



Notice of Kremmling Board of Trustees Regular Meeting
Kremmling Area Chamber of Commerce, 203 Park Ave, Kremmling, CO
80459

Wednesday, September 17, 2025, 6:00 PM

Citizens making comments during Public Comments or Public Hearings should state their names for the record, be topic-specific, and limit their comments to no longer than five minutes. The Board does not take action on public comments; instead, comments are taken under advisement. If a Council response is appropriate, the individual may receive a formal response at a later date.

Agenda

Call to Order

Roll Call

Pledge of Allegiance

Conflicts of Interest

Additions/ Deletions to the Agenda

Correspondence

- Bank Transfers
- Airport Hangar Renewals for Hangar #14 and #12
- Resolution No. 2025-09-01PC A Resolution by the Planning Commission Requesting that the Board of Trustees of the Town of Kremmling, Colorado, Create a new Zoning District for Large Scale Development

Citizen comments. (Comments are limited to three minutes.)

Individuals wishing to participate during public comment are requested to sign up on the form provided in the Town Board Chambers. When you are recognized, step to the podium, state your name and address, then speak to the Town Board. Written comments are welcome and should be given to the Town Clerk prior to the start of the meeting. The Town Board will not respond to any questions or comments made by the public during this section of the meeting, though it will take all input under advisement. If requesting a response from the Town, please leave your contact information with the Town Clerk. The Town Manager or other appropriate staff member will reach out after the meeting to address specific questions or concerns when appropriate.

Consent Agenda

- Expenditures Dated August 21, 2025 - September 17, 2025
- Recording of Proceedings from August 20, 2025, Regular Meeting

Staff Reports

- Public Works & Town Engineer
- Kremmling Police Department
- Town Clerk & Treasurer
- Town Planner
- Town Manager
- Action Register

Local Liquor Licensing Authority

Liquor Licensing Consent Agenda

1. Annual Renewal of Cold Beer & Whiskey Retail Liquor Store License at 200 West Park Avenue
2. Annual Renewal of Maverik 5148 Off-Premises Fermented Malt Beverage & Wine License at 605 Park Avenue

Liquor Licensing New Business

1. Modification of Premises Application for Maverik 5148 at 605 Park Avenue
2. **Public Hearing:** Special Event Permit for Middle Park Medical Foundation at 1701 Eagle Avenue on October 4, 2025

Adjournment of Local Liquor Licensing Authority

New Business

1. **Discussion & Action Item.** Community Event Permit Fee Waiver Request from Middle Park Medical Foundation.
2. **Discussion & Action Item.** Ordinance No. 729 An Ordinance Approving an Airport Hangar Ground Lease at Kremmling Airport - McElroy Airfield.
3. **Discussion & Action Item.** Chief of Police Salary Increase.
4. **Discussion & Action Item.** Police Officer Additional Paid Time Off Payout.

Board of Trustees Reports & Future Agenda Items for Consideration

Adjourn

Future Meetings:

- Board of Trustees Work Session: October 1, 2025 - 6 PM @ 203 Park Avenue, Chamber of Commerce
- Regular Board of Trustees Meeting: October 15, 2025 - 6 PM @ 203 Park Avenue, Chamber of Commerce

Proposal

The Town currently maintains approximately **\$3.6 million** in its United Business Bank (UBB) operating account. This balance is earning only **0.55% APY**, which is significantly below current market alternatives. On September 12th, the Treasurer and Town Manager moved the portion of these funds not needed for immediate operating expenses into a UBB municipal money market account at **4.00% APY**. This will increase interest earnings while still preserving liquidity.

Rationale

UBB has verbally confirmed a maximum approved rate of **4.00% APY** for municipal money market accounts. Moving idle funds from checking into the money market produces meaningful new revenue with no tax increase. While better rates could potentially be achieved with other institutions, keeping all funds with UBB maximizes operational flexibility while establishing best practices around working capital objectives.

Operational Approach

1. Maintain Working Capital in Checking

The adopted 2025 General Fund budget is \$2.26M, which translates to about \$190,000 in monthly spending. The same operating account also services the Water and Solid Waste Funds, so maintaining adequate working capital in checking is essential to cover combined obligations across all three funds.

To safeguard cash flow for payroll, utilities, and other routine obligations across the General Fund, Water Fund, and Solid Waste Fund, approximately \$600,000 (≈ 2 months combined) will remain in checking. A minimum floor balance of approximately \$500,000 will be maintained in the checking account. If the balance dips below this threshold, funds will be transferred back from the money market to restore operating liquidity.

2. Transfer Excess to Money Market

Roughly **\$2.9M** will be placed into UBB's municipal money market account, where it can earn a significantly higher yield. The account meets PDPA requirements, with balances fully collateralized or FDIC insured, making it safe for municipal deposits.

3. Periodic Transfers

To keep the checking account properly funded, the Treasurer and Town Manager would have the ability to transfer funds between accounts if required. This maintains liquidity for day-to-day operations while ensuring most idle funds earn the higher interest rate.

Financial Impact

- The account is currently bringing in ~\$1500 / month in interest, or ~\$18,000 / year
- At 4.00%, approximately \$112,000/year could be earned from the money market, or an additional \$116,000/year (assuming rates do not decrease)
- Approximately \$34,000 is anticipated to be earned by the end of 2025 (approximately \$30,000 more than would have been earned via the checking account)

Additional Considerations

- **Risk:** The UBB municipal money market account carries very little risk. Deposits are protected through FDIC insurance up to applicable limits, with all balances above that amount secured by collateral under PDPA. This ensures Town funds remain fully protected.
- **Flexibility and Simplicity:** Because the money market account is at the same bank as the Town's checking account, transfers are relatively seamless. This allows funds to be moved back quickly if needed, avoids interbank transfers, and makes it simple to adjust assumptions about how much working capital should remain in checking. The Treasurer and Town Manager retain full control to respond to unexpected needs without penalty.
- **Future Strategy:** Looking ahead to 2026, the Town can diversify reserves further by investing some funds in ColoTrust. This statewide municipal investment pool is specifically designed for local governments and offers several advantages: slightly higher returns than bank money markets, broad diversification across multiple instruments, same-day liquidity, and professional management with strict compliance to state statutes. These features would complement the current strategy by adding both yield potential and operational flexibility.
- **Monitoring Rates:** Both UBB and ColoTrust accounts are variable-rate products. Regular monitoring of rates will ensure the Town continues to earn competitive returns.
- **Compliance:** Both UBB and ColoTrust accounts meet PDPA and Colorado statutory requirements for municipal investments, ensuring full legal compliance.

Conclusion

This adjustment strengthens the Town's financial position by capturing higher returns on idle balances while preserving flexibility. No Board action is required, as cash management is an administrative function of the Treasurer and Town Manager. This memo is provided for transparency and to keep the Board informed of prudent investment practices.

TOWN OF KREMMLING
AIRPORT HANGAR LEASE AGREEMENT
(Aircraft Hangar Owned by the Town)

THIS AGREEMENT, dated the 8th day of August, by and between the Town of Kremmling, whose address is P.O. Box 538, Kremmling, CO 80459 (the "Town"); and KESTREL ENTERPRISES LLC whose address is 19 DESCANSO RD, telephone number 720-320-6264 ("Lessee"). Santa Fe NM 87508

WITNESSETH:

WHEREAS, the Town is owner of Aircraft Hangars located at the airport facility known as McElroy Airport 20V or the Kremmling Airport, 450 Airport Rd, Kremmling, Co 80459 (hereinafter referred to as the "Airport"); and

WHEREAS, Lessee desires to lease an Aircraft Hangar; and

WHEREAS, in consideration of the mutual covenants set forth herein, the parties agree as follows:

1. DEMISED PREMISES: The Town hereby leases to Lessee upon the terms and conditions hereinafter provided, an Aircraft Hangar (hereinafter referred to as "Hangar" or "Leased Premises"), located at the Kremmling Airport, Hangar Space Unit: 14
2. TERM: The initial term of this Agreement shall commence upon the effective date hereof, and, regardless of the date of execution, and shall expire July 31, 2026 (the "Initial Term"), unless sooner terminated under the provisions below. Following the initial term of this lease, this lease may be extended on an annual basis (January 1st through December 31st of each year) pursuant to the following:

Upon the condition that there has been no event of default, the Town grants unto Lessee the exclusive right and option to renew or extend this Agreement for a 2nd Term, under the same terms and conditions of the Initial Term. At the end of the 2nd Term, the Town may agree to extend the Agreement for an additional term and successive terms thereafter, at the sole discretion of the Town. Exercise of such option(s) to renew shall be in writing but in no event shall Lessee be entitled to renew the Term hereof, even though such notice be timely given, unless Lessee shall have timely performed all of its obligations hereunder and not be in default hereunder. The rental rate for the 2nd Term, and any additional terms thereafter, shall be adjusted annually in accordance with Paragraph 3, below.

3. RENTAL:

A. Amount and Adjustment. The Lessee agrees to pay rent for the Hangar at the rate of \$ 5100 per annum. This amount can be paid monthly in advance with equal installments of \$ 425 due the 1st of each month, quarterly \$ 1275 due the beginning of each quarter, or semi-annually \$ 2550. If the tenancy commences in any month except January, rent shall be prorated to the next January, and due in full upon commencement of the tenancy.

- i. The rental rate shall be adjusted annually by the percentage amount of annual change in the Consumer Price Index for All Urban Consumers for Denver, Boulder, and Greeley, Colorado, as published in February of each calendar year by the U.S. Department of Labor Bureau of Labor Statistics, Washington D.C., or a comparable successor index identified by the Town, ("CPI"), plus twenty-five (25) basis points.
- ii. The Town shall notify the Lessee of the annual rent adjustment in writing. Until Lessee receives such notice, Lessee shall continue to pay rent at the then prevailing amount, and any additional rent resulting from annual adjustment shall be due the Town within thirty (30) calendar days of Lessee's receipt of notice of the rental adjustment.
- iii. The first adjusted payment, occurring at the beginning of the 2nd Term, shall be tied to the CPI published in February of the preceding year, identifying the percent change for the second preceding calendar year, and so forth for the adjustment of lease rates for each succeeding calendar year.
- iv. The formula for adjustment, illustrated for the rental year beginning January 1, 2026, shall be: Prior year (2025) rent amount x (1+(2025 CPI % change) + .25%)

B. Any rent overdue for more than thirty (30) days will be subject to an additional fee equal to 10% of the current yearly rental. In the event the Town is required to initiate any collection procedures or costs to collect any unpaid rent from Lessee, the Lessee shall pay all of the Town's expenses in connection therewith, including reasonable attorney fees and costs.

C. Lessee will be billed by the Town in January for its pro-rata share of the cost for electric service for the previous year. Lessee's pro-rata share for electric service as billed by the Town the Lessee for electric service shall be due on or before the 28th day of February of each year throughout the term of this Lease. If service is not installed, and Lessee desires electric service, Lessee will be responsible for all costs to extend utility lines to the Hangar including all costs associated with connection fees, tap fees, meter fees, and any other fees that

associated with connection fees, tap fees, meter fees, and any other fees that may be charged by the utility companies associated with the Lessee's Hangar. Lessee is responsible for all permits and inspection fees. Upon termination or expiration of this Lease, the electrical service improvements, to extent they are consumer owned, and the right to the service account and to use the electrical service improvements, shall become the property of the Town without reimbursement or compensation to Lessee.

4. **ACCEPTANCE:** Lessee agrees to accept all facilities on the leased premises on an "as is basis"; further, the Town hereby disclaims, and Lessee accepts disclaimer, of any warranty, wither express or implied, of the condition, use, or fitness of the Hangar.

5. **LIMITATION ON USE:**

- A. The Hangar occupied by Lessee shall only be used as a Hangar facility for the storage of aircraft owned or leased by Lessee, routine maintenance and non-routine maintenance of aircraft so stored, the construction of home-built aircraft for personal use, and for such other purposes directly related to such uses. Lessee shall have no right to utilize the Hangar for purposes other than as specifically allowed under this paragraph, and it is specifically understood the Hangar shall not be used for living quarters, other than aircraft storage, aviation fixed base operations or any commercial aviation operation. The operation of any commercial aviation activity within Lessee's Hangar without first obtaining the written approval from the Town is cause for the Town to immediately terminate this Lease, without prior notice or opportunity to cure.
- B. The storage and accumulation of flammable, explosive liquids or solids, waste, debris or other hazardous materials is not permitted within the Hangar or adjacent to the Hangar with the exception of those items needed for periodic aircraft maintenance. Lessee shall maintain the Hangar in accordance with all applicable laws, orders, rules, ordinances and regulations of any agency having jurisdiction over environmental risks, materials handling, and wastes, including but not limited to, the Fire Protection District, State of Colorado, and Environmental Protection Agency. The Lessee shall be responsible for all costs associated with mitigating any contamination of the soil or improvements thereon caused by the Lessee.
- C. Lessee will not alter, paint the exterior or improve the Hangar except to the extent required to maintain its original state. Any alteration, painting of the exterior of the Hangar must receive prior written approval from the Town.

- D. Lessee shall not park or leave aircraft or vehicles on the taxiways or on pavement adjacent to the Hangar in a manner that unduly interferes with or obstructs aircraft or vehicle access to adjacent Hangars. Parking of vehicles will be permitted only in designated parking areas. Lessee may use Hangar to park personal vehicle when aircraft is in use.
- E. No outside aircraft storage is allowed except in designated tie-down areas.

6. **MAINTENANCE OBLIGATIONS; ALTERATIONS AND IMPROVEMENTS:**

- A. Lessee, at its expense, shall keep the Hangar in good repair and maintenance and in a safe, sanitary, orderly, and sightly condition, all at its own risk and expense.
- B. Snow removal from ramp area in front of the Hangar is the responsibility of Lessee. Snow removal may be performed by the Town as a courtesy but it is not an obligation of the Town. The Town may cease to provide snow removal to Lessee or snow removal may not be provided on a particular occasion, at the Town's sole discretion.
- C. Lessee shall not alter or change the Leased Premises without first obtaining the written consent of the Town. Any fixture appended to the Leased Premises on the date of execution and during the term of this Agreement shall become the property of the Town upon termination of the Agreement. Any other improvements, including but not limited to trade fixtures, shall remain the personal property of the Lessee and shall be removable, so long as such are removable without material injury to the Leased Premises. Lessee shall not alter or change the licensed areas.

7. **RIGHT OF INSPECTION:** The Town reserves the right to enter the Hangar during reasonable business hours and after prior notice (if reasonably possible) for the purpose of inspecting and protecting such premises, and of doing any and all things, which the Town may deem necessary for the proper general conduct and operation of the Airport, and in the exercise of said Airport's police power.

8. **TAXES AND LICENSES:** Lessee covenants and agrees to pay promptly all valid taxes and other government charges, of whatever nature, applicable to the Leased Land Parcel or to Lessee's operation on the Leased Land Parcel.

9. **LIENS:** Lessee covenants and agrees to pay promptly when due all bills, debts and obligations incurred by it in connection this Lease, and not to permit the same to become delinquent, and to suffer no lien of any kind, including a mechanic's or material man's lien, or any mortgage, judgment or execution to be asserted, claimed or filed against said property or improvements thereon. In the event any individual or

entity attempts to assert a lien against the Leased Premises, Lessee shall hold the Town harmless from such claim, including the costs of defense, and shall provide the Town with a Release of Lien.

10. INDEMNIFICATION AND HOLD HARMLESS:

- A. Lessee assumes the risk of loss or damage to the Hangar contents, whether owned by Lessee or not, and whether due to natural causes, whether from windstorm, fire, earthquake, snow, water run-off, or any other causes whatsoever.
- B. Lessee shall indemnify and hold harmless the Town, its officers, employees, agents, and assignee from and against all claims and damages of any kind, including attorney fees, brought by anyone, arising out of this Agreement or out of Lessee's or its employees', contractors', guests', business invitees', and agents' use and occupancy of and/or operations on the Leased Premises, other than those resulting from negligence or willful misconduct on the part of the Town, its officers, agents, employees, and contractors.

11. INSURANCE: At all times during the Term of this Lease, Lessee agrees that it will, at its own cost and expense, have and keep in force insurance with coverage for:

Liability Insurance. Lessee shall, at its expense, procure and keep in force at all times during the term of this Lease from a financially sound and reputable company acceptable to Town, public liability insurance, insuring Lessee and Town and Grand County for personal injury and property damage, and such other insurance necessary to protect the Town and the County from such claims and actions aforesaid. Without limiting its liability, Lessee agrees to carry and keep in force insurance with single limit liability for personal injury or death and property damage in a sum not less than one million dollars (\$1,000,000.00) with said policy designating Town and Grand County as additional insureds. Lessee shall furnish Town with a certificate of insurance as evidence of such coverage. Said insurance shall not be cancelled or materially modified except upon ten (10) days' advance written notice to Town. Coverage is to be written on the broadest liability form which is customarily available at reasonable cost.

Lessee shall not violate the terms or prohibitions of any insurance policy herein required to be furnished by Lessee.

12. SURRENDER AND HOLDING OVER: Lessee covenants that at the expiration of any Term, it will quit and surrender the Hangar in good state and condition, reasonable wear and tear excepted. The Town shall have the right on termination to

enter upon and take possession of the Hangar thereon, with or without process of law, without liability for trespass. Should Lessee hold over, with the written approval of the Town, such holding over shall be deemed merely a tenancy for successive monthly terms upon the same terms and conditions as provided in this Lease.

13. **INCONVENIENCE DURING CONSTRUCTION:** Lessee recognizes that from time to time during any Term of this Lease Agreement it will be necessary for the Town or County to initiate and carry forward programs of construction, reconstruction, expansion, relocation, maintenance and repair in order that the Airport and its facilities may be suitable for the volume and construction, reconstruction, expansion, relocation, maintenance, and repair may inconvenience or interrupt operations at the Airport. Lessee agrees that no liability shall attach to the Town or the County, or either entity's officers, agents, employees, contractors, subcontractors and representatives by reason of such inconvenience or interruptions, and for and in further consideration of the premises, Lessee waives any right to claim damages or other consideration therefore, provided, however, that this waiver shall not extend to, or construed to be a waiver of, any claim for physical damage to property resulting from negligence or willful misconduct.
14. **PLACE AND MANNER OF PAYMENTS:** In all cases where Lessee is required by this Lease Agreement to pay any rentals, rates, fees or other charges or to make other payments to the Town, such payments shall be made to the Town of Kremmling, at Town Hall at 200 Eagle Avenue or by mail to P.O. Box 538, Kremmling, CO 80459, or at such other place as the Town may hereafter designate by notice in writing to Lessee. All payments shall be made in legal tender of the United States and any check shall be received by the Town subject to Collection. Lessee agrees to pay any bank charges made for the collection of any such checks drawn on closed or insufficiently funded accounts.
15. **AGREEMENTS WITH THE UNITED STATES OF AMERICA AND THE STATE OF COLORADO:** This Lease Agreement is subject to and subordinate to the terms, reservations, restrictions, provisions, and conditions of existing or future agreement between the Town, the United States of America and the State of Colorado, relative to the operation or maintenance of the Airport and its appurtenant facilities, the execution of which has been or may be required as a condition precedent to the participation by any Federal Agency or State of Colorado Agency in the extension, expansions, development or use of said Airport facilities.
16. **DEFAULT AND REMEDIES:**
 - A. Events of default are defined as any one of the following under this Lease:

- i. Failure by the Lessee to pay any rent or other rent or additional rent during the term of this Lease within twenty (20) days after the same becomes due pursuant to this Lease.
- ii. Failure by the Lessee to observe and perform any covenant, condition or agreement on its part to be observed or performed herein, for a period of twenty (20) days after written notice, specifying such failure and requesting that it be remedied, delivered to the Lessee by the Town.
- iii. Abandonment of the premises.

