



CITY OF TRINIDAD TRINIDAD, COLORADO

The City Council will hold its regular Work Session on
Tuesday, January 8, 2013 at 1:30 p.m.
City Hall Council Chambers, Third Floor, City Hall

AGENDA

****Proclamation – Kiwanis Club of Trinidad 90th Anniversary Celebration Day – January 12, 2013****

1. Petitions and Communications, Oral or Written
2. Consideration of an ordinance repealing and re-enacting § 12-12 of Article 3 of Chapter 12 of the Trinidad City Code for the purpose of restructuring rates for electric service, power and energy – Tom Acre, Acting City Manager
3. Discussion regarding appointment of commissioner to Trinidad Housing Authority Board – Tom Acre, Acting City Manager
4. Consideration of water lease agreement between the City of Trinidad and Ken Torres of Torres Fish Hatchery – Jim Fernandez, Utilities Superintendent
5. Consideration of letter for services provided by Dixon, Waller & CO., Inc. for the year ended December 31, 2012 – Tom Acre, Acting City Manager
6. Consideration of proposed grant agreement between the State Board of the Great Outdoors Colorado Trust Fund and the City of Trinidad for the Boulevard Addition Nature Park Land Acquisition – Louis Fineberg, Planning Director
7. Consideration of a letter of support for Governor's Cabinet visit for Summer of 2013 – Tara Marshall, Colorado Welcome Center Director
8. Discussion of other agenda items

Individuals with disabilities needing auxiliary aid(s) may request assistance by contacting Audra Garrett, City Clerk, 135 N. Animas Street, Phone (719) 846-9843, or FAX (719) 846-4140. At least a 48 hour advance notice prior to the scheduled meeting would be appreciated so

Office of the Mayor

Trinidad, Colorado

Proclamation



"KIWANIS CLUB OF TRINIDAD 90TH ANNIVERSARY CELEBRATION DAY"

January 12, 2013

WHEREAS, Kiwanis International is a global organization of volunteers dedicated to changing the world one child and one community at a time; and

WHEREAS, Kiwanis' mission is to give primacy to the human and spiritual rather than to the material values of life; to encourage the daily living of the Golden Rule in all human relationships; to promote the adoption and the application of higher social, business and professional standards; to develop, by precept and example, a more intelligent, aggressive and serviceable citizenship; to provide, through Kiwanis clubs, a practical means to form enduring friendships, to render altruistic service and to build better communities; and to cooperate in creating and maintaining that sound public opinion and high idealism which make possible the increase of righteousness, justice, patriotism and goodwill; and

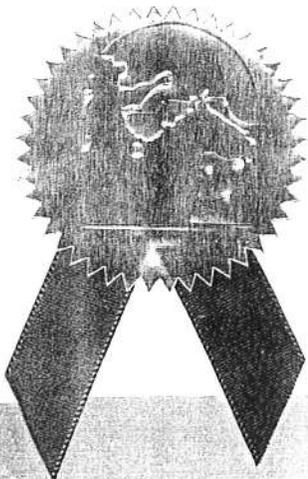
WHEREAS, Kiwanis empowers people at every stage of life to become competent, capable, and compassionate leaders by helping them learn to help others; and

WHEREAS, Kiwanis Club of Trinidad was chartered 90 years ago on January 12, 1923 and has persevered through nine decades to create leaders within our community promoting the values of Kiwanis.

NOW, THEREFORE, I, BERNADETTE BACA GONZALEZ, MAYOR OF THE CITY OF TRINIDAD, COLORADO, do hereby proclaim January 12, 2013, as:

"KIWANIS CLUB OF TRINIDAD 90TH ANNIVERSARY CELEBRATION DAY"

in the City of Trinidad, and urge all citizens to support our local Trinidad Kiwanians to further their mission standards and encourage the community to support them with local community and fund-raising events.



*In witness whereof I have hereunto set my hand
and caused the seal of this city to be affixed.*

Mayor _____

Date _____



City of Trinidad, Colorado
Office of the City Manager
135 North Animas Street
Trinidad, CO 81082
P: (719) 846-9843
F: (719) 846-4140
tom.acre@trinidad.co.gov

MEMORANDUM

TO: Mayor Baca-Gonzalez and Members of City Council
FROM: Tom Acre, Acting City Manager 
SUBJECT: Electric Service, Power & Energy Rates
DATE: January 4, 2013

Attached please find the 2013 proposed rate ordinance, the current rate ordinance (Ord. No. 1909), and e-mail communications from Phil Euler explaining the proposed rates. Should questions arise prior to Tuesday, please contact me.

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ORDINANCE NO.

AN ORDINANCE REPEALING AND RE-ENACTING § 12-12 OF ARTICLE 2 OF CHAPTER 12 OF THE CODE OF THE CITY OF TRINIDAD, COLORADO, FOR THE PURPOSE OF RESTRUCTURING RATES FOR ELECTRIC SERVICE, POWER, AND ENERGY

WHEREAS, Chapter XI, Section 11.1, of the Charter of the City of Trinidad, Colorado, confers upon the City Council "all municipal powers relating to all utilities and franchises including, but without limitation to, all powers and authority now existing and which may be hereafter provided by the Constitution or Statutes of the State of Colorado, or by ordinance or by this Charter."; and

WHEREAS, the City Council has caused an electric rate study to be conducted to determine if the rates charged to its customers for service, power, and energy will sustain the City's Power and Light Fund and ensure its solvency; and

WHEREAS, the City Council hereby finds and declares that amendments to the electric service, power, and energy rates are necessary to ensure both the solvency of the City's Power and Light Fund and the long-term provision of electric service, power, and energy to the City's inhabitants.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF TRINIDAD, COLORADO, that:

1. **Repeal and Re-Enactment.** Section 12-12 of Article 2 of Chapter 12 of the Code of the City of Trinidad, Colorado, is hereby repealed in its entirety and re-enacted as follows:

Section 12-12. Rates for Electric Service, Power, and Energy.

Effective February 1, 2013, the established rate for electric service, power, and energy delivered shall be as follows, and shall be reflected on utility bills issued on and after February 1, 2013:

(1) RESIDENTIAL ELECTRIC SERVICE:

(a) Applicability: Available for single-family units and individually metered multi-family units within the utility's service area for the purpose of lighting, cooking, household appliances, and space heating. Single-family units and individually metered multi-family units shall be considered as buildings or units used solely as residences. Residences used for commercial purposes shall be billed at the commercial rate, unless the residential and commercial services are arranged to allow separate metering of the residential portion.

(b) Character of service: Alternating current, 60Hz, single-phase, 120/240 volts.

(c) Monthly Rate:	Summer	Winter
	(June-September)	(Oct-May)
Monthly Charge:	\$9.00	\$9.00
First 600 KWH	\$0.1276/KWH	\$0.1276/KWH
Over 600 KWH	\$0.1276/KWH	\$0.0976/KWH

(d) Power Cost Adjustment ("PCA"): When applicable, a power cost adjustment ("PCA"), as specified in subsection (7) herein, shall be applied to all kilowatt hours billed for the current month.

(e) Tax Adjustment: All rates are net and subject to applicable taxes.

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(f) Multi-family Dwelling Units: Where two or more dwelling units are served through one meter, this rate shall apply by multiplying the above KWH blocks of the rate and the minimum charge by the number of dwelling units so served.

(2) ELECTRIC WATER HEATER SERVICE:

(a) Applicability: Available for individual permanently installed storage type electric water heaters of thirty (30) gallons or more capacity and of a type approved by the utility. Service hereunder shall be supplied through a separate meter. Each element within the water heater will be non-inductive and controlled by a separate thermostat. The upper thermostat and element will be interconnected with the lower thermostat and element to permit operation of only one element at any time.

(b) Character of service: Alternating current, 60HZ, single-phase, 240 volt.

(c) Monthly Rate:

	Summer (June-September)	Winter (Oct-May)
Monthly Charge:	\$3.00	\$3.00
All KWH	\$0.1309/KWH	\$0.0909/KWH

(d) Power Cost Adjustment ("PCA"): When applicable, a power cost adjustment ("PCA"), as specified in subsection (7) herein, shall be applied to all kilowatt hours billed for the current month.

(e) Tax Adjustment: All charges are net and subject to applicable taxes.

(3) GENERAL ELECTRIC SERVICE:

(a) Applicability: Available for commercial and non-residential customers for lighting and other electric services where the service is taken through one meter and does not require in excess of 50 KVA of transformer capacity.

(b) Character of Service: Alternating current, 60Hz, single-phase, 120 volts or 120/240 volts; three-phase, three-wire, 240 volts; three-phase, four-wire, 120/208 volts.

(c) Monthly Rate:

	Summer (June-September)	Winter (Oct-May)
Monthly Charge:	\$9.00	\$9.00
First 500 KWH	\$0.1375KWH	\$0.1375KWH
Next 1,000 KWH	\$0.1375KWH	\$0.1175KWH
Over 1,500 KWH	\$0.1375KWH	\$0.0975/KWH

(d) Power Cost Adjustment ("PCA"): When applicable, a power cost adjustment ("PCA"), as specified in subsection (7) herein, shall be applied to all kilowatt hours billed for the current month.

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(e) Tax Adjustment: All charges are net and subject to applicable taxes.

(f) Multiple Meters: All metering points shall be billed as separate customers.

(4) LARGE LIGHT AND POWER:

(a) Applicability: Available for commercial and industrial customers using electricity for lighting and power purposes through one point.

(b) Character of Service: Alternating current, 60Hz, single-phase, 120 volts or 120/240 volts; three-phase, three-wire, 240 volts; three-phase, four-wire, 120/208 volts; or at available distribution voltages.

(c) Minimum Charge: Demand charge, but not less than eighty percent (80%) of the highest demand of the preceding eleven (11) months or 50 KW, whichever is higher.

(d) Monthly Rate:

	Summer (June-September)	Winter (Oct-May)
Monthly Charge:	\$25.00	\$25.00
Energy:		
First 10,000 KWH	\$0.1012/KWH	\$0.1012/KWH
Next 20,000 KWH	\$0.1012/KWH	\$0.0912/KWH
Over 30,000 KWH	\$0.1012/KWH	\$0.0912/KWH
Demand (30 minute integrated):		
All KW	\$10.00/KW	\$ 7.00/KW

(e) Multiple Meters: All metering points shall be billed as separate customers.

(f) Primary Metering Discount: When service is taken at distribution voltage, without transformation, a three percent (3%) discount will be allowed in both the energy and demand measurements.

(g) Power Cost Adjustment ("PCA"): When applicable, a power cost adjustment ("PCA"), as specified in subsection (7) herein, shall be applied to all kilowatt hours billed for the current month.

(h) Tax Adjustment: All charges are net and subject to applicable taxes.

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(5) SECURITY LIGHTING:

(a) Applicability: Available for area lighting, in private areas and grounds, for protective and safety purposes only, where the City installs high-pressure sodium ("HPS") type lighting fixtures in sizes determined by the City as appropriate for the area to be lit.

