a month in collections during the slower season. Pool Visitation was up 12%, revenue up 19%. Councilor Wood asked if the excise tax amount presented was the net amount before being split up. Ms. Drake confirmed that it was. Councilor Wood asked if there was a mechanism to transfer money from the Water to Sewer fund if needed. Ms. Drake replied that the ballot language did not define a split between the 50% allocated to water and wastewater treatment plants, and could be moved as needed

c. Community Development Coordinator

Code update survey is live. Department is ensuring that backflow prevention certificates are submitted to the City annually. 5 building permits issued in March. Working on identifying properties with zone boundary discrepancies. Planning commission held special meeting on April 13th, reviewed minor subdivision, adopted public hearing process and approved ADU code changes with small changes. Next meeting will be May 10th at 4 pm.

11. CONSENT AGENDA - Liquor License Renewal - Friends of the Wright Opera House dba The Wright Opera House

Mayor Funk requested to move the item to Action Items.

12. ACTION ITEMS

a. Liquor License Renewal - Friends of the Wright Opera House dba The Wright Opera House

Motion to approve Liquor License Renewal for Friends of the Wright Opera House. This motion, made by K. John Wood and seconded by Josh Smith, Carried.

Ethan Funk: Yea, Tamara Gulde: Yea, Josh Smith: Yea, K. John Wood: Yea

Mayor Funk asked if staff knew about the indicated change in financial interest/organizational structure. Councilor Wood clarified that it was a new position in the management.

b. Geothermal Hot Water Transmission Line Agreement on Nixon Property

Motion to approve the draft, allowing Mr. Clarke to finalize negotiations with payment cap of \$15,500, allow Mayor Funk to sign the completed easement and allow staff to file. This motion, made by Tamara Gulde and seconded by K. John Wood, Carried.

Ethan Funk: Yea, Tamara Gulde: Yea, Josh Smith: Yea, K. John Wood: Yea

The geothermal line will be re-routed on the Nixon property and the Nixon's are receiving a payment in exchange for removing their property from the geothermal water line for their heating. Mr. Clarke noted

it is a draft, and suggested council make a motion to allow him to finalize negotiations and allow Mayor Funk to sign the completed agreement.

c. Appointment of Alternate Acting Municipal Judge

Motion to approve Resolution 11. This motion, made by K. John Wood and seconded by Josh Smith, Carried.

Ethan Funk: Yea, Tamara Gulde: Yea, Josh Smith: Yea, K. John Wood: Yea

Attorney Viner said a new judge has been appointed to the County Court, but the new judge has not been approached about taking the municipal judge role, so the next two months need to be covered by alternates as well.

d. Request for Funding from Home Trust of Ouray County

Motion to fund request of \$10,000 for one year from the housing portion of the short-term rental excise tax funds. This motion, made by K. John Wood and seconded by Tamara Gulde, Carried.

Ethan Funk: Yea, Tamara Gulde: Yea, Josh Smith: Yea, K. John Wood: Yea

Andrea Sokolowski reviewed the operating budget previously submitted to the council. Hiring of employees could be moved up ahead of the budget schedule if necessary for workload. The Board of County Commissioners and Ridgway Town Council have both supported Ouray Home Trust with \$10,000 gifts each. Mayor Pro Tem Smith asked if the County and Town had committed to future contributions, or only gave for 2022. Ms. Sokolowski said they both only gave for 2022 and did not commit to future funding. Councilor Wood asked what projects are slated to happen in Ouray, since the two current projects are both in Ridgway. Ouray Home Trust is looking to buy a half acre of land, and would like to get feedback from the community on the current needs, whether ownership or rentals is more appropriate for the community. Councilor Wood asked what the rental revenues would be, and what the return from sales of homes would be. Each unit of Ridgway duplex would sell for \$257,000 approximately, with a \$100/month ground lease. The duplex will cost around \$700,000 to build, hoping to cover remaining costs with DOLA grants. Rental revenues are not expected until around 2025. Looking for 30% self-generated revenue in the future. Asking for support from municipalities in order to apply to be a Community Housing Development Organization, allowing them to access other funding. Councilor Wood stated that he asked questions to ensure that Ms. Sokolowski has thought through everything, and to ensure the Trust is financially sustainable to allow it to continue operating, but is in full support of the Trust.

13. DISCUSSION ITEMS

a. Utility Bill Assistance

Council discussed options to help lower water/sewer bills for financially qualified individuals. Attorney Viner suggested working with an existing foundation to create a city-specific fund to allow people to apply for funding using LEAP means testing.

b. Possible Ordinance Prohibiting Drone Use in the City of Ouray

Council discussed drone usage policies consistent with FAA regulations. Mr. Clarke will ask other city managers about any drone ordinances they have.

c. Bachelor Switch Review

Ben Tisdell, secretary/treasurer of BSWUA, presented their request to reduce the "non-resident" multiplier, presenting research and statistics backing up his request.

d. Future Agenda Items

- *PARC terms schedule (align with other committees)*
- *City branding*
- *Weehawken pipeline*
- *Trail master plan*

14. ADJOURNMENT

Motion to adjourn at 8:31 pm. This motion, made by Tamara Gulde and seconded by Josh Smith, Carried.

Ethan Funk: Yea, Tamara Gulde: Yea, Josh Smith: Yea, K. John Wood: Yea

Ethan Funk, Mayor

ATTEST:

Melissa M. Drake, City Clerk

CERTIFICATION

I, Melissa M. Drake, do hereby certify that I am the City Clerk of the City of Ouray, Ouray County, State of Colorado, and that the above minutes are a true and correct summary of the meeting of the Ouray City Council held on Monday, April 18, 2022. I further certify that the meeting was duly called and held, and that a quorum was present.

Dated this Monday, April 18, 2022.

Melissa M. Drake, City Clerk

Ouray City Council Regular Meeting

Monday, May 2, 2022 6:00 PM

Massard Auditorium - <https://zoom.us/j/9349389230> password 491878 or dial 408-638-0968, 320 6th Ave, Ouray, CO 81427

Ethan Funk: Present
Tamara Gulde: Present
Peggy Lindsey: Present
Josh Smith: Present
K. John Wood: Present

1. CALL TO ORDER

Mayor Funk called the meeting to order at 6:00 pm.

2. ROLL CALL

3. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was recited.

4. APPROVAL OF MINUTES - April 4, 2022

Motion to approve minutes as presented. This motion, made by Tamara Gulde and seconded by Josh Smith, Carried.

Ethan Funk: Yea, Tamara Gulde: Yea, Peggy Lindsey: Yea, Josh Smith: Yea, K. John Wood: Yea

5. PUBLIC HEARINGS - Tavern Liquor License. The Gray LLC dba The Gray, 929 Main Street, Suite B

Councilor Wood recused himself as the owner of the leased space.

Ms. Drake noted the application was in good order. The applicant, Sarah Gray, presented a brief overview of her plan for a bar above KJ Wood Distillers, catering to both tourists and locals. Mayor Funk opened the floor for public comment. Since there were no comments, Mayor Funk closed the floor.

Councilor Wood re-joined the meeting.

6. CITIZENS' COMMUNICATION

Mayor Funk opened the floor for public comment. Since there were no comments, Mayor Funk closed the floor.

7. CITY COUNCIL REPORTS/INFORMATION - Tamara Gulde, Peggy Lindsey, John Wood, Josh Smith, and Ethan Funk

- *Councilor Gulde - The CEDC roundtable was postponed again because one of the guest speakers had a personal emergency. The CEDC regular meeting is scheduled for May 12th at 8:30 am, discussing upcoming roundtable meetings and the Main Street Program. The Tri-Agency Dinner is happening on Wednesday, May 4th at 5:30, Julie Constan, CDOT Region 5 Director, will be the presenter. The IPAT meeting was held on April 27th; reports of another record season. The end-of-season report will be presented to the Council at the first meeting in June. Training competency discussions continue. The next IPAT meeting will be in August. ORCA will not hold a May meeting. The mission statement and vision are still being finalized, and the organization's name may change.*
- *Councilor Lindsey - Beautification Committee met while she was out of town, but provided Councilor Lindsey with the minutes. The committee noted the need for sprinklers for Rotary Park trees, new mulch for the playgrounds, and new soil for the ore cart planters. The committee will be starting on the Riverwalk Trail cleanup project again around mid-May, weather permitting. The next meeting is Wednesday, May 4th, at 8 am. Committee members will be meeting at the Box Canon Lodge parking lot and walking to Box Canon Falls.*
- *Councilor Wood - Mr. Clarke attended the TAC meeting while Councilor Wood was out of town. Each industry representative provided updates specific to their sector as the tourism season is starting up again, and the committee discussed the upcoming branding exercise.*

- *Mayor Pro Tem Smith - PARC canceled the April meeting because they did not have a quorum. The next meeting will be May 3rd at 6 pm.*
- *Mayor Funk - Attended the Water Treatment Plant 60% design meeting. The City is working to minimize the impact on the Ice Park Trail and Via Ferrata access during construction. The Ice Fest documentary video is published; details on how to watch are forthcoming. Mayor Funk read a prepared statement about the City's response to the Via Ferrata Guide certification dispute.*

8. DEPARTMENT REPORTS

a. City Administrator

The Visitor Center has had 233 visitors and 52 phone calls since re-opening on April 23rd. The Visitor Center is open longer hours now, and will stay open if there is demand at the posted closing time. Hours will extend further after Memorial Day. Working on getting the Water Treatment Plant's final cost down to around \$10,000,000. The 30% plans had an estimated cost of \$7,000,000, but the 60% plans had an \$11,000,000 price point. Mr. Clarke introduced Wesley Williams from Colorado Water Resources and Power Development Authority, who spoke about the Wastewater Treatment Plant bond and loan process through the State Revolving Fund, noting the 20% reduction in interest rate they are giving us for working with them, effectively giving the City an interest-free loan for approximately \$1,100,000 based on the total loan amount not to exceed \$18.5 million. The unanimously chosen Tourism and Marketing Director applicant has accepted the position and will start on May 31st.

b. Police Chief

Chief Wood read his report.

c. Fire Chief

Report in packet.

d. Public Works Director

Parking stall striping was delayed due to weather, crews will start working on it tonight. Councilor Gulde noted that the current parking spots on 7th Ave are larger on one side of the street than the other side, and asked if they will be painted uniform width. Mr. Coleman confirmed they would be uniform width. Councilor Wood asked about the Rotary Park and Cascade Falls restrooms. Mr. Coleman said he would get an answer about the delivery date by the end of the week. The company has not been responsive to the City's inquiries. Councilor Lindsey asked if potable water is put on the roads in the summer for dust control. Mr. Coleman said it is. Councilor Lindsey felt it was not ethically responsible for the City to use potable water on the streets when there is a drought in effect, and wanted to ensure that the City made the best use of water resources, and was doing everything practical to conserve water.

e. City Resources Director

Report in packet.

9. ACTION ITEMS

a. Consideration of Tavern Liquor License. The Gray LLC dba The Gray, 929 Main Street, Suite B
Councilor Wood recused himself. Motion to approve the liquor license for The Gray LLC. This motion, made by Peggy Lindsey and seconded by Tamara Gulde, Carried.

Ethan Funk: Yea, Tamara Gulde: Yea, Peggy Lindsey: Yea, Josh Smith: Yea, K. John Wood: Abstain (With Conflict)

Councilor Wood re-joined the meeting.

b. Ratification of Ouray Volunteer Fire Department New Member - Mike Trahan

Motion to approve the appointment of Mike Trahan to the Ouray Volunteer Fire Department. This motion, made by K. John Wood and seconded by Josh Smith, Carried.

Ethan Funk: Yea, Tamara Gulde: Yea, Peggy Lindsey: Yea, Josh Smith: Yea, K. John Wood: Yea

c. Consideration of Agreement with Karsh Hagan for Branding Services (Discovery Phase) from LOT Funds at the Recommendation of TAC

Motion to approve the agreement with Karsh Hagan. This motion, made by K. John Wood and seconded by Peggy Lindsey, Carried.

Ethan Funk: Yea, Tamara Gulde: Yea, Peggy Lindsey: Yea, Josh Smith: Yea, K. John Wood: Yea
The agreement has been reviewed and approved by the City Attorney. Mayor Funk noted that the contract has no end date, but has a non-disclosure agreement and no-poaching agreement that could be interpreted to continue indefinitely. Attorney Viner said the scope of the contract is only 5 weeks and a new contract would be drawn up when the City moves to the next phase of the project.

d. Ordinance 5 Series 2022 - ADU Owner Occupancy & Rental Period Changes

Motion to approve Ordinance 5 Series 2022 with two changes: adding the words "any of" before "the dwelling units" in item (c)(i), and changing the lease period to a minimum of 30 days. This motion, made by K. John Wood and seconded by Josh Smith, Carried.

Ethan Funk: Yea, Tamara Gulde: Yea, Peggy Lindsey: Yea, Josh Smith: Yea, K. John Wood: Yea
Councilor Wood wanted to move back to a 30 day minimum lease to match State statutes.

e. Ordinance 6 Series 2022 - Adjusting Appointment Terms of the Parks and Recreation Committee

Motion to approve Ordinance 6 Series 2022. This motion, made by Josh Smith and seconded by Peggy Lindsey, Carried.

Ethan Funk: Yea, Tamara Gulde: Yea, Peggy Lindsey: Yea, Josh Smith: Yea, K. John Wood: Yea

10. DISCUSSION ITEMS

a. Future Agenda Items

Water conservation - encourage citizens to conserve water, what the City can do, change code language to be more conscious of water usage.

Councilor Gulde asked staff to confirm that the snow and ice removal on sidewalks is still on the calendar for future discussion. Mr. Clarke confirmed a meeting is set for September to discuss it.

11. ADJOURNMENT

Motion to adjourn at 7:23 pm. This motion, made by Peggy Lindsey and seconded by Josh Smith, Carried.

Ethan Funk: Yea, Tamara Gulde: Yea, Peggy Lindsey: Yea, Josh Smith: Yea, K. John Wood: Yea

Ethan Funk, Mayor

ATTEST:

Melissa M. Drake, City Clerk

CERTIFICATION

I, Melissa M. Drake, do hereby certify that I am the City Clerk of the City of Ouray, Ouray County, State of Colorado, and that the above minutes are a true and correct summary of the meeting of the Ouray City Council held on Monday, May 2, 2022. I further certify that the meeting was duly called and held, and that a quorum was present.

Dated this Monday, May 2, 2022.

Melissa M. Drake, City Clerk

OURAY VOLUNTEER FIRE DEPARTMENT MONTHLY MEETING

MARCH 14, 2022

CALLED TO ORDER AT 6:35

ATTENDANCE AND REPORTS

17 members present; 3 excused; 4 absent
The Treasurer's Report was read and approved.
Prior minutes were read and approved.

DETAILED ATTENDANCE

Present

Adam Kunz, John Fedel, Craig Kaminsky, Chris Miller, Max Austin, Steve Duce, Tom Fedel, Dack Klein, Chris Lee, Steve Martinez, Tim Pasek, Ted Pullig, Jonatan Salazar, Dave Turner, Tom Tyler, Sam Tyler, Danny Wilbur

Excused

Bumper Williams, Patrick Rondinelli, Nathan Judd

Absent

Rick Colpitts, Tyler Ferguson, Chris Folsom, Kevin Koprek

OLD BUSINESS

PA System - The PA system came in just over our \$3000. A motion was made to approve the additional \$181.10 for the PA system. The motion was seconded and approved unanimously.

Membership - Chief refreshed the department on Mike Trahan's interview and application. Craig Kaminsky noted that with the approval of last month's meeting notes, his application would be moved along to

NEW BUSINESS

Exhaust Renewal System - At the moment the new exhausting system is installed. Other than the city mechanic coming in to hook up the sensors to the brakes, the exhaust can be turned on with the remotes. Once the sensors are hooked to the brake lights, the exhaust will start whenever the brakes are applied. As the trucks roll out of the fire house, the exhaust system will turn itself off.

Part of having the new system in place is that department members need to back in very straight and cautiously as the trucks can damage the exhaust pipes.

Skid Unit - the backcountry rig has a new skid unit on the back but it is not yet hooked up/secured. No one should take the side-by-side without approval from chief or until word is given that it's safe to use.

Fire House Maintenance - k requested a crew of volunteers to become the house maintenance crew who will be responsible for general upkeep the SCBA batteries, house, etc. Max Austin, Sam Tyler, Tom Fedel and Tim Pasek volunteered to take on this committee. Tom Tyler offered to step in when Max has to leave for wildland fires.

Active911 App - Chief increased our number of licenses for the app as we had more users than licenses. We now have 25 licenses.

Training - The two chiefs are meeting this month to try and establish a schedule so that there are trainings each month between OVFD and RFD. Chris Miller does have a house they can burn *this* month while there is still snow on the ground. Craig Kaminsky will relay that training date once available.

Wildland - There is a refresher course and pack test on April 16 in Ouray at 8 AM.

Membership Part II - Rick Colpitts has stepped down from his position as he realized that his work-fire balance was not feasible.

Random Drug Tests - Chief informed the department that the City has noted it can execute a random drug test on department members.

Dress Uniforms - Chief distributed the new dress uniforms for all department members present. He also noted that these are only for funerals, ceremonies, banquets.

Refrigerator - The fridge in the house died. Tom Tyler has an extra one that he'll donate. On Tuesday, March 15, a small group will gather at 3:30 pm to move the old one to the squad bay and move the new one into the house.

MAMS - David Turner asked the department how many nights they wanted for the summer music series. The department expressed an interest in 2 nights. David let us know that most likely OVFD will handle the nights of the 16th and 30th.

T-shirts - We need to re-order shirts for fund raisers. A motion was made to stick with the same design and re-order shirts for this year. The motion was seconded and passed.

Elections - Assistance Chief and Secretary/Treasurer are up tonight.

Craig Kaminsky was retained as Secretary and Treasurer (aka Administrative Officer) with a motion that was seconded and passed.

Bumper Williams was nominated to do another term as Assistant Chief. The motion was made, seconded and passed.

ADJOURNED AT 7:15

OURAY VOLUNTEER FIRE DEPARTMENT MONTHLY MEETING

APRIL 11, 2022

CALLED TO ORDER AT 6:30

ATTENDANCE AND REPORTS

17 members present; 3 excused; 4 absent
The Treasurer's Report was read and approved.
Prior minutes were read and approved.

DETAILED ATTENDANCE

Present

Adam Kunz, John Fedel, Craig Kaminsky, Chris Miller, Max Austin, Rick Colpitts, Tom Fedel, Nathan Judd, Dack Klein, Chris Lee, Steve Martinez, Ted Pullig, Jonatan Salazar, Dave Turner, Tom Tyler, Sam Tyler, Danny Wilbur

Excused

Bumper Williams, Patrick Rondinelli, Tim Pasek

Absent

Steve Duce, Tyler Ferguson, Chris Folsom, Kevin Koprek

OLD BUSINESS

MAMS - OVFD will pour on June 23rd and 30th. Final dates are now set.

Maintenance Schedule - Tom Fedel and Chief are working together to wrap up the maintenance flow and scheduling.

NEW BUSINESS

July 3rd Event - An involved discussion revolved around the event. A motion was made to proceed with Yonder Mountain String Band together with Mountain Air Music Series. MAMS would put up the money for the band; OVFD would pay for all front money (stage, sound) as well as being in charge of alcohol purchases and sales. A motion was made, seconded and passed with one vote against and three abstentions.

July 4th - The Assistant Chief and Chief will not be here this year, both of whom are key players for the fireworks show. John Fedel will be picking up and helping the Chiefs with the show. Space is needed to store fireworks for a few days prior to to the Fourth. Chief is checking with the city shop and crew. Danny Wilbur thinks the shop may be open for storage on July 1. Lieutenant Miller needs help prior to July 1 getting the trailers ready.

The city will not be putting up the bleachers this year for the water fights. They're in disrepair.

Banquet - Sunday, May 15 was proposed as the date. Invites will be sent once a place is finalized as Chief is working on this currently.

After Prom - The After Prom crew requested a donation from OVFD for \$750. A motion was made to donate \$751. A motion was seconded and passed unanimously.

Wildland Crew - RFD and OVFD are working to prepare and use some crews.

Training - The Chiefs are working on a live burn for Saturday, May 7 at 8 AM in Ridgway. It is a large structure and will be quite involved. Lieutenant Miller noted that lots of people will be needed for this training.

Streets - Street cleaning is Saturday night, April 30. Crews will meet at the fire house at 8 PM. WENS reminders will be sent.

Side by Side - The new vehicle is good to go and ready to use!

ADJOURNED AT 8:05

P.O. Box 468
320 Sixth Avenue
Ouray, Colorado 81427



970.325.7211
Fax 970.325.7212
www.cityofouray.com

City Administrator
Report for May 16, 2022 City Council
May 6 – May 13, 2022:

Introduction:

We are pleased to introduce Andi Shofner, the City’s new HR Manager. She has been a great addition to our staff.

Water Treatment Plant and Wastewater Treatment Plant – Ouray County Special Use Permits

On May 2nd the Joint Area Planning Board voted to recommend approval of both the WTF and WWTF special use permits to the Ouray Board of County Commissioners. The site for the Water Treatment Facility was the major topic of questioning and, of course, we are all working towards creating the least impact possible.

Water Treatment Facility Sewer Vault:

After additional research of the state statutes regarding the difference between a “Vault” and a “Vault Privy”, it was determined the City does not require a variance from Ouray County for the Water Treatment Facility. The “Vault” that is required for the WTF meets the following: 1) “Vault may be permitted for limited use occupancy on a property which cannot accommodate an OWTS (on-site wastewater systems) with soil treatment area; and 2) “A vault may be permitted if the facility is on land where the installation of an OWTS with soil treatment area is not permitted.”

The City’s Engineer is writing the County Land Use Department a letter stating the above and upon providing this information the County has verbally agreed to accept the vault without further action.

(This determination does not affect the proposed restroom facility on the Ice Park Loop Trail which will still need a variance from the BOCC, acting as the Board of Health)

CML Annual Conference:

Council is invited to the CML Annual Conference in Breckenridge from June 21 through 24 (see schedule attached). Please let Evan know if you are interested in attending before the end of the month.

Nixon Easement and Geothermal Line Replacement Project:

The updated and agreed-upon easement language was sent to the Nixons last week. I am waiting for a response. Williams Construction is planning to start on the project in the middle of June. The construction materials were all ordered three weeks ago.

Tourism and Destination Marketing Director:

Kailey Rhoten will begin employment with the City on May 31.

OIPI Annual Report:

The City has received the OIPI Post Season Report per our concessionaire agreement. Peter O'Neil requested the item be on the City Council agenda on June 6, 2022.

Revitalizing Main Streets (Opportunity 1) Larger Safety Infrastructure Grant Application:

Great news, the City received notification on May 15 that the City was awarded an \$800,000 grant through the Colorado Department of Transportation through the Revitalizing Main Streets Program. We applied for pedestrian bump-outs throughout downtown and additional safety measures at the crossing between the Visitor's Center and the Perimeter Trail. The grant request was submitted for \$2,163,638, which included a 20% match, and priorities will now need to be identified to meet the \$800,000 grant amount, along with the \$160,000 match.

Energy/Mineral Impact Assistance Fund Grant:

The Mayor and I will be going to Golden Colorado on May 25 to make a presentation on why the City of Ouray should receive a \$750,000 grant from the EIAF Grant for the new Water Treatment Facility.

Upcoming Ouray County Meetings for City Projects:

May 24th at 4-H Event Center, Ridgway

1:30 Special Use Permit Amendment – Public Utility:

(Public Comments may be submitted in writing prior to the hearing and should be received no later than 3:00PM on May 23, 2022. Alternatively, written and/or oral testimony will be taken at the public hearing.)

Request: Review a recommendation from Planning Commission and Staff regarding an application for approval of a Public Utility – Special Use Permit Amendment to update the existing waste water treatment facility

Applicant: City of Ouray – Silas Clarke, Authorized Agent

Location: 15137 Highway 550, Ouray

~~3:00 The Board of County Commissioners will convene as the Board of Health to consider the following item:~~

(Public Comments may be submitted in writing prior to the hearing and should be received no later than 5:00PM on May 23, 2022. Alternatively, written and/or oral testimony will be taken at the public hearing.)

~~Request: Request for approval of a variance from the prohibition of Vault Privies in Appendix A of Ordinance 2018-001:~~

~~Applicant: City of Ouray – Silas Clarke, Authorize Agent~~

~~Location: S: 31 T: 44 R: 7 PARCEL I~~

3:30 Special Use Permit – Public Utility:

(Public Comments may be submitted in writing prior to the hearing and should be received no later than 3:00PM on May 23, 2022. Alternatively, written and/or oral testimony will be taken at the public hearing.)

Request: Review a recommendation from Planning Commission and Staff regarding an application for approval of a Public Utility – Special Use Permit to construct a fresh water treatment facility and a 1 million gallon water storage tank.

Applicant City of Ouray – Silas Clarke, Authorized Agent

Location: S: 31 T: 44 R: 7 PARCEL I



COLORADO
MUNICIPAL
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[Home](#) > [Networking & Events](#) > [Annual Conference](#) > [Program](#)

Conference sessions

A conference agenda is now available!

Schedule: Tuesday, June 21

1 p.m.-5 p.m.

Registration

This year, plan to arrive on Tuesday afternoon to take advantage of special pre-conference sessions, done-in-a-day volunteer opportunities in Breckenridge, Tour de Breck mobile tour, early opening of our exhibit hall, and our Welcome Reception. Stop by and pick up your registration materials early so you are ready for the conference. Everyone in the conference center and all meeting rooms must be registered and have a name badge to enter/attend sessions and events.

1 p.m.-5 p.m.

Exhibit Hall

We want to give you the maximum amount of time to visit with our sponsors, so the Exhibit Hall opens early. Stop by and visit with our sponsors and subject matter experts in municipal products and services. Plus participate in the Sponsor Passport and you can take home great prizes.

We will be doing a special Tuesday drawing for those who turn in their passports early. This gives you a greater opportunity to win of the the great prizes donated by our sponsors.

2:30 p.m. - 4:30 p.m.

Pre-Conference Session: Resilience, A Critical Trait for Tough Times

Resilience is the ability to (a) effectively recover from misfortune and/or (b) quickly move forward in the face of significant change. The 2020s have—and show no sign of stopping—posed numerous challenges for individuals, families, and organizations. This workshop will provide tips and tricks for building and maintaining resilience. Participants will learn the normal cycle of transition, three simple philosophies that fuel adaptability, the different ramifications of rigidity and resilience, and much more. Become one of those who rises up to be your best when significant change or misfortune comes. Workshop creator and presenter Gregg Piburn has relied on resilience to, among other things, fuel his longtime independent-consulting career and write a book about the emotional and relational impact of chronic illness (his wife's) on families.

Advance registration and ticket required. Cost \$45. No on-site sales.

Pre-Conference Session: Municipal Finance & Budgeting 101 for Elected Officials

Elected officials have an obligation to manage taxpayers' resources wisely. Understanding financial reports, budgets, and the associated terminology can be overwhelming, especially for newly-elected officials. This deep-dive session will teach the basics of fund accounting, financial management, and municipal budgeting from the early stages through final adoption, with an emphasis on the elected official's role throughout the process.

Jeff Hansen, finance director , City of Golden

Advance registration and ticket required. Cost: \$45. No on-site sales

Tour de Breck

Arranged by the Town of Breckenridge Tour the recently completed workforce housing projects as a primer on Breckenridge's community preservation efforts to keep vitality and diversity in the mountain resort. This housing is also critical to

workforce retention and recruitment which has been especially challenging. Learn about the mix of development arrangements that enabled a variety of housing from studios to townhomes, including rentals and for-sale options that have kept the “locals” living in the community. Transportation provided by Free Ride/transit division. Wear walking shoes and bring water and sunscreen. **No cost to attend but you must pre-register. This special tour will be offered again on Wednesday, June 22. EVENT FULL.**

Done-in-a-day volunteer opportunity: Breckenridge Outdoor Education Center

We are excited to add a couple of new opportunities for our members to network and engage with each other while helping make a difference in the Breckenridge community. Help the Breckenridge Outdoor Education Center (BOEC) with trail maintenance and clean-up. BOEC provides adaptive sports programs to individuals.

No cost to participate but you must pre-register. Space is limited.

Done-in-a-day volunteer opportunity: Smart Bellies

Help pack backpacks full of food for children on the weekends. Smart Bellies strives to eliminate childhood hunger on the weekends by providing backpacks full of nutritious food.

No cost to participate but you must pre-register. Space is limited.

4:30 p.m. - 5:00 p.m.

Welcome to the CML Annual Conference

This session, while ideal for those new to the conference to get tips on making the most of the experience, will be valuable for all municipal officials who want to kick off their week by meeting new members and hearing new ideas.

5 p.m.-6:30 p.m.

Tuesday Opening Welcome Reception

All registered attendees, including registered guests and sponsors, are invited to attend this great event underwritten by our generous sponsors. Great networking opportunities abound!

Schedule: Wednesday, June 22

7:00 a.m. - 8:00 a.m.

Sunrise Yoga

Arranged by the Town of Breckenridge. All registered conference attendees and registered guests are invited to refresh and renew with this morning wellness program. Registered guests under 18 must be accompanied by a registered adult. **Advance registration required by June 10. No charge. EVENT FULL.**

7:30 a.m.-4:30 p.m.

Registration

Everyone in the conference center and all meeting rooms must be registered and badged to enter/attend sessions and events.

7:30 a.m. - 4:30 p.m.

Work Zone

Print conference documents/materials. Equipment intended for the exclusive use of CML conference registrants with conference badges.

7:30 a.m. - 8:45 a.m.

Continental Breakfast

Registered attendees can enjoy breakfast and coffee with sponsors and network with colleagues before the 9:00 a.m. general session.

7:30 a.m.-4:30 p.m.

Exhibit Hall

Be sure to visit with our subject matter experts in municipal products and services!

7:30 a.m. - 8:45 a.m.

Continental Breakfast

Registered attendees can enjoy breakfast and coffee with sponsors and network

with colleagues before the sessions kick off at 9 a.m.

8:15 a.m. - 8:45 a.m.

Meet the Candidates & Conference Welcome

Plan on attending this important session to get tips on making the most of the conference, meet CML staff, hear from candidates running for the CML executive board, get details on the board election held during Thursday's annual meeting, get a layout of the conference center where sessions will be held, ask questions, download the conference app, and so much more!

9 a.m.-10:30 a.m.

General session: Hurdle Adversity -- Embrace Your New Normal Mindset

Sponsored by CIRSA

Welcome to the 100th CML annual conference. Join us for the opening general session featuring Colorado Springs resident, Gulf War Army Veteran, and Paralympic silver medalist, John Register.

Amputate Fear and Embrace a New Normal Mindset follows the amazing lived-experience journey of John Register, who was a world-class athlete and Army combat veteran. Register's life changed with one wrong step that resulted in his left leg being amputated. Register, developed a normal mindset and proceeded to make two Paralympic teams and win the Long Jump silver medal in Sydney, Australia just seven years post his amputation. This inspirational keynote focuses on identifying individual fears which constrict our growth mindset and then provides a pathway leading from fear to freedom to win life's medals because there is no going back to normal. We have shifted our physical space to accommodate a global pandemic, witnessed the turmoil around racial wounds in the United States, and struggled to make sense of the uncertain times. Now, we need to respond and thrive to the crisis surrounding us.

Speaker: John Register

10:45 a.m.-noon

Too Few Heads, Too Many Hats

The employees of small municipalities have always juggled many responsibilities necessary to running a town. In this session, seasoned leaders will provide tips and strategies for managing those responsibilities and resources they've used throughout the years. This interactive session is designed for small municipalities, specifically employees who handle various roles within their

municipality. Join us to receive resources and tips and share insights from your own experience.

Speakers: Dencia Raish, town clerk/administrator, Town of Akron

Healing Macro Systems Through Micro Relationships

This session explores relationships at work and how our own internal dynamics impact our ability to serve each other and our residents. It can be said that there is no macro or systemic healing without micro and interpersonal repairs. This session delves into the power of story in healing relationships during divisive and challenging times.

Speaker: Melissa Wiley, deputy town administrator, Town of Erie

Lifelong Colorado: Preparedness for an Aging Population

Colorado consistently ranks as one of the healthiest states in the country, with a life expectancy in the top 10 nationally. This reality, when combined with our state's shifting demographics, means our communities will grow proportionally older as we look towards the future. Our emerging demographic reality is a first and will become our new normal as generations of Coloradans continue to live long and productive lives. Lifelong Colorado represents the statewide initiative that includes local, regional, and state strategies that support aging in the community. A brief presentation of demographic data and an overview of systemic impacts will be followed by details around the Lifelong Colorado initiative. We would focus on local and regional strategies across Colorado led by local governments and community organizations that support older Coloradans and their families. Colorado State University representatives would share specific details around the emerging role that Extension Offices and Regional Engagement Centers can play as a community partner, citing examples from Northeast Colorado.

Speakers: Erin Fisher, director, Vintage; Jarett Hughes, senior policy advisor on aging, State of Colorado and Sue Schneider, Colorado State University Extension Office

When Circumstances Change: Issues + Strategies

Presented by Downtown Colorado, Inc.

Downtown Colorado, Inc. is your source for forming urban renewal authorities and developing meaningful plans. But if there is one thing that stays the same, it is that things will always change. Whether it be due to a pandemic or a recession, many projects have experienced changes with increasing costs, changing assumptions, or a need for reorienting for different uses. Whatever the circumstance, it may be time to consider revisiting the details of business and it may cause changes to the plan, contract, or both the plan and the contract. If the

plan needs amending, when do you consider it a substantial modification and who makes the call? Join this dynamic and interactive discussion to consider the process of renegotiation from the urban renewal minds of Downtown Colorado, Inc.

Speakers: Andy Arnold, economic development planner, Short Elliott Hendrickson, Inc.; Paul Benedetti, attorney, Kat Correll, executive director, DCI andCarolynne White, shareholder, Brownstein Hyatt Farber Schreck.

What are the Advantages & Disadvantages of a Municipal FD or a Fire Protection District

Presented by the Fire Chief's Section

This session explores relationships at work and how our own internal dynamics impact our ability to serve each other and our residents. It can be said that there is no macro or systemic healing without micro and interpersonal repairs. This session delves into the power of story in healing relationships during divisive and challenging times.

Speakers: Mike Dell'Orfano, assistant chief governmental affairs, South Metro Fire District; Andy Kovacs, fire chief, Tri-Lakes Monument Fire Protection District; Gordie Olson, fire chief, City of Thornton and Doug Hall, panelist and program moderator, City of Westminster

12:15 p.m.-1:45 p.m.

Meeting of the Minds Luncheon

As the Colorado River Compact turns 100, Colorado is facing an uncertain statewide water future. Join CML Executive Director Kevin Bommer for an interactive and engaging conversation with Anne Castle, former Assistant Secretary for Water and Science US Department of the Interior and current senior fellow at the Getches-Wilkinson Center for Natural Resources, Energy and the Environment at the University of Colorado.

Advance registration and ticket required. Limited seating. No on-site sales. EVENT SOLD OUT.

12:15 p.m.-1:45 p.m.

Small Group Lunches

If you are not attending the Meeting of the Minds Luncheon, join other attendees for informal discussions over lunch about issues that are important to you and your municipality.

2:00 p.m.-3:15 p.m.

CLE: Legislative Update

The CML advocacy team will offer highlights from the 2022 session of the Colorado General Assembly, with a special focus on new legislation that may require immediate action by municipalities.

Coming Together in Crisis

Presented by the PIO Section

When really bad things happen, the media descent on a city or county is typically more than one agency can handle. The Emergency Services Public Information Officers of Colorado (ESPIOC) provides crisis communication training and camaraderie to its members. They came together following the Aurora Theater incident to provide support to the city and the victims families. In the last year, this unique organization was called into action following the Boulder King Soopers shootings and the devastating wildfires in Superior and Louisville. Hear from two PIOs who are ESPIOC board members and were boots on the ground managing communications during and after these tragedies.

