

**CITY OF BURLINGTON
KIT CARSON COUNTY
CITY COUNCIL
WORK SESSION
AGENDA
09-2017
COMMUNITY BUILDING ROOM A
340 S 14TH STREET
May 8, 2017
6:30 PM**

1 Call to Order

2 Pledge of Allegiance

3 Consent Agenda Items

Any consent agenda item may be removed from the Consent Agenda and placed under Business if discussion is desired. Otherwise, one motion will pass all items.

Approval of minutes from 4-24-2017

4 Public Comment

5 Public Hearing

Approval of the Special Event Liquor License for Our Hometown Charitable Foundation on 5/26/17 on Main Street between 417 14th Street and 446 14th Street.

6 Reports from City Departments

Administrator- Jim Keehne

7 Work Session

Unfinished Business

- A. Discuss new Personnel Management Manual.
- B. Bids on tables and chairs for Old Town.
- C. Discussion on lease agreement with Stratton Coop.

New Business

- A. Approval of contract with Tri-State Fireworks, Inc.
- B. Discussion on grant application for Old Town.

8 Council Comments

- A. Mayor Dale Franklin
- B. Rod Murray
- C. Mike Halde
- D. Mark Burghart
- E. Kamron Weisshaar
- F. Beth Crites
- G. Harold McNerney

9 Adjournment

Emergency matters that may come before Council may be discussed with decisions to be ratified at a subsequent Council meeting.

**MINUTES OF THE MEETING
OF THE MEMBERS OF THE CITY COUNCIL
CITY OF BURLINGTON
COUNTY OF KIT CARSON
STATE OF COLORADO
6:30PM
COMMUNITY BUILDING ROOM A
340 S 14TH STREET
April 24, 2017**

Mayor Dale Franklin called the meeting to order at 6:30PM.

1 The roll call of members was read and those answering were:

Beth Crites	Harold McNerney
Mark Burghart	Kamron Weisshaar

Absent: Mike Halde, Rod Murray

Staff/Officials:

Jim Keehne, Administrator
Shelly Clark, Clerk
Tim Ellis, Public Works
Barry Romans, Police
Rol Hudler, Economic Development
Tyson Weisshaar, Activities
Nick McCartyDaniels, Library
Suzy Velasco, IT

Also:

2 Pledge of Allegiance

3 Consent Agenda Items:

Any consent agenda item may be removed from the Consent Agenda and placed under Business if discussion is desired. Otherwise, one motion will pass all items.

Minutes for 4-10-2017

MOTION by McNerney, second by Crites to approve the consent agenda items.
Those yea: Burghart, Weisshaar, Crites, McNerney
Those nay:
Motion passes.

4 Public Comment-Debbi Hinkhouse asked Council if Our Hometown Charitable Foundation could block off the street from Senter to just past State Farm on the west of The Bank of Burlington's ATM. They would like to hold a fundraiser on May 26th, which will include a Beer Garden. Mayor Franklin asked for a consensus vote from Council to approve the closure of the street.

5 Public Hearing

Review and approval of the Integrated Resource Plan for the City of Burlington utilities pertaining to planning for new energy sources.

No one was present to oppose the IRP.

6 UNFINISHED BUSINESS:

A. Discussion and Approval of bids on tractor for the Public Works Department.

Bids listed below:

- 1 Ag Power-New Holland 17 T4 120 Tractor, Landpride Mower RC 5615, PTO HP95- \$72,000.00.
- 2 Ag Power- 2016 Case Tractor, Landprice Mower, PTO #8 85- \$70,000.00.
Wagner- Massey Ferguson, Rhino 4150, 87 HP PTO- \$73,900.00
- 3 21st Century- John Deere 5100M, John Deere Hx15- \$82,000.00.

MOTION by Weisshaar, second by Burghart to approve the Ag Power New Holland 17 T4 120Tractor, Landpride Mower RC 5615, PTO HP95 for \$72,000.00.