(b) Character of Service: Dusk-to-dawn operation of utility owned HPS fixtures.

(c) Installation Fees: A non-refundable fee for the installation of utility supplied poles shall be Sixty Dollars (\$60.00). The amount necessary for the costs of the wire, connections, and hardware will be calculated and added to the non-refundable fees set forth above.

(d) Monthly Rate:

Lamp Charge	\$/mo.	PCA kWh
175 W MV	12.60	67
200 W MV	13.60	76
400 W MV	26.50	153
100 W HPS	8.10	38
150 W HPS	12.20	58
200 W HPS	17.20	77
250 W HPS	17.20	96
400 W HPS	26.40	153

(e) Power Cost Adjustment ("PCA"): When applicable, a power cost adjustment ("PCA"), as specified in subsection (7) herein, shall be applied to all kilowatt hours billed for the current month.

(f) Tax Adjustment: All charges are net and subject to applicable taxes.

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(6) STREET LIGHTING:

(a) Applicability: Available for municipal, county, and state street lighting on public roads, streets, and other public areas and grounds, for protective and safety purposes only.

(b) Character of Service: Dusk-to-dawn operation of government agency specified street lamps and poles that are utility installed, owned, and operated.

(c) Monthly Rate:

Lamp type	\$/month	PCA KWH/month
175 MV	12.65	67
200 MV	13.65	76
400 MV	26.62	153
100 HPS	8.16	38
150 HPS	12.24	58
200 HPS	17.34	77
250 HPS	17.34	96
400 HPS	26.52	153
165 INDUCT	12.65	63
70 MH	12.65	27
65 INDUCT	12.65	25

(d) Power Cost Adjustment ("PCA"): When applicable, a power cost adjustment ("PCA"), as specified in subsection (7) herein, shall be applied to all kilowatt hours billed for the current month.

(e) Tax Adjustment: All charges are net and subject to applicable taxes.

(7) POWER COST ADJUSTMENT ("PCA"):

(a) Any bill may be adjusted for variations in the cost of power to the utility. Such power cost adjustments ("PCAs") may be recommended from time to time by utility staff and may be authorized by the City Council. The City Council may authorize a PCA in the event that significant revenue changes are necessary because of unexpected increases in the cost of power, including energy and demand costs; or because of other emergencies that are estimated to be greater than a ten percent (10%) deviation in fiscal year power costs budgeted.

(b) A PCA shall be calculated as follows:

$$PCA = \frac{(A - 0.1033)(KWH \text{ billed during the preceding month}) + B}{KWH \text{ sold during the preceding month}}$$

where "A" equals the energy cost per kilowatt hour ("KWH") billed during the preceding month by the Arkansas River Power Authority, and "B" equals any energy cost adjustment billed during the preceding month by the Arkansas River Power Authority.

(c) If authorized by the City Council, a PCA shall be effective for a period not to exceed twelve (12) months. After such period, the PCA shall automatically expire unless re-authorized by the City Council. When applicable, a PCA shall be applied to all kilowatt hours billed in the current month.

2. Authorization of Power Cost Adjustment ("PCA"). The City Council hereby does not authorize a power cost adjustment ("PCA"), as set forth in § 12-12(7)(b) of the Code of the City of Trinidad, Colorado. If the Council does authorize a PCA it shall set it for a twelve (12) month period.

3. Severability. If any article, section, paragraph, sentence, clause, or phrase of this Ordinance is held to be unconstitutional or invalid for any reason, such decision shall not affect the validity or constitutionality of the remaining portions of this Ordinance. The City Council hereby declares that it would have passed this Ordinance and each part or parts hereof irrespective of the fact that any part or parts be declared unconstitutional or invalid.

INTRODUCED BY COUNCILMEMBER _____, READ AND ORDERED PUBLISHED
this ____ day of January, 2013.

FINALLY PASSED AND APPROVED this ____ day of January, 2013.

THE EFFECTIVE DATE OF THIS ORDINANCE SHALL BE the 1st day of February, 2013.

BERNADETTE BACA-GONZALEZ, MAYOR

ATTEST:

AUDRA GARRETT, CITY CLERK

ORDINANCE NO. 1909

AN ORDINANCE REPEALING AND RE-ENACTING § 12-12 OF ARTICLE 2 OF CHAPTER 12 OF THE CODE OF THE CITY OF TRINIDAD, COLORADO, FOR THE PURPOSE OF RESTRUCTURING RATES FOR ELECTRIC SERVICE, POWER, AND ENERGY

WHEREAS, Chapter XI, Section 11.1, of the Charter of the City of Trinidad, Colorado, confers upon the City Council "all municipal powers relating to all utilities and franchises including, but without limitation to, all powers and authority now existing and which may be hereafter provided by the Constitution or Statutes of the State of Colorado, or by ordinance or by this Charter."; and

WHEREAS, the City Council has caused an electric rate study to be conducted to determine if the rates charged to its customers for service, power, and energy will sustain the City's Power and Light Fund and ensure its solvency; and

WHEREAS, the City Council hereby finds and declares that amendments to the electric service, power, and energy rates are necessary to ensure both the solvency of the City's Power and Light Fund and the long-term provision of electric service, power, and energy to the City's inhabitants.

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(1) RESIDENTIAL ELECTRIC SERVICE:

(a) **Applicability:** Available for single-family units and individually metered multi-family units within the utility's service area for the purpose of lighting, cooking, household appliances, and space heating. Single-family units and individually metered multi-family units shall be considered as buildings or units used solely as residences. Residences used for commercial purposes shall be billed at the commercial rate, unless the residential and commercial services are arranged to allow separate metering of the residential portion.

(b) **Character of service:** Alternating current, 60Hz, single-phase, 120/240 volts.

(c) **Monthly Rate:**

Monthly Charge:	\$8.50
First 600 KWH	\$0.1279/KWH
Over 600 KWH	\$0.1247/KWH

(d) **Power Cost Adjustment ("PCA"):** When applicable, a power cost adjustment ("PCA"), as specified in subsection (7) herein, shall be applied to all kilowatt hours billed for the current month.

(e) **Tax Adjustment:** All rates are net and subject to applicable taxes.

(f) Multi-family Dwelling Units: Where two or more dwelling units are served through one meter, this rate shall apply by multiplying the above KWH blocks of the rate and the minimum charge by the number of dwelling units so served.

(2) ELECTRIC WATER HEATER SERVICE:

(a) Applicability: Available for individual permanently installed storage type electric water heaters of thirty (30) gallons or more capacity and of a type approved by the utility. Service hereunder shall be supplied through a separate meter. Each element within the water heater will be non-inductive and controlled by a separate thermostat. The upper thermostat and element will be interconnected with the lower thermostat and element to permit operation of only one element at any time.

(b) Character of service: Alternating current, 60HZ, single-phase, 240 volt.

(c) Monthly Rate:

Monthly Charge:	\$2.50
All Energy	\$0.1048/KWH

(d) Power Cost Adjustment ("PCA"): When applicable, a power cost adjustment ("PCA"), as specified in subsection (7) herein, shall be applied to all kilowatt hours billed for the current month.

(e) Tax Adjustment: All charges are net and subject to applicable taxes.

(3) GENERAL ELECTRIC SERVICE:

(a) Applicability: Available for commercial and non-residential customers for lighting and other electric services where the service is taken through one meter and does not require in excess of 50 KVA of transformer capacity.

(b) Character of Service: Alternating current, 60Hz, single-phase, 120 volts or 120/240 volts; three-phase, three-wire, 240 volts; three-phase, four-wire, 120/208 volts.

(c) Monthly Rate:

Monthly Charge:	\$13.00
First 500 KWH	\$0.1331/KWH
Next 1,000 KWH	\$0.1467/KWH
Over 1,500 KWH	\$0.1200/KWH

(d) Power Cost Adjustment ("PCA"): When applicable, a power cost adjustment ("PCA"), as specified in subsection (7) herein, shall be applied to all kilowatt hours billed for the current month.

(e) Tax Adjustment: All charges are net and subject to applicable taxes.

(f) Multiple Meters: All metering points shall be billed as separate customers.

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(4) LARGE LIGHT AND POWER:

(a) Applicability: Available for commercial and industrial customers using electricity for lighting and power purposes through one point.

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(c) Minimum Charge: Demand charge, but not less than eighty percent (80%) of the highest demand of the preceding eleven (11) months or 50 KW, whichever is higher.

(d) Monthly Rate:

Monthly Charge: \$25.00

Demand (30 minute integrated):

All KW \$6.60/KW

Energy:

First 10,000 KWH \$0.1153/KWH

Next 20,000 KWH \$0.1048/KWH

Over 30,000 KWH \$0.0992/KWH

(e) Multiple Meters: All metering points shall be billed as separate customers.

(f) Primary Metering Discount: When service is taken at distribution voltage, without transformation, a three percent (3%) discount will be allowed in both the energy and demand measurements.

(g) Power Cost Adjustment ("PCA"): When applicable, a power cost adjustment ("PCA"), as specified in subsection (7) herein, shall be applied to all kilowatt hours billed for the current month.

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(b) Character of Service: Dusk-to-dawn operation of utility owned HPS fixtures.

(c) Installation Fees: A non-refundable fee for the installation of utility supplied poles shall be Sixty Dollars (\$60.00). The amount necessary for the costs of the wire, connections, and hardware will be calculated and added to the non-refundable fees set forth above.

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(d) Monthly Rate:

Lamp type	\$/month	PCA KWH/month
100 HPS	8.16	38
150 HPS	12.24	58
200 HPS	17.34	77
250 HPS	17.34	96
400 HPS	26.52	153
175 MV	12.65	67
200 MV	13.65	76
400 MV	26.62	153

(e) Power Cost Adjustment (“PCA”): When applicable, a power cost adjustment (“PCA”), as specified in subsection (7) herein, shall be applied to all kilowatt hours billed for the current month.

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(b) Character of Service: Dusk-to-dawn operation of government agency specified street lamps and poles that are utility installed, owned, and operated.

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Lamp type	\$/month	PCA KWH/month
175 MV	12.65	67
200 MV	13.65	76
400 MV	26.62	153
100 HPS	8.16	38
150 HPS	12.24	58
200 HPS	17.34	77
250 HPS	17.34	96
400 HPS	26.52	153
165 INDUCT	12.65	63
70 MH	12.65	27
65 INDUCT	12.65	25

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(d) Power Cost Adjustment ("PCA"): When applicable, a power cost adjustment ("PCA"), as specified in subsection (7) herein, shall be applied to all kilowatt hours billed for the current month.

(e) Tax Adjustment: All charges are net and subject to applicable taxes.

(7) POWER COST ADJUSTMENT ("PCA"):

(a) Any bill may be adjusted for variations in the cost of power to the utility. Such power cost adjustments ("PCAs") may be recommended from time to time by utility staff and may be authorized by the City Council. The City Council may authorize a PCA in the event that significant revenue changes are necessary because of unexpected increases in the cost of power, including energy and demand costs; or because of other emergencies that are estimated to be greater than a ten percent (10%) deviation in fiscal year power costs budgeted.