Speakers: Carrie Haverfield, public information officer, Boulder County; Kelli Narde, director of cultural and media services, City of Littleton and Dionne Waugh, public safety PIO, City of Boulder;

Building Social Infrastructure in Public Library Spaces

Presented by the Library Section

Public libraries are a key element of social infrastructure, a shared space that allows people to make connections, form networks, and find ways to support each other. As society becomes more divided, municipalities can turn to public libraries to provide a physical space for communities to come together. Join this discussion, influenced by Eric Klinenburg's "Palaces for the People," to explore how libraries provide a gathering place for those who feel isolated, and in turn help build a more equal and united community.

Speakers: Diane Lapierre, executive director Poudre River Library District and Michelle Jeske, city librarian, Denver Public Library

Transforming Olde Town Arvada into a Pedestrian Mall

Early in the COVID-19 pandemic, the City of Arvada worked with the Olde Town Business Improvement District (BID) to temporarily close streets within Olde Town as part of its support to the local business community. The response was so favorable, that in the Spring of 2021, the City moved forward to make the pedestrian street closure semi-permanent with plans to beautify the area. The

work included transforming Olde Town Arvada from a temporarily closed streets into a pedestrian mall. The pedestrian mall has been created in such a way that the City will study its impacts, both good and bad, on the community for the next several years and then determine if the improvement should be modified, made permanent, or removed altogether. The session will discuss the evolution of this transformation including conspection, construction, funding, operations and maintenance, measuring success, and planning for the future.

Speakers: John Firouzi, City of Arvada, Joe Hengstler, City of Arvada and Ryan Stachelski, director of community & economic development, City of Arvada

Trends in Building & Energy Code Adoptions

Being a home-rule state, Colorado experiences a high degree of variance in what codes and policies get adopted across the state. Some jurisdictions are still on older codes and thinking of moving forward to the most minimum code they can get away with, while others are looking to lead the way and to set the bar as high as possible for their communities. What is trending right now in Building and Energy Code adoptions? Which editions are being adopted? What amendments are being made? Can we get to Net Zero using the Codes? If so, how do we make it work? These are all things we will discuss in this look at what's happening today and down the road in code adoptions across Colorado.

Speaker: Shaunna Mozingo, president, The Mozingo Code Group

Parks for People: The Panorama Park Story

Presented by the Parks and Rec Section

Envision a future where every person in Colorado has access to a quality park within a 10-minute walk from home. Learn about the incredible work and success one community had in investing in a neighborhood park through community engagement, resident leadership, youth involvement and philanthropic partnerships. Panorama Park is a transformational project that has brought diverse voices together to create community driven environmental and cultural change.

Speakers: Emily Patterson, director Colorado Parks for People, The Trust for Public Land; Karen Palus, CPRP, director parks, recreation & cultural services department, City of Colorado Springs and Constance Schmeisser, landscape architect, project manager, City of Colorado Springs

3:15 p.m.-4 p.m.

Exhibitor Showcase

This exclusive event is an opportunity for conference attendees and registered

guests to visit with exhibitors while enjoying some mid-afternoon refreshments. Our conference exhibitors are subject matter experts in municipal projects and services and would like to share their knowledge and how they can be of service to your municipality. CML truly appreciates all our sponsors and thanks them for their support -- their participation in the conference this year makes it extra special for our attendees. Visit the exhibit area to learn more about our sponsors and to thank them for being a part of the conference!

3:30 p.m.-5:30 p.m.

Extended Sessions

Mayor's Mingle

Meet and engage with fellow mayors in this informal session with a discussion facilitated by CML Executive Director Kevin Bommer.

Tour de Breck

Arranged by the Town of Breckenridge Tour the recently completed workforce housing projects as a primer on Breckenridge's community preservation efforts to keep vitality and diversity in the mountain resort. This housing is also critical to workforce retention and recruitment which has been especially challenging. Learn about the mix of development arrangements that enabled a variety of housing from studios to townhomes, including rentals and for-sale options that have kept the "locals" living in the community. Transportation provided by Free Ride/transit division. Wear walking shoes and bring water and sunscreen.

No cost to attend but you must pre-register. This special tour is also offered on Tuesday, June 21.

4:00 p.m.-5:15p.m.

CLE: Municipal Court Operations: Administration and Ethics

Court's relationship to elected officials, directors, police department, managers, and city staff. Learn how best to work with municipal courts and get an overview of what the municipal courts do and what they can't do.

CLE credit has been applied for.

Speakers: Robert Frick, presiding judge, City of Longmont; Christopher Randall, presiding judge and department director, City of Wheat Ridge; David Thrower, presiding municipal judge in Superior, Estes park, Mead, Nederland, Louisville, and Morrison.

Cyber Security/Ransomware

Additional information coming soon.

Homelessness: How Every Community Can Leverage Resources

Too often, communities are faced with combating a national problem with limited local resources that are very reliant on federal funding. Boulder's approach to the development of a robust array of services and housing opportunities relies on significant community input, inclusion of service providers and coordination among its county and municipal neighbors. This collaboration has led to an average of one person a day exiting homelessness in the community. This session will outline what was done, what has worked, and what challenges remain.

Speakers: Michael Block, chief housing officer, Boulder Shelter for the Homeless; Hon. Linda Cooke, municipal judge, City of Boulder; Vicki Ebner, policy advisor, Boulder Shelter for the Homeless and Karen Kruetzberg, Boulder Housing Partners

Municipal Magic Wand: Keeping Your Municipality Compliant and Safe from Lawsuits

Presented by Clerks Section

Panel discussion talking about compliance for open meetings, open records, elections and the type of lawsuits municipalities may face.

Speakers: Charity Campfield, deputy city clerk, City of Greeley; Stephanie Carlile, city clerk, City of Englewood and Tobi Duffey, city clerk and president, Town of Castle Pines and CMCA.

EDCC Session

Additional information coming soon.

6:00 p.m.- 9:00 p.m.

100th Conference Celebration at Riverwalk Center in Breckenridge

All registered attendees, including registered guests and sponsors, are invited to attend this great event to celebrate CML's 100th conference.

Schedule: Thursday, June 23

7 a.m.- 8 a.m.

5K fun run/walk

Arranged by the Town of Breckenridge

Run (or walk) for local government! Wake up early, stretch and join in on the 20th Annual 5K Fun Run/Walk. Route and start location details to follow.

Advanced registration required. Fun Run registration made after May 20 will not receive a t-shirt. Fee: \$25

7:30 a.m.-4:30 p.m.

Work Zone

Print conference documents/materials. Equipment intended for the exclusive use of CML conference registrants with conference badges.

7:30 a.m.-8:45 p.m.

Continental Breakfast & Hot Topics

Grab breakfast and a cup of coffee and enjoy robust discussions with other attendees over issues that are important to you.

8:00 a.m.-5:00 p.m.

Registration

Everyone in the conference center and all meeting rooms must be registered and have a name badge to enter/attend sessions and events.

9:00 a.m.- 10:30 a.m.

General Session: From Conflict to Conversation

Sponsored by CIGNA

Keynote speaker Matt Lehrman, How can leaders tackle complex and sensitive community issues in ways that make people feel heard, respected, and empowered? This session explores pragmatic approaches for city and town leaders to conduct collaborative and courageous conversations.

CLE: Tune It Up or Trade It In? (How to Evaluate the Condition of a Land Use Code)

Land use codes are kind of like cars. They should be inspected, maintained, and every so often, replaced in order to keep communities running smoothly. Land use codes are complicated, involve a lot of moving parts, and tend to break down over time. This interactive session will provide an overview of how to run basic

diagnostic tests on a code to help inform the decision of whether to its time to tune it up or replace it.

Speaker: Todd Messenger, attorney, Fairfield and Woods P.C.

CLE credit has been applied for

10:45 a.m.-12:00 p.m..

CLE: Legally Navigate Political Crossfire in the Midterm Elections

In the current contentious political environment, political speech and activity in the workplace is a recurring source of concern for public employers. When these discussions or activities occur during working hours, they can impact performance, productivity, or even cross the line into unlawful harassment. Some employees also turn to social media to discuss political issues. Public employers must be willing to distinguish an employee's speech as a citizen on a matter of public concern from speech undertaken for some other reason. Speech made by an employee on behalf of the employer can lawfully be limited because even a public employer has the right to maintain an effective workplace. Employees' comments about political campaigns and elections can easily be construed as speech regarding a matter of public concern, but public employers may require employees to refrain from conduct that is likely to impact co-workers such that productivity and morale may be jeopardized. As for social media, employers should remain mindful of lawful off-duty conduct laws and other restrictions on their ability to monitor or discipline employees for their social media use. This presentation will navigate the legal challenges presented to public employers before the next election.

CLE credit has been applied for

Speakers: Deanna Waldron, employment law attorney, Employers Council and Melanie Daly, attorney, Employers Council

Building Resilience in Your Drinking Water & Wastewater Utilities: Creating a Culture of Health to Build Your TMF Capacity

In recent years Colorado's critical drinking water and wastewater infrastructure has faced many challenges: aging physical infrastructure, retiring workforce, increased awareness of contaminants, natural and human caused disasters, and rapidly increasing populations. A proactive approach to technical, managerial, and financial (TMF) planning can help you build resilience in your water/wastewater utilities and protect the public health of your communities for decades to come. This presentation will focus on tools and resources at your disposal to plan for your future: asset management, emergency

management/planning, management techniques, and operations and maintenance programs.

Speaker: Kyra Gregory, drinking water training specialist, Colorado Water Quality Control Division

What's New at DOLA?

Colorado Department of Local Affairs (DOLA) leadership will discuss recent developments in funding programs, strategic services provision, and policy initiatives. The basics of DOLA structure and function, how to access resources, and collaborative opportunities with local governments will be addressed.

Speakers: Rick Garcia, executive director, DOLA; Dave Bowman, deputy director DLG DOLA and Chantal Unfug, director DLG, DOLA

How to Flex Your Procurement Muscles Even if You Didn't Know You Had Any *Presented by the Purchasing Section*

Small to medium sized municipalities don't always realize that there are thousands of contracts solicited by larger agencies that purposefully include cooperative language in order to help other member agencies. This session will introduce you to the largest that are valid for use by all Colorado municipalities! This includes the Colorado State Price Agreements, Omnia Partners, Buy Board and others. But there are rules around what makes a cooperative valid. We will make it simple and set you on the path to savings with contracts already negotiated with terms and conditions that your attorney will be grateful for!

Speakers: Nancy Allen, CPM, purchasing manager, City of Arvada; John Chapman, state purchasing manager, State of Colorado and Ryan Elliott, regional manager, Heartland

Climate Change & Public Works Supporting a Future Vision

Presented by the Public Works Section

The service areas that public works manages in our communities are one that can have the greatest impact on tackling climate change – transportation, water resources, resiliency, and buildings. Leaders in climate change mitigation in Colorado public works will share leading edge efforts, how community engagement has played a role, and the importance of measuring those efforts.

Let's Talk Breakout Session

How are you moving your community From Conflict to Conversation? What challenges are you facing and what do you specifically hope to achieve? Keynote presenter Matt Lehrman facilitates a candid and helpful follow-up discussion that invites attendees to seek practical insight and advice from a panel of Colorado community leaders. Come prepared to “wear your heart on your sleeve” about

how to engage more people and gather agreement around whatever you hope to accomplish in your community.

12:15 p.m. - 1:45 p.m.

Thursday Luncheon & Sam Mamet Award Presentation

Sponsored by Xcel Energy

Visit with colleagues at this popular lunch and enjoy the presentation this year's Sam Mamet Good Governance Awards.

Advance registration and ticket required. Limited seating. No on-site sales.

2:00 p.m.- 3:15 p.m.

CLE: The Art of Municipal Real Estate Manuals

Every municipality owns property of some kind. This presentation makes the case for adopting a uniform manual to guide municipal officials and staff in processing and approving various land transactions, and discusses: types of property and interests; applicable law; acquisitions, dispositions, leases, licenses and permits; funding sources; relocation issues; approval authority; public process options; and drafting considerations.

CLE credit has been applied for

Speaker: Wynetta Massey, city attorney, City of Colorado Springs

First Responders' Role in Service Persons Experiencing Dementia (PEH)

Presented by the Police Chief's Section

An overview of the training provided to first responders in dealing with individuals suffering from dementia. The session will explain what dementia is, how first responders respond to PEH and their families, the common characteristics and behaviors of first responders, and how first responders handle specific service needs relating to PEH.

Speakers: Rick Brandt, chief of police, City of Evans and Jim Lorentz, division chief, City of Wheat Ridge

Colorado Commercial Building Benchmarking Program

Presented by the Utilities Section

In a discussion with speakers from Fort Collins Utilities and the Colorado Energy Office, participants will hear about the Colorado Commercial Building Benchmarking Program and how utilities will be working with commercial

building owners on reporting energy usage data. Participants will receive background on the Colorado Benchmarking Program, an update on the Benchmarking Task Force, ways municipal utilities have been connecting building owners with data, and what the program will see in the future.

Outsourcing Development Review

Presented by the Planning Section

Today many municipalities struggle to find staffing be it planners, engineers or building staff let alone keep up with the ongoing development wave Colorado is currently experiencing. Covid did not slow things down as anticipated. With housing costs becoming a legislative priority, how can municipalities deliver development review services with a focus on timeliness to permit for homes that are a scarce commodity.

American Cities & Immigrant Integration: The Aurora Model

In the absence of a national immigrant integration policy, U.S. cities are responding to immigration challenges by working together with civil society to address critical issues. local governments have a central role as key partners for developing and implementing immigrant integration policies and efforts in cities and towns across the U.S. The City of Aurora is the only city in Colorado and one of the few in the country with a comprehensive strategic plan in the space of immigrant integration. Participants would learn more on this session about their recently launched Immigrant Integration Plan 2020-2030 "Aurora is open to the World", this newest plan lists a series of innovative programs and initiatives to assist and help newcomers to integrate into their city's economic, social, civic and cultural life. Also, presenters would discuss the development, planning and implementation of this important citywide initiative so other cities and towns can replicate Aurora's innovative immigrant integration model in their own communities across Colorado.

Speakers: Mike Coffman, mayor, City of Aurora; Richard Gambetta, manager of international and immigrant affairs, City of Aurora; Minsoo Song, community outreach coordinator, City of Aurora

CML Annual Meeting

3:30 p.m.-4:45 p.m.

CLE: Practical Tips for Municipal Employers Facing High Profile Harassment Allegations

This presentation will cover: (1) Immediate First Steps when faced with a high profile investigation; (2) Unique challenges to municipal employers in high profile investigations; (3) Other significant and timely considerations such as media scrutiny, fiscal and electoral pressures, backlash, cancel culture, disciplinary actions, retaliation, transparency, and open records requests. This CLE will analyze the constantly changing law in this field, but also provide practical advice based on the speakers' expansive experiences valuable to managers, human resource directors and elected officials alike.

Speakers: Liz Rita, Esq., Investigations Law Group and Nina Williams, Wilson & Williams LLP

Emerging Issues 1

This session is reserved for current issues affecting municipalities.

CIRSA Session

More information coming soon.

Financing Your Net-Zero Vision

Panelists will share a specific drawdown (drawdown.org) solution with budgets, ROI and CO2 impact. They will discuss their adventures in funding clean infrastructure priorities without getting too wonky about carbon. Panelists will explore the "beneficial electrification" transition and how their residents are developing more resilient outcomes. The implications of wildfires and gas prices will be discussed. References: "Getting Green Done" by Auden Shendler.

"Drawdown" by Paul Hawken. Mountain Towns 2030 (mt2030.org)

Speakers: Julie Baxter, Town of Steamboat Springs; Jessie Burley, Town of Breckenridge; Geoffrey Glimmer, Town of Eagle and Ashley Pearl, City of Aspen

Attracting & Engaging Top Talent

Presented by the HR Section

"The Great Resignation" has forced employers to examine their employee hiring and retention practices. Attracting, retaining and engaging talented employees is more important than ever. In this session, learn effective strategies for recruiting top candidates in a challenging job market, and for keeping them engaged and productive once they're in the door.

Speakers: Lauren Mueller, human resources director, Town of Frederick and Kerry Swanson, human resources, City of Glenwood Springs.

Schedule: Friday, June 24

7:30 a.m.-8:45 a.m.

Continental Breakfast & Hot Topics

Grab breakfast and a cup of coffee and enjoy robust discussions with other attendees over issues that are important to you.

7:30 a.m.-8:45 a.m.

Breakfast for Elected Officials, Muniversity Awards and Special Program: Cementing Equity into City Governments

Too often, social movements are a flash in the pan. How can we ensure that our work to advance equity becomes a permanent aspect of local governance? Learn what Colorado cities and towns are doing to infuse equity and civic engagement into their city charters and to ensure local autonomy and integrity.

Speakers: Jeni Arndt, mayor, City of Fort Collins; Doug Linkhart, CEO, National Civic League; Michael Penny, city manager, City of Castle Pines and Jamie Torres, councilwoman, City of Denver

Advance registration and ticket required. No on-site ticket sales.

8:00 a.m. - 10:00 a.m.

Registration

Everyone in the conference center and all meeting rooms must be registered and have a name badge to enter/attend sessions and events.

9 a.m.-10:15 a.m.

CLE: 2022 Developments in Colorado Public Finance & TABOR

This session gives an update on what has gone on during the pandemic with respect to TABOR/Gallagher Amendments and any 2022 Colorado legislative developments.

CLE credit has been applied for

Speakers: Ken Guckenberger, attorney, Kutak Rock LLP and Ashley Dennis, attorney, Kutak Rock LLP

Denver Land Use Commissioners Leading on Zoning for ADUs

Join Denver City Councilmembers Amanda P. Sandoval and Jamie Torres to hear how elected officials can lead the way on zoning for accessory dwelling units to promote homeowner financial stability and provide new housing via gentle density. Councilmembers have refined a model, first used in Councilwoman Sandoval's district, to perform community outreach, education and then legislatively rezoning entire neighborhoods to allow accessory dwelling units. This model flips the traditional land use model and narrative -- instead of depending on the direction of planning departments, land use commissioners/elected officials lead on land use. The Councilmembers will share their experiences along with lessons learned and best practices.

Speakers: Amanda Sandoval, Councilmember, Denver City Council and Jamie Torres, Councilmember, Denver City Council

Beyond Co-Responders: A Citywide Approach

Many cities and counties across Colorado are utilizing co-responders in their police departments to provide assistance during mental health calls for service. Most are using an external model where they contract with a health care entity who provides a clinician to ride alongside an officer during a certain number of contracted hours during the week. What if that external model became internal and these clinicians are part of your everyday team with your city's shared values and mission? What if they were utilized as a tool by other city departments to solve complex issues that in many cases have a mental health and/or economic component? The City of Northglenn has started a Crisis Response Unit (CRU), utilizing ARPA funds. CRU is a five member, internally hired team whose purpose is to ease hardships for residents by aiding police response and creating a path of self-advocacy through the use of an on-scene crisis response team, case management and conflict resolution. CRU receives referrals primarily from our Police Department, Code Enforcement, and Municipal Court Judge. Along with PD calls for service, they handle issues such as homelessness, neighbor disputes, residents that are unable to bring code enforcement violations into compliance, and court clients.

Speakers: Hon. Amanda Bailhache, municipal court judge, City of Northglenn; Jessica Hulse, crisis response unit program manager, City of Northglenn; Jim May, chief of police, City of Northglenn and Brook Svoboda, planning and neighborhood services director, City of Northglenn

Procrastinators Are Us: Planning for the Future after 30 Years

The City of Littleton has delayed long term planning and investments for about 30 years. In 2018 Littleton focused on building consensus among our 46,000

residents, businesses, appointed officials, elected officials, and the city staff to create a unifying 2040 vision for the City. This work took 8 months and resulted in the unanimous adoption of a unifying vision in December 2018. During this community driven process, the absence of the City's organizational mission, vision, and values became clear. Currently undefined, the city has undertaken a multi-year effort to renovate the organizational culture facing the realities of its existing culture along with the challenges of advancing this effort during COVID restrictions and a once in a 100-year pandemic. Littleton has been a giant procrastinator and within three years has become the model overachiever. *Speakers: Samma Fox, assistant to the city manager, City of Littleton and Kathleen Osher, community services director, City of Littleton*

Get Back To Where You Once Belonged: Community Revitalization Through The Arts

Creative industries play a pivotal role in Colorado's economy. Unique music and arts organizations, projects, and legislation have re-emphasized that truism. One example is the passage of SB21-252 for Community Revitalization Grants to advance the creative industries in commercial centers, creative districts, main streets, and historic districts. Adaptive reuse of vacant and blighted buildings, new construction, and other utilization of spaces and places for the arts can enhance your economy and community well-being. We'll discuss how to activate a renewed focus on the arts and share examples of grant-funded projects that have been catalytic and transformational for local resilience.

10:45 a.m. - 12:00 noon

CLE: Behavioral Legal Ethics

This session will delve into the age-old question, "Why do good people (sometimes) do bad things?" Applying concepts of behavioral psychology to the practice of law, the lecture will explore the causes of "ethical blindspots" that can make the ethical aspects of everyday decision-making fade into the background. Attendees will also gain some practical skills for keeping ethics at the forefront of their mindset when approaching their work.

Speaker: Melanie Kay, director, Daniels fund Ethics Initiative at Colorado Law and faculty instructor, University of Colorado Law School

Emerging Issues 2

Learn about late-breaking issues that affect Colorado municipalities. More details in the final program.

Diversity in Government: The Why and the How

The character of a community is shaped by the people who work in its government. Teachers, librarians, tax assessors, clerks, and police officers are the “face” of a city or town. This session will explore the many reasons why a diverse workforce helps cities and towns better serve their communities. It will also lay out the practical and legal issues unique to municipal employers.

Jade Johnson-Masuen, consultant, Employers Council Southern Region; Diana Sadighi, consultant, Integrated Human Capital Services Group, Employers Council and Chad Trulli, attorney, Employers Council

Colorado Communities Clean Up Their Energy Game

The Colorado Energy Office with support from McKinstry and Siemens, will host a panel discussion with San Miguel County and a representative from the NW Colorado Regional Solar Partnership (which includes City of Steamboat Springs, Routt County, Moffat County, City of Craig, Town of Oak Creek, Town of Yampa, Moffat County School District, and Town of Hayden) to showcase how they used energy & cost saving upgrades] to qualify for State and Federal funding in order to modernize public spaces while meeting their sustainability goals. The presentation will also look at how to leverage public and private partnerships in rural mountain town communities for higher quality projects, better cost efficiencies, expansion of resources, and maximization of scoring criteria for grant programs.

Speakers: Peter Brixius, town manager, Town of Craig; Ashley Brasovan, account executive, Mckinstry; Dylan Klomhaus, program engineer, Colorado Energy Office; Lynne Padgett, director of strategic initiatives, San Miguel County and DeLynne Southern, Colorado Energy Office

Funding Water & Wastewater Improvements with State Revolving Fund: Bipartisan Infrastructure Law Edition

The Bipartisan Infrastructure Law allocates \$121,347,000 to Colorado for wastewater/ drinking water infrastructure. Learn from officials from the Department of Local Affairs, Colorado Water Resources and Power Development Authority, and the Colorado Department of Public Health and Environment about the law and opportunities for local governments to use these funds to finance water and wastewater projects.

Speakers: Austin Reichel, financial analyst II, Colorado Water Resources and Power Development Authority (CWRPDA); Desi Santerre, water & wastewater program manager, DOLA and James Wheatley, project manager, Colorado Department of Public Health and Environment (CDPHE).

12:15 p.m. - 1:45 p.m.

Attorney Luncheon: Environmental Justice: The Civil Rights Act in the Environmental Context

Presented by the Attorney Section

Speaker: KC Becker, regional administrator, EPA Region 8

Advance registration and ticket required. Limited seating. No on-site sales.

Managers Luncheon: Program TBA

Presented by the Managers Section.

Advance registration and ticket required. Limited seating. No on-site sales.



COLORADO
MUNICIPAL
LEAGUE

CML Special Conference

Westin Westminster

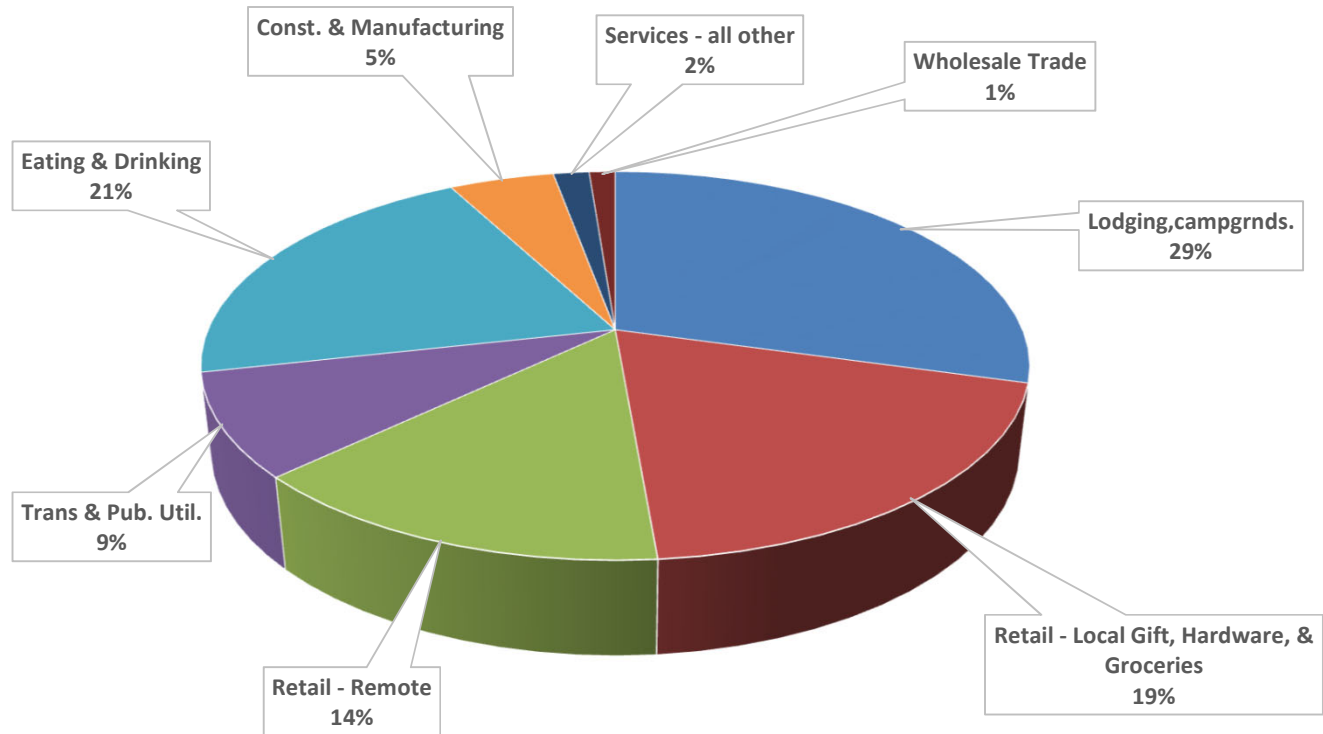
Sept. 22-24, 2021



Engineers Opinion of Budgetary Cost
Ouray Colorado
Revitalizing Main Street
 11-May-21

Item #	Estimated Quantity	Unit	Description	Eng. Est. Unit Price	Total Price
1	1	L.S.	Mobilization and Demobilization	\$103,000.00	\$103,000.00
2	1	L.S.	Traffic Control (Special) (LS)	\$175,000.00	\$175,000.00
3	24	Hour	Potholing	\$350.00	\$8,400.00
4	2320	L.F.	Concrete Curb/Gutter Removals	\$18.00	\$41,760.00
5	800	S.Y.	Asphalt Demolition/Removals	\$12.00	\$9,600.00
6	3000	S.Y.	Concrete Removals and Disposal	\$35.00	\$105,000.00
7	240	SY	Concrete Sidewalk (5" Thick) (Plain Grey)	\$80.00	\$19,200.00
8	4100	S.Y.	Concrete Flatwork (Bulb Outs/Sidewalks)(Exposed Agg)	\$95.00	\$389,500.00
9	135	S.Y.	Concrete Sidewalk Extensions and Replacements	\$90.00	\$12,150.00
10	58	Each	ADA Curb Ramps	\$2,800.00	\$162,400.00
11	580	SF	Detectible Warning Pads (Cast Metal)	\$75.00	\$43,500.00
12	3000	L.F.	Curb and Gutter - Type 2	\$42.00	\$126,000.00
13	650	Tons	Aggregate Base Course (class 5)	\$35.00	\$22,750.00
14	210	L.F.	24" RCP Drainage Pipe (AASHTO M 170)	\$145.00	\$30,450.00
15	12	Each	Inlet Type R L5 (5 Foot)	\$7,500.00	\$90,000.00
16	300	Tons	5" Hot Bituminous Asphalt Patching	\$210.00	\$63,000.00
17	4	Each	Rapid Flashing Beacon - Assembly (solar)	\$17,000.00	\$68,000.00
18	1890	S.F.	Preformed Thermoplastic Pvmt. Marking (Crosswalk and Stop Bars) (Inlaid)	\$22.00	\$41,580.00
19	30	Gal	Misc Road Striping - Modified Epoxy Pvmt. Marking	\$72.00	\$2,160.00
20	24	Each	Sign Panels Class 1 and Steel Sign Support (2" Round)	\$950.00	\$22,800.00
21	7	Each	Reset Fire Hydrant	\$8,000.00	\$56,000.00
22	15%	L.S.	Estimating Contingency		\$223,387.50
Total Construction Related Items:					\$1,815,637.50
Design - Surveying, Engineering and Subsurface Utility Engineering (SUE)					\$193,000.00
Construction Administration					\$155,000.00
Total Project:					\$2,163,637.50

City of Ouray
March 2022 Sales Tax Revenues by Business Category
(received in May 2022)

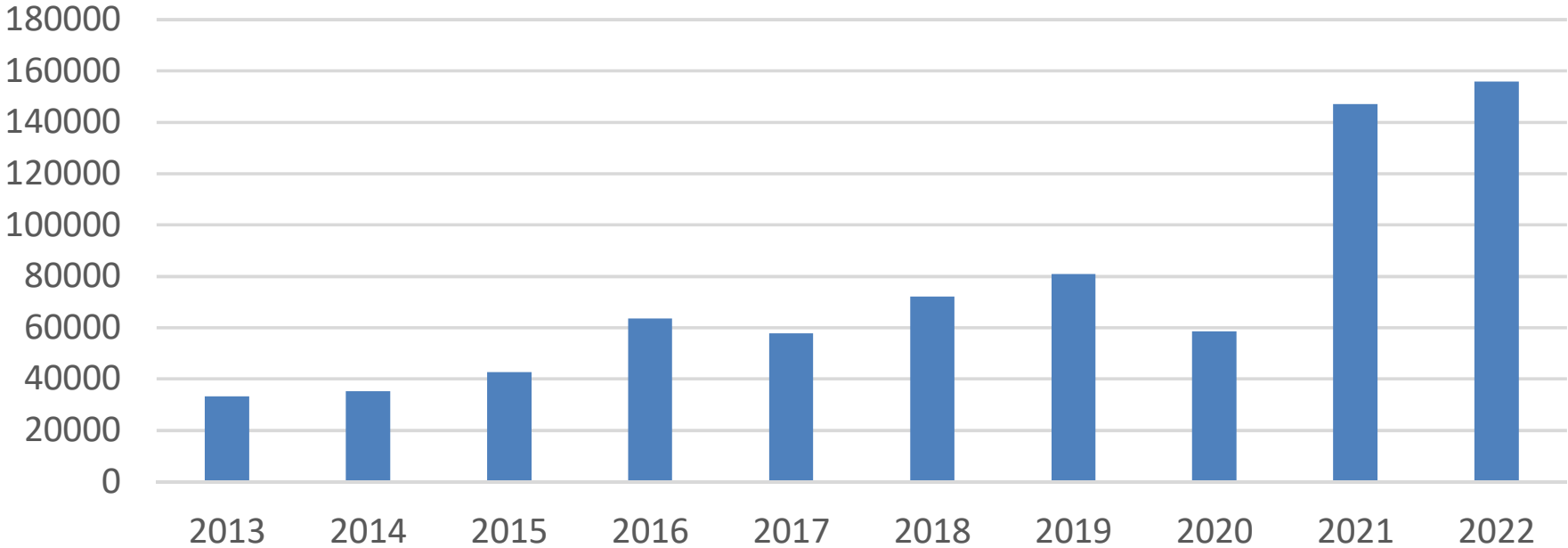


CITY OF OURAY
2022 MONTHLY SALES TAX REVENUES BY BUSINESS CATEGORY

(1) Month tax received from State of Colorado, representing sales from two months earlier (e.g. tax shown as APRIL is mostly from FEBRUARY)

2022 SALES TAX REVENUES BY BUSINESS CATEGORY							
(1) Funds received by City in: July (mostly re: May)							
Business Category	January	February	March	April	May	June	
Lodging, campgrnds.	\$ 36,442.44	\$ 48,592.86	\$ 43,048.97	\$ 57,820.63	\$ 45,728.44		
Retail - Local Gift, Hardware, & Groceries	\$ 31,458.66	\$ 39,424.05	\$ 31,597.29	\$ 27,054.56	30,059.48		
Retail - Remote	\$ 37,822.36	\$ 39,440.45	\$ 21,455.17	\$ 20,865.37	22,287.27		
Trans & Pub. Util.	10,595.57	11,994.95	13,844.21	14,646.02	13,342.30		
Eating & Drinking	18,180.96	29,458.33	29,869.52	30,031.16	32,268.20		
Const. & Manufacturing	7,699.75	6,439.43	5,300.13	9,370.64	7,619.18		
Services - all other	1,736.77	5,116.91	1,312.15	1,292.90	2,608.43		
Wholesale Trade	1,723.78	1,747.95	2,148.26	2,019.23	1,890.44		
TOTAL	\$ 145,660.29	\$ 182,214.93	\$ 148,575.70	\$ 163,100.51	\$ 155,803.74	\$ -	
Business Category	July	August	September	October	November	December	Year-to-date
Lodging, campgrnds.							\$ 231,633.34
Retail - Local Gift, Hardware, & Groceries							\$ 159,594.04
Retail - Remote							\$ 141,870.62
Trans & Pub. Util.							64,423.05
Eating & Drinking							139,808.17
Const. & Manufacturing							36,429.13
Services - all other							12,067.16
Wholesale Trade							9,529.66
TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 795,355.17

CITY OF OURAY MARCH SALES TAX REVENUE COMPARISON Over Past 10 Years



Notes: Figures represent revenue received in May
Sales Tax increased from 3% to 4% on January 1, 2016

CITY OF OURAY
SALES TAX REVENUES BY BUSINESS CATEGORY 2013-2022

SALES TAX REVENUES BY BUSINESS CATEGORY

Business Category	Funds received by City in May (mostly re: March) of:									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Lodging, campgrnds.	\$ 5,443.87	\$ 6,203.15	\$ 9,584.56	\$ 15,249.51	\$ 13,839.00	\$ 20,358.97	\$ 24,204.56	\$ 8,537.56	\$ 48,534.91	\$ 45,728.44
Retail - Local Gift & Hardware							15,796.08	13,653.00	26,260.20	30,059.48
Retail - Remote							11,214.47	13,005.06	24,375.70	22,287.27
Retail - groceries, liquor, candy, hardw	4,686.55	5,985.28	7,498.06	12,035.68	12,281.81	12,801.80				
Retail - gift, souvenir, variety, books	2,865.64	2,571.00	3,931.79	4,655.84	3,818.37	4,896.95				
Trans & Pub. Util.	7,283.27	6,490.85	7,670.58	13,281.91	7,100.52	7,925.41	7,669.48	8,821.34	10,842.03	13,342.30
Eating & Drinking	5,666.89	7,729.84	5,712.03	6,162.00	11,474.07	16,044.33	14,162.03	9,551.59	29,519.40	32,268.20
Const. & Manufacturing	3,943.94	2,618.76	5,722.91	7,157.27	6,458.20	7,434.92	5,881.55	3,440.51	3,471.97	7,619.18
Services - all other	1,144.45	1,915.00	1,336.72	1,754.31	1,781.74	2,341.05	1,503.59	1,034.99	2,152.63	2,608.43
Finance, Ins. Real Estate	1,919.62	1,507.90	562.63	3,061.70	857.41	298.81				
Wholesale Trade	44.00	61.00	65.28	282.93	115.07	73.25	411.73	669.83	1,879.52	1,890.44
Mining	-	-	-	-	-	-	-	-	-	-
All Other	257.00	247.12	630.30	7.00	7.00	-	-	-	-	-
TOTAL	\$ 33,255.23	\$ 35,329.90	\$ 42,714.86	\$ 63,648.15	\$ 57,733.19	\$ 72,175.49	\$ 80,843.49	\$ 58,713.88	\$ 147,036.36	\$ 155,803.74

\$12,207.14 out-of-period \$7,217.53 out-of-period \$3,389.27 out-of-period \$2,183.34 out-of-period \$4,665.85 out-of-period

Year to Date Sales Tax Comparison

Percentage Change
from 2021

March 2021 Activity	\$	147,036.36	
March 2022 Activity	\$	155,803.74	6%
Jan-Mar 2021	\$	426,463.99	
Jan-Mar 2022	\$	467,479.95	10%

Ouray Lodging Occ. Tax Collection Summary

ROOMS	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	22 vs 21
Month											
January	4343	4349	5712	5826	5113	5782	6196	6245	5936	7693	29.60%
February	3673	3874	4816	5226	4509	5085	5593	4641	7189	6158	-14.34%
March	2746	2949	3394	3638	3499	4763	4152	1952	6993	5465	-21.85%
April	1661	1836	2236	2660	2411	3080	2857	32	4941		
May	4248	4149	5047	5850	5939	7396	7894	3111	11093		
June	10971	10718	12015	13521	14494	14578	15026	12736	17520		
July	16285	17248	19171	19960	20248	19802	19482	20444	20509		
August	13688	15198	16477	16949	17344	17613	18629	16919	20798		
September	12004	13377	15478	16149	16526	17743	18498	17564	13517		
October	5825	6450	7937	7691	7762	7462	9407	12877	12038		
November	2084	1936	2141	2113	2674	2856	3237	3864	3199		
December	3589	3696	3656	3382	4226	5038	4268	5153	5237		
Total Rooms	81117	85780	98080	102965	104745	111198	115239	105538	128970	19316	

DOLLARS											
January	\$11,729	\$11,848	\$15,867	\$15,819	\$13,795	\$16,294	\$22,444	\$25,204	\$27,107	\$29,038	7.12%
February	\$9,749	\$10,430	\$12,468	\$13,908	\$12,648	\$14,021	\$19,580	\$18,464	\$28,191	\$31,155	10.51%
March	\$7,260	\$7,945	\$9,240	\$9,505	\$9,529	\$12,884	\$14,526	\$6,834	\$27,858	\$27,019	-3.01%
April	\$4,475	\$4,975	\$5,701	\$6,633	\$6,294	\$8,090	\$8,312	\$107	\$18,324		
May	\$11,738	\$11,357	\$13,876	\$15,372	\$15,734	\$19,031	\$22,068	\$7,922	\$41,033		
June	\$28,572	\$28,419	\$31,431	\$34,498	\$36,654	\$36,236	\$62,392	\$51,634	\$100,852		
July	\$42,369	\$44,740	\$47,884	\$49,767	\$50,344	\$49,371	\$110,244	\$114,230	\$138,864		
August	\$35,708	\$40,035	\$41,643	\$41,801	\$42,090	\$43,236	\$90,952	\$92,809	\$127,157		
September	\$32,326	\$35,960	\$40,336	\$41,704	\$41,965	\$44,480	\$79,505	\$93,050	\$98,575		
October	\$15,848	\$17,556	\$21,385	\$20,717	\$20,355	\$19,711	\$37,511	\$60,690	\$54,480		
November	\$5,348	\$5,092	\$5,136	\$5,802	\$7,079	\$7,000	\$10,367	\$15,399	\$14,134		
December	\$9,816	\$9,918	\$9,571	\$9,590	\$11,882	\$13,622	\$17,593	\$24,892	\$29,038		
Total Dollars	\$214,938	\$228,275	\$254,538	\$265,116	\$268,369	\$283,976	\$495,494	\$511,234	\$705,613	\$87,212	

Data represents rooms and dollars for month in which lodging activity occurred.
 LOT report and payment are due by 20th of following month.
 "ROOMS" data includes exempt rooms.