Those yea: Burghart, Weisshaar, Crites, McNerney

Those nay:

Motion passes.

7 NEW BUSINESS:

A. Approval of Resolution 2017-02 approving the Integrated Resource Plan for the City of Burlington utilities pertaining to planning for new energy sources.

MOTION by McNerney, second by Burghart approving the Integrated Resource Plan for the City of Burlington utilities pertaining to planning for new energy sources..

Those yea: Burghart, Weisshaar, Crites, McNerney

Those nay:

Motion passes.

B. Discussion on parade route request from Kit Carson County.

Council was in favor of following Keehne's recommendation to allow the parade.

8 Department Head Reports:

Grinnan – Absent

Keehne- Report is in the packet. Gave timeline to Council on personnel manual. Shared with Council that we will be starting open enrollment for the health plan. Updated Council on the Water Project. Shared with Council that a plan has been implemented for improving the condition of the parks. Updated Council on the finances for the City, we need to increase mil levy or sales tax. Keehne explained to Council that Old Town is in need of tables and chairs to help support the events at Old Town.

Clark - Report is in the packet.

Ellis - Report is in the packet. Spoke with Chamber about adopt a median. Keehne shared that we are looking into shrubs and ground cover cost for the medians.

Romans - Report is in the packet.

Hudler - Report is in the packet. Gave update on grocery store.

Melia - Absent

McCarty-Daniels – Report is in the packet.

Wall - Report is in the packet. Absent

Pankratz - Report is in the packet. Absent

Velasco- Report is in the packet.

Weisshaar- Report is in the packet. Gave update on the upcoming activities.

9 REPORTS AND COMMENTS FROM MAYOR AND COUNCIL:

- A. Mayor Dale Franklin
- B. Mike Halde-Absent
- C. Mark Burghart
- D. Kamron Weisshaar- Asked about the business at 8th and Rose.
- E. Beth Crites- Asked about City cleanup.
- F. Harold McNerney
- G. Rod Murray-Absent

10 MOTION by Burghart, second by McNerney to adjourn the meeting at 7:29 PM.

Those yea: Burghart, Weisshaar, Crites, McNerney

Those nay:

Motion passes.

Dale Franklin, Mayor

Shelly Clark, Clerk

DRAFT



www.burlingtoncolo.com

415 15th Street Burlington, CO 80807 Phone 719-346-8652 Fax 719-346-8397

CITY CLERK REPORT
5-8-2017

I will be out of the office starting May 9th through May 12th.

As you see on the agenda the Home Town Charitable Foundation is requesting a Special Event Liquor License for May 26th. The Home Town Charitable Foundation requested at the last Council Meeting that 14th Street from Martin Ave to Senter Ave be blocked off for this event. The Beer Garden will be roped off from State Farm to Senter Ave and it will be on the street not blocking any of the sidewalks. They have had events in the past and we have not had any concerns reported. All of the required paperwork has been filed and I recommend that Council approve this request.

Becky and I have been working with Jim and Lorraine on getting the budget set up so that it has a consistent flow through with each department. We have found that the employees' payroll allocations have not been correctly allocated throughout the department. Becky has been working hard on a spread sheet to help track the correct allocation for each department. We have also found that we need to add several line items for most of the departments. Jim has great ideas on the direction he would like to go with the budget.



