

AGENDA ITEM #12.

CITY COUNCIL COMMUNICATION FORM

FROM: Dan Foote, City Attorney

DATE: February 6, 2018

ITEM: Ordinance: An ordinance approving a contract to buy and sell real estate relating to the site for the Combined Law Enforcement Facility.

NEXT STEP: Adopt the ordinance on the second reading.

ORDINANCE
 RESOLUTION
 MOTION
 DIRECTION
 INFORMATION

1. REQUEST/BACKGROUND INFORMATION

The August 24, 2017 Memorandum of Understanding between the City and the County ("Phase II MOU") contemplates the parties entering into an Intergovernmental Agreement to govern construction of the project ("Construction IGA"). On December 19, 2017 the City Council reviewed and approved a term sheet for the Construction IGA.

Since then staff has prepared a draft Construction IGA incorporating the provisions of the term sheet. This document is scheduled for City Council review at a public hearing on February 6, 2018.

The Construction IGA incorporates a real estate purchase contract ("Real Estate Contract") pursuant to which the City will purchase the project site from the County. The parties intend to execute the Real Estate Contract in early February along with the Construction IGA. The Phase II MOU and term sheet assumed that the parcel would consist of approximately 63,468 sq.ft. of lot area at \$15.00/sq.ft. for a purchase price of \$952,020. The current draft of the final plat, which is has

been reviewed and approved by the County, shows a lot area of 62,340 sq.ft., which results in a purchase price of \$935,100.

Section 13.6 of the City's Charter requires contracts for the purchase of real estate to be approved by ordinance. Closing of the transaction is subject to title, inspection, and other customary contingencies and also upon the City and County's approval of a Guaranteed Maximum Price for construction of the Combined Law Enforcement Facility.

II. ALTERNATIVES

1) Adopt the proposed ordinance on second reading.

Pros: Adoption of the ordinance will allow the parties to continue to work towards commencing construction of the CLEF in April. There are a number of tasks that must be completed prior to the start of construction, including conducting due diligence and closing on the real estate transaction.

The current schedule allows for a few weeks delay in completing the foregoing tasks without jeopardizing the April start date. However, it would be preferable to continue moving forward and to preserve the margin for delay in the event it is necessary to address unexpected issues.

Cons: The parties have only a general understanding as to the scope and terms of the Operations and Maintenance IGA and lease terms. If we are unable to reach some degree of agreement on these provisions, the project will not proceed. Ongoing work on the remaining tasks is somewhat speculative until all the terms of the Operations and Maintenance IGA and lease terms have been agreed to in writing.

In addition, the CM/GC has not produced a GMP. Neither party is lawfully obligated to proceed with the project until the GMP has been approved.

2) Decline to introduce the proposed ordinance on second reading.

Pros: None

Cons: Rejecting the ordinance would either kill the project or require a fundamental revision to the structure of the project, which may result in construction delays.

3) Postpone introduction of the ordinance on first reading.

Pros: If Council has concerns about the terms of the Real Estate Contract, it would be prudent to delay its adoption in order to allow resolution of Council concerns. This documents governs a \$935,100 expenditure and it is essential that Council be satisfied with its terms.

Cons: A delay of more than two or three weeks in approving the Real Estate Contract could jeopardize the scheduled April start date for construction. While it is possible for staff to continue to press forward with due diligence prior to execution of the Real Estate Contract, uncertainty as to whether the City and County agree on the critical terms of the Real Estate Contract may obstruct progress on the remaining project tasks.

III. STAFF RECOMMENDATION

Staff recommends approving the proposed ordinance as drafted. Negotiations between the City and the County regarding construction of the CLEF include an agreement that the City will purchase the project site. There is no hard deadline for approval of this contract. The financing of the project, execution of design and construction contracts, and the final plat and building permit applications and approvals could proceed without closing on the real estate transaction. However, the real estate transaction will need to close at some point if the project is to proceed.

As currently scheduled, the contract will be executed in early February. There will be several weeks to perform diligence prior to a closing in early to mid-March, which is approximately when the parties intend to have the final plat approved. The City has commenced some of its due diligence. We have preliminary title work in hand and have commissioned a Phase I Environmental Site Assessment. This schedule leaves about a month between closing and the commencement of site work scheduled for April 16.

If this item is postponed, the earliest it could be approved on second reading is February 27. A February 27, 2018 approval would push closing back to the end of March or early April. This delay would not necessarily delay the commencement of construction, but it would leave little time for resolution of unexpected issues.

IV. FISCAL IMPACTS

Funds for the purchase are the subject of a supplemental appropriations ordinance that is scheduled for Council review contemporaneously with Council hearings on this ordinance.

V. LEGAL ISSUES

The Real Estate Agreement and General Warranty Deed have been revised since first reading to correct grammatical and spelling errors and to add deadlines and other information that were not available at first reading. The purchase price has been confirmed at \$935,100.

VI. CONFLICTS OR ENVIRONMENTAL ISSUES

None.

VII. CONSISTENCY WITH COUNCIL GOALS AND POLICIES

This request directly promotes City Council's goal of developing plans and funding for a new law enforcement facility.

CITY OF STEAMBOAT SPRINGS

ORDINANCE NO. _____

AN ORDINANCE APPROVING A CONTRACT TO BUY AND SELL REAL ESTATE RELATING TO THE SITE FOR THE COMBINED LAW ENFORCEMENT FACILITY.

WHEREAS, the parties are each political subdivisions of the State of Colorado and are authorized by the Constitution and statutes of the State of Colorado to provide law enforcement services to their respective citizens and to purchase, construct, maintain, and operate facilities to support the provision of said law enforcement services; and

WHEREAS, the parties provide law enforcement services through the Routt County Sheriff's office ("RCSO") and the Steamboat Springs Police Department ("SSPD"), each of which currently maintains separate department facilities for administrative functions, training, records storage, evidence processing and storage, sworn officer and administrative employee work spaces, locker rooms, vehicle parking, and other law enforcement functions; and

WHEREAS, the City has determined that the SSPD facilities are no longer adequate to provide a desirable level of law enforcement services and that it is necessary to the public health, safety, and welfare to plan, construct, and operate a law enforcement facility that will better meet the needs of the Steamboat Springs community; and

WHEREAS, the County has determined that it is necessary to the public health, safety, and welfare to expand the existing RCSO facility to better meet the needs of the citizens of Routt County; and

WHEREAS, the parties agree to that the construction of a combined law enforcement facility ("CLEF") to house the SSPD and RCSO would benefit the citizens of Steamboat Springs and Routt County by eliminating the unnecessary duplication of efforts, fostering cooperation and communication between the agencies and their sworn and administrative employees, encouraging the more efficient utilization of their physical plants, sharing land costs, and otherwise reducing the expense to the public of the provision of law enforcement services; and

WHEREAS, the parties entered into a Memorandum of Understanding for the sharing of the preliminary design, design development, construction drawings, construction, and construction administration costs ("Phase I MOU") dated December 19, 2016; and