(b) A PCA shall be calculated as follows:

$$PCA = \frac{(A - 0.0730)(KWH \text{ billed during the preceding month}) + B}{KWH \text{ sold during the preceding month}}$$

where "A" equals the energy cost per kilowatt hour ("KWH") billed during the preceding month by the Arkansas River Power Authority, and "B" equals any energy cost adjustment billed during the preceding month by the Arkansas River Power Authority.

(c) If authorized by the City Council, a PCA shall be effective for a period not to exceed twelve (12) months. After such period, the PCA shall automatically expire unless re-authorized by the City Council. When applicable, a PCA shall be applied to all kilowatt hours billed in the current month.

2. Authorization of Power Cost Adjustment ("PCA"). The City Council hereby authorizes a power cost adjustment ("PCA"), as set forth in § 12-12(7)(b) of the Code of the City of Trinidad, Colorado, for the twelve (12) month period commencing on January 1, 2011, and ending on December 31, 2011.

3. Severability. If any article, section, paragraph, sentence, clause, or phrase of this Ordinance is held to be unconstitutional or invalid for any reason, such decision shall not affect the validity or constitutionality of the remaining portions of this Ordinance. The City Council hereby declares that it would have passed this Ordinance and each part or parts hereof irrespective of the fact that any part or parts be declared unconstitutional or invalid.

INTRODUCED BY COUNCILMEMBER SHEW, READ, AND ORDERED PUBLISHED this 7th day of December, 2010.

FINALLY PASSED AND APPROVED this 21st day of December, 2010.

THE EFFECTIVE DATE OF THIS ORDINANCE SHALL BE the 31st day of December, 2010.

/s/JENNIE GARDUNO, MAYOR

ATTEST:

/s/AUDRA FATUR, CITY CLERK

PUBLISH: FRIDAY, DECEMBER 24, 2010 10 PT. TYPE FURNISH PROOF OF PUBLICATION

2-12

Audra Garrett

From: Phil Euler [peuler@nmppenergy.org]
Sent: Thursday, January 03, 2013 3:48 PM
To: 'Audra Garrett'; Anna Ridolfi; tim.acre@trinidad.co.gov
Cc: THANH LE; Brenda Hering; 'Andrew Ross'
Subject: Trinidad 2013 Proposed rates, bill impact summary and Draft Ordinance
Attachments: 2013 Trinidad Power Rate Ordinance.doc; Trinidad Electric 2013 Trial rates and typical bill 1-3-13.pdf

Tim, Audra, and Anna,

Attached in the summary by rate class of the 2.0% system wide revenue reduction from current base rate and 2012 ECA added. Features are:

1. The rates are proposed to be seasonal because of the City peaks in the winter and the costs are lower in winter because of the more consistent usage (i.e. higher load factor thus more efficient use of distribution facilities).
2. The Proposed base rate included a 10.33 cent per KWh cost for ARPA power for inclusion in the PCA formula in the Ordinance.
3. The average customer using about 500 KWh per month will see a slight increase of about \$0.40 per month on average. The customer using over 1000 KWh for heat could see about \$6.40 bill reduction per month on average.
4. The Large Power class is proposed to have on average 2.7% reduction in bills and the General Electric Service business accounts a 1.9% reduction on bills on average.

The attached draft Ordinance uses the 2010 Ordinance as a base document. It is drafted to incorporate the seasonal charges proposed in the Summary and Typical bill document.

The Power Manager© billing software is capable of rendering seasonal bills and NMPP Support can assist in getting the software system set-up for seasonal rates if seasonal rates are difficult to implement in the current the current billing system.

From: Audra Garrett [mailto:audra.garrett@trinidad.co.gov]
Sent: Thursday, January 03, 2013 1:04 PM
To: peuler@nmppenergy.org
Subject: current ordinance and resolution

Hi Phil,
Thank you for working so diligently on this. Ruth Wilson asked if the language in the ordinance can state "These energy rates shall become effective upon the effective date of this Ordinance, and shall be reflected on utility bills issued on and after February 1, 2013." It just makes it clear for the billing office. I can add the language if you don't have a problem with it.

Audra Garrett, City Clerk
City of Trinidad
135 N. Animas Street
Trinidad, CO 81082
(719) 846-9843 ext. 135
(719) 846-4140 fax
audra.garrett@trinidad.co.gov

2-13

Trinidad, CO
Comparison of Revenue from Existing Rates
to Revenue from Proposed Rates

Line	Rate Class	Revenue Existing Rates	Revenue Proposed Rates	Difference	
				\$	%
1	Residential	\$ 3,698,921	\$ 3,634,504	\$ (64,418)	-1.7%
2	Electric Water Heater Service	33,995	33,830	(166)	-0.5%
3	General Electric Service	1,728,111	1,695,244	(32,866.71)	-1.9%
4	Large Light and Power	2,127,728	2,069,719	(58,008.96)	-2.7%
5	Street Lighting	427,432	425,160	(2,271.53)	-0.5%
6	Security Lighting	124,705	124,001	(703.89)	-0.6%
7	Total	\$ 8,016,187	\$ 7,858,456	(157,730.65)	-2.0%

2.14

**Appendix Table B-1
Typical Bill Comparison
Existing vs. Proposed Rates
Residential**

Line	Summer Rates			
	Existing		Proposed	
1	Minimum Bill	\$ 8.50	Minimum Bill	\$ 9.00
2	Customer Charge	\$ 8.50	Customer Charge	\$ 9.00
3	PCA	- cts/kWh	PCA	- cts/kWh
4	Energy	cts/kWh	Energy	cts/kWh
5	First	600 kWh 12.79	600 kWh	12.76
6	Next	- kWh -	- kWh	-
7	Next	- kWh -	- kWh	-
8	Next	- kWh -	- kWh	-
9	Excess	12.47	12.76	

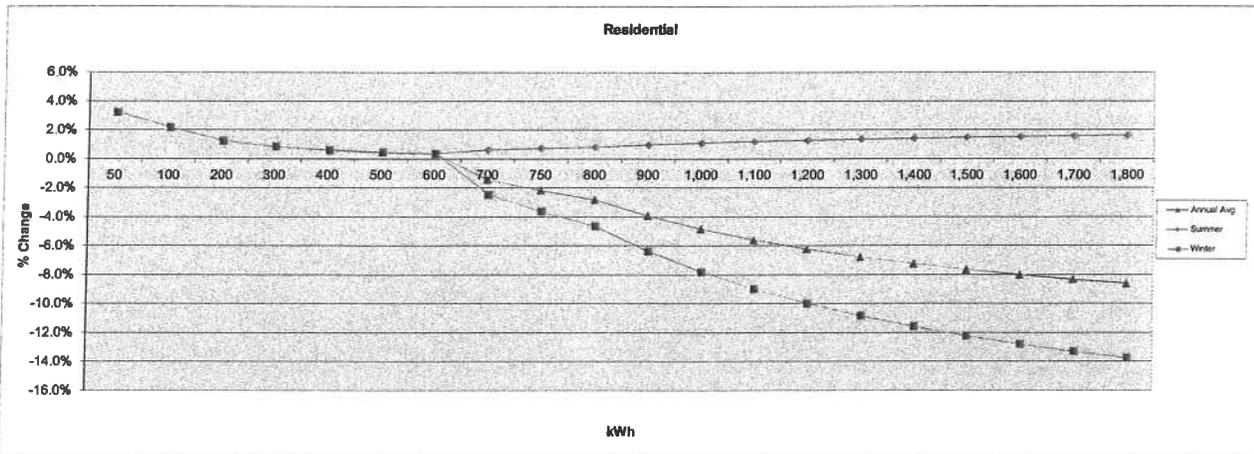
Line	Winter Rates			
	Existing		Proposed	
1	Minimum Bill	\$ 8.50	Minimum Bill	\$ 9.00
2	Customer Charge	\$ 8.50	Customer Charge	\$ 9.00
3	PCA	- cts/kWh	PCA	- cts/kWh
4	Energy	cts/kWh	Energy	cts/kWh
5	First	600 kWh 12.79	600 kWh	12.76
6	Next	- kWh -	- kWh	-
7	Next	- kWh -	- kWh	-
8	Next	- kWh -	- kWh	-
9	Excess	12.47	9.76	

Existing Rate Revenue \$ 3,698,921
Proposed Rate Revenue \$ 3,634,504
Rate Increase / Decrease -1.7%

Line	Monthly Usage (kWh)	Summer Monthly Bill		% Inc. / (Dec.)
		Existing	Proposed	
10	100	\$ 21.29	\$ 21.76	2.2%
11	500	\$ 72.45	\$ 72.80	0.5%
12	1000	\$ 135.12	\$ 136.60	1.1%

Line	Monthly Usage (kWh)	Winter Monthly Bill		% Inc. / (Dec.)
		Existing	Proposed	
10	100	\$ 21.29	\$ 21.76	2.2%
11	500	\$ 72.45	\$ 72.80	0.5%
12	1000	\$ 135.12	\$ 124.60	-7.8%

Line	Annual Average Monthly Bill		% Inc. / (Dec.)	\$ Inc. / (Dec.)
	Existing	Proposed		
10	\$ 21.29	\$ 21.76	2.2%	\$ 0.47
11	\$ 72.45	\$ 72.80	0.5%	\$ 0.35
12	\$ 135.12	\$ 128.60	-4.8%	\$ (6.52)



**Appendix Table B-1
Typical Bill Comparison
Existing vs. Proposed Rates
Electric Water Heater Service
Separate meter**

Line	Summer Rates			
	Existing		Proposed	
1	Minimum Bill	\$ 2.50	Minimum Bill	\$ 3.00
2	Customer Charge	\$ 2.50	Customer Charge	\$ 3.00
3	PCA		PCA	
4	Energy	cts/kWh	Energy	cts/kWh
5	First	- kWh	- kWh	-
6	Next	- kWh	- kWh	-
7	Next	- kWh	- kWh	-
8	Next	- kWh	- kWh	-
9	Excess	10.480	Excess	13.090