Martin Ave

Food Court

Martin Ave

Martin Ave

Burlington Police Department

Essential Foods

Ken Wiken - State Farm Insurance Agent

Senter Ave

14th St

14th St

14th St

Food Court

Restaurant Panaderia

Gunrunner Trading Post

American Family Insurance - Jerry Hurrell

The Bank of Burlington

Vernit's Ceramics

Senter Ave

Prairie Family Center

13th St

13th St

13th St

Senter Ave

May 08, 2017

City Administrator's Summary Report

April 25 – May 08, 2017

Administration

- City of Burlington's Personnel Management Manual
 - Departmental Final Review and Revisions– Completed May 01
 - City Council distribution – May 03
 - City Council Discussion – May 08
 - City Council Approval – May 29
- Update Job Descriptions – All Positions
 - Department Head positions provided to City Council for review – May 08
 - All Employee job descriptions ready for review by Administrator – May 10
 - Revisions completed – May 25
 - Council Review – May 29
- CIRSA/CML Meeting Update – 3 folders to distribute
- Started process for Safety Manual re-write
 - Council Review – June 26
- Compensation Plan Survey
 - CML surveys being gathered – completed by May 20
 - Plan development with Department Heads – 24
 - Review with City Council – June 12

Operations

- Water Quality Project Update
 - Schedule A - Trenching and Pipeline ongoing
 - Schedule B – Completed process for well abandonment for South Halde Well irrigation site on April 21. Began bore for new well site on April 25. While boring 28" well at the South Halde well site, at approximately a depth of 300', the drill encountered an apparent large void. Due to safety concerns and apparent future loss of well, drilling efforts were terminated, and the drilling rig demobilized from the site. We immediately began determining our next course of action and through working with Engineers, Consultants, and Drilling, developed alternative site location allowing us to stay within a 300' zone per State regulations of the original drill site for a new well. This site sits directly to the East of the abandoned site, approximately 270' away. City Attorney established dialogue with property owner with whom we met on site, who agreed to allowing us access and trade for new location. City Attorney currently drafting agreement and easements to new site. Surveyors have performed their work at alternative site and will get their information to Engineering firm for further design of

final site plan and well location to allow drilling process to resume. We hope to be back to the drilling by early next week.

- Schedule C – Blending plant walls were formed and pour completed on May 04.
- Parks
 - Plan developed for improving condition of restrooms and pavilions in Parmer , Outback, and Merchant Parks – Ongoing through May
 - Have completed Parmer Park bathroom rehabilitation
 - Starting the pavilion painting all we be completed by end of May
 - Outback Park restrooms are in process, once completed will move to Merchants Park

Finance

- Developing accounts/line items for General Fund that are consistent across departments. Enterprise funds will be similar as well.
- Steve Rabe adjusting final numbers and assisting in completion of 2017 budget
- Lorraine Trotter performing audit preparation – June 1
- Audit Scheduled – June 7
- Financial/Budget Report – Enterprise Funds Report
- Other Funds Reporting – May 29th

Public Safety

- Assistance with Policy Development
- Assistance with scheduling and changes affecting Police Department in light of being undermanned.
- Upcoming Interdepartmental Training exercise with Middle School on Emergency Reunification. Exercise will involve multiple agency response – May

Old Town

- Numerous Events already being booked this summer, and there is an identified need of having tables and chairs at Old Town to accommodate the events. Nikki has sought bids from carriers for 10 – 72” Tables, 225 Chairs, 6 rolling chair carts, with the following results:

Lifetime Products –	\$10,012.43 Free shipping
Sam’s Club -	\$9,196.88 Free shipping to Colorado Springs
Bomgaars -	\$9,842.00 Free Delivery

As previously reported, funds collected through the Lodging Tax fund through which expenditures have been earmarked for promoting tourism, advertising, attracting conferences, conventions and meetings, or other purposes related to attracting visitors to the City.

- Meeting with Nikki, Rol, and Jo Downey to discuss REDI Grant. Jo Downey will write grant seeking \$125,000 to develop park, signage, and website to promote Burlington and in particular Old Town. Will require \$25,000 match from City and private donations to assure grant funding. Grant is due May 31, award is expected around August 01, with a June 30th completion date. A great opportunity for us to get grant funding for a much needed project that when completed, anticipated to boost visitor numbers by 25-30%, sustainable for years to come. Again, lodging tax funds, and Conservation Trust Funds can be allocated to this project. The grant will require Council approval for fund commitment. Knowing that we have a year to complete the project, we may have the opportunity to break up our level of commitment between 2017 and 2018.

