

Attachment #2.

JOINT USE AGREEMENT

THIS JOINT USE AGREEMENT is made and entered into by and between the CITY OF STEAMBOAT SPRINGS, COLORADO, a home rule municipality ("City") and the STEAMBOAT SPRINGS WINTER SPORTS CLUB, a Colorado nonprofit corporation ("Club").

R E C I T A L S:

1. City is the owner of the real property and improvements known as the Howelsen Hill Ski Complex ("Ski Complex") which consists of ski runs, ski jumps, lifts, snowmaking equipment, Howelsen Hill Lodge and other real and personal property, buildings and equipment necessary for the operation of the Ski Complex. The improvements to the ski complex now existing were made over many years by a combined effort of the Club, the City and the Steamboat Springs Community generally. In 1977, pursuant to an agreement entitled Sale And Agreement Between The City Of Steamboat Springs And The Steamboat Springs Winter Sports Club dated October 1, 1977, the Club agreed to convey all its right, title and interest in the Ski Complex to the City, subject to certain rights reserved to the Club.

2. Since 1914 the Club has, among other things, been organized to create, develop, educate and interest the Steamboat Springs community in the sport of skiing and ski jumping, and other winter sports; to promote junior skiing and educate the students in the sport of skiing; to develop, maintain and train teams for amateur skiing competition; to arrange amateur competitions in Steamboat Springs and elsewhere; to organize, conduct and maintain ski facilities and centers for instructional, educational and recreational purposes; to organize, equip and operate a ski area for the pleasure and recreation of the public as a whole and in connection therewith to maintain a lodge, ski and ski jumping facilities and such other related facilities which the directors and the City have considered advisable; to give and promote public entertainment, competition, lectures, social affairs, celebrations, games and amusements.

3. The Club and the City desire to clarify and set forth their respective rights and liabilities with respect to the joint use by them of the Ski Complex.

NOW, THEREFORE, it is agreed by and between the parties hereto as follows:

1. City Responsibilities. The City shall, at its sole cost, be responsible for the operation, maintenance, repair, construction, reconstruction and replacement of the Ski Complex including all trails, slopes, lifts, buildings, structures, snow making equipment, grooming equipment, utilities and parking areas. The Ski Complex shall be operated and maintained in

accordance with all applicable laws and regulations. The City shall be responsible for the cost of personnel necessary to discharge its obligations under this paragraph including, without limitation, all Federal and State wage and social security withholdings, unemployment, workmen's compensation contributions, wages and salaries. The City may open Howelsen Hill to general recreational skiing by the public during time periods scheduled for City use, but the City shall not conduct or permit others to conduct ski instruction or training during such periods or at any other time, nor shall the City sponsor competitive events or permit others to conduct competitive events except with the approval of the Club. The Club shall have the exclusive use of Howelsen Hill for ski instruction and training and for competitive events during all time periods not reserved for general recreational skiing by the public as hereinabove provided. The City shall indemnify and save harmless the Club from and against any and all loss, damage, liability, costs and attorney's fees occasioned by, growing out of, or arising or resulting from any default on the part of the City hereunder or any tortious or negligent acts on the part of the City, its members, agents, employees or invitees.

2. Club Responsibilities. The Club agrees to sponsor competitive events, training and instruction in skiing and ski jumping at the Ski Complex. The Club agrees to assume responsibility for soliciting, scheduling, organizing and coordinating such competitive events, training and instruction. The scheduling of use of the Ski Complex for Club competitive events, training and instruction shall be mutually agreed upon by the City and the Club. The approval of the City shall not be unreasonably withheld. The Club agrees to obtain public liability and property damage insurance approved by the City protecting the Club for accidents or occurrences arising out of Club sponsored events and instruction and training. The Club shall be responsible for the cost of personnel necessary to discharge its obligations under this paragraph including, without limitation, all Federal and State wage and social security withholdings, unemployment, workmen's compensation contributions, wages and salaries. The Club shall indemnify and save harmless the City from and against any and all loss, damage, liability, costs and attorney's fees occasioned by, growing out of, or arising or resulting from any default on the part of the Club hereunder or any tortious or negligent acts on the part of the Club, its members, agents, employees or invitees.

3. Howelsen Hill Lodge. The Club shall have the exclusive right to the use of the office, locker room and storage facilities now occupied by the Club and shall have the right to use of the Lodge area in accordance with the City's standard practices for the use of this area for its business and activities. The City shall not charge the Club rent for the use of Howelsen Hill Lodge. If in the future the Howelsen Hill Lodge is replaced, comparable space will be provided to the Club in any new facility.

4. Lift Tickets. The City shall be responsible for the sale of all lift tickets and setting of rates therefor, and shall receive all revenues generated therefrom.

5. Other Revenues. All revenues, excluding lift ticket revenues, derived from competitive events, training and instruction held at or upon the Ski Complex, including all entry fees, promotional and advertising revenues and all television and radio sponsorship revenues from Club sponsored events shall be retained by the Club.

6. Term. The initial term of this Agreement shall be for a period of ten (10) years from the date hereof. This Agreement shall be automatically renewed for successive ten (10) year terms.

This Agreement may be terminated by the City for cause if and only if:

(a) The Club has failed to perform its obligations hereunder in substantial conformity with the terms hereof,

(b) Not less than one year prior to the date of termination, the City has given the Club written notice setting forth with specificity the obligations that the Club has failed to perform, and

(c) During such one year period, the Club has continued to fail to perform its obligations as set forth in such notice in accordance with this Agreement.

In addition to the foregoing, the City may terminate this Agreement at the end of the initial term hereof or any ten year renewal term if the City, not less than twelve (12) months nor more than eighteen (18) months prior to the end of such term, (1) certifies to the Club that the operation of the Ski Complex by the City is being permanently discontinued, (2) offers to convey to the Club, or other organization acceptable to the Club, all of the personal property and equipment necessary for the operation of the Ski Complex, and (3) agrees to permanently lease or otherwise make permanently available to the Club, or such other organization acceptable to the Club, without cost, the real property and improvements then constituting the Ski Complex.

7. Miscellaneous. This Agreement contains the entire agreement of the parties and supercedes all prior written and oral agreements between the parties hereto; provided, however, that the effective date of this Agreement shall be November 1, 1987, and provided further that nothing in this Agreement shall be construed to affect the legal relationship between the City and the Club for matters which occurred prior to its effective date. This Agreement shall not be amended except in an instrument in writing approved by the parties hereto.

CITY OF STEAMBOAT SPRINGS,
a home rule municipality

Date: 11/3/87

By: *Rita Furdyk*

[S E A L]

ATTEST:

Jana Anderson
City Clerk

STEAMBOAT SPRINGS WINTER SPORTS
CLUB, a Colorado nonprofit
corporation

Date: 11/25/87

By: *Reggie Grosjean*
President

ATTEST:

Chris R. Stangor
Secretary

[MISC23]