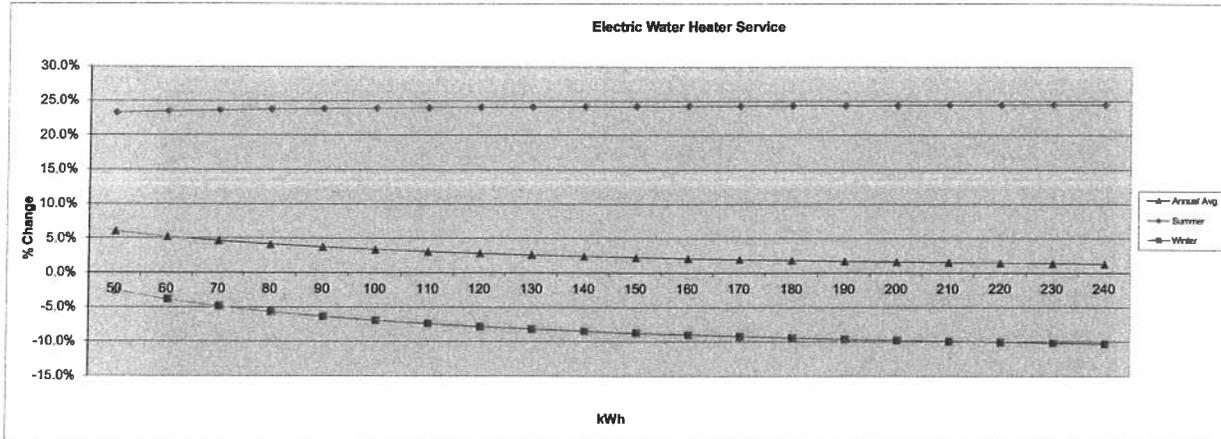
Line	Winter Rates			
	Existing		Proposed	
1	Minimum Bill	\$ 2.50	Minimum Bill	\$ 3.00
2	Customer Charge	\$ 2.50	Customer Charge	\$ 3.00
3	PCA		PCA	
4	Energy	cts/kWh	Energy	cts/kWh
5	First	- kWh	- kWh	-
6	Next	- kWh	- kWh	-
7	Next	- kWh	- kWh	-
8	Next	- kWh	- kWh	-
9	Excess	10.480	Excess	9.090

Existing Rate Revenue	\$ 33,995
Proposed Rate Revenue	\$ 33,830
Rate Increase / Decrease	-0.5%

Line	Monthly Usage (kWh)	Summer Monthly Bill		% Inc. / (Dec.)
		Existing	Proposed	
10	70	\$ 9.84	\$ 12.16	23.7%
11	100	\$ 12.98	\$ 16.09	24.0%
12	240	\$ 27.65	\$ 34.42	24.5%

Line	Monthly Usage (kWh)	Winter Monthly Bill		% Inc. / (Dec.)
		Existing	Proposed	
10	70	\$ 9.84	\$ 9.36	-4.8%
11	100	\$ 12.98	\$ 12.09	-6.9%
12	240	\$ 27.65	\$ 24.82	-10.3%

Line	Monthly Usage (kWh)	Annual Average Monthly Bill		% Inc. / (Dec.)	\$ Inc. / (Dec.)
		Existing	Proposed		
10	70	\$ 9.84	\$ 10.30	4.7%	\$ 0.46
11	100	\$ 12.98	\$ 13.42	3.4%	\$ 0.44
12	240	\$ 27.65	\$ 28.02	1.3%	\$ 0.36



**Appendix Table B-2
Typical Bill Comparison
Existing vs. Proposed Rates
General Electric Service**

Line	Summer Rates			
	Existing		Proposed	
1	Minimum Bill	\$ 13.00	Minimum Bill	\$ 15.00
2	Customer Charge	\$ 13.00	Customer Charge	\$ 15.00
3	PCA	0.0000 cts/kWh	PCA	0.0000 cts/kWh
4	Energy		Energy	
5	First	500 kWh 13.31	500 kWh	13.75
6	Next	1,000 kWh 14.67	1,000 kWh	13.75
7	Next	- kWh -	- kWh	-
8	Next	- kWh -	- kWh	-
9	Excess	12.00		13.75

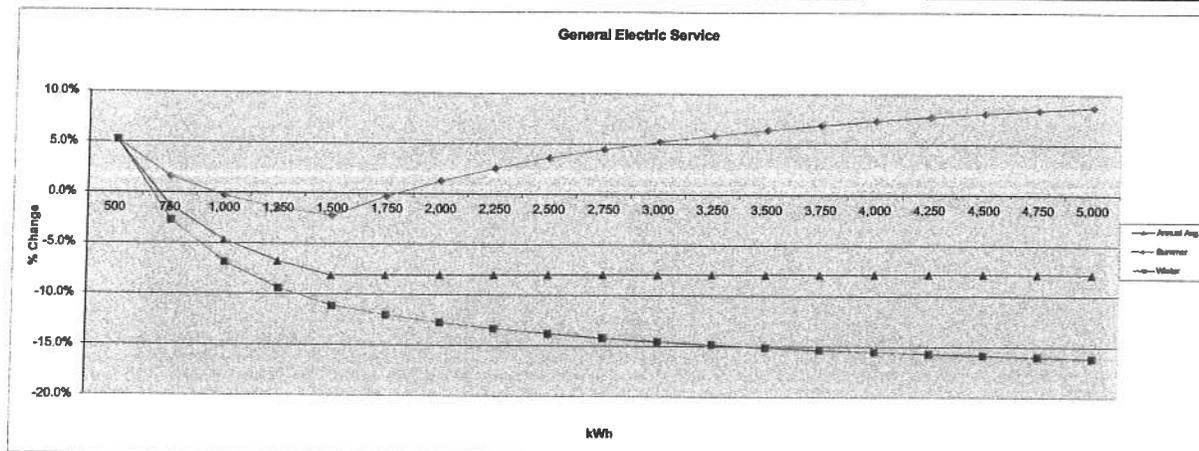
Line	Winter Rates			
	Existing		Proposed	
1	Minimum Bill	\$ 13.00	Minimum Bill	\$ 15.00
2	Customer Charge	\$ 13.00	Customer Charge	\$ 15.00
3	PCA	0.0000 cts/kWh	PCA	0.0000 cts/kWh
4	Energy		Energy	
5	First	500 kWh 13.31	500 kWh	13.75
6	Next	1,000 kWh 14.67	1,000 kWh	11.75
7	Next	- kWh -	- kWh	-
8	Next	- kWh -	- kWh	-
9	Excess	12.00		9.75

Existing Rate Revenue	\$ 1,728,111
Proposed Rate Revenue	\$ 1,695,244
Rate Increase / Decrease	-1.9%

Line	Monthly Usage (kWh)	Summer Monthly Bill		% Inc. / (Dec.)
		Existing	Proposed	
10	500	\$ 79.55	\$ 83.75	5.3%
11	1500	\$ 226.25	\$ 221.25	-2.2%
12	2500	\$ 346.25	\$ 358.75	3.6%

Line	Monthly Usage (kWh)	Winter Monthly Bill		% Inc. / (Dec.)
		Existing	Proposed	
10	500	\$ 79.55	\$ 83.75	5.3%
11	1500	\$ 226.25	\$ 201.25	-11.0%
12	2500	\$ 346.25	\$ 298.75	-13.7%

Line	Annual Average Monthly Bill		% Inc. / (Dec.)	\$ Inc. / (Dec.)
	Existing	Proposed		
10	\$ 79.55	\$ 83.75	5.3%	\$ 4.20
11	\$ 226.25	\$ 207.92	-8.1%	\$ (18.33)
12	\$ 346.25	\$ 318.75	-7.9%	\$ (27.50)



**Appendix Table B-6
Typical Bill Comparison
Existing vs. Proposed
Large Light and Power**

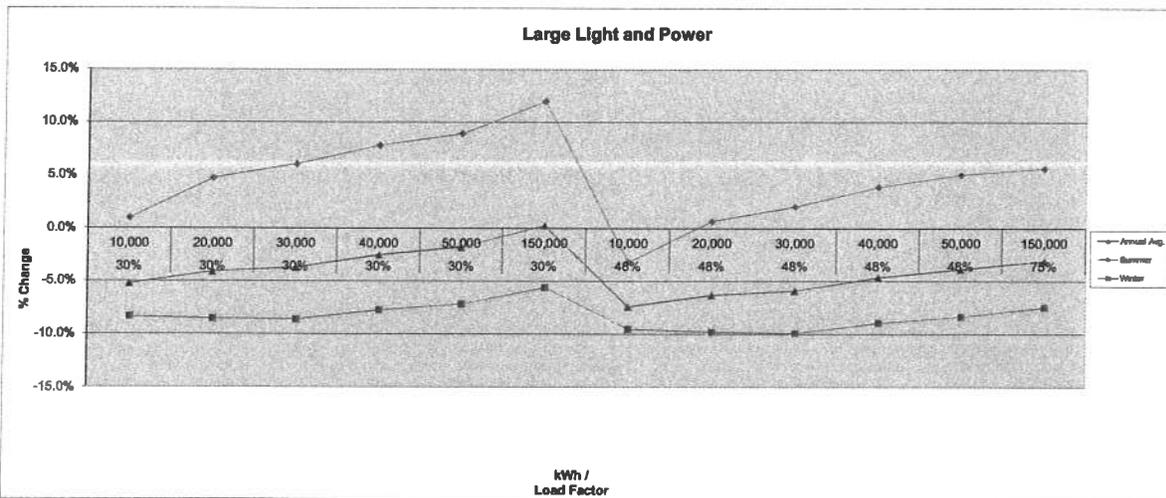
Line	Summer Rates			
	Existing		Proposed	
1	Minimum Bill	\$ 25.00	Minimum Bill	\$ 25.00
2	Customer Charge	\$ 25.00	Customer Charge	\$ 25.00
3	Demand	\$ 6.60	Demand	\$ 10.00
4	PCA	0.0000	PCA	0.0000
5	Energy	0.0000 cts/kWh	Energy	0.0000 cts/kWh
6	First	10,000 kWh 11.53	10,000 kWh	10.12
7	Next	20,000 kWh 10.48	20,000 kWh	10.12
8	Next	- kWh -	- kWh	-
9	Next	- kWh -	- kWh	-
10	Excess	9.920	Excess	10.120

Line	Winter Rates			
	Existing		Proposed	
1	Minimum Bill	\$ 25.00	Minimum Bill	\$ 25.00
2	Customer Charge	\$ 25.00	Customer Charge	\$ 25.00
3	Demand	\$ 6.60	Demand	\$ 7.00
4	PCA	0.0000	PCA	0.0000
5	Energy	0.0000 cts/kWh	Energy	0.0000 cts/kWh
6	First	10,000 kWh 11.53	10,000 kWh	10.12
7	Next	20,000 kWh 10.48	20,000 kWh	9.12
8	Next	- kWh -	- kWh	-
9	Next	- kWh -	- kWh	-
10	Excess	9.920	Excess	9.120

Existing Rate Revenue	\$ 2,127,728
Proposed Rate Revenue	\$ 2,069,719
Rate Increase / Decrease	-2.7%

Line	Monthly Load Factor	Monthly Demand (kW)	Monthly Usage (kWh)	Summer Monthly Bill		% Inc. / (Dec.)
				Existing	Proposed	
11	30%	46	10,000	\$ 1,479	\$ 1,494	1.0%
12	48%	86	30,000	\$ 3,839	\$ 3,917	2.0%
13	75%	274	150,000	\$ 16,986	\$ 17,945	5.6%