WHEREAS, the parties entered into a second Memorandum of Understanding (“Phase II MOU”) dated August 24, 2017 for the preparation of final architectural and engineering plans, construction plans, project financing, selection of and execution of a contract with a Construction Manager/General Contractor (“CM/GC”), project manager, and commissioning agent; and

WHEREAS, the Phase II MOU states the parties’ intention to enter into an Intergovernmental Agreement by December 31, 2017 for the purpose of the approval of the Guaranteed Maximum Price, issuance of a notice to proceed, and conveyance by the County to the City of a parcel of real property along with an access and parking easement (“Construction IGA”); and

WHEREAS, the City and the County have negotiated the terms of the Construction IGA and contract for the purchase by the City of a parcel of real property and access and parking easement to be used as a site for the CLEF (“Real Estate Contract”); and

WHEREAS, the City Council of the City of Steamboat Springs hereby finds that it is necessary to the public health, safety, and welfare to adopt this ordinance approving the Real Estate Contract and authorizing its execution.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF STEAMBOAT SPRINGS THAT:

SECTION 1. The Real Estate Contract attached hereto as Exhibit “A” is hereby approved. The City Council President or City Council President Pro-Tem are hereby authorized to execute said contract.

SECTION 2. The City Council hereby finds, determines and declares that this ordinance is necessary for the immediate preservation of the public peace, health, and safety.

SECTION 3. This ordinance shall take effect immediately upon the expiration of five (5) days from and after its publication following final passage, as provided in Section 7.6(h) of the Steamboat Springs Home Rule Charter.

SECTION 4. A public hearing on this ordinance shall be held on _____, at 5:15 P.M. in the Citizens Hall meeting room, Centennial Hall, Steamboat Springs, Colorado.

INTRODUCED, READ AND ORDERED published, as provided by law, by the City Council of the City of Steamboat Springs, at its regular meeting held on the 23rd day of January 2018.

Jason Lacy, President
Steamboat Springs City Council

Julie Franklin, CMC
City Clerk

FINALLY READ, PASSED AND APPROVED this ____ day of _____, 2018.

Jason Lacy, President
Steamboat Springs City Council

Julie Franklin, CMC
City Clerk

Exhibit A

CONTRACT TO BUY AND SELL REAL ESTATE (LAND)

1. AGREEMENT. Buyer agrees to buy, and Seller agrees to sell, the Property described below on the terms and conditions set forth in this contract ("Contract").

2. PARTIES AND PROPERTY. Buyer, the City of Steamboat Springs, a Colorado home rule municipal corporation, will take title to the Property as the sole owner. This contract is not assignable by Buyer.

Seller, Routt County, a Colorado statutory county, is the current owner of the Property. The Property is legally described as Lot 1, Replat of Lot 1, Block 1, Curve Subdivision, known as 2027 Shield Drive, Steamboat Springs, CO 80487, together with the interests, easements, rights, benefits, improvements, and attached fixtures appurtenant thereto, and all interest of Seller in vacated alleys and streets adjacent thereto, except as herein excluded.

The Property shall include as an appurtenance an easement for purposes of parking on and access across other property owned by Seller and legally described as Lot 2, Replat of Lot 1, Block 1, Curve Subdivision, known as 2025 Shield Drive, Steamboat Springs, CO 80487 ("Parking and Access Easement"). The terms and conditions of the Parking and Access Easement shall be in substantially the form set forth in the general warranty deed attached hereto as Exhibit "A".

The property does not include any fixtures, personal property, or crops of any kind.

3. DATES AND DEADLINES.

Record Title Deadline	February 12, 2018
Record Title Objection Deadline	February 26, 2018
Off-Record Title Deadline	February 12, 2018
Off-Record Title Objection Deadline	February 26, 2018
Title Resolution Deadline	March 5, 2018
Seller's Property Disclosure Deadline	February 12, 2018
ILC/Survey Objection Deadline	February 26, 2018
ILC/Survey Resolution Deadline	March 5, 2016
Inspection Objection Deadline	February 26, 2018
Inspection Resolution Deadline	March 5, 2018
Property Insurance Objection Deadline	March 5, 2018

Due Diligence Documents Delivery Deadline	February 12, 2018
Due Diligence Documents Objection Deadline	February 26, 2018
Due Diligence Documents Resolution Deadline	March 5, 2018
Environmental Inspection Objection Deadline	February 26, 2018
ADA Evaluation Objection Deadline	February 26, 2018
Joint Facility Approval Deadline	July 1, 2018

Closing Date	Within five (5) days of Project Approval
Possession Date	Immediately upon closing
Possession Time	Immediately upon closing.

4. PURCHASE PRICE AND TERMS. The Purchase Price for the Property shall be \$15.00 per square foot. The Property has a land area of 62,340 square feet. The Purchase Price shall be \$935,100, which shall be inclusive of all rights, interests, appurtenances, and water rights, including the Parking and Access Easement.

The Purchase Price shall be payable at closing in a form acceptable to both parties. Buyer shall not provide an earnest money deposit.

5. FINANCING CONDITIONS AND OBLIGATIONS. Closing of this contract is contingent upon the parties' approval of a Guaranteed Maximum Price for construction of the Joint Facility. No financing conditions or obligations exist other than the Joint Facility Approval.

6. APPRAISAL PROVISIONS. There are no appraisal contingencies.

7. OWNERS ASSOCIATION. Seller represents that the Property is not located within a common interest community or subject to the declarations of such a community.

8. TITLE INSURANCE.

8.1 Buyer shall select a title insurance company to furnish an owner's title insurance policy at Buyer's expense. The Title Commitment may contain Owner's Extended Coverage ("OEC"). Any additional premium expense to obtain OEC will be paid by Buyer.

Title documents consist of the following: (1) copies of any plats, declarations, covenants, conditions, and restrictions burdening the Property, and (2) copies of any other documents listed in the schedule of exceptions ("Exceptions") in the Title Commitment furnished to Buyer (collectively, "Title Documents"). Buyer must receive, on or before the Record Title Deadline, copies of all Title Documents. This requirement pertains only to documents as shown of record in the office of the Routt County Clerk and Recorder.

The cost of furnishing copies of the documents required in this section will be at the expense of Buyer. Seller must deliver to Buyer copies of any abstracts of title covering all or any portion of the Property ("Abstract of Title") in Seller's possession on or before Record Title Deadline.