OURAY LODGING OCCUPANCY TRENDS

Based on Lodging Occupation Tax Collections

	2020				2021				2022			
	Avail.	Rooms		Exempt	Avail.	Rooms		Exempt	Avail.	Rooms		Exempt
	Rooms	Rented	Occ.%	Rooms	Rooms	Rented	Occ.%	Rooms	Rooms	Rented	Occ.%	Rooms
	+ RVs, Unfurnished Cabins				+ RVs, Unfurnished Cabins				+ RVs, Unfurnished Cabins			
January	19301	6245	32.4%	61	16357	5936	36.3%	61	17411	5237	30.1%	0
February	15753	4641	29.5%	103	17752	7189	40.5%	209	13780	6158	44.7%	0
March	13973	1952	14.0%	18	18804	6993	37.2%	364	15255	5465	35.8%	7
April	42	32	76.2%	10	16716	4941	29.6%	191				
May	12725	3111	24.4%	29	20240	11093	54.8%	213				
June	21195	12736	60.1%	28	21576	17520	81.2%	88				
July	22744	20444	89.9%	654	22375	20509	91.7%	121				
August	18745	16919	90.3%	10	23292	20798	89.3%	215				
September	20654	17564	85.0%	30	19088	13517	70.8%	209				
October	19127	12877	67.3%	18	17778	12038	67.7%	95				
November	13475	3864	28.7%	40	13529	3199	23.6%	54				
December	16609	5153	31.0%	107	17411	5237	30.1%	12				
Total	194343	105538	54.3%	1108	224918	128970	57.3%	1832	46446	16860		7

Data represents rooms for month in which lodging activity occurred.

LOT report and payment are due by 20th of following month.

"Rooms Rented" columns includes exempt rooms.

"Exempt Rooms" columns are for memo purposes only.

2022 Lodging Occupation Tax, By Business Category

AVAILABLE ROOMS	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Hotel, Motel	12,692	10,392	11,964										35,048
Bed and Breakfast	297	585	393										1,275
House, Townhouse, Condo (1)	2,779	2,803	2,898										8,480
RV Space, Unfurnished Cabin	1,643	-	-										1,643
Total Rooms	17,411	13,780	15,255	-	-	-	-	-	-	-	-	-	46,446

ROOMS RENTED	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Hotel, Motel	4,010	4,802	4,578										13,390
Bed and Breakfast	71	239	40										350
House, Townhouse, Condo (1)	547	1,117	847										2,511
RV Space, Unfurnished Cabin	609	-	-										609
Total Rooms	5,237	6,158	5,465	-	-	-	-	-	-	-	-	-	16,860

DOLLARS	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Hotel, Motel	\$ 19,790.24	\$ 21,498.28	\$ 20,358.47										\$ 61,646.99
Bed and Breakfast	\$ 365.84	\$ 1,409.64	\$ 212.99										\$ 1,988.47
House, Townhouse, Condo (1)	\$ 7,795.38	\$ 8,247.12	\$ 6,447.22										\$ 22,489.72
RV Space, Unfurnished Cabin	\$ 1,086.55	\$ -	\$ -										\$ 1,086.55
Total Dollars	\$ 29,038.01	\$ 31,155.04	\$ 27,018.68	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 87,211.73

(1) For a property that is marketed as a stand-alone short-term rental, for which there are no hotel/motel amenities offered.
 Data represents rooms for month in which lodging activity occurred.
 LOT report and payment are due by 20th of following month.
 "Rooms Rented" columns includes exempt rooms.

City of Ouray Hot Springs Pool and Fitness Center - Visitor and Revenue Trends

(Source: Point of Sale Software)

VISITORS	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	% change from 2021
January	7,639	7,496	9,160	9,287	36	9,392	8,553	8,149	4,961	5,258	5.99%
February	6,380	6,177	7,158	9,095	13	7,342	5,970	7,836	4,824	6,660	38.06%
March	8,367	7,832	10,045	10,087	58	10,468	9,118	3,638	7,697	8,621	12.00%
April	5,056	4,277	5,691	6,195	16	7,048	5,481	-	7,104	5,249	-26.11%
May	10,407	10,040	11,798	12,065	2,984	13,346	11,397	-	11,580		
June	18,494	18,294	20,970	22,404	18,175	24,764	24,525	1,540	25,977		
July	30,652	29,009	32,485	36,116	37,483	35,943	36,986	6,416	30,994		
August	18,875	21,625	22,377	22,353	25,486	23,936	23,274	12,622	22,179		
September	10,825	10,617	14,334	9,258	16,065	16,397	14,833	11,946	13,612		
October	5,741	6,473	7,360	62	9,834	8,771	9,596	10,699	9,368		
November	6,052	6,576	6,878	49	7,077	7,043	6,920	4,644	6,782		
December	7,117	7,158	7,646	47	10,753	9,046	8,174	4,439	6,317		
TOTAL YEAR	135,605	135,574	155,902	137,018	127,980	173,496	164,827	71,929	151,395		

REVENUE	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	% change from 2021
January	\$ 69,592.57	\$ 70,853.78	\$ 84,848.13	\$ 85,983.09	\$ 2,189.00	\$ 89,885.46	\$ 95,701.53	\$ 99,306.81	\$ 66,989.85	\$ 63,150.43	-5.73%
February	\$ 53,942.51	\$ 58,070.40	\$ 62,350.28	\$ 78,569.69	\$ 724.00	\$ 70,970.13	\$ 65,918.59	\$ 97,215.12	\$ 61,086.55	\$ 85,924.20	40.66%
March	\$ 71,253.08	\$ 73,228.30	\$ 92,289.88	\$ 84,745.80	\$ 1,012.00	\$ 102,232.15	\$ 108,526.39	\$ 47,810.30	\$ 106,419.45	\$ 126,759.01	19.11%
April	\$ 40,718.09	\$ 35,578.60	\$ 50,940.75	\$ 52,112.54	\$ 2,234.00	\$ 72,957.12	\$ 62,025.47	\$ -	\$ 98,819.49	\$ 152,003.71	53.82%
May	\$ 92,099.46	\$ 90,214.50	\$ 109,383.77	\$ 108,047.29	\$ 123,474.60	\$ 155,881.40	\$ 138,237.34	\$ -	\$ 162,720.12	\$ -	
June	\$ 184,665.49	\$ 175,517.27	\$ 186,061.57	\$ 211,853.56	\$ 166,974.02	\$ 317,542.31	\$ 311,093.17	\$ 19,273.04	\$ 352,538.72	\$ -	
July	\$ 273,929.96	\$ 278,448.14	\$ 300,620.51	\$ 332,026.16	\$ 479,802.39	\$ 455,519.84	\$ 474,330.32	\$ 74,169.01	\$ 428,489.09	\$ -	
August	\$ 169,419.68	\$ 196,542.94	\$ 194,321.61	\$ 198,465.34	\$ 326,151.96	\$ 308,882.04	\$ 295,953.46	\$ 165,977.58	\$ 312,872.14	\$ -	
September	\$ 90,904.86	\$ 93,619.70	\$ 127,909.15	\$ 80,149.87	\$ 184,807.92	\$ 200,777.07	\$ 188,131.33	\$ 158,666.78	\$ 186,412.51	\$ -	
October	\$ 51,079.71	\$ 56,515.76	\$ 63,216.05	\$ 2,737.00	\$ 82,537.92	\$ 99,235.68	\$ 120,843.43	\$ 145,302.53	\$ 131,806.01	\$ -	
November	\$ 48,744.63	\$ 55,891.66	\$ 54,218.80	\$ 1,796.25	\$ 62,435.74	\$ 84,885.49	\$ 83,976.37	\$ 58,403.16	\$ 88,639.21	\$ -	
December	\$ 75,289.46	\$ 73,048.24	\$ 74,421.59	\$ 1,957.00	\$ 112,212.40	\$ 111,645.98	\$ 105,050.32	\$ 60,304.81	\$ 79,891.78	\$ -	
TOTAL YEAR	\$ 1,221,639.50	\$ 1,257,529.29	\$ 1,400,582.09	\$ 1,238,443.59	\$ 1,544,555.95	\$ 2,070,414.67	\$ 2,049,787.72	\$ 926,429.14	\$ 2,076,684.92		

320 6th Avenue
PO Box 468
Ouray, Colorado 81427



970.325.7211
Fax 970.325.7212
www.cityofouray.com

TO: Ouray City Council
FROM: Lily Oswald, Community Development Coordinator
DATE: May 12, 2022
FOR: May 16, 2022
SUBJECT: Community Development Department Report

CURRENT PLANNING

Staff is working on the following projects:

- Working with the County on Special Use Permits and Variance for the water and wastewater treatment facility applications including satisfying noticing requirements.
- Managing Short-Term Rental coordination (applications, renewals, expiration notifications, Building Inspection updates). Working with STR owners/managers through new policies/changes to status.
 - **REMINDER:** *the City closely monitors STR bookings, listings, dates of activity, and revenue via Deckard/RentalScape to ensure units are in compliance with all STR regulations. The City will continue to enforce all noncompliant STRs in accordance with City Code.*
- Hosting various preapplications for small-and large-scale land use projects, lot splits, rezones, minor subdivisions, condominiumization, replats, new single- and multi-family housing units.
- Processing Site Development and other Land Use/Building Permits.
- Updating the existing Community Development/Building Department forms, processes, and webpages for easier/transparent processing (recent changes: STR webpage, Backflow Prevention webpage, Land Use Code Update webpage, updates to building and land use forms and applications).
- Staff is working on compiling a list of properties within Ouray with “erroneous” zoning boundaries.
- Administering CDPHE’s backflow and cross connection program, as required for the City’s water system
 - **REMINDER:** *all timelines and restrictions are State requirements and cannot be administratively extended or changed. Potential noncompliance from affected property owners will result in the City being issued a violation from CDPHE and the City sending notices to all water customers of said properties and their uncontrolled cross connections.*

CODE ENFORCEMENT

Code enforcement cases continue to be monitored and enforced. Matt Haldeman, the City’s Building Inspector, is working on building and STR inspections, plan review, enforcing building and land use codes, and administering and surveying properties for the backflow program (in accordance with CDPHE requirements).

BACKFLOW PREVENTION PROGRAM

Matt Haldeman has been comprehensively administering and surveying properties for the City’s backflow program (in accordance with CDPHE requirements, see “Reminder” above). There is now a [dedicated webpage](#) for these efforts and to provide public resources related to this program. The City is working to ensure property owners submit testing reports on an annual basis.

BUILDING & SIGN PERMITS

Six (6) building permits were issued by the department for the Month of April, and one (1) sign permit was issued in April. Typical review, inspection of, and correspondence re: STR applications was performed.

LAND USE & DEVELOPMENT AND SIGN CODE UPDATE

- Staff is working with Short Elliott Hendrickson, Inc. (SEH) to update the City’s Land Use & Development and Sign Code chapters, as approved by Council. The following items are updates to this ongoing process:
 - SEH hosted a kick-off meeting with City Council and the Planning Commission on March 21.
 - SEH has met with Planning Commission to go over the rough outline of the Land Use Code during the Planning Commission meeting on April 13.
 - SEH plans to present a rough draft of part of the land use code for Planning Commission consideration at the June 14 meeting.
- Staff created a community-input survey for Ouray’s land use code and development priorities/concerns as part of this process. This survey was included in recent City Newsletters and is linked on [the City’s webpage dedicated to this code update](#).
 - There have been 39 survey respondents to date; the survey will remain open and actively distributed throughout the code revision process. *Thank you to all respondents!*

COMMUNITY AND ECONOMIC DEVELOPMENT COMMITTEE (CEDC)

The CEDC held a regular meeting on May 12th on the following items:

- **Business Roundtable:** Due to persistent rescheduling of guest speakers and tourism season now upon Ouray, the CEDC decided to postpone the roundtable until the next shoulder season (approx. September 2022).
- **MicroGrants:** CEDC will host a work session on **May 19 at 8:30am** to discuss the application, review, and criteria process for the budgeted micro grants program for the community.
- **Business Registration:** Local businesses must submit their [Business Registration\(s\)](#) on or before **May 31**.

The next scheduled CEDC meeting is on **June 9 at 8:30am**. There are vacant seats on the CEDC.

PLANNING COMMISSION

The Planning Commission held a special meeting on May 10th. The Planning Commission agenda included the following:

- **Variance Application** for 739 5th Street to increase the site coverage maximum limitation – denied
- Discussion on the Land Use Code Update and summary of survey responses as of 5-6-22. SEH did not present on the code revision process. Draft sections in the new outline will be available for Planning Commission review in an upcoming meeting.

The next Planning Commission meeting is scheduled for **June 14 at 4:00pm**.

MISCELLANEOUS PROJECTS

The following miscellaneous projects have also been taken on by community development staff:

- Code interpretations for developers, realtors, municipalities, and private parties.
- Ongoing addressing discrepancies in city parcels/lots/blocks. 43 address assignments/changes have been made.
- Ongoing fulfillment of records requests submitted to the City.
- Ongoing explanation of current STR regulations; providing information to interested/involved parties. Improving the City’s website on STRs and backflow-making information more transparent for the public.
- Research into similar municipal fee schedules and land use regulations.
- Research into creative housing solutions, opportunities, and partnerships in the region and meetings with various stakeholders.
- Research into STRs, ADUs, other land use-related policy tools across other municipalities in Colorado. Analyzing differences in language/legalities across municipalities.
- Research into funding and grant opportunities for community- and land use-related projects.

SHORT TERM RENTAL (STR) LICENSES

The table below summarizes STR license status and counts including applications that have been submitted to the City.

Non-inspection-ready applications are not included in the table below, per Council request.

Table 1. STR Status and Counts (updated 5/12/2022)

Identifier	Status	Number of Units
A	Active; Non-Expired Licenses	101
B	Renewal Applications; In process	7
C	New Applications; In process	2
D	Total Active + Applications In Process (A+B+C)	110



Communications & Community Engagement Coordinator- Autumn bailey

STATUS REPORT 05/13

PROJECT UPDATES

Website Overhaul

1. Design Phase completed
2. Development Phase started
 - a. A Zoom meeting has been requested to review the current status of developed pages
 - b. No data migration has taken place yet

Main Street Program

1. Steering Committee has been selected
2. Kick-off meeting with Urban Planner, Matt Ashby, occurred on Monday, May 9th
 - a. Notes from the meeting have been dispersed to committee members for review
 - i. Notes provide information that can be utilized on the Application for Candidate Level
3. Visit Ouray City Map updates in process. Autumn has created a spreadsheet with each business listed, contact information, and business category according to the map. This allows her to isolate email/contact groups quickly for correspondence. Matt Ashby stated this listing can be used on the application.

- a. Pulling information from current Business Registration forms via the spreadsheet Julie Lancaster has created. Her spreadsheet is much more in-depth for information whereas Autumn's can be easily shared.

E-Waste Recycle Day & Community Cleanup

1. Coordinated with Waste Management for E-Waste Recycling on Saturday, May 14th. Mayor Funk volunteered to "man the station" and collect fees with Autumn from 9 am to Noon while Waste Management employees collected the recyclable items.
2. Coordinated with Waste Management for six (6) 30-yard roll-off dumpsters to be dropped off at Rotary Park. Drop off occurred on May 11th and 12th. Pick-up will happen on May 17th and 18th.

APPLICATION FOR A SPECIAL EVENTS PERMIT

IN ORDER TO QUALIFY FOR A SPECIAL EVENTS PERMIT, YOU MUST BE NONPROFIT AND ONE OF THE FOLLOWING (See back for details.)

- | | | |
|------------------------------------|--|---|
| <input type="checkbox"/> SOCIAL | <input type="checkbox"/> ATHLETIC | <input checked="" 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"/> OF A NATIONAL ORGANIZATION OR SOCIETY | <input type="checkbox"/> MUNICIPALITY OWNING ARTS FACILITIES |
| <input type="checkbox"/> POLITICAL | <input type="checkbox"/> RELIGIOUS INSTITUTION | |

LAB	TYPE OF SPECIAL EVENT APPLICANT IS APPLYING FOR:	
2110	<input checked="" type="checkbox"/> MALT, VINOUS AND SPIRITUOUS LIQUOR	\$25.00 PER DAY
2170	<input type="checkbox"/> FERMENTED MALT BEVERAGE (3.2 Beer)	\$10.00 PER DAY

DO NOT WRITE IN THIS SPACE

LIQUOR PERMIT NUMBER

1. NAME OF APPLICANT ORGANIZATION OR POLITICAL CANDIDATE Mountain Air Music, Inc.	State Sales Tax Number (Required) 47-2245194
---	--

2. MAILING ADDRESS OF ORGANIZATION OR POLITICAL CANDIDATE
(include street, city/town and ZIP)

**PO BOX 1132
Ouray, CO 81427**

3. ADDRESS OF PLACE TO HAVE SPECIAL EVENT
(include street, city/town and ZIP)

**Fellin Park
1000 Main Street Ouray, CO 81427**

NAME	DATE OF BIRTH	HOME ADDRESS (Street, City, State, ZIP)	PHONE NUMBER
4. PRES./SECY OF ORG. or POLITICAL CANDIDATE David Turner			
5. EVENT MANAGER Katharina Papenbrock			

6. HAS APPLICANT ORGANIZATION OR POLITICAL CANDIDATE BEEN ISSUED A SPECIAL EVENT PERMIT THIS CALENDAR YEAR?
 NO YES HOW MANY DAYS? _____

7. IS PREMISES NOW LICENSED UNDER STATE LIQUOR OR BEER CODE?
 NO YES TO WHOM? _____

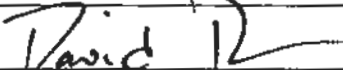
8. DOES THE APPLICANT HAVE POSSESSION OR WRITTEN PERMISSION FOR THE USE OF THE PREMISES TO BE LICENSED? Yes No

LIST BELOW THE EXACT DATE(S) FOR WHICH APPLICATION IS BEING MADE FOR PERMIT

Date	Hours	Date	Hours	Date	Hours	Date	Hours
06/02/2022	From 03:00 p.m. To 11:45 p.m.	06/09/2022	From 03:00 p.m. To 11:45 p.m.	06/16/2022	From 03:00 p.m. To 11:45 p.m.	06/23/2022	From 03:00 p.m. To 11:45 p.m.
						06/30/2022	From 3:00 p.m. To 11:45 p.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 	TITLE Board Chair	DATE 4/26/2022
--	-----------------------------	--------------------------

REPORT AND APPROVAL OF LOCAL LICENSING AUTHORITY (CITY 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 12, Article 48, C.R.S., as amended.

THEREFORE, THIS APPLICATION IS APPROVED.

LOCAL LICENSING AUTHORITY (CITY OR COUNTY)	<input type="checkbox"/> CITY <input type="checkbox"/> COUNTY	TELEPHONE NUMBER OF CITY/COUNTY CLERK
SIGNATURE	TITLE	DATE

DO NOT WRITE IN THIS SPACE - FOR DEPARTMENT OF REVENUE USE ONLY

LIABILITY INFORMATION			
License Account Number	Liability Date	State	TOTAL
		-750 (999)	\$.

Application for a Special Events Permit

In order to qualify for a Special Events 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 | |

LIAB Type of Special Event Applicant is Applying for:	DO NOT WRITE IN THIS SPACE
2110 <input checked="" type="checkbox"/> Malt, Vinous And Spirituous Liquor \$25.00 Per Day	Liquor Permit Number
2170 <input type="checkbox"/> Fermented Malt Beverage \$10.00 Per Day	

1. Name of Applicant Organization or Political Candidate Wright Opera House and Ouray International Film Festival	State Sales Tax Number (Required) 04294142-0000
--	--

2. Mailing Address of Organization or Political Candidate (include street, city/town and ZIP) PO Box 17 Ouray, Co 81427	3. Address of Place to Have Special Event (include street, city/town and ZIP) 472 Main Ouray, CO 81427
--	---

4. Authorized Representative of Qualifying Organization or Political Candidate Lou Hart	Date of Birth	Phone Number
--	---------------	--------------

Authorized Representative's Mailing Address (if different than address provided in Question 2.)
 PO Box 1173; Ouray, Colorado 81427

5. Event Manager Jared LaCroix	Date of Birth
-----------------------------------	---------------

Event Manager Home Address (Street, City, State, ZIP) 943 W Eastland Avenue	Email Address of Event Manager jared@ourayfilmfestival.com
--	---

6. Has Applicant Organization or Political Candidate been Issued a Special Event Permit this Calendar Year? <input checked="" type="checkbox"/> No <input type="checkbox"/> 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? <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
6/24/2022		3p	11p												

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 <u>Wright Opera House Board Member</u>	Date <u>3/28/22</u>
-----------	--	---------------------

Report and Approval of Local Licensing Authority (City 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 (City or County)	<input type="checkbox"/> City <input type="checkbox"/> County	Telephone Number of City/County Clerk
--	--	---------------------------------------

Signature	Title	Date
-----------	-------	------

DO NOT WRITE IN THIS SPACE - FOR DEPARTMENT OF REVENUE USE ONLY

Liability Information			
License Account Number	Liability Date	State	Total
		-750 (999)	\$

Application for a Special Events Permit

Departmental Use Only

In order to qualify for a Special Events 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 | |

LIAB Type of Special Event Applicant is Applying for:	DO NOT WRITE IN THIS SPACE
2110 <input checked="" type="checkbox"/> Malt, Vinous And Spirituous Liquor \$25.00 Per Day	Liquor Permit Number
2170 <input type="checkbox"/> Fermented Malt Beverage \$10.00 Per Day	

1. Name of Applicant Organization or Political Candidate OURAY VOLUNTEER FIRE DEPARTMENT	State Sales Tax Number (Required) 98-05775
2. Mailing Address of Organization or Political Candidate (include street, city/town and ZIP) PO BOX 468 OURAY CO 81427	3. Address of Place to Have Special Event (Include street, city/town and ZIP) FELLEN PARK 1200 MAIN ST OURAY CO 81427

4. Authorized Representative of Qualifying Organization or Political Candidate ADAM KUNZ	Date of Birth 10/11/1981
--	------------------------------------

Authorized Representative's Mailing Address (if different than address provided in Question 2.)
PO BOX 468, OURAY CO 81427

5. Event Manager ADAM KUNZ	Date of Birth 10/11/1981	Phone Number 970-231-1001
--------------------------------------	------------------------------------	-------------------------------------

Event Manager Home Address (Street, City, State, ZIP) 1500 OAK ST #15, OURAY, CO	Email Address of Event Manager FIRE@CITYOFOURAY.COM
--	---

6. Has Applicant Organization or Political Candidate been Issued a Special Event Permit this Calendar Year? <input checked="" type="checkbox"/> No <input type="checkbox"/> 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? <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	Date	Date	Date
7/3/22			
Hours From 10 A.m. To 11:59 P.m.	Hours From .m. To .m.	Hours From .m. To .m.	Hours From .m. To .m.
Date	Date	Date	Date
Hours From .m. To .m.	Hours From .m. To .m.	Hours From .m. To .m.	Hours From .m. To .m.
Date	Date	Date	Date
Hours From .m. To .m.	Hours From .m. To .m.	Hours From .m. To .m.	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 	Title CHIEF ADAM KUNZ	Date 7/25/22
---------------	---------------------------------	------------------------

Report and Approval of Local Licensing Authority (City 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 (City or County)	<input type="checkbox"/> City <input type="checkbox"/> County	Telephone Number of City/County Clerk
Signature	Title	Date

DO NOT WRITE IN THIS SPACE - FOR DEPARTMENT OF REVENUE USE ONLY

Liability Information			
License Account Number	Liability Date	State	Total
		-750 (999)	\$.

Submit to Local Licensing Authority

**THE IMOGENE
 PO BOX 848
 Ouray CO 81427**

Fees Due	
Renewal Fee	550.00
Storage Permit \$100 X _____	\$
Sidewalk Service Area \$75.00	\$
Additional Optional Premise Hotel & Restaurant \$100 X _____	\$
Related Facility - Campus Liquor Complex \$160.00 per facility	\$
Amount Due/Paid	\$ 550.00

Make check payable to: Colorado Department of Revenue. The State may convert your check to a one-time electronic banking transaction. Your bank account may be debited as early as the same day received by the State. If converted, your check will not be returned. If your check is rejected due to insufficient or uncollected funds, the Department may collect the payment amount directly from your banking account electronically.

Retail Liquor or Fermented Malt Beverage License Renewal Application

Please verify & update all information below

Return to city or county licensing authority by due date

Licensee Name IMOGENE FB LLC		Doing Business As Name (DBA) THE IMOGENE	
Liquor License # 03-13336	License Type Tavern (city)		
Sales Tax License Number 94375323	Expiration Date 06/08/2022	Due Date 04/24/2022	
Business Address 740 MAIN STREET Ouray CO 81427			Phone Number 9703258885
Mailing Address PO BOX 848 Ouray CO 81427		Email	
Operating Manager Stuart Gillespie	Date of Birth	Home Address	
1. Do you have legal possession of the premises at the street address above? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Are the premises owned or rented? <input checked="" type="checkbox"/> Owned <input type="checkbox"/> Rented* *If rented, expiration date of lease _____			
2. Are you renewing a storage permit, additional optional premises, sidewalk service area, or related facility? If yes, please see the table in upper right hand corner and include all fees due. <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
3a. Are you renewing a takeout and/or delivery permit? (Note: must hold a qualifying license type and be authorized for takeout and/or delivery license privileges) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
3b. If so, which are you renewing? <input type="checkbox"/> Delivery <input type="checkbox"/> Takeout <input type="checkbox"/> Both Takeout and Delivery			
4a. Since the date of filing of the last application, has the applicant, including its manager, partners, officer, directors, stockholders, members (LLC), managing members (LLC), or any other person with a 10% or greater financial interest in the applicant, been found in final order of a tax agency to be delinquent in the payment of any state or local taxes, penalties, or interest related to a business? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
4b. Since the date of filing of the last application, has the applicant, including its manager, partners, officer, directors, stockholders, members (LLC), managing members (LLC), or any other person with a 10% or greater financial interest in the applicant failed to pay any fees or surcharges imposed pursuant to section 44-3-503, C.R.S.? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
5. Since the date of filing of the last application, has there been any change in financial interest (new notes, loans, owners, etc.) or organizational structure (addition or deletion of officers, directors, managing members or general partners)? If yes, explain in detail and attach a listing of all liquor businesses in which these new lenders, owners (other than licensed financial institutions), officers, directors, managing members, or general partners are materially interested. <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
6. Since the date of filing of the last application, has the applicant or any of its agents, owners, managers, partners or lenders (other than licensed financial institutions) been convicted of a crime? If yes, attach a detailed explanation. <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			

Submit to Local Licensing Authority

**BON TON
 PO BOX 1055
 Ouray CO 81427**

Fees Due	
Renewal Fee	550.00
Storage Permit \$100 X <u>1</u>	\$ <u>100</u>
Sidewalk Service Area \$75.00	\$
Additional Optional Premise Hotel & Restaurant \$100 X _____	\$
Related Facility - Campus Liquor Complex \$160.00 per facility	\$
Amount Due/Paid	\$

Make check payable to: Colorado Department of Revenue. The State may convert your check to a one-time electronic banking transaction. Your bank account may be debited as early as the same day received by the State. If converted, your check will not be returned. If your check is rejected due to insufficient or uncollected funds, the Department may collect the payment amount directly from your banking account electronically.

Retail Liquor or Fermented Malt Beverage License Renewal Application

Please verify & update all information below

Return to city or county licensing authority by due date

Licensee Name FOR THE LOVE OF FOOD LLC			Doing Business As Name (DBA) BON TON	
Liquor License # 03-01488	License Type Hotel & Restaurant	Sales Tax License # 27598983	Expiration Date 06/11/2022	Due Date 04/27/2022
Business Address 426 MAIN ST, UNIT 2 Ouray CO 81427			Phone Number 9703254419	
Mailing Address PO BOX 1055 Ouray CO 81427			Email bontonouray@gmail.com	
Operating Manager Chris Lee	Date of Birth E	Home Address	Phone Number	
1. Do you have legal possession of the premises at the street address above? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Are the premises owned or rented? <input type="checkbox"/> Owned <input checked="" type="checkbox"/> Rented* *If rented, expiration date of lease 12/19/22				
2. Are you renewing a storage permit, additional optional premises, sidewalk service area, or related facility? If yes, please see the table in upper right hand corner and include all fees due. <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No				
3a. Since the date of filing of the last application, has the applicant, including its manager, partners, officer, directors, stockholders, members (LLC), managing members (LLC), or any other person with a 10% or greater financial interest in the applicant, been found in final order of a tax agency to be delinquent in the payment of any state or local taxes, penalties, or interest related to a business? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No				
3b. Since the date of filing of the last application, has the applicant, including its manager, partners, officer, directors, stockholders, members (LLC), managing members (LLC), or any other person with a 10% or greater financial interest in the applicant failed to pay any fees or surcharges imposed pursuant to section 44-3-503, C.R.S.? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No				
4. Since the date of filing of the last application, has there been any change in financial interest (new notes, loans, owners, etc.) or organizational structure (addition or deletion of officers, directors, managing members or general partners)? If yes, explain in detail and attach a listing of all liquor businesses in which these new lenders, owners (other than licensed financial institutions), officers, directors, managing members, or general partners are materially interested. <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No				
5. Since the date of filing of the last application, has the applicant or any of its agents, owners, managers, partners or lenders (other than licensed financial institutions) been convicted of a crime? If yes, attach a detailed explanation. <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No				
6. Since the date of filing of the last application, has the applicant or any of its agents, owners, managers, partners or lenders (other than licensed financial institutions) been denied an alcohol beverage license, had an alcohol beverage license suspended or revoked, or had interest in any entity that had an alcohol beverage license denied, suspended or revoked? If yes, attach a detailed explanation. <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No				
7. Does the applicant or any of its agents, owners, managers, partners or lenders (other than licensed financial institutions) have a direct or indirect interest in any other Colorado liquor license, including loans to or from any licensee or interest in a loan to any licensee? If yes, attach a detailed explanation. <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No				

CITY OF OURAY
ORDINANCE NO. 5 (Series 2022)

AN ORDINANCE OF THE CITY OF OURAY, COLORADO AMENDING OURAY MUNICIPAL CODE SECTION 7-5-J-6 ACCESSORY DWELLING UNITS TO REMOVE THE OWNER-OCCUPIED REQUIREMENT FOR ACCESSORY DWELLING UNITS (ADU)

WHEREAS, the Ouray City Council directed Planning Commission to recommend municipal code changes to incentivize the construction of accessory dwelling unit regulations for long-term rentals within the City of Ouray, after identifying a need; and

WHEREAS, the City Council held a joint work session with Planning Commission on March 21, 2022, to discuss owner occupancy requirements of Section 7-5-J-6 of the Ouray Municipal Code; and

WHEREAS, the Planning Commission held a special meeting on April 13, 2022, and identified limitations with the current ADU regulations and drafted potential code changes adopted in Planning Commission Resolution 22-02 and referring the same to City Council for possible adoption; and

WHEREAS, the City Council finds that while allowing incentives to encourage the construction of ADUs, it must place restrictions on the units to ensure the purpose of these incentives is fulfilled and monitored over time; and

WHEREAS the City finds these revisions to the municipal code are for the purpose of promoting health, safety, and the general welfare of the City of Ouray.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF OURAY, COLORADO as follows:

SECTION 1: INCORPORATION OF RECITALS

The foregoing recitals are hereby affirmed and incorporated herein by this reference as findings of the City Council.

SECTION 2: AMENDMENT TO THE CODE

Chapter 7, Section 5, Subsection J, Paragraph 6 is repealed and replaced as follows:

Accessory Dwelling Units

Dwelling units which meet the criteria of this Subsection may be allowed as an accessory use to a principal residential unit in the R-1, R-2, C-1 and C-2 districts provided that the dwelling units conform to the applicable requirements of said Districts.