Line	Monthly Load Factor	Monthly Demand (kW)	Monthly Usage (kWh)	Winter Monthly Bill		% Inc. / (Dec.)
				Existing	Proposed	
11	30%	46	10,000	\$ 1,479	\$ 1,357	-8.3%
12	48%	86	30,000	\$ 3,839	\$ 3,460	-9.9%
13	75%	274	150,000	\$ 16,986	\$ 15,723	-7.4%



**Appendix Table B-1
Typical Bill Comparison
Existing vs. Proposed Rates
Street Lighting**

Line	Summer Rates			
	Existing		Proposed	
1	Minimum Bill	\$ -	Minimum Bill	\$ -
2	Customer Charge	\$ -	Customer Charge	\$ -
3	Lamp Charge	\$/mo. PCA kWh	Lamp Charge	\$/mo.
4	175 W MV	12.65 67	175 W MV	12.65
5	200 W MV	13.65 76	200 W MV	13.65
6	400 W MV	26.62 153	400 W MV	26.62
7	100 W HPS	8.16 38	100 W HPS	8.16
8	150 W HPS	12.24 58	150 W HPS	12.24
9	200 W HPS	17.34 77	200 W HPS	17.34
10	250 W HPS	17.34 96	250 W HPS	17.34
11	400 W HPS	26.52 153	400 W HPS	26.52
12	165 W INDUCT	12.65 63	165 W INDUCT	12.65
13	70 W MH	12.65 27	70 W MH	12.65
14	65 W INDUCT	12.65 25	65 W INDUCT	12.65
15				
16	Energy Charge	13.3100	Energy Charge	13.36
17	PCA	-	PCA	-

Winter Rates				
Line	Existing		Proposed	
	1	Minimum Bill	\$ -	Minimum Bill
2	Customer Charge	\$ -	Customer Charge	\$ -
3	Lamp Charge	\$/mo. PCA kWh	Lamp Charge	\$/mo.
4	175 W MV	12.65 67	175 W MV	12.65
5	200 W MV	13.65 76	200 W MV	13.65
6	400 W MV	26.62 153	400 W MV	26.62
7	100 W HPS	8.16 38	100 W HPS	8.16
8	150 W HPS	12.24 58	150 W HPS	12.24
9	200 W HPS	17.34 77	200 W HPS	17.34
10	250 W HPS	17.34 96	250 W HPS	17.34
11	400 W HPS	26.52 153	400 W HPS	26.52
12	165 W INDUCT	12.65 63	165 W INDUCT	12.65
13	70 W MH	12.65 27	70 W MH	12.65
14	65 W INDUCT	12.65 25	65 W INDUCT	12.65
15				
16	Energy Charge	13.3100	Energy Charge	13.36
17	PCA	-	PCA	-

Existing Rate Revenue	\$ 427,432
Proposed Rate Revenue	\$ 425,160
Rate Increase / Decrease	-0.5%

**Appendix Table B-1
Typical Bill Comparison
Existing vs. Proposed Rates
Security Lighting**

Line	Summer Rates			
	Existing		Proposed	
1	Minimum Bill	\$ -	Minimum Bill	\$ -
2	Customer Charge	\$ -	Customer Charge	\$ -
3	Lamp Charge	\$/mo. PCA kWh	Lamp Charge	\$/mo. PCA kWh
4	175 W MV	12.65 67	175 W MV	12.60 67
5	200 W MV	13.65 76	200 W MV	13.60 76
6	400 W MV	26.62 153.00	400 W MV	26.50 153
7	100 W HPS	8.16 38.00	100 W HPS	8.10 38
8	150 W HPS	12.24 58.00	150 W HPS	12.20 58
9	200 W HPS	17.34 77.00	200 W HPS	17.20 77
10	250 W HPS	17.34 96.00	250 W HPS	17.20 96
11	400 W HPS	26.52 153	400 W HPS	26.40 153
12				
13	PCA	-	PCA	-

Line	Winter Rates				#DIV/0!
	Existing		Proposed		
1	Minimum Bill	\$ -	Minimum Bill	\$ -	#DIV/0!
2	Customer Charge	\$ -	Customer Charge	\$ -	#DIV/0!
3	Lamp Charge	\$/mo. PCA kWh	Lamp Charge	\$/mo. PCA kWh	
4	175 W MV	12.65 67	175 W MV	12.60 67	-0.4%
5	200 W MV	13.65 76	200 W MV	13.60 76	-0.4%
6	400 W MV	26.62 153.00	400 W MV	26.50 153	-0.5%
7	100 W HPS	8.16 38.00	100 W HPS	8.10 38	-0.7%
8	150 W HPS	12.24 58.00	150 W HPS	12.20 58	-0.3%
9	200 W HPS	17.34 77.00	200 W HPS	17.20 77	-0.8%
10	250 W HPS	17.34 96.00	250 W HPS	17.20 96	-0.8%
11	400 W HPS	26.52 153	400 W HPS	26.40 153	-0.5%
12					
13	PCA	-	PCA	-	#DIV/0!

Existing Rate Revenue	\$ 124,705
Proposed Rate Revenue	\$ 124,001
Rate Increase / Decrease	-0.6%

2-17

Audra Garrett

From: Phil Euler [peuler@nmppenergy.org]
Sent: Thursday, January 03, 2013 8:35 PM
To: 'Audra Garrett'
Cc: THANH LE; Brenda Hering; 'Andrew Ross'
Subject: Trinidad Ordinance for 2013 revision
Attachments: 2013 Trinidad Power Rate Ordinance 1-3-13.doc

Audra, Good questions:

Yes the date can be Feb 1 from my perspective, however I followed the "last day of the month before" language because that was the way it was in the old ordinance. This is probably the city attorney's call.

On the PCA, The rates are designed to recover all the ARPA power Cost but if they changed the rate or a ARPA ECA adder from zero this set forth the formula to be used to estimate the short fall.

On the attached revise Ordinance paragraph "**2. Authorization of Power Cost Adjustment ("PCA")**" is changed to explain how the PCA **can be** authorized by the Council for a specific 12 month period yet to be determined. This would typically occur after 3-6 months of short fall with expectation that the power costs will be 10% or more than designed in the rates. The city attorney should review this also.

Generally it is written the same as it was before except the power cost level is increased to the expected 2013 ARPA annual average cost/KWH and the Authorization for the PCA is not in force. If the Council was to Authorize, then they would pass a new Ordinance with the Authorization changed and 12 month period noted (or some other way the city attorney directs, i.e to amend the existing Ordinance's related only to paragraph, **2. Authorization of Power Cost Adjustment**).

Phil 254

Phone: 800.234-2595
Fax: 402.474.0473
Mobile: 402.440.1306

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From: Audra Garrett [mailto:audra.garrett@trinidad.co.gov]
Sent: Thursday, January 03, 2013 5:11 PM
To: 'Phil Euler'
Subject: RE: current ordinance and resolution

Sure. Can the effective date be February 1, 2013? Also, I'm confused. I thought the PCA was going to zero, but it is referenced in each section of the ordinance and also at the end of the ordinance in section 1 and in section 2. Is it that it reduces to zero because of the math, but the language should remain? Also, section 2 references 2011 dates. What should that say? Should it say that the PCA will be omitted for the ensuing 11 months? Sorry you have to educate me.

Audra Garrett, City Clerk
City of Trinidad
135 N. Animas Street
Trinidad, CO 81082
(719) 846-9843 ext. 135

(719) 846-4140 fax

audra.garrett@trinidad.co.gov



From: Phil Euler [<mailto:peuler@nmppenergy.org>]

Sent: Thursday, January 03, 2013 4:06 PM

To: 'Audra Garrett'

Subject: RE: current ordinance and resolution

Audra, Sorry I missed adding the suggested language. Will you please add it and send me a copy back of the final presented to the council.

Thanks,

Phil 254

Phone: 800.234-2595

Fax: 402.474.0473

Mobile: 402.440.1306

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From: Audra Garrett [<mailto:audra.garrett@trinidad.co.gov>]

Sent: Thursday, January 03, 2013 1:04 PM

To: peuler@nmppenergy.org

Subject: current ordinance and resolution

Hi Phil,

Thank you for working so diligently on this. Ruth Wilson asked if the language in the ordinance can state "These energy rates shall become effective upon the effective date of this Ordinance, and shall be reflected on utility bills issued on and after February 1, 2013." It just makes it clear for the billing office. I can add the language if you don't have a problem with it.

Audra Garrett, City Clerk

City of Trinidad

135 N. Animas Street

Trinidad, CO 81082

(719) 846-9843 ext. 135

(719) 846-4140 fax

audra.garrett@trinidad.co.gov



2-19

Audra Garrett

From: Phil Euler [peuler@nmppenergy.org]
Sent: Friday, January 04, 2013 2:57 PM
To: 'Audra Garrett'; Anna Ridolfi; tom.acre@trinidad.co.gov
Cc: THANH LE; Brenda Hering; 'Andrew Ross'
Subject: RE: Revised Trinidad ordinance for 2013

Audra,

The paragraph below each set of charges says: " Power Cost Adjustment ("PCA"): When applicable, a power cost adjustment ("PCA"), as specified in subsection (7) herein, shall be applied to all kilowatt hours billed for the current month."

The difference for street lights from other accounts is there is no meter because they are operated by a dust-to-dawn control and we estimate on average what each light will use. This is the amount of KWh listed for each size on the rate table. i.e. 175 Watt MV will use 67 KWh/mo. The fee per month is the sum of the energy cost plus the cost to own and maintain each light.

So when a PCA is in force the street light bill is increase by the formula: KWH/ lamp size * PCA charge/KWH * number of lamps at each size. This is because the cost of power is up and the fee will not change to recover that without adding the PCA time the estimated KWh.

We did not change the rates because they are about right with the cost of maintenance of the lamps increasing being off-set by about the reduction in the energy cost included in the charge.

Phil 254

Phone: 800.234-2595

Fax: 402.474.0473

Mobile: 402.440.1306

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From: Audra Garrett [mailto:audra.garrett@trinidad.co.gov]
Sent: Friday, January 04, 2013 2:48 PM
To: 'Phil Euler'
Subject: Revised ordinance

Hi Phil,

What you've explained makes sense. One more question – Why does the street lighting have a PCA? Also, why were those rates not changed?

Audra Garrett, City Clerk

City of Trinidad

135 N. Animas Street

Trinidad, CO 81082

(719) 846-9843 ext. 135

(719) 846-4140 fax

audra.garrett@trinidad.co.gov

2-20

WATER LEASE AGREEMENT

1. **PARTIES.** The parties to this Water Lease Agreement are the **CITY OF TRINIDAD**, a Colorado municipal corporation ("City"), and **KEN TORRES** ("Lessee"), an individual.

2. **RECITALS.** Lessee operates the Torres Fish Hatchery, which utilizes a series of ponds. Lessee desires to keep the ponds full and, as a result, needs to augment out-of-priority depletions from evaporation and seepage. The City is the owner of certain rights that may be used to augment evaporation and seepage losses from the ponds, including water stored by the City in Trinidad Reservoir. The City is willing to lease water annually to Lessee for use as described above under the following terms and conditions.