Intergovernmental

- Met with County Commissioners and expressed our desire to assist with Fair and to continue to work together to address those issue affecting our constituents.

FINANCIAL REPORT

2016 ENTERPRISE FUND REVIEW AND 2017 OUTLOOK

The Water/Sewer, Electric, and Solid Waste Funds have been established as enterprise funds in order to provide for the operation and maintenance of the City's water and sewer facilities, electric distribution system, and trash disposal obligations. These enterprise funds are in compliance with various TABOR provisions concerning the operation of government-owned businesses.

Water/Sewer Enterprise Fund

Revenue for the Water/Sewer Fund is comprised of proceeds from water sales, sewer user fees, tap fees, and various non-operating revenues. Expenditures for this fund consist of operating expenses, improvements and repair to the water distribution and sewer collection systems, and the repayment of debt obligations as they pertain to the water quality improvement project.

Revenues for water sales increased in 2016. This is a good sign especially in light of Core Civic reducing their water needs significantly at mid-year. First quarter 2017 numbers remain strong and we look to remain solid through the end of the year, though I don't believe we will hit the projected 2017 budget number. If we maintain at last years pace, this will leave us short by approximately \$45K in sales. I realize that we have increased water rates over the last few years, though there may be slight room for an additional increase there. A look at average water rates around the state indicate a cost of \$57.22/10,000 gallons, where ours are \$47.50 for the same amount. We can further explore this during the budget cycle as we should have better numbers, where we can take into account all expenditures allocated to this fund as well.

Expenditures for the Water Fund in 2016 remained in line with what was budgeted, though no capital outlay funds were expended. This was due to the water quality project where the \$295,000 budgeted for capital was utilized in maintenance and repair to address the water project. During 2016, the expenses in both the Water and Sewer budgets were not coded properly, and we are currently going through this line by line to have a better understanding of how funds were spent and better plan for the future. Our goal is to chart a path for success whereby we are able to fund debt and build a capital improvement plan that addresses capital infrastructure needs as it relates to equipment and street repair and resurfacing. Reasoning here is that our Capital Improvement Plan (CIP) must address the other departments needs as well, for example, we don't want to resurface a street without first taking care of the utilities located under them. Currently, the wastewater portion of this fund is virtually non-existent. Only expenses are being recorded, with no attention to revenues. These two departments within the Fund must be tracked separately as we move forward in 2017 so that we can accurately set rates for our customers and track expenses better. This approach will provide us better information as we develop the CIP for the future. As we build a better budget system for each department, we believe we will be positioning ourselves strongly for future success.

As we all know, the water quality project is the main priority this year, and much of the revenue and expenditures in the Water/Sewer Enterprise Fund are being utilized to support this project, as

completion is time sensitive. I also will be allocating resources from this fund for training and certification of our water/sewer operators. Although additional certifications are not necessary for the new blending facility, I believe that additional certs and licensing enables our operators to be more competent in meeting expectations and again, drive us to a better position in the future.

Electric Enterprise Fund

Revenue for the Electric Fund consists primarily of charges for services as a result of energy distribution sales to customers. Expenditures in this fund consist of operating expenses including the wholesale purchase of energy, and improvement and repair to the electric distribution system.

Historically, the Electric fund has experienced the situation of revenues far outpacing expenditures, with the unassigned fund balance continuing to increase. Much of this is due to the electrical conversion project not being addressed, even though it was budgeted in 2016, causing unexpended funds to rise sharply, where revenues exceeded expenditures by \$1 Million. Over the last few years, the City has relied on its revenue to shore up the General Fund and the Airport Fund, and we must be aware of and take the necessary steps to wean our reliance from this fund. Anticipated revenues for 2017 represent similar numbers to our 2016 experience.