B. In addition to any other remedy available to the Town at law or in equity, in the event of repeated default or substantial violation under this Agreement, the Town, pursuant to Section 13-40-107.5, C.R.S., as amended, may terminate Lessee's possession upon a written Notice to Quit without the above-described right(s) to sure. Upon such termination, the Town shall have available any and all rights and remedies allowed by this Agreement and law. Whenever any event of default referred to in this Section of this Lease shall have happened and be continuing, the Town may, without any further demand or notice, take one or any combination of the following remedial steps:

- i. The Town may terminate the Lease term and give notice to the Lessee to vacate and surrender possession of the Hangar within thirty (30) days of such notice and on such date all of the Lessee's and Town's rights and obligations under this Lease, except as expressly reserved, shall cease, the Town's written notice shall operate as a notice to quit, and the Town may proceed to recover possession of the Hangar by any lawful means including by re-entry and repossession; the obligation of the Lessee to pay and the right of the Town to recover all rents, additional rents and other charges accrued up to the time of termination or recovery of possession by the Town, whichever is later, together with the costs of collection, including attorney's fees and costs, shall survive termination of the Lease;
- ii. Without further notice, except as required by law, re-enter and take possession of the Hangar, or any part thereof, and repossess the same as the Town's former Hangar and expel the Lessee and those claiming through or under the Lessee and remove the effects of either or both without being deemed guilty of any manner of trespass, without being deemed to have elected to terminate this Lease, and without prejudice to any remedies for arrears of rent, preceding breaches of covenants, or loss of profits; after re-entering and repossessing the Hangar without

terminating this Lease, re-let the Hangar or any part thereof on behalf of the Lessee, and for such term or terms and at such rent or rents, and upon such other terms and conditions, as the Town may deem advisable in its sole discretion, with the right to make alterations and repairs to the Hangar.

- iii. In the event of default, the Town may recover from the Lessee:
 - a. That portion of rents and additional rents which would otherwise have been payable herein, during any period in which the Lessee continues to occupy, use or possess the Hangar; and
 - b. Rents and additional rents which would otherwise have been payable by the Lessee herein during the remainder of the term of this Lease; and
 - c. Attorney's fees and costs and expenses of reletting and improvements.
- C. Personal property, upon termination. Upon termination, Lessee may remove its personal property and the structures and improvements it has installed on the Leased Premises as personal property subject, however, to the claims of the Town for payment of any financial arrearage. If Lessee fails to remove any and all trade fixtures or other personal property located upon the Leased Premises within one (1) month after the termination of this Agreement, by its terms or otherwise, then the Town shall become sole owner of said property located upon the Leased Premises. The foregoing provision notwithstanding, if any property remaining upon the Leased Premises has no value, Lessee shall be liable to the Town for the cost of removing said property from the Leased Premises.

17. CANCELLATION OR TERMINATION:

- A. This Agreement shall terminate pursuant to the expiration of the term, defined in Paragraph 3, above.
- B. If Lessee breaches the terms and conditions of this Lease, or abandons the Hangar, the Town may at its option cancel and terminate this Lease, or may, without terminating the Lease, enter upon and take possession of the Hangar with or without process of law and without liability for trespass.
- C. In the event the Town is required to give written notice, the Town shall be entitled to charge a notice fee of \$150.00 for each notice. Said fee shall be required to be paid as a part of any payment necessary to cure any default. At

E. Casualty. If the Leased Premises are destroyed in whole or in part by casualty and, in the sole opinion of the Town, the Leased Premises cannot be repaired within ninety (90) days and the Town informs the Lessee of said decision, or if the Leased Premises are damaged in any degree and the Town informs the Lessee that it does not desire to repair the Leased Premises, then this Agreement shall terminate on the date of such damage by casualty. In the event of such termination, Lessee shall surrender possession of the Leased Premises and all rights under this Agreement and shall be granted a license to enter the Leased Premises by the Town in order to remove Lessee's personal property. In such event, Lessee shall not be liable for rent accruing subsequent to the casualty. The Town shall have the right to immediately enter and take possession of the Leased Premises and shall not be liable for any loss, damage or injury to the property or person of the Lessee. If, however, the Town repairs the Leased Premises within ninety (90) days, this Agreement shall continue in full force and effect, and the Lessee shall not be required to pay rent for any portion of the ninety (90) day period of time during which the Leased Premises are wholly unfit for use and occupancy.

18. ASSIGNMENTS AND SUBLetting: This Lease may not be assigned in whole or in part without written permission by the Town.

19. NOTICES: All notices required to be given to the Town hereunder shall be in writing and be personally delivered or sent by first class mail, postage prepaid, to:

Town of Kremmling
 P.O. Box 538
 Kremmling, CO 80459

All notices required to be given to Lessee hereunder shall be in writing and be personally delivered or sent by first class mail, postage prepaid, addressed to:

(Lessee Name) *KESTMEC Enterprises LLC*
 (Lessee Mailing Address) *19 DESCANSO RD*
 (Lessee City, State, Zip) *Santa Fe NM 87508*

Notice shall be deemed given on the date of mailing or on the date of personal service.

The parties, or either of them, may designate in writing from time to time subsequent or supplementary persons or addresses in connection with said notices.

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The parties, or either of them, may designate in writing from time to time subsequent or supplementary persons or addresses in connection with said notices.

20. COMPLIACE WITH LAWS AND AIRPORT RULES AND REGULATIONS: In occupying the Hangar, Lessee shall comply with all laws, orders, rules, ordinances and regulations applicable to the occupancy of the Hangar in addition to the environmental laws previously mentioned. Lessee shall comply with the Airport Rules and Regulations, including the Security Manual, and all amendments thereto, if and when adopted.

21. F.A.A. LEASE REQUIREMENTS:

- A. The Town reserves the right to further develop or improve the landing area of the Airport as it sees fit, regardless of the desires or view of Lessee, and without interference or hindrance.
- B. The Town reserves the right to, but shall not be obligated to Lessee to maintain and keep in repair the landing area of the Airport and all publicly owned facilities of the Airport, together with the right to direct and control all activities of Lessee in this regard.
- C. This Lease Agreement shall be subordinate to the provisions and requirements of any existing or future agreement between the Town and the United States, relative to the development, operation, or maintenance of the Airport.
- D. Lessee agrees to comply with the notification and review requirements covered in Part 77 of the Federal Aviation Regulations with respect to the Hangar.
- E. It is understood and agreed that nothing contained in this Lease Agreement shall be construed to grant or authorize the granting of an exclusive right within the meaning of Section 308 of the Federal Aviation Act.
- F. There is hereby reserved to the Town for the use and benefit of the public, a right of flight for the passage of aircraft in the airspace above the surface of the Hangar, together with the right to cause in said airspace such noise as may be inherent in the operation of aircraft, now known or hereafter used for navigation or flight in the air, using said airspace for landing at, taking off from, or operating on the Airport.

- G. Lessee by accepting this Lease Agreement expressly agrees for itself it will not permit growth of any tree on, or construction of any structure above that elevation established by the Town and the F.A.A. In the event the aforesaid covenant is breached, the Town reserves the right to enter upon the Hangar and to remove the offending tree or structure, which shall be at the expense of the Lessee.
- H. Lessee will not make use of the Hangar in any manner which might interfere with the landing and taking off of an aircraft from the Airport or otherwise constitute a hazard. In the event the aforesaid covenant is breached, the Town reserves the right, without notice, to enter upon the Hangar and cause the abatement of such interference at the expense of the Lessee.

22. NOISE ABATEMENT DUTIES OF LESSEE:

- A. Lessee shall have the special obligation to make all pilots operating Lessee's aircraft in and out of the Airport aware of the Airport Noise Abatement Plan, if and when adopted. Lessee shall take appropriate action against any pilot(s) of Lessee's aircraft for operations contrary to said Noise Abatement Plan in all cases where there exists no valid reason of safety or otherwise, for noncompliance.
- B. All aeronautical operations by Lessee, its agents and employees shall comply with the provisions of this paragraph, under the circumstances then existing, would result in an unreasonable risk of harm to person or property, and there is no prudent or feasible alternative to deviation from the standard contained in said paragraph. Lessee shall distribute to pilots departing its facility a copy of the Airport's current noise abatement procedures, and cooperate with the Town to implement such additional noise abatement procedures as may be adopted in the future.

23. LEASE SUBORDINATE: This Lease shall be subordinate to any existing or future Agreement between the Town and the United States of America or the State of Colorado relative to the operation or maintenance of the Airport, the execution of which has been or may be required as a condition to the expenditure of federal or state funds for development of the Airport.

24. RELOCATION BY THE TOWN: In the event that future development of the Airport requires that any part of the Hangar be moved or torn down, the Town shall have the right, upon one hundred eighty (180) days advance written notice to Lessee, and without cost or expense to Lessee, to relocate the Hangar or terminate this Lease in the Town's sole discretion.

25. AVAILABILITY OF GOVERNMENTAL FACILITIES: In the event the existence, maintenance or operation of air navigation aids or other facilities supplied or operated by the United States of America or the State of Colorado at or in conjunction with the Airport are discontinued, the Town shall have no obligation to furnish, provide or operate such aids or facilities.

26. MISCELLANEOUS:

- A. The terms and obligations of this Lease shall be binding on the assigns, heirs, and executors of the parties hereto.
- B. No failure to strictly enforce the terms of this Lease shall be deemed a waiver by the Town unless such waiver is in writing executed by the Town. No waiver by the Town of any failure by Lessee to comply with any term or condition of this Lease shall be construed to be a waiver of any other failure by Lessee to comply with the same or any other term or condition of this Hangar Lease.
- C. In the event possession of the Hangar is assumed by the United States of America, or other authorized agency, under any emergency powers, the annual payments due under this Lease shall abate proportionately for the period of such possession. In the event the Lessee shall not be responsible for any of the other covenants in this Lease until possession by the United States of America shall terminate.
- D. In the further event that Lessee shall be reimbursed by the United States of America or other authorized agency for its assumption of possession, then the rental provisions of this Lease shall remain in effect, but provided further, however, that if said reimbursement is less than the amount of rental herein provided, the Lessee shall be required to pay to the Town only such amount of reimbursement as it shall receive from the United States of America or other authorized agency.
- E. The Federal Aviation Administration and the Town are hereby granted the right and privilege by Lessee to place on and around the above-described Hangar, without cost to the Lessee, whatever instruments and equipment they desire during the terms of this Lease, so long as said instruments or equipment do not interfere with the intended use of the Hangar by the Lessee.
- F. The Lessee for himself, his personal representatives, and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that:

H. The Town shall have no responsibility or liability to furnish any services to Lessee other than those specified in this Lease, but Lessee may negotiate with the Town for any additional services it may request and shall pay for such additional services the consideration so negotiated.

I. This Agreement is subject to the Laws, Rules and Regulations of the State of Colorado and the United States of America.

26. **ENTIRE AGREEMENT:** This Lease constitutes the entire understanding between the Town and Lessee with respect to the subject matter hereof, and supersedes completely all negotiations, discussions and prior agreements, oral and written, between the Town and the Lessee with respect to the subject matter hereof. This Lease may not be amended, modified or changed, and no waiver of any provision hereof shall be effective, except by an instrument in writing and signed by the Town and the Lessee.

27. **NO THIRD-PARTY BENEFICIARIES:** This Lease Agreement is not intended to benefit and does not benefit, any person or entity other than the Town and the Lessee.

28. **JOINT AUTHORSHIP:** This Lease is a product of the negotiation of the Town and the Lessee and shall not be construed in favor of, or against, any party hereto.

29. **PRIOR LEASE OR AGREEMENT:** This Lease agreement supersedes any prior Lease or Agreement entered into by the Town and the Lessee.

IN WITNESS HEREOF, the parties hereto have hereunto set their hands and seals effective the date and year first above written.

TOWN OF KREMMLING, STATE OF COLORADO

By: J. Martin
Town Manager

ATTEST:

Heidi P. Winkler
Town Clerk

LESSEE:

By: Robert A. Kestner
Member
Kestner Enterprises LLC



GLOBAL AEROSPACE, INC

C E R T I F I C A T E

THIS CERTIFICATE IS GIVEN AS A MATTER OF INFORMATION ONLY AND CONFERNS NO RIGHTS UPON THE CERTIFICATE ADDRESSEE.

Date: July 09, 2025

This is to certify to:

that the policies listed below have been issued to the following for the period indicated by One of More Member Companies of Global Aerospace Pool through Global Aerospace, Inc:

Any pilot whose name appears in Part A of Item 7. – PILOTS – of the policy Declarations.

Kestrel Enterprises LLC
Santa Fe Office
19 Descanso Road
Santa Fe, NM 87508

Policy No: 10211085

Policy Period: From July 09, 2025 to July 09, 2026

COVERAGES:

Aircraft Liability Limits of Liability

Single Limit Bodily Injury and Property Damage Liability	\$1,000,000	\$100,000
Including Passengers	Each Occurrence	Each Passenger

Aircraft Physical Damage Year, Make and Model of Aircraft

F. All Risks Basis	1977 CESSNA 172N	Identification No.
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N737CA

1. LIMITED WAIVER OF RIGHTS OF RECOVERY

The Company waives any right to recovery it may have against the certificate addressee because of payments it makes for **physical damage** in accordance with Insuring Agreement III - PHYSICAL DAMAGE COVERAGES, but only to the same extent that the **Named Insured** has waived its right of recovery for such **physical damage** against such person or organization.

2. COVERAGE EXCLUSION

Unless otherwise indicated in this policy, the policy shall not apply to any assumption of the liability of the certificate addressee by the **Named Insured** for **bodily injury or property damage** caused by an **occurrence** arising out of any service performed by or on behalf of such person or organization.

Not notwithstanding any requirement, term or condition of any contract or other document with respect to which this certificate may be issued or may pertain, the insurance afforded by the policies described herein is subject to all the terms, exclusions and conditions of such policies. This certificate does not amend, extend or otherwise alter the coverages afforded by the policies described herein. Limits may have been reduced by paid claims.

Global Aerospace, Inc. has made provision for prompt notice to the certificate addressee in the event of cancellation of the policies described herein, but except as otherwise stated in this certificate, Global Aerospace, Inc. assumes no legal responsibility for any failure to do so.

GLOBAL AEROSPACE, INC.



GLOBAL AEROSPACE, INC

C E R T I F I C A T E O F I N S U R A N C E

THIS CERTIFICATE IS GIVEN AS A MATTER OF INFORMATION ONLY AND CONFERNS NO RIGHTS UPON THE CERTIFICATE ADDRESSEE.

Date: July 09, 2025

This is to certify to:

that the policies listed below have been issued to the following for the period indicated by One of More Member Companies of Global Aerospace Pool through Global Aerospace, Inc:

Town of Kremmling
200 Eagle Avenue
POBx 538
Kremmling, CO 80459

Kestrel Enterprises LLC
Santa Fe Office
19 Descanso Road
Santa Fe, NM 87508

Policy No: 10211085

Policy Period: From July 09, 2025 to July 09, 2026

COVERAGES:

<u>Aircraft Liability</u>	<u>Limits of Liability</u>	
Single Limit Bodily Injury and Property Damage	\$1,000,000	\$100,000
Liability Including Passengers	Each Occurrence	Each Passenger

AIRCRAFT:

<u>Year, Make and Model of Aircraft</u>	<u>Identification No.</u>
1977 CESSNA 172N	N737CA

It is agreed that only as respects any written agreement between the Named Insured and the certificate addressee and entered into as a prerequisite to the use of an airport by the Named Insured:

1. As respects any aircraft:
 - a) Described in this certificate,
 - b) Which is the subject of the extended insurance provisions of Insuring Agreement V. TEMPORARY USE OF SUBSTITUTE AIRCRAFT; or
 - c) Which is the subject of the extended insurance provisions of Insuring Agreement VII. AUTOMATIC INSURANCE FOR NEWLY ACQUIRED AIRCRAFT

for which insurance is afforded by Liability Coverage D - Single Limit Bodily Injury and Property Damage Liability and the maintenance or use of the premises in or upon which the aircraft is stored, the definition of Insured includes the certificate addressee, but only with respect to its liability because of acts or omissions of the Named Insured and to no greater extent than the scope of the insurance afforded by this policy.
2. Unless otherwise indicated in this policy, the policy shall not apply to any assumption of the liability of the certificate or airport authority described in the Schedule by the Named Insured for bodily injury or property damage caused by an occurrence arising out of any service performed by or on behalf of the certificate addressee.
3. In the event the policy is cancelled by the Company, thirty (30) days prior written notice shall be given to the certificate addressee.
4. The Company waives any right to recovery it may have against the certificate addressee because of payments it makes for physical damage in accordance with Insuring Agreement III - PHYSICAL DAMAGE COVERAGES, but only to the same extent that the Named Insured has waived its right of recovery for such physical damage against such person or organization.

- 5. The insurance the policy provides to the certificate addressee is primary insurance, without right of contribution from insurance purchased by the certificate addressee, only if the written agreement between the Named Insured and the certificate addressee contains an express requirement that the insurance operate in that manner.
- 6. Premises Liability is included in the Limits of Liability shown as the Each Occurrence Limit.
- 7. The insurance afforded applies separately to each Insured against whom claim is made or suit is brought, except with respect to the limits of the Company's liability.

Notwithstanding any requirement, term or condition of any contract or other document with respect to which this certificate may be issued or may pertain, the insurance afforded by the policies described herein is subject to all the terms, exclusions and conditions of such policies. This certificate does not amend, extend or otherwise alter the coverages afforded by the policies described herein. Limits may have been reduced by paid claims.

GLOBAL AEROSPACE, INC.

BY:



TOWN OF KREMMLING
AIRPORT HANGAR LEASE AGREEMENT

(Aircraft Hangar Owned by the Town)

THIS AGREEMENT, dated the 1 day of September, ²⁰²⁵ by and between the Town of Kremmling, whose address is P.O. Box 538, Kremmling, CO 80459 (the "Town"); and Scenic Aviation, LLC, whose address is 601 Shekel Ln, Breckenridge, telephone number 904-556-2162 ("Lessee"). CO 80424

WITNESSETH:

WHEREAS, the Town is owner of Aircraft Hangars located at the airport facility known as McElroy Airport 20V or the Kremmling Airport, 450 Airport Rd, Kremmling, Co 80459 (hereinafter referred to as the "Airport"); and

WHEREAS, Lessee desires to lease an Aircraft Hangar; and

WHEREAS, in consideration of the mutual covenants set forth herein, the parties agree as follows:

1. DEMISED PREMISES: The Town hereby leases to Lessee upon the terms and conditions hereinafter provided, an Aircraft Hangar (hereinafter referred to as "Hangar" or "Leased Premises"), located at the Kremmling Airport, Hangar Space Unit:
2. TERM: The term of this Agreement shall be for a period of one (1) year commencing on Jan 01, 2026 and ending on Jan 31, 2026.
3. RENTAL:
 - A. Amount and Adjustment: The Lessee agrees to pay rent for the Hangar at the rate of \$5100 per annum. This amount can be paid monthly in advance with equal installments of \$425 due the 1st of each month, quarterly \$1275 due the beginning of each quarter, or semi-annually \$2550.
 - B. Any rent overdue for more than thirty (30) days will be subject to an additional fee equal to 10% of the current yearly rental. In the event the Town is required to initiate any collection procedures or costs to collect any unpaid rent from Lessee, the Lessee shall pay all of the Town's expenses in connection therewith, including reasonable attorney fees and costs.
 - C. Lessee will be billed by the Town in January for its pro-rata share of the cost for electric service for the previous year. Lessee's pro-rata share for electric service as billed by the Town the Lessee for electric service shall be due on or

before the 28th day of February of each year throughout the term of this Lease. If service is not installed, and Lessee desires electric service, Lessee will be responsible for all costs to extend utility lines to the Hangar including all costs associated with connection fees, tap fees, meter fees, and any other fees that may be charged by the utility companies associated with the Lessee's Hangar. Lessee is responsible for all permits and inspection fees. Upon termination or expiration of this Lease, the electrical service improvements, to extent they are consumer owned, and the right to the service account and to use the electrical service improvements, shall become the property of the Town without reimbursement or compensation to Lessee.

4. **ACCEPTANCE:** Lessee agrees to accept all facilities on the leased premises on an "as is basis"; further, the Town hereby disclaims, and Lessee accepts disclaimer, of any warranty, wither express or implied, of the condition, use, or fitness of the Hangar.