NOW, THEREFORE, the parties agree as follows:

3. **LEASE OF WATER.** The City will lease six and eighty-five hundredths (6.85) acre feet of water to Lessee for use in 2013.

4. **PAYMENT FOR LEASE.** The City currently leases augmentation water for \$500 per acre foot. As a result, the current lease rate for 6.85 acre feet would be \$3425. As a result, upon execution of this Lease by the City, Lessee shall pay to the City \$3425.

5. **LESSEE'S RESPONSIBILITY.** The City will make 6.85 acre feet of water available from the City's storage account in Trinidad Reservoir on an "as is" basis. The decreed uses of such water include augmentation as set forth in Case No. 88CW61, District Court, Water Division No. 2, State of Colorado. It shall be the responsibility of the Lessee to obtain any additional approvals necessary to use the water for Lessee's intended purposes, including but not limited to the approvals by the Colorado Division of Water Resources. The City shall cooperate with the Lessee in obtaining any required additional approvals from any entity. The City makes no warranties or guarantees that such approvals can be obtained.

6. **NO GUARANTEE.** Because of the possibility of drought, mechanical failures at Trinidad Reservoir or other extraordinary circumstances, the City cannot guarantee delivery of water. If the City cannot deliver the full 6.85 acre feet of water to the Lessee, the City shall refund to Lessee the fee for any water requested but not delivered at a rate of \$500 per acre foot, up to \$3425. Such a refund shall be Lessee's sole and exclusive remedy against the City for any breach or non-performance of any obligation under this Lease.

7. **RELEASE OF WATER.** The water will be made available in Trinidad Reservoir upon the request of the Water Commissioner or Division Engineer. It is the responsibility of Lessee to coordinate with and contact the Water Commissioner and/or the Division Engineer to arrange the release of water for Lessee's benefit.

8. **NO CARRYOVER AND NO CREDIT TOWARD PAYMENTS.** Water not called for release by Lessee in any year shall not carry over for the benefit of the Lessee into the next year. In addition, Lessee shall not be entitled to a credit for payments made for water Lessee did not call for during the term of this Lease.

9. **TERMINATION.** This Lease shall terminate automatically on December 31, 2013, unless specifically renewed in writing by both parties pursuant to the terms and conditions contained in such renewal.

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10. REIMBURSEMENT OF EXPENSES. Upon execution of this Lease by the City, Lessee shall reimburse the City for its legal expenses incurred in this matter in the amount of \$281.

11. NOTICES. Any notice required or permitted by this Lease shall be in writing and shall be deemed to have been sufficiently given for all purposes if sent by certified or registered mail, postage and fees prepaid, addressed to the party to whom such notice is intended to be given at the address set forth below, or at such other address as has been previously furnished in writing to the other party or parties. Such notice shall be deemed to have been given when deposited in the U.S. Mail or hand delivered to the other party.

CITY:

James Fernandez, Utilities Superintendent
City of Trinidad
135 North Animas
P.O. Box 880
Trinidad, CO 81082

COPY TO:

Jeffrey J. Kahn, Esq.
Lyons Gaddis Kahn & Hall PC
P.O. Box 978
Longmont, CO 80502-0978

LESSEE:

Ken Torres
5359 County Road 12
Weston, CO 81091

Dated: _____.

CITY OF TRINIDAD,
a Colorado municipal corporation

By: _____
Bernadette Baca-Gonzalez, Mayor

ATTEST:

City Clerk

LESSEE:

Ken Torres

4-2

164 E. MAIN
TRINIDAD, COLORADO 81082
(719) 846-9241 FAX (719) 846-3352

December 17, 2012

The City of Trinidad
P.O. Box 880
Trinidad, Colorado 81082

We are pleased to confirm our understanding of the services we are to provide The City of Trinidad for the year ended December 31, 2012. We will audit the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information, which collectively comprise the basic financial statements of The City of Trinidad as of and for the year ended December 31, 2012. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement The City of Trinidad's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to The City of Trinidad's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

- 1) Management's Discussion and Analysis.
- 2) Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – for the General and Major Special Revenue Funds
- 3) Schedule of Funding Progress – Fire and Police Pensions

We have also been engaged to report on supplementary information other than RSI that accompanies The City of Trinidad's financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America and will provide an opinion on it in relation to the financial statements as a whole:

- 1) Combining and Individual Fund Financial Statements
- 2) State Required Schedules
- 3) Other Schedules

Audit Objective

The objective of our audit is the expression of opinions as to whether your basic financial statements are fairly presented, in all material respects, in conformity with generally accepted accounting principles and to report on

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the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America and will include tests of the accounting records and other procedures we consider necessary to enable us to express such opinions. If our opinions on the financial statements are other than unqualified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or to issue a report as a result of this engagement.

Management Responsibilities

Management is responsible for the basic financial statements and all accompanying information as well as all representations contained therein. You are also responsible for making all management decisions and performing all management functions; for designating an individual with suitable skill, knowledge, or experience to oversee our assistance with the preparation of your financial statements and related notes and any other nonattest services we provide; and for evaluating the adequacy and results of those services and accepting responsibility for them.

Management is responsible for establishing and maintaining effective internal controls, including monitoring ongoing activities; for the selection and application of accounting principles; and for the fair presentation in the financial statements of the respective financial position of the business-type activities and each major fund of The City of Trinidad and the respective changes in financial position and where applicable, cash flows, in conformity with U.S. generally accepted accounting principles.

Management is also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud or illegal acts affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud or illegal acts could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, regulators, or others. In addition, you are responsible for identifying and ensuring that the entity complies with applicable laws and regulations. You are responsible for the preparation of the supplementary information in conformity with U.S. generally accepted accounting principles. You agree to include our report on the supplementary information in any document that contains and indicates that we have reported on the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon.

Audit Procedures—General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. We will plan and perform the audit to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity.

Because an audit is designed to provide reasonable, but not absolute, assurance and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us. In addition, an audit is not designed to detect immaterial misstatements, or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform you of any material errors and any fraudulent financial reporting or misappropriation of assets that come to our attention. We will also inform you of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may

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bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about the financial statements and related matters.

Audit Procedures—Internal Control

Our audit will include obtaining an understanding of the entity and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. An audit is not designed to provide assurance on internal control or to identify deficiencies in internal control. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards.

Audit Procedures—Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of The City of Trinidad's compliance with applicable laws and regulations and the provisions of contracts and agreements. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion.

Engagement Administration, Fees, and Other

We may from time to time, and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers, but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

We understand that your employees will prepare all cash or other confirmations we request and will locate any documents selected by us for testing.

We expect to begin our audit on approximately April 22, 2013 and to issue our reports no later than June 30, 2013. Mike Dixon is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it. Our fee for these services will be at our standard hourly rates plus out-of-pocket costs (such as report reproduction, word processing, postage, travel, copies, telephone, etc.) except that we agree that our gross fee, including expenses will not exceed \$28,500. Our invoices for these fees will be rendered for 75% at the time that fieldwork is completed and 25% when a draft report is provided and are payable upon presentation. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

We appreciate the opportunity to be of service to The City of Trinidad and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,



Dixon, Waller & Co., Inc.

RESPONSE:

This letter correctly sets forth the understanding of The City of Trinidad.

By: _____

Title: _____

Date: _____

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GRANT AGREEMENT

DATE: _____

PROJECT:

Project Title: Boulevard Addition Nature Park Land Acquisition
Contract Number: 13021
Completion Date: December 11, 2014

PARTIES TO AGREEMENT:

Board: The State Board of the Great Outdoors Colorado Trust Fund
Grantee: City of Trinidad

RECITALS

A. The State Board of the Great Outdoors Colorado Trust Fund (referred to herein as "GOCO" or the "Board") is a political subdivision of the State of Colorado, created by Article XXVII of the Colorado Constitution, adopted at the November 1992 General Election, which article appropriates a portion of the net proceeds of the Colorado Lottery to the Board and directs the Board to invest those proceeds in the State's parks, wildlife, open space and recreational resources.

B. In 1994, the Board created a statewide grant program, pursuant to which eligible entities could apply for grants for local government parks and outdoor recreation projects to which Grantee responded with a detailed application (the "Project Application").

C. Grantee submitted a Project Application to the Board which contemplates the execution of the project entitled and described above (the "Project"). The parties acknowledge that they have on file a complete copy of the Project Application, which is incorporated herein.

D. The Board approved Grantee's Project Application on December 11, 2012, subject to the execution of a detailed grant agreement, and subject to the terms and conditions set forth herein. The parties intend this agreement to be the detailed final grant agreement required by the Board (the "Agreement").

AGREEMENT

NOW, THEREFORE, in consideration of the parties' mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

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1. **Incorporation of Recitals.** The Recitals set forth above are hereby incorporated into the terms of this Agreement.
2. **Representations and Warranties of Grantee.**
 - a. Grantee is a Municipality, duly organized in accordance with the laws of Colorado and has full and lawful authority to enter into, and comply with the terms of, this Agreement.
 - b. Grantee's governing body has authorized entering into this Agreement as evidenced by the resolution attached hereto as Exhibit A.
3. **Grant and Project.** Subject to the terms and conditions set forth in this Agreement, the Board hereby awards to Grantee a sum not to exceed \$180,880.00 (the "Grant"). The Grant shall be used by Grantee solely to complete the Project, in substantial conformity with the Project Application approved by the Board.
4. **Project Scope.** Grantee shall not materially modify the Project or the Project budget (attached hereto as Exhibit B, the "Budget") without the prior written approval of the Executive Director of GOCO ("Executive Director") or the Executive Director's designee, such approval to be in GOCO's sole discretion. Any material modification to the Project undertaken without GOCO's prior written consent may be deemed a breach of this Agreement by GOCO, entitling GOCO to all remedies available under this Agreement. If Grantee determines with reasonable probability that the Project will not or cannot be completed as reflected in the Project Application, Grantee will promptly so advise the Board, and cooperate in good faith to seek a resolution before any further funds are advanced.
5. **Grantee Efforts.** Grantee shall complete the Project in a timely fashion, in a good and workmanlike manner, and consistent with this Agreement and GOCO's approvals related to the Project.
6. **Completion Date.** Grantee shall complete the Project no later than December 11, 2014 (the "Completion Date") which is two calendar years after the Board's approval of the Project. Grantee may request an extension of the Completion Date in compliance with GOCO's Overdue Grants Policy, a summary of which is attached as Exhibit C ("Overdue Grants Policy"). If Grantee determines with reasonable probability that the Project will not or cannot be completed by the Completion Date or any extended completion date, Grantee will promptly so advise the Board, and cooperate in good faith to seek a resolution before any further funds are advanced.
7. **Matching Funds.** Grantee shall obtain the matching cash and in-kind contributions for the Project as reflected in the Budget and as required by GOCO policy, and shall provide such evidence of the same as GOCO may require in its reasonable discretion.
8. **Disbursement of Funds.** Prior to closing, GOCO will conduct a review of the due diligence documents associated with any land acquisition component of the Project, as described in GOCO's "Due Diligence Requirements Supplement for Local Park and Outdoor Recreation Land Acquisitions" (the "Due Diligence Requirements Supplement"), available at www.goco.org

or by contacting GOCO. GOCO reserves the right, in its sole discretion, to review other documents related to the transaction, even if not specifically mentioned in the Due Diligence Requirements Supplement. Once GOCO has approved all of the due diligence for a land acquisition component, GOCO will make payment by wiring funds to closing.

