

Ouray City Council Regular Meeting
Monday, October 3, 2022 6:00 PM

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

Agenda

1. CALL TO ORDER
2. ROLL CALL
3. PLEDGE OF ALLEGIANCE
4. PUBLIC HEARING - Ordinance 10, Series 2022 - Modifying Community Economic Development Committee Requirements
5. CEREMONIAL/INFORMATIONAL
6. APPROVAL OF MINUTES - September 6 and 19, 2022
7. CITIZENS' COMMUNICATION
8. CITY COUNCIL REPORTS/INFORMATION - Tamara Gulde, Peggy Lindsey, John Wood, Josh Smith, and Ethan Funk
9. DEPARTMENT REPORTS
 - 9.a. Fire Chief
 - 9.b. Public Works Director
 - 9.c. City Resources Director
 - 9.d. Tourism and Destination Marketing Director
10. CONSENT AGENDA
 - 10.a. Liquor License Renewal - Ouray Brewery
 - 10.b. Liquor License Renewal - Beaumont Hotel
11. ACTION ITEMS
 - 11.a. Ordinance 10, Series 2022 - Modifying Community Economic Development Committee Requirements - Second Reading
 - 11.b. Consideration of Option to Purchase Vacant Lot in Silver Shield PUD
12. DISCUSSION ITEMS
 - 12.a. Non-approved Commercial Use of the City's Via Ferrata and Ice Climbing Gorge
 - 12.b. Future Agenda Items
13. ADJOURNMENT

ORDINANCE NO. 10 (Series No. 2022)

AN ORDINANCE OF THE CITY OF OURAY, COLORADO, REPEALING AND REPLACING OURAY MUNICIPAL CODE SECTION 2-14-A TO RENAME THE COMMUNITY ECONOMIC DEVELOPMENT COMMITTEE (CEDC) TO THE OURAY ECONOMIC DEVELOPMENT COMMITTEE (OEDC) AND REVISE QUALIFICATIONS AND RESPONSIBILITIES OF THE COMMITTEE

WHEREAS, the Council believes it is best to revise the qualifications required for members and the responsibilities of the committee to better reflect the needs of the city; and

WHEREAS, the Council has the power to act by ordinance pursuant to City of Ouray Home Rule Charter, Article 3.5.

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

SECTION 1:

Chapter 2, Section 14, of the Code of the City of Ouray, Colorado is repealed and replaced as follows:

2-14 Ouray Economic Development Committee (OEDC)

- A At its first meeting in January, City Council shall appoint a minimum of five (5) and a maximum of nine (9) members to the Ouray Economic Development Committee (OEDC) for three (3) year staggered terms. One (1) staff liaison shall be from City management, four (4) members shall be residents of or business owners within the City of Ouray, and a maximum of two (2) additional members may reside outside the City of Ouray.
- B The OEDC shall be solely an advisory committee and its function as a City committee is limited to making recommendations to City Council and the City Administrator. Such Committee shall have no authority to enter contracts which are binding upon the City, to authorize any expenditures binding upon the City, or to otherwise take any action as a City committee. The scope of recommendations to City Council and the City Administrator shall be in the following areas.
 - 1. Development and implementation of tools to evaluate strengths and weaknesses of current economic development conditions.

2. Creation and implementation of an Economic Development Plan and economic development incentives in line with the values and guidelines of the Community Plan and broad community input.
 3. Collaborative regional economic development efforts with the Town of Ridgway, Ouray County, and Region 10.
 4. Business expansion and retention planning and related concerns expressed by the community.
 5. Administer economic development related grants as budgeted by City Council.
- 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.
- D. Any member who owns a business within the City of Ouray shall have an active business registration.
- E. At least one OEDC member shall be appointed to any Community Development Plan committee.

SECTION 2: Effective Date

The provisions of this Ordinance shall become effective thirty (30) days following publication.

SECTION 4: Savings Clause

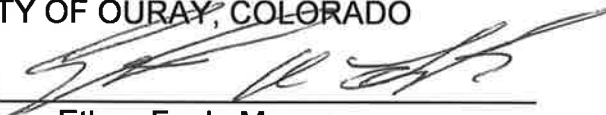
The repeal and amendment of various provisions of the Ouray Municipal Code by this ordinance shall not affect any offense or act committed, any penalty incurred, any contract, right, or duty established or accruing before the effective date of this ordinance.

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, READ, APPROVED AS INTRODUCED AND ORDERED
PUBLISHED on first reading by 5 TO 0 vote of the Ouray City Council, this 19th day of
September 2022.

CITY OF OURAY, COLORADO

By 
Ethan Funk, Mayor

ATTEST:

Melissa M. Drake
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

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. 10
(Series No. 2022), was introduced, read, passed on first reading on
SEPTEMBER 22, 2022. The Ordinance was published, by title and summary, in the
Ouray County Plaindealer on _____, 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

Ouray City Council Regular Meeting

Tuesday, September 6, 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. CEREMONIAL/INFORMATIONAL - Proclamation of Suicide Prevention Month

Mayor Funk read the proclamation.

5. APPROVAL OF MINUTES - August 15, 2022

Motion to approve minutes, changing "John Hart" in item 11(d) to "John Hulberd". This motion, made by K. John Wood and seconded by Tamara Gulde, Carried.

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

6. CITIZENS' COMMUNICATION

Mayor Funk opened the floor for public comment. John Hart, representing concerned citizens of Ouray, presented a list of improvements and suggestions to the Council and staff. Ross Crawford said there was a detour on Oak Street earlier that day, and would have liked a heads-up about the extra traffic. Mr. Clarke said that was not known to the City ahead of time, either. Chief Wood clarified that cars were not being sent that way, but some people were self-diverting to avoid the construction on Main Street. Mayor Funk closed the floor.

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

- *Councilor Gulde - IPAT meeting has been rescheduled for October 26th. Love Your Gorge cleanup day is on September 17th from 9:00 am to 1:00 pm. Virtually attended the BOCC meeting on August 16th, commissioners approved the Joint Planning IGA. Attended the TAC meeting on August 16th. Region 10 hosted a meeting on August 18th: Ouray Community Conversations, a senior outreach program. Attended the Colorado Parks and Wildlife's Ladies Cast, Blast & Fling event from August 19th through the 21st; spoke to CPW officials about hunting and fishing issues, and illegal wild animal feeding. Attended Reimagine Destinations meeting on August 25th, preparing for a public meeting scheduled on October 25th, a survey is available online for public input. The CEDC meeting will be on September 8th. Applications are being accepted for new members. Planning to attend emergency/disaster training in Telluride on September 20th.*
- *Councilor Lindsey - The Beautification Committee is meeting tomorrow, September 7th. Attended Colorado Association of Ski Towns meeting in Salida.*
- *Councilor Wood - TAC meeting on August 16th with a presentation by Ms. Rhoten, the new Tourism and Destination Marketing Director, about her plans for the future.*

- *Mayor Pro Tem Smith - PARC has not met since the last council meeting. Next meeting will happen in October, date TBD. Remotely attended Gunnison Valley Transportation group meeting, discussed what vehicle to purchase for local transit.*
- *Mayor Funk - Discussion with Western Hotel developers about what to do with the building across the street from the Western once they are done using it as a construction staging area; looking at something arts-related. Met with Superintendent Lokey to welcome new teachers to the City. The ORCA meeting was not well attended. Councilor Gulde said she was not aware of the meeting and stated there appears to be a notification gap, explaining the low attendance. The group now has a facilitator to help create a 501(c)(3) organization. Talked with Ridgway Mayor John Clark about affordable housing successes and failures; he has also previously met with other area mayors about the same topic.*

8. DEPARTMENT REPORTS

a. City Administrator

Mr. Clarke gave an overview of his report. Looking at creating a comprehensive dead tree hazard mitigation plan.

b. Police Chief

Chief Wood corrected the figure in his report to 553 service calls, and read the rest of his report. Councilor Wood asked how many alcohol-related incidents the department has dealt with in city parks in the last two years. Chief Wood said there had been none in the past year, but couldn't answer immediately about the last two years. Mark Rozich stated he lives behind the Bon Ton, and he sees bears getting into the trash every single night, and trash frequently ends up in his yard.

c. Fire Chief

Report in packet.

d. Public Works Director

Mr. Coleman informed council that in July the sewer system reached 172% of capacity, and will be receiving a violation notice from the state. Councilors asked if there were any fines or letters that would need to be sent out. Mr. Clarke confirmed there are not because the City is actively working on a new wastewater treatment facility. On October 2nd, the City will officially be out of compliance with the water treatment plant (completing the water treatment plant within 18 months after re-classification), and will have to send notice about that.

e. City Resources Director

Cascade Falls vault toilet is getting a lot of use and already needs to be emptied. A group of volunteers will be working on the Perimeter Trail near Cascade Falls over the coming weekend. The section of trail from Cascade Falls to the Visitor Center will be closed while they are working. Mr. Clarke noted that the volunteers are allowed to camp at Rotary Park while they are here. Councilor Lindsey asked if the gym cleaner would be provided with a list of things to clean. Mr. Noll confirmed, and said they would do an initial deep clean on Friday, followed by regular lighter cleanings.

f. Tourism and Destination Marketing Director

Ms. Rhoten noted that Basecamp Ouray was mentioned in the Washington Post, the Via Ferrata was mentioned in the New York Times, and the Wright Opera House was featured on 9News, which are all good publicity and marketing for the City. Mayor Funk asked if Ms. Rhoten knew the number of downloads for the new City App, Ms. Rhoten said there have been 153 downloads and 36 users.

9. CONSENT AGENDA

I make a motion to approve the Consent Agenda. 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

a. Liquor License Renewal - Ouray Liquors

b. Winery Sales Room Permit Application - Mountain View Winery

c. Festival Permit Application - The Gray and Silver Eagle Saloon for Oktoberfest, September 24, 2022

10. ACTION ITEMS

a. Resolution 16, Series 2022 - Regarding Undergrounding Requirements for Utility Wires
Motion to approve Resolution 16, Series 2022. This motion, made by Josh Smith and seconded by K. John Wood, Carried.

Ethan Funk: Yea, Tamara Gulde: Yea, Peggy Lindsey: Yea, Josh Smith: Yea, K. John Wood: Yea
Mayor Funk explained that the resolution is meant to fill in the time period while the ordinance (next agenda item) is going through the approval process.

b. Ordinance 8, Series 2022 - Regarding Fiber on Utility Poles - First Reading
Motion to approve Ordinance 8, Series 2022. 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

c. Ordinance 9, Series 2022, Regarding Alcohol in City Parks - First Reading
Amended motion to approve Ordinance 9, Series 2022 with the exclusion of Lee's Ski Hill and Women's Club Park from the list of approved parks. 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
This ordinance makes permanent the temporary ordinance put in place during COVID restrictions allowing alcohol to be consumed with food in city parks. Councilor Wood made a motion to approve Ordinance 9, Series 2022 as presented. Councilor Lindsey seconded the motion. Councilor Gulde expressed hesitation about allowing alcohol at the bottom of Lee's Ski Hill and the Women's Club Park. Councilor Wood agreed with removing those parks from the list in the ordinance.

Jen Brock and Suzette Warynick spoke in support of removing Women's Club Park from the ordinance.

d. Water Treatment Building Exterior

Motion to approve the presented plans with one change, recommending charcoal grey for the roof instead of emerald green. 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
Administrator Clarke presented the exterior plan mockup for council approval. Mayor Pro Tem Smith suggested using the Charcoal Gray color instead of Emerald Green for the roof so it would blend in better with the surroundings.

e. Construction Oversight Agreement with JVA for WWTP Project

Motion to direct staff to write a construction oversight agreement based on the included letter from JVA with a price not to exceed \$1,090,000 and granting Silas Clarke authorization to sign the final agreement when drafted. 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
Mayor Pro Tem Smith asked if the weekly meetings would be attended in person or via Zoom by JVA staff. Cooper Best, JVA regional manager, said the majority of meetings would be attended in person.

f. Construction Agreement with Aslan Construction Inc. for WWTP Project

Motion to approve the construction agreement with Aslan Construction. 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
Mr. Clarke explained why the City switched from Moltz Construction to Aslan Construction as Construction Manager at-Risk. Michael Pelphrey, President of Aslan Construction, was in attendance and introduced himself and answered Council questions about construction logistics.

g. Fixed Encroachment Request from Owners of 201 Queen Street

Motion to approve the fixed encroachment permit. 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: Yea

Ms. Oswald gave an overview of the applicant's request.

h. IGA with Ouray Public Library District for IT Services

Motion to approve the IGA with the Ouray Public Library for IT services. 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
i. Bachelor Switch Water Users Agreement Addendum

Motion to approve addendum, noting the change from 89 to 88 taps. 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
j. Authorize OBC to Order Flowers for Main Street, not to Exceed \$22,000

Motion to authorize ordering \$10,000 worth of flowers for Main Street for summer of 2023. 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: Yea
Councilor Lindsey noted that the quote came in at \$8,500.

k. Agreement Addendum with Tangram Design for Next Phase Branding Services

Motion to approve the addendum to the agreement with Tangram Design for branding services. 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
Mr. Clarke explained that staff would like to employ Tangram Design to expand their services to include branding in addition to the wayfinding services they are already contracted for.

11. DISCUSSION ITEMS

a. Snow and Ice Removal from Sidewalks

Council scheduled a work session on September 19 at 3:30 pm to discuss snow removal and sidewalk maintenance as two separate ordinances to pass concurrently.

b. Requirements for CEDC Membership

CEDC structure changes: remove the requirement for an odd number of members at all times, remove the telephone prefix membership requirement, and require that all represented businesses be registered with the City, change the name to Ouray Economic Development Committee, remove items B(1) and B(6) from organizational structure, place a member of the committee on community plan committees, and manage grants related to economic development.

c. Future Agenda Items

Building Code and Energy Code adoption deadline

12. ADJOURNMENT

Motion to adjourn at 8:31 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 Tuesday, September 6, 2022. I further certify that the meeting was duly called and held, and that a quorum was present.

Dated this Tuesday, September 6, 2022.

Melissa M. Drake, City Clerk

Ouray City Council Regular Meeting

Monday, September 19, 2022 6:00 PM

Massard Auditorium, 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. PUBLIC HEARINGS

a. Ordinance 8, Series 2022 - Regarding Fiber on Utility Poles

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

b. Ordinance 9, Series 2022 - Regarding Alcohol in City Parks

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

5. CITIZENS' COMMUNICATION

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

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

- *Councilor Gulde - CEDC met on 9/8, notified the committee of planned changes in structure. Committee also discussed micro-grant awards since Citizens State Bank and OCRA contributed to award fund. A business roundtable is planned for 10/12. The topic is downward economic trends. IPAT meeting scheduled on 10/26. Attended Love Your Gorge cleanup event on 9/17, around 10 more volunteers than last year. Overall, a great success. Participated in Hot Springs Loop Photoshoot. Mary Mitchell's plaque has been received and is ready to display. Exterior building notations will be done along with the wayfinding and branding project, and a dedication will be scheduled after that is complete. Next Tri-Agency dinner will be hosted by Ridgway on 10/27.*
- *Councilor Lindsey - nothing to report*
- *Councilor Wood - TAC meeting tomorrow. Communities That Care has had the last 3 meetings canceled/rescheduled.*
- *Mayor Pro Tem Smith - nothing to report*
- *Mayor Funk - 9/11 memorial was poorly attended, likely attributed to Sunday morning schedule. Met with Western Hotel developers and arts organizations from around Ouray County to discuss plans for building across the street from the Western. High Alpine Road Map 9.5 group met, invited Federal and State partners to establish relationships, but the partners were unsure who the group was and why they should attend. 9.5 group is now working to more effectively explain their purpose and goals.*

7. DEPARTMENT REPORTS

a. City Administrator

Mr. Clarke stated the RFP for the Parks Master plan has been issued. Main Streets Program update meeting with state officials, received \$800,000 grant with \$200,000 match. The state warned that the process could be very long due to federal funding backing. Looking to add bump outs to intersections on Main Street between 4th and 8th avenues (including mid-block crossing from Ouray Grocery to Post Office), and improve the intersection at the visitor center. Also discussed pedestrian and off-road vehicle access from Horseshoe parking lot to CR-361. Looking to have plans made for all projects with \$200,000 match to be shovel ready when \$800,000 is available. Water Treatment Plant 90% plans should be ready very soon. Will be submitting plans to both Moltz Construction and Aslan Construction for a Guaranteed Maximum Price quote. EPA has not provided final numbers, but Mr. Clarke believes the City will get the full \$5 million loan forgiveness for water treatment plant. Geothermal line replacement has improved Pool water flows; looking to cover the pipe with asphalt in October, and repave the bridge at the same time. Wastewater Treatment Plant construction equipment will be coming September 26th. Crews will break ground right away clearing old wetlands, but will stop for winter. Starting re-negotiation process of operating agreement with the Ice Park. Councilor Lindsey asked when updated Wastewater Treatment Plant Facade plans would be ready. Mr. Clarke expects the plans back in around 30 days.

b. Director of Finance and Administration

Ms. Drake noted that all funds have a higher balance than last year, except for funds with large planned expenditures. Sales tax is up slightly for July activity compared to last July. Lodging tax: available rooms were down 20% from last year, revenue was down 6%. Pool visitation was down 13.88% over last August, but revenue is up 1% due to price increases and increased concession sales. Councilor Wood asked if slide admissions were increased with the regular admissions on July 1st. City Resources Director Mr. Noll said they were not. Box Canon visitation down 8.8% and revenue down 9.85% compared to last August. Mr. Clarke noted that some items for sale in the visitor center are being sold at cost, such as T-shirts for Uncompaghre Watershed Partnership and the Fire Department.

c. Community Development Director

Ms. Oswald provided an overview of her report. Councilor Gulde asked Ms. Oswald for survey updates. Ms. Oswald said the land use code update survey is still open and has had 67 responses so far. Mr. Clarke reported that the other survey is Reimagine Destinations plan, created by the state, helping the City create a marketing plan. Mr. Clarke and Council summarized the list of grants coming to the city in the near future or recent past.

d. Information Technology Director

Mr. Willis gave an overview of his report.

e. Communications and Community Engagement Coordinator

Report in packet.

8. ACTION ITEMS

a. Ordinance 8, Series 2022 - Regarding Fiber on Utility Poles - Second Reading

Motion to approve Ordinance 8, Series 2022. 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

b. Ordinance 9, Series 2022 - Regarding Alcohol in City Parks - Second Reading

Motion to approve Ordinance 9, Series 2022. 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. Ordinance 10, Series 2022 - Modifying Community Economic Development Committee Requirements - First Reading

Amended motion to approve Ordinance 10, Series 2022, adding the words "a maximum of two additional" before the phrase about members who reside outside the City. This motion, made by Tamara Gulde and seconded by Peggy Lindsey, Carried.

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

Councilor Gulde made a motion to approve Ordinance 10, Series 2022. Councilor Lindsey seconded the motion. Councilor Wood felt that the last phrase of Section A was unnecessary. Council discussed and decided to add the word "additional" after the word "two", separating them from the 4 previously mentioned members for clarity.

d. Notice to Proceed - Wastewater Treatment Plant Project Construction

Motion to approve the Notice to Proceed. This motion, made by Peggy Lindsey and seconded by K. John Wood, Carried.

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

e. Consideration of CEDC Membership Application - Frank Robertson

Council discussed CEDC membership according to current code vs. the changes in Ordinance 10 (Item 8c).

[Council decided to reconsider item 8(c) for further discussion. K. John Wood made a formal motion to reconsider Item 8(c) and it was seconded by Tamara Gulde, Carried.

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

After discussion, motion to approve Ordinance 10 Series 2022 to add the word "additional" for the out of town members and change the city staff member to a staff liaison instead. This motion, made by Tamara Gulde and seconded by K. John Wood, Carried.

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

Council returned to Item 8(e). Councilor Lindsey asked how many members the committee currently has. Councilor Gulde responded that there are 5, plus Ms. Oswald as the City Staff committee member. Council questioned whether they could appoint Mr. Robertson since he doesn't live in the city and the new ordinance rules are not in effect yet, even though they've had the first reading. Council also discussed whether Ms. Oswald should be a voting member or a staff liaison. Council tabled the agenda item to approve Frank Robertson's application until the new committee rules were in place.

f. Consideration of CEDC Membership Application - Amber Cunningham

Motion to approve CEDC application for Amber Cunningham. This motion, made by K. John Wood and seconded by Tamara Gulde, Carried.

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

g. Funding Request from Home Trust of Ouray County

Amended motion to approve the funding request to Home Trust of Ouray County of \$100,000 from the excise tax housing fund, contingent on approval of Ouray County's contribution of \$100,000, Elevation agreeing to take over the assets in case the Home Trust is dissolved, and the \$100,000 private donation occurring. This motion, made by Josh Smith and seconded by Tamara Gulde, Carried.

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

Andrea Sokolowski presented the Home Trust's current project schedule and financial statements. Mayor Pro Tem Smith made a motion to approve the funding request to Home Trust of Ouray County for \$100,000 from the excise tax housing fund. Councilor Gulde seconded the motion. Councilor Wood said the return on investment numbers aren't great, and asked Ms. Sokolowski how she justified raising the rent on the units while promoting affordable housing. Ms. Sokolowski said they plan on doing energy efficiency upgrades on the building that should greatly reduce utility bills that offset the rent increase. Mayor Funk opened the floor for public comment. Francie Tisdell said the council should honor their campaign promises and make history and commit to help fund an existing affordable housing project. Peter O'Neil, Executive Director of the Ouray Ice Park, supports this project as critical for his employees, and believes the City should be the first to financially back the home trust, which will lead to others also contributing financially. John Hart agrees with Mr. O'Neil and urged the council to write the check. Jen Donovan also supports funding this project with the Home Trust, and wants to see the city council take action on an affordable housing initiative. Blair Kanis said she also supports this project, noting the importance of preserving existing affordable housing units.

h. Letter of Support for High Alpine Roadmap 9.5

Motion to approve the letter of support for High Alpine Roadmap 9.5. This motion, made by Peggy Lindsey and seconded by K. John Wood, Carried.