5. **LIMITATION ON USE:**

- A. The Hangar occupied by Lessee shall only be used as a Hangar facility for the storage of aircraft owned or leased by Lessee, routine maintenance and non-routine maintenance of aircraft so stored, the construction of home-built aircraft for personal use, and for such other purposes directly related to such uses. Lessee shall have no right to utilize the Hangar for purposes other than as specifically allowed under this paragraph, and it is specifically understood the Hangar shall not be used for living quarters, other than aircraft storage, aviation fixed base operations or any commercial aviation operation. The operation of any commercial aviation activity within Lessee's Hangar without first obtaining the written approval from the Town is cause for the Town to immediately terminate this Lease, without prior notice or opportunity to cure.
- B. The storage and accumulation of flammable, explosive liquids or solids, waste, debris or other hazardous materials is not permitted within the Hangar or adjacent to the Hangar with the exception of those items needed for periodic aircraft maintenance. Lessee shall maintain the Hangar in accordance with all applicable laws, orders, rules, ordinances and regulations of any agency having jurisdiction over environmental risks, materials handling, and wastes, including but not limited to, the Fire Protection District, State of Colorado, and Environmental Protection Agency. The Lessee shall be responsible for all costs associated with mitigating any contamination of the soil or improvements thereon caused by the Lessee.

- C. Lessee will not alter, paint the exterior or improve the Hangar except to the extent required to maintain its original state. Any alteration to or painting of the exterior of the Hangar must receive prior written approval from the Town.
- D. Lessee shall not park or leave aircraft or vehicles on the taxiways or on pavement adjacent to the Hangar in a manner that unduly interferes with or obstructs aircraft or vehicle access to adjacent Hangars. Parking of vehicles will be permitted only in designated parking areas. Lessee may use Hangar to park personal vehicle when aircraft is in use.
- E. No outside aircraft storage is allowed except in designated tie-down areas.

6. **MAINTENANCE OBLIGATIONS; ALTERATIONS AND IMPROVEMENTS:**

- A. Lessee, at its expense, shall keep the Hangar in good repair and maintenance and in a safe, sanitary, orderly, and sightly condition, all at its own risk and expense, including by way of example, but not limited to, exterior painting in a color approved by the Town; electrical, plumbing, roof and structural repair; window replacement; and with respect to ramp areas adjacent to the Hangar, mowing, weed control, gravel, and/or dust control.
- B. Snow removal from ramp area in front of the Hangar is the responsibility of Lessee. Snow removal may be performed by the Town as a courtesy but it is not an obligation of the Town. The Town may cease to provide snow removal to Lessee or snow removal may not be provided on a particular occasion, at the Town's sole discretion.
- C. Lessee shall not alter or change the Leased Premises without first obtaining the written consent of the Town. Any fixture appended to the Leased Premises on the date of execution and during the term of this Agreement shall become the property of the Town upon termination of the Agreement. Any other improvements, including but not limited to trade fixtures, shall remain the personal property of the Lessee and shall be removable, so long as such are removable without material injury to the Leased Premises.

7. **RIGHT OF INSPECTION:** The Town reserves the right to enter the Hangar during reasonable business hours and after prior notice (if reasonably possible) for the purpose of inspecting and protecting such premises and for verifying compliance with this Agreement, and for doing any and all things, which the Town may deem necessary for the proper general conduct and operation of the Airport, and in the exercise of said the Town's police power.

8. TAXES AND LICENSES: Lessee covenants and agrees to pay promptly all valid taxes and other government charges, of whatever nature, applicable to the Leased Premises or to Lessee's operation on the Leased Premises.
9. LIENS: Lessee covenants and agrees to pay promptly when due all bills, debts and obligations incurred by it in connection this Lease, and not to permit the same to become delinquent, and to suffer no lien of any kind, including a mechanic's or material lien, or any mortgage, judgment or execution to be asserted, claimed or filed against said property or improvements thereon. In the event any individual or entity attempts to assert a lien against the Leased Premises, Lessee shall hold the Town harmless from such claim, including the costs of defense, and shall provide the Town with a Release of Lien.

10. INDEMNIFICATION AND HOLD HARMLESS:

- A. Lessee assumes the risk of loss or damage to the Hangar contents, whether owned by Lessee or not, and whether due to natural causes, whether from windstorm, fire, earthquake, snow, water run-off, or any other causes whatsoever.
- B. Lessee shall indemnify and hold harmless the Town, its officers, employees, agents, and assignees from and against all claims and damages of any kind, including attorney fees, brought by anyone, arising out of this Agreement or out of Lessee's or its employees', contractors', guests', invitees', and agents' use and occupancy of and/or operations on the Leased Premises, other than those resulting from negligence or willful misconduct on the part of the Town, its officers, agents, employees, and contractors.

11. INSURANCE: At all times during the term of this Lease, Lessee agrees that it will, at its own cost and expense, have and keep in force insurance with coverage for:

Liability Insurance. Lessee shall, at its expense, procure and keep in force at all times during the term of this Lease from a financially sound and reputable company acceptable to Town, public liability insurance, insuring Lessee and Town and Grand County for personal injury and property damage, and such other insurance necessary to protect the Town and the County from such claims and actions aforesaid. Without limiting its liability, Lessee agrees to carry and keep in force insurance with single limit liability for personal injury or death and property damage in a sum not less than one million dollars (\$1,000,000.00) with said policy designating Town and Grand County as additional insureds. Lessee shall furnish Town with a certificate of insurance as evidence of such coverage. Said insurance shall not be cancelled or materially modified except upon ten (10) days' advance written notice to Town. Coverage is to be written on the broadest liability form which is customarily available

at reasonable cost.

Lessee shall not violate the terms or prohibitions of any insurance policy herein required to be furnished by Lessee.

12. SURRENDER AND HOLDING OVER: Lessee covenants that at the expiration of the Lease, it will quit and surrender the Hangar in good state and condition, reasonable wear and tear excepted. The Town shall have the right upon termination to enter upon and take possession of the Hangar thereon, with or without process of law, without liability for trespass. Should Lessee hold over, with the written approval of the Town, such holding over shall be deemed merely a tenancy for successive monthly terms upon the same terms and conditions as provided in this Lease.
13. INCONVENIENCE DURING CONSTRUCTION: Lessee recognizes that from time to time during any term of this Lease Agreement it will be necessary for the Town or County to initiate and carry forward programs of construction, reconstruction, expansion, relocation, maintenance and repair in order that the Airport and its facilities may be suitable for the volume and character of air traffic and flight activity, and that such construction, reconstruction, expansion, relocation, maintenance, and repair may inconvenience or interrupt operations at the Airport. Lessee agrees that no liability shall attach to the Town or the County, or either entity's officers, agents, employees, contractors, subcontractors and representatives by reason of such inconvenience or interruptions, and for and in further consideration of the Leased Premises. Lessee waives any right to claim damages or other consideration therefore, provided, however, that this waiver shall not extend to, or construed to be a waiver of, any claim for physical damage to property resulting from negligence or willful misconduct.
14. PLACE AND MANNER OF PAYMENTS: In all cases where Lessee is required by this Lease Agreement to pay any rentals, rates, fees or other charges or to make other payments to the Town, such payments shall be made to the Town of Kremmling, at Town Hall at 200 Eagle Avenue or by mail to P.O. Box 538, Kremmling, CO 80459, or at such other place as the Town may hereafter designate by notice in writing to Lessee. All payments shall be made in legal tender of the United States and any check shall be received by the Town subject to collection. Lessee agrees to pay any bank charges made for the collection of any such checks drawn on closed or insufficiently funded accounts.
15. AGREEMENTS WITH THE UNITED STATES OF AMERICA AND THE STATE OF COLORADO: This Lease Agreement is subject to and subordinate to the terms, reservations, restrictions, provisions, and conditions of existing or future agreement

between the Town, the United States of America and the State of Colorado, relative to the operation or maintenance of the Airport and its appurtenant facilities, the execution of which has been or may be required as a condition precedent to the participation by any Federal agency or State of Colorado agency in the extension, expansions, development or use of said Airport facilities.

16. DEFAULT AND REMEDIES:

- A. Events of default are defined as any one of the following under this Lease:
 - i. Failure by the Lessee to pay any rent during the term of this Lease within twenty (20) days after the same becomes due pursuant to this Lease.
 - ii. Failure by the Lessee to observe and perform any covenant, condition or agreement on its part to be observed or performed herein, for a period of twenty (20) days after written notice, specifying such failure and requesting that it be remedied, delivered to the Lessee by the Town.
 - iii. Abandonment of the Leased Premises.
- B. In addition to any other remedy available to the Town at law or in equity, in the event of repeated default or substantial violation under this Agreement, the Town may, without any further demand or notice, take one or any combination of the following remedial steps:
 - i. The Town may terminate the Lease term and give notice to the Lessee to vacate and surrender possession of the Hangar a minimum of three (3) days of such notice and on such date all of the Lessee's and Town's rights and obligations under this Lease, except as expressly reserved, shall cease, the Town's written notice shall operate as a notice to quit, and the Town may proceed to recover possession of the Hangar by any lawful means including by re-entry and repossession; the obligation of the Lessee to pay and the right of the Town to recover all rents and other charges accrued up to the time of termination or recovery of possession by the Town, whichever is later, together with the costs of collection, including attorney fees and costs, shall survive termination of the Lease;
 - ii. Without further notice, except as required by law, re-enter and take possession of the Hangar, or any part thereof, and repossess the same as the Town's former Hangar and expel the Lessee and those claiming through or under the Lessee and remove the effects of either or both

without being deemed guilty of any manner of trespass, without being deemed to have elected to terminate this Lease, and without prejudice to any remedies for arrears of rent, preceding breaches of covenants, or loss of profits; after re-entering and repossessing the Hangar without terminating this Lease, re-let the Hangar or any part thereof on behalf of the Lessee, and for such term or terms and at such rent or rents, and upon such other terms and conditions, as the Town may deem advisable in its sole discretion, with the right to make alterations and repairs to the Hangar.

- iii. In the event of default, the Town may recover from the Lessee:
 - a. That portion of rents which would otherwise have been payable herein, during any period in which the Lessee continues to occupy, use or possess the Hangar; and
 - b. Rents which would otherwise have been payable by the Lessee herein during the remainder of the term of this Lease;
 - c. Attorney fees and costs and expenses of reletting and improvements; and
 - d. In the event legal action is necessary to recover possession, the prevailing party shall be entitled to all reasonable costs and attorney fees.

- C. Personal property, upon termination. Upon termination, Lessee shall remove its personal property and the structures and improvements it has installed on the Leased Premises as personal property subject, however, to the claims of the Town for payment of any financial arrearage. If Lessee fails to remove any and all trade fixtures or other personal property located upon the Leased Premises within one (1) month after the termination of this Agreement, by its terms or otherwise, then the Town shall, at the Town's sole option, become sole owner of said property located upon the Leased Premises or shall remove any property remaining upon the Leased Premises at Lessee's sole expenses.

17. CANCELLATION OR TERMINATION:

- A. This Agreement shall terminate pursuant to the expiration of the term, defined in Paragraph 3, above.
- B. If Lessee breaches the terms and conditions of this Lease, or abandons the Hangar, the Town may at its option cancel and terminate this Lease, or may, without terminating the Lease, enter upon and take possession of the Hangar with or without process of law and without liability for trespass.

- C. In the event the Town is required to give written notice, the Town shall be entitled to charge a notice fee of \$150.00 for each notice. Said fee shall be required to be paid as a part of any payment necessary to cure any default. At the Town's option, the Town may terminate this Lease by giving written notice thereof upon Lessee's default in the timely payment of rent.
- D. Lessee may terminate this Agreement upon sixty (60) days written notice to the Town of Lessee's intent to terminate.
- E. Casualty. If the Leased Premises are destroyed in whole or in part by casualty and, in the sole opinion of the Town, the Leased Premises cannot be repaired within ninety (90) days and the Town informs the Lessee of said decision, or if the Leased Premises are damaged in any degree and the Town informs the Lessee that it does not desire to repair the Leased Premises, then this Agreement shall terminate on the date of such damage by casualty. In the event of such termination, Lessee shall surrender possession of the Leased Premises and all rights under this Agreement and shall be granted a license to enter the Leased Premises by the Town in order to remove Lessee's personal property. In such event, Lessee shall not be liable for rent accruing subsequent to the casualty. The Town shall have the right to immediately enter and take possession of the Leased Premises and shall not be liable for any loss, damage or injury to the property or person of the Lessee. If, however, the Town repairs the Leased Premises within ninety (90) days, this Agreement shall continue in full force and effect, and the Lessee shall not be required to pay rent for any portion of the ninety (90) day period of time during which the Leased Premises are wholly unfit for use and occupancy.

- 18. ASSIGNMENTS AND SUBLETTING: This Lease may not be assigned in whole or in part without written permission by the Town.
- 19. NOTICES: All notices required to be given to the Town hereunder shall be in writing and be personally delivered or sent by first class mail, postage prepaid, to:

Town of Kremmling
P.O. Box 538
Kremmling, CO 80459

All notices required to be given to Lessee hereunder shall be in writing and be personally delivered or sent by first class mail, postage prepaid, addressed to:

(Lessee Name)
(Lessee Mailing Address)

(Lessee City, State, Zip)

Notice shall be deemed given on the date of mailing or on the date of personal service.

The parties, or either of them, may designate in writing from time to time subsequent or supplementary persons or addresses in connection with said notices.

20. **COMPLIANCE WITH LAWS AND AIRPORT RULES AND REGULATIONS;** In occupying the Hangar, Lessee shall comply with all laws, orders, rules, ordinances and regulations applicable to the occupancy of the Hangar in addition to the environmental laws previously mentioned. Lessee shall comply with the Airport Rules and Regulations, including the Security Manual, and all amendments thereto, if and when adopted.

21. **F.A.A. LEASE REQUIREMENTS;**

- A. The Town reserves the right to further develop or improve the landing area of the Airport as it sees fit, regardless of the desires or view of Lessee, and without interference or hindrance.
- B. The Town reserves the right to, but shall not be obligated to Lessee to maintain and keep in repair the landing area of the Airport and all publicly owned facilities of the Airport, together with the right to direct and control all activities of Lessee in this regard.
- C. Lessee agrees to comply with the notification and review requirements covered in Part 77 of the Federal Aviation Regulations with respect to the Hangar.
- D. It is understood and agreed that nothing contained in this Lease Agreement shall be construed to grant or authorize the granting of an exclusive right within the meaning of Section 308 of the Federal Aviation Act.
- E. There is hereby reserved to the Town for the use and benefit of the public, a right of flight for the passage of aircraft in the airspace above the surface of the Hangar, together with the right to cause in said airspace such noise as may be inherent in the operation of aircraft, now known or hereafter used for navigation or flight in the air, using said airspace for landing at, taking off from, or operating on the Airport.
- F. Lessee by accepting this Lease Agreement expressly agrees for itself it will not permit growth of any tree on, or construction of any structure above that elevation established by the Town and the F.A.A. In the event the aforesaid

covenant is breached, the Town reserves the right to enter upon the Hangar and to remove the offending tree or structure, which shall be at the expense of the Lessee.

G. Lessee will not make use of the Hangar in any manner which might interfere with the landing and taking off of an aircraft from the Airport or otherwise constitute a hazard. In the event the aforesaid covenant is breached, the Town reserves the right, without notice, to enter upon the Hangar and cause the abatement of such interference at the expense of the Lessee.

22. NOISE ABATEMENT DUTIES OF LESSEE:

- A. Lessee shall have the special obligation to make all pilots operating Lessee's aircraft in and out of the Airport aware of the Airport Noise Abatement Plan, if and when adopted. Lessee shall take appropriate action against any pilot(s) of Lessee's aircraft for operations contrary to said Noise Abatement Plan in all cases where there exists no valid reason of safety or otherwise, for noncompliance.
- B. All aeronautical operations by Lessee, its agents and employees shall comply with the provisions of this paragraph, under the circumstances then existing, would result in an unreasonable risk of harm to person or property, and there is no prudent or feasible alternative to deviation from the standard contained in said paragraph. Lessee shall distribute to pilots departing its facility a copy of the Airport's current noise abatement procedures, and cooperate with the Town to implement such additional noise abatement procedures as may be adopted in the future.

23. RELOCATION BY THE TOWN: In the event that future development of the Airport requires that any part of the Hangar be moved or torn down, the Town shall have the right, upon one hundred eighty (180) days advance written notice to Lessee, and without cost or expense to Lessee, to relocate the Hangar or terminate this Lease in the Town's sole discretion.

24. AVAILABILITY OF GOVERNMENTAL FACILITIES: In the event the existence, maintenance or operation of air navigation aids or other facilities supplied or operated by the United States of America or the State of Colorado at or in conjunction with the Airport are discontinued, the Town shall have no obligation to furnish, provide or operate such aids or facilities.

25. MISCELLANEOUS:

- A. The terms and obligations of this Lease shall be binding on the assigns, heirs, and executors of the parties hereto.

- B. No failure to strictly enforce the terms of this Lease shall be deemed a waiver by the Town unless such waiver is in writing executed by the Town. No waiver by the Town of any failure by Lessee to comply with any term or condition of this Lease shall be construed to be a waiver of any other failure by Lessee to comply with the same or any other term or condition of this Hangar Lease.
- C. In the event possession of the Hangar is assumed by the United States of America, or other authorized agency, under any emergency powers, the annual payments due under this Lease shall abate proportionately for the period of such possession. In the event the Lessee shall not be responsible for any of the other covenants in this Lease until possession by the United States of America shall terminate.
- D. In the further event that Lessee shall be reimbursed by the United States of America or other authorized agency for its assumption of possession, then the rental provisions of this Lease shall remain in effect, but provided further, however, that if said reimbursement is less than the amount of rental herein provided, the Lessee shall be required to pay to the Town only such amount of reimbursement as it shall receive from the United States of America or other authorized agency.
- E. The Federal Aviation Administration and the Town are hereby granted the right and privilege by Lessee to place on and around the above-described Hangar, without cost to the Lessee, whatever instruments and equipment they desire during the terms of this Lease, so long as said instruments or equipment do not interfere with the intended use of the Hangar by the Lessee.
- F. The Lessee for itself, Lessee's personal representatives, and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that:
 - i. No person on the grounds of race, color or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities;
 - ii. That in construction of any improvements, or over, or under such land and the furnishing of services thereon, no person on the grounds of race, color or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination;
 - iii. That the Lessee shall use the Hangar in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the

Secretary, Part 21, Nondiscrimination in Federally assisted programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended.

- G. All amendments to this Lease must be made in writing executed with the same formality as this original Lease; no oral amendments shall be of any force of effect whatsoever.
- H. The Town shall have no responsibility or liability to furnish any services to Lessee other than those specified in this Lease, but Lessee may negotiate with the Town for any additional services it may request and shall pay for such additional services the consideration so negotiated.
- I. This Agreement is subject to the Laws, Rules and Regulations of the State of Colorado and the United States of America.

26. ENTIRE AGREEMENT: This Lease constitutes the entire understanding between the Town and Lessee with respect to the subject matter hereof, and supersedes completely all negotiations, discussions and prior agreements, oral and written, between the Town and the Lessee with respect to the subject matter hereof. This Lease may not be amended, modified or changed, and no waiver of any provision hereof shall be effective, except by an instrument in writing and signed by the Town and the Lessee.

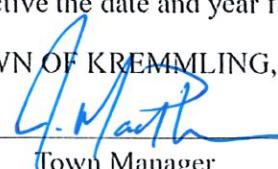
27. NO THIRD-PARTY BENEFICIARIES: This Lease Agreement is not intended to benefit and does not benefit, any person or entity other than the Town and the Lessee.

28. JOINT AUTHORSHIP: This Lease is a product of the negotiation of the Town and the Lessee and shall not be construed in favor of, or against, any party hereto.

29. PRIOR LEASE OR AGREEMENT: This Lease agreement supersedes any prior Lease or Agreement entered into by the Town and the Lessee.

IN WITNESS HEREOF, the parties hereto have hereunto set their hands and seals effective the date and year first above written.