The 2017 proposed budget indicates that \$1.2 million is spent in maintenance and repair. This is for the conversion project, whereby upgrades in line capabilities and switching systems will aid in the electrical distribution system becoming healthier in providing for better reliability for our customers. The conversion project also decommissions an old transformer at the old power plant, a piece of equipment currently relied on to provide distribution throughout the community. I have been told the transformer is worn out and in danger of failing, and the conversion project addresses this issue. As this is a project again budgeted for, it is imperative we move forward with its completion. Currently, the Electric Department is working with Municipal Energy Association of Nebraska (MEAN) and our electrical consultants (Atwell) to review our distribution systems, identify what needs to be done, and implement the conversion project.

For the later part of 2017, I believe the establishment of a formal reserve policy is appropriate for the Electric Fund. This would look like establishing a minimum operating reserve balance, ideally maintaining a balance of approximately 30% for contingency purposes. Additionally, maintaining a reserve fund of approximately \$400,000, from which we can grow for planned capital projects, thereby avoiding future debt payments. These reserve funds coupled with equipment replacement reserve fund and a rate stabilization reserve fund will provide for the City's future needs and approximately \$2 million to use in case of a catastrophic event. I will also begin looking into rate determination as I believe these reserve funds will be met by the end of 2018. From there we may be able to decrease our current rates to maintain these reserves.

Solid Waste Fund

The Solid Waste Fund has been set up as a pass-thru fund used to account for trash fees the City collects, and payment to the City's private contractor, providing for the removal and disposal of solid waste within the City's boundaries.

Revenues for the Solid Waste Fund are generated through billing our customers for trash services within the service boundary of the City. Revenues consist of trash pick-up fees and tipping fees our trash contractor bills to us and we pass on to our consumers. In essence this fund acts more as a pass through billing mechanism, as we keep a percentage of the funds collected as an administrative fee for billing and collection of funds. Although in theory, this is good practice and should work to the benefit of the City, 2016 revenues did not meet projections. Additionally, expenditures exceeded revenues, indicating that our fees may be too low.

I have delved into this fund a little further, and it is unclear at this time as to why this situation occurred. With the Solid Waste Enterprise Fund, we are taking the same approach being taken with the other funds, looking at proper coding and conducting the coding of and allocation of the funds as they occur, rather than making adjustments at the end of the year, as has been practiced. We have looked at first quarter numbers and at this time are happy to report that revenues are exceeding expenditures, though not to the level they should be. I will be watching this closely for the next six months to determine if a rate increase will be necessary next year, so as to increase the unassigned fund balance to that \$75,000 mark to cover for any additional equipment needs or personnel costs associated with this fund. Any increase would be determined through consultation with our contractor, Triple H.

A Look Ahead

As we move forward, we are working closely with Lorraine Trotter to develop proper coding and allocation for both revenues and expenditures. I am a firm believer in having a system in place where we know on a day by day basis what our budgets are, anticipated revenues, and expenditures. This entails work on budget system development, and training of all Department Heads in coding and how to read a budget. I believe we can accomplish this during this years budget preparations, and have everyone on the same page as we move forward. Currently, I am looking at the Airport Fund, Conservation Trust Fund and other revenue sources of which I will report at the next council meeting.

*City of Burlington/Stratton Equity Coop
Lease Agreement*

THIS LEASE AGREEMENT (hereinafter referred to as the "Agreement") made and entered into this _____ day of March, 2017, by and between the **CITY OF BURLINGTON, COLORADO** ("Landlord"), and the **Stratton Equity Coop, Stratton, Colorado** ("Tenant"),

WITNESSETH:

WHEREAS, the Landlord finds that it is to its advantage to apply to beneficiary use a portion of the land owned by the City of Burlington,

NOW, THEREFORE, the said Landlord has this day leased unto the said Tenant, the following described premises situated in the County of Kit Carson and State of Colorado, to-wit:

Approximately 11 acres located in the far northwest corner of the Northeast Quart (NE ¼) of Section Thirty-five (35), Township Eight (8) South, Range Forty-four (44), West of the Sixth Principal Meridian. Property dimensions are approximately 600 feet East to West and 800' North to South. The property is bordered by County Road W on the north side, the road into Midwest Farms on the east and is bordered by a road on the west that accesses the city well located on the west edge of the property. The area is defined by a fence line on the south.