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

i. Consideration of waiving preliminary plat requirements for the PUD Application for property legally described as: Subd: City of Ouray Lot: 11 Block: 8 Subd: City of Ouray Lot: 12 Block: 8 S: 31 T: 44 R: 7; commonly known as "TBD" 9th Avenue; Parcel No. 451531204002

Motion to waive PUD Plat requirements for Subd: City of Ouray Lot: 11 Block: 8 Subd: City of Ouray Lot: 12 Block: 8 S: 31 T: 44 R: 7; commonly known as "TBD" 9th Avenue; Parcel No. 451531204002. 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

9. DISCUSSION ITEM - Future Agenda Items

Mayor Funk noted that Charter Modifications should be a separate discussion item from the workforce/attainable housing discussion, and it was on the same line in the packet.

10. ADJOURNMENT

Motion to adjourn at 8:28 pm. This motion, made by Peggy Lindsey and seconded by K. John Wood, 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, September 19, 2022. I further certify that the meeting was duly called and held, and that a quorum was present.

Dated this Friday, September 30, 2022.

Melissa M. Drake, City Clerk

OURAY VOLUNTEER FIRE DEPARTMENT MONTHLY MEETING

AUGUST 08, 2022

CALLED TO ORDER AT 6:30

ATTENDANCE AND REPORTS

17 members present; 2 excused; 5 absent
The Treasurer's Report was read and approved.
Prior minutes were read and approved.

DETAILED ATTENDANCE

Present

Adam Kunz, Bumper Williams, Patrick Rondinelli, John Fedel, Craig Kaminsky, Chris Miller, Tom Fedel, Tyler Ferguson, Nathan Judd, Dack Klein, Tim Pasek, Ted Pullig, Jonatan Salazar, Michael Trahan, Dave Turner, Tom Tyler, Danny Wilbur

Excused

Max Austin, Chris Lee

Absent

Steve Duce, Chris Folsom, Kevin Koprek, Steve Martinez, Sam Tyler

OLD BUSINESS

July 3 and 4 - Treasurer Craig Kaminsky reviewed the numbers from the July 3rd event. Fire fighter Ted Pullig suggested that, next year, we have a fire fighter or two go around with the boots during the Water Fights and another on the balcony of Citizen's with the new PA system talking to the crowd between the fights, etc.

Fire fighter Tim Pasek suggested we get an added credit card reader to relieve some the of pressure on the lines.

Fire fighter David Turner thanked the department for all their work and efforts. The event was a huge success. While ticket sales were a bit lower than hoped, the visiting acts had a great time and felt everything was run incredibly well.

Parade Issues - Do not bring issues to the fire department. They need to go to the city/city council. Next year, Chief will be meeting with the Chief of Police ahead of the Fourth to walk through the day.

NEW BUSINESS

Training - between Ridgway and Ouray Fire Departments, September and October is planned to have trainings every Wednesday and every other Saturday. This should greatly help get all fire

fighters training hours up for the year. Along those lines, Chief will bring an updated training hour status for all fire fighters to the September meetings.

Attendance - We only had 2 respond to our last call. Chief reminded members that attendance at calls is required. Members were reminded that if you cannot make it to calls, you should consider resigning.

Shirts - Chief got an order of shirts but the hoodie order is still to come. Chief is going to sell half the hoodies to the city so they can sell them locally. The other half will be sold out of the Sheriff's Office with Shelly as they typically are.

Chief proposed ordering 70 duty shirts. Chief Chris Miller motioned we get new work shirts, with the old design, for the department. A motion was made to spend up to \$1000 on the shirts. The motion was seconded and passed unanimously.

Donations - SMPA donated \$200 to the department.

Fire Academy - Save the Date for the Ignacio Academy just released (September 28 through October 2). New members were encouraged to plan on attending. Chief believes the rookie track will run from Thursday through Sunday.

Communications - Captain John Fedel raised some concerns with the flow of communications on the radios across agencies. Chris Miller echoed these sentiments and noted the local FDs needed more of a say in these processes and decisions.

Officers Call Signs - Chief changed the call signs of the officers to better make them distinct from the apparatuses. The new signs are 11 - 01..06. Adam Kunz 11-01, Bumper Williams 11-02, Patrick Rondinelli 11-03, John Fedel 11-04, Chris Miller 11-05, Chris Lee 11-06.

ADJOURNED AT 7:15

Fire Department Report for September, 2022

09/27/22

Calls sign for Officers have changed with dispatch.

Adam Chief 11-01

Bumper Assistant Chief 11-02

Patrick Battalion Chief 11-03

John Captain 11-04

Chris M LT 11-05

Chris L. LT 11-06

Dack LT 11-07

Calls on report will now reflect the prior month.

08/07 Agency Assist. 2 ffs 1 hour

08/08 Fire 5 ffs 2hrs

08/12 Fire 4 ffs 1hr

08/12 Vehicle 5 ffs 1 hr

08/16 Smoke 4 ffs 1 hr

08/23 Smoke 3 ffs 1 hr

08/27 Agency Assist 2 ffs 1 hr

Public Works September 2022 Update

Water

- Water Usage Numbers for **August:**
 - Influent (Water from spring) – 53,635,840 Gallons
 - Effluent (Water to town) – 20,205,783 Gallons
 - Micro Hydro Plant – 15,828,424 Gallons
 - Mineral Farms – 219,900 Gallons
- City staff collected the fourth round of water samples for the Measurable Results Program. The Measurable Results Program systematically and scientifically measures the water quality improvement derived from the implementation of new treatment technologies funded through the SRF (State Revolving Fund). The program will monitor the Uncompahgre River and wastewater effluent prior to the new Wastewater Treatment Plant and then a similar monitoring strategy will be used after the new Wastewater Treatment Plan is operational. Data collected in both phases will be compared to determine water quality changes. The City will benefit from the water quality characterization of their receiving stream, receive all data collected and could potentially be showcased as a success story.
- Continued to monitor and sample chlorine residuals at the two entry points of the distribution system. The City has been in compliance and meeting all CDPHE requirements.
- Element Engineering has submitted 90% design plans to City Staff on September 21st 2022. We are now coordinating with Element Engineering and our CMAR contractor Moltz Construction to meet and review plans.

Sewer

- For the month of July, the City of Ouray received a compliance advisory for reported effluent violations. The violation is due to high levels of Biological Oxygen Demand (BOD). In wastewater, BOD is a measure of the amount of oxygen required to remove waste organic matter from water in the process of decomposition by aerobic bacteria (those bacteria that live only in an environment containing oxygen). Higher BOD indicates more oxygen is required, which is less for oxygen-demanding species to feed on, and signifies lower water quality. *CDPHE violation and City response is attached to report.*
- Continued Covid 19 testing in the Wastewater influent stream for CDPHE. To be in the program the City needs to pull samples twice a week. This has created approximately three hours of work a week for City staff.
- Continued to work with JVA Engineering and Aslan Construction on an updated schedule. Some heavy equipment has been delivered to the Wastewater Plant and site preparation is scheduled to begin on Wednesday September 28th 2022.
- Repaired failed aerator in Lagoon #2.
- Continued to clean head works three to four times daily.
- Continued to skim lagoons of debris as needed.

Streets

- Remove speed bumps and speed bump ahead signs from Oak St.
- Grade roads and cleaned intersections throughout town as needed.
- Watered roads throughout town as needed.
- Demo and replaced bridge over the flume in the alley of the 400 block between 4th and 5th Street.
- Cleaned up fallen rocks along Box Canyon Road.
- Worked on drainage along Oak St.
- Hauled 4 loads of brush created by the Beautification Committee and volunteers along the river walk trail.



September 9, 2022

CDPS Number: CO0043397
Ouray City of
Silas Clarke, City Admin
PO Box 468
Ouray, CO 81427

**RE: COMPLIANCE ADVISORY - REPORTED EFFLUENT VIOLATION
OURAY CITY OF, CO0043397**

To Whom It May Concern:

Colorado Discharge Permit System, Permit No. CO0043397 (Permit) authorizes Ouray City of to discharge treated wastewater subject to the specific effluent limitations of the permit. This compliance advisory is intended to advise you of alleged violations of the Colorado Water Quality Control Act.

The data provided on the Discharge Monitoring Report(s) for the above-referenced facility indicates noncompliance with the permit effluent limitations, as indicated in the attached Effluent Violation Report.

Please submit a response to this letter explaining:

- The cause of the non-compliance;
- The actions and measures you have taken or will be taking to abate the non-compliance; and,
- Any other relevant information.

Electronic correspondence is preferred. Please email your response to: jocelyn.brink@state.co.us. Please address all paper correspondence (if applicable) to the following address:

Colorado Department of Public Health and Environment
Water Quality Control Division
WQCD-B2-CWE
ATTN: Jocelyn Brink
4300 Cherry Creek Drive South
Denver, Colorado 80246-1530

The division will evaluate the facts associated with Ouray City of non-compliance, and if a formal enforcement action is deemed necessary, you may be issued a Notice of Violation / Cease and Desist Order that may include the assessment of penalties. Pursuant to §25-8-608, C.R.S., any person who violates any provision of the Colorado Water Quality Control Act, or of any permit issued under the Act, or any control regulation promulgated pursuant to the Act, shall be subject to a civil penalty of up to \$56,759 per violation for each day during which such violation occurs.

(over)



Report #: CAEVRBX004
 Created Date: March 2, 2012
 Approved By:

Colorado Department of Public Health and Environment
 Water Quality Control Division
Effluent Violation Report

Date of Report: 8/31/22

*** Query Name: Effluent Data ***

Major/Minor (Enter "Major" or "Minor") (Enter * to select all) *
 Monitoring Period End Date From: 07/01/2022
 Monitoring Period End Date To: 07/31/2022
 Enter NPDES ID: (Optional) CO0043397
 Matching NPDES ID: (Optional)
 Primary Permit SIC Code: (Optional)
 Outfalls: (Optional)
 Parameter Desc: (Optional)
 Enter Primary Permit SIC Code Not Equal to: (Optional)

Permit #: CO0043397
 Facility Name: OURAY CITY OF
 Permit Name: Ouray City of
 Permit Status: Major/Minor Ind. County Primary SIC Code Water Body: CO00003a UNCOMPAHGRE RIVER
 Admin Continued: Minor Ouray 4952

NPDES ID	Outfall	Mon Pd Start Date	Mon Pd End Date	Parameter	Rptd Value	Unit Desc	Limit Value	Stat Base Desc	% Exceed	Viol Code	NODI Code	RNC Detect Code	RNC Resolve Code
CO0043397	001B	7/1/22	7/31/22	80082 - BOD, carbonaceous [5 day, 20 C]	=103	mg/L	25	30DA AVG	312	E90			
CO0043397	001B	7/1/22	7/31/22	80082 - BOD, carbonaceous [5 day, 20 C]	=103	mg/L	40	MX 7D AV	158	E90			
CO0043397	001B	7/1/22	7/31/22	80082 - BOD, carbonaceous [5 day, 20 C]	=200	lb/d	76	30DA AVG	163	E90			

Public Works Department
Joe Coleman
970-325-7074



Colorado Department of Public Health and Environment
Water Quality Control Division
WQCD-B2-CWE
Attn: Jocelyn Brink
4300 Cherry Creek Drive South
Denver, CO 80246-1530

Dear Ms. Brink:

The City of Ouray submits this written response to the compliance advisory for Colorado Discharge Permit System, Permit No. CO0043397, dated September 9th, 2022. The compliance advisory was for non-compliance in regards to BOD, carbonaceous for the month of July 2022.

The City of Ouray has been in the design phase along with trying to secure funds to build a new mechanical wastewater treatment plant since 2018. As of today, the City has received SRF funding and is under contract with Aslan Construction. Construction is scheduled to start the week of September 26th and should be completed in the fall of 2024. With the current lagoon system, staff has limited process controls. With a new wastewater treatment plant the City of Ouray will greatly improve treatment capabilities and reliability.

If there are questions regarding this episode of noncompliance and the actions taken to rectify this error, please do not hesitate to contact me.

Sincerely,

Joe Coleman
Director of Public Works
City of Ouray
970-325-7074
colemanj@cityofouray.com

City Resources Department

October 3 2022

- Volunteers for Outdoors Colorado and Ouray Trail Group collaborated on improvements to the Perimeter Trail near Cascade Falls. This section of the trail is on City property. Stone steps were built near the kiosk at the base of the falls, switchbacks leading north were repaired, and other improvements to discourage shortcuts, which are causing erosion.
- Met with a representative from the Ouray Climbers Alliance regarding placement of an informational kiosk at Rotary Park.
- A pressure reducing valve for the restrooms has been replaced at Rotary Park.
- Trenching and electrical work at Rotary Park for installation of outlets for Christmas lights is scheduled for October.
- Branches and brush from Rotary Park tree maintenance have been removed.
- Stump grinding at Rotary Park is scheduled to begin this week. It will take approximately one week to ten days to grind the stumps. There are 31 stumps that will be ground.
- The warming hut at Rotary Park will be painted in October.
- Parks crew has been assisting Beautification Committee volunteers hauling out brush along the Uncompahgre River Trail.
- Parks staff assisted the organizer of Oktoberfest with locating tents and activities at Fellin Park.
- The section of Box Canon geothermal water line that was removed and replaced with insulated pipe near Oak Street appears to have improved water flow by approximately 20 gpm. Geothermal water continues to spill over the collection box further up the canyon. Plans to increase flow in the pipe are being discussed with engineers.
- Much work has been taking place at Lee's Ski Hill. This work includes:
 - Replacement of the tow rope with a new rope.
 - Removal of road base that had piled up against the motor house during snow plowing.
 - Re-grading the area around the motor house to improve drainage and improve safety for ski tow operators.
 - Installation of new fence around the top pulley apparatus.
 - Repair to safety stop system at top and bottom of the rope tow.
 - Painted the motor house. Cut grass and weeds on ski hill.
 - Installation of new corrugated roof panels on the motor house.
 - Straighten tow mat beneath the ropeway.
 - Install protective cover over pulley/roller mechanism at motor house.
- Carmen Brashier has been appointed to the Board of the Colorado Parks and Recreation Association. She is the Southwest Colorado representative on the board. This is the first time our region has had representation on the board.
- Three individuals are in the current lifeguard certification class at the Hot Springs.
- Hot Springs staff are working with a representative from Advanced Fitness developing a plan for a new layout and replacement of certain pieces of equipment in the Fitness Center.
- A cleaning contractor has been hired for bi-monthly cleaning of the Fitness Center. On their first visit they cleaned ½ of the gym. This week they will complete cleaning on the rest of the space. Lifeguard staff will continue daily cleaning. The contractor will perform deep cleaning on a two week schedule. This is the same cleaning contractor that services the Visitor Center.
- The State of Colorado Pool Incentive Grant season ended September 30. Funds from this grant, which required no matching funds, were used to provide each pool employee who worked through the summer with a Hot Springs Pool hoodie and a bonus of up to 80 cents per hour for each hour worked between Memorial Day and Labor Day weekends. Employees had to work the entire summer to be eligible for this grant.

- New wi-fi antennas have been installed in the Massard and San Juan rooms at the Community Center.
- What was formerly the Administrator's office downstairs at City Hall has been repainted, trim repaired, and new furniture assembled.
- Windows were washed, inside and outside, upstairs at City Hall and the Community Center.
- A window with a broken pane is being repaired in the upstairs Administrator office.
- Meeting with contractors to explore options and determine best manner to install a header in the San Juan Room for the folding door for City Council Chambers.
- The IT equipment box in one of the offices downstairs at the Visitor Center has been relocated to make more room so that office can be used as a conference room. Many holes were patched and repainted after the box was taken down.
- A new metal cover has been installed over an underground valve box near the skate park. A previous cover that had been made from plywood had deteriorated, causing a possible safety issue.
- City Resource Department staff have been working on year-end estimates for 2022 and budget preparation for 2023.
- A meeting was held at the Box Canon Falls with the contractors who are designing and constructing the platform extension on the walkway leading into the waterfall area. Concerns have been expressed from birdwatchers that this platform extension could interfere with nesting habits of Black Swift, a federally protected species.
- The last day of operation at the Box Canon Falls will be Sunday October 23. This is one week earlier than originally planned. The closing date was moved up a week to accommodate the Ice Climbing Park water line installation project.
- Beginning October 11 hours at the Box Canon Falls will be reduced to 9 am to 5 pm to accommodate shorter hours of daylight.
- Flower baskets on Main Street are scheduled for removal during the first week of October.



October 3, 2022

TOURISM & DESTINATION MARKETING REPORT

Visitor Center

- We had 4,489 guests in September
- Created a customer satisfaction survey beginning of August. 66 Responses. Please see VC Survey document for all responses.
 - Added a question "How did you hear about Ouray"
- We are looking to hire a full-time Visitor Center Coordinator and a part-time Customer Service Associate
- Had a total of \$2,680.20 in sales for the month of September

Visit Ouray

- Continuing the business spot lights once a week. August we had:
 - Twin Peaks Lodge and Hot Springs and Mountain Dog Arts. You can see the results on the "Businesses Advertised" document.
- Continuing to make sure all businesses are included on the highlights on Instagram and on our stories. A list of all businesses featured in highlights are on the "Businesses Advertised" document.
- Facebook Insights for September 1 - September 30 | 178,905 page reaches
- Instagram Insights for August 1 - August 31 | 29,494 reaches
- Added new highlight categories on Instagram: Fall
- 105 followers on TikTok
- Buildfire App data
- Currently we have 171 downloads and 41 users
- Historic Hot Springs Loop hired a photographer/ videographer to take photos and videos of the hot springs locations that gave permission:
 - Ouray Hot Springs Pool
 - Twin Peaks Lodge and Hot Springs
 - Box Canyon Lodge and Hot Springs
- Signed up for Hootsuite to help with scheduling posts for all media outlets



TOURISM & DESTINATION MARKETING REPORT

Visit Ouray Continued

- Website updates:
 - Updated the Via Ferrata page to include all routes and all businesses
- In the Media (last page of the Businesses Advertised document):
 - Channel 9 News: The Wright Opera House
 - Washington Post: Basecamp Ouray
 - Forbes: Town of Ouray
 - Travel and Leisure: Ouray Hot Springs Pool and the Wiesbaden
 - Travel + Leisure online has a UVM of 9.4M and a media value of \$17,800. This article has also been syndicated to Yahoo.
 - Travel Awaits: Ouray Ice Park | Ouray Hot Springs Pool
 - Travel Awaits has a readership of 4.5M and a media value of \$8,600.
 - We contributed Ouray Hot Springs Passes and Box Cañon Passes
 - Greg Tasker: Freelance Writer
 - Thank you to: Ouray Manor and Wine Garden, Sauvage Spectrum Wine Lounge, Full-Tilt Saloon, Ouray Hot Springs Pool, Yankee Girl Cafe, The Western Hotel and Spa, Artisan Bakery, and Kami's Sami's.
- Reimagine Destinations Program
 - Had our second core team meeting to discuss some of the results from the Tourism Stakeholder Survey
 - We had 81 responses
 - Key Takeaways:
 - Top Concerns
 - Housing cost for employees
 - Increase cost in supplies and materials
 - Hiring/ retaining Staff
 - Top Priorities
 - Encouraging responsible recreation
 - Workforce development
 - Promoting local businesses
 - Promoting our shoulder seasons



TOURISM & DESTINATION MARKETING REPORT

Visit Ouray Continued

- Bad behaviors they see in the backcountry
 - Not staying on the trails
 - Trash, human waste, and animal waste
 - Not listening to fire regulations
 - Noise
 - Congestion
- In town issues
 - Parking
 - Disrespectful customers
 - Bad backcountry behavior
- How people would like Ouray to be marketed (top to lowest response)
 - Social Media
 - Digital Ads
 - Influencers
 - No Marketing
 - Print Ads
- We will be having a workshop on October 25, 2022
 - 10 am - 4 pm
 - 30 people
 - RSVP to Kailey Rhoten at KRhoten@CityofOuray.com
 - You must be able to attend the full day
- Tourism Advisory Committee
 - Met on September 20, 2022
 - Discussed the Ouray Visitor Guide ideas and opportunities
 - Updates on wayfinding and branding
 - Will be meeting October 4, 2022 to discuss and review the LOT Fund Grant applications for the 2023 year
 - Will meet October 18, 2022 to review and discuss the Tourism Budget for 2023



TOURISM & DESTINATION MARKETING REPORT

Visit Ouray Continued

- Tangram Design will be back to Ouray November 2- November 4 to present the design phase of the wayfinding signage. There will be a community workshop for review.
- Branding with Tangram Design will be kicking off by the end of this year
 - Enhancing our Ouray logo
 - Expanding our tagline
 - Developing a Branding Standards guideline
- Tourism and Destination Marketing Director attended the Colorado Association of Destination Marketing Organization September 21, 2022
- Tourism and Destination Marketing Director attended the 2022 Colorado Governor's Tourism Conference