TOWN OF KREMLING, STATE OF COLORADO

By: 

Town Manager

ATTEST:



Helen Gund
Town Clerk

LESSEE:

By: Logan Harkleroad
Manager, Scenic Aviation, LLC

**TOWN OF KREMMLING
PLANNING & ZONING COMMISSION
RESOLUTION NO. 2025-09-01PC**

**A RESOLUTION BY THE PLANNING AND ZONING COMMISSION REQUESTING
THAT THE BOARD OF TRUSTEES OF THE TOWN OF KREMMLING, COLORADO
CREATE A NEW ZONING DISTRICT FOR LARGE SCALE DEVELOPMENT**

WHEREAS, the Planning and Zoning Commission of the Town of Kremmling recognizes that new, large parcels of land may be annexed into the Town; and

WHEREAS, the Kremmling Municipal Code provides for seven zoning districts, and the recognized zoning districts have not been updated since 2012; and

WHEREAS, new methods of development, particularly with respect to larger areas, are not available under the current Code zoning districts; and

WHEREAS, to provide for development of large-scale commercial property and large footprint projects, the Kremmling Municipal Code needs at least one additional zoning district that reflects modern development trends and large parcel development not recognized in the current CB-Central Business zoning district; and

WHEREAS, the Planning and Zoning Commission is developing a new zoning district that will allow multiple uses, and recognizes modern development methods and trends, including different minimum and maximum lot sizes, different means of combining and of segregating different uses; and new means of combining uses such as residences above ground for commercial uses; and

WHEREAS, the available large parcels may require phased development, while preliminarily providing for flexible uses under a new type of zoning districts; and

WHEREAS, the new zoning district will be recommended by the Planning and Zoning Commission for adoption by the Board of Trustees in the near future; and

WHEREAS, the new zoning district should be available as a tool for development.

NOW, THEREFORE BE IT RESOLVED, the Planning and Zoning Commission hereby recommends to the Board of Trustees of the Town of Kremmling that new lands not be annexed to the Town of Kremmling unless and until the new zoning district is available to

developers in order to provide maximum flexibility and ability to address Town commercial and residential needs not presently available under the Kremmling Municipal Code.

Duly moved, seconded and passed this 10th day of September, 2025.

PLANNING AND ZONING COMMISSION
TOWN OF KREMMLING

By: Paul Johnson
Chair, Paul Johnson

ATTEST:

Teagan Serres
Town Clerk, Teagan Serres

Signature: 
Paul Johnson (Sep 15, 2025 08:02:29 MDT)

Email: paulnmerrie@comcast.net

Report Criteria:

Invoices with totals above \$0.00 included.

Paid and unpaid invoices included.

Vendor	Vendor Name	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid	Voided
General								
00-100-3555								
1302	KREMMLING SANITATION DIST	08312025	SEWER TAP FEES REIMBURSE	08/31/2025	49,276.88	.00		
Total 00-100-3555:					49,276.88	.00		
Total :					49,276.88	.00		
Mayor and Legislative								
00-120-6400								
1561	WEST GRAND BOOSTER CLUB	2025-9	WGBC BRONZE SPONSORSHIP	09/05/2025	100.00	.00		
Total 00-120-6400:					100.00	.00		
Total Mayor and Legislative:					100.00	.00		
Town Manager								
00-122-6245								
1071	CARD SERVICES	8/31/25	VERIZON	08/31/2025	8.96	.00		
Total 00-122-6245:					8.96	.00		
Total Town Manager:					8.96	.00		
Administrative								
00-125-5500								
1289	KELLY P.C.	SEPTEMBER 2	ADMIN ATTORNEY FEES	09/02/2025	1,867.50	.00		
Total 00-125-5500:					1,867.50	.00		
00-125-5550								
1076	CASELLE INC	INV-10707	MAINTENANCE AND SUPPORT	09/02/2025	1,138.00	.00		
1689	EXECUTECH	CRJ001651	CREDIT ON DEN-218184	08/20/2025	62.99-	.00		
1689	EXECUTECH	DEN-228731	ON SITE SUPPORT & MAINT	09/01/2025	831.67	.00		
1640	XPRESS BILL PAY	INV-XPR02749	ONLINE TRANSACTIONS	08/31/2025	132.34	.00		
Total 00-125-5550:					2,039.02	.00		
00-125-6000								
1071	CARD SERVICES	8/31/25	ORD 724 PUBLISHING	08/31/2025	21.57	.00		
1071	CARD SERVICES	8/31/25	ORD 725 PUBLISHING	08/31/2025	22.13	.00		
1071	CARD SERVICES	8/31/25	ORD 726 PUBLISHING	08/31/2025	22.69	.00		
Total 00-125-6000:					66.39	.00		
00-125-6030								
1357	MOUNTAIN PARKS ELECTRIC	08/21/2025	CONVIENCE FEE	08/21/2025	2.00	.00		
Total 00-125-6030:					2.00	.00		
00-125-6050								
1071	CARD SERVICES	8/31/25	EMPLOYERS COUNCIL	08/31/2025	382.83	.00		

Vendor	Vendor Name	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid	Voided
1071	CARD SERVICES	8/31/25	MICROSOFT	08/31/2025	115.50	.00		
1071	CARD SERVICES	8/31/25	ADOBE	08/31/2025	19.99	.00		
1071	CARD SERVICES	8/31/25	ADOBE	08/31/2025	199.71	.00		
1071	CARD SERVICES	8/31/25	LUCID	08/31/2025	11.00	.00		
1071	CARD SERVICES	8/31/25	MICROSOFT	08/31/2025	9.99	.00		
Total 00-125-6050:					739.02	.00		
00-125-6070								
1300	KREMMLING MERCANTILE	01-682349	CLEANING SUPPLIES	08/26/2025	26.25	.00		
Total 00-125-6070:					26.25	.00		
00-125-6110								
1071	CARD SERVICES	8/31/25	MARRIOTT CREDIT	08/31/2025	1.00-	.00		
Total 00-125-6110:					1.00-	.00		
00-125-6115								
1071	CARD SERVICES	8/31/25	HP CERTIFIED CHECK MAILING	08/31/2025	10.48	.00		
Total 00-125-6115:					10.48	.00		
00-125-6240								
1434	RICOH USA INC	5071893259	5/1/25 - 7/31/25 PRINTING	08/22/2025	610.60	.00		
Total 00-125-6240:					610.60	.00		
00-125-6245								
1071	CARD SERVICES	8/31/25	CENTURYLINK WEB HOSTING	08/31/2025	4.33	.00		
1071	CARD SERVICES	8/31/25	8 X 8 PHONES	08/31/2025	153.98	.00		
Total 00-125-6245:					158.31	.00		
00-125-6255								
1779	BLM NATIONAL OPERATIONS C	9.12.25 REFU	BLM SENT PYMT IN ERROR-PL	09/12/2025	74.73	74.73	09/16/2025	
Total 00-125-6255:					74.73	74.73		
00-125-6300								
1357	MOUNTAIN PARKS ELECTRIC	08/21/2025	208 EAGLE AVE	08/21/2025	41.16	.00		
1357	MOUNTAIN PARKS ELECTRIC	08/21/2025	208 EAGLE AVE STORE	08/21/2025	42.29	.00		
1357	MOUNTAIN PARKS ELECTRIC	08/21/2025	200 EAGLE AVE	08/21/2025	101.15	.00		
1568	XCEL ENERGY	8/28/2025	200 EAGLE AVE SPLIT WITH SA	08/28/2025	40.88	.00		
Total 00-125-6300:					225.48	.00		
00-125-6310								
1357	MOUNTAIN PARKS ELECTRIC	08/21/2025	OLD FIRE HALL	08/21/2025	52.81	.00		
1568	XCEL ENERGY	8/28/2025	301 CENTRAL AVE	08/28/2025	76.76	.00		
Total 00-125-6310:					129.57	.00		
Total Administrative:					5,948.35	74.73		

Planning & Zoning

Vendor	Vendor Name	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid	Voided
00-130-5570								
1071 CARD SERVICES		8/31/25	EAGLE AVE BOA PUBLISHING	08/31/2025	31.59	.00		
1071 CARD SERVICES		8/31/25	EAGLE AVE PC PUBLISHING	08/31/2025	30.48	.00		
1071 CARD SERVICES		8/31/25	EAGLE AVE CERTIFIED MAILIN	08/31/2025	42.56	.00		
Total 00-130-5570:					104.63	.00		
00-130-5610								
1071 CARD SERVICES		8/31/25	416 3RD PUBLISHING	08/31/2025	21.57	.00		
Total 00-130-5610:					21.57	.00		
00-130-6000								
1071 CARD SERVICES		8/31/25	GC PUBLISHING	08/31/2025	70.55	.00		
1071 CARD SERVICES		8/31/25	GC PUBLISHING	08/31/2025	27.70	.00		
Total 00-130-6000:					98.25	.00		
Total Planning & Zoning:					224.45	.00		
Police								
00-140-5550								
1689 EXECUTECH		CRJ001651	CREDIT ON DEN-218184	08/20/2025	62.98-	.00		
1689 EXECUTECH		DEN-228731	ON SITE SUPPORT & MAINT	09/01/2025	831.67	.00		
Total 00-140-5550:					768.69	.00		
00-140-6050								
1071 CARD SERVICES		8/31/25	RMS CATEGORY A ACCESS	08/31/2025	76.98	.00		
Total 00-140-6050:					76.98	.00		
00-140-6110								
1071 CARD SERVICES		8/31/25	TRAINING REGIS / PORTAL ACC	08/31/2025	1,000.00	.00		
1071 CARD SERVICES		8/31/25	LEXIS NEXIS TRAINING REGIST	08/31/2025	400.00	.00		
1071 CARD SERVICES		8/31/25	INVESTIGATIVE TRAINING AIRL	08/31/2025	346.96	.00		
1071 CARD SERVICES		8/31/25	INVESTIGATIVE TRAINING CAR	08/31/2025	119.97	.00		
1071 CARD SERVICES		8/31/25	INVESTIGATIVE TRAINING PAR	08/31/2025	35.56	.00		
1071 CARD SERVICES		8/31/25	FORENSIC CELLULAR TRAININ	08/31/2025	486.45	.00		
1580 JESSE LISENBY		8/10/2025	LEADERSHIP TRAINING EXPEN	08/10/2025	192.09	.00		
Total 00-140-6110:					2,581.03	.00		
00-140-6115								
1071 CARD SERVICES		8/31/25	POSTAGE TO MAIL EXHIBITS T	08/31/2025	9.14	.00		
1071 CARD SERVICES		8/31/25	POSTAGE TO MAIL TOX KIT	08/31/2025	6.85	.00		
1071 CARD SERVICES		8/31/25	MAIL TOX KIT	08/31/2025	6.85	.00		
Total 00-140-6115:					22.84	.00		
00-140-6140								
1071 CARD SERVICES		8/31/25	2021 FORD EXPLORER REPAIR	08/31/2025	692.84	.00		
1071 CARD SERVICES		8/31/25	2021 INTERCEPTOR SERVICE/	08/31/2025	119.66	.00		
Total 00-140-6140:					812.50	.00		

Vendor	Vendor Name	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid	Voided
00-140-6200								
1071	CARD SERVICES	8/31/25	COPIER SUPPLIES & REPLACE	08/31/2025	55.91	.00		
1071	CARD SERVICES	8/31/25	SUPPLIES FOR DONATED QUIL	08/31/2025	24.99	.00		
1534	TRIPLE V DESIGN	5622	LISENBY & CROCKER CONTAC	08/07/2025	84.74	.00		
Total 00-140-6200:					165.64	.00		
00-140-6240								
1011	ADAMSON POLICE PRODUCTS	INV439544	TRAINING AMMUNITION	08/27/2025	1,145.00	.00		
1011	ADAMSON POLICE PRODUCTS	INV439645	MAGAZINES FOR FIREARMS	08/29/2025	174.00	.00		
1071	CARD SERVICES	8/31/25	WEAPON ADAPTER FOR SIMUL	08/31/2025	31.19	.00		
Total 00-140-6240:					1,350.19	.00		
00-140-6245								
1071	CARD SERVICES	8/31/25	VERIZON	08/31/2025	67.20	.00		
1071	CARD SERVICES	8/31/25	CENTURYLINK WEB HOSTING	08/31/2025	4.33	.00		
1071	CARD SERVICES	8/31/25	8 X 8 PHONES	08/31/2025	153.98	.00		
1086	CENTURY LINK	AUG 19, 2025	970-724-3318 557B	08/19/2025	39.95	.00		
Total 00-140-6245:					265.46	.00		
00-140-6280								
1011	ADAMSON POLICE PRODUCTS	INV439825	ALTERATIONS TO BALLISTIC V	09/03/2025	100.00	.00		
Total 00-140-6280:					100.00	.00		
00-140-6300								
1357	MOUNTAIN PARKS ELECTRIC	08/21/2025	1318 PARK AVE POLICE STATIO	08/21/2025	163.35	.00		
1568	XCEL ENERGY	8/28/2025	1318 PARK AVE	08/28/2025	27.59	.00		
Total 00-140-6300:					190.94	.00		
00-140-6320								
1221	GRAND COUNTY ACCOUNTING	INV05504	POLICE FUEL & SURCHARGE	09/01/2025	731.28	.00		
Total 00-140-6320:					731.28	.00		
Total Police:					7,065.55	.00		
Highways & Streets								
00-150-6135								
1306	K-TOWN NAPA	075545	BACKHOE REPAIR	07/14/2025	53.98	.00		
Total 00-150-6135:					53.98	.00		
00-150-6140								
1022	ALPINE MOTOR SPORTS	51873	RANGER OIL CHANGE	08/12/2025	75.71	.00		
1382	O'REILLY AUTO ENTERPRISES,	5989-218417	AC REPAIR-DURANGO	08/19/2025	21.98	.00		
1382	O'REILLY AUTO ENTERPRISES,	5989-219405	CHEVY COLORADO'S MAINTEN	09/02/2025	66.26	.00		
Total 00-150-6140:					163.95	.00		
00-150-6240								
1062	BUCKEYE WELDING SUPPLY C	0005110738	OXYDEN CYLINDER RENTAL	08/25/2025	8.35	.00		
1306	K-TOWN NAPA	075539	HEX BIT SOCKET	08/14/2025	8.49	.00		
1367	NORTHWEST RANCH SUPPLY	8/25/2025	17TH ST POLE FIX BOLTS	08/25/2025	13.56	.00		

Vendor	Vendor Name	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid	Voided
1367	NORTHWEST RANCH SUPPLY	8/25/2025	TOOL BOX & FLIP KNIFE	08/25/2025	86.97	.00		
1367	NORTHWEST RANCH SUPPLY	8/25/2025	TAPE & TUBE CUTTER	08/25/2025	58.17	.00		
1367	NORTHWEST RANCH SUPPLY	8/25/2025	M18 BATTERY	08/25/2025	272.76	.00		
	Total 00-150-6240:				448.30	.00		
00-150-6245								
1071	CARD SERVICES	8/31/25	CENTURYLINK WEB HOSTING	08/31/2025	4.34	.00		
1086	CENTURY LINK	AUG 19, 2025	970-724-3318 557B	08/19/2025	39.96	.00		
	Total 00-150-6245:				44.30	.00		
00-150-6310								
1357	MOUNTAIN PARKS ELECTRIC	08/21/2025	PARK AVE & 5TH ST	08/21/2025	44.39	.00		
1357	MOUNTAIN PARKS ELECTRIC	08/21/2025	PARK AVE & 1ST ST NORTH	08/21/2025	45.17	.00		
1357	MOUNTAIN PARKS ELECTRIC	08/21/2025	4TH ST BTWN PARK & CENTRA	08/21/2025	44.14	.00		
1357	MOUNTAIN PARKS ELECTRIC	08/21/2025	3RD ST BTWN PARK & CENTRA	08/21/2025	41.16	.00		
1357	MOUNTAIN PARKS ELECTRIC	08/21/2025	1318 PARK AVE POLICE STATIO	08/21/2025	163.35	.00		
1357	MOUNTAIN PARKS ELECTRIC	08/21/2025	PARK AVE & 1ST ST S	08/21/2025	57.33	.00		
1357	MOUNTAIN PARKS ELECTRIC	08/21/2025	SL ONLY	08/21/2025	1,385.64	.00		
1357	MOUNTAIN PARKS ELECTRIC	08/21/2025	1421 PARK AVE	08/21/2025	42.06	.00		
	Total 00-150-6310:				1,823.24	.00		
00-150-6315								
1568	XCEL ENERGY	8/28/2025	1318 PARK AVE	08/28/2025	27.59	.00		
	Total 00-150-6315:				27.59	.00		
00-150-6320								
1221	GRAND COUNTY ACCOUNTING	INV05504	STREETS FUEL & SURCHARGE	09/01/2025	340.07	.00		
	Total 00-150-6320:				340.07	.00		
00-150-7775								
1732	TOP LEAF TREE CARE	9.1.25	COTTONWOOD TREE REMOVA	09/01/2025	900.00	.00		
	Total 00-150-7775:				900.00	.00		
	Total Highways & Streets:				3,801.43	.00		
Mosquito Control								
00-152-6430								
1536	VECTOR DISEASE CONTROL IN	PL-A00017234	AERIAL SPRAY	07/31/2025	9,193.80	.00		
	Total 00-152-6430:				9,193.80	.00		
00-152-6431								
1536	VECTOR DISEASE CONTROL IN	PI-A00017269	GROUND SPRAY	07/31/2025	1,400.00	.00		
	Total 00-152-6431:				1,400.00	.00		
	Total Mosquito Control:				10,593.80	.00		
Cemetery								
00-155-6135								
1306	K-TOWN NAPA	075708	MOWER OIL	08/18/2025	7.29	.00		

Vendor	Vendor Name	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid	Voided
1367	NORTHWEST RANCH SUPPLY	8/25/2025	NEW DRIVE BELT	08/25/2025	155.99	.00		
1367	NORTHWEST RANCH SUPPLY	8/25/2025	MOWER OIL	08/25/2025	37.86	.00		
1367	NORTHWEST RANCH SUPPLY	8/25/2025	NEW DRIVE BELT FOR MOWER	08/25/2025	155.99	.00		
	Total 00-155-6135:				357.13	.00		
00-155-6300								
1357	MOUNTAIN PARKS ELECTRIC	08/21/2025	1400 EAGLE AVE	08/21/2025	39.61	.00		
	Total 00-155-6300:				39.61	.00		
	Total Cemetery:				396.74	.00		
Parks								
00-158-6070								
1300	KREMMLING MERCANTILE	01-682349	CLEANING SUPPLIES	08/26/2025	26.26	.00		
1417	QUILL LLC	45312112	TOILET PAPER	08/13/2025	52.19	.00		
	Total 00-158-6070:				78.45	.00		
00-158-6240								
1367	NORTHWEST RANCH SUPPLY	8/25/2025	1 3/4" PIPE ROLL	08/25/2025	29.90	.00		
1367	NORTHWEST RANCH SUPPLY	8/25/2025	1 3/4" REPAIR CLAMPS	08/25/2025	70.16	.00		
1367	NORTHWEST RANCH SUPPLY	8/25/2025	MAIN SPRINKLER REPAIR	08/25/2025	16.33	.00		
1367	NORTHWEST RANCH SUPPLY	8/25/2025	3/4" HOSE CLAMPS	08/25/2025	29.90	.00		
1367	NORTHWEST RANCH SUPPLY	8/25/2025	PAVER LEVELER	08/25/2025	89.97	.00		
1367	NORTHWEST RANCH SUPPLY	8/25/2025	VINYL TAPE	08/25/2025	14.98	.00		
1367	NORTHWEST RANCH SUPPLY	8/25/2025	CABLE TIES	08/25/2025	42.98	.00		
1367	NORTHWEST RANCH SUPPLY	8/25/2025	CABLE TIES	08/25/2025	22.49	.00		
	Total 00-158-6240:				316.71	.00		
00-158-6300								
1357	MOUNTAIN PARKS ELECTRIC	08/21/2025	203 PARK AVE	08/21/2025	53.49	.00		
1357	MOUNTAIN PARKS ELECTRIC	08/21/2025	DOC CERIANI	08/21/2025	77.14	.00		
1357	MOUNTAIN PARKS ELECTRIC	08/21/2025	GRAND AVE & 5TH ST	08/21/2025	74.58	.00		
1357	MOUNTAIN PARKS ELECTRIC	08/21/2025	303 S 8TH ST	08/21/2025	129.56	.00		
1357	MOUNTAIN PARKS ELECTRIC	08/21/2025	2305 CENTRAL AVE	08/21/2025	297.96	.00		
	Total 00-158-6300:				632.73	.00		
	Total Parks:				1,027.89	.00		
Airport								
00-160-6300								
1357	MOUNTAIN PARKS ELECTRIC	08/21/2025	450 AIRPORT RD	08/21/2025	203.86	.00		
	Total 00-160-6300:				203.86	.00		
	Total Airport:				203.86	.00		
	Total General:				78,647.91	74.73		
Water								
Water Admin								
02-625-5550								
1029	APPLEGATE GROUP INC.	55077	WATER DILLIGENCE ENGINEER	06/04/2025	612.50	.00		