8.2 Buyer has the right to review and object to the Abstract of Title or Title Commitment and any of the Title Documents on or before Record Title Objection Deadline. Buyer's objection may be based on any unsatisfactory form or content of Title Commitment or Abstract of Title, notwithstanding the provisions of Section 12, or any other unsatisfactory title condition, in Buyer's sole subjective discretion. If the Abstract of Title, Title Commitment, or Title Documents are not received by Buyer on or before the Record Title Deadline, or if there is an endorsement to the Title Commitment that adds a new Exception to title, a copy of the new Exception to title and the modified Title Commitment will be delivered to Buyer. Buyer has until the earlier of Closing or ten days after receipt of such documents by Buyer to review and object to: (1) any required Title Document not timely received by Buyer, (2) any change to the Abstract of Title, Title Commitment or, Title Documents, or (3) any endorsement to the Title Commitment. If Seller receives Buyer's Notice to Terminate or Notice of Title Objection, pursuant to this paragraph, any title objection buy Buyer will be governed by the provisions set forth below in Subsection 8.4

8.3 Seller must deliver to Buyer, on or before the Off Record Title Deadline, true copies of all existing surveys in Seller's possession pertaining to the Property and must disclose to Buyer all easements, liens (including, without limitation, governmental improvements approved, but not yet installed) or other title matters (including, without limitation, rights of first refusal and options) not shown by public records, of which Seller has actual knowledge ("Off Record Matters"). Buyer has the right to inspect the Property to investigate if any third party has any right in the Property not shown by public records. Buyer's Notice to Terminate or Notice of Title Objection of any unsatisfactory condition (whether disclosed by Seller or revealed by such inspection, the provisions of Sections 8.2 and 12 notwithstanding), in Buyer's sole subjective discretion, must be received by Seller on or before Off-Record Title Objection Deadline. If an Off-Record Matter is received by Buyer after the Off Record Title Deadline, Buyer has until the earlier of Closing or ten days after receipt by Buyer to review and object to such Off Record Matter. If Seller receives Buyer's Notice to Terminate or Notice of Title Objection pursuant to this subsection, any title objection by Buyer and this Contract are governed by the provisions set forth in subsection 8.4. If Seller does not receive Buyer's Notice to Terminate or Notice of Title Objection by the applicable deadline specified above, Buyer accepts title subject to such rights, if any, of third parties of which Buyer has actual knowledge.

8.4 Buyer's right to object to any title matters includes, but is not limited to those matters set forth in Sections 8.2, 8.3, and 12, in Buyer's sole subjective discretion. If Buyer objects to any title matter, on or before the applicable deadline, Buyer has the following options:

If Seller receives Buyer's written notice objecting to any title matter ("Notice of Title Objection") on or before the applicable deadline, and if Buyer and Seller have not agreed to a written settlement thereof on or before the Title Resolution Deadline, this contract will terminate on the expiration of the Title Resolution Deadline, unless Seller receives Buyer's written withdrawal of Buyer's Notice of Title Objection, on or before expiration of the Title Resolution Deadline. If either the Record Title Deadline or the Off Record Title Deadline, or both, are extended to the earlier of Closing or ten days after receipt of the applicable documents by Buyer, pursuant to subsections 8.2 or 8.3, the Title Resolution Deadline also will be automatically extended to the earlier of Closing or fifteen days after Buyer's receipt of the applicable documents; or

Buyer may exercise the Right to Terminate pursuant to the provisions of Section 19, on or before the applicable deadline, based on an unsatisfactory title matter, in Buyer's sole subjective discretion.

8.5 The Property, whether owned by Buyer or Seller, is not subject to taxation by any special taxing district.

8.6 Seller represents that no right of first refusal exists.

9. SURVEY

Seller shall have no obligation to provide a new ILC or Survey to Buyer. Buyer may obtain a new or updated ILC or Survey at Buyer's expense. If such ILC or Survey is unsatisfactory to Buyer, in Buyer's sole subjective discretion, Buyer may, on or before the ILC/Survey Objection Deadline, notwithstanding the provisions of Sections 8.3 or 12:

Notify Seller in writing that this contract is terminated; or
Deliver Seller a written description of any matter that was to be shown or is shown in the ILC or Survey that is unsatisfactory and that Buyer requires Seller to correct.

If an ILC/Survey Objection is received by Seller, on or before the ILC/Survey Objection Deadline, and if Buyer and Seller have not agreed in writing to a settlement thereof on or before the ILC/Survey Resolution Deadline, this Contract will terminate on expiration of the ILC/Survey Resolution Deadline, unless Seller receives Buyer's written withdrawal of the ILC/Survey Objection before such termination.

10. PROPERTY DISCLOSURE, INSPECTION, INDEMNITY, INSURABILITY, DUE DILIGENCE

10.1 On or before Seller's Property Disclosure Deadline, Seller agrees to deliver to Buyer the most current version of the applicable Colorado Real Estate Commission's Seller's Property Disclosure form completed by Seller to Seller's actual knowledge, current as of the date of this Contract.

10.2 Seller must disclose to Buyer any latent defects actually known by Seller. Seller agrees that disclosure of latent defects will be in writing. Except as otherwise provided in this Contract, Buyer acknowledges that Seller is conveying the Property to Buyer in an "As Is" condition, "Where Is", and "With All Faults".

10.3 Unless otherwise provided in this Contract, Buyer, acting in good faith, has the right to have inspections (by one or more third parties, personally, or both) of the Property and Inclusions (Inspection) at Buyer's expense. If the physical condition of the Property or the Inclusions is unsatisfactory, in Buyer's sole subjective discretion, Buyer may, on or before the Inspection Objection Deadline:

Notify Seller in writing that this Contract is terminated; or
Deliver to Seller a written description of any unsatisfactory physical condition that Buyer requires Seller to correct.

If an Inspection Objection is received by Seller, on or before the Inspection Objection Deadline, and if Buyer and Seller have not agreed in writing to a settlement thereof on or before the Inspection Resolution Deadline, this Contract will terminate on the Inspection Resolution Deadline unless Seller receives Buyer's written withdrawal of the Inspection Objection before such termination.

10.4 Buyer, except as otherwise provided in this Contract or other written agreement between the parties, is responsible for payment of all inspections, tests, surveys, engineering reports, or other reports performed at Buyer's request ("Work") and must pay for any damage that occurs to the Property and Inclusions as a result of such Work. Buyer must not permit claims or liens of any kind against the Property for Work performed on the Property. Buyer agrees to indemnify, protect, and hold Seller harmless from and against all liability, damage, cost, or expense incurred by Seller and caused by any such Work, claim, or lien. This indemnity includes Seller's right to recover all costs and expenses incurred by Seller to defend against any such liability, damage, cost, or expense, or to enforce this section, including Seller's reasonable attorney fees, legal fees, and

expenses. The provisions of this section survive the termination of the Contract. This subsection does not apply to items performed pursuant to an Inspection Resolution.

10.5 Buyer has the right to review and object to the availability, terms, and conditions of any premium for property insurance ("Property Insurance"). Buyer has the Right to Terminate, on or before the Property Insurance Objection Deadline, based on any unsatisfactory provision of the Property Insurance, in Buyer's sole subjective discretion.