How satisfied were you with the Ouray Visitor Center?	How satisfied were you with the staff at the Ouray Visitor Center?	Any comments you would like to leave (good or improvements needed).	What adventure are you doing in Ouray?	How would you describe Ouray?
5	5	The advice and conversation with Kent was fantastic. I'm so grateful for your help and time. Thank you. Also thankful for the hot coffee	Camping	Stunning, hidden, wild
5	5	Super friendly staff	Hiking	GORGEOUS! Always a fun trip.
5	5	Mary was amazing!!	Camping	
5	5	Paulawas very helpful	Jeeping	Fun town!
5	5		Jeeping	Beautiful mt town
5	5		Hiking	Beautiful
5	5		Just traveling through	Lovely and beautiful
5	5		Just traveling through	Beauty at its very best!!
5	5	Great resource.	Jeeping	Great town. Lots to do and very friendly people.
5	5		Camping	Beyond awesome!
5	5		Just traveling through	Very pretty
5	5	Cindy was lovely !	Just traveling through	Awesome
5	5		Hiking	
5	5	Super friendly and helpful	Camping	Quant
5	5		Jeeping	Awesome
5	5	Very kind people	Hiking	Favorite anniversary destination
5	5	Super helpful information!!	Just traveling through	Picturesque
5	5	None	Just traveling through	Beautiful
5	5	Staff was great!	Hiking	Incredibly beautiful

How satisfied were you with the Ouray Visitor Center?	How satisfied were you with the staff at the Ouray Visitor Center?	Any comments you would like to leave (good or improvements needed).	What adventure are you doing in Ouray?	How would you describe Ouray?
5	5	Mary is an amazing person and advocate for Ouray. Very knowledgeable and kind	Hiking	Beautiful and friendly!!
5	5	Staff was great!	Hiking	Incredibly beautiful
5	5		Hiking	Beautiful
5	5	N/a	Just traveling through	Very cute
5	5		Just traveling through	
5	5		Jeeping	Gorgeous
5	5	Friendly staff. Enjoyed everyone. Made us feel welcomed.	Jeeping	
5	5		Hiking	
5	5	You are great!	Just traveling through	Awesome
5	5	Inform hikers with dog on trails not to leave poop with plastic bags on the trail	Hot Springs	Absolutely beautiful and magical
5	5		Jeeping	
5	5		Hiking	Packed with people and very scenic.
5	5	Really friendly staff.	Jeeping	Breathing challenges for Midwest folks.
5	5		Hot Springs	Paradise
5	5	Staff was very friendly, and had great information	Camping	Such a beautiful little town!
5	5	The staff was very helpful! Truly helped heighten our visit to Ouray!	Wedding	B-E-A-utiful!
5	5	Very inviting and helpful!	Million Dollar Highway	Spectacular and awe inspiring

How satisfied were you with the Ouray Visitor Center?	How satisfied were you with the staff at the Ouray Visitor Center?	Any comments you would like to leave (good or improvements needed).	What adventure are you doing in Ouray?	How would you describe Ouray?
5	5		Jeeping	Beautiful! I love it here!
5	5	The people are very friendly and knowledgeable! More postcards and pins would be fun. (Pins are an easy collectable).	Just traveling through	Small dog-friendly valley town with vintage vibes and unique art.
5	5		Jeeping	Wonderful
5	5	Your staff were the most helpful we have encounter!	Camping	Charming with huge outdoor opportunities for all
4	5	Paula was a wealth of information! She seemed to really care about our questions, and genuinely seemed to want to help us out. Thanks, Paula!	Climbing	Absolutely gorgeous!! Friendly town, peaceful place to vacation.
5	5		Hiking	Quaint and beautiful
5	5		Just traveling through	
5	5	Very helpful and informative!	Just traveling through	Wonderful town, this is our third visit.
5	5	When I entered it had a wonderful scent	Jeeping	Beautiful mountains and peaceful town
5	5	Very helpful and friendly.	Just traveling through	Gorgeous
5	5	Mary was awesome	Just traveling through	Beautimous
5	5		Hot Springs	Beautiful
5	5	Friendly and helpful staff!	Camping	A lot to see and so in this town with so much history!
5	5		Just traveling through	Beautiful
5	5		Hiking	
5	5		Camping	Picturesque
5	5		Just traveling through	Quaint

How satisfied were you with the Ouray Visitor Center?	How satisfied were you with the staff at the Ouray Visitor Center?	Any comments you would like to leave (good or improvements needed).	What adventure are you doing in Ouray?	How would you describe Ouray?
5	5	Great help!	Vacation destination	Quaint, worth exploring!
5	5	sooooo nice! soooooo informative! thank you!!!!!!!!!!!!	Camping	amazing!
4	5		Hiking	best town in colorado!
5	5	Mary rocks!!	Just traveling through	Awesome little town! Feels like home :)
5	5	Keep up the good work Patty was great	Hiking	A place you want to come back to again and again
5	5		Tourism	Beautiful
5	5	Thank you	Hiking	Very beautiful.
5	5	Everything fantastic!	I saw a video on Facebook about Dexter the Dog!	Just got here, but I am enthusiastic about exploring the area!
5	5	Excellent ideas!!	Just traveling through	Beautiful!!!
5	5		Just traveling through	Beautiful, unbelievable
5	5		Hiking	Great
5	5		Hot Springs	Lovely, but crowded
5	5	Super helpful	Just traveling through	

SHOPPING							
NAME OF BUSINESS	DATE ADVERTISED	WHERE PUBLISHED	RESULTS IG	RESULTS FB	RESULTS TT	KEY	
Columbine Mineral Shop	7.25.22	TT, IG, FB, IG Highlights	24,495 views	4,053 reached	549 views	TT = TikTok	
Ouray Bookshop	8.22.22	Highlights, TT, IG, FB	10,507 views	1715 reached	73 views	IG= Instagram	
Gator Emporium		Highlights				FB= Facebook	
Chief Ouray Trading Post		Highlights					
Twig and Feather		Highlights				*Results are after 7 days	
Little Bucket of Flowers	8.1.22	TT, IG, FB, IG Highlights	9,199 views	2,307 reached	75 views		
Ouray Mountain Sports		Highlights					
Ouray Grocery		Highlights					
The Shaggy oo		Highlights					
Khristopher's Culinaire	8.16.22	IG, FB, Highlights	5,919 reach	3,041 reached	-	Note: Didn't do video. Only photos	
Silver Lynx		Highlights					
O'Toys		Highlights					
Color and Quil		Highlights					
Mountain Fever		Highlights					

GUIDES							
NAME OF BUSINESS	DATE ADVERTISED	WHERE PUBLISHED	RESULTS IG	RESULTS FB	RESULTS TT	Notes	KEY
Ouray Via Ferrata		Highlights					TT = TikTok
Hot Springs		Highlights					IG= Instagram
Ouray E Bike Rentals		Highlights					FB= Facebook
San Juan Mountain Guides		Highlights					
Basecamp Ouray		Highlights					*Results are after 7 days
Alpine Scenic 4X4		Highlights					
Canyoning Colorado	8.29.22	Highlights, IG, FB, TT	11,287 viewers	4,097 reached	102 views	These results were only after 4 days. Posted a gallery of photos on Facebook instead of TikTok video	
Altitude Adventures		Highlights					
Switzerland of America		Highlights					
Ouray Riverside Resort Jeep Rentals		Highlights					
Ride-N Adventures		Highlights					
Ouray Mountain Adventures		Highlights					
San Juan Scenic Jeep Tours		Highlights					
Colorado West Jeeps		Highlights					

ART							
NAME OF BUSINESS	DATE ADVERTISED	WHERE PUBLISHED	RESULTS IG	RESULTS FB	RESULTS TT	KEY	
Mountain Dog Arts	9.12.22	Highlights, IG, FB, TT	9,289	8,282	100	TT = TikTok	
The Wright Opera House		Highlights				IG= Instagram	
Ouray Glassart and Pottery	8.8.18	Highlights, IG, FB, TT	13,700	2,044	81	FB= Facebook	
							*Results are after 7 days

LODGING							
NAME OF BUSINESS	DATE ADVERTISED	WHERE PUBLISHED	RESULTS IG	RESULTS FB	RESULTS TT	KEY	
Box Canyon		Highlights				TT = TikTok	
Imogene Hotel		Highlights				IG= Instagram	
Ouray Riverside Resort		Highlights				FB= Facebook	
Wiesbaden		Highlights					
Twin Peaks Lodge	9.8.22	Highlights, IG, FB, TT	11,611	4,848	385	*Results are after 7 days	
Hotel Ouray		Highlights					
Alpily Inn		Highlights					
Beaumont Hotel & Spa		Highlights					
China Clipper Inn		Highlights					
River Run Cabins		Highlights					
Timber Ridge Lodge		Highlights					
San Juan Chalet		Highlights					
4J+1+1 RV Park & Campground		Highlights					
Ouray Main Street Inn		Highlights					
Hot Springs Inn		Highlights					
St. Elmo Hotel		Highlights					

RESTAURANTS						
NAME OF BUSINESS	DATE ADVERTISED	WHERE PUBLISHED	RESULTS IG	RESULTS FB	RESULTS TT	KEY
Ouray Brewery		Highlights				TT = TikTok
Goldbelt		Highlights				IG= Instagram
Sauvage Spectrum		Highlights				FB= Facebook
Kamis Samis		Highlights				
Bon Ton		Highlights				*Results are after 7 days
Mojo's		Highlights				
Thai Chili		Highlights				
The Outlaw		Highlights				
Timber Line Deli		Highlights				
Ouray Cafe & Steakhouse		Highlights				
Imogene Hotel and Rooftop Bar		Highlights				
Brickhouse 737		Highlights				
Ouray Meat and Cheese		Highlights				
Ouray Liquors		Highlights				
Maggies Kitchen		Highlights				
Artisan Bakery & Cafe		Highlights				

HEALTH						
NAME OF BUSINESS	DATE ADVERTISED	WHERE PUBLISHED	RESULTS IG	RESULTS FB	RESULTS TT	KEY
Elevate Day Spa		Highlights				TT = TikTok
Salon Envy		Highlights				IG= Instagram
Wiesbaden Hot Springs		Highlights				FB= Facebook
						*Results are after 7 days

NAME	DATE	LOCATION	LINK	AUDIENCE	MENTIONS	HOST
Coming Soon to an American Cliff Near You: 'Via Ferrata' Routes	8/22/22	New York Times	https://www.nytimes.com/2022/08/22/travel/via-ferratas-in-america.html?utm_campaign=Colorado%20Tourism%20Office&utm_medium=email&hsmi=224385477&_hsenc=p2ANqtz-S2P2W1h7QIBOyb-DZfC-Z9kqipV3kyEOXlx2SDjYOW1QPdxCQOmbM2iefW7FnlDyROuSWoexLPPjQlm58yJ6T4AUbw&ut		Ouray Via Ferrata	
How to Plan an Epic Ice-climbing Adventure in Ouray, Colorado	8/29/22	Travel & Leisure	https://www.travelandleisure.com/trip-ideas/adventure-travel/ice-climbing-ouray-colorado		Ouray Ice Park	
Take in some world-class entertainment at 5 different opera houses in Colorado. Visit ColoradoOperaHouses.com to learn more.	9/1/22	Channel 9 News	https://www.9news.com/video/entertainment/television/programs/colorado-and-company/colorado-opera-houses-september-1-2022/73-b82cb3dd-5cb5-4e64-bc06-dc889d8f4288		The Wright Opera House	
In Colorado's San Juan Mountains, hut-to-hut hiking gets high marks	9/2/22	Washington Post	https://www.washingtonpost.com/travel/2022/09/02/colorado-backpacking-huts-rocky-mountains/?nid=top_pb_signin&arclid=YMZSLWG76JH2TN2D3ZG6V3Q55E&account_location=ONSITE_HEADER_ARTICLE		Basecamp Ouray	
10 Colorado Mountain Towns To Explore This Fall	9/12/22	Forbes	https://www.forbes.com/sites/wendyaltschuler/2022/09/12/10-colorado-mountain-towns-to-explore-this-fall/?sh=75de61866109		Ouray as a whole	
This Road Trip Route Leads to Some of Colorado's Best Hot Springs — Including Natural Riverside Pools and Vapor Caves	9/16/22	Travel and Leisure	https://www.travelandleisure.com/colorado-historic-hot-springs-loop-fall-road-trip-6666135	Travel + Leisure online has a UVM of 9.4M and a media value of \$17,800. This article has also been syndicated to Yahoo.	Ouray Hot Springs Pool Wiesbaden	
11 Luxurious And Relaxing Stops On Colorado's Hot Springs Loop	9/18/22	Travel Awaits	https://www.travelawaits.com/2804797/best-stops-hot-springs-loop-colorado/	Travel Awaits has a readership of 4.5M and a media value of \$8,600.	Ouray Ice Park Ouray Hot Springs Pool	Ouray Hot Springs Passes and Box Cañon Passes

Submit to Local Licensing Authority

Fees Due	
Annual Renewal Application Fee	\$ 50.00
Renewal Fee	750.00
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 <i>Takeout Permit</i>	\$ 500
Amount Due/Paid	\$ 1300.00

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 Ouray Brewery LLP		Doing Business As Name (DBA) Ouray Brewery	
Liquor License # 15-75245-0001	License Type Brew Pub (City)		
Sales Tax License Number 15752450001	Expiration Date 07/27/2022	Due Date	
Business Address 607-609 Main Street		Phone Number 9703181376	
Mailing Address PO Box 811, Ouray, CO 81427		Email ouraybrew@gmail.com	
Operating Manager Erin Eddy	Date of Birth	Home Address	Home Phone
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 checked="" type="checkbox"/> Yes <input checked="" type="checkbox"/> No ATTACHED OWNERSHIP CHANGE			
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

**BEAUMONT GRILL
 PO BOX 1265
 Ouray CO 81427-1265**

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 BEAUMONT FOOD SERVICE LLC		Doing Business As Name (DBA) BEAUMONT GRILL	
Liquor License # 12-89458-0000	License Type Hotel & Restaurant (city)		
Sales Tax License Number 12894580000	Expiration Date 11/01/2022	Due Date 09/17/2022	
Business Address 505 MAIN ST Ouray CO 81427		Phone Number 9703257000	
Mailing Address PO BOX 1265 Ouray CO 81427-1265		Email	
Operating Manager Jennifer Leaver	Date of Birth	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 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			

ORDINANCE NO. 10 (Series No. 2022)

AN ORDINANCE OF THE CITY OF OURAY, COLORADO, REPEALING AND REPLACING OURAY MUNICIPAL CODE SECTION 2-14-A TO RENAME THE COMMUNITY ECONOMIC DEVELOPMENT COMMITTEE (CEDC) TO THE OURAY ECONOMIC DEVELOPMENT COMMITTEE (OEDC) AND REVISE QUALIFICATIONS AND RESPONSIBILITIES OF THE COMMITTEE

WHEREAS, the Council believes it is best to revise the qualifications required for members and the responsibilities of the committee to better reflect the needs of the city; and

WHEREAS, the Council has the power to act by ordinance pursuant to City of Ouray Home Rule Charter, Article 3.5.

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

SECTION 1:

Chapter 2, Section 14, of the Code of the City of Ouray, Colorado is repealed and replaced as follows:

2-14 Ouray Economic Development Committee (OEDC)

- A At its first meeting in January, City Council shall appoint a minimum of five (5) and a maximum of nine (9) members to the Ouray Economic Development Committee (OEDC) for three (3) year staggered terms. One (1) staff liaison shall be from City management, four (4) members shall be residents of or business owners within the City of Ouray, and a maximum of two (2) additional members may reside outside the City of Ouray.
- B The OEDC shall be solely an advisory committee and its function as a City committee is limited to making recommendations to City Council and the City Administrator. Such Committee shall have no authority to enter contracts which are binding upon the City, to authorize any expenditures binding upon the City, or to otherwise take any action as a City committee. The scope of recommendations to City Council and the City Administrator shall be in the following areas.
 - 1. Development and implementation of tools to evaluate strengths and weaknesses of current economic development conditions.

2. Creation and implementation of an Economic Development Plan and economic development incentives in line with the values and guidelines of the Community Plan and broad community input.
 3. Collaborative regional economic development efforts with the Town of Ridgway, Ouray County, and Region 10.
 4. Business expansion and retention planning and related concerns expressed by the community.
 5. Administer economic development related grants as budgeted by City Council.
- 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.
- D. Any member who owns a business within the City of Ouray shall have an active business registration.
- E. At least one OEDC member shall be appointed to any Community Development Plan committee.

SECTION 2: Effective Date

The provisions of this Ordinance shall become effective thirty (30) days following publication.

SECTION 4: Savings Clause

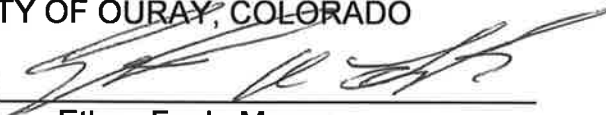
The repeal and amendment of various provisions of the Ouray Municipal Code by this ordinance shall not affect any offense or act committed, any penalty incurred, any contract, right, or duty established or accruing before the effective date of this ordinance.

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, READ, APPROVED AS INTRODUCED AND ORDERED
PUBLISHED on first reading by 5 TO 0 vote of the Ouray City Council, this 19th day of
September 2022.

CITY OF OURAY, COLORADO

By 
Ethan Funk, Mayor

ATTEST:

Melissa M. Drake
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

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. 10
(Series No. 2022), was introduced, read, passed on first reading on
SEPTEMBER 22, 2022. The Ordinance was published, by title and summary, in the
Ouray County Plaindealer on _____, 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

RECEPTION#: 197524, 04/17/2008 at 12:46:39 PM, 1 OF 44 PAGES, Total Fees: \$221.00 MICHELLE NAUER, OURAY COUNTY, CO. CLERK & RECORDER

AGREEMENT BETWEEN THE CITY OF OURAY, COLORADO AND WANAKAH LTD. PARTNERSHIP CONCERNNG THE DEVELOPMENT OF THE SILVER SHIELD PLANNED UNIT DEVEOPMENT

THIS AGREEMENT made and entered into this 7th day of April 2008, by and between the **CITY OF OURAY, COLORADO**, A Colorado Municipal Corporation (hereinafter "Ouray"), and **WANAKAH LTD. PARTNERSHIP**, a Colorado partnership (hereinafter "Wanakah"), **WITNESSETH:**

RECITALS

1. Wanakah has submitted an application for approval of the Silver Shield Planned Unit Development being a part of Wanakah Estates Subdivision, Filing No.5, located in Ouray County, Colorado (hereinafter "Silver Shield PUD").

2. Wanakah, in its application, sought and received an increase in density for the Silver Shield PUD for the purpose of providing affordable housing for year around residents, as authorized in Section 7-5, "Planned Unit Developments (PUD)" of the "Code of the City of Ouray, Colorado."

3. Wanakah has received preliminary plat approval from the City of Ouray Planning and Zoning Commission conditioned, among other things, upon the development and sale of six (6) affordable single family housing units on Lots 34, 35, 36, 46, 47 and 48, Silver Shield PUD.

4. Wanakah and the City wish to enter into this agreement to guaranty the development and sale of the Affordable Housing Units under the terms and conditions agreed to by Wanakah and the City

NOW THEREFORE, in consideration of their mutual covenants and the benefits to be received by each of them, the Parties hereto agree as follows:

I. THE OBLIGATIONS OF WANAKAH

Wanakah agrees, conditioned upon compliance by the City of its obligations under this agreement, to do each of the following:

A. Wanakah shall construct, offer for sale, and sell to Qualified Purchasers six (6) single family homes located on Lots 34, 35, 36, 46, 47 and 48, Silver Shield PUD (hereinafter the "Affordable Housing Units" or "Units"). "Qualified "Purchasers" shall be those persons meeting the requirements established in the final form of Deed Restriction and Guidelines attached hereto as Exhibits A and B, as applicable. Each Affordable Housing Unit shall be available for occupancy (except for landscaping) no later than



RECEPTION#: 197524, 04/17/2008 at 12:46:39 PM, 2 OF 44 PAGES, MICHELLE NAUER, CLERK & RECORDER, OURAY COUNTY, CO.

ninety (90) days (excluding the winter months of November through March when no construction may occur) after the City shall have presented to Wanakah a purchaser(s) for such Unit whom the City has certified is a Qualified Purchaser and who, in addition, has a pre-approval letter for conventional financing from an institutional lender and has entered into a standard purchase and sale agreement and construction contract for the Unit.

B. The City, or any housing authority it forms or any housing authority to which it is a party or participant, may purchase any of the Affordable Housing Units under the same terms and conditions established herein for purchase by Qualified Purchasers upon entering into a purchase and sale and construction contract for the same.

C. Each of the Affordable Housing Units shall be a single family residence meeting the specifications of, and following one of the floor plans contained in, Exhibit C and shall sell for the following "not to exceed" prices:

One 1000 square foot single family two bedroom residence for a price not to exceed \$233,100.

Two 1008 square foot single family two bedroom residences for a price not to exceed \$234,900.

Two 1152 square foot single family two bedroom residences for a price not to exceed \$259,900.

The sixth unit will be one of the above to be determined in the future based on demand. The "not to exceed" prices are firm for all Units for which construction has commenced prior to December 31, 2007. After that, the above prices shall be increased as follows

(1) for demonstrated increases in the costs of labor and materials upon evidence of such increases being presented to, and receipt of written approval from, the City Administrator of the City of Ouray, prior to the execution of the purchase and sale contract; and

(2) for increased land value for any Units not sold within five (5) years from the date of this Agreement, by the percentage increase (if any) in the Consumer Price Index, All Items, the U.S. City Average, All Urban Consumers, Not Seasonally Adjusted (Index Base Period 1982-84=100) (CPI-U) (or its successor index, published by the U.S. Department of Labor, Bureau of Labor Statistics) between the date of this Agreement and the date of execution of a purchase and sale contract, based on an agreed to present land value of \$95,000.00 per Unit.