Vendor	Vendor Name	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid	Voided
1029	APPLEGATE GROUP INC.	55231	WATER RIGHTS ENGINEERING	08/18/2025	1,006.25	.00		
1689	EXECUTECH	CRJ001651	CREDIT ON DEN-218184	08/20/2025	62.98-	.00		
1689	EXECUTECH	DEN-228731	ON SITE SUPPORT & MAINT	09/01/2025	831.66	.00		
1459	SENSUS USA INC.	ZA25006815	SOFTWARE SUPPORT	04/09/2025	3,700.00	.00		
1622	STILLWATER TECH LLC	1237	WATER PLANT OPERATION CO	08/31/2025	1,500.00	.00		
Total 02-625-5550:					7,587.43	.00		
02-625-6110								
1071	CARD SERVICES	8/31/25	CERTIFICATE RENEWAL	08/31/2025	185.00	.00		
1071	CARD SERVICES	8/31/25	CERTIFICATE RENEWAL - REFU	08/31/2025	85.00	.00		
Total 02-625-6110:					270.00	.00		
02-625-6320								
1221	GRAND COUNTY ACCOUNTING	INV05504	WATER FUEL & SURCHARGE	09/01/2025	340.08	.00		
Total 02-625-6320:					340.08	.00		
Total Water Admin:					8,197.51	.00		
Water Plant								
02-630-5550								
1171	BOWMAN CONSULTING GROU	02 2/2/25	TANK DOCS EPA COORDINATIO	02/02/2025	80.00	.00		
1171	BOWMAN CONSULTING GROU	07 11/3/24	DOLA & EIAF HEARING	12/03/2024	500.00	.00		
1171	BOWMAN CONSULTING GROU	27 11/4/24	CONSTRUCTION MANAGEMEN	11/04/2024	3,740.00	.00		
1171	BOWMAN CONSULTING GROU	514523	CONSTRUCTION MANAGEMEN	08/31/2025	18,760.00	.00		
Total 02-630-5550:					23,080.00	.00		
02-630-6070								
1300	KREMMLING MERCANTILE	01-682349	CLEANING SUPPLIES	08/26/2025	26.25	.00		
1367	NORTHWEST RANCH SUPPLY	8/25/2025	BLEACH	08/25/2025	6.99	.00		
Total 02-630-6070:					33.24	.00		
02-630-6126								
1505	TIMBER LINE ELECTRIC & CON	30279	VALVE VAULT SCADA REPAIR	08/13/2025	1,774.80	.00		
Total 02-630-6126:					1,774.80	.00		
02-630-6245								
1071	CARD SERVICES	8/31/25	VERIZON	08/31/2025	13.44	.00		
1071	CARD SERVICES	8/31/25	8 X 8 PHONES	08/31/2025	76.99	.00		
1086	CENTURY LINK	AUG 19, 2025	970-724-3249 366B SPLIT W SA	08/19/2025	226.51	.00		
1086	CENTURY LINK	AUG 19, 2025	970-724-3862 545B	08/19/2025	174.59	.00		
Total 02-630-6245:					491.53	.00		
02-630-6300								
1071	CARD SERVICES	8/31/25	VISIONARY	08/31/2025	121.38	.00		
1357	MOUNTAIN PARKS ELECTRIC	08/21/2025	WTR FILTRA PLANT	08/21/2025	1,638.34	.00		
Total 02-630-6300:					1,759.72	.00		
02-630-6410								
1159	PVS DX, INC	DE73000635-2	CHLORINE 150 CYL	08/31/2025	100.00	.00		

Sep 16, 2025 02:04PM

Solid Waste

Solid Waste Expenditures

15-800-5550

1420 RANCH CREEK WASTE 61042 TRASH SERVICE 8/16/25 - 9/15/ 09/15/2025 30,554.15 .00

Sep 16, 2025 02:04PM

Dated: _____

Mayor: _____

City Council: _____

City Recorder:

Report Criteria:

Invoices with totals above \$0.00 included.

Paid and unpaid invoices included.

Sept 2025 - Public Works Staff Report

Parks & Recreation

- Staff has been conducting potholing and evaluations of the parks' irrigation systems in preparation for installing new sprinkler lines and sprinkler heads. The baseball fields, in particular, will require approximately 30 new sprinkler heads to address significant dead spots.
- The Town's youth soccer program is now in full swing. Participation numbers are strong this season, with teams practicing throughout the week and games scheduled on weekends. To ensure the program runs smoothly, staff will be working two upcoming Saturdays to provide additional support for field preparation, scheduling, and overall event coordination.

Streets and Roads

- Staff completed repairs to the wayfinding sign on 17th Street, which had been damaged last month after being struck by a truck. A police report was filed at the time of the incident; however, the driver has not been identified.
- In preparation for winter/spring runoff staff will be focusing on right away repairs that will impact drainage.

Water

- Water production for August was 15.4 MGD. Production fell by nearly 3 MGD from July, showing the effectiveness of the watering restrictions that were implemented.
- The Town has successfully completed the required lead and copper testing. These tests are mandated every three years and are particularly challenging, as they rely on homeowners to collect and submit water samples in a timely manner.
- To support the successful refilling of Jones 1 and Jones 2 reservoirs this spring, staff have addressed several long-standing deficiencies in the South Feeder Ditch. The ditch had not been cleaned correctly in over 16 years, and vegetation growth was contributing to a minor washout, which has now been removed. In addition, a new headgate and culvert were installed to improve water diversion during heavy snow years. These improvements will help reduce the risk of reservoir spillover and support consistent production at the water plant.
- Staff have been working proactively to support the Town's water rights due diligence. The Whitmer Law Firm and Applegate have been provided with the total costs of projects completed that contribute to diligence reporting. These efforts will streamline documentation and improve efficiency in preparing for the next diligence cycle.
- Staff have been working with the new management team at Eagle's Nest Trailer Park to address long-standing infrastructure issues. Several trailers remain connected to a single curb stop, and numerous service lines are not buried at the proper depths. These conditions are not in compliance with Town Code, and corrective actions are being coordinated with management to bring the park into compliance.



Monthly Board Report - Construction Progress

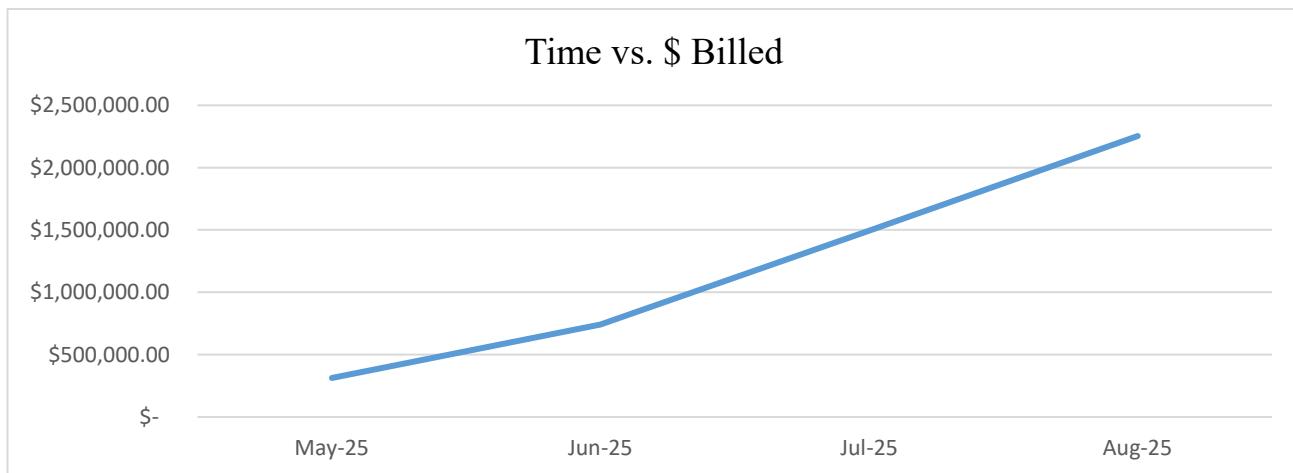
Client:	Town of Kremmling	Date:	9/11/2025
Project Name:	Water Treatment Improvements	Monthly Report:	August of 2025
Project Number:	0069.0003	Notice of Award:	6/1/2023
Original Contract \$:	\$17,540,853.00	Notice to Proceed:	5/14/2025
Current Contract \$:	\$17,540,853.00		

Last Month	
SC Date:	8/28/2026
FC Date:	10/2/2026
Days Remaining to SC:	304
Days Remaining to FC:	385
\$ Billed Last Month:	\$ 753,310.63
% Billed Last Month:	4%
Total \$ Billed:	\$ 1,494,428.20
Total % Billed:	9%

Construction Narrative	
Retaining Wall construction is complete.	
Element has inspected the wall and concrete.	
Site work progresses for bypass line	
Submittal and RFI review continue	
Excavation for new building in near future	
Pay App 3 Recommended by Element	
Building Permit Obtained.	

This Month	
SC Date:	8/28/2026
FC Date:	10/2/2026
Days Remaining to SC:	274
Days Remaining to FC:	304
\$ Billed This Month:	\$ 759,317.18
% Billed This Month:	4%
Total \$ Billed:	\$ 2,253,745.38
Total % Billed:	13%

Construction Narrative	
HP continues to backfill for process building	
All compaction testing is in compliance	
Underslab Utilities In near future	
Concrete work begins in October	
Submittal and RFI Review continue	
Pay Application 4 reviewed and Recommended	
Owner Contingency increase due to cost savings	



Budget		Remaining Balance	
Owner Contingency (Current)	\$182,134.00	\$	168,621.00
Contractors Contingency	\$554,497.00		\$554,497.00

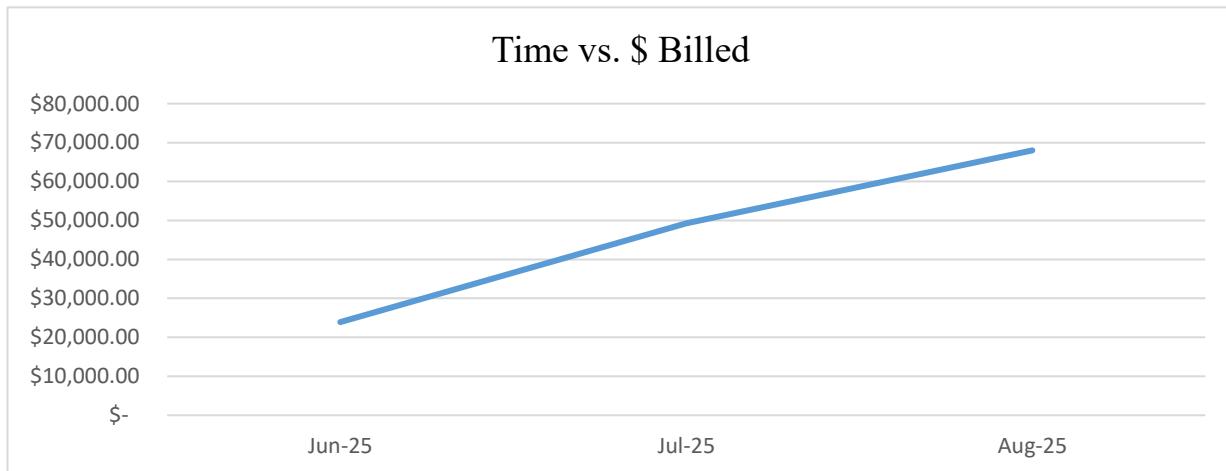


Monthly Board Report - Element Engineering

Client:	Town of Kremmling	Date:	9/11/2025
Project Name:	Water Treatment Improvements	Monthly Report:	August of 2025
Project Number:	0069.0003	Notice of Award:	6/1/2023
Original Contract \$:	\$317,960.00	Notice to Proceed:	5/14/2025

Last Month	
SC Date:	8/28/2026
FC Date:	10/2/2026
Days Remaining to SC:	304
Days Remaining to FC:	385
\$ Billed Last Month:	\$ 23,915.00
% Billed Last Month:	8%
Total \$ Billed:	\$ 49,230.00
Total % Billed:	15%

This Month	
SC Date:	8/28/2026
FC Date:	10/2/2026
Days Remaining to SC:	274
Days Remaining to FC:	304
\$ Billed This Month:	\$ 18,760.00
% Billed This Month:	6%
Total \$ Billed:	\$ 67,990.00
Total % Billed:	21%



SC - "Substantial Completion", project is ready for use, but punch list items remain to be completed.

FC - "Final Completion", project is complete, including punch list items.

NOA - "Notice of Award", official notice to selected Contractor that they have been awarded the project.

NTP - "Notice to Proceed", official notice to Contractor that the project has started. Total Contract Days allotted start from this date.

Job Number 3523036

Project: Kremmling
WTP

		Aug				Sep				Oct															
		CONTR	COMMENTS		MON	TUE	WED	THU	FRI	SAT	SUN	MON	TUE	WED	THU	FRI	SAT	SUN	MON	TUE	WED	THU	FRI	SAT	SUN
Pre-Construction																									
Construction																									
<i>Meetings</i>																									
MEP Underground																									
Concrete Prep/Pre Mob																									
<i>HP Initial/Follow Up Inspections/Final Inspections</i>																									
<i>Critical Hold Inspections and Testing</i>																									
Compaction Testing	Kumar	Test																							
Major Milestones																									
<i>Deliveries</i>																									
Site Work																									
HENSEL PHELPS																									
Install Trench Drain By Retaining Wall	HP Civil A																								
Temp Road For Mountain Parks	HP Civil A																								
TRIANGLE																									
Relocate Electrical Line by RW/ Edge Of Footer	Triangle																								
TREATMENT FACILITY																									
HENSEL PHELPS																									
Treatment BLDG Excavation	HP Civil A																								
Underslab Utilities	HP Civil A																								
North Tie-in RW Line	HP Civil A																								
South Tie-in RW Line	HP Civil A																								
Structural Fill	HP Civil A																								
Form Footer	HP Concrete																								
Horizon/ Strait Mechanical																									
4" Sanitary Line	Strait Mech																								
Triangle Electric																									
Electrical Conduit Install	Triangle																								
Water Storage Tank																									
HENSEL PHELPS																									
Tank Excavation	HP Civil B																								
Structural Fill	HP Civil B																								
Underslab Utilities	HP Civil B																								
Subgrade Prep	HP Civil B																								



Town of Kremmling

Police Department Staff Report

September 2025

Department

- Calls for service have reduced from previous months. Officer-initiated activity has increased at the same time. This brings total KPD activity to roughly equal the high numbers similar to the previous 2 months.

Personnel

- Officer Hicks will be attending two different forensic investigation training events in October.
- KPD officers are nearing the completion of all required POST training hours.

Code Enforcement

- Chief Lisenby and Police Technician Hassler conducted a code violation survey in early September. The purpose of the survey was to determine the quantity and types of code violations that existed on that date. The scope of the survey was weeds, junk, RV violations, and vehicle violations in the roadway or immediately visible from the roadway. Police Technician Hassler compiled the findings. There were 74 properties with violations noted. 43 properties had significant weed violations. 22 properties had junk violations. 15 properties had RV violations (this is down from 20 identified in July). 13 properties had vehicle violations. Many of these properties had multiple violations and violation types.
- Chief Lisenby met with Town Manager MacPherson and Mayor Howell to try to come up with an effective code enforcement strategy to employ going forward. Ideas ranged from hiring another code enforcement officer to Chief Lisenby setting time aside to do it as a function of the police department to trying to find ways to spread the case load out amongst the police, public works, and planning departments. More work is needed on this plan and its proposed timeline.

Projects

- Chief Lisenby worked with Town Manager MacPherson on the 2026 budget.
- Chief Lisenby completed the application for the noise ordinance signage to CDOT. CDOT stated the signage should take approximately 6 weeks to arrive. At this point, it is expected in the immediate future.
- The new police patrol vehicle (Chevy Tahoe) is expected to be delivered to KPD in the immediate future.
- Chief Lisenby began working on the 2025 Policy Manual for the police department.



Town of Kremmling

Police Department Staff Report

September 2025

Police Staff Report

The following tables depict the activities of the Kremmling Police Department for the month of August 2025:

Patrol Response	Number
Total Officer Response	173
Reports Written	20
Calls For Service	105
Officer Initiated	68

Violent Crimes	Number
Criminal Homicide	0
Rape	0
Robbery	0
Aggravated Assault	2

Property Crime	Number
Burglary	0
Theft	0
Motor Vehicle Theft	0
Arson	0

Enforcement (In Town and HVE)	Number
Traffic Stops	63
Total Citations	28
Total Summons	5
Total Arrests	8

Arrests	Number
Officer on View	8
Warrant Service	0

Summons	Number
Not Traffic Related	4
Traffic Violations	1

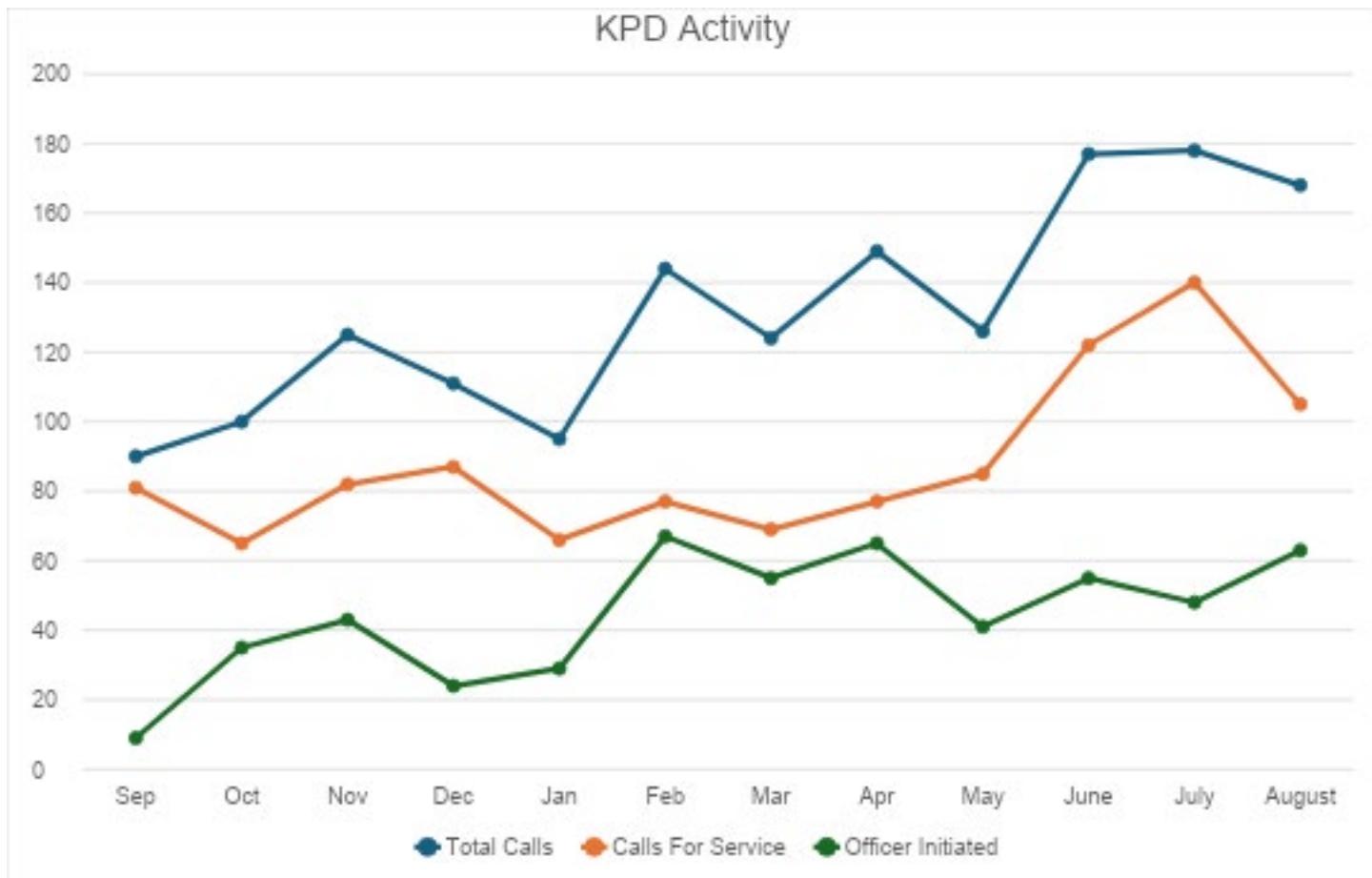
Public Services	Number
Open Records Request	6
VIN Inspections	3
Special Events	0