- a. The accessory dwelling unit must be constructed in accordance with applicable requirements of Code adopted by the City pursuant to Chapter 6 of Ouray Municipal Code. It may be attached to or detached from the principal residential unit. Applicable dimensional requirements for a single-family dwelling as set out in Table 7-5-D must be met for the premises.
- b. One off-street parking space shall be provided for the accessory unit in addition to any other required off-street parking.
- c. The accessory dwelling unit may not exceed 1,000 square feet of living area.
 - i. If any of the dwelling units are rented, a minimum of a 30-day rental period shall be required by written lease.
- d. The accessory dwelling unit must be owned together with the principal residential unit in undivided ownership.
- e. The accessory dwelling unit may be served by the water and sewer taps for the principal residence, in which case it shall not be subject to additional investment fees, and the primary residence and accessory dwelling unit shall be charged as a duplex for water and sewer service rates.
- f. The burden shall be upon the owner of any accessory dwelling unit to provide adequate proof to the City that the criteria of this Section are met. In the event that the City determines that the criteria have not been shown to be satisfied the unit may not be occupied as a residence.
- g. A dwelling unit constructed as a principal single-family home, which meets these criteria, may be converted to an accessory dwelling unit following construction of a new principal dwelling unit.

SECTION 3: EFFECTIVE DATE

The provisions of this Ordinance shall become effective thirty days after publication in accordance with City of Ouray Charter 3.5(G).

SECTION 4: SAVINGS CLAUSE

The amendment of various provisions of the Ouray Municipal Code by this ordinance shall not affect any offense or act committed, any penalty incurred, any contract, right or duty established or accruing before the effective date of this ordinance.

SECTION 5: SEVERABILITY

If any clause, sentence, paragraph, or part of this ordinance or the application thereof to any person or circumstances shall for any reason be adjudged by a court of competent jurisdiction invalid, such judgment shall not affect application to other persons or circumstances.

INTRODUCED, APPROVED AS INTRODUCED, AND ORDERED PUBLISHED on first reading by 5 to 0 vote of the Ouray City Council this 2 day of ~~April~~^{May} 2022.

CITY OF OURAY, COLORADO

By 
Ethan Funk, Mayor

ATTEST:


Melissa M. Drake, City Clerk

INTRODUCED, READ, AND ADOPTED on second reading by _____ vote of the Ouray City Council this _____ day of May 2022.

CITY OF OURAY, COLORADO

By _____
Ethan Funk, Mayor

ATTEST:

Melissa M. Drake, City Clerk

CERTIFICATE OF ATTESTATION

I, Melissa M. Drake, Ouray City Clerk, hereby certify that Ordinance No. 5 (Series No. 2022), was introduced, read, and passed by the Ouray City Council on first reading on May 2, 2022. The Ordinance was published, in summary, in the *Ouray County Plaindealer* on May 5, 2022, and thereafter introduced, read, and adopted by the Ouray City Council on _____, 2022, and thereafter published in the *Ouray County Plaindealer*, as required by law.

Melissa M. Drake, City Clerk

ORDINANCE NO. 06 (SERIES 2022)

AN ORDINANCE OF THE CITY OF OURAY, COLORADO, REPEALING AND REPLACING SECTION 2-15-A AND ADDING A NEW SECTION 2-15-C OF THE OURAY MUNICIPAL CODE REVISING THE PARKS AND RECREATION COMMITTEE (PARC) MEMBER APPOINTMENTS AND ADDING A COMMITTEE MEMBER REMOVAL PROVISION.

WHEREAS City Council finds it necessary to revise the committee appointments to be staggered and to add the statutory language concerning member removal.

NOW BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF OURAY, COLORADO, as follows:

SECTION 1: REPEAL AND REPLACEMENT

Chapter 2 of the Ouray Municipal Code, Section 2-15-A, is repealed and replaced, as follows:

A. At its first meeting in January, City Council shall appoint a minimum of five (5) and a maximum of seven (7) members to the Parks and Recreation committee (PARC) for three (3) year staggered terms. The committee shall not have an even number of members. Members represent the community at-large. A quorum for meetings and voting shall be no less than three (3) members.

SECTION 2: AMENDMENT

c. Members may be removed by City Council for malfeasance, any act in violation of C.R.S. § 24-18-101 et seq., or for substantial failure to attend scheduled meetings.

SECTION 3: EFFECTIVE DATE.

The provisions of this Ordinance shall become effective 30 days following publication in accordance with City Charter, 3.5-G.

SECTION 4: SEVERABILITY.

If any clause, sentence, paragraph, or part of this ordinance or the application thereof to any person or circumstances shall for any reason be adjudged by a court

of competent jurisdiction invalid, such judgment shall not affect application to other persons or circumstances.

INTRODUCED, READ, APPROVED AS INTRODUCED, AND ORDERED PUBLISHED on first reading by 5 To 0 vote of the Ouray City Council this 2nd day of May, 2022.

CITY OF OURAY, COLORADO


Ethan Funk, Mayor

ATTEST:


Melissa M. Drake, City Clerk

INTRODUCED, READ, AND ADOPTED on second reading by _____ vote of the Ouray City Council this _____ day of _____ 2022.

CITY OF OURAY, COLORADO

Ethan Funk, Mayor

ATTEST:

Melissa M. Drake, City Clerk

CERTIFICATE OF ATTESTATION

I, Melissa M. Drake, Ouray City Clerk, hereby certify that Ordinance No. 8 (Series No. 2022), was introduced, read, and passed by the Ouray City Council on first reading on MAY 2, 2022. The Ordinance was published, in summary, in the *Ouray County Plaindealer* on MAY 5, 2022, and thereafter introduced, read, and adopted by the Ouray City Council on _____, 2022, and thereafter published in the *Ouray County Plaindealer*, as required by law.

Melissa M. Drake, City Clerk

320 6th Avenue
 PO Box 468
 Ouray, Colorado 81427



970.325.7211
 Fax 970.325.7212
 www.cityofouray.com

TO: Ouray City Council
 FROM: Lily Oswald, Community Development Coordinator
 FOR: May 16, 2022
 SUBJECT: S&S Minor Subdivision Application

Property & Zoning Summary

Application Summary	The application is to “condominiumize” Lot 3 of the S&S Subdivision (via a Minor Subdivision process/application) to create two (2) units from Parcel 451531207014.
Address:	304 and 306 6 th Avenue
Parcel Number(s)	451531207014
Legal Description	Subd: S&S SUB Lot: 3 1/3 INT. COMMON AREA #3 S: 31 T: 44 R: 7
Property Owner	OURLOCOL, LLC
Applicant/Authorized Agent	Lane Thomasson (Hockersmith & Whitmore, LLC)
Zoning	C-1: Commercial District
Existing Use	Mixed Use: Commercial & Residential
Proposed Use	Unit #1: Residential uses Unit #2: Residential and Commercial uses
Site Size	1,250 sq. ft.
Adjacent Land Uses/Zoning	
North:	C-1; Commercial (Ouray Liquors)
South:	C-1; Lodging Business (<i>Across 6th Ave.:</i> Hotel Ouray)
East:	C-1; (Vacant; Single-Family Residence at 316 6 th Ave.)
West:	C-1; Commercial (Ouray Brewery)
Located Within National or Local Historic District Boundary	Yes
Located Within Commercial Historic Boundary	Yes

Zone District Dimensional Requirements (C-1)

Requirement	Required	Proposed/Existing
Minimum Setbacks		
Front (East)	0 (commercial district)	0 ft.
Rear (West)	5 ft.	0 ft.
Side (North)	0 (commercial district)	0 ft.
Side (South)	0 (commercial district)	0 ft.
Roof Eaves	1 ft. into setback/property	1 ft. into setback/property
Building-to-Building	0 (commercial district)	0 ft.
Minimum Floor Area	Comply w/ building code	Comply w/ building code
Maximum Floor Area	9,585 SF	3,190 (incl. Unit #1 and Unit #2)
Maximum Height	35 ft.	21 ft.

Figure 1. Google Earth front-view of Property and adjacent properties.



BACKGROUND

The Owner wishes to divide the existing real property and improvements into two (2) ownerships as allowed by law (see Exhibit F). Under §7-10: *Condominiumization* of the Ouray Municipal Code (OMC), such applications are subject to review and approval via a Minor Subdivision procedure pursuant to §7-7-C-7. The Owner purchased the property (formerly the Ouray Hostel) in September 2021 and is currently in process with the City’s Building Inspector to complete a general remodel of the hostel. All current and any future remodel work or alterations must satisfy the City’s adopted Building Permit requirements, processes, and applicable codes.

CRITERIA FOR DECISION

Minor Subdivision applications are for subdivisions resulting in two (2) or fewer lots, which have all required improvements and comply with the design standards of §7-7-E and §7-7-F. Minor subdivisions shall also be exempt from the requirements of a sketch plan and preliminary plat. The applicant is proposing to condominiumize the property through the proposed minor subdivision which must comply with §7-10 of the OMC (see Exhibit B). The property is zoned C-1 and is within the Commercial Historic District and the National and Local Historic District Boundary and must also comply with §7-5-D and §7-5-E-5 of the OMC.

STAFF ANALYSIS

§7-7-E, Design Standards

General Design Considerations

Compliance with the Community Plan 2021:

Among other things, the 2021 Community Plan encourages opportunities to develop affordable housing and mixed-use developments downtown and supports the rehabilitation of existing structures. Other sections of the plan address the need to ensure new development is high quality and pays for itself (through the installation of new infrastructure). Staff finds the infrastructure required and intended to serve this property is presently installed and effective. Public and private utilities have been installed and 6th Avenue is improved (graded, curb and gutter, and public paved sidewalks).

Streets and Circulation:

As mentioned above, all public street infrastructure is in place. Unit access is proposed in adjacent Condo Common Area #3. The number and location of provided off-street parking space(s) must be considered by City Council.

Lots:

Staff finds the shape, width and size of the proposed lots are not applicable for this condominiumization process because the structure exists and is conforming to its zone district.

Water, Fire Protection and Sewer Systems:

Utility infrastructure is available and present.

Drainage, Hazard Mitigation, and Snow Storage:

This site does not present drainage issues, hazards to mitigate, or the need to provide calculated snow storage areas.

Plat Notes and Monuments:

Plat notes (other than surveyor's notes and Easement No. 1 description) are not present on the draft S&S Condominiums Plat. Plat notes shall be reviewed and revised as necessary by City Council and the City Attorney as condition(s) of approval. Monuments are present from the approved 1980 "S and S Subdivision" plat and will remain.

Parks, Trails, Open Space, Recreation Facilities, Common Areas:

Regulations for private common areas are outlined in the condominium documents and in prior subdivision documents. No other parks, trails, open spaces, or recreation facilities are present or proposed for this subject property.

The park dedication requirement per §7-7-E-14-g is less than 2 acres, which does not meet the minimum area for a city park. Therefore, according to the OMC, the applicant is required to pay a fee-in-lieu of \$1,203.00 per new unit (1 new unit resulting from the S&S Condominiumization) prior to recording the minor subdivision. Staff recommends reducing or waiving the public park fee-in-lieu as permitted by section §7-7-E-14.i.ii of the code due to the scope of the application and the fact that the proposed condos are in a pre-existing building without reasonable ability to provide a public park.

This fee may be reduced by City Council.

§7-7-F, Required Improvements

As previously summarized, all required improvements for the proposed condos are present on-site.

§7-10-B, Condominium Documents

The cover letter from the owner's attorney (Authorized Agent) clearly outlines the intent, the response to the provisions of §7-10, and the provision of the necessary graphic information to identify how the division of interests in the real property is to occur (see Exhibit A).

PUBLIC NOTICE

All public noticing requirements per the OMC have been met for this minor subdivision application. Public notice was posted at City Hall on April 29, 2022, published in the Plaindealer on May 5, 2022, and posted on the property on May 10, 2022. No public comments have been received by staff; no public comments were received by staff for the Planning Commission's public hearing on this application.

The City Attorney has reviewed the provided Conditions, Covenants, and Restrictions, and legal documents and does not offer any changes or objections to the same for the City Council's consideration (see Exhibits C, D, and E).

Staff finds the Applicants have met the technical requirements of the minor subdivision process to allow for the building to be divided as proposed into two (2) units with common areas as identified. Staff supports the Applicant's request to condominiumize the existing building as proposed, and encourages the City Council to consider the recommended conditions of approval from the Planning Commission during their special meeting on April 13, 2022:

1. Eliminate the park fee-in-lieu requirement;

- Calculated required park fee: \$1,203 for the condominiumization. City Council may vote to reduce fee, as allowed in code.

2. Reduce the required off-street parking requirement (and reiterate this decision in the S&S Condominiums Declarations and Plat);

- The OMC states: *"No off-street parking is required for buildings that front U.S. Highway 550 between 4th and 9th Avenues, and those lots that front 4th through 9th Avenues within one-half block of U.S. Highway 550, except Lodging Businesses and residences that must provide one space for each lodging or dwelling unit"* (§7-5-E-5-f-i).
- Applicant proposes two (2) off-street parking spaces provided for these condo units in the adjacent Lot 2, 316 6th Avenue (which is graded, graveled, and has direct access from 6th Avenue).
- Planning Commission recommended reducing the parking requirement from (2) spaces to (1) space to allow dumpster access in adjacent Lot 2.

3. Reiterate the original S and S Subdivision Plat (Reception No. 129340) and its Plat Note referencing the S and S Subdivision Restrictions and Provisions (Reception No. 129339, 138013, & 201210) (see Exhibit G and Exhibit H) on the S&S Condo Plat as a Plat Note.

OPTIONS FOR THE CITY COUNCIL

1. Approve the application;
2. Conditionally approve the application with specific conditions;
3. Deny of the application with specific reasons for the denial; or
4. Continue the matter to a specific date.

ATTACHMENTS

Exhibit A:	S&S Condo Application Narrative
Exhibit B:	S&S Condominiums Plat – Draft
Exhibit C:	S&S Condo Declarations - Draft
Exhibit D:	S&S Condo Articles of Incorporation
Exhibit E:	S&S Final Bylaws
Exhibit F:	Minor Subdivision Application & Authorization of Agent Forms
Exhibit G:	S and S Subdivision Plat (Reception No. 129340)
Exhibit H:	Restrictions for S and S Subdivision (Reception No. 129339, 138013, & 201210)

March 28, 2022

Lily Oswald,
Community Development Coordinator HAND DELIVERED
City of Ouray
320 6th Avenue
Ouray, CO 81427

Re: S&S Condominiums

Dear Ms. Oswald:

The undersigned represents OURLOCOL, LLC, a Colorado limited liability company and owner of the building located on Lot 3, S&S Subdivision. Block 18, City of Ouray, County of Ouray, State of Colorado, commonly known as 304 6th Avenue, Ouray, CO 81427. Please consider this letter to be the Project Narrative for my client's application for a Minor Subdivision to convert the existing lot and improvements to a condominium form of ownership, pursuant to Sections 7-7-C-8 and 7-10 of the Ouray City Code. Attached to this letter are the following documents:

1. Completed Master Land Use Application for a Minor Subdivision;
2. Minor Subdivision Application Fee in the amount of \$250.00;
3. Completed and executed City of Ouray Authorization of Agent Form authorizing the undersigned to represent the Owner in front of the City on the Application;
4. Copy of deed evidencing ownership of the subject property;
5. Three (3) copies of the condominium map for the S&S Condominiums (24X36).
6. Draft Declaration of Conditions, Covenants and Restrictions of S&S Condominiums.
7. Articles of Incorporation of S&S Condominium Owners Association, Inc.
8. Draft bylaws of the S&S Condominium Owners Association, Inc.

NARRATIVE

The building sitting on the subject property is located in the heart of Ouray. The owner is applying to the City for a minor subdivision to create two condominium units, Units 1 and 2. Unit 2 will consist of the first-floor area and the basement area as shown on the attached Map, and will allow commercial uses. Unit 1 will consist of the second floor and will allow residential uses.

Because the subdivision of the subject property will result in not more than two (2) units/lots, this application should be considered as a minor subdivision, pursuant to Section 7-7-C-8 of the Code. Upon information and belief, the existing improvements all comply with the design standards of Sections 7-7-E and 7-7-F of the Code.

Attached to this application is a copy of the proposed plat/map of the S&S Condominiums. This map meets the requirements for a final plat pursuant to Section 7-7-D-3, therefore, it is requested

that this application be considered by the Planning Commission and the City Council as a final plat, pursuant to 7-7-C-8 of the Code

As stated herein, the purpose of this application is to convert ownership of Units 1 and 2 into condominiums. In accordance with Section 7-10, the attached Declaration of Conditions, Covenants and Restrictions (the "Declaration") will be executed and acknowledged in substantially the form attached hereto, in compliance with purpose, intent and requirements of the Colorado Common Interest Ownership Act. Further, as required by Section 7-10-B, the Declaration also contains the following:

1. A provision for the ultimate obligation of the condominium association to pay all water and sewer charges for all individual units within the project and any common element charges in accordance with the rules and regulations of the Ouray City Code. See Declaration, Section 3.03(q).
2. A clear definition and description of the rights, duties and liabilities of all unit owners with respect to the general common elements and the limited common elements. See all provisions of the Declaration generally and, specifically, Sections 4.04, 4.05, 4.06, 5.01, 6.01, 6.02, 6.03 and 7.01(a).
3. The project is not considered expandable at this time.
4. A provision that, in event that any unit is owned by more than one (1) person or by a partnership, joint venture, corporation or other such entity, the owners thereof shall designate in writing to the association, the names and addresses of the agent of the owner to whom all legal or official assessments, liens, levies or other such notices may be properly and lawfully mailed, and that, upon the failure to so designate an agent, the association shall be deemed to be the agent for receipt of notices to such owners. See Declaration, Section 3.04.

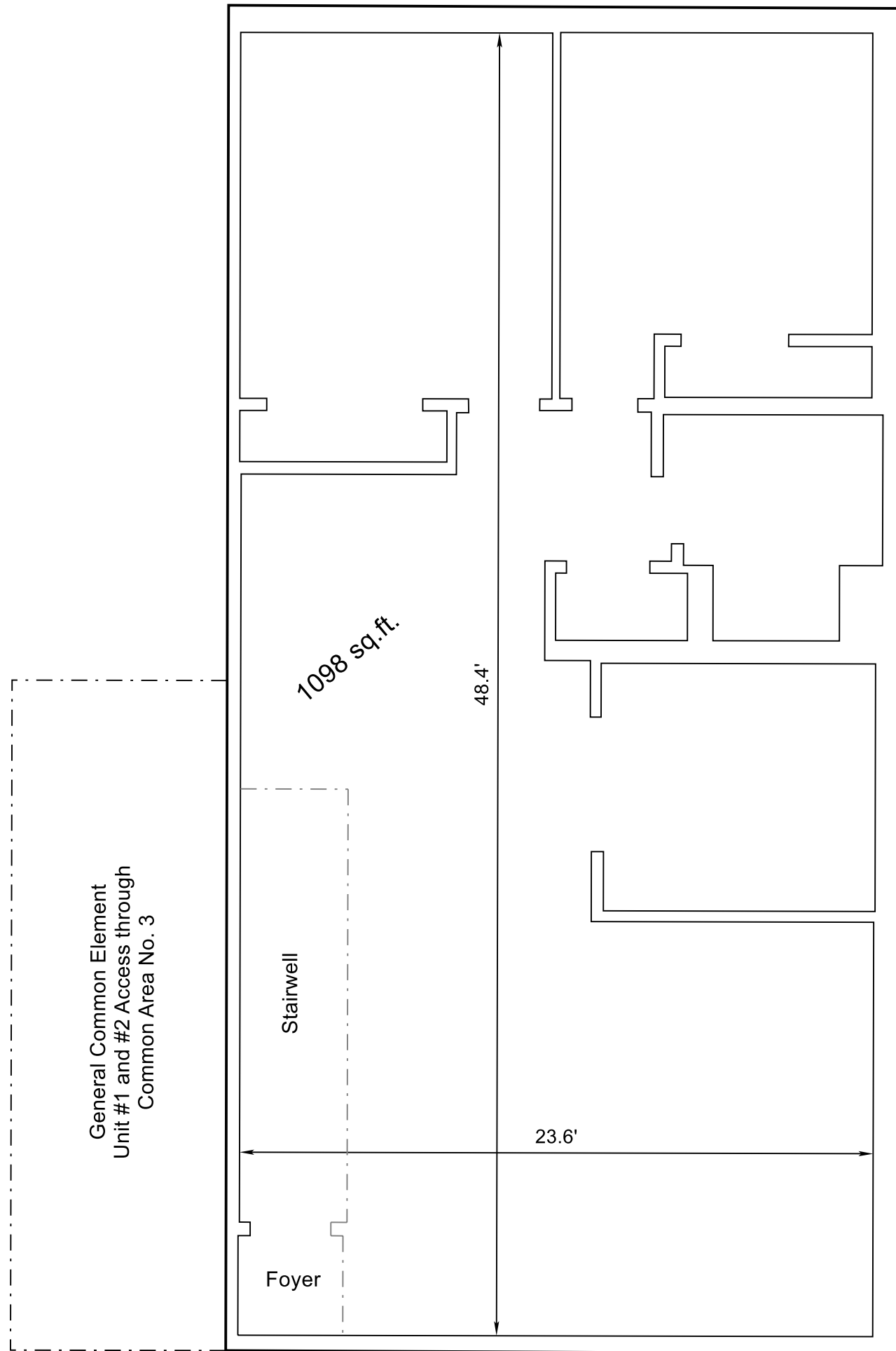
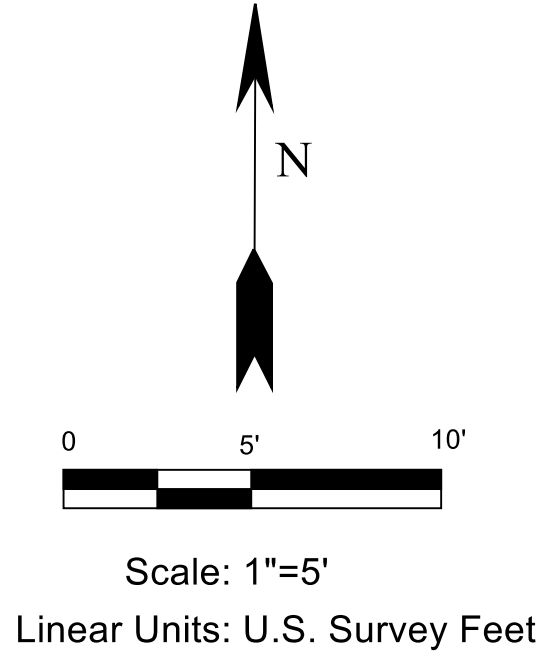
Based upon the foregoing, we believe that this application is complete and should be referred to the Planning Commission at its next regularly scheduled meeting. Of course, to the extent that you require any addition information, please do not hesitate to contact me. Thank you for your consideration of this application.

Sincerely,

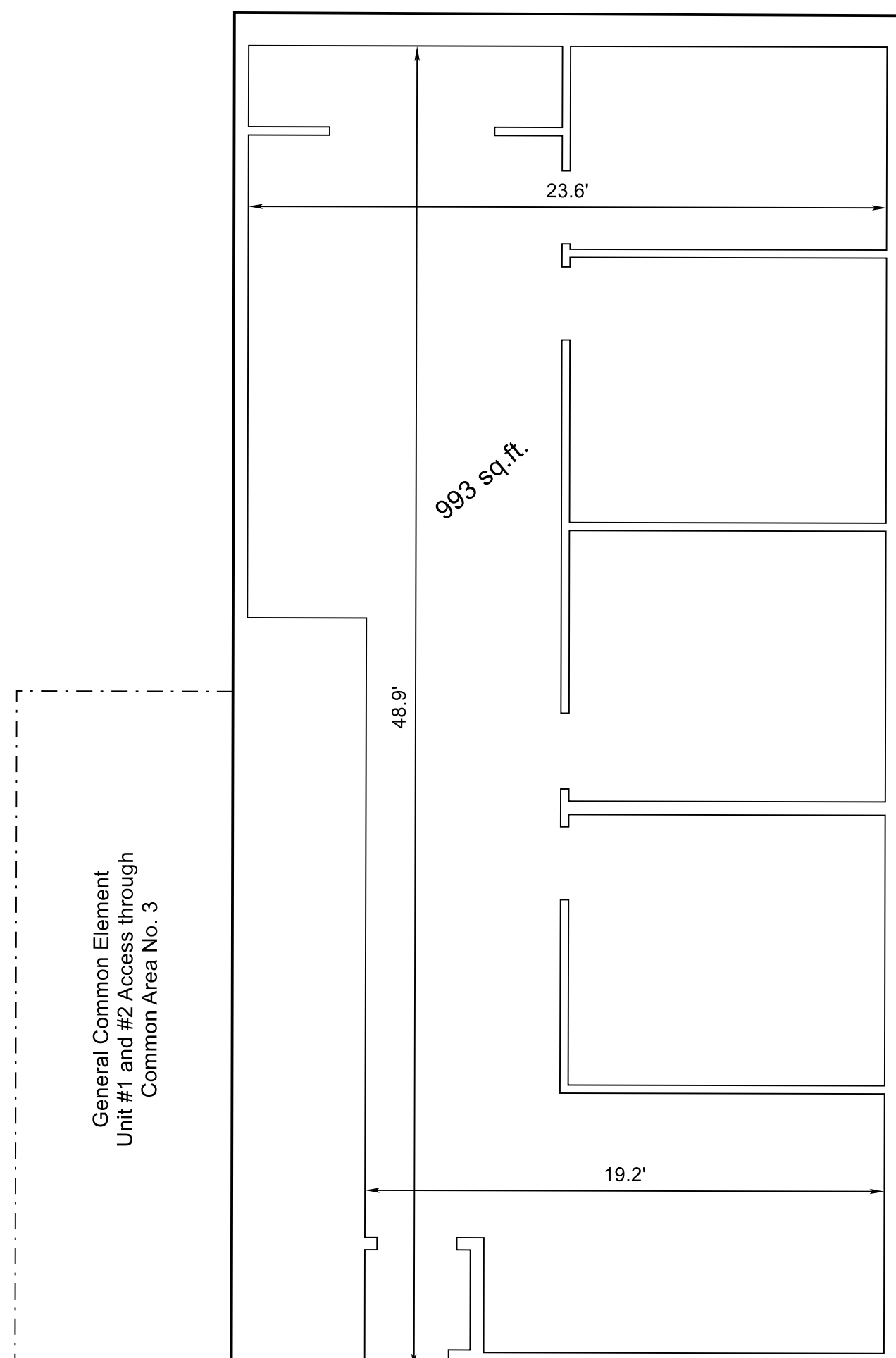
Lane Thomasson
Lane Thomasson
xc: Client

S & S CONDOMINIUMS

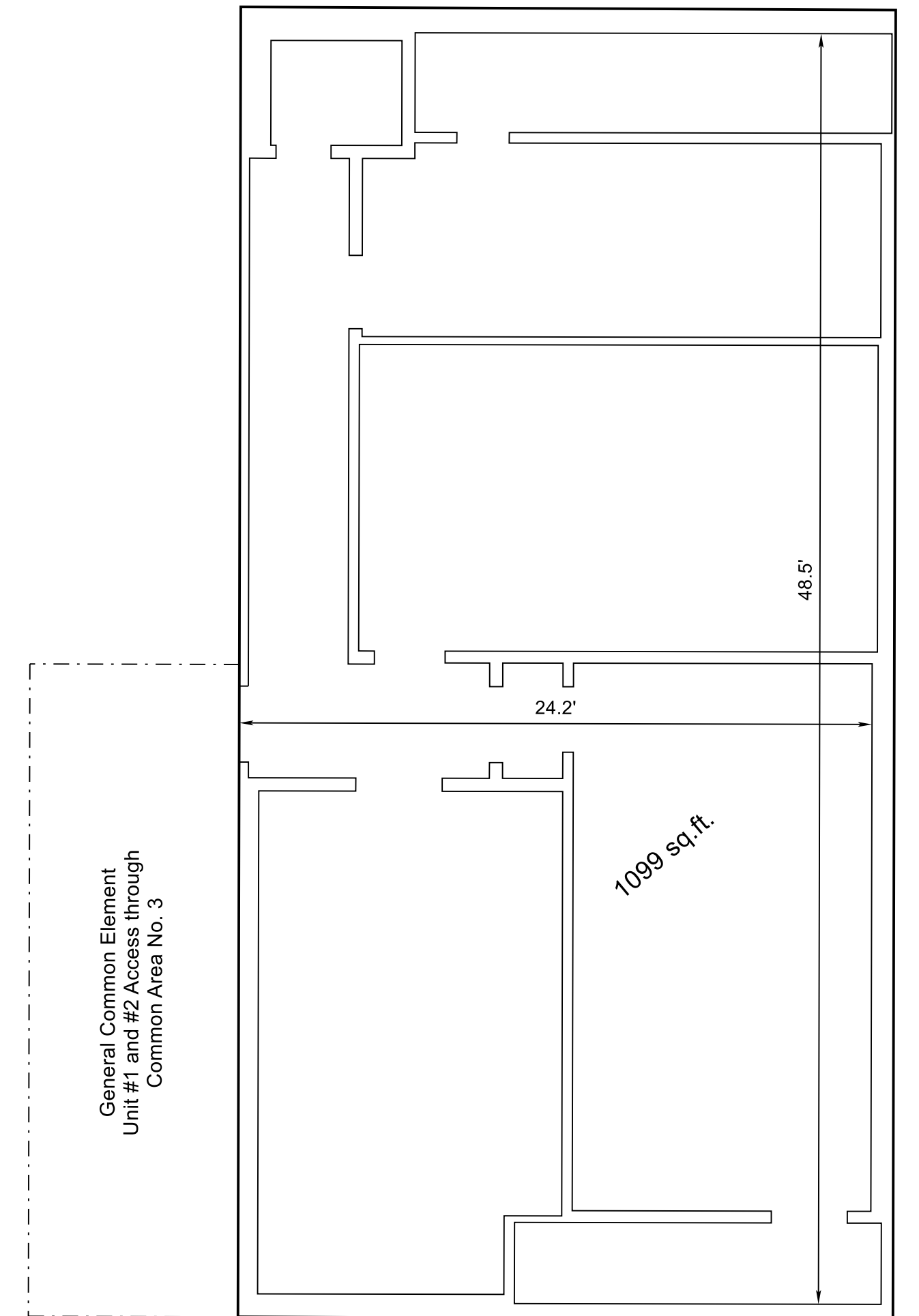
UNIT #1 & UNIT #2
Lot 3 of the S & S Subdivision, Block 18
City of Ouray, County of Ouray, State of Colorado
Sec. 31 T44N R8W N.M.P.M.



Unit #1 - Top Level

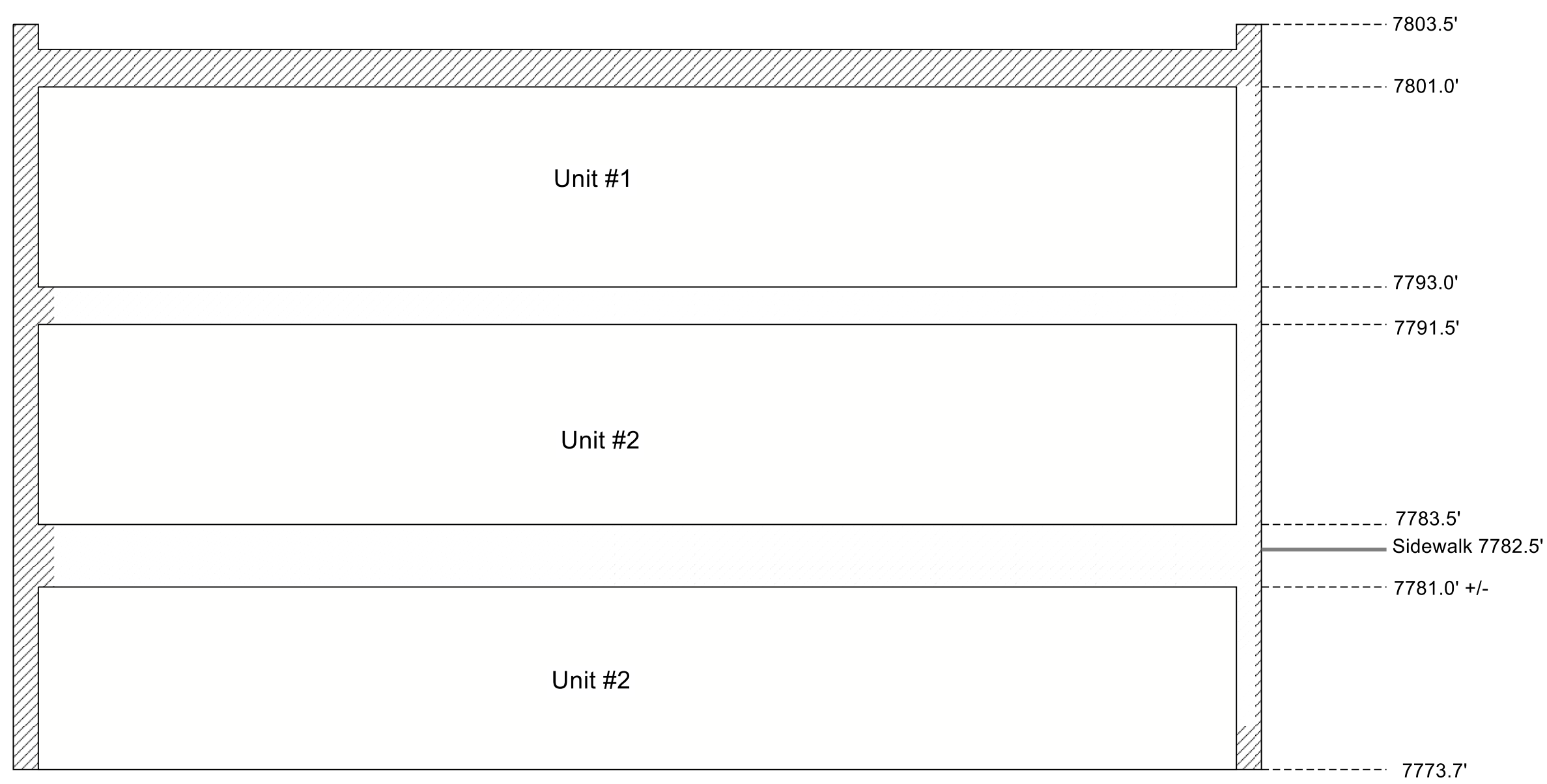


Unit #2 - Ground Level

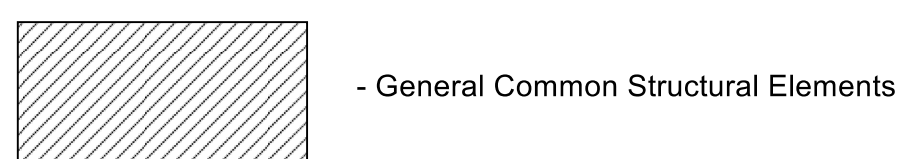


Unit #2 - Basement Level

For City Review



Building Profile



For City Review

**DECLARATION OF CONDITIONS, COVENANTS AND RESTRICTIONS
OF
S&S CONDOMINIUMS
CITY OF OURAY, OURAY COUNTY, COLORADO**

THIS DECLARATION, made on the date hereinafter set forth by OURLOCOL, LLC, a Colorado limited liability company with an address of 917 Main Street, Ouray, CO 81427 (hereinafter referred to as "**Declarant**").

RECITALS:

a) Declarant is the owner of certain real property and improvements described as Lot 3, S&S Subdivision, according to the plat recorded October 21, 1980, under Reception No. 129340, together with an undivided 1/3 interest in common area No. 3 located in the S&S Subdivision, less and except that part of Lot 3 S&S Subdivision which lies between the east lot line of said Lot 3 and the centerline of the existing party wall on or near the east lot line of said Lot 3, City of Ouray, County of Ouray, State of Colorado, commonly known as 304 and 306 6th Avenue, Ouray, CO 81427 (the "**Property**")

b) Declarant intends to delineate the Property into Units and to create a Condominium pursuant to the Colorado Common Interest Ownership Act of the State of Colorado (C.R.S. Sections §§38-33.3-101 et seq., "the **Act**"). To define and establish the rights, powers, duties, conditions and restrictions of Unit ownership in S&S Condominiums, Declarant hereby publishes and records this Declaration.

c) Declarant has caused the "S&S Condominium Owners Association, Inc." (the "**Association**") to be incorporated under the laws of the State of Colorado, for the purpose of exercising the functions as herein set forth. The plat for Association that accompanies these Declarations was recorded on _____, under Reception No. _____ and is incorporated herein by reference

d) The initial number of Condominium Units shall be two (2).