10.6 Seller agrees to deliver copies of the following documents and information pertaining to the Property to Buyer on or before the Due Diligence Documents Delivery Deadline:

- a) All insurance policies pertaining to the Property and copies of any claims which have been made for the past 10 years;
- b) Soils reports, surveys, and engineering reports or data pertaining to the Property;
- c) Any and all existing documentation and reports regarding Phase I and II environmental reports, letters, test results, advisories, and similar documents respective to the existence or nonexistence of asbestos, PCB transformers, or other toxic, hazardous, or contaminated substances, and/or underground storage tanks, and/or radon gas. If no reports are in Seller's possession or known to Seller, Seller warrants that no such reports are in Seller's possession or known to Seller.

Buyer has the right to review and object to Due Diligence Documents. If Due Diligence Documents are not supplied to Buyer or are unsatisfactory in Buyer's sole subjective discretion, Buyer may, on or before Due Diligence Documents Objection Deadline:

Notify Seller in writing that this contract is terminated; or
Deliver to Seller a written description of any unsatisfactory Due Diligence Documents that Buyer requires Seller to correct.

If a Due Diligence Document Objection is received by Seller, on or before the Due Diligence Documents Objection Deadline, and if Buyer and Seller have not agreed in writing to a settlement thereof on or before the Due Diligence Documents Resolution Deadline, this Contract will terminate on the Due Diligence Documents Resolution Deadline unless Seller receives Buyer's written withdrawal of the Due Diligence Documents Objection Deadline before such termination.

Buyer has the right to obtain environmental inspections of the Property including Phase I and Phase II Environmental Site Assessments, as applicable. Buyer will order such inspections at Buyer's expense. All such inspections and evaluations must be conducted

at such times as are mutually agreeable to minimize the interruption of Seller's use of the Property.

If Buyer's Phase I Environmental Site Assessment recommends a Phase II Environmental Site Assessment, the Environmental Inspection Objection Deadline will be extended by 30 days ("Extended Environmental Inspection Objection Deadline"). The parties shall negotiate the payment of costs for the Phase II Environmental Site Assessment.

Notwithstanding Buyer's right to obtain additional environmental inspections of the Property, Buyer has the Right to Terminate pursuant to Section 19, on or before the Environmental Inspection Objection Deadline, or if applicable, the Extended Environmental Inspection Deadline, based on any unsatisfactory results of Environmental Inspection, in Buyer's sole subjective discretion.

11. CLOSING DOCUMENTS, INSTRUCTIONS, AND CLOSING

Seller and Buyer will cooperate with the Closing Company to enable the Closing Company to prepare and deliver documents required for Closing to Buyer and Seller and their designees. Buyer and Seller will furnish any additional information and documents required by the Closing Company that will be necessary to complete the transaction. Buyer and Seller will sign and complete all customary or reasonably required documents at or before Closing.

Delivery of deed from Seller to Buyer will be at closing ("Closing"). Closing will be on the date specified as the Closing Date or by mutual agreement at an earlier date. The hour and place of Closing will be as designated by mutual agreement of the parties.

12. TRANSFER OF TITLE.

Subject to tender of payment at Closing as required herein and compliance by Buyer with the other terms and provisions hereof, Seller must execute and deliver a good and sufficient general warranty deed to Buyer, at Closing, conveying the Property free and clear of all taxes except the general taxes for the year of Closing. Except as provided herein, title will be provided free and clear of all liens, including any governmental liens for special improvements installed as of the date of Buyer's signature hereon, whether assessed or not. Title will be conveyed subject to:

The specific Exceptions described by reference to recorded documents as reflected in the Title Documents accepted by Buyer in accordance with Subsection 8.2 of this agreement,

Distribution utility easements (including cable TV),

Those specifically described rights of third parties not shown by the public records of which Buyer has actual knowledge and which were accepted by Buyer in accordance with Sections 8.3 or 9 of this agreement,

Inclusion of the Property within any special taxing district,

Any special assessment if the improvements were not installed as of the date of Buyer's signature hereon, whether assessed prior to or after Closing.

13. PAYMENT OF ENCUMBRANCES

Any encumbrance required to be paid will be paid at or before Closing from the proceeds of this transaction or from any other source.

14. CLOSING COSTS, CLOSING FEE, ASSOCIATION FEES, AND TAXES

Buyer and Seller must pay, in Good Funds, their respective closing costs and all other items required to be paid at Closing, except as otherwise provided herein.

The fee for real estate closing services must be paid at Closing by Buyer and Seller in equal shares.

15. POSSESSION

Possession of the Property will be delivered to Buyer on the Possession Date at the Possession Time.

16. DAY; COMPUTATION OF PERIOD OF DAYS; DEADLINE

As used in this Contract, the term "day" means the entire day ending at 11:59 p.m., United States Mountain Time (Standard or Daylight Savings as applicable).

In computing a period of days, when the ending date is not specified, the first day is excluded and the last day is included. If any deadline falls on a Saturday, Sunday, or federal or Colorado state holiday ("Holiday"), such deadline will be extended to the next day that is not a Saturday, Sunday, or Holiday.

17. CAUSES OF LOSS, INSURANCE; DAMAGE TO INCLUSIONS AND SERVICES; CONDEMNATION; AND WALK-THROUGH

Except as otherwise provided in this Contract, the Property, Inclusions, or both will be delivered in the condition existing as of the date of this Contract, ordinary wear and tear excepted.

In the event the Property or Inclusions are damaged by fire, other perils, or causes of loss prior to Closing in the amount of not more than ten percent of the total Purchase Price ("Property Damage"), and if the repair of the damage will be paid by insurance (other than the deductible to be paid by Seller), then Seller, upon receipt of the insurance proceeds, will use Seller's reasonable efforts to repair the Property before the Closing Date. Buyer has the Right to Terminate pursuant to Section 19, on or before the Closing Date, if the Property is not repaired before the Closing Date or if the damage exceeds such sum. Should Buyer elect to carry out this Contract despite such Property Damage, Buyer is entitled to a credit at Closing for all insurance proceeds that were received by Seller resulting from damage to the Property and Inclusions, plus the amount of any deductible provided for in the insurance policy. This credit may not exceed the Purchase Price. In the event Seller has not received the insurance proceeds prior to Closing, the parties may agree to extend the Closing Date to have the Property repaired prior to Closing or, at the option of Buyer, (1) Seller must assign to Buyer the right to the proceeds at Closing, if acceptable to Seller's insurance company; or (2) the parties may enter into a written agreement prepared by the parties or their attorney requiring the Seller to escrow at Closing from Seller's sale proceeds the amount Seller has received and will receive due to such damage, not exceeding the total Purchase Price, plus the amount of any deductible that applies to the insurance claims.

Should any Inclusion or service (e.g. plumbing), fail or be damaged between the date of this Contract and Closing or possession, whichever is earlier, then Seller is liable for the repair or replacement of such Inclusion or Service with a unit of similar size, age, and quality, or an equivalent credit. If the failed or damaged Inclusion or Service is not repaired or replaced on or before Closing or possession, whichever is earlier, Buyer has the right to termination pursuant to Section 19, on or before the Closing Date, or, at the option of Buyer, Buyer is entitled to a credit at Closing for the repair or replacement of such Inclusion or Service. Such credit must not exceed the Purchase Price.