Town of Kremmling

Police Department Staff Report

September 2025



September 2025 - Town Clerk & Treasurer Staff Report

Town Clerk

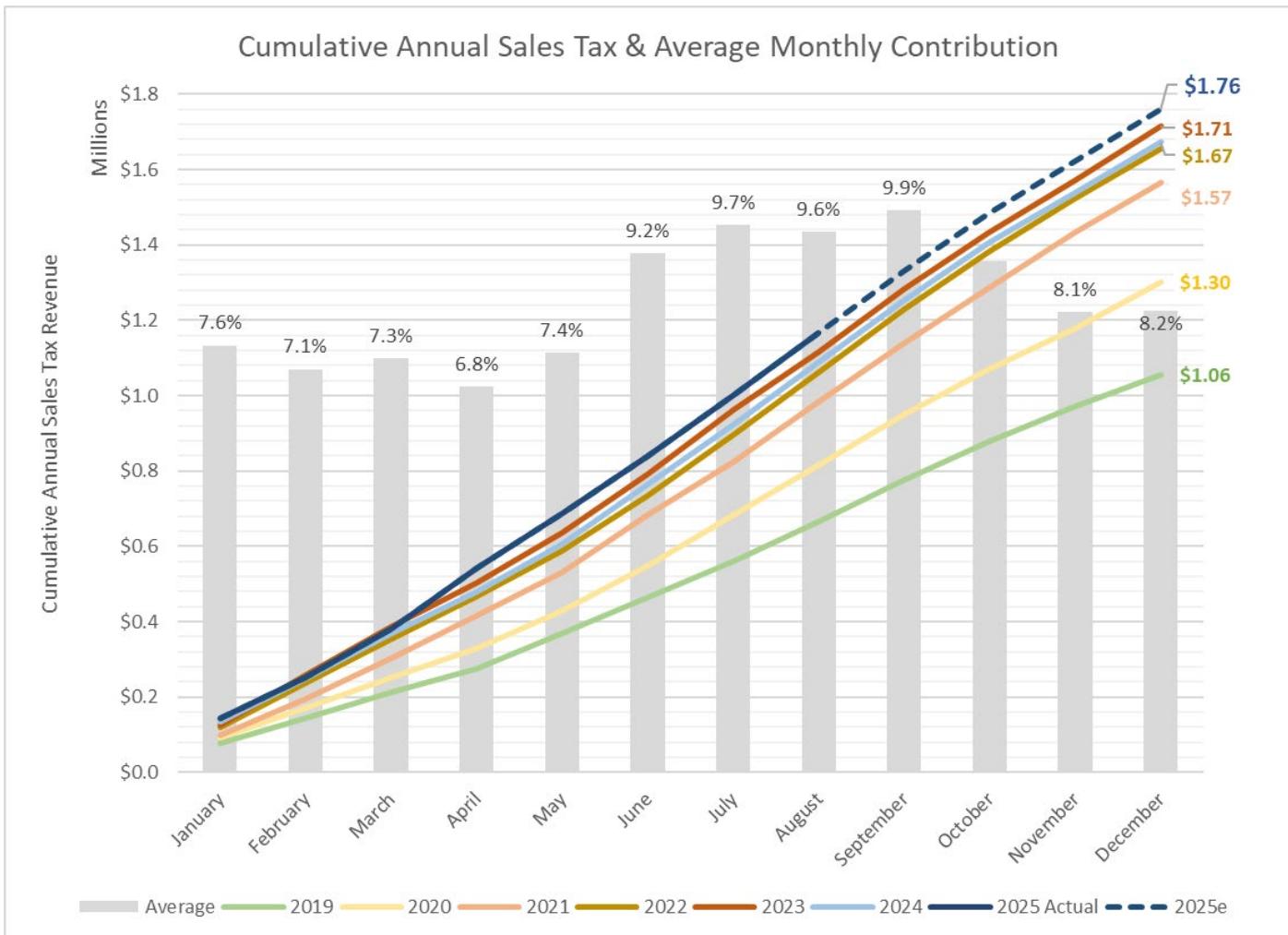
- Prepared various agendas, minutes, ordinances, resolutions, and memos for the Board of Trustees meetings, Planning and Zoning Commission, and Board of Adjustment meetings. Scheduled public hearings for the Board of Adjustment and Planning Commission for a variance and use by special review request for September.
- Assisting with facilitating park reservation permits and community event permits.
- Reviewed two annual liquor license applications, one modification of premises application, and one special event permit application for consideration at the Board meeting on September 17th. Additionally, I am assisting an applicant in preparing for a transfer of ownership for an existing liquor license.
- Assisted the Town Planner with record searches and various projects.
- Participated in several meetings with the Mayor, Town Manager, Town Planner, Public Works Director, and Chief of Police to discuss upcoming items, deadlines, Code Enforcement, and agendas.
- Facilitated one cremains burial and two plot purchases at the cemetery.
- Between August 16, 2025, and September 12, 2025, I provided Notary Public services 3 times and responded to 3 Colorado Open Records Act (CORA) requests during the same period.
- Updating multiple items on the website to ensure more information is ADA-compliant and accessible.

Treasurer

- A total of \$13,474 in tax liens were filed with the Grand County Treasurer on November 15, 2024. To date, \$4,338 has been received.
- The 2024 Audit is nearly finished. The results have been mostly positive.
- We have held several meetings with the Town Manager, relevant staff, contractors, and lenders to ensure that funding and reporting for the Water Plant are thorough and well-understood by staff. Reporting and reimbursements are currently ongoing and proceeding smoothly. Payments for May and June have been made to the contractor, and the Town has received loan and grant reimbursements. July and August payments and reimbursements are in progress.
- Collaborating with the Town Manager and Planner to seek an additional \$50,000 in LPC funds to complete updates to the Municipal Code and Comprehensive Plan. Additionally, we have been exploring software options for community development and code enforcement while also establishing a plan and budget for the code updates.
- Worked with the Town Manager to transfer \$2.9 million in funds to a money market account that will accrue more interest.

- 2026 Budget Development with the Town Manager and other Department Heads. Reviewing 2024 actuals and 2025 actual amounts to date. Reviewing the budgets to determine where amendments and transfers are necessary.
- The sales tax received in July was \$166,535.41, and in August, it was \$165,041.43. This amount continues to trend upward compared to previous years.

Sales Tax	January	February	March	April	May	June	July	August	September	October	November	December	Total
2019	78,613	64,770	68,812	64,123	92,562	96,030	94,355	106,575	109,629	102,478	94,608	83,754	1,056,309
2020	93,622	75,834	82,299	79,144	97,691	121,474	132,496	131,989	135,523	120,786	108,899	122,548	1,302,307
2021	99,919	95,487	108,230	114,038	114,391	152,750	139,012	160,700	154,417	146,625	148,086	133,112	1,566,767
2022	118,494	117,856	118,416	114,068	120,242	146,509	161,166	163,566	168,817	152,116	141,550	133,651	1,656,452
2023	127,230	129,930	128,832	118,753	130,579	156,060	170,817	154,061	166,182	150,753	138,329	142,997	1,714,523
2024	135,308	112,344	122,209	111,202	123,958	160,662	156,786	164,649	166,652	153,093	130,626	135,570	1,673,059
2025	142,445	109,114	127,791	162,391	144,274	153,437	161,151	165,041	167,217	151,987	136,835	137,406	1,759,089



Sept 2025 - Town Manager Staff Report

Finance

- Completed a first draft budget for the General Fund with assistance from Town Staff
- Transferred ~\$2.9M into a 4% money market account at United Business Bank
- Attended BOCC preliminary budget meeting to inform ToK's 2026 process
- Discussed PTO calculations with auditors

Public Works

- Submitted July payment application for \$715K
- Toured Town to evaluate areas proposed for paving / patching in 2025
- Curbed water demand by ~30% following the imposition of interim watering restrictions

Airport

- Cleared out hangars & contacted 8 potential renters re: leases
- Approved MPH's application for a special event at the airport
- Discussed potential for bringing water to pilot lounge & county shop
- Discussed potential for FAA restrictions on development in runway approach areas

Planning & Zoning

- Met with E&W towing to discuss resolution re:USR limitations
- Investigated ownership of County Road 397
- Advanced Grand Cliffs re: SIA amendment proposals
- Met with manager of several local trailer parks to discuss zoning & code enforcement

Miscellaneous

- Met with former organizers of the Demo Derby to evaluate potential to restart the event
- Identified collaboration potential for 2026 events with Fair Board and Chamber
 - Addition of goat roping to Kremmling Days
 - Ice Golf on St. Patrick's day with the Chamber able to help with insurance
 - Golf tournament in early June
- Met with CSP re: highway safety
- Spoke with E&W Towing re: USR permit
- Met with GCLD re: plans for new building
- Met with MPH to tour hospital and discuss development plans for land east of Town and housing problems impacting hiring capabilities
- Attended Mayor / Manager / Commissioners meeting in Winter Park
- Attended CML networking event in Hayden
- Spoke with Craig's mayor re: restaurant franchise experience
- Spoke with RPR & CSA re: winter parking at Rabbit Ears
- Set up regular calls with Confluence Connection to help fill the gap left by lack of a local newspaper
- Met with HSS Mayor to discuss potential collaboration on Mtn Rail, public works and Planning

Action Register

- (4/16) Ensure zoning map is updated, then adopt by ordinance
Planner has sent the changes to the GIS mapper. Awaiting updated maps.
- (5/7) Gabby / fair (1st week of August)
Have been notified that the Board would like the 2026 donation request in advance, and working on scheduling a presentation during budget development.
- (5/21) Gabby to pursue 2nd grant cycle for GOCO
Has been working on the concept paper and drafting a Parks & Recreation Master Plan.
- (5/21) Muddy Creek cabins (holding pattern)
Staff is conducting research on this.
- (6/4) Move the abatement process for unsafe property forward.
Engagement with counsel regarding abatement & probate process underway.
- (6/4) DOLA Prop 123 - pursue additional \$50K
DOLA has accepted the Resolution regarding the fast-track requirements and sent instructions on how to apply for the \$50K. Staff is in the process of building a plan and a budget for consideration.
- (6/18) Engine Brake Ordinance and Signage
Ordinance adopted. Signage is underway.
- (6/18) West Grand Recreation Foundation - they need to change their address or get an agreement in place to use the Red Mtn. Sports Complex address
Staff met with the Rec Foundation and notified them. They would like to keep using the address, and staff is working on an agreement for consideration.
- (6/18) Report back how RV enforcement is going
Enforcement underway.
- (8/3 - Budget WS) Ask UBB for higher rates on current accounts
- (8/3 - Budget WS) Hold Working Session on water rates
- (8/3 - Budget WS) Hold Working Session on mosquitoes
- (8/3 - Budget WS) Hold Working Session on Town Hall relocation
- (8/3 - Budget WS) Factor painting old Fire Hall into Capital budget
- (8/3 - Budget WS) Factor demolition of Eagle Building into Capital budget
- (8/3 - Budget WS) Factor demolition of Eagle Building into Capital budget
- (8/3 - Budget WS) Factor commercial water meters into Capital budget
- (8/3 - Budget WS) Factor street repairs into Capital budget



Kremmling Board of Trustees Regular Meeting

Agenda Item Cover Letter

Agenda Item:

Discussion & Action Item. Ordinance No. 729 An Ordinance Approving an Airport Hangar Ground Lease at Kremmling Airport - McElroy Airfield.

Department:

Town Manager Jen MacPherson and Town Clerk & Treasurer Teagan Serres

Executive Summary:

Grand County and Kremmling Airport, McElroy Airfield, would like to enter into an agreement for the sale of Hangar 18 to Grand Aviation LLC, along with a twenty-five-year lease of Hangar 18.

Summary:

Since the Town is a part-owner of McElroy Airfield, the Board of Trustees must approve the ground lease of the new hangar. The lease term is twenty-five years, and according to Colorado Revised Statutes 31-15-713(1)(c), any lease of municipally owned property longer than one year requires approval by ordinance. Grand County and the Airport Advisory Committee have dedicated substantial time to negotiating the lease terms before submitting it to the Town. The lease was then reviewed by the Town's Attorney, who found the terms acceptable for the Town.

Financial Impacts:

N/A, annual rent for this hangar will be paid to the County.

Staff Recommendation:

1. Motion to approve Ordinance No. 729, An Ordinance Approving an Airport Hangar Ground Lease at Kremmling Airport - McElroy Airfield.
2. Motion to table Ordinance No. 729 An Ordinance Approving an Airport Hangar Ground Lease at Kremmling Airport - McElroy Airfield until the _____ meeting.
3. Deny approval.

Attachments:

Draft Ordinance No. 729 An Ordinance Approving an Airport Hangar Ground Lease at Kremmling Airport - McElroy Airfield.

Airport Hangar Ground Lease for Grand Aviation LLC

**TOWN OF KREMMLING
ORDINANCE NO. 729**

**AN ORDINANCE APPROVING AN AIRPORT HANGAR GROUND LEASE AT
KREMMLING AIRPORT – MCELROY AIRFIELD**

WHEREAS, the Board of Trustees has the power pursuant to Section 31-15-713(1)(c), C.R.S. to lease real estate owned by the municipality when deemed by the Board of Trustees to be in the best interests of the Town; and

WHEREAS, there has been proposed a multi-year Airport Hangar Ground Lease Agreement (the “Lease Agreement”) between the Town of Kremmling, Grand County and Grand Aviation, LLC; and

WHEREAS, the Board of Trustees has determined that the proposed Lease Agreement is in the best interests of the Town.

NOW THEREFORE, BE IT ORDAINED BY THE BOARD OF TRUSTEES OF THE TOWN OF KREMMLING, COLORADO:

Section 1. The proposed Airport Hangar Ground Lease Agreement (the “Lease Agreement”) between the Town of Kremmling, Grand County and Grand Aviation, LLC for the lease of the Town-owned property described in Exhibit A to the Lease Agreement is hereby approved in essentially the same form as the copy of such Lease Agreement accompanying this Ordinance.

Section 2. The Mayor is hereby authorized to execute the Lease Agreement, except that the Mayor is hereby further granted the authority to negotiate and approve such revisions to said Lease Agreement as the Mayor determines are necessary or desirable for the protection of the Town, so long as the essential terms and conditions of the Lease Agreement are not altered.

Section 3. The Mayor and Town Staff are further authorized to do all things necessary on behalf of the Town to perform the obligations of the Town under the Lease Agreement and to execute and deliver any and all documents necessary to effect the lease under the terms and conditions of the Lease Agreement.

INTRODUCED, READ, ADOPTED, APPROVED, AND ORDERED PUBLISHED BY TITLE ONLY this 17th day of September, 2025.

TOWN OF KREMMLING, COLORADO

Wes Howell, Mayor

ATTEST:

Teagan Serres, Town Clerk

AIRPORT HANGAR GROUND LEASE
KREMMLING AIRPORT--MCELROY AIRFIELD
(Aircraft Hangar to be constructed by Lessee)

THIS LEASE, is dated the ____ day of _____, 2025, by and between the Board of County Commissioners of the County of Grand, State of Colorado, the Town of Kremmling, (hereinafter collectively referred to as the "County" or "Lessor"), and Grand Aviation LLC, (hereinafter referred to as "Lessee"), all of whom are collectively referred to herein as the "Parties."

WITNESSETH

WHEREAS, Lessor is the owner and operator of the airport facility known as Kremmling Airport - McElroy Airfield (hereinafter referred to as the "Airport"); and,

WHEREAS, Lessee wants to lease a tract of ground at said Airport for the purpose of constructing and occupying a new and unused aircraft hangar.

NOW THEREFORE, in consideration of the mutual covenants and conditions set forth herein, the Parties agree as follows:

1. LEASE OF LAND PARCEL. Lessor hereby leases to Lessee a parcel of land (hereinafter the "Leased Land") described in "Exhibit A", a copy of which is attached hereto and incorporated by reference as if set forth in full herein, and which is commonly known as Hangar Space Unit 18 (hereinafter referred to as the "Hangar") consisting of 3,000 square feet. Lessee shall have the right of ingress and egress over the Airport to and from the Hangar, at all reasonable times by routes of travel designated from time to time by Lessor and subject to the reasonable policies and procedures of Lessor. Such access shall also be subject to the applicable Federal and state rule, law, and regulation; this includes, but is not limited to, Federal Aviation Administration ("FAA") rules and regulations.

2. TERM.

A. Initial Term. The "Initial Term" of this Lease is twenty-five (25) years, commencing on 09/02/2025 and ending on 09/01/2050

B. Lessee's First Option to Extend. Lessee shall have an exclusive option to extend the term of this Lease for an additional twenty-five (25) years (the "First Extension Term") provided the Lessee has complied with the terms herein on the date Lessee exercises its option.

Lessee shall provide written notice that it is exercising its option to Lessor, in the manner set forth below, no earlier than one (1) year and no later than six (6) months prior to the expiration of the Initial Term.

C. Lessee's Additional Options to Extend. Lessor may offer Lessee the option to extend this Lease for additional terms (the "Additional Extension Terms") subject to such conditions as the Parties may negotiate prior to the expiration of each such term.

D. Reversion to Lessors Upon Expiration of Lease Term. Upon expiration of the Lease Term (including any extensions thereof), ownership of the Hangar constructed by Lessee shall revert to Lessor, or, at the option of Lessor, be removed by Lessee at Lessee's expense within 6 months.

3. RENTAL RATE AND OTHER FEES.

A. Amount of Rent.

i. *First Year's Rent.* Lessee shall pay Lessor rent of \$266.18 based on the annual rental rate of \$0.3549 per square foot, on or before the Effective Date, which covers the Rent due for the partial year beginning on the Effective Date and ending on December 31, 2025.

ii. *Rent After the First Year.* Beginning with the second year on January 1, the amount of such rent due by Lessee shall be adjusted annually. Annual rent increases shall be based on the consumer price index for all urban consumers (or its closest successor index in the County's judgment) ("CPI-U").

B. Overdue Rent & Late Fees. Any rent overdue for more than thirty (30) days will incur a late fee of ten percent (10%) of the current annual rent. If overdue rent and late fees remain unpaid for more than 30 days after written notice is provided to Lessee of its failure to timely pay rent, Lessor may terminate this Lease. In the event the Lessor is required to initiate any collection procedures or incur other costs to collect any unpaid rent from Lessee, the Lessee shall pay all of the County's expenses in connection therewith, including reasonable attorney's fees and costs.

C. Utilities.

i. *Lessor Owned Meter.* If electric service is provided through a meter or meters owned by Lessor, Lessee shall be billed on or before January 31 of each year for the prior year's pro-rata share of the cost for electric service. Notice of Lessee's pro-rata share of electric service shall be made as set forth below. Unless stated otherwise therein, Lessee's share for the prior year shall be due to Lessor on or before the last day of February of the subsequent year.

ii. *Non-Lessor Owned Meter.* If electric service is not provided through a meter owned by Lessor, Lessee will be responsible for all costs to extend utility lines to the Hangar including all costs associated with connection fees, tap fees, meter fees, and any other fees that may be charged by the utility companies associated with the Lessee's Hangar.

D. Proration of Final Year. Utilities shall be prorated for the final year of the Lease Term if such be less than a calendar year. This provision shall apply regardless of whether due to natural expiration of the Lease Term, or termination of this Lease Agreement by one or more of the Parties.