**ARTICLE I
SUBMISSION/DEFINED TERMS**

Section 1.01 Submission of Real Estate. The Declarant hereby submits the Property above, together with all easements, rights, and appurtenances thereto and the buildings and improvements erected or to be erected thereon (collectively, the "**Real Estate**") to the provisions of the Act as it may be amended from time to time and to the terms and conditions of this Declaration. In the event the Act is repealed, the Act on the effective date of this Declaration shall remain applicable. Further, Declarant hereby declares that all of the Real Estate described above shall be held or sold, and conveyed subject to the following easements, restrictions, covenants, and conditions which are for the purpose of protecting the value and desirability of, and which shall

run with, the Real Estate and be binding on all parties having any right, title or interest in the Real Estate or any part thereof, their heirs, legal representatives, successors, and assigns and shall inure to the benefit of each Unit Owner thereof. For purposes of the Act, the Common Interest Community shall be a Condominium.

Section 1.02 Defined Terms. Unless defined herein, each capitalized term in this Declaration or in the Map shall have the meaning specified or used in the Act.

(a) “Agency” means any agency or corporation such as Housing and Urban Development, Veteran’s Administration (“VA”), Federal National Mortgage Association (“FNMA”) or Federal Home Loan Mortgage Corporation (“FHLMC”) that purchases or insures residential mortgages.

(b) “Allocated Interest” means, with respect to a Unit, a fraction or percentage of undivided interests in the Common Elements and in the Common Expenses of the Association allocated to such Unit and the votes in the Association allocated to such Unit. The Allocated Interests are specifically set forth in Section 5.01 hereof.

(c) “Articles” means the Articles of Incorporation for the S&S Condominium Owners Association, Inc., a Colorado non-profit corporation, currently on file with the Colorado Secretary of State and any amendments that may be made to those Articles from time to time.

(d) “Annual Assessment” means the Assessment levied pursuant to an annual budget.

(e) “Assessments” means the Annual, Special and Default Assessments levied pursuant to Article VI below. Assessments are also referred to as Common Expense Liability as defined under the Act.

(f) “Association” means the S&S Condominium Owners Association, Inc., a Colorado non-profit corporation, and its successors and assigns.

(g) “Association Documents” or “Governing Documents” means this Declaration, the Articles, the Bylaws, the Map, and any procedures, rules, regulations or policies adopted under such documents by the Association. All provisions of the Association Documents or Governing Documents shall be given the same force and effect as if set forth in the Declaration.

(h) “Building” whether one or several structures, means that portion of the Improvements consisting of physical building structures and appurtenant components and described as such on the Map.

(i) “Budget” means a written itemized estimate of the Common Expenses to be incurred by the Association in performing its functions under this Declaration and adopted by the Board pursuant to Section 6.07 of this Declaration.

(j) “Bylaws” means the Bylaws adopted by the Association, as amended from time to time.

(k) “Clerk and Recorder” means the office of the Clerk and Recorder in the County of

Ouray, State of Colorado.

(l) “Commercial Unit” means a Unit which may be used for commercial purposes, as allowed and provided for herein.

(m) “Common Element” means all portions of the Project except the Units. The Common Elements are owned by the Owners in undivided interests according to the Allocated Interests as defined in Section 1.02(b) above and consist of General Common Elements, General Common Structural Elements and Limited Common Elements.

(1) “General Common Elements” and “General Common Structural Elements” mean all tangible physical property of the Project except Limited Common Elements and the Units. The General Common Element includes the staircase located in Common Area 3 that provides access to Lots 3, 4, and 5.

(2) “Limited Common Elements” means those parts of the Common Elements which are either limited to or reserved in this Declaration, on a Map, or by action of the Association, for the exclusive use of an Owner of a Unit or are limited to and reserved for the common use of more than one, but fewer than all Owners. The Limited Common Elements related to Units 1 and 2 include one main power breaker box located in Common Area 3.

(n) “Common Expenses” means (i) all expenses expressly declared to be common expenses by the Declaration or the Bylaws of the Association; (ii) all other expenses of administering, servicing, conserving, managing, maintaining, repairing or replacing the Common Elements; (iii) insurance premiums for the insurance carried under Article IX hereof; and (iv) all expenses lawfully determined to be common expenses by the Executive Board.

(o) “Declaration” means this Declaration and the Map, and any amendments and supplements to the foregoing.

(p) “Eligible Mortgagee” means a First Mortgagee (as hereinafter defined) who (i) is also a bank, savings and loan association, insurance company, real estate mortgage investment trust, pension fund, an agency of the United States Government, mortgage banker, the Federal National Mortgage Associations (“FNMA”), the Federal Home Loan Mortgage Corporation (“FHLMC”) or any other lender generally recognized as an institutional lender, and (ii) has notified the Association, in writing, of its name and address, and that it holds the First Mortgage on one or more Units. The notice must include the Unit number and street address of the Unit on which is has such security interest. This notice shall be deemed to include a request that the Eligible Mortgagee be given the information and afforded the rights described in Articles X and XII below.

(q) “Executive Board” means the means the Association Board of Directors, designated as the body governing the affairs of the Association and elected by the Members, all pursuant to the Corporation Act, this Declaration and the Articles of Incorporation and Bylaws. A member of the Executive Board need not be a Member of the Association.

(r) “First Mortgage” means any Mortgage the priority of which is not subject to any

monetary lien or encumbrance except liens for taxes or other liens that are given priority by statute.

(s) “First Mortgagee” means any person named as a Mortgagee in any First Mortgage.

(t) “Improvements” means all structures and improvements located above, on or below the surface of the Property, including the Building and all sidewalks, stairways and utility installations constructed pursuant to this Declaration.

(u) “Manager” means a person or entity engaged by the Association to perform certain duties, powers or functions of the Association, as the Executive Board may authorize from time to time.

(v) “Map” means the Condominium Map of the Project recorded with the Clerk and Recorder of Ouray County, Colorado, depicting a plan of all or a part of the Property subject to this Declaration and any supplements and amendments thereto.

(w) “Member” means every person or entity that holds membership in the Association.

(x) “Mortgage” means any mortgage, deed of trust or other document pledging any Unit or interest therein as security for payment of a debt or obligation.

(y) “Mortgagee” means any person or entity named as a mortgagee or beneficiary in any Mortgage, or any successor to the interest of any such person under such Mortgage.

(z) “Owner” means the owner of record, whether one or more persons or entities, of fee simple title to any Unit and “Owner” also includes the purchaser under a contract for deed covering a Unit with a current right of possession and interest in the Unit.

(aa) “Owner’s Agent” means members of the Unit Owner’s family, or the Unit Owner’s agent, employee, invitee, licensee or tenant.

(bb) “Project” means the common interest community created by this Declaration and as shown on the Map consisting of the Property, the Units and the Common Elements.

(cc) “Residential Unit” means a Unit which may be used for residential purposes, as allowed and provided for herein.

(dd) “Successor Declarant” means any person or entity to whom Declarant assigns any or all of its rights, obligations or interest as Declarant, as evidenced by an assignment or deed of record executed by both Declarant and the transferee or assignee and recorded with the Clerk and Recorder.

(ee) “Supplemental Declaration” means an instrument which amends this Declaration.

(ff) “Supplemental Map” means a supplemental Map of the Project which depicts any change in the Project through a Supplemental Declaration.

(gg) “Unit” means a Residential Unit and a Commercial Unit, each of which is an airspace unit which is bounded by the unfinished interior surfaces of the exterior walls (or demising walls, where two such Units adjoin each other), floors, ceilings, windows and window frames and doors and door frames of a Building, and which is separately identified on the Map. The boundaries of the Units shall be further defined by the provisions of Section 38-33.3-202 of the Act. Each Unit includes an appurtenant undivided interest in the Common Elements as identified on the Map. The term “Unit” does not include any utility facility running through the Unit that serves more than one Unit, or any other Common Element or part thereof located within the Unit.

Each capitalized term not otherwise defined in this Declaration or in the Map shall have the same meanings specified or used in the Act.

ARTICLE II NAMES/DESCRIPTION OF REAL ESTATE

Section 2.01 Name and Type.

(a) Common Interest Community. The type of Common Interest Community created hereunder is a Condominium pursuant to the Act. The name of the Condominium is S&S Condominiums.

(b) Association. The name of the Association is the S&S Condominium Owners Association, Inc. Declarant has caused the Association to be incorporated as a non-profit corporation under the laws of the State of Colorado.

Section 2.02 Real Estate. The Project is located in the City of Ouray, Ouray County, State of Colorado. The Real Estate within which the Project is located is described as Lot 3, S&S Subdivision, according to the plat recorded October 21, 1980, under Reception No. 129340, together with an undivided 1/3 interest in common area No. 3 located in the S&S Subdivision, less and except that part of Lot 3 S&S Subdivision which lies between the east lot line of said Lot 3 and the centerline of the existing party wall on or near the east lot line of said Lot 3, City of Ouray, County of Ouray, State of Colorado.

Section 2.03 Utility Easements. Easements for utilities shall include a blanket utility and storm water drainage easement over and across all of the Common Elements including both the General Common Elements, General Structural Common Elements and the Limited Common Elements and such other easements as may be established pursuant to the provisions of this Declaration, or granted by authority reserved in any recorded document. Also see Article XI hereof.

Section 2.04 Easements for the Executive Board. Each Unit shall be subject to an easement in favor of the Executive Board (including its agents, employees and contractors) to perform its obligations pursuant to this Declaration. The Association is granted the right to establish from time to time, by declaration or otherwise, utility and other easements, permits or

licenses over the General Common Elements for the best interest of all the Owners and the Association. Also see Article XI hereof.

ARTICLE III THE ASSOCIATION

Section 3.01 General Purposes and Powers. The Association, through its Executive Board, shall perform functions and manage the Project as provided in this Declaration so as to further the interest of the residents, occupants, tenants and guests of the Project and Members of the Association. Any purchaser of a Unit shall be deemed to have assented to, ratified and approved such designation and management. The Association shall have all power necessary or desirable to effectuate such purposes.

Section 3.02 Authority of the Association. The business affairs of the Project shall be managed by the Association. The Association shall be governed by its Articles of Incorporation and Bylaws, as amended from time to time. The Executive Board may, by written resolution, delegate authority to a Manager or managing agent for the Association, provided no such delegation shall relieve the Executive Board of final responsibility.

Section 3.03 Specific Powers.

Except as provided in the Bylaws and the Act, the Executive Board may act in all instances on behalf of the Association, to:

- a) Exercise all the powers, authority and duties as necessary and proper, to manage the business and affairs of the Project.
- b) Exercise all of the powers, authority and duties permitted or set forth in the Act, the Association Documents, and the Colorado Revised Nonprofit Corporation Act.
- c) Assign its right to future income, including the right to assign its right to receive Common Expense Assessments, but only upon the affirmative vote of the Unit Owners of Units to which at least two-thirds of the votes in the Association are allocated at a meeting called for that purpose.
- d) Hire and discharge employees, independent contractors and agents.
- e) Control Owner's use and occupancy of their respective Units in order to assure Unit Owners of eligibility of the Project for any Agency. In this regard, the Association may adopt rules and regulations with respect to rental of Units to non-Owners.
- f) Adopt and amend bylaws, policies and rules and regulations.
- g) Adopt and amend budgets for revenues, expenditures and reserves and collect Assessments.

h) Institute, defend or intervene in litigation or administrative proceedings in its own name on behalf of itself or one or more Unit Owners on matters affecting the Project.

i) Make contracts and incur liabilities, except that any contract providing for the services of Declarant may not exceed three years and must provide for termination by either party without cause and without payment of a termination fee on ninety days or less written notice.

j) Regulate the use, maintenance, repair, replacement and modification of the Common Elements.

k) Cause additional improvements to be made as part of the Common Elements.

l) Acquire, hold, encumber and convey in the name of the Association any right, title or interest to real or personal property, except that Common Elements may be conveyed or subjected to a security interest only if: (i) Owners entitled to cast at least two-thirds (2/3rds) of the votes agree to that action, (ii) the provisions of subsection 10.03 are followed with respect to approval of Eligible Mortgagees, and (iii) if all Owners of Units to which any Limited Common Element is allocated agree in order to convey that Limited Common Element or subject it to a security interest.

m) Grant easements, leases, licenses and concessions through or over the Common Elements.

n) Impose and receive any payments, fees or charges for the use, rental or operation of the General Common Elements.

o) Impose charges for late payment of Assessments, recover reasonable attorney fees and other legal costs for collection of Assessments and other actions to enforce the power of the Association, regardless of whether or not suit was initiated, and after notice and opportunity to be heard, levy reasonable fines for violations of Association Documents.

p) Impose reasonable charges for the preparation and recordation of amendments to the Declaration or statements of unpaid Assessments.

q) Should any Unit Owner fail to pay any water or sewer charge or any common element charges imposed by the City of Ouray for his Unit, the Association shall have the ultimate obligation to pay such charges in accordance with the rules and regulations of the City of Ouray Municipal Code.

r) Provide for indemnification of its officers and Executive Board and maintain directors' and officers' liability insurance.

Section 3.04 Membership. Every person or entity who is a record Unit Owner of a fee interest in any Unit which is subject to this Declaration shall be a Member of the Association, including contract sellers. Membership shall be appurtenant to and may not be separated from ownership of any Unit. An Owner shall not transfer, pledge or alienate his membership in the

Association in any way, except upon the sale or encumbrance of his Unit and then only to the purchaser or Mortgagee of his Unit. If any Unit is owned by more than one person, or by a partnership, joint venture, corporation or other such entity, the owners thereof shall designate, in writing, to the Association, the name and address of the agent of the Owner to whom all legal or official assessments, liens, levies or other such notices may be properly and lawfully mailed. Upon the failure to so designate an agent, the Association shall be deemed to be the agent for receipt of notices to such Owners.

Section 3.05 Directors. The affairs of the Project and the Association shall be governed by an Executive Board of the Association which, until the first Unit is sold, shall consist of one person, and following such date shall consist of three (3) persons. All non-Declarant-appointed members of the Executive Board shall be Unit Owners.

Section 3.06 Books and Records. The Association shall make available for inspection, upon request, during normal business hours or under other reasonable circumstances, to Owners and to Mortgagees, current copies of the Association Documents and the books, records and financial statements of the Association prepared pursuant to the Bylaws. The Association may charge a reasonable fee for copying such materials. The Association shall maintain such books and records as may be required under the Act.

Section 3.07 Declarant Control.

a) The Declarant shall have the reserved powers, pursuant to Section 303(5) of the Act, to appoint and remove officers and members of the Executive Board during the term of Declarant Control. "Declarant Control" begins with the appointment of the initial Executive Board and continues until the earlier of (i) sixty (60) days after conveyance of seventy-five percent (75%) of all Units in the ordinary course of business to Unit Owners other than the Declarant; (ii) two (2) years after the last conveyance of a Unit by the Declarant in the ordinary course of business to a Unit Owner other than Declarant; or (iii) two (2) years after the right to add new Units was last exercised. Under the Act, Declarant Control is further extinguished, to the extent stated, sixty (60) days after the following events: (1) Declarant conveys twenty-five percent (25%) of the Units that may be created to Owners other than Declarant, to the extent of twenty-five percent (25%) of the members of the Executive Board (minimum of one), and (2) Declarant conveys fifty percent (50%) of the Units that may be created to Owners other than Declarant, to the extent of thirty-three and one-third percent (33 1/3%) of the members of the Executive Board.

b) The Declarant may voluntarily surrender the right to appoint and remove officers and members of the Executive Board before termination of the period of Declarant Control, but, in that event, the Declarant may require, for the duration of the period of Declarant Control, that specified actions of the Association or Executive Board, as described in a recorded instrument executed by the Declarant, be approved by the Declarant before they become effective.

Section 3.08 Indemnification. To the full extent permitted by law, each officer and director of the Association shall be and is hereby indemnified by the Unit Owners and the Association against all expenses and liabilities including attorneys' fees, reasonably incurred by or imposed upon him/her in any proceeding to which he/she may be a party, or in which he/she may

become involved, by reason of being or having been an officer or director of the Association, or any settlements thereof, whether or not he/she is an officer or director of the Association at the time such expenses are incurred; except in such cases wherein such officer or director is adjudged guilty of willful misfeasance or malfeasance in the performance of his/her duties; provided that in the event of a settlement the indemnification shall apply only when the Executive Board approves such settlement and reimbursement as being for the best interest of the Association.

**ARTICLE IV
UNITS, COMMON ELEMENTS AND
LIMITED COMMON ELEMENTS**

Section 4.01 Number of Units

- a) The initial number of Units in the Project is two (2).

Section 4.02 Identification of Units/Unit Descriptions. Each Unit, the appurtenant interest in the General Common Elements and the appurtenant use of the Limited Common Elements, shall comprise one Unit, shall be inseparable and may be transferred, leased, devised or encumbered only as one Unit. Any attempted transfer of the appurtenant interest in the General Common Elements or Limited Common Elements shall be void unless the Unit to which that interest is allocated is also transferred. The identification number or letter of each Unit is shown on the Map. Every contract for sale, deed, lease, Security Interest, will or other legal instrument may legally describe a Unit as follows:

" Unit _____ of the S&S Condominiums, City of Ouray, County of Ouray, State of Colorado, together with the appurtenant interest in the Common Elements, as depicted on and in accordance with the Condominium Map thereof recorded on _____, 20__, at Reception No. _____ and the Declaration recorded on _____, 20__, at Reception No. _____, in the records of the County Clerk and Recorder of Ouray County, Colorado as amended from time to time."

The reference to the Declaration and Map in any instrument shall be deemed to include any supplement(s) or amendment(s) to the Declaration or Map, without specific references thereto.

Section 4.03 Boundaries of Units. The boundaries of each Unit are as depicted on the Condominium Map of the Project.

a) Inclusions. Together with the appurtenant interest in the Common Elements, each Unit includes the spaces and improvements lying within the boundaries described above, as depicted on the Map. Each Unit also includes the spaces and improvements within the spaces containing water heating facilities, all electrical switches, wiring, pipes, ducts, conduits, smoke detector or security systems and communications, television, telephone and electrical receptacles and boxes serving that Unit exclusively, the surface of these items being within the boundaries of that Unit, whether or not the spaces are contiguous.

- b) Exclusions. Except when specifically included by other portions or this Declaration or

by the Map, the following are excluded from each Unit: The spaces and improvements lying outside the boundaries described above.

c) Noncontiguous Portions. Certain Units may include special portions or pieces of equipment, such as air conditioning compressors, meter boxes, utility connection structures, air or gas pump and storage facilities and storage portions, which are situated in buildings or structures that are detached from the Unit. Such special equipment or storage portions are a part of the Unit, notwithstanding their non-contiguity with the principal portions.

Section 4.04 Limited Common Elements.

The areas depicted on the Map as Limited Common Elements are Limited Common Elements for the exclusive use of those Units as denoted on the Map subject to the right of the Association to maintain, repair and replace the Limited Common Elements. The Unit Owner which has the exclusive use of a Limited Common Element, subject to these Declarations, the Articles, the Bylaws and the rules of the Association, shall be responsible for maintaining all Limited Common Elements appurtenant to that Unit. Should the Association maintain, repair or replace any Limited Common Element due to a failure by the applicable Unit Owner to do so, the Unit Owner shall reimburse the Association for any and all expenses incurred by the Association in the maintenance, repair or replacement of said Limited Common Element.

In the event damage is caused to the Common Elements and/or the Limited Common Elements by a Unit Owner, such Unit Owners guest or tenant, subject to such rights as may exist with regard to insurance payments, the Unit Owner shall reimburse the Association for any and all expenses incurred by the Association correcting and repairing such damage.

Section 4.05 General Common Elements.

a) All portions of the Real Estate described in Article II, Section 2.02 not designated on the Map as a Limited Common Element, all portions of structures and the Real Estate which are not designated as being within the Unit boundaries in Section 4.03 above, or are not listed as Limited Common Elements in Section 4.04 above, are General Common Elements. Said General Common Elements are designated on the Map as “General Common Element” or “General Common Structural Element.” Specifically, the structure behind the interior drywall, the foundations, the roofs, the exterior of the buildings and all landscaping shall be General Common Elements.

b) The Association shall be responsible for the maintenance, repair, improvement and replacement of any General Common Element as hereinafter set forth.

c) The Declarant reserves, through twenty-five (25) years after the recording of this Declaration, the right to allocate areas as Common Elements. The Declarant may allocate or assign Common Elements (i) by making such an allocation in a recorded instrument, (ii) by recording an appropriate amendment or supplement to this Declaration, (iii) by recording a supplement to the map or plat, or (iv) by recording the allocation or assignment in the minutes or records of the Association. Such allocations by the Declarant may be made as a matter of reserved right by the

Declarant.

Section 4.06 Unit Owners' Easements of Enjoyment. Every Unit Owner shall have a right and easement of enjoyment in and to any General Common Elements and such easement shall be appurtenant to and shall pass with the title to every Unit, subject to the following provisions:

a) The right of the Association to promulgate and publish rules and regulations which each Unit Owner and their guests shall strictly comply with.

b) The right of the Association to suspend the voting rights and rights to use the General Common Elements by a Unit Owner for any period during which any assessment against his Unit remains unpaid; and for a period not to exceed sixty days for any infraction of its published rules and regulations.

c) The right, power and authority of the Association to grant any easement, right-of-way, license, lease, dedication, transfer or conveyance or grant of any similar interest affecting the General Common Elements, to the extent permitted by the Act, if the grant is approved by the affirmative vote of a majority of all Unit Owners having votes appurtenant to all Units, and consented to, in writing, by the holders of first lien Security Interests in the Units whose Unit Owners vote affirmatively; provided, that the granting of easements for public utilities or for other public purposes consistent with the intended use of such Common Elements shall not be deemed a transfer within the meaning of this clause. Any easement, right-of-way, license or similar interest granted by the Association pursuant to this Section shall state that the grant was approved by a majority all Unit Owners, and by the corresponding holders of first lien Security Interests.

d) The right of the Association to close or limit the use of the Common Elements while maintaining, repairing and making replacements in the Common Elements.

e) The Development and Special Declarant Rights of the Declarant reserved in this Declaration.

f) No Owner or occupant shall place any structure or improvement whatsoever upon the Common Elements, nor shall any Owner or occupant engage in any activity which will temporarily or permanently impair free and unobstructed access to or use of all parts of the Common Elements (excepting Limited Common Elements) by all Owners and by the Association.

ARTICLE V ALLOCATED INTERESTS

Section 5.01 Allocated Interest. The Allocated Interest in the Common Elements, the Common Expense liability and the voting rights in the Association allocated to each Unit are as follows:

(a) For Unit 1 – 51%

(b) For Unit 2 – 49%

ARTICLE VI COVENANT FOR COMMON EXPENSE ASSESSMENTS

Section 6.01 Creation of Association Lien and Personal Obligation to Pay Common Expense Assessments. Declarant, for each Unit, shall be deemed to covenant and agree, and each Owner, by acceptance of a Deed therefor, whether or not it shall be so expressed in any such deed or other conveyance, shall be deemed to covenant and agree to pay to the Association annual Common Expense Assessments, annual or special Limited Common Element Expense Assessments, insurance assessments (assessed in proportion to risk), utility assessments (assessed in proportion to usage) and such other assessments as may be imposed by the Association. Such assessments, including fees, charges, late charges, attorney fees, fines and interest charged by the Association shall also be the personal obligation of the Owner of such Unit at the time when the assessment or other charges became or fell due. The personal obligation to pay any past due sums due the Association shall not pass to a successor in title unless expressly assumed by them. No Owner may become exempt from liability for payment of the Common Expense Assessments by waiver of the use or enjoyment of the Common Elements or by abandonment of the Unit against which the Common Expense Assessments are made. All Assessments shall be payable in the amounts specified in the levy thereof, and no offsets or reduction thereof shall be permitted by any reason including, without limitation, any claim that the Association or the Executive Board is not properly exercising its duties and powers under this Declaration.

The Association's annual or special Common Expense Assessments, annual or special Limited Common Element Expense Assessments, insurance assessments (assessed in proportion to risk), utility assessments (assessed in proportion to usage) and such other assessments as imposed by the Association, including fees, charges, late charges, attorney fees, fines and interest charged by the Association, shall be a charge on each Unit and shall be a continuing lien upon the Unit against which each such assessment or charge is made. If any Assessment is payable in installments, the full amount of the assessment is a lien from the time the first installment becomes due.

Section 6.02 Apportionment of Common Expenses and Limited Common Element Expenses. Except as provided in this Declaration, all Common Expense Assessments shall be assessed against all Units in accordance with formula for liability for the Common Expenses as set forth in this Declaration.

Section 6.03 Purpose of Assessments. The assessments levied by the Association through its Executive Board shall be used exclusively for the purposes of promoting the health, safety, and welfare of the residents and guests of the Project and the Members of the Association. Such purposes shall include, but shall not be limited to the following: the improvement, maintenance, repair, upkeep and reconstruction of the Common Elements and for the painting, landscape care and snow removal and any other maintenance obligations which may be deemed desirable for the common benefit of the Unit Owners or for the maintenance of property values, or for the payment of expenses which may be incurred by virtue of agreement with or requirement of the City of Ouray, Ouray County or other government authorities. The assessments may also be used to provide insurance of various types, and in such amounts deemed appropriate by the Executive

Board. Also, a portion of the assessments may be used to provide a reserve fund for the replacement, repair, and maintenance of Common Elements of the real estate which must be replaced on a periodic basis.

Section 6.04 Annual Assessment/Commencement of Common Expense. The Annual Assessment for Common Expenses may be made on an annual basis against all Units and shall be based upon the Association's advance budget of the cash requirements needed by it to provide for the administration and performance of its duties during such assessment year. Common Expense Assessments shall be due and payable in monthly, quarterly, or annual installments, or in any other manner, as determined by the Executive Board. Failure to make payment within thirty (30) days of the due date thereof shall cause the total amount of such Unit Owner's Common Expense Assessment for the remainder of that fiscal year to become immediately due and payable at the option of the Board. Any assessment not timely paid shall bear interest at the rate of 1.5% per month or portion thereof. Further, subject to the provisions of the Act, the Association may bring an action at law or in equity, or both, against any Unit Owner personally obligated to pay such overdue assessments, charges or fees, or monthly or other installments thereof, and may also proceed to foreclose its lien against such Unit Owner's Unit. An action at law or in equity by the Association against a Unit Owner to recover a money judgment for unpaid assessments, charges or fees, or monthly or other installments thereof, may be commenced and pursued by the Association without foreclosing, or in any way waiving, the Association's lien therefor. Foreclosure or attempted foreclosure by the Association of its lien shall not be deemed to estop or otherwise preclude the Association from thereafter again foreclosing or attempting to foreclose its lien for any subsequent assessment, charges or fees, or monthly or other installments thereof, which are not fully paid when due. The Association shall have the power and right to bid on or purchase the Association votes appurtenant to ownership thereof, convey or otherwise deal with the same. If a foreclosure action is filed to foreclose any Assessment Lien, and a Unit Owner abandons or leaves vacant his or her Unit, the Board may take possession and rent said Unit or apply for the appointment of a receiver for the Unit without prior notice to the Unit Owner. The rights of the Association shall be expressly subordinate to the rights of any holder of a first lien Security Interest as set forth in its deed of trust or mortgage (including any assignment of rents), to the extent permitted under the Act.

Section 6.05 Lien Priority. The lien of the Association under this Section is prior to all other liens and encumbrances on a Unit except: 1) liens and encumbrances recorded before the recordation of the Declaration; 2) a first lien Security Interest on the Unit (except as allowed by the Act with regard to the limited lien priority allowed to the Association); and 3) liens for real estate taxes and other governmental assessments or charges against the Unit. This Section does not affect the priority of mechanics' or materialmen's liens. The lien of the Association under this Article is not subject to the provision of any homestead exemption as allowed under State or Federal law. Sale or transfer of any Unit shall not affect the lien for said assessments or charges except that sale or transfer of any Unit pursuant to foreclosure of any first lien Security Interest, or any proceeding in lieu thereof, including deed in lieu of foreclosure, or cancellation or forfeiture shall only extinguish the lien of assessment charges as provided by applicable State law. No such sale, transfer, foreclosure, or any proceeding in lieu thereof, including deed in lieu of foreclosure, nor cancellation or forfeiture shall relieve any Unit from continuing liability for any assessment charges thereafter becoming due, nor from the lien thereof.

Section 6.06 Budget. The budget shall be submitted to the Owners, pursuant to Section 303(4) of the Act. Common Expense Assessments shall be due and payable annually or in periodic installments, or in any other manner as determined by the Executive Board. Common Expense Assessments may begin on the first day of the month in which conveyance of the first Unit to an Owner other than Declarant occurs. The omission or failure of the Executive Board to levy the Assessment for any period shall not be deemed a waiver, modification or a release of the Owners from their obligation to pay.

Section 6.07 Special Assessments. In addition to the Annual Assessments, the Association may levy in any fiscal year one or more Special Assessments, payable over such a period as the Association may determine, for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of improvements within the Common Elements or for any other expense incurred or to be incurred as provided in this Declaration. This Section 6.07 shall not be construed as an independent source of authority for the Association to incur expense, but shall be construed to prescribe the manner of assessing expenses authorized by other sections of this Declaration. Any amounts assessed pursuant to this Section shall be assessed to Owners according to their Allocated Interests for Common Expenses, subject to the right of the Association to assess only against the Owners of affected Units any extraordinary maintenance, repair or restoration work on fewer than all of the Units shall be borne by the Owners of those affected Units only, and any extraordinary insurance costs incurred as a result of the value of a particular Owner's Unit or the actions of a particular Owner or Owner's Agents shall be borne by that Owner. Notice in writing of the amount of such Special Assessments and the time for payment of the Special Assessments shall be given promptly to the Owners, and no payment shall be due less than ten (10) days after such notice shall have been given.

Section 6.08 Default Assessments. All monetary fines assessed against an Owner pursuant to the Association Documents, or any expense of the Association which is the obligation of an Owner or which is incurred by the Association on behalf of the Owner pursuant to the Association Documents, shall be a Default Assessment and shall become a lien against such Owner's Unit which may be foreclosed or otherwise collected as provided in this Declaration. Notice of the amount and due date of such Default Assessment shall be sent to the Owner subject to such Assessment at least ten (10) days prior to the due date.

Section 6.09 Payment by Mortgagee. Any Mortgagee holding a lien on a Unit may pay any unpaid Assessment payable with respect to such Unit, together with any and all costs and expenses incurred with respect to the lien, and upon such payment that Mortgagee shall have a lien on the Unit for the amounts paid with the same priority as the lien of the Mortgagee.

Section 6.10 Statement of Status of Assessment Payment. Upon payment of a reasonable fee set from time to time by the Executive Board and upon fourteen (14) days' written request to the Association's registered agent by personal delivery or certified mail, first-class postage prepaid, return receipt, any Owner, designee of Owner, Agency, Mortgagee, prospective Mortgagee or prospective purchaser of a Unit shall be furnished with a written statement setting forth the amount of the unpaid Assessments, if any, with respect to such Unit. Unless such statement shall be issued by personal delivery or by certified mail, first class postage prepaid, return receipt requested, to

the inquiring party (in which event the date of posting shall be deemed the date of delivery) within fourteen (14) days after receipt of the request, the Association shall have no right to assert a lien upon the Unit over the inquiring party's interest for unpaid Assessments which were due as of the date of the request.

ARTICLE VII RESTRICTIONS ON USE, ALIENATION AND OCCUPANCY

Subject to the Development Rights and Special Declarant Rights reserved by the Declarant, the following use restrictions apply to all Units and to the Common Elements:

Section 7.01 Use/Occupancy.

(a) Each Owner may use the General and Limited Common Elements in accordance with the purpose for which they are intended, without hindering and encroaching upon the lawful rights of the other Owners, and subject to the use and occupancy restrictions set forth here. There shall be no obstruction of General Common elements without the prior written consent of the Association, except as specifically provided for herein. No restriction, impairment, or interference with any right of ingress or egress provided for in this Declaration shall be permitted at any time without the prior written of the Owner thereof and the Executive Board. Nothing shall be altered on, constructed in, or removed from the General Common Elements except upon the prior written consent of the Association. No Improvements located upon a Unit shall be occupied in any manner at any time prior to being fully completed in accordance with approved plans nor shall any Improvements when completed, be in any manner occupied until there is compliance with all requirements, conditions, covenants, and restrictions herein set forth;

(b) Each Owner of a Residential Unit shall be entitled to exclusive ownership and possession of his Residential Unit. The Residential Unit shall be used and occupied for residential or home occupation purposes in strict accordance with all applicable governmental, zoning, land use and other regulations. Unit 1, as identified on the Map, is delineated as a Residential Unit.

(c) Each Owner of a Commercial Unit shall be entitled to exclusive ownership and possession of his Commercial Unit. The Commercial Unit shall be used and occupied for commercial purposes in strict accordance with all applicable governmental, zoning, land use and other regulations. Unit 2, as identified on the Map, is delineated as a Commercial Unit.

(d) Without limiting any other rights or obligations hereunder, the following uses of Units, including appurtenant Limited Common Elements, are specifically prohibited: bars, nightclubs, dance halls, restaurants, and other similar type businesses which, in the sole opinion of the Executive Board, routinely cause unacceptably loud noises and/or odors to be emitted.

(e) No activity shall be conducted which will increase the rate charged for or cause the cancellation of any insurance maintained by the Declarant or the Association, or which would violate any law;

(f) No animals shall be kept which bother or constitute a nuisance to any other Owner, Declarant or adjoining landowner, with such additional restrictions as may be imposed by Association-promulgated rules and regulations;

(g) No activities shall be conducted within the Project and no improvements may be constructed within the Project which are or might be unsafe or hazardous to any person or property.

Without limiting the generality of the foregoing, no firearms shall be discharged within the Project; and no open fires shall be lighted or permitted within the Project except (i) in a contained barbecue unit while attended and in use for cooking purposes, (ii) within a safe and well-designed interior stove or fireplace, or an exterior patio fireplace or stove;

(h) No activity shall be conducted which generates noises which are excessively loud, odors which are offensive, nor any activity be conducted which is or may become a nuisance or cause significant disturbance or annoyance to others;

(i) There shall be no storage of waste and garbage except in covered sanitary containers shielded from the public view and the view of neighboring Owners. Refuse piles shall not be permitted;

(j) All exterior lighting shall comply with any applicable City of Ouray ordinance. Seasonal decorative lighting such as Christmas lighting shall be permitted, which may be subject to Association promulgated rules and regulations. Under no circumstances are mercury vapor or similar lights permitted;

(k) No junk vehicle, inoperative vehicle, or vehicle under repair shall be parked, stored or maintained in the Project.

(l) No structures or other improvement of any type shall be constructed within any Common Element without the consent of the Association.

(m) All use, maintenance, repair, replacement and modification of the General Common Elements shall be subject to regulation by the Association.

(n) No Unit or any interest therein may be offered or sold under any “timesharing” or “interval ownership” plan, or any similar plan.

(o) Subject to the provisions of Section 3.03(e) hereof, an Owner shall have the right to lease his Unit in its entirety upon such terms and conditions as the Owner may deem advisable. Any lease shall be in writing and shall provide that the lease is subject to the terms of this Declaration, the Articles, Bylaws and any rules and regulations promulgated by the Association. Any failure of a lessee of a Unit to comply with the terms of this Declaration or any other Association Documents shall be a default under the lease enforceable by the Association as a third party beneficiary, whether or not the lease contains such a provision.

(p) No alteration or additions to the Common Elements or the exterior of any Unit of any kind (including, without limitation, change in color, texture, street number signage, doors or windows) shall be made unless first approved in writing by the Executive Board. The Executive Board shall exercise reasonable judgment to the end that all modifications to the Common Elements or Unit exteriors conform to and harmonize with existing surroundings and structures. In any event, the exterior of the Units shall be kept in good condition and is consistent and uniform, so that color schemes, materials, renovations and repairs are uniformly performed and maintained. The Executive Board has the absolute right to deny any requested changes which the Executive Board reasonably determines do not conform to and harmonize with said existing surroundings and structures. All construction activities shall be planned and carried out with a minimum of disruption, unsightliness and noise.

(q) No sign, poster, billboard or advertising device of any kind shall be allowed or displayed anywhere within the Project without the prior written approval of the Executive Board, except that the designated Commercial Unit shall be entitled to erect a sign relating to the business taking place within that Commercial Unit, which sign must comply with the applicable requirements of the City of Ouray. No sign shall be offensive or objectionable in the reasonable discretion of the Board.