D. In order to preserve both the initial and long term affordability of the Affordable Housing Units, Wanakah acting as the Declarant of a common interest community created under the Colorado Common Interest Ownership Act, C.R.S. Section 38-33.3-101 et seq. ("CCIOA") shall, for assessment purposes only, create two tiers for assessment (annual and special) for common expenses. One tier shall be for the Affordable Housing Units. The declaration of the common interest community shall contain the formula for determining the assessments for the Affordable Housing Units,

RECEPTION#: 197524, 04/17/2008 at 12:46:39 PM, 3 OF 44 PAGES, MICHELLE NAUER, CLERK & RECORDER, OURAY COUNTY, CO.

which shall be subject to review and approval of the City of Ouray prior to recordation with the Ouray County Clerk and Recorder. The formula used shall be at the discretion of Wanakah provided that it is designed to assure that such assessments do not adversely affect the permanent affordability of the Affordable Housing Units.

E. In accordance with Section 38-33.3-205 (1)(l) of CCIOA, those portions of the declaration and covenants necessary to accomplish the restrictions and classifications for assessments and to state the restrictions necessary for the Affordable Housing Units, including, without limitation, buyer income limitations, marketing to and selection of eligible buyers, sale price limitations, owners occupancy and rental limitations, shall be subject to approval by the City, and may not be amended at any time without the approval of the City; provided, however that all such provisions shall be consistent with the requirements of CCIOA.

F. Wanakah shall (in cooperation with the City) ensure the execution and recordation of the final form of Deed Restriction (prepared by the City) by each Qualified Purchaser at the time of closing for each of the Affordable Housing Units. The Deed Restriction shall be recorded in the property records of the Ouray County Clerk and Recorder subsequent to the deed conveying title to the Qualified Purchaser, and prior to the first (purchase money) deed of trust. The original Deed Restriction shall be returned to the City after recordation. Subsequent to each closing Wanakah shall provide to the City a copy of the Title Policy issued for each Affordable Housing Unit showing the Deed Restriction as an exception.

G. In the event that Wanakah shall have entered into a purchase and sale and construction contract with a Qualified Purchaser pursuant to Section I A above, and the Qualified Purchaser shall fail to complete the purchase, though no fault of Wanaka, then the City agrees that, unless the City or housing authority shall purchase the Unit under the same terms provided for in this Development Agreement, the Unit may be sold or otherwise transferred by Wanakah free and clear of the terms and conditions of Sections I A through I F of this Development Agreement.

H. In the event that Wanakah shall, in good faith, continue to offer to sell any unsold Affordable Housing Units under the terms and conditions specified in this Development Agreement, and it shall, for an initial period of sixty (60) consecutive months, and, after said initial period, during each eighteen (18) consecutive months period thereafter, receive no offers to purchase the same from Qualified Purchasers, or the City or a housing authority, then, with respect to all unsold Affordable Housing Units the provisions of Sections I A through I F of this Development Agreement shall be null, void and of no further force and effect and Wanakah may sell or otherwise transfer all of the unsold Affordable Housing Units free and clear of said provisions.

I. Wanakah, simultaneously with the recordation of a final plat (in any lot configuration) for, or commencement of development of, whichever shall first occur, the real property described in the "Option to Purchase Granted by Wanakah Ltd. Partnership

RECEPTION#: 197524, 04/17/2008 at 12:46:39 PM, 4 OF 44 PAGES, MICHELLE NAUER, CLERK & RECORDER, OURAY COUNTY, CO.

to the City of Ouray, Colorado," a copy of which is attached hereto as Exhibit D, shall execute and record said Option to Purchase for the benefit of the City.

II. THE OBLIGATIONS OF THE CITY

The City agrees, conditioned upon compliance by Wanakah of its obligations under this agreement, to do each of the following:

A. Provided that Wanakah shall have satisfied all procedural requirements and other conditions imposed thereon, the City agrees to grant final approval of the Silver Shield Planned Unit development.

B. Incident to such approval, the City agrees to waive any Investment and Building Permit Fees attributable to the development of Affordable Housing Units on Lots 34, 35, 36, 46, 47 and 48, Silver Shield Planned Unit Development, except for any Units released from Sections I A through I F pursuant to Sections I G and H of this Agreement.

C. The City agrees to adopt, by ordinance, prohibitions against over night parking on the following public rights of way: the east and west sides of North Oak Street between Silver Shield Trail and Wanakah Place; the north and south sides of Silver Shield Trail; and both sides of Hinkson Terrace between Silver Shield Trail and Wanakah Place. The ordinance may be limited to complaint based enforcement.

D. The City agrees to, on or before October 31, 2007, establish, or participate in the establishment of, a municipal or multijurisdictional housing authority, meeting all statutory requirements, and including within its jurisdiction, at a minimum, the City of Ouray, Colorado, for the purpose, among other things, of qualifying purchasers for the Affordable Housing Units and enforcing adopted Deed Restrictions.

E. The City agrees to adopt, prior to the date of availability for purchase and sale of the Affordable Housing Units, each of the following:

- (1) A form of Deed Restriction substantially in the form of Exhibit A.
- (2) Guidelines substantially in the form of Exhibit B.
- (3) Procedures for qualifying prospective purchasers in conformance with the Guidelines.

F. The reference in Section II E to Exhibits A and B, notwithstanding, it is understood and agreed to by Wanakah that the City, itself or by or through a housing authority, may, from time to time, amend the Guidelines and/or Deed Restriction to reflect then current housing needs, provided that such amendments, unless Wanakah agrees otherwise, shall at a minimum, continue to require:

- (1) That the Affordable Housing Units be occupied as a primary

RECEPTION#: 197524, 04/17/2008 at 12:46:39 PM, 5 OF 44 PAGES, MICHELLE NAUER, CLERK & RECORDER, OURAY COUNTY, CO.

residence.

(2) That priority be given to employees of the City of Ouray and the Ouray County R-1 School District; provided, however, that such employees will not be deemed disqualified to occupy the unit if they, after leaving public service, remain full time employees (minimum 1400 hours per year) in Ouray County.

(3) That one household member be a full time (minimum 1400 hours per year) employee in Ouray County.

(4) Price caps on resale of the units.

(5) That household members have no ownership interest in (or are required to dispose of) any other residential real property.

III. ASSIGNMENT OF RIGHTS IN THE EVENT OF ABANDONMENT OF THE SILVER SHIELD AFFORDABLE HOUSING PROGRAM

In the event that the City, or its housing authority or any housing authority to which it is a party or participant or the successor or designee of the City or such housing authority, to which the City has assigned its rights under this Agreement, shall abandon any and all rights to implement and enforce the Guidelines (as originally adopted or as subsequently amended) and shall abandon any and all rights to apply, implement and enforce the Deed Restrictions (as originally adopted or subsequently amended), as the same apply to all of the Affordable Housing Units, the City (or said housing authority, successor or designee) agrees to assign and convey to Wanakah, on its request, any and all rights the City, authority, successor or designee has in the Affordable Housing Units by reason of the Guidelines and /or any Deed Restrictions of record.

IV. GENERAL PROVISIONS

A. To the extent that this Agreement may be executed and performance of the obligations of the parties may be accomplished within the intent of this Agreement, the terms of this Agreement are severable, and should any term or provision hereof be declared invalid or become inoperative for any reason, such invalidity or failure shall not affect the validity of any other terms or provision hereof. The waiver of any breach of a term hereof shall not be construed as waiver of any other term nor as a waiver of a subsequent breach of this same term.

B. If any of the terms of this Agreement shall be unlawful or void for violation of (a) the rule against perpetuities or some analogous statutory provisions (b) the rule restricting restraint on alienation, or (c) any other statutory or common law rules imposing like or similar time limits, then such provisions shall continue only for the period of the lives of the current duly elected members of the City Council for the City of Ouray, Colorado, their now living descendants, if any, and the survivor of them, plus twenty one (21) years.

C. The laws of the State of Colorado shall govern the construction and

RECEPTION#: 197524, 04/17/2008 at 12:46:39 PM, 6 OF 44 PAGES, MICHELLE NAUER, CLERK & RECORDER, OURAY COUNTY, CO.

enforcement of this Agreement.

D. This Agreement shall be a burden upon and run with the property for the benefit of the parties hereto, their successors and assigns who may enforce this Agreement and compel compliance herewith through the initiation of judicial proceedings for, but not limited to, specific performance, injunctive relief, and damages. Reasonable attorneys fees and costs shall be awarded to the successful party in any litigation instituted to enforce the provisions of this Agreement.

E. Any notices, demands or requests given under this Agreement shall be in writing and shall be deemed properly given if deposited in the United States Mail, postage prepaid, and addressed as follows:

To the City of Ouray, Colorado:

City Administrator
City of Ouray
Post Office Box 468
Ouray, CO 81427

To Wanakah Ltd. Partnership:

Wanakah Ltd. Partnership
Post Office Box 1817
Ouray, CO 81427

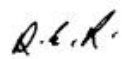
F. Any modifications of this Agreement shall be effective only if in writing executed by both parties hereto.

G. None of the rights or benefits of either party may be assigned, nor may any of the obligations of either party be delegated, without the express written consent of the other provided, however, that the City may assign and/or delegate its rights and/or obligations under this Agreement to a housing authority it forms or any housing authority to which it is a party or participant, or the successor to or assigns or designee of the City or such housing authority.

H. The parties agree to execute such further documents and take such further actions as may be reasonably required to carry out the provisions and intent of this Agreement or any agreement or document relating hereto or entered into in connection herewith.

I. Wanakah certifies that it has the full right, power and authority to and has taken all requisite actions to enter into this Agreement and carry out the obligations required to be performed by Wanakah.

IN WITNESS WHEREOF the parties hereto have executed this Agreement on the day and year above first noted.



RECEPTION#: 197524, 04/17/2008 at 12:46:39 PM, 7 OF 44 PAGES, MICHELLE NAUER, CLERK & RECORDER, OURAY COUNTY, CO.

THE CITY OF OURAY, COLORADO

By R.E. Risch

ATTEST: [Signature]

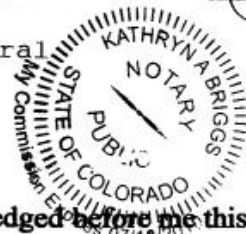
WANAKAH LTD. PARTNERSHIP

By [Signature]

ATTEST: [Signature]

Craig E. Hinkson, President of Hinkson Development Corp. as General Partner of Wanakah LTD.

STATE OF COLORADO)
) ss
COUNTY OF OURAY)



The foregoing was acknowledged before me this 10th day of April, 2008 by R.E. Risch and Rick Nell the Mayor and City Resource Mgr., respectively, of the City of Ouray, Colorado.

Witness my hand and official seal.

[Signature]
Notary Public

STATE OF COLORADO)
) ss
COUNTY OF OURAY)

The foregoing was acknowledged before me this 14th day of APRIL, 2008 by CRAIG E. HINKSON and ROLAND C. HINKSON the Officers of HDC, General Partner, of Wanakah Ltd. Partnership.

Witness my hand and official seal.

[Signature]
Notary Public



RECEPTION#: 197524, 04/17/2008 at 12:46:39 PM, 8 OF 44 PAGES, MICHELLE NAUER,
CLERK & RECORDER, OURAY COUNTY, CO.

EXHIBIT A

**CITY OF OURAY, COLORADO
OCCUPANCY AND RESALE DEED RESTRICTION
AGREEMENT AND COVENANTS
FOR SILVER SHIELD PUD AFFORDABLE HOUSING UNITS**

THIS DEED RESTRICTION is made and entered into this ____ day of _____, 200_, by _____ and _____ whose address is _____, Ouray, Colorado, 81427 (the "Declarant" or "Owner") for the benefit of the City of Ouray, Colorado, a Colorado municipal corporation, any housing authority formed by the City or housing authority to which the City is a party, the successors, assigns or designees of the City or such housing authority (the "City"):

RECITALS

WHEREAS, The Silver Shield Planned Unit Development Affordable Housing Units have been constructed to increase affordable housing opportunities within Ouray County, and

WHEREAS, the Owner, on behalf of him or herself, his or her heirs, executors, administrators, representatives, successors and assigns, desires to comply with this Deed Restriction and the affordable housing Guidelines restricting the use and sale of the Property, as hereinafter described; and

WHEREAS, it is the intent of the Declarant to preserve, through these Covenants, the affordability of the Property and to assign to the City the right to enforce compliance with these Covenants; and

WHEREAS, the Owner acknowledges and agrees that this Deed Restriction shall constitute a resale agreement setting forth terms and conditions for the resale of the Property at any time after the date of this Deed Restriction; and

WHEREAS, the Owner acknowledges that he/she has received valuable and adequate consideration for the imposition of this Deed Restriction upon the Property described below,

NOW THEREFORE, in consideration of the recitals set forth above and for value received, the sufficiency of which is hereby acknowledged, the Declarant does hereby declare and impose the following covenants on the real property identified below, which covenants shall run with and burden the Property until modified or released by the City.

RECEPTION#: 197524, 04/17/2008 at 12:46:39 PM, 9 OF 44 PAGES, MICHELLE NAUER,
CLERK & RECORDER, OURAY COUNTY, CO.

COVENANTS

1. Property Description. The following described property is hereby burdened with the covenants delineated herein:

Lot ____, Silver Shield Planned Unit Development, a common interest community, according to the Declaration of Covenants, Conditions and Restrictions for the Silver Shield Planned Unit Development recorded ____, 200__ at Reception No. ____, and according to the ____ Map for the Silver Shield Planned Unit Development recorded ____, 200__, in Plat book ____ at Page ____, Reception No. ____, County of Ouray, State of Colorado

(hereinafter "Property" or "Affordable Housing Unit").

2. Covenants a Burden. These covenants shall be a burden upon and run with the Property for the benefit of the City, its successors and assigns, who may enforce the covenants and compel compliance therewith as hereinafter provided.

3. Perpetual; Modification. These covenants are intended to be perpetual unless and until modified, amended, waived or released with the consent of the City as hereinafter provided. .

4. Requirement of Title. Compliance with the provisions of these covenants shall be deemed to be a requirement of title.

5. Definitions. The following definitions shall apply to this Deed Restriction:

(a) "*City*" or "*City of Ouray*" shall mean the City of Ouray, Colorado, any housing authority formed by the City or any housing authority to which the City is a party or participant, and the successors, assigns, or designees of the City or such housing authority.

(b) "*Family*" shall mean the spouse, children and immediate family members of an Owner. Immediate family members shall mean a person related by blood or marriage that is a first cousin or closer relative.

(c) "*Guidelines*" shall mean the affordable housing guidelines for the Silver Shield Planned Unit Development Affordable Housing Units as may from time to time be adopted by the City and in effect at the time of closing on a sale or other transfer of the Property.

(d) "*Non-Qualified Owner*" shall mean any person that does not meet the residency, employment, income or asset limitation, or other requirements in this Deed

RECEPTION#: 197524, 04/17/2008 at 12:46:39 PM, 10 OF 44 PAGES, MICHELLE NAUER, CLERK & RECORDER, OURAY COUNTY, CO.

Restriction or the Guidelines necessary to own the Property, and includes any person that originally qualified as a Qualified Owner but was subsequently rendered ineligible. Non-Qualified Owners shall be required to offer the Property for sale as provided in Paragraph 11 below.

(e) "*Owner*" means any purchaser, devisee, transferee, grantee, owner or holder of title to the Property or any portion of the Property.

(f) "*Qualified Owner*" shall mean any person or persons who meets the residency, employment, income or asset limitations, or other requirements set forth in this Deed Restriction or the Guidelines at the time of the sale of the Property to the Owner. A Qualified Owner must continue to meet all the requirements of this Deed Restriction or the Guidelines during the entire time that title to the Property is vested in the Qualified Owner.

(g) "*Transfer*" means any sale, conveyance, assignment or transfer, voluntary, involuntary, or by operation of law or judicial decree, whether by deed, contract of sale, gift, devise, bequest, trustee's sale, deed in lieu of foreclosure, court order, bankruptcy proceedings, lien foreclosure, or otherwise, of any interest in the Property, including, but not limited to, fee simple interest, a joint tenancy interest, a tenancy in common, a life estate, or leasehold interest.

6. Restrictions on Occupancy and Ownership. The Ownership of the Property is limited exclusively to a Qualified Owner and his/her family. A Qualified Owner must:

- (a) limit use and occupancy to himself/herself and his or her family; and
- (b) occupy the Property as his or her sole and exclusive place of residence; and
- (c) continue to be a full time (minimum 1400 hours per year) employee within Ouray County; or
- (d) continue full time employment with the City of Ouray or the Ouray County R-1 School District, as the case may be, if the Owner was given priority to purchase the Property based on such employment; provided, however, that a Qualified Owner will not be deemed to be disqualified on leaving public service if he or she continues to be a full time (minimum 1400 hours per year) employee within Ouray County; and
- (e) not rent or lease any part or all of the property, short or long term; and
- (f) transfer the Property only in accordance with the Guidelines and this Deed Restriction; and

RECEPTION#: 197524, 04/17/2008 at 12:46:39 PM, 11 OF 44 PAGES, MICHELLE NAUER, CLERK & RECORDER, OURAY COUNTY, CO.

- (g) not transfer the Property for use in a trade or business; and
- (h) use and occupy the Property (and permit the use and occupancy of the Property) only in accordance with this Deed Restriction, the Guidelines, and any applicable law (including zoning regulations); and
- (i) maintain the Property in a good, safe and habitable condition in all respects, except for normal wear and tear, and in full compliance with all applicable laws, ordinances, rules and regulations of any governmental authority with jurisdiction over matters concerning the condition of the Property; and
- (j) allow no mechanic's liens to be recorded against the Property; and
- (k) continue to meet all requirements of a Qualified Owner, and
- (l) continue to meet all requirements of and comply with all provisions of this Deed Restriction and applicable Guidelines.

7. Nonconforming Sale Void. In the event that the Property is sold, transferred and/or conveyed without compliance with this Deed Restriction and applicable Guidelines, such sale, transfer and/or conveyance shall be wholly null and void and shall confer no title whatsoever on the purported transferee. Each and every conveyance of the Property, for all purposes, shall be deemed to include and incorporate by this reference all terms and conditions of this Deed Restriction and applicable Guidelines, including, but not limited to, those provisions governing the sale, transfer or conveyance of the Property.

8. Maximum Sales Price. In no event shall the Property be sold for an amount ("Maximum Sales Price") in excess of the price calculated as follows:

- (a) The lesser of:
 - (i) The Original Purchase Price of the Property plus an increase in price of three percent (3%) per year from the date of purchase to the date of Owner's notice of intent to sell (simple, not compounded, and prorated at the rate of .25 percent per each whole month of any part of a year); or
 - (ii) The amount based on the Consumer Price Index, All Items, the U.S. City Average, All Urban Consumers, Not Seasonally Adjusted (Index Base Period 1982-84=100) (CPI-U), or its successor index, published by the U.S. Department of Labor, Bureau of Labor Statistics, calculated as follows: the Original Purchase Price of the Property multiplied by the CPI-U last published prior to the date of the Owner's notice of intent to sell, divided by the CPI-U as of the date of purchase (but in no event shall the multiplier be less than one);

RECEPTION#: 197524, 04/17/2008 at 12:46:39 PM, 12 OF 44 PAGES, MICHELLE NAUER, CLERK & RECORDER, OURAY COUNTY, CO.

(b) Plus:

(i) The costs of any public improvements for which assessments were imposed by any municipal special improvement district as created by or within the City of Ouray since the recordation date of the Deed Restriction; and

(ii) The costs of Eligible Capital Improvements authorized for inclusion by the Guidelines which have been approved by the City (if required by the Guidelines) and properly permitted and inspected by the City of Ouray; and

(iii) Any other costs allowed by the City pursuant to Guidelines in effect on the date of Owner's notice of intent to sell.

(c) In the event that the CPI-U is substantially changed, renamed or abandoned by the United States Government, then in its place shall be substituted the Index established by the United States government that most closely resembles the CPI-U

(d) For purposes of this Deed Restriction, "date of Owner's notice of intent to sell" shall mean the date on which written notice of intent is delivered to the City.

(e) Nothing herein shall be intended or construed to constitute a representation or guarantee by the City that the Property will be sold and purchased at an amount equal to the Maximum Sales Price. Depending upon market conditions, the condition of the Property, et cetera, the Owner may receive less than the Maximum Sale Price on resale.

(f) Owners shall not permit any prospective purchaser to assume any or all of the Owner's customary closing costs (including, but not limited to, title insurance, sales commissions, taxes, homeowners' dues or assessments, etc.), nor accept any other consideration which would cause an increase in the purchase price above the Maximum Sales Price. Owners shall pay all costs of advertising and marketing the Property for sale, including real estate sales commissions and fees paid to the City, all as may be provided in the Guidelines.

(g) If at the time of sale the Owner must pay any Deed Restriction administration fees or other fees according the Guidelines in effect at the time of sale, such fees shall be paid by the Owner to the City out of the Owner's proceeds of the sale of the Property and may not be added to the price of the Property.

(h) In the event of a violation of any terms or conditions contained herein, the Original Purchase Price upon the date of such violation shall automatically cease to increase as set out above, and shall remain fixed until the date said violation is cured.

RECEPTION#: 197524, 04/17/2008 at 12:46:39 PM, 13 OF 44 PAGES, MICHELLE NAUER, CLERK & RECORDER, OURAY COUNTY, CO.