4. IMPROVEMENTS AND USE.

A. Lessee shall build a Hangar upon the Leased Land in accordance with the "Hangar Plans" submitted to and approved by the Grand County Building Department, subject to the conditions set forth below. The Hangar Plans shall contain applicable details pertaining to site drainage, auto parking,

sidewalks, landscaping, specific site layout, construction details, fire protection systems, utility improvement plans, building design, architectural profiles showing shape and colors, and any other specific items as may be reasonably required by Lessor pursuant to the applicable building code(s). The improvements shall be constructed in a good and workmanlike manner and in accordance with applicable resolutions, rules, and regulations of the Airport, including Grand County Airport Hangar Construction & Safety Guidelines attached hereto and incorporated herein as Exhibit C. Lessee shall obtain all required permits and approvals including, but not limited to, applicable FAA clearances and approvals and a building permit issued by the Grand County Building Department within ninety (90) days of the date of this Lease, unless delayed by events outside of Lessee's control; otherwise this Lease shall be void and have no further force and effect. Lessee shall diligently take all steps necessary to ensure that the Hangar is completed, including with appropriate doors, and ready for occupancy within one (1) year. If an unqualified letter of occupancy is not provided to Lessor on or before the first anniversary of the commencement date of this Lease, Lessor may, at its option, terminate this Lease. Lessee has provided Lessor with a site plan indicating the specific layout and dimensions of the Hangar, and such plan is attached hereto and incorporated herein as Exhibit B. Lessee shall also submit to Lessor a complete set of as-built drawings for the Hangar within sixty (60) days of receiving a Letter of Occupancy. Finally, Lessee shall, not later than sixty (60) days after completion of construction of any structure, file a complete itemization of the cost thereof with the Grand County Assessor.

i. *Paved Apron.* As part of the Hangar construction, Lessee shall construct a paved apron in front of the Hangar. This apron area must be designed for a minimum weight bearing capacity of 12,500 pounds for single wheel gear (SWG) areas for single wheel aircraft or 68,000 pounds for dual wheel gear (DWG) areas for dual wheel aircraft. The aircraft apron area must be built to the full width of the Leased Land parcel, less the area required for the Hangar. This pavement area must be built so as to connect onto any adjacent ramp or auto parking area in order that a continuous and safe pavement section results. Construction of the paved apron must be completed within thirty (30) days from the issuance of the Letter of Occupancy by Grand County.

B. Lessor's Right of Access to Apron. Lessor reserves to users of the Airport the right to operate on Lessee's Hangar apron area at reasonable times for passage of aircraft on adjacent ramps or taxiways moving through this area of the Airport. Lessor reserves the right at any time it is deemed in the best interest of the Airport to allow others, including Lessor, to connect onto the apron built by Lessee with additional taxiways or ramp areas.

C. Authorized Uses of Hangar. The Hangar thereon shall be occupied by Lessee only as a facility for the storage of aircraft owned or leased by Lessee, maintenance of such aircraft, the construction of aircraft for personal use, and for any purpose reasonably related to such uses. Lessee may use the Hangar to park personal motor vehicles when aircraft is in use. Absent written consent of Lessor, Lessee shall have no right to utilize the Hangar other than as specifically allowed under this Section. In particular, the Hangar shall not be used for living quarters, aviation fixed base operations or any commercial aviation operation. If Lessee operates any commercial aviation activity within the Hangar without first obtaining written approval from Lessor, Lessor may immediately terminate this Lease Agreement.

D. Hazardous Materials. The storage and accumulation of flammable, explosive liquids or solids, waste, debris or other hazardous materials is not permitted within the Hangar or adjacent to the Hangar with the exception of those items needed for aircraft operation and maintenance. Lessee shall

maintain the Hangar in accordance with all applicable laws, orders, rules, ordinances and regulations of any agency having jurisdiction over environmental risks, materials handling, and wastes. The Lessee shall be responsible for all costs associated with mitigating any contamination of the soil or improvements thereon caused by the Lessee.

E. Alterations. Lessee will not alter, paint the exterior, or improve the completed Hangar except to the extent required to maintain its original state. Any alteration, painting of the exterior, or improvements must receive prior written approval from the Lessor.

F. Parking. Lessee shall not park or leave aircraft or vehicles on the taxiways or on pavement adjacent to the Hangar in a manner that unduly interferes with or obstructs aircraft or vehicle access to adjacent areas of the Airport. Parking of vehicles is permitted only in designated parking areas.

G. Aircraft Storage. No outside aircraft storage is allowed except in tie-down areas designated by Lessor.

H. Signs. No signs or advertising may be erected on the Hangar without the prior written consent of Lessor, other than any sign required to comply with rule, law, or regulation or the terms of this Lease Agreement.

5. MAINTENANCE OBLIGATIONS.

A. Repairs. Lessee, at its sole expense, shall keep the Hangar in good repair and maintenance, and in a safe, sanitary, orderly, and sightly condition. This includes, but is not limited to: exterior painting of structures in a color approved by Lessor; electrical; plumbing; roof and structural repair; and window replacements.

B. Snow Removal. Lessee is responsible for snow removal from the apron area for fifteen (15) feet in front of the Hangar along the entire width of the Hangar. Lessor may perform snow removal as a courtesy, but is not obligated to do so at any time. **Lessee agrees to indemnify and hold harmless Lessor for any damage to persons or property caused by such courtesy snow removal.** Lessor may cease to provide snow removal to Lessee or snow removal may not be provided on a particular occasion, at the Lessor's sole discretion. Lessor shall have the right to designate a snow storage area that is applicable to this Lease and Lessee shall comply with the designation. The Lessee acknowledges that unless Lessee demands in writing that the Lessor cease any such snow removal, the Lessor shall have no liability whatsoever for any damage to the Hangar caused by such snow removal.

6. TITLE TO HANGAR, REMOVAL OF EQUIPMENT. The Hangar constructed by Lessee shall be permanently and inseparably attached to the real property and title to same shall be vested in the Lessee during the Lease Term. However, upon termination of this Lease, title to all such improvements shall immediately vest in the Lessor unless Lessor chooses to require Lessee to remove any or all improvements and buildings at Lessee's expense. Notwithstanding this provision, Lessee may remove from the Hangar the following: aircraft; aircraft parts; and tools and equipment used in conjunction with the storage and maintenance of Lessee's aircraft, including, but not limited to, such items as compressors, cranes, and lift(s), so long as Lessee repairs any damage to the Hangar occasioned by such removal, and does not cause any structural damage or remove items permanently attached to the Hangar. The Lessor, in its sole discretion, shall determine whether Lessee shall remove the Hangar and return the ground to its original state, or whether the Lessor shall accept the Hangar at the termination of the Lease. If the Lessor decides not to accept the Hangar, notice shall be given to the Lessee within ten

(10) days after termination. Lessee shall have six (6) months thereafter to remove the Hangar and restore the Leased Land parcel. If Lessee fails to remove the Hangar within six (6) months of Lessor's request, then Lessor may pay for the removal of the Hangar and shall be reimbursed by Lessee for all costs of removal.

7. **RIGHT OF INSPECTION.** Lessor reserves the right to enter the Hangar during reasonable times and after prior notice of at least 24 hours, (unless in an emergency) for the purpose of inspecting and protecting such premises as is necessary and proper for the regular operation of the Airport, and in the exercise of said Airport's police power. This provision does not authorize entry, or the use of evidence found upon entry, by Lessors for civil or criminal legal purpose where a warrant would otherwise be required by Colorado or Federal law.

8. **TAXES AND LICENSES.** Lessee shall promptly pay all taxes and other legally required fees applicable to the Hangar, Lessee's personal property or to Lessee's operations thereupon.

9. **LIENS.**

A. **Prompt Payment.** Lessee shall promptly pay all amounts due under this Lease, and any debts or obligations incurred by it in connection with approved uses of the Hangar, and not to permit the same to become delinquent, or to suffer any lien, mortgage, judgment or execution to be filed against said property or improvements thereon which will in any way impair the rights of Lessor under this Lease. Lessee will not permit any mechanic's or materialman's lien to be foreclosed upon the Hangar, or any part or parcel thereof, by reason of any work or labor performed or materials furnished by a mechanic or materialman, unless otherwise required by law.

B. **Posting Notice.** Lessee shall post on the Hangar a Notice of County's non-liability that complies with Colorado Revised Statutes and common law for the purpose of preventing mechanics' or materialmen's liens from attaching to the County's interest in the Leased Land parcel, which Notice shall be first approved by County. Such Notice shall be conspicuously posted prior to the commencement of any improvement, delivery, construction, building, alteration, addition, removal and/or repair and Lessee shall ensure the Notice remains posted through and until completion of such work. If Lessee fails to post and maintain such Notice, Lessor shall have the right to enter the Hangar and post and maintain such notice at Lessee's expense.

Lessee shall provide to Lessor evidence of Lessee's ability to pay the entire cost of such work in such form and assurances as may be required by Lessor in the exercise of Lessor's reasonable discretion. Such evidence shall be provided prior to the performance of any work or delivery by any contractor or vendor.

10. **INDEMNIFICATION AND HOLD HARMLESS.** Lessee shall indemnify, hold harmless and, not excluding Lessor's right to participate, defend Lessor and its officers, officials, agents, and employees from and against any and all liabilities, claims, actions, damages, losses, or expenses; including without limitation reasonable attorneys' fees and costs (hereinafter referred to as "Claims"), for bodily injury or personal injury including death, or loss or damage to tangible or intangible property caused, or alleged to be caused, in whole or in part, by the negligent or willful

acts or omissions of Lessee or any of its officers, directors, agents, employees, contractors, or others arising out of or related to Lessee's occupancy and use of the Hangar. It is the specific intention of the Parties that Lessor shall, in all instances, except for claims arising solely from the negligent or willful acts or omissions of Lessor, be indemnified by Lessee from and against any and all claims. It is agreed that Lessee will be responsible for primary loss investigation, defense, and judgment costs where this indemnification is applicable.

11. INSURANCE REQUIREMENTS.

Unless specifically waived herein, during the term of this Lease, and any extension(s) hereof, Lessee agrees that it will keep in force an insurance policy or policies, issued by a company authorized to do business in Colorado, in the kinds and minimum amounts, and in compliance and consistent with the other conditions specified below.

A. General Liability Insurance. General liability insurance, including bodily injury and property damage, must be maintained on the Hangar at all times, with minimum coverage of:

- i. **Occurrence Basis Policy:** combined single limit of at least \$1,000,000;
- ii. **Annual Aggregate Limit Policy:** Not less than \$1,000,000 plus agreement that the Lessee shall purchase additional insurance to replenish the limit to \$1,000,000 if claims reduce the annual aggregate below \$1,000,000; and
- iii. Contractor shall maintain such insurance limit as is necessary to meet the Contractor's liabilities to Lessor under the Colorado Governmental Immunity Act, 24-10-101, et seq., C.R.S. as amended. Proof of such insurance shall be provided to the Lessor.

B. Aircraft Insurance. For any aircraft stored at the Hangar, Aircraft Liability Insurance, Bodily Injury and Property Damage Coverage, with a minimum limit of \$1,000,000 single limit each occurrence.

C. Lessor Approval of Insurance. Lessee shall submit proposed insurance policies to Lessors for approval. Lessors may approve such policies at their reasonable discretion, but shall approve such policies provided that:

- i. The insurer has an AM rating in the "excellent" category.
- ii. Lessor is named as an additional insured on all liability policies secured by Lessee.
- iii. The insurance shall include provisions preventing cancellation without thirty (30) calendar days prior written notice to the Lessor sent by United States Postal Service First Class Certified Mail, Return Receipt Requested.

D. Other Insurance Conditions.

- i. In the event of cancellation of any such coverage, the Lessee shall immediately notify Lessor of such cancellation.

- ii. On or before the Effective Date, Lessee shall provide additional insured endorsements and certificates of the required insurance coverage to Lessors; and shall provide updated certificates and endorsements to Lessor upon each renewal of each policy, or upon purchasing a new policy.
- iii. The Lessee shall maintain such other insurance as may be required by law.
- iv. Lessee shall not violate the terms or prohibitions of any insurance policy.
- v. The insurance requirements herein are minimum requirements for this Lease and do not limit the indemnity provisions contained in this Lease. Lessee is encouraged to purchase such additional insurance as Lessee deems prudent.
- vi. All policies shall be primary coverage for all claims and losses arising from the use, occupancy, and operation of the Hangar and the Airport. Any other insurance available to Lessor shall be excess and shall not contribute with insurance secured by Lessee.

E. Modifications to Coverage Requirements. The Parties agree that this is a long-term lease and that statutory requirements, insurance, and commercially reasonable practices will change over the term(s) of the agreement. Lessee hereby agrees that Lessor may change the minimum coverages required when: (1) statutory minimum insurance coverage requirements change; (2) changes to the Colorado Governmental Immunity Act require altering coverages and amounts of coverage; (3) when the industry standard minimum general liability coverage types or amounts change or when insurance practices change (e.g. to increase the "standard" fire-legal coverage amount provided in standard policies or to expand or restrict events covered in a type of policy).

12. DAMAGE OR DESTRUCTION.

A. Lessee's Options. If any portion of Hangar is damaged or destroyed, Lessee may, at Lessee's option:

- i. ***Repair Hangar.*** Elect to continue this Lease in full force and effect and undertake all necessary repairs and restoration of the damaged or destroyed property provided that Lessee restores any improvements upon the Hangar to its original condition and provided that such work is started within six (6) months of such calamity and completed within one (1) year of the time the restoration is commenced, unless Lessor agrees to a longer period in writing.
- ii. ***Terminate Lease.*** Provide written notice to County of intent to terminate this Lease consistent with the requirements, obligations, and other provisions of this Lease. If Lessee chooses this option, any and all insurance proceeds on the Hangar (excluding contents) shall belong to Lessor.

B. Lessee's Obligations.

- i. Lessee shall, within seven (7) days of discovering or otherwise gaining knowledge of any major property damage or destruction to the Hangar, provide Lessor written notice of such damage or destruction with as much particularity as reasonably practicable.

ii. Lessee shall, within thirty (30) days of serving the notice of discovery of damage or destruction required by this Section, provide written notice of Lessee's election to either terminate this Lease consistent with the terms and conditions of this Lease or undertake repairs and restoration consistent with the terms and conditions of this Lease, unless Lessors agree to a longer period in writing.

13. SURRENDER AND HOLDING OVER. Upon expiration of the Lease Term (and any extensions thereto), Lessee shall quit and surrender the Hangar in good state and condition, reasonable wear and tear excepted. Lessee further covenants and agrees that, except as provided in Section 6, all fixtures, improvements, equipment and other property brought, installed, erected, attached permanently or placed by Lessee in or on the Hangar shall remain on the Hangar as the property of the Lessor. The Lessor shall have the right on termination to enter upon and take possession of the Hangar thereon, with or without process of law, without liability for trespass. Should Lessee hold over with the written approval of the Lessor, such holding over shall be deemed merely a tenancy for successive monthly terms upon the same terms and conditions as provided in this Lease.

14. INCONVENIENCE DURING CONSTRUCTION. Lessee acknowledges that from time to time during the term of this Lease it will be necessary for Lessor to initiate and carry forward programs of construction, reconstruction, expansion, relocation, maintenance, and repair in order that the Airport and its facilities may be suitable for the volume and character of air traffic and flight activity which will require accommodation, and that such construction, reconstruction, expansion, relocation, maintenance, and repair may inconvenience or interrupt operations at the Airport. Lessee agrees that no liability shall attach to Lessor, its officers, agents, employees, contractors, subcontractors, and representatives by reason of such inconvenience or interruption, and for and in further consideration of the premises, Lessee waives any right to claim damages or other consideration therefore; provided, however, that this waiver shall not extend to, or be construed to be a waiver of, any claim for physical damage to property resulting from negligence or willful misconduct of Lessor or its agents.

15. PLACE AND MANNER OF PAYMENTS. In all cases where Lessee is required by this Lease to make payment to Lessor, such payments shall be made to Grand County either by hand to the Grand County Manager, or in the same manner as for delivering Notice to Lessor set forth below unless such other place has been designated by Lessor by notice in writing to Lessee. All payments shall be made by bank check or electronic transfer if agreed to in writing by Lessor. Lessee agrees to pay any bank charges made for the collection of any check or electronic transfer drawn on a closed or insufficiently funded account.

16. ASSIGNMENTS AND SUBLetting.

A. Assignment. This Lease may not be assigned or subleased in whole or in part. A sample Bill of Sale for Airplane Hangar, is attached hereto as "Exhibit C."

B. Long-Term Sub-Lease. Subject to written approval of the Lessor, Lessee may sublet the Hangar to a sub-lessee acceptable to Lessor, at its sole discretion. Provided, however, such sublease shall not release the Lessee from the provisions of this Lease. Any sublease must be for a term of more than six months. Lessee must pay a lease review fee of twenty-five dollars (\$25.00) to Lessor to review and consider approval of any proposed sub-lease.

C. Short-Term Sub-Lease. Sub-leases for periods of less than six months are allowed only when the Lessee has entered into an annual commercial amendment agreement with Lessor. Lessee may only opt into a commercial amendment in January of each year.

D. Other Conditions.

- i. Lessor shall not unreasonably withhold approval of a qualified Assignee.
- ii. Lessee may not convey any interest in the improvements independently from an assignment of the Lease or subletting of the Hangar.
- iii. After execution of a sub-lease or assignment, Lessee shall deliver a signed copy to Lessor for Lessor's approval.

17. AGREEMENTS WITH THE UNITED STATES OF AMERICA AND THE STATE OF COLORADO. This Lease is subject and subordinate to the terms, reservations, restrictions, provisions, and conditions of any existing or future agreements between Lessor, the United States of America, and the State of Colorado, related to the operation of the Airport.

18. DISPUTES, DEFAULT AND REMEDIES.

A. Default. Default is defined as any one of the following events:

- i. Failure by the Lessee to pay any rent, utility costs, or other fees as set forth in Section 3 and elsewhere in this Lease agreement within thirty (30) days after the same becomes due pursuant to this Lease;
- ii. Failure by any Party to perform any of its obligations under this Lease that is not cured within thirty (30) days after written notice from the other Party or Parties specifying such failure and requesting that it be remedied, unless the injured Party or Parties agree in writing to an extension of such time prior to its expiration;
- iii. If the failure stated in the notice cannot reasonably be corrected within the thirty (30) day period through no fault of the defaulting party, the injured Party shall consent to a reasonable extension of such time.
- iv. The filing by Lessee of any petition under the Federal Bankruptcy Act or any amendment thereto, including a petition for reorganization or any of the following:
 - The commencement of any proceeding for dissolution or for the appointment of a receiver; or,
 - The making of an assignment for the benefit of creditors.
- v. Abandonment of the Hangar, or a material part thereof, by Lessee.

B. Lessor's Remedies. Whenever any event of default referred to in this Section of this Lease shall have happened and not be timely cured, Lessor's may, without any further demand or notice, take one or any combination of the following remedial steps. Except as otherwise provided herein, no right or

remedy conferred hereunder shall be considered exclusive of any other right or remedy and each and every right and remedy shall be cumulative and in addition to any other right and remedy given hereunder, or now or hereafter existing at law or in equity or by statute.

i. ***Termination.*** Lessor may terminate this Lease and demand that Lessee vacate and surrender possession of the Hangar within three (3) days of such notice. On such date all of the Lessee's and Lessor's rights and obligations under this Lease, except as expressly reserved, shall cease. Lessor's written notice shall operate as a notice to quit, and Lessor may proceed to recover possession, or effectuate removal, of the Hangar by any lawful means, including by re-entry and repossession. The obligation of the Lessee to pay, and the right of Lessor to recover, all rents, additional rents and other charges accrued up to the time of termination or recovery of possession by Lessor, whichever is later, together with the costs of collection, including attorney's fees and costs, shall survive termination of the Lease.

ii. ***Entry and Possession.*** Without further notice, except as required by law, Lessor may re-enter and take possession of the Hangar, or any part thereof, and repossess the same and expel the Lessee and those claiming through or under the Lessee and remove the effects of either or both without being deemed guilty of any manner of trespass, without being deemed to have elected to terminate this Lease, and without prejudice to any remedies for arrears of rent and fees due, preceding breaches of covenants, or loss of profits. Lessor may, from time to time, without terminating this Lease, re-let the Hangar or any part thereof on behalf of the Lessee, for such term or terms and at such rent or rents, and upon such other terms and conditions as Lessor may deem advisable in its sole discretion, and with the right to make alterations and repairs to the Hangar.

iii. ***Recovery.*** Lessor may recover from the Lessee:

- That portion of rents and additional rents which would otherwise have been payable herein along with any other fees owed pursuant to the terms of this Lease, as well as any unpaid utility fees Lessee may be responsible for, during any period in which the Lessee continues to occupy, use or possess the Hangar, and;
- Rents and additional rents which would otherwise have been payable by the Lessee herein during the remainder of the term of this Lease, and;
- The reasonable costs and expenses of exercising Lessor's rights herein, including reasonable attorneys' fees.