To the extent than any of the foregoing use restrictions are also addressed by City of Ouray ordinance or regulation, the more restrictive of the two shall control.

Section 7.02 Maintenance.

a) Maintenance by Owners. Each Owner shall maintain and keep in repair the interior of his or her Unit, including the fixtures thereof to the extent current repair shall be necessary in order to avoid damaging other Unit Owners, and the surfaces (excluding the roofing elements) of Limited Common Elements allocated to the Unit. All fixtures and equipment installed with the Unit commencing at a point where the utilities enter the Unit shall be maintained and kept in repair by the Owner of such Unit. An Owner shall do no act or any work that will impair the structural soundness or integrity of the Common Elements or impair any easement. Each Owner shall be responsible for the maintenance of the interior non-supporting walls of his Unit, and the surface materials thereon such as plaster, drywall, paneling wallpaper, paint, tile and carpeting of the perimeter walls, ceilings and floors within the Unit, including Unit doors, windows and screens.

b) Owner's Failure to Maintain or Repair. In the event that a Unit (including the allocated Limited Common Elements) is not properly maintained and repaired, and if the maintenance responsibility for the unmaintained portion of the Unit lies with the Owner of the Unit, or in the event that the Unit is damaged or destroyed by an event of casualty and the Owner does not take reasonable measures to diligently pursue the repair and reconstruction of those portions of the damaged or destroyed Unit for which the Owner is responsible to substantially the same condition in which they existed prior to the damage or destruction, then the Association, after notice to the Owner and with the approval of the Executive Board (after a determination by the Executive Board that the condition of such Unit negatively impacts other Owners or the value of other Units within the Project) shall have the right to enter upon the Unit to perform such work as is reasonably required to restore the Unit to a condition of good order and repair. All costs incurred by the Association in connection with the restoration shall be reimbursed to the Association by the Owner of the Unit, upon demand. All unreimbursed costs shall be a lien upon the Unit until reimbursement is made. The lien may be enforced in the same manner as a lien for an unpaid Assessment levied in accordance with Article VI of this Declaration.

c) Maintenance by Association. Except as otherwise provided herein, the Association shall be responsible for the maintenance and repair of the Common Elements, including all Limited Common Elements, General Common Elements and General Common Structural Elements, whether located inside or outside of Units (except as set forth in Section 7.02(a) above and unless necessitated by damage caused by the negligence, misuse or tortious act of a Unit Owner or Owner's Agent as set forth in Section 7.02(d) below), which shall be the Common Expense of all Owners. This maintenance shall include, but shall not be limited to, upkeep, repair and replacement, subject to any insurance then in effect, of all landscaping and walls which an Unit Owner is not required to maintain as set forth in Section 7.02(a), gates signage, irrigation systems, sidewalks, driveways and improvements, if any (which shall include without limitation snow removal services unless performed by another private or public organization formed for such purposes), located in the Common Elements, Declarant shall have the right, but not the obligation, to do so at the expense of the Association.

d) Association Maintenance as Common Expense. The cost of maintenance and repair by the Association shall be a Common Expense of all of the Owners, to be shared by each Unit Owner according to the Allocated Interests therefore as set forth in Article V of this Declaration. Damage to the interior or any part of a Unit resulting from the maintenance, repair, emergency repair or replacement of any of the Common Elements or as a result of emergency repairs within another Unit at the instance of the Association shall also be a Common Expense of all of the Owners. However, if such damage is caused by negligent or tortious acts of a Unit Owner or Owner's Agent, then such Unit Owner shall be responsible and liable for all of such damage and the cost thereof, to the extent that Owner or Owner's Agent's negligence caused such damage, which must be timely paid.

e) Easement for Maintenance. Each Owner and the Association shall have the irrevocable right, to be exercised by the Executive Board or officers or employees of the Association, to have access to each Unit from time to time during reasonable hours as may be necessary for the maintenance, repair or replacement of any of the Common Elements therein or accessible therefrom, or at any hour for making emergency repairs, maintenance or inspection therein necessary to prevent damage to the Common Elements or another Unit. In the event insurance proceeds under Article IX are payable to an Owner but the maintenance responsibility of the area to which such proceeds relate is the Association's, the Association shall complete any such repair or replacement at the Owner's cost.

f) Limited Common Element Damage. In the event of damage or destruction of a Limited Common Element from any cause other than the negligence or tortious acts of an Owner or Owner's Agent, the then Owner of the Unit to which the Limited Common Element is attributable shall bear the expense to repair or rebuild the Limited Common Element to its previous condition. To the extent applicable, any Owner shall bear the cost of such damage to the extent of such Owner's or Owner's Agent's negligence.

g) Association Power. The Association shall be the right and power to prohibit storage or other activities deemed unsafe, unsightly, unreasonably noisy or otherwise offensive to the senses and perceptible from another Unit or the Common Elements. No Owner shall make any addition or other alteration to any portion of the Common Elements, no matter how minor, without the express written consent of the Executive Board.

Section 7.03 Nuisances. No Nuisance shall be permitted within the Project, nor any use, activity or practice which is the source of unreasonable annoyance or embarrassment to, or which unreasonably offends or disturbs, any Unit Owner or which may unreasonably interfere with the peaceful enjoyment or possession or the proper use of a Unit or Common Element, or any portion of the Project by Unit Owners. Further, no unlawful use shall be permitted within the Project or any portion thereof. All valid laws, ordinances and regulations of all governmental bodies having jurisdiction over the Project or a portion thereof shall be observed. As used herein, the term nuisance shall not include any activities of Declarant which are reasonably necessary to the Project and construction of improvements within the Project provided, however, that such activities of the Declarant shall not unreasonably interfere with any Unit Owner's use and enjoyment of his Unit, or any Unit Owner's ingress and egress to or from their Unit and a public way.

Section 7.04 No Restrictions on Mortgaging of a Unit. There are no restrictions on the right of the Unit Owners to mortgage or otherwise encumber a Unit. There is no requirement for the use of a specific lending institution or particular type of lender.

Section 7.05 Rules and Regulations. In furtherance of the provisions of this Declaration, and the general plan, rules and regulations concerning and governing the Project any portion thereof may be adopted, amended, or repealed, from time to time, by the Executive Board, or its successors and assigns. The Executive Board may establish and enforce penalties for the infraction thereof.

ARTICLE VIII RESERVED DEVELOPMENT RIGHTS AND SPECIAL DECLARANT RIGHTS

Section 8.01 Reserved Development Rights and Special Declarant Rights. Subject to applicable City of Ouray ordinances and regulations, the Declarant reserves, through twenty-five (25) years after the recording of this Declaration, the following Development Rights and Special Declarant Rights:

- a) the right to relocate boundaries between unsold adjoining Units, enlarge Units, enlarge the Common Elements, reduce or diminish the size of unsold Units, subdivide Units or complete or make improvements, as the same may be indicated on Maps filed of record or filed with the Declaration;
- b) the right to create or construct additional Common Elements and Limited common Elements (the "Additional Improvements") to Convert Units into Common Elements;
- c) the right to withdraw all or any portion of the property; provided, however, that no portion of the Property may be withdrawn after a Unit in that portion of the Property has been conveyed to a purchaser;
- d) the right to exercise any development rights reserved or allowed in the Act;
- e) the right to use, and to permit others to use, easements through the Common Elements as may be reasonably necessary;
- f) the right to make the Project subject to a master association and master declaration;
- g) the right to merge or consolidate the Project with another Common Interest Community or Condominium;
- h) the right to appoint or remove any officer of the Association or any Director during the Declarant Control period;
- i) the right to amend the Declaration in connection with the exercise of any development right.

j) the right to amend the Declaration or Map in connection with the exercise of any development right or to correct typographical or other errors to bring the Declaration or Map into conformance with applicable law.

Section 8.02 Additional Reserved Rights. In addition to the rights set forth above, subject to applicable City of Ouray ordinances and regulations, Declarant also reserves the following additional rights (the "Additional Reserved Rights"):

a) Sales. The right to maintain sales offices, management offices and models in Units or on the Common Elements.

b) Signs. The right to maintain signs and advertising in the Project and to advertise the Project.

c) Dedications. The right to establish, from time to time, by dedication or otherwise, public ways, utility and other easements for purposes including but not limited to public access, access, paths, walkways, skyways, drainage, recreation areas, parking areas, ducts, shafts, flues, conduit installation areas, and to create other reservations, exceptions and exclusions.

d) Use Agreements. The right to enter into, establish, execute, amend, and otherwise deal with contracts and agreements for the use, lease, repair, maintenance or regulations of parking and/or recreational facilities and/or Common Elements, and/or the maintenance of the exterior of Units and appurtenant landscaping, which may or may not be a part of the Project.

e) Construction Easement. Declarant expressly reserves the right to perform warranty work, and repairs and construction work and to store materials in secure areas, in Units and in Common Elements, and the future right to control such work and repairs, and the right of access thereto, until completion. All work may be performed by Declarant without the consent or approval of any Unit Owner or holder of a Mortgage. Declarant has such an easement through the Common Elements as may be reasonably necessary for exercising Declarant's reserved rights in this Declaration. Such easement includes the right to construct underground utility lines, pipes, wires, ducts, conduits, and other facilities across the Property.

f) Other Rights. The right to exercise any additional reserved right created by any other provision of this Declaration or the Act.

Section 8.03 Rights Transferable/Right Transferred.

(a) Any rights created or reserved under this Article or the Act for the benefit of Declarant may be transferred to any person by an instrument describing the rights transferred recorded in the real property records of Ouray County. Such instrument shall be executed by the transferor Declarant and the transferee.

(b) Notwithstanding the foregoing, the Development Rights and Special Declarant Rights of Declarant to relocate the boundaries of Units, to create new Units or Common Elements, and/or

to further subdivide Units and the right of the Declarant to designate the type of use allowed in Units, shall be transferred and assigned to the title Owner of those Units within those levels for the maximum period of time reserved to the Declarant. The foregoing rights are subject to the following additional terms and conditions: (i) the Unit Owners of the Units affected must comply with the requirements of C.R.S. §38-33.3-210 and C.R.S. §38-33.3-209(6); (ii) the authority of the Owners of the specified Units to make these changes is not limited by or subject to the consent of the Association or any other person; and (iii) the express written consent may be required of the Declarant, or, alternatively, the Declarant may veto and reject the proposed changes as it determines in its sole discretion, which powers of the Declarant to require approval by it or to veto the change shall exist as long as the above rights exist.

Section 8.04 No Further Authorizations Needed. The consent of Unit Owners or holders of Mortgages shall not be required for the Declarant to exercise any reserved rights, and subject to applicable City of Ouray ordinances and regulations, Declarant may proceed without limitation at its sole option. Declarant may exercise any reserved rights on all or any portion of the property in whatever order Declarant, in its sole discretion, determines. Declarant shall not be obligated to exercise any reserved rights or to expand the Project beyond the number of Units initially submitted.

Section 8.05 Amendment of the Declaration or Map. If Declarant elects to exercise any reserved rights, Declarant shall comply with the Act.

Section 8.06 Interpretation. Recording of amendments by the Declarant to the Declaration and the map or plat in the office of the Clerk and Recorder of Ouray County, Colorado shall automatically effectuate the terms and provisions of that amendment. Further, such amendment shall automatically:

- i) vest in each existing Unit Owner the reallocated Allocated Interests appurtenant to their Unit; and
- ii) vest in each existing Security Interest a perfected security interest in the reallocated Allocated Interests appurtenant to the encumbered Unit.

Further, upon the recording of an Amendment to the Declaration, the definitions used in this Declaration shall automatically be extended to encompass and to refer to the property, as expanded and, the Development Property, or any part thereof, or the Additional Improvements, shall be added to and become a part of the Property for all purposes. All conveyances of Units after such amendment is recorded shall be effective to transfer rights in all Common Elements, whether or not reference is made to any Amendment of the Declaration or plat or map. Reference to the Declaration and plat or map in any instrument shall be deemed to include all Amendments to the Declaration, and the plat and/or map without specific reference thereto.

Section 8.07 Maximum Number of Units. The maximum number of Units currently allowed on the Property is two (2). Additional Units may only be created with the approval of the City after compliance with applicable City processes and standards.

Section 8.08 Construction. The buildings, structures and types of improvements to be placed on the Property or the Development Property or any part thereof shall be of a quality equal to or better than the Improvements previously constructed on the Property, and to the extent reasonably feasible shall be of similar size, style or configuration. Except as otherwise restricted in this Declaration or by the Act, the Improvements may be located anywhere on the property reserved for future development or on the Development Property.

Section 8.09 Reciprocal Easements. If all or part of any property is withdrawn ("Withdrawn Property"):

i) the Unit Owner(s) of the property and/or Withdrawn Property shall have whatever easements are necessary or desirable, if any, for access, utility service, repair, maintenance and emergencies over and across the Project; and

ii) The Unit Owner(s) shall have whatever easements are necessary or desirable, if any, for access, utility service, repair, maintenance and emergencies over and across the Property and Withdrawn Property.

Section 8.10 Termination of Reserved Rights. The rights reserved to Declarant, for itself, its successors and assigns, shall expire as set forth above or in the Act, unless (i) reinstated or extended by the Association, subject to whatever terms, conditions, and limitations the Executive Board may impose on the subsequent exercise of the expansion rights by Declarant, or (ii) extended as allowed by law.

Section 8.11 Reserved Rights Subject to City Ordinance. All Reserved Development Rights, Special Declarant Rights and Additional Reserved Rights as provided in this Declaration shall be subject to applicable City of Ouray ordinances and regulations, and nothing contained herein shall serve to supersede or circumvent said ordinances and regulations.

ARTICLE IX INSURANCE/CONDEMNATION

Section 9.01 Insurance Carried. Out of the assessments levied under this Declaration, the Association shall obtain and maintain in full force and effect to the extent reasonably available, and at all times, the insurance coverage set forth herein and as set forth in the Act, which insurance coverage shall be provided by financially responsible and able companies duly authorized to do business in the State of Colorado. Commencing not later than the time of the first conveyance of a Unit to a person other than a Declarant, the Association shall maintain, to the extent reasonably available, policies with the following terms or provisions:

a) All policies of insurance shall contain waivers of subrogation and waivers of any defense based on invalidity arising from any acts of a Unit Owner and shall provide that such policies may not be canceled or modified without at least twenty (20) days prior written notice to all of the Unit Owners, holders of first lien Security Interests and the Association.

b) If requested, duplicate originals of all policies and renewals thereof, together with proof

of payments of premiums, shall be delivered to all holders of first lien Security Interests at least ten (10) days prior to expiration of the then current policies.

c) All liability insurance shall be carried in blanket form naming the Association, the Board, the manager or managing agent, if any, the officers of the Association, the Declarant, holders of first lien Security Interests, their successors and assigns and Unit Owners as insured.

d) Prior to obtaining any policy of casualty insurance or renewal thereof, pursuant to the provisions hereof, the Board may obtain an appraisal from a duly qualified real estate or insurance appraiser, which appraiser shall reasonably estimate the full replacement value of the Common Elements, without deduction for depreciation, review any increases in the cost of living, and/or consider other factors, for the purpose of determining the amount of the insurance to be effected pursuant to the provisions hereof. In no event shall any casualty insurance policy contain a co-insurance clause for less than one hundred percent (100%) of the full insurable replacement cost.

e) Unit Owners may carry and are advised to carry other insurance for their benefit and at their expense, provided that the liability of the carriers issuing insurance obtained by the Association shall not be affected or diminished by reason of any such additional insurance carried by Unit Owners and provided, further, that the policies of insurance carried by the Association shall be primary, even if a Unit Owner has other insurance that covers the same loss or losses as covered by policies of the Association. In this regard, Declarant discloses that the Association's insurance coverage, as specified hereunder and under the Act, does not obviate the need for Unit Owners to obtain insurance for their own benefit.

f) All policies of insurance shall provide that the insurance thereunder shall be invalidated or suspended only in respect to the interest of any particular Unit Owner guilty of a breach of warranty, act, omission, negligence or non-compliance of any provision of such policy, including payment of the insurance premium applicable to the Unit Owner's interest, or who permits or fails to prevent the happening of any events, whether occurring before or after a loss, which under the provisions of such policy would otherwise invalidate or suspend the entire policy, but the insurance under any such policy, as to the interests of all other insured Unit Owners not guilty of any such act or omission, shall not be invalidated or suspended and shall remain in full force and effect.

Section 9.02 Hazard Insurance on the Common Elements. Insurance of fire, with extended coverage, vandalism, malicious mischief, all-risk, replacement cost, agreed amount (if the policy includes co-insurance), special condominium, building ordinance and inflation guard endorsements attached, in amounts determined by the Executive Board to represent not less than the full then current insurable replacement cost of the Building located on the Property including all of the Units and Common Elements, including all fixtures, interior and perimeter walls and floors, partitions, decorated and finished surfaces of interior and perimeter walls, floors, and ceilings, doors, windows and other elements or materials comprising a part of the Units and including any fixtures, equipment or other property within the Units which are to be financed by a Mortgage to be purchased by an Agency including FNMA and FHLMC, and excluding any betterments and improvements made by Unit Owners and building excavations and foundations. Maximum deductible amounts for such policy shall be determined by the Executive Board, provided, however, that if an Agency requires specific deductibles, the Executive Board shall

follow such Agency's requirements. In the event the Project has central heating or cooling, coverage for loss or damage resulting from the machinery equipment accidents in an amount equal to the lesser of \$2,000,000.00 or the insurable value of the buildings housing the machinery shall also be obtained. The Association shall obtain insurance covering the original specifications of each Unit. Each Unit Owner shall be responsible for obtaining additional or supplemental insurance covering any additions, alterations, or improvements to his Unit which increase the replacement value of his Unit. In the event that satisfactory arrangement is not made for additional insurance by the Unit Owner, the Unit Owner shall be responsible for any deficiency in any resulting insurance loss recovery and the Association shall not be obligated to apply any insurance proceeds to restore the affected Unit to a condition better than the condition existing prior to the making of such additions, alterations or improvements. Any additional premiums attributable to the original specifications of a Unit for which the insurance is increased as herein provided may be the subject of a lien for nonpayment as provided in Article VI hereof in the event the Association pays such premium for a Unit Owner.

All policies shall contain a standard non-contributory mortgage clause in favor of each holder of first lien Security Interests, and their successors and assigns, which shall provide that the loss, if any thereunder, shall be payable to the Association for the use and benefit of such holders of first lien Security Interests, and their successors and assigns, as their interests may appear of record in the records of the office of the Clerk and Recorder of the County of Ouray, Colorado. If obtainable, the Association shall also obtain the following and any additional endorsements deemed advisable by the Executive Board: (a) an Inflation guard endorsement by a Construction Code endorsement, (c) a demolition cost endorsement, (d) a contingent liability from operation of building laws endorsement, and (e) an increased cost of construction endorsement.

Section 9.03 Comprehensive Liability Insurance. Comprehensive general public liability and property damage insurance for the Project in such amounts as the Executive Board deems desirable, provided that such coverage shall be for at least \$1,000,000 for bodily injury, including deaths and property damage arising out of a single occurrence insuring the Association, the Executive Board, the Manager or managing agent, or both, if any, and their respective agents and employees, and the Unit Owners from liability in connection with the operation, maintenance and use of Common Elements and must include a "severability of interest" clause or specific endorsement. Such coverage shall also include legal liability arising out of contracts of the Association and such other risks as are customarily covered with respect to condominiums similar to the Project in the Ouray County, Colorado including automobile liability insurance if appropriate. The Executive Board shall not enter into employment contracts or independent contractor contracts of any kind unless the contracting party provides evidence (such as a Certificate of Insurance) to the Executive Board that such party has current and satisfactory insurance, including workers compensation insurance, commercial general liability insurance and automobile insurance on all of which the Association is named as an additional insured.

The insurance policies may be carried in blanket policy form naming the Association as the insured, for the use and benefit of and as attorney-in-fact for the Unit Owners. Each Unit Owner shall be an insured person under the policy with respect to liability arising out of such Unit Owner's interest in the Common Elements or membership in the Association. Each Mortgagee and its successors or assigns shall be a beneficiary of the policy in the percentages of Common Expenses

for the Unit, which the Mortgage encumbers. The insurance company shall waive its rights of subrogation under the insurance policy against any Unit Owner or member of the Unit Owner's household. No act or omission by any Unit Owner, unless acting within the scope of such Unit Owner's authority on behalf of the Association, shall void the insurance policy or be a condition to recovery under the insurance policy. If, at the time of a loss under an insurance policy described above there is other insurance in the name of the Unit Owner covering the same risk covered by the policy, the Association's policy shall provide primary insurance.

Insurance coverage on the furnishings and other items of personal property belonging to an Owner and any additions and alterations to a Unit which increase the Unit's replacement value above that of the original specifications for the Unit (unless financed by a Mortgage to be purchased by FNMA or FHLMC), casualty and public liability insurance coverage for each Unit and the Limited Common Elements associated therewith and workman's compensation insurance covering work within each Unit or on the Limited Common Elements associated therewith shall be the responsibility of the Owner of the Unit.

Section 9.04 Fidelity Insurance. The Association may obtain adequate fidelity coverage or fidelity bonds to protect against dishonest acts on the parts of its officers, directors, trustees and employees and on the part of all others who handle or are responsible for handling the funds of the Association, including persons who serve the Association with or without compensation. The clause "officers, directors, trustees and employees" shall not include any officer, director, agent or employee of Declarant or any officer, director, agent or employee of any independent, professional manager or managing agent theretofore or hereafter employed by the Association. The fidelity coverage or bonds should be in an amount sufficient to cover the maximum funds that will be in the control of the Association, its officers, directors, trustees and employees.

Section 9.05 Worker's Compensation and Employer's Liability Insurance. If applicable, the Association shall obtain worker's compensation and employer's liability insurance and all other similar insurance with respect to its employees in the amounts and forms as may now or hereafter be required by law.

Section 9.06 Officers' and Directors' Personal Liability Insurance. The Association may obtain officers' and directors' personal liability insurance to protect the officers and directors from personal liability relation to their duties and responsibilities in acting as officers and directors on behalf of the Association.

Section 9.07 Flood Insurance. The Association, if required by holders of the first lien Security Interests, or by a governmental agency, shall purchase and maintain flood insurance.

Section 9.08 Other Insurance. The Association may obtain insurance against such other risks, of similar or dissimilar nature, including flood insurance, as it shall deem appropriate with respect to the Association responsibilities and duties.

Section 9.09 Insurance Premium. Except as assessed in proportion to risk, if permitted under the terms of this Declaration, insurance premiums for the above provided insurance shall be a Common Expense to be included a part of the annual assessments levied by the Association.

Section 9.10 Managing Agent Insurance. The manager or managing agent, if any, shall be insured to the same extent as the Association, as herein provided, and as provided in the Act, for the benefit of the Association, and shall maintain and submit evidence of such coverage to the Association.

Section 9.11 Waiver of Claims Against Association. As to all policies of insurance maintained by or for the benefit of the Association and Unit Owners, the Association and the Unit Owners hereby waive and release all claims against one another, the Board and Declarant, to the extent of the insurance proceeds available, whether or not the insurance damage or injury is caused by the negligence of or breach of any agreement by and of said persons.

Section 9.12 Annual Insurance Review. The Board shall review the insurance carried by and on behalf of the Association at least annually, for the purpose of determining the amount of insurance required.

Section 9.13 Adjustments by the Association. Any loss covered by an insurance policy described above shall be adjusted by the Association, and the insurance proceeds for that loss shall be payable to the Association, and not to any holder of a first lien Security Interest. The Association shall hold any insurance proceeds in trust for the Association, Unit Owners and holders of first lien Security Interests as their interests may appear. The proceeds must be distributed first for the repair or restoration of the damaged property and the Association Unit Owner and holders of first lien Security Interests are not entitled to receive payment of any portion of the proceeds unless there is a surplus of proceeds after the damaged property has been completely repaired or restored.

Section 9.14 Duty to Repair. Any portion of the Project for which insurance proceeds are available under this Article which damaged or destroyed must be repaired or replaced promptly by the Association, except as provided in the Act.

Section 9.15 Condemnation and Hazard Insurance Allocations and Distributions. In the event of a distribution of condemnation proceeds or hazard insurance proceeds to the Unit Owners, the distribution shall be as the parties with interests and rights are determined or allocated by record, and pursuant to the Act.

ARTICLE X SPECIAL RIGHTS OF HOLDERS OF FIRST LIEN SECURITY INTERESTS

Section 10.01 General Provisions. The provisions of this article are for the benefit of holders, insurers, or guarantors of holders of first lien Security Interests recorded within the Common Interest Community. To the extent applicable, necessary or proper, the provisions of this Article apply to both this Declaration and to the Articles and Bylaws of the Association. A holder, insurer or guarantor of a first lien Security Interest who has delivered a written request to the Association containing its name, address, the legal description and the address of the Unit upon which it holds a Security Interest, shall be considered an "Eligible Holder." Eligible insurers and guarantors of a first lien Security Interest shall have the same rights as Eligible Holder.

Section 10.02 Special Rights. Eligible Holders shall be entitled to: (a) timely written notice from the Association of any default by a mortgagor of a Unit in the performance of the mortgagor's obligations under this Declaration, the Articles of Incorporation, the Bylaws or the Rules and Regulations, which default is not cured within sixty (60) days after the Association learns of such default; b) examine the books and records of the Association during normal business hours; c) receive a copy of financial statements of the Association, including any annual audited financial statement; (d) receive written notice of all meetings of the Executive Board or Members of the Association; (e) designate a representative to attend any such meetings; (f) written notice of any lapse, cancellation, or material modification of any insurance policy or fidelity bond maintained by the Association; g) written notice of abandonment or termination of the Association of the plan contemplated under this Declaration; (h) thirty (30) days written notice prior to the effective date of any proposed, material amendment to this Declaration, the Articles of Incorporation, or the Bylaws; (i) thirty (30) days written notice prior to the effective date of termination of any agreement for professional management of the Association or the Common Elements, when professional management had been required previously under the terms of any Lien or Insurance Agreement for the Project or by an Eligible Holder; and (ii) immediate written notice as soon as the Association receives notice or otherwise learns of any damage to the Common Elements or a Unit if the cost of reconstruction exceeds Twenty Thousand Dollars (\$20,000) and as soon as the Association receives notice or otherwise learns of any condemnation or eminent domain proceedings or other proposed acquisition with respect to any portion of the Common Elements or any Units.

Section 10.03 Special Approvals. Unless at least all of the Eligible Holders of first lien Security Interests (based on one vote for each mortgage owned) of Units in the Association and requisite Unit Owners have given their written approval, neither the Association nor any Member shall (a) by act or omission seek to abandon, partition, subdivide, encumber, sell or transfer the Common Elements or any improvements thereon which are owned, directly or indirectly, by the Association (except that the granting of access easements, utility easements, drainage easements and water facilities easements or easements for other public purposes consistent with the intended use of such real estate by the Association shall not be deemed within the meaning of this provision); (b) change the method of determining the obligations, Assessments or other charges which may be levied against Members or the method of allocating distributions of hazard insurance policy proceeds or condemnation awards; (c) by act or omission change, waive or abandon any scheme or regulation, or enforcement thereof, pertaining to architectural approval of improvement of Units, including the architectural design of the exterior appearance of Units, or the upkeep of the Common Elements; (d) fail to maintain the casualty, fire and extended coverage insurance as elsewhere provided in this Declaration; (e) use hazard insurance proceeds for losses other than the repair, replacement or reconstruction of the improvements which were damaged or destroyed; (f) take action to terminate the legal status of the Project after substantial destruction or condemnation occurs; (g) amend any material provision of this Declaration; and (h) establish self management by the Association when professional management has previously been required by the legal documents for the Project or by an Eligible Holder. An amendment shall not be deemed material if it is for the purpose of correcting technical errors, or for clarification only. If an Eligible Holder of a first lien Security Interest receives written request for approval of the proposed act, omission, change or amendment by certified or registered mail, with a return receipt requested, and does not

deliver or post to the requesting party a negative response within 30 days, it shall be deemed to have approved such request.

Section 10.04 Payment of Insurance Premiums. Any holder of a first lien Security Interest shall be entitled to pay any taxes or other charges which are in default and which may or have become a lien against a Unit or any of the Common Elements and may pay any overdue premiums on hazard insurance policies or secure new hazard insurance coverage for the Common Elements or Units, and the holder of a first lien Security Interest making such payments shall be entitled to immediate reimbursement therefor from the Association.

ARTICLE XI EASEMENTS

Section 11.01 Recorded Easements. The Property shall be subject to all easements as shown on any Map or plat, those of record, those provided in the Act (including easements for encroachment set forth in Section 214 of the Act and an easement for maintenance of any such encroachment), and otherwise as set forth in this Declaration.

Section 11.02 Declarant 's Rights Incident to Construction. Declarant, for itself and its successors and assigns, and the Association, hereby reserves an easement for construction, utilities, drainage, ingress and egress over, in, upon, under and across the Common Elements, together with the right to store materials on the Common Elements, to build and maintain temporary walls, and to make such other use of the Common Elements as may be reasonably necessary or incident to any construction of the Units, or improvements on the Property or other real property owned by Declarant, or other properties abutting and contiguous to the Property; provided, however, that no such rights shall be exercised by Declarant in a way which unreasonably interferes with the occupancy, use, enjoyment or access to the Project by the Owners.

Section 11.03 Utility Easements. There is hereby created a blanket easement upon, across, over, in and under the Property for the benefit of the Common Elements and the Units and the structures and improvements situated on the Property for ingress and egress, storm water drainage, installation, replacing, repairing and maintaining all utilities, including, but not limited to, water, sewer, gas, telephone, cable TV and electricity. Said blanket easement includes future utility services not presently available to the Units which may reasonably be required in the future. By virtue of this easement, it shall be expressly permissible for the companies providing utilities to erect and maintain the necessary equipment on any of the Units and to affix and maintain electrical and/or telephone wires, circuits, conduits and pipes on, above, across and under the roofs and exterior walls of the improvements, all in a manner customary for such companies in the area surrounding the Property, subject to approval by the Association as to locations.

Section 11.04 Reservation of Easements, Exceptions and Exclusions. The Association is hereby granted the right to establish from time to time, by declaration or otherwise, utility and other easements, permits or licenses over the Common Elements for the best interest of all the Owners and the Association. Each Owner is hereby granted a perpetual non-exclusive right of ingress to and egress from the Owner's Unit over and across the General Common Elements and Limited Common Elements appurtenant to that Owner's Unit, which right shall be appurtenant to

the Owner's Unit, and which right shall be subject to limited and reasonable restriction on the use of Common Elements set forth in writing by the Association, such as for closure for repairs and maintenance.

Section 11.05 Emergency Access Easement. A general easement is hereby granted to all police, sheriff, fire protection, ambulance and other similar emergency agencies or persons to enter upon the Property in the proper performance of their duties.

Section 11.06 Support Easement. Each Unit is subject to a blanket easement for support and a blanket easement for the maintenance of structures or improvements presently situated or to be built in the future on the Property or any Expansion Property.

ARTICLE XII GENERAL PROVISIONS

Section 12.01 Enforcement; Arbitration. In the event of a violation of any of the terms of this Declaration, the Association or a Unit Owner or Unit Owners of any of the Units may enforce the restrictions, conditions, covenants and reservations imposed by the provisions of this Declaration. The Association may promulgate rules and regulations for notice and other procedures for dealing with any alleged violation of the terms of this Declaration or of any of the Association Documents. Such procedures or remedies as established by the Association shall be cumulative and in addition to the enforcement provisions as contained in this Declaration. Declarant, for each Unit, shall be deemed to covenant and agree, and each Unit Owner, by acceptance of a Deed therefor, whether or not it shall be so expressed in any such deed or other conveyance, shall be deemed to covenant and voluntarily agree, on their own behalf and on behalf of their heirs, successors and assigns, to submit any such enforcement action to arbitration under the provisions of the Uniform Arbitration Act, C.R.S. § 13-22-201 *et. seq.*, either to recover damages for such violation, including reasonable attorneys fees incurred in enforcing these covenants, or to restrain such violation or attempted violation. The process for designating an arbitrator shall be as follows: A party demanding arbitration of a dispute under this provision shall, in writing, submit a name of an arbitrator to the other parties to the dispute. The other parties shall have ten days from the date of the receipt of notice of designation of the arbitrator to object and name an alternate Arbitrator. Failure to object and designate an alternate arbitrator in writing within ten days shall be deemed to be an acceptance of the arbitrator so designated. If an alternate arbitrator is designated within the ten days, the initial party who designated the original arbitrator shall have ten days to object to the alternate arbitrator. If no such objection is received, the alternate arbitrator shall be the arbitrator of the dispute. If there is a timely written objection to the alternate arbitrator, the original and the alternate arbitrator shall jointly select a third arbitrator who shall be the sole arbitrator of the dispute. In the event the original and alternate arbitrators are not able to agree upon a third arbitrator, one shall be appointed by any court of competent jurisdiction. The parties agree that any arbitration held pursuant to this section shall be binding upon the parties and shall not be appealable to the courts except for the reasons listed in the Uniform Arbitration Act as cited above. The arbitrator shall award to the prevailing party, if any, as determined by the arbitrator, all of its costs and expenses including reasonable attorney's fees, arbitrator's fees and reasonable out-of-pocket expenses. "Prevailing party" shall mean the party whose position is most nearly upheld in arbitration. If a dispute involves the Declarant or the

Association, no Person shall file a memorandum of *lis pendens* or similar instrument that would encumber, create a lien upon or otherwise cloud the title to land owned by either the Declarant or the Association. Failure of the Association, the Declarant or of any Unit Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter. The Executive Board may post on a bulletin board at a conspicuous place on the Common Area notices of any covenant violations by members and copies of any recorded statements. Failure to post shall not affect the validity of any lien or action to redress any covenant violation.

Section 12.02 Severability. Each of the provisions of this Declaration shall be deemed independent and severable. If any provision of this Declaration or the application thereof to any person or circumstances is held invalid, the invalidity shall not affect other provisions or applications of this Declaration which can be given effect without the invalid provisions or applications.

Section 12.03 Term of Declaration. The covenants and restrictions of this Declaration shall run with and bind the land in perpetuity.

Section 12.04 Amendment of Declaration by Declarant. Until the first Unit has been conveyed by Declarant by deed recorded in the office of the County Clerk and Recorder of the County of Ouray, Colorado, any of the provisions, covenants, conditions, restrictions and equitable servitudes contained in this Declaration may be amended or terminated by Declarant by the recordation of a written instrument, executed by Declarant, setting forth such amendment or termination. Thereafter if Declarant shall determine that any amendments to this Declaration shall be necessary in order to make non-material changes, such as the correction of a technical, clerical or typographical error or clarification of a statement, then, subject to the following sentence of this Section, Declarant shall have the right and power to make and execute any such amendments without obtaining the approval of any Unit Owners. In furtherance of the foregoing, a power coupled with an interest is hereby reserved and granted to Declarant to make or consent to an amendment under this section on behalf of each Unit Owner and holder of a Security Interest. Each deed, Security Interest, other evidence of obligation or other instrument affecting a Unit and the acceptance thereof shall be deemed to be a grant and acknowledgment of, and a consent to the reservation of, the power of Declarant to make, execute and record an amendment under this Section.

Section 12.05 Amendment of Declaration by Unit Owners. Except as otherwise provided in this Declaration, and subject to provisions elsewhere contained in this Declaration requiring the consent of Declarant or others, any provision, covenant, condition, restriction or equitable servitude contained in this Declaration may be amended or repealed at any time and from time to time upon approval of sixty-seven percent (67%) of all of the votes in the Association and with the written consent of the Association. The amendment or repeal shall be effective upon the recordation in the office of the Clerk and Recorder of Ouray County, State of Colorado, of a certificate, setting forth the, amendment in full and certifying that the amendment has been approved as set forth above, and containing the written consent and approval of the Association.

Section 12.06 Amendment Required by Government Mortgage Agencies. Prior to ten (10)

Document must be filed electronically.
Paper documents are not accepted.
Fees & forms are subject to change.
For more information or to print copies
of filed documents, visit www.sos.state.co.us.