Excluding: From a point beginning at the northwest corner of the Northeast Quarter (NE 1/4) of Section Thirty-five (35), Township Eight (8) South, Range Forty-four (44), West of the Sixth Principal Meridian, thence East along the north boundary of said quarter section a distance of 800'; thence South parallel with the west boundary of said quarter section a distance of 800'; thence West parallel with the north boundary of said quarter section a distance of 800' to the west boundary of said quarter section; thence North along the west boundary of said quarter section; thence North along the west boundary of said quarter section a distance of 800' to the point of beginning.

This lease shall commence on the 1st day of March, 2017, and end on the 31st day of March, 2022, at the annual cash rental of One Thousand Dollars (\$1,000.00) annually, and due March 1st of each year, reserving, however, unto the Landlord the right to sell the premises, or any part thereof, upon giving 30 days' written notice to the Tenant. Stratton Equity Coop shall have the opportunity to purchase the property at any time during the lease period for fair market value and shall also be given First Right of Refusal, in the event that an outside interest should wish to purchase the property.

The Tenant hereby covenants and agrees to allow no waste, to carefully protect all trees, buildings, fences, and improvements on said premises during the continuance of this

lease, and at the expiration of the term herein granted to yield up possession of said premises unto the Landlord in as good repair as they now are, ordinary wear and loss by the elements excepted. It is further understood and agreed that the Tenant shall be responsible for mowing.

It is further understood and agreed that the Tenant shall refrain from sub-leasing or assigning said premises or any portion thereof without the consent of the Landlord, and any sub-leasing or assigning without the express written consent of the Landlord shall be void.

The Tenant hereby waives notice of termination of this lease and demand for possession upon the termination of this lease.

The Tenant shall produce their Certificate of Insurance, showing "The City of Burlington" as an additional Insured. Said insurance coverage shall not be less than One Million dollars (\$1,000,000.00)

The Tenant expressly promises and agrees to hold the Landlord harmless from any liability by reason of personal injury to any person or persons on or about the described property regardless of fault. Tenant further agrees to indemnify, defend, and hold harmless the City of Burlington and its trustees, officers, directors, employees and agents, from and against any loss, expense, liability, damage, claim (including reasonable attorneys' fees) made or brought on behalf of a Subject for personal injury, including death, that arises out of the participation in or viewing of the events or by negligence or willful misconduct and omission.

The Tenant further promises and agrees to hold the Landlord harmless for any loss of or damage of property resulting from the condition or nature of the lease property regardless of fault.

The Tenant further expressly promises and agrees to pay reasonable costs, attorney's fees, and expenses that shall be made and incurred by Landlord in enforcing the agreement of this lease.

It is further agreed between Landlord and Tenant that the Tenant may, at Tenant's expense remove old asphalt runway, old RC track and buildings. Tenant shall notify the Landlord for any other improvement they wish to make.

Further, if Tenant wishes to have water or electrical lines run to the property, it shall be done at the Tenant's expense.

IN WITNESS WHEREOF, the said parties have hereunto subscribed their names and signed, this _____ day of March, 2017.

TENANT:

STRATTON EQUITY COOP

Dan Slinger

LANDLORD:

THE CITY OF BURLINGTON

Dale Franklin, Mayor

Attest: Shelly Clark, City Clerk

DISPLAY AND SERVICES AGREEMENT

THIS PYROTECHNIC DISPLAY AND SERVICES AGREEMENT (hereinafter referred to as "Agreement" made and entered into this 13th , day of April, 2017, by and between Tri-State Fireworks, Inc. P.O. Box 31 Brighton, CO 80601 (hereinafter referred to as "SELLER) and:

City of Burlington
415 15th
Burlington, Colorado 80807

(hereinafter referred to as "BUYER")