9. **Conditions for Disbursement of Funds.** Except as provided in Paragraph 10 below, the Grant is subject to the following requirements and conditions.

a. The Grant and all matching funds shall be used only for the purchase price of any interest in real property described in the Project Application, which may not exceed the fair market value as established by appraisal, and for costs associated with the Project, including expenses for a title policy (including endorsements and other title company charges); an appraisal; contract or "outside" attorneys' fees; an environmental hazards assessment; development of a management plan; a survey, if needed; a geologist's letter, if needed.

b. Disbursement of Grant funds shall be made on the basis of costs actually incurred by Grantee and supported by written documentation (receipts, bills, etc.).

c. Except as otherwise agreed to in advance by GOCO in accordance with the terms of this Agreement, no material modifications may be made to the Project. Material modifications to the Project to which GOCO has not agreed may result in a reduction in the Grant. "Material modifications" may include, but are not necessarily limited to, acquisition of a different property than that presented in the Project Application, a reduction in acres acquired, a reduction in the total cost of the Project, or any other variance from the Project as presented in the Project Application. It is the sole responsibility of Grantee to inform GOCO of any such modifications to the Project. GOCO strongly encourages Grantee to contact GOCO in writing when it becomes aware of or wishes to make any such modifications, however seemingly minor, to the Project.

10. **Waiver.** The Executive Director or the Executive Director's designee may in such person's discretion, waive or agree to modify one or more of the obligations in sections 8, 9, and 16 of the Agreement, or may permit performance of one or more of such obligations subsequent to disbursement.

11. **Payment of Grant Subject to Sufficient Net Lottery Proceeds.** Payment of the Grant is subject to GOCO's determination in its sole discretion that it has received and has available sufficient net lottery proceeds to fund the Grant. In determining the sufficiency of net lottery proceeds, GOCO may consider all facts and circumstances as it deems necessary or desirable in its discretion, including, but not limited to, adequate reserves, funding requirements and/or commitments for other past, current and future grants, and past, current and future GOCO operating expenses and budgetary needs.

12. **Property and Project Operation and Maintenance.**

a. Grantee shall continue ownership of the property acquired with the Grant (the "Property") and manage the Property for the purposes specified in the Project Application indefinitely.

b. Failure to comply with the provisions of Paragraph 13 may be deemed a breach by Grantee under Paragraph 21, below.

c. GOCO shall not be liable for any cost of maintenance, management or operation of the Project or the Property.

d. Within 60 days of a reasonable request by the Board, Grantee will provide the Board with adequate records reflecting the operating and maintenance costs of the Project and provide the Board with such other information concerning the use of the Project by the public and the impact of the Project.

13. **Public Access.** Grantee agrees, for itself and its successors in interest, to allow reasonable public access to the Project indefinitely. Grantee may temporarily close such public access for construction, maintenance, emergency situations, or other reasonable purposes.

14. **Compliance with Regulatory Requirements and Federal and State Mandates.** Grantee hereby assumes responsibility for compliance with all regulatory requirements in all applicable areas, including but not limited to nondiscrimination, worker safety, local labor preferences, preferred vendor programs, equal employment opportunity, use of competitive bidding, permits, approvals, and other similar requirements. To the extent permitted by law, Grantee will indemnify and hold the Board harmless from any liability for any failure to comply with any such applicable requirements.

15. **Nondiscrimination.** During the performance of this Agreement, Grantee and its contractors, subcontractors and agents shall not unlawfully discriminate against any employee or applicant for employment because of race, religion, color, national origin, ancestry, physical handicap, medical condition, marital status, age or sex, or any other basis prohibited by local, state or federal law. Grantee and its contractors shall ensure that the evaluation and treatment of their employees and applicants for employment are free of such discrimination. Further, during the performance of this Agreement, Grantee and anyone acting on behalf of Grantee shall not engage in any unlawful discrimination in permitting access and use of the Project.

16. **Publicity and Project Information.**

a. Grantee shall erect and maintain a sign at a prominent location on the Project site acknowledging the assistance of Great Outdoors Colorado and the Colorado Lottery. GOCO will provide such signs at no cost to Grantee. Alternatively, GOCO will provide reproducible samples of its logo to Grantee for custom signs.

i. GOCO shall approve in advance the design of any permanent sign materially varying from the signs provided by GOCO. To obtain such approval, Grantee shall submit to GOCO plans describing the number, design, placement, and wording of signs and placards. Plans shall be submitted to the Board for review and approval prior to completion of the Project.

ii. The Board may withhold payment pending evidence of placement of permanent signage.

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- b. Grantee shall acknowledge Board funding in all publicity issued by it concerning the Project.
- c. Grantee shall cooperate with the Board or the Board's designee in advance in preparing public information pieces related to the Project.
- d. Grantee shall give the Board the right and opportunity to use information gained from the Project.
- e. Grantee shall give the Board a minimum 30 days' notice of Project grand openings, dedications, or other events.
- f. Grantee shall give timely notice of the Project, its inauguration, significance, and completion to the local members of the Colorado General Assembly, members of the board of county commissioners of the county or counties in which the Project is located, as well as to other appropriate public officials.
- g. At no time shall Grantee represent in any manner to the public or to any party that it is affiliated with GOCO or acting on behalf of GOCO.

17. **Liability.**

a. Grantee shall be responsible for, and to the extent permitted by law (including any constitutional or statutory limitations on the ability of a governmental entity to provide indemnification), indemnify, defend and hold harmless the Board, its officers, agents and employees from any and all liabilities, claims, demands, damages or costs (including reasonable legal fees) resulting from, growing out of, or in any way connected with or incident to Grantee's performance of this Agreement. Grantee hereby waives any and all rights to any type of express or implied indemnity or right of contribution from the State of Colorado, the Board, its members, officers, agents or employees, for any liability resulting from, growing out of, or in any way connected with or incident to this Agreement. Grantee acknowledges that Grantee is the owner of the Project and the Property upon which it is located, or has control of the Project and the Property, and that GOCO neither possesses nor controls the Project, the Property, nor the operations of the Project.

b. Anything else in this Agreement to the contrary notwithstanding, no term or condition of this Agreement shall be construed or interpreted as a waiver, either express or implied, of any of the immunities, rights, benefits or protection provided to the Board under the Colorado Governmental Immunity Act ("CGIA") as amended or as may be amended in the future (including, without limitation, any amendments to such statute, or under any similar statute which is subsequently enacted). This provision may apply to Grantee if Grantee qualifies for protection under the Colorado Governmental Immunity Act, C.R.S. §24-10-101 *et seq.* The Board and Grantee understand and agree that liability for claims for injuries to persons or property arising out of the negligence of the Board, its members, officials, agents and employees may be controlled and/or limited by the provisions of the CGIA. The parties agree that no

provision of this Agreement shall be construed in such a manner as to reduce the extent to which the CGIA limits the liability of the Board, its members, officers, agents and employees.

18. **Audits and Accounting.** Grantee shall maintain standard financial accounts, documents, and records relating to the use, management, and operation of the Project. The accounts, documents, and records related to the Project shall be retained by Grantee for not less than five (5) years following the date of disbursement of funds under this Agreement. The Board, or its designated agent, shall have the right, upon reasonable notice to Grantee, to audit the books and records of Grantee which pertain to the Project and to the use and disposition of the Grant. While Grantee is not required to use GAAP (Generally Accepted Accounting Principles), Grantee shall use reasonable and appropriate accounting systems in maintaining the required records hereunder.

19. **Inspection.** Throughout the term of this Agreement, GOCO shall have the right to inspect the Project to ascertain compliance with this Agreement.

20. **Withdrawal of Board Funding; Termination of Agreement.** Anything else in this Agreement or otherwise to the contrary notwithstanding, the Board may withdraw, in whole or in part, the Grant and/or terminate this Agreement, and/or seek a refund of payments already made if the Board determines in its discretion that:

- a. facts have arisen or situations have occurred that fundamentally alter the expectations of the parties or make the purposes for the Grant as contemplated infeasible or impractical;
- b. any material modifications in the scope or nature of the Project have occurred from that which was presented in the Project Application and such material modifications have not received the prior written approval of GOCO;
- c. any statement or representation made by Grantee in the Project Application, this Agreement, the due diligence documentation, or otherwise is untrue, inaccurate or incomplete in any material respect;
- d. the results of GOCO's review of the due diligence are not acceptable to GOCO;
- e. the Project will not or cannot be completed by the Completion Date or any extensions granted thereto or delays in the implementation of the Project have occurred which, in the Board's judgment, make the Project impracticable;
- f. the Project will not or cannot be completed within the Budget or any approved modifications, or the total Project cost and/or Grantee's matching funding are reduced;
- g. Grantee disposes of the Property, or title to or encumbrances against the Property are or become such that the Property is or becomes unavailable for public use;
- h. sufficient net lottery proceeds are not available to fund the Grant.

21. **Breach.**

a. In the event that Grantee breaches any of the terms, covenants, representations, or conditions of this Agreement, the Board may elect to enforce any and all remedies available at law or in equity, including without limitation, any of the following:

i. Prior to payment of Grant:

A. Withdraw the Grant and terminate this Agreement; and,

B. Deny Grantee eligibility for participation in future Board grants, loans or projects.

ii. After payment (partial or full) of Grant:

A. Deny Grantee eligibility for participation in future Board grants, loans or projects;

B. Seek specific performance of Grantee's obligations under this Agreement;

C. Receive reimbursement in full of disbursement made under the Grant.

b. The foregoing remedies are cumulative and may be exercised independently or in combination and are not exclusive to one another or to any other remedies available at law or in equity. In the event GOCO must pursue any remedy hereunder and is the substantially prevailing party, GOCO shall be awarded its costs and reasonable legal fees, including costs of collection.

22. **Good Faith.** There is an obligation of good faith on the part of both parties, including the obligation to make timely communication of information which may reasonably be believed to be material to the other party.

23. **Assignment.** Grantee may not assign its rights under this Agreement without the consent of the Board, which consent shall be in the discretion of the Board. Any assignment shall require that, at a minimum, the assignee is eligible to receive grants from the Board and assumes Grantee's ongoing obligations under this Agreement.

24. **Applicable Law.** This Agreement shall be governed by the laws of the State of Colorado and venue for any dispute hereunder shall lie exclusively in the State Courts of the City and County of Denver.