ABOVE SPACE FOR OFFICE USE ONLY

Articles of Incorporation for a Nonprofit Corporation

filed pursuant to § 7-122-101 and § 7-122-102 of the Colorado Revised Statutes (C.R.S.)

1. The domestic entity name for the nonprofit corporation is S&S Condominium Owners Association, Inc.
(Caution: The use of certain terms or abbreviations are restricted by law. Read instructions for more information.)

2. The principal office address of the nonprofit corporation's initial principal office is

Street address 310 Sixth Avenue
(Street number and name)
Ouray CO 81427
(City) (State) (ZIP/Postal Code)
United States
(Province – if applicable) (Country)

Mailing address PO Box 811
(leave blank if same as street address) (Street number and name or Post Office Box information)
Ouray CO 81427
(City) (State) (ZIP/Postal Code)
United States
(Province – if applicable) (Country)

3. The registered agent name and registered agent address of the nonprofit corporation's initial registered agent are

Name
(if an individual) _____
(Last) (First) (Middle) (Suffix)

OR

(if an entity) Hockersmith & Whitmore, LLC
(Caution: Do not provide both an individual and an entity name.)

Street address 917 Main St.
(Street number and name)
Second Floor
Ouray CO 81427
(City) (State) (ZIP Code)

EXHIBIT D: S&S Condo Articles of Incorporation

Mailing address (leave blank if same as street address) PO Box 646 (Street number and name or Post Office Box information) Ouray CO 81427 (City) (State) (ZIP Code)

(The following statement is adopted by marking the box.)

[X] The person appointed as registered agent above has consented to being so appointed.

4. The true name and mailing address of the incorporator are

Name (if an individual) Eddy Erin (Last) (First) (Middle) (Suffix)

OR

(if an entity) (Caution: Do not provide both an individual and an entity name.)

Mailing address PO Box 811 (Street number and name or Post Office Box information) Ouray CO 81427 (City) (State) (ZIP/Postal Code) Colorado United States (Province - if applicable) (Country)

(If the following statement applies, adopt the statement by marking the box and include an attachment.)

[] The corporation has one or more additional incorporators and the name and mailing address of each additional incorporator are stated in an attachment.

5. (If the following statement applies, adopt the statement by marking the box.)

[X] The nonprofit corporation will have voting members.

6. Provisions regarding the distribution of assets on dissolution:

Upon the dissolution of the corporation, after paying or making provisions for the payment of all of the liabilities of the corporation, all the assets of the corporation shall be turned over to members in substantially equal amounts as determined by the Board of Directors. If the corporation is exempt under section 501(c)(3) of the internal revenue code, or corresponding section of any future federal tax code, the assets of the corporation shall be distributed for one or more exempt purpose under said section, or to the federal government, or to a state or local government, for a public purpose, as the board of directors shall determine. Any such assets not so disposed of shall be disposed of by the District Court for the County of Ouray and State of Colorado, exclusively for such purposes or to such organization or organizations, as such court shall determine, which are organized and operated exclusively for such purposes.

7. (If the following statement applies, adopt the statement by marking the box and include an attachment.)

This document contains additional information as provided by law.

8. (**Caution:** *Leave blank if the document does not have a delayed effective date. Stating a delayed effective date has significant legal consequences. Read instructions before entering a date.*)

(If the following statement applies, adopt the statement by entering a date and, if applicable, time using the required format.)

The delayed effective date and, if applicable, time of this document is/are _____.
(mm/dd/yyyy hour:minute am/pm)

Notice:

Causing this document to be delivered to the Secretary of State for filing shall constitute the affirmation or acknowledgment of each individual causing such delivery, under penalties of perjury, that the document is the individual's act and deed, or that the individual in good faith believes the document is the act and deed of the person on whose behalf the individual is causing the document to be delivered for filing, taken in conformity with the requirements of part 3 of article 90 of title 7, C.R.S., the constituent documents, and the organic statutes, and that the individual in good faith believes the facts stated in the document are true and the document complies with the requirements of that Part, the constituent documents, and the organic statutes. This perjury notice applies to each individual who causes this document to be delivered to the Secretary of State, whether or not such individual is named in the document as one who has caused it to be delivered.

9. The true name and mailing address of the individual causing the document to be delivered for filing are

Thomasson	Lane	Parkin	_____
<small>(Last)</small>	<small>(First)</small>	<small>(Middle)</small>	<small>(Suffix)</small>
917 Main St.			
<small>(Street number and name or Post Office Box information)</small>			
Ouray	CO	81427	
<small>(City)</small>	<small>(State)</small>	<small>(ZIP/Postal Code)</small>	
_____		United States.	
<small>(Province – if applicable)</small>		<small>(Country)</small>	

(If the following statement applies, adopt the statement by marking the box and include an attachment.)

This document contains the true name and mailing address of one or more additional individuals causing the document to be delivered for filing.

Disclaimer:

This form/cover sheet, and any related instructions, are not intended to provide legal, business or tax advice, and are furnished without representation or warranty. While this form/cover sheet is believed to satisfy minimum legal requirements as of its revision date, compliance with applicable law, as the same may be amended from time to time, remains the responsibility of the user of this form/cover sheet. Questions should be addressed to the user's legal, business or tax advisor(s).

BYLAWS
of
S&S CONDOMINIUMS OWNER’S ASSOCIATION, INC.,
a Colorado Non-Profit Corporation

These are the Bylaws of S&S Condominiums Owner’s Association, Inc. (the “Association”), which shall operate under the Colorado Revised Nonprofit Corporation Act, as amended (the “CRNCA”) and the Colorado Common Interest Ownership Act, as amended (the “Act”). Terms used herein shall have the meaning set forth in the Declaration and in the Act.

ARTICLE I
OFFICES

The principal office of the Association shall be 917 Main St., Second Floor, Ouray, Colorado 81427 (Mailing address: PO Box 646, Ouray, CO 81427).

The Executive Board of Directors, in its discretion, may keep and maintain other offices within or without the State of Colorado wherever the business of the Association may require.

ARTICLE II
MEMBERSHIPS

A. Memberships. There shall be one membership in the Association for each of the "Owners" of a "Unit", as those terms are defined in the Declaration of Conditions, Covenants and Restrictions of S&S Condominiums, City of Ouray, Ouray County, Colorado recorded on _____, 2022, at Reception No. _____, *et seq.*, in the office of the Clerk and Recorder of Ouray County, Colorado (the “Declaration”) existing in the Common Interest Community described in said Declaration. While there may be multiple owners of a Unit, each being a member in the Association, in no event shall more than one vote per Unit be cast on any matter in which members of the Association are entitled to vote, the vote for any Unit owned by multiple owners being exercised as determined among such Owners. No person or entity other than an Owner of a Unit may be a member of the Association.

B. Transfer of Membership. A membership in the Association and the share of a membership in the assets of the Association shall not be assigned, encumbered, or transferred in any manner except as an appurtenance to transfer title to the Unit to which the membership pertains; provided, however, that the rights of membership may be assigned to the holder of a mortgage, deed of trust, or other security instrument on a Unit as further security for a loan secured by a lien on such Unit. A transfer of membership shall occur automatically upon the transfer of title to the Unit to which the membership pertains, but the Association shall be entitled to treat the person or persons in whose name or names the membership is recorded on the books and records of the Association as the member for all purposes until such time as evidence of a transfer of title, satisfactory to the Association, has been submitted to the secretary.

A transfer of membership shall not release the transferor from liability for obligations accrued incident to such membership prior to such transfer. In the event of dispute as to ownership appurtenant thereto, title to the Unit, as shown in the records of the County Clerk and

Recorder of Ouray County, Colorado, shall be determinative.

C. Voting Rights. Where the vote of the Member is required or permitted by the statutes of the State of Colorado, the Declaration, or by the Articles of Incorporation or these Bylaws, Members shall be entitled to only one vote per Unit in the Association.

Where there are co-owners of a Unit (whether by joint tenancy, tenancy in common, or otherwise) any one of such co-owners present or represented by proxy, shall be accepted automatically by the Association as the agent and attorney in fact for other co-owners not present or represented by proxy, for the purpose of casting the vote of that membership. If more than one of the Owners is present, the vote allocated to the Unit may be cast only in accordance with the agreement of a majority of the Owners of that Unit. Majority agreement exists if any one of the Owners casts the vote allocated to the Unit without protest being made promptly to the person presiding over the meeting by another Owner of the Unit. If a majority of Owners of a Unit cannot agree as to the casting of a vote, then the Association may disregard any attempted vote by a minority Owner.

Voting by proxy shall be permitted. Proxies must be executed in writing by the Owner or co-owner or his duly authorized attorney-in-fact, and must be filed with the secretary before the appointed time of each meeting. No proxy shall be valid after eleven months from the date of its execution unless a shorter term is specified in the proxy. The Association may suspend the voting rights of a member for failure to comply with the rules or regulations of the Association or for failure to comply with any other obligations of a Unit Owner under the Declaration.

D. Annual Meeting. An annual meeting of the members for the purpose of voting on such matters as properly may come before the meeting shall be held on the third Wednesday in March of each year at a convenient location in Ouray County, Colorado, to be selected by the Executive Board of Directors.

E. Special Meetings. Special meetings of the members may be called at any time by the president or by the Board of Directors or by written request of one or more of the votes of the outstanding memberships, and shall be held at a convenient location in Ouray County, Colorado, to be selected by the person calling the meeting.

F. Meeting to Approve Annual Budget. At the annual meeting of the Owner/Members or at a special meeting of the Owner/Members called for such purpose, the Owner/Members shall be afforded the opportunity to veto the budget of projected revenues, expenditures and reserves for the Association's next fiscal year as proposed by the Executive Board. A summary of the proposed budget approved by the Executive Board shall be mailed to the Owner/Members within thirty (30) days of its adoption along with a notice of meeting of the Association Members to be held not less than ten (10) nor more than fifty (50) days after mailing of the summary to the Members (or in the alternative, together with a ballot and information sufficient to satisfy the provisions of Section 109 of the CRNCA and subparagraph J below). Unless sixty-seven percent (67%) of all Units entitled to vote veto the proposed budget, the budget is ratified. There are no quorum requirements for this meeting. In the event the proposed budget is vetoed, the budget last ratified by the Members continues until such time as the Members ratify a subsequent budget

proposed by the Executive Board as provided below.

G. Notices and Waivers. Notices of annual and special meetings of the members must be given in writing and must state the place, day and hour of the meeting, and, in case of a special meeting, the purpose or purposes for which the meeting is called. Such notice shall be delivered not less than ten or more than fifty days before the date of the meeting, either personally or by mail, by or at the direction of the president, or the secretary, or the officers or persons calling the meeting, and shall be given to each such Owner or co-owner of a membership entitled to vote at such meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail addressed to such Owner or co-owner at his address as it appears on the records of the Association, with postage prepaid thereon.

Written waiver of notice signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be equivalent to the giving of such notice.

H. Quorum: Vote Required; Adjournment. The votes represented by person or by proxy for two (2) Units shall constitute a quorum at any meeting of members. If a quorum exists, the action by a majority of the votes present or represented by proxy shall be the act of the members. If a quorum does not exist, a majority of the votes present in person or by proxy may adjourn the meeting for a period of time not exceeding thirty days. If at the adjourned meeting less than a quorum is present those present shall constitute a quorum, and a majority of the votes cast shall be sufficient to pass all resolutions, or acts.

I. Action of Members without a Meeting. Any action required to be taken or any action which may be taken at a meeting of the members, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by a majority (unless a greater percentage is required by these Bylaws, the Articles of Incorporation, the Act or the CRNCA) of all of the Owners of memberships entitled to vote with respect to the subject matter thereof. Each Unit shall be entitled to one vote, and one Owner or co-owner of said Unit shall execute the consent set forth herein above.

J. Voting by Mail. Except as limited by subparagraph H. of Article III, the Executive Board may decide that voting of the Members on any matter required or permitted by the statutes of Colorado, the Declaration, the Articles of Incorporation, or these Bylaws shall be by written ballot. Pursuant to the CRNCA, any action that may be taken at any annual, regular or special meeting of Members may be taken without a meeting if the Secretary delivers a written ballot to every Member entitled to vote on the matter. "Delivery" to the Member of the ballot, and the Member's return of the completed ballot shall be made by the same methods available for providing notice to a member set forth in subparagraph G of this Article II above.

1. A written ballot shall: (i) set forth each proposed action; and (ii) provide an opportunity to vote for or against each proposed action.

2. Approval by written ballot shall be valid only when the number of votes cast by ballot equals or exceeds the quorum required to be present at a meeting authorizing the action, and the number approvals equals or exceeds the number of votes that would be required to approve the

matter at a meeting at which the total number of votes cast was the same as the number of votes cast by ballot.

3. All solicitations for votes by written ballot shall: (i) indicate the number of responses needed to meet the quorum requirements; (ii) state the percentage of approvals necessary to approve each matter other than the election of a member of the Executive Board; (iii) specify the time by which a ballot must be received by the Association in order to be counted; and (iv) be accompanied by written information sufficient to permit each person casting such ballot to reach an informed decision on the matter.

4. A written ballot, once received by the Association, may not be revoked unless the Owner casting the written ballot appears in person at a meeting convened to consider any one or more of the matters on the ballot.

ARTICLE III EXECUTIVE BOARD OF DIRECTORS

A. Number; Qualification. The Declaration shall govern the appointment of members of the Executive Board during the period of Declarant Control. The initial Executive Board of Directors shall consist of one (1) member, whose name and address is Erin Eddy, PO Box 646, 917 Main Street, Ouray, CO 81427. After the first Unit is sold to a person other than the Declarant, the Executive Board shall consist of three (3) members. Only Owners, eligible to vote and otherwise in good standing, or officers of any corporate Owner of a Unit, or a partner in any partnership owning a Unit, or trustee of any trust owning a Unit, may be elected or appointed to fill a vacancy on the Executive Board; provided, however, Declarant shall have the right to appoint members to the Executive Board and to have members remain on the Executive Board as provided in the Declaration and the Act. In the case where, through removal or resignation, the total number of Executive Board members is less than three, the Executive board will be considered properly constituted until such vacancies are filled.

B. Qualification; Term. Directors must be members of this corporation, or officers of any corporate Owner of a Condominium, or a partner in any partnership owning a Condominium, or trustee of any trust owning a Condominium. Directors shall be elected by the members at annual meetings and shall serve until the next annual meeting of members or until their successors are duly elected and qualified.

C. Succession Upon Transfer of Unit or Resignation of Director. Upon the transfer of any Unit by an owner serving on the Executive Board, or the resignation of any owner serving on the Executive Board, the seat occupied by such director shall be deemed vacant, and such vacancy shall be filled forthwith by the remaining members of the Executive Board. Each person so elected or appointed to fill a vacancy shall serve on the Executive Board for the remainder of the term of the director so replaced.

D. Meetings. There shall be a regular meeting of the Executive Board immediately following the annual meeting of the members of the Association, and the Board may establish regular meetings to be held at such other places and at such other times as it may determine from

time to time. After the establishment of the time and place for such regular meetings, no further notice thereof need be given. Special meetings of the Board may be called by the president, or, upon written request delivered to the secretary of the Association by any one Director.

E. Notices and Waiver. The secretary shall give three days notice of special meetings to each Director. Such notice may be given orally, in person or by telephone, or in writing, served on or mailed to each Director. Neither the business to be transacted at, nor the purpose of any regular or special meeting of the Executive Board of Directors need be specified in the notice of waiver of such meeting.

Written waiver of notice signed by a Director, whether before or after the time stated therein, shall be the equivalent to the giving of such notice. Attendance of a Director at any meeting shall constitute a waiver of notice of such meeting except when a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

F. Quorum; Vote Required; Adjournment. At any meeting of the Executive Board after sale of a Unit by Declarant, two (2) of the number of Directors acting and qualified shall constitute a quorum for the transaction of business. The act of the majority of the Directors present at a meeting at which a quorum is present shall be the act of the Executive Board, except as otherwise specifically required by law, the Articles of Incorporation, these Bylaws or the Declaration. If a quorum does not exist, a majority of the Directors present may adjourn the meeting for a time not exceeding thirty days. If a quorum is not present at such adjourned meeting, those present shall constitute a quorum, and a vote of a majority shall be sufficient to pass all resolutions or other acts.

G. Action of Directors without a Meeting. Any action required to be taken, or any action which may be taken, at a meeting of the Directors, may be taken without a meeting if a consent in writing, setting forth the action so taken shall be signed by a majority of the Directors entitled to vote with respect to the subject matter thereof.

H. Types of Communication in Lieu of Attendance. Any member of the Executive Board may attend a meeting of the Executive Board by: (i) using an electronic or telephonic communication method whereby the member may be heard by the other members and may hear the deliberations of the other members on any matter properly brought before the Executive Board; or (ii) by participating in “real time” e-mail communication when all Board members are participating in this form of communication. The vote of such member shall be counted and the presence noted as if that member was present in person on that particular matter.

ARTICLE IV OFFICERS

A. General. The officers of the Association may consist of a president, one or more vice presidents, a secretary and a treasurer or a combined secretary-treasurer. The officers of the Association shall serve at the pleasure of the Executive Board, and the Executive Board may appoint such other officers, agents, factors and employees as it may deem necessary or desirable.

Officers may be, but need not be, members of the Association. Any person may hold two or more offices simultaneously.

B. President. The president shall be the principal executive officer of the Association and, subject to the control of the Executive Board, shall direct, supervise, coordinate and have general control over the affairs of the Association and shall have the powers generally attributable to the chief executive officer of the Association. The president shall preside at all meetings of the members of the Association.

C. Vice President. Vice presidents may act in place of the president in case of this death, absence, inability or failure to act and shall perform such other duties and have such authority as is from time to time delegated by the Executive Board or by the president.

D. Secretary. The secretary shall be the custodian of the records and of the seal of the Association and shall affix the seal to all documents requiring the same; shall see that all notices are duly given in accordance with the provisions of these Bylaws and as required by law and that the books, reports, and other documents and records of the Association are properly kept and filed; shall keep minutes of the proceedings of the members and of the Executive Board; shall keep a record of the names and addresses of the Owners and co-owners entitled to vote and, in general, shall perform all duties incident to the office of the secretary and such other duties as may, from time to time, be assigned to him by the Executive Board or by the president.

E. Treasurer. The treasurer shall have charge and custody of and be responsible for all funds and securities of the Association, shall deposit all such funds in the name of the Association in such depositories as shall be designated by the Board of Directors, shall keep correct and complete books and records of account and records of financial transactions and conditions of the Association and shall submit such reports thereof as the Executive Board may, from time to time, require and, in general, shall perform all the duties incident to the office of the treasurer, and such other duties as may from time to time be assigned to him by the Executive Board of Directors or by the president.

F. Compensation. Subject to the restrictions in these By-laws, officers, agents, factors and employees shall receive such reasonable compensation for their services as may be authorized or ratified by the Executive Board. It is, to be specifically understood, however, that appointment of an officer, agent, factor or employee shall not of itself create contractual rights to compensation for services performed as such officer, agent, factor or employee.

ARTICLE V CONTRACTS, CONVEYANCE, CHECKS AND MISCELLANEOUS

A. Contracts. The Executive Board may authorize any officer or agent of the Association to enter into any contract or execute and deliver any instrument in the name of the Association, except as otherwise specifically required by the Articles of Incorporation or these Bylaws.

B. Conveyances and Encumbrances. Association property may be conveyed or

encumbered by authority of the Executive Board or such other person or persons to whom such authority may be delegated by resolution of the Board. Conveyances or encumbrances shall be by instrument executed by the president or a vice president and the secretary, or executed by such other person or persons to whom such authority may be delegated by the Board.

C. Checks. All checks, drafts, notes and others for the payment of money shall be signed by the president or a vice president or the treasurer, or shall be signed by such other officer or officers of the Association as shall be duly authorized by resolution of the Executive Board. Any check, draft, or note in excess of \$1,000.00 shall require the express approval of the Executive Board and the signature of at least two (2) officers of the Association.

D. Fiscal Year. The fiscal year of the Association shall be the calendar year.

E. Seal. There shall be no corporate seal.

ARTICLE VI RIGHTS AND OBLIGATIONS OF THE ASSOCIATION AND THE MEMBERS

A. Annual Assessments. The Executive Board of Directors may fix, levy, and collect assessments in the manner and for the purposes specified in the Declaration, and the members shall pay assessments as therein provided.

B. Other Rights and Obligations. The Executive Board may act in all instances on behalf of the Association in the performance of all obligations and duties and the exercise all rights and powers of the Association as set forth in the Declaration and the Act. All the relative rights and duties of the Association and the members as therein prescribed shall be binding on said parties to the same extent as if set forth in full in these Bylaws. Without limiting the generality of the foregoing the Executive Board shall have the following duties and powers:

1. Adopt and amend Bylaws and Rules and Regulations.
2. Adopt and amend budgets for revenues, expenditures and reserves. As part of the adoption of the regular budget the Executive Board shall include an amount which, in its reasonable business judgment, will establish and maintain an adequate reserve fund for the expansion, modification or replacement of improvements to the Common Elements based upon the age, remaining life and the quantity and replacement cost of improvements to the Common Elements.
3. Suspend the voting interests allocated to a Unit, and the right of an Owner to cast such votes, or by proxy the votes of another, during any period in which such Owner is in default in the payment of any Assessment, or, after notice and hearing, during any time in which an Owner is in violation of any other provision of the Governing Documents.
4. Hire and discharge managing agents.
5. Hire and discharge employees, independent contractors and agents.
6. Institute, defend or intervene in litigation or administrative proceedings or seek injunctive relief for violations of the Governing Documents in the Association's name, on behalf of the Association or on behalf of two or more Owners in matters affecting the Common Interest

Community.

7. Make contracts and incur liabilities.
8. Regulate the use, maintenance, repair, replacement and modification of all property within the Project.
9. Cause additional improvements to be made as a part of the Common Elements.
10. Acquire, hold, encumber and convey, in the Association's name, any right, title or interest to real estate or personal property, but Common Elements may be conveyed or subjected to a security interest only pursuant to Section 312 of the Act.
11. Grant easements for any period of time, including permanent easements, and grant leases, licenses and concessions, through, over or under the Common Elements.
12. Impose and receive, on behalf of the Association, a payment, fee or charge for services provided to Owners and for the use, rental and operation of the Common Elements.
13. Establish from time to time, and thereafter impose, charges for late payment of Assessments or any other sums due and, after notice and hearing, levy a reasonable fine for a violation of the Governing Documents.
14. Impose a reasonable charge for the preparation and recording of amendments to the Declaration or statements of unpaid Assessments.
15. Provide for the indemnification of the Association's officers and the Executive Board to the extent provided by law, provide for the indemnification of committee members to the extent the Executive Board deems just and reasonable, and maintain directors' and officers' liability insurance.
16. Declare the office of a member of the Executive Board to be vacant in the event such member shall fail to participate in three (3) regular meetings of the Executive Board during any one year period.
17. Appoint any committee as required or permitted by the Declaration or these Bylaws or as may be deemed appropriate by the Executive Board to carry out its purposes and duties, and by resolution, establish committees, permanent and standing, to perform any of the above functions under specifically delegated administrative standards as designated in the resolution establishing the committee.
18. By resolution, set forth policies and procedures which shall be considered incorporated herein by reference as though set forth in full, and which provide for corporate actions and powers which are different than those set forth in the CRNCA but which are permitted by the CRNCA to be "otherwise set forth in the Bylaws." Such resolutions shall be given the same force and effect as if specifically enumerated in these Bylaws.
19. Exercise any other powers conferred by the Declaration, the Articles of Incorporation, these Bylaws, the Act or the CRNCA.
20. Exercise any other power necessary and proper for the governance and operation of the Association.
21. Exercise any other power that may be exercised in the state by a legal entity of the same type as the Association.

C. Tax exempt requirements. If the Association is a tax exempt organization within the meaning of Federal law, the Association shall meet these requirements:

1. the Association is organized and operated to provide for acquisition, construction, management, maintenance and care of the Association's property;
2. a minimum of 60% of the organization's income must come from Member's

assessments, special assessments or dues;

3. a minimum of 90% of the annual expenditures of the association shall be spent to acquire, construct, manage maintain and care or improve its property;

4. no part of the association's net earnings shall inure to the benefit of any private shareholder or individual; and

5. substantially all of the dwelling units in the Common Interest Community shall be used by individuals for residences.

ARTICLE VII INDEMNIFICATION

A. Actions Other Than by or in the Right of the Association. The Association shall indemnify any person who was or is a party, or is threatened to be made a party to any threatened, pending, or completed action, suit, proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the Association) by reason of the fact that he or she is or was a member of the Executive Board or officer of the Association, who is or was serving at the request of the Association in such capacity, against expenses (including expert witness fees, attorneys' fees and costs) judgments, fines, amounts paid in settlement actually and reasonably incurred by him or her in connection with such action, suit or proceeding, if he or she acted in good faith and in a manner which such individual reasonably believed to be in the best interests of the Association, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful. Determination of any action, suit or proceeding by judgment, order settlement or conviction, or upon a pleas of *nolo contendere* or its equivalent, shall not of itself create a presumption that the person did not act in good faith and in a manner he or she reasonably believed to be in the best interests of the Association and, with respect to any criminal action or proceeding, had reasonable cause to believe his or her conduct was unlawful. Such liability shall be satisfied within thirty (30) days after request therefore if there exists adequate operating funds but, if not, the funds shall be raised by a special assessment of the Owners as quickly as possible, with the need of Owners' approval.

B. Actions By or in the Right of the Association. The Association shall indemnify any person who was or is a party or who is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the Association to procure judgment in its favor by reason of the fact that such person is or was a member of the Executive Board or officer of the Association or is or was serving at the request of the Association in such capacity, against expenses (including expert witness fees, attorneys' fees and costs) actually and reasonably incurred by him or her in connection with the defense or settlement of such action or suit if such person acted in good faith and in a manner which he or she reasonably believed to be in the best interests of the Association; but no indemnification shall be made in respect of any claim, issue or matter as to which such person has been adjudged to be liable for negligence, recklessness or willful misconduct in the performance of his or her duty in the Association unless, and to the extent that the court in which such action or suit was brought determines upon application that, despite the adjudication of liability, but in view of all circumstances of the case, such person is fairly and reasonably entitled to indemnification for such expenses if such court deems it proper.

C. Successful on the Merits. To the extent that a member of the Executive Board or any manager, officer, project manager, employee, fiduciary or agent of the Association has been wholly successful on the merits in defense of any action, suit or proceeding referred to in subparagraphs A or B of this Article VII, or in defense of any claim, issue or matter therein, such person shall be indemnified against expenses (including expert witness fees, attorneys' fees and costs) actually and reasonably incurred by him or her in connection therewith.

D. Determination Required. Any indemnification under of subparagraphs A and B of this Article VII (unless ordered by a court) and as distinguished from subparagraph C of this Article VII, shall be made by the Association only as authorized by the specific case upon a determination that indemnification of the member or the Executive Board or officer is proper in the circumstances because such individual has met the applicable standard of conduct set forth in subparagraphs A and B above. Such determination shall be made by the Executive Board by majority vote of a quorum consisting of those members of the Board who were not parties to such action, suit or proceeding or, if a majority of disinterested members of the Executive Board so directs, by independent legal counsel or by member entitled to vote thereon. Such determination shall be reasonable, based on substantial evidence of record, and supported by written opinion. The Executive Board shall provide a copy of its written opinion to the officer or Executive Board member seeking indemnification upon request.

E. Payment in Advance of Final Disposition. The Association shall pay for or reimburse the reasonable expenses incurred by a former or current member of the Executive Board or officer who is a party to a proceeding in advance of final disposition of the proceeding if (i) the member of the Executive Board or officer furnishes to the Association a written affirmation of the Executive Board member's good faith belief that he or she has met the standard of conduct described in subparagraphs A or B of this Article VII; (ii) the Executive Board member or officer furnishes to the Association a written understanding, executed personally or on the Executive Board member's or officer's behalf to repay the advance if it is ultimately determined that the Executive Board member or officer did not meet the standard of conduct; and (iii) a determination is made that the facts then known to those making the determination would not preclude indemnification under this Article. The undertaking required in this subparagraph E shall be an unlimited general obligation of the Executive Board but need not be accepted by the Executive Board member or officer or may be accepted without reference to financial ability to make repayment.

F. No Limitation of Rights. The indemnification provided by this Article VII shall not be deemed exclusive or nor a limitation upon any other rights to which those indemnified may be entitled under any bylaw, agreement, vote of the Members or disinterested members of the Executive Board, or otherwise, nor by any rights which are granted pursuant to the Act or CRNCA. Upon a vote of the Executive Board, the Association may also indemnify a Member appointed by the Executive Board to serve on a committee (when such committee member is not also a member of the Executive Board) upon such terms and conditions as the Executive Board shall deem just and reasonable.

G. Directors and Officers Insurance. The Association may purchase and maintain insurance on behalf of any person who is or was a member of the Executive Board or an officer

of the Association against any liability asserted against him or her and incurred by such individual in any such capacity or arising out of his or her status as such, whether or not the Association would have the power to indemnify such individual against such liability un the provisions of this Article VII.

ARTICLE VIII RECORDS

A. Records and Audits. The Association shall maintain financial records. The cost of any audit or review shall be a Common Expense unless otherwise provided in the Declaration. An audit or review shall be done no less often than every three years, unless otherwise provided for in the Declaration, the Act or as determined by the Executive Board.

B. Examination. All records maintained by the Association or the Manager shall be available for examination and copying by any Owner or by any of their duly authorized representatives, at the expense of the person examining the records, during normal business hours and after reasonable notice in accordance with the CRNCA and the Act.

C. Records. The Association shall keep the following records:

1. An account for each Unit, which shall designate the name and address of each Owner, the name and address of each mortgagee who has given notice to the Association that it holds a mortgage on the Unit, the amount of each Common Expense Assessment, the dates on which each Assessment comes due, the amounts paid on the account and the balance due;
2. The current operating budget;
3. A record of insurance coverage provided for the benefit of Owners and the Association for the immediately preceding three years;
4. Tax returns for state and federal income taxation for the preceding seven years;
5. Minutes of proceedings of incorporators, Owners, Members, Executive Board and its committees (including written consents), and waivers of notice;
6. A copy of the most current versions of the Articles of Incorporation, Declaration, these Bylaws, Rules and Regulations, and resolutions of the Executive Board, along with their exhibits and schedules;
7. All written communications to Owners (which communications shall only be made available to the Owner with whom the Association has communicated);
8. A list of the names and business or home addresses of the current members of the Executive Board and officers;
9. A copy of the Association's most recent corporate report filed with the Colorado Secretary of State in accordance with the CRNCA; and
10. Such other records as the Executive Board shall determine from time to time are necessary and desirable.

ARTICLE IX AMENDMENTS

A. Articles of Incorporation. Amendments may be made to the Articles of Incorporation

in the manner provided by the laws of the State of Colorado by vote of the membership of the Association at any annual or special meeting of the membership, provided that the notice of such meeting states that such amendment is to be considered.

B. Bylaws. These Bylaws may at any time and from time to time be amended, altered or repealed by the Executive Board of Directors, or by vote of the membership of the Association, at any annual or special meetings provided that the notice of such meeting states that such amendment, alteration or repeal is to be considered.

C. Limitation on Amendments/Conflicts of Documents. No amendment to the Articles of Incorporation or these Bylaws shall be contrary to or inconsistent with any provision of the Declaration. In case if any conflict between the Articles of Incorporation and these Bylaws, the Articles shall control; in the case of any conflict between the Declaration and these Bylaws, the Declaration shall control; in the case of any conflict between the Articles of Incorporation and the Declaration, the Declaration shall control.

ADOPTED AND APPROVED effective the ____ day of _____, 2022.

Erin Eddy, Board President

Community Development Department

EXHIBIT F: Minor Subd Application & Authorization of Agent



320 6th Avenue | P.O. Box 468 Ouray, CO 81427
 buildinginspector@cityofouray.com | 970-325-7063

MASTER LAND USE APPLICATION FORM

Please submit the completed Master Land Use Application, any required submittals, and required fee to the Community Development Department for review.

APPLICATION SELECTION		
<i>Please select (✓) which type of application you are applying for and reference the corresponding application fee.</i>		
LAND USE APPLICATION TYPE	OURAY MUNICIPAL CODE REFERENCE	REQUIRED FEE
() Site Development Permit (SDP)	§7-4	\$200
() Conditional Use Permit	§7-5-F	\$200
() Variance Request	§7-5-G	\$500
() Rezone	§7-5-I	\$200
() Planned Unit Development (PUD) <i>via subdivision</i>	§7-8	\$500
() Subdivision – Sketch Plan	§7-7-C-2	\$200
() Subdivision – Preliminary Plat	§7-7-C-3	\$400
() Subdivision – Final Plat	§7-7-C-4	\$300
() Lot Split	§7-7-C-5	\$300
() Replat	§7-7-C-6	\$300
() Plat Amendment	§7-7-C-7	\$300
(X) Minor Subdivision	§7-7-C-8	\$250
() Mobile Home/RV Park	§7-5-J-3	\$300
() Condominiumization <i>via subdivision</i>	§7-10	
() Other:		

CONTACT INFORMATION	
Applicant Name: <u>Erin Eddy</u>	
Address: <u>917 Main St., Second Floor</u> City/State/ZIP: <u>Ouray, CO 81427</u>	
Phone: _____	Email: _____
Property Owner(s): <u>OURLOCOL, LLC</u>	
Address: <u>PO Box 811</u> City/State/ZIP: <u>Ouray, CO 81427</u>	
Phone: _____	Email: _____
Contact (<i>if different than Applicant</i>): <u>Lane Thomasson</u>	
Address: <u>917 Main St., Second Floor</u> City/State/ZIP: <u>Ouray, CO 81427</u>	
Phone: <u>970-325-4414</u>	Email: <u>lane@ouraylaw.com</u>

PROJECT INFORMATION	
Project Title: <u>S&S Subdivision</u>	
Site Address: <u>304 6th Avenue, Ouray, CO 81427</u>	
Parcel Number(s): <u>451531207014</u>	
Zoning District: <u>(✓) One</u> <u>(X)R-1</u> <u>()R-2</u> <u>()C-1</u> <u>()C-2</u>	
Proposed Use: <u>Residential and Commercial</u>	Existing Use: <u>Commercial</u>
Proposed Site Area (combined sq. ft.): <u>1250 sq ft</u>	

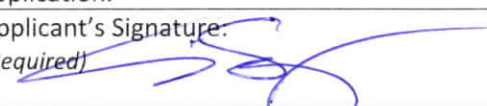

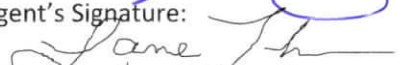
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EXHIBIT F: Minor Subd Application & Authorization of Agent

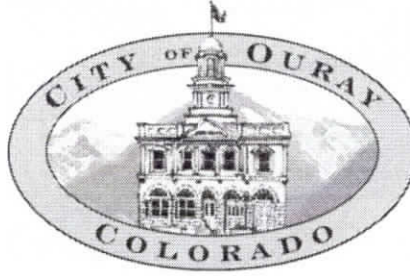
Existing Building sq. ft.: 3175 sq ft	Proposed Building sq.ft.: 3175 sq ft
# of Existing Lots: 1	# of Proposed Lots: 2
Project Description (brief): <u>The purpose of this application is to convert ownership of Units 1 and 2 into condominiums.</u> <u>Please see Project Narrative that is attached to this application for further information.</u>	
Is the property subject to natural/geologic hazards? (e.g. flooding, landslides, rockfall, debris flow) () Yes (x) No (✓) One	
If yes , briefly describe:	

SUBMITTAL REQUIREMENTS*	
<i>Required for ALL Land Use Application types.</i>	
	Completed Land Use Application (herein)
	Appropriate fees (outlined above; checks paid to the City of Ouray)
	Detailed Site Plan(s): 1) Electronic copy/PDF(s) submitted via email/flash drive to Community Development Department 2) 24"x 36" hard copies submitted to Community Development Department (<i>only if requested/required</i>)
	Project Narrative including purpose, goals, end-result, current conditions, etc. of proposed land use application (via electronic or hard copy submitted to Community Development Department)
	Any required information , material(s), and/or report(s). <i>See referenced Ouray Municipal Code section(s), above, for additional/supplemental required information and processes.</i> (via electronic or hard copy submitted to Community Development Department)
	Evidence of ownership or written notarized consent of legal owner(s). <i>Corporations or similar entities must provide written documentation on who is authorized to represent and act on behalf of the organization.</i> (via electronic or hard copy submitted to Community Development Department)
* INCOMPLETE APPLICATIONS WILL NOT BE ACCEPTED	

Per Ouray Municipal Code Section 7-3-B: Fees. The applicant is responsible for all costs incurred by the City which may include legal fees, postage, notice and publication costs, other professional services or charges by outside agencies for the review and processing of the applicant's request. The Applicant will be invoiced of such charges for payment within 30 days of mailing. Invoices not paid prior to the final decision meeting or action as requested, may cause the matter to be delayed to a subsequent date/time or the application could be denied. Please review the full statement in the Code regarding payment of fees.