(i) For the purpose of calculating the Maximum Sales Price, the Original Purchase Price is \$ _____ . The Original Sales Price shall include any improvements required by the developer or development approvals, or by the homeowner's association including, without limitation, any landscape and exterior improvements.

9. Limits on Refinancing. The Owner may refinance the first deed of trust so long as the total amount of refinancing does not exceed ninety-three percent (93%) of the Maximum Sales Price in effect at the time of the refinancing of the Property and the Owner complies with any refinancing requirements in the Guidelines.

10. Sole and Exclusive Residence. The Affordable Housing Unit shall be the sole and exclusive place of residence of the Owner.

(a) An Owner shall be deemed to have changed his or her residency by becoming a resident or accepting permanent employment outside the boundaries of Ouray County, Colorado, or residing in the Affordable Housing Unit for fewer than twelve (12) months per year.

(b) If at any time the Owner of the Affordable Housing Unit (or his or her spouse or any member of his family occupying the Unit) comes into ownership of any interest, alone or in conjunction with others, in any other developed or undeveloped residential property or dwelling unit (including a mobile home), such Owner shall be declared a Non-Qualified Owner and shall be required to immediately list said other property for sale and sell Owner's (or spouse's or family member's) interest in such property at a sale price comparable to like units or properties in the area in which the property or dwelling unit is located. The property shall not be transferred to any person or entity for the purpose of evading the provisions of this Paragraph. In the event such other property or unit has not been sold by Owner (spouse or family member) within one hundred eighty (180) days of its listing, then Owner hereby agrees to immediately list the Affordable Housing Unit for sale pursuant to the provisions of Paragraph 11.

11. Non-Qualified Owner. In the event that title to the Property shall vest in a Non-Qualified Owner, or the current Owner ceases to be a Qualified Owner, such person shall immediately offer the Property for sale as provided in Paragraph 12. The highest bid by a qualified purchaser of not more than the Maximum Sales Price and at or in excess of ninety-five (95%) percent of the Maximum Sales Price shall be accepted. If the Property has been listed for sale in excess of one hundred eighty (180) days and all bids are below ninety-five percent (95%) of the Maximum Sales Price, the Property shall be appraised for its current market value and any bids submitted at or in excess of ninety (90%) percent of such current market value shall be accepted. In no event shall the Property be sold in excess of the Maximum Sales Price. The cost of the appraisal shall be paid by the Non-Qualified Owner who shall join in any sale, conveyance or transfer of the Property to a

RECEPTION#: 197524, 04/17/2008 at 12:46:39 PM, 14 OF 44 PAGES, MICHELLE NAUER, CLERK & RECORDER, OURAY COUNTY, CO.

qualified purchaser and shall execute any and all documents and take all other actions necessary to do so.

12. Sale Procedures. Owner may, subject to the applicable requirements and procedures in the Guidelines in effect at the time sale is closed (which may include priority purchasers), sell the Property to another Qualified Owner. Such sale shall be subject to the following procedure:

(a) Owner must deliver written notice of intent to sell to the City prior to offering the Property for sale.

(b) The Owner may sell the Property by:

- (i) advertising and selling the Property directly to a Qualified Owner; or
- (ii) listing the Property with a real estate broker licensed to do business in the State of Colorado; or
- (iii) if the City has a program in place, offering the Property for sale through the City which will either make it available to a Qualified Owner on an existing waiting list or advertise the Property for sale on a general basis.

(c) Prior to closing of the sale of the Property any prospective purchaser must be certified in writing as a Qualified Owner by the City in accordance with the Guidelines.

(d) In addition, at closing the Qualified Owner shall execute and record a form of Deed Restriction prepared by the City and meeting the requirements of the Guidelines.

(e) The provision so of subparagraphs 8 (d), (e), (f) and (g) above shall also apply.

13. City's Right to Purchase. In order to preserve the affordability of the Property, upon receipt of a notice of intent to sell, the City shall have the right to purchase the Property at the Maximum Resale Price calculated as described in Paragraph 8.

(a) If the City elects to purchase the Property, it shall exercise the Purchase Right by notifying the Owner, in writing, of such election, within thirty (30) days of the receipt of the notice of intent to sell, or the Purchase Right shall expire. Having given such notice, the City may either proceed to exercise the Purchase Right directly by purchasing the Property, or may assign the Purchase Right to a Qualified Purchaser. In either case, the City or its assignee shall enter into a contract to purchase the property within seven (7) days of exercising the Purchase Right. The purchase (by the City or the City's assignee) must be completed within sixty (60) days of the City's notice of exercise of the Purchase Right or the Owner may sell the Property as described in Paragraph 12. The time permitted for the completion of the purchase may be extended my mutual written

RECEPTION#: 197524, 04/17/2008 at 12:46:39 PM, 15 OF 44 PAGES, MICHELLE NAUER, CLERK & RECORDER, OURAY COUNTY, CO.

agreement of the Owner and the City.

(b) If the Purchase Right has expired or if the City or its assignee has failed to complete the purchase within the 60-day period allowed, the Owner may sell the Property according to Paragraph 12 for no more than the Maximum Sales Price.

14. Default in Mortgage Payments; Taxes; Assessments

(a) It shall be a violation of this Deed Restriction for Declarant to default in payments or other obligations due or to be performed under a promissory note secured by a deed of trust or other security instrument encumbering the Property subject to these covenants; default in the payment of real property taxes; default in obligations to the homeowners' association for general or special assessments; or allow the recordation of a lien. Declarant must notify the City in writing of any notification received from a lender of past due payments or default in payment or other obligations due regarding the Property, or to be performed under a promissory note secured by a deed of trust or other security instrument (or notification received from the County Treasurer, homeowners' association or lienor, as the case may be) within five (5) calendar days of Declarant's notification of said default or past due payments.

(b) Upon notification from Declarant, the City may require Declarant to sell the Property to avoid commencement of any foreclosure, tax sale or lien collection proceedings against the Property. In the event that the City determines that sale of the Property is necessary, Declarant shall immediately offer the Property for sale according to the provisions of Paragraph 12.

15. Foreclosure Proceedings; Deed in Lieu; City's Option to Purchase

(a) Every person or entity to whom or to which a public trustee's deed has been issued or a deed in lieu of foreclosure has been given for the Property shall immediately give the City notice of the same at the place and in manner provided herein for notices.

(b) Upon receipt of such notice, the City shall have the option to acquire the Property within sixty (60) days after receipt by the City of the notice of the issuance of the public trustee's deed or deed in lieu of foreclosure, as applicable. The City may either exercise this option directly by purchasing the Property or may assign any and all rights and interest in the option, in its sole discretion. The purchase price shall be: (i) in the case of a foreclosure, the redemption price on the last day of all statutory redemption periods and any additional reasonable costs incurred by the holder during the option period which are directly related to the foreclosure, or (ii) in the event of a transfer in lieu of foreclosure, the amount paid, or the amount of debt forgiven, by the transferee plus the reasonable costs incurred by the transferee with respect to the acquisition of such Property.

RECEPTION#: 197524, 04/17/2008 at 12:46:39 PM, 16 OF 44 PAGES, MICHELLE NAUER, CLERK & RECORDER, OURAY COUNTY, CO.

(c) If notice of the issuance of a public trustee's deed or receipt of a deed in lieu of foreclosure is not given, this Deed Restriction shall remain in full force and effect, the Property shall retain its restricted status, and only Qualified Owners may acquire an interest in the Property. In the event any person or entity who is not a Qualified Owner acquires an interest in such Property by foreclosure sale or deed in lieu, the Property shall be sold to a Qualified Owner as provided in Paragraph 11.

(d) If notice of the issuance of a public trustee's deed or receipt of a deed in lieu of foreclosure is given and the City or its assignee has not exercised the option to purchase then this Deed Restriction shall terminate and the City shall cause to be recorded in the records of the Office of the Ouray County Clerk and Recorder a release of the Deed Restriction affecting the Property.

16. General Provisions

(a) The Property is held and hereafter shall be held, conveyed, hypothecated, encumbered, and occupied subject to these covenants, conditions, restrictions and limitations. All of the herein stated covenants, conditions, restrictions and limitations are intended to constitute both equitable servitudes and covenants running with the land.

(b) Any purchaser or transferee of the Property or any portion or interest in the Property, by acceptance of a deed therefore, or by the signing of a contract or agreement to purchase the same shall, by acceptance of such deed or by signing of such contract or agreement, be deemed to have consented to and accepted the covenants, conditions, restrictions and limitations set forth here.

(c) This Covenant is prior and superior to the Owner's right of a homestead exemption under Article XVIII, Section I of the Colorado Constitution and under Part 2, Article 41, Title 38 of the Colorado Revised Statutes or any successor statutes. The Owner waives his or her homestead right to the full extent that it may conflict with or impair the City's rights and remedies under this Covenant.

(d) Notice to the City shall be given in writing and delivered in person or mailed, by certified or registered mail, return receipt requested, to the City Administrator at the address set forth below, or such other address designated by the City by like notice:

City Administrator
City of Ouray
320 Sixth Street
Post Office Box 468
Ouray, CO 81427

Notice to the Declarant shall be given in the same manner at the address given below.

RECEPTION#: 197524, 04/17/2008 at 12:46:39 PM, 17 OF 44 PAGES, MICHELLE NAUER, CLERK & RECORDER, OURAY COUNTY, CO.

(e) If any provisions of this Covenant shall be held by a court of proper jurisdiction to be invalid, illegal or unenforceable, the remaining provisions shall survive and their validity, legality or unenforceability shall not in any way be affected or impaired thereby.

(f) The provisions of this Covenant shall be interpreted so as to avoid speculation on the Property and to insure to the greatest extent possible that its purchase price remains affordable in perpetuity.

(g) This Deed Restriction and every related document are to be governed and construed in accordance with the laws of the State of Colorado. Venue for any legal action arising from this Deed Restriction shall be in Ouray County, Colorado.

(h) Except as otherwise provided herein, the provisions and covenants contained herein shall inure to and be binding upon the heirs, successor and assigns of the parties.

(i) No claim or waiver, consent or acquiescence with respect to any provision of this Deed Restriction shall be valid against any party hereto except on the basis of written instrument executed by the parties hereto. However, the party for whose benefit a condition is inserted herein shall have the unilateral right to waive such condition, provided that such waiver is in writing.

(j) Modifications to this Deed Restriction shall be effective only when made by writings signed by both parties and recorded with the Clerk and Recorder of Ouray County.

(k) The City of Ouray may assign any and all rights and interests it has in this Deed Restriction to a housing authority formed by it or a housing authority to which it is a party or participant, or any successor, assignee or designee of the City or such housing authority.

(l) If any of the terms, covenants, conditions, restrictions, uses, limitations or options created by this Deed Restriction shall be unlawful for violation of: (i) the rule against perpetuities or some analogous statutory provisions, (ii) the rule restricting restraints on alienation or (iii) other statutory or common law rules imposing like or similar time limits, the such provisions shall continue only for the period of the lives of the currently elected members of the City Council for the City of Ouray, their now living descendents, if any, and the survivor of them, plus twenty-one (21) years.

(m) There is hereby reserved to the City any and all remedies provided by law for violation of this Deed Restriction or any of its terms, including specific performance or a mandatory injunction requiring the sale of the Property by Declarant. In the event the City resorts to litigation with respect to any provision of this Deed Restriction the prevailing party shall be entitled to recover damages and costs, including reasonable attorney's fees.

RECEPTION#: 197524, 04/17/2008 at 12:46:39 PM, 19 OF 44 PAGES, MICHELLE NAUER, CLERK & RECORDER, OURAY COUNTY, CO.

EXHIBIT B

CITY OF OURAY, COLORADO GUIDELINES FOR THE AFFORDABLE HOUSING UNITS IN THE SILVER SHIELD PLANNED UNIT DEVELOPMENT

Section 1. Purpose and Applicability

The purpose of these Guidelines is to provide a comprehensive and consistent set of provisions that apply to the Affordable Housing Units provided in the Silver Shield Planned Unit Development, Ouray County, Colorado.

Section 2. Household Qualifications

The Silver Shield Affordable Housing Units may be sold to and purchased only by persons who are members of Qualified Households. To be considered a "Qualified Household" under these Guidelines the following criteria must be met:

A. One member of the household must be (or has been hired to be) a full time employee of the City of Ouray, Colorado, or the Ouray County R-1 School district: OR

B. All of the following criteria must be met:

(1) The number of people in the Household must be appropriate for the Unit size; and

(2) At least one (1) individual member of the Household demonstrates at least 1400 hours of employment in Ouray County during the twelve (12) calendar months immediately prior to the date of application to purchase; OR one (1) individual member must be elderly or disabled and have been a full time employee (1400 hours per year) in Ouray County a minimum of five (5) years immediately prior to his or her retirement or disability; and

(3) The Household Income shall not exceed \$75,000 (138% of the current Area Median Income ("AMI") for Ouray County); and

(4) The Household Net Assets shall not exceed two and one half (2 ½) times the Original Purchase Price of the Unit. All Household members' assets shall be included in the determination of Household Net Assets. Any member of a Household who has assigned, conveyed, transferred or otherwise disposed of assets within the previous two years without fair consideration in order to meet the net asset limitation shall be ineligible.

RECEPTION#: 197524, 04/17/2008 at 12:46:39 PM, 20 OF 44 PAGES, MICHELLE NAUER, CLERK & RECORDER, OURAY COUNTY, CO.

Section 3. Household Application Process and Verification

A. Applications for qualification under these Guidelines shall be made to the City of Ouray or any housing authority designated by the City to accept and process applications. The City or housing authority may request any combination of documents reasonably related to proof of residency, income, assets and employment or compliance with other qualifications established under these Guidelines. The adult Household members shall sign a release of information so that the City or housing authority may obtain required information. The application shall contain a sworn statement that the information contained in an application is true and correct to the best of the applicant's knowledge.

B. No member of the Household shall have any interest, alone or in conjunction with others, in any developed or undeveloped residential property or dwelling unit (including a mobile home) within Ouray County, Colorado. In the event that a Household member has an interest in such residential property outside of Ouray County he or she shall be required, at the time of closing on an Affordable Housing Unit, to enter into an agreement with the City of Ouray, satisfactory to the City Attorney, which requires, at a minimum, that the out of county property be listed for sale immediately at the time of closing on the Unit and further that in the event that the out of County property is not sold within one hundred and eighty (180) days that the Affordable Housing Unit be sold. The terms and conditions of such agreements shall be determined by the City Attorney in his or her sole discretion.

C. Any material misstatement of fact or deliberate fraud by members of the Household in connection with any information supplied shall be cause for immediate expulsion from the application process and/or forced sale of the Affordable Housing Unit.

D. The Deed Restriction requires that all owners of Silver Shield Affordable Housing Units remain qualified on an on-going basis. The City or it housing authority may perform random audits and investigate any complaint or reports of non-compliance. The City or its housing authority may require at any time that a Household verify within seven (7) days of a request that the Household continues to meet the qualifications for ownership and occupancy of the Unit.

E. All personal and financial information provided pursuant to this section shall be kept confidential, except as follows:

(1) Signed contracts, including but not limited to, Contracts to Purchase, Deed Restrictions, any document recorded on the sale of a Unit, and any other document that would customarily be a matter of public record in the property records of Ouray County;

(2) The names and lottery positions of all persons who have participated in any lottery held under these Guidelines;

RECEPTION#: 197524, 04/17/2008 at 12:46:39 PM, 21 OF 44 PAGES, MICHELLE NAUER, CLERK & RECORDER, OURAY COUNTY, CO.

(3) Any other information which a court of competent jurisdiction rules must be released under the Freedom of Information Act or the Colorado Open Records Act;

(4) Any information provided to any person or entity undertaking an independent audit of the records kept under these Guidelines, provided such person or entity agrees to be subject to this confidentiality provision; and

(5) Any disclosures as are necessary with respect to any litigation, enforcement or other legal proceedings.

F. The City or its housing authority may establish a lottery procedure if necessary to establish a process for offering units for sale when the number of qualified applicants at any one time exceeds the available Units. Such lottery shall incorporate any priorities established in these Guidelines or Deed Restrictions.

G. The City or its housing authority may, but is not required to, consider requests for exceptions from the requirements of these Guidelines as provided in Section 8. In the event an exception is granted, the City or housing authority may require a written agreement, approved by the City Attorney, which shall include such terms, security, conditions, and remedies, as the City may require in its sole discretion, including, without limitation, measures to ensure compliance with any conditions of any such exception.

H. The City or its housing authority may establish audit procedures to ensure continuing compliance with the eligibility requirements for ownership of the Unit.

Section 4. Sale and Resale of Units

A. Housing Units shall be sold in accordance with the Deed Restriction, these Guidelines, and any other applicable priority, wait list, lottery, or other sale or selection procedures established by the City or its housing authority.

B. The sale price of the Unit shall be calculated according to the Deed Restriction. This sale price shall be the only exchange of anything of value between the parties to, and for, any sale of a Housing Unit. Any transfer or receipt of anything of value in addition to or outside of the of the allowed sale price shall invalidate the sale. The City or its housing authority may require, at closing, that each buyer and seller execute an affidavit in which all parties state, under oath, that no consideration other than the purchase price stated on the closing documents will be, or has been, paid or received for the transfer of ownership of the Unit. In the event that the City or its housing authority shall establish that a transfer has occurred in violation of this section, it shall have all remedies in law or equity to enforce the same, including a judicial declaration that the transfer is null, void and of no force and effect.

C. Notice of intent to sell a Unit must be given in writing to the City or its housing authority no later than thirty (30) days prior to a sale. Seller shall provide a copy of any

RECEPTION#: 197524, 04/17/2008 at 12:46:39 PM, 22 OF 44 PAGES, MICHELLE NAUER, CLERK & RECORDER, OURAY COUNTY, CO.

sales contract to the City or its housing authority. Sellers shall consult with the City or its housing authority to obtain the most current information relative to sale procedures and to verify the Maximum Sales Price. The City or its housing authority shall prepare the Deed Restriction; and Seller shall authorize the City or its housing authority to review conveyance documents prior to closing.

D. Each new purchaser of an Affordable Housing Unit must execute a Deed Restriction prior to or simultaneously with the closing. Should an Affordable Housing Unit be sold for less than its Maximum Sales Price, the actual sale price shall become the new Original Purchase Price. The Deed Restriction shall be recorded subsequent to the Deed and prior to the first Deed of Trust and the original executed and recorded Deed Restriction shall be returned to the City or its housing authority for its records. Subsequent to closing, the City or housing authority shall be provided with a copy of the title commitment for the Unit showing the Deed Restriction as an exception.

E. At closing the seller, except when the seller is the City, its designee, or a housing authority, shall pay to the City or its housing authority a fee equal to one percent (1%) of the sales price. Seller shall instruct its closing company to pay the City out of funds at closing.

F. If required, lenders who are beneficiaries of any Deed of Trust must execute, in connection with the sale of a housing Unit, an Option to Purchase prepared by the City and granting to the City or its housing authority an option to purchase the Unit in the event of a foreclosure.

G. The City or its housing authority may consider requests from institutional lenders for a form of Option to Purchase on foreclosure with terms different from that in the standard form of Deed Restriction which requests may be granted or not in the City's or housing authority's sole discretion.

H. Any co-ownership interest other than joint tenancy or tenancy in common among parties who are qualified owners and intend to occupy the Unit must be approved by the City or its housing authority.

I. An exception to these Guidelines may be granted to Co-signers who are not qualified owners but whose participation is required to obtain financing, if:

(1) The City or its housing authority receives a letter from an institutional lender on behalf of a borrower stating:

- (i) the co-borrower's name and relationship to the qualified owner(s); and
- (ii) a co-borrower is necessary for the qualified owner(s) to obtain financing to purchase the Unit; and

(iii) it is necessary that the co-borrower be listed on the title to the Unit.

(2) And the qualified owner(s) and co-borrower execute a contract with the City

RECEPTION#: 197524, 04/17/2008 at 12:46:39 PM, 23 OF 44 PAGES, MICHELLE NAUER, CLERK & RECORDER, OURAY COUNTY, CO.

or its housing authority which provides that, in the event the qualified owner(s) defaults or is otherwise required to sell the Unit, the co-borrower will not occupy the Unit and will sell the Unit as required in the Deed Restriction as in the case of a Non-Qualified Owner.

J. The City or its housing authority retains the right, on any resale of a Unit, to change or amend the Deed Restriction or substitute a new Deed Restriction for that of record, in its sole discretion.

Section 5. Priority for City and School District Employees.

In all application, sales, wait list, lottery and other procedures established by the Deed Restriction and these Guidelines there shall be awarded an automatic priority to current or potential (hired but not yet working) full time employees of the City of Ouray, Colorado and the Ouray County R-1 School District. In the event that there shall be more than one applicant eligible for this priority, the successful applicant shall be chosen by lottery.

Section 6. Prohibition Against Rental.

An Affordable Housing Unit may not be leased or rented, in whole or in part, short or long term. Provided, however, that this prohibition shall not prevent the City of Ouray or its housing authority from leasing or renting a Unit prior to its resale in the event that the City or housing authority shall have acquired title as provided in the Deed Restriction.

Section 7. Eligible Capital Improvements

A. The term "Eligible Capital Improvements" as used the Deed Restriction shall mean fixtures erected as a permanent improvement to real property or a nonrecurring expense for physical improvements that provide a long-term upgrade or improvement to the Unit and does not include costs associated with ordinary maintenance and repair of the Unit. All Eligible Capital Improvements must require issuance of a City permit, such as a building permit. In addition, Eligible Capital Improvements shall include only the following:

- (1) Improvements or fixtures erected, installed or attached as permanent, functional, non-decorative improvements.
- (2) Improvements for energy and water conservation.
- (3) Improvements for the benefit of seniors and the disabled.
- (4) Improvements for health and safety.
- (5) Improvements to add or finish permanent/fixd storage space.
- (6) Improvements to finish unfinished space.