25. **No Joint Venture.** Nothing in this Agreement shall be construed to create a joint venture, partnership, employer/employee or other relationship between the parties hereto other than independent contracting parties. Except as permitted under the remedies provisions hereunder, neither party shall have the express or implied right to act for, on behalf of, or in the name of the other party.

26. **Severability.** If any provision of this Agreement, or the application thereof, is found to be invalid, the remainder of the provisions of this Agreement, or the application of such provision, other than those as to which it is found to be invalid, shall remain in full force and effect.

27. **Time is of the Essence.** Time is of the essence in this Agreement.

28. **Survival.** The terms and provisions of this Agreement and the parties' covenants hereunder shall survive the funding of the Grant and the completion of the Project.

29. **Fax and Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be an original, but all of which when taken together shall constitute one Agreement. In addition, the parties agree to recognize signatures of this Agreement transmitted by telecopy or e-mail as if they were original signatures.

30. **Third Party Beneficiary.** The Board and Grantee hereby acknowledge and agree that this Agreement is intended only to cover the relative rights and obligations between the Board and Grantee, and that no third party beneficiaries are intended.

31. **Construction.** Each party hereto has reviewed and revised (or requested revisions of) this Agreement, and therefore, any usual rules of construction requiring that ambiguities are to be resolved against a particular party shall not be applicable in the construction and interpretation of this Agreement.

32. **Waiver.** The failure of either party to enforce a term hereof shall not be deemed a waiver of such term or right of enforcement as to that breach or any subsequent breach of the same, similar or different nature. No waiver shall be enforceable hereunder unless signed by the party against whom the waiver is sought to be enforced.

33. **Entire Agreement.** Except as expressly provided herein, this Agreement constitutes the entire agreement of the parties. No oral understanding or agreement not incorporated in this Agreement shall be binding upon the parties. No changes to this Agreement shall be valid unless made as an amendment to this contract, approved by the Board, and signed by the parties.

IN WITNESS WHEREOF, the parties by signature below of their authorized representatives execute this Agreement effective as of the ___ day of _____ 2012.

STATE BOARD OF THE GREAT

GRANTEE:

OUTDOORS COLORADO TRUST FUND

City of Trinidad

By: _____

By: _____

Lise Aangeenbrug
Executive Director

Name: _____
Title: _____

**EXHIBIT A
RESOLUTION**

6-9

CITY OF TRINIDAD, COLORADO

RESOLUTION NO.

A RESOLUTION OF THE CITY OF TRINIDAD, COLORADO SUPPORTING THE AGREEMENT BETWEEN THE CITY OF TRINIDAD, COLORADO, AND THE STATE BOARD OF THE GREAT OUTDOORS COLORADO TRUST FUND FOR THE BOULEVARD ADDITION NATURE PARK LAND ACQUISITION PROJECT

WHEREAS, the City of Trinidad supports the completion of the Boulevard Addition Nature Park Land Acquisition Project; and

WHEREAS, the City of Trinidad has received a grant from Great Outdoors Colorado to fund the Boulevard Addition Nature Park Land Acquisition Project, subject to the execution of a grant agreement.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF TRINIDAD, COLORADO, that:

Section 1. The City Council of the City of Trinidad hereby authorizes the Mayor to sign the grant agreement with Great Outdoors Colorado.

Section 2. The City Council of the City of Trinidad authorizes the expenditure of funds necessary to meet the terms and obligations of the grant agreement and application.

Section 3. This resolution is to be in full force and effect from and after its passage and approval.

APPROVED and ADOPTED this 15th day of January, 2013.

BERNADETTE BACA GONZALEZ,
MAYOR

ATTEST:

AUDRA GARRETT, CITY CLERK

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**EXHIBIT B
PROJECT BUDGET**

(Submit a new budget if the project numbers have changed.)

& REVISED TIMELINE

6-11

Section 4 -- Budget

City of Trinidad – Boulevard Addition Parkland Acquisition Proposed Budget PROJECT COST

	GOCO	Applicant	Landowner	[Partner]	[Partner]	Total
Cash						
Land Acquisition	172,480	73,920				246,400
Appraisal	4,200	1,800				6,000
Closing Costs	350	150				500
Environmental Assessment	1,050	450				1,500
Geologist's Mineral Statement	1,050	450				1,500
Outside Legal Services	1,400	600				2,000
Mapping/Survey	350	150				500
In-Kind						
Appraisal	██████████					0
Environmental Assessment	██████████					0
Geologist's Remoteness Letter	██████████					0
Legal Services	██████████					0
Mapping/Survey	██████████					0
TOTALS	180,880	77,520				258,400

PROJECT VALUE

Total Uses of Funds					258,400
Donated Land Value					0
<i>Project Value</i>					258,400

CALCULATION OF MATCH REQUIREMENTS

Item	Explanation	Requirement	Actual	Meets Requirement?
Minimum Match	30%/Total Costs	\$77,520	\$77,520	Yes
Minimum Cash Match	10%/Total Costs	\$25,840	\$77,520	Yes

CALCULATION OF GOCO %

GOCO % of Total Costs	70.0%
GOCO % of Project Value	70.0%

6-12

Section 4 – Timeline

Due Diligence Item	Item # on Due Diligence Checklist	Dec 2012	Jan 2013	Feb 2013	Mar 2013	Apr 2013	May 2013	Jun 2013	Jul 2013	Aug 2013
Grant Awarded	n/a									
Obtain governing body approval; sign grant agreement; order signage	1, 2, 3									
Obtain signatures on appraisal guidelines, order appraisal	4									
Obtain Signed Purchase/Option Agreement	5									
Order/Obtain Title Commitment/related documents	6			Order			Obtain			
Order/Obtain Survey	7			Order			Obtain			
Order/Obtain ESA	8									
Order/Obtain Mineral Statement	9		Order	Obtain						
Order/Obtain Final Appraisal (reviewed by GOCO reviewer)	10		Order					Obtain		
Obtain Closing Documents	12, 13, 14, 16									
Prepare Land Management Plan	15									
Conduct Closing	n/a									

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EXHIBIT C
SUMMARY OF
OVERDUE GRANTS POLICY
(For information only -
GOCO's full Overdue Grants Policy
can be found at www.goco.org)

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Summary of Great Outdoors Colorado Overdue Grants Policy
See www.goco.org or call 303-226-4500
for a complete copy of the Overdue Grants Policy

Grant is current and the original due date is applicable.

GOCO Staff ("Staff") will send a letter to the Grantee within 60 days of the project's anticipated due date to remind Grantee that the final report will soon be due. This letter will also remind the Grantee of GOCO's policy for project modifications and project extensions.

Failure to complete the project by the original due date, or by any extended due dates authorized by GOCO as discussed below, may result in the de-authorization of the grant by the GOCO Board ("Board"). Also, failure to complete the project by the applicable due date may result in the applicant being suspended from applying in pending or future grant cycles.

Grant is current and the original due date is applicable, but the grantee needs to request an extension.

If the Grantee needs to extend the original due date of the current project, the Grantee must notify GOCO immediately by submitting a written request to the Executive Director of GOCO ("Executive Director") that outlines the specific need for the extension, known as a *Request for a Staff Extension*. Staff extensions do not exceed 90 days. GOCO Staff have the discretion to grant one 90-day extension if the request is deemed reasonable and warranted. Staff will notify the Grantee in writing of the decision to grant or deny the request for a staff extension.

Failure to submit the *Request for a Staff Extension* to the Executive Director 30 days prior to the original due date may result in the de-authorization of the grant by the Board. If the Grantee needs an extension of more than 90 days, the Grantee shall forgo the staff extension and apply for a Board extension as discussed below.

Grant is current and the Grantee has already received a staff extension and desires further extension by the Board, OR the Grantee elects to forgo the staff extension in favor of seeking a Board extension.

If the Grantee needs an extension in addition to the staff extension, or has elected to forgo the staff extension, the Grantee must notify GOCO immediately by submitting a written request to the Executive Director that outlines the specific need for the extension, known as a *Request for a Board Extension*. The Grantee's *Request for a Board Extension* will be considered by the Board at its next scheduled meeting. The Board has the sole discretion to grant or deny the requested extension. The grant will not be considered overdue while the request for extension is pending.

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Failure to submit the *Request for a Board Extension* to the Executive Director 30 days prior to the original due date or staff extended due date may result in the de-authorization of the grant by the Board.

Grant is overdue; the original due date or extended due date has passed.

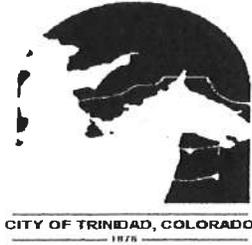
If the Grantee has not fulfilled the requirements of the GOCO grant award, and has not completed the project by the original due date set forth in the Grant Agreement or by any extended date(s) as approved by GOCO, staff will send a *De-authorization Warning* letter to the Grantee no later than 60 days after the applicable due date has passed.

The *De-authorization Warning* letter will state that the grant shall be presented to the Board for de-authorization or other appropriate action at the next scheduled Board meeting. The Grantee must respond to the *De-authorization Warning* letter at least 14 days prior to that Board meeting. The Board has the sole discretion to de-authorize the grant, extend the due date or take any other action it deems appropriate, including but not limited to modifying the terms and conditions of the grant award. Staff will notify the Grantee in writing of the Board's decision. If an extension is not granted, a written *Notice of De-authorization* will be sent to the Grantee.

Failure to respond to the *De-authorization Warning* letter will result in an automatic de-authorization of the grant and will result in the applicant being suspended from applying in pending or future grant cycles.

Please contact Jackie Lecce or Jake Houston at 303.226.4500 with any questions regarding GOCO's overdue grants policy.

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City of Trinidad
Office of the Mayor
P.O. Box 880
Trinidad, Colorado 81082
Telephone (719) 846-9843
Fax (719) 846-4140
www.historictrinidad.com

January 4, 2013

Action 22, Inc.
Attn: Cathy Garcia
P.O. Box 697
Pueblo, CO 81003

Dear Ms. Garcia,

I am writing this letter to encourage support for the City of Trinidad's proposal to host the Governor's Cabinet this summer. Trinidad is very excited about this opportunity and would like to commend Action 22 for bringing these important guests to Southeast and Southern Colorado. Trinidad serves as an important gateway to our beautiful state, so come visit our city where all roads lead to the heart of our downtown corridor. Our district has been recognized as both a National Historic District as well as an Emerging Creative District. We are home to a high concentration of art galleries, studios, restaurants, a theatre and many other creative retail spaces.

Our community is very excited about this opportunity. In anticipation, we have assembled many partners to support and participate in this event such as Trinidad State Junior College, Las Animas County, Pioneer Natural Resources, Norwest, the Trinidad Community Foundation and the Trinidad and Las Animas County Chamber of Commerce. It would be our pleasure to host the Governor's Cabinet and we strongly encourage you to approve our proposal.

Best Regards,

Bernadette Baca Gonzalez
Mayor