CERTIFICATION	
By affixing my signature hereto, I certify under penalty of perjury that the information furnished herein is true and correct to the best of my knowledge and that I am the owner of the premises where the work is to be performed or am acting as the owner's authorized agent. I further agree to hold harmless the City of Ouray as to any claim (including costs, expenses and attorney's fees incurred in the investigation of such claim) which may be made by any person, including the undersigned, and filed against the City of Ouray, but only where such claim arises out of the reliance of the City, including its officers and employees, upon the accuracy of the information provided to the City as a part of this application.	
Applicant's Signature: (Required) 	Date: 3/25/22
Property Owner's Signature: (Required) 	Date: 3/25/22
Agent's Signature:  (If you are acting as an owner's agent, you must provide Authorization of Agent form)	Date: 3/28/2022

320 6th Avenue
PO Box 468
Ouray, Colorado 81427



970.325.7211
Fax 970.325.7212
www.cityofouray.com

City of Ouray Authorization of Agent Form

This form is required if someone other than the owner of a property will be acting as the Authorized Agent for a building project.

Property Information:

Project Address: 304 and 306 Sixth Avenue, Ouray, CO 81427

Parcel Number(s): 451531207014

Contact Information:

Owner's Name(s): OURLOCOL, LLC

Mailing Address: PO Box 811, Ouray, CO 81427

Phone: _____ Email Address: _____

Authorized Agent's Name: Lane Thomasson

Mailing Address: 917 Main St., Ouray, CO 81427

Phone: 970-325-4414 Email Address: lane@ouraylaw.com

I/we the undersigned owner/s of the above described real property located in the City of Ouray, Colorado hereby authorize:

Lane Thomasson, Attorney at Hockersmith & Whitmore, LLC

(Print name of authorized agent)

To act in my/our behalf in applying for permits from the City of Ouray as required by existing City of Ouray regulations pertaining to zoning, building, encroachments, excavation, and utilities.

Signature: 
(Property owner of record) Erin Eddy

Date: 3/22/22

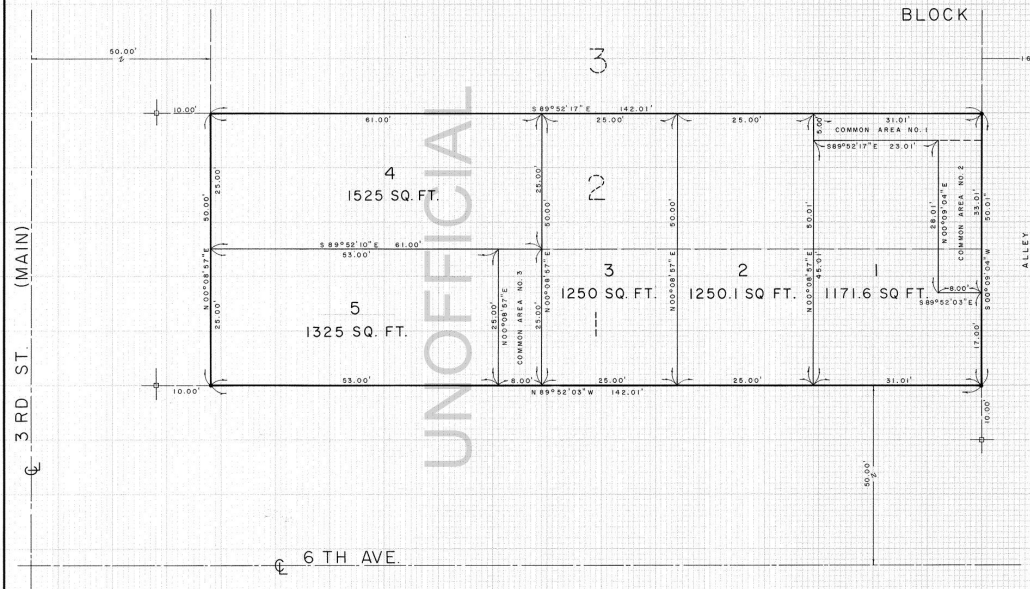
Signature: _____
(Property owner of record)

Date: _____

Signature: _____
(Property owner of record)

Date: _____

S AND S SUBDIVISION
 A RESUBDIVISION OF LOT 1 AND 2 BLOCK 18
 CITY OF OURAY, COLORADO



UNOFFICIAL

DOCUMENT

CERTIFICATE OF OWNERSHIP

Know all men by these presents that the undersigned being the owners of certain lands in the City of Ouray, State of Colorado, being Lot 1 and Lot 2 Block 18 as hereon shown, have caused some to be laid out, plotted and subdivided under the name and style of S AND S Subdivision as shown.

Glen J. Bertrand
 Glen J. Bertrand

Colleen W. Bertrand
 Colleen W. Bertrand

STATE OF COLORADO
 COUNTY OF OURAY

The foregoing signatures were acknowledged before me this 16th day of October, A. D., 1980 by Glen J. Bertrand and Colleen W. Bertrand.

My commission expires 1/1/81

Witness my hand and seal *Janet J. Taylor*
 Notary Public



ATTORNEYS CERTIFICATE

I certify that I have examined the title to the plotted property and that the record owners and all holders of encumbrances affecting the property have executed this plat and joined in the dedication of all roads, easements and public areas.

P. David Smith
 Attorney at Law
 Registration No. 7188
 Date 10/20/80

APPROVAL OF PLANNING COMMISSION

Approved by the City of Ouray Planning Commission this 13 day of October, A. D., 1980.

Carl W. Wainwright
 Chairman

APPROVAL OF CITY COUNCIL

Approved by the City Council this subseq day of October, A. D., 1980.

ATTEST
Shirley A. Mackley
 City Clerk

Margaret J. Petty
 Mayor

SURVEYORS CERTIFICATE

I, M. H. Smith, hereby certify that this survey and plat consisting of one sheet, was prepared under my direct supervision and that said survey and plat conforms to all requirements of Chapters 38-51-102, Colorado Revised Statutes 1973, as amended and all applicable Ouray City regulations.

M. H. Smith
 M. H. Smith L. S. 10738

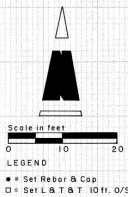


RECORDERS CERTIFICATE

This plat was filed for record in the office of the Clerk and Recorder of Ouray County on 3/15/81, on the 16th day of October, A. D., 1980, in Book 154, Page Three Only, Reception No. 129340.

Charles A. Davis
 County Clerk & Recorder

NOTE: Restrictions and Provisions pertaining to this subdivision are recorded in the office of the Ouray County Clerk and Recorder in Book 154, at page 294 as Reception No. 129339



LEGEND
 • • Set Rebar & Cap
 □ □ Set L & T 10 ft. 0/5

DEL-MONT CONSULTANTS, INC.
 ENGINEERS - SURVEYORS
 DELTA - MONTROSE, COLORADO

OCTOBER 1980

80121

RESTRICTIONS FOR S and S SUBDIVISION
OURAY COLORADO

ROOF/DRAINAGE - All buildings shall have flat roofs constructed to minimum 100 lb./sq. ft. snow load with drainage through at least one 4" pipe. Lots 1, 2 and 3 shall drain to City storm sewer through South lot lines. Lot 4 shall drain to City storm sewer through West lot line. Lot 5 shall drain to City storm sewer through West or South lot line.

SEWER/WATER - Lots 1, 2 and 3 shall connect directly to sewer and water existing in 6th Avenue. Lot 4 shall connect to sewer and water existing in Main Street. Lot 5 shall connect to sewer and water in either 6th Avenue or Main Street.

ELECTRICAL/TELEPHONE - Common Area 2 may be used for location of meters for all lots, with overhead easements reserved over all lots for service to all lots of subdivision. Underground utility service to all lots is also available through Common Areas.

GARBAGE - Common Area 2 is also provided for use of all lot owners for dumpsters and other garbage containers. No garbage shall be stored at any other location in the subdivision.

ACCESS/FIRE PROTECTION - Rear entry access to first and second stories of all lots is provided by Common Areas 1 and 3. Common landing and staircase shall be built from second floor to ground level and Common Area 1 shall be roofed and enclosed by owners of Lot 1 at the time any building is built on said lot. Common landing and staircase shall be built from second floor to ground level and Common Area 3 shall be roofed and enclosed by owners of Lot 5 at the time any building is built on said lot.

ARCHITECTURAL - All exposed facades of buildings shall be 16 to 24 feet in height and of brick or brick veneer of a style typical from 1880 to 1920 in Ouray. All fire district rules and regulations shall be met. No building shall be over two stories in height. All common walls shall be party walls and adjoining land owners shall have the right to connect to or extend said walls as long as they pay the constructing party one-half of the cost of such part of the wall as shall be used. Any repairs to party walls shall be borne in proportion to the extent it is being used by lot owners.

Filed for record on October 11, 1985 at 1:25 o'clock P.M.
Duly recorded in Book 204 Page 247
No. 138013
Addie A. Sim, Ouray County Clerk & Recorder

AMENDED RESTRICTIONS FOR
S and S SUBDIVISION
OURAY, COLORADO

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P. David Smith


Janelyn M. Smith

State of Colorado
County of Ouray ss.

The foregoing Amended Restrictions for S and S Subdivision were acknowledged before me this 8th day of October, 1985, by P. David Smith and Janelyn M. Smith.

Witness my hand and official seal.
My Commission expires: 8-11-88


Diane Hill
Notary Public

AMENDED RESTRICTIONS FOR S and S SUBDIVISION
Page 2

Richard C. Schoenebaum
Richard C. Schoenebaum

Marilyn M. Schoenebaum
Marilyn M. Schoenebaum



State of ^{Ohio} ~~Colorado~~
County of ~~Ouray~~ ^{HAMILTON} ss.

The foregoing Amended Restrictions for S and S Subdivision were acknowledged before me this 4 day of Oct, 1985, by Richard C. Schoenebaum and Marilyn M. Schoenebaum.
Witness my hand and official seal.

My Commission expires:
KAREN H. MORAN
Notary Public, State of Ohio
My Commission Expires Sept. 16, 1988

Karen H. Moran
Karen H. Moran

Christian Schirmbeck
Christian Schirmbeck

Adelheid Schirmbeck
Adelheid Schirmbeck

State of Colorado
County of Ouray ss



The foregoing Amended Restrictions for S and S Subdivision were acknowledged before me this 8th day of October, 1985, by Christian Schirmbeck and Adelheid Schirmbeck.
Witness my hand and official seal.

My Commission expires: 8-11-88

Diane Hill
Notary Public

David S. Westfall
David S. Westfall

Kristi R. Westfall
Kristi R. Westfall

STATE OF COLORADO)
) ss.
COUNTY OF OURAY)

The foregoing Amended Restrictions for S and S Subdivision were acknowledged before me this 8th day of October, 1985, by David S. Westfall and Kristi R. Westfall.

Witness my hand and official seal.

My Commission Expires: 8-11-88

Diane Hill
Notary Public

**SECOND AMENDED RESTRICTIONS
FOR S AND S SUBDIVISION
OURAY, COLORADO**

David S. Westfall Trust dated 11-19-03 and Kristi R. Westfall Trust dated 11-19-03, Alice Leeper and Larry Leeper, Sixth Cents Building, LLC and Brad Handler, Personal Representative of the Estate of Norton J. Handler shall be known as "Declarants" and hereby establish, adopt and impose upon the Subdivision the use limitations and restrictions herein set forth. This Second Amendment to Restrictions shall be recorded in the public records of the County of Ouray, State of Colorado and shall amend, in part, the Restrictions recorded on October 21, 1980 at Reception No. 129339 and Amended Restrictions recorded on October 11, 1985 and recorded at Reception No. 138013. This amendment shall also modify, in part, that certain agreement recorded on December 22, 1986 in Book 209 at Page 233 affecting Lots 4 and 5 of said Subdivision.

Declarants hereby state that all of the land within the Subdivision shall be held, sold and conveyed subject to the following easements, restrictions, covenants, reservations and conditions, which are for the purpose of protecting the value and desirability of and which shall run with the real property and be binding on all parties having any right, title or interest in the described property, or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each owner thereof. Each party, by acceptance of title to any lot herein described, shall agree and covenant to abide by and perform the terms, conditions, restrictions and covenants as set forth herein.

The amendments are as follows:

1. There shall be no height or story restrictions on any building located within the Subdivision. However, no structure shall be built in violation of any State or local building code, ordinance or regulation.
2. The present fireplace chimney easement from the ground floor of Lot 4 through the common wall to Lot 5 and straight up to the roof of Lot 5 is not presently being utilized. However, the easement shall remain in its present location and shall remain unchanged. If any present or future owner of Lot 5 shall construct a third floor, said chimney duct will be extended at the cost of the owner of Lot 4 up to the roof through the third story of said building on Lot 5.
3. There is presently a waterline easement from 6th Avenue under the building on Lot 5 to Lot 4. If this waterline shall become inoperable so as to necessitate repair, removal, or relocation, it is agreed that the cost of such repair, removal or relocation shall be borne by the present or future owner of Lot 4. The

parties hereto agree that the Owner of Lot 4 may relocate the waterline through Common Space Number 3 rather than through Lot 5.

Governing Law. This Agreement shall be governed by the laws of the State of Colorado and shall be construed in accordance therewith.

Authority. By executing this Agreement all individuals hereto make the representation to the other parties hereto that they have full right, power and authority to execute this agreement on behalf of the entity or entities they are signing this document and that all other parties have a right to rely upon this representation.

Waiver. No provision of this Agreement may be waived except by an agreement in writing signed by the waiving party. A waiver of any term or provision shall not be construed as a waiver of any other term or provision, or as a continuing waiver of that term or provision.

Amendment. This Agreement may be amended, altered or revoked at any time, in whole or in part, by a written instrument setting forth such changes, signed by all of the parties hereto.

Binding Effect and Entire Agreement. This Agreement shall be binding upon the parties, their heirs, legal representatives, successors and assigns, and embodies the entire agreement and understanding between the parties with regard to the subject matter thereof. The parties agree to do any and all things necessary to effectuate the purposes of this Agreement.

Construction. Throughout this Agreement, the singular shall include the plural, the plural shall include the singular, and the masculine shall include the feminine wherever the context so requires. These covenants shall be binding upon the parties, their successors and assigns and the benefit and burden hereof shall run with the title to all real property in the S & S subdivision.

Text to Control. The headings of articles and sections are included solely for convenience of reference. If any conflict between any heading and the text of this Agreement exists, the text shall control.

Severability. If any provision of this Agreement is declared by any court of competent jurisdiction or any arbitrator to be invalid for any reason, such invalidity shall not affect the remaining provisions, which shall be fully severable, and this Agreement shall be construed and enforced as if such invalid provisions never had been inserted in the Agreement.

Counterparts. This Agreement may be executed in counterparts, each of which so executed shall, irrespective of the date of its execution and delivery, be deemed an original, and said counterparts together shall constitute one and the same Agreement.

RECEPTION#: 201210, 07/27/2009 at 03:59:26 PM, 3 OF 6 PAGES, MICHELLE NAUER, CLERK & RECORDER, OURAY COUNTY, CO.

Attorney Fees. In the event that a dispute arises out of this Agreement, the substantially prevailing party's reasonable attorney fees and costs shall be paid by the non-prevailing party or parties.

Executed this 20th day of JULY, 2009.

David S. Westfall Trust dated 11-19-03
Kristi R. Westfall Trust dated 11-19-03

By [Signature]
David S. Westfall, Trustee
Owner of Lots 1 and 2

Sixth Cents Building, LLC

By [Signature]
David Mullings, Manager
Owner of Lot 3

[Signature]

Alice Leeper
Owner of Lot 4

[Signature]
Larry Leeper
Owner of Lot 4

Brad Handler, Personal
Representative of The Estate of
Norton J. Handler
Owner of Lot 5



STATE OF COLORADO)
)ss.
COUNTY OF OURAY)

The foregoing instrument was acknowledged before me this 20th day of July, 2009, by David S. Westfall as Trustee of the David S. Westfall Trust dated 11-19-03 and the Kristi R. Westfall Trust dated 11-19-03.

Witness my hand and seal.
My commission expires: 11.7.2011

[Signature]
Notary Public

RECEPTION#: 201210, 07/27/2009 at 03:59:26 PM, 4 OF 6 PAGES, MICHELLE NAUER, CLERK & RECORDER, OURAY COUNTY, CO.



STATE OF COLORADO)
)ss.
COUNTY OF OURAY)

The foregoing instrument was acknowledged before me this 20th day of July, 2009, by David Mulling, Manager of Sixth Cents Building, LLC.

Witness my hand and seal.
My commission expires: 11-7-2011

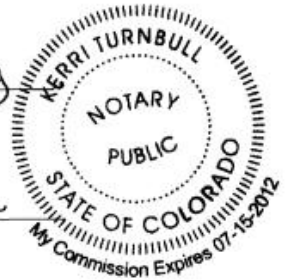
Michael Canavan
Notary Public

STATE OF COLORADO)
)ss.
COUNTY OF OURAY)

The foregoing instrument was acknowledged before me this 20 day of July, 2009, by Alice Leeper and Larry Leeper.

Witness my hand and seal.
My commission expires: 7-15-12

Kerri Turnbull
Notary Public



STATE OF CALIFORNIA)
)ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 2009, by Brad Handler, Personal Representative of The Estate of Norton J. Handler.

Witness my hand and seal.
My commission expires: _____

Notary Public

RECEPTION#: 201210, 07/27/2009 at 03:59:26 PM, 5 OF 6 PAGES, MICHELLE NAUER, CLERK & RECORDER, OURAY COUNTY, CO.

Attorney Fees. In the event that a dispute arises out of this Agreement, the substantially prevailing party's reasonable attorney fees and costs shall be paid by the non-prevailing party or parties.

Executed this ___ day of _____, 2009.

David S. Westfall Trust dated 11-19-03
Kristi R. Westfall Trust dated 11-19-03

By _____
David S. Westfall, Trustee
Owner of Lots 1 and 2

Sixth Cents Building, LLC

By _____
David Mullings, Manager
Owner of Lot 3

Alice Leeper
Owner of Lot 4

Larry Leeper
Owner of Lot 4



Brad Handler, Personal
Representative of The Estate of
Norton J. Handler
Owner of Lot 5

STATE OF COLORADO)
)ss.
COUNTY OF OURAY)

The foregoing instrument was acknowledged before me this ___ day of _____, 2009, by David S. Westfall as Trustee of the David S. Westfall Trust dated 11-19-03 and the Kristi R. Westfall Trust dated 11-19-03.

Witness my hand and seal.
My commission expires: _____

Notary Public

RECEPTION#: 201210, 07/27/2009 at 03:59:26 PM, 6 OF 6 PAGES, MICHELLE NAUER, CLERK & RECORDER, OURAY COUNTY, CO.

STATE OF COLORADO)
)ss.
COUNTY OF OURAY)

The foregoing instrument was acknowledged before me this _____ day of _____, 2009, by David Mulling, Manager of Sixth Cents Building, LLC.

Witness my hand and seal.
My commission expires: _____
Notary Public

STATE OF COLORADO)
)ss.
COUNTY OF OURAY)

The foregoing instrument was acknowledged before me this 21 day of _____, 2009, by Alice Leeper and Larry Leeper.

Witness my hand and seal.
My commission expires: _____
Notary Public

STATE OF CALIFORNIA)
)ss.
COUNTY OF Orange)

The foregoing instrument was acknowledged before me this 21 day of July, 2009, by Brad Handler, Personal Representative of The Estate of Norton J. Handler.

Witness my hand and seal.
My commission expires: 7-7-2013
N. Melillo
Notary Public



M

9-11 Restriction of Water Use

- A. No watering hose larger than 3/4" diameter and no watering nozzle larger than 1/4" diameter may be used.
- B. All watering and continuous water flows shall be terminated during fire alarms.
- C. City Council, by resolution passed by a majority vote, may limit the use of City water to specific times, days, and uses as follows:

Stage	Trigger Condition	Restrictions
Stage I	Voluntary Restrictions: Statewide Drought Status	<ul style="list-style-type: none"> • Does not apply to drip systems and use of hand-watering containers. • No irrigating between the hours of 9:00 am and 6:00 pm, or when windy, in order to minimize evaporation, and anytime on Mondays. • Properties located on the SOUTH side of 7th Avenue – irrigate only on Tuesdays, Thursdays and Saturdays. • Properties located on the NORTH side of 7th Avenue – irrigate only on Wednesdays, Fridays and Sundays. • Outreach on water use and fixing leaks, limited gardening, etc.
Stage II	Mandatory Restrictions: Demand exceeds system capacity	<ul style="list-style-type: none"> • Properties located on the SOUTH side of 7th Avenue – irrigate only on Tuesdays and Saturdays. • Properties located on the NORTH side of 7th Avenue – irrigate only on Wednesdays and Sundays. • City Parks irrigation limited to the same as properties north and south of 7th Avenue.
Stage III	Demand remains above system capacity and tank levels are not sustained after Stage I and Stage	<ul style="list-style-type: none"> • Maintain all Stage II curtailments plus: • Largest outdoor water users significantly curtailed. • Restaurants only serve water upon customer request.

	II actions	
Stage IV	Demand remains above system capacity and tank levels are not sustained after Stage III actions	<ul style="list-style-type: none"> • Maintain all Stage III curtailments plus: • Properties located on the SOUTH side of 7th Avenue – irrigate only on Tuesdays and Saturdays on the 2nd and 4th weeks of the month. • Properties located on the NORTH side of 7th Avenue – irrigate only on Wednesdays and Sundays on the 1st and 3rd weeks of the month. • City Parks irrigation limited to the same as all properties north and south of 7th Avenue.
Stage V	Demand remains above system capacity and tank levels are not sustained after Stage IV actions	<ul style="list-style-type: none"> • Maintain all Stage IV curtailments plus: <ul style="list-style-type: none"> ○ No outdoor irrigation. ○ No car washing, pond, or pool filling. ○ No sidewalk washing. ○ No use of potable water in water features (e.g., fountains).
Stage VI	Demand remains above system capacity and tank levels are not sustained after Stage V actions	<ul style="list-style-type: none"> • Maintain all Stage V curtailments plus: <ul style="list-style-type: none"> ○ Allow no new connections to system until fall or relief from drought. ○ Contact largest commercial and/or industrial customers and meet to develop a plan to reduce indoor consumption by 30%.

D. Other Unlawful Acts

The following shall be considered violations of this Section [9-11](#) and are hereby declared a nuisance:

1. For any person to sell or give away water to be used on premises other than those for which service is authorized. The City may authorize temporary use at construction sites or in emergencies.
2. To open or close any fire hydrant, stop, or curb valve, or to turn on, or turn off, the water service to any property without lawful authority to do so.
3. To cause or allow any pollutant to be introduced in the City water system or to cross connect it with any irrigation water system or other system.
4. To waste water.

5. To violate any of the restrictions set forth in section 9-11-C above, when implemented.
- E. Penalties for violations to provisions of this section shall be as follows:
1. A first violation shall be subject to a written warning as described in section 9-11-F;
 2. A second violation by the same individual, regardless of the location of the violation, shall be subject to a fine of Three Hundred Dollars (\$300.00) plus court costs;
 3. A third or subsequent violation by the same individual, regardless of the location of the violation, shall be subject to a fine of One Thousand Dollars (\$1,000.00) or by imprisonment of not more than ninety (90) days, or by both, plus court costs, provided however, that no person under the age of eighteen (18) years may be sentenced to any term of imprisonment.
- F. An individual shall be deemed to have been issued a written warning and sufficient notice of a violation of this section if it is personally served upon the owner or occupant or placed in the U.S. mail, postage prepaid and addressed to the owner or occupant, according to the last known address given by the resident to the City. Service of a warning shall be made by providing a copy of this section 9-11 of the Code, with the subsection violated indicated, to the occupant or owner. The law enforcement official serving the occupant or owner shall complete an affidavit of service that contains a description of the documents served, the individual the information was served on, the date, time and location, if available, the information was served, and in what manner the information was served.
- G. An owner or occupant of a residence or commercial establishment may be held responsible for a violation of this section 9-11, regardless of any agreement between the property owner and a third party. If the identity of the owner or occupant is not known, the entity responsible for payment of the water and sewer services for the subject property shall be held responsible for any penalties assessed pursuant to this section. Violations of this section 9-11 occurring at different locations but involving the same individual, regardless of whether that individual is an owner or occupant, shall not alter or waive the graduated penalties of section 9-11-E.
- H. The City of Ouray Police and/or Code Enforcement Officers shall have the power to issue warning notices or a summons and complaint to any person in violation of this Section.

(Source: Ordinance No. 5, 2018)

9-10 Water and Sewer Use Rates

- A. Water and sewer use rates will be calculated on the basis of a single family dwelling. An equivalency factor (EQR) will be applied to the base rate to scale fees to normal usage for the particular structure or business.
- B. Rate Structure

TYPE OF FACILITY	PER UNIT/SPACE	SERVICE FEE	ADDITIONAL EQR
Single Family Dwelling	1.00	\$36.00 per property	
Multiple Family Dwelling Townhouse Condominium	1.00	\$36.00 per unit	.25 per public washing machine
Apartment Building	1.00 per apartment	\$36.00 per property	.25 per public washing machine
Permanent Trailers Mobile Home Park	1.00 per space	\$36.00 per property	
Overnight Mobile Home Park RV Park Campground	1.00 per Manager's Unit; .22 per space with sewer hookup; .11 per all other spaces	\$36.00 per property	.25 per public washing machine; 1.00 per public dump station
Hotels, Motels, Bed and Breakfasts	1.00 per Manager's Unit; .16 per bed; .02 per kitchen facility	\$36.00 per property	.05 per 1,000 gallons for swimming pools, hot tubs, etc; .25 per public washing machine; .03 per bed laundered on site

Hospitals Nursing Homes	.20 per bed	\$36.00 per property	
Churches	1.00 per parsonage; .01 per seat	\$36.00 per property	.70 per social area or kitchen facility
Private Clubs	.01 per seat	\$36.00 per property	.70 per social area or kitchen facility; 1.00 per bar
Schools	.06 per student	\$36.00 per property	
Offices Day Workers Medical Center	.30 per 1,000 sq. ft	\$36.00 per property	
Small Shops	.30 per space	\$36.00 per property	
Factories Plants Livery Barns	.50 per 1,000 sq. ft	\$36.00 per property	
Movie Theaters Arenas	.50 per 1,000 sq. ft	\$36.00 per property	
Grocery Store Market	.30 per 1,000 sq. ft	\$36.00 per property	
Service Station	.50 per pump	\$36.00 per property	
Car Wash	1.20 per wash bay	\$36.00 per property	
Laundry (Public)	.25 per machine	\$36.00 per property	
Laundry Business	1.00 per machine	\$36.00 per property	
Taverns/Bar	2.00 per 1st 20 seats; .60 per additional 10 seats	\$36.00 per property	

Food Service	2.00 per 1st 20 seats; .60 per additional 10 seats	\$36.00 per property	
Deli, Ice Cream Parlor	1.00 per 1st 20 seats; .30 per additional 10 seats	\$36.00 per property	
Beauty/Barber Shop	1.00 per property	\$36.00 per property	
Private Swimming Pool	.05 per 1,000 gallon if on City Water or Sewer System		
Ouray County Historical Society Museum	1.00 per museum unit	\$36.00 per property	
Daycare	.02 per child capacity	\$36.00 per property	
Emergency Response Facility	1.00 per facility	\$36.00 per property	

C. Water and Sewer Rates

1. Water Base Rate is \$33.98 per month per EQR.
2. Sewer Base Rate is \$53.90 per month per EQR.
3. Yearly Service Fees for Water and Sewer are \$1.50 each.
4. Water Debt Surcharge is \$1.87 per month, per EQR.
5. Water System Upgrade Surcharge is \$20.00 per month per EQR.
6. Wastewater Treatment Surcharge is \$34.00 per month per EQR.

D. Special Charges

1. If any user is discharging toxic or other pollutants in concentrations higher than that of a residential user which causes increased treatment or system costs, a surcharge may be imposed based upon the excess concentrations.

2. All water user rates for users outside of the City limits shall be classified according to the above contained and set forth classifications, but the rates therefor shall be twice the rates applicable to users inside the City limits.

3. In all special cases where the water and sewer user does not come within any of the above set forth classifications and does not use a water meter due to unusual circumstances, or to unusual or intermittent requirements of the use of water and sewer, City Council may establish a special rate therefor, but no such special water and sewer rate contract shall be entered into for a period longer than one (1) year at a time and the rate or rates for such special usage of sewer and sewer under any special contract shall be based as nearly as may be practical upon general water and sewer rate structure herein provided.

4. In cases where there is a transfer of City utility account customers due to the conveyance of property served by the City's water and sewer system, there shall be a \$25.00 Utility Account Transfer Charge billed to the new property owner as a new customer of the utility account. This charge shall be incurred and billed at the time of such transfer, with payment due within thirty (30) days of billing.

E. Additional Provisions

All customers shall be required to properly complete and submit to the City, information, declarations, and surveys upon the City's request, as appropriate to facilitate the administration of this Chapter and the EQR system.

(Source: Ordinance No. 10, 2021; Ordinance No. 12, 2020; Ordinance No. 5, 2019; Ordinance No. 9, 2018; Ordinance No. 8, 2016; Ordinance No. 10, 2015; Ordinance No. 10, 2014; Ordinance No. 11, 2013)

Community Development Department

320 6th Avenue | P.O. Box 468 Ouray, CO 81427
 buildinginspector@cityofouray.com | 970-325-7063



PROPERTY DECLARATION/EQR

Please submit the completed Property Declaration to the Community Development Department for review. Upon receipt, the City's Building Inspector will schedule an inspection of said property with the owner to ensure the correct area(s)/unit(s) were described and calculated below.

CONTACT INFORMATION	
Property Owner(s): _____	
Mailing Address: _____	City/State/ZIP: _____
Phone: _____	Email: _____
Property Address (for this Declaration): _____	
City/State/ZIP: _____	Parcel: _____
Property Declaration Date: _____	

Fill out all applicable section(s) for your property; leave any not-applicable section(s) blank.

PROPERTY DECLARATION SCHEDULE & WATER EQUIVALENCY RATES ("EQRs")			
<u>A</u>	<u>B</u>	<u>C</u>	<u>D</u>
<i>Number</i>	Residential Dwelling Units	EQR Per Unit/Space	EQR (= column A * column C)
	Single Family Dwelling Unit(s)	1.00 per unit	
	Multi-Family Dwelling Unit(s)	1.00 per unit	
	Duplex Unit(s)	1.00 per unit	
	Triplex Unit(s)	1.00 per unit	
	Townhome Unit(s)	1.00 per unit	
	Condominium Unit(s)	1.00 per unit	
	Apartment Building(s)	1.00 per apartment	
	Accessory Dwelling Unit(s) (ADU)	1.00 per ADU	
>> Is property within City limits?		(✓) One	() Yes () No
Permanent Trailers Mobile Home Park			
	Mobile Home Space(s) (incl. Manager Unit(s))	1.00 per space	
Travel Trailers Overnight Mobile Home Park RV Park			
	Manager Unit(s)	1.00 per manager unit	
	Sq.Ft. of any office (not included in above)	0.30 per 1,000 sq.ft.	
	Space(s) with Sewer Hookups	0.22 per space	
	Space(s) w/out Sewer Hookups (all other spaces)	0.11 per other spaces	
	Public Dump Station(s)	1.00 per dump station	
Lodging Businesses (Hotel Motel Bed & Breakfast Inn Lodge Hostel)			
	Manger Unit(s)	1.00 per manager unit	
	Bed(s) in Rental Unit(s)	0.16 per bed	
	Kitchen Facility(s) in Rental Unit(s)	0.02 per kitchen facility	

>> Is bedding laundered on-site?	(✓) One	()Yes ()No
(If Yes) Bed(s) laundered on-site	0.03 per bed	
>> Is there a swimming pool/hot tub on-site?	(✓) One	()Yes ()No
(If Yes) Capacity of swimming pool/hot tubs (gal.)	0.05 per 1,000 gallons	
>> What is the source of swimming pool/hot tub water?	(✓) One	()City ()Other:
Hospitals Nursing Homes		
Bed(s)	0.20 per bed	
Churches		
Separate Living Unit(s)	1.00 per parsonage	
Seating Capacity	0.01 per seat	
Kitchen(s)	0.70 per kitchen facility	
Social Area(s)	0.70 per social area	
Private Clubs Fraternal Clubs (e.g. Elks)		
Seating Capacity	0.01 per seat	
Kitchen(s)	0.70 per kitchen facility	
Social Area(s)	0.70 per social area	
Bar(s)	1.00 per bar	
Schools		
Students (as of Fall of current academic year)	0.06 per student	
Daycare Facilities		
Children	0.02 per child capacity	
Offices Day Workers Medical Centers		
Total Square Footage (incl. all storage areas)	0.30 per 1,000 Sq.Ft.	
Small Shops		
Separate Shop Spaces	0.30 per space	
Factories Plants Livery Barns Movie Theaters Arenas		
Total Square Footage (incl. all storage areas)	0.50 per 1,000 Sq.Ft.	
Grocery Stores Markets		
Total Square Footage (incl. all storage areas)	0.30 per 1,000 Sq.Ft.	
Service Station Car Wash		
Gas Pump(s)	0.50 per pump	
Wash Bay(s)	1.20 per wash bay	
Taverns Bars Food Service		
Seating Capacity (Inside)	2.00 for 1 st 20 seats; 0.60 per additional 10 seats	
Seating Capacity (Outside, On-Premises)		
Seating Capacity (Outside, on City right-of-way)		
Deli Ice Cream Parlor		
Seating Capacity (Inside)	1.00 for 1 st 20 seats; 0.30 per additional 10 seats	
Seating Capacity (Outside, On-Premises)		
Seating Capacity (Outside, on City right-of-way)		
Beauty Barber Tanning Shops		
Property(s)	1.00 per property	

Private Swimming Pools Private Hot Tubs			
Capacity of swimming pool(s)/hot tub(s) (gal.)	0.05 per 1,000 gallons		
>> What is the source of swimming pool/hot tub water?		(<input checked="" type="checkbox"/>) One	()City ()Other:
Ouray County Historical Society Museum Emergency Response Facility (EMS)			
Museum Unit(s)	1.00 per museum unit		
EMS Facility(s)	1.00 per facility		
Laundry Business Public Laundry Machines			
Washing machine(s) for Laundry Business	1.00 per machine		
>> Are there any washing machines available on your property for Non-Resident/Public use? (including Lodging Businesses, multifamily residences, Mobile Home Park, RV Park)		()Yes ()No	
		(<input checked="" type="checkbox"/>) One	
(If yes) Washing machines available for public use	0.25 per machine		

ADDITIONAL COMMENTS

CERTIFICATION	
I understand that the City of Ouray will use the above information to determine future water and sewer rates for the property indicated on Page 1 of this Declaration. Should any of the information change, I will report such changes to the City within 30 days.	
Property Owner's Signature: <i>(Required)</i>	Date:
Agent's Signature: <i>(If you are acting as an owner's agent, you must provide Authorization of Agent form)</i>	Date:

FOR CITY USE ONLY	
Property Declaration Complete? ()Yes ()No	
Date of Building Inspection (to confirm EQR declarations): _____	
Declared Total EQRs (from Applicant's calculations, above):	
Total EQRs (confirmed by Community Development Department):	
Declaration Reviewed by <i>[sign & date]</i> (Building Inspector) _____ (Community Development Coordinator) _____ (Deputy Clerk) _____	Date: _____ Date: _____ Date: _____
Comments/File Notes:	