C. Lessee's Remedies. Lessee may recover from the Lessor the reasonable costs, and expenses of exercising Lessee's rights herein, including reasonable attorneys' fees.

D. Choice of Law. This Lease Agreement shall be interpreted under the laws of the State of Colorado.

E. Jurisdiction and Venue. The Parties each irrevocably agree to the jurisdiction of the Grand County, Colorado courts to resolve any disputes arising under this Lease Agreement.

19. TERMINATION BY MUTUAL CONSENT. The Parties may agree to the mutual termination of this Lease on any terms and subject to any conditions that they may agree to in writing.

A. If Lessee abandons the Leased Land Parcel, the County may at its option cancel and terminate this Lease, or may, without terminating the Lease, enter upon and take possession of the Leased Land parcel with or without process of law and without liability for trespass.

B. At the County's option, the County may terminate this Lease by giving written notice thereof upon Lessee's default in the timely payment of rent or any other fees due pursuant to Section 3, or any other provision, of this Lease.

20. NOTICE. Unless prior written consent to an alternative method (such as electronic mail) is provided by the affected Party or Parties, all notices required to be given to any Party shall be in writing and be personally delivered or sent by United States Postal Service First Class Mail as follows:

If To Lessors:

Board of County Commissioners
PO Box 264
Hot Sulphur Springs, CO 80451

If To Lessee:

Grand Aviation, LLC
PO Box 1619
Winter Park, CO 80482

Notice shall be deemed given on the date of emailing, mailing, or on the date of personal delivery. Any Party may designate in writing supplementary persons or addresses in connection with notices upon proper written notice to all other Parties.

21. COMPLIANCE WITH LAWS AND AIRPORT RULES AND REGULATIONS.

Lessee shall comply with the Airport Rules and Regulations, including the Security Manual, all applicable FAA regulations, and all amendments thereto, if and when adopted. In occupying the Hangar, including constructing improvements thereon, Lessee shall comply with all laws, orders, rules, ordinances and regulations applicable to the construction and occupancy of said Hangar.

22. FEDERAL AVIATION ADMINISTRATION ("FAA") REQUIRED LEASE PROVISIONS.

A. Lessor reserves the right to further develop or improve the landing area of the Airport as it sees fit, regardless of the desires or view of Lessee, and without interference or hindrance from Lessee.

B. Lessor reserves the right, but shall not be obligated to Lessee, to maintain and keep in repair the landing area of the Airport and all publicly owned facilities of the Airport, together with the right to direct and control all activities of Lessee in this regard.

C. This Lease agreement shall be subordinate to the provisions and requirements of any existing or future agreement between Lessor and the United States, relative to the development, operation, or maintenance of the Airport.

D. Lessee agrees to comply with the notification and review requirements covered in Part 77 of the Federal Aviation Regulations with respect to the Hangar.

E. It is understood and agreed that nothing contained in this Lease shall be construed to grant or authorize the granting of an exclusive right within the meaning of Section 308 of the Federal Aviation Act.

F. There is hereby reserved to Lessor, its successors and assigns, for the use and benefit of the public, a right of flight for the passage of aircraft in the airspace above the surface of the Hangar, together with the right to cause in said airspace such noise as may be inherent in the operation of aircraft, now known or hereafter used for navigation or flight in the air, using said airspace for landing at, taking off from, or operating on the Airport.

G. By accepting this Lease agreement, Lessee expressly agrees for itself, its successors and assigns that it will not erect nor permit the erection of any structure or object nor permit the growth of any tree on the Hangar property above that elevation established by Lessor and the FAA. In the event the aforesaid covenant is breached, Lessor reserves the right to enter upon the Hangar and to remove the offending structure or object, or cut the offending tree, all of which shall be at the expense of the Lessee.

H. Lessee will not make use of the Leased Land parcel in any manner which might interfere with the landing and taking off of aircraft from the Airport or otherwise constitute a hazard. In the event the aforesaid covenant is breached, Lessor reserves the right, without notice, to enter upon the Hangar and cause the abatement of such interference at the expense of the Lessee.

23. LESSEE'S DUTY TO NOTIFY OF NOISE ABATEMENT REQUIREMENTS.

Lessee shall notify all pilots (whether Lessee's agents or third-parties) operating Lessee's aircraft, and all sub-lessees operating in and out of the Airport of the Airport Noise Abatement Plan, if and when adopted, provide a copy of the same, and state that compliance with the same is mandatory.

24. RELOCATION BY LESSOR. In the event that future development of the Airport requires that any part of the Hangar be devoted to a different use, Lessor shall have the right, upon at least six (6) months advance written notice to Lessee, to relocate the Hangar, including the contents of and any appurtenances to the same (or replaced by contents or appurtenances of equal value), at Lessors' sole expense. Said relocated Hangar shall be of equal value, no less area, and as conveniently located as is reasonable, considering all demands for space at the Airport. Lessee may reject the move and instead elect to terminate this Lease Agreement by giving notice to Lessor within thirty (30) days of receiving notice of the move.

25. AVAILABILITY OF GOVERNMENTAL FACILITIES. In the event the existence, maintenance or operation of air navigation aids or other facilities supplied or operated by the United States of America or the State of Colorado at or in conjunction with the Airport are discontinued, Lessor shall have no obligation to furnish, provide, or operate such aids or facilities.

26. MISCELLANEOUS PROVISIONS.

A. The terms and obligations of this Lease shall be binding on the assigns, transferees, heirs, executors, successors, and trustees of the Parties hereto.

B. No failure to strictly enforce the terms of this Lease shall be deemed a waiver by any party. Only an express, written waiver executed by a Party is valid and enforceable. No waiver by a Party of any failure by any other Party to comply with any term or condition of this Lease shall be construed to be a waiver of any other failure by that Party to comply with the same or any other term or condition of this Lease.

C. In the event possession of the Hangar is assumed by the United States of America, or other authorized agency, under any emergency powers, the annual payments due under this Lease shall abate proportionately for the period of such possession. In such event, the Lessee shall not be responsible for any of the other provisions of this Lease until possession by the United States of America shall terminate. However, if Lessee is reimbursed by the United States of America or other authorized agency for its assumption of possession, then the rental provisions of this Lease shall remain in effect, but provided further, however, that if said reimbursement is less than the amount of rental herein provided, the Lessee shall be required to pay to Lessor only such amount of reimbursement as it shall receive from the United States of America or other authorized agency.

D. The Federal Aviation Administration and Lessor are hereby granted the right and privilege by Lessee to place on and around the above-described Hangar, without cost to the Lessee, whatever instruments and equipment they desire during the terms of this Lease, so long as said instruments or equipment do not unreasonably interfere with the intended use of the Hangar by the Lessee.

E. The Lessee for itself, its personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that: (i) no person on the grounds of race, color, national origin, gender, sexual orientation, or age shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the use of said facilities; (ii) that in the construction of any improvements, on or over, or under such land, and the furnishing of services thereon, no person on the grounds of race, color, national origin, gender, sexual orientation, or age shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination, and; (iii) that the Lessee shall use the Leased Land parcel in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally assisted programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended.

F. All amendments to this Lease must be made in writing and executed with the same formality as this original Lease; verbal agreements or amendments shall have no force or effect whatsoever unless ratified in writing by the Parties.

G. Lessor shall have no responsibility or liability to furnish any services to Lessee other than those specified in this Lease, but Lessee may negotiate with Lessor for any additional services it may request and shall be liable to pay any additional consideration negotiated by separate contract.

H. This Lease is subject to the laws, rules and regulations of the State of Colorado.

I. The Parties hereto understand and agree that the County is relying on, and does not waive or intend to waive any provision of this Lease, the monetary limitations or any other rights, immunities, and protections provided by the Colorado Governmental Immunity Act et seq., as from time to time amended, or otherwise available to the County, its subsidiary, associated and/or affiliated entities, successors, or assigns; or its elected officials, employees, agents, and volunteers.

27. ENTIRE AGREEMENT. This Lease constitutes the entire understanding between the Parties with respect to the subject matter hereof, and supersedes completely all negotiations, discussions and prior agreements, oral and written, between the Parties with respect to the subject matter hereof. This Lease may not be amended, modified, or changed, and no waiver of any provision hereof shall be effective, except by an instrument in writing and signed by the Lessor and the Lessee.

28. NO THIRD-PARTY BENEFICIARIES. This Lease is not intended to benefit, and does not benefit, any persons or entities other than the Parties.

29. ADVICE OF COUNSEL AND JOINT AUTHORSHIP. The Parties have been advised, and understand, they should each be represented by competent legal counsel, and have had an opportunity to consult with counsel prior to entering into and signing this Lease. This Lease is a product of the negotiation of the Parties and shall not be construed in favor of, or against, any Party hereto.

IN WITNESS WHEREOF, the Parties hereto have caused this instrument to be executed as of the day and year first written above.

LESSOR:

THE BOARD OF COUNTY COMMISSIONERS OF THE COUNTY OF GRAND, STATE OF COLORADO

By: _____

Chair of the Board of County Commissioners

THE TOWN OF KREMMLING, COLORADO

By: _____

Chair of the Town Council

LESSEE

By: PAUL BRADFORD SMITH, MEMBER

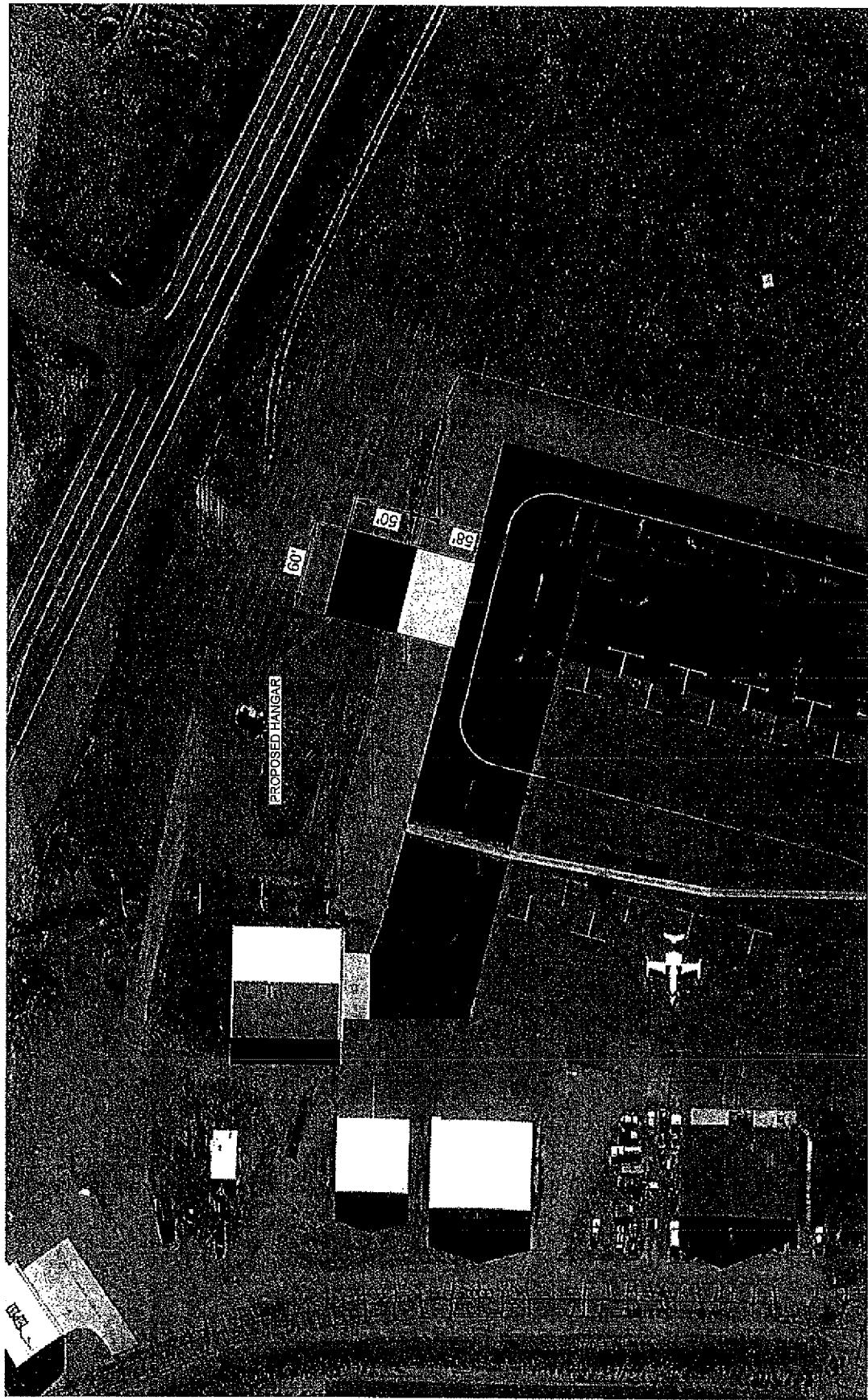
Exhibits:

- A Legal Description
- B Site Plan
- C Bill of Sale for Airplane Hangar

Kremmling Airport Ground Lease

Rev.: 03-19-25

Exhibit A



McELROY AIRFIELD
KREMMLING, COLORADO
HANGAR 60' x 50' LAYOUT EXHIBIT
ARMSTRONG
STRUCTURAL ENGINEERS
P.C.

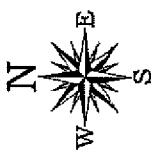


Exhibit B

EXISTING HANGAR

FOUNDRY
BLK 185
BLK 186
SEC 8
SEC 3
SEC 17
SAC 16

LIGHT POST
(TYP)

40°03'23".0997
106°22'09".7649

EXISTING
22' X 48'
HANGAR
CL = 7403.50'

155.74

40°03'22".9727
106°22'09".0118

OUTLINE OF PROPOSED
HANGAR 50X60' AS
STAKED IN FIELD

60.00'

50.00'

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N 137°24.37'E

PROPOSED
HANGAR
CL = 7403.50'

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"EXHIBIT C"

BILL OF SALE FOR AIRPLANE HANGAR

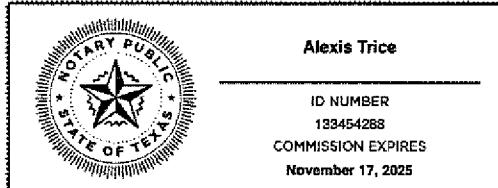
IN CONSIDERATION OF the sum of \$265,000 paid to me and hereby receipted for, I, Tim Crane (Seller) have on this 5th day of September, 2025, sold to Grand Aviation LLC (Buyer) whose address is PO Box 1619, Winter Park CO 80482, one (1) airplane Hangar known as Hangar No. , located at Kremmling Airport - McElroy Airfield, Kremmling, Colorado, and more particularly described on "Exhibit A" attached hereto and incorporated by reference as if set forth in full herein.

Seller: TIM CRANE Buyer: _____

State of Texas)
County of Harris)ss.

The foregoing instrument was acknowledged before me on this day of 09/04/2025 by Tim Crane.

My Commission expires: 11/17/2025 Alexis Trice
Notary Public



Electronically signed and notarized online using the Proof platform.

State of _____
County of _____

The foregoing instrument was acknowledged before me on this day of _____ by Paul Bradford Smith, as Member of Grand Aviation LLC, A Colorado Limited Liability Company.

Witness my hand and official seal

My Commission expires: _____ Notary Public

"EXHIBIT C"

BILL OF SALE FOR AIRPLANE HANGAR

IN CONSIDERATION OF the sum of \$265,000 paid to me and hereby received for, I, Tim Crane (Seller) have on this 5th day of September, 2025 , sold to Grand Aviation LLC (Buyer) whose address is PO Box 1619, Winter Park CO 80482 , one (1) airplane Hangar known as Hangar No. , located at Kremmling Airport - McElroy Airfield, Kremmling, Colorado, and more particularly described on "Exhibit A" attached hereto and incorporated by reference as if set forth in full herein.

PAUL BRADFORD SMITH, MEMBER

Seller: _____ Buyer: _____

The foregoing instrument was acknowledged before me on this day of by Tim Crane.

My Commission expires: _____ Notary Public _____

State of Virginia 1
- County of Henrico ss.

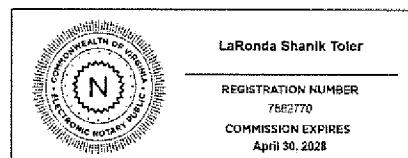
The foregoing instrument was acknowledged before me on this day of 09/05/2025 by Paul Bradford Smith, as Member of Grand Aviation LLC, A Colorado Limited Liability Company.

Witness my hand and official seal

My Commission expires 04/30/2028

John Sharkey
Peter Public

Notarized remotely online using communication technology via Proof.





Kremmling Board of Trustees Regular Meeting

Agenda Item Cover Letter

Agenda Item:

Discussion & Action Item. Chief of Police Salary Increase.

Department:

Town Manager, Jen MacPherson

Executive Summary:

At the August 20, 2025, regular Board meeting, the Board met in executive session to discuss the Chief of Police's salary.

Summary:

Following the executive session, direction was given to permit the Town Manager to raise the Chief of Police's salary beyond the approved range. Staff had initially planned to prepare an updated salaries and wages resolution for this meeting. However, with the upcoming adoption of the 2026 Budget, staff is requesting that the salary increase be approved by motion. The updated salaries resolution will be prepared for the November regular meeting, alongside other budget items.

Financial Impacts:

The Chief of Police's salary has been increased to \$125,000 following the meeting on August 20, 2025. This amount exceeds the approved salary ranges and budget by \$26,200. Finance staff will monitor the budget closely and believe that the increase can be accommodated without requiring cuts, thanks to underspending in other general fund departments and stronger-than-expected sales and property tax revenue.

Staff Recommendation:

1. Motion to increase the Chief of Police's salary to \$125,000 for the remainder of 2025.
2. Motion to table the Chief of Police's salary until the _____ meeting.
3. Deny approval.

Attachments:

N/A



Kremmling Board of Trustees Regular Meeting

Agenda Item Cover Letter

Agenda Item:

Discussion & Action Item. Police Officer Additional Paid Time Off Payout.

Department:

Town Manager, Jen MacPherson & Chief of Police, Jesse Lisenby

Executive Summary:

Officer Crocker and Chief Lisenby are requesting an exception to the paid time off cash-out policy.

Summary:

Officer Crocker submitted a request a few months ago to cash out 30 hours of his Paid Time Off (PTO). This request was sent to town hall during the payroll process, where it was approved, and the cash-out amount was paid to him. Subsequently, Chief Lisenby discovered that as of September 7, 2025, Officer Crocker still has 273 hours remaining in his PTO bank, which exceeds the 240-hour cap that he can carry over into 2026.

Officer Crocker has requested to be considered for an additional cash-out opportunity of up to 70 hours. This would allow him to reach the maximum allowable cash-out amount as authorized in the town handbook. It's important to note that the handbook only permits one cash-out event per year, totaling up to 100 hours.

Financial Impacts:

Chief Lisenby supports allowing Officer Crocker to cash out an additional 70 hours of his PTO. This decision would help Officer Crocker reduce his total hours below the 240-hour cap, preventing him from losing the earned time. Additionally, due to low staffing levels at KPD, accommodating several weeks of PTO would create an unreasonable burden for the organization between now and the end of the year.

If Officer Crocker were to take this excess time off—33 excess hours plus approximately 50 hours he will accrue by year-end—KPD would face about \$5,000 in overtime costs to cover his absence. In contrast, paying Officer Crocker for the requested 70 hours at his regular rate would only cost about \$2,900 and would avoid any disruption to the work schedule. Allowing this exception to policy would save KPD both time and money during a period when both are in short supply.



Kremmling Board of Trustees Regular Meeting

Agenda Item Cover Letter

Staff Recommendation:

1. Motion to allow Officer Crocker a second PTO cashout in the amount of 70 hours.
2. Motion to table the additional paid time off payout until the _____ meeting.
3. Deny approval.

Attachments:

N/A