In the event Seller receives actual notice prior to Closing that a pending condemnation action may result in a taking of all or part of the Property or Inclusions, Seller must promptly notify Buyer, in writing, of such condemnation action. Buyer has the Right to Terminate pursuant to Section 19, on or before the Closing Date, based on such condemnation action, in Buyer's sole subjective discretion. Should Buyer elect to consummate this Contract despite such diminution in value to the Property and Inclusions, Buyer is entitled to a credit at Closing for all condemnation proceeds awarded

to Seller for the diminution in the value of the Property or Inclusions but such credit will not include relocation benefits or expenses, or exceed the Purchase Price.

Buyer, upon reasonable notice, has the right to walk through the Property prior to Closing to verify that the physical condition of the Property and Inclusions complies with this Contract.

18. TIME IS OF THE ESSENCE; DEFAULT AND REMEDIES

Time is of the essence for all dates and deadlines in this Contract. This means that all dates and deadlines are strict and absolute. If any payment due, including Earnest Money, is not paid, honored or tendered when due, or if any obligation is not performed timely as provided in this Contract or waived, the non-defaulting party has the following remedies:

If Buyer is in default, Seller may elect to cancel this Contract. Seller may recover such damages as may be proper. Alternatively, Seller may elect to treat this Contract as being in full force and effect and Seller has the right to specific performance or damages, or both.

If Seller is in default, Buyer may elect to treat this Contract as cancelled, in which case all Earnest Money received hereunder will be returned and Buyer may recover such damages as may be proper. Alternatively, Buyer may elect to treat this Contract as being in full force and effect and Buyer has the right to specific performance or damages or both.

19. TERMINATION

If a party has a right to terminate, as provided in this Contract ("Right to Terminate"), the termination is effective upon the other party's receipt of a written notice to terminate ("Notice to Terminate"), provided such written notice was received on or before the applicable deadline specified in this Contract. If the Notice to Terminate is not received on or before the specified deadline, the party with the Right to Terminate accepts the specified matter, document, or condition as satisfactory and waives the Right to Terminate under such provision.

In the event this Contract is terminated the parties are relieved of all obligations hereunder except as provided in Subsection 10.4.

20. ENTIRE AGREEMENT, MODIFICATION, SURVIVAL; SUCCESSORS

This Contract, its exhibits and specified addenda, constitute the entire agreement between the parties relating the subject hereof, and any prior agreements pertaining thereto, whether oral or written, have been merged and integrated into this Contract. No subsequent modification of any of the terms of this Contract is valid, binding upon the parties, or enforceable unless made in writing and signed by the parties. Any right of obligation in this Contract that, by its terms exists or is intended to be performed after termination or Closing survives the same.

21. NOTICE, DELIVERY, AND CHOICE OF LAW

Any document, or notice to Buyer or Seller must be in writing, except as provided in this Section, and is effective when physically received by such party.

As an alternative to physical delivery, any notice may be delivered in electronic form to Buyer or Seller at the electronic address of recipient by e-mail. Electronic delivery of documents and notice may be delivered by email at the email address of the recipient.

This Contract and all disputes arising hereunder are governed by and construed in accordance with the laws of the State of Colorado.

City of Steamboat Springs

City Council President

ATTEST:

Julie Franklin, CMC
City Clerk

Routt County

Chair, Board of County Commissioners

ATTEST:

Kim Bonner
Routt County Clerk

Exhibit A

WARRANTY DEED

THIS DEED, Made this ____ day of _____, 2018, between **Routt County**, a body politic incorporate, ("**Grantor**"), whose street address is 522 Lincoln Avenue, City of Steamboat Springs, County of Routt and State of Colorado:

WITNESSETH, that Grantor, for and in consideration of the sum of \$935,100 and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, has granted, bargained, sold and conveyed, and by these presents does grant, bargain, sell, convey and confirm unto **GRANTEE**, the **City of Steamboat Springs**, a Colorado home rule municipality, whose street address is 137 10th Street, City of Steamboat Springs, County of Routt and State of Colorado, its successors and assigns forever:

1. All the real property, together with improvements, if any, situate, lying and being in the County of Routt, State of Colorado, described as follows:

Lot 1, Replat of Lot 1, Block 1, Curve Subdivision, according to the plat thereof recorded at File No. _____, Routt County real property records, further described in the attached Exhibit "1," known as 2027 Shield Drive, Steamboat Springs, CO 80487 with all its appurtenances and warrants the title to the same, free and clear of all liens and encumbrances, subject to agreements, restrictions, and easements of record.

2. A perpetual and non-exclusive Parking and Access Easement in, upon, over, and across the real property described as follows:

A portion of Lot 2, Replat of Lot 1, Block 1, Curve Subdivision, according to the plat thereof recorded at File No. _____, Routt County real property records, known as 2025 Shield Drive, Steamboat Springs, CO 80487, as shown on the attached Exhibit "1." The Parking and Access Easement shall be for the purposes of parking on and access by the Grantee and the public across Lot 2 owned by Grantor. To this end the conveyance includes all rights and privileges as are necessary or incidental to the reasonable and proper uses of the Easement in, upon, over, and across Grantor's property. Maintenance of the Parking and Access Easement, shall remain the responsibility of Grantor.

TOGETHER with all and singular the hereditaments and appurtenances thereto belonging, or in anywise appertaining, and the reversion and reversions, remainder and remainders, rents, issues and profits thereof, and all the estate, right, title, interest, claim

and demand whatsoever of the Grantor, either in law or equity, of, in and to the above bargained premises, with the hereditaments and appurtenances.

TO HAVE AND TO HOLD the said premises above bargained and described with the appurtenances, unto the Grantee and its successors and assigns forever. The Grantor does covenant, grant, bargain and agree to and with the Grantee, its successors and assigns that at the time of the delivery of this Deed, Grantor is well seized of the premises above conveyed, has good, sure, perfect, absolute and indefeasible estate of inheritance in law, in fee simple, has good right, full power and authority to grant, bargain, sell and convey the same in manner and form as aforesaid and that the same are free from all former and other grants, bargains, sales, liens, taxes, assessments, encumbrances, and restrictions of whatever kind or nature whatsoever.

The Grantor shall and will WARRANT AND FOREVER DEFEND the above-bargained premises in the quiet and peaceable possession of the Grantee, its successors and assigns, against all and every person or persons lawfully claiming the whole or any part thereof.

IN WITNESS WHEREOF, the Grantor has executed this deed on the date set forth above.

ROUTT COUNTY BOARD OF COUNTY COMMISSIONERS

By: _____
Douglas B. Monger, Chairman

STATE OF COLORADO)
) ss.
County of Routt)

The foregoing instrument was acknowledged before me this _____ day of _____, 2018 by Doug Monger as Chairman of the Routt County Board of County Commissioners.