RECEPTION#: 197524, 04/17/2008 at 12:46:39 PM, 24 OF 44 PAGES, MICHELLE NAUER, CLERK & RECORDER, OURAY COUNTY, CO.

- (7) The cost of adding concrete patios and any extensions thereto.
- (8) Improvements associated with green building

B. The term "Eligible Capital Improvements" as used in the Deed Restriction shall not include:

- (1) Landscaping.
- (2) Jacuzzis, saunas, steam showers and other similar items.
- (3) Upgrades or additions of decorative items, including lights, window coverings and other similar items.
- (4) Upgrades of appliances, plumbing and mechanical fixtures, carpet, floor coverings and other similar items included as part of the original construction or improvements or repairs needed to maintain existing fixtures, appliances, plumbing and mechanical fixtures, painting and other similar items, unless replacement is energy efficient or for safety or health reasons

C. All Eligible Capital Improvements must conform to any prohibitions, limitations or authorizations required by any covenants or homeowner' rules and regulations applicable to the Unit.

D. The cost of Eligible Capital Improvements authorized for recovery at resale shall not exceed five (5)% of the Original Purchase Price of the Unit.

E. The costs of all eligible capital improvements shall be documented and shall not include owner "sweat equity." In addition all such improvements must comply with applicable building codes, have received required building permits and have been issued a certificate of occupancy, if required.

F. Any owner may submit proposed Eligible Capital Improvements for pre-approval by the City or its housing authority.

G. The City or its housing authority has the right to inspect the Unit to ensure that claimed Eligible Capital Improvements have been made.

Section 8. Exceptions, Appeals and Grievances

A. Definitions. The following definitions shall apply to this Section 8.

(1) Exception: Except as otherwise set forth herein a request for an exception to the standards and requirements of the Guidelines may be appropriate when the applicant understands and acknowledges the criteria and believes there exists a legitimate and compelling reason why the applicant should be exempt from such criteria or allowed a modification of the criteria. Exceptions to the Guidelines, if made, are granted on a case by case basis and do not constitute binding precedent.

RECEPTION#: 197524, 04/17/2008 at 12:46:39 PM, 25 OF 44 PAGES, MICHELLE NAUER, CLERK & RECORDER, OURAY COUNTY, CO.

(2) Appeal: An appeal is appropriate when the applicant understands and acknowledges the criteria and believes that the criteria have been applied incorrectly to the applicant.

(3) Grievance: A grievance is any dispute that arises with respect to an action or failure to act in accordance with an individual's rights, duties, welfare or status.

B. General Provisions.

(1) An applicant must elect among and select only one of the three types of applications available. The procedures are in the alternative and each applicant shall be limited to only one of the three procedures provided for herein.

(2) All applications shall be heard by the Board of Directors of the City's housing authority. In the event that no such housing authority shall be in existence at the time an application is made, the same shall be heard by the City Administrator of the City of Ouray following the same procedures established herein for the housing authority.

C. Exception Procedure.

(1) A Request for an Exception must be presented in writing to the housing authority and include:

- (i) Verification that the applicant has fully completed the application process.
- (ii) The particular grounds upon which it is based.
- (iii) The action or remedy requested.
- (iv) The name, address, telephone number of the applicant and the same information with respect to the applicant's representative, if any.
- (v) Proof of notification to the applicant's homeowners' association if required.
- (vi) An exception procedure fee of \$25.00.

(2) A request for an exception will be reviewed by the housing authority staff for completeness and forwarded to the housing authority with a written staff recommendation. The exception application review shall be scheduled for the next regular meeting of the housing authority

(3) Following the meeting of the housing authority, it shall issue a decision in writing. In making its decision the housing authority shall consider the following policies, standards and criteria:

- (i) The general goal of the housing program covered by these Guidelines is to provide housing for persons who make a living from employment

RECEPTION#: 197524, 04/17/2008 at 12:46:39 PM, 26 OF 44 PAGES, MICHELLE NAUER, CLERK & RECORDER, OURAY COUNTY, CO.

within the boundaries of Ouray County and their families. This is accomplished primarily by regulating the occupancy and sale of the Units covered by the Guidelines to "Qualified Households" as defined herein.

Any exception granted must promote the overall policy of promoting affordable housing for those living and working in Ouray County.

(ii) Certain elements of the program also limit eligibility for ownership or occupancy to Qualified Households that meet specific economic tests which include both Household Income and Household Net Assets. Such tests of economic means are intended to promote economic diversity within the City of Ouray.

(iii) The Housing Units covered by these Guidelines are subject to price limitations for sale and resale. These limitations are intended to insure affordability for both the current Household occupying the Housing Unit and for the long term affordability of the Housing Unit in the future as part of the overall housing program of the City of Ouray.

(iv) These Guidelines are intended to provide for clear, fair and consistent administration of the housing program. It is recognized that there are individual Households that may not fit clearly within the specific provisions of the Guidelines but still meet these general policy goals. It is for these cases that the exception procedures have been established.

D. Appeal Procedure

include: (1) An Appeal must be presented in writing to the housing authority and

(i) Verification that the applicant has fully completed the application process.

(ii) The particular grounds upon which it is based.

(iii) The action or remedy requested.

(iv) The name, address, telephone number of the applicant and similar information of the applicant's representative, if any.

(v) Proof of notification to the applicant's homeowners' association, if required.

(vi) An appeal procedure fee of \$25.00.

(2) All appeals shall be reviewed by the housing authority staff for completeness and forwarded to the housing authority with a staff recommendation.

(3) The appeal shall be scheduled for the next regular meeting of the housing authority. The applicant is entitled to present evidence in support of the appeal. The housing authority shall, upon consideration the evidence, issue a decision in writing. The determination of the housing authority shall be final.

RECEPTION#: 197524, 04/17/2008 at 12:46:39 PM, 27 OF 44 PAGES, MICHELLE NAUER, CLERK & RECORDER, OURAY COUNTY, CO.

E. Grievance Procedure

(1) A Grievance must be presented in writing to the housing authority and include:

- (i) The grounds upon which it is based.
- (ii) The action or remedy requested.
- (iii) The name, address, telephone number of the applicant and similar information of applicant's representative, if any.
- (iv) A grievance procedure fee of \$25.00.

(2) The grievance hearing shall be scheduled for the next regular meeting of the housing authority. The applicant shall be afforded a fair hearing providing the basic safeguards of due process, including notice, an opportunity to present oral and documentary evidence, and the right to be represented by counsel. The hearing shall be recorded, and oral and documentary evidence may be received, all without strict compliance with the Colorado Rules of Evidence. The hearing shall be conducted by the chair/president of the housing authority who may prohibit, allow or allow with limitations the right to cross examine witnesses, as may be required for a fair hearing. If the applicant fails to appear, the housing authority may continue the hearing, or make a determination based upon the evidence submitted. Based on the record of the proceedings, the housing authority shall make its decision in writing, including findings in support thereof. The determination of the housing authority shall be final.

Section 9. Amendments

These Guidelines may be amended from time to time by the City Council of the City of Ouray, Colorado. Upon receipt of a proposed amendment, the City Council shall conduct a public hearing on the same and either adopt, adopt with amendments or reject the proposed amendment. Adoption of any amendment shall be in the form of a written resolution.

Section 10. Definitions

The following definitions shall apply in these Guidelines:

Affordable Housing Unit or Unit. The single family units located on Lots 34, 35, 36, 46, 47 and 48 of the Silver Shield Planned Unit Development, Ouray County, Colorado.

Area Median Income (AMI). The Area Median Income reported annually for single person or household of various sizes by the United State Department of Housing and Urban Development, or any successor United States governmental department, agency or instrumentality, reported for the statistical area which includes Ouray County.

RECEPTION#: 197524, 04/17/2008 at 12:46:39 PM, 28 OF 44 PAGES, MICHELLE NAUER, CLERK & RECORDER, OURAY COUNTY, CO.

Assets. Anything which has tangible or intangible value, including property of all kinds, both real and personal. Assets are valued at their current fair market value, not accounting book value.

Co-signer. A joint signatory on a promissory note whose obligations are the same as those of the primary borrower.

Deed Restriction. A recorded contract and covenant between a qualified owner(s) and the City of Ouray or its housing authority establishing, *inter alia*, qualifications and conditions for the ownership, use, occupancy and resale of an Affordable Housing Unit.

Disabled Person. A person who meets the definition of "individual with a disability" contained in 29 U.S.C. Section 705(20) and/or as defined in the Americans with Disabilities Act of 1990. Federal laws currently define a person with a disability, in part, as "Any person who has a physical or mental impairment that substantially limits one or more major life activities; has a record of such impairment; or is regarded as having such an impairment."

Elderly. A person who has attained full retirement age as established for that person by the United States Social Security Administration.

Fixture. A tangible thing which previously was personal property and which has been attached to or installed on land or a structure thereon in such a way as to become part of the real property.

Household. All individuals who will be occupying the Unit and who are authorized to occupy the Unit under the terms of the Deed restriction.

Household Income. Combined gross income of the Household. Reductions to the gross income for business expenses can be made for persons who are self-employed.

Household Net Assets. Gross Household assets less gross Household liabilities.

Housing Authority. Any housing authority formed by the City of Ouray under the laws of the State of Colorado, or such housing authority to which the City is a party, or participant, or the successors, assigns or designees of such housing authority.

Institutional Lender. Any bank, saving and loan association, or any other institutional lender which is licensed to engage in the business of providing purchase money mortgage financing for residential property.

Section 11. Enforcement

These Guidelines shall be deemed a part of and incorporated by reference into any
Page 10

RECEPTION#: 197524, 04/17/2008 at 12:46:39 PM, 29 OF 44 PAGES, MICHELLE NAUER, CLERK & RECORDER, OURAY COUNTY, CO.

Deed Restriction of record. A violation of any Guideline may be enforced, *inter alia*, as a violation of the Deed Restriction and, in the event of a violation, the City or its housing authority shall have any and all remedies provided for therein.

Page 11

UNOFFICIAL
DOCUMENT

RECEPTION#: 197524, 04/17/2008 at 12:46:39 PM, 30 OF 44 PAGES, MICHELLE NAUER, CLERK & RECORDER, OURAY COUNTY, CO.

WELLS FARGO

RESIDENTIAL SPECIFICATION

EXHIBIT C

Owner H&F

Contractor H&F CONSTRUCTION

Property Address AFFORDABLE SPECS.

City _____

Check applicable items and fill in the blanks as required.

1. Finished Square Footage

Basement	_____
Main Level	_____
Upper Level	_____
Total	<u>1120 - 1320</u> S.F.

2. Soil Testing

Open Hole Expansive % _____

Core Testing Non-expansive

Soil Type: _____

3. Foundation

Engineered Caissons Dia: _____ Depth _____

Spread Footings Size 10" x 22"

Monolithic Structural Slab

Other _____

Foundation Wall

Concrete 6" TCF 45" #4/20CY, 3 ROWS HOR.

Masonry _____

Wood _____

Damp proofing _____

Window Well

Metal _____

Concrete _____

Timber _____

Insulation R-Value 20-30

Perimeter Foundation Drain

4" Rigid Pipe (interior exterior)

4" Flexible Pipe (interior exterior)

Radon Mitigation UNDER SLAB

Concrete Flatwork (PSI, Thickness, Size, Reia.) -Identify for each item.

Basement Slab 4" 4000 psi, Radmat, 6-6-10-10 MESH w/FIBER

Garage Slab 6"-4000 psi, #4-24" O.C. BW, FIBER

Sidewalks/Patio _____

Driveway _____

Concrete _____

Asphalt Paving _____

Gravel _____

Other _____

Utilities

Public Water _____

Public Sewer _____

Well _____

Septic _____

Electric Overhead or Buried

Natural Gas _____

Telephone _____

Cable TV PREWIRED SAT.

Propane _____

7. Exterior Walls and Framing (Describe)

2x4 @ _____ O.C.

2x6 @ 24" O.C.

Insulation R-Value 20 Type Blown CELL.

Wall Sheathing (Specify) OSB

House Wrap TYVEK

Floor Joists 9 1/2" @ 16" O.C. TJI-210

Floor Decking (Size) 3/4" T&G FULL FACE PL

Basement Floor Joists @ _____ O.C.

Basement Floor Decking (Size) _____

Wood Siding (SOME MODELS)

Hardboard Siding _____

Cementous Siding (SOME MODELS)

Metal Siding _____

Vinyl Siding _____

Siding Exposure _____

Stucco _____

Synthetic Stucco/Foam Thickness _____

Brick Veneer _____

Log Home Package _____

R-Control Insulated Panel _____

Glass Block (Size) _____

Exterior Trim (Specify) WOOD OR FIBER CEM.

Decks _____

Other CONC. PATIO MIN. 10'x12'

8. Exterior Paint/Stain

Manufacturer BENJ. MOORE

Paint ACRYLIC LATEX

Stain _____

Other _____

9. Roofing (Describe)

Engineered Trusses @ 24" O.C.

Rafters @ _____ O.C.

Roof Sheathing (Size) 5/8" CDX PLYWOOD

Insulation R-Value R-50

Roofing Felt 30# OR EQUAL

Composition Shingle 30 YR TAMKO

Wood Shake _____

Tile _____

Built-Up _____

Membrane ICE & WATER UNDER APP.

Metal _____

Flashing (Gauge) _____

Skylights _____

Other _____

10. Windows/Patio Doors (Manufacturer)

Metal Frame _____

Wood Frame _____

Vinyl Clad WEATHER SHIELD VISIONS 2000 LOI

Aluminum Clad _____ OR EQUAL.

Insulated Glass _____

Window Screens _____

Window Grills _____

Drywall Wrap Openings SOME

Cased Opening SOME



RECEPTION#: 197524, 04/17/2008 at 12:46:39 PM, 31 OF 44 PAGES, MICHELLE NAUER, CLERK & RECORDER, OURAY COUNTY, CO.

WELLS FARGO

RESIDENTIAL SPECIFICATION

- 11. Exterior Doors (Describe) (Front, Back)
 - Wood
 - Insulated Metal THERMA-TRUE
 - Sidelight
 - Garage Door
 - Garage Door Opener

- 12. Interior Walls (Describe)
 - 2x4 @ 16" O.C.
 - 2x6 @ O.C.
 - 1/2" Gypsum Board WHERE APP.
 - 5/8" Gypsum Board WHERE APP.
 - Rounded Corner Beads
 - Square Corner Beads
 - Wall Smooth Finish
 - Wall Textured SKIP TROWEL OR KNOCK DOWN
 - Ceiling Smooth Finish
 - Ceiling Textured
 - Stairs CARPET
 - Other

- 13. Interior Wall Finish
 - Manufacturer BEN. MOORE
 - Finish EGGSHELL ECO PRIMER & PAINT
 - Custom Paint Color
 - Wallpaper
 - Other

- 14. Fireplaces (Manufacturer)
 - Zero Clearance Gas
 - Masonry Fire Box
 - Wood Burning Stove
 - Gas Log
 - Other

- 15. Fireplace Mantel

<ul style="list-style-type: none"> <input checked="" type="checkbox"/> None <input type="checkbox"/> Oak <input type="checkbox"/> Pine <input type="checkbox"/> Fir <input type="checkbox"/> Painted <input type="checkbox"/> Stained <input type="checkbox"/> Other 	<table border="0"> <tr> <td style="text-align: right;">Facing</td> <td></td> </tr> <tr> <td><input type="checkbox"/> Stone</td> <td></td> </tr> <tr> <td><input type="checkbox"/> Brick</td> <td></td> </tr> <tr> <td><input type="checkbox"/> Marble</td> <td></td> </tr> <tr> <td><input type="checkbox"/> Tile</td> <td></td> </tr> <tr> <td><input type="checkbox"/> Drywall</td> <td></td> </tr> <tr> <td><input type="checkbox"/> Wood</td> <td></td> </tr> </table>	Facing		<input type="checkbox"/> Stone		<input type="checkbox"/> Brick		<input type="checkbox"/> Marble		<input type="checkbox"/> Tile		<input type="checkbox"/> Drywall		<input type="checkbox"/> Wood	
Facing															
<input type="checkbox"/> Stone															
<input type="checkbox"/> Brick															
<input type="checkbox"/> Marble															
<input type="checkbox"/> Tile															
<input type="checkbox"/> Drywall															
<input type="checkbox"/> Wood															

- 16. Interior Trim
 - Style ANDERSON or COLONIAL
 - Oak
 - Pine
 - Fir
 - Finger Joint
 - Painted
 - Stained
 - Closet Shelves MDF OR WIRE
 - Other ULTRALIGHT COMPOSITE

- 17. Interior Doors (Describe)
 - Flush
 - Four Panel COMPOSITE
 - Six Panel COMPOSITE
 - Solid Core
 - Hollow Core
 - Oak
 - Pine
 - Fir
 - Painted
 - Stained
 - Drywall Wrap Opening
 - Cased Opening FINGER-JOINTED

- 18. Handrail (Describe)
 - None VARIES
 - Oak
 - Pine
 - Fir
 - Welded Steel
 - Painted
 - Stained
 - Other

- 19. Cabinets (Describe) (Allowance)
 - Pre-Manufactured Cabinets ARISTOCRAFT or SCHROCK
 - Custom Built Cabinets
 - Custom Shelving/Built-Ins
 - Cabinet Finish

<input checked="" type="checkbox"/> Oak	<input type="checkbox"/> Pine
<input type="checkbox"/> Maple	<input type="checkbox"/> Plastic Laminate
<input type="checkbox"/> Ash	<input type="checkbox"/> Painted
<input type="checkbox"/> Cherry	<input type="checkbox"/> Stained
<input type="checkbox"/> Walnut	<input type="checkbox"/> Other
 - Countertops (Describe Style)
 - Plastic Laminate
 - Tile
 - Corian
 - Marble
 - Slab Granite
 - Other

- 20. Hardware
 - Locksets
 - Manufacturer SCHLAGE
 - Finish DULL NICKLE OR BRASS
 - Bath Hardware (Towel Bars, etc.)
 - Manufacturer
 - Finish DULL NICKLE OR BRASS
 - Medicine Cabinets
 - Manufacturer
 - Finish
 - Other

- 21. Floor Coverings (Room Name) (Allowance)
 - Hardwood
 - Ceramic Tile BATHS/KITCHEN (SOME)
 - Quarry Tile
 - Marble
 - Slate
 - Vinyl
 - Carpet STAIRS, 2ND FLOOR, 1ST FLOOR SC
 - Other STAINED CONC. (SOME-OPTION)

- 22. Tub/Shower Surround (Room Name) (Allowance)
 - Ceramic Tile BATH FLOOR
 - Cultured Marble
 - Preformed Plastic 1pc TUB/SOWER PRO-FLO
 - Glass Block
 - Glass
 - Other

- 23. Mirrors/Shower Doors (Describe)
 - Total S.F. of Mirror NONE
 - Mirror Finish
 - Shower Door
 - Clear
 - Frosted
 - Finish

RECEPTION#: 197524, 04/17/2008 at 12:46:39 PM, 32 OF 44 PAGES, MICHELLE NAUER, CLERK & RECORDER, OURAY COUNTY, CO.