1. **TIME AND PLACE: POSTPONEMENT/CANCELLATION, SELLER** agrees to deliver display fireworks product for the execution of fireworks display to be held on:

July 4, 2017

At the following location: Burlington High School
380 S. 18th Street
Burlington, Colorado 80807

Weather permitting. An alternate inclement weather (generally excessive wind and/or precipitation) date during the 2017 calendar year is to be designated by BUYER and agreed upon by SELLER, at the same place set forth herein above. It is agreed and understood by and between the parties hereto that BUYER shall have sole, exclusive and final determination of the suitability of the weather conditions at the time of the display, and in the event BUYER should determine that the weather conditions are such that an unsafe or hazardous condition may exist, BUYER shall have the exclusive right and option to postpone the starting time of the display and/or delay the display in its entirety, until conditions have improved and are appropriate for the safety of all involved, or until the alternative inclement weather date as set forth hereinabove. In the event the display cannot be postponed to an alternate date within the calendar year, SELLER shall have the right to retain, thirty percent (30%) of the total contract price per display for expenses incurred and services rendered.

2. **INSURANCE:** SELLER agrees to provide a Certificate of Insurance showing SELLER and BUYER. The BUYER agrees to provide a complete list of additional insured to be named on the certificate.

3. **SECURITY/SAFETY:** BUYER is responsible for procuring and managing the following: Adequate security personnel, barricades, ropes with flags, etc., to barricade all closed areas to spectators; sufficient space to be clear and free of all persons except those expressly authorized or put in place by BUYER.

4. **PREPERATION OF DISPLAY:** BUYER shall be responsible for all aspects of the setup and operation of the display.

5. **PLACEMENT:** BUYER shall determine the placement and arrangement of fireworks display devices, spectator viewing areas, and any and all equipment involved with the

pyrotechnic display to ensure the highest degree of show integrity and shall have sole discretion over placement necessitated by applicable federal, state, local safety, fire or other regulations.

6. **COMPENSATION:** Compensation shall be made to the SELLER in the amount of Ten Thousand Dollars (\$10,000.00), to be paid on delivery. Unpaid accounts are subject to one and one half percent (1 1/2%) interest charge per month after fifteen days. All applicable state or local sales tax will be payable by the BUYER.

7. **INDEMNIFICATION:** It is understood that BUYER will indemnify and hold harmless the SELLER hereunder, its agents, employees and persons contracted by SELLER for and against all losses, damages, demands, costs, claims, suits and other related actions or proceedings of whatever nature or kind resulting from damages or injury arising in any way out of the fireworks products or other products furnished by SELLER under the terms of this Agreement, resulting from any source other than one the negligence of SELLER hereunder, or its agents or employees, or from a source other than one for which insurance coverage has been provided pursuant to paragraph three of this agreement above.

8. **FORCE MAJEURE:** Subject to the provisions of paragraph one above, any failure or omission of BUYER or SELLER under this Agreement due to an act of GOD, enactment, rule, order or any act of government instrumentality (whether federal, state, or local), other causes beyond the control of BUYER or SELLER, or force majeure will not constitute a breach or default under this agreement.

9. **CONSTRUCTION/ASSIGNMENT/APPLICABLE LAW:** If any term, provision, covenant, or condition of this Agreement is held by any court of competent jurisdiction to be invalid, void or unenforceable or in any such provision is waived or not enforced by any party hereunder, the remainder of the provisions of this Agreement shall remain in full force and effect, and shall in no way be affected, impaired or invalidated, This Agreement, including any documents incorporated or referred to herein, constitutes the entire Agreement between the parties, and this Agreement may not be altered or amended except by written addendum to this Agreement executed by both BUYER and SELLER, This Agreement shall be binding upon the heirs, executors, administrators, personal representatives, successors and assigns of each of the parties. It is agreed and understood by and between the parties hereto that this Agreement is subject to, and shall be interpreted under, the laws of the State of Colorado, and any aspect of this Agreement shall be controlled by and interpreted under the laws of the State of Colorado, as they may exist from time to time.