WITNESS my hand and official seal

(S E A L)

Notary Public

My commission expires _____

Exhibit 1

COMBINED LAW ENFORCEMENT FACILITY SUBDIVISION

A REPLAT OF LOT 1, BLOCK 1, CURVE SUBDIVISION
 LOCATED IN THE SW1/4 SECTION 6, T6N, R84W, 6TH P.M.,
 CITY OF STEAMBOAT SPRINGS, COUNTY OF ROUTT, STATE OF COLORADO
 CONTAINING A CALCULATED AREA OF 3.99 ACRES

CERTIFICATE OF OWNERSHIP AND DEDICATION

KNOW ALL MEN BY THESE PRESENTS: THAT ROUTT COUNTY, COLORADO, BEING THE OWNER OF THE LAND LOCATED IN THE SW1/4 SECTION 6, TOWNSHIP 6 NORTH, RANGE 84 WEST OF THE 6TH PRINCIPAL MERIDIAN, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

LOT 1, BLOCK 1, CURVE SUBDIVISION, ACCORDING TO THE PLAT THEREOF RECORDED SEPTEMBER 9, 1993 AT RECEPTION NO. 427111 AT FILE NO. 11878;

CONTAINING A CALCULATED AREA OF 3.99 ACRES, IN THE CITY OF STEAMBOAT SPRINGS, COUNTY OF ROUTT, STATE OF COLORADO, UNDER THE NAME AND STYLE OF COMBINED LAW ENFORCEMENT FACILITY SUBDIVISION, HAS LAID OUT, PLATTED AND SUBDIVIDED SAME AS SHOWN ON THIS PLAT AND BY THESE PRESENTS DOES HEREBY IRREVOCABLY DEDICATE TO THE PERPETUAL USE OF THE CITY OF STEAMBOAT SPRINGS, STATE OF COLORADO, THE DRAINAGE EASEMENT AS SHOWN HEREON FOR THE INSTALLATION AND MAINTENANCE OF DRAINAGE FACILITIES FOR THE UNENCUMBERED FLOW OF UPSTREAM AND SITE GENERATED WATERS, RESPECTIVELY, AND FURTHER DOES HEREBY IRREVOCABLY DEDICATE TO THE CITY OF STEAMBOAT SPRINGS THE SIDEWALK EASEMENT AS SHOWN HEREON. THESE DEDICATIONS PRECLUDE THE CONSTRUCTION OF IMPROVEMENTS, OR THE DEPOSIT OF MATERIALS, IN THE EASEMENT AREA, WHICH COULD IMPAIR THEIR USE AS PROVIDED IN THIS DEDICATION.

IN WITNESS WHEREOF, SAID ROUTT COUNTY, COLORADO HAS CAUSED ITS NAME TO BE HEREUNTO SUBSCRIBED THIS ____ DAY OF _____, A.D. 2018.

BY: ROUTT COUNTY, COLORADO

BY _____ AS _____ OF ROUTT COUNTY, COLORADO

STATE OF COLORADO)
) SS.
 COUNTY OF ROUTT)

THE FOREGOING INSTRUMENT WAS ACKNOWLEDGED BEFORE ME THIS ____ DAY OF _____, A.D. 2018 BY _____ AS _____ OF ROUTT COUNTY, COLORADO.

MY COMMISSION EXPIRES _____.

WITNESS MY HAND AND OFFICIAL SEAL.

 NOTARY PUBLIC



NORTH
 VICINITY MAP
 SCALE = 1" = 500'

NOTES:

1. BASIS OF BEARINGS: THE WEST LINE OF THE SW1/4 SECTION 6, T6N, R84W, 6TH P.M., BEING MONUMENTED AS SHOWN HEREON AND BEARING N01°49'30"E PER THE CITY OF STEAMBOAT SPRINGS GIS CONTROL NETWORK.
2. BEARINGS SHOWN ON THE PLAT OF CURVE SUBDIVISION HAVE BEEN ROTATED TO MATCH THE CITY OF STEAMBOAT SPRINGS GIS CONTROL NETWORK.
3. THIS SURVEY DOES NOT CONSTITUTE A TITLE SEARCH BY LANDMARK CONSULTANTS, INC. TO DETERMINE TITLE OR EASEMENTS OF RECORD. TITLE COMMITMENT ORDER NO. ABS30019181, EFFECTIVE DATE: NOVEMBER 4, 2016, AT 5:00 P.M. PREPARED BY LAND TITLE GUARANTEE COMPANY WAS RELIED UPON FOR ALL INFORMATION REGARDING EASEMENTS OF RECORD, RIGHTS-OF-WAY AND TITLE OF RECORD.
4. ANY PERSON WHO KNOWINGLY REMOVES, ALTERS OR DEFACTS ANY PUBLIC LAND SURVEY MONUMENT OR LAND MONUMENT OR ACCESSORY, COMMITS A CLASS TWO (2) MISDEMEANOR PURSUANT TO C.R.S. 18-4-508.
5. ALL REFERENCES HEREON TO BOOKS, PAGES, FILES AND RECEPTION NUMBERS ARE TO PUBLIC DOCUMENTS FILED IN THE RECORDS OF ROUTT COUNTY, COLORADO.
6. COMBINED LAW ENFORCEMENT FACILITY SUBDIVISION IS SUBJECT TO ALL UNDERLYING GOVERNING DOCUMENTS AND EASEMENTS FOR EHLE SUBDIVISION AS RECORDED UNDER RECEPTION NO. 311573 AND IN FILE NO. 8921 AND CURVE SUBDIVISION AS RECORDED UNDER RECEPTION NO. 427111 AND IN FILE NO. 11878 IN THE ROUTT COUNTY RECORDS.
7. THE MEASURED DISTANCES SHOWN HEREON ARE IN U.S. SURVEY FEET.

PROTECTIVE COVENANTS

THE PROTECTIVE COVENANTS FOR THIS DEVELOPMENT ARE LOCATED AT RECEPTION NO. _____.

SURVEYOR'S CERTIFICATE

I, JEFFRY A. GUSTAFSON, BEING A DULY LICENSED LAND SURVEYOR IN THE STATE OF COLORADO, DO HEREBY CERTIFY THAT THIS FINAL PLAT OF COMBINED LAW ENFORCEMENT FACILITY SUBDIVISION WAS MADE BY ME OR UNDER MY DIRECT RESPONSIBILITY, SUPERVISION AND CHECKING IN ACCORDANCE WITH C.R.S. 38-51-101 ET SEQ. AND IS ACCURATE TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

DATED THIS ____ DAY OF _____, A.D., 2018

JEFFRY A. GUSTAFSON, LICENSED LAND SURVEYOR
 COLORADO L.S. NO. 29039
 FOR AND ON BEHALF OF LANDMARK CONSULTANTS, INC.