WELLS FARGO

RESIDENTIAL SPECIFICATION

24. Appliances (Manufacturer)

- Range
- Dishwasher
- Oven
- Microwave
- Refrigerator
- Cook Top
- Other OPTIONAL

27. Electrical

- Service Size 150A or 200A
- Fixture Allowance \$
- TV Prewire (No. of Outlets) 3 MIN
- Telephone Prewire (No. of Outlets) 3 MIN
- Security System
- Stereo Prewire
- Smoke Alarm BY CODE
- Computer Wiring

25. Plumbing

- Water Service
 - Copper
 - Plastic
- Water Piping
 - Copper
 - Plastic REHAU PEX
- Waste
 - PVC OR ABS
 - Cast Iron
- Faucets (Manufacturer) DELTA
 - Brass
 - Chrome
 - Double Handle
 - Single Handle
 - Other
- Water Heater RINNAI No. of units 1

28. Landscaping

- Fine Grade
- Sprinkler System
- Fence COMMON AREA
- Retaining Wall (Specify)
- Sod TBD
- Trees and Shrubs COMMON AREA
- None/By Owner

26. HVAC (Manufacturer) Size

- Number of Furnaces
- Gas Forced Air
- Boiler
- Hot Water
- Electric Heat
- In-Floor Radiant Heat
- Central Air Conditioning
- Evaporative Cooling
- Humidifier
- Electrostatic Air Filter
- Whole-House Fan

29. Specialty Items

- Swimming Pool/Hot Tub
- Elevator
- Patio Fire Pit
- Detached Garage/Work Shop/Barn
- Wine Cellar
- Home Theater
- Central Vacuum System
- Snow Melt System
- Solar Panels
- Other INS. RADIANT SLAB - FLOOR
- Other CF BULBS
- Other
- Other
- Other
- Other

Plumbing Fixture Schedule

Identify fixtures for each material type and location (i.e., fiberglass, cast iron, steel). Other specialties - sauna, steam units, etc.
 Fixture Manufacturer

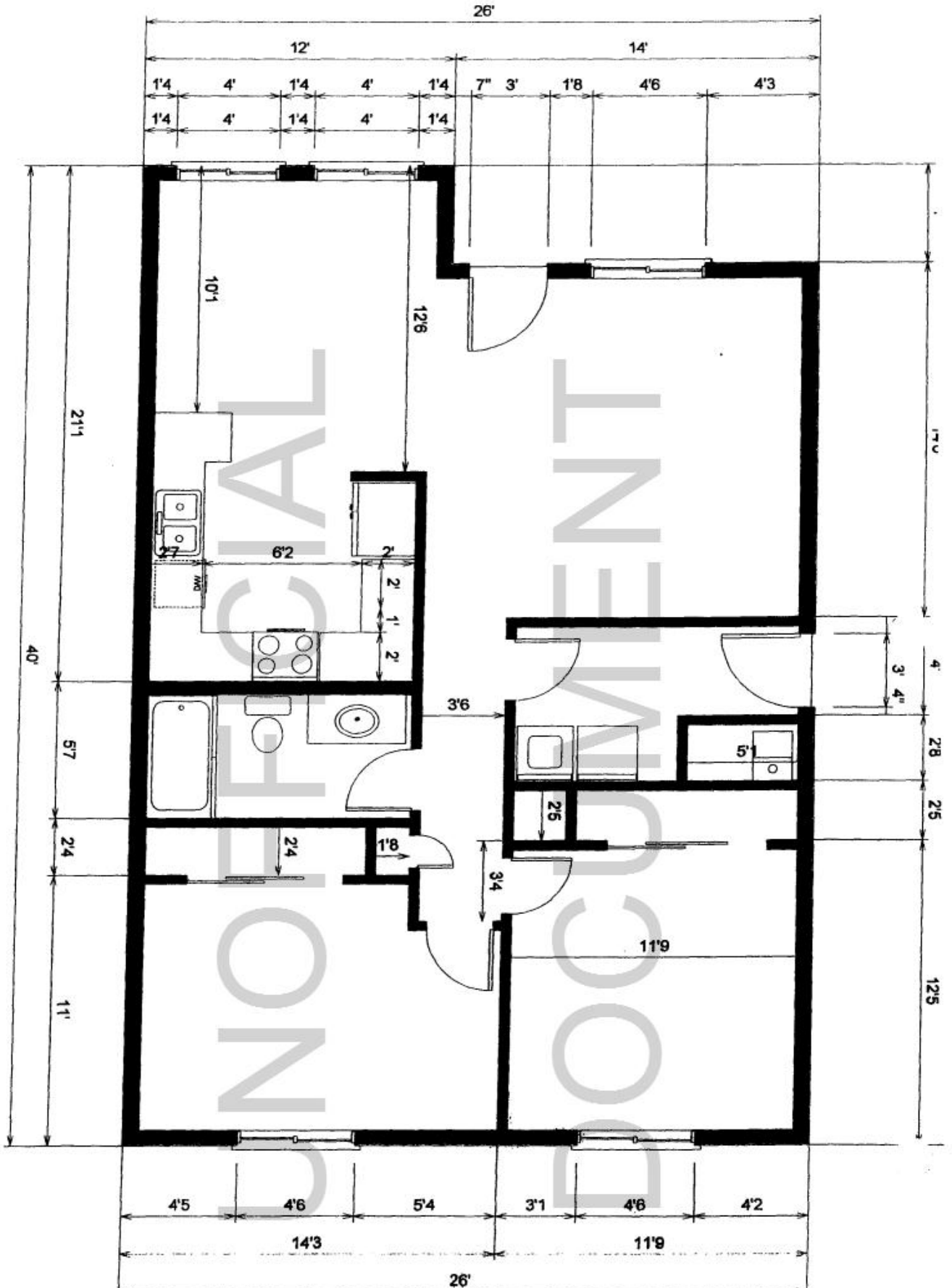
	Kitchen	Master Bath	Powder Room	Bath 1	Bath 2	Bath 3	Bath 4
Material	ST STEEL						
Manufacturer		KOHLER	KOHLER				
Notes		PRO-FLO/ARQUA GLASS					

Miscellaneous/Special Construction (Please Describe - i.e. manufactured housing, post and beam, structural basement floor system, etc.)

LOW VOC PAINT/PRIMER, MODULATED HI-EFF. BOILER/HWATER, R-20 CELLULOSE WALLS - R-50 CELLULOSE CEILINGS, INSULATED RADIANT SLABS ON FL.1, LOW-E GLASS WINDOWS, INSULATED ENTRY DOORS, ENERGY-EFFICIENT DESIGN

RECEPTION#: 197524, 04/17/2008 at 12:46:39 PM, 33 OF 44 PAGES, MICHELLE NAUER, CLERK & RECORDER, OURAY COUNTY, CO.

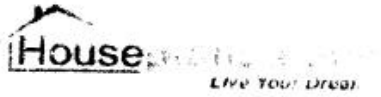
1000 sf PLAN





RECEPTION#: 197524, 04/17/2008 at 12:46:39 PM, 34 OF 44 PAGES, MICHELLE NAUER, CLERK & RECORDER, OURAY COUNTY, CO.

theCountyRecorder.com Plan 18-1040



PLAN SEARCH | FEATURED PLANS | ADVICE & HELP | PLAN MODIFICATIONS | COST-TO-BUILD | DIY MARKETPLACE

Apply to Favorites | Add to Construction Software | Print a Plan | Print a Plan

Plan 18-1040

SALE FREE Additional Construction Set

Pricing & Options



Square Feet:	1000	Width:	25'
Bedrooms:	2	Depth:	47'
Bathrooms:	2	Height:	18'
Levels:	1	Roof Pitch:	8:12
Garage Stalls:	0	Walls:	2" x 6"
Area Details		Ceiling Height	
Main Floor:	1000	Main Floor:	8'
Basement:	985		
Available Foundations:		If your foundation preference is not available, please contact us.	
Basement			
Crawlspace			

Floor Plans & Features

Pricing & Options

Cost-to-Build

Modify this Plan

Ask a Question

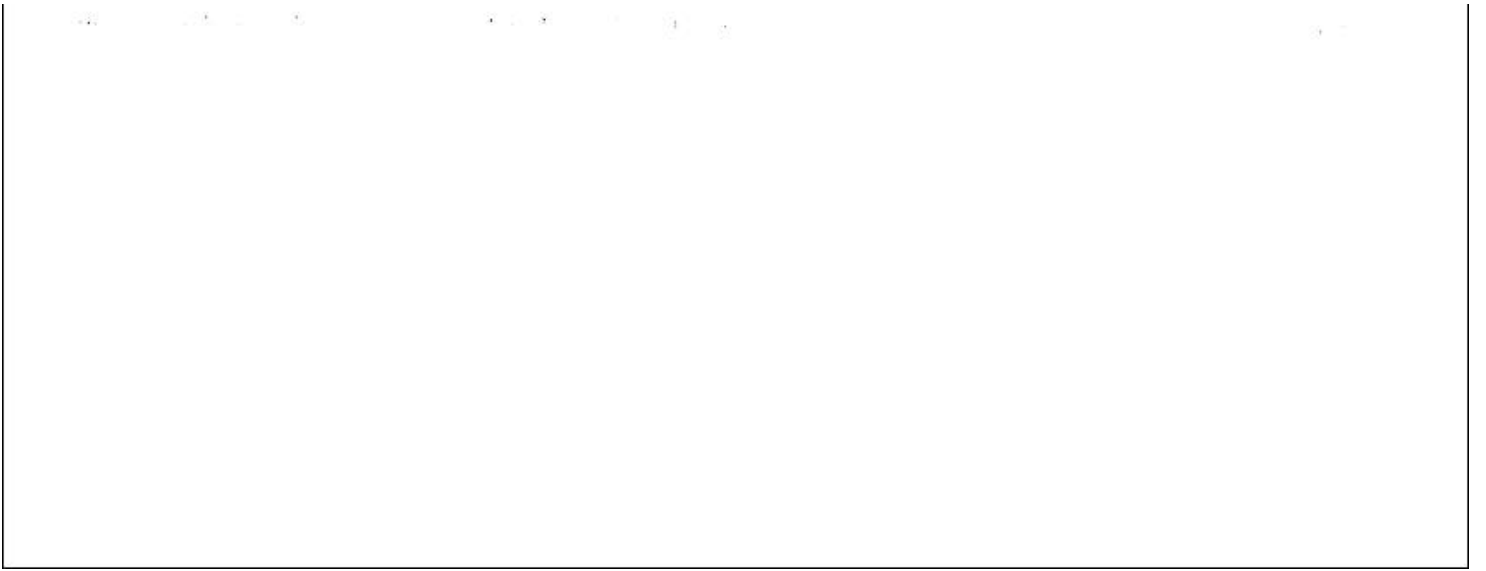
Main Level

Reverse All Images

all images copyrighted by the supplier



Rear Elevation



RECEPTION#: 197524, 04/17/2008 at 12:46:39 PM, 35 OF 44 PAGES, MICHELLE NAUER,
CLERK & RECORDER, OURAY COUNTY, CO.

Page 1 of 1

Page 1 of 1

Find new house plans for free at [http://www.houseplans.com](#) [Click Here to Print This Page](#)



Elevation of [COOLhouseplans.com](#) Plan ID: chp-32135, Order Code: C774

To Order call 1-800-482-0464

[x Back to Previous Page](#)

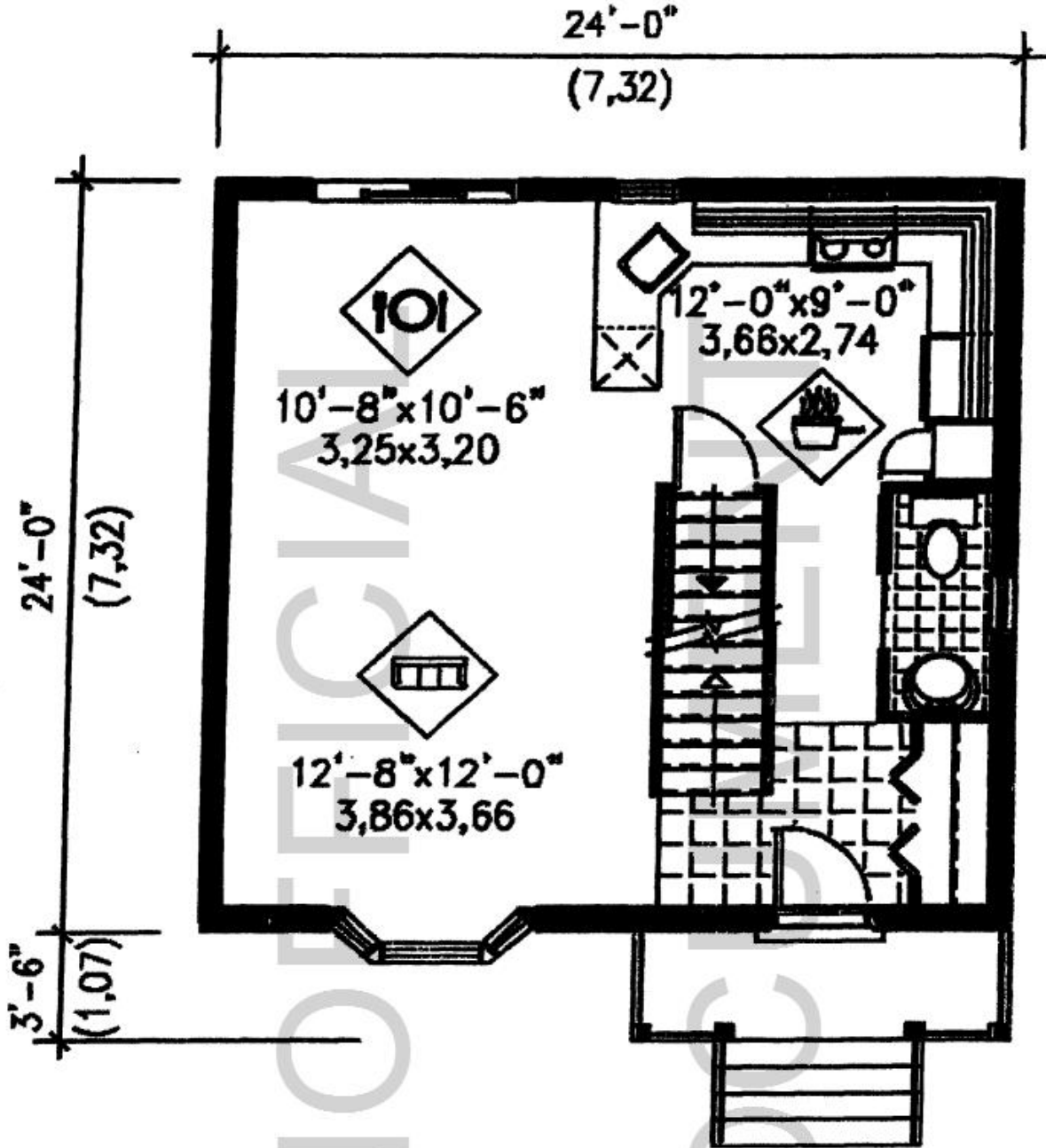
UNOFFICIAL DOCUMENT

RECEPTION#: 197524, 04/17/2008 at 12:46:39 PM, 36 OF 44 PAGES, MICHELLE NAUER, CLERK & RECORDER, OURAY COUNTY, CO.

chp-32135

Page 1 of 1

Pull down the "File Menu" then click on the "Print" option or [Click Here To Print This Page](#).



1st Floor Plan of COOLhouseplans.com Plan ID: chp-32135, Order Code: C774
 To Order call 1-800-482-0464
 « [Back to Previous Page](#).

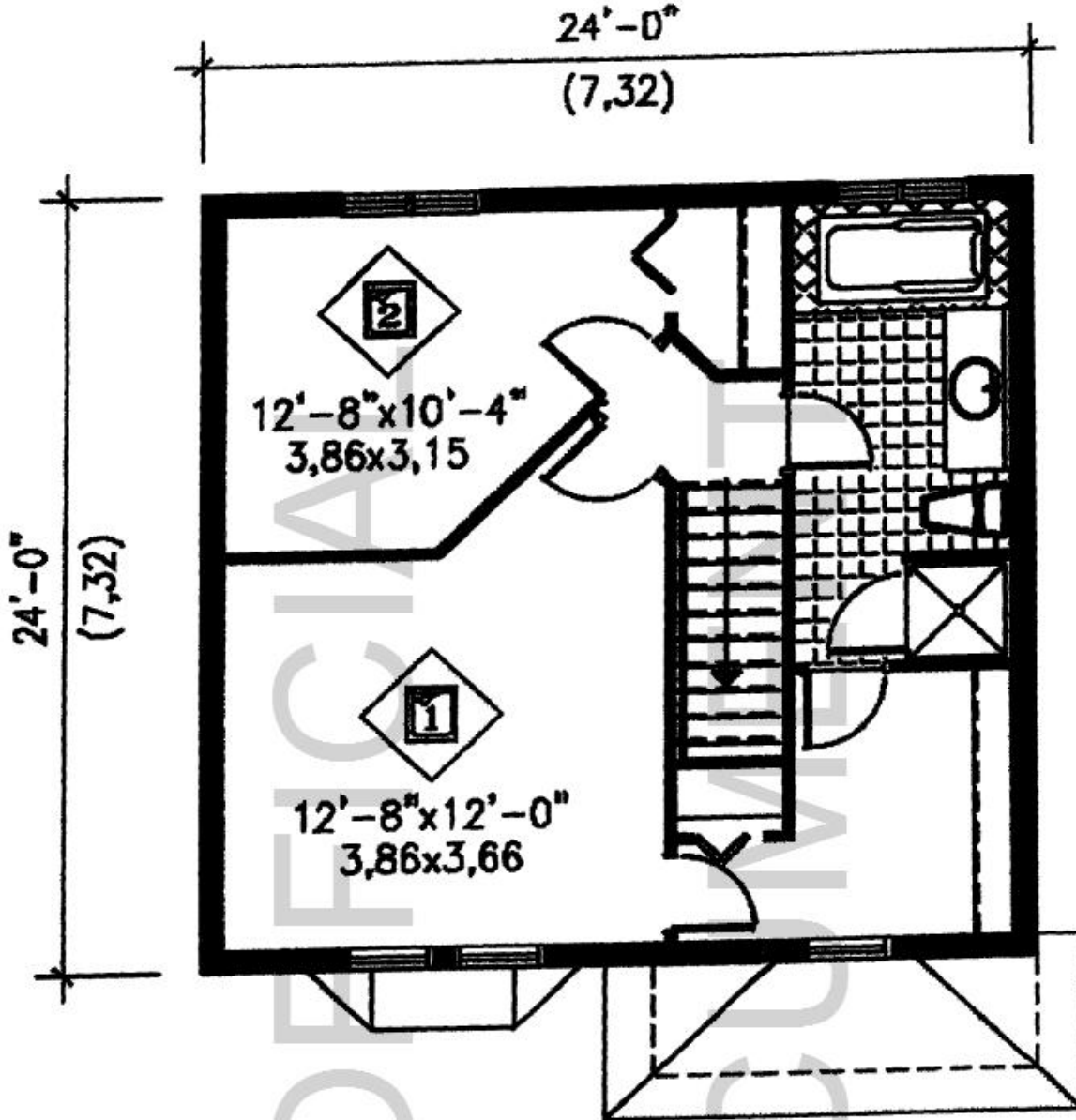
10/28/21 3:35 PM theCountyRecorder - Print Page

RECEPTION#: 197524, 04/17/2008 at 12:46:39 PM, 37 OF 44 PAGES, MICHELLE NAUER, CLERK & RECORDER, OURAY COUNTY, CO.

chp-32135

Page 1 of 1

Pull down the "File Menu" then click on the "Print" option or [Click Here To Print This Page.](#)



2nd Floor Plan of COOLhouseplans.com Plan ID: chp-32135, Order Code: C774
To Order call 1-800-482-0464
[« Back to Previous Page.](#)

<http://www.co.inhouseniars.ca.gov>

RECEPTION#: 197524, 04/17/2008 at 12:46:39 PM, 38 OF 44 PAGES, MICHELLE NAUER, CLERK & RECORDER, OURAY COUNTY, CO.

Houseplans.com | Plan 16-1040 Summer

Page 2 of 3



REAR ELEVATION

More Info

Additional House Features

covered front porch
great room
kitchen island
sulted for narrow lot

Designer Comments

CAD files options are available in DXF format only.



Country home plans typically have a front porch, dormers, and a roof line that runs parallel to the road. Country homes also feature a large front porch with an open railing. The Country style also includes French country home plans and farmhouse plans.

PURCHASE THIS PLAN

Questions about this plan?

If you have any home design questions or can't find any house plans that meet your needs, please contact us:

Toll-free 1-888-705-1300

Related Plans

By this designer
Country style
Traditional style

Special August Savings	FREE Additional Construction Set and FREE Ground Shipping	One Time Special Offer!
	Receive a FREE additional construction set (a minimum \$40 value) and FREE ground shipping when you purchase any house plan set by August 31, 2007.	

Advice and Ordering - Toll Free 1-888-705-1300 6am to 6pm M-F PST

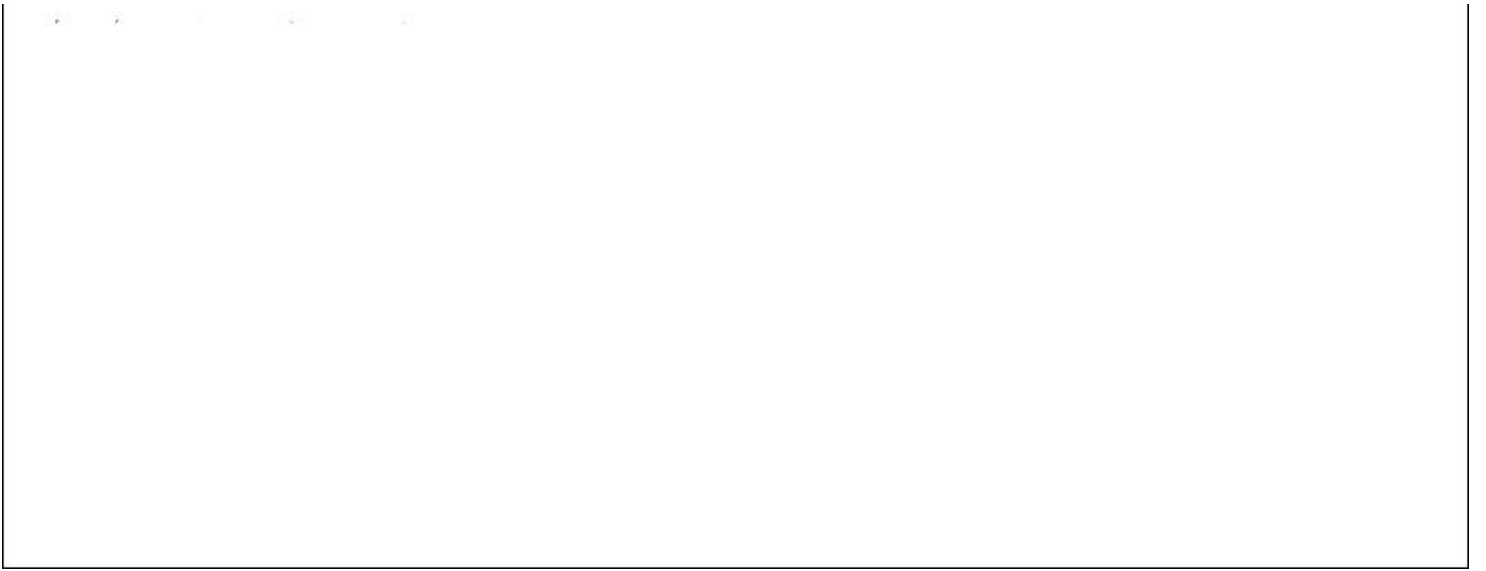
Search by plan number



PID: 200-5

[House Plans Home](#) | [Contact Us](#) | [Legal/Privacy](#) | [Suggestion Box](#)

©2007 Houseplans, Inc. (A Kransco Houseplans LLC Company) All rights reserved.