10. **ATTORNEY FEES:** If any legal action is necessary to enforce the terms and conditions of this Agreement, the prevailing party shall be entitled to recover all costs of suit and reasonable attorney's fees.

TRI-STATE FIREWORKS, INC.
"SELLER"

CITY OF BURLINGTON
"BUYER"

By:  _____

By: _____

Date: April 13, 2017

Date: _____

Old Town Museum- May 8th report

RE: REDI Grant

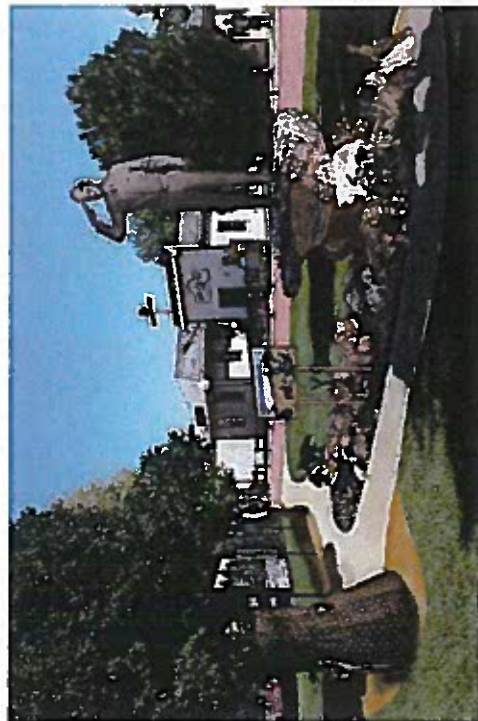
I wanted to provide a quick introduction to a project that we are in the infancy stages on, as we are beginning the grant writing/request process. As you know, there hasn't been any significant exhibit updates or changes to Old Town since the early 90's. In addition, the prison closing has had a significant economic impact on the City. Now is a crucial time to build on our tourism efforts.

One of the struggles with any attraction is BITS (butts in the seats) or in our case, bodies through the door, people off the highway. Every day we witness cars that drive down to the barn, turn around, drive past the building slowly trying to decide what this is, should they stop, is it worth it??? Thousands of travellers stop at our welcome center next door each year, but how many take the time to come over and tour Old Town, stay in town for lunch or do some shopping?

Since October I have been working with VisualWest to come up with a concept for outdoor exhibit space and branding opportunity that will catch the motorists eye, draw them in. The attached graphic is small scale example to give you an idea of what this all looks like—more to come on as we move forward. What I really wanted to inform you of is that I am also working with Jo Downey on writing a REDI grant for this project. REDI (Rural Economic Development Initiative) program is designed to help rural communities comprehensively diversify their local economy and create a more resilient Colorado. They give \$750,000 per fiscal year, funds are appropriated from the State General Fund and administered by DOLA and OEDIT. Jo and I have already had very positive communication with Greg Etl, and others at DOLA who encouraged us to “apply for what we need” because they want to help Burlington. In addition, Jo was able to get a \$2500 grant from Cooper Clark so that we may create one of the 6ft “Old Town characters” to use as an example to show local groups and prospective sponsors of the characters. In addition, I have a private donor who has committed \$10,000 to the project once we get grant funding and “shovels in the ground”.

I will of course be updating each month on this project if/when we get the grant requested. Just wanted to inform you all of the project, and that we are applying for the REDI grant which is due May 31st.

Thank you



This exhibit/park environment greenbelt space will run from approximately the law office to the General store in the grass area to the west of the building strip. Walk-thru arches with information panels and pictures will provide visitors with information and paint the picture of eastern Colorado at the turn-of-the-century. 6-8ft vinyl coated, aluminum cut-outs bring the museum to life, making the visitor and/or passerby feel as though he shopkeepers have just stepped out for a break.