ATTORNEY'S CERTIFICATE

I, _____, BEING AN ATTORNEY AT LAW DULY LICENSED TO PRACTICE IN THE STATE OF COLORADO, HEREBY CERTIFY THAT I HAVE REVIEWED LAND TITLE GUARANTEE COMPANY TITLE COMMITMENT ORDER NO. ABS30019181, EFFECTIVE DATE: NOVEMBER 4, 2016, AND BASED EXCLUSIVELY UPON SAID TITLE COMMITMENT, FEE SIMPLE TITLE TO ALL THE LANDS SUBDIVIDED BY THIS PLAT IS VESTED IN ROUTT COUNTY, COLORADO FREE AND CLEAR OF ALL LIENS AND ENCUMBRANCES EXCEPT FOR THE LIEN OF GENERAL REAL PROPERTY TAXES AND EXCEPT FOR PATENT RESERVATIONS, EASEMENTS, ENCROACHMENTS, RESTRICTIONS, RESERVATIONS, AGREEMENTS, COVENANTS OF RECORD OR APPARENT AND THE EASEMENTS AND OTHER MATTERS SHOWN OR NOTED ON THIS PLAT.

 ATTORNEY AT LAW

EFFECTIVE THE ____ DAY OF _____, 2018.

STEAMBOAT SPRINGS DEPARTMENT OF PLANNING AND COMMUNITY DEVELOPMENT

THE DIRECTOR OF PLANNING AND COMMUNITY DEVELOPMENT OF THE CITY OF STEAMBOAT SPRINGS, COLORADO DOES HEREBY AUTHORIZE AND APPROVE THIS PLAT OF THE ABOVE SUBDIVISION THIS ____ DAY OF _____, A.D. 2018.

TYLER GIBBS, AIA, DIRECTOR OF PLANNING AND COMMUNITY DEVELOPMENT

STEAMBOAT SPRINGS CITY COUNCIL APPROVAL

THE WITHIN FINAL PLAT OF COMBINED LAW ENFORCEMENT FACILITY SUBDIVISION IS APPROVED FOR FILING THIS ____ DAY OF _____, A.D. 2018 AND THE DEDICATION OF THE DRAINAGE AND SIDEWALK EASEMENTS TO THE CITY OF STEAMBOAT SPRINGS AS SHOWN OR NOTED HEREON IS HEREBY ACCEPTED FOR THE PURPOSES NOTED.

BY
 JASON LACY, CITY COUNCIL PRESIDENT

ATTEST
 JULIE FRANKLIN, CITY CLERK

ROUTT COUNTY SURVEYORS ACCEPTANCE

THIS PLAT WAS FILED AND INDEXED AS FILE NO. SP _____ ON _____, 2018 AT _____ M IN THE LAND SURVEY PLAT RECORDS FILE AND INDEX SYSTEM MAINTAINED IN THE OFFICE OF THE ROUTT COUNTY CLERK AND RECORDER PURSUANT TO C.R.S. SEC 38-50-101.

ROUTT COUNTY SURVEYOR

THOMAS H. EFFINGER, JR. COLO REG NO. 17651

CLERK AND RECORDER'S ACCEPTANCE

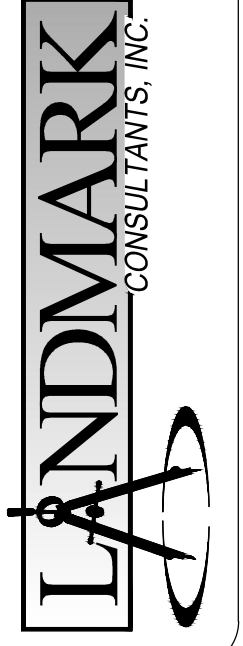
THIS PLAT WAS ACCEPTED FOR FILING IN THE OFFICE OF THE CLERK AND RECORDER OF ROUTT COUNTY, COLORADO, ON THIS ____ DAY OF _____, A.D. 2018.

RECEPTION NUMBER _____ TIME _____

FILE NUMBER _____

KIM BONNER - ROUTT COUNTY CLERK AND RECORDER

CIVIL ENGINEERS | SURVEYORS
 141 9th Street - P.O. Box 774943
 Steamboat Springs, Colorado 80477
 (970) 871-9494
 www.LANDMARK-CO.com



LANDMARK CONSULTANTS, INC. HAS BEEN LICENSED BY THE STATE OF COLORADO AS A PROFESSIONAL ENGINEER AND SURVEYOR. ANY LAND SURVEY OR SURVEYING WORK PERFORMED BY LANDMARK CONSULTANTS, INC. IS SUBJECT TO THE JURISDICTION OF THE BOARD OF PROFESSIONAL ENGINEERS AND SURVEYORS OF THE STATE OF COLORADO. LANDMARK CONSULTANTS, INC. IS NOT RESPONSIBLE FOR ANY ERRORS OR OMISSIONS IN THIS INSTRUMENT. LANDMARK CONSULTANTS, INC. IS NOT A PARTY TO THIS INSTRUMENT. LANDMARK CONSULTANTS, INC. IS NOT PROVIDING ANY PROFESSIONAL SERVICES TO ANY PARTY OTHER THAN THE PARTY WHO HAS ENTERED INTO A CONTRACT WITH LANDMARK CONSULTANTS, INC. FOR SUCH SERVICES. LANDMARK CONSULTANTS, INC. IS NOT PROVIDING ANY PROFESSIONAL SERVICES TO ANY PARTY OTHER THAN THE PARTY WHO HAS ENTERED INTO A CONTRACT WITH LANDMARK CONSULTANTS, INC. FOR SUCH SERVICES. LANDMARK CONSULTANTS, INC. IS NOT PROVIDING ANY PROFESSIONAL SERVICES TO ANY PARTY OTHER THAN THE PARTY WHO HAS ENTERED INTO A CONTRACT WITH LANDMARK CONSULTANTS, INC. FOR SUCH SERVICES.