RECEPTION#: 197524, 04/17/2008 at 12:46:39 PM, 39 OF 44 PAGES, MICHELLE NAUER, CLERK & RECORDER, OURAY COUNTY, CO.

EXHIBIT D

OPTION TO PURCHASE GRANTED BY WANAKAH LTD. PARTNERSHIP TO THE CITY OF OURAY, COLORADO

THIS AGREEMENT made and entered into this _____ day of _____, 200_ by and between Wanakah Ltd. Partnership, a Colorado partnership and the City of Ouray, Colorado, a Colorado municipal corporation:

WITNESSETH:

WHEREAS, Wanakah Ltd. Partnership (hereinafter "Owner") is the owner of certain real property located in Ouray County, Colorado, containing 7584 square feet and more particularly on that certain Legal Description prepared by Monadnock Mineral Services dated August 22, 2007, a copy of which is attached hereto and incorporated by this reference (hereinafter "Property"); and

WHEREAS, for good and valuable consideration, the receipt and adequacy of which is acknowledged by Owner, the Owner wishes to grant to the City of Ouray, its housing authority, or any housing authority to which it is a party or participant, and the successor, assignee or designee of either the City or such housing authority (hereinafter "City"), an Option to Purchase all or a part of the above described Property as more particularly described below.

NOW, THEREFORE, in consideration of value received, the sufficiency of which is hereby acknowledged by Owner, the parties to this Agreement agree as follows.

1. In the event that owner shall determine to sell, transfer, assign, convey, or otherwise alienate all or any part of the Property, Owner shall immediately give notice of the same to the City in the manner provided for herein.

2. Upon receipt of such notice the Owner and City shall proceed to establish the market value of the Property to be conveyed in the following manner. The City and Owner shall jointly appoint an appraiser to determine the market value of the Property and the cost of such appraisal shall be borne equally by Owner and the City.

3. Upon receipt of the appraisal report and the determination of market value, the City shall have the option to purchase the Property at the appraised market value. The City may exercise its option to purchase by notifying the Owner, in writing, of its election, within thirty (30) days of the receipt of notification of the determination of value.

4. The City and Owner shall thereupon enter into the appropriate standard form of contract to buy and sell real estate as shall be in use and have been published by the Colorado Real Estate Commission (hereinafter "Purchase Contract"). The Purchase

RECEPTION#: 197524, 04/17/2008 at 12:46:39 PM, 40 OF 44 PAGES, MICHELLE NAUER, CLERK & RECORDER, OURAY COUNTY, CO.

Contract, in addition to the standard provisions, shall:

(a) Provide for closing ninety (90) days from the date of the Purchase Contract, or at a mutually agreed to earlier date.

(b) Require conveyance by General Warranty Deed free and clear of all liens and encumbrances, except the standard exceptions.

(c) Provide that the real Property shall be conveyed together with:

(1) Any and all taps, permits or development approvals obtained with respect to the Property; and

(2) Any and all rights which the Owner may have to studies or plans undertaken for the Property, including, but not limited to, soils, geohazard, engineering, toxic and other waste reports, and all surveys and architectural and building plans.

If applicable, all or some of the above described inclusions shall be conveyed by bill of sale or other legal instrument.

(d) Grant to the City, in addition to the standard rights of inspection and document review contained in the Purchase Contract, a sixty (60) day due diligence period during which time the City may, at its expense and without damaging the Property, enter onto the property and complete any tests, surveys, studies, inspections or research concerning the Property that the City deems prudent or necessary, including, but not limited to, a physical inspection, review of leases and existing debt, review of service and maintenance contracts, status of guarantees and warranties, availability, terms and cost of insurance, easements, permits, licenses, water and other utilities, environmental issues and liability, research on building and zoning regulations, regulatory compliance, title review, surveys, engineering reports, public records search, review of common interest community documents, real property taxes and assessments, etc. And further provide that if for any reason whatsoever, at the City's sole and absolute discretion, the City wishes to cancel the Purchase Contract after completing its "due diligence" it may do so without penalty by sending written notice of its election to Owner within the due diligence period.

(e) Contain a representation by the Owner that it does not have any actual knowledge of any of the following: (1) any ongoing or past environmental contamination or pollution of the Property; (2) any existing or previous use thereof for the storage of or as a landfill or dumping ground or any existing or previous other presence or location thereon of any toxic materials, wastes, hazardous substances, or other pollutants or contaminant; or (3) any release, spill or discharge of any such materials, wastes, substances or pollutants in, on, or about the Property. In addition, neither Owner's acquisition or subsequent use of the Property has been or is subject to any federal, state, municipal or local law, statute, rule, regulation or ordinance requiring or allocating responsibility for the removal of toxic materials, wastes, hazardous substances or other

RECEPTION#: 197524, 04/17/2008 at 12:46:39 PM, 41 OF 44 PAGES, MICHELLE NAUER, CLERK & RECORDER, OURAY COUNTY, CO.

pollutants or contaminants from the Property, nor has the Owner caused the Property to be in violation of any said federal, state, municipal or local environmental law, rule statute, regulation or ordinance. And further that no lien has ever attached to the Property by reason of any state, federal, or local agency or body expending monies to clean up or remove toxic or hazardous wastes, material or substances, or other pollutants of contaminants from the Property.

(f) Contain a representation by the Owner that is has received no notice that the Property violates any law or governmental regulation, statute, ordinance, code, rule or regulation applicable to the Property.

(g) Contain a representation that the Owner has not received any notice regarding dangerous, illegal or other conditions requiring corrective action relating to the Property.

(h) Contain a representation by the Owner that there are no actions, suits or proceedings presently pending or, to Owner's knowledge, threatened against the Owner of the Property.

(i) Provide that the City may assign any and all rights and obligations it has in the Purchase contract to a housing authority formed by it, or a housing authority to which it is a party or participant, or any successor, assignee or designee of the City or such housing authority.

5. Owner agrees that during the term of this Option to Purchase it will not encumber the Property in an any manner so as to defeat or diminish any or all of the rights conveyed by this Option to Purchase; provided, however, that nothing herein shall be construed to pertain to any encumbrance customarily released at closing (e.g., Deed of Trust).

6. In the event that the City shall determine not to exercise this Option to Purchase as provided for herein, the City shall cause to be recorded in the records of the Clerk and Recorder of Ouray County a full and complete release of this Option; provided, however, that if the Owner shall have offered for sale to the City less than all of the Property for which this option is given, then the release shall pertain only to the Property offered and this Option to Purchase shall continue in full force and effect for the balance of the Property.

7. This Option to Purchase and every related document are to be governed and construed in accordance with the laws of the State of Colorado. Venue for any legal action arising from this Option to Purchase shall be in Ouray County, Colorado

8. This Option to Purchase shall be a burden upon and run with the Property for the benefit of the City, its housing authority or any housing authority to which is a party

RECEPTION#: 197524, 04/17/2008 at 12:46:39 PM, 42 OF 44 PAGES, MICHELLE NAUER, CLERK & RECORDER, OURAY COUNTY, CO.

or participant, or the successor, assignee or designee of either the City or such housing authority, which may enforce this covenant and compel compliance therewith by the initiation of judicial proceedings for, but not limited to, specific performance, injunctive relief, reversion, eviction and damages. Reasonable attorney's fees and costs shall be awarded to the successful party in any litigation instituted to enforce the provisions of this Option to Purchase.

9. Any notices to be given under this Option to Purchase shall be in writing and shall be sent by certified mail, return receipt requested, postage prepaid, and addressed as follows:

To the City of Ouray:	City Administrator City of Ouray Post Office Box 468 Ouray, CO 81427
To Wanakah Ltd. Partnership:	Wanakah Ltd. Partnership Post Office Box 1817 Ouray, CO 81427

The address to which any notice may be given to any party may be changed by written notice given by such party as above provided.

10. If any terms of this Option to Purchase shall be unlawful or void for violation of (a) the rule against perpetuities or some analogous statutory provisions, (b) the rule restricting restraint on alienation, or (c) any other statutory or common law rules imposing like or similar time limits, then such provisions shall continue only for the period of the terms of the current duly elected members of the City Council for the City of Ouray, Colorado, their now living descendants, if any, and the survivors of them, plus twenty-one (21) years.

11. The parties agree that any modification to the Option to Purchase shall be effective only when made by writing signed by both parties and recorded with the Clerk and Recorder of Ouray County, Colorado.

12. The Owner and City agree to execute such further documents and take such further actions as may be reasonably required to carry out the provisions and intent of this Agreement.

13. Owner certifies that it has the full rights, power and authority to and has taken all requisite action to enter into this Agreement and to carry out the obligations required to be performed by Owner. This Agreement constitutes a legal, valid and binding obligation of Owner and is enforceable against Owner in accordance with its terms.

RECEPTION#: 197524, 04/17/2008 at 12:46:39 PM, 44 OF 44 PAGES, MICHELLE NAUER, CLERK & RECORDER, OURAY COUNTY, CO.

Bob & Pam Larson
342 7th Avenue
P.O. Box 85
Ouray, CO 81427



Phone/Fax 970-325-460
e-mail: larsouray@qwest.net

MONADNOCK MINERAL SERVICES
Professional Geologists / Land Surveyors

August 22, 2007

Legal Description for Lots 40, 41 & 42 of the Silver Shield PUD:

Beginning at the northwest corner of Lot 42, from whence Corner No. 9 of the Watson Placer, MS 143, bears S07°38'52"E, 1729.69 feet;

Thence, N66°59'34"E, 158.00 feet, along the northern boundary of Lots 40, 41 & 42 of the Silver Shield PUD, also being the southerly R.O.W. of Silver Shield Trail, to the northeast corner of Lot 40, to the westerly R.O. W. of North Oak Street;

Thence, S23°00'26"E, 48.00 feet, along the east boundary of said Lot 40, also being the westerly R.O.W. of North Oak Street, to the southeast corner of said Lot 40, also the northeast corner of Lot 39 of said Silver Shield PUD;

Thence, S66°59'34"W, 158.00 feet, along the southern boundary of said Lots 40, 41 & 42, also being the northern boundary of Lots 39 & 43, to the southwest corner of said Lot 42, also being the northwest corner of said Lot 43, to the easterly R.O.W. of Hinkson Terrace;

Thence, N23°00'26"W, 48.00 feet, along the west boundary of said Lot 42, also being the easterly R.O.W. of Hinkson Terrace, to the northwest corner of said Lot 42, the place of beginning.

Said Lots 40, 41 & 42 contain 7584 square feet.

Robert A. Larson
PLS 31160






UNOFFICIAL DOCUMENT

City Right to Purchase

Silver Shield PUD

Legend

-  BLM
-  Fire_Hyd
-  WaterMai

ACCOUNT = R006190
PARCELNB = 451725112040
LAND_STATU = Private
EditStatus = Verified Parcel Match only
EDIT_STATU = Assessor Edit Add Codes
MS_Number =
MS_Name =
ACRES_calc = 0.171602
ACCT_URL = <https://ouraycountyassessor.org/assessor/taxweb/account.jsp?accountNum=R006190>
Note = 10/14/08: dig from City CAD 7_21; plat @197520 ??; Add T44R8 sec 25 to legal
NAME = WANAKAH PROPERTIES LLC
CAREOF =
ADDRESS1 =
ADDRESS2 = PO BOX 1817
CITY = OURAY
STATE = CO
ZIPCODE = 81427
ACCTTYPE = 0
STREETNO = 1730
EXTENT =
DIRECTION =
STREETNAME = OAK
DESIGNATIO = ST
DIRECTIONS =
SUFFIX =
UNITNUMBER =
LOCCITY = Ouray
SUBNAME = SILVER SHIELD PUD
CONDONAME =
SALEP = 0
SALEDT = 12/31/2012
ACRES = 0

October 18, 2020

Dawn Glanc

Today Rigging for Rescue held a training session at the top of the OVF by the midway bench. As the ranger, I had no idea this was going to happen. When I heard the two shots from the rope gun, I was alerted to the presence of the course. I had to make some calls to figure out that the group of people performing a rescue was just a course. Throughout the day I had many concerned hikers and climbers. People were worried that there was a major accident on the OVF.

In the future, can the rangers please get a heads up when the RFR courses will be operating above the OVF? There was no problem having the course practice their rigging. However the potential for rock fall increases with people above. If the rangers are aware of the RFR course we can warn climbers of the overhead activity and potential hazards.

May 13, 2021

Josh Bailey

Rigging for Rescue held a class on May 13th. A liter was hanging off the side of the cliff above the bench. No warning or heads up was given to the ranger. Can I reach out to RFR to see if I can get them to send a text or email to alert us of their use? This way the rangers can warn and inform the OVF climbers of the overhead hazards.

August 13, 2021

Dawn Glanc

I sent an email to Rigging for Rescue asking them to please give the rangers a heads up when they plan to operate in the Uncompaghre Gorge above the OVF. Here is a copy of the email:

Fri, Aug 13,
1:58 PM

Via Ferrata Ranger

<viaferratanger@gmail.com>

to Rigging

Hello. I hope your summer is going well. The Ouray Via Ferrata Rangers would like to make a request to your organization. Can you please contact the ranger staff via email when you are planning to host a RFR course in the Uncompaghre River Gorge? This email notification will help our rangers be aware of your course so that we can warn any OVF climber who may be below you. The RFR courses often draw the attention of perimeter trail users as well. If the rangers know that RFR is using the area we can better answer questions from curious and

concerned onlookers. We appreciate you working together with us. There are many user groups in the gorge and the rangers would like to help coordinate if we can.

Thank you for your time.

Sincerely,

Dawn Glanc

Head Ranger

Friends of the Ouray Via Ferrata

Ouray, Co 81427

(360)510-7271

October 7, 2021

Chris Hinkson

I heard a gunshot in the canyon. Went and investigated, I am guessing that Rescue for Rigging (think that is who that was) shot rope across the canyon. They are practicing rescue.

It would have been nice to know they were coming, so I could tell VF visitors what's up.

October 8, 2021

Dawn Glanc

I heard a gunshot in the canyon. Upon investigation I found RFR practicing above the via Ferrata. They were performing litter rescues above the first tower of the M climbs.

It would be great if RFR could give us a heads up when they will be operating above the OVF.

The RFR group can present a hazard to climbers below. The rangers need to be able to give climbers a heads up that rockfall and people above will increase the potential hazard on the route. The RFR group also attracts a lot of concerned hikers from the perimeter trail. Rangers field questions throughout the day as the mock rescues are occurring.

I have emailed RFR to request some communication about the training. No response has come from RFR.

May 20, 2022

Dawn Glanc

Rigging for Rescue held a training today in the canyon, above the OVF downstream route. No warning was given to the Rangers prior to the training. The Ranger team has asked repeatedly for RFR to communicate when a training will be held. The training creates hazards for the climbers below and the public becomes concerned about "the rescue" in progress.

In 2021 RFR held training sessions above the OVF on May 13, August 13, October 7 and October 8. A rope gun was used on October 7 and 8.

The Rangers reached out to the FOVF board in May of 2021 asking for help creating the line of communication between the OVF and RFR. An email was sent by the head ranger on 8/13 asking for communication. The email is attached.

Via Ferrata Ranger
<viaferrataranger@gmail.com>

Fri, Aug 13,
1:58 PM

to Rigging

Hello. I hope your summer is going well. The Ouray Via Ferrata Rangers would like to make a request to your organization. Can you please contact the ranger staff via email when you are planning to host a RFR course in the Uncompahgre River Gorge? This email notification will help our rangers be aware of your course so that we can warn any OVF climber who may be below you. The RFR courses often draw the attention of perimeter trail users as well. If the rangers know that RFR is using the area we can better answer questions from curious and concerned onlookers. We appreciate you working together with us. There are many user groups in the gorge and the rangers would like to help coordinate if we can.

Thank you for your time.

Sincerely,

Dawn Glanc

Head Ranger

Friends of the Ouray Via Ferrata

Ouray, Co 81427

(360)510-7271

The Rangers also requested RFR to communicate in 2022. This request is in the 2022 pre-season report. FOVF Board Member Mark Luppenlatz spoke with RFR about the communication request.

The Rangers are requesting help from the FOVF Board and the City of Ouray to help RFR comply with our request for communication. The rangers are asking for an email giving a heads up of the upcoming training. This is not a permission or denial situation. The rangers just want to be informed and prepared.

*** See update on May 26 for resolution to the problem with RFR*****

May 26, 2022
Mark Luppenlatz

Sent an email to Rigging for Rescue

Mike:

I hope all is well. I wanted to ask a small favor - occasionally when you are doing training above the OVF some of the climbers on the VF get alarmed. This is extra true when you use the rope gun. If you could send us an email (at viaferrataranger@gmail.com) or give me a call before you start so the OVF Rangers can advise people as they start the route not to be alarmed it would be great.

Thanks very much.

Mark

May 26, 2022
Mark Luppenlatz

Email Response from Rigging for Rescue

Hi Mark,

I will get an email out to the crew and advise them that a notice to the ranger cadre is preferred and requested. We will do our best on that front to give you guys a heads up.

Thanks, Mark.

Best,
Mike

July 13 and 14, 2022

Chris Hinkson and Dawn Glanc

Jared Vilhauer reached out via email from Rigging for Rescue to alert the rangers that a training will be held July 13 and 14 across from the old grad school area , near the OVF. The email was appreciated.

July 21, 2022

Dawn Glanc

Jared Vilhauer reached out via email from Rigging for Rescue to alert the rangers that a training will be held July 21 across from the old grad school area , near the OVF. I forwarded the email to the ranger on duty, Chris Hinkson.

August 24, 2022

Chris Hinkson

Rigging for Rescue was out to day, no notice

August 26, 2022

Dawn Glanc

Xander Biancci called to alert the OVF that RFR was holding a training session above the first early exit.

September 1, 2022

Chris Hinkson

Rigging for Rescue was out with a group, I did not get any notice.

September 14, 2022

Dawn Glanc

What appears to be a rigging for rescue course operated above the OVF. Anchor bolts were installed and litter exercises were performed. There was no warning given to the ranger.

Can we get some clarification from the city to see if RFR is permitted to be operating in the canyon year round? If RFR is permitted to be operating in the canyon, then we can work together to accommodate the program. However, if RFR is not permitted to be operating in the park, then I feel the OVF can enforce a few things like notifications to the ranger and operating only on the ice park side of the canyon.

The practice drills are a hazard to the OVF climbers below. I don't know how to get RFR to communicate with the rangers. Please give me some guidance on this issue.

1:30pm

I texted Xander to see if he was leading the RFR group. He called back and said it is RFR.

Xander stated that RFR uses this “cactus cliff area all the time.” In three years this is the first time we have seen RFR operating there. Today they installed multiple new anchor stations as well.

Xander claimed he did not know that he had to contact the OVF and felt working above the OVF with 16 people, in the rain, on a “benign” cliff did not warrant a heads up to the OVF.

I explained why we needed the call and asked him to let the other instructors know of the request.

What am I supposed to do with this situation? If we can clarify the RFR permit I feel we will know what steps to take next.

September 16, 2022

Dawn Glanc

Xander from RFR called me and left a message to inform me that RFR would be holding a training session in the canyon. I forwarded the message to the ranger on duty. Ranger Josh confirmed he received the message.

September 23, 2022

Dawn Glanc

Around 10:30am a Rigging for Rescue class appeared on the cliff across from the ranger shack. A cliff RFR refers to as the cactus cliff. No contact was made with the OVF to alert the rangers of the RFR course.

At 12:10pm Kevin Koprek, from RFR, called me to see if I was on duty. Kevin wanted to knock down a large boulder that he found to be “precarious” in their working zone. He did not feel it would hit the OVF or anyone on the OVF.

I told Kevin not to knock the boulder down because 20 people had recently started the OVF and I could not effectively clear the climbers below.

Kevin seemed disappointed in my comments and said “I guess it is important to keep the route open”. He then hung up the phone and carried on with the course.

At 1:25pm the RFR course caused a rockfall event that sent logs, dirt and boulders towards two OVF climbers. I jumped up and yelled “rock” to the OVF climbers.

The female climber was almost hit by a microwave sized rock. The male climber was hit with dirt, logs and small rocks. The female climber panicked and unclipped from the cable, but froze in place. I yelled down to the climbers to clip in and move to safety. Once to safety the female climber was visibly shaken and crying. The OVF climbers confirmed with me that they had no physical injuries, they were just shaken. The climbers continued on the course on their own.

At 1:30pm Kevin Koprek called. I told him that RFR caused a major rock fall that almost hit two OVF climbers. Kevin said the RFR group would be leaving.



Photo of RFR operating above the OVF. They are directly above the downstream route.

Future Agenda Items/Work Sessions

- Energy Code Adoption
- 2018 International Code Adoption (IBC/IRC/IEBC/IMC/IFC/IECC/Property Maintenance February of 2023 Adopted by July 1, 2023)
- (Non-Land Use) Code Revisions
- Fee Schedule
- Workforce & Attainable Housing Charter Modification
- Nose-to-nose School Bus Parking on 4th Street
- EQR Utility Rate Review (Moved until WTP Bond Completed)
- Alcohol – Entertainment/Consumption District on Main Street (In discussions)
- Restaurant Dining on City Streets
- Geothermal Project Work Session