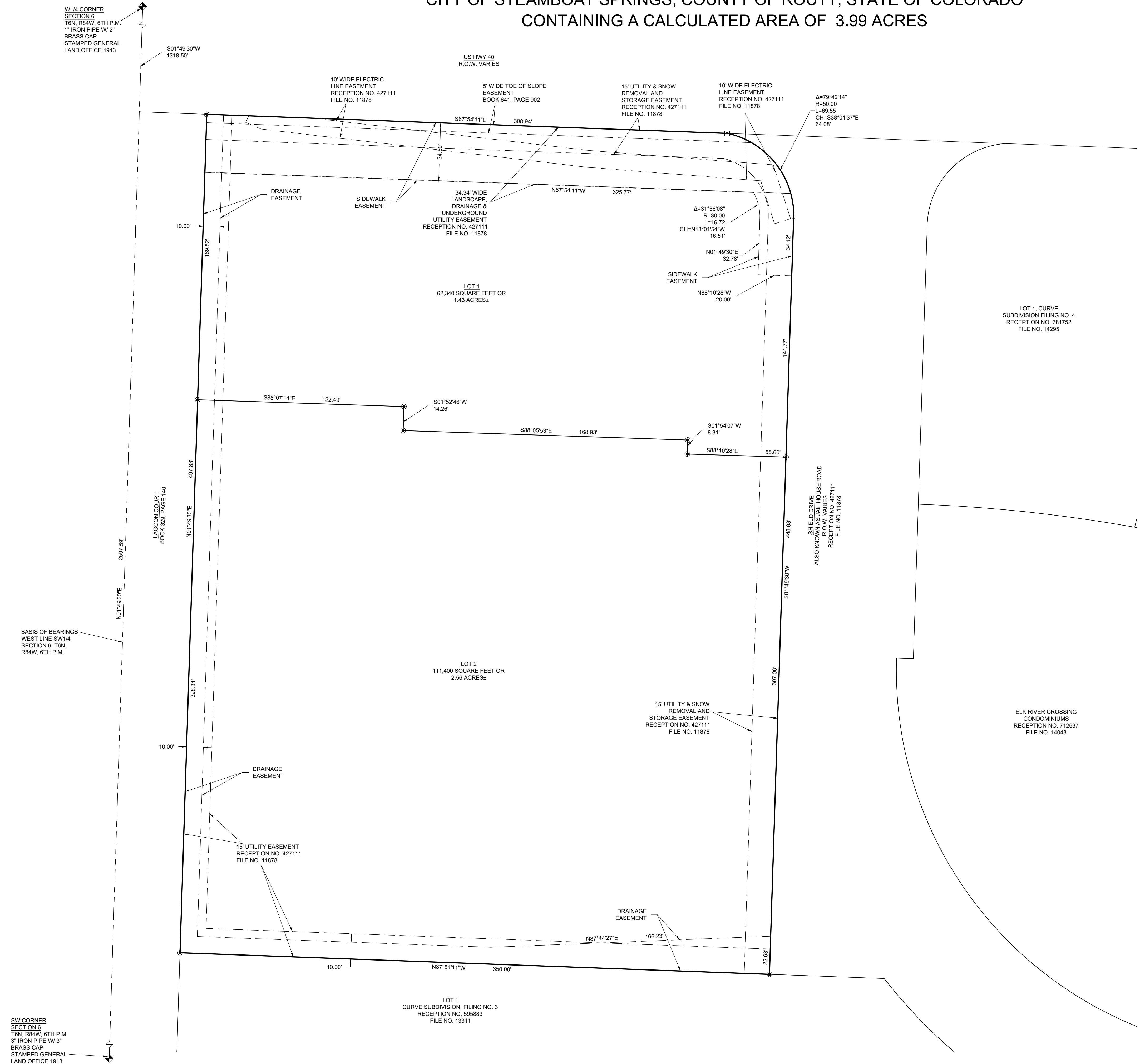
NO.	DATE	BY	DESCRIPTION

PROJECT:	2138-007
DATE:	12-20-17
DRAWN BY:	JAG
CHECKED BY:	

COMBINED LAW ENFORCEMENT FACILITY SUBDIVISION
 LOCATED IN THE SW1/4 SECTION 6, T6N, R84W, 6TH P.M.
 CITY OF STEAMBOAT SPRINGS,
 COUNTY OF ROUTT,
 STATE OF COLORADO

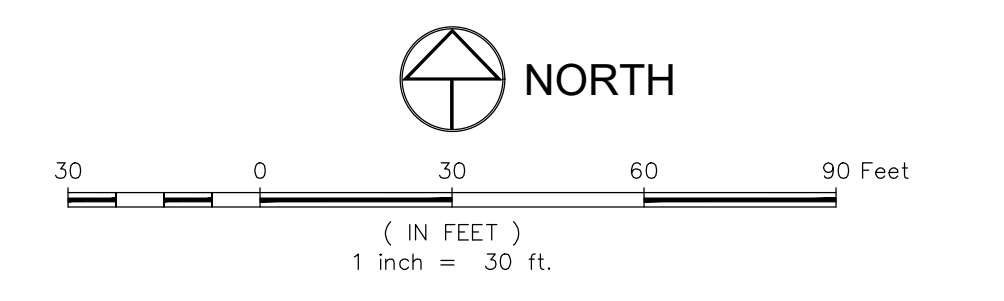
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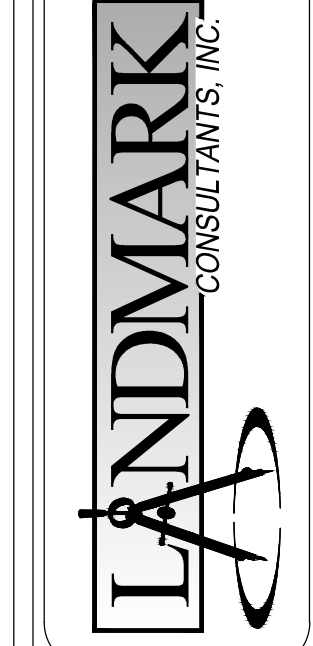


LEGEND:

- BOUNDARY
- PROPERTY BOUNDARY
- ADJACENT PROPERTY BOUNDARY
- EASEMENT
- SECTION LINE
- RECOVERED PROPERTY MONUMENT AS NOTED
- SET NO. 5 REBAR W/ 1 1/2" ALUMINUM CAP STAMPED "LANDMARK LS 29039"
- RECOVERED SECTION CORNER AS NOTED



CIVIL ENGINEERS | SURVEYORS
 141 9th Street - P.O. Box 74943
 Steamboat Springs, Colorado 80477
 970.874.8484
 www.LANDMARK.CO.com



THIS PLAN OR ANY PART THEREOF IS A PUBLIC DOCUMENT UNDER COLORADO LAW. ANY AND ALL RIGHTS RESERVED BY THE ENGINEER OR SURVEYOR ARE HEREBY WAIVED. THE ENGINEER OR SURVEYOR IS NOT RESPONSIBLE FOR THE CONSTRUCTION OF THE FACILITY OR FOR THE RESULTS OF THE CONSTRUCTION. THE ENGINEER OR SURVEYOR IS NOT RESPONSIBLE FOR THE ACTIONS OF THE PERSONS WHOSE ACTIONS ARE DISCLOSED OR INDICATED ON THIS PLAN. THE ENGINEER OR SURVEYOR IS NOT RESPONSIBLE FOR THE ACTIONS OF THE PERSONS WHOSE ACTIONS ARE DISCLOSED OR INDICATED ON THIS PLAN. THE ENGINEER OR SURVEYOR IS NOT RESPONSIBLE FOR THE ACTIONS OF THE PERSONS WHOSE ACTIONS ARE DISCLOSED OR INDICATED ON THIS PLAN.

NO.	DATE	BY:	DESCRIPTION:
			DRAFT
			12-29-17

PROJECT:	2136-007
DATE:	12-20-17
DRAWN BY:	JAG
CHECKED BY:	

COMBINED LAW ENFORCEMENT FACILITY SUBDIVISION
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